

Cut this address card out  
for easy registration.



**STATEMENT OF REVENUE & EXPENSES**  
For the Year Ended December 31, 2021

Revenues:	
<b>Operating Capital &amp; Other Revenues</b>	<b>\$19,360,853</b>
Expenses and Other Deductions:	
Cost of Power	\$9,601,020
Operating and Maintenance Expenses	\$3,851,694
Customer Accounts Expense	\$ 640,673
Other Customer Expenses	\$ 168,322
Administrative and General	\$1,529,584
Depreciation	\$1,819,716
Taxes and Provision for Taxes	\$ 5,850
Interest on Long-Term Debt	\$ 981,805
Other Interest Expense	
Other Deductions	\$ 9,760
<b>Total Expenses &amp; Other Deductions</b>	<b>\$18,608,424</b>
<b>Net Margin</b>	<b>\$ 752,429</b>

**BALANCE SHEET 2021**

<b>Assets:</b>		<b>Liabilities and Capital:</b>	
Net Plant in Service	\$43,277,567	Capital Equities	\$27,186,994
Investments and Other Property	\$10,692,607	Total LT Liabilities and Obligations	\$30,076,702
Current Assets	\$ 7,115,190	Current and Noncurrent Liabilities	\$ 3,743,767
Deferred Debits	\$ 322,785	Deferred Credits	\$ 400,686
<b>Total Assets</b>	<b>\$61,408,149</b>	<b>Total Liabilities and Capital</b>	<b>\$61,408,149</b>

**2022 Annual Meeting Treasurer's Report**



It has been my privilege to serve you for the last 4 years as Sac Osage Electric Cooperative's Secretary-Treasurer. As a member of the Board, one of my primary duties is to represent you in the Cooperative's annual budget-making process.

The annual budget is affected by sales revenue more than any other single factor, with residential sales currently representing 86% of total revenue. Depending on the weather, residential sales can fluctuate significantly from year to year. Sales for 2021 were up 3.0% from 2020, and almost 2.5% greater than the 5-year average. The 2022 budget assumes that sales will approximate the previous 5-year average. Continued energy efficiency measures are expected to offset a potential increase in the number of consumers.

Purchased power is our largest single expense. Purchased power now represents about 52% of the total cost of electric service. In 2022, KAMO Power's billing is expected to be virtually the same with only an overall increase in power costs of \$8,375 compared to the 2021 budget.

The 2022 Construction Work Plan calls for total spending of \$2,999,625 for: new extensions and line conversions; replacement of bad poles, transformers, and regulators, and; AMR improvements and miscellaneous dis-

tribution upgrades and replacements. Our investment in new and improved infrastructure is 32% below the 2021 Construction Work Plan level.

The Board has approved \$1,500,000 for contract tree-trimming in 2022 to clear trees, branches, and foliage away from our power lines with an emphasis in the Bona, Arcola and Lockwood substations rights-of-way. \$75,000 has been budgeted for herbicide treatment of rights-of-way coming out of the Osceola, Collins & Iconium substations. This ongoing effort will greatly reduce tree-related outages and the amount of damage caused by storms.

Total margins being allocated to our 2021 members amount to \$1,651,527. These margins will eventually be returned to the membership based upon the amount of revenue each member contributed in 2021. During the year ending December 31, 2021, total refunds authorized to patrons amounted to \$1,259,000.

Sac Osage Electric's last rate increase, a change in the service availability charge, took place over 4 years ago, but due to stable power costs and continued expectations of adequate earnings, a rate increase was considered unnecessary in 2022.

Our independent auditor, Kevin Kelso CPA PC PA, has reported that the 2021 financial statements complied

with generally accepted accounting practices. The audit revealed no misstatements of information and all recorded transactions met RUS rules and regulations. I am pleased to report that the Cooperative concluded 2021 in an acceptable financial position.

Information regarding the balance sheet and statement of revenue and expenses may be found in this issue of the Rural Missouri. An official copy of the audit may be obtained by calling the office during normal business hours.

By bringing your registration ticket and coming in person on Tuesday, September 13, 2022 between 9:00 AM and 6:30 PM you can take home a door prize and receive a \$20 credit on your next electric bill! This can be done quickly and safely from the convenience of your vehicle, with the option of attending the business portion of the meeting at 6:30 PM if you so desire. We look forward to seeing you on the 13th!

Respectfully submitted,

Tim Minehardt, Secretary-Treasurer