



# MEMBER REPORT

2020



# OUR MISSION

## ENHANCING THE RURAL WAY OF LIFE THROUGH UNITED



2020 was a year most would like to forget. Challenges, heartache, and uncertainties were felt by people around the world. It is human nature to persist during challenging times, no matter the circumstance, and that was no exception for the employees of United. Our main focus was to keep our members, and employees safe to continue to serve our membership. No matter if our employees were quarantined at home, out in the field, or in the office, it was never a question not to take care of our members.

Cooperatives are close-knit families who lean on each other during times of need. Not having face-to-face interaction with our members or employees this past year was different, to say the least.

We look forward to brighter days ahead and some form of normalcy, whatever that may be. For now, let's all appreciate the things that we often take for granted. Our family, our faith, and rural America.

1,488,582 HOURS  
WITHOUT A LOST TIME ACCIDENT

7822  
MEMBERS

9898  
METERS

92  
EMPLOYEES

\$3,340,000  
RETURNED TO  
MEMBERS IN 2020



# UNITED ELECTRIC COOPERATIVE BOARD OF DIRECTORS



JOHN SCHENKEL  
DISTRICT 5  
NODAWAY



FRANK SCHIEBER  
DISTRICT 5  
NODAWAY



JERRY FINE  
DISTRICT 7  
PAGE, TAYLOR, RINGGOLD



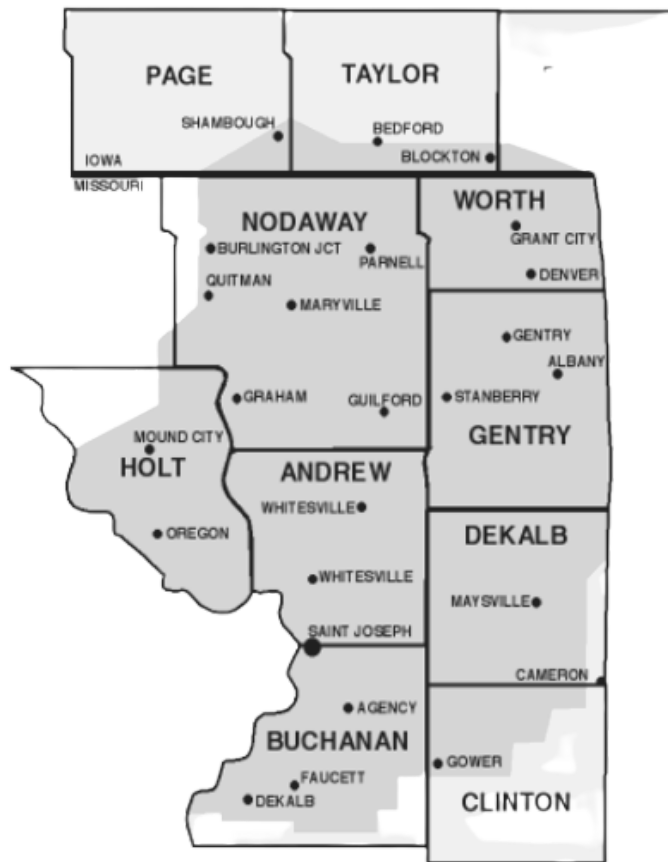
SCOTT LINVILLE  
DISTRICT 5  
NODAWAY



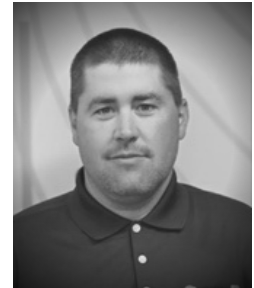
TRAVIS MILNE  
DISTRICT 3  
ANDREW, HOLT



ALLAN SCHNEIDER  
DISTRICT 3  
ANDREW, HOLT



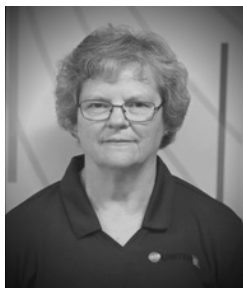
PHILLIP JENSEN  
DISTRICT 4  
GENTRY



JON RUNDE  
DISTRICT 4  
GENTRY



PAT HARDY  
DISTRICT 6  
WORTH



DEBORAH KNADLER  
DISTRICT 1  
BUCHANAN

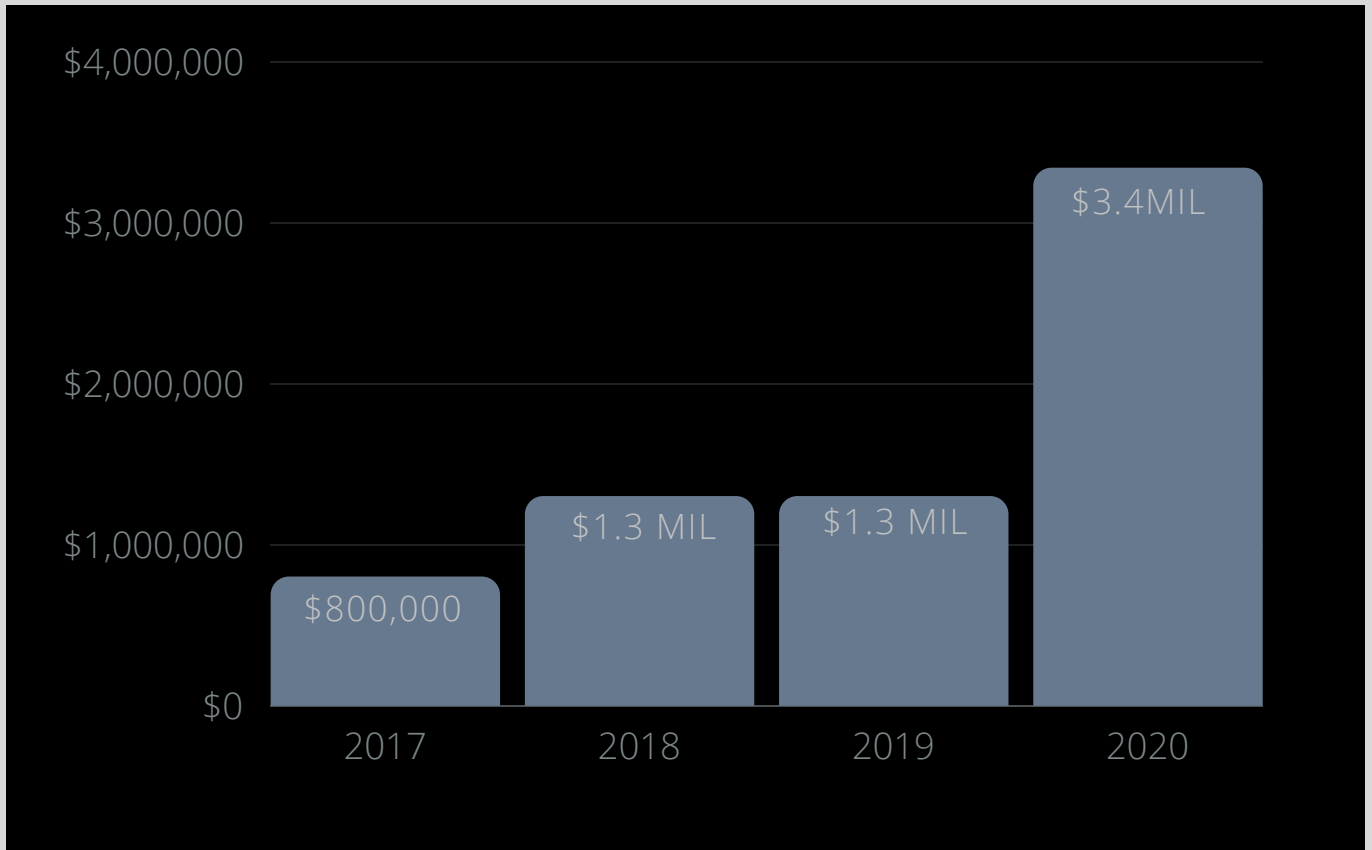


JOHN KILLGORE  
DISTRICT 2  
CLINTON, DEKALB

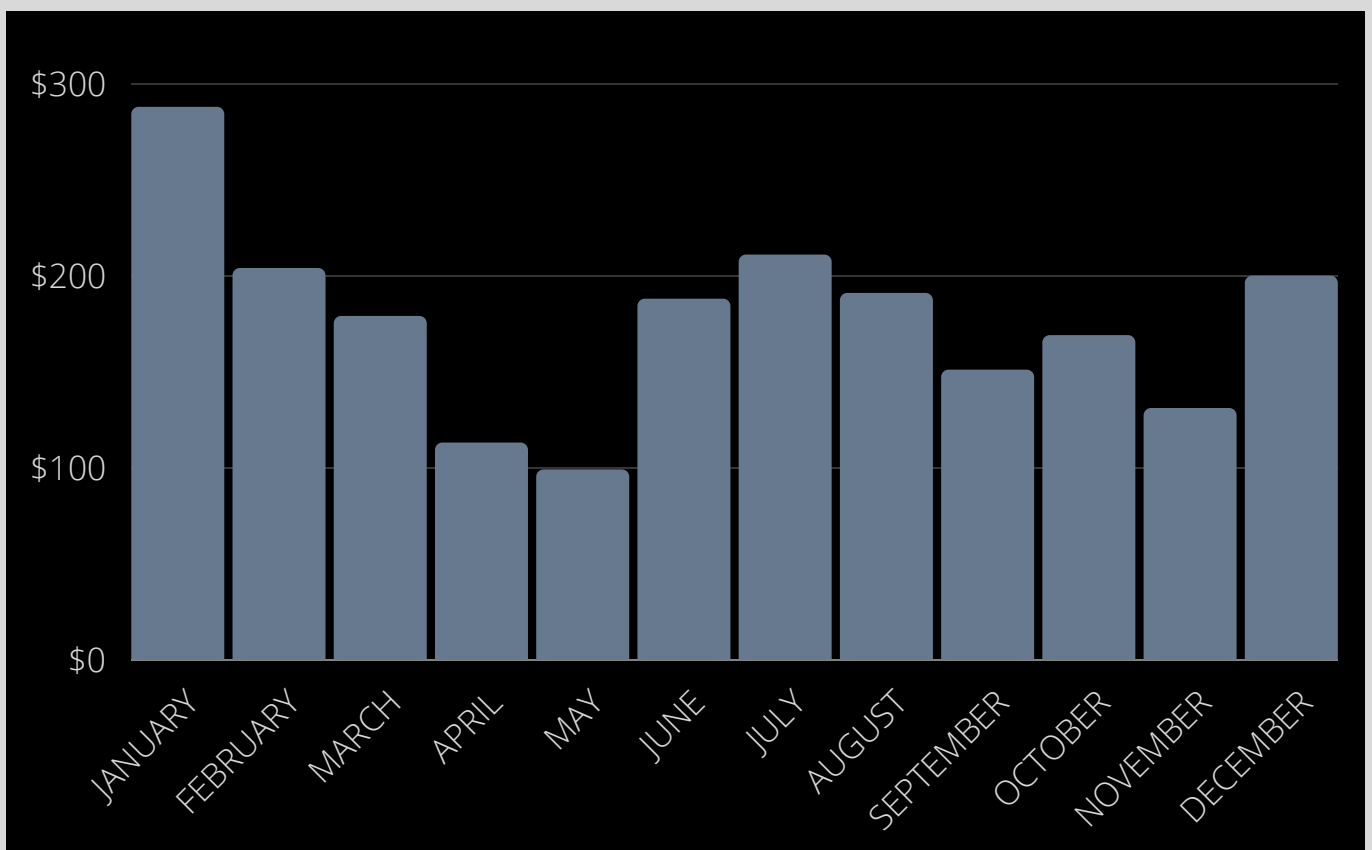


BRADLEY VEALE  
DISTRICT 2  
CLINTON, DEKALB

# MONEY RETURNED TO MEMBERS 2017-2020



# AVERAGE ELECTRICITY BILL FOR UNITED MEMBERS IN 2020



# DEPARTMENT SUMMARY

## BILLING AND FINANCE

In 2020, United was able to give almost four million dollars back to our membership due to the success of United Electric and United Services. In addition to this, we were able to increase our revenue deferral into 2021. Doing this ensures rate stability for the coming year.

United Electric was able to increase our equity percentage and record margins in 2020. The financial stability of your cooperative has never been better.

The 2020 audit with our third-party auditor was conducted in February and we were issued a clean opinion once again, with no material adjustments or disagreements. Just a reminder, we are now a taxable cooperative. Due to the tax change, this will push our allocation and retirement schedule back a few months. However, the latest we will allocate and retire will be September 15th of each year.

## ELECTRIC OPERATIONS

In 2020, United Electric began a project replacing 100 miles of 3 phase line in an effort to eliminate the amount of copper weld conductor on our system. This process will not only increase our reliability but also enhances our line capacity. During this reconstruction, we will be changing out nearly 2,200 poles. We intend to complete this project by the end of 2022.

United Electric was fortunate enough to lend a helping hand to multiple cooperatives in multiple southern states in 2020. Alabama and Louisiana were hit with three different hurricanes which, required assistance from many neighboring states. United Electric sent eight linemen for sixty-five days to fellow cooperatives.

## UNITED FIBER

In 2020, United Fiber netted over 6400 new customers and by the end of 2020 had over 16,500 total customers by the end of 2020. These numbers are outstanding, especially managing during a pandemic.

With limited in-person contact, we implemented more weekly meetings with our fiber management team, installers, and contractors. This helped improve our communications and processes within our department to meet the needs of our customers.

The COVID-19 pandemic affected every aspect of the fiber business and we were constantly evaluating and implementing changes to meet our customer demand while providing the high level of service our customers and members expect.

## SAFETY AND HUMAN RESOURCES

The number one priority throughout last year was keeping our employees safe so we could continue to provide safe and reliable power to our members. The United team proactively implemented several procedures in early March 2020, including an option for employees to telecommute and socially distancing employees to continue working in a safe environment.

In 2020, three employees, Marvin Lager, Glen Schmutzler, and Brad Young retired with a combined total of 82 years of service dedicated to United.

2020 was a milestone year for United's safety program. In addition to implementing COVID-19 procedures to keep our workforce safe, we celebrated a 10-year safety milestone in November, working a combined total of 1,488,582 hours safely without a lost-time accident.

## COMMUNICATIONS AND MEMBER SERVICES

In November 2020, United released a text message outage notification system for our membership. This feature allows us to notify a member when there is an outage at their location.

United implemented a more digital-friendly website that allows members to access all membership forms and view an interactive outage map.

In our commitment to energy efficiency, we returned \$45,000 to members in the form of heat pump and appliance rebates and performed energy audits for our members to help with energy efficiency.

In December, United held our annual Youth Tour contest where two high school juniors from Missouri and Iowa were selected to visit our Nation's capital, Washington D.C., in June. This year's trip was canceled due to the COVID pandemic, but United awarded these delegates a scholarship to a college or trade school of their choice in lieu of the trip being canceled.

ENHANCING THE RURAL  
WAY OF LIFE THROUGH



# BALANCE SHEET

WHAT WE OWN (ASSETS)	DEC 31. 2019	DEC 31. 2020
Total Utility Plant in Service	\$121,837,910	\$130,183,310
Construction Work in Progress	\$4,206,615	\$2,756,822
<b>Total Utility Plant</b>	<b>\$126,044,525</b>	<b>\$132,940,132</b>
LESS: Accum. Provision for Depreciation and Amort.	\$(18,548,674)	\$(20,851,335)
<b>Net Utility Plant</b>	<b>\$107,495,851</b>	<b>\$112,088,797</b>
Non-Utility Property (FIBER PLANT)	\$50,527,405	\$71,558,541
Associated Organizations: CFC, NW Electric Power Economic Development Loans	\$17,161,273	\$13,140,249
<b>Total Investments</b>	<b>\$67,688,678</b>	<b>\$84,698,790</b>
Cash and cash equivalents	\$491,451	\$1,095,772
Receivables	\$4,165,713	\$14,313,515
Other Current Assets	\$180,992	\$3,174,836
<b>Total Current Assets</b>	<b>\$4,838,156</b>	<b>\$18,584,123</b>
Other Deferred Debits	\$3,470,073	\$3,025,932
<b>Total Assets</b>	<b>\$183,492,758</b>	<b>\$218,397,642</b>
WHAT WE OWE (LIABILITIES)		
MEMBERS' EQUITY		
Memberships	\$51,295	\$50,110
Patronage Capital	\$27,212,015	\$30,447,742
Other Equities	\$6,064,329	\$6,808,650
<b>Total Margins &amp; Equities</b>	<b>\$33,327,639</b>	<b>\$37,306,502</b>
Long-Term Debt - Other (Net)	\$114,575,357	\$135,615,513
Current Maturities of Long Term Debt	\$4,872,000	\$5,864,000
Accounts & Notes Payable	\$26,682,260	\$27,862,308
Other current liabilities	\$1,288,496	\$1,488,422
<b>Total Current &amp; Accrued Liabilities</b>	<b>\$147,418,113</b>	<b>\$170,830,243</b>
Other Deferred Credits	\$2,747,006	\$10,260,897
<b>TOTAL LIABILITIES &amp; NET WORTH</b>	<b>\$183,492,758</b>	<b>\$218,397,642</b>

# INCOME STATEMENT

Operating Revenue	DEC 31. 2019	DEC 31. 2020
Sale of Electricity	\$24,585,117	\$23,283,435
Subsidiary revenue	\$14,213,905	19,616,638
Other Operating Revenue	\$588,355	\$6,527,000
Royalty Payments	\$1,418,902	\$1,043,488
<b>Total Operating Revenue</b>	<b>\$40,806,279</b>	<b>\$50,470,561</b>
Operating Expenses		
Cost of power	\$10,393,598	\$10,260,026
Cost of subsidiary revenue	\$6,081,638	\$6,939,173
Distribution - operations	\$2,123,545	\$2,355,138
Distribution - maintenance	\$2,528,339	\$2,663,979
Consumer accounts	\$923,850	\$1,009,193
Customer service and information	\$1,078,672	\$1,081,645
Administrative and general	\$5,434,497	\$6,309,673
Depreciation and amortization	\$5,847,544	\$7,219,537
Interest on long-term debt	\$4,465,828	\$4,690,094
Interest expense - other	\$308,704	\$295,287
Taxes	\$831,640	\$1,824,294
Other deductions	\$121,452	\$150,182
<b>Total Operating Expense</b>	<b>\$40,139,308</b>	<b>\$44,798,221</b>
<b>NET OPERATING MARGIN (LOSS)</b>	<b>\$666,971</b>	<b>\$5,672,340</b>
<b>NON OPERATING MARGIN</b>		
Interest income	\$110,896	\$111,174
Other non-operating income	\$(32,830)	\$31,191
<b>CAPITAL CREDITS</b>	<b>\$999,990</b>	<b>\$944,956</b>
<b>NET MARGINS (LOSS) FOR PERIOD</b>	<b>\$1,745,027</b>	<b>\$6,759,661</b>



# UNITED ELECTRIC

COOPERATIVE



800.748.1488



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