



Macon Electric Cooperative 84th Annual Meeting

PRESIDENT'S REPORT

Dear Members and Stakeholders,

I am pleased to present the reports for Macon Electric Cooperative's 84th Annual Meeting, centered around our theme for this year's meeting: "Powering Progress." This theme encapsulates our cooperative's commitment to advancing our community, enhancing service reliability, and promoting affordability in the face of evolving energy challenges.

Operationally, we continue to prioritize the reliability and resilience of our electric grid. Through targeted maintenance and infrastructure upgrades, we have enhanced our capability to deliver quality service to our members, even during challenging conditions such as the January 2024 winter storm. We greatly appreciate member's understanding and patience as employees worked around the clock to restore power.

As a cooperative, our strength lies in our members and our community. We are dedicated to fostering a culture of cooperation and mutual support. Through various community outreach programs and educational initiatives, we have empowered our members with knowledge about energy conservation, responsible energy usage, and safety around power.

Furthermore, our commitment to local economic development remains steadfast. By supporting local businesses and investing in our community's infrastructure, we are not only powering homes and businesses but also driving economic progress and prosperity for all.

As a cooperative, we recognize the need for a diverse energy portfolio but will always maintain that reliability and affordability must come first. The EPA's recent rules are overly aggressive and will negatively impact our members. Do not hesitate to reach out to your lawmakers to express your concerns and let your voice be heard. American families and businesses cannot afford higher energy bills and face the threat of rolling blackouts.

Looking ahead, Macon Electric Cooperative is committed to embracing innovation and technology to meet the evolving needs of our members in ways that make sense. We will continue to explore opportunities to integrate advanced technologies into our operations, ensuring greater efficiency and reliability in service delivery.

In conclusion, I extend my heartfelt appreciation to our dedicated staff, our supportive members, and our valued stakeholders. Together, we are powering progress and strengthening the fabric of our cooperative community.

Thank you for your continued trust and partnership.

Sincerely,

Jay Collins

President, Macon Electric Cooperative





Macon Electric Cooperative 84th Annual Meeting

MINUTES OF ANNUAL MEETING OF MEMBERS

August 8, 2023

The Annual Meeting of the members of Macon Electric Cooperative was held at the office of the Cooperative, County of Macon, State of Missouri, on Tuesday, August 8, 2023, pursuant to the By-Laws and written notice given by the Secretary.

The 83rd Annual Meeting officially began with the call to order by President James D. Collins. Director Ben Williams was invited to the podium to give the invocation. President Collins reported the members registered constituted a quorum and therefore the meeting could legally proceed. At this time, President Collins appointed Macon Electric Cooperative employee, Lindsey Howell, as recording secretary and resolved that Sheri Smiley, Cooperative Counsel, be appointed to serve as parliamentarian of the 2023 Annual Meeting of Members; and further resolved that all rulings of the parliamentarian, whether procedural or substantive, shall be final.

President Collins then introduced Richard L. Kemp, Secretary/Treasurer, who read the "Official Notice of Meeting" and the "Affidavit to Mailing of Legal Notice". A motion was made and seconded to approve both reports as read. Motion accepted.

President Collins announced the 2022 Annual Meeting minutes were published in the annual meeting notice. A motion was made and seconded to approve the 2022 Annual Meeting minutes as printed. Motion accepted.

Richard L. Kemp returned to the podium to give the 2023 Secretary/Treasurer's report.

President Collins then read the President's report written for the 2023 Annual Meeting.

President Collins then introduced the members of the board of directors:

James D. Collins, President - Eastern Area
Bill Lear, Director - Central Area
Ben Williams, Director - Western Area
Larry Abernathy, Director - Southern Area
Richard Kemp, Secretary/Treasurer - Northeastern Area
Mary Almond, Director - Northwestern Area
Danny Smithson, Vice President - Northern Area
Paul Unterbrink, Director - Southeastern Area
Alvin Weimer, Director - Southwestern Area

General Manager Tim Korman took the podium to present his manager's report.

The meeting was then turned back over to President Collins who invited Macon Electric Cooperative Legal Counsel, Sheri Smiley, to come forward and conduct the election of directors. Attorney Smiley explained that members were offered the opportunity to vote ahead of time via online or absentee voting. They were also able to utilize the drive-through voting system from 2:00 p.m. to 6:00 p.m. the day of the Annual Meeting.

Attorney Smiley introduced each of the following candidates who had been nominated by petition for a three-year term, with one director to be elected from each area: Jay Collins from the Eastern Area; Ben Williams from the Western Area; and Mary C. Almond from the Northwestern Area.

Following the election, Attorney Smiley read the Election Summary Report with the following votes cast in each area:

Eastern Area - Jay Collins 384 votes
Western Area - Ben Williams 387 votes
Northwestern Area - Mary C. Almond 386 votes

Jay Collins, Ben Williams and Mary C. Almond were duly elected to serve on the board of directors from their respective areas and to each hold office for a term of three years and until their successors shall have been elected and qualified.

Attorney Smiley then conducted the election for the proposed By-Law amendment. Following the election, Attorney Smiley read the results with the following votes cast:

Proposed By-Law Amendment Article IV, Section 4 – 265 votes for and 192 votes against.
The proposed By-Law amendment passed.

President Collins then asked if there was any unfinished business. There being none, he then asked for any new business. None was reported.

With no further business to come before the 83rd Annual Meeting of the members, President Collins asked for a motion to adjourn the meeting. Having received a motion and a second, the motion was passed and the meeting was adjourned.



Macon Electric Cooperative 84th Annual Meeting

TREASURER'S REPORT

STATISTICAL REPORT	2023	2022
Number of Consumers	11,712	11,555
Miles of Line	2,901	2,896
Kilowatt Hrs Sold	243,019,729	252,430,690
Security Lights	4,916	4,906
Number of Full Time Employees	47	46

STATEMENT OF OPERATIONS		
Year Ended December 31, 2023		
Operating Revenue		\$27,230,218
Expenses:		
Cost of Power	15,737,012	
Distribution Exp--Operations	1,703,725	
Distribution Exp--Maintenance	3,007,165	
Consumer Account Exp	890,869	
Customer Service & Sales	32,107	
General & Admin Exp	1,888,555	
Depreciation & Amortization	2,483,100	
Interest on Long Term Debt	1,310,105	
Other Deductions	<u>30,931</u>	
Total Expenses:		<u>\$27,083,569</u>
Operating Margins		146,649
Interest Income		110,183
Capital Credits & Other Income		<u>1,458,502</u>
Total Margins		<u>\$1,715,334</u>

BALANCE SHEET	12/31/23	12/31/22
Assets:		
Utility Plant (Depreciated Value)	\$57,797,233	\$55,496,986
Other Current & Accrued Assets	<u>24,578,858</u>	<u>20,045,629</u>
TOTAL ASSETS	\$82,376,091	\$75,542,615
Liabilities:		
Long Term Debt (RUS)	-	-
Long Term Debt (FFB)	35,240,703	27,203,380
Long Term Debt (CFC)	6,701,830	7,301,758
Long Term Debt (Econ. Develop)	1,664,197	409,079
Current & Accrued Liabilities	<u>5,541,316</u>	<u>9,067,814</u>
TOTAL LIABILITIES	\$49,148,046	\$43,982,031
Equity:		
Members Equity	<u>33,228,045</u>	<u>31,560,584</u>
TOTAL LIABILITIES & EQUITY	<u>\$82,376,091</u>	<u>\$75,542,615</u>

Your Board of Directors has held regular meetings during the past year with good attendance at each meeting. The minutes of these meetings are kept as part of the Cooperative's permanent records. All directors have taken an active part in making decisions confronting your cooperative.

Since its inception, Macon Electric Cooperative has borrowed funds from Rural Utilities Service (RUS), National Rural Utilities Cooperative Finance Corporation (CFC), and the Federal Financing Bank (FFB). During 2023, we paid \$2,816,300 representing long-term principal and interest on our loans. As of December 31, 2023, the total indebtedness was \$45,389,677.

Macon Electric Cooperative pays sales tax under Missouri Sales Tax Laws and in 2023 paid \$660,776 in property taxes to the counties served.

The total assets for Macon Electric Cooperative on December 31, 2023, were \$82,376,91 and the consumer equity ratio was 39.5%. This ratio reflects the very stable financial position of your cooperative. A complete financial report, audited by the accounting firm of Dennis G. Koch, CPA, is printed separately in this program for the operating period.

Margins for the 2023 operating year have been allocated to the members in the form of Capital Credits. Our records reflect the total Capital Credit accrued to each member over the years.

I am honored to have the opportunity to serve your cooperative as secretary-treasurer.

Richard Kemp, Secretary-Treasurer