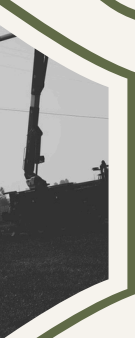


UNITED ELECTRIC
C O O P E R A T I V E



2023

MEMBER REPORT



ENHANCING THE RURAL WAY OF LIFE THROUGH UNITED

MESSAGE FROM THE CEO



CEO, Jim Bagley

It's my pleasure to present the annual member report for United Electric Cooperative. This past year brought its share of challenges, but our commitment to delivering reliable and affordable electricity remained unwavering.

Despite the hurdles, we reached significant milestones. New initiatives were successfully implemented, enhancing the quality of service for our members.

A cooperative thrives with committed and well-informed leadership. Your board of directors, elected from the membership, tirelessly represents your interests, providing long-term vision and direction.

Achieving positive outcomes hinges on the dedication of a strong team. At United, we're fortunate to have a team of incredibly dedicated employees who ensure the lights stay on and the data keeps flowing.

We take great pride in being locally owned and managed, allowing us to offer you the highest standard of service while remaining true to our mission of enhancing the rural way of life through United. As we anticipate another successful year in 2024, we're excited about the opportunities ahead.

A handwritten signature in dark ink, appearing to read 'Jim Bagley'. The signature is fluid and cursive, written over a light-colored background.

JIM BAGLEY

Chief Executive Officer

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



PHILLIP JENSEN
DISTRICT 4
GENTRY



JON RUNDE
DISTRICT 4
GENTRY



KAREN MCGAUGHEY
DISTRICT 3
ANDREW, HOLT



PAT HARDY
DISTRICT 6
WORTH



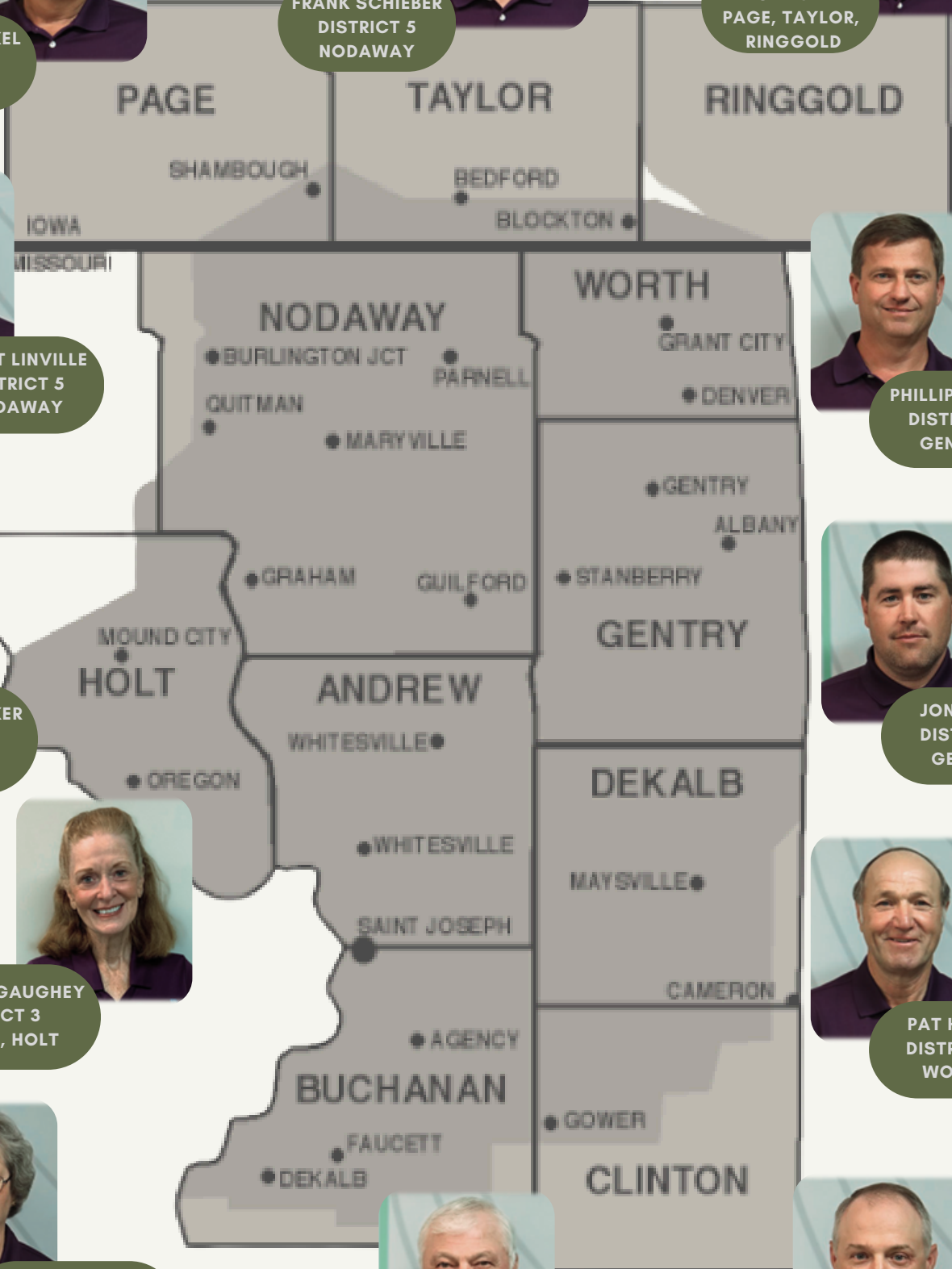
DEBORAH KNADLER
DISTRICT 1
BUCHANAN



JOHN KILLGORE
DISTRICT 2
CLINTON, DEKALB



BRADLEY VEALE
DISTRICT 2
CLINTON, DEKALB



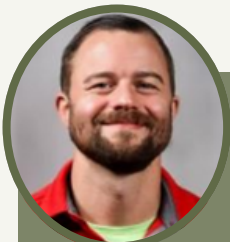
DEPARTMENT UPDATES



ANNE LONG
CHIEF HUMAN
RESOURCE OFFICER

SAFETY & HUMAN RESOURCES

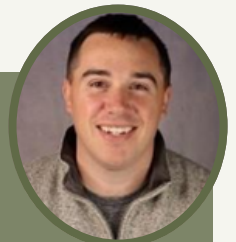
2023 was focused on gaining efficiencies in our work processes. As part of our ongoing commitment to enhancing our work environment and processes, the HR department has been at the forefront of adopting new technologies over the last year. Ensuring the safety and well-being of each employee is our top priority. Recognizing the critical importance of continuous improvement in our safety protocols, we have dedicated the past year to enhancing our safety measures and training procedures.



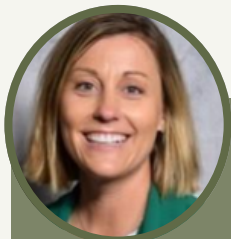
ZACH MORGAN
CHIEF FINANCIAL
OFFICER

FINANCE & ACCOUNTING

We ended 2023 with a net income of \$8,362,923. Our consolidated balance sheet ended with an asset balance of \$400,550,973. We retired \$500,000 in capital credits in 2023 through the general retirement. We retired another \$428,421 in estate capital credits in 2023. We implemented significant changes to our rate structure, ensuring that our rates accurately reflect the costs on our power supply side. Additionally, we introduced a comprehensive risk analysis program. This initiative is enabling us to identify potential risks early on and implement proactive measures to mitigate them.



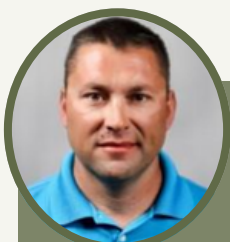
CLINT RICHARDSON
CHIEF RISK
OFFICER



AMY ZIEGLER
CHIEF PUBLIC
RELATIONS OFFICER

COMMUNICATION & MEMBER RELATIONS

In 2023, our communications team prioritized elevating education and interaction initiatives with our membership. By introducing the demand rate structure, we took proactive measures to inform members about on-peak and off-peak hours. In addition, we introduced our outage text messaging system to our membership. This feature enables members to receive alerts via text message when power outages occur at their location. The communications and member services teams will continue proactively interacting with the members to provide the service they expect and deserve.



TRAVIS ANGLE
CHIEF OPERATIONS
OFFICER

ELECTRIC OPERATIONS

United now serves 3,700 miles of aging electric lines. Last year alone, we rebuilt nearly 60 miles of three-phase line utilizing multiple contractors. In addition to this construction, our crews, which consist of 25 linemen, were able to install 887 new poles, add 129 new services, and work a total of 934 outages. During these 934 outages, our crews have worked a combined total of 1,734 hours. To close out 2023, we made the decision to better protect your investment by contracting Progressive Solutions to maintain 2,600 miles of Right-of-Way. Our internal crews were able to cover 172 miles of line last year in addition to trimming yard trees near our primary lines.

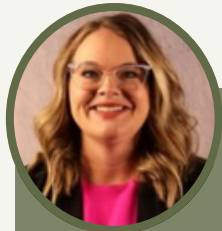
DEPARTMENT UPDATES



DARREN FARNAN
CHIEF OPERATING
OFFICER OF
UNITED FIBER

FIBER OPERATIONS

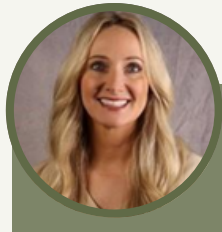
United has been successful because we run our fiber business with the same member focus on local service and reliability. We have grown to 75 employees and six local office locations to continue our commitment to Northwest Missouri. We are proud of the benefits United Fiber has provided to the region and our United Electric membership. In 2023, United Fiber applied for the Missouri Broadband Grant and was awarded nearly \$10 million for our highest-cost areas of Holt, Worth, and Nodaway county member areas. United has built nearly 50 communities in NW Missouri. This fulfills a need for those communities our members rely on but provides customer density and incredible revenue opportunities for United as a whole.



CASEY WORTH
CHIEF ADMIN
OFFICER

MATERIAL MANAGEMENT & CUSTOMER SERVICE

The United Fiber customer service team, across our different office locations, was able to handle over 77,000 phone calls and 17,000 walk-ins across our six office locations. To ensure we maintain our high standards, we implemented touchpoint surveys. In 2023, we reviewed over 5,000 survey responses, and we're proud to say that our overall satisfaction rating is 4.7 out of 5. As we all have felt the pain of inflation and continued price increases in our personal lives, this rings true for United as well. With our continued partnership with our suppliers, we work to maintain pricing levels that are the most favorable to United.



NIKI DALTON
CHIEF MARKETING
OFFICER

SALES & MARKETING

United Fiber celebrated its 10-year Anniversary and surpassed 30,000 subscribers! We ended 2023 with 6,141 installs and approximately 33,000 subscribers. Our sales team scheduled anywhere from 800 to 1000 installations each month. In addition to introducing new products like Bark and SmartBiz, we launched a redesigned website for enhanced customer navigation. United Fiber will remain committed to maintaining connections with our local communities for years to come.



TJ PLUMLEY
CHIEF CONSTRUCTION
OFFICER OF
UNITED FIBER

FIBER CONSTRUCTION

Broadband connectivity is critical in all aspects of our lives including education, health care, commerce, and overall quality of life. With United Electric's 2.72 members per mile, United Fiber is committed to the investment in our local communities to bring a much needed service to our rural area. United Fiber constructed over 700 miles of new fiber in 2023 taking us over 4,200 miles of total fiber constructed in Northwest Missouri since we started over a decade ago.

BALANCE SHEET

WHAT WE OWN (ASSETS)	DEC 31, 2022	DEC 31, 2023
Total Utility Plant in Service	\$ 144,299,923	\$ 160,664,045
Construction Work in Progress	\$ 14,178,322	\$ 12,224,994
Total Utility Plant	\$ 158,478,245	\$ 172,889,039
LESS: Accum. Provision for Depreciation and Amort.	\$ (21,891,128)	\$ (24,556,139)
Net Utility Plant	\$ 136,587,117	\$ 148,332,900
Non-Utility Property (FIBER PLANT)	\$ 124,573,327	\$ 187,155,029
Investment in Associated Organizations	\$ 21,094,240	\$ 24,853,691
Total Investments	\$ 145,667,567	\$ 212,008,720
Cash and cash equivalents	\$ 1,546,927	\$ 1,608,389
Receivables	\$ 19,198,553	\$ 19,232,056
Other Current Assets	\$ 12,432,433	\$ 18,188,334
Total Current Assets	\$ 33,177,913	\$ 39,028,779
Other Deferred Debits	\$ 1,933,910	\$ 1,180,574
TOTAL ASSETS	\$ 317,366,507	\$ 400,550,973

WHAT WE OWE (LIABILITIES)	DEC 31, 2022	DEC 31, 2023
MEMBERS EQUITY		
Patronage Capital	\$ 38,630,051	\$ 46,517,797
Other Equities	\$ 6,110,572	\$ 6,052,871
Total Margins & Equities	\$ 44,740,623	\$ 52,570,668
Long-Term Debt - Other (Net)	\$ 220,836,758	\$ 290,700,604
Current Maturities of Long Term Debt	\$ 10,700,000	\$ 11,234,000
Accounts & Notes Payable	\$ 27,764,040	\$ 36,823,712
Other current liabilities	\$ 2,030,392	\$ 4,105,246
Total Current & Accrued Liabilities	\$ 261,331,190	\$ 342,863,562
Other Deferred Credits	\$ 11,294,694	\$ 5,116,743
TOTAL LIABILITIES & NET WORTH	\$ 317,366,507	\$ 400,550,973

INCOME STATEMENT

OPERATING REVENUE	DEC 31, 2022	DEC 31, 2023
Sale of Electricity	\$ 25,716,624	\$ 25,251,780
Subsidiary revenue	\$ 37,234,896	\$ 41,756,687
Other Operating Revenue	\$ (2,434,629)	\$ 8,063,416
TOTAL OPERATING REVENUE	\$ 60,516,891	\$ 75,071,883

OPERATING EXPENSES		
Cost of power	\$ 10,882,135	\$ 11,106,417
Cost of subsidiary revenue	\$ 8,774,701	\$ 9,956,763
Distribution - operations	\$ 3,182,746	\$ 3,823,563
Distribution - maintenance	\$ 4,168,130	\$ 3,973,989
Consumer accounts	\$ 1,487,105	\$ 1,580,118
Customer service and information	\$ 1,330,302	\$ 1,713,490
Administrative and general	\$ 10,074,541	\$ 10,972,503
Depreciation and amortization	\$ 11,420,177	\$ 12,702,473
Interest on long-term debt	\$ 5,325,764	\$ 9,265,795
Interest expense - other	\$ 65,608	\$ 751,341
Tax Expense - Property & Gross Receipts	\$ 3,676,941	\$ 2,752,788
Other deductions	\$ 196,802	\$ 249,526
Total Operating Expense	\$ 60,584,952	\$ 68,848,766

NET OPERATING MARGIN (LOSS)	\$ (68,061)	\$ 6,223,117
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NON OPERATING MARGIN		
Interest income	\$ 105,285	\$ 300,794
Other non-operating income	\$ 87,713	\$ 486,138
CAPITAL CREDITS	\$ 1,046,757	\$ 1,352,874

NET MARGINS (LOSS) FOR PERIOD	\$ 1,171,694	\$ 8,362,923
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2023 YEAR IN REVIEW

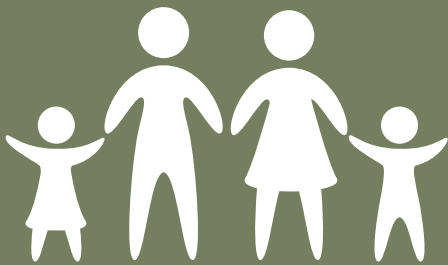
No lost
time accident hours
812,371

Miles of Line
3700.73

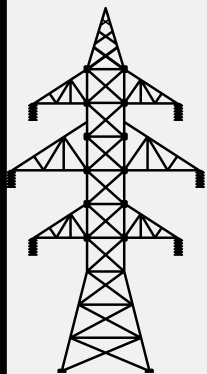
Employees
139

Hours worked
301,106

BY THE NUMBERS



SERVE
7,825
MEMBERS ON
10,084
ACTIVE METERS



23
SUBSTATIONS
PROVIDING
POWER TO ITS
SERVICE
TERRITORY

2.72
MEMBERS PER MILE





UNITED ELECTRIC
COOPERATIVE



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contact@ueci.coop