

Co-op Membership is Sweet

2021 Annual Report

Serving our **Members** and **Communities**

Our Cooperative Principles

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Message to Members



Lowell Hobbs
Board President



Tim Smith
General Manager

Dear ECE Member,

Do you remember when Andy Griffith's Mayberry used to feel like Anywhere, U.S.A.? Remember when a face to face conversation was the norm and real human beings answered the phone?

In most of the world these days, that human touch, that neighborly notion, feels like a rose-tinted fantasy.

At your electric cooperative, we still believe that member service matters.

East Central Electric Cooperative was built by our membership, belongs to our membership, and continues to be led by our membership. We've spent 84 years serving the needs of our community, and not just the need for reliable power.

As cooperative members themselves, our member-elected Board of Trustees is focused on empowering our communities with a quality of life others would presume unthinkable in rural America. People underestimate what is possible when a community comes together. They don't know the sweet benefits of co-op membership.

The primary benefit is the safe, reliable, and affordable power you have come to expect, backed by lineworkers and em-

ployees who are dedicated to keeping you connected.

In addition, just by receiving power, you are an investor in your cooperative. You are entitled to a vote in how the cooperative is run and to a return on your investment in the form of capital credits.

Affordable, high speed fiber Internet through ecoLINK eliminates the constraints of geography, allowing people and businesses in remote areas to compete with their big-city counterparts.

The member-funded Operation Roundup program has granted over \$2 million to support local charitable organizations, civic groups, youth programs, community services, and local families in need.

Your cooperative is in your community, offering free safety demonstrations to volunteer fire departments and public schools. Your cooperative works with economic development partners to ensure our small towns experience growth that doesn't leave the vulnerable behind. Your cooperative monitors state and federal legislation to prevent lobbyists from making a quick buck off your 80+ years of investment.

With our SmartHub app and social media presence, your cooperative stays connect-

ed and responsive to your concerns and ideas for future growth. When unavoidable large-scale outages occur, you can count on the diligence of our co-op employees to take your call, keep you informed, and work to restore service as quickly and safely as possible.

In a world where companies say one thing and do another, your cooperative has clear values, outlined in our seven Cooperative Principles.

In a world where everyone seems divided and disconnected, at your cooperative, your voice and vote matter.

In a world where your problems are met with, "Take a number," your cooperative doesn't see you as a number. We see you as a neighbor.

Respectfully Yours,

Financial Statements

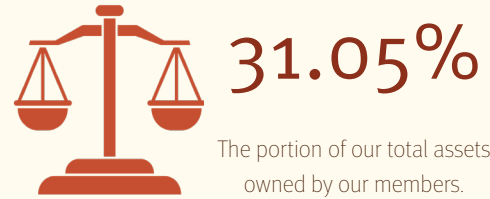
	2021	2020
YOUR COOPERATIVE OWNS:		
Electric Plant	\$288,254,712	\$243,889,785
Less Depreciation	60,418,080	59,397,286
<hr/>		
Net Utility Plant	227,836,632	184,492,499
Cash and Investments	6,682,068	8,369,602
Patronage Capital Assoc. Organization	38,125,353	36,503,293
CFC Investment Certificates	1,267,375	1,291,825
Accounts Receivable	6,037,087	6,528,704
Other Assets	12,308,671	10,339,177
<hr/>		
Total Assets	\$292,257,186	\$247,525,100

YOUR COOPERATIVE OWES:		
Long Term Debt (RUS)	\$16,084,777	\$16,872,555
Long Term Debt (CFC)	—	—
Long Term Debt (FFB)	74,581,310	73,654,360
Long Term Debt (CoBank)	19,819,509	20,431,292
Consumer Deposits	3,369,342	3,049,823
Other Liabilities	87,649,261	40,996,673
<hr/>		
Total Liabilities	\$201,504,199	\$155,004,703

The books and financial statements of East Central Oklahoma Electric Cooperative, Inc. are audited each year as of December 31. An audit for the year ended December 31, 2021, has been completed by the firm of Briscoe, Burke & Grigsby LLP, Certified Public Accountants, Tulsa, OK. The Comparative Financial Statements shown here are for the years ended December 31, 2020 and 2021. East Central Electric's balance sheet reflects 18.07 percent increase in assets. Capital credits and membership fees decreased by \$1,767,410, which gave our members an equity level of 31.05 percent.

The Value of Co-op Membership in 2021

Member Equity



Number of New Members

433

Capital Credits & Other Equities

\$90,572,537

Total Liabilities and Equities

\$292,257,186

Where the dollar comes from



23.48%
Commercial Sales
\$16,045,452



9.48%
Other Revenues and Interest
\$6,475,996



Where your dollar goes

Purchased Power
58.9% | \$38,499,901

Operations and Maintenance
15.7% | \$10,257,593

Depreciation
9.9% | \$6,506,799

Interest on Long Term Debt
6.2% | \$4,038,705

Administrative and General
6.3% | \$4,102,806

Consumer Accounts
2.9% | \$1,926,867

Other
0.1% | \$30,982



Operations Report

944,944
Miles Driven

6,349
Miles of Line

35,962
Meters

5.66
Meters per Mile

1,525
Miles of Fiber

11.29 ¢
per kWh

99.94%
Reliability Rate

OPERATING REPORT:

	2021	2020
Electric Sales	\$68,345,694	\$61,377,543
Less Cost of Purchased Power	38,499,901	33,419,956
Net Sales	29,845,793	27,957,587
Operating Expenses	16,287,266	16,236,100
Interest on Debt	4,038,705	3,465,244
Depreciation	6,506,799	6,076,423
Other Deductions	30,982	60,769
Total Expenses (Excluding Cost of Power)	26,863,752	25,838,536
Net Income from Electric Sales	2,982,041	2,119,052
Other Income	3,629,497	3,271,108
Total Margins and Capital Credits	\$6,611,538	\$5,390,160

Board of Trustees



Lowell Hobbs
President
District 2
Haskell



Larry Harvey
Vice President
District 1
Beggs



Dwight Luther
Sec. Treasurer
District 7
Bristow



Jim Hall
Asst. Sec. Treasurer
District 6
Nuyaka



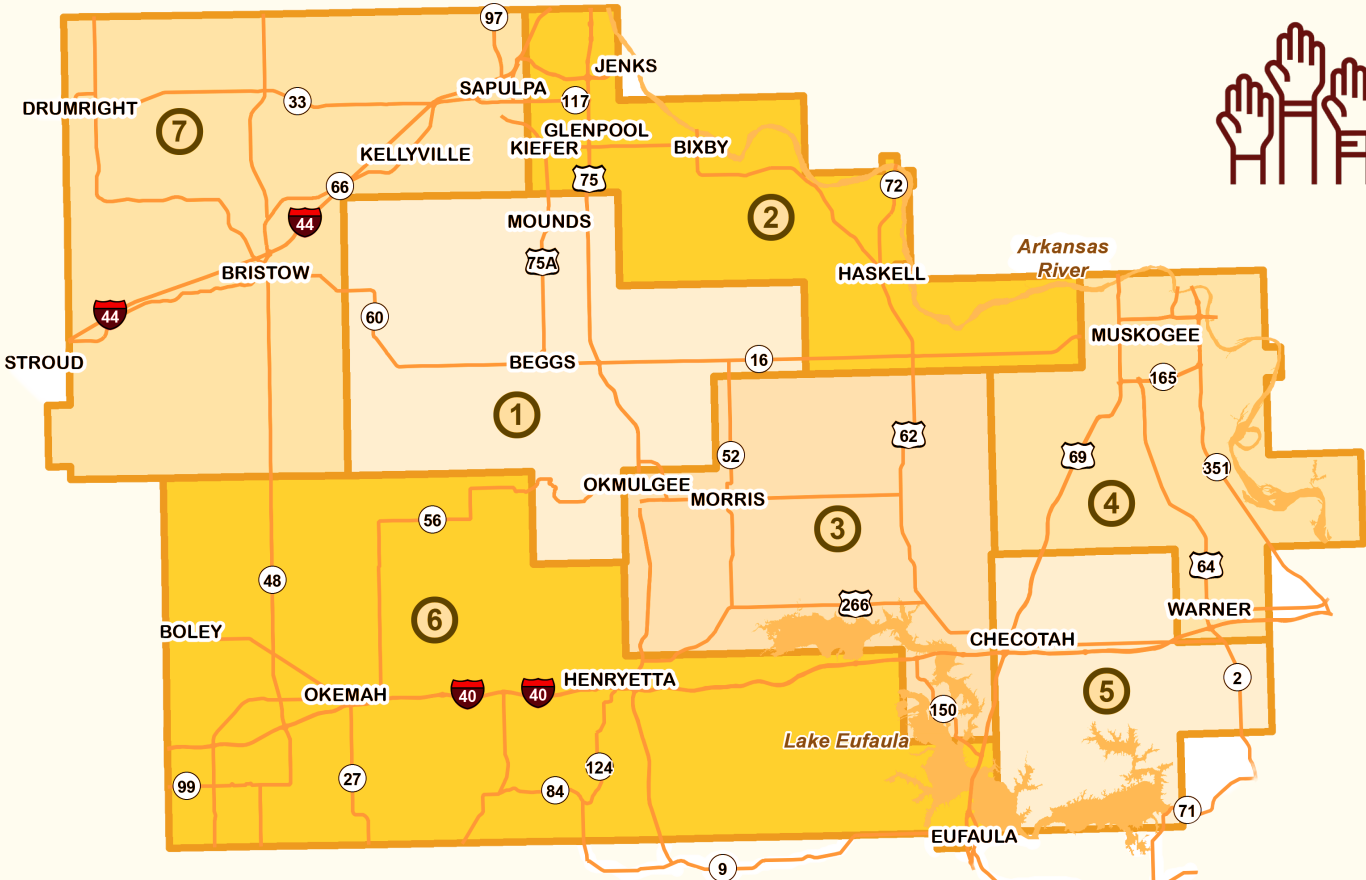
Max Shoemake
District 3
Morris



Michael Vernnon
District 4
Muskogee



Jay Emerson
District 5
Checotah



Democratic, local control ensures your co-op remains focused on local needs, and is one of your co-op's guiding principles.

You can contact your trustee any time you have a question or concern.



918-756-0833



info@ecoec.com

You can also stay up-to-date on the latest co-op news at www.ecoec.com



Operation Roundup

With an average member contribution of **48¢** a month, ECE members gave

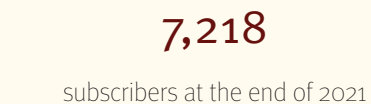
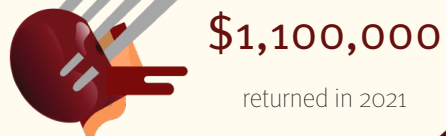


Community

Your Piece of the Pie

East Central Electric Cooperative is a not-for-profit organization, owned by our members.

Any profit we would make is returned to our members as capital credit.



Energy Camp
Participants



Youth Tour
Participants



Scholarship
Recipients





East Central

ELECTRIC COOPERATIVE

powering

ecLINK



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An equal opportunity
provider and employer