



# 2022 ANNUAL REPORT



Presented Saturday, August 27  
Registration 9 a.m.  
Meeting 10 a.m.



# PRESIDENT'S & MANAGER'S REPORT

It is our privilege on behalf of Consumers Energy's directors, management, and employees to report on some of the activities and financial position of the cooperative for the year 2021 and to provide information for 2022 to date.

The cooperative's Board of Directors and management continue to focus on Consumers Energy's core electric distribution business. A cost-conscious approach is used in managing the cooperative. This has contributed to positive financial performance and margins that are reflected in Consumers Energy's 2022 year-to-date financial statements.

Consumers Energy is a cooperative, and its members are the owners of this company. The amount a member pays for electricity and services provided by the cooperative that is not needed to operate Consumers Energy is paid back in the future to members as patronage capital credits. For the 2021 calendar year, the board chose to pay back patronage capital credits in the amount of \$750,000.

The cooperative has 24 full-time employees. We are most grateful to them for the effort and dedication they put forth to provide the membership with reliable electricity and energy advice. While we focus on the needs of our members, we also address the needs of our employees so the work in the office and out in the field can be performed safely and efficiently.

There are nine members serving on the cooperative's Board of Directors. The board annually holds 12 regular meetings and occasional special meetings. The directors also attend training seminars and meetings of affiliated state, regional, and national organizations and serve as the cooperative's delegates. Their participation in these meetings help the cooperative have a well-informed Board of Directors.

The financial report listed in this annual report provides the facts of the financial position of Consumers Energy as of December 31, 2021. The 2021 audit of the cooperative's financial statements was successfully completed by our auditor, Eide Bailly LLP, in February of this year. Please contact the cooperative office with any questions you might have in regard to this report.

We wish to extend our thanks to each member for the support and cooperation provided to Consumers Energy this past year.



**Bill Hobson**  
Board President



**Bridget Itzen**  
CEO/General Manager



**Consumers Energy's Board of Directors**

Front Row: Bill Hobson, Pat VonAhnen,  
Tony Lem, Denny Beckman  
Back Row: Arden Greiner, Jennifer Sease, Steve Quick,  
Craig Griffieon, Bob Meimann

## GUEST SPEAKER BRUCE NUZUM



Bruce Nuzum is the President/CEO of the Iowa Area Development Group (IADG). As an Iowa native, Nuzum has worked for IADG and served Iowa electric cooperatives for over 25 years focusing on connecting businesses and communities with financial programs that help create jobs and drive investment in rural Iowa. He has helped IADG's members secure over \$160M in financial assistance from USDA's Rural Economic Development Loan & Grant program which has supported business expansions and community development projects throughout the state. Promoted to President/CEO of IADG in February 2022, Nuzum leads a talented team of six dedicated economic development professionals.

IADG was founded in 1985 as the marketing and economic development organization for Iowa's electric cooperatives. IADG's primary mission is to help business grow on REC lines and assist member electric cooperatives with their community development goals. To do so, IADG promotes the available buildings and sites in REC territory to prospective companies and serves as a connecting point between growing businesses and the information and financial resources they need to expand.

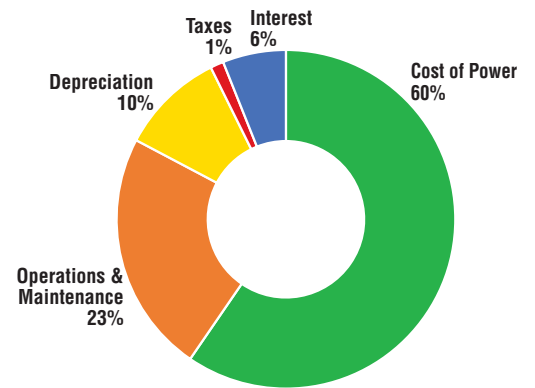
# FINANCIAL REPORT



## Balance Sheet December 31, 2021 and 2020

	2021	2020
<b>Assets</b>		
Cash & Temporary Investments	3,840,564	4,086,782
Investments in Associated Organizations	8,797,042	8,757,104
Current Assets	5,568,733	4,206,601
Other Assets	529,599	1,197,707
Total Utility Plant	59,392,589	55,303,495
Less Accumulated Depreciation	<u>23,111,412</u>	<u>21,852,677</u>
Net Utility Plant	<u>36,281,177</u>	<u>33,450,818</u>
<b>Total Assets</b>	<b><u>55,017,115</u></b>	<b><u>52,459,012</u></b>
<b>Liabilities</b>		
Current Liabilities	5,392,559	4,839,219
Long-Term Debt	22,483,390	22,078,308
Other Liabilities & Credits	48,224	38,564
Operating Margins Prior Years	18,973,789	17,713,584
Patronage Capital	5,719,407	5,262,655
Margins	<u>2,399,746</u>	<u>2,526,682</u>
<b>Total Liabilities &amp; Equity</b>	<b><u>55,017,115</u></b>	<b><u>52,459,012</u></b>

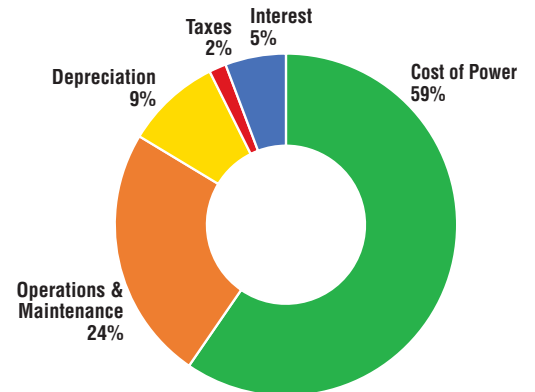
## 2021 EXPENSES



## Statement of Operations For the years ended December 31, 2021 and 2020

	2021	2020
<b>Operating Revenues</b>	20,119,762	19,400,595
<b>Operating Expenses</b>		
Cost of Purchased Energy	11,016,614	10,693,882
Cost of Operations & Maintenance	4,284,244	4,317,233
Depreciation	1,841,095	1,617,123
Taxes	234,070	289,698
Interest Expense	<u>1,118,345</u>	<u>1,029,836</u>
<b>Total Expense</b>	<b><u>18,494,368</u></b>	<b><u>17,947,772</u></b>
<b>Margins from Operations</b>		
Patronage Capital Received from Associated Organizations	738,837	1,060,826
Nonoperating Margins	<u>35,515</u>	<u>13,033</u>
<b>Total Margins</b>	<b><u>2,399,746</u></b>	<b><u>2,526,682</u></b>

## 2020 EXPENSES



2021 STATS

214

new services added

7,184

services in place

1,277

miles of line

1.4

average number of outages per member in 2021

25

free electric water heaters provided to members through the rebate program

270

energy efficiency rebates paid out to members



**AGENDA:**

Call to Order

Pledge of Allegiance & Invocation

Introductions

Reading of Notice of Meeting

Minutes of Last Year's Meeting

Treasurer's Report

Report of Nominating Committee

Bruce Nuzum, IADG

President's Report

Manager's Report

Youth Tour Representative Teagan Glenney

Report of Election

Adjournment

Drawing for Prizes



## Board of Directors

Bill Hobson  
President

Denny Beckman  
Vice President

Pat VonAhnen  
Secretary-Treasurer

Bob Meimann  
Assistant Secretary-Treasurer

Craig Griffieon  
Director

Arden Greiner  
Director, Representative on CIPCO Board

Tony Lem  
Director, Representative on IAEC Board

Steve Quick  
Director


Jennifer Sease  
Director



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