

## Report of Independent Auditors

Following are excerpts from the audit report. The full report may be accessed at [TeamMidwest.com](http://TeamMidwest.com) or by calling 800-492-5989.

### Opinion

We have audited the consolidated financial statements of Midwest Energy Cooperative (the cooperative), which comprise the consolidated balance sheets as of Dec. 31, 2021 and 2020, and the related consolidated statements of operations, equities and margins, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the cooperative as of Dec. 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We are required to be independent of the cooperative and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Moss Adams  
March 31, 2022

### Director's Compensation Disclosure

Elected directors are paid an annual retainer of \$1,200 and a per diem based on board position and years of service or credential status for meetings attended on behalf of the cooperative. The chairman is paid an annual retainer of \$2,200.

## Consolidated Statements of Operations

Years Ended Dec. 31  
(Dollars in 000)

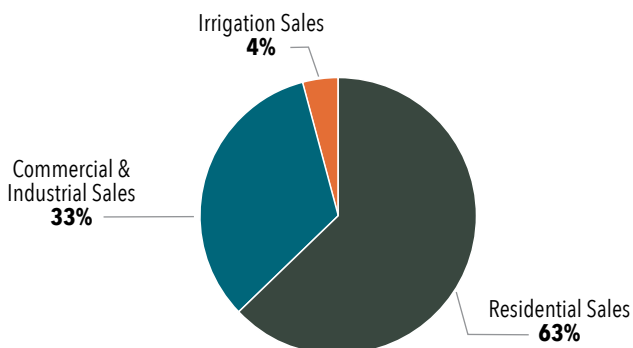
	2021	2020
Operating revenues	\$ 112,302	\$ 101,761
Operating expenses	100,412	93,356
Interest expense	5,597	5,507
Operating margins (deficits)	6,293	2,898
Capital credits	4,215	3,508
Nonoperating margins (deficits)	2,278	635
Net margins	\$ 12,786	\$ 7,041

## Consolidated Balance Sheets

Dec. 31  
(Dollars in 000)

ASSETS	2021	2020
Net electric plant and equipment	\$ 252,194	\$ 231,267
Other assets and investments	36,647	32,313
Current assets	40,622	29,609
Deferred charges	80	80
Total assets	\$ 329,543	\$ 293,269
EQUITIES AND LIABILITIES		
Equities	\$ 88,090	\$ 70,545
Long-term debt	204,927	193,243
Other liabilities	3,025	5,392
Current liabilities	32,462	23,242
Deferred tax liability	1,004	847
Deferred credits	35	-
Total equity and liabilities	\$ 329,543	\$ 293,269

## Where Our Sales Come From



## Where Your Dollars Go

