

## 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.

We have audited the accompanying consolidated financial statements of Midwest Energy Cooperative, which comprise the consolidated balance sheets as of Dec. 31, 2020, and 2019, and the related consolidated statements of operations, equities and margins, and cash flows for the years then ended, and the related notes to the consolidated financial statements. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Our responsibility is to express opinions on these consolidated financial statements based on our audits.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the cooperative as of Dec. 31, 2020, and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Moss Adams  
March 31, 2021

### Directors' 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)

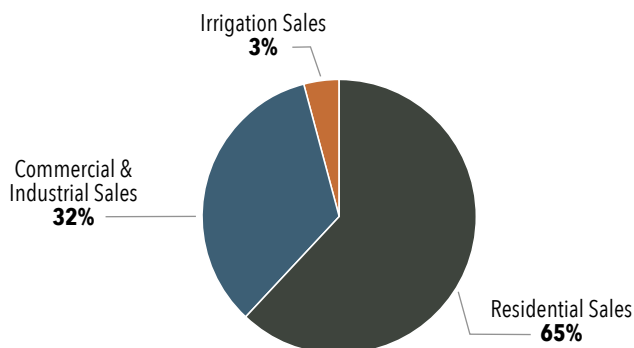
	2020	2019
Operating revenues	\$ 101,761	\$ 100,615
Operating expenses	93,356	93,424
Interest expense	5,507	5,461
Operating margins (deficits)	2,898	1,730
Capital credits	3,508	3,355
Nonoperating margins (deficits)	635	(110)
Net margins	\$ 7,041	\$ 4,975

## Consolidated Balance Sheets

Dec. 31  
(Dollars in 000)

ASSETS	2020	2019
Net electric plant and equipment	\$ 231,267	\$ 216,851
Other assets and investments	32,313	30,247
Current assets	29,609	23,837
Deferred charges	80	142
Total assets	\$ 293,269	\$ 271,077
<b>EQUITIES AND LIABILITIES</b>		
Equities	\$ 70,545	\$ 65,576
Long-term debt	193,243	176,670
Other liabilities	5,392	4,191
Current liabilities	23,242	23,685
Deferred tax liability	847	940
Deferred credits	-	15
Total equity and liabilities	\$ 293,269	\$ 271,077

## Where Our Sales Come From



## Where Your Dollars Go

