

Rural **Missouri**

YOUR LOCAL

NEWSLETTER

September 2026

Sac Osage Electric Cooperative Annual Meeting Edition

To the Members of Sac Osage Electric Cooperative

We invite all members of Sac Osage Electric Cooperative Inc. to join us for the 2026 Member Appreciation Drive Through and Business Meeting.

The Member Appreciation Drive Through will start at 8 a.m. and will lead up to the Annual Business Meeting at 6:30 p.m. on September 8, 2026.

There is only one ballot for a proposed bylaw change for members to vote on in the center of this issue of the Rural Missouri magazine.

To encourage member participation from all members of Sac Osage Electric Cooperative to place their vote, the Board of Directors have decided to offer a \$10.00 bill credit to every member who mails in a ballot received by the day of the Annual Meeting.

Members who drive through will receive a bucket of goodies for participating.

To conclude the evening, the Annual Business Meeting will be held in the Community Room of Sac Osage Electric headquarters. There will not be food, entertainment, or a prize drawing this year.

Official Notice of the 2026 Annual Business Meeting

The 2026 Annual Meeting of the Members of Sac Osage Electric

Cooperative, Inc. will be held at the Cooperative headquarters, 4815 E. HWY 54, El Dorado Springs, Missouri, at 6:30 p.m., Tuesday, September 8, 2026, to take action upon the following matters:

1. Report of officers, directors, and committees;
2. Board of Directors' Proposal to determine the approval or disapproval of Proposed Amendment to Article IV, Section 2. of the Bylaws of Sac Osage Electric Cooperative regarding Director Election and Tenure of Office. (Ballot included inside this issue of the Rural Missouri Magazine)
3. Such other business as may properly come before the meeting or any adjournment thereof.

There was one (1) nominee from each of districts 4, 5 and 6. According to the Bylaws, Article IV, Section 4, if only one (1) person is nominated for the position of director in any district, ballots shall not be mailed and the person nominated shall be deemed elected at the Annual Meeting of the Members. Any director elected without opposition shall commence serving immediately after the election results are announced at the annual meeting of the members. The director biographical sketches are located on the next page of the Rural Missouri.

All three directors were the only nominees from their respective districts this year. They shall be deemed reelected at the Annual Meeting of the Members. All three have completed courses to become Credentialed Cooperative Directors.

By order of the Board of Directors of Sac Osage Electric Cooperative, Inc.

Tim Minehardt, Secretary

**Find your ballot
for the Bylaw
amendment in the
center of this Rural
Missouri magazine.**

**MAIL in your
ballot prior to the
annual meeting to
Sac Osage Electric
Cooperative in the
envelope provided to
receive your \$10.00
electric bill credit.**

**Member
Appreciation Drive
Through, September
8, 2026, starting at 8
a.m. followed by the
business meeting at
6:30 p.m.**

Directors Shall be Deemed Reelected at the Annual Meeting During the Business Meeting

This year, directors from Districts 4, 5, and 6 were the only nominees from their respective districts. They shall be deemed reelected at the Annual Meeting of the Members. All three have completed courses to become Credentialed Cooperative Directors.



District 4 - Ray Huesemann

I live on an acreage east of Osceola, with Ann, my wife of sixty years who most know as their former teacher. We have been members of Sac Osage Electric Cooperative for forty-nine years. We proudly fly the flags of the United States and the State of Missouri each day at our home.

I attended Hanover College, Depauw University, Ohio State University, the University of Missouri and Drake University, culminating in a law degree.

I interrupted my education to enlist on active duty in the U.S. Army from 1968 through 1971. I was elected as the Prosecuting Attorney for St. Clair County and then as the Associate Circuit Judge for an additional twenty-four years before retiring. Ann and I are currently enjoying retirement, country living, and grandchildren.

I have completed courses resulting in certification as a Credentialed Cooperative Director and have earned my Board Leadership Certificate. Our cooperative is facing many challenges like governmental regulation, supply chain delays, storm related damage, and skyrocketing costs, just like we all are in our private lives. Navigating these and other issues is the job of management and the Board.

I have served as the Director from District Four during the last twelve years and appreciate the confidence that you have placed in me. I am asking for your continued support and strive to represent each of you. Thank you for this opportunity to represent you, the members of Sac Osage Electric Cooperative.



District 5 - Gary Ashby

I am a longtime resident of Vernon County who grew up in rural Lee's Summit and later moved to the Nevada area in 1970, where I started a long and successful career overseeing electric and gas operations at what was originally Missouri Public Service Company.

I have devoted my life to my wife Martha, and to raising two sons and a daughter, all of whom still reside in the area.

I currently still work alongside my two sons in their successful cattle operation, the realization of a lifetime dream. Most of all, I enjoy family time, which includes being with my children, seven grandchildren and three great grandchildren.

I retired from Kansas City Power and Light after 43 years of service and took the position of Field Representative for the Nevada area Mo-Kan Livestock Market.

I was appointed to the position as Director of District 5 for Sac Osage Electric Cooperative in October 2014, where I have used my qualifications in the electric utility industry to benefit our members.



District 6 - Gene Brockus

I was born and raised in Independence. After graduation from High School, I served in the United States Air Force, later becoming an electrician on commercial construction. I worked several years in the KCPL power plants. In 1975 my family and I moved to St. Clair County where we began a cow-calf operation on our farm. I worked as Plant Services Director at Sac Osage Hospital for twelve years, later retiring from the electrical trade in 1999.

My wife and I have two children and seven grandchildren who keep us involved in school, church and community activities. A priority in our lives has been to work toward improving life for others. I am currently a member of the Vista Road district and Optimist Club in Osceola.

I have a keen interest in power generation and the distribution industry. I consider it a great honor to represent the patrons of District 6.

Current Board of Directors
(from left to right)

Tim Minehardt, Rod Hendricks, Maranda Spangler, Ray Huesemann, Gary Ashby, Grene Brockus, Shannon Tucker, Ken Hacker, Brian Hubbard



Proposed Bylaw Change to Article IV, Section 2

The Board of Directors of Sac Osage Electric Cooperative supports the approval of this amendment for the following reasons:

The highest cost driver for Cooperative member rates is the cost of power. Those rates are set by the Board of Directors at KAMO Power and AECI. The electricity our members receive is generated by AECI and distributed through KAMO Power.

Sac Osage holds one seat on the KAMO board with 16 additional cooperatives. Getting to a position of leadership on that board takes time. The current president of KAMO's board along with the KAMO director that serves on AECI's Board of Directors have served on their local cooperative's board for more than 20 years each. Since term limits went into effect, Sac Osage has not had a board member elected as president of KAMO or selected to serve on AECI's board.

Directors who have served for several terms have seen what does and does not work. That experience helps the board avoid repeating old mistakes and make quality decisions for the future.

Every year, (3) Board seats come up for election to represent the membership at Sac Osage Electric as a Board Director; this will not change. If a director has served well and earned the trust of their members, he/she will likely be re-elected. Their years of experience can continue to benefit the cooperative instead of being lost because of the present term limit.

Members will find the ballot with the amended Bylaw language inside this issue of the Rural Missouri.

The Board would ask that you carefully consider this matter and vote to approve the proposed amendment which will allow directors for Sac Osage Electric Cooperative the ability to provide representation on additional boards such as KAMO and AECI by removing the current term limits.

Treasurer's Report

It has been my privilege to serve you for the last 7 years as Sac Osage Electric Cooperative's Secretary-Treasurer. As a member of the Board, one of my primary duties is to represent you in the Cooperative's annual budgeting-making process.

The annual budget is affected by sales revenue more than any other single factor, with residential and residential seasonal sales currently representing 82% of all revenue. Depending on the weather, residential sales can fluctuate significantly from year to year. Sales from 2025 were in line with what was projected by AECI's Clearspring Energy Forecast. The 2026 budget assumes that sales will approximate the previous 5-year average. After the rate increase of 2024, revenues covered expenses in 2025 and are expected to cover expenses in 2026 with no rate increase passed on to members.

Purchased power is our largest single expense. Purchased power now represents 49% of the total cost of electric service. In 2025, KAMO Power's billing was higher, with an overall increase in power costs of \$1,137,826 compared to the 2024 power costs.

The 2026 Construction Work Plan calls for total spending of \$5,060,900 for: new extensions and line conversions; replacement of bad poles, transformers, and regulators, and; AMR improvements and miscellaneous distribution upgrades and replacements.

The Board has approved \$1,600,000 for contract mechanical tree-trimming in 2026 to clear trees, branches, and foliage away from our power lines. \$100,000 has been budgeted for herbicide treatment of rights-of-way. This ongoing effort will continue to lessen tree-related outages and the amount of damage caused by storms.

Total margins for 2025 amounted to \$5,179,905.43. These margins will eventually be returned to the membership based upon the amount of revenue each member contributed in 2025. During the year ending December 31, 2025, total refunds authorized to patrons

amounted to \$1,406,113.

Sac Osage Electric's last rate increase took place in April of 2024 and offset the power cost increase and negated the need for an increase in 2025, though power costs to Sac Osage from our power supplier again increased in 2025 and April of 2026.

Each year Sac Osage undergoes an independent audit. The report of auditor, Kevin Kelso CPA will be available at the Annual Meeting. I am pleased to report that the Cooperative concluded 2025 in an acceptable financial position with a clean audit.

Information regarding the balance sheet and statement of revenue and expenses may be found in the current issue of the Rural Missouri. An official copy of the audit may be obtained by calling the office during normal business hours. These audited financial reports show that Sac Osage Electric Cooperative continues to be in a solid financial position.

The fiber project continued to provide high speed Internet for any member that wanted it. Every member of Sac Osage Electric Cooperative now has access to the fiber to the home Internet connection. The fiber project added \$5,138,919.42 to revenue with payments from our contracts with Conexon Connect.

Respectfully submitted,
Tim Minehardt
Secretary-Treasurer



Statement of Revenue & Expenses For the Year Ending December 31, 2025		
Revenues:		
Operating Capital & Other Revenue	\$	30,639,258
Expenses & Other Deductions		
Cost of Power	\$	12,348,223
Operating & Maintenance Expenses	\$	4,662,151
Customer Accounts Expense	\$	865,265
Administrative & General	\$	1,687,879
Depreciation & Amortization	\$	2,793,797
Taxes & Provision for Taxes	\$	6,298
Interest Expense	\$	3,095,740
Other Deductions	\$	-
Total Expenses and Other	\$	25,459,353
Net Margin	\$	5,179,905

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the drive through.

Balance Sheet 2025	
31-Dec-25	
Assets	
Utility Plant	\$ 104,765,226
Other Assets & Investments	\$ 14,888,504
Current Assets	\$ 6,604,129
Deferred Debits	\$ 199,418
Total Assets	\$ 126,457,277
Liabilities & Capital	
Member's Equity	\$ 36,804,037
Long-Term Debt	\$ 83,016,202
Current Liabilities	\$ 4,844,651
Deferred Credits	\$ 1,792,387
Total Liabilities & Capital	\$ 126,457,277

Summary of 2025 Annual Meeting Minutes

The 2025 Annual Meeting of Members of Sac-Osage Electric Cooperative, Inc. was held at the offices of Sac Osage Electric Cooperative, Inc., East Highway 54, El Dorado Springs, Missouri on September 9, 2025 beginning at 6:30 p.m.

At 6:30 p.m., Ken Hacker, the Cooperative's President, officially convened the meeting and called the business portion of the Annual Meeting to order. Mr. Hacker welcomed all members present to the meeting. The meeting was also streamed live on Facebook.

Jim Purtle of the Church of God (Holiness) in El Dorado Springs gave the invocation and led the members in the Pledge of Allegiance, followed by the National Anthem performed by Lou Ferguson.

Chris Hoberock, the Cooperative's General Counsel, who was appointed by the Cooperative's Board of Directors to preside over the business portion of the meeting, announced to the membership that a quorum for the meeting consisted of 5% of the first 2,000 members of the

Cooperative and 2% of all members in excess of 2,000. Based upon a total membership of 9,273 members, Mr. Hoberock announced that a quorum for the annual meeting was 245 members. There was a total of 482 members registered and present at the meeting.

It was then moved, seconded, and upon voice vote, agreed to by a majority of the membership present that the reading of the Official Notice of the 2025 Annual Meeting would be waived. A copy of the Notice of the 2025 Annual Meeting of Members had been mailed to each and every member of the Cooperative at his, her or its address as shown on the records of the Cooperative. The Notices were placed in the United States mail on August 20, 2025.

Mr. Hoberock reviewed the 2024 Annual Meeting of Members. Mr. Hoberock then announced that copies of the minutes of the 2024 Annual Meeting of Members had been available at the office of the Cooperative for review by the members and that additional copies were available at the podium for review by any member of the Cooperative. The Secretary elected to make copies of the minutes available instead of reading them. Upon a voice vote by the membership, a majority of the members present voted to approve the minutes of the 2024 Annual Meeting as published.

Mr. Hoberock announced that copies of the 2024 Financial Statements of the Cooperative for the year ended December 31, 2024 were available to any member requesting a copy.

Mr. Hoberock announced that the first matter to be acted on at this meeting was the election of directors. Mr. Hoberock then announced that the candidates for the directorship vacancies were as follows: District 1, Tim Minehardt; District 2 Rod Hendricks; and District 3, Maranda Spangler.

Mr. Hoberock stated that pursuant to the Bylaws of Sac-Osage Electric Cooperative, Inc., unopposed candidates for director are automatically elected without a vote. Therefore, Mr. Hoberock announced that the unopposed candidates for District 1, Tim Minehardt; District 2, Rod Hendricks; and District 3, Maranda Spangler were declared elected.

Tim Minehardt, the Cooperative's Treasurer, gave his report which was then followed by the remarks of Ken Hacker, the President of Sac-Osage Electric Cooperative, Inc. The Manager's Report given by Aaron Ash was the final report of the meeting.

Mr. Hoberock then announced that the floor was open for any unfinished business which might properly come before the membership. No member requested recognition to bring up any matter of unfinished business.

Mr. Hoberock announced that the floor was open for any new business that might come before the membership. No member requested recognition to bring up any matter of new business. There being no further business to come before the meeting, upon a motion made and seconded, the meeting was adjourned at 7:21 p.m.