



Report from the President/ CEO

Rob Boaz

Thank you for taking time to read this year’s annual report. I am pleased to share with you some of the highlights from last year.

RELIABILITY

This year’s message is mixed with a tremendous sense of satisfaction and concern.

On the positive side, our team’s historic achievement set new reliability records. With included major events and excluded, 2022 was the most reliable year in the Cooperative’s 85-year History!

ALL EVENTS

1.	2022	99.9808%
2.	2020	99.9794%
3.	2015	99.9753%

NORMAL EVENTS

1.	2022	99.9903%
2.	2021	99.9902%
3.	2019	99.9895%

2022  
WAS THE  
MOST RELIABLE YEAR  
IN CARROLL’S 85-YEAR HISTORY!

On the flip side, the reliability of the Bulk Power System (BPS) in the United States and worldwide is declining. It does not have to be this way. With your help, we have been calling attention to this for quite some time.

AFFORDABILITY

While Carroll Electric’s prices remain 21% below the national average, the Bulk Power System’s increasing reliance on natural gas, as a “dispatchable” (controllable) source of power generation is increasing wholesale prices nationwide.

Priced at the U.S. residential average, 1,300 kilowatt-hours of monthly usage would result in a bill of \$196.56/month. Fortunately, at Carroll Electric’s rate, this comes to only \$155.09/month. This translates to a savings of \$497/year.

\$497  
MEMBER VALUE

MEMBER PARTICIPATION AND SATISFACTION

The confidence the membership expressed in the Cooperative through the 2022 Member Survey is appreciated.

95% Over 10,000 members participated in the survey. Despite 2022’s challenges, member satisfaction scored at 95%.

Looking ahead, the problems with the Bulk Power System are solvable. More than 14,000 members responded to the first two issues of On the Record with more than 9 out of 10 supporting three simple goals. Unfortunately, government policy is not so simple. We will not give up. See [carrollecc.com/on-the-record](http://carrollecc.com/on-the-record) for more information.

Your feedback remains critical to navigating the future. Please take time to complete the enclosed survey. Also, please know that our team welcomes your feedback throughout the entire year.

Whatever challenges our industry faces, Carroll Electric will be here to serve you. On behalf of our entire team, we consider it a privilege to do so.

Sincerely,  
*Rob Boaz*  
President / CEO

DEAR CARROLL ELECTRIC MEMBER:

The board of directors invites you to participate in this year’s official business and survey. Survey results help shape the Cooperative’s strategic goals. The direction of the Cooperative really comes down to three simple things: safe, reliable, and affordable power. That’s the mission of the Cooperative and that’s the focus of the board.



Last year, we heard from around 12,000 members. We’d like to hear from more of you this year. Several appreciation prizes are being offered for those who will take a few minutes to complete the survey.

Thank you for supporting the Cooperative and sharing your feedback. Our team of professionals is here to serve you every day.

- Alan Hunnicutt*  
Chairman of the Board, Dr. Alan Hunnicutt, DVM
- Board of Directors
- Vice Chairman, Carla Hathorn
- Secretary/Treasurer, Winfred Prier
- Neff Basore
- David Glass
- Kristy Noble-Tesch
- Bobby Raulston
- Randy Shinn
- Joe Spivey

NOTICE OF OFFICIAL BUSINESS

The Official Business of the Cooperative is being conducted in accordance with the Article II of the bylaws:

SECTION 1. **Written Notice.** Each Cooperative member actively receiving electric service, as of the day of record, shall have notice of official business matters as well as an opportunity to vote on such matters. The day of record shall be no more than 45 days prior to the date notice is mailed. Notice of the official business of the membership shall conform to Ark. Code Ann. §23-18-320(d)(1) and (2) and shall be deemed to be delivered when deposited for mailing to the address as it appears on the records of the Cooperative.

SECTION 2. **Quorum.** No less than four percent of the Cooperative’s membership on the day of record, casting a ballot or exercising a proxy, shall constitute a quorum for the transaction of official business.

SECTION 3. **Official Business.** The official business of the membership shall include:

- (a) Amendments, if any, to the Cooperative’s articles of incorporation.
- (b) The election of director(s) to the Cooperative’s board of directors.
- (c) Other proposals by the Cooperative’s board of directors which comply with Ark. Code Ann. §23-18-320, other relevant rules, regulations, and laws which govern the Cooperative and the provisions herein.
- (d) Member initiated proposals which comply with Ark. Code Ann. §23-18-320, other relevant rules, regulations, and laws which govern the Cooperative, and the provisions herein. Properly presented member-initiated proposals shall: precisely describe the action to be considered; be supported by the number of members described in Ark. Code Ann. §23-18-320(c); be submitted on exact forms provided by the Cooperative at its principal office in Berryville, Ark.; contain the original, dated signatures alongside the printed name, address, member number, and telephone number appearing on the Cooperative’s member records. Any signature obtained prior to the Cooperative’s most recent annual meeting shall be excluded. The Cooperative’s attorney shall evaluate the proposal’s compliance with relevant rules, regulations, and laws which govern the Cooperative and shall validate the authenticity and number of signatures submitted with the proposal. Unless the proposal calls for a special meeting of the members as provided by Ark. Code Ann. §23-18-320(c), a validated proposal shall only be considered with the Cooperative’s annual member meeting, provided the proposal is submitted between 120 and 180 days in advance of the annual member meeting.

The only Official Business coming before the membership this year is the election of directors, which is being conducted by mail ballot. Ballots may be returned from April 25, 2023, through noon on May 25, 2023. Your participation in this process is appreciated.

*Winfred Prier*  
Secretary-Treasurer, Winfred Prier



BEST RELIABILITY IN 85 YEARS!  
2022 ANNUAL REPORT

MEMBER VOICES

I appreciate the cleanup the Carroll Electric crews did in our area.  
—CAROLYN FROM HUNTSVILLE, ARK.

Thank you for the professionalism shown by your employees.  
—BRUCE FROM DECATUR, ARK.

The crews do an amazing job during outage response.  
—BARRY FROM JASPER, ARK.

Thank you Carroll Electric for maintaining the right-of-way and power lines. The outcome was obvious during the cold snap as we did not lose any power.  
—DONNA FROM BELLA VISTA, ARK.

We appreciate Carroll Electric's service.  
—JAMES FROM BRANSON, MO.

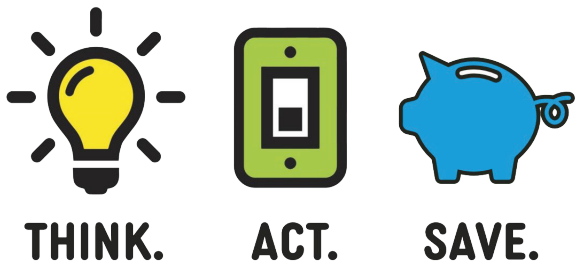
SAFETY:

Our team of more than 300 professionals is eager to provide RELIABLE and AFFORDABLE electricity to the membership.

We do NOT believe in shortcuts that can or will compromise SAFETY.

Each day, we remind ourselves “lives are on the line” and want the public and our employees to be protected.

The cheapest kilowatt-hour is always the one not sold.



To learn more, please visit [carrollecc.com/energy-saving-tips](https://carrollecc.com/energy-saving-tips).

REVENUE AND EXPENSE STATEMENT	As of December 31	2022	2021
REVENUES			
Electric Energy Sales		261,266,391	\$226,641,842
Other Electric Revenue		7,779,559	6,472,724
Total Operating Revenue		269,045,950	\$233,114,566
EXPENSES			
Purchased Power		180,189,296	\$151,829,842
Interest on Debt to RUS / CFC / CoBank		12,739,977	11,732,338
Operation / Maintenance		34,479,160	29,717,080
Depreciation / Amortization		23,556,342	21,433,364
Administrative / General		16,824,652	15,572,756
Consumer Accounting / Collecting / Information		2,831,575	2,361,631
Miscellaneous		20,543	137,627
Total Expenses		270,641,545	\$232,784,638
MARGINS			
Operating Margins		-1,595,595	\$329,928
Other Margins and Capital Credits		5,010,848	4,659,142
Non-operating Revenues		1,151,002	1,453,633
Total Margins		4,566,255	\$6,442,703
*As reported to Rural Utilities Service			

BALANCE SHEET	As of December 31		
ASSETS			
Cash on Hand		1,533,894	\$1,232,466
Investments		1,353,707	4,534,829
Investments in Associated Organizations		64,751,428	64,023,635
Accounts Receivable		20,165,729	16,014,877
Inventory		28,294,426	14,055,398
Prepayments on Insurance, etc.		33,658	61,820
Interest & Miscellaneous Deferred Debits		46,990,299	37,151,456
Net Utility Plant		667,940,354	619,496,580
Total Assets		831,063,495	\$756,571,061
LIABILITIES			
Debt to Rural Utilities Services / CFC / CoBank		491,141,273	\$447,274,743
Accounts Payable		21,744,686	3,109,997
Other Current & Accrued Liabilities		20,913,247	19,120,733
Deposits & Advances		10,149,010	7,481,228
Miscellaneous Deferred Credits		16,232,300	13,265,334
Total Liabilities		560,180,516	\$490,252,035
MEMBERS' EQUITY			
Membership Fees		2,220,731	\$2,172,560
Total Margins		4,566,255	6,442,703
Patronage Capital		247,313,040	243,607,169
Other Equities		16,782,953	14,096,594
Total Net Worth		270,882,979	266,319,026
Total Liabilities & Net Worth		831,063,495	\$756,571,061
*As reported to Rural Utilities Service			

THE REVENUE DOLLAR	As of December 31		
HOW WAS IT EARNED			
Residential / Farm		183,126,865	\$159,077,487
Commercial / Industrial		77,325,249	66,803,181
Street / Highway Lighting		814,277	761,174
Miscellaneous		7,779,559	6,472,724
Total		269,045,950	\$233,114,566
HOW IT WAS USED			
Purchased Power		180,189,296	\$151,829,842
Interest on Debt to RUS / CFC / CoBank		12,739,977	11,732,338
Operation / Maintenance		34,479,160	29,717,080
Depreciation / Amortization		23,556,342	21,433,364
Administrative / General		16,824,652	15,572,756
Consumer Accounting / Collecting / Information		2,831,575	2,361,631
Operating Deductions		20,543	137,627
Operating Margins		-1,595,595	329,928
Total		269,045,950	\$233,114,566

