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UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION MI0037

PERIOD ENDED December 2021

BORROWER NAME Thumb Electric Cooperative of Michigan

INSTRUCTIONS - See help in the online application.

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects.

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

Dallas Bran

5-27-22
DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	22,898,155	24,044,219	23,719,368	1,961,736
2. Power Production Expense	68,647	79,165	71,333	4,992
3. Cost of Purchased Power	10,466,857	10,933,137	10,811,762	1,098,466
4. Transmission Expense	266,961	138,583	318,300	2,555
5. Regional Market Expense				
6. Distribution Expense - Operation	623,112	867,832	592,458	87,045
7. Distribution Expense - Maintenance	2,656,708	2,655,382	2,582,000	261,271
8. Customer Accounts Expense	557,918	702,988	664,680	66,185
9. Customer Service and Informational Expense	356,750	366,286	504,392	32,772
10. Sales Expense				
11. Administrative and General Expense	1,190,100	1,487,058	1,262,355	(278,099)
12. Total Operation & Maintenance Expense (2 thru 11)	16,187,053	17,230,431	16,807,280	1,275,187
13. Depreciation and Amortization Expense	2,548,610	2,838,154	2,767,392	238,965
14. Tax Expense - Property & Gross Receipts	945,248	1,046,726	980,100	148,466
15. Tax Expense - Other				
16. Interest on Long-Term Debt	1,500,332	1,500,799	1,450,679	168,582
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	23,437	99,797	95,520	37,430
19. Other Deductions		16,805		16,805
20. Total Cost of Electric Service (12 thru 19)	21,204,680	22,732,712	22,100,971	1,885,435
21. Patronage Capital & Operating Margins (1 minus 20)	1,693,475	1,311,507	1,618,397	76,301
22. Non Operating Margins - Interest	43,129	76,674	42,840	40,084
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments	53,674	1,091,480	40,649	1,016,442
25. Non Operating Margins - Other	(63,379)	56,433	40,360	(2,486)
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	73,649	93,527	69,800	9,934
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	1,800,548	2,629,621	1,812,046	1,140,275

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PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	65	101	5. Miles Transmission	141.41	141.41
2. Services Retired	53	41	6. Miles Distribution – Overhead	1,977.11	1,977.88
3. Total Services in Place	12,710	12,783	7. Miles Distribution - Underground	20.47	20.85
4. Idle Services (Exclude Seasonals)	403	413	8. Total Miles Energized (5 + 6 + 7)	2,138.99	2,140.14

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	111,450,024	30. Memberships	188,026
2. Construction Work in Progress	4,898,142	31. Patronage Capital	22,535,993
3. Total Utility Plant (1 + 2)	116,348,166	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort.	33,013,992	33. Operating Margins - Current Year	1,311,507
5. Net Utility Plant (3 - 4)	83,334,174	34. Non-Operating Margins	1,318,114
6. Non-Utility Property (Net)	84,391	35. Other Margins and Equities	4,089,604
7. Investments in Subsidiary Companies	19,765,538	36. Total Margins & Equities (30 thru 35)	29,443,244
8. Invest. in Assoc. Org. - Patronage Capital	928,253	37. Long-Term Debt - RUS (Net)	0
9. Invest. in Assoc. Org. - Other - General Funds	0	38. Long-Term Debt - FFB - RUS Guaranteed	39,497,306
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	723,588	39. Long-Term Debt - Other - RUS Guaranteed	0
11. Investments in Economic Development Projects	0	40. Long-Term Debt Other (Net)	23,613,679
12. Other Investments	81,502	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
13. Special Funds	1,788,962	42. Payments – Unapplied	0
14. Total Other Property & Investments (6 thru 13)	23,372,234	43. Total Long-Term Debt (37 thru 41 - 42)	63,110,985
15. Cash - General Funds	1,886,663	44. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	45. Accumulated Operating Provisions and Asset Retirement Obligations	0
17. Special Deposits	0	46. Total Other Noncurrent Liabilities (44 + 45)	0
18. Temporary Investments	0	47. Notes Payable	16,105,000
19. Notes Receivable (Net)	0	48. Accounts Payable	7,019,277
20. Accounts Receivable - Sales of Energy (Net)	2,353,565	49. Consumers Deposits	155,791
21. Accounts Receivable - Other (Net)	3,369,678	50. Current Maturities Long-Term Debt	2,808,252
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt - Economic Development	0
23. Materials and Supplies - Electric & Other	6,833,778	52. Current Maturities Capital Leases	0
24. Prepayments	160,202	53. Other Current and Accrued Liabilities	1,797,599
25. Other Current and Accrued Assets	8,336	54. Total Current & Accrued Liabilities (47 thru 53)	27,885,919
26. Total Current and Accrued Assets (15 thru 25)	14,612,222	55. Regulatory Liabilities	0
27. Regulatory Assets	0	56. Other Deferred Credits	878,482
28. Other Deferred Debits	0	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	121,318,630
29. Total Assets and Other Debits (5+14+26 thru 28)	121,318,630		

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PART E. CHANGES IN UTILITY PLANT					
PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)
1. Distribution Plant	78,787,408	2,496,952	1,548,398		79,735,962
2. General Plant	6,306,229	2,082,640	470,038		7,918,831
3. Headquarters Plant	1,333,398	298,732			1,632,130
4. Intangibles	834				834
5. Transmission Plant	12,940,455	746,872	113,578		13,573,749
6. Regional Transmission and Market Operation Plant					
7. All Other Utility Plant	8,533,518	55,000			8,588,518
8. Total Utility Plant in Service (1 thru 7)	107,901,842	5,680,196	2,132,014		111,450,024
9. Construction Work in Progress	805,575	4,092,567			4,898,142
10. Total Utility Plant (8 + 9)	108,707,417	9,772,763	2,132,014		116,348,166

PART F. MATERIALS AND SUPPLIES							
ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	1,030,921	6,974,189	28,660	1,195,742	1,068	(14,212)	6,822,748
2. Other	72,089				61,059		11,030

PART G. SERVICE INTERRUPTIONS						
ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE					TOTAL (e)
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)		
1. Present Year	.400	180.706	3.107	124.840	309.053	
2. Five-Year Average	.008	324.245	4.679	192.737	521.669	

PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS					
1. Number of Full Time Employees	32	4. Payroll - Expensed	1,861,788		
2. Employee - Hours Worked - Regular Time	68,850	5. Payroll - Capitalized	1,119,610		
3. Employee - Hours Worked - Overtime	6,249	6. Payroll - Other	811,252		

PART I. PATRONAGE CAPITAL			
ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)
1. Capital Credits - Distributions	a. General Retirements	411,421	7,288,659
	b. Special Retirements	281,943	5,755,830
	c. Total Retirements (a + b)	693,364	13,044,489
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power	0	
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	14,344	
	c. Total Cash Received (a + b)	14,344	

PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE			
1. Amount Due Over 60 Days	\$ 290,651	2. Amount Written Off During Year	\$ 36,448

ENERGY EFFICIENCY AND CONSERVATION LOAN PROGRAM			
1. Anticipated Loan Delinquency %	0	4. Anticipated Loan Default %	0
2. Actual Loan Delinquency %	0	5. Actual Loan Default %	0
3. Total Loan Delinquency Dollars YTD	\$ 0	6. Total Loan Default Dollars YTD	\$ 0

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PART K. kWh PURCHASED AND TOTAL COST									
No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	CMS Marketing, Serv & Trade Co	3991			203,390,172	10,933,137	5.38		1,409,551
	Total				203,390,172	10,933,137	5.38		1,409,551

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PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
	TOTAL		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION MI0037	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December 2021	
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 6/12/2021	2. Total Number of Members 12,321	3. Number of Members Present at Meeting 9	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail 525	6. Total Number of Board Members 9	7. Total Amount of Fees and Expenses for Board Members \$ 66,295	8. Does Manager Have Written Contract? Y

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION MI0037			
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December 2021			
PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)				
2	National Rural Utilities Cooperative Finance Corporation	23,505,383	444,584	709,123	1,153,707
3	CoBank, ACB	108,296	6,169	21,745	27,914
4	Federal Financing Bank	39,497,306	1,050,045	905,303	1,955,348
5	RUS - Economic Development Loans				
6	Payments Unapplied				
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
	TOTAL	63,110,985	1,500,798	1,636,171	3,136,969

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FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December 2021		
INSTRUCTIONS - See help in the online application.				
PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY				
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	9,243	9,204	
	b. kWh Sold			132,149,029
	c. Revenue			16,879,035
2. Residential Sales - Seasonal	a. No. Consumers Served	1,990	2,018	
	b. kWh Sold			6,660,507
	c. Revenue			1,529,727
3. Irrigation Sales	a. No. Consumers Served	48	48	
	b. kWh Sold			718,022
	c. Revenue			108,068
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,089	1,063	
	b. kWh Sold			53,219,359
	c. Revenue			5,898,547
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
6. Public Street & Highway Lighting	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. Total No. of Consumers (lines 1a thru 9a)		12,370	12,333	
11. Total kWh Sold (lines 1b thru 9b)				192,746,917
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				24,415,377
13. Transmission Revenue				0
14. Other Electric Revenue				(371,158)
15. kWh - Own Use				395,625
16. Total kWh Purchased				203,390,172
17. Total kWh Generated				17,669
18. Cost of Purchases and Generation				11,150,885
19. Interchange - kWh - Net				0
20. Peak - Sum All kW Input (Metered) Non-coincident <input type="checkbox"/> Coincident <input checked="" type="checkbox"/>				50,495

UNITED STATES DEPARTMENT OF AGRICULTURE
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PART P. ENERGY EFFICIENCY PROGRAMS

CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	868	236,690	6,427	11,795	2,634,905	38,314
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less	12	18,341	3,207	1,634	480,661	11,879
5. Comm. and Ind. Over 1000 KVA						
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale – RUS Borrowers						
9. Sales for Resale – Other						
10. Total	880	255,031	9,634	13,429	3,115,566	50,193

RUS Financial and Operating Report Electric Distribution

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE	BORROWER DESIGNATION MI0037
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	PERIOD ENDED December 2021

INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)

No	DESCRIPTION (a)	INCLUDED (S) (b)	EXCLUDED (S) (c)	INCOME OR LOSS (S) (d)	RURAL DEVELOPMENT (e)
1	Non-Utility Property (NET)				
	Vacant Lot	12,000			
	Rental Home	72,391			
	Totals	84,391			
2	Investments in Associated Organizations				
	CFC, CoBank Patronage, CTCs		963,555		
	NISC, NRTC, RESCO, Federated	538,285			
	Mbr Cap Sec	150,000			
	TEsC	(234,462)			
	Air Advantage	20,000,000			
	Totals	20,453,823	963,555		
4	Other Investments				
	ERC Loans/RESP Loans	81,502			
	Totals	81,502			
5	Special Funds				
	Member Contributions	130,804			
	Deferred Revenue	625,000			
	Billed Power Supply Over Recovery	883,158			
	Temporary Investment	150,000			
	Totals	1,788,962			
6	Cash - General				
	General Fund	1,886,664			
	Totals	1,886,664			
8	Temporary Investments				
	Commercial Paper	0			
	Totals	0			
9	Accounts and Notes Receivable - NET				
	W/H Billing	155,276			
	A/R Other	3,842,786			
	Bad Debt Reserve	(628,385)			
	Totals	3,369,677			
11	TOTAL INVESTMENTS (1 thru 10)	27,665,019	963,555		

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PART Q. SECTION II. LOAN GUARANTEES

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				
	TOTAL (Included Loan Guarantees Only)				

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SECTION III. RATIO					
RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]					23.78 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
TOTAL					