



2024 ANNUAL REPORT

BOARD OF DIRECTORS

David Mueller Tampa, President	James Christopher Falun , Director
Sheila Hummel Hope, Vice President	Randy Cooper Gypsum, Director
Bruce Spare Assaria, Secretary	Ken Hedberg Marquette, Director
Kenneth Berry Minneapolis, Director	Mike Richards Solomon, Director
David Butler Junction City, Director	

STAFF

Timothy J. Power CEO	Marla Marshall CFO
Tracy Turner Operations Manager	Derrick Rutherford Communications Manager

OFFICE HOURS

8 a.m.-4 p.m., Monday-Friday

PAYMENT LOCATIONS

CENTRAL NATIONAL BANK IN WALMART SUPERCENTER
521 E. Chestnut St., Junction City, KS 66441
FARMERS STATE BANK
447 Harrison, Lindsborg, KS 67456

OUTAGE INFORMATION

IN CASE OF AN OUTAGE, CALL 800-376-3533. After-hours calls will be answered by dispatch and forwarded to standby personnel.

FIND OUT MORE

 facebook.com/DSOElectricCooperative

 @DSOElectricCoop

BOARD PRESIDENT'S AND CEO'S REPORT

Highlights From 2024

RATE CHANGES

In 2023, DSO completed a cost-of-service study. The study revealed that DSO was bringing in the revenue needed, but some rates were subsidizing others. After reviewing the results, DSO set out to design its rates so that all rate classes would cover their own associated costs. The board approved the revised rates in April 2024 and nearly all the revised rates went into effect in October 2024.

BOARD TURNOVER

Long-time director **DEAN ALLISON** retired from the DSO board in March 2024. Dean served on the board for 27 years, with 14 years serving as DSO's delegate on our generation and transmission cooperative's board. We appreciate all Dean did for DSO and wish him the best in retirement.

In April 2024, the members elected **RANDY COOPER** to replace Dean on the board. This isn't Randy's first time on DSO's board. He also served as a director from 2009-2013. Welcome back Randy!

WILDFIRE MITIGATION GRANTS

DSO applied for and was awarded two federal wildfire mitigation grants in 2024. The grants consist of replacing manual reclosers on the power lines with automated versions. The two grants are nearly identical, other than the geographic areas they cover.

When faced with high wind and dry

conditions, the threat of wildfires is real. If an energized power line were to blow down, it could start a wildfire and endanger land, livestock, infrastructure and human life. To prevent that, the reclosers on the lines can be set to disconnect power when there is a line disturbance, but DSO crews must manually go to each recloser and set it to a "one shot" state. This is a time-consuming and expensive process, especially since the reclosers need to be switched back to normal state after the threat conditions dissipate, thus requiring two trips for each recloser. The grants would enable DSO to replace most of its manual reclosers with automated versions, allowing DSO personnel to remotely program the reclosers.

We were beginning to implement the recloser changeout process when we were informed by the federal government to put everything on hold. The new administration is reviewing all grant programs to determine which ones it will continue to support. We are fairly confident this grant program is something that will be funded, but all we can do now is wait and hope. DSO will keep its members informed on the status of the grants as we learn more over the next few months.



David Mueller
Board President



Tim Power
CEO

2025 Scholarship Recipients

DSO Electric Cooperative offers scholarships to its members or their dependents pursuing higher education in Kansas. At least one scholarship is awarded in each of our three voting districts, one to a current college student and one for a student entering or continuing education at a lineman or vocational school. This year, DSO is proud to award 10 individuals with \$1,000 scholarships. Below are this year's winners by the district they represent.



Trey M. Droge

CENTRAL DISTRICT

TREY M. DROGE

Trey Droge is a senior at Southeast of Saline High School. He is the son of Chris and Jill Droge. Trey participates in the National Honors Society, FFA, football, wrestling, choir, band, baseball, track, Aviation Innovation & Maintenance (AIM) and shooting sports. He has volunteered throughout the community to be able to give back. He plans to attend K-State University Salina Aerospace & Tech College majoring in aviation commercial pilot with a minor in aviation mechanics. He wants to become a commercial pilot.



Lacie McLaughlin

LACIE N. MCLAUGHLIN

Lacie McLaughlin, a senior at Solomon High School, is our next scholarship winner. She is the daughter of Tasha and Dan McLaughlin. Carson participates in volleyball, basketball, cheer, track, softball, swim team, FFA, FCCLA, FCA, STUCO, Gorilla Honor Society and scholars bowl. Lacie plans to attend Kansas State University to study animal science and become a veterinarian.



Allison Modellmog

ALLISON CHRISTINE MODELMOG

Allison Modellmog is a senior at Southeast of Saline High School and the daughter of Chris and Carol Modellmog. Allison participates in TRUST (Trojans Reaching Ultimate Success Together), student council, scholars bowl, FCCLA, SAFE (Seatbelts Are for Everyone), FCA and many volunteer experiences. After graduating, Allison plans to study neuroscience at Creighton University and later go to Kansas School of Medicine. She wants to become an emergency department physician.



Emersyn Shirack

EMERSYN SHIRACK

Emersyn Shirack is a senior at Solomon High School and the daughter of Miranda and Josh Shirack. Emersyn participates in track, powerlifting, swim team, scholars bowl, volleyball, cheer, Gorilla Honor Society, FBLA and FCCLA. She achieved high honor roll all four years of high school. Emersyn will attend Emporia State University for radiology.



Josi Schrader

JOSI MAXINE SCHRADER

Josi Maxine Schrader is the daughter of Spencer and Laci Schrader. Josi has been involved in YQCA (Youth for the Quality Care of Animals), K-State Animal Science Leadership Academy graduate and doing classes with Salina Tech College and Cloud County Community College. She has been high honor roll and participated in AIJCA (American International Junior Charolais Association), KJCA (Kansas Junior Charolais Association), KJSA (Kansas Junior Simmental Association), FCA (Fellowship of Christian Athletes), 4-H, volleyball, basketball, track, dance team and National Honors Society. Josi plans to study agricultural business and animal science at Kansas State University.



Renatta Heintz

EAST DISTRICT

RENATTA ANN HEINTZ

Renatta Ann Heintz, a senior at Abilene High School, is the daughter of Lyle and Shannon Heintz. Renatta participates in 4-H, FFA, German Honors Society, volleyball, basketball and track. She is a member of the National Honor Society and completed several community projects. Renatta will study biology at Kansas State University. She would like to become a physician's assistant or a pharmacist.



Cooper Lewis

COOPER JAYCE LEWIS

Cooper Jayce Lewis is a senior at Chapman High School. He is the son of Josh and Megan Lewis. He is a member of the National Honor Society and STUCO. He participated in football, baseball and on the high honor roll all four years of high school. After graduating, he is planning to attend Fort Hays State University to pursue a degree in nursing.



Cassidy Miller

CASSIDY JANE MILLER

Cassidy Miller is a senior at Junction City High School and the daughter of Katie Miller and Terry Ziegler. Cassidy is active in FCA (Fellowship of Christian Athletes), Chaos Club Competitive Softball and 4-H. She played volleyball and softball. Cassidy plans to study agribusiness at Butler Community College. Once she gets her associates she is planning to go to Kansas State University for her bachelor's in agricultural communications.

WEST DISTRICT



Hensli Lofdahl

HENSLI G. LOFDAHL

Hensli Lofdahl is a senior at Smoky Valley High School and one of our scholarship winners. She is the daughter of Terry and Kylie Lofdahl. Hensli participates in Lindsborg Swedish Folk Dancers, Wavemaker Swim Team, Smoky View 4-H, National Honors Society, pep club, FCA, FCCLA and choir. Hensli will be studying social work at Kansas State University. She plans to become a mental health therapist.



Ryan Myers

RYAN MYERS

Ryan Myers, a senior at Minneapolis High School, is the son of Tim and Becky Myers. Ryan participates in National Honors Society, band, 4-H, student council, FFA, football, CYO and YAF (Young Americans for Freedom). He volunteers for many community events and works on the family farm that he plans to eventually take over. Ryan plans to study agriculture economics at Kansas State University. He has been taking online classes at Cloud County Community College and Salina Area Tech College this past year.

ENERGY EFFICIENCY TIP OF THE MONTH

Turn your suds into savings. Lower your energy use in the laundry room by washing clothes with cold water whenever possible, as heating water accounts for most of the energy used in a laundry cycle. Wash full loads to make the most of energy savings, and use high-efficiency detergent designed for cold washes. For drying cycles, clean the lint filter before each load to improve airflow and use dryer balls to reduce drying time. **SOURCE: NRECA**



Financial Report

INCOME STATEMENT

Starting with the income statement, the annual kilowatt-hour (kWh) sales for 2024 totaled 134 million, which was 1 million kWh fewer than what was sold in 2023.

Revenue was nearly equal to that in 2023. Cost of power for 2024 was also nearly equal to that in 2023. The wholesale power cost is DSO's single largest expense. In 2024, it accounted for 53% of all of DSO's expenses.

Depreciation increased slightly in 2024, but other areas, such as administration and general, interest expense, and operations and maintenance, stayed the same.

DSO had an operating margin of \$1 million and a total margin of \$1.3 million in 2024. Total margin includes equity allocations from organizations we are associated with, shown here as our generation and transmission cooperative and other capital credits.

OUR BALANCE SHEET

DSO finished the year with \$75 million in assets. DSO had \$49 million in liabilities, which left \$26 million in equity.

Service availability was very high; it came in at just under 100%. DSO cannot guarantee that there will never be interruptions in power — no one can — but our crews work diligently to maintain the lines to minimize those outages.

In December, DSO retired over \$230,000 in capital credits. This money was sent back to the members as bill credits or checks.

Finally, did you know DSO's board of directors chooses an auditor to audit DSO's books every year? The chosen auditor, Kelso and Lynch, gave DSO a clean audit report for 2024.

If you have questions, please contact the DSO office at 800-376-3533.

BALANCE SHEET

WHAT WE OWN	
Total Fixed Assets	\$58,528,000
Total Current Assets & Other Assets	\$16,527,000
Total Assets	\$75,055,000
WHAT WE OWE	
Total Liabilities	\$49,182,000
OUR NET WORTH	
Memberships & Equity	\$25,873,000
TOTAL LIABILITIES & EQUITY	\$75,055,000

INCOME STATEMENT

	2023	2024
Electric Revenue	\$21,640,000	\$22,078,000
Cost of Power	\$10,680,000	\$11,200,000
Operations & Maintenance	\$2,377,000	\$2,431,000
Administration & General Service	\$2,151,000	\$2,199,000
Depreciation	\$2,129,000	\$2,180,000
Interest	\$2,038,000	\$1,979,000
Property Tax	\$1,043,000	\$1,041,000
Operating Margins	\$1,222,000	\$1,048,000
Non-Operating Margins	\$173,000	\$76,000
G&T Capital Credits	\$164,000	\$72,000
Other Capital Credits	\$191,000	\$101,000
Extraordinary Items	\$0	\$0
TOTAL MARGINS	\$1,750,000	\$1,297,000

