

MANAGER'S ANNUAL REPORT

August 2, 2011

Southeastern Electric Cooperative's Financial Statement for year ending December 31, 2010, was published in the Cooperative's Newsletter and mailed to all members July 2011.

The 2010 Financial Statement was printed in comparison to 2009 and the Cooperative's 2010 financial records were audited by the firm of Briscoe-Burk-Grigsby, Certified Public Accountants of Tulsa Oklahoma.

During 2010, approximately 12 miles of distribution lines were constructed to provide electric service to 189 new connections. Net Utility plant increased approximately \$1,608,084 over 2009.

Two hundred thirty-four miles of right-of-way were cut, trimmed or sprayed at a cost of approximately \$1,037,946.

The average wholesale cost per Kwh purchased from Western Farmers was 5.44 cents in 2010 compared to 5.22 cents in 2009.

Total gross receipt taxes paid amounted to \$439,040 for 2010. Combined with WFEC's taxes paid 21 schools throughout the Cooperative's service area received a total of \$899,036.

Southeastern Electric participates in numerous Community events and activities throughout its service area, as Mr. Coleman has reported earlier.

The cooperative's financial condition is strong, and all loan obligations are being met at present time. All necessary financial ratios required by our lenders were met for the year 2010. We intend to continue present maintenance programs in order to provide good dependable electric service. The Board of Directors and Employees of Southeastern Electric Cooperative will continue to strive to give the best quality of service to our members in the future.