



Guthrie County REC

A Touchstone Energy® Cooperative 

Annual Report

2019



COMMITTED TO COMMUNITY

Safe, reliable and affordable energy - three words that serve as the backbone of Guthrie County REC. We're proud of where the cooperative stands within these words. Our ability to deliver energy to members in a safe, reliable and affordable manner is at the heart of our mission. When our team works diligently to ensure the upgrades to our system lines and transformers are completed in a way that best serves our membership, you know they are committed to each and every member.

As a cooperative, we live by the seven cooperative principles, each one guiding our efforts in different ways. In 2019, Guthrie County REC focused heavily on the seventh principle - Concern for Community. Whatever affects our members affects the directors and employees who live and work next door. This is why we actively engage in supporting our communities through economic development and charitable giving. In 2019, we sponsored STEM kits to teach our future leaders about electricity, we supported the volunteer Adair Fire Department, funding was provided to the Guthrie County Fair Association and more.

Whether we're providing safe, reliable and affordable energy, or reaching out to support efforts across the communities we serve, Guthrie County REC is committed to insuring our members are at the forefront of all we do.

Cozy Nelsen - CEO



Julie Kiley



Bob Batschelet



Marcel Fett



John Masmar



Don Schwartz



Joni Rees



Ron Bristle



Steve Bireline



Andy Van Aernam

SERVICE

In 2019, Guthrie County REC:

- Installed a dual wound 5,000 kVa transformer in the Woodward substation. This allowed for the 69 kVa conversion.
- Constructed 17.7 miles of single-phase line.
- Built 5 miles of three-phase line.
- Connected 13 new overhead line services.
- Installed 28 new underground services.
- Tested 832 poles out of the Woodward sub and replaced 33 bad poles.

COMMUNITY

- Guthrie County REC sent five linemen to Jackson, Minnesota to help Federated Rural Electric with storm damage in April.
- The Cooperative awarded \$4,000 in college scholarships to four deserving students in the AC/GC, Panorama, and WCV school districts whose parents are cooperative members.
- Guthrie County REC linemen participated in Farm Safety Day. Teaching opportunities allow our linemen to demonstrate their job, talk about schooling and training, teach electrical safety practices, and educate students about the electric cooperative.

GROWTH

- Guthrie County REC worked with several utilities to update the Woodward substation from 34 kVa to 69 kVa. This conversion adds power to increase the reliability and modernization of an aged system.
- The Cooperative donated STEM kits to 10 schools within our service territory to help students learn more about electricity and renewable energy and support the growth of our youth.

ECONOMIC

- The Cooperative donated \$4,000 to the volunteer Adair Fire Department with the help of the CoBank Sharing Success Program.
- An additional \$5,000 was donated to the Guthrie County Fair Foundation with the help of the CoBank Sharing Success Program.

FINANCIAL

In 2019, the Guthrie County REC Board of Directors:

- Allocated \$910,815.57 in patronage from 2018 margins.
- Approved a pay out of dividends totaling \$725,000 to members who received electric service in 2003, 2006, 2007, 2008, and 2018.



OUR EMPLOYEES

Employees left to right front row: Jeremy Gruber, Elden Wolfe, Lori Hix, Jalen Spack, Jordan Terwilliger, Rebecca Schwartz, Josh Olmann
 Left to right back row: Curt Knapp, Darwin Marean, Brian Marso, Larry Newbrough, Todd Tinken, Keith Hise, Doug Downing
 Truck left to right: Cozy Nelsen, Dea Kress, Marlene Chalfant

Operating Statement Audited Financials as of December 31, 2018

	2018	2017
Operating Revenue & Patronage Capital	\$ 14,191,040	\$ 14,126,142
Cost of Purchase Power	10,245,594	9,805,972
Distribution Expense - Operation	1,154,989	1,105,720
Distribution Expense - Maintenance	197,173	173,538
Customer Accounts Expense	144,319	131,518
Customer Service & Informational Expense	60,171	66,126
Administrative & General Expense	783,691	762,002
Total Operation & Maintenance Expense	\$ 12,585,937	\$ 12,044,876

kWh Sales:	kWh Purchases:	Line Loss:	Number of Meters:
2017 - 174,912,924	2017 - 180,868,743	2017 - 0.053889	2017 - 4,845
2018 - 183,748,533	2018 - 189,871,621	2018 - 0.052009	2018 - 4,896

Miles of Energized Lines:	Average Monthly kWh Residential Usage:
2017 - 1,398 2018 - 1,399	2017 - 1,590 kWh 2018 - 1,503 kWh

Operating Statement Audited Financials as of December 31, 2018

	2018	2017
Depreciation & Amortization Expense	1,015,775	972,406
Tax Expense - Other	13,412	13,369
Interest on Long-Term Debt	501,964	493,641
Other Deductions	478	451
Total Cost of Electric Service	\$ 14,117,566	\$ 13,524,743
Patronage Capital & Operating Margins	\$ 73,474	\$ 601,400
Non Operating Margins - Interest	106,133	65,064
Non Operating Margins - Other	33,650	26,774
Generation & Transmission Capital Credits	644,824	759,536
Other Capital Credits & Patronage Dividends	52,734	66,591
Extraordinary Items	0	0
Patronage Capital or Margins	\$ 910,815	\$ 1,519,365

Balance Sheet**Audited Financials as of December 31, 2018**

Assets	2018	2017
Total Utility Plant in Service	33,933,958	32,750,730
Construction Work in Progress	389,056	205,203
Total Utility Plant	34,383,014	32,955,933
Accumulated Provision for Depreciation & Amortization	13,430,879	12,848,827
Net Utility Plant	20,952,135	20,107,106
Total Other Property & Investments	4,626,657	4,588,647
Cash	135,672	448,983
Temporary Investments	4,752,000	1,953,000
Accounts Receivable	1,452,934	1,529,054
Materials & Supplies - Electric & Other	500,450	400,859
Prepayments	95,901	96,573
Other Current & Accrued Assets	26,127	7,327
Total Current & Accrued Assets	6,963,084	4,435,796
Other Deferred Debits	74,525	99,486
Total Assets & Other Debits	\$32,616,401	\$29,231,036

Balance Sheet**Audited Financials as of December 31, 2018**

Liabilities	2018	2017
Memberships	2,670	2,670
Patronage Capital	4,567,613	4,488,307
Operating & Non Operating Margins	910,815	1,519,365
Other Margins & Equities	8,958,670	8,560,918
Total Margins & Equities	14,439,768	14,571,260
Long-Term Debt - RUS	8,138,984	8,367,060
Long-Term Debt - CFC & CoBank	7,827,739	4,083,986
Long-Term Debt - RUS Econ. Development (Net)	580,000	580,000
Total Long-Term Debt	16,546,723	13,031,046
Accounts Payable	885,784	908,399
Consumer Deposits	52,550	47,237
Other Current & Accrued Liabilities	572,030	567,189
Total Current & Accrued Liabilities	1,510,364	1,522,825
Other Deferred Credits	119,546	105,905
Total Liabilities & Other Credits	\$32,616,401	\$29,231,036



Guthrie County REC

A Touchstone Energy® Cooperative



1406 State Street
P.O. Box 7
Guthrie Center, IA 50115
888-747-2206
www.guthrie-rec.coop