

2022 ANNUAL REPORT



Guthrie County REC

A Touchstone Energy® Cooperative



A SENSE OF COMMUNITY

Most people don't think about where their electricity comes from until they question their bill or go to turn on the lights and nothing happens. For large investor-owned utility customers, this would mean filling out an online form or calling a 1-800 number to hear an automated, generic message.

I like to think our cooperative is more like a family. Our employees live, work, and raise their children in these communities alongside our members. Our board members are elected by you, and are also members themselves. Our office is right where you can find us, just down the road, a place where we're happy to welcome you in, call you by name and share the latest news.

Our collective sense of community was strong in 2022 and Guthrie County REC was proud to support local organizations, students and other community efforts like we have for more than 80 years.

You'll see us next to you in line at the grocery store, or at the high school football game. Behind the scenes, we're making connections with state and federal legislators to ensure our voice is heard. We're reviewing, discussing and debating budgets that make the most responsible sense for our members. And in a year when it's been a challenge to secure necessary equipment, we're doing what we can to ensure the power you receive is safe, reliable and affordable.

On behalf of the staff here at Guthrie County REC, thank you for allowing us to power your life and your community!



COZY NELSEN
CEO

BOARD OF DIRECTORS



STEVE BIRELINE
President
District 6



JONI REES
Vice President
District 8



JULIE KILEY
Sec./Treas.
District 1



BOB BATSCHELET
Asst. Sec./Treas.
District 4



RON BRISTLE
District 3



JASON FETT
District 7



JIM MAZOUR
District 2



DON SCHWARTZ
District 5



ANDREW VAN AERNAM
District 9

The Guthrie County Board of Directors are elected by and from our membership and who represent the portion of our service territory in which they live. These dedicated individuals provide guidance on cooperative business matters, establish cooperative goals, continually seek opportunities for cooperative leadership education and much more.

OUR PROMISE TO YOU

SERVICE

In 2022, Guthrie County REC:

- built 11.5 miles of single-phase line
- built 1.5 miles of three-phase line
- installed 43 new overhead line services
- installed 37 new underground line services
- acquired a locating truck and meter truck as earmarked in the 2022 capital budget



New meter truck

Rebuilding line improves the reliability of the power you receive from GCREC.

GROWTH

In 2022, Guthrie County REC:

- worked with several utilities to convert the Woodward substation from 34 kVa to 69 kVa. This conversion adds power and reliability to better handle increasing electric load.
- installed a 5,000 kVa dual wound transformer in the Panorama substation which allowed the conversion of 69 kVa.

COMMUNITY SUPPORT

In 2022, Guthrie County REC:

- awarded \$5,000 in college scholarships to five deserving students in the AC/GC, Audubon, Coon Rapids-Bayard, Exira-Elk Horn-Kimballton, and Panorama school districts whose parents are co-op members. Two of those scholarships were awarded to individuals pursuing a lineman degree.
- linemen Loyd Hise and Brian Marso participated in Farm Safety Day. Teaching opportunities allow our linemen to demonstrate the lineman's job, talk about schooling and training, teach electrical safety practices, and educate students about the electric cooperative. Third graders from AC/GC, Coon Rapids-Bayard, Panorama, and West Central Valley participate in Farm Safety Day every May.
- donated \$10,000 to the Little Charger Early Learning Center, along with contributions from board member Joni Rees and her husband Mike, and private funding, with a match from the CoBank Sharing Success Program, to help with the construction of a new facility.
- donated \$250 to the Mary J. Barnett Memorial Library in recognition of volunteer Rebecca Carico.



Brian Marso at Farm Safety Day

GIVING BACK

FINANCIAL

In 2022, Guthrie County REC:

- Board of Directors allocated \$1,168,555.66 of the 2021 margin to GCREC members. The margin is divided into four categories, and allocated as follows: patronage dividends \$800,752.83, reserve for contingency losses and expenses \$200,000, and statutory surplus \$167,802.83.
- Board of Directors approved a pay out of dividends totaling \$653,328.25 to members who received electric service in 2006, 2011 (partial), 2012 (partial) and 2021 (partial).



Guthrie Co. REC employees and board members hand out meals during the 2021 annual meeting.

ECONOMIC DEVELOPMENT & GROWTH

Guthrie County REC granted a \$150,000 revolving loan fund to Perry Economic Development for a 30,000 square-foot shell building located in the Perry Industrial Park. Guthrie County REC's power supplier, CIPCO, and Minburn Communications contributed \$600,000 to the loan to help move the project forward.

Additionally, the cooperative:

- purchased land in Perry for new Bluejay substation;
- purchased land in Audubon for new Mockingbird substation; and
- signed new 40-year Wholesale Power Contract with power supplier, CIPCO.



From left: Bruce Nuzum, Iowa Area Development Group; Deb Lucht, Minburn Communications; Monica Scheib, Terry Nielsen and C. Scott Finneseth, Perry Economic Development; Lisa Kristiansen, CIPCO; Matt McDevitt, Perry Industries, Inc.; and Ethan Pitt, Iowa Area Development Group.

OPERATING STATEMENT

AUDITED FINANCIALS AS OF DECEMBER 31, 2021

	2021	2020
Operating Revenue & Patronage Capital	\$14,563,267	\$14,218,177
Cost of Purchase Power	\$9,760,472	\$9,772,669
Distribution Expense - Operation	1,369,136	1,347,854
Distribution Expense - Maintenance	224,463	209,600
Customer Account Expense	142,684	134,885
Customer Service & Informational Expense	137,238	70,578
Administrative & General Expense	879,599	801,790
Total Operation & Maintenance Expense	\$12,513,592	\$12,337,377

kWh Sales	kWh Purchases	Line Loss*	Number of Meters
2021: 180,195,406	2021: 186,494,164	2021: 0.054312	2021: 5,022
2020: 179,035,383	2020: 184,567,540	2020: 0.048054	2020: 4,987

Miles of Energized Line	Avg. Monthly kWh Residential Usage
2021: 1,404	2021: 1,337 kWh
2020: 1,402	2020: 1,494 kWh

**Figures do not include POET Bioprocessing*

AUDITED FINANCIALS AS OF DECEMBER 31, 2021

	2021	2020
Depreciation & Amortization Expense	\$1,308,949	\$1,097,885
Tax Expense - Other	13,460	13,982
Interest on Long-Term Debt	578,912	607,442
Other Deductions	0	172
Total Cost of Electric Service	\$14,414,913	\$14,056,859
Patronage Capital & Operating Margins	148,353	161,319
Non Operating Margins - Interest	\$40,950	\$53,405
Non Operating Margins - Other	397,805	107,696
Generation & Transmission Capital Credits	515,753	829,947
Other Capital Credits & Patraonge Dividends	65,694	43,582
Extraordinary Items	0	0
Patronage Capital or Margins	\$1,168,556	\$1,195,949



*Presenting the check to support
Little Chargers Daycare.*

BALANCE SHEET – ASSETS

AUDITED FINANCIALS AS OF DECEMBER 31, 2021

	2021	2020
Total Utility Plant in Service	\$37,124,602	\$36,261,701
Construction Work in Progress	432,315	388,169
Total Utility Plant	37,556,917	36,649,870
Accumulated Provision for Depreciation & Amortization	15,948,095	15,069,669
Net Utility Plant	21,608,822	21,580,200
Total Other Property & Investments	5,279,897	5,570,154
Cash	423,127	516,812
Temporary Investments	1,657,889	2,229,000
Accounts Receivable	1,275,329	1,775,339
Materials & Supplies - Electric & Other	744,318	587,908
Prepayments	81,009	82,066
Other Current & Accrued Assets	5,037	-1,210
Total Current & Accrued Assets	4,187,109	5,189,914
Other Deferred Debts	162,314	214,908
Total Assets & Other Debts	\$31,238,142	\$32,555,176

BALANCE SHEET – LIABILITIES

AUDITED FINANCIALS AS OF DECEMBER 31, 2021

	2021	2020
Memberships	\$2,670	\$2,670
Patronage Capital	4,688,581	4,714,271
Operating & Non Operating Margins	1,168,556	1,195,949
Other Margins & Equities	9,604,261	9,283,720
Total Margins & Equities	15,464,068	15,196,611
Long-term Debt - RUS	7,409,883	7,660,456
Long-term Debt - Other	6,235,295	6,745,789
Long-term Debt - RUS Econ. Dev. (Net)	580,000	839,397
Total Long-term Debt	14,225,178	15,245,642
Accounts Payable	860,948	952,739
Consumer Deposits	45,840	48,471
Other Current & Accrued Liabilities	482,620	562,395
Total Current & Accrued Liabilities	1,389,407	1,563,606
Other Deferred Credits	159,489	549,317
Total Liabilities & Other Credits	\$31,238,142	\$32,555,176



Presenting a check to support the Mary J. Barnett Memorial Library



Board members Ron Bristle and Julie Kiley with Rep. Ray Sorenson during a welcome back legislative reception.



Guthrie County REC

A Touchstone Energy® Cooperative 

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