

2023 ANNUAL REPORT



Guthrie County REC

A Touchstone Energy® Cooperative 





COZY NELSEN
CEO

On behalf of the staff and board of directors of Guthrie County REC, I'm pleased to present you with the 2023 Annual Report. In these pages you'll find the people behind your power and the work they do every day to make sure the electricity you purchase from us is safe, reliable and affordable.

In 2023, your cooperative made great strides in growth with the addition of two new substations in our service territory. The first near Perry and the second near Hamlin will both support rural business expansions in those areas. We are fortunate that our financial decisions are guided by a board of directors made up of your friends and neighbors, people who, just like you, want to do what's best for the cooperative *and* the community.

As approved in our 2023 Capital Budget, the cooperative purchased a new trencher and trailer. The addition of this equipment to our fleet will benefit the speed and ease at which we can build underground line. Where possible, burying electric lines helps avoid damage or outages caused by high winds, ice, or accidents, making the lines more reliable than those above ground.

In June, we said goodbye to our line superintendent Curt Knapp, who retired after 32 years of dedicated service. Veteran lineman Josh Oltmann now fills the role and oversees the line projects that will lead us into the next decade and beyond. We also welcomed Michael Moore as a new board member. His leadership and dedication will be valuable to guiding the board forward.

Personally, I'd like to thank those who have reached out to us, whether it's with a question, a personal visit to drop off your utility bill, or a shout out on social media. You remind us in these small ways that you're the reason we're here, yesterday, today and tomorrow.

CO-OP LEADERSHIP



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.

Standing:

JIM MAZOUR
District 2

ANDREW VAN AERNAM
District 9

RON BRISTLE
Asst. Sec./Treas.
District 3

JASON FETT
District 7

DON SCHWARTZ
District 5

Seated:

MICHAEL MOORE
District 3

JULIE KILEY
Sec./Treas.
District 1

COZY NELSEN
CEO

JONI REES
Vice President
District 8

STEVE BIRELINE
President
District 6

SERVICE

In 2023, Guthrie County REC:

- built 16.5 miles of overhead line.
- built 0.33 miles of underground line.
- added 33 new services.
- rebuilt 13 existing services.
- acquired a new trencher and trailer from Vermeer for underground line as earmarked in the 2023 capital budget.

GROWTH

In 2023, Guthrie County REC:

- purchased two new 5,000 kVa dual wound transformers for our new Mockingbird substation near Hamlin and Bluejay substation near Perry. These substations add power and reliability to support business expansions in both areas.
- updated breakers in our Woodward and Adair substations.



FINANCIAL

In 2023:

The Board of Directors allocated \$632,328.18 of the 2022 margin to GCREC members. The margin is divided into four categories, and allocated as follows: patronage dividends \$447,299.60, reserve for contingency losses and expenses, statutory surplus \$185,028.58, and education reserve.

The Board of Directors approved a pay out of dividends totaling \$577,970.39 to members who received electric service in 2007, 2013 (partial), and 2022 (partial).



Donation to Brushy Creek Honor Flight



Donation to Little Charger Early Learning Center



Jordan Terwilliger, right, receives his five years of service award from CEO Cozy Nelsen.

COMMUNITY SUPPORT

- Guthrie County REC awarded \$5,000 in college scholarships to five deserving students in the AC/GC, Audubon, Coon Rapids-Bayard, and WCV school districts whose parents are cooperative members. Two of those scholarships were awarded to individuals pursuing a lineman degree.
- Marlene Chalfant, Jeremy Gruber, and Todd Tinken participated in the Guthrie County ISU Extension and Outreach's STEM Fest in April. Students were invited to learn more about electric cooperatives and what it means to be a lineworker. Students could try on virtual reality headsets to see what it's like to be in a bucket truck, climbing a pole, or clearing vegetation from around power lines.



Replacing banners at AC/GC



STEMfest

- Loyd Hise participated in Farm Safety Day through Iowa State University Extension and Outreach. Roughly 200 third graders from AC/GC, CR-B, Panorama, and WCV participate every May and learn about electrical safety, how to stay safe around grain bins, tractor and ATV safety and proper sun protection.
- Guthrie County REC donated \$250 to Shannon Neff-Muell and the Little Charger Early Learning Center in recognition for her concern and passion for the community.



Farm Safety Day



Tour of CIPCO's Summit Lake Plant

- Brian Marso and Todd Tinken visited fourth graders at Guthrie Center Elementary School to talk about what linemen do to deliver electricity safely. Students tried out virtual reality goggles which allowed them to experience what it's like to be a lineman.
- 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.



Staff attend national conference in Denver

**FISCALLY
STRONG
AND
STABLE**

OPERATING STATEMENT

Audited financials as of December 31, 2022

	2022	2021	
Operating Revenue & Patronage Capital	\$15,810,607	\$14,563,267	
Cost of Purchased Power	\$10,765,060	\$9,760,472	
Distribution Expense - Operation	1,391,589	1,369,136	
Distribution Expense - Maintenance	177,787	224,463	
Customer Account Expense	172,942	142,684	
Customer Service & Informational Expense	212,787	137,238	
Administrative & General Expense	1,010,356	879,599	
Total Operation & Maintenance Expense	\$13,730,521	\$12,513,592	
kWh Sales	kWh Purchases	Line Loss*	Number of Meters
2022: 179,594,235	2022: 185,327,004	2022: 0.048987	2022: 5,091
2021: 180,195,406	2021: 186,494,164	2021: 0.054312	2021: 5,022
Avg. Monthly kWh Residential Usage	Miles of Energized Line		
2022: 1,745 kWh	2022: 1,410		
2021: 1,337 kWh	2021: 1,404		

*Figures do not include POET Bioprocessing

OPERATING STATEMENT

Audited financials as of December 31, 2022

	2022	2021
Depreciation & Amortization Expense	\$1,365,844	\$1,308,949
Tax Expense - Other	12,692	13,460
Interest on Long-Term Debt	605,270	578,912
Other Deductions	355	0
Total Cost of Electric Service	\$15,714,682	\$14,414,913
Patronage Capital & Operating Margins	74,875	148,353
Non Operating Margins - Interest	\$95,925	\$40,950
Non Operating Margins - Other	193,496	397,805
Generation & Transmission Capital Credits	222,300	515,753
Other Capital Credits & Patraonge Dividends	45,732	65,694
Extraordinary Items	0	0
Patronage Capital or Margins	\$632,328	\$1,168,556

BALANCE SHEET - ASSETS

Audited financials as of December 31, 2022

	2022	2021
Total Utility Plant in Service	\$38,890,570	\$37,124,602
Construction Work in Progress	96,339	432,315
Total Utility Plant	38,986,908	37,556,917
Accumulated Provision for Depreciation & Amortization	17,019,415	15,948,095
Net Utility Plant	21,967,494	21,608,822
Total Other Property & Investments	4,980,817	5,279,897
Cash	902,416	423,127
Temporary Investments	1,965,000	1,657,889
Accounts Receivable	1,718,675	1,275,329
Materials & Supplies - Electric & Other	912,563	744,318
Prepayments	111,099	81,009
Other Current & Accrued Assets	9,737	5,037
Total Current & Accrued Assets	5,619,490	4,187,109
Other Deferred Debts	108,745	162,314
Total Assets & Other Debts	\$32,676,546	\$31,238,142

BALANCE SHEET - LIABILITIES

Audited financials as of December 31, 2022

	2022	2021
Memberships	\$2,670	\$2,670
Patronage Capital	5,607,010	4,688,581
Operating & Non Operating Margins	632,328	1,168,556
Other Margins & Equities	9,254,350	9,604,261
Total Margins & Equities	15,496,358	15,464,068
Long-term Debt - RUS	7,147,694	7,409,883
Long-term Debt - Other	7,723,763	6,235,295
Long-term Debt - RUS Econ. Dev. (Net)	580,000	580,000
Total Long-term Debt	15,451,457	14,225,178
Accounts Payable	1,121,970	860,948
Consumer Deposits	46,888	45,840
Other Current & Accrued Liabilities	506,900	482,620
Total Current & Accrued Liabilities	1,675,758	1,389,407
Other Deferred Credits	52,973	159,489
Total Liabilities & Other Credits	\$32,676,546	\$31,238,142



Guthrie County REC

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1406 State Street

P.O. Box 7

Guthrie Center, IA 50115

888-747-2206

www.guthrie-rec.coop

