



**Guthrie County REC**

A Touchstone Energy® Cooperative 

# Annual Report 2020



# CO-OP STRONG

Between the pandemic and storms, 2020 has been a challenging year. Through it all, Guthrie County REC remains committed to providing safe, reliable and affordable power to our member-consumers across the system. We're proud of the work the cooperative has completed this past year, including working hard to upgrade our system to better serve our member-consumers and, our commitment as a cooperative to help those in need during trying times such as unexpected storm recovery.

As a cooperative, we are guided by the seven cooperative principles. Once again, we focused on our Concern for Community. Guthrie County REC's directors and employees are dedicated to serving our communities, because we live here too. In 2020, the cooperative continued to support the youth in our community with scholarships, donated to community initiatives, and provided STEM learning kits to the local school systems.

Our mission is to provide safe, reliable and affordable energy, but our dedication to the communities extends beyond energy. Guthrie County REC is committed to ensuring our member-consumers are at the forefront of all we do, each and every day.

Cozy Nelsen - CEO



Julie Kiley



Bob Batschelet



Marcel Fett



John Masmar  
(Retired in 2020)



Don Schwartz



Joni Rees



Ron Bristle



Steve Bireline



Andy Van Aernam

## SERVICE

In 2020, Guthrie County REC:

- Built 17.71 miles of single-phase line across the system.
- Installed 20 new overhead line services to better serve our member-consumers.
- Serviced 58 overcurrent relays and replaced an additional 15.
- Constructed three miles of three-phase line in the territory.
- Placed 36 new underground services.

## GROWTH

- Guthrie County REC worked with several utilities to update the Panorama and Yale substations from 34 kV to 69 kV.
- By modernizing and increasing the reliability of an aged electric system, Guthrie County REC is able to add power for consumer-members.

## FINANCIAL

In 2020, the Guthrie County REC Board of Directors:

- Allocated \$810,090.46 in patronage from 2019 margins to our member-consumers.
- Approved a pay out of dividends totaling \$825,000 to members who received electric service in 2004, 2007, 2008, 2009 and 2019.

## COMMUNITY

- In order to support power restoration following the August derecho storm, Guthrie County REC sent four linemen to Consumers Energy in Marshalltown.
- Guthrie County REC awarded \$5,000 in college scholarships to five deserving students in AC/ GC, Coon Rapids-Bayard, Elk Horn-Kimballton, Panorama and West Central Valley school districts whose parents are cooperative members.
- The cooperative was proud to donate \$2,500 to the American Legion Post 124 in Guthrie Center with the help of the CoBank Sharing Success Program.
- Guthrie County REC donated STEM kits to schools within the service territory to help students learn more about electricity and renewable energy.

## COVID-19 RESPONSE

- Out of concern for our member-consumers and staff, Guthrie County REC closed the office to traffic in March to limit virus exposure.
- Linemen were separated into smaller crews to reduce the potential for exposure.
- Following CDC guidelines, Guthrie County REC initiated a mask mandate within the office to limit the need to quarantine.
- Guthrie County REC embraced Microsoft Teams and Zoom meetings to maintain productivity while social distancing.
- Guthrie County REC applied for the Payroll Protection Program to protect staff and operational efficiency.



Employees left to right front row: Jeremy Gruber, Elden Wolfe, Lori Hix, Jalen Spack, Jordan Terwilliger, Rebecca Schwartz, Josh Oltmann  
 Left to right back row: Curt Knapp, Darwin Marean, Brian Marso, Larry Newbrough, Todd Tinken, Keith Hise, Doug Downing (Retired in 2020)  
 Truck left to right: Cozy Nelsen, Dea Kress, Marlene Chalfant

OUR EMPLOYEES

**Operating Statement      Audited Financials as of December 31, 2019**

	2019	2018
Operating Revenue & Patronage Capital	\$ 14,288,724	\$ 14,191,040
Cost of Purchase Power	10,138,430	10,245,594
Distribution Expense - Operation	1,320,753	1,154,989
Distribution Expense - Maintenance	236,549	197,173
Customer Accounts Expense	132,716	144,319
Customer Service & Informational Expense	106,397	60,171
Administrative & General Expense	831,917	783,691
<b>Total Operation &amp; Maintenance Expense</b>	<b>\$ 12,766,762</b>	<b>\$ 12,585,937</b>

<b>kWh Sales:</b>	<b>kWh Purchases:</b>	<b>Line Loss:</b>	<b>Number of Meters:</b>
2018 - 183,748,533	2018 - 189,871,621	2018 - 0.052009	2018 - 4,896
2019 - 183,534,549	2019 - 190,013,915	2019 - 0.054793	2019 - 4,934
<b>Miles of Energized Lines:</b>	<b>Average Monthly kWh Residential Usage:</b>		
2018 - 1,399    2019 - 1,400	2018 - 1,503 kWh	2019 - 1,563 kWh	

**Operating Statement      Audited Financials as of December 31, 2019**

	2019	2018
Depreciation & Amortization Expense	1,047,106	1,015,775
Tax Expense - Other	13,549	13,412
Interest on Long-Term Debt	637,184	501,964
Other Deductions	762	478
<b>Total Cost of Electric Service</b>	<b>\$ 14,465,363</b>	<b>\$ 14,117,566</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ -176,639</b>	<b>\$ 73,474</b>
Non Operating Margins - Interest	166,148	106,133
Non Operating Margins - Other	44,520	33,650
Generation & Transmission Capital Credits	738,612	644,824
Other Capital Credits & Patronage Dividends	37,449	52,734
Extraordinary Items	0	0
<b>Patronage Capital or Margins</b>	<b>\$ 810,090</b>	<b>\$ 910,815</b>

**Balance Sheet**
**Audited Financials as of December 31, 2019**

Assets	2019	2018
Total Utility Plant in Service	35,048,157	33,933,958
Construction Work in Progress	602,539	389,056
Total Utility Plant	35,650,696	34,383,014
Accumulated Provision for Depreciation & Amortization	14,240,088	13,430,879
Net Utility Plant	21,410,608	20,952,135
Total Other Property & Investments	4,825,728	4,626,657
Cash	284,810	135,672
Temporary Investments	3,168,000	4,752,000
Accounts Receivable	1,460,216	1,452,934
Materials & Supplies - Electric & Other	607,535	500,450
Prepayments	106,622	95,901
Other Current & Accrued Assets	12,974	26,127
Total Current & Accrued Assets	5,640,157	6,963,084
Other Deferred Debits	151,655	74,525
<b>Total Assets &amp; Other Debits</b>	<b>\$32,028,148</b>	<b>\$32,616,401</b>

**Balance Sheet**
**Audited Financials as of December 31, 2019**

Liabilities	2019	2018
Memberships	2,670	2,670
Patronage Capital	4,741,715	4,567,613
Operating & Non Operating Margins	810,090	910,815
Other Margins & Equities	8,958,670	8,958,670
Total Margins & Equities	14,513,145	14,439,768
Long-Term Debt - RUS	7,904,081	8,138,984
Long-Term Debt - CFC & CoBank	7,289,326	7,827,739
Long-Term Debt - RUS Econ. Development (Net)	580,000	580,000
Total Long-Term Debt	15,773,407	16,546,723
Accounts Payable	928,811	885,784
Consumer Deposits	48,078	52,550
Other Current & Accrued Liabilities	528,481	572,030
Total Current & Accrued Liabilities	1,505,371	1,510,364
Other Deferred Credits	236,225	119,546
<b>Total Liabilities &amp; Other Credits</b>	<b>\$32,028,148</b>	<b>\$32,616,401</b>



## **Guthrie County REC**

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