

FARMERS ELECTRIC COOPERATIVE

Open Lines

MONTHLY NEWSLETTER

SEPTEMBER 2020



ATTENTION

Electric Heat Users

The heat plus rate will go into effect Oct. 1

Energy Efficiency Tip of the Month

The average household owns 24 electronic products, which account for roughly 12% of home energy use.

When shopping for electronics, consider purchasing ENERGY STAR®-certified products, which can be 70% more efficient than conventional models.

Source: www.energystar.gov



COOPERATION AMONG COOPERATIVES:

Linemen Help Out Following Devastating Derecho



See story, pg. 3

Official Notice of 81st Annual Meeting

The 81st Annual Meeting of Farmers Electric Cooperative, Inc., will be held virtually Thursday, Sept. 17, 2020, to take action on the following matters:

1. Officers, directors, and committee reports;
2. Election of three (3) directors of the Cooperative; and
3. All other business that may come before the meeting or any adjournment thereof.

The election of directors will take place during the meeting. Each term is three years. The following members have been nominated for director by the Committee on Nominations appointed by the Board of Directors pursuant to the By-laws:

EASTERN DISTRICT

Spencer Morehouse
Janelle Peiffer

CENTRAL DISTRICT

Kris Petter

WESTERN DISTRICT

Kevin Tanner

Farmers Electric Cooperative, Inc., 2019 Annual Meeting of Members

The 80th Annual Meeting of the Members of Farmers Electric Cooperative, Inc. was held at the Adair County 4-H Building, at 6:30 P.M., on the 17th day of September, 2019. The meeting was called to order by Dan Westphal, President of the Cooperative, who presided.

David Kincaid from the Greenfield Presbyterian Church gave the invocation.

Attorney Fred Dorr referenced the Notice of Meeting and reported that he had checked the registration and at least fifty (50) members were present, thus constituting a quorum of the members of the Cooperative. There were approximately 127 members and 251 total served.

The minutes of the Annual Meeting of Members held September 11, 2018, was printed in the program. Upon a motion duly made, seconded and unanimously carried, the reading of said minutes was waived. The minutes were accepted and the Secretary was directed to file the same in the records of the Cooperative.

The President called for any remaining ballots. At this time the President also declared registration for the meeting closed.

The annual report of the Treasurer was printed in the program and on motion duly made, seconded and unanimously carried, such report was accepted and

directed to be filed in the records of the Cooperative.

President Westphal gave his report to the members.

President Westphal called upon Manager Charlie Dunn for his report. Manager Dunn reviewed the 2018 operations activities, the current year so far, and discussed plans for the future.

Paisley Kintigh gave a report and thanked the membership for sponsoring her Youth Tour trip.

Attorney Fred Dorr then read the Certificate of the Inspectors of Election certifying that the following members having received the highest number of votes cast, had been duly elected directors of the Cooperative to hold office for the term specified and until their successors shall have been elected and qualified: Steve Chandler (East District), Darrell Jensen (Central District), and Dan Westphal (West District).

Robert Newton, Treasurer, spoke to the membership about the difficulty in finding members to serve on the nominating committee and also in running for the board of directors. Robert advised the members that he was up for re-election in 2020 and will not be running for re-election and was giving the membership due time to think about serving on the nominating committee or running for his seat on the board.



The president directed the Secretary to annex the Certificate of the Inspectors of Election to the minutes of this meeting and thereupon declared such members duly elected directors of the Cooperative to hold office for the term specified and until their successors shall have been elected and qualified.

President Westphal thanked all the directors and employees for their dedication and service.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting adjourned.

Drawings for prizes were held.

Dan Westphal, president

Kevin Tanner, secretary



2020 Annual Meeting Agenda

- Virtual Welcome
- Call to order
- Notice of annual meeting
- Minutes of 2019 annual meeting
- President's remarks
- Staff reports
- Other business
- Adjournment

Watch our Facebook page and Web site on Friday, Sept. 18 for a link to our virtual 2020 Annual Meeting.

Reports from the CEO, Board President and other co-op leadership will be pre-recorded and made available online that day.

You'll also want to tune in to see if you've won one of our many prizes! Cooperative members who return their ballots by Sept. 17 at 11 a.m. will be entered to win.



Farmers Electric Cooperative, Inc. Balance Sheet as of Dec. 31, 2019

ASSETS	2019	2018
Net Utility Plant	\$ 29,555,401	\$ 28,883,520
Other Property & Investments	\$ 7,678,691	\$ 7,443,960
Current Assets / Deferred Charges	\$ 6,000,290	\$ 6,151,373
Total Assets and other Debits	\$ 43,234,382	\$ 42,478,853

LIABILITIES

Margins & Equities	\$ 19,399,149	\$ 17,986,116
Long Term Debt	\$ 21,283,661	\$ 22,071,518
Current & Accrued Liabilities / Deferred Credits	\$ 2,551,572	\$ 2,421,853
Total Liabilities and Equity	\$ 43,234,382	\$ 42,478,853

STATEMENT OF REVENUE & PATRONAGE CAPITAL

ENDING DEC. 31, 2018	2019	2018
Operating Revenue & Patronage Capital	\$ 13,343,698	\$ 13,477,910

EXPENSES

Cost of Power	\$ 6,592,421	\$ 7,248,878
Operations & Maintenance	\$ 2,180,339	\$ 2,036,116
Consumer Advocate Accounts & Services	\$ 377,706	\$ 346,647
Administrative General	\$ 1,066,377	\$ 1,047,623
Depreciation	\$ 1,233,326	\$ 1,146,992
Interest & Other	\$ 843,182	\$ 871,649
Total Expenses	\$ 12,293,351	\$ 12,697,905

Operating Margins	\$ 1,050,347	780,004
Non-Operating Margins	\$ 158,944	124,862
Generation & Transmission Capital Credits	\$ 437,227	399,512
Other Capital Credits	\$ 81,435	156,496
Extraordinary Items	\$ --	\$ --
Total Operating & Non-Operating Margins	\$ 1,727,953	1,460,873

Linemen Assist Derecho Disaster Recovery

The rare derecho wind storm that swept across the state Aug. 10 left hundreds of thousands of Iowans without power for several days. While our service territory was not heavily impacted, Farmers Electric Cooperative, Inc., dispatched our linemen to help T.I.P. REC in Brooklyn, and Alliant Energy in Perry in the days following the storm.

In the spirit of cooperation, Farmers Electric is proud to offer its support when fellow electric cooperatives need it. THANK YOU, LINEMEN!

Pictured, on pg. 1, clockwise from top left: Dave Hennigar, Nathan Hubenka, Trey Eddy and Nick Kintigh were sent to T.I.P. REC in Brooklyn Aug. 11 as part of the Iowa Association of Electric Cooperatives' Mutual Aid Program; Pat Held, Ross Wright and Connor Giles went to assist Alliant Energy near Perry Aug. 17; Paul Weber and Joe Blankenship jumped in to help T.I.P. REC on Aug. 13.

2020 Board Candidates

Central District



KRIS PETTER (incumbent) runs an agricultural helicopter company doing aerial spraying and crop seeding. His hobbies include off-road motorcycle riding, bow hunting, skydiving, and spending time on his small farm in rural Orient with wife Jessica and son Calvin. He holds a Bachelor of Science degree in psychology and is a commercial pilot.

He attained the Eagle Scout designation from the Boy Scouts of America. This will be Kris's second term.

West District



KEVIN TANNER (incumbent) has been a member of Farmers Electric since 1985 and will be seeking his third term on the board of directors. He lives in rural Orient where he owns a farming operation and does commercial hauling of grain and animals. When not on the farm, Kevin enjoys tractor pulls.

East District



SPENCER MOREHOUSE and his wife, Jenny, have three children: Kevin (15), Paiton (13), and Creighton (8), and have been members of Farmers Electric for eight years. Spencer has 15 years of management experience, the last five years with the State of Iowa managing tax programs. He spends a lot of free time camping with family and friends

and enjoys trout fishing in northeast Iowa.



JANELLE PEIFFER and her husband of seven and a half years, Michael, have one daughter, Abilene, 3, and live on a farm about six miles southeast of Winterset. She is a stay-at-home mom with a background as a Child Care Consultant for Child Care Resource and Referral of Central Iowa / Orchard Place, covering the counties of Adair,

Dallas, Madison and Warren. Prior to that she was a preschool teacher in the Ames School District. In her free time, Janelle enjoys spending time with family and friends, being outside and helping her husband on the farm when needed.



Watch for your Farmers Annual Meeting election ballot in the mail and be sure to return it before Sept. 17 to be eligible to win prizes!



Open Lines is a monthly publication of Farmers Electric Cooperative, Inc.

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Board of Directors

Dan Westphal, President

Kevin Tanner, Secretary

Mark Earhart

RoxAnn Rhoads

Kevin Stender

Steve Chandler, Vice President

Robert Newton, Treasurer

Darrell Jensen

Kris Petter

The mission of Farmers Electric Cooperative, Inc., is to deliver safe, reliable, affordable electricity and other services to improve the quality of life within our communities. This institution is an equal opportunity provider and employer.