

2022

# ANNUAL REPORT



Designed for  
**POWER**



**Calhoun County Electric  
Cooperative Association**

A Touchstone Energy® Cooperative





# President's & Manager's

## REPORT



Jim Miller | Board President



Keaton Hildreth | CEO

Since 1937, Calhoun County Electric Cooperative Association has been Designed for Power. During that time, we've been committed to the mission of **providing our member-owners safe, reliable, and responsible electric service at a fair price.** Your cooperative works to power homes, farms, businesses, and schools and we've continued to find ways to improve safety, reliability, and the value of electricity while investing in our communities to improve the lives of our members. In 2022, we continued that mission, despite significant challenges.

From inflationary pressures to a changing electric industry, your cooperative has proven to be designed to navigate the challenges it faces. We saw everything from poles and wire to transformers and trucks significantly increase in cost. Lead times for materials have extended further than ever before. We're also seeing, within the industry, a rapid transition to renewable energy sources such as wind and solar power, along with increased demand for electricity which is setting the electric grid up to be less reliable. As the industry shifts away from traditional, baseload resources such as coal and nuclear generation, power supply is becoming increasingly intermittent and frequently stretched. At the same time, we've seen a nationwide push for the increased electrification of our homes, businesses, and the transportation sector. Regulatory and market pressures have influenced the type of generation being added to a complex system we call "The Grid". Simply put, wind and solar

have replaced firm, always available, generation with an intermittent alternative that can be unpredictable. Fortunately, the generation you are served with is comprised of a strategic mix of resources such as coal, natural gas, and renewables, all working together to bring you reliable service.

Calhoun County Electric Cooperative is working on creative solutions to help our members save money and reduce our wholesale power costs. These include exploring new rate structures that more closely mirror how the co-op is charged for the power our members consume and innovative programs and technologies that enable members to save money while they enjoy the comfort and convenience they deserve.

### AMI UPGRADE

An improvement to our automated metering infrastructure (AMI) system was initiated in 2021 and deployment of new meters occurred throughout 2022. The original AMI was deployed in 2011 and served a great purpose. It allowed the cooperative to collect meter reads over the powerline system without the need to dispatch traditional meter readers. We were also able to capture daily meter reads, helping pinpoint the causes of high usage for members looking to lower their energy consumption. As with any computerized system, the useful life has been met and upgrades were necessary. With the deployment of the newer

technology, the cooperative will gain important improvements in the way we collect and utilize data. The new meters will collect usage readings every 30 minutes and will have the ability to automatically report power interruptions to the office, improving outage response and restoration, and increasing reliability.

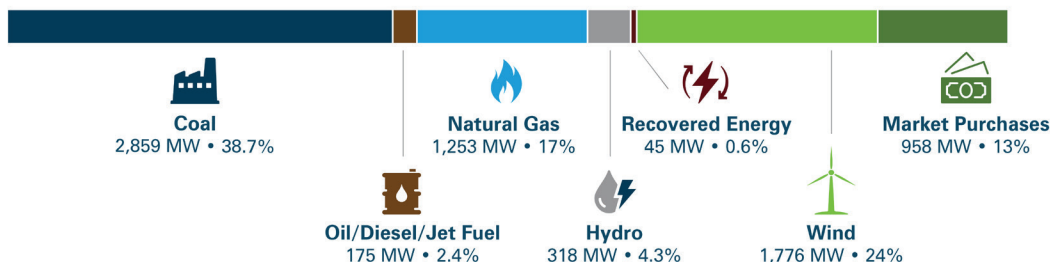
### CULTURE OF SAFETY

Safety remains the top priority at CCECA. Last year,

**YEAR  
2000**  
2,839 MW  
MAXIMUM WINTER  
GENERATING CAPACITY



**YEAR  
2022**  
7,384 MW  
MAXIMUM WINTER  
GENERATING CAPACITY

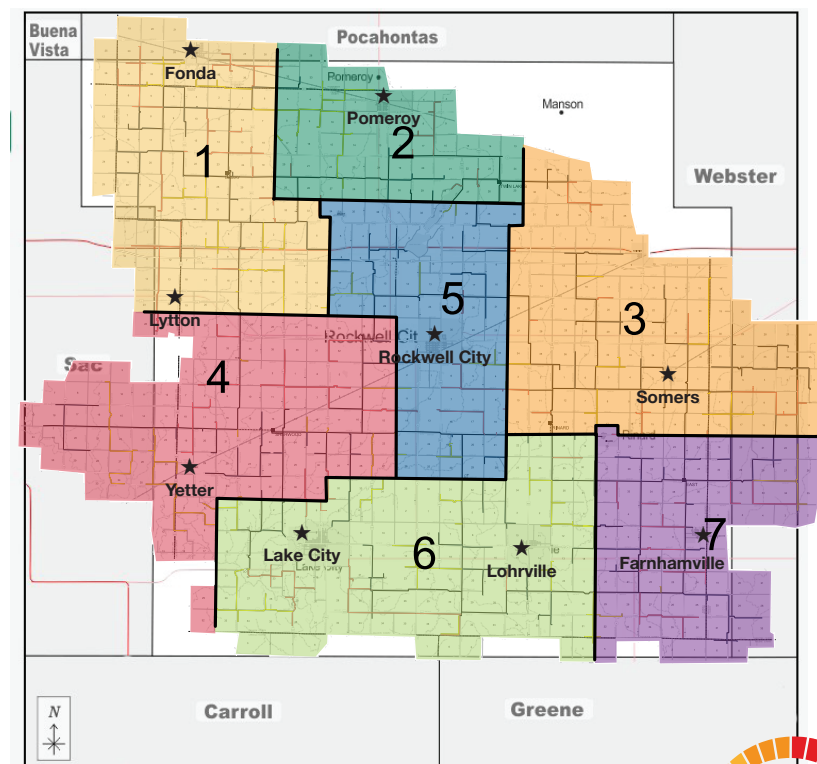


# BOARD OF DIRECTORS

Paving the way are seven Board of Directors who are democratically voted in by the membership every three years. Like you, these members depend on electricity from the cooperative to power their homes and businesses. We thank these leaders for their commitment to the cooperative.



(L to R – Back) Darcy Mulsby, Steve Boedecker, Ron Hanson, Joe Parker  
(L to R – Front) Jason McKenney, Jim Miller, Duane Beschorner



our employees worked 23,905 hours safely, bringing our total number of accident-free hours to over 640,000 – an accomplishment that spans all the way back to 1997. This means our employees are going home safely to their families at the end of every day. Our employees work in less-than ideal conditions from time to time, and their continued focus on safety must be recognized and we applaud the effort they've put forth to work safely!

## SYSTEM INVESTMENT & RELIABILITY

In 2022, we invested nearly \$1,131,668 in needed infrastructure improvements such as line reconstruction, pole replacements, tree trimming, and equipment maintenance, which helps ensure reliability. Excluding major storms, our overall system reliability as a percentage of time was 99.984%. The average interruption duration per member served in 2022 was 80 minutes. In comparison, the Iowa REC average was 86 minutes and rural investor-owned customers experienced an average of 160 minutes of interruption in 2022. We know you count on us to power your homes, farms, and businesses, and we do our best to provide reliable service to our member-owners.

## THE VALUE OF ELECTRICITY

One of the most important responsibilities of the cooperative's board and leadership is to maintain financial stability while providing electric service to you, the member, at the lowest cost possible. The rate you pay for the service you receive saw a modest increase in 2023, the first since 2018. The electricity you receive to power almost every aspect of your farm, home, or business remains an incredible value, and we work to keep it that way.

## VALUE OF COOPERATIVE MEMBERSHIP

The Board of Directors once again decided to return a portion of the most recent year's margin, or profit in addition to fully retiring capital credits from 2004 and 2005. A combined capital credit retirement in August of 2022 sent over \$211,000 back to our member-owners. Having a locally elected board is a strong example of the cooperative difference and a benefit of being a member of a not-for-profit electric cooperative.

## COMMITMENT TO OUR COMMUNITIES

We continue to enhance our communities by investing in projects and people that make a difference, improving all our lives. Our revolving loan fund (RLF) was a source of financing recently for a flower and gift shop in Rockwell City, an ag drainage and dirt work company acquisition in Farnhamville, and a dance studio expansion in Lake City. The fund, established using a grant from USDA, has also been used for local medical and emergency response facilities, restaurants, and retail businesses. We've also utilized our RLF, along with matching funds from Corn Belt Power Cooperative to assist in the development of the Calhoun County Business Park located in our service territory, at the intersection of highway 4 & highway 20. We also continue to invest back into our area students through scholarships, the Washington D.C. Youth Tour program, and through donations to our local County Fair and youth organizations.



# Corn Belt Power Cooperative

## REPORT

Corn Belt Power celebrated its 75th year of operation in 2022.

Rural Electrification Administration representative John Carmody announced Feb. 10, 1937, at the Hotel Wahkonsa, Fort Dodge, Iowa, that the REA had allotted funds for two generating plants to serve the nine RECs in north central Iowa.

With Carmody's announcement, two generation and transmission cooperatives were the first in the nation to receive REA funds for electric generation. Central Electric Federated Cooperative Association — more commonly called Central — was formed by the partnership of four western cooperatives that decided to locate their headquarters and generating plant in Pocahontas. Those co-ops were Calhoun County Electrical Cooperative Association, Pocahontas REC, Humboldt County REC and Buena Vista County REC. Sac County REC joined Central in 1939.

The five cooperatives from the eastern area formed Federated Cooperative Power Association — known as Federated — with its generating plant near Hampton. Federated consisted of Hardin County REC, Franklin REC, Butler County REC, Grundy County REC and Wright County REC. Hancock County REC became a member in November of 1937.

These two organizations would later merge and become what we know today as Corn Belt Power Cooperative.

While our mission to provide safe, reliable and affordable electricity to our member cooperatives remains the same, we face different and what some might consider mounting challenges.

In 2022, the North American Electric Reliability (NERC) released a report outlining their 2022 Summer Reliability Assessment, and later a winter assessment. In the reports, NERC raised concerns regarding several regional transmission organizations (RTOs) and their challenges related to electric generation and transmission this summer. The Southwest Power Pool and MISO system experienced energy emergency alerts (EEAs) just before Christmas. These alerts further display what we already know: the energy transition must consider all forms of generation.

More renewable energy sources like wind and solar power are coming online, while traditional sources like coal, nuclear and natural gas are retiring. While there are clear benefits to renewable energy, Corn Belt Power believes and advocates for an all-of-the-above energy approach. All of the above promotes the idea that the United States depends on a reliable and sustainable fuel supply that includes developing and incorporating domestically produced renewable energy resources to supplement baseload generation that includes biofuels, natural gas, nuclear, hydropower and coal.

Corn Belt Power continues to work with policymakers and regulators on the state and federal level for a sensible all-of-the-above generation approach. The ongoing energy transition must recognize the need for time, and technology development, while including all energy sources to maintain reliability and affordability. A resilient and reliable electric grid that affordably keeps the lights on is the cornerstone of our rural economy.



**Steve Boedecker**  
CCECA Representative  
for Corn Belt



**Kenneth Kuyper**  
Executive Vice President  
& GM of Corn Belt

While the challenges may seem steep, Corn Belt Power continues to endure. Our membership in the SPP regional market continues to produce positive economic results. We are able to upgrade and rebuild our electric system as a byproduct of that relationship. In 2022, crews completed more than 86 miles in transmission line rebuilds. With another 92 miles in progress, 2023 shapes up to be another busy year. Crews completed the Algona to Hancock to Klemme 41.5-mile line rebuild that began in 2021. Crews set poles for the 14.4-mile Humboldt Station to Weaver Station rebuild. Line will be strung in 2023.

Across the system electrical maintenance and meter crews electrified and/or built new substations and switching stations and replaced aging infrastructure where needed.

On the power supply side, Corn Belt Power installed its first battery project at its Hampton Substation location in December. The 1.425-megawatt battery will help manage load in times of peak demand and will pay for itself in 12 years.

Wisdom Station continued to stay on alert throughout 2022. In reliability mode, the plant isn't called upon as much as it once was. However, in December, when grid conditions tightened during the EEAs, Wisdom Station Unit 2 answered the call and provided power in the SPP footprint.







We began construction of a new vehicle storage facility in 2022. Our existing vehicle storage and warehouse facilities were built in the 1950s. At the time, line trucks were much smaller and digger derrick trucks weren't very common. In the past 70 years, equipment has become much larger and additional space is needed in which to safely store equipment.

Corn Belt Power continues to harden its cyber security infrastructure. The cooperative's information technology and electrical maintenance department installed a new uninterruptible power supply (UPS) system inside the cooperative's server room in November. The new system will help the cooperative run its critical systems during a power outage until the organization's generator turns on.

In addition to the UPS system, Corn Belt Power installed a new ransomware prevention tool called Rubrik, introduced a new Skyhelm security operations center, instituted a multifactor authentication program and began phase two of NRECA's RC3 program which included updates to the cooperative's disaster recovery and cyber incident plan.

As our first 75 years end, Corn Belt Power Cooperative looks to the next 75. We stand strong as a power supplier and committed partner to more than 34,000 homes, farms, industries and 20,000 municipal customers. This achievement can be attributed to individuals with far-reaching vision who created the cooperative 75 years ago and to the dedicated people since that time who have worked to make it strong.

## Report OF Nominating Committee

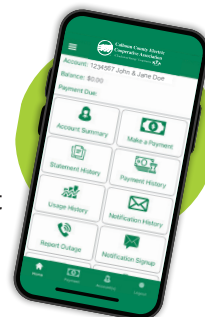
The Nominating Committee met July 10, 2023 at 5:30 p.m. at the Calhoun County Electric Cooperative office in Rockwell City. The Nominating Committee of Calhoun County Electric Cooperative Association, duly appointed by Board of Directors, hereby nominated the below members of the Cooperative for the office of Director for a term of three years.



*L to R Back – Adam Johnson, Gary Devereaux, Steve Vosberg, Joel Wuebker  
L to R Front – Kathy Juries, Scott Hansch, Keith Sexton  
(Not pictured: Mike Barrett & Randy Pitstick)*

## WAYS TO CONNECT

Recently, we've added ways you can connect with us. Our online account platform allows you to view and pay your bill electronically, monitor your usage, and make decisions on how you'd like us to communicate with you. We've also developed a mobile app that can do all those things, plus it gives you the ability to report outages from your phone. We encourage everyone to download the mobile app and sign up for general notifications to receive text message alerts or electronic billing notifications from the cooperative. We want to make it simple to interact with us. We think these new technologies will do just that.



We hope to see you at our Member Appreciation Event and Annual Meeting in September and look forward to working on behalf of you, our member-owners, into the future. At Calhoun County Electric Cooperative Association, we're **DESIGNED FOR POWER.**



# Three Positions on CCECA Board Up for **ELECTION**

Three Positions on Calhoun County Electric Cooperative's seven-member Board of Directors will be up for election at the September 7, 2023 annual meeting. This year the terms of Jim Miller (District 1), Jason McKenney (District 3), and Steve Boedecker (District 5) will expire.

## DISTRICT 1



**Jim Miller**

**Running Unopposed**

- Resides on a farm 3 3/4 miles SW of Fonda since 1983
- Married to Rae (Rothmeyer) 2 children
- Retired Farmer
- Basketball Referee
- Member Fonda Knights of Columbus
- Past Grand Knight; Knights of Columbus
- Past District Deputy; Iowa Knights of Columbus
- Iowa High School Baseball Coaches Assoc. Member
- Member of Our Lady of Good Counsel Catholic Church
- Member of Corn and Soybean Growers Associations
- Member of REC since 1981
- REC Director, current Board President
- Iowa Association of Electric Cooperatives Board of Directors

## DISTRICT 3



**Jason McKenney**

**Running Unopposed**

- Resides 2 miles south of D36 on Xenia Avenue
- Married to Cherri (Riesberg) 2 children
- Calhoun County Sheriff's Department Deputy
- Raises cattle and sheep
- Member Somers United Methodist Church
- Member Calhoun County Peace Officers Association
- Member Twin Lakes Masonic Lodge
- Reading –Cedar Fire Department at Farnhamville
- Member of REC since 2003
- REC Director, current Board Secretary

## DISTRICT 5



**Steve Boedecker**

**(Incumbent)**

- Resides at Twin Lakes
- Married to Judy (Janssen) 2 children, 3 grandchildren
- Retired, previously worked in the communication industry for 42 years
- Member of Twin Lakes Golf Club
- Member of Twin Lakes Restoration Association
- Member of the REC since 1992
- Corn Belt Power Cooperative Board of Directors



**Michelle Dischler**

- Resides 5 miles South of Rockwell City
- Married to Randy, 2 children, 3 grandchildren
- Courier for Community Pharmacy and Assists the Hospital lab
- Member of the Vintage Car Group – Rockwell City
- President of the Women's Alter Society at the St. Francis Catholic Church
- Logan Township Trustee
- Treasurer for Calhoun County's Republican Women.



**CALHOUN COUNTY ELECTRIC COOPERATIVE**



# BALLOT FOR DIRECTORS

CALHOUN COUNTY  
ELECTRIC  
COOPERATIVE  
ASSOCIATION

## BALLOT FOR DIRECTORS



**Calhoun County Electric  
Cooperative Association**

A Touchstone Energy® Cooperative 

### ANNUAL MEETING

**Sept. 7, 2023**

Thank you for being  
a valued cooperative  
member. Ballots were  
provided to those districts  
whose directors were up for  
election in 2023.

**District 1**

**District 3**

**District 5**



**NO  
BALLOT**

# BALLOT FOR DIRECTORS

CALHOUN COUNTY  
ELECTRIC  
COOPERATIVE  
ASSOCIATION



**Calhoun County Electric  
Cooperative Association**

A Touchstone Energy® Cooperative 

**PO Box 312, Rockwell City, IA 50579**

**Telephone: 712-297-7112  
or 800-821-4879**

**[www.calhounrec.coop](http://www.calhounrec.coop)**



# ANNUAL MEETING OF MEMBERS

September 14, 2022

The Annual Meeting of the Board of Directors of Calhoun County Electric Cooperative Association was held at the headquarters in Rockwell City, Iowa, at 7:15 P.M., on the 14th of September, 2022 pursuant to waiver of notice of all of the directors.

The meeting was called to order by Jim Miller, President of the Cooperative, who presided. Jason McKenney, Secretary of the Cooperative, served as Secretary of the meeting and kept the minutes thereof.

The following directors were present in person: Jim Miller, Jason McKenney, Ron Hanson, Joe Parker, Darcy Dougherty Maulsby, Steve Boedecker, and Duane Beschorner; said persons being all of the directors. Also in attendance were CEO Keaton Hildreth, and Attorney Dennis Puckett of Sullivan & Ward, P.C.

The Directors waived notice of the meeting and the Chairman thereupon declared the meeting duly organized for the transaction of business.

The Chairman then stated that the next order of business would be the election of officers to hold office until the first meeting of the Board of Directors following the adjournment of the next Annual Meeting of the Members, and until their respective successors shall have been elected and shall have qualified.

The existing officers were identified.

Director Jim Miller was nominated for the office of President. A motion was duly made, seconded, and carried to have the nomination cease and to instruct the Secretary to cast a unanimous ballot for the re-election of Jim Miller, for an



additional year. He was thereupon declared to have been duly elected to the office of President to serve until the next Annual Meeting of the Board of Directors and until his respective successor shall have been elected and qualified.

Nominating ballots for the office of Vice President were then distributed and collected. Six (6) nominating ballots were received for Steve Boedecker, and one (1) for Jason McKenney. A Motion was then made, seconded, and carried to have the nominating ballot serve as an election ballot. It was thereupon declared that Steve Boedecker had been duly elected to the office of Vice President, to serve until the next Annual Meeting of the Board of Directors and until his successor shall have been duly elected and qualified.

A motion was then made, seconded, and carried to re-elect Jason McKenney and Ron Hanson to the office of Secretary and Treasurer, respectively. They were then declared to have been duly elected to such offices, to serve until the next Annual Meeting of the Board of Directors and until their successors shall have been duly elected and qualified.

The Board members were provided the conflict-of-interest forms to complete, and the ethics and confidentiality requirements were explained.

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



# FINANCIALS

## BALANCE SHEET

	DECEMBER	
ASSETS	2022	2021
Total Plant in Service	\$ 19,037,520	\$ 18,168,806
Less: Accumulated Depreciation	<u>4,204,693</u>	<u>4,020,926</u>
NET VALUE OF UTILITY PLANT	\$ 14,832,827	\$ 14,147,879
Cash	\$ 220,381	\$ 150,999
Temporary Investments	102,704	101,481
Accounts Receivable	363,390	509,268
Materials and Supplies	412,272	248,864
Other Assets	61,633	144,486
Long Term Investments/		
Economic Development	378,949	374,384
Investments in Associated Orgs	3,337,891	2,904,328
Other Property	-	-
TOTAL ASSETS	<u>\$ 19,710,047</u>	<u>\$ 18,581,689</u>
LIABILITIES		
Consumer Deposits	\$ 8,900	\$ 6,800
Accounts Payable	476,774	347,247
Other Accrued Liabilities	152,888	163,516
Deferred Credits	3,236	4,162
RDUP Mortgage Notes	7,473,905	6,867,794
CFC Mortgage and Notes	2,285,976	2,564,035
Accumulated Operating Provisions	173,158	174,034
Other Notes Payable Econ		
Dev Grant	225,000	225,000
TOTAL LIABILITIES	<u>\$ 10,799,836</u>	<u>\$ 10,352,588</u>
NET WORTH		
Memberships	\$ 5,855	\$ 5,925
Deferred Patronage	2,965,169	2,804,097
Margins-Current year	889,600	582,999
Other Margins & Equities	5,049,587	4,836,079
TOTAL NET WORTH	<u>\$ 8,910,211</u>	<u>\$ 8,229,100</u>
TOTAL LIABILITIES & NET WORTH	<u>\$ 19,710,047</u>	<u>\$ 18,581,689</u>

## STATEMENT OF REVENUE AND EXPENSES

	DECEMBER	
	2022	2021
ELECTRIC REVENUE		
Rural Residential	\$ 4,435,963	\$ 4,262,421
Commercial	799,995	716,750
Resale Sales - Farnhamville	317,305	339,318
Resale Sales - Callender	202,062	188,457
Other Electric Revenue	<u>17,749</u>	<u>13,447</u>
TOTAL ELECTRIC REVENUE	<u>\$ 5,773,074</u>	<u>\$ 5,520,394</u>
EXPENSES		
Purchased Power	\$ 3,335,169	\$ 3,322,951
Operations and Maintenance	594,368	582,938
Consumer Accounting	120,587	107,184
Sales Expense	135,264	121,986
Administrative & Office Expense	525,069	519,431
Depreciation	498,425	481,854
Interest on Debt	292,637	290,291
Taxes - Energy Assessment	<u>5,218</u>	<u>11,168</u>
TOTAL EXPENSES	<u>\$ 5,506,737</u>	<u>\$ 5,437,802</u>
ELECTRIC MARGINS	<u>\$ 266,338</u>	<u>\$ 82,592</u>
OTHER INCOME		
Interest	\$16,286	\$ 20,207
Patronage	603,383	277,071
Misc Non-Operating Income	3,594	21,829
Contributions and Grants	-	181,300
TOTAL MARGINS	<u>\$ 889,600</u>	<u>\$ 582,999</u>

## UNDERSTANDING THE SEVEN COOPERATIVE PRINCIPLES

Cooperatives around the world operate according to the same set of core principles and values, adopted by the International Co-operative Alliance.

These principles are a key reason why America's electric cooperatives operate differently from other electric utilities, putting the needs of our members first.



## ELECTRIC BILL BREAKDOWN



BASED ON A \$100 BILL

PURCHASE WHOLESALE POWER....	\$61
OPERATIONS/MAINTENANCE.....	\$11
DEPRECIATION.....	\$9
ADMINISTRATION/GENERAL .....	\$9
TAXES/INTEREST/OTHER.....	\$5
MEMBER ACCOUNTS/SERVICES .....	\$5



Bring this registration card with you to the annual meeting to claim your registration gift.

Thursday, September 7, 2023

5:00 p.m. - 6:30 p.m.

CALHOUN COUNTY ELECTRIC  
COOPERATIVE OFFICE  
1015 TONAWANDA ST,  
ROCKWELL CITY, IA 50579

Come for Supper (Calhoun County Cattlemen Grilling)  
Bucket Rides, Gifts, and Refreshments!

Join us for our

MEMBER

Appreciation

EVENT

Fun for All Ages

There will be a short business meeting at 6:30p.m. for those interested.



(L to R – Back) Doug Lemonds, Jared Kuhlers, Reid Galloway, Keaton Hildreth, Richard Hall, Rob Peterson  
(L to R – Front) Chad Krukow, Ben Wiederin, Brét McAllister, Charlotte True, Rachel Sedlacek, Abbey Conrad



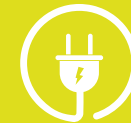
12

Employees



CCECA Solar Array  
kWh Produced

144,220



44,684,519  
kWh Sold



1,178

Members



758

Miles of line

2



DEMOCRATIC  
MEMBER CONTROL

3



MEMBERS' ECONOMIC  
PARTICIPATION

4



AUTONOMY AND  
INDEPENDENCE

5



EDUCATION, TRAINING  
AND INFORMATION

6



COOPERATION AMONG  
COOPERATIVES

7



CONCERN FOR  
COMMUNITY

2022 ANNUAL REPORT

11





# Calhoun County Electric Cooperative Association

A Touchstone Energy® Cooperative



PO Box 312, Rockwell City, IA 50579

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Join us for our

## Member Appreciation Event

*Fun for all Ages - Sept. 7th, 2023*

**DON'T FORGET!** Tear off here and bring this card to register at the annual meeting. 



### Calhoun County Electric Cooperative Association

A Touchstone Energy® Cooperative



#### Office Hours:

Monday - Friday

8:00 a.m. to 4:00 p.m.

Telephone: **712-297-7112** or

Toll Free: **800-821-4879**

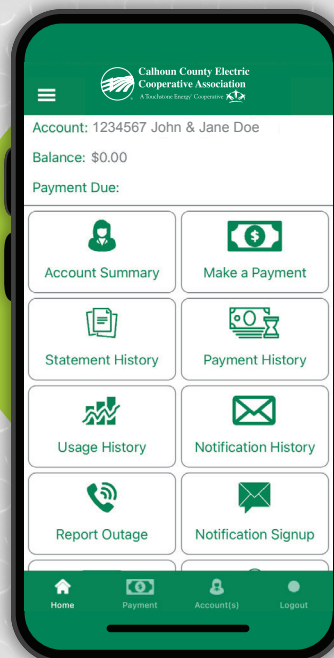
Fax: **712-297-7211**

e-mail: [info@calhounrec.coop](mailto:info@calhounrec.coop)

[www.calhounrec.coop](http://www.calhounrec.coop)



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