

BOARD PRESIDENT AND CEO/GENERAL MANAGER'S REPORT

I would like to invite you to your 85th Annual Meeting for the member-owners of T.I.P. Rural Electric Cooperative. The Board of Directors have decided to have a Business Only Annual Meeting this year as there is heavy construction through the town of Brooklyn and it is difficult to navigate to our normal site at the BGM School Auditorium. The Business Only Annual Meeting will be held on Wednesday, August 23rd, 2023, at 1:00 PM at the Brooklyn headquarters, 612 W. Des Moines St., Brooklyn, IA. As you are aware from the previous TIPS from T.I.P. newsletters, the Board of Directors has elected to implement voting by Mail-In Ballot or electronically using your SmartHub account and there will be no voting taking place at your annual meeting. The results from the election will be announced at the annual meeting, posted on our website at tiprec.com, our Facebook page, and our October issue of TIPS from T.I.P. along with the prize drawing winners.

This year our scholarship committee had 18 total applications from High School graduates to be, with 16 for the regular scholarship and two for the lineman scholarship. With the daunting task of thoroughly reading through them all and having to choose, we were able to award nine scholarships to the High School graduates with eight regular scholarships and one lineman scholarship. This was spread across our service territory to the following school districts: South Tama, BGM, HLV, Williamsburg, Tri-County, Sigourney, Keota, and Pekin.

Our Operation Round-Up account is also growing. This is due to our member-owners choosing to round up their electric bill each month to the next whole dollar amount. This program provides financial support for organizations and individuals in need in your communities throughout our service territory. It is the "Small Change that Changes Lives".

Our operation department has been keeping busy with new services and service revisions that our member-owners have been needing to keep their lives moving forward. Some of our larger projects they have been working on are a 6-mile 3-phase line upgrade on your Brooklyn REC substation to have a more reliable connection to your Madison REC substation along with a 3-phase line upgrade on your What Cheer REC substation. These ties between substations are extremely important when transmission outages happen that feed your substations. With these line upgrades we can transfer your load to different substations and get your lights back on quicker.

As you are all aware, the prices for the goods that we need have been increasing in the last couple of years and we are not seeing a down trend soon. The wooden poles that we use to get electricity throughout our territory had an 80% increase last year, 2% increase this year, and a projected 12% increase next year. The material we use on those poles have increased anywhere from 25% - 75%, and the transformers used to power your homes have increased 60% - 150% in the past couple of years. That is, if we can get those items as the manufacturing lead times on some items are over a year out. This mirrors our vehicle fleet and the major increase in costs with having to order 3 - 5 years in advance for some units.

Throughout it all, we are here for you, our member-owners. T.I.P. remains committed to our mission of striving to provide safe, reliable electricity at a competitive cost and will pursue excellence in technology, service and member relations, for the benefit of our members and the communities we serve.



Gene Von Ahsen,
Board President

MISSION STATEMENT

T.I.P. Rural Electric Cooperative strives to provide safe, reliable electricity at a competitive cost and will pursue excellence in technology, service and member relations, for the benefit of our members and the communities we serve.



Scott Long,
CEO/General Manager