



84th Annual Report 2021



We Energize Your Life



Serving our Member-Owners with Integrity, Accountability, Innovation and a Longstanding Commitment to Communities.

T.I.P. RURAL ELECTRIC COOPERATIVE

Brooklyn, Iowa

A Touchstone Energy® Cooperative



T.I.P. RURAL ELECTRIC COOPERATIVE
ANNUAL MEETING OF MEMBERS
Saturday, August 27, 2022

Meeting Begins At 9:15 A.M.
Free Breakfast Catered By Brooklyn Grocery
Served From 7:30 A.M. - 9:00 A.M.

Registration-Music-Recognition of Veterans..... Peggy Wardenburg

Invocation Pastor Josh Gerard

Meeting Called To Order..... Gene Von Ahsen, President

Introduction of Current Board of Directors..... Gene Von Ahsen, President

Certification of a Quorum

Reading of the Notice of Meeting

Minutes of Last Meeting..... Ronald Hoffman
Secretary-Treasurer

Treasurer’s Report..... Ronald Hoffman
Secretary-Treasurer

Report of Nominating Committee and Election of Directors Mark R. Adams
Cooperative Attorney

2022 Iowa Future Little Miss United States Agriculture..... Hadley Kiebach
and 2022 Midwest Future Little Miss United States Agriculture Kate Kiebach, Mother

Board President and General Manager’s Report Dean A. Huls
General Manager

Presentation of Retirement Plaque to Director James HinesGene Von Ahsen
President

Report of Election Davis Axmear
Nominating Committee Chairperson

Introduction of Employees Dean A. Huls
General Manager

Drawing of Free Prizes and Electric Bill Credit Certificates..... Dean A. Huls
General Manager

ADJOURNMENT

(You can find information from our 2022 Annual Meeting at: tiprec.com/annual-meeting)

BOARD PRESIDENT AND GENERAL MANAGER'S REPORT

I would like to invite you to your 84th Annual Meeting for the member-owners of T.I.P. Rural Electric Cooperative. The board of directors have decided to have your annual meeting in person this year. The annual meeting will be held in the BGM High School Auditorium on Saturday August 27, 2022.

Our scholarship committee was excited to award ten scholarships to High School graduates in May. This is the second year of our scholarship program. Next year the committee will also be awarding one scholarship to a High School graduate that will be attending an accredited Lineman School.

T.I.P. REC has outgrown our main office facilities which was built in 1953 and has served the cooperative well for almost 70 years. Since the initial office and shop was constructed, we have added onto the office twice (1968 and 2002). Your board and staff have been working with Martin Gardner Architecture and Merit Construction to design and build a new office building, shop, and pole yard in the Brooklyn Industrial Park. This new facility will serve the cooperative's needs for decades to come.

Our power supplier, Central Iowa Power Cooperative, (CIPCO) is committed to providing member-owners, like T.I.P. REC, with wholesale power and services in a safe, reliable, and cost-effective manner. In order to accomplish this, CIPCO maintains a diverse generation portfolio to ensure all members are covered 24/7 through fluctuating energy and capacity demands, extreme weather events, unexpected generation issues, and when the sun doesn't shine, or the wind doesn't blow to produce intermittent energy. To support energy diversification, CIPCO has steadily added intermittent wind and solar into the generation mix, starting with 2MW of wind in 2004 to over 340MW of wind and solar in the CIPCO portfolio today. This includes the recent deployment of the 100 MW Wapello Solar LLC and the 54 MW Independence Wind power purchase agreements - both projects enhance CIPCO's generation mix as a source of low-cost power, providing needed energy and capacity across the system. CIPCO is also investing in an additional 100 MW of solar with Coggon Solar LLC in Linn County. CIPCO's diverse energy portfolio also expanded in 2021 with the \$85 million Summit Lake repowering project to add efficient-natural gas reciprocating engines that serve peak electric demand.

Your cooperative, like each of you, has been experiencing higher prices for material, trucks, and supplies. As we reported in our June newsletter, the power cost from CIPCO is higher due to rising fuel costs. Intermittent resources such as wind and solar must continue to be supplemented by always-available baseload energy resources like coal and natural gas. T.I.P. has started our Cost-of-Service Study with National Rural Utilities Cooperative Finance Corporation (NRUCFC). We will be communicating the results of this study to you as we prepare our rates and rate structure to mirror CIPCO's new rates, rate structure, and increasing costs. Maintaining the exceptional reliability and affordability that our member-owners expect and deserve is the goal of your board and employees.

This year, your cooperative again demonstrated one of the benefits of your member-owned, non-profit organization as it paid 25% of 2005, 75% of 2006, and 10% of 2021 patronage dividends. These dividends totaling \$590,386.71, were distributed in August as bill credits if you were an active member and with checks to inactive members. With this year's payment your cooperative has paid a grand total of \$11,592,598.15.

We appreciate our T.I.P. member-owners and will continue to focus on our mission of providing safe, affordable, and reliable power to you.



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.



Dean A. Huls,
General Manager

T.I.P. Rural Electric Cooperative 2021 Financial Report

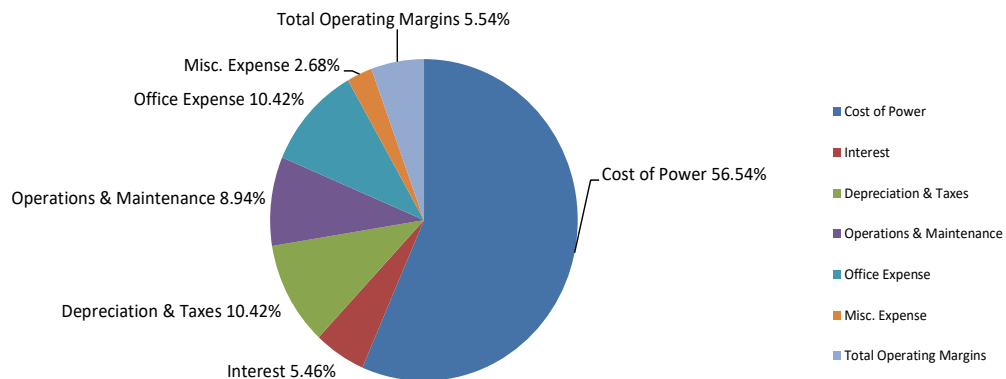
BALANCE SHEET as of December 31, 2021

	2020	2021
Assets		
Net Utility Plant	34,623,573	34,791,604
Other Property & Investments	6,166,876	6,464,716
Current Assets	4,740,275	4,912,620
Deferred Debits	86,115	34,667
Total Assets	\$ 45,616,839	\$ 46,203,607
Liabilities		
Long-Term Debt	17,389,109	17,128,726
Current Liabilities	2,003,383	1,973,757
Deferred Credits	316,102	280,681
Equity		
Margins & Equity	25,908,245	26,820,443
Total Liabilities & Equity	\$ 45,616,839	\$ 46,203,607

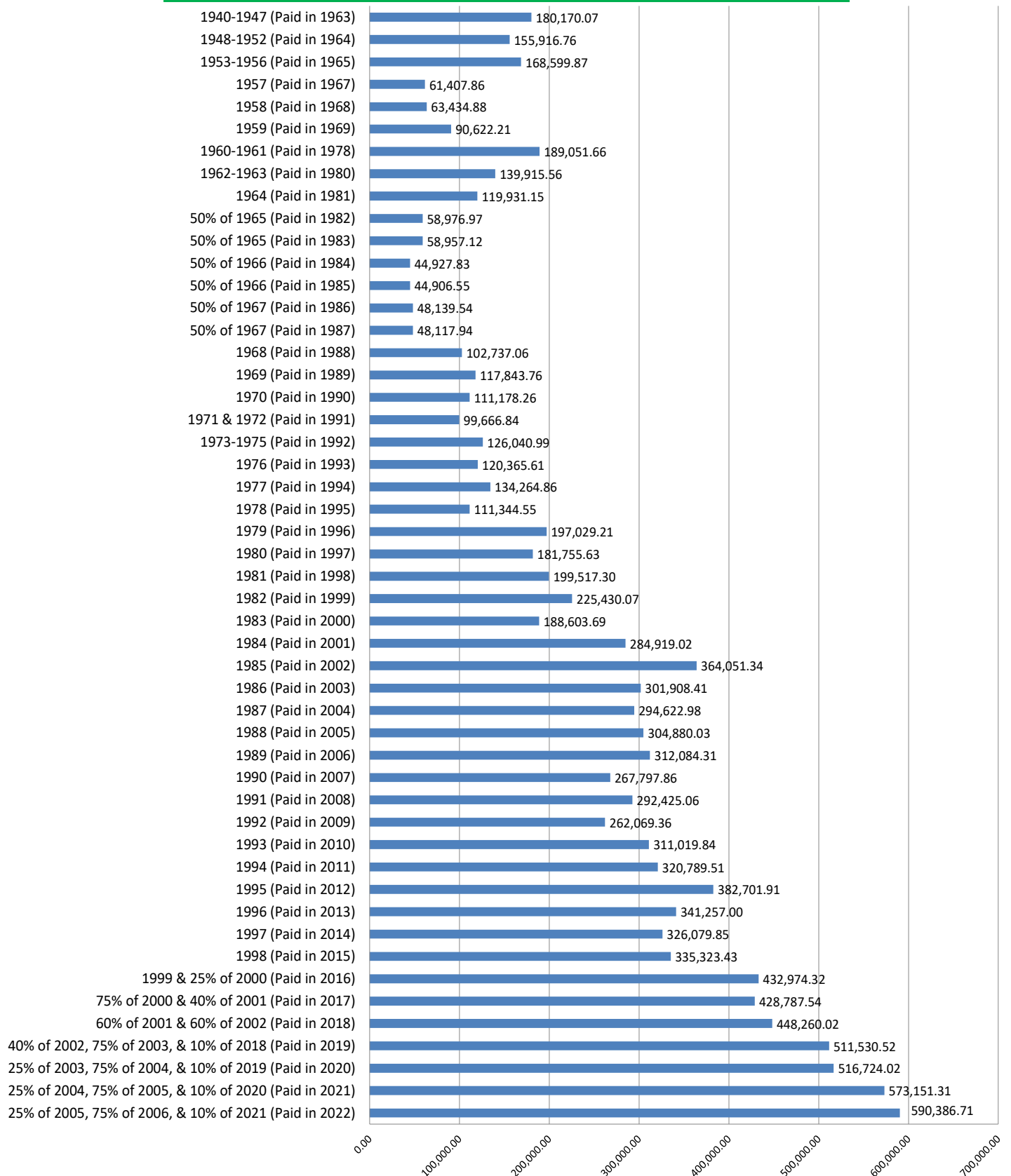
INCOME STATEMENT as of December 31, 2021

	2020	2021
Operating Revenues	\$ 15,045,489	\$ 15,247,101
Operating Expenses		
Cost of Power	8,662,840	8,621,815
Interest Expense	852,953	831,906
Depreciation & Taxes	1,550,285	1,588,111
Operations & Maintenance Expense	1,846,119	1,362,399
Office Expense	1,490,189	1,589,504
Misc. Expense	367,157	409,265
Total Expenses	\$ 14,769,543	\$ 14,403,000
Operating Margins	275,946	844,101
Non-Operating Margins	547,786	96,031
Generation & Transmission Capital Credits	734,819	451,759
Other Capital Credits	110,519	120,952
Total Operating & Non-Operating Margins	\$ 1,669,070	\$ 1,512,843

2021 Expenses As A Percentage of Operating Revenue



\$11,592,598.15 PATRONAGE DIVIDENDS PAID IN CASH



One of the Benefits of Your Member-Owned, Non-Profit Electric Cooperative

DIRECTOR CANDIDATES

Your nominating committee met on June 27, 2022, and have nominated the following as candidates for your Board of Directors to be voted on at your Annual Meeting August 27, 2022. You will vote for one candidate per county.

IOWA COUNTY

JOHN GAHRING



John Gahring lives north of I-80 halfway between Little Amana and the Oxford exits in Iowa Township, Iowa County, where he has resided since 2002.

John and his wife, Lynn, who is the Program Coordinator at ISU Extension-Iowa County, have three children: Logan, an Army Veteran who served two tours in Afghanistan and works at the VA Hospital, and his wife, Melinda, who owns and operates Melinda's Dance Studio in Williamsburg; Grayson, who is a professional Dairy Cattle Fitter and has started a boarding cattle business; Abbie, a senior at Williamsburg High School who is involved in FFA and 4-H and loves to dance and help her sister-in-law at the dance studio. John and Lynn have five grandchildren: Ronnie, Sly, Eden, Elisa, and Von.

John has been a County Supervisor for the last eight years. The Gahring's farm 160 acres of corn/beans and have dairy heifers and cows for showing and they board show cattle for people from Ohio to Maine. He and his wife also have a drug testing business where they test college athletes year-round. They have been REC members for 20 years.

John is a Farm Bureau member, has served on the Dairy Advisory Committee at the state level, and is a member of Immanuel Lutheran Church having served six years as an Elder and is currently President. He has been the Iowa County Landfill Chairman for the last seven years and past Clear Creek Watershed Chair. John also currently serves on the board of the Mental Health/Disability Services of the East Central Region.

In his leisure time, John likes spending time with his family and enjoying the grandchildren - five grandchildren under the age of five keeps things moving. He also enjoys all things Hawkeye, especially Iowa Wrestling.

GENE VON AHSEN (INCUMBENT)



Gene Von Ahsen lives five miles northeast of Williamsburg in Iowa Township, Iowa County, where he has resided since 1983.

Gene and his wife, Diane, employed at Kinze Manufacturing, have three children: Darcy (Brad) Schaefer of Williamsburg, who works for the Grant Wood Area Education Agency; Derek (Jess) Von Ahsen of South Amana, is engaged in farming; and Beth (Nate) Weltner of Ankeny, who works for Van Meter Electric, Urbandale. Gene and Diane have five grandchildren: Teagan, Jackson, Tate, Cole, and Olivia.

The Von Ahsen's have a farming operation where they raise corn and soybeans. They have been REC members for 39 years.

Gene is a T.I.P. REC Board member, a Farm Bureau member, and a member of the Immanuel Lutheran Church, Williamsburg, where he has served as an elder, on the finance board, and on the Lutheran Interparish School Board.

In his leisure time, Gene enjoys spending time with his family, especially watching his grandchildren at their sports events, concerts and 4-H showings.

KEOKUK COUNTY

ANNE AXMEAR (INCUMBENT)



Anne Axmear lives ten miles southwest of North English in English River Township, Keokuk County, where she has resided for 16 years.

Anne and her husband, Jesse, who is a farmer, have five children: Kaeley, a freshman at ISU; Natalie, a senior at English Valleys Junior/Senior High School; Drake, a sophomore at English Valleys Junior/Senior High School; Edie, in eighth grade at Lutheran Interparish School; and Abe, in fifth grade at Lutheran Interparish School.

The Axmears' raise wean to finish hogs, corn and soybeans, and have a small flock of ewes. They have been REC members for 18 years.

Anne and her family are members of the St. John's Lutheran Church in rural Victor where she is one of the leaders of the youth group, teaches Sunday School, and serves on the education committee. She also coaches a boys ball team along with being involved with the county fair in Sigourney and the "Best of the Best" show in Marengo.

In her leisure time, Anne enjoys reading and spending time with her family camping.

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TAMA COUNTY

LISA TICHY



Lisa Tichy lives two miles northwest of Montour, right off Highway 30 on B Avenue in Indian Village Township, Tama County, where she has resided for five years. For ten years they lived at another address on REC lines.

Lisa and her husband, Brody Kellogg, who is a farmer and owns two small businesses, have three dogs.

They farm 950 acres which consists of corn, beans and hay. Lisa is currently employed at Martin Marietta Materials at the Ferguson/Gilman location. Her official title is a Weightmaster and she is certified by the state. Lisa is responsible for weighing and ticketing customer's trucks, completing office work, creating and receiving purchase orders and customer transactions along with working with the sales department to ensure product gets delivered correctly. She uses a vast array of computer programs for inventory, sales orders, etc. at work. Lisa also helps run the office aspects of their dust control business and trucking business where she does invoicing, customer service, and vendor relations, and has a successful Etsy store where she creates custom items. They have been REC members for 16 years.

Lisa was previously a member of the Marshalltown Board of Realtors event planning group. She is co-founder and currently the secretary of Diamond in the Ruff which is a nonprofit animal welfare group (founded in 2014), and a member of PHI KAPPA THETA at Marshalltown Community College (MCC).

In her leisure time, Lisa enjoys staying home and spending time with Brody and the dogs on the farm. She will be graduating MCC in the fall with an AAS degree in business where she has been on the dean's list for three semesters. Two of Lisa's dogs are show dogs, one is a grand champion of show champions and the other is his grandson, and she travels to MS and LA a couple times a year for these shows. Lisa also likes taking the UTV and their dogs to the pond and letting them swim along with boating, bird watching, and rock collecting and researching the history on them. She has two nieces and she loves spending time going to pottery studios and creating art with them. With the animal rescue, Lisa also helps pet owners if they have issues with their pets, helps placing animals and is a voice for those who don't have one.

Lisa feels that her business knowledge and experience could be of value to the board. She enjoys being part of a team, making a difference, and looks forward to meeting a lot of new people and getting to know her neighbors. Lisa is very appreciative of the REC for working so hard when the power goes out.

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**T.I.P. RURAL ELECTRIC COOPERATIVE'S
ENERGY EFFICIENCY INCENTIVES
EFFECTIVE JANUARY 1, 2022**

Electric Water Heater

- Electric Water Heater Rebate.....40 gallon or larger, (EF 0.90) \$175
- Go Electric Bonus when Replacing an LP or Natural Gas Water Heater with Electric.....\$100

Geothermal Heat Pumps

- Closed Loop \$400 per ton
- Open Loop..... \$300 per ton
- Unit Replacement (existing loop)\$150 per unit



- Air Source Heat Pumps Standard ASHP \$200 per ton
- Energy Star Bonus (add to standard ASHP rebate) \$250 per unit (not per ton)
- Minimum SEER 15, HSPF 8.2, EER 12.5
- Cold Climate Air Source Heat Pump\$400 per ton

Energy AuditApproximately \$649

- Contact TIP to set up your energy audit. TIP pays - ~~\$474~~
- Commercial energy audit handled on individual basis. Member pays \$175



- Central Air Conditioners (must be Energy Star Compliant)
- SEER of 15 and EER 12.5 or greater.....\$100

Appliance



- Energy Star Appliance (must be Energy Star Compliant)
- Clothes Washer - with only an Electric Water Heater \$40
- Electric Dryer \$20

Lighting



- Energy Efficient LED Outdoor Lighting (must be Energy Star Compliant)
- Total rebate cannot exceed 50% of installed cost.
- Maximum rebate up to \$600 per home annually.
- For outdoor LED fixture rebates see our website www.tiprec.com or call our office for assistance.

Electric Vehicle Charger

Your cooperative will rebate 50% of the installed cost, up to \$500.00, for a Residential Level II Electric Vehicle Charger.

*The amount of the rebate will not exceed the amount of the invoice.
Rebate must be applied for within six months of date of purchase or it will not be accepted.
You have a choice whether you want the rebate applied to your electric bill
(if the rebate is \$250.00 or less) or you may receive a check. For additional Residential,
Agricultural, and Commercial rebates and the Pull the Plug Appliance Recycling Program
see our website www.tiprec.com.*

PROPOSED AMENDMENTS TO THE ARTICLES OF INCORPORATION BEING VOTED ON AT THE ANNUAL MEETING

AMEND ARTICLE IX, SECTIONS 1 AND 2

Section 1. The business and affairs of the Association shall be managed by a Board of ~~nine (9)~~ Directors who must be members of the Association. The Board of Directors of the Association shall be a variable-range size Board of Directors consisting of not less than five (5) and not more than nine (9) directors as the Board of Directors from time to time establish.

Section 2. ~~At the first regular meeting to be held on the date specified in Section 1 of Article VIII of these Articles of Incorporation, nine (9) directors shall be elected to serve until the next succeeding regular Annual Meeting of the members and until their respective successors shall have been elected and qualified. At said next succeeding regular Annual Meeting, the directors shall be divided into three (3) classes, each class consisting of three (3) directors. At such meeting, the directors of the first class shall be elected for the term of one (1) year, those of the second class shall be elected for the term of two (2) years, and those of the third class shall be elected for the term of (3) years. At each regular Annual Meeting thereafter, a number of directors equal to the number of directors whose terms expire at the time of such meeting shall be elected to hold office for the term of three (3) years, and until their respective successors shall have been elected and qualified. The election of the directors shall be by ballot, and each voting member shall be entitled to cast one (1) vote for each director to be elected.~~

For the purposes of nominating and electing directors of the Cooperative, the territory served by the Cooperative shall be divided into districts or geographic sectors, with the number of directors to be elected from each district and the process for nomination of the same as set forth in the Bylaws of the Cooperative. All director positions will be voted on by the entire Cooperative membership. Each voting member is entitled to cast one vote for each director position to be filled.

Directors shall serve three-year terms, and until their respective successors shall have been elected and qualified. The election of directors shall be by ballot.

The geographic boundaries of each district shall be set forth in the Bylaws, and a map of such districts shall be maintained at the Cooperative's office.

The Cooperative shall stagger director terms by dividing the total number of authorized directors into groups of approximately equal number. Members shall annually elect an approximately equal number of directors whose terms expire at the time of such meeting. Directors' terms of 2 or more directors from the same district may not coincide. Subject to a director's consent, decreasing the number of directors or length of a director's term may not shorten an incumbent director's term.

EMPLOYEES OF THE COOPERATIVE

BROOKLYN EMPLOYEES

<u>Name</u>	<u>Title</u>
Dean Huls	General Manager
Scott Long	Operations Manager
Terry Kloppenburg	Financial Manager
Nate Hopwood	IT Manager
Cole Calkins	Staking Technician/ Member Service
Jason Jack	Accountant
Michael Kleitsch	Work Order and Material Clerk
Lee Rozmus	Administrative Assistant
Breanna McIlrath	Office and Billing Supervisor
Janet Faas	Staff Assistant/Communications
Sallie Ditzler	Customer Service Representative
Becca Stauffer	Operations Assistant

<u>Name</u>	<u>Title</u>
Joseph Kriegel	Brooklyn Line Foreman
Dana Kilmer	Journeyman Lineman
Andrew Kloppenburg	Journeyman Lineman
Nyle Kleine	Journeyman Lineman
Nate Egerton	Journeyman Lineman
Hunter Connelly	Journeyman Lineman
Kendall Bunn	Apprentice Lineman
Tanner Meeks	Apprentice Lineman

SIGOURNEY EMPLOYEES

Daniel Roller	Sigourney Line Foreman
Shane Morse	Journeyman Lineman
Sean Stutzman	Journeyman Lineman
Tyler Hanson	Journeyman Lineman
Chase Tremmel	Journeyman Lineman

Your Board of Directors and General Manager (Years of Service)



Pictured above from left to right in the front row: Dean A. Huls, General Manager, (42 years), Ronald L. Hoffman, Secretary-Treasurer, Keokuk County, (32 years), Anne Axmear, Vice-President, Keokuk County, (3 years), and Gene Von Ahsen, President, Iowa County, (21 years). Back row from left to right: Randy Upah, Tama County, (7 years), James Hines, Tama County, (25 years), David Lee King, Poweshiek County, (28 years), Craig Stallman, Iowa County, (5 years), Jerry Henning, Poweshiek County, (2 years), and James De Smet, Iowa County, (7 years).

**T.I.P. RURAL ELECTRIC COOPERATIVE
PO BOX 534
BROOKLYN, IOWA 52211**

**Please bring this Registration
Card to the Annual Meeting
for us to Scan and Enter
your Name for Prizes.**



Free Breakfast

**T.I.P. RURAL ELECTRIC COOPERATIVE
Brooklyn, Iowa**



**Saturday, August 27, 2022
BGM High School Auditorium
1090 Jackson St., Brooklyn, Iowa**



**Breakfast To Be Served From 7:30 A.M. to 9:00 A.M.
Catered by Brooklyn Grocery**

Business Meeting To Follow At 9:15 A.M.

**A Thermal Tote Bag Will Be Given
To Each Membership In Attendance.**

**44 PRIZES WILL BE GIVEN AWAY AT THE ANNUAL
MEETING WHICH INCLUDES A GIRLS AND A BOYS BIKE, ELECTRIC
BILL CREDIT CERTIFICATES AND TWO GRAND PRIZES -
A PREDATOR 6500W GAS-POWERED GENERATOR AND A
MILWAUKEE POLE SAW/BLOWER COMBO**