



CLARKE REC Headlines

The official publication of Clarke Electric Cooperative



SAFETY DRIVEN | ENERGY SMART | COMMUNITY INVESTED Volume No. 81 No. 8 | August 2021

PLAN TO JOIN CEC
employees and directors for a
“drive through” annual meeting
Monday, Sept. 13. Stop in any
time between 9 a.m. and noon
to:

- drop off your board election ballot;
- see the new warehouse;
- register for a chance to win cash; and
- receive an attendance gift bag.

The business session will begin at 1 p.m. as a virtual meeting only.



Closed for Labor Day
The Clarke Electric office will be

closed Monday, Sept. 6 for Labor Day. We wish all our members a safe and healthy holiday weekend!



CLARKE
ELECTRIC COOPERATIVE, INC.

Safety Driven • Energy Smart • Community Invested
Your Touchstone Energy Cooperative

P.O. Box 161 1103 N. Main
Osceola, IA 50213-0161
www.cecnet.net

Official Notice of Annual Meeting of the Members

*****NOTE: Due to COVID-19, and in an effort to protect the health and safety of the members and employees, the Board has decided not to hold an in-person meeting. The mailed-in ballots will count toward the quorum requirements to complete the director election.**

THE ANNUAL MEETING OF THE Members of Clarke Electric Cooperative, Inc. will be held virtually at 1 p.m. on September 13, 2021, to take action upon the following matters:

1. The reports of officers, directors, and committees;
2. The election of three (3) directors of the Cooperative for a term of three years each;
3. All other business which may legally come before the meeting or any adjournment or adjournments thereof.

Members will participate in the election by mail-in ballot. The mail ballots will count toward the quorum requirement to complete the director election.

THREE YEAR TERM (Three to be Elected)
District 6 (vote for one)

Marni Kelso
Steve Smith

At-Large Districts (vote for two)

Jason Boyer
Mark Fuller
Larry Keller
Randy Rouse

We encourage you to contact the Cooperative if you have any questions. The results of the election will be posted on the Cooperative’s website following the meeting.

Dated this 24th day of August 2021.

Larry Keller
Board Secretary

Visit www.cecnet.net after Sept. 13 to view the reports of the annual meeting

WATCH YOUR MAILBOX IN AUGUST FOR THE ANNUAL meeting election ballot. Returned ballots will be entered into the drawing for cash prizes. Winners will be notified Sept. 14.



Reading pays! We have hidden two of our members’ account numbers in this issue. If you find your member location number, call during August to have \$10 deducted from your monthly energy account.

Powering On

HERE IS A CLICHÉ THAT

“hindsight is 2020.” However, when talking about the year 2020, I am not sure we gained a clear vision in the aftermath.

The year was rocked by the coronavirus pandemic, in which most of our employees were asked to work individually or remotely. In our 2020 spirit to “Power On,” and since we were already in a state of disruption, we made the commitment to start our total facility complex improvement plan. The remodeling plan was drafted, approved and begun. In looking back, it turned out to be a great year to be temporarily relocated. Most of our office employees took turns working at our temporary office on the northside of the square in Osceola.

Our engineering and operations departments remained extremely busy in 2020 even in the midst of the pandemic. During the first half of the year, we kept our employees safely separated. They completed a huge amount of maintenance work during this period. There was a temporary pause in new construction related to COVID and then suddenly, we had many new service requests all come in at once. We were blessed as a cooperative, as most of our member-consumers were able to continue their business operations.

Our organization was not immune from the pandemic when the majority of our employees contracted the illness. Luckily for us, none of our employees required hospital care and in fact, many were right

back to work as soon as their isolation time was over. A few employees have lingering effects, but all are back to work.

As we “Powered On,” we managed to continue with our normal business processes. Annual budgets were approved. Monthly board meetings were held, sometimes by Zoom and sometimes off-site. Capital credits were paid out. New equipment was purchased, including a new bucket truck and a new dump truck. We installed five new iron poles, to test out pole material options. Annual pole and breaker testing was also completed. Replacing distribution line equipment that was no longer reliable continued even at the height of the pandemic. This included (but was not limited to) poles, crossarms, insulators, fuses, substation equipment, overhead line, and a continued focus on replacing failing underground line.

We experienced some damage as the derecho passed through our territory. However, once we had our member-consumers’ power restored, we sent linemen to other Iowa cooperatives that were not as fortunate, to perform storm restoration work.

Our annual Youth Tour program was again postponed. We ventured into a new scholarship program awarding 10 students with college scholarships. Our Operation Round-Up program continued to pay out grants to eligible member-consumers and organizations.

We had two great long-term employees retire. Roger Phillips, our serviceman

linemen, and Tim Lupkes, our warehouseman lineman, moved onto the next phase of life. With the pandemic going on, we were not able to celebrate them and tell them goodbye. It was a big loss for our cooperative to have two experienced linemen retire. We miss them both.

2020 tested us in so many ways. Clarke Electric Cooperative has always embraced technology, and when we were called to work remotely, we were able to work from home without sacrificing efficiency.

Our hindsight shows us that the year 2020 was anything but typical and often extraordinary. As we move through 2021 and continue to “Power On,” we thank you, our member-consumers, for your patience during our remodeling process and the pandemic. We also need to thank our great employees who put up with many changing processes and less than desirable work conditions. They dealt with cold kybos in the winter, disjointed meetings and shared offices. As always, our team of employees showed resilience and dedication. They continued to work with wonderful attitudes while still providing the great service you expect and deserve.

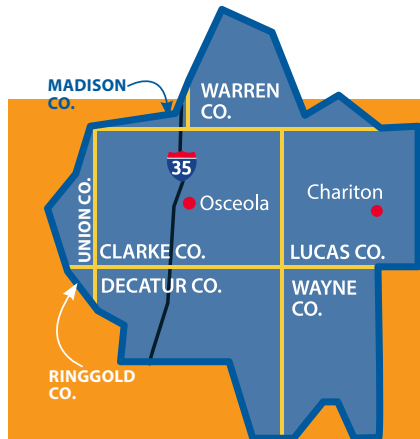
Powering on to 2021!



DAVE OPIE
General Manager



KYLE KELSO
Board President



Our service territory covers approximately 1,800 square miles across south central Iowa. Any person requesting electricity within our boundaries, as defined by the Iowa Utilities Board, will be provided electric service. The cooperative by-laws make sure our Board of Directors annually review the population makeup of the director districts to keep the number of members represented by each director as nearly equal as possible. As populations shift, districts may be realigned to bring them back into compliance. Districts were last realigned in 2012. Counties served by Clarke Electric: Clarke, Decatur, Lucas, Madison, Ringgold, Union, Warren and Wayne.

2020 Treasurer's Report

by Lydda Youmans & Sam Walkup

CLARKE ELECTRIC COOPERATIVE'S financial records for 2020 were audited by BKD CPAs & Advisors, LLP, of West Des Moines. They reviewed the balance sheet and related statements of operation, member's equity, cash flows and the related notes to the financial statements. In their opinion, "the financial statements referred to above present fairly, in all material respects, the financial position of Clarke Electric Cooperative, Inc. as of December 31, 2020. The results of its operations and cash flows for the year then ended are in accordance with accounting principles generally accepted

in the United States of America." During the April Board meeting, BKD CPAs & Advisors, LLP presented the audited financials to the Clarke Electric Cooperative Board, in a written and oral presentation.

Revenues were higher than budgeted while expenses were lower than budgeted. 2020 was the year of the pandemic; COVID-19 was a factor in keeping our expenses down as our employees practiced social distancing. However, it did not have a significant impact on our revenue. We saw some reductions in demand due to the pandemic but slight increases in others such as residential use because more

people were staying home. The extension of the winter moratorium from April 15 to the end of May helped our revenues. As you can see from the statement of operations at left, the year-end margin for 2020 was \$1,355,221.00.

From the charts below you will see the operating revenue for the fiscal year 2020, "where the money comes from" and the total cost of electric service and operating margin, "where the money goes." Residential sales continue to be our largest revenue source at 68% of total revenue. Residential sales averaged 5,131 residential consumers during 2020. Cost of purchased power far exceeds all other expenses at 50% with the next leading expense of operations and maintenance coming in at 18% of total expenses. 10-20-07-02

As directed by the board of directors \$279,839 in patronage capital was paid back to the member-owners in 2020 for the remainder of 2002 and a portion of 2003. This includes current and past members. The Board of Directors and employees are committed to maintaining our financial integrity to bring you a safe, affordable and efficient power source.

2020-2019 Financial Stats

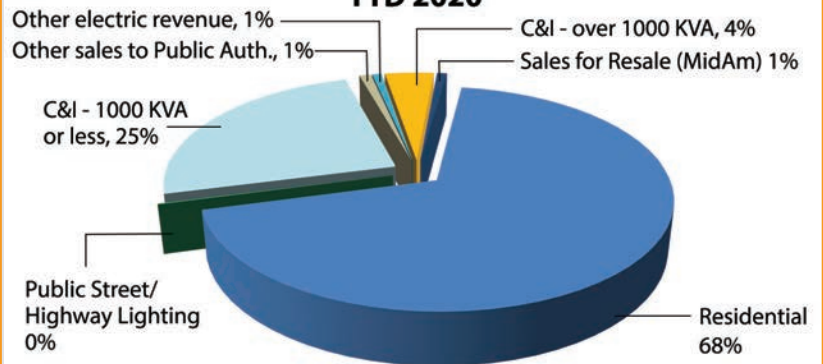
Assets	2020	2019
Total Utility Plant	\$45,120,411	\$44,667,294
Less Depreciation	(14,536,437)	(14,397,353)
Net Utility Plant	30,583,974	30,269,941
Patronage Capital	3,325,850	3,154,394
Investments	1,492,559	1,776,073
Cash/Temp. Investments	1,039,127	890,944
Accounts Receivable	1,140,784	1,155,419
Other	1,993,066	351,355
Total	\$39,575,360	\$37,598,126

Liabilities	2020	2019
Memberships	\$22,915	\$22,625
Member Patronage	4,953,332	4,609,626
Other Margins/Equity	12,940,574	12,229,401
Long Term Debt	19,291,694	18,241,870
Notes/Accounts Payable	908,447	896,150
Consumer Deposits	85,705	90,008
Other Liabilities	1,372,693	1,508,446
Total	\$39,575,360	\$37,598,126

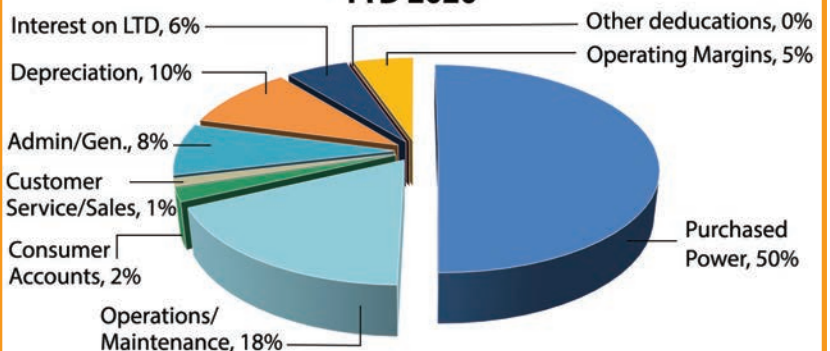
Revenue & Expenses	2020	2019
Total Revenue	\$12,993,116	\$13,243,284
Power Cost	6,531,766	6,842,646
Operations/Maintenance	2,296,333	2,471,409
Consumer Accounts	275,720	315,203
Customer Service/Sales	157,379	146,122
Administration/General	1,037,182	1,044,769
Depreciation	1,294,160	1,284,498
Interest on Long Term Debt	706,459	722,635
Other Expenses	11,630	15,005
Total Expenses	\$12,310,529	\$12,842,287

Margins	2020	2019
Operating Margins	\$682,587	\$400,997
Non-Operating Margins	28,248	57,460
G & T Co-op Capital Credits	554,671	496,597
Other Org. Capital Credits	89,715	81,953
Net Margins	\$1,355,221	\$1,037,007

Income Statement: Where the Dollars Come From YTD 2020



Income Statement: Where the Dollars Go YTD 2020



2021 Board Candidates *(names listed alphabetically by district)*

District 6 Candidates

MARNI KELSO



Marni is seeking election for District 6. She and her husband, Kyle, have two grown children and one grandson. They live in Garden Grove Township of Decatur County. Marni

received her B.S. in Health and Human Performance from Iowa State University. She has worked 17 years for the Iowa Community College Online Consortium as the Manager of Academic Scheduling/ Online Course Billing. In the past, Marni has served on the local youth sports association board and the booster club. She was an elder at the LeRoy Presbyterian Church and served on the pastor hiring committee. She served on the Product Advisory Board for Pearson Higher Ed and four hiring committees for college staff. In her spare time, Marni enjoys spending time with her grandson, crafting and Jeeping. She has been a CEC member since 2002.

STEVE SMITH



Steve is a candidate for District 6. He and his wife, Karen, live in Franklin Township of Clarke County. He has two children and two step-children, five grandchildren, three

step-grandchildren and three great grandchildren. He is a retired insurance appraiser for EMC Insurance Company and served as a Clarke Electric Board member for 15 years, serving as vice president for 12 of those years. He is a former Clarke County Board of Health member and served four years on the Clarke County Board of Supervisors. He served as a board member for the Humeston Golf Course. He currently serves as a Township Trustee. Steve enjoys playing golf in his spare time. He has been a member of CEC since 1987.

At-Large Candidates

JASON BOYER



Jason is a candidate for an At-Large position. He and his wife, Amy, have three children: Kaitlyn, Konrad and Kacey. They live in Franklin Township of Clarke County. Jason and Amy farm, raise cattle and own and operate The Harvest Barn located in Osceola. Jason serves on the Clarke County Cattlemen Board, Iowa Limousin Association Board, and the Heartland Limousin Association Board. He is past president and vice president of the Clarke County Cattlemen's Association Board. He has been a CEC

member since 1995 and served on the CEC nominating committee twice. Jason also enjoys deer hunting, attending cattle shows with the family and exploring other parts of the country on ATVs.

MARK FULLER



Mark is a candidate for an At-Large position. He lives in Knox Township of Clarke County and has one daughter, Shenae. Mark received an Associate Degree in Agriculture Mechanics from Des Moines Area Community College. He was a service manager for an ag dealership for 11 years and has owned his own repair shop for 22 years. He has more than 43 years of experience with farm mechanics. He farms 520 acres of row crop, hay and raises cattle. Mark has been a member of CEC since 2015.

LARRY KELLER



Larry is the current CEC Board Secretary, seeking re-election for an At-Large position. He and his wife, Dianna live in Freemont Township of Clarke County, and have two grown children and four grandchildren. Larry raises cattle and is a former employee of Clarke Electric Cooperative serving 38 years as a lineman. He served two years as the CEC treasurer and has served four years as the secretary. Larry obtained his Credentialed Cooperative Director Certificate in 2016. He currently serves as the chairman of Clarke County Public Health Board, vice chair of both the Southern Iowa Trolley Board of Trustees and Clarke County Conservation Board. He serves as the vice chair of the Clarke County Reservoir Commission and South Central Iowa Community Action Board. He serves on the Ottumwa Hazmat Board. He serves as vice chairman on the Clarke County Board of Supervisors. Larry is a member of the Life Point Church. He enjoys spending time with his grandkids, cattle and dogs.

RANDY ROUSE



Randy is the current CEC Board Vice President and is seeking re-election for an At-Large position. He served one year as the board secretary and has served as the board vice president for the past four years. He and his wife, Julie, live in Benton Township of Wayne County. They have three grown children and four grandchildren. Randy farms row crop in Wayne and Lucas counties. Randy is a retired Pioneer representative. He currently serves on the Central Iowa Power Cooperative (CIPCO) board.

Randy is a former chairman of Future Farmers of America Advisory Board, the Agriland FS Board, president of Wayne Community School Board, and president of Wayne County Cattlemen's Association. Randy obtained his Credentialed Cooperative Director Certificate in 2015. He enjoys boating with his family.

Clarke Electric Cooperative, Inc., Annual Meeting of Members

September 14, 2020

The Annual Meeting of the Members of Clarke Electric Cooperative, Inc. was held at the offices of the Cooperative in Osceola, Iowa at 1:00 P.M. on the 14th day of September, 2020.

The meeting was called to order by Kyle Kelso, President of the Cooperative, who presided, and Dennis Puckett acted as Secretary of the meeting and kept the minutes thereof. 45-10-10-00

Welcoming remarks were offered by Chairman Kelso. He noted the change in meeting format due to the COVID-19 pandemic, with action on the Director Election and Amendment to the Articles being conducted by mail.

It was noted the mail ballots would be counted towards the quorum as permitted by the Bylaws and there were sufficient ballots cast to constitute a quorum for taking action on the ballot items. The list of members casting a ballot will be accepted as the roll call.

The Chairman stated that the next order of business was the election of three (3) directors for a term of three (3) years each. He introduced Attorney Puckett to conduct the election. Attorney Puckett stated that in accordance with the Bylaws, the Board of Directors had appointed from the members of the Cooperative a Nominating Committee consisting of District 1 - Ted Hall and Bradley Hobbs; District 3 - Billie Jo Henrichs and Terrinda McIntire; District 7 - Gary Alley and Burton Prunty.

He then presented the Report of the Nominating Committee, nominating the following members for directors:

Three-Year Term (Three to be Elected)

District No. 1:
Bill Willis, Andrew Wood

District No. 3:
Dan Christensen, Cody Miller, Ed Moffitt

District No. 7:
Larry Jackson, Chris Roberts

The Report of the Nominating Committee

was ordered to be identified by the Secretary and annexed to the minutes of the meeting. Attorney Puckett noted that there were no nominations by Petition.

The Chairman appointed Sam Walkup, Sarah Heggen, Stephanie Moore and Dennis Puckett as Inspectors of Election.

The balloting was then declared closed. The ballots had previously been delivered to the inspectors, who proceeded to count the same.

Copies of the minutes of the Annual Meeting of the Members of September 16, 2019 had been previously distributed to each of the members. It was noted that said minutes will need to be approved at the 2021 Annual Meeting when members are present in person.

The Certificate of the Inspectors of Election was then presented and read, 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.

Three-Year Term

District No. 1: Bill Willis

District No. 3: Cody Miller

District No. 7: Larry Jackson

The Chairman 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.

Reports from the Manager and leadership were recorded to be shown to the members.

Attorney Puckett noted that the Board of Directors had proposed an Amendment to the Articles of Incorporation to allow voting by electronic means if approved by the Board. Ballots on the Amendment were distributed with the Director election

ballots and the same were counted by the Inspectors of Election. Attorney Puckett reported that 85% of those voting had voted in favor of the Amendment, which was sufficient for adoption. The Articles will be amended by deleting Section 3 of Article IX and inserting in lieu thereof the following;

The Bylaws may provide for a procedure for nominations. In that case a ballot marked "Ballot for Directors" containing the names of all the nominees for the Board of Directors, alphabetically arranged and stating the residence of each, shall be mailed with the notice of the meeting. The secretary shall also mail with the notice of the meeting a statement of the number of directors to be elected. Such statement of the Secretary shall also inform the members of the manner in which they may vote by mail or other electronic means, if approved by the Board of Directors, for directors as provided in this section. Any member may vote by mail or other electronic means, if electronic voting is approved, for directors by marking on the ballot an "X" opposite the names of the number of candidates equal to the number of directors to be elected and enclosing the ballot in a sealed envelope bearing [the member's name] and addressed to the secretary, or if electronically transmitted, as instructed. If approved by the Directors in advance of the meeting for the election of directors, voting of the directors may be done by Electronic Ballot received from the member by the Secretary or its representative at the Cooperative before 4:30 p.m. local time, on the last business day before the meeting for the election of directors, in accordance with such policies and procedures as may be adopted from time-to-time by the directors to promote the orderly, secure, and accurate voting and tabulation of ballots sent and received by electronic transmission. Any electronic ballots received after the above-stated

continued on pg. 6

2020 CEC Annual Meeting Minutes...from pg. 5

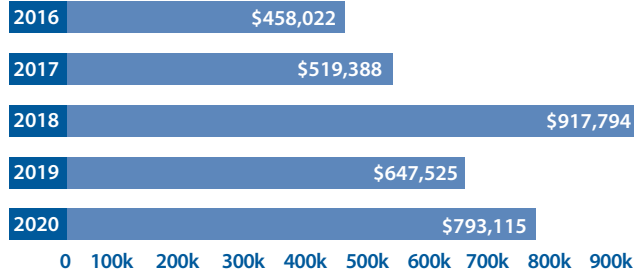
deadline for any reason, including technical difficulties, will not be considered valid ballots. When such ballot so enclosed is received by mail or by electronic ballot as provided in this section from any member, it shall be accepted and counted as a vote for directors by ballot of such member at such meeting. If a husband and wife hold a joint membership, they may vote by mail or by electronic ballot as provided in this section for directors by jointly marking and enclosing the ballot hereinabove provided for. Notwithstanding anything in this section contained, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of directors.

A drawing was held for 5 - \$100.00 bills and 10 - \$50.00 bills.

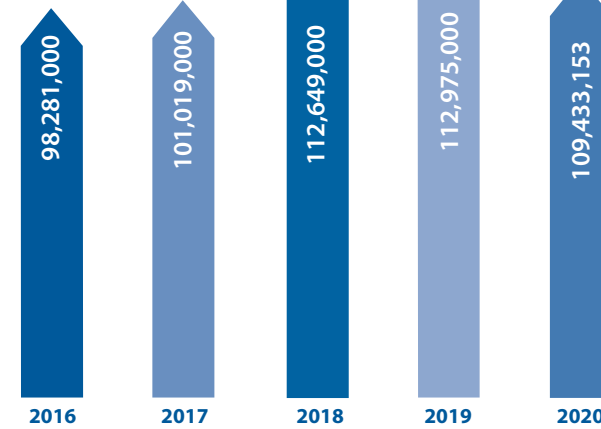
There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting adjourned.

BY THE NUMBERS

Patronage Allocated

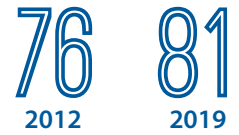


Kilowatt Hours Sold

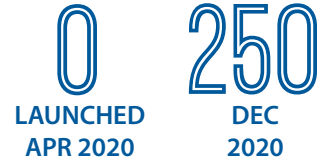


American Customer Satisfaction Index

out of 100



Facebook Fans



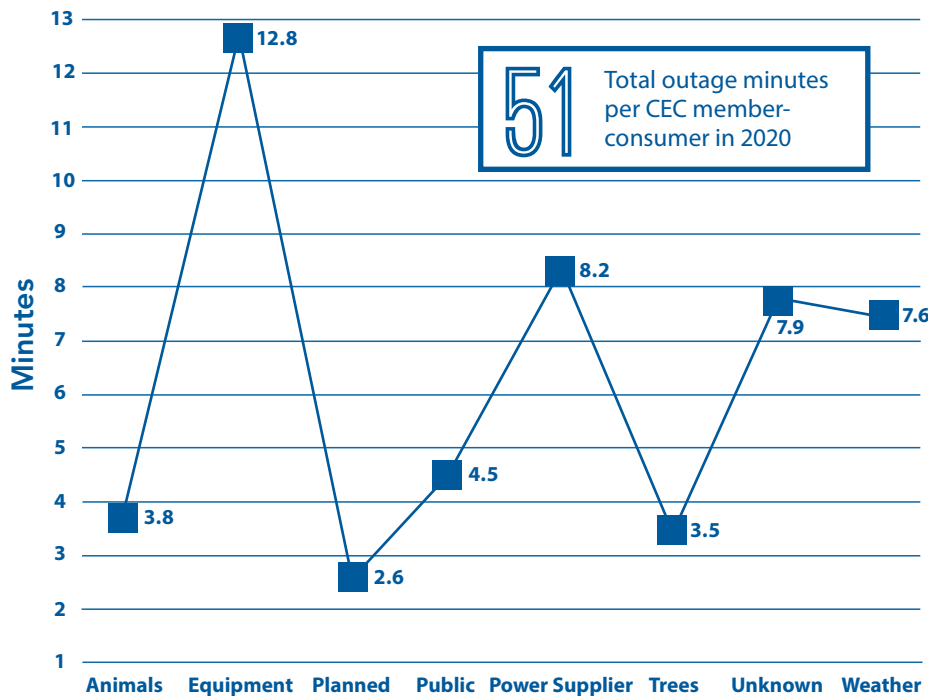
RECare 2020: Helping Members in Need

- 1,483 Total dollars received by 15 CEC members
- 18,500 Operation Round-Up total dollars given
- 13 Local organizations aided by Operation Round-Up donations
- 2,200 Donation and scholarship dollars awarded to 16 organizations and individuals

Construction and Maintenance in 2020

- 1,697 Miles of overhead/underground line inspected
- 90 New services built
- 846 Service orders closed
- 4,516 Poles inspected
- 558,306 Dollars spent on system improvements
- 5,528 CEC member-consumers served

Outage Minutes per Member-Consumer by Cause



CLARKE
ELECTRIC COOPERATIVE, INC.

PO Box 161, 1103 N Main, Osceola, IA 50213-0161

Your Touchstone Energy® Cooperative

David Opie, General Manager
Office Hours: Mon - Fri 7:30 am - 4 pm
Outside Depository Available 24 Hours
641.342.2173 | 800.362.2154

This institution is an equal opportunity provider and employer.
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Board of Directors
Randy Barnard, New Virginia
Larry Jackson, Clio
Larry Keller, Osceola
Kyle Kelso, Weldon
Cody Miller, Thayer
Randy Rouse, Corydon
Ed White, Osceola
Bill Willis, New Virginia
Lydda Youmans, Indianola