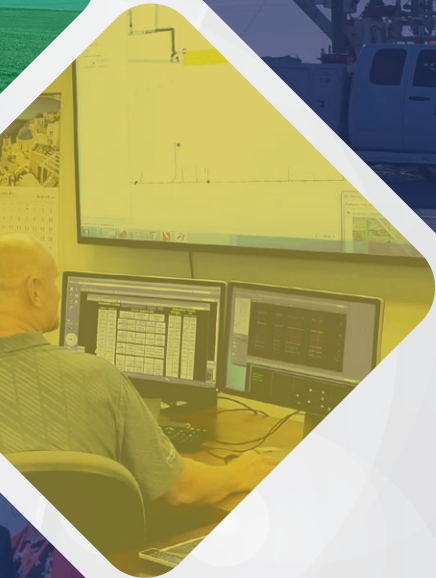




ECIREC

Energy Wise, Community Connected



2019 ANNUAL REPORT



ECI REC 2019 Highlights & Stats

ECI REC IS AMONG IOWA'S
LOWEST RATES
for cooperative residential electricity.

The average electric co-op household in Iowa spends about \$5 a day on electricity.



For the cost of a specialty coffee drink, you get 24 hours of safe, reliable power.

Average cost per kWh

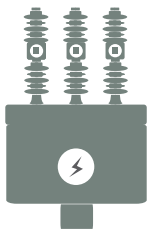


5.7%
DECREASE
over the past
10 YEARS

19 of 25

ADVANCED
COMMUNICATION
TECHNOLOGY

As of year-end 2019, 19 of ECI REC's 25 substations were upgraded with higher voltage capacity and/or electronic reclosers.



2019 Kilowatt-Hour Sales

3.4%

0.75%



Empowering
Energy Savings

\$217,438
in energy efficiency
rebates to ECI REC
members

\$9,402
agricultural
rebates



\$161,676
residential
rebates

\$46,360
commercial
rebates



1.22
million kWh

energy saved by
ECI REC members
through energy
efficiency rebates



INVESTED IN EFFICIENCY

1.06%

(\$235,011)

of 2019 revenue invested in
energy efficiency programs

14 of being A Touchstone
Energy Cooperative

YEARS

A Touchstone Energy® Cooperative 
The power of human connections®

smart hub



2,000+

REGISTERED SMART HUB USERS

248

AVERAGE MONTHLY MOBILE PAYMENTS

712

AVERAGE MONTHLY ONLINE PAYMENTS

373

24/7 PAY-BY-PHONE PAYMENTS

CIPCO ENERGY PORTFOLIO

32% Coal

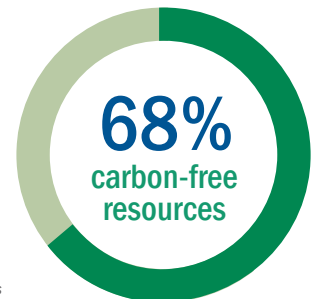
33.2% Nuclear

31.3% Wind

3.3% Hydro,

Landfill Gas, Solar

0.2% Natural Gas



All or some of the renewable energy credits associated with this generation may have been sold or may be sold in the future to other parties.

Members Support Renewable
Energy Production in Iowa

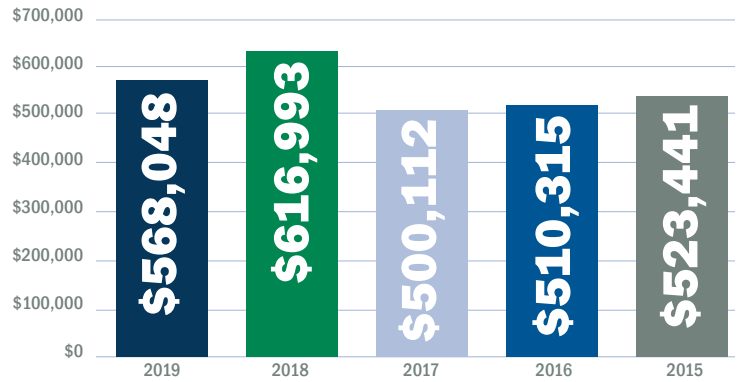
83 members > \$3.95 per month



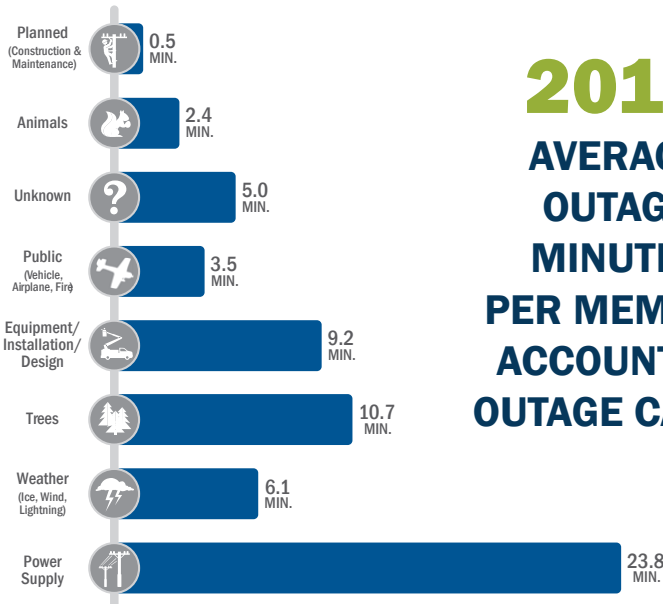
7 guided by COOPERATIVE PRINCIPLES

1. Open and Voluntary Membership
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

RETURNING YOUR INVESTMENT 5-Year Patronage History



10,948
AMI meters
at work serving
8,971
member-accounts,
including heat
meters for
HeatPlus accounts



2019
AVERAGE
OUTAGE
MINUTES
PER MEMBER
ACCOUNT BY
OUTAGE CAUSE

Helping Member
Families in Need

69
members gave
\$6,962



PULLING THE PLUG

Members earned **\$8,204** for
recycling inefficient, working appliances

67.8 MILES
of overhead and
underground line
replaced

\$2,015,970
invested in line
replacements

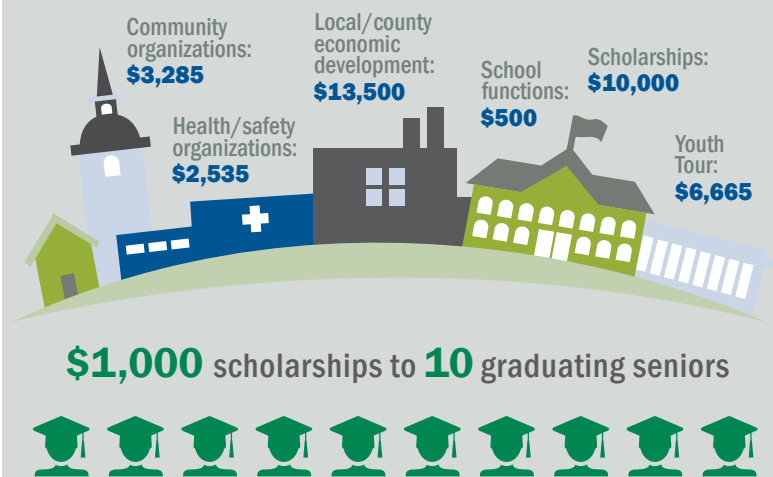
In the Big Grove & Maryville
substation areas ...

3,683
poles
inspected



169
underground
facilities
inspected

More than **\$36,485** donated to
36 community organizations



Financials

STATEMENT OF REVENUE AND EXPENSE

REVENUE	2019	2018
Operating Revenue and Patronage Capital.....	\$22,168,411	\$22,348,986

EXPENSE		
Purchased Power	\$12,789,745	\$12,989,015
Distribution Expenses - Operations	\$2,103,732	\$1,971,244
Distribution Expenses - Maintenance.....	\$576,487	\$620,343
Customer Accounts Expense	\$451,897	\$476,395
Customer Service & Informational Expense	\$370,547	\$315,971
Administrative & General Expense	\$1,400,455	\$1,257,819
Depreciation.....	\$2,330,699	\$2,158,554
Taxes - Property & Other	\$22,156	\$22,302
Interest on Long-Term Debt.....	\$1,246,943	\$1,138,712
Other Deductions & Interest Expense	\$53,703	\$55,184
TOTAL EXPENSE.....	\$21,346,364	\$21,005,539

Operating Margins	\$822,046	\$1,343,448
Non-Operating Margins.....	\$79,950	\$76,350
Generation & Transmission Capital Credits.....	\$919,440	\$764,908
Other Capital Credits & Patronage Dividends	\$191,754	\$168,844
Total Operating & Non-Operating Margins.....	\$2,013,190	\$2,353,550

BALANCE SHEET

ASSETS	2019	2018
Current Assets & Other Debits.....	\$16,021,449	\$12,739,614
Fixed Assets (Net Utility Plant)	\$58,583,727	\$56,550,065
Total Assets & Other Debits	\$74,605,176	\$69,289,679

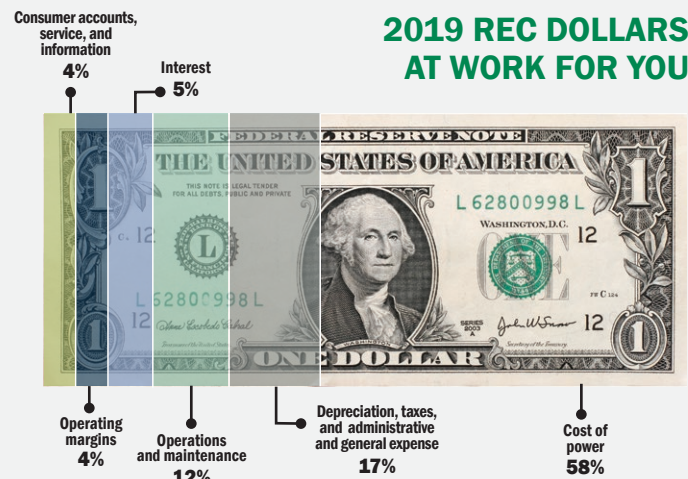
LIABILITIES		
Total Current & Accrued Liabilities	\$4,053,269	\$3,620,433
Total Fixed Long-Term Debt & Deferred Credits.....	\$34,707,310	\$31,218,430
Total Margins & Equities	\$35,844,597	\$34,450,816
Total Liabilities & Other Credits	\$74,605,176	\$69,289,679

COMPARATIVE OPERATING STATISTICS

Miles of Line Energized	2,284	2,281
New Services Connected.....	131	177
Total Services in Place.....	9,664	9,563
kWhs Purchased from CIPCO.....	229,847,033	227,601,806
Cost Power Purchased	\$12,773,834	\$12,971,319
Percent Line Loss.....	4.68%	4.0%

OPERATING REVENUE	\$22,106,074	\$22,301,795
Average kWhs Used per Month per Consumer	\$2,046	\$2,052
Average Monthly Bill.....	\$206.46	\$210.38
Average Cost per kWh to Consumer	\$0.1009	\$0.1025

LOAN FUNDS		
CFC	\$33,294,380	\$30,151,233
Other.....	\$871,933	\$400,000
Total Loan Funds.....	\$34,166,313	\$30,551,233



2019 President & CEO Message



STEVE RAU,
President



STEVE MARLOW,
CEO

Powering Tomorrow with Today's Innovations

IN 2019, EAST-CENTRAL IOWA REC continued to navigate our Cooperative through a time of change in the energy industry. With an eye on the future, we worked to build on current and new technologies—going beyond lines and poles—to improve quality of life for our membership and the communities we serve.

Our mission is to demonstrate the advantage of the cooperative business model. Not only do we keep the seven cooperative principles at the forefront—we find innovative ways to deliver safe, affordable, and reliable electricity in an environmentally friendly manner. Our dedicated team provides value-added service and strives each day to implement sustainable solutions that are in the best interests of the Cooperative, our membership, and our communities.

At ECI REC, we do more than just provide electricity. We power lives and empower the communities we serve. As the electric utility business continues to evolve, we remain committed to going beyond to keep your lights on.



OUR MISSION

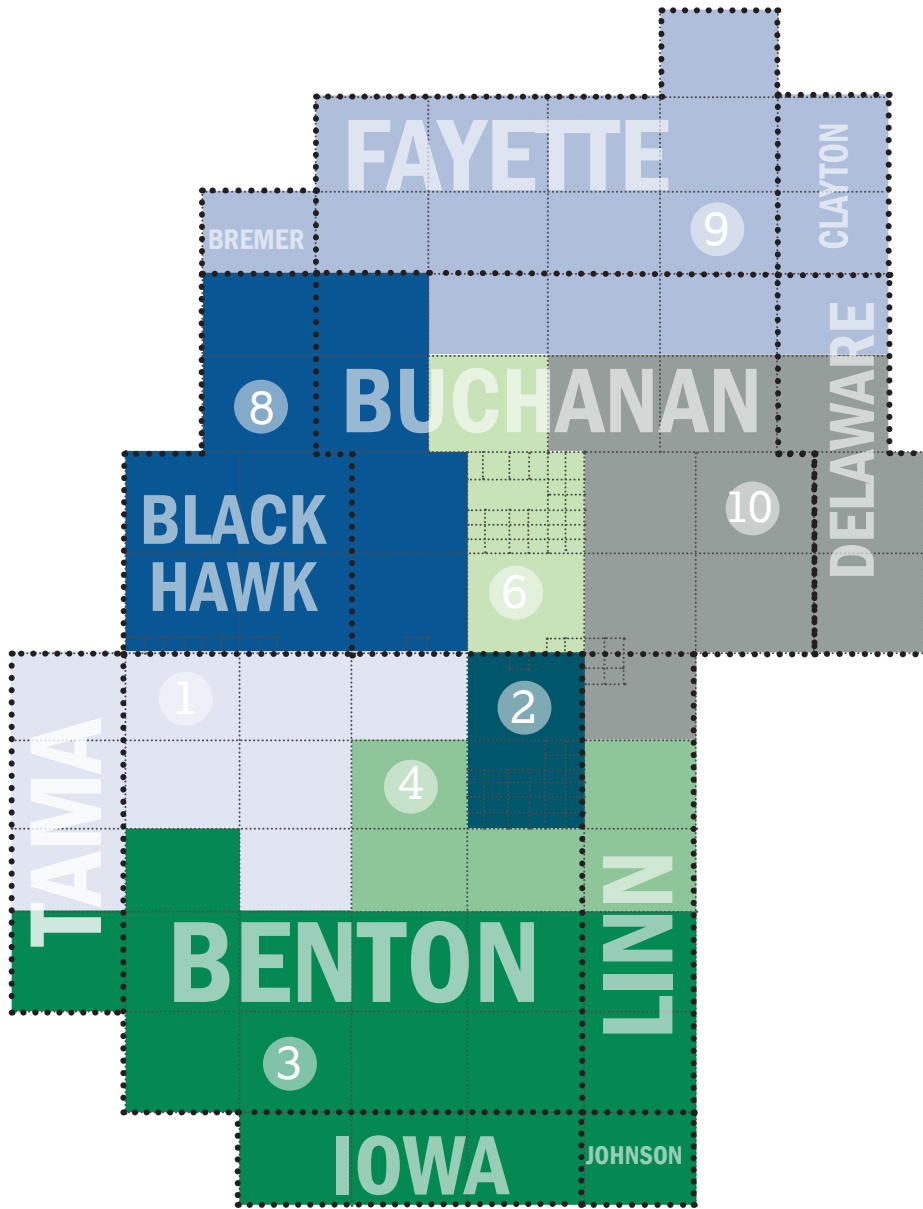
To demonstrate the advantages of the cooperative business model



OUR VISION

To make a difference in the lives of those we serve

Your District Map



Your Board of Directors



Jeff Elliott
Vice President
 Director since 1990
 Board District 1



Julie Kester
 Director since 2019
 Board District 2



Allen Albers
 Director since 1985
 Board District 3



Gary McKenna
**Assistant Secretary/
 Treasurer**
 Director since 2016
 Board District 4



Donald Shonka
 Director since 2006
 Board District 6



Nick Donlea
 Director since 2018
 Board District 8



Steve Rau,
President
 Director since 2005
 Board District 9



Ryan Kress,
Secretary/Treasurer
 Director since 2009
 Board District 10

WE WANT TO STAY CONNECTED WITH YOU!

Focused on our members



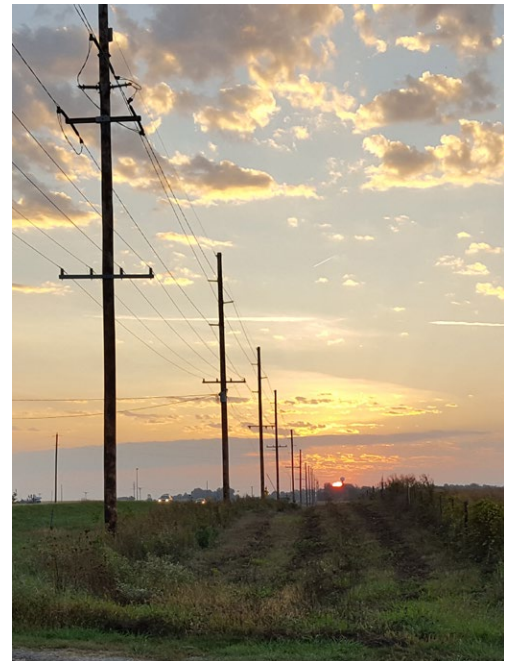
Like us on Facebook to access quick notes about ECI REC happenings.



More in-depth information can be found at ecirec.coop.



Regular newsletters and bill inserts in your mailbox round out our options for you to stay in the know about your Cooperative.



Additional 2019 Notables

Cooperative Difference

Patronage Dividends

- » At their May meeting, the Board of Directors approved the retirement of \$568,048—100% (\$468,048) of 2004 and 10.77% (\$100,000) of 2015 margins—to members of the Cooperative.
- » In the past 10 years, ECI REC has returned \$5,504,061 to our membership.

Directors Retire

- » Three ECI REC Board members—Jim Alberts, Burt Byers, and Chris Sackett—retired from their posts. We thank them for their combined 32 years of service!

Safety

Demonstrations

- » ECI REC promoted electric safety to nearly 1,000 kids during the 2018/2019 school year. We performed safety demonstrations at La Porte City Elementary, Progressive Ag Safety Day, Benton County Third Grade Ag Day, Garrison Kid's Day, and Benton County Safety Day.
- » We also presented for 20 adults at the Urbana Fire Department.

Keeping the Lights On

System Reliability Improvements

- » 45.8 miles of overhead and 22 miles of underground line were replaced throughout 6 of ECI REC's 11 counties. These improvements impacted 19 of our 25 substations.

April's Winter Storm Wesley

- » ECI REC assisted with power restoration to 4,400+ meters along Iowa's northern border.

CIPCO

- » ECI REC's power supplier, Central Iowa Power Cooperative (CIPCO), announced it would make key investments in generation projects, including Wapello Solar, Summit Lake Generation Station, and Heartland Divide Wind Energy Center.

Community Connected

Youth Tour Participants

High school juniors Jacob Ludeking and Kaylee Kleitsch represented ECI REC's service territory at the 2019 Electric Cooperative Youth Tour in Washington, D.C.

Energy Wise

Electric Vehicle Rebates

ECI REC began offering rebates on residential Level II Chargers for electric vehicles requiring a 240/208-volt input supply.

Looking Out for You

Legislative Events

- » In 2019, ECI REC staff and Board members were actively engaged in legislative events across the state. We carried messages to lawmakers supporting:
 - Safe and reliable service through vegetation management
 - Cost-effective energy efficiency programs for homes and farms
 - Responsible power generation and delivery through fair treatment of all member-owners and utilization of advanced technology
- » ECI REC Director Don Shonka attended the NRECA Legislative Conference in Washington, D.C. Issues discussed included:
 - Protecting cooperatives' not-for-profit status
 - Rightsizing pension premiums
 - Protecting Iowa's power supply
 - Improving rural infrastructure and broadband access

ECI REC Staff



Steve Marlow, 39 years
CEO



Mike, 22 years
Inventory/Maintenance
Technician



Adam, 20 years
Director of Member Service



Doug, 22 years
SCADA Technician



Cole, 4 years
Apprentice Lineworker



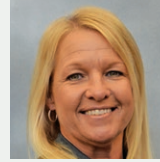
Bryce, 3 years
Apprentice Lineworker



Holly, 13 years
Consumer Services
Representative



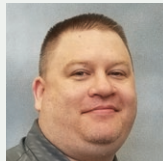
Braxton, 3 years
Apprentice Lineworker



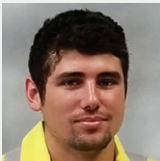
Molly, 19 years
Consumer Services
Representative



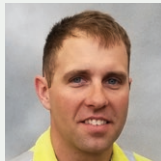
Josh, 2 years
Apprentice Lineworker



Robert, 8 years
Information Services
Technician



Colton, 2 years
Apprentice Lineworker



Ben, 15 years
Lineworker



Teresa, 28 years
Manager of Finance and
Consumer Service



Lisa, 18 years
Manager of
Communications



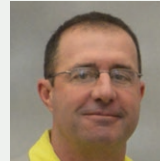
Nathan, 13 years
Information Services
Administrator



Jared, 8 years
Lineworker



Dave, 25 years
Engineering Design
Technician



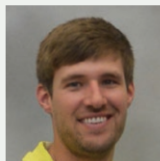
Pat, 30 years
Engineering Design
Technician



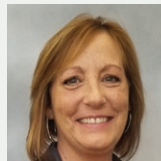
Scott, 6 years
Engineering Technician



Robin, 9 years
Consumer Services
Representative



Dane, 6 years
Lineworker



Kelly, 21 years
Consumer Services
Supervisor



Scott, 8 years
Inventory/Maintenance
Technician



Brian, 21 years
Line Foreman



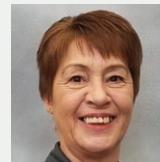
Travis, 17 years
Lineworker



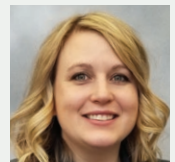
Tom, 29 years
Line Superintendent



Jennifer, 24 years
Cost Records
Administrator



Teresa, 41 years
Operations
Assistant



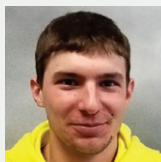
Katie, 1 year
Administrative and
Benefits Assistant



John, 26 years
Member Service
Technician



Kevin, 24 years
Line Foreman



Colton, 2 years
Apprentice Lineworker

Thank you for your
years of dedication to
ECI REC!

ANNUAL MEETING OF THE MEMBERS

MEETING AGENDA

June 18, 2020

10:30 a.m. - Login opens

11:00 a.m. - Business meeting begins

Call to Order

Invocation

Introduction of Directors
Steve Rau, President

Reading of the Notice of
Annual Meeting

Reading of Affidavit of Mailing of
Notice of Annual Meeting

Approval of Agenda

Minutes of Last Annual Meeting
Ryan Kress, Secretary/Treasurer

Introduction of Attorney

Reading of the Nominating
Committee Minutes

Digital Listing of Prizes:
Ten \$100 Bill Credits*
Steve Rau, President

Election Results

Adjournment of Business Meeting

**Ten names remotely selected by our certified balloting
firm, Survey & Ballot Systems.*

HOW DO I ATTEND THE ANNUAL MEETING?

Please visit our website at www.ecirec.coop to access our virtual Annual Meeting of the Members. The virtual meeting room will open at 10:30 a.m. This change in format allows us to connect with our members and follow recommendations provided by federal, state, and local authorities.



Phone: 319-443-4343 - Toll free: 877-850-4343

Fax: 319-443-4359 - Email: ecirec@ecirec.coop

Website: ecirec.coop

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