

POWERING FORWARD TOGETHER!

Since 1936, Nishnabotna Valley Rural Electric Cooperative has been working to deliver reliable and affordable power to our member-owners. It's a mission at the heart of everything we do. As we entered our 86th year in 2022, we continued that commitment despite significant challenges.

From inflationary pressures that saw everything from poles and wire to transformers and trucks skyrocket in price, to combating the increasing instability in the wholesale power market, last year served as a reminder of how well-suited the cooperative business model is for difficult times.

By working together, we've been able to largely overcome these challenges. However, as we look into the future, we recognize there will be tough days ahead. A rapid transition to renewable energy sources, such as wind and solar power, coupled with an increase in demand is making the electric grid cleaner, but less reliable.

As we've shifted away from traditional baseload resources like coal and nuclear generation, power supply has become increasingly intermittent and frequently stretched. With the antici-



Your Nishnabotna Valley REC Team

pated growth of electric transportation and a nationwide call for the increased electrification of our homes and businesses, things are unlikely to improve in the short term.

Thankfully, Nishnabotna Valley REC is working to identify 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 like the Switch Makes Cents load management program and other technologies that enable members to save money while enjoying the comfort and convenience they deserve.

We thank you, our member-owners, for the trust you place in us. As we reflect on the successes and challenges of the past year, we remain committed to our members and the communities we serve. Unlike traditional investor-owned utilities, we're driven by our members on Main Street, not shareholders on Wall Street. That

means every decision we make is done with your best interest in mind. It also means your participation is key in helping to guide your cooperative.

By **Powering Forward Together**, we're confident Nishnabotna Valley REC and our members have a bright future ahead.

We hope you'll attend and enjoy this year's member appreciation event which is held on Thursday, August 24, from 5 - 7 p.m. at Veteran's Memorial Auditorium in Harlan.

It's a great chance to enjoy a delicious meal and reconnect with family, friends, and your electric cooperative.



CEO,
Bill McKim

William McKim



Board President,
Darrell Stamp

Darrell Stamp

LEADERSHIP REPORT

RELIABILITY

As we wrapped up our multi-year work plan in 2022, Nishnabotna Valley REC continued to make significant investments – over \$3.2 million – to strengthen our electric distribution system. Last year, Nishnabotna Valley REC constructed five miles of underground and overhead line, replacing aging equipment to help ensure reliable service.

Members on average saw just 0.85 outages throughout 2022, lasting approximately 95 minutes according to the Annual Reliability Report NVREC provides the Iowa Utility Board each year.

THE COOPERATIVE ADVANTAGE

Belonging to an electric cooperative has many advantages. Unlike an investor-owned utility that distributes profits to shareholders in the form of dividends, when Nishnabotna Valley REC's revenue exceeds our expenses, we return that money to you, our member-owners, in the form of patronage capital.

In 2022, Nishnabotna Valley REC's board of directors authorized the return of more than \$329,000 to our members who belonged to the cooperative in 2001 and 2021.

PREPARING FOR ELECTRIC VEHICLES

To prepare for the potential widespread adoption of electric vehicles in our service area, Nishnabotna Valley REC formed an electric vehicle (EV) task force in 2022. Charged with exploring the opportunities and challenges posed by EVs, the group analyzed current and projected load data, crafting a detailed report and corresponding recommendations.

By proactively preparing, Nishnabotna Valley REC and our members will be better positioned for future growth.

SAFETY

Nishnabotna Valley REC remains dedicated to having a culture of safety. Last year employees safely worked 43,306 hours without a lost time accident and have worked since 2020 without a lost time incident.

We are also active participants in Commitment to Zero Contacts, a nationwide safety program that helps ensure our employees return home safely each night.



SUSTAINABILITY

At Nishnabotna Valley REC, we advocate for new technologies that benefit our membership and add to quality of life. We believe in an “all-of-the-above” approach to electric generation, supporting the incorporation of new renewable energy resources alongside reliable, baseload generation.

As more renewable energy sources are added to the electric grid, electricity is becoming an increasingly clean energy source, providing local economic and environmental benefits.

TRAINING AND PROMOTIONS

In 2022, Todd Bruck and Chad Pitts attended excavation and trenching safety training. In addition, Jeremiah Ruby attended a transformer workshop.

Nishnabotna Valley REC also developed the Field Training program. This cross-training helps educate our member care specialists about our distribution system, enabling them to better serve our members.

SUPPORTING OUR COMMUNITIES

Nishnabotna Valley REC is committed to improving the communities we serve. Last year, the cooperative was proud to provide more than \$14,800 in donations to schools, scholarships, county fairs, local parishes, and community organizations.



In addition, Nishnabotna Valley REC employees spent time in November hanging Christmas lights and decorations on and around the Shelby County Courthouse square during our annual employee service day.

ECONOMIC DEVELOPMENT

Additionally, the board of directors continues to support issuing Revolving Loan Funds (RLF). The cooperative has helped businesses such as Buck Snort in Neola and Harlan, and Destination Coffee and Dairy Queen in Oakland.

Utility-sponsored RLF and USDA Rural Economic Development Loans and Grants can make a crucial difference to community infrastructure and business growth.

These programs exist to promote rural economic development and support job creation, and Nishnabotna Valley REC works hard to put that money to use to strengthen our communities.



L-R: Jarek Richardson, Todd Bruck, and Chat Pitts discuss the day's work plan during a recent community service day at Elk Horn Creek Recreation Area. Several cooperative employees spent the day cutting down dead and dying ash trees.

DO YOU HAVE AN UNCLAIMED PATRONAGE CHECK?

Help reunite NVREC members with their money!

Nishnabotna Valley REC's retirement of patronage capital process has been very successful for decades, but sometimes it is difficult to find former members of NVREC who have moved away or have not left a valid forwarding address with the cooperative.

In short, when a patronage capital retirement occurs, NVREC simply cannot find these former members in order to give them the money that belongs to them.

The following is a list of names of individual members who have uncashed patronage checks older than June 30, 2019. These members, or their authorized representatives, have until September 8, 2023 to contact us so that the checks can be reissued.

If not claimed, the funds may be donated to the Nishnabotna Valley Foundation or help support the cooperative's economic development programs.



RICHARD H BANGSTON
RHETT BARRETT
DAVID BOWMAN
DALE CARSTENS
CHARLES S CHRISTIANSEN
DON COX
CARL DUMAS
NEMAR ECKERT
GARY FIKE
WILLIAM E GREINER

ELLEN HANSEN
ARNOLD R HAYNES
DENISE HEILESEN
JACK HENDERSON II
RONALD L JACKSON
MICHAEL KILLINGER
STEVEN LUSTGRAAF
CONNIE MARSHALL
ROGER MARTENS
JERRY MAU

STEPHEN MEGGERS
DONALD R MOORE
KEVIN MORRISON
LAYNE NELSON
KARLA J PAULEY
MICHAEL E PERDUE
DUANE A PETERSEN
ARTHUR O PETERSON
FLOYD R PROROK
BRUCE A ROGGE

EVELYN L ROWE
EDWARD STEVENS
DOROTHY J SWOPE
ED O THOMAS
HOWARD TRAVER
WILLIAM UREN
GRANT WILSON
STEVE WILSON

MEMBER APPRECIATION AND ANNUAL MEETING

THURSDAY, AUGUST 24

Veteran's Memorial Auditorium
1104 Morningview Drive, Harlan

5:00 – 7:00 PM

*Annual meeting starts at 7 p.m.
and will be streamed live on Facebook!*

**Join family and friends for a
free meal and dessert along with
an evening of wholesome fun!**

**Enjoy bucket truck rides and a
chance to win great door prizes!**

All members who attend the event will be entered into a drawing for a chance to win an electric chainsaw, electric stand mixer, or an extension cord reel.



DON'T WAIT!

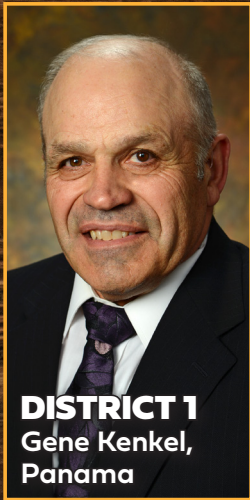


Members who submit
ballots are entered
to win one of six

\$50 BILL CREDITS

Mail-in or drop off ballots must be received at the Nishnabotna Valley REC office prior to 9:00 a.m. on Thursday, August 24, 2023.

2023 candidates for Nishnabotna Valley Rural Electric Cooperative Board of Directors



Occupation: Farms west of Panama
Family: Wife, Patricia; four children, Tony, Julie, John, and Jackie
Activities and Organizations: Vice President of the Nishnabotna Valley REC Board of Directors; Farm Bureau member and past board member and officer; member and past council member/president of St. Mary's Catholic Church, Panama; member of American Legion

DISTRICT 1
Gene Kenkel,
Panama



Occupation: Associate Product Manager at Vermeer Corporation
Family: Wife, Kristin; two children, Hans and Adaline
Activities and Organizations: Previous member of the Pella Kiwanis Club; served as Kiwanis board member and president

DISTRICT 3
Nick Olsen,
Kimballton



Occupation: Elk Horn Lutheran Church; recently retired from Landmand's Bank in Audubon
Family: Husband, Wayne; four children, John, Kristin Koch, Ben, and Liz Croghan; 11 grandchildren
Activities and Organizations: Nishnabotna Valley REC Director

DISTRICT 3
Donna Olson,
Kimballton



Occupation: Farmer; retired from teaching high school math in Lamoni, Ankeny, Underwood, Harlan, and AHST
Family: Wife, Kathleen; three children, Bill, Mike, and Jana; 11 grandchildren
Activities and Organizations: 4-H leader for 15 years, East Pott Co.; 4-H youth council leader for 14 years; member and parish council, St. Mary's Catholic Church, Avoca; Nishnabotna Valley REC Director

DISTRICT 4
Tom Pattee,
Avoca



1317 Chatburn Avenue, PO Box 714 • Harlan, Iowa 51537

Office Hours: Monday-Friday, 7:30am to 4:00pm

Telephone: (712) 755-2166 • Fax: (712) 755-2351

Website: NVREC.com • Follow us on Facebook!

Outages after hours, holidays, weekends: (800) 234-5122

Nishnabotna Valley Rural Electric Cooperative is an equal opportunity provider, employer, and lender.

President.....Darrell Stamp
 Vice President Gene Kenkel
 Secretary-Treasurer.....Bryan Greve
 DirectorDave Applegate
 DirectorDonna Olson
 Director Tom Pattee

Director Galen Grabill
 Chief Executive Officer Bill McKim
 Director of Operations Kert Barnum
 Manager of Administrative Services..... Kara Meiners
 Communication Specialist..... Janell Leinen

Meet the Nishnabotna Valley REC team

Operations



L-R: Jeremiah Ruby, Dillon Clark, Garrett Bundy, Mason Irlbeck, Dave Curren, Jesse Lee, Jarek Richardson, Dave Monson, and Aaron Nippert. Not pictured: Jacob Cook.

Member Services



Director of Operations
Kert Barnum.



L-R: Chad Pitts and Todd Bruck.

Administrative Services



L-R: LaDonna Havick, Kara Meiners, Stephanie Nielsen, Megan Shannon, Kylie Beebe, and Janell Leinen.

Board of Directors



Back, L-R: Galen Grabill, Tom Pattee, Darrell Stamp, and Bryan Greve. **Front, L-R:** Gene Kenkel, CEO Bill McKim, Donna Olson, and Dave Applegate.

2022 patronage allocations were printed on your July billing statement. As a member-owner of the cooperative, any excess revenues related to the sale of electric service remaining after expenses have been paid are eventually returned to you in proportion to your electrical usage.

*For more information,
please visit our website at NVREC.com*



HUTCHINSON VISITS HARLAN



Gov. Asa Hutchinson addresses employees and directors of Nishnabotna Valley REC at an energy roundtable held in June.



Nishnabotna Valley REC CEO Bill McKim and Gov. Asa Hutchinson.

Candidate talks energy policy, priorities during REC discussion

In June, Republican presidential candidate Gov. Asa Hutchinson stopped by Nishnabotna Valley REC's shop to participate in an energy discussion, fielding questions from employees and directors.

NVREC is committed to helping inform our members on the key issues facing the co-op, the utility industry, and our rural communities.

We thank the governor for his time.

Nishnabotna Valley REC does not endorse or recommend any candidates for election and welcomes the opportunity to engage with all political candidates, regardless of party affiliation.



Watch a brief interview with Gov. Hutchinson at [Facebook.com/NishnabotnaValleyREC/videos](https://www.facebook.com/NishnabotnaValleyREC/videos)

Nishnabotna Valley REC financial report



The board of directors and staff appreciate the opportunity to provide you with our financial report for the year 2022. You are the owners of our cooperative, and it is our job to work for your best interests.

If you have questions or comments about the cooperative's financials, please contact our Manager of Administrative Services Kara Meiners at (712) 755-2166, or a representative from your elected board of directors.

COMPARATIVE BALANCE SHEETS

DECEMBER 31, 2022 & 2021

Assets:	2022	2021
Cash and Temporary Investments	\$1,324,294	\$818,100
Investments and Long-Term Receivables	9,139,951	9,210,787
Current Assets	3,664,452	3,110,947
Electric Utility Plant - Total	\$52,047,045	\$49,254,895
Less: Accumulated Depreciation	(16,950,366)	(15,672,605)
Electric Utility Plant - Net	35,096,679	33,582,290
Total Assets	<u>\$49,225,377</u>	<u>\$46,722,124</u>
Liabilities:		
Current Liabilities	\$1,331,463	\$807,189
Long-Term Debt to CFC	21,288,234	20,747,923
Long-Term Debt to Other	554,048	679,048
Other Liabilities and Credits	396,179	800,257
Statutory Surplus	8,651,038	7,907,539
Contingent Losses Reserve	4,957,862	4,786,272
Patronage Capital Allocated	9,733,426	8,788,058
Net Margins	2,313,127	2,205,838
Total Liabilities	<u>\$49,225,377</u>	<u>\$46,722,124</u>

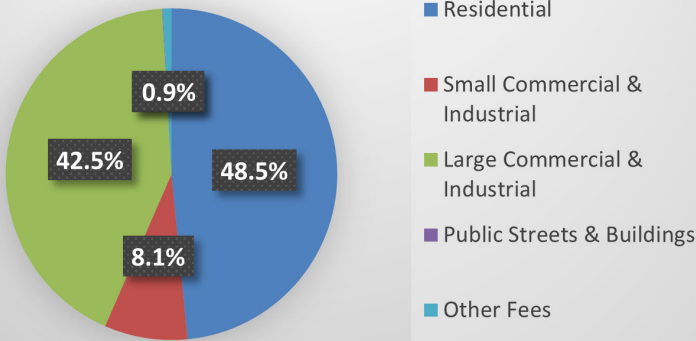
COMPARATIVE STATEMENTS OF OPERATION

FOR THE YEARS ENDED DECEMBER 31, 2022 & 2021

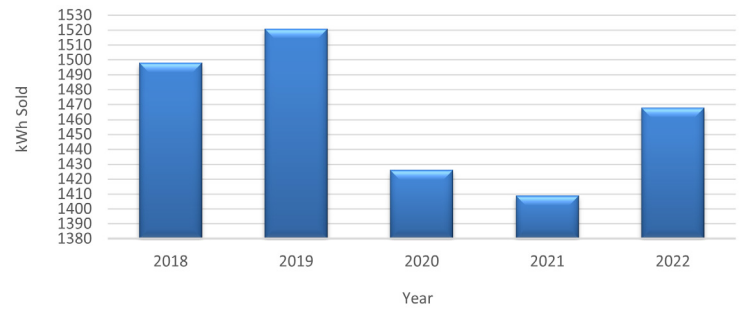
	2021	2020
Operating Revenue:	\$18,144,308	\$17,094,991
Operating Expense:		
Cost of Purchased Power	\$10,822,303	\$9,879,155
Cost of Operations & System Maintenance	3,206,758	3,293,690
Depreciation	1,555,417	1,471,718
Property & Other Taxes	113,563	114,811
Interest Expense	871,482	853,333
Total Expenses	<u>\$16,569,523</u>	<u>\$15,612,707</u>
Margins from Operations	1,574,785	1,482,284
Patronage Allocated by Associated Organizations (non-cash)	738,342	723,554
Net Margins	<u>\$2,313,127</u>	<u>\$ 2,205,838</u>

Not for reprint

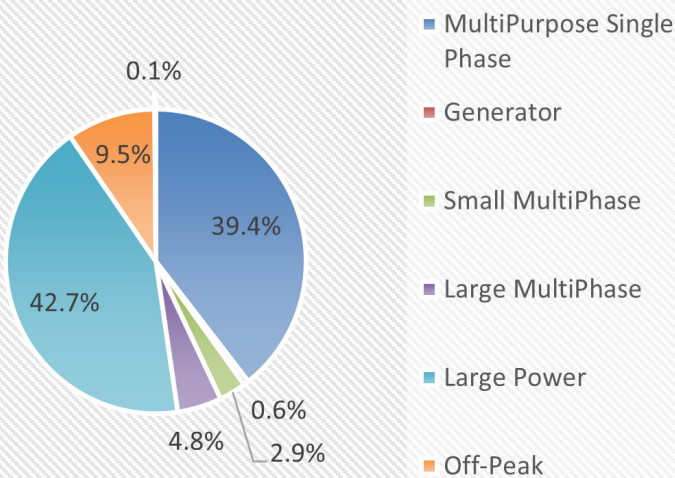
Revenue by Class



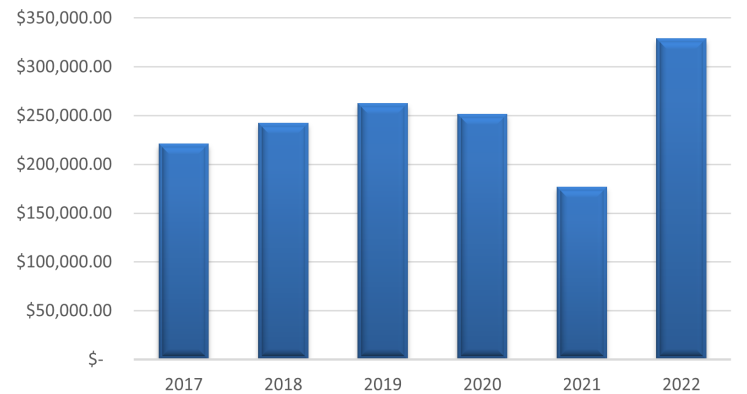
Average Monthly kWh per Residential Customer



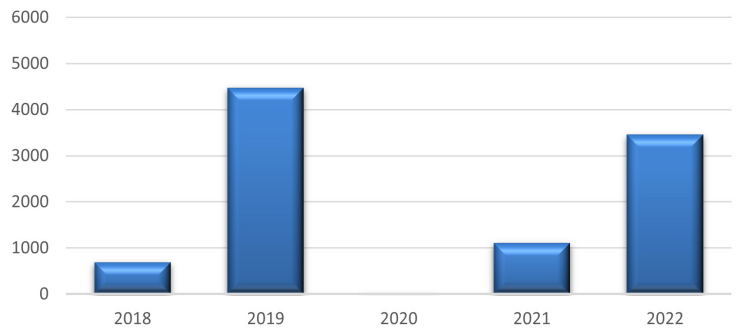
Revenue by Rate Code



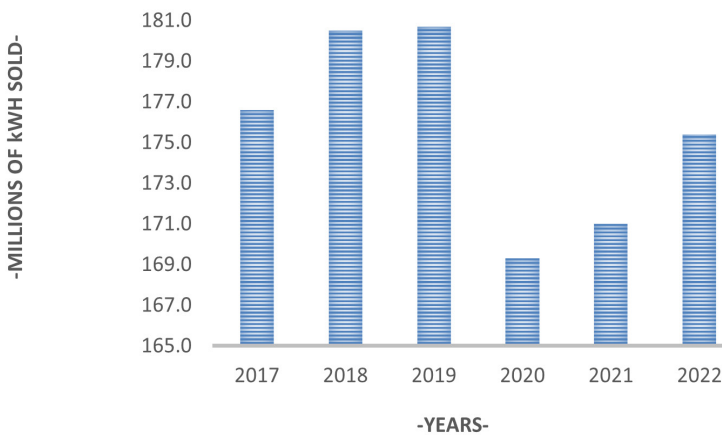
Patronage Dividends



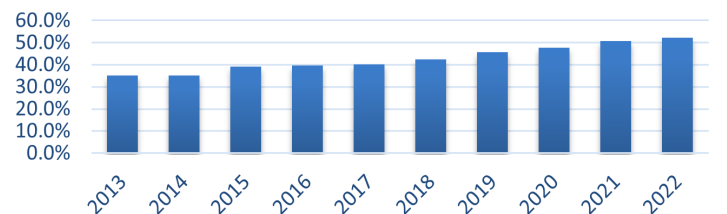
kVa Increase per Year



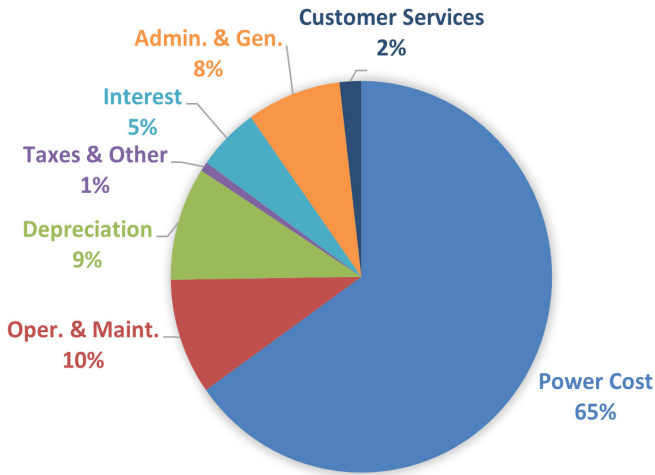
kWh Sales



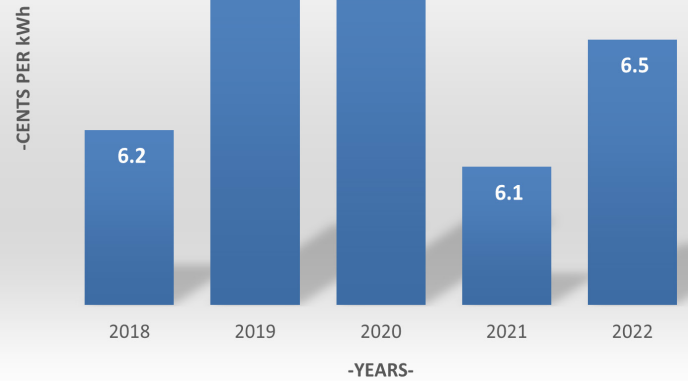
Equity History 2013-2022



2022 Expenses



Cost of Purchased Power



Annual Meeting minutes from August 25, 2022

The Annual Meeting of the Members of Nishnabotna Valley Rural Electric Cooperative was held at the Veteran's Memorial Auditorium in Harlan, Iowa, at 7:00 P.M. on the 25th day of August, 2022.

The meeting was called to order by Darrell Stamp, President of the Cooperative, who presided, and Bryan Greve, Secretary/Treasurer of the Cooperative, acted as Secretary of the meeting and kept the minutes thereof.

A recording of the National Anthem was played over a loud-speaker.

The Chairman appointed Cooperative Attorney Kyle Kruidenier as the Parliamentarian for the meeting.

The Chairman welcomed the members and then introduced Tom Pattee who gave the invocation.

The Chairman introduced the Board of Directors and had them stand as he called their names.

The Chairman introduced CEO Bill McKim who welcomed the members attending in person and online via Facebook. He stated that it would be in order for the registration to be accepted in lieu of roll call unless there were objections. No objections were heard and the registration was accepted in lieu of a roll call.

CEO McKim stated that the Notice of the Annual Meeting was mailed to all of members on July 19, 2022 and that a copy can be found in the Annual Report, which is available for reference at www.nvrec.com. In lieu of reading the Notice, a motion was duly made, seconded and carried, in which reading of the Notice and proof of mailing was waived, and

such Notice, proof, and Annual Report were ordered to be annexed to the minutes of this meeting.

CEO McKim offered to read the minutes of the Annual Meeting of members held on August 11, 2021. A motion was duly made, seconded and carried, to waive the reading of said minutes and they were thereupon declared to be approved and were ordered to be filed in the records of the Cooperative.

CEO McKim then made a few remarks recognizing that this year marks Nishnabotna Valley REC's 85th anniversary and introduced a video produced by REC staff highlighting the beginnings of the REC as well as some of the REC's accomplishments from the past year.

The Chairman, then introduced Attorney Kruidenier who stated that the number of members who had registered at the door had been checked, and that a quorum was present for the transaction of business. Attorney Kruidenier then stated that the next order of business was the election of two (2) directors for a term of three (3) years each. He further stated that in accordance with the Bylaws, the Board of Directors had appointed from the members of the Cooperative, a Nominating Committee consisting of Jayme Arkfeld, Larry Whitson, Alex Hansen, Keith Holtz, Michael Schleimer, Don Applegate, and Kyle Kirchoff.

Attorney Kruidenier explained the nominating process and then presented the report of the Nominating Committee, nominating the following members for directors:

THREE-YEAR TERM

District No. 2: Galen Grabill

District No. 7: Darrell Stamp

The Director candidates were introduced, and the Report of the Nominating Committee was ordered to be identified by the Secretary and annexed to the minutes of the meeting.

Attorney Kruidenier explained that because Galen Grabill and Darrell Stamp were each running unopposed in their respective districts that a unanimous ballot could be cast by motion.

The Chairman, then asked for and a motion was made, seconded and carried that the Secretary cast a unanimous ballot for Galen Grabill from District 2, and Darrell Stamp from District 7 to serve a three (3) year term and until their successors are elected and qualified.

Attorney Kruidenier 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.

The Chairman then congratulated Director Grabill with his re-election and thanked the members for re-electing him.

Director Donna Olson then thanked the members for their participation and informed them that the annual meeting prizes would be drawn and announced the following day.

The Chairman called for any other business to come before the meeting and there was none.

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

Nishnabotna Valley Rural Electric Cooperative NOTICE OF ANNUAL MEETING OF MEMBERS

86th Annual Meeting of members • August 24, 2023

The Annual Meeting of the Members of Nishnabotna Valley Rural Electric Cooperative will be held at the Veteran's Memorial Auditorium in Harlan, Iowa, at 7:00 p.m. on Thursday, August 24, 2023, 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.

In connection with the election of directors scheduled for this meeting, the following members have been nominated for Director by the Committee on Nominations appointed by the Board of Directors of the Cooperative pursuant to the Bylaws.

THREE-YEAR TERM

(three to be elected)

DISTRICT NO. 1: Gene Kenkel

DISTRICT NO. 3: Nick Olsen, Donna Olson

DISTRICT NO. 4: Tom Pattee

You are urged to attend the meeting, learn about the Cooperative, vote for directors, and transact such other business as may come before the meeting. A member

appreciation event will be held prior to the meeting.

The doors will open at 5:00 p.m.

DATED this 20th day of July 2023.

Bryan Greve
Secretary-Treasurer

ANNUAL MEETING AGENDA

Veteran's Memorial Auditorium, Harlan

5:00 - 7:00 p.m. *Registration and voting (or by mail)*

7:00 p.m.

Business Meeting

Call to Order

National Anthem

Invocation

Introduction of Board

Approval of Last Year's Meeting Minutes

Annual Report Video

Report of the Nominating Committee

Director Election

Other Business

Adjournment

DESIGNATION OF VOTING DELEGATE

A person who intends to vote representing a corporation, association, school, political body, church, or firm with multiple ownership shall furnish a completed authorization as voting delegate at the time of registering for the meeting.

_____ hereby authorizes
(print name of organization)

_____ to represent the organization in voting conducted
(print name of Designated Voting Representative)
at Nishnabotna Valley REC's annual membership meeting, August 24, 2023.

Signature and title of Authorized Officer

Date

(Please present this form at the registration table at the annual meeting on August 24, 2023)

Nishnabotna Valley REC
PO Box 714
Harlan, IA 51537

Address Correction Requested



A Touchstone Energy® Cooperative 

Nishnabotna Valley REC will provide safe and reliable electric service to its members in a valuable, sustainable, and environmentally responsible manner.

PRSRT STD
U.S. Postage
PAID
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 **OFFICIAL NOTICE OF ANNUAL MEETING ENCLOSED**

Leadership Report	Pg. 1 - 2
Member Appreciation Info	Pg. 4
Director Candidate Bios	Pg. 5
Board & Employees	Pg. 6
Gov. Hutchinson Visit	Pg. 7
2022 Financials	Pg. 8 - 10
Annual Meeting Minutes	Pg. 10
Official Notice of Meeting	Pg. 11

Don't miss this year's Member Appreciation Event and Annual Meeting!

Thursday, August 24 • 5-7 PM

Annual meeting starts at 7 PM and will be streamed live on Facebook!

Members in attendance will be entered into a drawing to win an electric chainsaw, electric stand mixer, or an extension cord reel!



MEET THE 2023 CANDIDATES FOR YOUR BOARD OF DIRECTORS

Read their bios on page 5 of this edition of News Lines!

 <p>DISTRICT 1 Gene Kenkel, Panama</p>	 <p>DISTRICT 3 Nick Olsen, Kimballton</p>	 <p>DISTRICT 3 Donna Olson, Kimballton</p>	 <p>DISTRICT 4 Tom Pattee, Avoca</p>
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