

HIGHLINES

NEWS FOR THE MEMBERS OF PELLA COOPERATIVE ELECTRIC

2024
ANNUAL
REPORT

Official Notice of Annual Meeting

The Annual Meeting for members of Pella Cooperative Electric Association will be held April 8, 2025, at Pella Christian High School. Dinner will start at 5:30 p.m. with the meeting following at 7:00 p.m. to take action upon the following matters:

1. The report of officers, directors and committees.
2. Receive the results of the election of the Board of Directors of the Cooperative for a term of three years for District 3 and an At-large position.
3. All other business which may legally come before the meeting or any adjournment thereof.

In conjunction with the election of directors scheduled for this meeting, the following members have been appointed as director candidates by the Nominating Committee of Pella Cooperative Electric, pursuant to the Bylaws:

At-Large

Brian Hauser
Roy Jahner
Steve Nunnikhoven

District 3

Steve Inkseep - unopposed

You are urged to complete and return the ballot for directors that you will be receiving in the mail. Ballots received must be post marked no later than March 28 to be counted.

Dated at Pella, Iowa this 1st day of March 2025.



Bryce Arkema, PCEA Secretary

Pella Cooperative Electric

Your Touchstone Energy® Cooperative 

2615 Washington St.
PO Box 106
Pella, IA 50219

641-628-1040
www.pella-cea.org
service@pella-cea.org



Open weekdays: 7:30 am - 4:30 pm;
excluding holidays



Board of Directors

President
Duane Ver Ploeg

Asst. Secretary/Treasurer
Darrell Boot

Vice President
Steve Inskeep

Director
Carroll Hoksbergen

Secretary
Bryce Arkema

Director
Jon Van Woerkom

Treasurer
Bob Van Soelen

CEO
Doug Stewart

Pella Cooperative Electric is a not-for-profit, member-owned electric cooperative, governed by an elected Board of Directors. This institution is an equal opportunity provider and employer. See pella-cea.org > Nondiscrimination Statement for more information.

Return your ballot by March 28th!
Look for more info in your mailbox soon.





PRESIDENT & CEO



Plans are in full swing for the 2025 Annual Meeting of the Pella Cooperative Electric Association. The directors and employees of the cooperative are committed to providing a vital service that enhances the quality of life of our members. The Annual Meeting offers a chance to meet the individuals who work on your behalf, and we invite you to join us. This year's meeting will take place on Tuesday, April 8 at Pella Christian High School.



The cooperative ended 2024 on solid financial footing. Net margins for the year totaled \$1,046,777, meeting all of our financial obligations outlined in our loan covenants. We continue to see growth, adding 42 new accounts and selling a record 61.6 million kilowatt-hours of energy in 2024. This growth reflects the ongoing demand for reliable electricity in our area and highlights our ability to meet that demand while maintaining financial strength. A core principle of our cooperative is members' economic participation, meaning members contribute equitably to, and have democratic control over the cooperative's capital. One responsibility of your Board of Directors is to determine when it is appropriate to return capital to the members. We are pleased to report that during 2024, the board of directors returned \$171,000 in capital credits to our members.

Reliability continues to be a top priority for the cooperative. In 2024, our reliability factor was 99.986%, and the average member experienced only 76 minutes of outage time for the entire year. This marks an improvement from the 160 minutes of outage time in the prior year. When outages do occur, our linemen work quickly to restore power, but safety always remains their top priority. Whether performing routine maintenance or investing in system upgrades, our line crew is dedicated to ensuring we maintain a high standard of service reliability.

Providing reliable service goes beyond maintaining poles, wires, and equipment; it also involves utilizing a balanced and diverse energy portfolio. Our power supplier, Central Iowa Power Cooperative (CIPCO), ensures energy reliability through a balanced mix of resources, including wind, coal, solar, natural gas, and other sources. CIPCO's energy portfolio consists of about 42% wind, 26% coal, 8% solar, 2% natural gas, and 22% from other sources. This approach enables us to meet the energy needs of our members around the clock, regardless of weather conditions or time of day. With capacity constraints becoming a growing issue across the country, relying on an "all of the above" energy strategy is more crucial than ever to ensure we continue providing reliable and affordable energy. By investing in a variety of energy sources, we enhance system reliability, keep energy costs manageable, and support environmental responsibility.

Pella Cooperative Electric Association thrives with the support of dedicated and informed leadership. The Board of Directors is democratically elected to represent your interests, provide strategic direction, and remain true to our cooperative principles. One of the most important ways you can contribute is by participating in the election of your board of directors. This year, members will vote for District 3 and one At-Large position. Your ballot will arrive by mail soon, and we ask that you return it by March 31. **Please note that there will be no in-person voting at the Annual Meeting.**

We would also like to thank Bob Van Soelen, who is retiring from the At-Large position after twelve years of dedicated service. Throughout his time on the Board of Directors, Bob has been a dedicated advocate for our members, offering valuable insights and leadership that have shaped the cooperative's success. We deeply appreciate the time and effort he has devoted to ensuring the strength and growth of our cooperative.

We look forward to seeing you at the 2025 Annual Meeting on Tuesday, April 8. We'll begin with a meal at 5:30, followed by the business meeting at 7:00. As always, we'll be giving away some great prizes at the conclusion of the meeting. We hope you will join us for this important event!

2024 HIGHLIGHTS

2024 Annual Meeting Held on April 2

The 88th Annual Meeting was held at Pella Christian High School on April 2. A dinner started at 5:30 with the business meeting following at 7:00.

Six Scholarships Awarded to High School Seniors

Students Alexy Conover, Lynnville-Sully High School, Lydia Vos, Pella High School, Alexis Vos, Pella Christian High School, Kate Schneider, Knoxville High School, and Hally Mull, Pleasantville High School, and Abigail Warner, homeschooled student each received a \$1,000 scholarship from PCEA.

Ellie Schmitz Selected for Youth Tour

Pella High School Junior Ellie Schmitz was selected and attended the National Rural Electric Cooperative Youth Tour to Washington, D.C. in June 2024.

Member Appreciation Day Held as a Drive-Thru Event

Because of the previous success, Member Appreciation Day was held as a drive-thru event once again. PCEA served nearly 1,000 members on September 14th.

Board Approved Capital Credit Retirements

The Board of Directors approved capital credit retirements for \$171,0092.60 in December. Learn more about capital credits at www.pella-cea.org/capital-credits.

Cooperative Awarded Grant for Line Rebuild Project

PCEA was awarded a FEMA mitigation grant in February 2024 totaling \$371,492.50 to assist with a line rebuild project east of Kilduff. The project will improve reliability in the area. Construction is scheduled for the summer of 2025.

Annual Meeting Agenda

Welcome
Invocation
Secretary's Report
2024 Youth Tour Experience
Report of the Nominating Committee
President Report
CEO Report
Results of the Election
New Business
Adjournment
Prize Drawings

Your Nominating Committee

Each year the Board of Directors appoints a nominating committee to select candidates for the Cooperative's Board of Directors. Each member on the committee spends time and effort finding candidates for the upcoming election. Pella Cooperative Electric would like to extend our thanks to this year's committee.

From left to right: Amy Olsen, Steve Crozier, Ryan Kelderman, Dennis Goad, Eric Cox, Stu De Haan, and Ruth De Bruin.



FINANCIAL REPORT



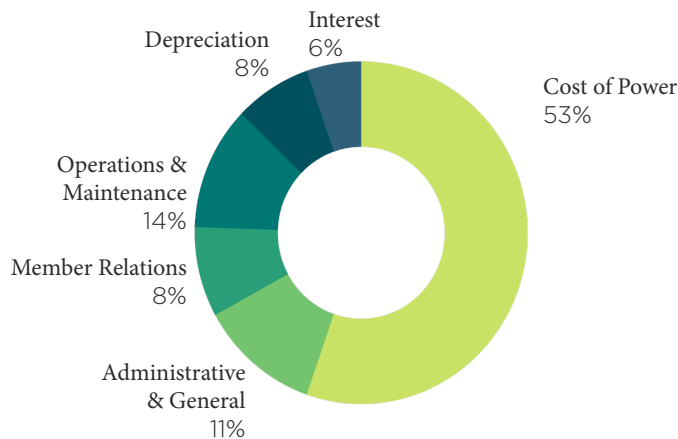
BALANCE SHEETS

	2024	2023
Assets		
Net Utility Plant	\$ 22,942,228	22,627,082
Other Assets and Investments	6,095,275	5,853,656
Current Assets	2,563,895	2,721,875
Deferred Debits	24,179	30,077
Total Assets	\$ 31,625,577	31,232,690
Equity		
Margins and Equity	\$ 17,033,816	16,172,411
Liabilities		
Long-Term Debt	12,960,450	13,334,286
Current Liabilities	1,631,311	1,725,993
Total Liabilities and Equity	\$ 31,625,577	31,232,690

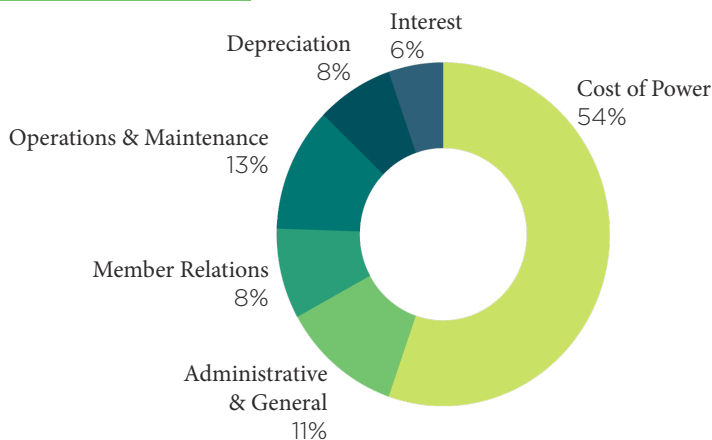
INCOME STATEMENTS

	2024	2023
Operating Revenues	\$ 8,422,680	7,860,710
Operating Expenses		
Cost of Power	\$ 4,151,392	4,055,519
Operations and Maintenance Expense	1,075,642	1,003,021
Member Relations Expense	634,063	570,770
Administrative and General Expense	905,443	814,283
Depreciation Expense	614,046	595,721
Interest Expense	469,036	462,886
Operating Margins Before Capital Credits	\$ 573,058	358,510
Capital Credits	402,464	384,043
Net Operating Margins	\$ 975,522	742,553
Non-Operating Income	71,255	66,686
Net Margins	\$ 1,046,777	809,239

2024 EXPENSES



2023 EXPENSES



2024 STATS

42	new services added
3,215	homes and businesses in the co-op membership
643	miles of line
0.88	average number of outages each member experienced in 2024
41	energy efficiency rebates paid out to members