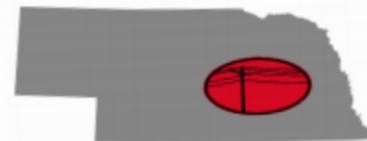

POLK COUNTY RURAL PUBLIC POWER DISTRICT

‘The Livewire’

“Committed to enhancing the lives of our customers by providing safe, reliable and economical energy through excellence in customer service and innovation”



May 2021

Service Truck Replaced

By Wade Rahn

On December 9, 2019, an order was placed after board approval for a new service truck to replace the existing aging truck.

The new truck was purchased through Altec, which is a nationwide utility truck manufacturer. It is comprised of a \$54,510 chassis and a \$123,232 utility service body. This new unit will replace the current 2014 Dodge 5500. For the service truck, PCRPPD’s replacement schedule is approximately five to seven years which is accelerated as compared to our larger trucks because this truck is used for all service and maintenance during regular working hours and is used as the first responding truck for after-hours outages and trouble calls which equates to more miles and hours accumulated in a shorter period of time.

The chassis, a CV515, is a new option that has not been available from the automakers in the past years as it is an intermediate truck chassis sized between a pickup and a truck. This new chassis comes from a joint effort between International and General Motors. Their partnership consists of using an International truck frame and coupling it with a GM body and powertrain of a Duramax motor and an Allison transmission. This intermediate truck chassis fills a gap that has been missing in recent years



2020 International CV515 Altec Utility Service Truck

with the added weight carrying capacity and added clearance. We also expect the sturdy set up to extend the replacement schedule as the chassis should stand up better to the rigors of daily use.

Randy Reese, PCRPPD Operations Manager, said, “This truck really fits the bill for the duties we will throw at it. The new chassis is heavier duty than its predecessor, which was overtaxed, and our guys had to be careful not to overload the truck. Even with the truck being slightly larger, it will still be able to access the tighter places such as alleys and smaller farmyards.”

Another added benefit the new truck has over its predecessor are the controls for the bucket and the boom are now all controlled with fiber optics. This new method allows more refined control of the equipment.

Additionally, added boom lifting capacity is achieved as multiple hydraulic lines are no longer routed through the boom to the bucket. Lastly, the boom’s reach is five feet more, giving the linemen more flexibility where the truck can be set up and what can be reached without needing a larger truck to assist, speeding up restoration times during outages.

While the truck was ordered in December of 2019, the truck’s delivery wasn’t until March of this year. Typically the lead time from the order is nine months, but due to delays because of COVID-19 extended the delivery time.

As for the retired service truck, it has been placed on an online auction with Housby, which is a nationwide utility auction service with a set reserve.

2020 Financial Review

Income Statement Summary

	2020	2019
Total Operating Revenue	13,120,626	11,835,968
Operating Expenses		
Cost of Power	7,060,352	6,919,409
Transmission & Distribution	898,587	935,832
Maintenance	576,467	601,524
Customer Service	501,053	504,726
Administrative & General	912,046	937,910
Depreciation	1,131,364	1,075,852
Total Operating Expense	11,079,869	10,975,253
Investment & Other Income		
Interest Revenue	81,499	139,248
Other Income	70,347	170,160
Total Investment & Other Income	151,846	309,408
Debt & Other Expenses		
Interest Expense	93,895	141,373
Other Expense	28,655	31,174
Total Debt & Other Expenses	122,550	172,547
NET MARGINS	2,070,053	997,576

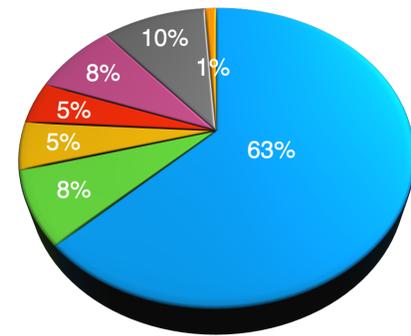
Balance Sheet Summary

	2020	2019
Utility Plant	40,566,997	38,964,336
Construction In Progress	676,023	59,579
Less Accumulated Depreciation	(13,452,537)	(12,640,079)
Total Capital Assets	27,790,483	26,383,836
Bond Service & Reserve Funds	184,332	164,617
Investments in Organizations	478,264	966,490
Total Noncurrent Assets	662,596	1,131,107
Cash & Temporary Investments	4,209,309	3,739,064
Accounts Receivable	782,010	801,472
Material & Supplies	1,042,891	796,245
Other Current & Accrued Assets	696,218	694,528
Deferred Outflows of Resources	351,755	505,878
Total Current Assets & Deferred Outflows	7,082,183	6,537,187
TOTAL ASSETS	35,535,262	34,052,130
Total Net Position	30,880,585	28,810,532
Bonds Payable	1,940,000	2,385,000
RUS Loan Payable less Cushion of Credit	153,517	164,259
Post-Retirement Obligation	289,676	304,892
Total Noncurrent Liabilities	2,383,193	2,854,151
Accounts Payable	1,208,274	1,338,957
Accrued Expenses	518,021	496,364
Consumer Deposits	61,221	53,205
Current Maturities on Long-Term Debt	483,968	498,921
Total Current Assets & Deferred Outflows	2,271,484	2,387,447
TOTAL LIABILITIES	35,535,262	34,052,130

ASSETS

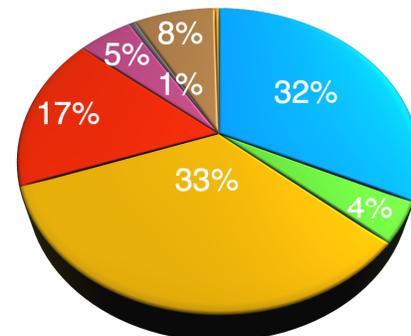
LIABILITIES

Uses of Revenue



- Cost of Power
- Transmission & Distribution
- Maintenance
- Customer Service
- Administrative & General
- Depreciation
- Debt & Other Expenses

Sources of Operating Revenue



- Residential
- Residential - seasonal
- Irrigation
- Small commercial
- Large commercial
- Public street and highway lighting
- Resale
- Other Electric Revenue

Where do the Margins Go?

The District remained financially healthy in 2020, bringing approximately \$2.1 million in margins for the year. Approximately \$2.2 million of current and prior year margins were invested back into our plant in 2020, resulting in a 5.3% increase to our utility plant worth after depreciation. An additional \$250k of margins was used to build inventory for our planned 2021 construction projects, as COVID-19 has affected material availability and cost. The District continues to invest margins back into the plant to keep our distribution system strong and reliability numbers up.

Questions?

If you have any questions or would like additional information regarding the financial data provided in this article, please contact our Finance Manager, Megan Klein, at 402-764-4381.

M.G. Lindburg/Eugene Kosch Memorial Scholarship Awarded

At the April Board of Directors meeting, Kane Benson of rural Osceola was awarded the M.G. Lindburg/Eugene Kosch Memorial Scholarship. The awarded scholarship, totaling \$2,000, is payable of \$1,000 per year provided the student is in good standing with the college.

Kane, the son of Lee and Marla Benson of Duncan Lakes, will be graduating in May 2021 from Osceola High School and planning to attend Northeast Community College in Norfolk, Nebraska, where he will be pursuing an Utility Line Associate of Applied Science Degree.

Benson decided to pursue Utility Linework after speaking with area line technicians about their work, job shadowing, and his love of being outdoors. He hopes to return to the area once he obtains his degree.



ENERGYWISESM
Use less. Spend less. Do more.

Cooling System Tune-Up
\$30



Plant the Right Tree in the Right Place

Trees beautify our neighborhoods, and when planted in the right spot, can even help lower energy bills. But the wrong tree in the wrong place can be a hazard... especially to power lines.

For more tips on smart tree planting in your community or home, contact PCRPPD or visit www.ArborDay.org

LARGE TREES

Height/spread of more than 40 feet, such as:

- Maple
- Birch
- Oak
- Sweetgum
- Spruce
- Linden
- Pine

MEDIUM TREES

Height/spread of 25 to 40 feet, such as:

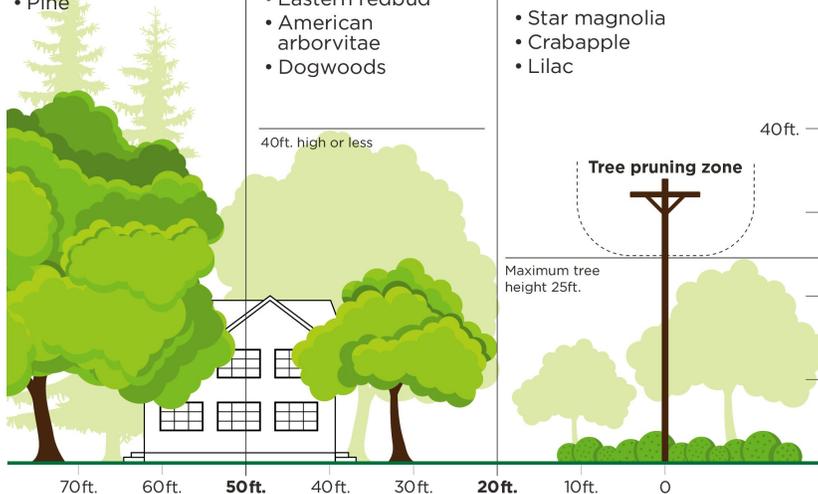
- Washington hawthorn
- Goldenrain tree
- Eastern redbud
- American arborvitae
- Dogwoods

SMALL TREES

Avoid planting within 20 feet of power lines. When planting within 20 feet is unavoidable, use only shrubs and small trees.

Height/spread of no more than 25 feet such as:

- Star magnolia
- Crabapple
- Lilac



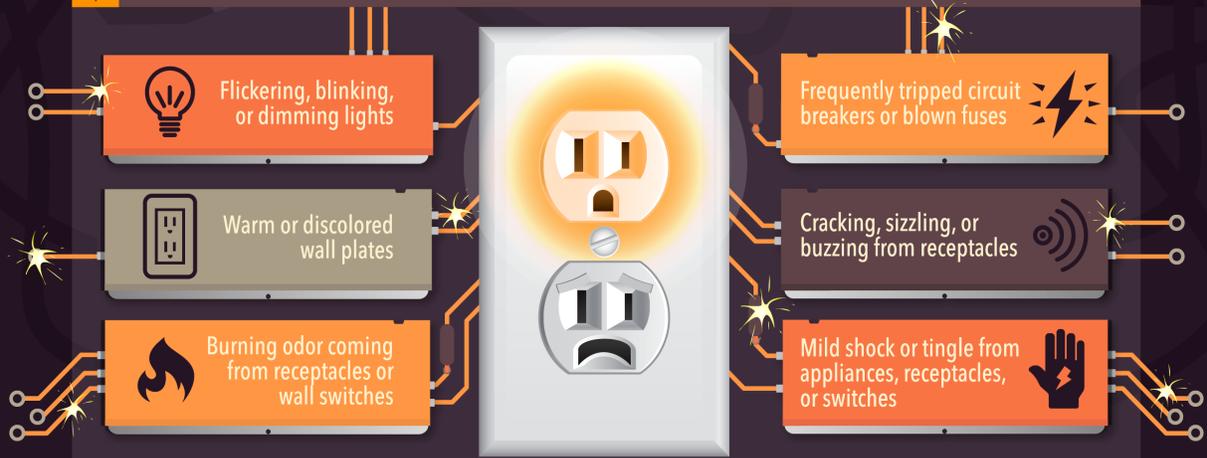
Be safe! Always call 811 before you dig to locate any buried utility lines.

Source: The Arbor Day Foundation and the National Rural Electric Cooperative Association

DON'T OVERLOAD YOUR HOME!

i According to the National Fire Protection Association, **47,700 home fires** in the U.S. are caused by electrical failure or malfunction each year. These fires result in **418 deaths, 1,570 injuries, and \$1.4 billion in property damage**. Overloaded electrical circuits are a major cause of residential fires. Help lower your risk of electrical fires by not overloading your electrical system.

OVERLOADED CIRCUIT WARNING SIGNS



HOW TO PREVENT ELECTRICAL OVERLOADS

<p>Never use extension cords or multi-outlet converters for appliances.</p> 	<p>All major appliances should be plugged directly into a wall receptacle outlet. Only plug one heat-producing appliance into a receptacle outlet at a time.</p> 
<p>A heavy reliance on extension cords is an indication that you have too few outlets to address your needs. Have a qualified electrician inspect your home and add new outlets.</p> 	<p>Power strips only add additional outlets; they do not change the amount of power being received from the outlet.</p> 

50% The CPSC estimates more than 50% of electrical fires that occur every year can be prevented by Arc Fault Circuit Interrupters (AFCIs). To learn more about AFCIs, visit ESFI.org.

 Only use the appropriate watt bulb for any lighting fixture. Using a larger watt light bulb may cause a fire.

MAY IS NATIONAL ELECTRICAL SAFETY MONTH
www.facebook.com/ESFI.org www.twitter.com/ESFIdotorg www.youtube.com/ESFIdotorg

POLK COUNTY RURAL PUBLIC POWER DISTRICT
 115 W 3rd Street
 PO Box 465
 Stromsburg NE 68666
 (888) 242-5265 or (402) 764-4381
www.pcrppd.com