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Mark Your Calendar

- Mar 15 Electric Bills Due
- Mar 20 Annual Meeting
- Mar 25 Board Meeting



Find Your Account Number & Win!

TEC has hidden an account number in this newsletter. If you find your account number, notify us by April 1st and you will get a **\$10 bill credit**.



2024 in Review

Traverse Electric Cooperative Annual Report from the President and General Manager

Doug Diekmann
President

Jeremy Huhnstock
General Manager



It is our pleasure to welcome everyone to Traverse Electric's 85th annual meeting on behalf of the board of directors and your co-op employees. This year's annual meeting will be held in-person at Wheaton High School on March 20th at 6:30 pm. This year will be a business meeting only, where registered members, who stay for the business meeting, will receive a \$40 food voucher that can be used at many area participating businesses that are printed on the back of the voucher anytime until the end of 2025. Although we encourage everyone to use their \$40 vouchers at our area restaurants, vouchers may also be turned into Traverse Electric's office for a \$20 electric bill credit.

In 2024, TEC received high marks in several categories. Your Cooperative ended the year with \$13,469,399.93 in operating revenue and 130,505,113 in kWh sales. In addition, we ended the year with an operating margin of \$149,158.10 and total margins of \$1,089,144.88. We returned \$468,822 to estates and general retirement capital credits to those who received electricity in 2008 due to the Cooperative's sound and stable financial condition. That adds up to more than \$11.7 million returned over the years - quantifiable proof that you are an owner of a successful, effective organization.

The Cooperative's growth continued in 2024, with line crews installing and upgrading services for new homes, grain dryers, and tile pumps. In 2024, a total of 43 new services were installed and 90 services were retired. Traverse was able to start on our 4-year work plan projects

with installing two 3-phase projects; a mile long project just west of Wheaton along Highway 27 and a 5-mile project east of Dumont along Highway 6. Both of these projects will be finished in the spring. We continued to work on our maintenance programs, including pole testing, OCR maintenance, overhead line inspection, underground inspection, and right-of-way inspection.

While we are proud that planning and hard work has paid off, we still remind ourselves that dependable service and customer satisfaction are as - or maybe more critical - than bottom-line numbers. As we work our way into 2025, we will keep those thoughts in mind and continue to deliver more than just electricity to our members.

In closing, our sincere thanks to our members for your continued patronage this past year. We appreciate your business and the opportunity to serve as your board president and general manager. We also want to express our thanks and appreciation to our employees. Their constant service, commitment to the membership, and support for our mission have enabled the Cooperative to complete another successful year in 2024. Their collective expertise and steadfast effort at what they do help us move forward confidently down this new road we are traveling as we search and discover new and better ways to serve our members. Cheers to a happy & healthy 2025!!

At your service we remain,
*President Diekmann &
General Manager Huhnstock*

Traverse Electric Cooperative, Inc. 85th Annual Meeting | March 20, 2025 6:30 PM BUSINESS MEETING ONLY

Registration begins at 6:00 PM

Wheaton High School, 1700 3rd Ave S., Wheaton, MN 56296

Notice is hereby given that the annual membership meeting of Traverse Electric Cooperative, Inc. will be held on Thursday, March 20, 2025 at the Wheaton High School with a business meeting only (no catered meal) at 6:30 PM. Members will register, receive a registration gift, and will also receive a \$40 food voucher immediately following the business meeting that can be used at area participating restaurants or it can be redeemed for a \$20 electric bill credit. We encourage you to use them to support our area restaurants that are printed on the back of the voucher.

This year Districts 3, 6, and 9 have director seats up for election for a three year term. Also, District 1 is seeking a director to complete the 3-year term. Registered members of those districts will receive a ballot to vote for their director if there is more than one candidate seeking election. Voting will take place during the meeting. You are a member of Traverse Electric if you are currently receiving electric

service from Traverse Electric, and the electric account is in your name.

The General Manager's Report, reviewing the operations of your cooperative in 2024 and other pertinent information will be given at the meeting.

After the meeting, names will be drawn from registered members in attendance for bill credits and prizes. All members departing the business meeting will receive a \$40 food voucher (limit one per membership).

Here are the candidates running for election in each of the districts:

District 1

Kaley Thoennes

District 3

Michael Gaulrapp

District 6

Stacy Ehlers

District 9

Terry Monson

AGENDA

6:00 P.M.

Registration

6:30 P.M.

Call of Meeting by Doug Diekmann, President

Introduction of Directors and Guests

Reading of the Notice of Mailing and Proof of Mailing by Secretary, Matthew Glynn

Minutes of last Annual Meeting by Matthew Glynn, Secretary

East River Update-Bob Sahr

Treasurer's Report by Manager, Jeremy Huhnstock

General Operating Report by Manager, Jeremy Huhnstock

Questions

President's Report by Doug Diekmann

Opening of Polls

Closing of Polls

2024 Washington DC Youth Tour Report - Amsden Piotter

Old Business

New Business

Announcement of Results of Election of Directors

Prizes

Adjournment

84th Annual Meeting Traverse Electric Cooperative, Inc. Minutes, March 21, 2024

The eighty-fourth annual meeting of Traverse Electric Cooperative was held in the High School Auditorium at Wheaton, Minnesota on Thursday, March 21, 2024. Registration started at 6:00 p.m. The business meeting started at 6:30 p.m. with 96 registered members. Members received a \$40 food voucher after the meeting and were encouraged to use them at participating restaurants printed on the back of the voucher or redeem the voucher for a \$20 electric bill credit.

President Diekmann welcomed the members to their annual meeting and called the meeting to order.

The Pledge of Allegiance was recited.

A motion was made and seconded to approve the agenda as printed. Motion carried.

A register of attendance was presented. President Diekmann declared a quorum present and directed the register to become part of the official minutes.

Vice President, Frisch read a letter from Matthew Glynn, Secretary, apologizing for not being able to attend and to thank District 8 members for supporting him for Director.

Vice President, Frisch, read the Notice of Mailing and Proof of

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Balance Sheet

December 31, 2024

What We Have

Assets and Other Debits	
Utility Plant	
Utility Plant in Service	\$41,323,916
Construction Work in Progress	\$531,147
Total Utility in Plant	<u>\$41,855,063</u>
Less: Reserve for Depreciation	\$12,972,325
Utility Plant Less Reserve for Depreciation	\$28,882,738
Other Property & Investments	
Non-Utility Property - Net	\$422,857
Capital Credits-East River, Basin & CFC	\$8,236,131
Investments in associated Enterprises	\$411,077
Temporary Investments	\$3,444,746
Other Special Funds	\$0
Total Other Property & Investments	\$12,514,811
Current Assets and Deferred Charges:	
Special Deposits	
Accounts Receivable	\$0
Prepayments/Materials and Supplies	\$1,044,730
Interest Receivable	\$2,889
Deferred Debits	\$64,956
Total Current Assets and Deferred Debits	<u>\$2,179,908</u>
Total Assets and Other Debits	<u><u>\$43,577,457</u></u>

What We Owe

Liabilities and Deferred Credits	
Long-Term Obligations to REA	\$23,287,161
Long-Term Obligations Other	\$428,982
Current and Accrued Liabilities	\$1,063,281
Deferred Credits	\$41,548
Total Liabilities and Deferred Debits	<u>\$24,820,972</u>
Net Assets - Member Equities	<u>\$18,756,486</u>
Total Liabilities and Other Credits	<u><u>\$43,577,457</u></u>

What We Own

Member Equities	
Patronage Capital	\$17,039,400
Operating Margin - Current Year	\$149,158
Non-Operating Margin	\$939,989
Other Equities	\$627,938
Total Member Equities	<u><u>\$18,756,486</u></u>

Comparative Operating Statistics

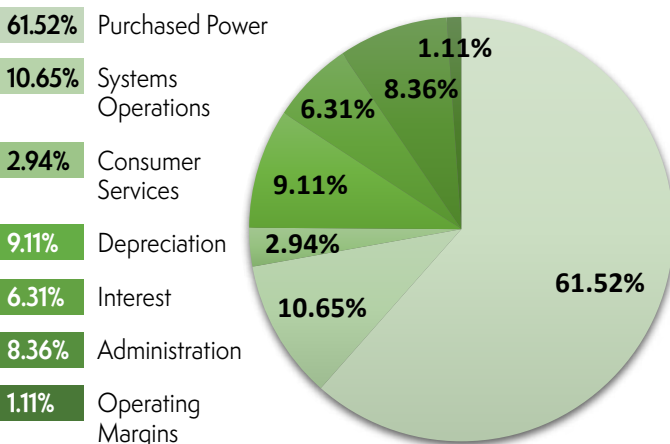
	2024	2023
Number of Miles Energized - Distribution	1,695	1,693
Number of Services in Place	3,383	3,418
Kilowatt Hours Purchases	136,864,919	136,805,718
Kilowatt Hours Sold	130,505,113	130,279,409
Percent Line Loss	4%	4%

Revenue and Expenses

January 1 to December 31, 2024

Operating Revenue	\$13,469,400
Cost of Purchased Power	\$8,286,327
Total System Operations	\$1,434,582
Total Consumer Services	\$396,038
Total Depreciation	\$1,227,136
Total Interest	\$849,562
Total Administration	\$1,126,596
Total Cost of Electric Service	<u>\$13,320,242</u>
Operating Margins	\$149,158
Non-Operating Margins	\$291,514
Transmission Capital Credits	\$648,473
Total Margins	\$1,089,145

What Do Your Dollars Pay For?



Summary of Loan Fund

Total Debt Obligation, December 31, 2024	23,716,143
Balance	23,716,143
Less: Advance Payments	0
Net Obligations to RUS, FFB, CFC and USDA 12/31/2024	23,716,143

Capital Credits Paid**

1956 to 2008...\$5,312,928.72	2018	\$400,000.00
2009.....\$321,723.71	2019	\$450,000.00
2010.....\$331,007.12	2020	\$600,000.00
2011.....\$384,588.29	2021	\$600,000.00
2012.....\$220,197.99	2022	\$600,000.00
2013.....\$199,990.49	2023	\$600,000.00
2014.....\$299,995.08	2024	\$468,822.48
2015.....\$288,893.81		
2016.....\$300,004.40	Total	
2017.....\$400,010.49	Paid Back	\$11,778,162.58

* Capital credits shown above have been paid to estates of deceased members plus payments to members for years 1942 through 2008.

Continued from page 2

Mailing in Secretary, Glynn's absence.

President Diekmann called for the reading of the minutes of the last annual meeting and requested to dispense with the reading of the minutes. A motion was made and seconded to dispense with the reading of the March 23, 2023 minutes as printed in the March newsletter and to approve them. Motion carried.

President Diekmann recognized the Board of Directors and employees for their hard work and dedication.

President Diekmann introduced Chris Studer as a special guest from East River Electric. Studer spoke about East River and future growth.

General Manager, Jeremy Huhnstock presented the 2023 Operating and Financial Reports. Topics reviewed included:

- Our March 31, 2023 and year end December 31, 2023 financials received a clean audit report by our independent auditing firm, CliftonLarsonAllen.
- 2023 operating revenue and kwh sales were reviewed.
- Capital credits were retired in December 2023 totaling \$600,000 from 2007 & 2008 to members and estates.
- Reported that a class cost of service study was completed in 2023 as a tool to align costs, which resulted in a rate adjustment that went into effect on January 1, 2024
- Reviewed new services connected and projects completed in 2023. Most of the new services were for tile pumps.
- Reported on maintenance programs such as pole testing, tree trimming, and OCRs that are on a rotation schedule.
- Supply chain and higher material costs were issues again in 2023.

General Manager Huhnstock asked the membership if they had any questions on the reports. After no further questions, a

motion was made and seconded to accept the Treasurer and Operations Reports as given. Motion carried.

President Diekmann gave the Presidents Report:

- Encouraged members to read the report as printed in the newsletter.
- Present and past board members in attendance were recognized.
- We moved into the new building in July 2023 and held an open house in October that was well attended.
- Reported on Minnesota and South Dakota legislation that affects things such as permitting for transmission lines in MN and landowner rights in SD.
- Scholarship winners were announced.

President Diekmann opened the polls for the election of directors. The candidates running for director from Districts 2, 5, and 8 were running unopposed. Any member from these districts can be a candidate for director by obtaining 10 signatures from members in their district. Diekmann announced the following candidates who were nominated at the district meetings or turned in signed petitions with at least 10 member signatures:

District 2	Michael Marks
District 5	Bradley Rudolph
District 8	Matthew Glynn

A motion was made and seconded from the floor to cast a unanimous ballot for each of the candidates. Motions carried.

Emmy Anderson, our 2023 Washington DC Youth Tour delegate gave a brief report on her trip.

The door prize drawings were held.

President Diekmann asked for any old business, and there being none, he proceeded to ask for any new business. There being none, it was moved and carried that the meeting be adjourned.

Final adjournment.

BOARD OF DIRECTORS

President: Doug Diekmann, Beardsley, MN
 Vice-President: Tom Frisch, Dumont, MN
 Secretary: Matthew Glynn, Sisseton, SD
 Treasurer: Michael Marks, Norcross, MN
 Stacy Ehlers, Wheaton, MN
 Michael Gaulrapp, Breckenridge, MN
 Jared Hamling, Rosholt, SD
 Terry Monson, Veblen, SD
 Bradley Rudolph, Dumont, MN

OFFICE PERSONNEL

Jeremy Huhnstock – General Manager
 Karen Lupkes – Office Manager
 Dale Schwagel – Operations Manager
 Melissa Przymus – Accountant
 Stacie Johannsen – Billing Clerk

OPERATIONS PERSONNEL

Richard Davis – Foreman
 Lonnie Tekrony – Journeyman Lineworker
 Joe Gahlon – Journeyman Lineworker
 Austin Reinke – Journeyman Lineworker
 Isaac Callens – Journeyman Lineworker
 Tayden George – Apprentice Lineworker
 Chris Falk – Facility/Staking Technician
 Robert Groebner – Facility Technician

GENERAL MANAGER'S CONTACT INFORMATION

Jeremy Huhnstock
 Cell: 320-349-9901 | Direct: 320-563-1055
 jhuhnstock@traverseelectric.com

MEMBER SERVICE REP/ MASTER ELECTRICIAN

Steve Powers	320-808-9104
Connor Bartz	
– Journeyman Electrician	320-287-0009

ELECTRICAL INSPECTORS MINNESOTA

Brandon Lennox	320-808-5309
Big Stone County	Grant County
Stevens County	Traverse County
Andy Bozovsky	218-340-0926
Wilkin County	

NORTH DAKOTA

Mark Moderow	701-226-3779
Richland County	

SOUTH DAKOTA

John Koenig	605-280-2188
Marshall County	Roberts County

In case of a power outage, call (800) 927-5443

6590 State Highway 27
 P.O. Box 66
 Wheaton, MN 56296 USA
 Toll-free phone: (800) 927-5443
 Local phone: (320) 563-8616

Hours of Operation

Monday through Friday, 8 a.m.–4:30 p.m.
 October 1 – April 30

Web site: www.traverseelectric.com

This institution is an equal opportunity provider and employer.

Our Mission: To provide dependable service at the lowest possible rates, consistent with sound business principles.

Annual Meeting Door Prize Registration Form

Name: _____

Address: _____

- Please print your name as it appears on your electric bill.
- Clip and bring this ticket with you to the meeting when you register.
- One registration ticket per member.