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Mark Your Calendar

Jan 1	Office Closed
Jan 15.....	Electric Bills Due
Jan 24	District 3 Meeting, Campbell, MN
Jan 25.....	Districts 4,5 meeting, Beardsley, MN
Jan 26	Districts 7,8,9 Meeting, Sisseton, SD
Jan 29	Districts 1,2,6 Meeting, Herman, MN
Jan 30	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 January 1st and you will get a **\$10 bill credit**.

Congratulations to Rae Hamner who found his account number in the December newsletter and received a \$10 credit on his electric account.



TEC Returns \$600,000 in Capital Credits to Members

MANAGER'S COLUMN

JEREMY HUHNSTOCK

General Manager

The retirement of capital credits is the tangible demonstration of your ownership in Traverse Electric Cooperative. As a member-owned cooperative, TEC operates as a not-for-profit utility. This is accomplished through the retirement of capital credits. This year we will be paying out \$56,939.68 to settle estates, and at the November meeting, the board of directors approved the retirement of another \$543,060.32. This retirement will close out the retirement of 2007 margins and start the 2008 retirement. You will see a credit on your December bill if you are still a current qualifying member, and if you have moved off the lines, we mailed your check in December.

What are Capital Credits?

Any profits made by the cooperative are referred to as margins. At the end of each year, the margins (profits) are allocated to each member in proportion to the amount of electricity purchased. The more electricity purchased, the greater the share of the margin allocation that will be made to the member's capital credit account.

We have been allocating capital credits since 1942 and have returned more than \$11,309,000 in capital credits to our members. When the allocated funds are returned as capital credits to the cooperative's member, we say that those capital credits have been retired.

Assets of the cooperative are owned and held collectively in common by all the member-owners. From the time the margins are generated until they are returned, this money is put to work within the cooperative, minimizing debt financing and strengthening our financial position.

What is the difference between allocated and retired capital credits?

Allocated capital credits appear as an entry on the permanent financial records of the association and reflect your equity or ownership in Traverse Electric. When capital credits are retired, a check or bill credit is issued to you and your equity in the cooperative is reduced. Checks are generally issued 17-20 years after the year in which the margins were earned. ▀



Thank you for an amazing 2023!

Having members and employees like you makes us feel lucky, and our motivation comes from you. Wishing all the best to you and your family as we head into 2024!

Co-ops in Classrooms

“Co-ops in the Classroom” continues to educate local elementary school students on how electricity works and the importance of safety through hands-on demonstrations. Students used a Pedal Power Bicycle generator to provide energy to turn a light bulb on, and used a Van de Graaff generator to demonstrate the movement of electrons to create static electricity. ▶



**TRAVERSE
ELECTRIC**
COOPERATIVE, INC.

This trip is sponsored by your local member-owned rural electric cooperative.

Each entrant must submit an essay, not to exceed 500 words, on the following topic: “If chosen as a youth tour delegate, you will be traveling to Washington, D.C. to experience and learn about America’s rich history. What moment in American history do you wish you had been a part of, and what would you have contributed?”

All essays must be typed and include a cover sheet that states the title of the essay, the entrant’s name and address, name of parent or guardian, and the name of your school. Applicants should be a dependent of a Traverse Electric member and a high school junior or senior or at least age 16. Essay deadline is February 15, 2024.

Essays should be sent to Traverse Electric, PO Box 66, Wheaton, MN 56296.

Scholarships Offered to Local Students

Local students are encouraged to apply for a \$1,000 Basin Electric Power Cooperative scholarship and a \$500 Traverse Electric Scholarship. Applications are available on our website, www.traverseelectric.com, and from high school counselors.

Applications can also be picked up at our office or emailed upon request by calling our office at 800-927-5443. Please return your completed application to Traverse Electric Cooperative, Attn: Karen Lupkes, PO Box 66, Wheaton, MN 56296 by Feb. 15, 2024. ▶



#21536

District Meetings Notice

Districts 2, 5, & 8 Now Open for Director Nominations

This year, Districts 2 (Michael Marks), 5 (Bradley Rudolph), and 8 (Matthew Glynn) director terms are up for election for a 3 year term. All nomination committee meetings shown below will begin at noon with a light lunch provided.

If you are unable to make the District Meeting to be nominated and are interested in becoming a director, you can also be placed

on the ballot for your district by petition (obtain ten (10) signatures from members who reside within your district). Directors from these three districts are elected at our annual meeting held March 21, 2024. Please call our office if you are interested in more information on becoming a director, or if you are unsure of what district you reside in.

- ▶ District 3: Wed., Jan. 24, 2024, at Campbell Community Center, Campbell, MN
- ▶ District 4 & 5: Thurs, Jan. 25, 2024, at Big G's, Beardsley, MN
- ▶ Districts 7, 8, & 9 : Fri., Jan. 26, 2024, at Rosalie's, Sisseton, SD
- ▶ Districts 1, 2, & 6 : Mon., Jan 29, 2024, at Herman Council Room (inside Herman Community Center), Herman, MN

The cooperative's bylaws state the following: Section 3. Nominations and Election.

(a) Each year and at least 30 days before the annual meeting of the members, a meeting of the members shall be held in each district which a vacancy will exist on the Board of Directors at the next annual meeting. Such a meeting shall be called at the time and place within the district as may be designated by the Board of Directors. Notice of the district meetings shall be given by the Secretary of the Cooperative by mailing a notice thereof to each and every member residing within the district not less than seven (7) days previous to the day of such meeting. At least five (5) members, who reside within the district, present in person, shall constitute a quorum for the transaction of business. The Board of Directors shall appoint a director to act as temporary chairman of the meeting and until a chairman and secretary have been elected by the members present. The members from said district present at such meeting shall nominate one or more members from the district as candidates for the Board of Directors. Nominations may not be closed until all the members present have had an opportunity to nominate. A list of nominations for directors shall be immediately prepared, signed by the Chairman and Secretary, and posted at the principal place of business of the Cooperative.

(b) Nominations by petition. Any ten (10) or more members from any district in which a vacancy will exist on the Board of Directors at the next annual meeting

may make other nominations in writing over their signatures not later than 25 days before the annual meeting and the secretary shall post the same at the same place where the list of nominations made by the district meetings is posted.

(c) A ballot marked "Ballot for Directors, District Number" shall be prepared for each district in which a vacancy will exist on the Board of Directors at the next annual meeting, which ballot shall contain the number of the district, the names of all nominees from the district so posted, alphabetically arranged, and be distinctive from the ballots for the other districts by color, which ballot shall be delivered to the members of said district, either by mailing or otherwise before the annual meeting or given to said members at the annual meeting. In every election, the nominee from each district in which a vacancy exists receiving the largest number of votes shall be elected to the Board of Directors. In case of a tie vote for director, the incumbent shall remain on the board until the next annual meeting, and the procedure for nomination and election shall be repeated and a director elected at the following annual meeting for the balance of the three-year term. If there is a tie vote and no incumbent, the vacancy can be filled by the directors for the period until the next annual meeting. To notwithstanding anything in this Section contained, failure to comply with any of the provisions of this Section shall not affect in any manner whatsoever the validity of any election of directors. Members may not nominate from the floor of an annual

or special meeting of the members an individual to run for election as a director candidate.

(d) Uncontested Elections. Notwithstanding anything in these bylaws or applicable procedural rules to the contrary, if for any director election there is only one nominee for a board position so that the nominee is running unopposed, ballots need not be provided by mail to the members in that district, and the election shall be made by the chairperson of the member meeting entertaining a motion to elect the single candidate by a voice vote, show of hands, or other appropriate means.

ENERGY EFFICIENCY TIP OF THE MONTH

During winter months, ensure your home is well sealed to reduce the need for excessive heating. Seal air leaks around your home and add insulation where needed to save up to 10% on annual energy bills.

Install weather stripping on exterior doors and apply caulk around windows. Check attic insulation levels and hire a qualified contractor if additional insulation is required.

Source: energystar.gov

November 2023 Traverse Electric Board Meeting Highlights

The November regular board meeting was held on Tuesday, November 28, 2023 at 9 AM. Absent: None.

Staff members present were General Manager, Jeremy Huhnstock, Dale Schwagel, and Karen Lupkes.

President Diekmann called the meeting to order.

The agenda was approved.

The minutes of the October regular board meeting were approved.

The October check register was approved.

Attended a director training on board duties and responsibilities.

Discussed the East River and Basin Electric video reports.

Diekmann gave an East River Board Report.

Monson reported on the SD Legislative Dinner.

Hamling reported on East River's new employee and director orientation.

Huhnstock presented the General Manager's Report, which included:

- Provided a Basin Electric update.
- Provided an East River update.
- REED Fund review.
- NRECA update.
- MREA and MN legislative update.
- SDREA and SD legislative update.

Lupkes gave the Office Manager's Report, which included:

- October 31, 2023 accounts receivable balances were reviewed.
- A list of new members was reviewed.
- Update on Electrical Dept. and Generator Program.
- East River power bill and Basin's financial reports reviewed.
- Reported that a new loan was approved for a generator installation.
- We will receive a final payment for

Cat Z admin. costs from FEMA for the May 12, 2022 storm.

Reviewed and approved the October 2023 Financial Report.

Schwagel presented the Operations Report per written report. Items discussed included:

- Provided a crew update.
- Reviewed upcoming and completed projects.
- Plowing projects are being finished for the year.
- Reported several instances of overloaded transformers on grain dryer services.
- Material lead times remain unchanged.
- Reviewed our Safety Program.
- Outages were reviewed.

Received an update on the new facility.

Received an update on the old properties for sale.

Approved the 2024 Budget and Capital Budgets.

Approved the retirement of \$600,000 in capital credits in 2023 to estates and general retirement.

Approved writing off bad debt.

Discussed holding district meetings at the end of January 2024.

Discussed details for our annual meeting in March 2024.

Committed to send one student to the 2024 Washington DC Youth Tour.

Selected voting delegates for the SDREA Annual Meeting.

Selected voting delegates for NRECA's PowerXchange.

Selected voting delegates for MREA.

Reviewed upcoming meetings and attendees.

Meeting adjourned. ▶

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 Przymsus – Accountant
Stacie Johannsen – Billing Clerk

OPERATIONS PERSONNEL

Richard Davis – Foreman
Lonnie Tekrony – Journeyman Lineworker
Joe Gahlon – Journeyman Lineworker
Austin Reinke – Journeyman Lineworker
Justin Lundblad – Apprentice Lineworker
Isaac Callens – Apprentice Lineworker
Tayden George – Apprentice Lineworker
Chris Falk – Facility/Staking 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
Rodney Schaffer 701-235-2840
Wilkin County

NORTH DAKOTA

Mark Moderow 701-226-3779
Richland County

SOUTH DAKOTA

Dan Urban 605-222-0143
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.

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.

TEC November Financials			
	Nov 2022	Nov 2023	YTD 2023
Total Revenue	\$1,004,247.62	\$1,425,305.63	\$11,985,311.33
Cost of Power	\$318,412.14	\$774,995.14	\$7,145,800.73
Total Cost of Service	\$635,876.82	\$1,098,487.87	\$11,090,936.70
Operating Margins	\$368,370.80	\$326,817.76	\$894,374.63
Total Margins	\$389,607.88	\$328,942.80	\$1,163,337.25
Kilowatt-Hours (kWh) Purchased	11,344,319	14,535,073	124,009,644
Kilowatt-Hours (kWh) Sales	10,726,976	13,865,068	118,140,664
Line Loss	5%	4%	4%