

CLIFTONLARSONALLEN LLP
2689 COMMERCE DRIVE NW, SUITE 201
ROCHESTER, MN 55901

TRAVERSE ELECTRIC COOPERATIVE, INC.
1618 BROADWAY P.O. BOX 66
WHEATON, MN 56296-0066

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CLIENT'S COPY



CLA (CliftonLarsonAllen LLP)
CLAconnect.com

Traverse Electric Cooperative, Inc.
1618 Broadway P.O. Box 66
Wheaton, MN 56296-0066

Traverse Electric Cooperative, Inc.:

Enclosed is the organization's 2019 Exempt Organization returns. The state Exempt Organization return is also enclosed. These should be signed, dated, and mailed, as indicated.

Specific filing instructions are as follows.

FORM 990 RETURN:

This return has qualified for electronic filing. After you have reviewed the return for completeness and accuracy, please sign, date and return Form 8879-EO to our office. We will transmit the return electronically to the IRS and no further action is required. Please return Form 8879-EO to us as soon as possible, but no later than by November 16, 2020 the filing deadline.

FORM 990-T RETURN:

No amount is due on Form 990-T.

Please sign and mail on or before November 16, 2020.

Mail to:

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0027

In addition, tax-exempt organizations must make available for public inspection a copy of their annual returns for the preceding three years and exemption application, if applicable. An organization generally must furnish filings to anyone who requests them in person or in writing. An exempt organization may meet this requirement by posting all the documents on its website or at another organizations site as part of a database of similar materials. Specific requirements must be met to meet this exception.

MINNESOTA FORM M4NP RETURN:

The Minnesota Form M4NP should be mailed to:

Minnesota Revenue
Mail Station 1257
St. Paul, MN 55146-1257

Enclose a check or money order for \$21, payable to Minnesota Revenue.

Include Minnesota UBIT Return Payment with your return.

When mailing is necessary, we recommend that you use certified mail with postmarked receipts for proof of timely filing.

Be sure to review the returns prior to signing as you have final responsibility for all information included in the returns. If there is anything on the return you do not understand, we would be glad to answer your questions.

Copies of each return are provided for your permanent records. Based on IRS guidance, we generally recommend that you keep supporting documentation for a minimum of seven years; and that you keep copies of the tax returns, and records that support basis for items in the tax return, indefinitely.

We value our relationship with you and thank you for your trust and confidence in allowing us to serve you. If you have any questions regarding the returns or other services that we can assist you with, please do not hesitate to contact us. Some of our best clients come through referrals from existing clients. If you know of anyone who could benefit from our assistance, we would be pleased to speak to him or her.

Sincerely,

CliftonLarsonAllen LLP



CLA (CliftonLarsonAllen LLP)
CLAconnect.com

TRAVERSE ELECTRIC COOPERATIVE, INC.

FORM 990 INCOME TAX RETURN

FOR YEAR ENDED DECEMBER 31, 2019

Form **8879-EO****IRS e-file Signature Authorization
for an Exempt Organization**

OMB No. 1545-1878

Department of the Treasury
Internal Revenue Service

For calendar year 2019, or fiscal year beginning _____, 2019, and ending _____, 20____

2019▶ **Do not send to the IRS. Keep for your records.**
▶ **Go to www.irs.gov/Form8879EO for the latest information.**

Name of exempt organization

Employer identification number

TRAVERSE ELECTRIC COOPERATIVE, INC.**41-0581955**

Name and title of officer

**JOEL JANORSCHKE
GENERAL MANAGER****Part I Type of Return and Return Information** (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a**, **2a**, **3a**, **4a**, or **5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b**, **2b**, **3b**, **4b**, or **5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

| | | |
|---|--|------------------------------|
| 1a Form 990 check here ▶ <input checked="" type="checkbox"/> | b Total revenue , if any (Form 990, Part VIII, column (A), line 12) | 1b 12,208,256. |
| 2a Form 990-EZ check here ▶ <input type="checkbox"/> | b Total revenue , if any (Form 990-EZ, line 9) | 2b _____ |
| 3a Form 1120-POL check here ▶ <input type="checkbox"/> | b Total tax (Form 1120-POL, line 22) | 3b _____ |
| 4a Form 990-PF check here ▶ <input type="checkbox"/> | b Tax based on investment income (Form 990-PF, Part VI, line 5) | 4b _____ |
| 5a Form 8868 check here ▶ <input type="checkbox"/> | b Balance Due (Form 8868, line 3c) | 5b _____ |

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2019 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgment of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize **CLIFTONLARSONALLEN LLP** to enter my PIN **41058**
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the organization's tax year 2019 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2019 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ _____ Date ▶ _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

41712813129**Do not enter all zeros**

I certify that the above numeric entry is my PIN, which is my signature on the 2019 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ **CRAIG POPENHAGEN** Date ▶ **11/10/20**

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

LHA For Paperwork Reduction Act Notice, see instructions.

Form **8879-EO** (2019)

923051 10-03-19

14321110 131839 091-103281-00

2019.05000 TRAVERSE ELECTRIC COOPERA 091-1031

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

A For the 2019 calendar year, or tax year beginning and ending

| | | | |
|--|---|---|--|
| B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | C Name of organization TRAVERSE ELECTRIC COOPERATIVE, INC. | | D Employer identification number 41-0581955 |
| | Doing business as | | E Telephone number 320-563-8616 |
| | Number and street (or P.O. box if mail is not delivered to street address) | Room/suite | |
| | 1618 BROADWAY P.O. BOX 66 | | |
| | City or town, state or province, country, and ZIP or foreign postal code WHEATON, MN 56296-0066 | | G Gross receipts \$ 12,338,050. |
| F Name and address of principal officer: ALAN VEFLIN SAME AS C ABOVE | | H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶ | |
| I Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) (12) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 | | | |
| J Website: ▶ WWW.TRAVERSEELECTRIC.COM | | | |
| K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ | | L Year of formation: 1940 | M State of legal domicile: MN |

Part I Summary

| | |
|--|--|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities: AN ELECTRIC COOPERATIVE PROVIDING ELECTRIC SERVICE TO MEMBERS AT THE LOWEST POSSIBLE COST. |
| | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. |
| | 3 Number of voting members of the governing body (Part VI, line 1a) 3 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) 4 |
| | 5 Total number of individuals employed in calendar year 2019 (Part V, line 2a) 18 |
| | 6 Total number of volunteers (estimate if necessary) 0 |
| | 7a Total unrelated business revenue from Part VIII, column (C), line 12 1,778. |
| 7b Net unrelated business taxable income from Form 990-T, line 39 0. | |
| Revenue | 8 Contributions and grants (Part VIII, line 1h) 0. |
| | 9 Program service revenue (Part VIII, line 2g) 10,955,967. |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 251,970. |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 1,104,767. |
| | 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 12,312,704. |
| Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) 0. |
| | 14 Benefits paid to or for members (Part IX, column (A), line 4) 1,868,245. |
| | 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 1,832,179. |
| | 16a Professional fundraising fees (Part IX, column (A), line 11e) 0. |
| | b Total fundraising expenses (Part IX, column (D), line 25) 0. |
| | 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 8,612,280. |
| | 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 12,312,704. |
| 19 Revenue less expenses. Subtract line 18 from line 12 0. | |
| Net Assets or Fund Balances | 20 Total assets (Part X, line 16) 27,311,439. |
| | 21 Total liabilities (Part X, line 26) 14,433,792. |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 12,877,647. |

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

| | | | | | |
|---|---|---|-------------------------|---|--------------------------|
| Sign Here | Signature of officer | Date | | | |
| | JOEL JANORSCHKE, GENERAL MANAGER Type or print name and title | | | | |
| Paid Preparer Use Only | Print/Type preparer's name CRAIG POPENHAGEN | Preparer's signature CRAIG POPENHAGEN | Date 11/10/20 | Check if self-employed <input type="checkbox"/> | PTIN P01587689 |
| | Firm's name ▶ CLIFTONLARSONALLEN LLP | Firm's EIN ▶ 41-0746749 | | Phone no. 507-280-2300 | |
| Firm's address ▶ 2689 COMMERCE DRIVE NW, SUITE 201 ROCHESTER, MN 55901 | | | | | |

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:**TO PROVIDE ELECTRIC SERVICE AT THE LOWEST POSSIBLE RATES, CONSISTENT WITH SOUND BUSINESS PRINCIPLES.****2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ including grants of \$) (Revenue \$)
SALES OF ELECTRIC POWER TO 2194 MEMBERS.**4b** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ►

Part IV Checklist of Required Schedules

| | Yes | No |
|---|----------|----------|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> | | X |
| 2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? | | X |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> | | X |
| 4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> | | |
| 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> | | X |
| 6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> | | X |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> | | X |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> | | X |
| 9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> | | X |
| 10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i> | | X |
| 11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. | | |
| a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> | X | |
| b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> | X | |
| c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> | | X |
| d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> | | X |
| e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> | X | |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> | | X |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> | | X |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> | | X |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> | | X |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? | | X |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> | | X |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i> | | X |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i> | | X |
| 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> | | X |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> | | X |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> | | X |
| 20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> | | X |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | | |
| 21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> | | X |

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|---|------------|----|
| 22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> | 22 | X |
| 23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> | 23 | X |
| 24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> | 24a | X |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | |
| c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | 24c | |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | |
| 25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> | 25a | |
| b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> | 25b | |
| 26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i> | 26 | X |
| 27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> | 27 | X |
| 28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions): | | |
| a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i> | 28a | X |
| b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i> | 28b | X |
| c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i> | 28c | X |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> | 29 | X |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> | 30 | X |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | 31 | X |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> | 32 | X |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> | 33 | X |
| 34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> | 34 | X |
| 35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? | 35a | X |
| b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> | 35b | |
| 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> | 36 | |
| 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> | 37 | X |
| 38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? | 38 | X |

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

| | Yes | No |
|---|-----------|----|
| 1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable | 1a | 18 |
| b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b | 0 |
| c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | 1c | |

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

| | Yes | No |
|--|------------|-----------|
| 2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a | 18 |
| b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? | 2b | X |
| Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions) | | |
| 3a Did the organization have unrelated business gross income of \$1,000 or more during the year? | 3a | X |
| b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O | 3b | X |
| 4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | 4a | X |
| b If "Yes," enter the name of the foreign country | | |
| See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). | | |
| 5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | 5a | X |
| b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | 5b | X |
| c If "Yes" to line 5a or 5b, did the organization file Form 8886-T? | 5c | |
| 6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? | 6a | X |
| b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | 6b | |
| 7 Organizations that may receive deductible contributions under section 170(c). | | |
| a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? | 7a | |
| b If "Yes," did the organization notify the donor of the value of the goods or services provided? | 7b | |
| c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | 7c | |
| d If "Yes," indicate the number of Forms 8282 filed during the year | 7d | |
| e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | 7e | |
| f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 7f | |
| g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | 7g | |
| h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | 7h | |
| 8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? | 8 | |
| 9 Sponsoring organizations maintaining donor advised funds. | | |
| a Did the sponsoring organization make any taxable distributions under section 4966? | 9a | |
| b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? | 9b | |
| 10 Section 501(c)(7) organizations. Enter: | | |
| a Initiation fees and capital contributions included on Part VIII, line 12 | 10a | |
| b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | |
| 11 Section 501(c)(12) organizations. Enter: | | |
| a Gross income from members or shareholders | 11a | 11503535. |
| b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | 11b | 608,961. |
| 12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | 12a | |
| b If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b | |
| 13 Section 501(c)(29) qualified nonprofit health insurance issuers. | | |
| a Is the organization licensed to issue qualified health plans in more than one state? | 13a | |
| Note: See the instructions for additional information the organization must report on Schedule O. | | |
| b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans | 13b | |
| c Enter the amount of reserves on hand | 13c | |
| 14a Did the organization receive any payments for indoor tanning services during the tax year? | 14a | X |
| b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O | 14b | |
| 15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? | 15 | X |
| If "Yes," see instructions and file Form 4720, Schedule N. | | |
| 16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? | 16 | X |
| If "Yes," complete Form 4720, Schedule O. | | |

Form 990 (2019)

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒ X

Section A. Governing Body and Management

| | 1a | 1b | 2 | 3 | 4 | 5 | 6 | 7a | 7b | 8a | 8b | 9 | Yes | No |
|--|----|----|---|---|---|---|---|----|----|----|----|---|-----|----|
| 1a Enter the number of voting members of the governing body at the end of the tax year | 9 | | | | | | | | | | | | | |
| If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O. | | | | | | | | | | | | | | |
| b Enter the number of voting members included on line 1a, above, who are independent | | 9 | | | | | | | | | | | | |
| 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | | 2 | | | | | | | | | | | X |
| 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? | | | | 3 | | | | | | | | | | X |
| 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | | | | | 4 | | | | | | | | | X |
| 5 Did the organization become aware during the year of a significant diversion of the organization's assets? | | | | | | 5 | | | | | | | | X |
| 6 Did the organization have members or stockholders? | | | | | | | 6 | X | | | | | | |
| 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | | | | | | | | 7a | X | | | | | |
| b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | | | | | | | | | 7b | X | | | | |
| 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | | | | | | | | | | | | | |
| a The governing body? | | | | | | | | | | 8a | X | | | |
| b Each committee with authority to act on behalf of the governing body? | | | | | | | | | | | 8b | X | | |
| 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O | | | | | | | | | | | | 9 | | X |

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

| | 10a | 10b | 11a | 11b | 12a | 12b | 12c | 13 | 14 | 15a | 15b | 16a | 16b | Yes | No |
|---|-----|-----|-----|-----|-----|-----|-----|----|----|-----|-----|-----|-----|-----|----|
| 10a Did the organization have local chapters, branches, or affiliates? | 10a | | | | | | | | | | | | | | X |
| b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | | 10b | | | | | | | | | | | | | |
| 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | | | 11a | X | | | | | | | | | | | |
| b Describe in Schedule O the process, if any, used by the organization to review this Form 990. | | | | | | | | | | | | | | | |
| 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 | | | | | 12a | X | | | | | | | | | |
| b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | | | | | | 12b | X | | | | | | | | |
| c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done | | | | | | | 12c | X | | | | | | | |
| 13 Did the organization have a written whistleblower policy? | | | | | | | | 13 | X | | | | | | |
| 14 Did the organization have a written document retention and destruction policy? | | | | | | | | | 14 | | | | | | X |
| 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | | | | | | | | | | | | | | |
| a The organization's CEO, Executive Director, or top management official | | | | | | | | | | 15a | X | | | | |
| b Other officers or key employees of the organization | | | | | | | | | | | 15b | X | | | |
| If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). | | | | | | | | | | | | | | | |
| 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | | | | | | | | | | | | 16a | | | X |
| b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | | | | | | | | | | | | | 16b | | |

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **NONE**

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records **MELISSA PRZYMUS - 320-563-8616**
1618 BROADWAY, WHEATON, MN 56296

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|---|---|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| | | | | | | | | | | |
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| | | | | | | | | | | |
| 1b Subtotal | | | | | | | | 174,226. | 0. | 62,436. |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | 0. | 0. | 0. |
| d Total (add lines 1b and 1c) | | | | | | | | 174,226. | 0. | 62,436. |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

- 3** Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

| | Yes | No |
|---|-----|----|
| 3 | | X |
| 4 | X | |
| 5 | | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|---|---------------------------------|---------------------|
| INTEGRITY CONTRACTING INC. 17827 CTY RD 2, SHEVLIN, MN 56482 | CONTRACTED LINE CONSTRUCTION | 407,361. |
| STAR ENERGY SERVICES 6841 POWER LN SW, ALEXANDRIA, MN 56308 | CONTRACTED ENGINEERING, IT, SAF | 187,479. |
| CARR'S TREE SERVICE, INC. PO BOX 250, OTTERTAIL, MN 56571 | CONTRACTED TREE TRIMMING | 142,800. |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **3**

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

| | | | | (A) | (B) | (C) | (D) |
|---|--|--|----------------|---------------|------------------------------------|----------------------------|--|
| | | | | Total revenue | Related or exempt function revenue | Unrelated business revenue | Revenue excluded from tax under sections 512 - 514 |
| Contributions, Gifts, Grants and Other Similar Amounts | 1 a | Federated campaigns | 1a | | | | |
| | b | Membership dues | 1b | | | | |
| | c | Fundraising events | 1c | | | | |
| | d | Related organizations | 1d | | | | |
| | e | Government grants (contributions) | 1e | | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above ... | 1f | | | | |
| | g | Noncash contributions included in lines 1a-1f | 1g | \$ | | | |
| | h | Total. Add lines 1a-1f | | | | | |
| Program Service Revenue | 2 a | ELECTRIC SERVICE | Business Code | 221000 | 11,503,535. | 11,503,535. | |
| | b | | | | | | |
| | c | | | | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f | All other program service revenue | | | | | |
| | g | Total. Add lines 2a-2f | | 11,503,535. | | | |
| | 3 | Investment income (including dividends, interest, and other similar amounts) | | 222,734. | | | 222,734. |
| 4 | Income from investment of tax-exempt bond proceeds | | | | | | |
| 5 | Royalties | | | | | | |
| Other Revenue | 6 a | Gross rents | (i) Real | 2,820. | | | |
| | b | Less: rental expenses ... | (ii) Personal | 0. | | | |
| | c | Rental income or (loss) | | 2,820. | | | |
| | d | Net rental income or (loss) | | 2,820. | | | 2,820. |
| | 7 a | Gross amount from sales of assets other than inventory | (i) Securities | | | | |
| | b | Less: cost or other basis and sales expenses | (ii) Other | 302. | | | |
| | c | Gain or (loss) | | 1,827. | | | |
| | d | Net gain or (loss) | | -1,525. | | | -1,525. |
| | 8 a | Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | | | | | |
| | b | Less: direct expenses | | | | | |
| | c | Net income or (loss) from fundraising events | | | | | |
| | 9 a | Gross income from gaming activities. See Part IV, line 19 | | | | | |
| | b | Less: direct expenses | | | | | |
| | c | Net income or (loss) from gaming activities | | | | | |
| | 10 a | Gross sales of inventory, less returns and allowances | | 125,198. | | | |
| b | Less: cost of goods sold | | 127,967. | | | | |
| c | Net income or (loss) from sales of inventory | | -2,769. | | 1,778. | -4,547. | |
| Miscellaneous Revenue | 11 a | CAPITAL CREDITS | Business Code | 221000 | 483,461. | 483,461. | |
| | b | | | | | | |
| | c | | | | | | |
| | d | All other revenue | | | | | |
| | e | Total. Add lines 11a-11d | | 483,461. | | | |
| | 12 | Total revenue. See instructions | | 12,208,256. | 11,986,996. | 1,778. | 219,482. |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII. | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ... | | | | |
| 2 Grants and other assistance to domestic individuals. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | 1,187,012. | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 236,662. | | | |
| 6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | | | | |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | | | | |
| 9 Other employee benefits | | | | |
| 10 Payroll taxes | | | | |
| 11 Fees for services (nonemployees): | | | | |
| a Management | | | | |
| b Legal | | | | |
| c Accounting | | | | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | | | | |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.) | | | | |
| 12 Advertising and promotion | | | | |
| 13 Office expenses | | | | |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | | | | |
| 17 Travel | | | | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials ... | | | | |
| 19 Conferences, conventions, and meetings | | | | |
| 20 Interest | 616,003. | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 969,733. | | | |
| 23 Insurance | | | | |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) | | | | |
| a PURCHASED POWER | 7,071,701. | | | |
| b DISTRIBUTION EXPENSE - | 661,780. | | | |
| c ADMINISTRATIVE AND GENE | 655,373. | | | |
| d DISTRIBUTION EXPENSE - | 518,518. | | | |
| e All other expenses | 291,474. | | | |
| 25 Total functional expenses. Add lines 1 through 24e | 12,208,256. | | | |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. | | | | |

Check here ☐ if following SOP 98-2 (ASC 958-720)

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

| | | (A) Beginning of year | | (B) End of year |
|--|--|--------------------------|-------------|--------------------|
| Assets | 1 Cash - non-interest-bearing | 1,000. | 1 | 0. |
| | 2 Savings and temporary cash investments | 4,824,106. | 2 | 3,862,482. |
| | 3 Pledges and grants receivable, net | | 3 | |
| | 4 Accounts receivable, net | 840,498. | 4 | 993,975. |
| | 5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 5 | |
| | 6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) | | 6 | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | 294,377. | 8 | 292,672. |
| | 9 Prepaid expenses and deferred charges | 319,194. | 9 | 273,671. |
| | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 26,340,260. | | |
| | b Less: accumulated depreciation | 10b 10,387,763. | 10c | 15,952,497. |
| | 11 Investments - publicly traded securities | | 11 | |
| | 12 Investments - other securities. See Part IV, line 11 | 5,996,796. | 12 | 6,277,142. |
| | 13 Investments - program-related. See Part IV, line 11 | | 13 | |
| | 14 Intangible assets | | 14 | |
| | 15 Other assets. See Part IV, line 11 | | 15 | |
| 16 Total assets. Add lines 1 through 15 (must equal line 33) | 27,311,439. | 16 | 27,652,439. | |
| Liabilities | 17 Accounts payable and accrued expenses | 911,052. | 17 | 1,017,967. |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | | 19 | |
| | 20 Tax-exempt bond liabilities | | 20 | |
| | 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 22 | |
| | 23 Secured mortgages and notes payable to unrelated third parties | 13,482,460. | 23 | 12,984,134. |
| | 24 Unsecured notes and loans payable to unrelated third parties | 27,530. | 24 | 26,390. |
| | 25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | 12,750. | 25 | 12,750. |
| | 26 Total liabilities. Add lines 17 through 25 | 14,433,792. | 26 | 14,041,241. |
| Net Assets or Fund Balances | Organizations that follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 27, 28, 32, and 33. | | | |
| | 27 Net assets without donor restrictions | | 27 | |
| | 28 Net assets with donor restrictions | | 28 | |
| | Organizations that do not follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 29 through 33. | | | |
| | 29 Capital stock or trust principal, or current funds | 0. | 29 | 0. |
| | 30 Paid-in or capital surplus, or land, building, or equipment fund | 427,016. | 30 | 458,434. |
| | 31 Retained earnings, endowment, accumulated income, or other funds | 12,450,631. | 31 | 13,152,764. |
| | 32 Total net assets or fund balances | 12,877,647. | 32 | 13,611,198. |
| | 33 Total liabilities and net assets/fund balances | 27,311,439. | 33 | 27,652,439. |

Form 990 (2019)

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

| | | | |
|-----------|--|-----------|-------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 12,208,256. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 12,208,256. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 0. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A)) | 4 | 12,877,647. |
| 5 | Net unrealized gains (losses) on investments | 5 | |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain on Schedule O) | 9 | 733,551. |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B)) | 10 | 13,611,198. |

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☒

| | Yes | No |
|---|-----|----------|
| 1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O. | | |
| 2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | X |
| b Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | X |
| c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O. | | |
| 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____ | | X |
| b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____ | | |

Form 990 (2019)

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ **Complete if the organization answered "Yes" on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2019**Open to Public
Inspection****Name of the organization**

TRAVERSE ELECTRIC COOPERATIVE, INC.

Employer identification number

41-0581955

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|------------------------------|------------------------------|
| 1 Total number at end of year | | |
| 2 Aggregate value of contributions to (during year) | | |
| 3 Aggregate value of grants from (during year) | | |
| 4 Aggregate value at end of year | | |
| 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (for example, recreation or education) ☐ Preservation of a historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

| | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register | 2d |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2019

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

a ☐ Public exhibition

d ☐ Loan or exchange program

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

| | Amount |
|----|--------|
| 1c | |
| 1d | |
| 1e | |
| 1f | |

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ☐ _____ %

b Permanent endowment ☐ _____ %

c Term endowment ☐ _____ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) Unrelated organizations

(ii) Related organizations

| | Yes | No |
|--------|-----|----|
| 3a(i) | | |
| 3a(ii) | | |
| 3b | | |

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | 16,644. | | 16,644. |
| b Buildings | | 415,192. | 285,986. | 129,206. |
| c Leasehold improvements | | | | |
| d Equipment | | 25,154,934. | 10,101,777. | 15,053,157. |
| e Other | | 753,490. | | 753,490. |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) | | | | 15,952,497. |

Schedule D (Form 990) 2019

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) Financial derivatives | | |
| (2) Closely held equity interests | | |
| (3) Other | | |
| (A) ERC LOANS | 70,983. | COST |
| (B) CAPITAL CREDITS IN OTHER | | |
| (C) CO-OPS | 6,206,159. | COST |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶ | 6,277,142. | |

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

| (a) Description of investment | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶ | | |

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|----------------|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶ | |

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| (a) Description of liability | (b) Book value |
|---|----------------|
| 1. (1) Federal income taxes | |
| (2) CONSUMERS DEPOSITS | 12,750. |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶ | 12,750. |

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ... ☐

Schedule D (Form 990) 2019

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | | |
|----------|--|-----------|-----------|--|
| 1 | Total revenue, gains, and other support per audited financial statements | | 1 | |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | | |
| a | Net unrealized gains (losses) on investments | 2a | | |
| b | Donated services and use of facilities | 2b | | |
| c | Recoveries of prior year grants | 2c | | |
| d | Other (Describe in Part XIII.) | 2d | | |
| e | Add lines 2a through 2d | | 2e | |
| 3 | Subtract line 2e from line 1 | | 3 | |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | |
| b | Other (Describe in Part XIII.) | 4b | | |
| c | Add lines 4a and 4b | | 4c | |
| 5 | Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.) | | 5 | |

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | | |
|----------|---|-----------|-----------|--|
| 1 | Total expenses and losses per audited financial statements | | 1 | |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | | |
| a | Donated services and use of facilities | 2a | | |
| b | Prior year adjustments | 2b | | |
| c | Other losses | 2c | | |
| d | Other (Describe in Part XIII.) | 2d | | |
| e | Add lines 2a through 2d | | 2e | |
| 3 | Subtract line 2e from line 1 | | 3 | |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | |
| b | Other (Describe in Part XIII.) | 4b | | |
| c | Add lines 4a and 4b | | 4c | |
| 5 | Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.) | | 5 | |

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI

THE ORGANIZATION HAS AUDIT REPORTS WITH YEAR-ENDED OF MARCH 31, 2020 AND 2019, WHICH IS DIFFERENT YEAR-END THAN TAX RETURNS.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization

TRAVERSE ELECTRIC COOPERATIVE, INC.

Employer identification number

41-0581955

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?

If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

| | | |
|-----------|----------|----------|
| | | |
| 1b | | |
| 2 | | |
| | | |
| 4a | | X |
| 4b | X | |
| 4c | | X |
| | | |
| 5a | | |
| 5b | | |
| | | |
| 6a | | |
| 6b | | |
| | | |
| 7 | | |
| 8 | | |
| 9 | | |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2019

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 3:

THE BOARD OF DIRECTORS LOOKS AT COMPARABLE GENERAL MANAGER COMPENSATION

PACKAGES AND DOES A FULL BOARD APPRAISAL AT THEIR JULY MEETING EACH YEAR.

PART I, LINE 4B:

CLAYTON HALVERSON RECEIVED \$41,522 FROM A DEFERRED RETIREMENT 457(B) PLAN.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization

TRAVERSE ELECTRIC COOPERATIVE, INC.

Employer identification number

41-0581955

FORM 990, PART VI, SECTION A, LINE 6:

ALL ELECTRIC CUSTOMERS OF THE COOPERATIVE ARE MEMBERS.

FORM 990, PART VI, SECTION A, LINE 7A:

COOPERATIVE MEMBERS ELECT THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION A, LINE 7B:

THE BYLAWS CAN BE ALTERED, AMENDED, OR REPEALED BY THE MEMBERS AT ANY
REGULAR OR SPECIAL MEETING. THE BOARD OF DIRECTORS NEED AN AFFIRMATIVE
VOTE OF 2/3S OF THE MEMBERS TO SELL, MORTGAGE, LEASE, ETC. ALL THE
PROPERTY, RIGHTS, ETC. OF THE ORGANIZATION.

FORM 990, PART VI, SECTION B, LINE 11B:

THE BOARD OF DIRECTORS RECEIVE A COPY OF THE FORM 990 AND REVIEW AT A BOARD
MEETING.

FORM 990, PART VI, SECTION B, LINE 12C:

A. EACH DIRECTOR AND EMPLOYEE OF TRAVERSE ELECTRIC SHALL MAKE EVERY
REASONABLE EFFORT TO COMPLY WITH THE LETTER AND SPIRIT OF THIS POLICY.

B. THE MANAGER SHALL MAKE EVERY REASONABLE EFFORT TO INFORM ALL EMPLOYEES
ABOUT THE CONTENT OF THIS POLICY AND MAKE EVERY REASONABLE EFFORT BASED ON
THE INFORMATION AVAILABLE TO HIM TO SEE THAT IT IS COMPLIED WITH AND REPORT
TO THE BOARD OF DIRECTORS PERIODICALLY ON HOW THIS POLICY IS BEING CARRIED
OUT.

Name of the organization

TRAVERSE ELECTRIC COOPERATIVE, INC.

Employer identification number

41-0581955

C. CONSISTENT WITH THE BY LAWS OF TRAVERSE ELECTRIC ANY DIRECTOR OR EMPLOYEE WHOSE CONDUCT INFRINGES UPON EITHER THE LETTER AND SPIRIT OF THIS POLICY, SHALL BE SUBJECT TO: (1) IF DIRECTOR OR MANAGER, EXPULSION OR TERMINATION BY APPROPRIATE ACTION OF THE BOARD OF DIRECTORS, OR (2) IF AN EMPLOYEE, TERMINATION BY APPROPRIATE ACTION OF THE MANAGER.

THE ORGANIZATION DOCUMENTS PROCEEDINGS RESULTING FROM CONFLICT OF INTEREST IN BOARD MINUTES AND THAT THE BOARD MEMBER ABSTAINED FROM VOTING.

FORM 990, PART VI, SECTION B, LINE 15:

THE BOARD OF DIRECTORS IS RESPONSIBLE FOR REVIEWING THE GENERAL MANAGER SALARY. AN OUTSIDE CONSULTANT PROVIDES THE BOARD WITH METHODS TO PROPERLY EVALUATE THE PERFORMANCE OF THE GENERAL MANAGER (GM) AND REVIEWS COMPARABLE GM COMPENSATION TO VERIFY THE GM'S COMPENSATION IS WITHIN A COMPETITIVE RANGE FOR GM'S OF COMPARABLE ORGANIZATIONS AND PROVIDES THIS INFORMATION TO THE BOARD OF DIRECTORS. THE BOARD OF DIRECTORS REVIEWS AND APPROVES THE GM'S COMPENSATION ANNUALLY. THE PROCESS WAS LAST CONDUCTED IN 2019.

AN OUTSIDE CONSULTANT CONDUCTED A SALARY STUDY OF ALL NON-UNION POSITIONS WITHIN THE ORGANIZATION UTILIZING UPDATED JOB DESCRIPTIONS FOR EACH POSITION AND RECOMMENDED COMPARABLE SALARY RANGES FOR EACH POSITION. IT DID NOT GUARANTEE AN INCREASE TO ANY EMPLOYEE. THIS INFORMATION WAS PROVIDED TO THE GENERAL MANAGER TO DETERMINE A BUDGET FOR SALARY INCREASES, WHICH IS APPROVED BY THE BOARD OF DIRECTORS. DEPARTMENT MANAGERS COMPLETED A WRITTEN JOB/PERFORMANCE EVALUATION FOR EACH EMPLOYEE IN THEIR DEPARTMENT AND RECOMMENDED A SALARY INCREASE BASED UPON THE SALARY STUDY AND PERFORMANCE EVALUATION. THE GENERAL MANAGER REVIEWS THE SALARY RECOMMENDATIONS AND PROVIDES FINAL APPROVAL. THIS PROCESS WAS LAST CONDUCTED IN 2019.

Name of the organization

TRAVERSE ELECTRIC COOPERATIVE, INC.

Employer identification number

41-0581955

FORM 990, PART VI, SECTION C, LINE 19:

THE COOPERATIVE MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY
AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

| | |
|---|------------|
| DONATED CAPITAL AND CAPITAL CREDITS RETIRED | -453,461. |
| PATRONAGE DIVIDENDS ALLOCATED | 1,187,012. |
| TOTAL TO FORM 990, PART XI, LINE 9 | 733,551. |

FORM 990, PART IX LINE 4

THE IRS INSTRUCTIONS STATE THAT PATRONAGE DIVIDENDS PAID BY SECTION
501(C)(12) ORGANIZATIONS TO THEIR MEMBERS SHOULD BE REPORTED ON LINE 4.
THE ORGANIZATION HAS INTERPRETED PATRONAGE DIVIDENDS PAID TO MEAN
PATRONAGE DIVIDENDS ALLOCATED OR TO BE ALLOCATED FOR THE CURRENT YEAR.
SINCE THIS ALLOCATION IS NOT AN EXPENSE UNDER GENERALLY ACCEPTED
ACCOUNTING PRINCIPLES (GAAP), THIS HAS RESULTED IN A RECONCILING ITEM
TO NET ASSETS IN PART XI, ON PAGE 12 OF THE FORM 990.

FORM 990, PART XII LINE 2

THE ORGANIZATION'S FINANCIAL STATEMENTS ARE AUDITED BY AN INDEPENDENT
ACCOUNTANT FOR YEAR ENDED MARCH 31 ANNUALLY. THE 990 IS REPORTED WITH
A YEAR END OF DECEMBER 31.

Exempt Organization Business Income Tax Return

(and proxy tax under section 6033(e))

OMB No. 1545-0047

2019

Department of the Treasury
Internal Revenue Service

For calendar year 2019 or other tax year beginning _____, and ending _____

▶ Go to www.irs.gov/Form990T for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for
501(c)(3) Organizations Only

| | | | | | |
|---|--|--|--|--|--|
| A <input type="checkbox"/> Check box if address changed | | Print or Type | Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) TRAVERSE ELECTRIC COOPERATIVE, INC. | | D Employer identification number (Employees' trust, see instructions.) 41-0581955 |
| B Exempt under section <input checked="" type="checkbox"/> 501(c)(12) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a) | | | Number, street, and room or suite no. If a P.O. box, see instructions. 1618 BROADWAY P.O. BOX 66 | | E Unrelated business activity code (See instructions.) 541900 |
| | | | City or town, state or province, country, and ZIP or foreign postal code WHEATON, MN 56296-0066 | | |
| C Book value of all assets at end of year 27,652,439. | | | F Group exemption number (See instructions.) ▶ | | |
| | | G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust | | | |

H Enter the number of the organization's unrelated trades or businesses. ▶ 1 Describe the only (or first) unrelated trade or business here ▶ SEE STATEMENT 1. If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ▶ ☐ Yes ☒ No
If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ MELISSA PRZYMUS Telephone number ▶ 320-563-8616

| Part I Unrelated Trade or Business Income | | | | (A) Income | (B) Expenses | (C) Net |
|---|---|----------------|-------------|------------|----------------|---------------|
| 1a | Gross receipts or sales | <u>10,095.</u> | | | | |
| b | Less returns and allowances | | c Balance ▶ | 1c | <u>10,095.</u> | |
| 2 | Cost of goods sold (Schedule A, line 7) | | | 2 | <u>8,317.</u> | |
| 3 | Gross profit. Subtract line 2 from line 1c | | | 3 | <u>1,778.</u> | <u>1,778.</u> |
| 4a | Capital gain net income (attach Schedule D) | | | 4a | | |
| b | Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) | | | 4b | | |
| c | Capital loss deduction for trusts | | | 4c | | |
| 5 | Income (loss) from a partnership or an S corporation (attach statement) | | | 5 | | |
| 6 | Rent income (Schedule C) | | | 6 | | |
| 7 | Unrelated debt-financed income (Schedule E) | | | 7 | | |
| 8 | Interest, annuities, royalties, and rents from a controlled organization (Schedule F) | | | 8 | | |
| 9 | Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) | | | 9 | | |
| 10 | Exploited exempt activity income (Schedule I) | | | 10 | | |
| 11 | Advertising income (Schedule J) | | | 11 | | |
| 12 | Other income (See instructions; attach schedule) | | | 12 | | |
| 13 | Total. Combine lines 3 through 12 | | | 13 | <u>1,778.</u> | <u>1,778.</u> |

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

(Deductions must be directly connected with the unrelated business income.)

| | | | | |
|----|--|------------------------|-----|-------------|
| 14 | Compensation of officers, directors, and trustees (Schedule K) | | 14 | |
| 15 | Salaries and wages | | 15 | |
| 16 | Repairs and maintenance | | 16 | |
| 17 | Bad debts | | 17 | |
| 18 | Interest (attach schedule) (see instructions) | | 18 | |
| 19 | Taxes and licenses | | 19 | |
| 20 | Depreciation (attach Form 4562) | 20 | | |
| 21 | Less depreciation claimed on Schedule A and elsewhere on return | 21a | 21b | |
| 22 | Depletion | | 22 | |
| 23 | Contributions to deferred compensation plans | | 23 | |
| 24 | Employee benefit programs | | 24 | |
| 25 | Excess exempt expenses (Schedule I) | | 25 | |
| 26 | Excess readership costs (Schedule J) | | 26 | |
| 27 | Other deductions (attach schedule) | <u>SEE STATEMENT 2</u> | 27 | <u>800.</u> |
| 28 | Total deductions. Add lines 14 through 27 | | 28 | <u>800.</u> |
| 29 | Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13 | | 29 | <u>978.</u> |
| 30 | Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions) | | 30 | <u>0.</u> |
| 31 | Unrelated business taxable income. Subtract line 30 from line 29 | | 31 | <u>978.</u> |

Part III Total Unrelated Business Taxable Income

| | | | |
|----|--|----|--------|
| 32 | Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions) | 32 | 978. |
| 33 | Amounts paid for disallowed fringes | 33 | |
| 34 | Charitable contributions (see instructions for limitation rules) | 34 | 0. |
| 35 | Total unrelated business taxable income before pre-2018 NOLs and specific deduction. Subtract line 34 from the sum of lines 32 and 33 | 35 | 978. |
| 36 | Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions) STMT 3 | 36 | 978. |
| 37 | Total of unrelated business taxable income before specific deduction. Subtract line 36 from line 35 | 37 | |
| 38 | Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions) | 38 | 1,000. |
| 39 | Unrelated business taxable income. Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37 | 39 | 0. |

Part IV Tax Computation

| | | | |
|----|---|----|----|
| 40 | Organizations Taxable as Corporations. Multiply line 39 by 21% (0.21) | 40 | 0. |
| 41 | Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 39 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041) | 41 | |
| 42 | Proxy tax. See instructions | 42 | |
| 43 | Alternative minimum tax (trusts only) | 43 | |
| 44 | Tax on Noncompliant Facility Income. See instructions | 44 | |
| 45 | Total. Add lines 42, 43, and 44 to line 40 or 41, whichever applies | 45 | 0. |

Part V Tax and Payments

| | | | |
|-----|--|-----|----|
| 46a | Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) | 46a | |
| b | Other credits (see instructions) | 46b | |
| c | General business credit. Attach Form 3800 | 46c | |
| d | Credit for prior year minimum tax (attach Form 8801 or 8827) | 46d | |
| e | Total credits. Add lines 46a through 46d | 46e | |
| 47 | Subtract line 46e from line 45 | 47 | 0. |
| 48 | Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule) | 48 | |
| 49 | Total tax. Add lines 47 and 48 (see instructions) | 49 | 0. |
| 50 | 2019 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 3 | 50 | 0. |
| 51a | Payments: A 2018 overpayment credited to 2019 | 51a | |
| b | 2019 estimated tax payments | 51b | |
| c | Tax deposited with Form 8868 | 51c | |
| d | Foreign organizations: Tax paid or withheld at source (see instructions) | 51d | |
| e | Backup withholding (see instructions) | 51e | |
| f | Credit for small employer health insurance premiums (attach Form 8941) | 51f | |
| g | Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total | 51g | |
| 52 | Total payments. Add lines 51a through 51g | 52 | |
| 53 | Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/> | 53 | |
| 54 | Tax due. If line 52 is less than the total of lines 49, 50, and 53, enter amount owed | 54 | |
| 55 | Overpayment. If line 52 is larger than the total of lines 49, 50, and 53, enter amount overpaid | 55 | |
| 56 | Enter the amount of line 55 you want: Credited to 2020 estimated tax Refunded | 56 | |

Part VI Statements Regarding Certain Activities and Other Information (see instructions)

| | | | |
|----|--|-----|----|
| 57 | At any time during the 2019 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here | Yes | No |
| 58 | During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see instructions for other forms the organization may have to file. | | X |
| 59 | Enter the amount of tax-exempt interest received or accrued during the tax year \$ | | |

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ Title **GENERAL MANAGER**

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

| | | | | |
|--|----------------------|----------|---|-----------|
| Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| CRAIG POPENHAGEN | CRAIG POPENHAGEN | 11/10/20 | | P01587689 |
| Firm's name | Firm's EIN | | | |
| CLIFTONLARSONALLEN LLP | 41-0746749 | | | |
| Firm's address | Phone no. | | | |
| 2689 COMMERCE DRIVE NW, SUITE 201 ROCHESTER, MN 55901 | 507-280-2300 | | | |

Schedule A - Cost of Goods Sold. Enter method of inventory valuation ► **N/A**

| | | | | | |
|---|-----------|----------------|---|------------|----------------|
| 1 Inventory at beginning of year | 1 | 0 . | 6 Inventory at end of year | 6 | 0 . |
| 2 Purchases | 2 | | 7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 | 7 | 8,317 . |
| 3 Cost of labor | 3 | | 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? | Yes | No |
| 4a Additional section 263A costs (attach schedule) | 4a | | | | |
| b Other costs (attach schedule) ** | 4b | 8,317 . | | | |
| 5 Total. Add lines 1 through 4b | 5 | 8,317 . | | | |

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property(1)
(2)
(3)
(4)**2.** Rent received or accrued

| | | |
|--|--|--|
| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%) | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) | 3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) |
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| Total 0 . | Total 0 . | |

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ►**(b) Total deductions.** Enter here and on page 1, Part I, line 6, column (B) ... ► **0 .****Schedule E - Unrelated Debt-Financed Income** (see instructions)

| 1. Description of debt-financed property | | 2. Gross income from or allocable to debt-financed property | 3. Deductions directly connected with or allocable to debt-financed property | |
|--|--|--|---|--|
| | | | (a) Straight line depreciation (attach schedule) | (b) Other deductions (attach schedule) |
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| 4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) | 5. Average adjusted basis of or allocable to debt-financed property (attach schedule) | 6. Column 4 divided by column 5 | 7. Gross income reportable (column 2 x column 6) | 8. Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
| (1) | | % | | |
| (2) | | % | | |
| (3) | | % | | |
| (4) | | % | | |
| Totals | | | Enter here and on page 1, Part I, line 7, column (A). 0 . | Enter here and on page 1, Part I, line 7, column (B). 0 . |
| Total dividends-received deductions included in column 8 | | | 0 . | 0 . |

** SEE STATEMENT 4

Form 990-T (2019)

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

| 1. Name of controlled organization | 2. Employer identification number | Exempt Controlled Organizations | | | |
|------------------------------------|-----------------------------------|---|-------------------------------------|---|--|
| | | 3. Net unrelated income (loss) (see instructions) | 4. Total of specified payments made | 5. Part of column 4 that is included in the controlling organization's gross income | 6. Deductions directly connected with income in column 5 |
| (1) | | | | | |
| (2) | | | | | |
| (3) | | | | | |
| (4) | | | | | |

Nonexempt Controlled Organizations

| 7. Taxable income | 8. Net unrelated income (loss) (see instructions) | 9. Total of specified payments made | 10. Part of column 9 that is included in the controlling organization's gross income | 11. Deductions directly connected with income in column 10 |
|---------------------|---|-------------------------------------|--|---|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| Totals | | | Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A). 0. | Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B). 0. |

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

| 1. Description of income | 2. Amount of income | 3. Deductions directly connected (attach schedule) | 4. Set-asides (attach schedule) | 5. Total deductions and set-asides (col. 3 plus col. 4) |
|--------------------------|---------------------|--|---------------------------------|--|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| Totals | | Enter here and on page 1, Part I, line 9, column (A). 0. | | Enter here and on page 1, Part I, line 9, column (B). 0. |

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

| 1. Description of exploited activity | 2. Gross unrelated business income from trade or business | 3. Expenses directly connected with production of unrelated business income | 4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. | 5. Gross income from activity that is not unrelated business income | 6. Expenses attributable to column 5 | 7. Excess exempt expenses (column 6 minus column 5, but not more than column 4). |
|--------------------------------------|---|---|--|---|--------------------------------------|--|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals | | Enter here and on page 1, Part I, line 10, col. (A). 0. | Enter here and on page 1, Part I, line 10, col. (B). 0. | | | Enter here and on page 1, Part II, line 25. 0. |

Schedule J - Advertising Income (see instructions)**Part I Income From Periodicals Reported on a Consolidated Basis**

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|-----------------------------|-----------------------------|--|-----------------------|---------------------|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals (carry to Part II, line (5)) | | 0. | 0. | | | 0. |

Part II **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|--|--|--|-----------------------|---------------------|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals from Part I | 0. | 0. | | | | 0. |
| Totals, Part II (lines 1-5) | Enter here and on page 1, Part I, line 11, col. (A). 0. | Enter here and on page 1, Part I, line 11, col. (B). 0. | | | | Enter here and on page 1, Part II, line 26. 0. |

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

| 1. Name | 2. Title | 3. Percent of time devoted to business | 4. Compensation attributable to unrelated business |
|--|----------|--|--|
| (1) | | % | |
| (2) | | % | |
| (3) | | % | |
| (4) | | % | |
| Total. Enter here and on page 1, Part II, line 14 | | | 0. |

Form **990-T** (2019)

| | | |
|------------|---|-------------|
| FORM 990-T | DESCRIPTION OF ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY | STATEMENT 1 |
|------------|---|-------------|

RESALE OF MERCHANDISE TO NON-MEMBERS OF TRAVERSE ELECTRIC COOPERATIVE

TO FORM 990-T, PAGE 1

| | | |
|------------|------------------|-------------|
| FORM 990-T | OTHER DEDUCTIONS | STATEMENT 2 |
|------------|------------------|-------------|

| | |
|-------------|--------|
| DESCRIPTION | AMOUNT |
|-------------|--------|

| | |
|-----------------|------|
| TAX PREPARATION | 800. |
|-----------------|------|

| | |
|--------------------------------------|------|
| TOTAL TO FORM 990-T, PAGE 1, LINE 27 | 800. |
|--------------------------------------|------|

| | | |
|------------|------------------------------|-------------|
| FORM 990-T | NET OPERATING LOSS DEDUCTION | STATEMENT 3 |
|------------|------------------------------|-------------|

| TAX YEAR | LOSS SUSTAINED | LOSS PREVIOUSLY APPLIED | LOSS REMAINING | AVAILABLE THIS YEAR |
|----------|----------------|-------------------------|----------------|---------------------|
|----------|----------------|-------------------------|----------------|---------------------|

| | | | | |
|----------|---------|---------|---------|---------|
| 12/31/06 | 97,683. | 97,683. | 0. | 0. |
| 12/31/08 | 30,719. | 14,845. | 15,874. | 15,874. |
| 12/31/09 | 12,121. | 0. | 12,121. | 12,121. |
| 12/31/10 | 4,222. | 0. | 4,222. | 4,222. |

| | | | | |
|-----------------------------------|--|--|---------|---------|
| NOL CARRYOVER AVAILABLE THIS YEAR | | | 32,217. | 32,217. |
|-----------------------------------|--|--|---------|---------|

| | | |
|------------|----------------------------------|-------------|
| FORM 990-T | COST OF GOODS SOLD - OTHER COSTS | STATEMENT 4 |
|------------|----------------------------------|-------------|

| | |
|-------------|--------|
| DESCRIPTION | AMOUNT |
|-------------|--------|

| | |
|---------------------------------------|--------|
| MATERIAL COSTS, LABOR COSTS, BENEFITS | 8,317. |
|---------------------------------------|--------|

| | |
|--|--------|
| TOTAL TO FORM 990-T, SCHEDULE A, LINE 4B | 8,317. |
|--|--------|

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-0047

► **File a separate application for each return.**
► **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

| | | |
|--|---|---|
| Type or print File by the due date for filing your return. See instructions. | Name of exempt organization or other filer, see instructions. TRAVERSE ELECTRIC COOPERATIVE, INC. | Taxpayer identification number (TIN) 41-0581955 |
| | Number, street, and room or suite no. If a P.O. box, see instructions. 1618 BROADWAY P.O. BOX 66 | |
| | City, town or post office, state, and ZIP code. For a foreign address, see instructions. WHEATON, MN 56296-0066 | |

Enter the Return Code for the return that this application is for (file a separate application for each return)

| | |
|---|---|
| 0 | 1 |
|---|---|

| Application Is For | Return Code | Application Is For | Return Code |
|--|-------------|-----------------------------------|-------------|
| Form 990 or Form 990-EZ | 01 | Form 990-T (corporation) | 07 |
| Form 990-BL | 02 | Form 1041-A | 08 |
| Form 4720 (individual) | 03 | Form 4720 (other than individual) | 09 |
| Form 990-PF | 04 | Form 5227 | 10 |
| Form 990-T (sec. 401(a) or 408(a) trust) | 05 | Form 6069 | 11 |
| Form 990-T (trust other than above) | 06 | Form 8870 | 12 |

MELISSA PRZYMUS

- The books are in the care of ► **1618 BROADWAY - WHEATON, MN 56296**
Telephone No. ► **320-563-8616** Fax No. ► _____
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and TINs of all members the extension is for.

- 1 I request an automatic 6-month extension of time until **NOVEMBER 16, 2020**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☒ calendar year **2019** or
► ☐ tax year beginning _____, and ending _____.

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

| | | | |
|---|-----------|----|-----------|
| 3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. | 3a | \$ | 0. |
| b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. | 3b | \$ | 0. |
| c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. | 3c | \$ | 0. |

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-0047

► **File a separate application for each return.**
► **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

| | | |
|--|---|---|
| Type or print File by the due date for filing your return. See instructions. | Name of exempt organization or other filer, see instructions. TRAVERSE ELECTRIC COOPERATIVE, INC. | Taxpayer identification number (TIN) 41-0581955 |
| | Number, street, and room or suite no. If a P.O. box, see instructions. 1618 BROADWAY P.O. BOX 66 | |
| | City, town or post office, state, and ZIP code. For a foreign address, see instructions. WHEATON, MN 56296-0066 | |

Enter the Return Code for the return that this application is for (file a separate application for each return)

| | |
|---|---|
| 0 | 7 |
|---|---|

| Application Is For | Return Code | Application Is For | Return Code |
|--|-------------|-----------------------------------|-------------|
| Form 990 or Form 990-EZ | 01 | Form 990-T (corporation) | 07 |
| Form 990-BL | 02 | Form 1041-A | 08 |
| Form 4720 (individual) | 03 | Form 4720 (other than individual) | 09 |
| Form 990-PF | 04 | Form 5227 | 10 |
| Form 990-T (sec. 401(a) or 408(a) trust) | 05 | Form 6069 | 11 |
| Form 990-T (trust other than above) | 06 | Form 8870 | 12 |

MELISSA PRZYMUS

- The books are in the care of ► **1618 BROADWAY - WHEATON, MN 56296**
Telephone No. ► **320-563-8616** Fax No. ► _____
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and TINs of all members the extension is for.

- 1 I request an automatic 6-month extension of time until **NOVEMBER 16, 2020**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☒ calendar year **2019** or
► ☐ tax year beginning _____, and ending _____.

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

| | | | |
|--|----|----|----|
| 3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. | 3a | \$ | 0. |
| b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. | 3b | \$ | 0. |
| c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. | 3c | \$ | 0. |

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.



- Make your check payable to "Minnesota Revenue."
- Print your Minnesota Tax ID number in the memo line of your check.
- Mail your payment and the voucher below to the address on the voucher.

- Is printed with 66 digits - characters, symbols, or masking are unacceptable.
- Is not cut off or missing.

[illegible]



2019 M4NP Unrelated Business Income Tax (UBIT) Return

For tax-exempt organizations, cooperatives, homeowners associations, and political organizations with unrelated business income.

Tax year beginning 01012019, 2019, and ending 12312019 (required)

| | | | |
|---|--------------------------|---|---|
| Name of Organization TRAVERSE ELECTRIC COOPERATIVE, INC. | | FEIN 410581955 | Minnesota Tax ID (required) 8171756 |
| Mailing Address 1618 BROADWAY P.O. BOX 66 | | This Organization Files Federal Form (check one) <input checked="" type="checkbox"/> 990-T <input type="checkbox"/> 1120-C <input type="checkbox"/> 1120-H <input type="checkbox"/> 1120-POL | |
| City WHEATON | County TRAVERS | State MN | ZIP Code 562960066 |
| Check All That Apply: <input type="checkbox"/> Amended Return <input type="checkbox"/> Filing Under an Extension <input type="checkbox"/> Final Return (see inst., pg. 4) | | Exempt Under IRS Section (check one) <input checked="" type="checkbox"/> 501(c)(12) <input type="checkbox"/> 528 <input type="checkbox"/> Other: | |
| Enter your NAICS Codes (see instructions, pg. 4) 541900 / 621610 | | Was 100 percent of the business conducted in Minnesota for this tax year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (complete and attach Schedule M4NPA) | |

You must round amounts to nearest whole dollar.

| | | | |
|----|---|----|-------------------|
| 1 | Federal taxable income before net operating loss and specific deduction (from federal Form 990-T, line 29 or total of line 29 from all 990-T schedule Ms; 1120-C, line 25c; 1120-H, line 17; or 1120-POL, line 17c)..... | 1 | <u>978</u> |
| 2 | Total additions to federal taxable income (from M4NPI, line 1) | 2 | <u> </u> |
| 3 | Federal taxable income after additions (add lines 1 and 2) | 3 | <u>978</u> |
| 4 | Total subtractions from federal taxable income (from M4NPI, line 2) | 4 | <u> </u> |
| 5 | Federal taxable income (loss) after subtractions. (See instructions.) If you conducted business both within and outside Minnesota, complete M4NPA. (See instructions, pg. 4.) If 100% of your activities were conducted in Minnesota, do not complete M4NPA. Enter line 5 on line 6 | 5 | <u>978</u> |
| 6 | Minnesota taxable net income (loss) (from M4NPA, line 10.) If 100% of your activities were conducted in Minnesota, enter amount from line 5 above. | 6 | <u>978</u> |
| 7 | Minnesota net operating loss deduction (from M4NP NOL) | 7 | <u>-782</u> |
| 8 | Subtract line 7 from line 6 (if zero or less, enter zero) | 8 | <u>196</u> |
| 9 | Total deductions from taxable net income (from M4NPI, line 3) | 9 | <u> </u> |
| 10 | Taxable income (subtract line 9 from line 8; if zero or less, enter zero) | 10 | <u>196</u> |
| 11 | Regular tax (multiply line 10 by 9.8% [0.098]; if zero or less, enter zero) | 11 | <u>19</u> |
| 12 | Proxy tax (see instructions, pg. 4) | 12 | <u> </u> |
| 13 | Tax before credits (add lines 11 and 12) | 13 | <u>19</u> |
| 14 | Total credits against tax (from M4NPI, line 4) | 14 | <u> </u> |
| 15 | Minnesota tax liability (subtract line 14 from line 13; if zero or less, enter zero) | 15 | <u>19</u> |

Continued next page

2019 M4NP UBIT Return, Page 2 (continued)

| | | |
|-------------------------------------|-----------|------------------|
| Name of Organization | FEIN | Minnesota Tax ID |
| TRAVERSE ELECTRIC COOPERATIVE, INC. | 410581955 | 8171756 |

| | | | |
|----|---|----|----|
| 16 | Minnesota Nongame Wildlife Fund donation (see instructions, pg. 4) | 16 | |
| 17 | Add lines 15 and 16 | 17 | 19 |
| 18 | Total refundable credits (from M4NP, line 5) | 18 | |
| 19 | Amount credited from your 2018 Form M4NP, line 32 | 19 | |
| 20 | 2019 estimated tax payments | 20 | |
| 21 | 2019 extension payment | 21 | |
| 22 | Total refundable credits and payments (add lines 18, 19, 20, and 21) | 22 | |
| 23 | Subtract line 22 from line 17 | 23 | 19 |
| 24 | Penalty (determine from worksheet in the instructions, pg. 5) | 24 | 2 |
| 25 | Interest (determine from worksheet in the instructions, pg. 5) | 25 | |
| 26 | Additional charge for underpayment of estimated tax (from M15NP, line 17) | 26 | |
| 27 | Tax, Nongame Wildlife Fund donation, penalty, interest and additional charge for underpayment of estimated tax (add lines 17, 24, 25, and 26) | 27 | 21 |
| 28 | Amount from line 27 | 28 | 21 |
| 29 | Amount from line 22 | 29 | |
| 30 | AMOUNT DUE. If line 28 is more than or equal to line 29, subtract line 29 from 28 | 30 | 21 |

Payment method: ☐ Electronic (see inst., pg. 2) ☒ Check (see inst., pg. 2) ☐ Amended return payment by check (see inst., pg. 2)

| | | | |
|----|---|----|--|
| 31 | OVERPAYMENT. If line 29 is more than line 28, subtract line 28 from line 29 | 31 | |
| 32 | Amount of line 31 to be credited to your 2020 estimated tax | 32 | |
| 33 | Refund (subtract line 32 from line 31) | 33 | |

To have your refund direct deposited, enter your banking information below.

Account type: Routing number Account number (use an account not associated with any foreign banks)

| | | |
|--|--|--|
| <input type="checkbox"/> Checking <input type="checkbox"/> Savings | | |
|--|--|--|

I declare that this return is correct and complete to the best of my knowledge and belief.

| | | | | |
|--|--|----------|---------------|--|
| Authorized Signature | Title | Date | Daytime Phone | <input checked="" type="checkbox"/> I authorize the Minnesota Department of Revenue to discuss this tax return with the paid preparer listed here. |
| | GENERAL MANAGER | | 3205638616 | |
| Paid Preparer's Signature | PTIN | Date | Daytime Phone | |
| CRAIG POPENHAGEN | P01587689 | 11102020 | 5072802300 | |
| Email Address for Correspondence, if Desired | This email address belongs to (check one): | | | |
| | <input type="checkbox"/> Employee <input type="checkbox"/> Paid Preparer | | | |

Attach a complete copy of your federal Form 990-T, 1120-C, 1120-H or 1120-POL and all supporting schedules.

Mail to: Minnesota Revenue, Mail Station 1257, St. Paul, MN 55146-1257

M4NP

WORKSHEET FOR LINES 24 AND 25

STATEMENT 1

- | | | |
|---|--|-----|
| 1 | TAX NOT PAID BY THE REGULAR FILING DUE DATE. | 19. |
| 2 | LATE PAYMENT PENALTY*. MULTIPLY STEP 1 BY 6%. | 1. |
| 3 | LATE FILING PENALTY. IF YOU ARE FILING YOUR RETURN AFTER THE EXTENDED DUE DATE, MULTIPLY STEP 1 BY 5%. | 1. |
| 4 | EXTENDED DELINQUENCY. IF YOUR RETURN IS FILED AFTER THE REGULAR DUE DATE WITH A BALANCE DUE RETURN, MULTIPLY STEP 1 BY 5%. | |
| 5 | ELECTRONIC PAYMENT. IF YOU'RE REQUIRED TO PAY ELECTRONICALLY AND YOU DON'T, MULTIPLY YOUR PAYMENT AMOUNT BY 5%. | |
| 6 | PENALTIES. ADD STEPS 2 THROUGH 5, AND ENTER THE RESULTS HERE AND ON FORM M4NP, LINE 24. | 2. |

INTEREST IN CURRENT YEAR

- | | | |
|----|---|-------|
| 7 | NUMBER OF DAYS THE TAX IS LATE**. | 0. |
| 8 | ENTER THE APPLICABLE INTEREST RATE. FOR 2019 THE RATE IS 5%. | 5% |
| 9 | MULTIPLY STEP 7 BY STEP 8. | |
| 10 | DIVIDE STEP 9 BY 365 (CARRY TO FIVE DECIMAL PLACES). | |
| 11 | INTEREST. MULTIPLY THE SUM OF STEPS 1 AND 6 BY STEP 10. ENTER THE RESULT HERE. | _____ |

INTEREST IN NEXT YEAR

- | | | |
|----|---|--------|
| 7 | NUMBER OF DAYS THE TAX IS LATE**. | 184 |
| 8 | ENTER THE APPLICABLE INTEREST RATE. FOR 2020 THE RATE IS 5%. | 5% |
| 9 | MULTIPLY STEP 7 BY STEP 8. | 9.00 |
| 10 | DIVIDE STEP 9 BY 366 (CARRY TO FIVE DECIMAL PLACES). | .02514 |
| 11 | INTEREST. MULTIPLY THE SUM OF STEPS 1 AND 6 BY STEP 10. ENTER THE RESULT HERE. | _____ |

TOTALS

| | |
|--------------------------------|-----|
| TOTAL DAYS LATE | 184 |
| TOTAL INTEREST TO M4NP LINE 25 | 1. |

* IF YOU PAID AT LEAST 90 PERCENT OF TOTAL TAX BY THE REGULAR DUE DATE AND REMAINING BALANCE BY THE EXTENDED DUE DATE, YOU WILL NOT BE CHARGED A LATE PAYMENT PENALTY.

** IF THE DAYS FALL IN MORE THAN ONE CALENDAR YEAR, DETERMINE STEPS 7-11 SEPARATELY FOR EACH YEAR.



2019 M4NP NOL, Net Operating Loss Deduction

For tax-exempt organizations and cooperatives that file federal form 990-T or 1120-C.

| Name of Organization | | FEIN | Minnesota Tax ID |
|-------------------------------------|--|-----------|------------------|
| TRAVERSE ELECTRIC COOPERATIVE, INC. | | 410581955 | 8171756 |

| Year | Minnesota Taxable Net Income/Loss | Minnesota Losses Used | Minnesota Losses Carried Back | Losses Remaining |
|-------------------|-----------------------------------|--------------------------------------|--|------------------|
| Oldest loss year | | | | |
| 12312006 | -97683 | | | -97683 |
| Subsequent year 1 | | | | |
| 12312007 | 31204 | -31204 | | -66479 |
| 2 | | | | |
| 12312008 | -30719 | | | -97198 |
| 3 | | | | |
| 12312009 | -12121 | | | -109319 |
| 4 | | | | |
| 12312010 | -4222 | | | -113541 |
| 5 | | | | |
| 12312011 | 22824 | -22824 | | -90717 |
| 6 | | | | |
| 12312012 | 8933 | -8933 | | -81784 |
| 7 | | | | |
| 12312013 | 2772 | -2772 | | -79012 |
| 8 | | | | |
| 12312014 | 2541 | -2541 | | -76471 |
| 9 | | | | |
| 12312015 | 13679 | -13679 | | -62792 |
| 10 | | | | |
| 12312016 | 14909 | -14909 | | -47883 |
| 11 | | | | |
| 12312017 | 14494 | -14494 | | -33389 |
| 12 | | | | |
| 12312018 | 1172 | -938 | | -32451 |
| 13 | | | | |
| 12312019 | 978 | 782 | | -31669 |
| 14 | | | | |
| 15 | | | | |
| 2019 Summary: | | Net operating loss deduction -782 | Total losses remaining (to be carried forward) -31669 | |
| | | Enter on M4NP, line 7 | | |

