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Mark Your Calendar

March 15 Electric Bills Due

March 19 Annual Meeting

March 31 Board Meeting



Find Your Account Number & Win!

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

Congratulations to Walter Braun for finding his account number in the last issue for a \$10 bill credit.



2025 in Review

Traverse Electric Cooperative Annual Report from the President and General Manager

Doug Diekmann
President

Jeremy Huhnstock
General Manager



It is our pleasure to welcome everyone to Traverse Electric's 86th annual meeting on behalf of the board of directors and your co-op employees. This year's annual meeting will be held in-person at Wheaton High School on March 19th at 6:30pm. This year will be a business meeting only, where registered members, who stay for the business meeting, will receive a \$40 food voucher that can be used at many area participating businesses that are printed on the back of the voucher anytime until the end of 2026. Although we encourage everyone to use their \$40 vouchers at our area restaurants, vouchers may also be turned into Traverse Electric's office for a \$20 electric bill credit.

In 2025, TEC received high marks in several categories. Your Cooperative ended the year with \$15,525,629 in operating revenue and 132,672,006 in kWh sales. In addition, we ended the year with an operating margin of \$954,453 and total margins of \$2,130,542. We returned \$638,109 to estates and general retirement capital credits to those who received electricity in 2009 due to the Cooperative's sound and stable financial condition. That adds up to more than \$12.4 million returned over the years - quantifiable proof that you are an owner of a successful, effective organization.

The Cooperative's growth continued in 2025, with line crews installing and upgrading services for new homes & cabins, grain dryers, and tile pumps. In 2025, a total of 35 new services were installed and 24 services were retired. Traverse was able to continue with our

4-year work plan projects. All of our projects are based on load, age, and reliability. We continued to work on our maintenance programs, including pole testing, OCR maintenance, overhead line inspection, underground inspection, and right-of-way inspection.

While we are proud that planning and hard work has paid off, we still remind ourselves that dependable service and customer satisfaction are as - or maybe more critical - than bottom-line numbers. As we work our way into 2026, we will keep those thoughts in mind and continue to deliver more than just electricity to our members.

In closing, our sincere thanks to our members for your continued patronage this past year. We appreciate your business and the opportunity to serve as your board president and general manager. We also want to express our thanks and appreciation to our employees. Their constant service, commitment to the membership, and support for our mission have enabled the Cooperative to complete another successful year in 2025. Their collective expertise and steadfast effort at what they do help us move forward confidently down this new road we are traveling as we search and discover new and better ways to serve our members. Cheers to a happy & healthy 2026!!

At your service we remain,

*President Diekmann &
General Manager Huhnstock*

Traverse Electric Cooperative, Inc. 86th Annual Meeting | March 19, 2026 6:30 PM BUSINESS MEETING ONLY

Registration begins at 6:00 PM

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

Notice is hereby given that the annual membership meeting of Traverse Electric Cooperative, Inc. will be held on Thursday, March 19, 2026 at the Wheaton High School with a business meeting only (no catered meal) at 6:30 PM. Members will register, receive a registration gift, and will also receive a \$40 food voucher immediately following the business meeting that can be used at area participating restaurants or it can be redeemed for a \$20 electric bill credit. We encourage you to use them to support our area restaurants that are printed on the back of the voucher.

This year Districts 1, 4, and 7 have director seats up for election for a three year term. Registered members of those districts will receive a ballot to vote for their director if there is more than one candidate seeking election. Voting will take place during the meeting. You are a member of Traverse Electric if you are currently receiving electric service from Traverse Electric, and the electric account is in your name.

The General Manager’s Report, reviewing the operations of your cooperative in 2025 and other pertinent information will be given at the meeting.

After the meeting, names will be drawn from registered members in attendance for bill credits and prizes. All members departing the business meeting will receive a \$40 food voucher (limit one per membership). 26942

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

District 1

Kaley Thoennes

District 4

Doug Diekmann

District 7

Jared Hamling

AGENDA

6:00 P.M.

Registration

6:30 P.M.

Call of Meeting by Doug Diekmann, President

Introduction of Directors and Guests

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

Minutes of last Annual Meeting by Matthew Glynn, Secretary

East River Update

MREA Update: Darrick Moe
Treasurer’s Report by Manager, Jeremy Huhnstock

General Operating Report by Manager, Jeremy Huhnstock

Questions

President’s Report by Doug Diekmann

Opening of Polls

Closing of Polls

2025 Washington DC Youth Tour Report - Emily Kellen

Old Business

New Business

Announcement of Results of Election of Directors

Prizes

Adjournment

85th Annual Meeting Traverse Electric Cooperative, Inc. Minutes, March 20, 2025

The eighty-fifth annual meeting of Traverse Electric Cooperative was held in the High School Auditorium at Wheaton, Minnesota on Thursday, March 20, 2025. Registration started at 6:00 p.m. The business meeting started at 6:30 p.m. with 101 registered members. Members received a \$40 food voucher after the meeting and were encouraged to use them at participating restaurants printed on the back of the voucher or redeem the voucher for a \$20 electric bill credit.

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

The Pledge of Allegiance was recited.

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

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

Secretary Glynn, read the Notice of Mailing and Proof of Mailing. Secretary Glynn called for the reading of the minutes of the last annual meeting and requested to dispense with the reading of the minutes. A motion was made and seconded to dispense with the reading of the March 21, 2024 minutes as printed in the March newsletter and to approve them. Motion carried.

The Board of Directors and employees were recognized for their hard work and dedication.

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Balance Sheet

December 31, 2025

What We Have

Assets and Other Debits	
Utility Plant	
Utility Plant in Service	\$43,410,186
Construction Work in Progress	<u>\$238,809</u>
Total Utility in Plant	\$43,648,995
Less: Reserve for Depreciation	<u>\$13,329,749</u>
Utility Plant Less Reserve for Depreciation	\$30,319,246
Other Property & Investments	
Non-Utility Property - Net	\$411,839
Capital Credits-East River, Basin & CFC	\$8,649,574
Investments in associated Enterprises	\$396,217
Temporary Investments	\$2,624,728
Other Special Funds	<u>\$600,000</u>
Total Other Property & Investments	\$12,682,358
Current Assets and Deferred Charges:	
Special Deposits \$0	
Accounts Receivable	\$1,100,040
Prepayments/Materials and Supplies	\$1,012,458
Interest Receivable	\$2,991
Deferred Debits	<u>\$48,661</u>
Total Current Assets and Deferred Debits	\$2,164,150
Total Assets and Other Debits	<u><u>\$45,165,753</u></u>

What We Owe

Liabilities and Deferred Credits	\$600,000
Long-Term Obligations to REA	\$22,591,675
Long-Term Obligations Other	\$393,134
Current and Accrued Liabilities	\$1,261,871
Deferred Credits	<u>\$41,528</u>
Total Liabilities and Deferred Debits	\$24,888,209
Net Assets - Member Equities	<u>\$20,277,545</u>
Total Liabilities and Other Credits	<u><u>\$45,165,753</u></u>

What We Own

Member Equities	
Patronage Capital	\$17,452,535
Operating Margin - Current Year	\$954,435
Non-Operating Margin	\$1,176,110
Other Equities	<u>\$694,465</u>
Total Member Equities	<u><u>\$20,277,545</u></u>

Comparative Operating Statistics

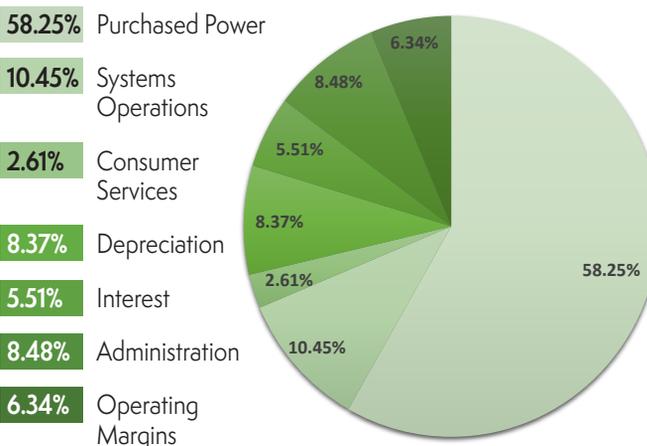
	2024	2025
Number of Miles Energized - Distribution	1,695	1,693
Number of Services in Place	3,383	3,399
Kilowatt Hours Purchases	136,864,919	139,069,665
Kilowatt Hours Sold	130,505,113	132,672,006
Percent Line Loss	4%	4%

Revenue and Expenses

January 1 to December 31, 2025

Operating Revenue	\$15,048,864
Cost of Purchased Power	\$8,765,402
Total System Operations	\$1,571,981
Total Consumer Services	\$392,893
Total Depreciation	\$1,259,057
Total Interest	\$829,611
Total Administration	<u>\$1,275,485</u>
Total Cost of Electric Service	<u>\$14,094,429</u>
Operating Margins	\$954,435
Non-Operating Margins	\$497,836
Transmission Capital Credits	\$678,272
Total Margins	\$2,130,542

What Do Your Dollars Pay For?



Summary of Loan Fund

Total Debt Obligation, December 31, 2024	22,984,809
Balance	22,984,809
Less: Advance Payments	0
Net Obligations to RUS, FFB, CFC and USDA 12/31/2024	22,984,809

Capital Credits Paid**

1956 to 2009.....	\$5,634,652.43	2019	\$450,000.00
2010	\$331,007.12	2020	\$600,000.00
2011	\$384,588.29	2021	\$600,000.00
2012	\$220,197.99	2022	\$600,000.00
2013	\$199,990.49	2023	\$600,000.00
2014	\$299,995.08	2024	\$468,822.48
2015	\$288,893.81	2025	\$638,109.11
2016	\$300,004.40		
2017.....	\$400,010.49	Total	
2018	\$400,000.00	Paid Back	\$12,416,271.69

* Capital credits shown above have been paid to estates of deceased members plus payments to members for years 1942 through 2009.

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Bob Sahr was introduced as a special guest from East River Electric. Sahr spoke about East River, its relationship to Traverse Electric, pertinent legislative issues, and the power demands of large loads.

General Manager, Jeremy Huhnstock presented the 2024 Operating and Financial Reports. Topics reviewed included:

- Our March 31, 2024 and year end December 31, 2023 financials received a clean audit report by our independent auditing firm, CliftonLarsonAllen. The March 31, 2025 and December 24, 2024 audit will take place in May 2025.
- 2024 operating revenue and kwh sales were reviewed.
- Capital credits were retired in December 2024 totaling \$468,822 from 2008 to members and estates.
- Reported that a rate increase was necessary in 2025 due to increased power costs.
- Reviewed new services connected and projects completed in 2024. Most of the new services were for tile pumps and over 90 services were retired.
- Reported on maintenance programs such as pole testing, tree trimming, and OCRs that are on a rotation schedule.
- In 2024, both our short and long range construction work plans were approved
- Reported on a \$1.2 million dollar grant awarded to convert 8.5 miles of 3 phase line to underground out of the Wendell Substation, and a \$250,000 grant for electronic reclosers on the Doran, Wheaton, and Beardsley Substations.

General Manager Huhnstock asked the membership if they had any questions on the reports. After no further questions, a motion was made and seconded to accept the Treasurer and Operations Reports as given. Motion carried.

President Diekmann gave the Presidents Report:

- Encouraged members to read the report as printed in the newsletter.
- Present and past board members in attendance were recognized.
- Explained the reasons for the rate increase based on our COSS.

- Reported that the old building and property hopefully will be sold soon.
- Reported on Minnesota and South Dakota legislation that affect the co-op.
- Scholarship winners were announced.

President Diekmann opened the polls for the election of directors. The candidates running for director from Districts 3, 6, and 9 were running unopposed for a three year term. Any member from these districts can be a candidate for director by obtaining 10 signatures from members in their district or be nominated at the District Meeting. Diekmann announced the following candidates who were nominated at the district meetings or turned in signed petitions with at least 10 member signatures:

District 3	Michael Gaulrapp
District 6	Stacy Ehlers
District 9	Terry Monson

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

Diekmann announced that District 1 director, Tom Frisch, resigned from the board. Diekmann presented Frisch with a plaque and thanked him for his service on the board.

Diekmann reported that Kaley Thoennes turned in a petition signed by ten members of her District to be a director candidate to complete Frisch's term to expire in March 2026. A motion was made and seconded from the floor to cast a unanimous ballot for District 1 and approve Thoennes to complete the term. Diekmann welcomed Thoennes to the Board.

Amsden Piotter, our 2024 Washington DC Youth Tour delegate, was not able to attend to give his trip report. Monson read a written report from Piotter about his trip and experiences.

Huhnstock asked for any old business, and there being none, he proceeded to ask for any new business. There were a few questions from the floor from members regarding a bill that was defeated in SD about smart meters, municipals annexing co-op territory, and high tech loads that are looking for low cost power.

The door prize drawings were held.

With no other business, a motion was made and seconded from the floor to adjourn.

Final adjournment.

BOARD OF DIRECTORS

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

OFFICE PERSONNEL

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

OPERATIONS PERSONNEL

Richard Davis – Foreman
Joe Gahlon – Journeyman Lineworker
Isaac Hoverson – Journeyman Lineworker
Austin Reinke – Journeyman Lineworker
Tristan Varpness – Journeyman Lineworker
Tayden George – Apprentice Lineworker
Jordan Pearson – Apprentice Lineworker
Chris Falk – Facility/Staking Technician
Robert Groebner – Facility Technician

GENERAL MANAGER'S CONTACT INFORMATION

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

MEMBER SERVICE REP/ MASTER ELECTRICIAN

Connor Bartz
– Journeyman Electrician 320-287-0009

ELECTRICAL INSPECTORS MINNESOTA

Brandon Lennox	320-808-5309
Big Stone County	Grant County
Stevens County	Traverse County
Brent Piekarski	651-420-0855
Wilkin County	

NORTH DAKOTA

Mark Moderow	701-226-3779
Richland County	

SOUTH DAKOTA

Nick Helseth	605-280-2188
Marshall County	Roberts County

In case of a power outage, call

(800) 927-5443

6590 State Highway 27
P.O. Box 66

Wheaton, MN 56296 USA

Toll-free phone: (800) 927-5443

Local phone: (320) 563-8616

Hours of Operation

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

Web site: www.traverseelectric.com

This institution is an equal opportunity provider and employer.

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

Annual Meeting Door Prize Registration Form

Name: _____

Address: _____

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