



## Traverse Electric Facility Update

MANAGER'S COLUMN

Joel Janorschke  
General Manager

As you may have read in previous newsletters, the Traverse Electric Cooperative (TEC) Board of Directors reviewed a comprehensive “Headquarters Building Feasibility Study” prepared by Cooperative Building Solutions (CBS) last January.

CBS is a consulting firm that offers a complete turnkey solution for the planning, design, and construction of rural electric cooperative facilities. CBS conducted an in-depth analysis of our current facility and property to determine the viability of remodeling the existing facility, demolishing the existing facility, and rebuilding on the existing site, or constructing a new facility in a new location.

With direction from the Board of Directors, we began searching for land that would fit our facility expansion. We came across several potential properties

that would fit our needs and brought these sites to the Board of Directors for review.

One of the possible sites that met all the criteria is directly west of our current facility. After several months of discussions, the Board of Directors was presented with the opportunity to purchase the parcel of land directly

west of our current location. After careful consideration and review of our facility and our long-term goals, the Board of Directors has decided to purchase this property for our future facility.

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I will continue to keep the membership informed of any developments as the process unfolds and I will give brief update and I will answer any questions you may have during the district meetings scheduled for the end of January. ▀

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## Energy Saving Tip

Unplug electronics that draw a phantom energy load. Some gadgets like TVs, phone chargers, gaming consoles and toothbrush chargers use energy when plugged into an outlet—even when they’re not in use.



## Mark Your Calendar

Jan. 1 ..... New Year’s Day  
Jan. 15 ..... Electric bills due  
Jan. 24-27 ..... District Meetings  
Feb. 14 ..... Scholarship App Due  
Feb. 15 ..... DC Youth Tour Essay Due  
Mar. 24 ..... Annual Meeting



## Find Your Account Number & Win!

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

## TEC November Financials

	November 2020	November 2021	YTD 2021
Total Revenue	\$1,060,176.89	\$1,176,245.90	\$10,917,565.39
Cost of Power	\$637,466.55	\$660,860.03	\$6,889,064.12
Total Cost of Service	\$904,836.24	\$972,291.88	\$10,288,021.68
Operating Margins	\$155,340.65	\$203,954.02	\$629,543.71
Total Margins	\$161,788.51	\$214,215.71	\$649,450.59
Kilowatt-Hours (kWh) Purchased	11,491,186	12,462,023	117,508,374
Kilowatt-Hours (kWh) Sales	10,943,119	12,137,550	112,045,016
Line Loss	5%	2%	4%

THE COOPERATIVE DIFFERENCE

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

The retirement of capital credit is the tangible demonstration of your ownership in Traverse Electric Cooperative. As a member-owned cooperative, TEC operates as a not-for-profit utility. This is accomplished through the retirement of capital credits. This year we are paying out \$52,157.94 to settle estates, and at the November meeting the board of directors approved the retirement of another \$547,842.06 to people who were members in 2004, 2005, and a portion of 2006. You will see a credit on your December bill if you are still a current qualifying member, and if you have moved off the lines, we will mail you your check in December.

## What are Capital Credits?

Any profits made by the cooperative are referred to as margins. At the end of each year, the margins (profits) are allocated to each member in proportion to the amount of electricity they purchased. The more electricity purchased, the greater the share of the margin allocation that will be made to the member's capital credit account. We have been allocating capital credits since 1942 and have returned more than \$10,105,000 in capital credits to our members. When the allocated funds are returned as capital credits to the cooperative's members, we say that those capital credits have been retired.

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

## What is the difference between allocated and retired capital credits?

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



## Keep current address on file

Even if you no longer receive electric service from Traverse Electric Cooperative, you still may be entitled to receive checks from your capital credit allocation account. Please keep us updated with your current mailing address so we can mail your capital credit retirement checks if you are no longer an active member. Should the member of record pass away, the capital credit account is payable to settle the estate at a discount rate.

## THANK YOU AGRALITE ELECTRIC CO-OP

Thank you to Agralite Electric Co-op, Benson, MN for your assistance and a special thank you to their linemen, Chris Carruth and Jeremy Schauer for their help with outage restorations on December 19 and December 20. Widespread outages affecting about 590 Traverse Electric services, mostly in Minnesota, were due to ice on the lines and high winds that caused galloping and many overhead lines to break. Power was restored to almost all Traverse



Electric services by the afternoon of December 20. Thank you to our members for your patience and understanding during the power outages as we worked tirelessly to get power restored as quickly and safely as possible.

*Pictured are Agralite linemen, Chris Carruth and Jeremy Schauer with Traverse Electric lineman, Chris Falk (right).*



# TEC offers Washington Youth Tour

Spend six days in our nation's capital visiting famous museums and historical sites and chatting with politicians. The best part? Your rural electric cooperative will pay all of the expenses!

Make 2022 the year you experience the monuments that are dedicated to

our country's leaders. Let your voice be heard and get your questions answered.

To apply, visit [www.traverseelectric.com](http://www.traverseelectric.com) or ask your high school counselor. This tour is scheduled for Tuesday, June 14 through Sunday, June 19. ▶

## Scholarships offered to local students

Local students are encouraged to apply for the Basin Electric Power Cooperative scholarship. Applications are available on our website, [www.traverseelectric.com](http://www.traverseelectric.com), and from high school counselors.

Applications can also be picked up at our office or emailed upon request by calling our office at 800-927-5443. Please return your completed application to Traverse Electric Cooperative, Attn: Karen Lupkes, PO Box 66, Wheaton, MN 56296 by Feb. 14, 2022. ▶

# Districts 3, 6, 9 Now Open for Director Nominations

This year, Districts 3 (Michael Gaulrapp), 6 (Russ Armstrong), and 9 (Terry Monson) director terms are up for election for a 3 year term. All nomination committee meetings shown below will begin at noon with a light lunch provided.

- ▶ District 3: Monday, Jan. 24, 2022, at the Campbell Community Center, Campbell, MN
- ▶ Districts 1, 2, 6: Tuesday, Jan. 25, 2022, at Traverse Electric's Office/Warehouse, Wheaton, MN
- ▶ Districts 4, 5: Wednesday, Jan. 26, 2022, at Big G's Pub & Grub, Beardsley, MN
- ▶ Districts 7, 8, 9: Thursday, Jan. 27, 2022, at the Claire City Community Hall, Claire City, SD

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

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

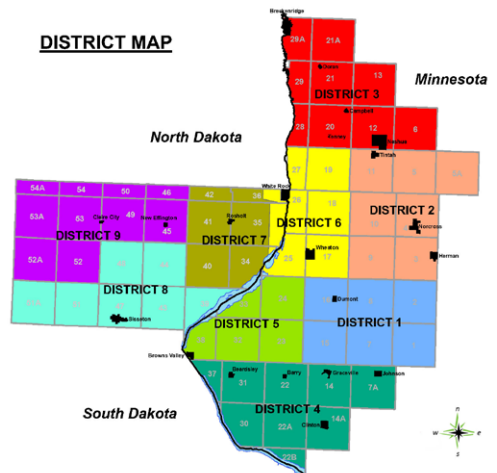
present at such meeting shall nominate one or more members from the district as candidates for the Board of Directors. Nominations may not be closed until all the members present have had an opportunity to nominate. A list of nominations for directors shall be immediately prepared, signed by the Chairman and Secretary, and posted at the principal place of business of the Cooperative.

(b) Nominations by petition. Any ten (10) or more members from any district in which a vacancy will exist on the Board of Directors at the next annual meeting may make other nominations in writing over their signatures not later than 25 days before the annual meeting and the secretary shall post the same at the same place where the list of nominations made by the district meetings is posted.

(c) A ballot marked "Ballot for Directors, District Number \_\_\_\_" shall be prepared for each district in which a vacancy will exist on the Board of Directors at the next annual meeting, which ballot shall contain the number of the district, the names of all nominees from the district so posted, alphabetically arranged, and be distinctive from the ballots for the other districts by color, which ballot shall be delivered to the members of said district, either by mailing or otherwise before the annual meeting or given to said members at the annual meeting. In every election, the nominee from each district in which a vacancy exists receiving the largest number of votes shall be elected to the Board of Directors. In case of a tie vote for director, the incumbent shall remain on the board until the next annual meeting, and the procedure for nomination and election shall be repeated and a director elected at the following annual meeting for the balance of the three-year term. If there is a tie vote and no incumbent, the vacancy can be filled by the directors for the period until the next annual meeting. To notwithstanding anything in this

Section contained, failure to comply with any of the provisions of this Section shall not affect in any manner whatsoever the validity of any election of directors. Members may not nominate from the floor of an annual or special meeting of the members an individual to run for election as a director candidate.

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



**DISTRICT MAP**

See full district map at [www.traverseelectric.com/content/board-directors](http://www.traverseelectric.com/content/board-directors)

## BOARD REPORT

# November 2021 Traverse Electric Board Meeting Highlights

The November board meeting was held on Tuesday, November 30, 2021 at 8 AM. Absent: None.

Staff members present were General Manager, Joel Janorschke, Dale Schwagel, and Karen Lupkes.

President Diekmann called the meeting to order.

The agenda was approved.

The minutes of the October board meeting were approved.

The October check register was approved.

Armstrong & Marks reported on the Basin Annual Meeting.

Discussed the East River video report.

Diekmann gave an East River Board Report.

Janorschke presented the Manager's Report, which included:

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

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

- October 31, 2021 accounts receivable balances were reviewed.
- A list of new members was reviewed.
- Update on Electrical Dept. and Generator Program.
- East River margin stabilization credit reviewed.
- East River power bill and Basin's financial reports reviewed.

Reviewed and approved the October Financial Report.

Schwagel gave the Operations Report. Items discussed included:

- Reviewed new services and completed projects.
- East River is upgrading transformers in the Victor substation requiring planned outages to hook up to a portable substation.

- Reported that a three phase urd line was cut that affected the same members as the Victor substation equipment upgrade outages.
- Reported that lead times for some materials are up to a year or longer.
- A 2022 tree trimming bid is being reviewed.
- Reviewed our Safety Program.
- Outages were reviewed.

Provided a facility planning update.

Reviewed and approved the 2022 Budget and Work Plan Summary.

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

Approved the audit agreement with CliftonLarsonAllen LLP.

Approved revisions to Policy 300.

Reviewed Policy 312 with no revisions.

Selected 2022 MREA voting delegates.

Selected the SDREA Annual Meeting voting delegates.

Selected attendees for the Northeast Legislative Forum.

District & Annual meetings were discussed.

Approved a loan request for a generator installation.

A list of upcoming meetings and attendees was reviewed.

Meeting adjourned.

#30760

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## BOARD OF DIRECTORS

President: Doug Diekmann, Beardsley, MN  
Vice President: Russ Armstrong, Wheaton, MN  
Secretary: Mark Pearson, Rosholt, SD  
Treasurer: Michael Marks, Norcross, MN  
Michael Gaulrapp, Breckenridge, MN  
Terry Monson, Veblen, SD  
Tom Frisch, Dumont, MN  
Matthew Glynn, Sisseton, SD  
Bradley Rudolph, Dumont, MN

## OFFICE PERSONNEL

Joel Janorschke – General Manager  
Karen Lupkes – Office Manager  
Dale Schwagel – Operations Manager  
Stephen Powers – MSR/Master Electrician  
Melissa Przymus – Accountant  
Susan Wilts – Billing Clerk

## OPERATIONS PERSONNEL

Richard Davis – Foreman  
Lonnie Tekrony – Journeyman Lineworker  
Joe Gahlon – Journeyman Lineworker  
Chris Falk – Journeyman Lineworker  
Austin Reinke – Journeyman Lineworker  
Colden Helberg – Journeyman Lineworker  
Dennis Koch – Facility Technician

## GENERAL MANAGER'S CONTACT INFORMATION

Joel Janorschke  
Cell: 320.304.1392 | Direct: 320.563.1055  
jjanorschke@traverseelectric.com

## MEMBER SERVICE REP/ MASTER ELECTRICIAN

Steve Powers 320-808-9104  
Conner Bartz  
-Apprentice Electrician 320-287-0009

## ELECTRICAL INSPECTORS MINNESOTA

Brandon Lennox 320-808-5309  
Big Stone County Grant County  
Stevens County Traverse County  
Rodney Schaffer 701-235-2840  
Wilkin County

## NORTH DAKOTA

Mark Moderow 701-226-3779  
Richland County

## SOUTH DAKOTA

Dan Urban 605-222-0143  
Marshall County Roberts County

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

1618 Broadway  
P.O. Box 66  
Wheaton, MN 56296 USA  
Toll-free phone: 800.927.5443  
Local phone: 320.563.8616

## Hours of Operation

Monday through Friday, 8 a.m. - 4:30 p.m.

Web site: [www.traverseelectric.com](http://www.traverseelectric.com)

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