

Cooperative Connections



**Electric Co-op
Leaders Get
Involved
Locally**

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**Rounding Up
for a Cause**

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2018 in Review



Alan Veflin, Board President

ajveflin@yahoo.com



Joel Janorschke, General Manager

jjjanorschke@traverseelectric.com

While we are proud that planning and hard work has paid off, we still remind ourselves that dependable service and customer satisfaction are just as – or maybe more important – than bottom line numbers.

On behalf of the board of directors and the employees of your co-op, Traverse Electric, it is our pleasure to welcome everyone to this year's annual meeting of Traverse Electric. This marks the 79th year of successfully delivering electricity to the members and the 79th time we gather collectively to report on the previous year and also to report on the financial condition of our plant. I hope you find tonight's meeting both informative and enjoyable.

2018 set the high marks in several categories. Your cooperative ended the year with operating revenue of \$10,955,855.33 with sales of kWh at 108,574,832. We also ended the year with an operations margin of \$511,394.38 and total margins of \$1,868,241.64. As a result of the cooperative's sound and stable financial condition, we returned \$400,000 to estate and general retirement capital credits to those who received electricity in 2001 and 2002. That adds up to more than \$8 million returned over the years – quantifiable proof that you are an owner of a successful, effective organization.

2018 continued to be a year of growth for the cooperative; the line crews continue to install and upgrade services for new grain dryers, drain tile pumps, houses and new shops. We also converted overhead single-phase line with underground cable in areas of the system where the terrain and weather affect the reliability to these members that are served on these lines. We already have several jobs lined up next spring. The crews also installed new three-phase underground lines to serve larger loads on the system along with replacing the underground conductor that was failing. We continued to work on our maintenance programs where we had 2,496 utility poles tested with 328 poles being rejected.

We also spent a considerable amount of time and effort researching for a new Advanced Meter Infrastructure (AMI) to replace the existing and aging metering equipment. AMI allows for two-way communication and has capabilities to track a broader range of data and analytics. Information provided will include kilowatt-hour readings, voltage, kilowatt demand, load profiling, verifying load control, alarms signaling power interruptions and remote disconnect and reconnect.

While we are proud that planning and hard work has paid off, we still remind ourselves that dependable service and customer satisfaction are just as – or maybe more important – than bottom line numbers. As we work our way into 2019, 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, their commitment to the membership and their support of our mission, has enabled the cooperative to complete another successful year in 2018. It is their collective expertise and steadfast effort at what they do that helps us move forward confidently down this new road we're traveling; as we search and discover new and better ways to serve our members.

Cooperatively yours,

Alan Veflin, Board President

Joel Janorschke, General Manager

Traverse Electric Mission Statement:

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

Traverse Electric Cooperative Connections

(USPS No. 018-903)

Board of Directors

President: Alan Veflin, Sisseton, SD
Vice President: Pat Homan, Beardsley, MN
Secretary: Mark Pearson, Rosholt, SD
Treasurer: Karen Kath, Campbell, MN

Directors

Doug Diekmann, Beardsley, MN
 Russ Armstrong, Wheaton, MN
 Terry Monson, Veblen, SD
 Michael Marks, Norcross, MN

General Manager

Joel Janorschke - Cell: 320-304-1392
 jjanorschke@traverseelectric.com

Management Staff

Karen Lupkes - Office Manager
 Dale Schwagel - Operations Manager
 Jerrel Olson - Member Service Director

Office Personnel

Melissa Przymus - Accountant
 Susan Wilts - Billing Clerk

Operations Personnel

Terry Ehli - Foreman
 Calvin Anderson - Journeyman Linemen
 Richard Davis - Journeyman Linemen
 Chris Falk - Journeyman Linemen
 Joe Gahlon - Journeyman Linemen
 Lonnie Tekrony - Journeyman Linemen
 Dennis Koch - Meterman/Groundsman
 Mark Koch - Groundsman

**In case of a power outage call
 1-800-927-5443**

Traverse Electric Cooperative Connections is published monthly by Traverse Electric Cooperative, PO Box 66, 1618 Broadway, Wheaton, MN, 56296 for its members. Families subscribe to Traverse Electric Cooperative Connections as part of their electric cooperative membership. Traverse Electric Cooperative Connections' purpose is to provide reliable, helpful information to electric co-op members on matters pertaining to rural electrification and better rural living.

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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.

Design assistance by SDREA.



Traverse Electric Cooperative 79th Annual Meeting

Thursday, March 21, 2019 • Wheaton High School

Registration begins at 5 p.m.
 Dinner from 5:30 to 6:30 p.m.
 Meeting to follow at 6:30 p.m.

Notice is hereby given that the annual membership meeting of Traverse Electric Cooperative, Inc. will be held Thursday, March 21, 2019, at the Wheaton High School, Wheaton, Minn. Registration will begin at 5 p.m. The dinner will be served from 5:30 p.m. until 6:30 p.m. and the meeting will begin promptly at 6:30 p.m.

At the annual meeting you will be presented with pertinent information regarding the activities of the cooperative and elect directors to represent you. The bylaws set up nine districts for the cooperative, with one director from each district, and staggers the terms of the directors, with three directors to be voted on each year. In keeping with the bylaws, meetings were held in these three districts. Members of these districts will select one member from their district to represent them on the board of directors.

No letters will be sent out. This is your official notice.

Director Candidates:

Voting will take place during the business meeting. Ballots will be given out at registration. Others interested individuals can be nominated at the meeting and written-in on the ballots.

District 3:

Vacant

District 6:

Russell Armstrong

District 9:

Terry Monson

ANNUAL MEETING DOOR PRIZE REGISTRATION FORM

Name: _____

Address: _____

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

Please fill out this form and bring it and this newsletter with you to the meeting. This ticket will register you for the door prize drawings. One entry per member.

Protecting Your Home and Business

Every year, electrical equipment, wiring, appliances and tools cause injuries and fires at both homes and workplaces. Paying close attention to the condition of electrical equipment and taking appropriate and prompt action to correct electrical problems can help to ensure your safety and the safety of those around you. Below are guidelines to help identify and reduce electrical hazards.

Electrical Outlet Safety

- Avoid overloading outlets with too many appliances and ensure that electrical loads are appropriate for the circuits.
- Unplug appliances when they are not in use to conserve energy as well as minimize the opportunities for electric shock or fire.
- Use outlets instead of relying on extension cords and power strips. Consider having additional permanent outlets installed where needed.
- Use Ground Fault Circuit Interrupters (GFCIs) in wet/damp areas like kitchens, bathrooms and outdoors.



Electrical Cord Safety

- Inspect electrical cords to ensure that they are not frayed, cracked or damaged.
- Do not place electrical cords in high traffic areas, under carpets or across doorways where they pose a potential tripping hazard or could be easily damaged.

Certification and Awareness

- Ensure that all electrical products and equipment are certified by a nationally recognized testing laboratory, such as Underwriters Laboratories (UL), and read the manufacturer's instructions carefully.
- Allow only trained and qualified electrical workers to perform work on electrical equipment.
- Be aware of signs of electrical problems such as flickering lights and/or buzzing, sizzling or humming sounds from electrical systems.

Source: www.acadiainsurance.com

Ladder Safety and How It Affects Everyone

THE NUMBERS SPEAK FOR THEMSELVES

+700

ladder injuries every day*

113

deaths caused by falls each year*

6-10 ft.

The **most common ladder falls** happen between 6 and 10 feet off the ground

WHETHER YOU'RE USING A LADDER AT HOME OR AT WORK, THESE NUMBERS AFFECT YOU.

2 most **common ladder accidents** include**:

1. **Missing the last step when climbing down**
2. **Overreaching**

**National Electronic Injury Surveillance System (NEISS) 2017 Data Highlights*, 2017, CPSC

***ALI Ladder Safety Training and Citation Report* - United States, 2018, American Ladder Institute

Take safety into your own hands by taking ladder safety seriously. Visit www.LadderSafetyMonth.com to learn more.

National Ladder Safety Month is presented by



Thank you to our Top Cap sponsor



KIDS CORNER SAFETY POSTER



"Be careful with farm equipment around power lines."

Carson Lee, 10 years old

Carson is the son of Chris and Marisa Lee, Fairfax, Minn. They are members of Renville-Sibley Co-op Power, Danube, Minn.

Kids, send your drawing with an electrical safety tip to your local electric cooperative (address found on Page 3). If your poster is published, you'll receive a prize. All entries must include your name, age, mailing address and the names of your parents. Colored drawings are encouraged.

Seafood Sensations

Clam Chowder Dip

- 2 slices bacon, chopped
- 1/3 cup chopped onion
- 1 pkg. McCormick® Original Country Gravy Mix
- 1-1/2 cups milk
- 1 cup shredded white Cheddar cheese, divided
- 1 (6.5 oz.) can chopped clams, drained
- 2 tsp. McCormick® Parsley Flakes

Cook bacon in large skillet on medium-high heat until crisp. Remove bacon, reserving drippings in pan. Add onion; cook and stir 2 to 3 minutes or until translucent. Stir in gravy mix, milk and 1/2 cup shredded cheese. Bring to boil. Reduce heat and simmer 2 minutes or until gravy starts to thicken. Remove from heat. Stir in clams. Pour into 9-inch glass pie plate. Sprinkle with remaining 1/2 cup cheese. Bake at 350°F. for 15 minutes or until cheese is melted. Sprinkle with bacon and parsley. Serve with toasted baguette slices or crackers. Makes 12 servings.

Nutritional Information Per Serving: Calories 94, Total Fat 6g, Saturated Fat 3g, Protein 4g, Cholesterol 9mg, Sodium 278mg, Fiber 1g, Carbohydrates 6g,

Pictured, Cooperative Connections

Shrimp Lover Squares

- 1 (8. oz) tube refrigerated crescent rolls
- 1 (8. oz) pkg. cream cheese, softened
- 1/4 cup sour cream
- 1/2 tsp. dill weed
- 1/8 tsp. salt
- 1/2 cup seafood sauce
- 24 medium shrimp, cooked
- 1/2 cup chopped green pepper
- 1/3 cup chopped onion
- 1 cup shredded Monterey Jack cheese

In a greased 9x13-inch pan, unroll the crescent dough; seal seams. Bake at 375°F. for 10 to 12 minutes or until golden brown. Cool completely on a wire rack. In a small mixing bowl, beat cream cheese, sour cream, dill weed and salt until smooth. Spread over crust. Top with seafood sauce, shrimp, green pepper, onion and cheese. Cover and refrigerate for 1 hour. Cut into squares. Makes 2 dozen.

Becki Hauser, Tripp, SD

Crab Quiche

- 4 beaten eggs
- 3/4 cup milk
- 1/2 tsp. salt
- 1/2 tsp. ground thyme
- 1 T. diced pimento
- 1-1/2 cups chopped broccoli
- 1 cup chopped imitation crab
- 1 cup shredded Cheddar cheese
- 1 cup shredded Monterey Jack cheese
- 2 T. minced onion
- 1 unbaked 10-inch pie shell

Mix together first 5 ingredients; set aside. Combine broccoli, crab, cheeses and onion; spread in piecrust. Pour liquid mixture over all. Bake at 350°F. for 50 to 55 minutes. Let cool 10 to 15 minutes before cutting.

Barbara Angerhofer, Hendricks, MN

Tilapia Parmesan

- 2 lbs. tilapia fillets
- 2 T. lemon juice
- 1/2 cup grated Parmesan cheese
- 3 T. mayonnaise
- 4 T. butter, room temperature
- 3 T. finely chopped onions
- 1/4 tsp. dried basil

In a buttered 9x13-inch baking dish, lay fish fillets in a single layer. Do not stack fillets. Brush with juice. Bake at 350°F. for 10 to 20 minutes or until fish flakes. Meanwhile, combine cheese, mayonnaise, butter, onions and basil. Spread cheese mixture on fish fillets and bake an additional 5 minutes or until golden brown.

Cortney Reedy, Tea, SD

Please send your favorite appetizer, beverage, casserole or dairy recipes to your local electric cooperative (address found on Page 3).

Each recipe printed will be entered into a drawing for a prize in June 2019. All entries must include your name, mailing address, phone number and co-op name.

**TRAVERSE
ELECTRIC
COOPERATIVE, INC.**



Michael Marks
District 2



Karen Kath
District 3
Treasurer

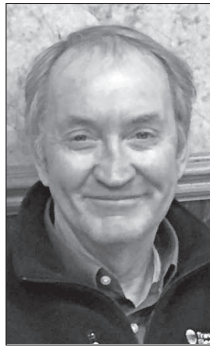
Vacant
District 1



Doug Diekmann
District 4



Pat Homan
District 5
Vice President



Russ Armstrong
District 6



Mark Pearson
District 7
Secretary



Alan Veflin
District 8
President



Terry Monson
District 9

District Meeting Prize Winners



The following were lucky winners of a \$25 bill credit at our recent district meetings.

**Gary Deutsch • Roger Derby • James Arnhalt
Jim and Loretta Kruger • Keith and Holly Butrum**

A big heartfelt thanks to those that came to the district meetings in such extreme cold temperatures and less-than-ideal conditions.

Thursday, March 21, 2019

Wheaton High School - 6:30 p.m.

- 5 p.m.** Registration
- 5:30 p.m.** Dinner/Entertainment
(Bingo in Auditorium)
- 6:30 p.m.** Call of Meeting by Alan Veflin, President
- Introduction of Directors and Guests
- Reading of the Notice of Mailing and Proof of Mailing by Mark Pearson, Secretary
- Minutes of 2018 Annual Meeting by Mark Pearson, Secretary
- Treasurer's Report by Joel Janorschke, General Manager
- General Operating Report by Joel Janorschke, General Manager
- Questions
- President's Report by Alan Veflin
- Opening of Polls
- Closing of Polls
- 2018 Washington, D.C., Youth Tour Report by Kymberlea Braun
- Old Business
- New Business
- Announcement of Results of Election of Directors
- Prizes
- Adjournment

78th Annual Meeting March 22, 2018

The seventy-eighth annual meeting of Traverse Electric Cooperative was held in the High School Auditorium at Wheaton, Minnesota on Thursday, March 22, 2018. Registration started at 5:00 p.m. A chicken and ham dinner was catered by Bobby Jo's Café from Beardsley, MN and approximately 300 dinners were served. Members played bingo until the meeting commenced.

The Pledge of Allegiance was recited.

General Manager, Joel Janorschke, welcomed the members to their annual meeting. A thank you to Bobby Jo's of Beardsley for the delicious meal was given.

President Veflin called the meeting to order.

A motion was made from the floor to approve the agenda as printed in the annual meeting report. A second was made and upon vote motion carried unanimously.

Veflin introduced the directors and thanked the employees for their service and dedication. Special guests in attendance were also introduced: Tim Velde, Tom Jones, and Jim Edwards.

The Chairman asked the Secretary, Mark Pearson, to read the Notice of Mailing and Proof of Mailing. These were read. A register of attendance was presented. The chairman declared a quorum present and directed the register to become part of the official minutes. A motion was made from the floor to accept the reading. A second was made and upon vote motion carried unanimously.

The Chairman called for the reading of the minutes of the last annual meeting. A motion was made from the floor, seconded, and carried to dispense with the reading of the minutes.

General Manager, Joel Janorschke, presented the 2017 year end operating report and balance sheet report:

1. Members were encouraged to look at the Financial Report on page 11 of the program. Janorschke reviewed the statistics of miles of line, number of services, kwhs purchased and sold for 2017.
2. Revenue and expenses were reviewed. The 2017 margin changed since the newsletter publication due to realizing

\$258,000 in meter depreciation, which left a margin of just over \$1 million.

3. The amount of loan debt the cooperative owes was discussed.
4. The co-op paid back \$400,000 in capital credits from 2000 and 50% of 2001 to members in December. To date more than \$8 million in capital credits have been paid back to members.
5. The Dollymount Dairy began running at full capacity in 2017. The Campbell Dairy should start up in the summer of 2018.
6. In 2017, we tested 2,500 poles at a cost of \$37,000 and we continue to work on replacing aging underground cable. Our line crews trimmed trees for a cost of \$67,000 in 2017 and \$353,000 was spent on overhead line maintenance and outages and \$116,000 on underground line maintenance and outages. We had no major storms or outages in 2017.
7. In 2018, eleven miles of overhead line will be converted to underground west of Sisseton.
8. Our current AMR metering system will be replaced with an AMI system that will enable two-way communications and outage detection.

Janorschke asked the membership if they had any questions on his report. A question was raised about the interest rates of the cooperative's long term loans. Janorschke will address that question in an upcoming newsletter.

A motion was made from the floor to approve the financial and operating report. There was a second and upon vote motion carried unanimously.

President Veflin directed the membership to read his President's Report in the program book at their convenience and thanked the employees for their service to the cooperative. A special thank you was given to Roger Derby for his service on the board.

Jim Edwards from East River addressed the membership and spoke on the history of East River and the benefits of belonging to the Southwest Power Pool. Jim discussed

the Clean Power Plan and how politics are intertwined with the electric industry. East River gets its power from a variety of resources such as coal, hydro, wind and solar. East River continues to focus on its commitment to community thru the REED Fund. The REED fund has helped grow rural communities over the last 20 years by providing financing to public and private projects. Mr. Edwards thanked Joel Janorschke and Pat Homan for their hard work and guidance of East River.

Manager Janorschke opened the polls for the election of three directors. The different methods of being nominated were reviewed. Janorschke announced the following candidates who were nominated at the district meetings: District 2 – Michael Marks; District 5 – Pat Homan; and District 8 – Alan Veflin.

Janorschke asked for any further nominations from the floor for each of the three districts. There being none, a motion was made from the floor to cease nominations. The motion was seconded and upon vote it carried.

Janorschke announced the Appointment of Tellers. The members proceeded to mark their ballots, which the tellers collected and then retired to tabulate.

Paul Hervey spoke about the Washington, D.C., Youth Tour he participated in last June.

Janorschke thanked Roger Derby for his board service, Jim Edwards for speaking, and Paul Hervey for his Washington, D.C., trip report.

Janorschke announced the results of the election of directors: the candidates were elected in all three districts.

The door prize drawings were held.

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

Final adjournment.



Mark Pearson, Secretary



Rushmore Electric's Mike Bowers, fifth from left, is one of 17 members of the Rapid City YMCA board of directors.

LOCAL COMMUNITY INVOLVEMENT

Co-op Leaders Contribute to Local Boards, Youth Programs and More

Brenda Kleinjan

editor@sdrea.coop

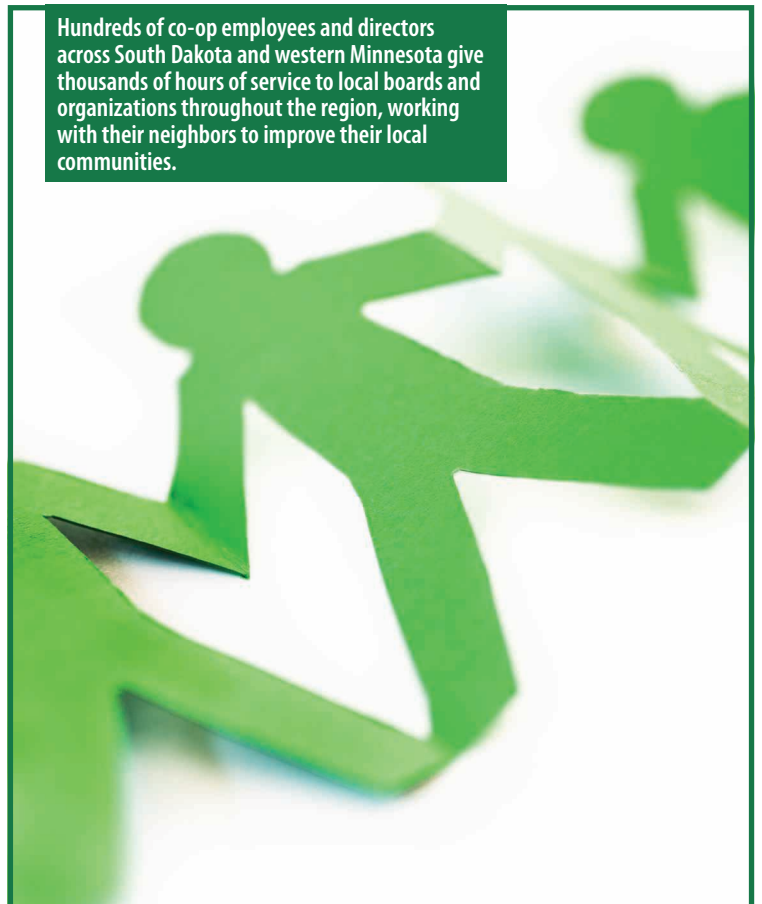
When cooperatives say they are committed to their communities, it's not just lip service. It's service rooted in fact.

From city councils, township boards and county commissions to school boards, church boards and other community organizations, co-op employees and directors are answering the call to serve on boards of various shapes and sizes.

Some specialize, focusing their involvement in one arena. Others are generalists, taking the skills and lessons they've learned through their roll at their local electric cooperative and translating it to benefit their local community through involvement on several boards and groups.

For much of his co-op career, Mike Bowers has also served on boards associated with the Rapid City YMCA. Bowers, the manager of Rushmore Engineering, a part of Rushmore

Hundreds of co-op employees and directors across South Dakota and western Minnesota give thousands of hours of service to local boards and organizations throughout the region, working with their neighbors to improve their local communities.



Electric Power Cooperative in Rapid City, has spent 20 years on the YMCA building committee. He's also been a part of the YMCA board of directors for 10 years, serving as secretary and board chairman.

But, his Y involvement has even deeper roots.

"I grew up with the Y," said the Wisconsin native. "I've been a Y member here for 42 years. I joined the Y the first month I was in town and never looked back."

Bowers said the YMCA's commitment to people in the community is appealing and resonates well with the work of electric cooperatives.

"Both invest in the community, absolutely," Bowers said. "The YMCA is very much a cooperative structure; not-for-profit, open to all and every member is an owner, if you stop to think about it."

The Rapid City YMCA and the Rapid City Area Schools are in the midst of a \$10 million renovation of a 68,000 square foot building in downtown Rapid City that once housed an electric and gas utility company. When completed, the facility will house YMCA early childhood development and also provide

infant childcare as well as hold school district administrative offices.

The facility, which is slated to open in August, will be known as the Rapid City Education Center. It recently secured \$1.1 million in funding from the Rapid City Vision Fund.

We all need to be involved and give back to the community.

"The Rapid City Education Center will more than double our capacity for childcare," Bowers said.

Bowers sums up his work with the YMCA succinctly.

"This is the way I want to be involved and give back," said Bowers.

Bowers is not alone in his commitment to his local community.

From youth wrestling, basketball, baseball and football programs to coaching varsity-level sports and serving as

referees, co-op employees and directors are working alongside their neighbors to ensure these programs succeed.

You'll also find co-op employees and directors setting aside their co-op hats to take on the work of members of school boards at several districts across the state.

Dozens of co-op employees serve as trustees and council members of towns and communities across the state. More than a dozen township boards are comprised of officers who work for electric cooperatives or who serve as a director for an electric cooperative. County commissions from Custer County in the west to Grant County in the northeast – and a few counties in between – have co-op employees and directors serving on their governing boards.

And, the work doesn't stop there. You'll find co-op directors and employees in service organizations like Lions, Rotary and Kiwanis, on in veteran's organizations like the American Legion and VFW, church boards, airport, library and transportation boards.

As Bowers notes, "We all need to be involved and give back to the community."



Chris Larson, General Manager of Clay-Union Electric Corporation in Vermillion, moderates the District 17 Legislative Public Forum held in October. Larson is member of the VDCD Governmental Affairs Committee, which hosted the candidate forum. Candidates present were, from left, Gregory Baldwin, Ray Ring, John Gors and Howard Grinager. Arthur Rusch attended by phone.



Joel Janorschke
1 Year of Service



Karen Lupkes
17 Years of Service



Jerrel Olson
16 Years of Service



Dale Schwagel
19 Years of Service



Melissa Przymus
6 Years of Service



Sue Wilts
40 Years of Service



Calvin Anderson
5 Years of Service



Rick Davis
12 Years of Service



Terry Ehli
31 Years of Service



Chris Falk
11 Years of Service



Joe Gahlon
11 Years of Service



Dennis Koch
23 Years of Service



Mark Koch
15 Years of Service



Lon TeKrony
19 Years of Service

Current Addresses Missing for These Former Consumers

We have capital credit checks for these people, but they were returned to us marked unknown.

Please call the office at 1-800-927-5443 if you know their new address. Thanks.

Name	Address	Years On
Clint and Cynthia Arndt	New Effington, SD	2002-2016
Timothy Bailey	Becker, MN	2002-2004
Boehmlehner Farms	Wheaton, MN	2002
James Bucklin Jr.	Browns Valley, MN	2001-2005
David Bushey	Tintah, MN	1995-2009
Dwight Cloud	Sisseton, SD	2000-2005
Doreen Diekmann Abrahamson	Wilmot, SD	1991-2008
Mark Ellsworth	Sisseton, SD	1993-2010
Edward or Chris Fossum	Brookings, SD	1999-2008
Amy Hagel	Minot, ND	2002
Dustin Hartman	Moorhead, MN	2001-2006
Curt and Sandi Hove	West Fargo, ND	2002
Lance Howard	Lindstrom, MN	2002-2004
Gladys Howen	Ortonville, MN	1973-2010
Terrance Hubbard	Norcross, MN	2002-2003
Roger Johnson	Otsego, MN	1999-2000
Daren J. Kaehler	Breckenridge, MN	2002-2005
Bob Kierie	Farwell, MN	2002-2003
Greg Krause	Claire City, SD	2002-2005
Matthew Krause	Tintah, MN	2002-2003
Jeff Kube	Wendell, MN	2001
Donald Larsen	Wilmot, SD	2001-2006
Nancy Luger	Sisseton, SD	2002
Ken Lyons	Lidgerwood, ND	2000-2007
Marvin Maskewit Estate	Sisseton, SD	1992-2016
Francis Nebben	Beardsley, MN	1999-2001, 2008-2010
Kenneth Nelk	Wheaton, MN	1973-2010
Jerome A. Nelson	Desert Hot Springs, CA	1999-2010
Mary Nelson	Apple Valley, MN	2002-2003
Harlan Plagge	Montevideo MN	1996-2010
Harold and Lorealee Renelt	Big Lake Township MN	2002-2005
Donald Riedler	Des Moines IA	1973-2004
Richard Riemann	West Fargo, ND	2001-2006
Schroeder Construction (Robert)	Glenwood, MN	2001
Don Sherman	Ortonville, MN	1973-2012
Larry Smith	Wheaton, MN	1978-2010
Cyril Spinler	Browns Valley, MN	1976-2014
Dennis Shipman	Rosholt, SD	2002-2003
Tom Wolfe	Peever, SD	2000-2004
Duane Zibell	Lewistown, MT	1999-2002

Balance Sheet

December 31, 2018

What We Have

Assets and Other Debits

Utility Plant

Utility Plant in Service	\$25,264,905
Construction Work in Progress	<u>\$498,324</u>
Total Utility Plant	\$25,763,229
Less: Reserve for Depreciation	<u>10,727,763</u>
Utility Plant Less Reserve for Depreciation	\$15,035,466

Investment and Fund Account

Capital Credits – East River, Basin & CFC	\$5,603,888
Investments in Associated Enterprises	\$392,908
Temporary Investments	<u>\$4,824,105</u>
Total Investment and Fund Account	\$10,820,901

Current Assets and Deferred Charges:

Special Deposits	\$1,000
Accounts Receivable	\$840,497
Prepayments/Materials and Supplies	\$347,599
Interest Receivable	\$13,260
Deferred Debits	<u>\$252,711</u>
Total Current Assets and Deferred Debits	\$1,455,067
Total Assets and Other Debits	<u>\$27,311,434</u>

What We Owe

Liabilities and Deferred Credits

Long-Term Obligations to REA	\$12,832,900
Long Term Obligations Other	\$649,560
Current and Accrued Liabilities	\$923,800
Deferred Credits	<u>\$27,530</u>
Total Liabilities and Deferred Debits	\$14,433,790
Net Assets – Member Equities	<u>\$12,858,304</u>
Total Liabilities and Other Credit	<u>\$27,311,434</u>

What We Own

Member Equities

Patronage Capital	\$10,582,386
Operating Margin – Current Year	\$511,394
Non-Operating Margin	\$1,356,848
Other Equities	<u>\$427,016</u>
Total Member Equities	\$12,877,644

Comparative Operating Statistics

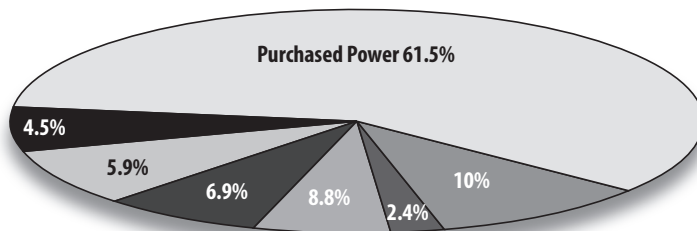
	2018	2017
Number of Miles Energized – Distribution	1,702	1,695
Number of Services in Place	3,179	3,185
Kilowatt Hours Purchased	114,685,172	104,046,774
Kilowatt Hours Sold	108,574,832	98,198,173
Percent Line Loss	5.0%	5.0%

Revenue and Expenses

January 1 to December 31, 2018

Operating Revenue	\$10,955,855
Cost of Purchased Power	\$6,740,700
Total System Operations	\$1,090,151
Total Consumer Services	\$258,033
Total Depreciation	\$944,933
Total Interest	\$644,880
Total Administration	<u>\$765,764</u>
Total Cost of Electric Service	\$10,444,461
Operating Margins	\$511,394
Non-Operating Margins	\$296,943
Transmission Capital Credits	\$1,059,904
Total Margins	\$1,868,241

What Do Your Dollars Pay For?



2.4% Consumer Services 6.9% Administration 8.8% Depreciation
5.9% Interest 4.5% Operating Margins 10% Systems Operations

Summary of Loan Fund

Total Debt Obligation, Dec. 31, 2018	\$16,193,784
Balance	\$16,193,784
Less: Advance Payments	<u>\$2,711,324</u>
Net Obligations to RUS, FFB, CFC CoBank and USDA 12/31/2017	\$13,482,460

Capital Credits Paid*

1956 to 2001			
.....	\$3,896,751.16	2007.....	\$245,782.06
2002.....	\$188,970.34	2008.....	\$280,627.11
2003.....	\$197,525.99	2009.....	\$321,723.71
2004.....	\$219,103.90	2010.....	\$331,007.12
2005.....	\$38,449.06	2011.....	\$384,588.29
2006.....	\$245,719.10	2012.....	\$220,197.99
		2013.....	\$199,990.49
		2014.....	\$299,995.08
		2015.....	\$288,893.81
		2016.....	\$300,004.40
		2017.....	\$400,010.49
		2018.....	\$400,000.00

Total Paid Back: \$8,459,340.10

*Capital credits shown above have been paid to estates of deceased members plus payments to members for years 1942 through part of 2000.

Kimball School received \$1,000 from Central Electric Cooperative's Operation Round Up® program to update their former playground for safety, entertainment and school pride.



MAKING CHANGE

Contributions by Co-op Members Add Up for Good

Brenda Kleinjan

editor@sirea.coop

Thirty years ago, South Carolina's Palmetto Electric Cooperative conceived of an idea to benefit residents in the three counties it serves. By having members round up their monthly electric bills, co-op members could have a lasting impact on charitable groups in the area.

Since that beginning in 1989, Operation Round Up® has been an incredibly successful way in which the co-op and its members have been able to help the less fortunate in their community. Through Operation Round Up, Palmetto Electric automatically rounds up a participating member's electric bills to the next highest dollar. For example, a consumer's monthly bill of \$52.73 would be automatically rounded up to \$53, with the additional 27 cents going to the Operation Round Up fund. On an annual basis, the co-op is able to donate roughly \$6 for each participating customer – and that pool of money is then allocated to a variety of worthy causes throughout their service area.

The concept spread nationwide and today, several cooperatives in South Dakota and western Minnesota have the program.



Central Electric Cooperative's Operation Round Up® program awarded \$2,300 to Helping with Horsepower, a therapeutic riding program at Reclamation Ranch outside of Mitchell, S.D., for a lift that allows wheelchair-bound clients to ride horses.

Since 2000, members at Sioux Valley Energy have awarded more than \$1.5 million to community groups, including funding more than \$10,000 in scholarships each year to members and their children.

Across the border at Lyon-Lincoln Electric Cooperative in Tyler, Minn., their Operation Round Up board funds grant requests ranging from fire department requests to school and other educational requests.

Danube, Minn.-based Renville-Sibley Co-op Power Association is launching its Operation Round Up in June.

“All co-ops adhere to the seven cooperative principles, including “Concern for Community.” The Operation Round Up® program is the perfect embodiment of this core principle,” said Lenae Wordes, Renville-Sibley’s communications manager. “The average co-op member donates \$6 with a maximum possible contribution of \$11.88 per year. This may not seem like a large amount, but when combined with nearly 1,900 of Renville-Sibley Co-op Power member accounts, it adds up to make an impact.”

“Renville-Sibley’s program will operate



with a board of trustees that is different from the board of directors for the electric co-op. This allows a group of members to focus on the mission of representing our communities,” said Wordes.

In the Watertown, S.D., area, Codington-Clark Electric’s Operation Round Up has helped 4-H clubs, a child hunger group and a local living history fair.

Central Electric Cooperative in Mitchell, S.D., awarded \$12,500 to 10 groups in November 2018. Among the groups receiving funding were community improvement associations and community centers, speed meters for two cities, 4-H, Habitat for Humanity and other groups. Since launching the program in 2015, the program has made \$72,500 in awards.

“Applications typically come from volunteers in your community who feel strongly about a project and making a difference,” said Courtney Deinert, Central’s manager of communications.

For the past 10 years, members of Oahe Electric Cooperative in Blunt, S.D., have distributed more than \$92,000 to groups and organizations in Hughes and Sully counties. The money raised has helped volunteer fire departments, animal rescue shelters and other groups selected by the Operation Round Up Board of Trustees.

At Elk Point, S.D., Union County Electric Cooperative started its program in 2018. This year, it awarded \$4,000 to four organizations including the local historical society, the Boys and Girls Club, an animal rescue and the local Veterans of Foreign Wars group.

Co-op members at West River Electric Association in Wall, S.D., are also involved. In 2018, the Operation Round Up fund awarded more than \$8,200 to groups ranging from rodeo booster clubs and cemetery associations to ambulance services, athletic groups and pre-school and community groups. One award helped purchase a heater for the New Underwood city pool.

Contact your local cooperative to find out what ways they are involved in their communities and how to participate.



The Letcher, S.D., 4-H “Kids Kountry Club” breaks ground on their new playground area after receiving a \$3,500 Operation Round Up grant from Central Electric Cooperative members.



**ICE IS
NEVER 100%
SAFE!**



**Keep the Minnesota
Department of Natural
Resources rule in mind.**

ICE SAFETY

When is Ice Safe?

There really is no sure answer. You can't judge the strength of ice just by its appearance, age, thickness, temperature or whether or not the ice is covered with snow. Strength is based on all these factors – plus the depth of water under the ice, size of the water body, water chemistry and currents, the distribution of the load on the ice and local climatic conditions.

There is No Such Thing as 100 Percent Safe Ice

The DNR does not measure ice thickness on Minnesota lakes. Your safety is your responsibility. Check ice thickness at least every 150 feet using an ice chisel, ice auger or even a cordless 1/2-inch drill with a long bit. In addition, frozen water ways or



any moving water should never be considered “safe.” Extreme cold, like we experienced this winter, can lull us into thinking that crossing frozen waterways is safe. But ice

conditions can change rapidly and should be checked frequently. Just because you can see that other vehicles, snowmobiles or ATVs have previously crossed does not mean the ice is safe. Be

prepared to leave it in a hurry – keep windows down and have a simple emergency plan of action you have discussed with your passengers.

If snowmobiling, walking or riding an ATV, precautions like wearing a life jacket, a flotation device or attaching a rope can help you get out of the water should you fall in while checking ice depth. Ice picks can also be helpful, especially those attached to each other by a cord so they are readily available. Do NOT wear a flotation device when traveling across ice in an enclosed vehicle.

What to Do if Your Vehicle Breaks Through the Ice

If your car or truck plunges through the ice, the best time to escape is before it sinks, not after. It will stay afloat a few seconds to several minutes depending on the airtightness of the vehicle.

- While the car is still afloat, the best escape hatches are the side windows since the doors may be held shut by the water pressure. If the windows are blocked, use an emergency safety tool, like a spring-loaded emergency hammer or an object from inside the vehicle to break the glass.
- A vehicle with its engine in the front will sink at a steep angle and may land on its roof if the water is 15 feet or deeper. As the car starts its final plunge to the bottom, water rapidly displaces the remaining air. An air bubble can stay in a submerged vehicle, but it is unlikely that it would remain by the time the car hits the bottom.
- When the car is completely filled, the doors may be a little easier to open unless they are blocked by mud and silt. Remember, too, chances are that the car will be upside-down at this point! Add darkness and near freezing water and your chances of escape have greatly diminished. This underscores the necessity of getting out of the car before it starts to sink!

Courtesy of Carl and Lisa with Star Energy and the Minnesota Department of Natural Resources

December Board Meeting Highlights

The December board meeting was held on Tuesday, Dec. 18, 2018, at 9 a.m. All present.

Staff members present were General Manger Joel Janorschke and Karen Lupkes.

- The minutes of the November board meeting were approved.
- The November check register was approved.
- General Field Representative Tom Jones reviewed the RUS loan process and application with the board.
- The board approved a resolution to request a \$5,006,000, Guaranteed FFB Rate, 35-year maturity, loan from RUS.
- The board approved a resolution for the board president and secretary to execute the loan documents and complete the loan application.
- The East River video report was viewed.
- Homan reported on East River board and Basin Electric business.
- Monson and Homan reported on the Mid-West Electric Consumers Association annual meeting.
- Armstrong recently completed CCD certification courses on Strategic Planning & Financial Decision Making. He will now be CCD certified.
- Janorschke gave the Operations Report. Items discussed included:
 - ▶ November outages were reviewed.
 - ▶ Reviewed completed projects. Several idle services were retired.
 - ▶ Reviewed the safety program and safety meeting.
 - ▶ Schwagel attended the Safety Loss Control Conference.
 - ▶ The new meters are ordered and should arrive in late January. Our project manager will meet with staff in January.
 - ▶ A contractor will help with tree trimming. Bids were requested.
- The board reviewed and approved revisions to Board Policies 114 Board Meetings, Board Policy 300 Standard Rules & Regulations, Board Policy 309 Electrician Charges and the 2019 Labor & Service Charges Rates.
- Janorschke presented the Manager's Report, which included:
 - ▶ Recapped the East River manager's meeting topics.
 - ▶ Basin Electric capital credit retirement in December.
 - ▶ Discussed the new Farm Bill and its changes to the RUS Cushion of Credit.
- Reviewed and approved the November Financial Report.
- Reviewed and approved revisions to Board Policy 209 Consumer Credit Card Use.
- District meetings schedule was reviewed.
- A list of upcoming meetings and attendees was reviewed.

New Metering System

Traverse Electric will be installing an AMI (Advanced Metering Infrastructure). The new metering system replaces an older system that was at the end of its useful life and will not be supported in the future. AMI allows for two-way communication and has capabilities to track a broader range of data and analytics. Information provided will include kilowatt-hour readings, voltage, kilowatt demand, load profiling, verifying load control, alarms signaling power interruptions and remote disconnect and reconnect.

It is also the first step towards implementing an outage management system (OMS) that will assist our Operations Department in more efficiently restoring power during outages. Our plans are to have this OMS system in place in late 2019 or early 2020. This new system will alert us when a meter is out of power and we will deploy crews immediately, and in some cases, we will have restored power before some of you get home at the end of the day.

Members may have seen crews out, putting up equipment (infrastructure) on poles, in yards and on the main lines. The meter change outs are scheduled to begin March/April and will be done by Chapman Metering. Members will have a brief outage as the meter is being changed.

Member Comments

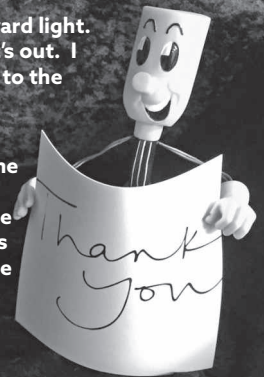
Tell the guys thanks for fixing my yard light. It really makes a difference when it's out. I like to see to walk from the garage to the house.

Carol Johnson, Wheaton, MN

Thanks to the staff that replaced the yard light on Jan. 8, 2019. Greatly appreciated for one does not realize how much guidance that light gives when one is in the yard or when one is coming home and sees it in the distance to provide the guidance home. Thank you.

Bruce Fronning, Breckenridge, MN

Thank you for changing out our yard light so quickly. Delane & Terri Anderson, Wheaton, MN





TRAVERSE ELECTRIC COOPERATIVE, INC.



Like Us on Facebook!

To check out news and happenings, go to www.facebook.com and search **Traverse Electric Cooperative**

December 15-March 31

South Dakota snowmobile trails season, Lead, SD, 605-584-3896

February 21-23

Sno Jam Comedy Festival, Sioux Falls, SD, siouxfallssnojamcomedyfest@gmail.com

February 22-23

State Wrestling Tournaments, Rushmore Plaza Civic Center, Rapid City, SD, 605-394-4111

February 23

Annual Outhouse Races and Chili Cook-off Contest, Nemo, SD, 605-578-2708

March 1-2

Mardi Gras Weekend, Main Street, Deadwood, SD, 605-578-1876

March 9-10

2019 Gun Show, American Legion Hall, Saturday 9 a.m. to 5 p.m., Sunday 9 a.m. to 3 p.m. MST, Philip, SD, 605-441-8466 or 605-441-1216

March 9-10

Dakota Territory Gun Show, Davison County 4-H Grounds, Mitchell, SD, 605-630-2199

March 9-12

Summit League Basketball Championship, Sioux Falls, SD, 605-367-7288

March 14-16

SD State Class A Boys Basketball Tournament, Premier Center, Sioux Falls, SD

March 14-16

SD State Class AA Boys and Girls Basketball Tournament, Rushmore Plaza Civic Center, Rapid City, SD



March 15-16
28 Below Fatbike Race,
Lead, SD, 605-584-3435

Photo courtesy: travelouthdakota.com

March 14-16

SD State Class B Boys Basketball Tournament, Barnett Center, Aberdeen, SD

March 16-17

Dakota Territory Gun Show, Codington City Ag Building, Watertown, SD, 605-793-2347

March 22-23, 29-30

Mystery Dinner Theater, Legion Hall, Faulkton, SD, 605-380-1556

March 23

Ag Day, Washington Pavilion, Sioux Falls, SD, 605-367-6000

March 29-30, April 5-6

Annual Schmeckfest, Freeman, SD, 605-925-4237

March 29-31

Black Hills Home Builders Home Show, Rushmore Plaza Civic Center, Rapid City, SD, 605-348-7850

March 30-31

29th Annual Hats Off to the Artist Art Show, Community Center, Faulkton, SD, 605-598-4482

April 4

McCrossan Banquet Auction featuring Loop Rawlins and the PBR, 5:30 p.m., Arena, Sioux Falls, SD, Tickets: \$75 each, 605-339-1203, www.mccrossan.org

April 4-5

Holiday Arts Spring Craft Show, Masonic Hall, Mitchell, SD, 605-359-2049

April 5-6

Forks, Corks and Kegs Food, Wine and Beer Festival, Deadwood, SD, 605-578-1876

April 5-7, 11-14

Green Earth Players presents Drinking Habits, Palace Theatre, Luverne, MN, 507-283-9226

April 5-7

Professional Bull Riders Unleash the Beast Tour, Sioux Falls, SD, 605-367-7288

April 7

Unni Boksasp from Norway in Concert, 2 p.m., Riggs Theater, Pierre, SD, 605-222-1992

April 13-14

Dakota Territory Gun Show, Rushmore Civic Center, Rapid City, SD, 605-270-0764

April 18

John Mellencamp, Rushmore Plaza Civic Center Fine Arts Theatre, Rapid City, SD, 605-394-4115

May 1-5

Black Hills Film Festival, Hill City, SD, 605-574-9454

To have your event listed on this page, send complete information, including date, event, place and contact to your local electric cooperative. Include your name, address and daytime telephone number. Information must be submitted at least eight weeks prior to your event. Please call ahead to confirm date, time and location of event.