

2020 ANNUAL REPORT

Energizing and Connecting...Enhancing Your Life.

Keeping the Electricity on and the Data Flowing

2020 marked the 85th anniversary for Meeker Cooperative Light & Power. While we certainly did not celebrate that milestone in the ways we had planned, it was certainly a year that will be remembered for the impacts of the Coronavirus pandemic, for service reliability, and for Meeker's success in its new venture VIBRANT broadband.

Many new practices evolved – and very quickly – as mandates by the Governor closed many businesses. As an essential service, the Cooperative needed to maintain its usual levels of service and saw high demand for internet installations. To ensure the safety of the employees, and business continuity should an outbreak occur, some of Meeker's employees became home-based while others stayed at the office. Linemen and VIBRANT technicians drove in separate vehicles to job sites. Face masks were used in all public areas of the office and social distancing was observed. Plexiglass barriers were installed. Some work practices that were put in place will remain in place, while other activities are now returning to pre-COVID normal.

The responsibility of providing essential services was not lost on any of your Meeker employees. It was obvious by their commitment that none of them take their responsibility lightly – and we greatly appreciate their passion and willingness to adapt as needed.

Meeker's newest service, VIBRANT broadband, was suddenly in high demand and, for some, as essential to everyday life as having electricity. As people were quickly trying to adapt to working and learning from home,

VIBRANT broadband was the answer to make that happen. In March 2020, when the Governor's Stay Safe mandates went into effect, VIBRANT broadband had only been available for about 7 months. Calls started pouring in and Meeker's employees stepped up; installs took off at a record pace. Students needed Internet for virtual learning and parents needed Internet to work from home. The Internet was also the link required to connect with doctors for healthcare needs and with family that they could not visit in person; it was also a main source of entertainment in a shut-down world.

The pandemic (a word we never thought we would use) has stretched your Cooperative board and employees to adjust and adapt and find new ways to provide you, the member-owners, with the best possible customer service experience. As we move forward in this 'new normal' we are proud to say that electricity and internet data continued to flow throughout the service area, and as you will see throughout this report, Meeker continues to grow.

Thank you for your support.



Vibrantly,
Tim Mergen
CEO/General Manager



Cooperatively,
Kevin Issendorf
President/Board Chair

Meeker Cooperative 86th Annual Meeting

August 11, 2021
7:00 p.m.

ANNUAL MEETING SCHEDULE

- **Pledge of Allegiance** - Brad Donnay, Vice Chair
- **Invocation** - Pastor David Milz, St. John's Lutheran Church, Kimball
- **Business Meeting** - Kevin Issendorf, Chair
- **Call to Order**
- **Appoint Parliamentarian**
- **Certify Notice of Annual Meeting Mailing**
- **Establish Quorum**
- **Approve Standing Rules of the Annual Meeting**
- **Approve 2020 Minutes**
- **Qualifications & Election Committee Report** - David Leonhardi
- **Call for Volunteers for Tellers** - Kevin Issendorf, Chair
- **Introduction of Directors**
- **Meeker Cooperative Electric Trust Board Report** - Priscilla Mumford
 - Great River Energy Donation to Electric Trust
- **Financial Report** - Kari Miller, Finance Manager
- **General Manager's Report** - CEO Tim Mergen
- **Election Results Report** - Election Teller Chair
- **New Business** - Chad Felstul, Co-op Attorney
- **Adjournment** - Kevin Issendorf, Chair
- **Attendance Prizes** - Holly Schultz-Anderson, Energize & Connect Co-Manager

Unapproved Minutes of the 85th Meeker Cooperative Annual Meeting

June 29, 2020



Directors Karen Becker, Paul Bugbee, Brad Donnay, Larry Huhn, Kevin Issendorf, K. Bruce Krueger, Mark Larson, Karl Lundin and Stephen Plaisance were in attendance. Tim Mergen, CEO/General Manager, and Chad Felstul, Attorney with Pemberton Law, were also present.

The 85th Annual Meeting of the Members of the Meeker Cooperative Light & Power Association was held at Meeker Cooperative's headquarters facility in the City of Litchfield, State of Minnesota, on Monday, June 29, 2020, (rescheduled from April 6 at 7:30 p.m.,) at 9:00 a.m., pursuant to Article II of the Bylaws of the Cooperative. The Meeting was held following the Governor's Stay Safe protocols including social distancing requirements to maintain six feet between people, meeting room capacity limits, and the recommendation that masks be worn in public places due to the COVID-19 pandemic. Please refer to the Chair's remarks below for more details.

Board Chair Karen Becker called the Meeting to order.

Chair Becker appointed Attorney Chad Felstul of Pemberton Law, the legal firm for Meeker Cooperative, as parliamentarian for the Meeting.

Secretary Donnay certified that the Meeting notice of the re-scheduled Annual Meeting was published in the Meeker *Pioneer* and mailed to all Meeker Cooperative Members on June 5, 2020.

Secretary Donnay certified that 151 ballots were returned and, per the Cooperative's bylaws, counted as Members registered for the Annual Meeting. Donnay declared a quorum was present for conducting the business of the Cooperative.

Board Chair Becker called for a motion to approve the Revised Agenda of the Annual Meeting as printed. The Agenda included only items essential to the continuity of business. Holly Schultz-Anderson made said motion; K. Bruce Krueger seconded the motion. Motion carried.

Motion was made by Paul Bugbee to dispense with the reading of the minutes of the 2019 Meeker Cooperative Annual Meeting and accept them as printed in the Annual Report. Mark Larson seconded the motion. Motion carried.

As stated, this Meeting was originally scheduled for Monday, April 6, but the COVID-19 pandemic necessitated it be

postponed. The ballots for the District 5 director position had already been printed and mailed prior to the decision to postpone the Meeting. Chair Becker called for a motion to change the date placed on the ballots to reflect this postponed date of the Annual Meeting. There was a motion by Karl Lundin, with a second by Kevin Issendorf, to make said date change. Motion carried.

Becker reminded those in attendance of the mail ballot process and reported that all returned ballots had been held at Pemberton Law, by Attorney Chad Felstul, until they could be opened and counted at this Meeting. Becker called for volunteers for Tellers. Holly Schultz-Anderson, Luke Johnson and John Eggert left with Attorney Felstul to count the ballots.

While the ballots were being counted, Chair Becker provided a brief explanation of the reasoning for postponing the Meeting. She explained that the Coronavirus pandemic (COVID-19), social distancing requirements, and the elimination of large gatherings imposed by the Minnesota Governor under his Peacetime Emergency Power Executive Orders, made it impossible to hold the Meeting as originally scheduled. She also stated that for all of the same reasons the Meeting Agenda was pared down to "essential" business meeting items only.

Becker noted that the Board of Directors of Meeker Cooperative is keenly aware of the importance of Member input and dialogue that an annual member meeting ensures to all of the Member-Owners of the Co-op. It had considered various options for how and when to re-schedule the Meeting, including holding it in conjunction with the Co-op's Member Appreciation Day event in August. However, with the lingering uncertainties surrounding the COVID-19 restrictions, the Member Appreciation Event has now been canceled.

The Board had also considered holding the Annual Meeting later in the year, but again there were no assurances when, or under what circumstances, it would be possible to conduct any large meeting of Members in the coming months.

Given all the uncertainties, the Board determined it was important to move ahead and schedule

the Annual Meeting, paring down the Agenda to conduct those items essential to the ongoing operation of Meeker Cooperative.

Becker called on Finance Manager Kari Miller to present the 2019 Financial Report. Attendees were invited to follow along in the Annual Meeting Report and notified that the Annual Report will be available on the website after the Meeting. Miller's financial highlights included the assets and liabilities of the Co-op and the 2019 statement of net margins. The Co-op ended the year with about \$23.2 million in operating revenue. Per RUS guidelines, \$800,000 was deferred to 2020 so the final financial statement indicates about \$22.4 million in operating revenue. When expenses were subtracted from the revenues, the 2019 operating margins were recorded as \$874,341. Before allocation of the margins to the Membership, the deferred revenue amount (\$800,000) was added back to the operating margins making the 2019 allocation to the Membership a total of \$1,674,341. The Cooperative had a net operating loss of \$409,673 due to start up and operating costs for VIBRANT Broadband, Meeker's new internet service. The total net margins for 2019 were \$464,668. Miller reported that the Cooperative received a clean audit opinion from the auditors.

Chair Becker recessed the Meeting until the Tellers had completed counting the ballots for the District 5 seat. Chair Becker called the Meeting back into session and asked Teller Chair Holly Schultz-Anderson to report the election results. Schultz-Anderson reported that Incumbent Stephen Plaisance had been re-elected. Chair Becker thanked the Tellers. She also thanked the candidates for their interest in serving the Cooperative.

Candidates are placed on the ballot by the Qualifications & Election Committee following the Committee's review of all of the Applications for Director that are received. Becker explained that Meeker Cooperative's Bylaws state that the Committee may, in the case of only one candidate in a District, waive the mail ballot process and declare the candidate elected. The Committee had taken said action for Districts 1, 2 and 6 declaring Incumbent Paul Bugbee elected in District 1, Incumbent Karen Becker elected in District 2 and Incumbent Mark Larson elected in District 6.

Becker called for a motion to adjourn at 9:20 a.m. Said motion was made by K. Bruce Krueger and seconded by Holly Schultz-Anderson. Motion carried.

Mary Alice Holm, Recorder
Brad Donnay, Secretary

2020 FINANCIAL REPORT

Balance Sheet - December 31, 2020

ASSETS

CASH AND CASH EQUIVALENTS

General Cash	\$1,204,485	
Temporary Investments	<u>1,803,116</u>	

TOTAL CASH AND CASH EQUIVALENTS **\$3,007,601**

CURRENT AND OTHER ASSETS

Accounts Receivable - Electric	\$3,394,028	
Less Allowance for Doubtful Accts	<u>(95,301)</u>	\$3,298,727

Accounts Receivable - Other	\$556,565	
Less Allowance for Doubtful Accts	<u>\$(11,440)</u>	\$545,125

Plant Materials and Supplies	\$2,561,077	
Merchandise	<u>27,089</u>	\$2,588,166

Payments and Deferred Charges		<u>\$551,508</u>
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TOTAL CURRENT AND OTHER ASSETS **\$6,983,526**

LONG TERM INVESTMENTS

Assoc. Organizations & Other Investments	\$13,262,793	
ERC and VB Construction Loans	<u>34,726</u>	

TOTAL LONG TERM INVESTMENTS **\$13,297,519**

UTILITY PLANT

Distribution Line	\$69,578,358	
Headquarters Building & Lands	5,768,777	
General Equipment	30,194,144	
Organization Costs	<u>494</u>	

TOTAL UTILITY PLANT	\$105,541,773	
Less Accumulated Depreciation	<u>(26,510,426)</u>	

NET UTILITY PLANT **\$79,031,347**

TOTAL ASSETS **\$102,319,993**

LIABILITIES AND EQUITY

CURRENT AND ACCRUED LIABILITIES

Current Maturities of Long-Term Debt	\$2,495,025
Accounts Payable - General	3,511,851
Customer Deposits	166,816
Accrued Taxes	499,614
Accrued Interest	22,320
Other Accruals	<u>2,925,292</u>

TOTAL CURRENT AND ACCRUED LIABILITIES **\$9,620,918**

LONG TERM LIABILITIES

Long Term Obligation to RUS	\$8,016,080
Long Term Obligation to CFC	2,408,660
Long Term Obligation to CoBank	32,158,958
Long Term Obligation to FFB	<u>17,582,441</u>

TOTAL LONG TERM LIABILITIES **\$60,166,139**

TOTAL LIABILITIES **\$69,787,057**

MEMBERS AND PATRONS EQUITY

Capital Reserve	\$4,064,573
Patrons Revolving Fund Credits	27,744,762
Patrons Margins - 2020	<u>723,601</u>

TOTAL EQUITY **\$32,532,936**

TOTAL LIABILITIES AND EQUITY **\$102,319,993**

HOW YOUR DOLLAR WAS SPENT IN 2020

Purchased Power _____	55¢	Admin/General _____	7¢
Operations/Maint. _____	9¢	Depreciation _____	11¢
Member Accounts & Collections _____	1¢	Taxes _____	1¢
Member Services _____	3¢	Interest _____	9¢
		Operating Margins _____	4¢



STATEMENT OF NET MARGINS FOR YEAR ENDED DECEMBER 31, 2020

OPERATING REVENUE

Residential - Farm	\$15,127,626
Residential - Seasonal	1,070,572
Residential - Towns & Villages	42,211
Irrigation Sales	335,633
Commercial & Industrial	4,998,804
Public Streets & Highway Lighting	28,615
Sales to Public Buildings	138,285
Consumers Forfeited Discounts	22,557
Other Electric Revenue	<u>50,450</u>

TOTAL OPERATING REVENUE **\$21,814,753**

COST OF ELECTRIC SERVICE

Purchased Power	\$12,057,409
Operating Expense	685,287
Maintenance Expense	1,172,300
Customer Accounting & Collecting	268,501
Customer Service & Informational Expense	683,021
General & Administrative Expense	<u>1,528,307</u>

TOTAL OPERATING EXPENSES **\$16,394,825**

Depreciation	\$2,403,165
Taxes	232,416
Interest	1,871,559
Other Expenses	<u>10,966</u>

TOTAL COST OF ELECTRIC SERVICE **\$20,912,931**

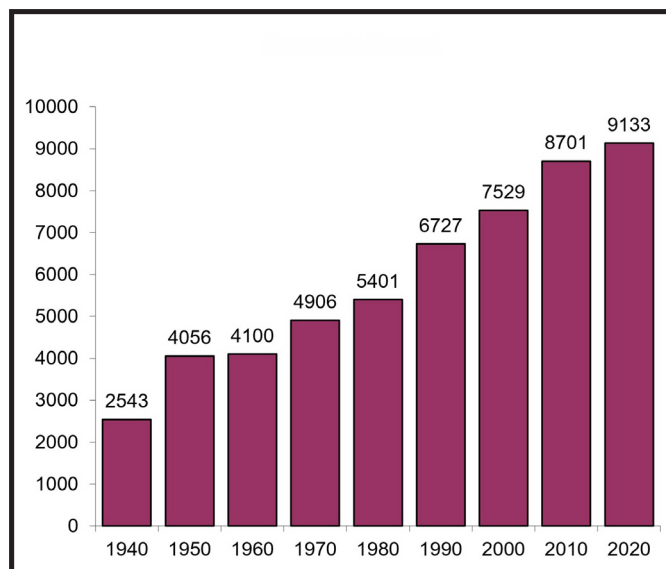
OPERATING MARGINS **\$901,822**

Non-Operating Margins - Int. & Dividends	\$755,316
Non-Operating Margins - Other	(1,462,568)
Generation & Transmission Capital Credits	475,891
Other Capital Credits - CFC & CoBank	<u>53,140</u>

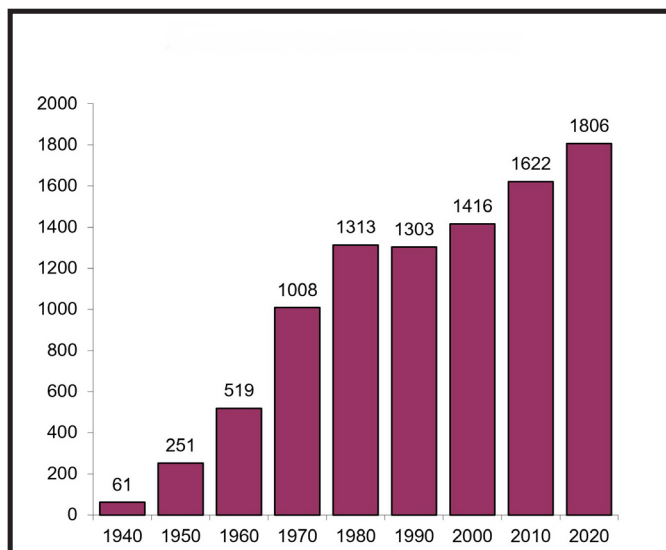
TOTAL NON-OPERATING MARGINS **\$ (178,221)**

NET MARGINS **\$723,601**

ACCOUNTS SERVED



MONTHLY AVERAGE KWH PER MEMBER



2020 Board of Directors



**President
District 4**
Kevin Issendorf



**Vice President
District 3**
Brad Donnay



**Secretary
District 9**
Karl Lundin



**Treasurer
District 6**
Mark Larson



District 1
Paul Bugbee



District 2
Karen Becker



District 5
Stephen Plaisance



District 7
K. Bruce Krueger



District 8
Larry Huhn

MEEKER COOPERATIVE DISTRICTS

ROSEVILLE 1	Paynesville PAYNESVILLE	EDEN LAKE Eden Valley	LUXEMBURG	M. PRAIRIE 3	FAIRHAVEN
IRVING	UNION GROVE	MANANNAH	FOREST PRAIRIE Watkins	S.M. PRAIRIE	SOUTHSIDE
HARRISON	SWEDE GROVE Grove City	2 HARVEY	FOREST CITY	9 KINGSTON	5 FRENCH LAKE
KANDIYOHI	GENNESSEE	ACTON	Litchfield LITCHFIELD	Darwin DARWIN	DASSEL Dassel
FAHLUN	L. ELIZABETH	DANIELSON	4 GREENLEAF	8 ELLSWORTH	6 COLLINWOOD
E.L. LILLIAN	COSMOS	CEDAR MILLS	7 ACOMA	HUTCHINSON	COKATO
	BROOKFIELD	BOON LAKE			

RULES OF THE ANNUAL MEETING

RECOGNITION BY THE CHAIR: Every Member, after being recognized by the Chair, shall state their name and address before speaking on the relevant subject.

MOTIONS AND SECONDS: All Motions and Seconds shall be made by Members only and such Member shall state their name and address at the time of making said Motion or Second.

RULES OF SPEAKING, NUMBER OF TIMES AND DURATION: No Member shall speak more than twice on the same subject without permission of the Members present, nor more than once until every Member choosing to speak on the subject pending shall have spoken. Nor shall any Member occupy the floor more than three minutes the first time, and three minutes the second time, without the consent by a majority of the Members in attendance.

Meeker Cooperative Electric Trust



The Meeker Cooperative Electric Trust is able to support area organizations and provide scholarships for area students because of contributions from you – Meeker Members and VIBRANT customers. The Trust is pleased to fund projects that better the communities in our area and support educational efforts.

The spare change collected when rounding bills up to the nearest dollar and from rounding down paychecks of Meeker’s employees who elect to participate in the round down program, along with various other donations, adds up quickly. In 2020, the Meeker Cooperative Electric Trust distributed \$78,506 to various organizations and as scholarships to support and enhance the opportunities available within our communities.

The Meeker Cooperative Electric Trust is an independent 501(c)3 organization that meets three times per year to review grant applications for funding. The Trustees come from throughout Meeker’s service territory. They are tasked with reviewing the applications submitted by non-profit area organizations which describe proposed projects and the need for funding. Trustees also consider annual donations to area food shelves, to the United Community Action Partnership for heat and emergency assistance and to area high schools for scholarships. Since its inception in 1999, almost \$900,000 has been distributed.

Information about the grant application process and scholarships is available on Meeker’s website or by calling the Cooperative.

2020 Trust Distribution: \$78,506
Average contribution per member for the year: \$5.71

2020 Trustees

- Marshall Carlson, Litchfield
- Marcia Dischinger, Dassel
- John Donnay, Kimball
- Sheila Haag, Eden Valley
- Wendy Hellwig, Litchfield
- Teresa Hankins, Litchfield
- Priscilla Mumford, Litchfield
- Robert Pederson, Paynesville
- Holly Schultz-Anderson, Darwin
- Donna Whitcomb, Grove City

Summary of 2020 Awards

Community Service

16 awards totaling **\$17,690**

Education and Youth

19 awards totaling **\$10,516**

Food Shelves

7 awards totaling **\$6,300**

Non-Traditional Scholarship

None awarded

Lineworker & Electrician Scholarship

None awarded

Disaster Relief

1 awarded totaling **\$30,000** (fund for Pandemic Assistance)

Scholarships to High School Seniors

2 \$1,000 scholarships to 7 schools totaling **\$14,000**

Total: \$78,506

Thank you for your commitment to strengthening our communities.



Back Row L to R: Felicia Skaggs, Melissa Nordberg, Michele Boreen, Kari Miller, Jammie McCarney, Mary Petsche, Holly Schultz-Anderson, Leah Kohls-Cummings, Kathy Hansen, Robbie Brown, Karen Reinert, Hannah Erickson, Jane Wagner, Nick Holman.

Front Row L to R: Tim Mergen, Steve Kosbab, Kelly Hedtke, Josh Carlson, Peyton Jasken, John Grabow, Brandon Skalberg, Dan Schrupp, Logan Josephson, Nate Glimsdal, Allen Resmen, Madison Wegener, Scott Ernst, Nathan Johnson, Bo Johnson, Jason Schwartz, Matt Larson, John Eggert, Andrew Kalkbrenner, Terry Heidecker, Allen Lendt, Luke Schoenecker, Jake Smothers, Don Smieja, Cody Trapp, Cody Schiroo, Nic Thornton, Sonny Miller, Mary Alice Holm, Luke Johnson, Shane Zeppelin



Meeker Cooperative Light & Power Association
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www.meeker.coop • www.vibrantbroadband.com
Meeker Co-op is an Equal Opportunity provider and employer.

