

# 2022 ANNUAL REPORT



Photo by Steve Kosbab

## Meeker Cooperative 88th Annual Meeting

April 24, 2023  
9:00 a.m.

### ANNUAL MEETING SCHEDULE

- **Pledge of Allegiance** - *Brad Donnay, Chair*
- **Invocation** - *Kevin Issendorf, Chaplain, Last Man's Club and Litchfield VFW*
- **Business Meeting** - *Brad Donnay, Chair*
- **Call to Order**
- **Appoint Parliamentarian**
- **Certify Notice of Annual Meeting Mailing**
- **Establish Quorum**
- **Approve Agenda**
- **Approve Standing Rules of the Annual Meeting**
- **Approve 2022 Minutes**
- **Qualifications & Election Committee Report** - *David Leonhardi*
- **Call for Volunteers for Tellers** - *Brad Donnay, Chair*
- **Introduction of Directors**
- **Cooperative 101 Member Group Report** - *Troy Hilsen*
- **Meeker Cooperative Electric Trust Report** - *Holly Schultz-Anderson*
  - Great River Energy Donation
  - NRTC Donation
- **Financial Report** - *Scott Froemming, Finance Manager*
- **General Manager's Report** - *CEO/GM Luke Johnson*
- **Election Results Report** - *Election Teller Chair*
- **New Business** - *Chad Felstul, Co-op Attorney*
- **Adjournment** - *Brad Donnay, Chair*

**ENERGIZING AND CONNECTING...ENHANCING YOUR LIFE**

## Moving Forward

Back in 1991, Mikhail Gorbachev said that if you are not moving forward, you are moving backward. Meeker Cooperative's board and employees continue to move the Cooperative forward to meet the needs of the members and VIBRANT customers they serve.

Using Meeker's mission statement as a guide - Energizing and Connecting . . . Enhancing Your Life - it has been a busy year for the Co-op.

Meeker's linemen and broadband technicians continue to take a great deal of pride in installing and maintaining a reliable delivery network for both the electricity and Internet that we rely on. We love to hear the stories about how both impact the quality of life of our members.

As technology improves, and the VIBRANT Broadband network expands, not only does it provide fast, reliable Internet service to members and subscribers, but it has also

opened up new opportunities for the Cooperative to utilize smart grid options which benefit everyone.

Staff are also working to glean as much as possible from the grant programs that are available to fund Internet outreach into unserved and under-served areas as well as funding to improve reliability and efficiencies of the electric system. The letters of support that many of you have provided to support grant applications for projects in your area are greatly appreciated.

We are proud of the efforts made by the employees to create opportunities for our members to learn more about energy saving devices available for the home, our energy management programs and more. Safety training for first responders was provided. The on-going VIBRANT University Programs provided help take the fear out of streaming and provide a broader understanding of how

to "cut the cord" on the high price of cable TV. Providing educational opportunities is one of the cooperative business principles.

Late in the year, Tim Mergen, CEO/General Manager for the past 25 years, announced that he would be retiring in March of 2023. The board began the task of finding the next person to lead Meeker Cooperative into the future and a new CEO was named in March of 2023.

Thank you to all of the employees for continuing the forefather's pioneering spirit of providing for the needs of the families and businesses that make our area strong. And thank you to you, our members, for your continued support of the Cooperative.

*Cooperatively,  
Brad Donnay, President*



## 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.

## Unapproved Minutes of the 87th Meeker Cooperative Annual Meeting April 25, 2022

Directors Karen Becker, Randy Bryant, Paul Bugbee, Brad Donnay, Larry Huhn, Kevin Issendorf, 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.

Mergen welcomed the Members and guests.

Vice Chair Brad Donnay led the assembly in the Pledge of Allegiance.

Chair Issendorf, Chaplain for the Last Man's Club and the Litchfield VFW gave the invocation prior to calling the meeting to order.

The 87th Annual Meeting of the Members of the Meeker Cooperative Light & Power Association was held at Meeker Cooperative Light & Power Association, State of Minnesota, on Monday, April 25, 2022, pursuant to Article II of the Bylaws of the Cooperative.

Board Chair Kevin Issendorf called the Meeting to order at 9:03 a.m.

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

Secretary Lundin certified that the Meeting Notice of the Annual Meeting was published in the Meeker

Pioneer and mailed to all Meeker Cooperative Members on April 4, 2022.

Secretary Lundin certified that 236 Members were registered for the Meeting as identified by returned ballots per the Cooperative's bylaws and declared a quorum for conducting the business of the Cooperative.

Chair Issendorf asked for a motion to approve the Agenda for the meeting as printed in the Annual Report. Motion by Holly Schultz-Anderson and second by K. Bruce Krueger to approve the Agenda. Motion carried.

Chair Issendorf asked for a motion to approve

*Con't. Next Page*

## 87th Annual Meeting Minutes - Con't.

the Rules of the Annual Meeting as printed in the Annual Report. Motion by Michael Klein and second by Elizabeth Walke to approve said Rules. Motion carried.

Motion was made by Holly Schultz-Anderson to dispense with the reading of the minutes of the 2021 Meeker Cooperative Annual Meeting and accept them as printed in the Annual Report. Michael Klein seconded the motion. Motion carried.

The next item on the agenda was the report of the Qualifications & Election Committee. Issendorf called on Thomas Haag to review the responsibilities and actions of the Committee. Haag noted one Member from each District in which the Director is not up for election is appointed by the Board to serve on the Committee. Haag introduced the Members of the 2022 Committee and asked any members present to stand and be recognized.

Haag explained that Members interested in being placed on the ballot were invited to complete and submit an Application by the announced deadline. Applications were reviewed by the Committee to verify eligibility and other information provided on the application. One application was submitted in District 3 and in District 5. Two members submitted applications for the District 8 seat. The Committee determined that all of applicants met the stated qualifications and the Committee took action to place these interested Members on the ballot in their respective Districts.

Meeker Cooperative's Bylaws give the Committee the authority to declare a candidate elected if there is only one candidate in a District. The Committee took said action for Districts 3 and 5 declaring Incumbent Bradley Donnay elected in District 3 and Incumbent Stephen Plaisance elected in District 5.

Ballots were mailed to the Members in District 8 with nominees Incumbent Larry Huhn and Elizabeth Walke identified as candidates. Ballots have been collected and will be counted during today's Meeting. The results will be announced prior to adjournment.

Chair Issendorf thanked Haag for his report and the work of the Committee. He then called for tellers to count the ballots for the Director seat in District 8. Volunteers included Kathy Hansen, Nathan Johnson, Michael Klein and Melissa Nordberg. Tellers left the Meeting with Meeker Cooperative employee Felicia Skaggs and Attorney Chad Felstul to tally the votes.

Issendorf introduced the current Board of Directors and asked that they stand to be recognized.

CEO/General Manager Tim Mergen introduced Holly Schultz-Anderson, Chair of the Meeker Cooperative Electric Trust Board, to review the Trust's activities in 2021. Mergen presented her with a \$1,000 check from Great River Energy, one

of Meeker's power suppliers. Schultz-Anderson thanked Mergen for the donation. She also thanked the Members and VIBRANT customers for rounding up their bills and Co-op employees for rounding down their paychecks and for the on-going support the Operation Round Up® program. On average, Members and VIBRANT customers participating in Operation Round Up contributed about \$5.68 each in 2021. The dollars collected are distributed back into the communities where Members live and work and she emphasized how quickly these individual donations can make a notable difference when combined together. In 2021, the Trust distributed \$44,070 to various organizations through grant requests for specific projects, food shelf and heat/emergency assistance donations and as educational scholarships. About 79 percent of the Membership and VIBRANT customers currently participate in the program. Schultz-Anderson also thanked the Trustees for their time, commitment and dedication to the work of the Trust.

The next item of business was the 2021 Financial Report presented by Finance Manager Scott Froemming. Attendees were invited to follow along in the Annual Meeting Report. The Annual Report will be also available on the website following the meeting. Froemming reviewed the Cooperative's assets and liabilities and the 2021 statement of net margins. The Co-op ended the year with just over \$23.5 million in operating revenue. Per RUS guidelines, \$750,000 was deferred to 2022 so the final financial statement indicates about \$22.8 million in operating revenue. When expenses were subtracted from the revenues, the 2021 operating margins were recorded as \$1,272,861. Before allocation of the margins to the Membership, the deferred revenue amount (\$750,000) was added back to the operating margins making the 2021 allocation to the Membership a total of \$2,022,861. The Cooperative had a net non-operating loss of \$430,225 due to operating costs for VIBRANT Broadband, Meeker's broadband internet service. The total net margins for 2021 were \$842,636. A clean audit opinion from the firm of Brady Martz & Associates had been received.

Issendorf invited CEO/General Manager Tim Mergen to present his annual Report to the Membership.

Mergen explained that today's business-only meeting format was a decision that had to be made last fall when the Omicron variant of the COVID-19 virus was just making its way into the US. With the uncertainty of what it may bring, a smaller event was determined to be the most prudent way to proceed. Plans are underway to participate in area parades this summer. Mergen thanked employees for their hard work, absolute dedication, and flexibility to adapt to the situations over the past two years.

The main focus of Mergen's presentation was a brief overview of the Cooperative's cyber security programs and training. He assured members that

the Cooperative works diligently to protect all of the its computer systems, physical assets and member records. World events, especially the Russian attacks on the Ukraine, have put additional pressures on cyber security. The Cooperative monitors alerts and warnings from various government agencies. Besides current military bad actors attempting to hack and cause havoc with utility reliability, there are the cyber criminals whose focus is money, identity theft, fraud, and more.

Mergen described how Meeker actively monitors threats to the system. 'Hacker view' tests are run to test for security vulnerabilities; the board and staff review these reports on a monthly basis. Security patches and updates are applied to systems as often as warranted. Employees and Directors also participate in an on-going training and testing program (KnowBe4) to learn more about possible threats, the newest scams, and to keep cyber security in the front of everyone's mind.

The Cooperative also participates in programs available to electric utilities through national, industry-specific organizations.

Mergen reassured Members that the Cooperative does not sell, give out or in any way share Member information with outside entities.

Following Mergen's remarks, Issendorf called on the Chair of the Tellers to announce the results of the election. Michael Klein introduced the Tellers and reported 138 votes were cast for Larry Huhn and 88 votes were cast for Elizabeth Walke. Huhn was declared the winner of the election. There were ten ballots that were disqualified and could not be counted.

Issendorf thanked the Tellers and candidates and congratulated Huhn on his re-election.

Meeker's Attorney and Meeting Parliamentarian Chad Felstul came forward to conduct the New Business portion of the Meeting. After calling for New Business and hearing none, Felstul turned the Meeting back over to Chair Issendorf.

Issendorf called for a motion to adjourn the Meeting. A motion was made by Karl Lundin and seconded by Holly Schultz-Anderson to adjourn the Meeting. Motion carried; meeting was adjourned.

*Mary Alice Holm, Recorder*

*Karl Lundin, Secretary*



# 2022 Board of Directors



**President  
District 3**  
Brad Donnay



**Vice President  
District 6**  
Mark Larson



**Secretary  
District 8**  
Larry Huhn



**Treasurer  
District 1**  
Paul Bugbee



**District 2**  
Karen Becker



**District 5**  
Stephen Plaisance



**District 7**  
Randy Bryant

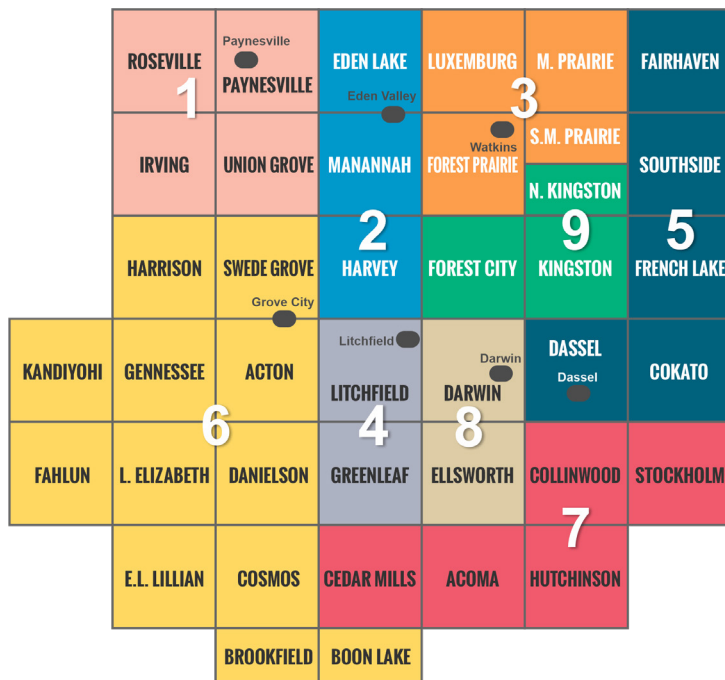


**District 4**  
Kevin Issendorf



**District 9**  
Jesse Turck

## MEEKER COOPERATIVE DISTRICTS



**Vice President  
Until June, 2022  
District 9**  
Karl Lundin

# Meeker Cooperative Electric Trust

Got some spare change in your pocket? Often we don't give much thought to the dimes and nickels we find there, but it is similar contributions made each month by the members and VIBRANT subscribers of Meeker Cooperative that fund Operation Round Up®. And that money then goes back into the community to assist with projects, provide scholarships and much more.

How does this happen? Members and VIBRANT subscribers allow the Cooperative to round up their bills up to the nearest dollar and employees can choose to round down their paychecks. This spare change, along with various other donations, is placed into a Trust for distribution. It is amazing

how quickly it adds up. In 2022, the Meeker Cooperative Electric Trust distributed \$57,865 to various organizations and as scholarships to support and enhance local opportunities.

The Meeker Cooperative Electric Trust is an independent 501(c)3 organization. Trustees meet 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 their 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 1998, almost \$997,642 has been distributed.

Information about the grant application process and scholarships are available on Meeker's website at [www.meeker.coop](http://www.meeker.coop) or by calling the Cooperative.



## 2022 Trustees

- Allen Anderson, Paynesville
- Wendy Hellwig, Litchfield
- Raeann Carlson, Litchfield
- David Leonhardi, Dassel
- John Donnay, Kimball
- Theresa Nelson, Litchfield
- Joan Euerle, Litchfield
- Holly Schultz-Anderson, Darwin
- Teresa Hankins, Litchfield
- Tami Watt, Watkins

**2022 Trust Distribution: \$57,865**  
Average contribution per member for the year: \$5.78

*Thank you to everyone that contributes your spare change to strengthen our communities.*

## Summary of 2022 Awards

**Community Service**  
24 awards totaling **\$26,365**

**Education and Youth**  
11 awards totaling **\$11,200**

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

**Disaster Relief**  
None awarded

**Non-Traditional Scholarship**  
None awarded

**Lineworker & Electrician Scholarship**  
None awarded

**Scholarships to High School Seniors**  
2 - \$1,000 scholarships to 7 schools totaling **\$14,000**



### Back Row:

Tim Mergen, Nate Glimsdal, Logan Josephson, John Grabow, Jake Smothers, Mary Petsche, Jane Wagner, Melissa Nordberg, Kathy Hanson, Nick Simar, Felicia Skaggs, Dan Johns, Scott Froemming, Bo Johnson, Allen Lendt, Nathan Johnson, Andrew Kalkbrenner, Madison Wegener, Mike Flaata, Holly Schultz-Anderson, Michele Boreen, Eric Wittenberg.

### Front Row:

Kelly Hedtke, Dave Trembl, John Eggert, Shane Zeppelin, Steve Kosbab, Jason Schwartz, Josh Carlson, Brady Hoppe, Scott Ernst, Willie Wiredhand, Mark Dallmann, Mary Alice Holm, Luke Johnson, Robbie Brown, Laura Shoutz, Cody Schiroo, Jammie McCarney, Leah Kohls-Cummings, Luke Schoenecker, Don Smieja, Brandon Skalberg, Al Reseman, Matt Larson, Dan Schrupp.

# 2022 FINANCIAL REPORT

Balance Sheet - December 31, 2022

## ASSETS

### CASH AND CASH EQUIVALENTS

General Cash	\$ 521,444
Temporary Investments	<u>1,779,253</u>

**TOTAL CASH AND CASH EQUIVALENTS** **\$2,300,698**

### CURRENT AND OTHER ASSETS

Accounts Receivable - Electric	\$3,679,366
Less Allowance for Doubtful Accts	<u>(92,702)</u>
	\$3,586,664

Accounts Receivable - Other	\$650,059
Less Allowance for Doubtful Accts	<u>(22,174)</u>
	\$627,885

Plant Materials and Supplies	\$4,073,615
Merchandise	<u>75,001</u>
	\$4,148,616

Payments and Deferred Charges	<u>\$403,660</u>
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**TOTAL CURRENT AND OTHER ASSETS** **\$8,766,825**

### LONG TERM INVESTMENTS

Assoc. Organizations & Other Investments	\$39,899,931
ERC and VB Construction Loans	<u>11,293</u>

**TOTAL LONG TERM INVESTMENTS** **\$39,911,224**

### UTILITY PLANT

Distribution Line	\$72,333,528
Headquarters Building & Lands	5,779,348
General Equipment	<u>12,960,717</u>

<b>TOTAL UTILITY PLANT</b>	\$91,073,593
Less Accumulated Depreciation	<u>(28,705,531)</u>

**NET UTILITY PLANT** **\$62,368,062**

**TOTAL ASSETS** **\$113,346,809**

## LIABILITIES AND EQUITY

### CURRENT AND ACCRUED LIABILITIES

Current Maturities of Long-Term Debt	\$3,529,109
Accounts Payable - General	4,367,898
Customer Deposits	155,651
Accrued Taxes	484,685
Accrued Interest	16,524
Other Accruals	<u>3,079,722</u>

**TOTAL CURRENT AND ACCRUED LIABILITIES** **\$11,633,589**

### LONG TERM LIABILITIES

Long Term Obligation to RUS	\$871,871
Long Term Obligation to CFC	2,003,004
Long Term Obligation to CoBank	38,452,948
Long Term Obligation to FFB	<u>25,712,382</u>

**TOTAL LONG TERM LIABILITIES** **\$67,040,204**

**TOTAL LIABILITIES** **\$78,673,793**

### MEMBERS AND PATRONS EQUITY

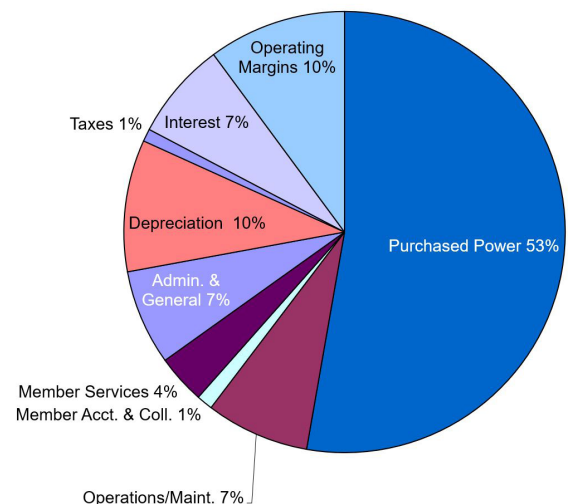
Capital Reserve	\$2,519,510
Patrons Revolving Fund Credits	29,560,714
Patrons Margins - 2021	<u>2,592,792</u>

**TOTAL EQUITY** **\$34,673,016**

**TOTAL LIABILITIES AND EQUITY** **\$113,346,809**

## HOW YOUR DOLLAR WAS SPENT IN 2022

Purchased Power _____ 53¢	Depreciation _____ 10¢
Operations/Maint. _____ 7¢	Taxes _____ 1¢
Member Accounts & Collections _____ 1¢	Interest _____ 7¢
Member Services _____ 4¢	Operating Margins _____ 10¢
Admin/General _____ 7¢	





# STATEMENT OF NET MARGINS FOR YEAR ENDED DECEMBER 31, 2022

## OPERATING REVENUE

Residential - Farm	\$17,839,738
Residential - Seasonal	1,110,091
Residential - Towns & Villages	43,472
Irrigation Sales	446,457
Commercial & Industrial	5,721,114
Public Streets & Highway Lighting	34,451
Sales to Public Buildings	95,317
Consumers Forfeited Discounts	44,052
Other Electric Revenue	<u>64,073</u>

**TOTAL OPERATING REVENUE** **\$25,398,765**

## COST OF ELECTRIC SERVICE

Purchased Power	\$13,399,130
Operating Expense	875,664
Maintenance Expense	1,051,910
Customer Accounting & Collecting	300,480
Customer Service & Informational Expense	912,734
General & Administrative Expense	<u>1,756,040</u>

**TOTAL OPERATING EXPENSES** **\$18,295,958**

Depreciation	\$2,455,801
Taxes	234,394
Interest	1,824,558
Other Expenses	<u>19,235</u>

**TOTAL COST OF ELECTRIC SERVICE** **\$22,829,946**

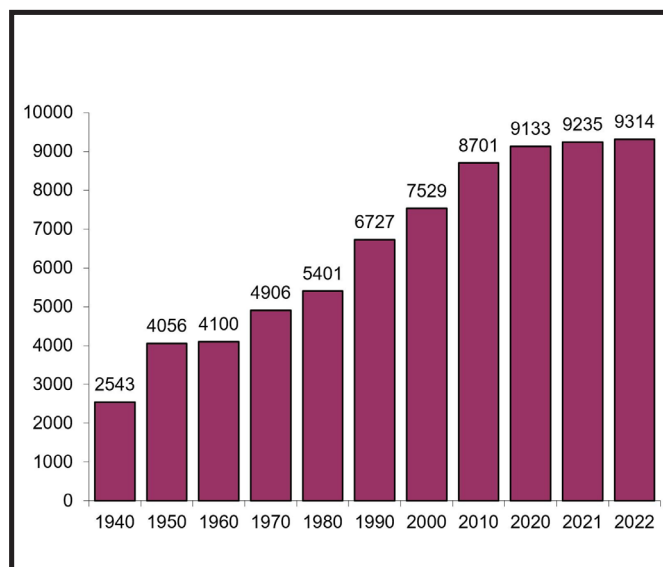
**OPERATING MARGINS** **\$2,568,819**

Non-Operating Margins - Int. & Dividends	\$228,473
Non-Operating Margins - Other	(1,243,920)
Generation & Transmission Capital Credits	994,819
Other Capital Credits - CFC & CoBank	<u>44,601</u>

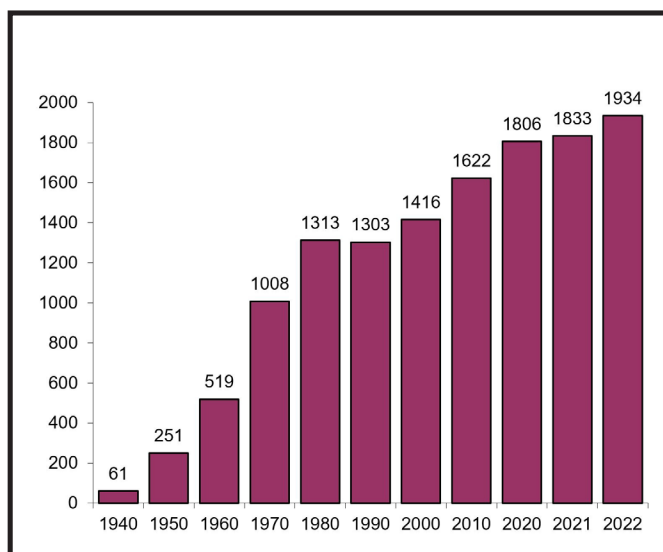
**TOTAL NON-OPERATING MARGINS** **\$23,973**

**NET MARGINS** **\$2,592,792**

## ACCOUNTS SERVED



## AVERAGE MONTHLY KWH PER MEMBER





**Meeker Cooperative Light & Power Association**  
1725 US HWY 12 E • LITCHFIELD, MN 55355 • 320-693-3231  
[www.meeker.coop](http://www.meeker.coop) • [www.vibrantbroadband.com](http://www.vibrantbroadband.com)  
*Meeker Co-op is an Equal Opportunity provider and employer.*

