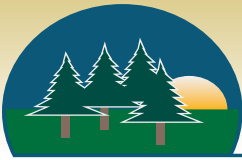


Pine to Prairie News

ANNUAL MEETING EDITION



TODD-WADENA
ELECTRIC COOPERATIVE

April 2015

www.toddwadena.coop



2015 Annual Meeting

Thursday, April 16

5:15 Anniversary Video- 5:30 Call to Order

Memorial Auditorium
2nd St. & Dayton Ave SW Wadena

*Your Registration Card
is on the back page of this newsletter.*

All members are invited to attend the cooperative's 2015 Annual Meeting on Thursday, April 16, at Memorial Auditorium in Wadena. At 5:15, a video depicting the cooperative's 75-year history will be shown. The business meeting will begin at 5:30.

The video includes a few short clips of members telling what they remember about the time electricity first came to their family farms. The 10-minute video will run again a few times after the meeting is adjourned.

The business meeting will include 2014 reports from CEO Robin Doege, comments and retiree recognitions from Board Chair Mike Thorson, and



Agenda

- 4:30 Registration Opens
- 5:15 75th Anniversary Video

- 5:30 Meeting Call to Order
- Invocation & Pledge of Allegiance
- Official Notice & Approval of Minutes
- Nominating Committee Report
- Election Process
- Door Prize Drawings
- Youth Tour Reports
- Chairman's Report
- Great River Energy Report
- CEO Report
- Old/New Business
- Balloting Report
- Door Prize Drawings
- Adjourn
- Dinner / Re-run of 75th Anniversary Video

updates from Will Kaul, Great River Energy Vice President in charge of transmission.

Members who did not vote for directors via mailed ballots will be given the opportunity to vote during the meeting. Results of the elections will be heard before the meeting is adjourned.

Many door prizes, including four \$100 bill credits will be given away during the meeting. A meal, catered by Smokehouse BBQ will follow.

*Photos from the
75th Anniversary Video*

CEO's Message

Celebrating the past

This morning I viewed for the first time the video tribute that we plan to show to members at the annual meeting. Pictures of life before electricity give us a glimpse into the daily hardships endured by our ancestors. And it's hard to imagine the labor required to bring electricity here - to set poles and string line - all by hand. The changes in the way we live today compared to 75 years ago are truly remarkable.

At the annual meeting this year we'll be honoring our 75-year history by recognizing retired directors and employees and showing the video tribute before and after the meeting. We hope many of you are able to celebrate with us at the meeting and at the dinner to follow.

Preparing for the future

While we prepare for the annual meeting and other 75th anniversary events, we are also very busy preparing for new projects and an active construction season. Just this week we ordered 11,700 new meters to be installed this year and next. As you may recall, the meters installed 14-15 years ago are beginning to fail and the manufacturer no longer supports the old meters or parts. We

expect features in the new meters to bring significant efficiency gains.

As soon as weather conditions allow, our crews will be building a new substation near Sebeka. It will replace a 53-year-old substation and strengthen reliability in that area.

The Menahga substation is also being scheduled for a rebuild, as early as next year. This project was moved up in our schedule to serve a pumping station that will be built for an existing pipeline. The pumping station will require our power supplier, Great River Energy, to first upgrade a section of old 34.5kV electric lines with 115kV transmission lines, which will improve service reliability for members in that area. This new load is a win-win for the cooperative: improved electric reliability for years to come and added revenue to help offset expenses.

This is a special time for Todd-Wadena. We are excited to celebrate our history, and ready to get to work on projects that will help us continue to serve our members safely, effectively and efficiently.



Robin Doege
President/CEO

Board Minutes

Highlights from the February 2015 regular meeting:

- Robin said a public meeting will be held March 24 regarding the routing of the GRE transmission line near Menahga. Todd-Wadena's safety record leads the list of MN Rural Electric Trust cooperatives.
- Lisa Graba-Meech said the 2014 audit was completed, and auditors will report to the board in March. She said March sales were about 1% under budget. Margins for the month were slightly ahead of budget.
- Robin distributed a map showing planned vegetation management for the coming season. Pat Johnson gave an update on annual meeting plans and on 75th anniversary plans. The 2015 youth leadership contest is underway; delegates will be selected in March. Tim Pavek reported on a couple of rebate changes and on the meter change-out plans.
- Great River Energy CEO David Saggau updated the board on GRE activities and plans. He said Blue Flint Ethanol provided about half of the organization's \$52 million in 2014 margins. Plants are running well. Very little load growth is expected in the near future. A 2.9 percent wholesale rate increase was set for 2015. GRE has invested \$3 million on solar installations. GRE employees's business improvements saved about \$17 million in 2014.
- Gene Kern said the Safety Committee received a grant toward some safety tools and equipment. No lost time accidents were reported.

Tim Pavek, member service manager, Matt O'Shea, consulting engineer, Robin Doege, CEO and Todd Miller, line superintendent, plan the new meter installation process.





April: Stringing Line



July: A Todd-Wadena crew set a flag pole at Wadena's Veterans Park.



December: Setting Poles

ENERGYWISE PROGRAMS

	<u>Accounts</u>	<u>Controllable Load</u>
ETS Storage Heating	208	4,019.1 kW
Dual Fuel	2,559	46,065.1 kW
Air Source Heat Pump	172	1,329.0 tons
GroundSource Heat Pump	86	1,079.2 tons
Cooling	785	1,878 tons
PowerNap (cycled air)	93	186 tons
Irrigation	446	18,587 kW
Commercial/Industrial	24	1,327 kW
Water Heating	3,399	n/a

ECONOMIC DEVELOPMENT & COMMUNITY SERVICE

Revolving Loans Outstanding (6 loans)	\$745,000
Revolving Loan Fund Balance	\$247,000

Operation Round Up grants 2014 (39)	\$22,299
Operation Round Up grants to date (535)	\$395,856

Improve-It loans to members 2014 (12)	\$14,000
Improve-It loans to members to date (448)	\$1,178,000

OPERATIONAL

New Services Connected	74
Service Retired	39
Total Service in Place	8,830
Miles Overhead Line	1,798.97
Miles Underground Line	446.93
Total Miles Energized Line	2,245.90

Todd-Wadena Electric Cooperative is an equal opportunity provider and employer. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Profit & Loss Statement

	2014	2013
Operating Revenue		
1. Electric Energy Revenue	\$ 18,138,470	\$ 17,910,543
2. Other Electric Revenue	80,635	104,881
3. Total Oper Revenue	<u>18,219,105</u>	<u>18,015,424</u>
Operating Expenses		
4. Purchased Power Cost	10,253,697	10,068,268
5. Operations Expense	1,058,194	931,938
6. Maintenance Expense	1,097,088	1,179,350
7. Consumer Accounts Expense	409,499	405,203
8. Customer Service & Info	544,386	479,436
9. Sales Expense	30,003	25,345
10. Admin & General Expense	1,383,306	1,208,207
11. Depreciation	1,669,934	1,499,196
12. Interest on Long-Term Debt	889,625	873,503
13. Other Expenses	5,558	8,792
14. Total Cost Elec Service	<u>17,341,290</u>	<u>16,679,238</u>
15. Operating Margin	<u>877,815</u>	<u>1,336,186</u>
Non-Operating Margins		
16. Interest Income	132,969	94,249
17. G & T Capital Credits	640,036	496,428
18. Other Capital Credits	102,176	91,518
19. Other Income Loss (-)	66,933	10,846
20. Total Non-Oper Margin	<u>942,114</u>	<u>693,041</u>
Total Net Margins	<u>\$ 1,819,929</u>	<u>\$ 2,029,227</u>

2014 Financial

Balance Sheet

Utility Plant

1. Utility Plant in Service
2. Construction Work in Progress
3. Total Utility Plant
4. Less Accumulated Depreciation
5. Net Utility Plant

Other Property and Investments

6. Investments in Associate Orgs.
7. Other Investments
9. Total Other Property and Investments

Current Assets

10. Cash
11. Short Term Investments
12. Current Maturities of Notes Rec.
13. Accts Receivable, less reserves
14. Materials & Supplies
15. Prepayments
16. Interest Receivable
17. Total Current Assets

Other Assets

18. Deferred Debits

Total Assets

Current Liabilities

19. Notes Payable
20. Current Maturities- Long-Term Debt
21. Current Maturities-Post-retirement Benefits
22. Accounts Payable
23. Consumer Deposits
24. Accrued Taxes
25. Accrued Interest
26. Other Accrued Liabilities
27. Total Current Liabilities

Long-Term Debt

28. Net current maturities

Other Liabilities

29. Deferred Credits
30. Other Non-Current Liabilities
31. Total Other Liabilities

Total Liabilities

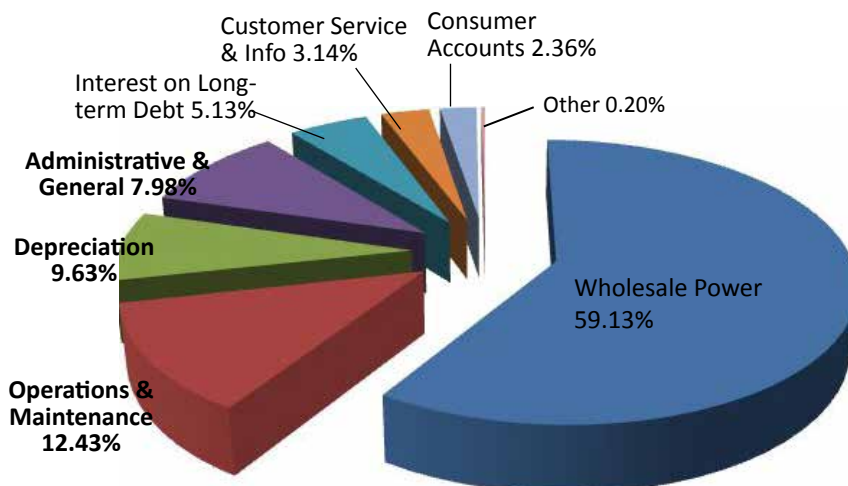
Equities

32. Patronage Capital
33. Other Equities

Total Equities

Total Liabilities and Equities

Cost of Service



Financial Report

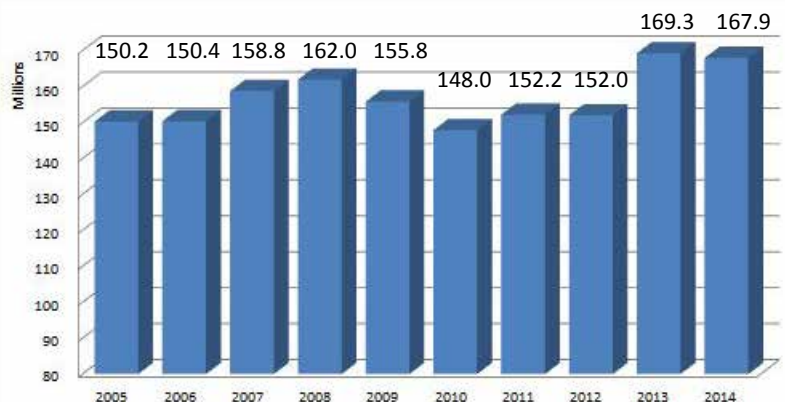
Income Sheet

2014		2013	
\$	49,029,245	\$	47,661,832
	208,502		166,698
	<u>49,237,747</u>		<u>47,828,530</u>
	16,763,644		15,847,239
	<u>32,474,103</u>		<u>31,981,291</u>
	7,840,824		7,552,317
	668,176		663,554
	<u>8,509,000</u>		<u>8,215,871</u>
	267,170		179,349
	1,272,089		896,693
	127,580		121,840
	2,097,442		2,022,272
	572,631		555,892
	1,947		2,410
	17,334		8,334
	<u>4,356,193</u>		<u>3,786,790</u>
	926,888		1,026,452
\$	<u>46,266,184</u>	\$	<u>45,010,404</u>
2014		2013	
\$	-	\$	-
	971,137		920,200
	46,464		26,000
	2,162,344		2,351,113
	182,347		175,849
	263,131		279,301
	56,981		75,469
	148,514		140,303
	<u>3,830,918</u>		<u>3,968,235</u>
	21,720,925		21,720,646
	214,988		211,924
	665,741		674,000
	880,729		885,924
	<u>26,432,572</u>		<u>26,574,805</u>
	18,677,641		17,292,545
	1,155,971		1,143,054
	<u>19,833,612</u>		<u>18,435,599</u>
\$	<u>46,266,184</u>	\$	<u>45,010,404</u>

Schedule of Capital Credits

Year	Todd-Wadena	G&T	Total
	Capital Credits	Capital Credits	
1980	\$ -	\$ 10,530	\$ 10,530
1981	-	50,365	50,365
1982	-	-	-
1983	-	2,649	2,649
1984	-	108,652	108,652
1985	-	70,113	70,113
1986	-	34,548	34,548
1987	-	66,087	66,087
1988	-	67,592	67,592
1989	-	116,242	116,242
1990	-	101,775	101,775
1991	-	95,351	95,351
1992	-	81,188	81,188
1993	-	61,330	61,330
1994	37	86,546	86,583
1995	745	70,263	71,008
1996	94,340	92,278	186,618
1997	597,761	72,003	669,764
1998	255,463	1,319	256,782
1999	123,693	-	123,693
2000	339,891	6,209	346,100
2001	276,766	82,767	359,533
2002	271,109	123,963	395,072
2003	414,947	110,206	525,153
2004	279,054	161,873	440,927
2005	368,849	344,750	713,599
2006	1,135,905	600,872	1,736,777
2007	1,209,427	382,067	1,591,494
2008	724,929	333,569	1,058,498
2009	1,066,819	329,977	1,396,796
2010	824,634	254,767	1,079,401
2011	905,067	325,441	1,230,508
2012	1,245,364	463,879	1,709,243
2013	1,521,027	492,714	2,013,741
2014	1,179,893	640,036	1,819,929
Total	<u>\$12,835,720</u>	<u>\$ 5,841,921</u>	<u>\$ 18,677,641</u>

Kilowatt-hours Sold (in thousands)



Employees



Operations Group

Top: Bob Hammes, Crew Chief; Brady Erickson, (former part-time apprentice); Al Malone, Right-of-Way Crew Leader; Robin Doege, CEO/Operations Manager; Brad Nelson, Purchasing Agent; David Snyder, Journey Lineman.

Bottom: Tyler Fisher, Staking Technician; Josh Byman, Journey Lineman; Daryl Mattson, Crew Chief; Jamie Line, Journey Lineman; Jason Ohrmundt, Journey Lineman; Scott Kangas, Shop Assistant; Trent Walter, Mechanic; Jason Orlando, Journey Lineman
Not pictured: Jon Grenier, Crew Chief; Todd Miller, Line Superintendent



Office Group: Peggy Wilhelmi, Member Service Representative (MSR)-Finance; Lori Redetzki, MSR/Receptionist; Kristen Paurus, Accountant; Karen McAllister, MSR; Lisa Graba-Meech, Finance Manager; Lori Tumberg, Receptionist, part-time. Not pictured: Heidi Smith, Receptionist, part-time.



Member Service Group: Greg Jacobson, Energy Management Technician; Tim Pavek, Member Service Manager; Mary Williams, MSR; David Puttonen, Energy Management Technician.

Board of Directors

Back:

Gene Kern, Treasurer
Mike Thorson, Chair
Norman Krause, Secretary

Front:

Tom Brichacek, Director
Dale Adams, Vice Chair
Marie Katterhagen, Director
Miles Kuschel, Director



2014 Annual Meeting Minutes

An Annual Meeting of the members of Todd-Wadena Electric Cooperative was held in Memorial Auditorium, Wadena, Minnesota, on Thursday, April 3, 2014. The meeting was held in accordance with the Notice mailed to all members of the Cooperative at least fifteen days prior to the holding of the meeting as provided by the Bylaws.

Michael Thorson, Chair of the Cooperative, officially opened the meeting at 5:30 p.m. and called upon Marcia Olson for an Invocation. The Chair then asked all Veterans in attendance to stand to be recognized; he then led the audience in reciting the Pledge of Allegiance. Christie Meier sang the National Anthem.

After announcing that a quorum was established, Mr. Thorson noted that the Official Notice had been sent to each member. A motion passed to approve the Official Notice. A copy of the Notice is attached to these minutes and marked "Exhibit A." The Certificate of Mailing marked "Exhibit B" is also attached to these minutes. The 2013 Annual Meeting minutes were approved as printed.

The Chair introduced the board of directors, CEO Robin Doege, and Attorney Dan Carlisle who would serve as parliamentarian. Tim Pavek drew names for several door prizes.

Mike Thorson named the 2014 Nominating Committee members and called upon Virginia Noska, Committee Chair, to read the Certificate of Minutes of the Nominating Committee meeting held on January 13, 2014. A copy of the Certificate of Election is attached to these minutes and marked "Exhibit C." The Certificate set forth six nominees for three, three-year term positions on the board. Mike Thorson then introduced the candidates: Dale Adams, John Fair, Gene Kern, Norman Krause, Vera Malone and Randy Wenthold.

Mr. Carlisle explained that each member was mailed a ballot for the election of di-

rectors by Survey & Ballot Systems (SBS) and that two SBS representatives were on site to complete the scanning and tallying of votes. He then instructed members who had not already voted to mark and pass ballots to the aisles for the Tellers to collect. Mr. Carlisle, two members of the Nominating Committee, and the SBS team convened in a side room to complete the tallying of ballots.

Chairman Thorson introduced and welcomed several special guests to the meeting. He called on the 2013 Youth Tour representatives, Anna Johnson, and Caleb Monson, who each spoke briefly about their experience at the Youth Tour in Washington, D.C., last June.

Dick Dissmore, Chair of Todd-Wadena's Community Trust board, accepted a \$1000 check for the cooperative's Operation Round Up program.

Mr. Thorson noted that Great River Energy CEO David Saggau was unable to be present at the annual meeting as planned, due to poor travel conditions. Mike, who is also the Chair of Great River Energy, reminded members that Todd-Wadena and 27 other co-ops own Great River Energy. He said Great River Energy experienced its best financial year in 2013. He showed slides that compared Great River Energy's wholesale rates to the regional average and showed that Todd-Wadena's wholesale rate is 18.9 percent lower than the Great River average, thanks to excellent participation in Todd-Wadena's load management programs. He listed many accomplishments that Great River Energy and its employees achieved in 2013. Mike then switched hats and talked about the various challenges that the Todd-Wadena board of directors contend with in today's increasingly complex energy industry. Planning has become an ongoing process, he said, as changes are occurring rapidly.

Additional door prizes were given away.

Robin Doege extended congratulations and appreciation to Ron Price, a linework-

er who retired last summer after 32 years; Sylvia Erickson, who retired in December after a 34-year career, and Al Lorentz, who intends to retire this June, after 36 years working as Staking Engineer.

Robin then highlighted the cooperative's 2013 year-end financial report. Like Great River Energy, colder than average temperatures, energy sales and business improvements combined to achieve a favorable financial year. He cited several significant steps taken last year to become a more effective and efficient organization, including an upgraded website, an improved software system and technology that enables paperless work orders and remote vehicle locating. He explained that a board Facility Committee has been addressing deficiencies in the cooperative's headquarters building.

Mike Thorson then asked if there was any old or new business or any questions. A member asked about the authority of the EPA, whose mandates or proposals seem costly to implement. Mike said cooperatives can and do work to educate legislators on energy issues but utilities must abide by the law once mandates and regulations are enacted.

Virginia Noska was called upon to read the results of the balloting. A total of 1,618 ballots were cast. Candidates who received the highest votes were Dale Adams, Gene Kern and Norman Krause. Certification documenting the results of the 2013 balloting is attached.

Mike thanked The Cove for preparing the meal, the women of St. John's Lutheran Church for helping to serve the meal, and for the meeting participants. He announced that an Organizational Meeting of the board of directors would follow the annual meeting. He gave instructions for volunteering to serve on the 2015 Nominating Committee.

A motion passed to adjourn the meeting. Additional door prizes were given away.

PINE TO PRAIRIE NEWS

A monthly publication for
members and friends of



TODD-WADENA
ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative 

Office Hours: 8:00am - 4:30pm
Monday - Friday

Telephone: 218-631-3120 or
800-321-8932

Address: 550 Ash Avenue NE
P.O. Box 431
Wadena, MN 56482

www.toddwadena.coop

BOARD OF DIRECTORS

Michael Thorson, Chair/ GRE Chair
Dale Adams, Vice Chair
Norman Krause, Secretary
Gene Kern, Treasurer
Tom Brichacek, Director
Marie Katterhagen, Director
Miles Kuschel, Director

Robin Doege, President/CEO
Patricia Johnson, CCC, Editor

If your electric power goes out:

First, make sure the problem is not on your side. (Members may be billed for service calls if the problem is caused by their own equipment.) Check fuses and circuit breakers in your home and by meter pole. (Call us for help, if necessary.) Second, check with your neighbors to see if they have power. Then call Todd-Wadena to report the problem. Give your name and Account Number and report any tree branches, twisted wires, broken poles and if your neighbors are also out of power.

Before digging call:
Gopher State One-Call
800-252-1166

Printed on recycled paper.



Todd-Wadena Electric Cooperative

P.O. Box 431
Wadena MN 56482

PRSRT STD
U.S. Postage

PAID
DPC

Member Registration Card

- ▲ Present this card at the Member Registration table to be eligible for door prizes, the membership dinner, and if you did not vote by mail, to receive an on-site election ballot.

A Tribute to 75 Years

- ▼ Have you seen our billboards? The cooperative is proud of its 75 years of service and shows it on these boards - one located just north of Wadena on Highway 71 and the other just west of Verndale.

