

KANDIYOHI POWER COOPERATIVE  
MINUTES OF THE ANNUAL MEETING OF THE MEMBERS  
APRIL 23, 2019

The Annual Meeting of the members of Kandiyohi Power Cooperative (KPC) was held at the Little Crow Event Center in New London, Minnesota on the 23rd day of April 2019 pursuant to the notice mailed to every registered member of the Cooperative residing in Districts 1, 2 & 3.

Chairman Anderson called the meeting to order at 9:00 a.m.

Invocation by Secretary Stanley Wubben.

Ballots were mailed this year for District #3 elections. Districts #1 & #2 had only one, unopposed, candidate for each of the seats up for election. These candidates are pursuant to Article IV, Section 4.2 of the Bylaws deemed to be elected by acclamation and no voting is required.

Copies of the 2018 Annual Financial Report, were published in the monthly Kilowatt and copies were available at the Annual Meeting.

National Anthem video.

Chair Anderson appointed Don Wilcox, Corporate Attorney, to act as parliamentarian for the Annual Meeting. He then appointed Robin Ryks to act as Secretary for the Annual Meeting.

A member quorum is necessary for the Cooperative to transact business at the Annual Meeting. Following the call to order, Secretary Wubben reported that the attendance and registration of members at the Annual Meeting met the required quorum of 50.

Secretary Wubben read the Notice of Annual Meeting. The Notice of Annual Meeting and an affidavit of mailing the notice to the members was filed.

Chairman Anderson called for a motion to accept the 2018 minutes, Annual Report and Financials. A motion to approve the minutes was made and seconded and carried.

CHAIRMAN ANDERSON introduced past board directors that attended the Annual Meeting.

CHAIRMAN, DALE ANDERSON COMMENTS:

- GRE is close to having carbon free energy and will leave a legacy in the power industry.
- GRE is purchasing a lot of wind power. Wind farms are going up by private owners and GRE purchases power from them.
- KPC Solar Array still has panels available for purchase
- Green energy
- Operation Round Up will be a part of the cooperative's legacy. GRE gave a \$1000 donation to Kandiyohi Power Cooperative's Charitable Trust Fund.
- GRE has paid back capital credits which were then distributed back to KPC members.

CEO, SCOTT FROEMMING COMMENTS 2018:

- Cooperatives make a difference.
- KPC and other cooperatives across the country have a huge impact in the utility world.
- KPC has one of the best cooperative models.
- Reviewed KPC statistics and reminded members that KPC is governed by a board of 9 directors.
- We are strong because of our partnerships with NRECA, Touchstone, etc.
- Nationally, co-ops support many jobs.
- Affordable and reliable energy is vital for a cooperative to stay healthy
- Rates – KPC has not had a rate increase for over 3-years. We determine equity ratios and capital credit payouts, including estate retirements.
- Board reviews annual budget made by KPC managements. This budget is scrutinized and gone through by the board of directors before being approved.

- KPC has been busy with the GPS Project, pole changeouts and many other construction projects.
- Board is active in Strategic Planning, including electric vehicles, charging stations, broadband, community solar and strategic partnerships.
- Strategic investments include: City of Kandiyohi, Heartland Security and Bushmills.
- Safety – have had no accidents since 2012. KPC has a strong safety program.
- Community Service includes: Operation Round Up and many other activities that KPC employees participate in.
- Members make a difference. We could not do what we do without our members.  
Thank you!

#### CFO STERN – 2018 Financial Summary

- Financially strong in 2018
- Reviewed Operating Margins and Sales
- Operating Expenses
- Revenue and Cost of Power
- Sale of Propane business offset our need for borrowing the past few years.
- New Meters – Line Loss has lessened and getting a lot of important data daily.
- SmartHub – Encourage members to sign up. Members can see their meter usage data.
- With new meters we are seeing outages immediately.
- Load Management Programs
- Work Plan

CHAIR ANDERSON introduced the Nominees by district running for the current election:

- District 1 – (Incumbent) Dale Anderson
- District 2 – (Incumbent) Stan Wubben
- District 3 – (Incumbent) Diane Helgeson and (Nominee) Jake Vlaminck

INTRODUCTION of KPC's current Board of Directors.

OLD BUSINESS – None

NEW BUSINESS - None

ELECTION RESULTS – Board Director Election results (2 by acclamation) for 3-year terms are as follows:

- District 1 – Dale Anderson – by acclamation
- District 2 – Stan Wubben – by acclamation
- District 3 – Diane Helgeson – by majority ballot votes

KPC MEMBERS who attended the Annual Meeting received a head of lettuce from local business Lettuce Abound. Members also participated in drawings for \$50/\$25 credits off their electric bill.

BRUNCH SERVED

After no further business, a motion was made to adjourn the meeting. Meeting adjourned.

Respectfully submitted,

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Stanley Wubben, Secretary/Treasurer