



POLK-BURNETT ELECTRIC COOPERATIVE

81st ANNUAL MEETING OF THE MEMBERS

Friday, June 7, 2019

MINUTES

The 81st Annual Meeting of the members was held at Polk-Burnett Electric Cooperative headquarters in Centuria, Wisconsin on Friday, June 7, 2019, with the business meeting beginning at 3 p.m. A member appreciation/open house took place from 1 to 3 p.m.

Edward O. Gullickson, president, board of directors, opened the meeting by welcoming the members and declaring a quorum was present, with 277 members registered. President Gullickson then led the audience in the Pledge of Allegiance. Secretary/Treasurer, Charles A. Brookshaw, read the official Notice of the Meeting. The 2018 minutes were received as published in the annual meeting program. Directors present were introduced by Vice President Michael X. Morris as well as special guest, Representative Gae Magnifici, Rob Richard of Wisconsin Electric Cooperative Association.

President Gullickson and General Manager, Steve Stroshane, provided a State of the Cooperative report. Board President Gullickson reported that Polk-Burnett is financially solid and the co-op is efficient and effective at holding down costs, while providing member-owners with reliable power and extraordinary service. Rates will not go up in 2019. In 2018, Polk-Burnett retired \$1.2 million in Capital Credits to more than 16,000 co-op members. In other financial news, Gullickson reported that the co-op showed \$95 million in assets and \$37 million in operating revenue for 2018; consolidated net margins were \$2.8 million. Polk-Burnett sold just over 240 million kWhs of electricity and the cost to purchase power was \$18.8 million. Mr. Stroshane stressed that \$0.57 of every dollar Polk-Burnett collects goes to the cost of purchased power. The complete financial audit for 2018 is posted on PolkBurnett.com. The cooperative supports local youth and community awarding \$57,500 in scholarships to the sons and daughters of co-op members, the Operation Round-Up program awarded \$57,000 to 72 local, non-profit organizations. Co-op employees performed 680 hours of community service in 2018. Polk-Burnett invested \$3.5 million in 2019 to upgrade the electric system and improve reliability. The cooperative continues to invest in the distribution system to improve electric reliability and reduce outages. Stroshane also discussed Polk-Burnett's SunTuria Solar project and the new EV charger located at MarketPlace Foods in St. Croix Falls, WI.

System counsel Timothy J. Laux announced the results of the 2019 membership election of directors from Districts 4, 5 and 6. The election was conducted by mail and web ballot with an election contractor, Survey & Ballot Systems. Election results were tabulated from ballots received on or before May 29, 2019. The certified results account for 997 (883 paper, 114 web) ballots from 5,647 members, yielding a participation rate of 17.66%. In District 4, Joe Metro ran against Adam Majeske. He received 217 votes while Mr. Majeske received 159. There were no write-ins. Mr. Metro was elected as the director for District 4 for the 2019-2022 term. In District 5, unopposed Jeff Traynor received 277 votes. There were nine write-ins. Mr. Traynor was re-elected as the director in District 5 for the 2019-2022 term. In District 6, unopposed Wilfred Owens received 314. There were six write-ins. Mr. Owens was re-elected as the director in District 6 for the 2019-2022 term.

General Manager Steve Stroshane then answered questions from a members during the member forum.

There being no further business to come before the membership, the meeting adjourned at 3:50 p.m. All members in attendance received an insulated bag. Attendance drawings for ten \$50 energy credits will be randomly drawn from all members who registered for the member appreciation/annual meeting.

Stacy J. Bergmann, Recording Secretary