

# 2019 Financial Report

## Polk-Burnett Electric Cooperative Balance Sheet (Consolidated)

	2018	2017	Change
Total Assets	\$95,398,000	\$95,003,000	\$395,000
Total Liabilities	\$44,067,000	\$45,397,000	\$(1,330,000)
Equity	\$51,331,000	\$49,606,000	\$1,725,000

## Polk-Burnett Electric Cooperative Income Statement (Consolidated)

Operating Revenues	\$37,520,000	\$35,397,000	\$2,123,000
Operating Expenses	\$12,434,000	\$11,366,000	\$1,068,000
Net Margins	\$2,877,000	\$4,338,000	\$(1,461,000)

## Electric Operations Balance Sheet

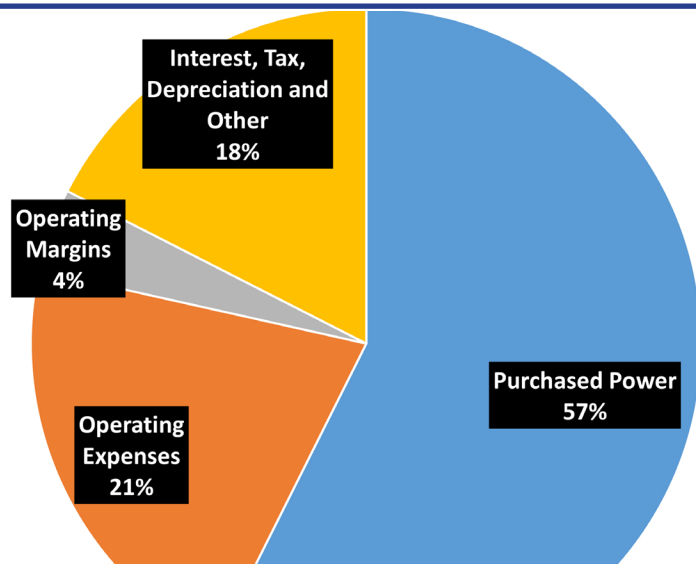
Total Assets	\$91,369,000	\$91,605,000	\$(236,000)
Total Liabilities	\$41,276,000	\$42,913,000	\$(1,637,000)
Member Equity	\$50,093,000	\$48,692,000	\$1,401,000

## Electric Operations Income Statement (See chart below)

Operating Revenues	\$32,770,000	\$31,874,000	\$896,000
Purchased Power	\$18,808,000	\$18,334,000	\$474,000
Operating Expenses	\$6,915,000	\$7,152,000	\$(237,000)
Operating Margins	\$1,312,000	\$1,828,000	\$(516,000)
Interest, Tax, Depreciation	\$5,735,000	\$4,559,000	\$1,176,000

## Electric Operations Statistics

	2018	2017	State Median
	Polk-Burnett	Polk-Burnett	State Median
kWh Sold	240,671,000	224,198,000	186,604,000
Miles of Line	3,409	3,391	1,782
Number of Members	20,592	20,381	9,779
Electric Revenue per Member	\$1,591	\$1,564	\$2,050
Controllable Expenses per Member	\$336	\$351	\$432
Capital Credits Paid	\$1,225,000	\$2,026,000	
Capital Credits Paid, cumulative	\$22,728,000	\$21,504,000	



## 2018 OPERATING REVENUE \$32,770,000

*How we spend each dollar from our member-owners matters.*



See complete 2018 audit  
on [polkburnett.com](http://polkburnett.com) under My Co-op.

# POLK-BURNETT ELECTRIC COOPERATIVE

## MINUTES OF THE 80th ANNUAL MEETING OF THE MEMBERS | FRIDAY, JUNE 8, 2018

The 80th Annual Meeting of the members was held at Polk-Burnett Electric Cooperative headquarters in Centuria, Wisconsin on Friday, June 8, 2018, 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 229 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 2017 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, Dave Hoopman of Wisconsin Electric Cooperative Association.

President Gullickson and General Manager, Steve Stroshane, provided a State of the Cooperative report. The cooperative has 20,920 members which equates to six members per mile of line. Polk-Burnett has 3,378 miles of power lines. Polk-Burnett invested \$3.5 million in 2017 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, a 10-acre solar development that was constructed behind the co-op's Centuria office last year. This is the first utility-scale solar development in Polk County. SunTuria Solar will provide clean, renewable energy at a fixed rate, replacing electricity from fossil fuels and providing long-term, stable energy prices. With 4,800 panels, it will generate power for about 200 homes. 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 did not go up in 2018. In 2017, Polk-Burnett retired \$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 \$35 million in operating revenue for 2017; consolidated net margins were \$4.3 million. Polk-Burnett sold just over 224 million kWhs of electricity and the cost to purchase power was \$18.3 million. Stroshane stressed that \$0.58 of every dollar Polk-Burnett collects goes to the cost of purchased power. The complete financial audit for 2017 is posted on PolkBurnett.com. The cooperative supports local youth and community awarding \$56,250 in scholarships to the sons and daughters of co-op members, the Operation Round Up program awarded \$61,150 to 87 local, non-profit organizations. Co-op employees performed 600+ hours of community service in 2017.

System Counsel Timothy J. Laux announced the results of the 2018 membership election of directors from Districts 7, 8 and 9. 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 30, 2018. The certified results account for 1,004 (897 paper, 107 web) ballots from 6,362 members, yielding a participation rate of 15.81%. In District 7, unopposed Maury Miller received 337 votes. There were nine write-ins. Miller was elected as the director for District 7 for the 2018-2021 term. In District 8, unopposed Chuck Brookshaw received 305 votes. There were eight write-ins, one write-in received two votes. Brookshaw was re-elected as the director in District 8 for the 2018-2021 term. In District 9, unopposed Tom Swenson received 314. There were seven write-ins. Swenson was re-elected as the director in District 9 for the 2018-2021 term.

System Counsel Laux continued with explanation of proposed bylaw amendment approved by the board of directors at a regular board meeting on September 25, 2017. A motion was made and seconded to approve the bylaw amendment as presented. The motion carried.

### **Article VI Meetings of Directors**

#### **Section 4. Attendance by Telephonic or Other Technical Means.**

The board may permit any or all directors to participate in a regular or special meeting or in a committee meeting, including an executive committee meeting, of the board by, or to conduct the meeting through the use of, any means of communication by which any of the following occurs:

1. All participating directors may simultaneously hear each other during the meeting.
2. All communication during the meeting is immediately transmitted to each participating director, and each participating director is able to immediately send messages to all other participating directors.

If a meeting will be conducted through the use of any means described in paragraph 1 and 2, above, all participating directors shall be informed that a meeting is taking place at which official business may be transacted.

A director participating in a meeting by any means described in paragraph 1 and 2, above, is deemed to be present in person at the meeting. If requested by a director, minutes of the meeting shall be prepared and distributed to each director.

Renumber existing sections 4 and 5 to 5 and 6.

General Manager Steve Stroshane then answered a question from a member during the member forum regarding plans for more renewable energy at Polk-Burnett.

There being no further business to come before the membership, the meeting adjourned at 4 p.m. All members in attendance received an 80th Anniversary cap. Attendance drawings for ten \$50 energy credits will be randomly drawn from all members who registered for the member appreciation/annual meeting.

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Stacy J. Bergmann, Recording Secretary