



MARCH 2021

# Volts & Jolts

Published monthly for the members of Red Lake Electric Cooperative, Inc.  
SERVING THE FOUR-COUNTY AREA OF MARSHALL, PENNINGTON, RED LAKE AND POLK  
*and a portion of the lands of the Red Lake Band of Chippewa*



2020 ANNUAL REPORT

OFFICIAL PUBLICATION OF  
**Red Lake Electric Cooperative, Inc.**

P.O. Box 430 • 412 International Drive S.W.  
Red Lake Falls, MN 56750-0430  
(USPS 663-400)

Subscription rate: \$2.50 per year

*This institution is an equal opportunity provider and employer.*

Published 10 times a year, January through May, July and September through December, by Red Lake Electric Cooperative, Inc., in the interest of its members and others. Periodical postage paid at the U.S. Post Office in Red Lake Falls, Minnesota 56750. POSTMASTER, SEND ADDRESS CHANGES to Volts & Jolts, c/o Red Lake Electric Cooperative, Inc., P.O. Box 430, Red Lake Falls, Minnesota 56750-0430. Email: [info@redlakeelectric.com](mailto:info@redlakeelectric.com).

**OFFICERS AND DIRECTORS**

- President . . . . . Randy Versdahl
- Vice President . . . . . Stacy Blawat
- Secretary-Treasurer . . . . . Mark Hanson
- Directors . . . . . Cecil Anderson,  
Aaron Chervestad, Bonnie Christians,  
Colette Kujava, Steve Linder, Peter Mosbeck
- Stephanie Johnson . . . . . General Manager*
- Steve Conely . . . . . Manager of Electric System Operations*
- Kelli Brateng . . . . . Manager of Member Services*

**OFFICE HOURS**

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**CALL BEFORE YOU DIG  
1-800-252-1166 or 811**

**MINNESOTA STATE  
ELECTRICAL INSPECTORS**

Pennington and Marshall Counties:  
**Ronald Ditsch – 218-779-6758**

Red Lake and Polk Counties:  
**George Stage – 701-306-3511**

Any time you or an electrician does wiring or other electrical work at your home or farm, Minnesota state law requires a state wiring inspector to conduct a proper inspection of the work. A rough-in inspection must be made before any wiring is covered. A final inspection is also required. Please visit [www.dli.mn.gov](http://www.dli.mn.gov) for more information. The inspectors can be reached weekday mornings between 7 a.m. and 8:30 a.m.

# Report to the Membership



**Randy Versdahl**  
*Board President*



**Stephanie Johnson**  
*General Manager*

This month marks Red Lake Electric Cooperative’s 83rd Annual Meeting. 2020 was a challenging year. Last spring the world reacted to the unknowns of COVID-19. Jobs were impacted, supply chains were disrupted and people stayed home due to a virus. Even with these challenges, Red Lake Electric employees provided reliable and affordable energy (30232 Matthew Carpenter) to their members. Everyone managed to accomplish their work in an altered way. Even the 2020 Annual Meeting was rescheduled to October with limited attendance. The shortened agenda handled the approval of the last annual meeting’s minutes, approval of three district directors and a highlighted presentation of our financials.

As your cooperative, Red Lake Electric is committed to provid-

ing reliable and affordable energy to its members. When you consider how meaningful electricity is in our homes and businesses, it is hard to imagine life without it. Obviously, life as we know it today would not exist without the power provided to us by electricity.

We don’t often think about the possibilities of it not being there for us. There are occasions, however, when Mother Nature or human activity intervenes, and the flow of power is interrupted. These are the times when we are reminded of how dependent we are on having a reliable and adequate source of energy to meet the needs of our daily living.

How does your cooperative keep your electricity reliable and affordable? A complex network of electricity generators and tens of thousands of miles of electrical lines work together to ensure that enough

## When you consider how adaptable electricity is to so many uses in our homes and businesses, it is hard to imagine life without it. Obviously, life as we know it today would not exist without the power provided to us by electricity.

electricity is available on the coldest winter morning and during the dog days of summer.

What happens when the demand for power overwhelms the ability to provide it? The key to meeting the energy needs is balancing electricity supply with demand. Regional transmission organizations, such as Midcontinent Independent System Operator (MISO), coordinate, control and monitor the electric grid across several states in a region. On some days, there may be an imbalance in the system that can lead to rolling power interruptions. In those cases, supply simply cannot keep up and can cause a maximum (21920 Kenneth Halvorson) generation event. This is an emergency event that allows MISO to take control of all utility systems and make decisions that aim to ensure the overall reliability of the grid.

Minnkota Power Cooperative, our power provider, works closely with MISO to ensure that it is preserving the reliability and integrity of the Upper Midwest's grid. RLEC, along with Minnkota, will continue to develop options and pursue new technologies to meet the ongoing

challenge of providing reliable and affordable energy to our members.

### **2020 in review**

Red Lake Electric saw a 4% reduction in kWh sales from the previous year. Even with lower kWh sales, RLEC ended 2020 with over \$442,000 in annual margins and a healthy equity level. Your cooperative returned over \$546,000 in capital credits to its members. Red Lake Electric was fortunate to avoid major storm damage and our employees operated safely with zero lost-time injuries.

### **Bylaw amendment**

Red Lake Electric's board of directors and staff are proposing an important bylaw amendment. The amendment is reflective of the changes that have been brought by COVID-19. Your cooperative must adapt to these changes but still manage to present and conduct cooperative business safely and effectively. Your board of directors recommends that the members adopt this bylaw amendment, as it allows Red Lake Electric flexibility in holding the annual meeting, allows for mail-

in ballots and adjusts the quorum requirements.

### **Invitation**

We extend an invitation to join us and your fellow members for RLEC's annual meeting held in Red Lake Falls at the Red Lake Electric facilities on Wednesday, March 31. The annual meeting is a perfect time to visit and (29573 Jeanette McMullen) ask questions with employees who serve you and directors you have elected to represent you. We will be giving away door prizes, a bill credit and a to-go meal for members who attend.

### **Our sincere thanks**

...to our members, for your continued patronage this past year. We appreciate your business and the opportunity to serve as your board president and general manager.

We also want to express our thanks and appreciation to our employees. Their constant service, their commitment to the membership and their support of our mission has enabled RLEC to complete another successful year in 2020.

# Red Lake Electric Board of Directors



**Bonnie Christians**  
District 1  
Serving since 2002



**Stacy Blawat**  
Vice President  
District 2  
Serving since 2011



**Colette Kujava**  
District 3  
Serving since 2010  
Serves on Minnkota's  
board



**Steve Linder**  
District 4  
Serving since 2002  
Serves on Square  
Butte's board



**Mark Hanson**  
Secretary-Treasurer  
District 5  
Serving since 2002



**Randy Versdahl**  
President  
District 6  
Serving since 2010



**Aaron Chervestad**  
District 7  
Serving since 2015



**Cecil Anderson**  
District 8  
Serving since 2018



**Pete Mosbeck**  
District 9  
Serving since 2007

## OUR MISSION STATEMENT

*It is the mission of Red Lake Electric Cooperative to enhance the quality of life for people of our service area by safely and consistently providing quality electric service and other valued services while holding our employees, our community and our environment in high regard.*

## Red Lake Electric Employees

Kelli Brateng  
Manager of Member Services  
Darcy Cardinal  
Journeyman Lineman  
Steve Conely  
Manager of Electric Operations  
Aaron Derosier  
Journeyman Lineman  
Javen Eidsmoe  
Power Use Advisor  
Jordon Gervais  
Journeyman Lineman  
Stephanie Johnson  
General Manager

Jenny Kelley  
Administrative Manager  
Christie Klipping  
Senior Accountant  
Brett Knott  
Lead Lineman  
Chris Knott  
Engineering Technician  
Melanie LaCrosse  
Member Accounts Specialist  
Laurie Malwitz  
Custodian  
Warren Malwitz  
Custodian

Branden Narlock  
Journeyman Lineman  
Sam Olson  
Apprentice Lineman  
Cindy Pahlen  
Administrative Assistant  
Sam Pahlen  
Journeyman Lineman  
Mick Raymond  
HVAC Service Technician  
Troy Schmitz  
Crew Foreman  
Casey Thronson  
Crew Foreman

# BIG DIFFERENCE!

*Small change makes a*



The Operation Round Up® program at Red Lake Electric enjoyed another successful and generous year in 2020. A total of \$24,175 was granted to 45 different nonprofit and community organizations. That brings the total of 956 grants made since the program began in 1993 to \$586,991.

A nonprofit corporation named Red Lake Electric Trust administers donated funds and determines grants. The five-person board of directors, appointed for three-year terms, meets twice a year (31540 Deborah Kuck) to determine grants to applying organizations. Red Lake Electric Trust has been granted 501(c)3 tax exempt status by the Internal Revenue Service. Contributions made to the Operation Round Up program are tax deductible.

There are 4,264 members who contribute to Operation Round Up. They represent 98% participation of the 4,365 Red Lake Electric members, an outstanding participation level. For an average of 50 cents a month or \$6 a year, members can be part of a very large, community-wide charitable program.

## Red Lake Electric Trust, Inc. FINANCIAL REPORT

*For the year ended December 31, 2020*

<b>CASH BALANCE FORWARD</b>	<b>\$ 5,862.32</b>
<b>RECEIPTS</b>	
Operation Round Up Donations	\$ 25,152.75
Other Contributions	0.00
Checking Account Interest	<u>3.40</u>
<b>Total Receipts</b>	<b>\$25,156.15</b>
<b>EXPENDITURES</b>	
Administrative Expenses:	
Director Meeting Fees & Expenses	\$ 372.80
Annual Filing Fee, State of Minnesota	25.00
Annual Compilation (Audit) Fee	230.00
Check Blanks	<u>88.61</u>
Total Administration	<b>\$ 716.41</b>
Total Grants Made (45)	<u>\$ 24,175.00</u>
<b>Total Expenditures</b>	<b>\$24,891.41</b>
<b>CASH BALANCE December 31, 2020</b>	<b>\$ <u>6,127.06</u></b>

### 2020 Recipients

Goodridge Area Fire and Rescue . . . . . \$ 500.00	TRF Area Food Shelf . . . . . 500.00
Goodridge Area Historical Society . . . . . 500.00	Falls DAC (TRF) . . . . . 500.00
Goodridge Lion Tamers . . . . . 500.00	Red Lake County Victim Services . . . . . 500.00
Heritage Community Center . . . . . 300.00	Violence Intervention Project - TRF . . . . . 1,000.00
Inter-County Nursing Service . . . . . 1,000.00	Plummer Volunteer Fire Dept . . . . . 1,000.00
Little Brother/Little Sister Program . . . . . 1,000.00	Red Lake Falls Volunteer Ambulance Service . 1,000.00
Lutheran Social Services of MN . . . . . 775.00	Oklee Fire Dept . . . . . 1,000.00
Middle River Seniors . . . . . 1,000.00	RLF Volunteer Fire Dept . . . . . 750.00
Middle River Veterans Outdoors . . . . . 1,000.00	NCH Trails to Treatments . . . . . 500.00
Newfolden Volunteer Fire Dept . . . . . 1,000.00	Pennington County Humane Society . . . . . 500.00
North Country Food Bank . . . . . 300.00	Plummer Area Sportsman Club . . . . . 300.00
Power of Produce Club . . . . . 300.00	Goodridge Lions Club . . . . . 300.00
Red Lake Falls Volunteer Ambulance . . . . . 300.00	Kiwanis Club of Thief River Falls . . . . . 300.00
St. Hilaire Fire & Rescue Dept . . . . . 300.00	Goodridge Area Historical Society, Inc. . . . . 500.00
Strandquist Area Food Shelf . . . . . 300.00	Lutheran Social Services of Minnesota . . . . . 500.00
Sun Country & You . . . . . 300.00	Tri-Community Living at Home/Block Nurse Program . . . . . 500.00
TRF Area Community Theater . . . . . 300.00	Goodridge Senior Citizens Center . . . . . 500.00
TRF Area Food Shelf . . . . . 300.00	Crookston Youth Foundation . . . . . 300.00
TRF Pickleball Association . . . . . 300.00	Marshall County Social Services . . . . . 500.00
TRF Veterans Memorial . . . . . 300.00	Christmas for Pennington County . . . . . 500.00
TRF Volunteer Fire Dept . . . . . 300.00	Goodridge Area Fire and Rescue . . . . . 750.00
Tri-Community at Home/Block Nurse . . . . . 300.00	Red Lake County Holiday Gift Program . . . . . 500.00
Viking Fire and Rescue . . . . . 300.00	

## Red Lake Electric Trust, Inc.

### BOARD OF DIRECTORS

**Tishara Melcher**  
*President*

**Diane Kolstoe**  
*Vice President*

**Julie Stennes**  
*Secretary-Treasurer*

**Bonnie Christians**  
*Ex-Officio Director*

**Stephanie Johnson**  
*Ex-Officio Director*

# 2020 Annual Meeting Minutes

## MINUTES OF THE ANNUAL MEETING OF THE MEMBERS OF THE RED LAKE ELECTRIC COOPERATIVE HELD ON WEDNESDAY, OCT. 28, 2020, AT THE AMERICAN LEGION, RED LAKE FALLS, MN

The 82<sup>nd</sup> Annual Meeting of the members of Red Lake Electric Cooperative, Inc. was held on Wednesday, Oct. 28, 2020, at the American Legion in Red Lake Falls. President Randy Versdahl called the meeting to order at 10:30 a.m. Approximately 55 members and guests were in attendance.

Versdahl then opened the meeting and the Pledge of Allegiance was said. Aaron Chervestad, Red Lake Electric director, gave the invocation; current board members were then introduced by Versdahl.

Versdahl entertained a motion to dispense with the reading of the proof of mailing and the notice of this meeting along with the minutes of the 2019 Annual Meeting and approve them as they were printed in the March Volts and Jolts. It was duly moved, seconded and carried to do so.

In his president's report, Versdahl shared how the last year for Red Lake Electric has been very good in many respects. He went on to explain that the average outage time per customer last year was two hours, which was a decrease of 30 minutes from the previous five-year average of 2.5 hours. Versdahl then shared his appreciation of the efforts

of the employees to not only restore service quickly, but to also maintain the electric system properly. Versdahl noted that the cooperative fared well financially last year, which enabled the pay out of over \$547,000 in capital credits in 2019 and that this return in equity to the membership included \$459,000 in general retirements and \$78,000 was paid to estates of deceased members. He went on to say that the board of directors was pleased to be able to make a capital credit retirement of \$465,000, which was capital credits assigned to the membership in 2001 and 2002. Versdahl mentioned the member equity was around 40%, well within the cooperative's goal. Versdahl thanked the membership for attending the annual meeting.

Stephanie Johnson then was introduced and gave the GM report. Johnson explained the importance of "concern for community" because of the COVID-19 pandemic and the challenges it has caused.

Johnson next gave the 2019 financial report and said operating revenue was \$15.1 million due to selling 128.2 million kWh, which was slightly lower than 2018.

Johnson reviewed various operating expenses and said the cooperative's margin was \$256,511; this is the amount that is allocated back to the members as capital credits.

President Versdahl asked for a motion to accept the preceding reports and it was duly moved, seconded and carried to do so.

Election of directors then took place. Secretary Hanson verified the nominees elected at the district meetings and said there had been no nominations by petition. Versdahl then declared the following people duly elected as directors for three-year terms: District 1, Bonnie Christians; District 4, Steve Linder; and District 5, Mark Hanson.

Versdahl asked for any new business or questions from the audience and there were none. It was duly moved, seconded and carried to adjourn the business session of the annual meeting.

Randy Versdahl  
President

Mark Hanson  
Secretary-Treasurer

# PROPOSED BYLAW AMENDMENT

At Red Lake Electric Cooperative's upcoming Annual Meeting there will be a vote on a proposed bylaw amendment. The Board of Directors recommends that the members adopt this bylaw amendment as it allows Red Lake Electric flexibility for holding the Annual Meeting, allows mail-in ballots and adjusts the quorum requirements.

Below are the existing and proposed changes for **Article II Meeting of Members: Section 1. Annual Meeting, Section 5. Quorum and Section 6. Establishment of a Quorum**. The complete Bylaws of Red Lake Electric Cooperative can be requested by calling the office or you can find them on our website: [www.redlakeelectric.com/about-us/articles-bylaws/](http://www.redlakeelectric.com/about-us/articles-bylaws/).

## ARTICLE II, MEETING OF MEMBERS

### **Existing:**

Section 1. ANNUAL MEETING. The annual meeting of the members shall be held between March 25 and April 7 of each year at any place conveniently located within the area served by it as may be designated in the notice of the meeting, for the purpose of electing directors, passing upon reports covering the previous fiscal year and transacting other business as may come before the meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

### **Proposed:**

**Section 1. ANNUAL MEETING. The Cooperative may annually hold a meeting of the members ("Annual Member Meeting") at any place conveniently located within the area served by it as may be designated in the notice of the meeting, for the purpose of electing directors, passing upon reports covering the previous fiscal year and transacting other business as may come before the meeting. To the extent authorized by the Board, however, and subject to guidelines and procedures adopted by the Board, an Annual Member Meeting may be held without a geographic location if the meeting is held through the internet or other electronic communications technology in a manner: (1) permitting the Cooperative to verify that each person participating in the meeting is a member of the Cooperative; and (2) permitting members the opportunity to read or hear the proceedings substantially concurrently with their occurrence, vote on matters submitted to the members, ask questions, and make comments. The Cooperative's failure to hold an Annual Member Meeting does not affect an action taken by the Cooperative nor work a forfeiture or dissolution of the Cooperative.**

### **Existing:**

Section 5. QUORUM. Not less than fifty (50) members, present in person, shall constitute a quorum for the transaction of business at all annual and special meetings of the members. If an insufficient number of members is present to constitute a quorum, a majority of the members present may recess the meeting from time to time without further notice.

### **Proposed:**

**Section 5. QUORUM. A quorum necessary to the transaction of business at any meeting of the members shall be at least fifty (50) members. In determining a quorum on a question submitted to a vote by mail, members present in person or represented by mail vote shall be counted. If an insufficient number of members is present to constitute a quorum, a majority of the members present may recess the meeting from time to time without further notice.**

### **Existing:**

Section 6. ESTABLISHMENT OF A QUORUM. The attendance of a sufficient number of members to constitute a quorum at any meeting of the members shall be established by a registration of the members present at such meeting, which registration shall be verified by the president and secretary and shall be reported in the minutes of such meeting.

### **Proposed:**

**Section 6. ESTABLISHMENT OF A QUORUM. The attendance of a sufficient number of members to constitute a quorum at any meeting of the members shall be established by a registration of the members present or represented by mail vote at such meeting, which registration and mail vote shall be verified by the president and secretary and shall be reported in the minutes of such meeting.**



*Minnkota's Milton R. Young Station continued to perform reliably throughout the cold snap, at times even delivering extra power into the regional grid. (Minnkota)*

# Power over the market

## Energy marketers combine reliable resources and demand response to avoid a cold-weather crisis

In mid-February, millions of Texans were learning how to get through brutal winter temperatures with no electricity. During that same subzero-weather event, a group of energy marketers at Minnkota Power Cooperative (Red Lake Electric's wholesale power provider) was successfully protecting its members from facing similar ice-cold consequences.

The February cold snap that essentially crippled the Texas power grid started up north. From approximately Feb. 8-14, Minnkota's service area experienced some of its coldest temperatures of

the stretch. As the polar vortex dropped south, both regional demand and (22298 Charles Vigness) weather-related generation issues began to rise.

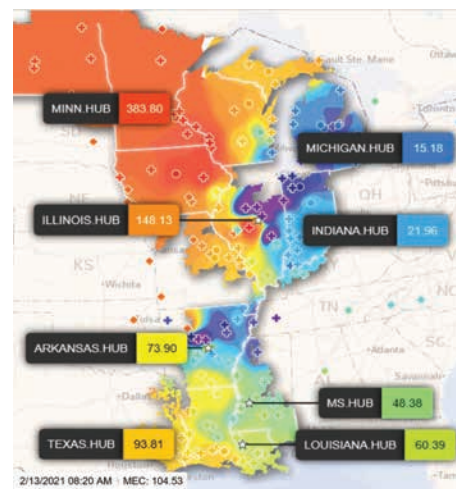
Midcontinent Independent System Operator (MISO) – the organization that manages the transmission grid and energy markets of a region that includes Minnkota's territory – asked its providers to enter conservative operations Feb. 14-20 and declared a Maximum Generation Event on Feb. 16. Over those days, the combination of expanded regional need and less generation availability (from frozen plants, natural gas pipeline

constraints and less production from wind farms across the midsection of the country), made the cost of buying energy from the grid skyrocket.

Minnkota had to protect itself from relying on the volatile market. Although the coal-based Young Station continued to provide electricity reliably throughout the event, wind power generation dropped due to low winds and temperatures. Minnkota's healthy demand response program – through which member-consumers volunteer to have



*Minnkota's energy marketers combined the cooperative's reliable resources and demand response program to avoid a cold-weather crisis. (Minnkota/Michael Hoefl)*



*A screen capture from Feb. 13, 2021, shows how high energy market prices had risen in the north at the beginning of the polar vortex, hundreds of dollars higher than average. (Courtesy: MISO)*



certain electric loads controlled for a reduced rate – helped Minnkota’s energy marketers (20712 Rodney Liedberg) decrease the demand on the grid.

“With events like these, we’re identifying where our exposure is in the market,” said Todd Sailer, Minnkota senior manager of power supply and resource planning. “We’re making sure we’re doing something that is beneficial to our members and maximizing the value of our resources.”

Ultimately, Minnkota’s members experienced few weather-related service interruptions. The cooperative used 84 hours of dual-fuel heat control, which helped avoid high energy market costs. The electricity provided by the Young Station covered the remaining demand and added needed power into the national grid.

“Our value of reliability shined through in a moment where others were facing crisis,” said plant engineering and environmental manager Tim Hagerott, adding that (22982 Pete Carlson) the Young Station is specifically designed to operate in a cold-weather climate.

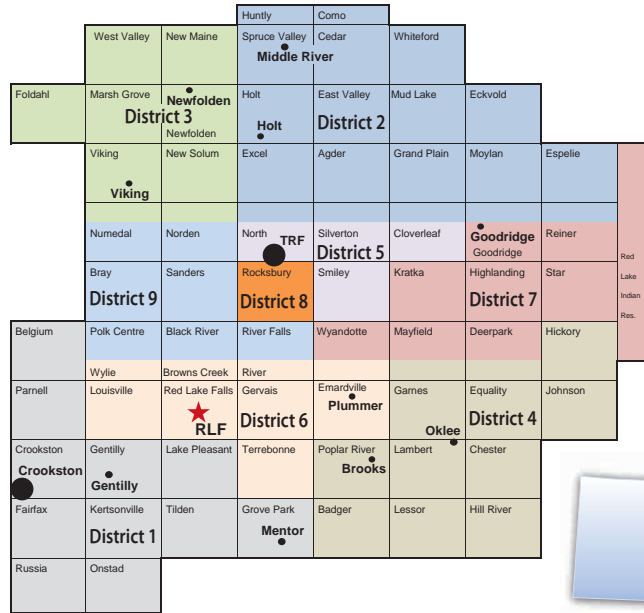
In Texas, the situation was starkly different. Many generation resource technologies, including natural gas pipelines, coal plants and wind turbines, could not perform in the low temperatures. For most of the country, this would mean importing energy from a neighboring grid system operator. However, the Electricity Reliability Council of Texas (ERCOT) is nearly independent of those grid interconnections.

Additionally, hundreds of Texas power consumers who were enrolled in programs that connect them directly to wholesale power rates were burned by that week’s market volatility, receiving bills that were thousands of dollars higher than normal. Minnkota and its member cooperatives protect their member-consumers from this price fluctuation by using their own generation resources to limit market exposure.

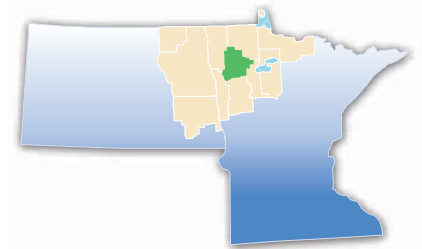
To learn more, read “Power over the market” at [news.minnkota.com](http://news.minnkota.com).



## Red Lake Electric Service Area



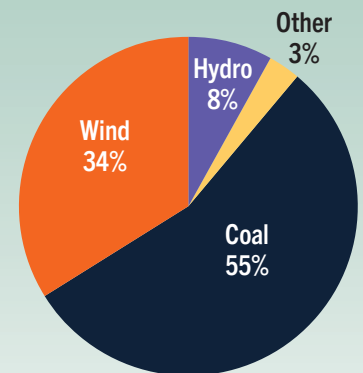
Red Lake Electric Cooperative's service area covers 2,400 square miles. Included are all of Red Lake and Pennington Counties, and parts of Marshall County, Polk County and the area served by Red Lake Electric Cooperative on the lands of the Red Lake Band of Chippewa.



## Where Your Power Comes From

Coal and wind provide the majority of Minnkota's energy capacity resources. About 55% of Minnkota's energy capacity comes from coal, while about 34% comes from wind. The Langdon and Ashabula Wind Energy Centers are located in eastern North Dakota. When you include hydro, about 42% of Minnkota's generation capacity comes from renewables. The hydro allocation comes from the Garrison Dam in western North Dakota.

	(kilowatts)
<b>Milton R. Young Station – Coal</b>	
Young 1	250,000
Young 2 (78%)	355,000
<b>Coyote Station – Coal (30%)</b>	128,100
<b>Wind</b>	
Infinity	1,800
Langdon Wind Energy Center	139,500
Ashabula Wind Energy Center	217,500
Oliver III Wind Energy Center	100,000
<b>Garrison Dam – Hydro</b>	108,871
<b>Other</b>	35,000
<b>Total power supply resources</b>	<b>1,335,771</b>



# Financial Statements

## Balance Sheet

### WHAT WE HAVE (ASSETS)

	2020	2019
Electric plant	\$40,081,893	\$38,871,622
Buildings – improvements	1,516,845	1,514,025
Equipment	3,182,297	2,793,419
Less: depreciation	(19,857,921)	(18,652,696)
Net utility plant	24,923,114	24,526,370
General funds	1,666,731	1,399,747
Investments in associated organizations	1,370,319	1,361,659
Notes receivable	16,254	8,713
Accounts receivable	1,574,788	1,606,921
Inventories	489,901	464,831
Other assets	232,019	215,570
<b>TOTAL ASSETS</b>	<b>\$30,273,126</b>	<b>\$29,583,811</b>

### WHAT WE OWE (LIABILITIES) and Other Credits

Long-term debt – RUS	\$12,949,508	\$13,861,308
Long-term debt – CFC & CoBank	2,853,314	1,074,128
Liabilities & other credits	2,790,234	2,893,089
<b>TOTAL LIABILITIES</b>	<b>\$18,593,056</b>	<b>\$17,828,525</b>

### WHAT WE OWN (MEMBER EQUITY)

Capital stock (memberships)	\$ 171,800	\$ 168,645
Patronage capital	10,925,001	11,003,494
Other equities	583,269	583,147
<b>TOTAL MEMBER EQUITY</b>	<b>\$11,680,070</b>	<b>\$11,755,286</b>
<b>TOTAL LIABILITIES &amp; MEMBER EQUITY</b>	<b>\$30,273,126</b>	<b>\$29,583,811</b>

## Statement of Operations

### REVENUE

	2020	2019
Electric energy sales	\$14,714,674	\$15,007,491
Miscellaneous electric sales	\$152,631	\$175,921
<b>TOTAL INCOME</b>	<b>\$14,867,305</b>	<b>\$15,183,412</b>

### EXPENSES

Power	\$10,310,114	\$10,981,315
Operation of lines	577,055	529,700
Maintenance of lines	665,559	586,236
Consumer accounts	230,463	275,631
Customer service	373,400	289,212
Sales	9,743	12,147
Administrative & general	637,408	676,287
<b>TOTAL OPERATING EXPENSES</b>	<b>\$12,803,742</b>	<b>\$13,350,528</b>

### FIXED CHARGES

Depreciation	\$ 1,266,779	\$ 1,202,854
Interest on debt	389,985	416,825
Interest expense – other	10,490	22,347
Other deductions	2,831	8,012
<b>TOTAL FIXED CHARGES</b>	<b>\$ 1,670,085</b>	<b>\$ 1,650,038</b>

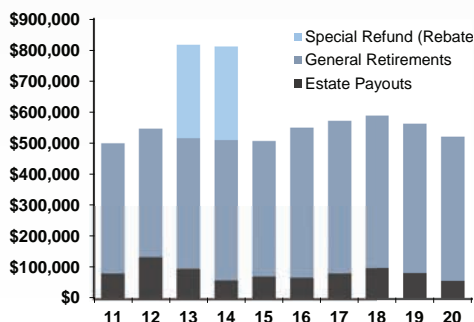
### TOTAL COST OF ELECTRIC SERVICE

<b>TOTAL COST OF ELECTRIC SERVICE</b>	<b>\$14,473,827</b>	<b>\$15,000,566</b>
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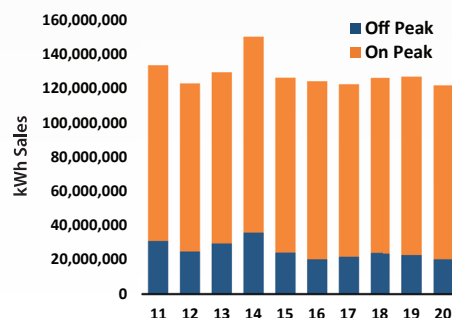
### MARGINS

Operating margin	\$ 393,476	\$ 182,845
Interest margin	54,013	91,024
Appliance/HVAC service margin	(32,904)	(46,718)
Capital credits margin	27,810	29,360
<b>TOTAL MARGINS</b>	<b>\$ 442,395</b>	<b>\$ 256,511</b>

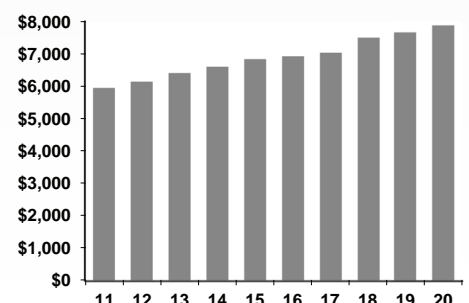
## Capital Credits Paid to Members



## Annual kWh Sales



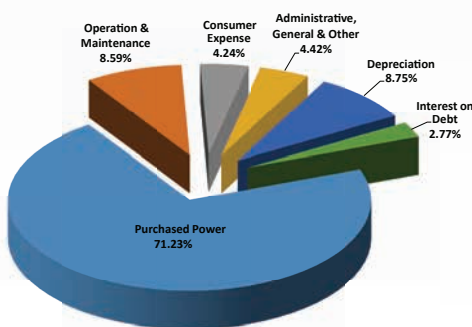
## Investment in Plant per Customer



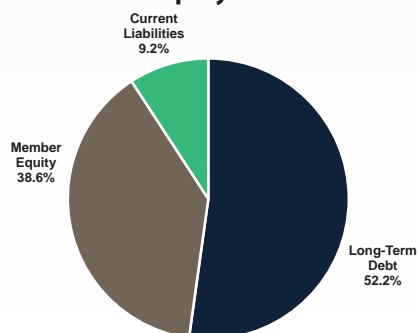
# Operating Statistics

	<u>5-Year Average</u>	<u>2020</u>
Members – at year end	4,331	4,365
Number of accounts billed – at year end	5,502	5,686
Total kWh purchased	132,707,607	127,360,436
Peak demand (kW) – without load control	30,523	27,683
Peak demand (kW) – with load control	20,653	18,078
Investment in plant – total	\$39,392,715	\$44,781,035
Investment in plant – per mile	\$15,100	\$16,982
Investment in plant – per account	\$7,154	\$7,876
Long-term debt – total	\$12,654,926	\$15,802,822
Long-term debt – per account	\$2,297	\$2,779
Miles of line – overhead	2,311	2,309
Miles of line – underground	297	328
Cost of first 1,000 kWh		
General service (25 kVa)	\$140	\$142
Off-peak rate per kWh – long-term control	\$0.056	\$0.056
Off-peak rate per kWh – short-term control	\$0.078	\$0.079
Avg. residential usage – annual kWh	17,890	17,867
Avg. residential usage – monthly kWh	1,491	1,489
Energy account write-offs	\$3,804	\$0
Number of regular employees	18	19
Capital credit payments:		
To estates (on behalf of deceased patrons)	\$80,596	\$57,509
General retirement (all patrons)	\$475,039	\$463,380
Debt/equity ratios:		
Debt	56.2%	61.4%
Equity	43.8%	38.6%

**How Your Dollar Was Spent**



**Member Equity & Liabilities**



## Closed Good Friday

In observation of Easter, Red Lake Electric Cooperative's headquarters will be closed Friday, April 2. In case of an electrical outage or emergency, call the after-hours phone number: 218-253-2200. Happy Easter!

## \$463,024 capital credit payment given in March

Red Lake Electric Cooperative's board of directors approved the payment of capital credits once again. This payment will include the balance of capital credits earned in 2002 and 11% of credits earned in the year 2003 for a total payout of \$463,024. Active members, if they received electric service in those years, will see a credit adjustment on the billing statement (29485 Matthew Schafer) they receive in March. Inactive members (those no longer receiving service from RLEC) will be mailed a check.

At RLEC, capital credits are paid on a "first in, first out" basis. Capital credits are also paid in the event of the death of a member or their spouse.

## Notice of names

Hidden within the text of the articles of this issue of the *Volts & Jolts* are the names and account numbers of some Red Lake Electric Cooperative members. They will appear within the articles in parentheses as such (99999 Willie Ray Member). If you find your name and account number, clip it out and send it with your next payment. You will be credited with \$5 on your electric bill.



Like us on Facebook at  
[www.facebook.com/redlakeelectric](http://www.facebook.com/redlakeelectric)



## They are there through all seasons.

**Minnesota lineworkers** face the coldest, most dangerous winters in the country.

**Minnesota lineworkers** sweat through humidity-soaked Midwest summers.

**Minnesota lineworkers** rise high into winds with gusts that just don't quit.

**Minnesota lineworkers** trudge through water, mud and snow – in the same week.

Minnesota lineworkers are reliable through all seasons.

It's no wonder your cooperative electricity is reliable, too.

**National Lineworker  
Appreciation Day  
April 12, 2021**

**#ThankALineworker**

## 83<sup>rd</sup> Annual Meeting Agenda

**Wednesday, March 31, 2021**

**Red Lake Electric Cooperative  
North Warehouse  
Red Lake Falls, Minnesota**

**5:00 p.m.**

Registration begins

**6:00 p.m.**

Call to order . . . . . Randy Versdahl

National anthem

Invocation

Introductions. . . . . Randy Versdahl

**Business Session**

Notice of meeting and affidavit of mailing . . . . . Mark Hanson

Establishment of quorum . . . . . Mark Hanson

Reading of 2020 meeting minutes . . . . . Mark Hanson

President's report . . . . . Randy Versdahl

General Manager's report . . . . . Stephanie Johnson

Financial report . . . . . Stephanie Johnson

Election of directors . . . . . Randy Versdahl

Bylaw amendment . . . . . Randy Versdahl

Question and answer session

Adjournment of business session

Award presentations

Awarding of prizes