

**Kandiyohi Power Cooperative
Minutes of the Annual Meeting of the Members
April 22, 2025**

The Annual Meeting of the Members of Kandiyohi Power Cooperative (KPC) was held in person on Tuesday, April 22nd, 2025, at Little Crow Golf Resort in New London, MN. The meeting was hosted by Board Chair, Dale Anderson & CEO, Ryan Nelson. Presenters were Zac Ruzycki, Great River Energy's Resource Planning Director; Debi Brandt, United Community Action Council; Jay Welsh, Brady Martz & Associates; and Chad Felstul; Attorney. The following Directors were present: Darrell Fostervold, Todd Post, Larry Powers, Rollo Campe, Dale Anderson, Kelly Erickson, Dan Pomranke, Diane Helgeson and Stan Wubben. The following employees were present: Michele Scheffler, Bryan Ashburn, Kim Hanson, Patrick Krueger, James Pachan, Chris Radel, Carmen Norstedt, and Ashley Hauge.

Chair Anderson called the meeting to order at 9:04 a.m.

Invocation by Secretary, Stan Wubben.

The National Anthem was played on the monitor.

Chair Anderson appointed Chad Felstul, Attorney, to function as parliamentarian for the Annual Meeting. He then appointed Kim Hanson to function 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 he verified registration of members present at the Annual Meeting, along with ballot votes cast, and has determined sufficient members are present to constitute the quorum for the transaction of business of the association.

Secretary Wubben read the Notice of the Annual Members Meeting followed by the Certificate of Mailing regarding the ballots sent to District 2 members.

A motion was made and seconded by the audience to approve the 2024 Annual Meeting Minutes. Motion carried.

CHAIRMAN, DALE ANDERSON COMMENTS:

- Discussion on the Seven Cooperative Principles.
- Mission, Vision, Values statements.
- Recap of the amount of change in the electric industry, our board, and employees.
- Recognition given to the Directors leaving the board.

GRE, ZAC RUZYCKI COMMENTS:

- Change in industry.

- GRE recipient for largest federal grant – more than \$800 million.
- Portfolio GRE has built over the past twenty years.
- GRE engaging with legislators and policy makers.
- Need for dispatchable resources, looking at options.
- Focus on reliability.

CEO, RYAN NELSON COMMENTS:

- Navigating another challenging year with members' best interest.
- Cost of doing business continues to rise.
- Mutual Aid Recap.
- Minnesota Legislative Updates.
- Information Technology Update.
- Grant Opportunities for KPC.
- By the Numbers: 2024
 - 9 renewable energy applications received.
 - Operations highlights – connected 78 services, retired 28 services.
 - Processed 1,687 services orders.
 - Installed 35 miles of line.
 - Inspected 1,430 poles
 - Just under \$56,000 saved by members using rebates.
 - 7,178 members assisted over the phone by member services.
 - 14 water heaters sold.
 - 3,082 households on load management program.
 - 26 full-time employees.
 - 7,568 member-owners.
 - 9,076 services.
 - 1,627 miles of wire; 4.7 members per mile of line.
- Payment options: Smarthub and autopay.
- Member and Community Involvement recap.

BRADY MARTZ & ASSOCIATES FINANCIALS, JAY WELSH COMMENTS:

- Audit opinion & independent auditors report summary.
- Financial statement highlights review.
 - Balance Sheet Highlights
 - Total assets - \$75.3 Million.
 - \$54.1 Million of electric plant.
 - \$3.4 Million of extension and replacement plant.
 - \$370,890 GRE – KPC allocation.
 - \$332,171 GRE – Retirements to KPC.
 - \$31.4 Million Total patronage capital.
 - \$1.5 Million capital credits retired.
 - \$22.7 Million retired and returned to members to date.
 - Statement of Margins
 - \$23.1 Million in electric revenues.
 - \$13 Million for cost of power.
 - \$2 Million operating margin before interest and capital credits.

- \$449,000 in capital credits allocated to KPC (GRE, CFC).
- \$464,000 non-operating margin (interest, meter leases, rental of old HQ. and Heartland/Bushmills income).
- \$1,660,000 total net margin; 87.7% allocated back to member owners

UNITED COMMUNITY ACTION COUNCIL, DEBI BRANDT COMMENTS:

- Area of coverage.
- Reviewed programs offered by UCAP.
- Head Start Program, education-based preschool; serves 700 children annually.
- Explanation of relationship that developed and flourished between KPC and UCAP.
- Bright Lights Head Start photos shown.

OPERATION ROUNDUP TRUSTEE, ROBERT MOLLER COMMENTS:

- ORU donated just over \$64,100 in 2024 to 52 local organizations.
- Thank you extended to those who participate.

WASHINGTON D.C. YOUTH TOUR 2024 THANK YOU – EMMA

Chair Anderson introduced present board members.

Chair Anderson introduced the nominees by district running for the current Board Director positions:

- District 1 – (Incumbent) Dale Anderson
- District 2 – Candidate, Rick Nass; Candidate, Ross Larson; Candidate, Ken Warner
- District 3 – Candidate, Robert Moller

OLD BUSINESS – None.

NEW BUSINESS – None.

MEMBER QUESTIONS - None.

REPORTING OF ELECTION RESULTS – Attorney Felstul

The three directors elected are:

- District 1 – Dale Anderson by acclamation.
- District 2 – Ken Warner by majority ballot votes.
- District 3 – Robert Moller by acclamation.

All newly elected directors will serve a 3-year term.

After no further business, at 10:41 a.m., a motion was made and seconded by the audience to adjourn the meeting. Motion carried.

Respectfully submitted,

Rollo Campe, Secretary

DRAFT