

COOPERATIVES

THE POWER OF WORKING TOGETHER

LYON-LINCOLN ELECTRIC COOPERATIVE
83RD ANNUAL REPORT AND MEETING

Wednesday, June 1, 2022

Lyon-Lincoln Headquarters, Tyler, MN

Registration: 5 p.m.

Business Meeting: 7:15 p.m.



**Lyon-Lincoln
Electric Cooperative, Inc.**

A Touchstone Energy® Cooperative



Official Notice of Annual Meeting

Lyon-Lincoln Electric Cooperative, Inc.

Tyler, Minnesota

The Annual Meeting of the Stockholders (hereinafter referred to as “Members”) of Lyon-Lincoln Electric Cooperative, Inc. (Cooperative) will be held at the Lyon-Lincoln Electric Headquarters Building in Tyler, Minnesota at 7:15 PM on Wednesday June 1, 2022, to take action upon the following matters:

- 1. The Report of Officers, Directors, and Committees.
- 2. The election of Directors of the Cooperative.
- 3. All other business which may come before the meeting or any adjournments thereof.

In connection with the election of Directors scheduled for this meeting, the following members have been nominated for Directors by the membership within their respective voting districts. In accordance with the Bylaws of the Cooperative, the names have been arranged in order of preference indicated by the respective district vote.

<u>DISTRICT</u>	<u>ELECTION</u>	<u>CANDIDATES</u>
District I	For a 3 Year Term	Josh Osland Kathleen Schreurs
District II	For a 3 Year Term	James Rokeh Patrick Verly
District III	For a 3 Year Term	Mike Longtin

Dated this 8th day of April, 2022

/s/ Kathleen Schreurs
Secretary-Treasurer

2022 Annual Meeting Agenda

Lyon-Lincoln Electric Cooperative, Inc.

Wednesday, June 1st, 2022

Lyon-Lincoln Electric Headquarters Building

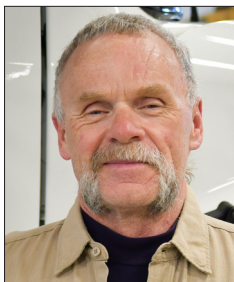
Tyler, Minnesota

- 5:00 – 7:00 PM** Registration
- 5:30- 7:30 PM** Dinner
Served by: Lincoln County Pork Producers and Country House
- 7:15- 8:15 PM** CALL TO ORDER, Sandy Ludeman, President
National Anthem
Report of Quorum
Reading of Notice of Annual Meeting Kathy Schreurs, Secretary
Approval of Minutes of 2020 & 2021 Meeting Kathy Schreurs, Secretary
Election of Directors..... Mike Cable, Attorney
Introduction of Nominees
Appointment of Tellers and Balloting
Financial Report Kristi Jensen, Finance Manager
President and Manager’s Report Sandy Ludeman and Tim O’Leary
Operation RoundUp® Tim O’Leary, General Manager
Introduction of Operation RoundUp® & Basin Scholarship Winners
Balloting Results
Director Elections
Adjournment
Prize Drawings- Must be present to win

Bring the Family:
There’s Something for Everyone!
Adult & Kid’s Drawings,
and a Bounce House!



MEET YOUR EMPLOYEES



Randy Keifer
Crew Chief
38 years



Lyle Lamote
Line Superintendent
32 years



Wade Thooft
Ops Staff Assistant
21 years



Tim O'Leary
General Manager
20 years



Brian Jeremiason
Manager of Marketing
19 years



Ross Birath
Journeyman Lineman
15 years



Dan Tutt
Journeyman Lineman
12 years



Tyler Blomme
Journeyman Lineman
9 years



Tyler Sand
Journeyman Lineman
9 years



Alan Fischer
Warehouse
9 years



Rochelle Borresen
Accountant
7 years



Nathan Pavek
Journeyman Lineman
7 years



Lisa Hauswedell
Billing Clerk
5 years



Kristi Jensen
Finance Manager
1 year



Jessica Gums
Executive Asst.
9 months



Sam Rohde
Apprentice Lineman
6 months

Board of Directors



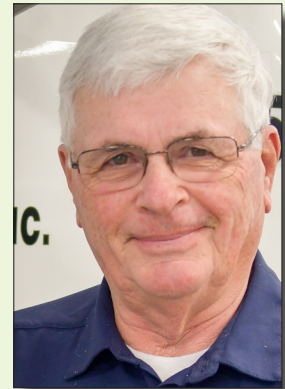
Mary Gunnick
District 1



Kathy Schreurs
District 1
Secretary-Treasurer



Scott Johnson
District 1



Galen Grant
District 2
Vice President



Jim Rokeh
District 2



Sandy Ludeman
District 2
President



Jared Dritz
District 3



Dale Fier
District 3



Merv Anderson
District 3



Mike Cable
Board Attorney

LYON-LINCOLN ELECTRIC COOPERATIVE, INC. 2021 ANNUAL MEETING OF STOCKHOLDERS

Sandy Ludeman, President, called the Annual Meeting of Stockholders to order at 7:00 o'clock P.M. on June 2, 2021 at the Headquarters Building of Lyon-Lincoln Electric Cooperative, Inc. in Tyler, Minnesota. Those in attendance were President, Sandy Ludeman, Vice-President, Galen Grant, Secretary-Treasurer, Donna Stone, Directors: James Rokeh, Scott Johnson, Mary Gunnink, and Merv Anderson. Attorney, Michael W. Cable, General Manager, Timothy O'Leary, and Member/Stockholder, Joel Buyck, were also in attendance.

President Ludeman, then asked that those in attendance stand and give the Pledge of Allegiance.

President Ludeman indicated that due to Covid-19 restrictions there will be no members in attendance at the Annual Meeting other than the persons described who were in attendance at the beginning of the meeting. He indicated that consistent with the Bylaws mailed ballots are to be counted toward a member quorum to allow director elections. Mr. Ludeman indicated that a ballot was distributed to each member so that they could vote for the directors from each District and the Bylaw Amendment. Survey & Ballot Systems conducted the ballot voting and reported to the Board that there were a total of 615 ballots returned to Survey & Ballot Systems. Because of that return and those in attendance at the meeting as previously described there was a quorum to hold the Annual Meeting to allow director elections and Bylaw Amendment.

President Ludeman asked that Secretary-Treasurer, Donna Stone, read the Notice of the Annual Meeting and Secretary-Treasurer, Donna Stone, read the Notice of the Annual Meeting and indicated that the notice had

been mailed and published pursuant to Minnesota law and the rules of the Cooperative.

Attorney, Michael W. Cable, then reviewed with the Board the results of the 2021 Director Elections and Bylaw Amendment that had been handled by Survey & Ballot Systems.

Those in attendance at the Annual Meeting were advised that the following individuals were nominated as candidates for the Board of Directors to serve for a three year term and to be elected at the Annual Meeting. Those individuals were as follows:

DISTRICT ONE

For Three Year Term
Mary Gunnink
Josh Osland

DISTRICT TWO

For Three Year Term
Joel Buyck
Sandy Ludeman

DISTRICT THREE

For Three Year Term
Jared Dritz
Donna Stone

The Board was advised that the balloting conducted by Survey & Ballot Systems indicated that Mary Gunnink was elected as Director for District One, having received 352 votes. The Board was also advised that Josh Osland had received 225 votes. The Board was advised that Sandy Ludeman was elected as Director for District Two, having received 352 votes. The Board was also advised that Joel Buyck had received 228 votes. The Board was advised that Jared Dritz was elected as Director for District Three, having received 315 votes. The Board was also advised that Donna Stone had received 262 votes.

The Board was advised that the following Resolution was adopted by the members with 379 votes for the Resolution, with 131 votes abstaining and 60 votes against the Resolution. Said Resolution was as follows:

RESOLUTION – BYLAWS

“RESOLVED, That SECTION 1. QUALIFICATIONS AND OBLIGATIONS (a) (4) & (5), (b) (1) of ARTICLE 1 MEMBERS; SECTION 1. ANNUAL MEETING, SECTION 6. ESTABLISHMENT OF A QUORUM, SECTION 7. VOTING, SECTION 8. MEMBER VOTING BY MAIL OR ELECTRONIC BALLOT, of ARTICLE II; SECTION 2. TENURE AND QUALIFICATIONS. b) QUALIFICATIONS, SECTION 3. NOMINATION AND ELECTION OF DIRECTORS. a) Nomination at District Meetings, and b) Election of Directors, of ARTICLE III DIRECTORS; SECTION 6. MEETING ATTENDANCE BY REMOTE COMMUNICATIONS, of ARTICLE IV; MEETING OF DIRECTORS; ARTICLE XIV; and ARTICLE XV AMENDMENTS of the Bylaws be amended and restated as stated in the Ballots sent to members by Survey & Ballot Systems.

There being no further business to come before the Annual Meeting a motion was made by Scott Johnson and seconded by James Rokeh to adjourn at 7:25 o'clock P.M.

Secretary/Treasurer

Approved:

President

LYON-LINCOLN ELECTRIC COOPERATIVE, INC. 2020 ANNUAL MEETING OF STOCKHOLDERS

Sandy Ludeman, President, called the Annual Meeting of Stockholders to order at 9:30 o'clock A.M. on October 26, 2020 at the Headquarters Building of Lyon-Lincoln Electric Cooperative, Inc. in Tyler, Minnesota and there was in attendance President, Sandy Ludeman, Vice-President, Galen Grant, Secretary-Treasurer, Donna Stone, Directors: James Rokeh, Kathy Schreurs, Scott Johnson, Mary Gunnink, Dale Fier, and Merv Anderson. Attorney, Michael W. Cable, General Manager, Timothy O'Leary, and Member, Jared Drietz, were also in attendance.

President Ludeman, asked attendees to stand and give the Pledge of Allegiance.

President Ludeman indicated that due to Covid-19 restrictions there will be no members in attendance at the Annual Meeting other than the persons described who were in attendance at the beginning of the meeting. He indicated that consistent with the Bylaws mailed ballots are to be counted toward a member quorum to allow director elections. Mr. Ludeman indicated that a ballot was distributed to each member so that they could vote for the directors from each District. Survey & Ballot Systems conducted the ballot voting and reported to the Board that there were a total of 642 ballots returned to Survey & Ballot Systems. Because of that return and those in attendance at the meeting as previously described there was a quorum to hold the

Annual Meeting to allow director elections.

President Ludeman asked that Secretary-Treasurer, Donna Stone, read the Notice of the Annual Meeting and Secretary-Treasurer, Donna Stone, read the Notice of the Annual Meeting. He indicated the notice had been mailed and published pursuant to Minnesota law and the rules of the Cooperative.

Attorney, Michael W. Cable, then reviewed with the Board the results of the 2020 Director Elections that had been handled by Survey & Ballot Systems.

Those in attendance at the Annual Meeting were advised that the following individuals were nominated as candidates for the Board of Directors to serve for a three year term and to be elected at the Annual Meeting. Those individuals were as follows:

DISTRICT ONE

For Three Year Term
Scott Johnson

DISTRICT TWO

For Three Year Term
Galen Grant

DISTRICT THREE

For Three Year Term
Dale Fier
Jared Dritz

The Board was advised that the balloting conducted by Survey & Ballot Systems indicated that Scott Johnson was elected as Director for District One, having received 555 votes; Galen Grant was elected as Director for District Two, having received 567 votes; and Dale Fier was elected as Director for District Three, having received 353 votes. President Ludeman indicated that Jared Dritz had received 236 votes. President Ludeman congratulated Scott Johnson, Galen Grant and Dale Fier being elected as Directors. President Ludeman also thanked Jared Dritz for running for Director for District Three and thanked him for attending this Annual Meeting.

There being no further business to come before the Annual Meeting a motion was made by Vice-President, Galen Grant, and seconded by Secretary-Treasurer, Donna Stone, to adjourn at 9:43 o'clock A.M.

Secretary/Treasurer

Approved: _____

President

CAPITAL CREDIT RETIREMENT



In total, Lyon-Lincoln Electric has retired

\$17.4 MILLION

IN CAPITAL CREDITS

to our members through 2021

December 2021 Retirement - \$429,371

Estates Retirement 2021 - \$181,567

Total Returned in 2021 - \$610,938

- Lyon-Lincoln Is Ranked #22 Out Of 708 Co-ops Nationwide
- 51.38% Of All Allocated Capital Credits Have Been Retired
- National Avg. Is 28.71%

DIRECTOR CANDIDATES

District 1

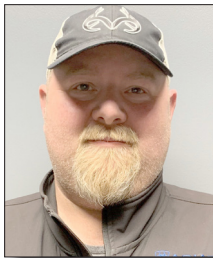
Josh Osland

Josh Osland and his wife Priscilla, live on the family farm northwest of Lake Benton with their 4 children, Wyatt (13), Addison (11), Lucas (8), and Brayden (5).

Josh has lived on the family farm for 35 years and raises both grain and cattle. Josh also works part time as a crop adjuster and raises heifers for a local dairy.

Josh has also served as a Drammen Township supervisor and keeps active in the community by assisting Priscilla with her Relay for Life team.

As a new board member, Josh would come in with an open mind and a willingness to learn all aspects of this position. His main focus will be on the fellow consumer/member-owners of the cooperative.



Kathleen Schreurs

Kathleen Schreurs, from rural Tyler, is a candidate for director for the Lyon-Lincoln Electric Cooperative board from District 1. Kathleen and her husband, David, have four grown children, Kari, Ryan, Tory and Jon.

David and Kathleen have owned and lived on their farm for the past 48 years in Lake Stay Township in Lincoln County where they raised their four children. Kathleen enjoys family activities, camping, golfing, gardening and history.

Kathleen feels that electricity is a very important piece of rural America. "We rely on dependable, affordable electricity to keep us connected in our personal and professional lives.", she said.

Kathleen has worked for the people of Lincoln County, serving as the County Auditor preparing financial statements and budgets for 16 years before retiring. She also worked in the areas of administration, property taxes, human resources, valuations, technology, elections, state statutes, laws, bonding and permitting.

Kathleen believes that her professional and life experiences have prepared her to continue to represent Lyon-Lincoln Electric and its owner/members as a cooperative director. "Lyon-Lincoln Electric Cooperative is a strong cooperative, with many talented and dedicated employees and board members. Thank you for your continued support of the Lyon-Lincoln Electric Cooperative," she concluded.



District 2

James Rokeh

James Rokeh, from rural Minneota, is a candidate for director for the Lyon-Lincoln Electric Cooperative board from District 2. James and his wife Helen have two children, Jon and Jason.

James worked at the Marshall Lyon County Library for 18 years as the Plum Creek Library Bookmobile driver. James also worked at LLEC for 16 years as the Material Clerk. He retired 9 years ago and is happy to have more time at home, where he has lived with his wife Helen since 1972.

James served on the Minneota Public School Board from 1992-1998 and has been a member of American Legion Post 460 in Russell, MN, since 1971. James has served on the Marshall Area Senior Citizens Board since 2017 and was recently elected to the RESCO Board. RESCO is a utility supply vendor that LLEC purchases transformer and line material from. As one of two Minnesota Directors, he attends quarterly meetings with Directors from 8 other states.

James likes to spend time with his Minnesota grandchildren often and with the New Hampshire grandchildren when he has the opportunity. He enjoys traveling and playing cards. During the summer, he and Helen like to go camping and grill out.

James believes the directors and employees made a daily commitment to serve the members during the 16 years he was part of the team. Since his time in the USAF, he has been sold on accomplishments possible as a team.

As a director, James feels that developing policies is an important responsibility, as directors have monthly meetings to review the financial statements and get reports from department heads. He feels safety is always a priority. James feels he has knowledge in most areas from attending training classes. In the past 6 years, James has received his Credentialed Cooperative Leadership Certificate, Board Leadership Certificate and his Director Gold Credential, most recently attending a class on Cybersecurity. James would like to thank you for your support of LLEC.



Patrick Verly

Patrick Verly, from rural Marshall, is a candidate for director for the Lyon-Lincoln Electric Cooperative board from District 2. Patrick and his wife Barb farm in Lake Marshall Township, where Patrick has lived his whole life. Patrick has been a member in good standing of Lyon-Lincoln Electric Cooperative for the past 50 years.

Patrick owns and operates a diverse livestock and grain operation.

This has given him experience in making key business decisions while also working well with others.

He has served on multiple boards including school, church, fair and cattlemen's. While planting, harvesting and calving keep Patrick busy through most of the year, he would make committing to the board work for everyone involved.

"I want to continue to be sure that the cooperative is run efficiently and we are able to provide efficient electricity to customers and listen to their needs," he said.



District 3

Mike Longtin

Mike Longtin, from rural Taunton, is a candidate for director for the Lyon-Lincoln Electric Cooperative board from District 3. Mike and his wife Ann have been married for 33 years.

They've raised two sons and been blessed with two daughters-in-law, three granddaughters, and a grandson. Mike is self employed as a farmer and diesel mechanic.

"With 35 plus years in the truck and equipment service industry, I understand that negotiation, customer service and problem-solving skills are important in the day-to-day operation of any business. I

am goal focused, organized and forward thinking. I have excellent communication and interpersonal skills," Mike said.

Mike is interested in becoming a member of the board because he would like to experience, firsthand, the challenges and responsibilities of working together for an organization that continually runs a great



business. He feels it would be a privilege and honor to serve on the Board and have the opportunity to serve all members of LLEC.

"I am very passionate and diligent, with the ability to see the big picture and the courage to be inquisitive. I have a strong work ethic with insight and integrity. When taking on a new role, I can be counted on to be respectful, committed and effective. I am open and honest, and would proudly serve the members of the LLEC Co-op," said Longtin.

Gehrig makes good decisions in emergency

Seventeen-year-old Mary Gehrig was driving home from a friend's house when a storm turned from average to angry.

The storm was not a problem during the first part of her drive, and she assumed it would stay that way during the half-hour ride home. "I've never really been afraid to drive in storms; I'm pretty good with them," she explained. "I've always been fascinated with thunder and lightning."

Unbeknownst to Mary, a stronger, more violent storm was about to erupt, and conditions grew worse than anyone had anticipated. The typically familiar and uneventful drive was neither of those things that June night.

Strong rotations formed and their herculean strength folded several metal transmission towers in half. Around 15 to 20 minutes into the drive, Mary's knuckles gripped the wheel as she struggled to see in front of her. During lightning flashes, she saw little white lines in the distance. As she got closer, she realized that those lines were across the road, in her path, and that they were anything but small.



"I realized I was not going to (be able to) drive over it," Gehrig recalls. She slammed on the brakes and her car struck the object, which happened to be one of two high-voltage transmission power lines lying in the road. The massive cable stopped Mary's car in its tracks. The car's electrical system was damaged, and she was stuck there alone during the storm.

What happened next was life-changing — but in a good way.

Mary picked up her phone and called her parents. When her dad heard that there was a downed power line involved, he told her to stay where she was, not get out of the car, and call 9-1-1.

Fire chief Rich Schock, who was on the scene that night, said, "Those are large transmission lines with a lot of volts in them," adding that the outcome could have been fatal had Mary gotten out. "Mary did everything right," he said.

NUTS AND BOLTS OF BATTERY ELECTRIC VEHICLES



ADVANTAGES AND DISADVANTAGES OF BEVS

What are the operating cost advantages of BEVs?

- Though savings will depend on gas prices and your driving habits, BEVs cost less to operate than gas-fueled vehicles because electricity costs are equivalent to approximately \$1 per gallon of gasoline.

- Electricity prices are far more stable than gas prices, which means less fluctuation in how much you'll pay throughout the year. Also, because the U.S. electric supply does not rely on imported petroleum, the long-term outlook for pricing is better.

What are the energy efficiency advantages of BEVs?

- BEVs are highly efficient, converting about 80% of their energy input into moving the car. In contrast, gas-powered cars are only about 20% efficient; the remaining 80% of the energy input is lost to engine inefficiencies or used to power accessories.

- Most BEVs have a regenerative braking system that captures energy and restores it to the battery when you stop.

- Charging an electric vehicle at home is not a huge power drain. A BEV driven 10,000 miles a year may use between 2,500 and 3,000 kilowatt-hours (kWh) to charge; that is between \$256 and \$308 per year based on Lyon-Lincoln Electric's current rate of 10.26 cents/kWh, assuming an average residential electricity rate of 13 cents. This is about the same amount of energy used to operate an electric water heater for a family of four.

What are the environmental advantages of BEVs?

- BEVs run on locally generated electricity and reduce dependence on fossil fuels.

- They have less of a negative environmental impact because of higher efficiency, lower energy consumption and no tailpipe emissions.

- Electricity is not a "fuel" in the same way gas is. Co-ops produce electricity from many sources, including hydropower, nuclear, natural gas, coal, and increasingly, wind and solar generation. As the source of electricity gets cleaner, so does the vehicle.

NUTS AND BOLTS OF BATTERY ELECTRIC VEHICLES

What are other advantages of BEVs?

- BEVs require little maintenance. They have far fewer moving parts than gas powered vehicles, so less can go wrong. Even brake pads last longer because of regenerative braking.

- BEVs are extremely quiet, as there is no combustion noise produced.

- BEVs have quick acceleration.

- BEVs get better range in stop-and-go traffic than with highway driving, making them ideal for in-city commuting. BEVs are safe to operate and charge. The vehicle inlet and charging equipment are required to be safety tested, certified and listed by UL.

What incentives are available when purchasing or operating a BEV?

- There is a federal tax credit worth up to \$7,500, though the amount depends on the vehicle, manufacturer and your tax liability.

- Lyon-Lincoln is investigating the opportunity to offer special electric rates for charging during off-peak times (such as overnight).

What are the disadvantages of BEVs?

- Although vehicle ranges keep improving and charging stations continue to be installed, long-distance travel in a BEV will require more advanced planning.

- If you need to charge partway through a trip, you will be stopped for longer than had you filled up a gas-powered vehicle.

- It may be difficult to find a charging station when and where you need one. Fortunately, this is improving as BEVs become increasingly common and more stations are added. Several apps can help you locate places to charge.

OTHER COMMON QUESTIONS

How often and how long will my BEV need to charge?

There are several levels of charging. How often you charge and where you plug in depend on how far you drive and the charging method.

- Level 1: A standard 120-volt home receptacle on a dedicated circuit will provide three to five miles of driving range for every hour of charging.

- Level 2: A 240-volt connection will provide 10 to 20 miles of range for every hour of charging. Note that this connection must be installed by an electrician who understands BEVs. Some public areas and workplaces also offer Level 2 charging stations.

- DC Fast Charge: DC fast charging can charge a car to 80% in about 30 minutes. However, this option requires special equipment and isn't compatible with all vehicles.



Small contributions make a **BIG** difference.



Lyon-Lincoln Electric Cooperative members have participated in the Operation RoundUp® program since September 1998. Cooperative members allow their electric bills to be rounded up to the next dollar each month with the odd cents going to help fund community projects and charities. Our member-owners have responded with open minds and hearts to the Operation RoundUp® program.

The Operation RoundUp® funds are controlled through the Lyon-Lincoln Electric Trust, Inc., a nonprofit corporation governed by a nine-person Board of Trustees that is selected from the cooperative's member-owners. The trustees meet quarterly to review and approve qualifying grant applications.

Highlights for 2021 include the approval of grants for a total of \$18,772.00 and awarding \$3,500.00 in scholarships. Since September 1998, the Trust Board has disbursed scholarships and grants totaling \$488,209.00. The Operation RoundUp® program has helped countless people in the cooperative's service area.

The generosity and community spirit of Lyon-Lincoln Electric Cooperative member-owners rounding up their bill each month makes this program work. For an average of 50 cents a month, or \$6.00 a year, participants are part of a very large community-wide program. In 2004, the Operation RoundUp® Fund was awarded the East River Cooperative Service Award. The award recognizes the Operation RoundUp® Program for its commitment to the community.

On behalf of the Operation RoundUp Board and the numerous grant recipients, thank you to the membership for their continued support of this program.

Lyon-Lincoln Electric Trust, Inc. **2021 BOARD OF DIRECTORS**

Heidi Fier.....President
Mike Longton.....Vice President
Elizabeth Taylor.....Secretary/Treas.
Diana Nielsen.....Director
Katy Vos.....Director
Judy Hayes.....Director
Kayla Werkman.....Director
Michelle Williams.....Director
Greg Kohler.....Director

2021 Grants Made

Amount

United Way of Southwest Minnesota	\$1,250
Wheels Across the Prairie Museum	\$1,000
Lyon County Fair	\$1,500
Lac qui Parle Yellow Bank Watershed District	\$500
Lincoln County Fair	\$1,000
Tracy Area Medical Foundation	\$500
WoMen's Rural Advocacy Programs, Inc.	\$1,000
Porter Fire Department	\$1,500
Yellow Medicine Co. Open Youth Beef Show	\$500
Lyon County Salvation Army	\$1,500
Lutheran Social Services of MN/LLS Meals	\$1,500
Prairie Homes Hospice, Inc.	\$1,500
Avera Tyler Ambulance	\$1,485
Garvin Fire Department	\$1,437
Russell Fire Department	\$1,500
Lutheran Social Services of MN/LSS Meals	\$1,500
SWWC Foundation for Innovation in Education	\$1,000
RTR After Prom Committee	\$100

Total grants made in the 2021 Year: \$18,772.00

Operation RoundUp® 2021 Scholarship Winners

Joshua Steffen – Canby High School
Hannah Krog – Elkton High School
Kaylee Johnson – Hendricks High School
Jack Bly – Marshall High School
Abigail Rost – Minneota High School
Kaitlyn Hanson – Minneota High School
Allie Christianson – RTR High School
Haley Muenchow – RTR High School
Mason Brust – RTR High School

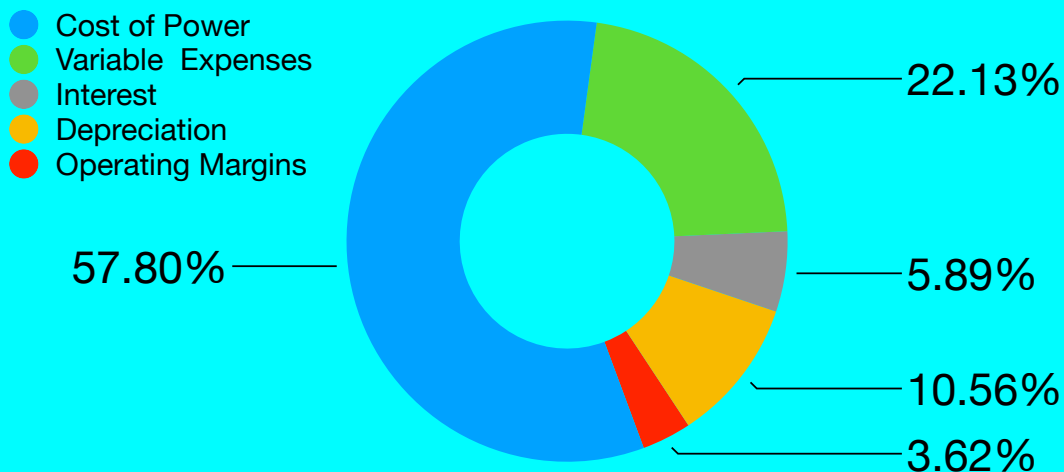


Statement of Revenue and Expenses

December 31, 2021 (Unaudited)

REVENUE	2020	2021
OPERATING REVENUE	\$ 10,556,811	\$ 10,497,188
OPERATING EXPENSES		
Cost of Purchased Power	\$ 5,997,903	\$ 6,052,346
Operations Expense	\$ 361,328	\$ 351,216
Maintenance Expense	\$ 512,349	\$ 570,131
Customer Accounts Expense	\$ 159,155	\$ 157,605
Customer Service & Information	\$ 199,223	\$ 224,130
Administrative & General Expense	\$ 1,056,031	\$ 1,014,020
Depreciation Expense	\$ 1,084,452	\$ 1,105,243
Interest on Long-Term Debt	\$ 655,070	\$ 617,169
Other Deductions	\$ 24,963	\$ 26,444
TOTAL OPERATING EXPENSES	\$ 10,050,474	\$ 10,118,304
MARGINS		
Net Operating Margins	\$ 506,337	\$ 378,884
Non-Operating Margins	\$ 132,951	\$ 49,345
East River Capital Credits	\$ 445,581	\$ 391,633
Other Capital Credits	\$ 47,952	\$ 50,958
TOTAL MARGINS	\$ 1,132,821	\$ 870,820

Where Your Dollar was Spent



Comparative Balance Sheet

December 31, 2021 (Unaudited)

ASSETS	2020	2021
Utility Plant in Service -----	\$ 35,959,620	\$ 37,501,509
Less: Reserve for Depreciation -----	\$ 11,848,030	\$ 12,133,496
NET UTILITY PLANT -----	\$ 24,111,590	\$ 25,368,013
Investments in Subsidiary Companies -----	\$ 142,151	\$ -
Investments in Assoc. Organizations -----	\$ 7,841,826	\$ 8,170,955
Investments in Economic Development Projects ---	\$ 75,010	\$ 75,010
Other Investments -----	\$ 6,464	\$ 5,811
Special Funds -----	\$ 300,000	\$ 300,000
TOTAL OTHER PROPERTY & INVESTMENTS -----	\$ 8,365,451	\$ 8,551,776
Cash - General Funds -----	\$ 550	\$ 1,083,676
Temporary Investments -----	\$ 2,462,991	\$ 1,429,708
Accounts Receivable - Energy -----	\$ 927,174	\$ 768,688
Accounts Receivable - Other -----	\$ 64,081	\$ 79,183
Materials & Supplies -----	\$ 460,578	\$ 1,005,807
Interest Receivable -----	\$ 4,590	\$ 4,590
TOTAL CURRENT & ACCRUED ASSETS -----	\$ 3,919,964	\$ 4,371,652
Deferred Debits -----	\$ 325,102	\$ 241,281
TOTAL ASSETS AND OTHER DEBITS -----	\$ 36,722,107	\$ 38,532,722
LIABILITIES		
Membership Fees -----	\$ 19,755	\$ 19,790
Patronage Capital -----	\$ 15,049,517	\$ 15,304,737
Other Equities -----	\$ 790,957	\$ 893,043
TOTAL MARGINS & EQUITIES -----	\$ 15,860,229	\$ 16,217,570
Long-Term Debt, RUS -----	\$ 14,374,172	\$ 16,486,897
Long-Term Debt, CFC -----	\$ 4,797,676	\$ 4,430,933
Long-Term Debt, RUS, Econ Development -----	\$ -	\$ -
TOTAL LONG TERM DEBT -----	\$ 19,171,848	\$ 20,917,830
Accumulated Operating Provisions-----	\$ 113,830	\$ 6,340
TOTAL OTHER NONCURRENT LIABILITES -----	\$ 113,830	\$ 6,340
Notes & Accounts Payable -----	\$ 805,418	\$ 668,774
Consumers Deposits -----	\$ 31,710	\$ 27,910
Other Current and Accrued Liabilities -----	\$ 437,937	\$ 394,298
TOTAL CURRENT & ACCRUED LIABILITIES -----	\$ 1,275,065	\$ 1,090,982
Deferred Credits -----	\$ 301,135	\$ 300,000
TOTAL LIABILITIES -----	\$ 36,722,107	\$ 38,532,722

Power Sales

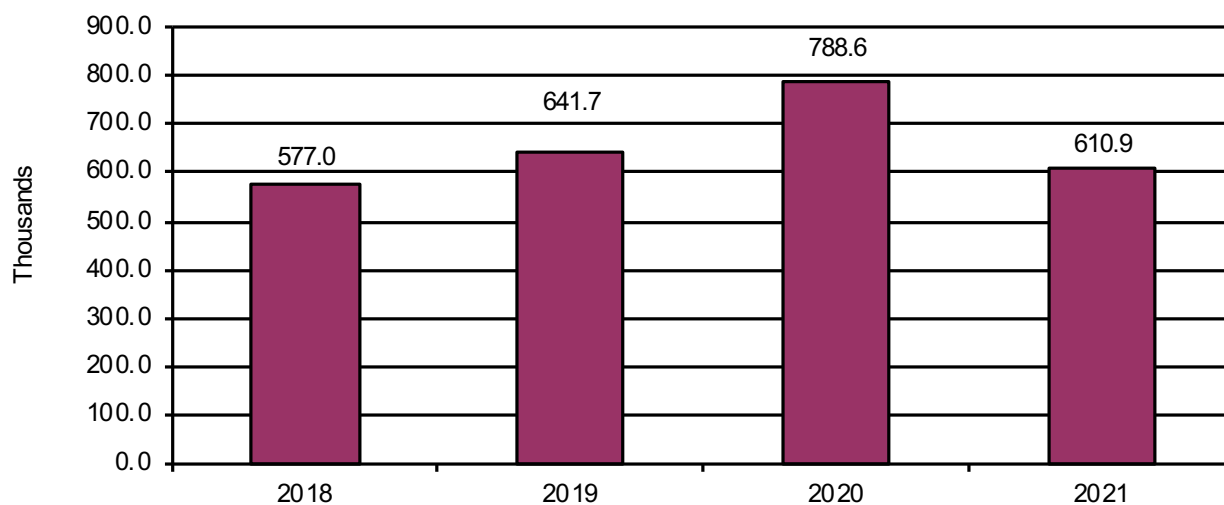
Kilowatt sales and revenue by year

Year	Kwh's Sold	% Change	Rev. from Elec. Sales	Other Elec. Rev	Total Revenue
1995	65,590,670		\$4,605,524	\$58,119	\$4,663,643
1996	68,238,620	4.04	\$4,809,833	\$62,665	\$4,872,498
1997	68,210,910	(0.04)	\$4,887,954	\$70,019	\$4,957,973
1998	73,276,460	7.43	\$5,001,730	\$50,502	\$5,052,232
1999	70,174,540	(4.23)	\$4,876,166	\$54,192	\$4,930,358
2000	71,211,980	1.48	\$5,164,011	\$54,812	\$5,218,823
2001	74,976,810	5.29	\$5,212,536	\$61,136	\$5,273,672
2002	77,079,970	2.81	\$5,558,335	\$62,448	\$5,620,783
2003	76,490,120	(0.77)	\$5,326,129	\$57,433	\$5,383,562
2004	77,896,500	1.84	\$5,624,983	\$59,369	\$5,684,352
2005	80,449,240	3.28	\$5,792,329	\$59,235	\$5,851,564
2006	81,610,970	1.44	\$5,863,199	\$75,614	\$5,938,813
2007	87,088,870	6.71	\$6,322,279	\$81,874	\$6,404,153
2008	88,953,380	2.14	\$6,756,761	\$65,699	\$6,822,460
2009	88,258,070	(0.78)	\$7,489,602	\$62,028	\$7,551,630
2010	87,807,010	(0.51)	\$7,931,927	\$70,533	\$8,002,460
2011	88,492,440	0.78	\$8,342,314	-\$100,526	\$8,241,788
2012	84,689,520	(4.30)	\$8,701,001	\$156,436	\$8,857,437
2013	95,354,800	12.59	\$9,938,356	-\$57,886	\$9,880,470
2014	96,732,530	1.44	\$10,167,676	\$148,978	\$10,316,654
2015	89,642,050	(7.33)	\$9,611,435	\$29,821	\$9,641,256
2016	91,304,740	1.85	\$9,786,446	\$207,365	\$9,993,811
2017	91,766,240	0.51	\$10,328,738	\$237,537	\$10,566,275
2018	99,462,710	8.39	\$10,992,841	\$46,068	\$11,038,909
2019	98,549,310	(0.92)	\$10,868,278	\$61,797	\$10,930,075
2020	93,865,710	(4.75)	\$10,521,475	\$35,336	\$10,556,811
2021	91,923,304	(2.07)	\$10,443,472	\$53,716	\$10,497,188

Comparative Operating Statistics

	2020	2021
Average Number of Members Per Month	3923	3944
Average Bill Per Member Per Month	\$223.50	\$220.66
Average Number of KWH Used Per Month	1994	1942
Average KWH Price Paid By Member	\$0.11	\$0.11
Kilowatt-hours Sold	93,865,710	91,923,304
Kilowatt-hours Purchased	99,444,800	97,112,714
Capital Credits Average Per Member	\$288.76	\$220.80
Investment In Plant Per Service	\$9,166.36	\$9,508.50
Miles of Distribution Line	1670	1671
Members per Mile of Line	2.35	2.36

Capital Credits Refunded



RENEWABLE ENERGY CREDIT (REC) PROGRAM



SHOWCASE YOUR SUPPORT FOR RENEWABLE ENERGY

Sign up for Lyon-Lincoln Electric's REC program and showcase your support for renewable energy.

Contact us to learn more!
507.247.5505
email@llec.coop

POWER YOUR HOME OR BUSINESS ON 100% RENEWABLE ENERGY

We're excited to help you reach your renewable energy goals! After signing up for our REC program, you'll receive a REC certificate and other promotional materials that you can showcase your commitment.

FREQUENTLY ASKED QUESTIONS

What is a Renewable Energy Credit (REC)? 1 megawatt hour produced by a renewable energy source equals 1 REC. RECs are also called Green Tags and they represent the valuable renewable attributes of wind energy.

Do I need to purchase any special equipment? No special equipment is needed. Lyon-Lincoln Electric will fulfill all your electric needs while you enjoy the benefits of powering with renewable energy.

Where do RECs come from? Our RECs come from several wind farms in our region that supply renewable energy to our cooperative.

How much does it cost to power my home or business on 100% renewable energy? \$1 per MWh. Example: If you use 1200 kWh per month, participating in the REC program would add \$1.20 + tax to your monthly bill.



**Lyon-Lincoln
Electric Cooperative, Inc.**

A Touchstone Energy Cooperative

Lyon-Lincoln Electric is an equal opportunity provider & employer.