

2020

Beltrami Annual Report



OWNED BY OUR MEMBERS.

Committed to our Communities!

Northern Lights, August 2021



**Beltrami Electric
Cooperative Inc.**

®

Your Touchstone Energy® Cooperative



NORTHERN LIGHTS

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Office Hours: 8 a.m. to 4:30 p.m.
Monday – Friday

Member Service: 218-444-2540
or 1-800-955-6083
www.beltramielectric.com

Board of Directors

Chair	John Lund, DISTRICT 7
Vice Chair	Sue Kringen, DISTRICT 8
Secretary	Murl Nord, DISTRICT 1 (<i>Square Butte Director</i>)
Treasurer	Judy Honer, DISTRICT 9
Directors:	Charlie Perkins, DISTRICT 2; Charles Parson, DISTRICT 3; Craig Gaasvig, DISTRICT 4; Robert Wallner, DISTRICT 5; Rick Coe, DISTRICT 6 (<i>Minnkota Director</i>)
President and CEO	Jared Echternach
Editor	Angela Lyseng

This institution is an equal opportunity provider and employer.

Minnesota State Electrical Inspectors

Beltrami County

Wade Koons

218-255-3011 - wade@koonsinspection.com

Cass and Hubbard Counties

Anthony Kohrs

218-255-1046 - kohrsinspection@paulbunyan.net

These are the inspectors covering the area served by Beltrami Electric. They can be reached by phone Monday through Friday between 7 and 8:30 a.m. or by email as indicated.

Gopher State One Call
1-800-252-1166 or call 811
www.gopherstateonecall.org

Anyone who plans to dig is required by law to notify the state of their intentions at least 48 hours in advance.

All digging requires the 48-hour notification so that buried telephone lines, television cables, pipelines, utility electrical lines, and municipal water and sewer lines can be located to ensure that none will be severed or damaged.

STAY CONNECTED!



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on Facebook



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on Twitter



Visit our YouTube
channel



Jared Echternach
President and CEO (left)

John Lund
Board Chair (right)

Report to the Members

What a difference a year makes. Last year at this time we were preparing to conduct a bare-bones annual meeting to accomplish only the necessary business functions of your cooperative. We're pleased to report that your cooperative successfully navigated through the pandemic with minimal impact to our operations. At the beginning of the pandemic, we set out with three goals: keep our employees safe and healthy, continue to provide our core services and retain all our employees. We're pleased to report that we accomplished each of those goals.

Annual meeting

One of our strategic goals is to positively engage our members. What better way to do this than to conduct our annual meeting in conjunction with the Beltrami County Fair. We would like to thank the Beltrami County Ag Association for allowing us to host Beltrami Electric Night at the Fair, which will take place Wednesday, Aug. 11.

The year in review

While we are now well into 2021, we'd like to provide a recap of 2020 – another great year for your cooperative. Despite the pandemic, we constructed nearly 300 new services and performed nearly 100 service improvements for our membership as your cooperative continues to grow. We also completed several major projects, including line replacements along State Highway 371, Cass County Road 143 and Cass County Road 145.

While many rural communities struggle to maintain population, we are blessed that our area continues to grow. We are well positioned as a regional center, and we are experiencing steady growth year after year. We continue to engage in economic development efforts to help our communities grow and prosper.

Sufficient margins

While energy sales remained relatively flat in 2020, system growth helped provide sufficient margins. Growth, along with controlling our expenses, resulted in an operating margin of just over \$2.3 million and a total margin of just over \$3.6 million. We also returned more than \$1.2 million in capital credits to current and former members in 2020.

Safe and reliable

Most importantly, our employees completed 2020 safely while maintaining a reliable distribution system. On average, our members experience one outage per year, and our average restoration time in 2020 was 79 minutes – not bad

considering our 3,000-square-mile service area and 3,500 miles of line. We did not experience a major storm in 2020 and we continue to be leaders in underground line construction with 73% of our system now underground. We are so proud of our employees for their commitment to safety and for their dedication to providing the best possible service to our members.

Rate outlook

Our wholesale power rates remained stable in 2020 and 2021, but we expect a rate increase from our wholesale power supplier in 2022. We will know more by the end of the year and will evaluate if a retail rate increase is necessary in 2022. Approximately 70% of every dollar you pay on your electric bill goes toward the cost of wholesale power. The other 30% is what we consider controllable costs. Margins in 2020 were sufficient and we did not need to increase rates in 2020 or 2021. Our last rate increase occurred in 2018.

Strategic plan

2020 marked the completion of the second year of our three-year strategic plan, consisting of four themes: *Increase Positive Member Engagement, Enhance Beneficial Electrification to Control Costs, Leverage Technology for the Benefit of our Members, Continue to Improve our Safety Culture.* We will continue to focus our actions and resources to meet the objectives in these areas.

In closing, we would like to thank you for being a cooperative member and for your continued patronage and support. We would also like to thank our dedicated employees who, in true cooperative spirit, continue to work hard to provide safe and reliable service to our members.

Your Cooperative - By the Numbers



Average times a member experienced an outage in 2020:

1.6

Average restoration time over our 3,000-square-mile service area was 79 minutes.



Minnkota electric generation capacity from wind and hydro energy:

42%

Minnkota Power Cooperative is a national leader in wind energy.



Miles of line in Beltrami Electric Cooperative's service area:

3,537

*73% - underground line
27% - overhead line*



Beltrami Electric Cooperative members in 2020:

17,937



Capital credits returned to members in 2020:

\$1.2 million



Total number of new services connected in 2020:

300



Total number of Beltrami Electric employees:

62

THE MISSION OF BELTRAMI ELECTRIC COOPERATIVE

"To provide excellent value to our members through the safe delivery of reliable electric service, excellent member service and innovative energy solutions at fair and reasonable prices."

Board of Directors



John Lund
Chair
District 7



Sue Kringen
Vice Chair
District 8



Murl Nord
Secretary
District 1
Square Butte Director



Judy Honer
Treasurer
District 9



Charlie Perkins
Director
District 2



Charles Parson
Director
District 3



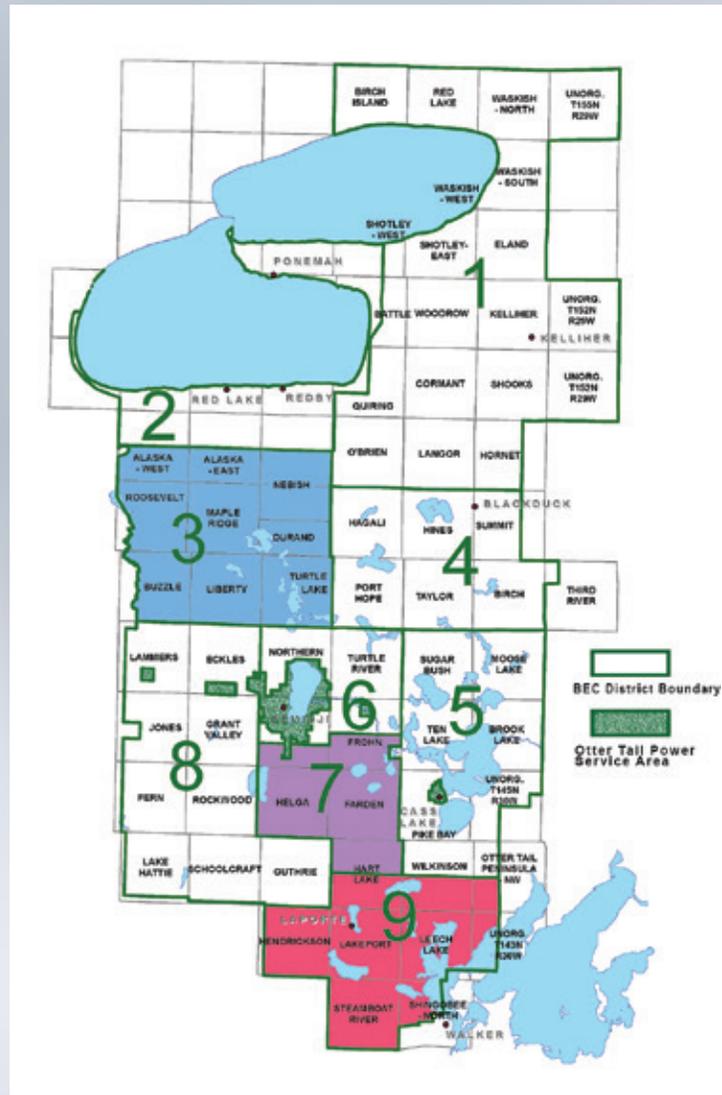
Craig Gaasvig
Director
District 4



Robert Wallner
Director
District 5



Rick Coe
Director
District 6
Minnkota Director



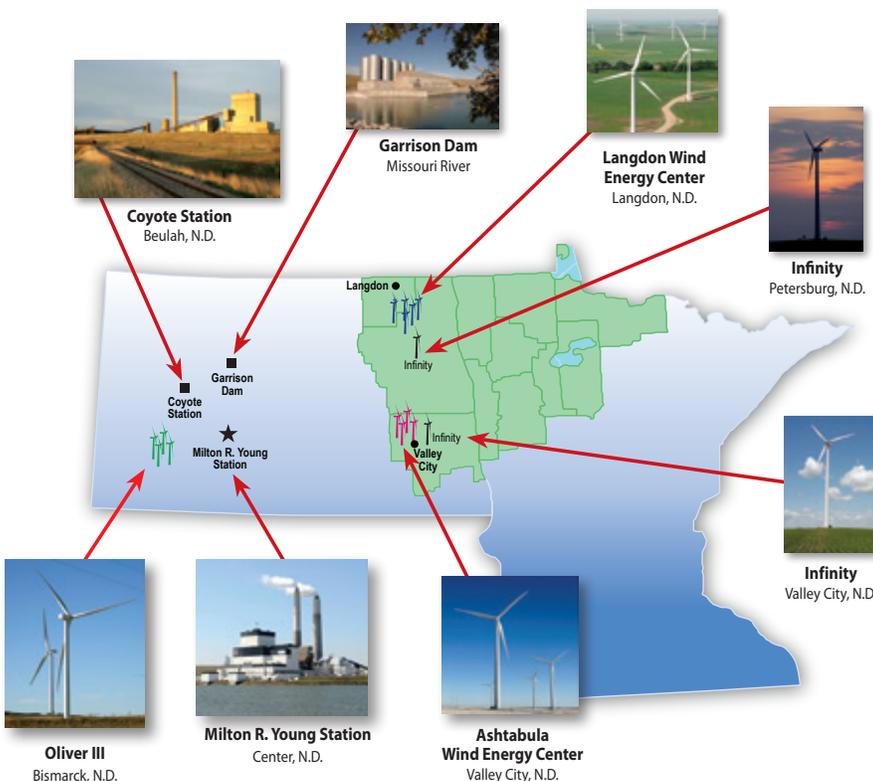
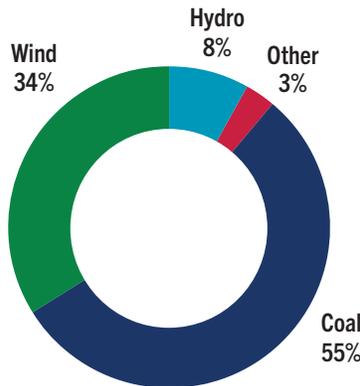
Beltrami Electric District Map

Highlighted areas denote 2021 election districts.

Where Your Power Comes From

Coal and wind provide the majority of Minnkota's energy capacity resources. About 55% of Minnkota's capacity comes from coal, while about 34% comes from wind. The Langdon and Ashtabula 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)
Milton R. Young Station – Coal	
Young 1	250,000
Young 2 (78%)	355,000
Coyote Station – Coal (30%)	128,100
Wind	
Infinity	1,800
Langdon Wind Energy Center	139,500
Ashtabula Wind Energy Center	217,500
Oliver III Wind Energy Center	100,000
Garrison Dam – Hydro	108,871
Other	35,000
Total power supply resources	1,335,771



Board Highlights June 2021

Beltrami Electric's board of directors conducted its regular monthly meeting Wednesday, June 30, 2021. A quorum of directors was present.

- President and CEO Echternach gave his monthly report, including economic development in our service territory, legislative issues affecting the cooperative, employee update, the CFC Summer Summit and district meetings held recently.
- Jolene Kallroos presented the Red Flags report, reviewed our identity theft prevention processes and recent activity.
- Sam Mason and Angela Lyseng updated the board on the upcoming annual meeting and presented the sample election ballot.
- Arlene Hogquist presented the May financial report.
- Chair Lund appointed the RESCO voting delegate.
- Craig Gaasvig of District 4 and Rick Coe of District 6 nominated one teller each to serve at the annual meeting.
- President and CEO Echternach and directors shared highlights of meetings attended on behalf of the cooperative and discussed upcoming meetings and educational conferences.

The following actions were taken:

- Approved the consent agenda.
- Approved the 2021 official ballot.
- Approved the president/CEO and director expense reports.

**The next board meeting will be held
Wednesday, Aug. 25, 2021.**

The world thinks the North is forever frozen, but these summers get brutal.

Our electricity has to be strong and unyielding, like us, even when the hot sun sets and the wind is still.

That's why we combine the diverse strengths of our region's mighty resources with our steadfast supply of lignite coal – to ensure reliable power on the most blistering days.

Yes, we get scorched up north, but we stay chill.

Because we're all in on all-of-the-above energy.

ALL IN
ALL-OF-THE-ABOVE ENERGY

Director Candidates

District 3



Michael Monsrud

Mike has more than 48 years of experience in the electric utility industry and holds a B.S. in business administration from Bemidji State University. He retired in 2019 from Itasca-Mantrap Electric Cooperative in Park Rapids, where he was the president/CEO for 14 years. Prior to working at Itasca-Mantrap, Mike served as the general manager of Clearwater-Polk Electric Cooperative in Bagley for five years, and served as utility manager for the city of Bagley for 12 years. He enjoys gardening, bird feeding, fishing and watching all his grandchildren's sports activities. Mike and his wife, Sue, have eight children, 23 grandchildren and one great-granddaughter.

What qualifications do you possess that would make you a good choice to represent the members of Beltrami Electric on the board of directors? *"I have been employed in the electric utility industry for 48 years. Starting as a utility helper, I rose to an apprentice lineworker and continued my education to facilitate my promotion to president/CEO. I have experience with Minnkota Power Cooperative and other generation and transmission cooperatives. I have served on many boards, including Bagley Beautification Board, Friends of Itasca Park, finance and church council at St. Joseph's in Bagley, finance chair and church council at Riverside United Methodist Church in Park Rapids, chair of the Park Rapids Armory and Events Center Board, Northern Municipal Power Agency (NMPA) Board and the Northern Safety & Security Board. I feel this combined experience and knowledge will help me to better serve the members of Beltrami Electric."*

What do you feel are the most important issues facing the cooperative? *"To keep electric rates stable and engage with legislators to lessen the impact of legislation which may harm the cooperative and its members. To increase energy sales, even though the cooperative is required by legislation to spend money to reduce energy use amongst its members. Involvement in the local community, so members and others know the importance of Beltrami Electric, and continued use of cooperation amongst cooperatives. The cooperative business model is by far the best model for its members and the local communities in which they serve."*

District 3



Charlie Parson
Incumbent

Charlie is a retired college professor, having researched and taught various aspects of geography – including climatology, hydrology, automated mapping and land planning – at Bemidji State University for 31 years. He holds a B.S. in earth science from Northern Illinois University, an M.S. in surface water hydrology and a Ph.D. in alpine geomorphology from the University of Iowa. He is an active member of the community volunteering with several organizations, including the Buena Vista Ski Patrol, Trout Unlimited and KBXE as a DJ. Charlie has served on the board for Northern Community Radio, American Cancer Society and Ducks Unlimited, as well as many university committees and state-level committees. He enjoys volunteering, especially in fifth grade classrooms for Trout Unlimited, and reading historical fiction and thrillers. Charlie and his wife, Jill, have four children and four grandchildren.

What qualifications do you possess that would make you a good choice to represent the members of Beltrami Electric on the board of directors? *"As a BEC board member for the past six years, I have taken courses to earn my Board Leadership Certificate so that I understand the needs of our cooperative, and to make sound decisions on behalf of the membership. I have always been aware of the challenges of delivering power to dispersed populations, and of the varied long-term investments necessary to deliver it affordably and with minimal environmental impacts. From my academic training I understand the implications of climate and geology on our utility's options for future changes in generation and delivery systems."*

What do you feel are the most important issues facing the cooperative? *"One challenge is maintaining our financial balance as changes are mandated to manage climate change, principally through reducing our carbon emissions. Secondly, we need to provide for electrical options to direct fossil fuel-based transportation and home heating. Lastly, we must develop storage capabilities for our wind generation resources so that they can serve us when the wind doesn't blow. The same goes for solar power, should we ever develop that at a large scale."*

District 7



John Lund
Incumbent

John is a lifelong resident of the Bemidji area and holds a B.S. in industrial technology from Bemidji State University. John and his wife, Mary, have lived in District 7 for the past 21 years and have three daughters and four grandchildren. John is a self-employed carpenter and installs kitchen appliances. He has served on church boards and councils, served two terms on the Beltrami County Board of Commissioners, served on the Beltrami Electric Cooperative board of directors for the past nine years and currently serves as the board chair. John enjoys cross country skiing, riding bicycle, walking and staying active physically, mentally and spiritually.

What qualifications do you possess that would make you a good choice to represent the members of Beltrami Electric on the board of directors? *"The nine years of service on the Beltrami Electric board of directors has given me the experience needed to represent the members of our cooperative. I have attended a number of educational classes offered by the Minnesota Rural Electric Association (MREA) and the National Rural Electric Cooperative Association (NRECA) and received the Board Leadership Certificate and the Director Gold Certificate from the NRECA. These courses keep me informed on the changes within the electric industry and help me learn more of the duties and responsibilities of becoming a better electric cooperative board member."*

What do you feel are the most important issues facing the cooperative? *"I feel the most important issue facing our cooperative is to continue to provide economical and reliable electricity to our members, while keeping the balance sheet strong, both now and into the future. Secondly, as more new technologies are added into the grid (i.e. solar, wind, battery storage and electric vehicles) my belief is that we will continue to need our coal-fired baseload generation (with the possible addition of carbon capture) so that we can continue to provide power to our members when other generating sources are not producing or available."*

District 9



Sharon Lembke

members of my district and the cooperative.”

What do you feel are the most important issues facing the cooperative? *“I believe that preservation of our environment, here in the lakes area and surrounding areas, is important. I also feel it is important to improve our energy usage and keep electricity affordable and reliable for the members of Beltrami Electric Cooperative.”*

Sharon has been a cooperative member for 42 years and lives in the Laporte area. She holds a B.S. in elementary education, an M.S. in school administration, minors in English and psychology, and a specialist/sixth-year degree in school administration. Sharon is a retired school administrator and was a teacher, an elementary school principal and an interim superintendent. She has two children and three grandchildren. Sharon enjoys playing music and plays bass guitar with a couple of groups, as well as an acoustic guitar in church. She likes to play cards, especially pinochle, smear and cribbage. She enjoys reading and is interested in catching fish, even though it doesn't always happen. Sharon has a heart for volunteering, serving at her church, the Laporte Food Shelf, Legion Auxiliary, Bone Builders, as an election judge for Hart Lake Township and has volunteered on the Beltrami Electric Cooperative Trust Board for Operation Round Up® since 2016.

What qualifications do you possess that would make you a good choice to represent the members of Beltrami Electric on the Board of Directors? *“I have served on the RiverView Hospital board in Crookston, Minn., and have volunteered on two church boards. I have served as president of the Beltrami Electric Cooperative Trust Board for Operation Round Up® for five years. I like working with people and I try to see all sides of an issue. I can be diplomatic and believe that if we can add to the good of an issue, we should. I can recognize good work, good leadership and understanding, and will do my best to serve the*

Voting Options Available

Democratic Member Control is one of the seven Cooperative Principles. All members may vote for one director in each district. Members have three options for voting – *vote by mail, vote online or voting in person at the annual meeting*. Official ballots were mailed July 23.

1) Vote by mail

Return your ballot in the provided envelopes. Your ballot must be received by mail at Survey and Ballot Systems in Eden Prairie, Minn., by Aug. 11, so please mail with plenty of time.

2) Vote online via DirectVote

Follow the instructions that came with the ballot you received in the mail on how to vote online using DirectVote. Once you've authenticated your *Member Number and Election Passcode* (found on the back of the blue business reply envelope) on the DirectVote page, simply follow the directions there to cast your vote. Members who have provided the co-op with a valid email address will also receive an email with a link to vote online. *Note: Your ballot must be completed by 9 a.m. on Aug. 11.*



3) Vote in person

Members will have the opportunity to vote in person at the annual meeting on Aug. 11, 2021.

Thank you, Judy Honer

Beltrami Electric Cooperative wishes to honor and thank board member Judy Honer for her 12 years of service. Judy is not seeking reelection in 2021.

Her knowledge, principles and leadership have been a great value to the cooperative. On behalf of the members of Beltrami Electric Cooperative, we thank you for your dedicated service.

Judy Honer was first elected to the Beltrami Electric board of directors in 2009, and served four terms, representing District 9. She has also served as treasurer since 2012. Judy and her husband, John, have two sons, Cory and Kurt, two grandchildren and three great-grandchildren.



Consolidated Balance Sheet

As of December 31, 2020 & 2019

ASSETS

	2020	2019
WHAT WE OWN:		
In service	\$153,974,301	\$150,943,533
Under construction	198,159	158,108
Total electric plant	154,172,460	151,101,641
Less accumulated depreciation	(49,055,475)	(46,046,228)
Electric plant – net	105,116,985	105,055,413
OTHER PROPERTY AND INVESTMENTS:		
Investments in associated companies	6,388,530	5,580,911
Other investments	3,356,861	3,380,468
Total other property and investments	9,745,391	8,961,379
CURRENT ASSETS:		
Cash - general	5,851,494	4,095,384
Accounts receivable, less allowance for uncollectible accounts (2020 – \$169,415; 2019 – \$148,784)	7,660,788	7,905,350
Materials and supplies	957,912	840,724
Prepayments	174,932	159,476
Interest receivable	8,120	8,258
Total current assets	14,653,246	13,009,192
DEFERRED DEBITS:		
Deferred debits	1,123,967	1,348,166
TOTAL ASSETS	\$130,639,589	\$128,374,150



%

EQUITY

Equity is the amount of the cooperative assets the Beltrami Electric members own.

- Our members' equity is 36.6% for 2020.
- Equity increased 1.3% over 2019.



ELECTRIC PLANT ADDED

Your cooperative continues to grow.

- \$3.1 million of plant was added in 2020 with \$12 million added over the last five years.

EQUITIES AND LIABILITIES

WHAT WE OWE:

Memberships
 Patronage capital
 Other margins and equities
 Total equities
 Long-term debt, net of current maturities and net of cushion of credit of \$5,001,301 for 2020 and \$5,353,693 for 2019

OTHER NONCURRENT LIABILITIES:

Postretirement benefits obligation

CURRENT LIABILITIES:

Current maturities of long-term debt
 Current portion of postretirement benefit obligation
 Accounts payable – general
 Accounts payable to associated company-billed power costs
 Customer deposits
 Taxes accrued
 Interest accrued
 Payroll accrued
 Accrued compensated absences
 Other accrued
 Total current liabilities

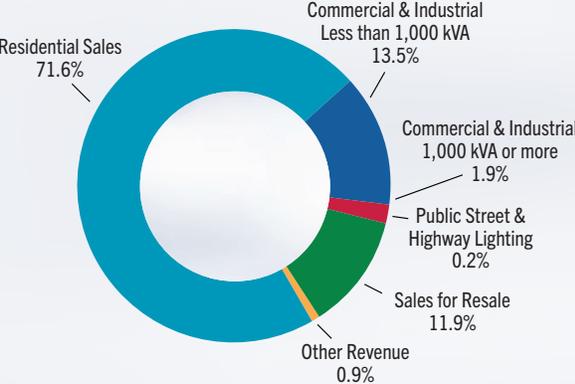
DEFERRED CREDITS:

Customers’ energy prepayments
 Northern Solar subscriptions
 Total deferred credits

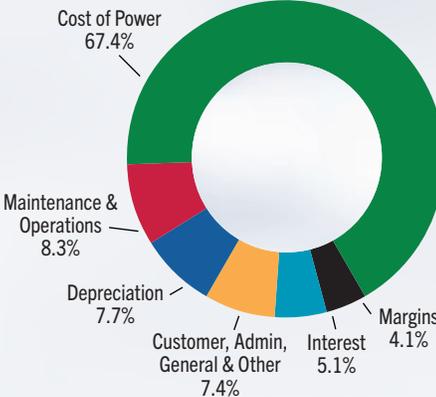
TOTAL EQUITIES AND LIABILITIES

	2020	2019
Memberships	\$ 836,075	\$ 820,375
Patronage capital	24,567,883	22,880,529
Other margins and equities	22,339,567	21,550,322
Total equities	47,743,525	45,251,226
Long-term debt, net of current maturities and net of cushion of credit of \$5,001,301 for 2020 and \$5,353,693 for 2019	73,117,251	73,466,625
OTHER NONCURRENT LIABILITIES:		
Postretirement benefits obligation	412,994	397,073
CURRENT LIABILITIES:		
Current maturities of long-term debt	2,841,284	2,720,602
Current portion of postretirement benefit obligation	65,000	70,000
Accounts payable – general	560,074	476,816
Accounts payable to associated company-billed power costs	3,678,997	3,809,838
Customer deposits	836,720	911,796
Taxes accrued	224,839	221,270
Interest accrued	199,029	208,549
Payroll accrued	187,420	143,772
Accrued compensated absences	357,952	325,553
Other accrued	7,048	0
Total current liabilities	8,958,363	8,888,196
DEFERRED CREDITS:		
Customers’ energy prepayments	296,313	253,214
Northern Solar subscriptions	111,143	117,816
Total deferred credits	407,456	371,030
TOTAL EQUITIES AND LIABILITIES	\$ 130,639,589	\$ 128,374,150

Where Operating Revenue Came From



Where Operating Revenue Was Spent



Consolidated Statement of Operations

	2020	2019
OPERATING REVENUE		
Electric	\$55,836,184	\$56,231,745
Other	101,031	478,201
Total operating revenue	<u>\$55,937,215</u>	<u>\$56,709,946</u>
WHERE IT WENT		
Cost of power	\$37,712,304	\$38,745,495
Distribution – operation	2,772,570	2,621,152
Distribution – maintenance	1,868,433	1,842,979
Customer accounts	1,405,693	1,508,452
Customer service and information	845,601	971,970
Sales expense	133,822	121,795
Administrative and general	1,884,756	1,840,907
Depreciation	4,146,049	4,021,172
Taxes	1,770	1,760
Interest on long-term debt	2,829,817	2,888,528
Amortization of gain on reacquired debt	0	0
Other	50,118	89,115
TOTAL OPERATING EXPENSES	<u>\$53,650,933</u>	<u>\$54,653,325</u>
NET OPERATING MARGIN	<u>\$ 2,286,282</u>	<u>\$ 2,056,621</u>
NONOPERATING MARGIN		
Other cooperative capital credits	\$ 1,064,812	\$ 331,348
Merchandising, jobbing and contract work, less costs and expenses of (2020 – \$163,337; 2019 – \$117,519)	(9,729)	20,121
Rent of headquarters second floor, net of costs (2020 – \$110,444; 2019 – \$107,603)	13,254	27,042
Loss on disposition of property	(5,967)	(31,065)
Investment income	307,197	339,880
Cooperative Development LLC (net of income taxes)	(25,326)	38,319
Income tax benefit (expense)	34,977	15,032
Miscellaneous lease & maintenance income	1,756	1,051
Beltrami Electric Solar, LLC	(7,973)	(12,231)
TOTAL NONOPERATING MARGIN	<u>\$ 1,373,001</u>	<u>\$ 729,497</u>
NET MARGIN	<u>\$ 3,659,283</u>	<u>\$ 2,786,118</u>



RESIDENTIAL ELECTRIC USE

The average residential account used 1,200 kilowatt-hours (kWh) per month in 2020.

- Average electric use declined 3.8% compared to 2019.
- Average electric use has declined by 4% in the last 5 years.



RESIDENTIAL REVENUE

The average monthly residential bill was \$167.29 in 2020.

- A 1% decline compared to 2019.
- The average residential bill has increased 2.3% annually over the last 5 years.

Annual Meeting Minutes - Aug. 12, 2020

The annual meeting of the members of Beltrami Electric Cooperative, Inc., was held at Beltrami Electric Cooperative in Bemidji, Minn., on Wednesday, Aug. 12, 2020. Chair Rick Coe presided. The following directors were present:

Judy Honer	Charlie Perkins	Sue Kringen
John Lund	Rick Coe	Craig Gaasvig
Charlie Parson	Bob Wallner	Murl Nord

Chair Coe called the meeting to order at 5 p.m.

Chair Coe asked all to stand for the Pledge of Allegiance and Invocation.

Director Judy Honer gave the invocation.

Chair Coe appointed attorney Sam Schmitz as parliamentarian.

Attorney Schmitz announced a quorum of voting members was established only for the election of directors and to approve the 2019 Annual Meeting minutes, and that no other action would be taken during the meeting. He stated

the board of directors had appointed Cindy Brown and Liz Frenzel as tellers.

Attorney Schmitz introduced the director candidates from District 2, 4 and 6.

Chair Coe announced that the Notice of Meeting, which was printed in the July issue of the Northern Lights publication, will stand as printed.

Chair Coe introduced the current directors.

Arlene Hogquist, Director of Finance and Corporate Services, gave the annual financial report.

President and CEO Jared Echternach gave a report on the past year's performance, including reliability, safety, growth and legislative issues affecting electric cooperatives.

Attorney Schmitz announced the election results. Charlie Perkins was reelected in District 2, Craig Gaasvig was reelected in District 4, and Rick Coe was reelected in District 6. The minutes of the 2019 Annual Meeting were approved.

There being no further business, Chair Coe adjourned the meeting at 5:21 p.m.

Operation Round Up® – Beltrami Electric Cooperative Trust



Operation Round Up is a charitable program that is designed to give co-op members a means of working together to use their small change to make a big impact in their local communities. Operation Round Up is just what its name implies. Each month, BEC “rounds up” the electric bills of participating members to the next highest dollar, with the additional cents going into the Beltrami Electric Cooperative Trust. The Trust board of directors, made up of five volunteers from our community, meets twice a year to review applications and award grants. To date, the Trust board has awarded \$437,128 in grants to not-for-profit organizations and groups in our communities. Donations are tax deductible and participating members receive an annual summary of their contributions on their billing statement each January. Program guidelines, grant applications and a complete listing of grants awarded to date may be viewed on Beltrami Electric’s website.

2020 TRUST BOARD MEMBERS

SHARON LEMBKE (President) RANDY FRISK (Vice President) MICHELLE SAND (Secretary/Treasurer) SHERRY BILLUPS LEA PERKINS

THANK YOU! – We would like to recognize and thank board members Randy Frisk, Michelle Sand and Sherry Billups for volunteering their time serving on the Operation Round Up board. All three served on the board from 2016 through 2020, and their passion for our communities was truly a blessing to the ORU program. We welcomed new board members Barb Siler, Kay Mack and Miriam Osborn-Dougherty in 2021.

2020 REPORT



Average member contribution: \$5.85



Member participation: 81%



Applications reviewed: 70

Applications approved: 60



Total funds requested: \$148,123



Grants awarded: \$70,793

OPERATION ROUND UP
is making a difference in our communities!

Operations Update



Dan Edens
Manager of Operations

One of the things I love best about our communities is the natural beauty that surrounds us. We are fortunate to have so many trees that offer beauty, shade and a habitat for all sorts of birds and other wildlife. We know that you appreciate our communities for many of the same reasons.

At Beltrami Electric Cooperative, we strive to balance maintaining beautiful surroundings and ensuring a reliable power supply by keeping

power lines clear in rights of way (ROW).

While we recognize and appreciate the beauty of trees, there are three main benefits to tree trimming in ROW areas. However, before touching on the main reasons, let me explain what a “right of way” is and how it may impact you. A right of way is the land we use to construct, maintain, replace or repair underground and overhead power lines. Rights of way enable the co-op to provide clearance from trees and other obstructions that could hinder power line installation, maintenance or operation. ROW areas are typically on public lands or located near a business or home. Regardless, Beltrami Electric Cooperative must be able to maintain the power lines above and below the ROW. The overall goal of our vegetation management program is to provide reliable power to our members while maintaining the beauty of our communities. Additionally, proactive vegetation management provides accessibility to our equipment, which is key in being able to make repairs both safely and quickly.



Before right-of-way clearing



After right-of-way clearing

Safety

First and foremost, we care about our members and put their safety and that of our lineworkers above all else. Overgrown vegetation and trees pose a risk to power lines. For example, if trees are touching power lines in our

members’ yards, they can pose grave danger to families. If children can access those trees, they can potentially climb into a danger zone. Electricity can arc, or jump, from a power line to a nearby conductor like a tree. A proactive approach also diminishes the chances of fallen branches or trees during severe weather events that make it more complicated and dangerous for lineworkers to restore power.

Reliability

Of course, one of the biggest benefits of a smart vegetation management program is reliability. Strategic tree trimming reduces the frequency of downed lines causing power outages. Generally speaking, healthy trees don’t fall on power lines, and clear lines don’t cause problems. Proactive trimming and pruning keep lines clear to promote reliability.

Affordability

As you know, Beltrami Electric Cooperative is a not-for-profit cooperative, and that means we strive to keep our costs in check in order to keep our rates affordable. This extends to our approach to vegetation management. If trees grow too close to power lines, the potential for expensive repairs also increases. Effective tree trimming and other vegetation management efforts keep costs down for everyone.

Our communities are a special place. We appreciate the beauty trees afford, but we also know our members depend on us to provide reliable electricity. Through vegetation management, we are better able to keep the power lines clear, prepare for future weather events and secure the reliability of the grid.

Construction update

Your cooperative continues to be a leader in the construction of underground line, with 73% of our line underground at the end of 2020. In 2021 we have completed a large work plan project near Dellwater Lake, replacing eight miles of overhead power lines with underground. We have several more projects planned for this year, including a replacement of 1970s-vintage underground line out of the Aardahl substation, which is just south of Bemidji, and an overhead to underground line replacement out of the Guthrie feeder, which runs east to Cass Lake.

2021 has presented some new challenges for line construction. Even though we were proactive ordering materials in advance of this year’s construction season, we have still experienced material shortages, specifically innerduct, which is used when boring line in pipe, such as underneath a roadway. In addition to material shortages, we have seen the costs of materials increase.

As always, Beltrami Electric appreciates your patience while our crews complete the work I have mentioned. Our goal is to safely provide you reliable electricity to your home or business. Thank you for your membership.

Energy Services Update



Sam Mason
Director of Member
& Energy Services

With the increase of home offices, electronic equipment and reliance on electricity, many members have purchased a portable generator for use during power outages. However, they may lack a safe and economical way to connect their generator.

For members using a generator or wanting to purchase a generator, Beltrami Electric offers GenerLink™, a device installed behind your electric meter that allows you to easily and

SAFELY connect your portable generator to your home. Generators have different types of receptacles depending on the model. If your generator does not have a 120/240-volt AC (four-prong) receptacle, it is not suitable for use with GenerLink™. We have 30-amp and 40-amp models, which come with a standard 20-foot cord, and longer cords may be purchased for an additional cost. To view a list of compatible generators, visit our website at <https://www.beltramielectric.com/generlink>.

Safe

Our commitment to safety is the primary driver for Beltrami Electric's offering of this device for sale to members.

GenerLink™ provides a safe means for connecting a portable generator to your home, and it automatically disconnects your home from Beltrami Electric's power grid when the generator is connected and producing power. We want to keep you, your family and Beltrami Electric personnel working to restore power SAFE.

Simple

GenerLink™ is simple to use and easily installed. A Beltrami Electric technician will meet you at your location to install the device and assist with any questions about the proper operation of your new device.



Flexible

GenerLink™ offers you total flexibility and control. You simply select the circuit or appliances you want to run using your home's circuit panel. Unlike other generator connections, you can change your appliance selections at any time using GenerLink™.

For pricing or more information regarding purchasing a GenerLink™ device, stop into our office or contact Bob in energy services at 218-444-3622.

Member Services Update



Jolene Kallroos
Manager of Member
Services

Throughout this past year we have seen a significant shift in members utilizing the tools we have available to help manage their accounts online and through our phone system, without having to physically walk into our office. Our department worked hard to stay up to date on any assistance programs available, and we helped our members access more than \$2 million in assistance program funds to help with their electric bills in 2020.

Member services has been working on another large project this year – to improve our members' monthly billing statements. Our current bill print has been in place since 2003 and has limitations. The software we use for our bill print required an update, which enabled us to make some very valuable improvements to your bills. With a more modern, easy-to-read billing format, the new bill was designed to make it easier for you to understand your monthly electric charges.

We are excited that the new bills are set to go live this summer!

Lastly, we would like to thank you, our members, for your patience and understanding as we worked together to face challenges in how we conducted business this past year. As COVID-19 safety restrictions have begun to lift, some things will stay, such as the hand sanitizer station in our lobby, increased cleaning and sanitizing protocols, and plexiglass at our front counter.

We look forward to seeing you at our annual meeting, Wednesday, Aug. 11, at the Beltrami County Fairgrounds!

Incoming calls in 2020:	Service transfers in 2020:	New members welcomed in 2020:	Members with paperless billing:
31,289	2,109	905	3,208
			

Classifieds

Classified ads rules

- Ads are due by the first of the month prior to publication of the next issue.
 - o Ads submitted between July 1 and August 1 will be published in September issue.
 - o Ads submitted between August 2 and September 1 will be published in October issue.
- Ads may be submitted via our website at www.beltramelectric.com. (preferred)
- No real estate, rental, personal or commercial ads will be accepted.
- All ads must be 50 words or less and typed or printed clearly.
- Editor reserves the right to edit or reject any ad.
- Members may only submit one for sale and one wanted or free ad per issue.
- Ads are published at no charge as space permits on a first-received, first-printed basis, with no guarantee your ad will appear.
- Ads are only allowed to be repeated for **three consecutive months** and must be resubmitted each month.
- Include name and Beltrami Electric account number on all submissions.
- **NOTE:** As of April 24, 2021, anyone with a telephone number from the 218 area code will need to dial 10-digits (area code + telephone number) for all local calls.

For Sale:

1947 "H" John Deere tractor with lights and electric start. Has been repainted, rewired and Magneto is rebuilt. Asking \$3,500/obo. Call 218-751-0126 evenings or leave message on answering machine.

ADCO 5th-wheel RV cover SFS AquaShed, fits 30'1" - 33'6" ADCO #42255, used 2 winters \$150. 218-759-9932.

Honda rototiller, GX25 FG 110. I used less than 1 hour, runs perfect \$300 cash, firm. Black and Decker, 24-inch electric hedge trimmer with 80 feet of cord, \$45. 218-444-2958 mornings.

16-foot fiberglass fishing boat. Used for duck hunting. \$200. No trailer. 612-961-6234.

52-inch round oak antique table with 3 leaves. \$250. Old church pew, 9 ft. long \$25. Several old fluorescent lights – good for garage, etc. \$25 for all. Call 218-835-4048.

20 hp Mariner out board – great runner – \$500/obo. 651-283-6062.

6-ft oak church pew. \$50. 218-766-8781.

Water Wheeler paddle boat, blue/white in color, very nice \$200. Call 218-556-5282.

Story and Clark piano. Solid oak, excellent condition, looks new! 41 inches high. 218-751-8356. Text 218-214-2643 for picture.

Oreck XI Signature vacuum. Excellent condition. Retail for \$150, will sell for \$75/obo. 218-243-2386.

1982 Evinrude outboard, 7.5 hp, long shaft, good condition. \$350. 218-444-8032.

2003 Ford Windstar van, runs good, low rust, everything works, low mileage for age \$1,000. 218-444-1662.

Aluminum cantilever boat lift with adjustable legs and winch mounts on either side. Suitable for boats up to 16 ft long. \$850/obo. 218-556-6421.

Pack 'n Play, \$20. Basketball hoop, \$10. 2 pairs new cowboy boots and 2 pairs used cowboy boots, size 9½ to 10. Slide projector, screen and storage, \$50. Vintage Walt Disney books, \$2 each. Lots of children's books, \$1 each, new condition. 218-556-7997 leave a message.

Harley Davidson Fat Boy Anniversary Edition. Very much chrome. Low miles. Custom factory paint, loaded. May take trade. Could be your dream bike! \$8,900/obo. 218-766-5285.

Large volume Flotec garden pump, \$75. Small Briggs & Stratton engine for rototiller, runs good, \$100. Small portable generator, \$50. Good working toilet, \$40. Under-counter electric oven, excellent shape, \$45. Backpack garden sprayer, \$30. Old 26" bicycle, needs work, \$20. 218-586-2860.

Pair of light tan, heavily padded swivel bar stools with contoured back. Steel base with chrome foot ring. \$90 each or \$160 for the pair. Nothing comparable online. Great looking bar stools! 218-444-1662.

1964 1/2 Ford Mustang Coupe, candy apple red, 6 cylinder automatic, 58,000 miles, beautiful – no rust, new body parts, runs and drives great. \$7,500. 218-556-2188.

Yamaha 8 hp Model F8SMHB. Purchased 6/6/2019, warranty is good until 6/6/2022, commercial stand

for it, gas tank, special square lock \$1,600, cash only. Metal table w/4 chairs for deck, \$75. 2 Shake-speare Wonderods, ten foot \$15 each. About 30 bird feeders \$5-\$10 each. 218-224-2457.

ShoreStation aluminum boat hoist, model number SS-V30108, 3,000 lb. capacity. Good condition. \$1,000. Call 218-224-3278 or 218-760-0282.

2002 Pontiac Aztek, 227K miles, \$800. 2004 Jeep Grand Cherokee, 192K miles, \$1,300. Call 218-760-0755.

Like new 4 Firestone tires, P275/65R18, \$120. Fred Bear compound bow, \$70. Small V-plow, 3-point hitch, \$80. 2 original front 19" wheels for 8N Ford tractor, \$50 each. Old 46" bow saw, \$30. Two single bed springs, 32x72", \$25 each. Call 218-586-2617.

Tired of wet wood? Weary of tarping your woodpile? Available now - 8' W x 10' L x 7' H three-sided woodshed. Two-inch, green treated wood, green metal roof, on skids with grated floor. Holds approximately four cords. Can be pulled by a utility vehicle. Call Mark for information, 507-327-5271.

Complete Avon chess set with boxes and board, approximate size 4 inches each, bottles still have cologne in them, great collector's item or fun to have set up. Asking \$100. 218-854-7276.

2000 red Ford Ranger for parts. Good engine. \$200 firm. Call 218-766-4486.

Bunnies and rabbits for sale \$15 to \$20. 218-308-5712.

72' aluminum roll-in dock w/10'x10' octagon on end, w/2 sitting benches \$5,000. Also, cargo/bike rack for a 2" hitch receiver, 20"x60" with a 2" ball extender, holds up to 3 bikes. \$75/obo. Call 218-760-8266.

Gemeinhardt flute. Perfect for middle or high school band students \$250. 23 Close To My Heart acrylic stamp sets and 3 non-CTMH acrylic alpha stamp sets. \$5 each or all 26 sets for \$85. Call Jennifer at 218-556-0957 or email for list of stamp sets: jensanford97@gmail.com.

Air hose \$5. Fleet brand car creeper \$10. 220V power cord \$10. Large Martin birdhouse (new, 3 story, never put up) \$25. Panasonic KX-TG4133 phones in box (working system, 3 phones with two base chargers, one charger failed) \$5. Older Bissell Green Machine w/all attachments for water vac/reg. vac \$20. Steve 218-444-2280.

Savage model 24 22 cal over 20 gauge. Very good condition \$800. Located in Walker. 612-747-5922.

Fitbit Alta HR – size small, extra brand new band, blue/gray color. Works but screen is not as bright as when it was new. \$40; AquaShed truck camper

(8'-10') cover, like new \$100; Budge Lite car cover size 3, like new \$15; Otterbox cases and screen protectors for Samsung Galaxy S9+, various prices; 218-243-3029 leave message.

1989 16 ft Madsen pontoon with trailer and Johnson 10 hp 4-stroke motor. \$2,300/obo. Call or text 218-760-3955.

1975 20 ft. Slickcraft SS 206 with cuddy cabin. 188 hp I/O MerCruiser. Tandem axel EZ Loader trailer. Boat stored inside for 25 years. Have all owners' manuals. \$3,000/obo. 218-209-1351.

Canoe: 17-foot fiberglass Core Craft with 3 like-new wood paddles. \$300. Cash only 218-444-7308.

Pro-Form 330X treadmill exerciser, \$20; Black & Decker electric hedge trimmer, \$10. Call 218-444-7815.

12" 2-speed bandsaw w/stand and extras \$150. Yamaha 500cc snowmobile, electric start forward and reverse, stored indoors, \$300. 16" aluminum fishing boat, \$300. 15 hp outboard \$100. Lincoln SP-125 Plus Mig welder + cart, tank, cart, helmet, \$250. 218-556-5950.

Hewitt boatlift with canopy and vinyl cover. Suitable for 16-ft or under, boat or jet ski. New winch and bunkers. \$1,500/obo. Soleus 45-pt dehumidifier, Energy-Star rated, hardly used. \$49. 320-583-0471.

Hewitt 2600# aluminum vertical boat lift, good condition. Two adjustable boat bunks. Clear width 102" with 110" by 20" tan canopy, good condition. No wheels, asking \$3,000. Call 701-772-0892 or 701-740-8321.

Sail for 12' sailboat, new. 218-760-3298.

Wanted:

5ft x 10ft trailer with 12-inch tires and ramp, if needs some work, ok. Also, older golf cart, gas, if needs some work, ok. Call or text 218-214-0915.

Single cab, 8-ft bed, low mileage 4WD truck, 150 series (years 2006-2016). Stihl 026 chainsaw in operating condition. Call 218-835-7785, leave clearly-spoken message.

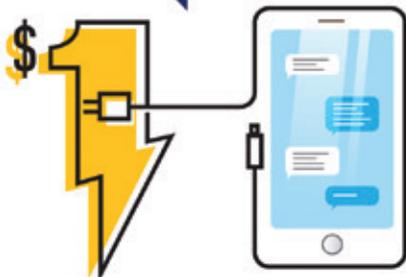
Someone who can fix a music box. 218-224-2330.

Husqvarna rider mower for parts. 24 hp twin YTH2448T-9604300008, 48" cut. 218-368-1838.

Free:

Greyhound/shepherd/lab mix, 60-lb female. 4 years old. House trained/knows basic commands. Sweet/social, loves people. Needs room to roam. 218-556-1595.

What can you get for \$1?



1,700 hours of smartphone charges



RELIABILITY
All-of-the-above energy mix of baseload coal, wind & hydro

AFFORDABILITY
As other prices rise, electricity remains a relative bargain

SUSTAINABILITY
47% of generation capacity derived from carbon-free sources

DEPENDABILITY
24/7 workforce, weather protections, and cybersecurity

ADAPTABILITY
Demand response shields from high costs in weather events

Present this coupon at the registration table under the Beltrami Electric tent (*with pre-printed address on reverse side*) during Beltrami Electric Cooperative's annual meeting **Wednesday, Aug. 11, 2021**, Beltrami County Fairgrounds, to be eligible to win!

Registration Prize Drawing!

No substitute coupons will be accepted. Members need not be present to win.

Beltrami Electric's Night at the Fair!



4:00 - 5:00 p.m.

MEET LED LUCY & SOLAR

SAM – Kick off your night at the fair and make sure to meet Beltrami's electricity mascots.



4:00 - 5:00 p.m.

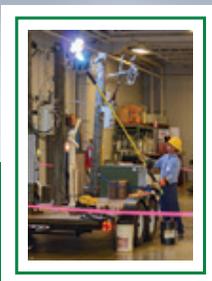
REGISTER FOR THE MEETING

– Receive BEC Food Bucks to use at participating food vendors (valid 4:00 - 8:00 p.m. Wednesday only).



4:00 - 5:00 p.m.

BUCKET TRUCK RIDES – See the fairgrounds from a lineworker's view in the bucket of a line truck (weather permitting).



5:30 p.m.

LIVE HIGH-VOLTAGE DEMO –

Watch our trained professionals give a safety presentation with high voltage (weather permitting).



6:00 - 8:00 p.m.

VISIT THE BEC BOOTH IN THE COMMERCIAL BUILDING –

Say hello and learn more about your local, member-driven cooperative.



6:30 - 8:30 p.m.

FREE CONCERT IN THE GRANDSTAND –

The Red Letter Band takes the stage, featuring hit songs like "Love Will Stay," and "Sold."



4111 Technology DR NW
PO Box 488
Bemidji, MN 56619-0488
218-444-2540 • 800-955-6083
www.beltramielectric.com

81st Annual Meeting

August 11, 2021 | Beltrami County Fairgrounds | Marilyn Shutter Stage

OWNED BY OUR MEMBERS.
Committed to our Communities!



4 p.m. to 5 p.m.

Registration for meeting

5 p.m. – Business meeting

ANNUAL MEETING AGENDA

Welcome

Pledge of Allegiance & Invocation

Call Meeting to Order

Approve Minutes

Introduction of Directors

Election Process

Appoint Election Tellers

Introduce Director Candidates

Financial Report

CEO Report

Election Results

Adjournment of Meeting

** Please bring your copy of
the August Northern Lights/
Annual Report to the
annual meeting.*