



NEWSLINE



March 2022

The Youth Tour is back!

In 2019, Itasca-Mantrap sponsored Sierra Woolie, Nevis, for the six-day, all-expense-paid Electric Cooperative Youth Tour to Washington, D.C. The 2022 tour is scheduled for June 14-19 and is open to high school sophomores and juniors whose parent or guardian is an Itasca-Mantrap member. Applications are available at www.itsasca-mantrap.com, at our office or from a high school counselor.

The application deadline is March 16.



2019 Youth Tour Delegate,
Sierra Woolie

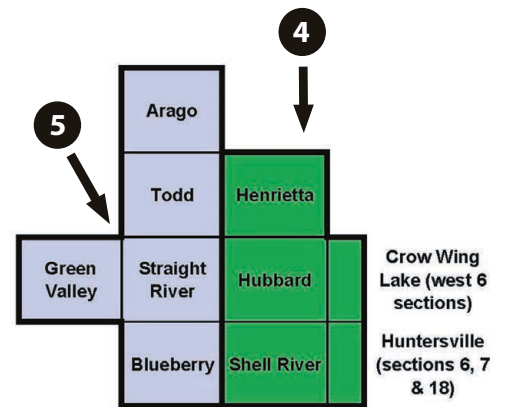


Director Nominations Open

Nominations are open for director candidates who live in district 4 and district 5. Nominees must meet eligibility requirements as specified in the Itasca-Mantrap Bylaws. Copies of the bylaws are available at www.itsasca-mantrap.com and at our office.

If you are interested in becoming a candidate, call our office to request a director candidate packet. The packet contains the nomination petition form and other information.

Completed petitions and forms must be received in the Itasca-Mantrap office by 4:30 p.m. on Monday, April 11.



DISTRICT 4 – includes Henrietta, Hubbard, Shell River, Crow Wing Lake (west 6 sections), and Huntersville (sections 6, 7 and 18) Townships.

DISTRICT 5 – includes Arago, Blueberry, Green Valley, Straight River, and Todd Townships.

Experience Washington, D.C. for free

Itasca-Mantrap covers the total cost of the trip, including airfare. All you will need is spending money for souvenirs. History will come alive as you visit all the D.C. sights, including memorials and museums.

Be Heard

Spend a day on Capitol Hill with elected officials. It is a great opportunity to address your concerns directly with legislators.

Make Friends

Meet teens from all over the country. You can even apply for the youth Leadership Council and return to Washington, D.C., for a leadership workshop.

Represent your community

Represent Itasca-Mantrap and your community at our nation's capital. Learn more about America's history and the role electric cooperatives play in developing strong rural communities.

Stand out

Being selected for Youth Tour is a unique accomplishment. Mentioning your leadership skills looks great on your college application or resume. It's also never too early for networking!



CEO Update - By Christine Fox, President-CEO

Another year has flown by. Our team just completed the 2021 year-end financial statements and is preparing for

the financial audit. Surprisingly 2021 surpassed the incredible year we had in 2020. Here are just a few of the highlights:

- Itasca-Mantrap experienced a thirteen percent growth in revenue across all but one of our rate classes. Further, 2021 brought an additional 222 new services, which was 26 more than 2020. If you recall, our 2020 was more than double 2019 installations.
- Due to this incredible growth, Itasca-Mantrap purchased 28.7 million more kWh than in 2020.
- Our average cost of power per kWh increased by 4 percent, primarily due to higher market costs to our power supplier, Great River Energy (GRE). Higher market costs are passed along to Itasca-Mantrap in the form of a Power Cost Adjustment (PCA) charge. Itasca-Mantrap incurred a PCA charge in all but 1 month in 2021. Our Board and Staff elected not to pass those charges on to our members – and yet we were able to finish the year ahead of budget.
- Our operating costs (excluding power) were down \$483,000 from 2020 due to several factors, including:

- o Fewer costs associated with Team Member absence due to COVID.
- o Efficiencies gained by bringing a portion of our right-of-way maintenance program in-house.
- o Fewer outages and therefore fewer costs for restoration of outages.
- o Fewer costs associated with workers compensation insurance due to our excellent safety record.
- o Efficiencies gained by team member suggestions and process improvements.

In fact, the only areas with increased costs over 2020 were in education/training and member service. These are costs that we have purposely increased as an investment in our future.

- Depreciation expenses were over budget and greater than what was expensed last year. Since we are ahead of schedule on our Advanced Grid Infrastructure (AGI) project, we changed our accounting estimate of the useful life of our old meters and metering system. This resulted in an additional expense of \$1.2 million in 2021 and means we won't have to take a loss in the future.
- We re-priced some of our loans at a much lower interest rate and therefore saved money in interest expense.
- We received a patronage allocation from GRE of slightly more than \$1 million. This is about \$600,000 more

than in 2020.

- With GRE's allocation, we ended the year with a net margin of \$2.2 million.

One of the many benefits of being a cooperative member is that you share in these margins. After the books have been audited, these net margins will be allocated to you based on your usage. This allocation is called patronage or capital credits. In the cooperative model, the capital credits are considered equity. Like a for-profit corporation, the equity is held to allow us to conduct business. Dissimilarly, the capital credits are returned to you in the form of a check sometime in the future when the Board elects to retire them.

Speaking of which, your Itasca-Mantrap Board elected to retire capital credits during their January Board meeting – GRE capital credits through 1992 totaling \$292,365.45 and Itasca-Mantrap capital credits through 2004 totaling \$770,102.66 for a total over \$1 million. If you were a member during 1992 and/or 2004, you should have received a check from us.

I am looking forward to another remarkable year in 2022.

Thank you for allowing me to serve you.

AGI UPDATE

Itasca-Mantrap crews will be out in the field installing new meters as part of our advanced metering infrastructure (AMI) system. The new meters will improve reliability and give you more tools and opportunities to manage and save energy.

FOR MORE INFORMATION

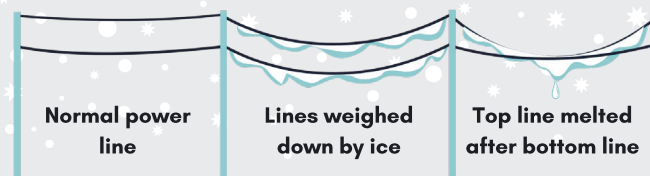
(218) 732-3377 | (888) 713-3377 | www.itasca-mantrap.com



affordable ways to **LOWER HEATING COSTS** and keep you warm

CUT HEATING COSTS THIS WINTER

- Cut up to a fifth of your bill by sealing exterior wall leaks and drafts
- If there are leaks or holes in your ducts, use sealant or metal tape. Air leaks in ducts can account for about 20-30 percent of wasted heat.
- Lower the temperature while sleeping or away. A programmable thermostat can save up to 15 percent.
- Water heaters account for nearly a fifth of heating bills. Set yours to no more than 120 degrees.
- Use a space heater to help warm a room and keep the home setting lower. A one degree reduction can save 3 percent on the bill.
- Open drapes on sunny days and change the furnace filter monthly.



ICE ON POWER LINES IS A WEIGHTY SUBJECT



When it comes to getting electricity across power lines and into homes, ice can be a force to be reckoned with.



ICE ON DISTRIBUTION LINES

Ice can quickly lead to broken power poles and other pole equipment. Ice can also make falling tree branches 30x heavier and much more likely to break power lines.

ON A 300-FOOT SPAN OF 1-INCH-THICK POWER LINES

- 1/2 inch of ice adds 281 pounds of weight
- 1 inch of ice adds 749 pounds of weight
- 2 inches of ice adds 2,248 pounds of weight

WHEN ICE MELTS

Melting ice can cause power outages. If ice on the bottom (neutral) line melts before the lines above, it can cause the lines to touch.

OTHER ICE FACTS

- Damage can begin when ice exceeds 1/4 of an inch
- 1/2 inch of ice can cause a line to sag up to 12 inches
- Pressure can also be caused by a broken tree limb
- Both ice and melting ice can cause power outages

**Safe
Electricity.org®**

Source: Jerri Imgarten-Whitley and Victory Electric Cooperative

More than \$1 million in Capital Credits Paid to Members

There are many benefits that come with co-op membership, but perhaps one of the best benefits is capital credits.

What are capital credits? As a Member of Itasca-Mantrap, you invest in the efficient operation of your Cooperative. Unlike an investor-owned utility, Itasca-Mantrap doesn't pay dividends or other amounts to shareholders who don't purchase electricity from us. Therefore, any excess revenue - or margins - is allocated back to the Members in the form of capital credits.

At the end of each year, Itasca-Mantrap calculates its operating margin, which is the amount by which operating income exceeded operating expenses during the year.

Itasca-Mantrap then allocates the excess margins as capital credits to each Member based on the amount of electricity purchased throughout the year. When the board of directors

determines it is financially feasible, capital credits are retired - or paid back to Members - in the form of a check.

In the interim, Itasca-Mantrap uses the allocated, but unretired, capital credits to improve and expand the electric system and meet other capital needs. This reduces the need to borrow money and helps provide reliable electric service.

Checks were issued in February totaling more than \$1 million. The capital credits include Itasca-Mantrap capital credits through 2004 and Great River Energy credits through 1992.

Capital credits paid to members, previous members and estates, paired with the more than \$1 million distributed this February nets more than \$1.4 million paid to members in 2021.

To help ensure you receive your capital credits, please update your address after you move.

HOW DO CAPITAL CREDITS WORK?



Itasca-Mantrap tracks how much electricity you purchase throughout the year.

At the end of the year, Itasca-Mantrap completes financial matters and determines whether there are excess revenues, called margins.



Itasca-Mantrap allocates margins to Members as capital credits based upon their use of electricity during that year.

When the co-op's financial condition permits, your board of directors decides to retire, or pay, the capital credits.



Itasca-Mantrap mails your capital credit check!

PAYMENT OPTIONS



SmartHub

Access account from:

- Computer/Tablet
- Smart phone



Mail

Itasca-Mantrap
PO Box 192
Park Rapids, MN 56470



Budget Billing

- Budget for energy use
- Calculated by 12-month average



Drop box

Two locations:

- Itasca-Mantrap parking lot
- Behind Park Rapids Post Office



Automatic Payment

Automatic recurring payment:

- Checking or savings account
- Debit or credit card



Office Payment

Located at:

16930 County Road 6
Park Rapids, MN 56470

Board Report: Meeting Highlights

The regular meeting of the Board of Directors for Itasca-Mantrap Co-op. Electrical Ass'n. was held on Thursday, December 23, 2021, at 9:00 a.m. at the Itasca-Mantrap office.

A quorum of directors was present.

Items discussed or Board action taken:

- Approved the consent agenda.
- Heard the Operations and Safety report and the Marketing and Member Services report.
- November financials were received and filed subject to audit.
- CEO Christine Fox gave her monthly CEO report.
- Approved the 2022 Construction Work Plan.
- Approved the 2022 Marketing Plan.
- Approved the 2022 Financial Budget.
- Signed the Brady Martz audit engagement letter for 2021 financial records.
- Reviewed newly adopted Administrative Policy #13 – Corporate Credit Cards.
- Heard a presentation by Connexus Energy CEO Greg Ridderbusch and Director Don Holl.
- Appointed Christine Fox as voting delegate for the National Rural Electric Cooperative Association (NRECA) annual meeting.
- Approved Directors Behrens, Cook and Roehl attendance at the NRECA Directors Conference.
- Directors and CEO Christine Fox reported on meetings attended on behalf of the Cooperative.

The March meeting of the Board of Directors is Thursday, March 31, 2022, at 9:00 a.m.

Team Member News

Itasca-Mantrap bid farewell to two long-time linemen in January.



Perry Melbo, journeyman lead lineworker, retired January 7 after serving Itasca-Mantrap members for more than 37 years. He began his career in 1984 as an apprentice lineworker. Perry received his journeyman in 1994 and was promoted to lead lineman in 2006.

Randy George, journeyman lead lineworker, retired January 14 after serving Itasca-Mantrap

members for more than 34 years. Randy graduated from M State in Wadena before beginning his employment with Itasca-Mantrap in 1988. In 1991, Randy received his journeyman and in 2006 was promoted to lead lineman.

Both Perry and Randy brought a wealth of knowledge and expertise to our linecrews. Their leadership will be missed. Best wishes to both Randy and Perry on this next adventure in retirement!



Apply for a Grant from Operation Round Up

Operation Round Up Grants will be awarded to non-profit or community-based organizations that demonstrate a commitment to enhancing the quality of life in the region. Contributions will be distributed primarily in the local area served by Itasca-Mantrap. Projects should fit one or more of these categories: Community Service, Education, Youth, Community Economic Assistance and the Environment.

To be considered at the April Trust Board meeting, grant applications must be received in the Itasca-Mantrap office by Tuesday, March 15.

Download the application form at www.itsasca-mantrap.com.



Operation Round Up is one way Itasca-Mantrap members work together to make a difference. Each month, Itasca-Mantrap 'rounds up' electric bills of participating

members to the next highest dollar and deposits the change in a trust account. Twice a year, the Operation Round Up board meets to review grant applications and disburse the funds.

Since the programs inception in 2006, Operation Round Up has distributed more than \$1.1 million to local non-profit and community-based organizations. Thank you to members that choose to participate in this program. Your participation allows us to continue distributing grants to local organizations in need.

Energy Efficiency Tip of the Month

When was your cooling system last serviced? Most manufacturers recommend an annual tune up for your home's cooling system. March is a great time to schedule this service so you can beat the summer rush when the pros are busiest.

A qualified professional can check the amount of refrigerant, accuracy of the thermostat, condition of belts and motors and other factors that can greatly impact the efficiency of your system.

Source: Dept. of Energy



Source: energy.gov

Co-op Connections® Card



Itasca-Mantrap

Your Touchstone Energy® Cooperative



Go Beyond the Card

www.connections.coop



Use the app, website, or Co-op Connections Card to save.



HAPPY ST. PATRICK'S DAY!

WE ARE LUCKY TO HAVE
YOU AS A MEMBER!

PAY YOUR BILL FROM ANYWHERE



ITASCA-MANTRAP COOPERATIVE

16930 County 6, PO Box 192
Park Rapids, MN 56470

OFFICE HOURS

Monday - Friday: 8:00 AM - 4:30 PM
Phone: 218-732-3377 or 888-713-3377
Fax: 218-732-5890
E-mail: itasca@itasca-mantrap.com
www.itasca-mantrap.com



GOPHER STATE ONE CALL

1-800-252-1166
www.gopherstateonecall.org

OFFICERS & DIRECTORS

Dist. 1 – Brian Behrens, Director
Dist. 2 – Patricia Roehl, Director
Dist. 3 – Terrence Cook, Treasurer
Dist. 4 – Al Czezok, Asst Sec-Treas
Dist. 5 – Nancy M. Utke, Chair
Dist. 6 – Tim Kivi, Secretary
Dist. 7 – Dan Breitbach, Vice Chair
President-CEO – Christine Fox