




Nobles Cooperative
Electric

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ANNUAL REPORT 2021

Our core values are the foundation of what we do each and every day

Safety **T**eam **A**ccountability **R**esponsiveness **T**ransparency

Over the years, the cooperative has been blessed with a dedicated workforce and a community that has helped us adapt to challenges and an ever-changing electric industry. 2020 was no different. Rising to this challenge has always required constant commitment to delivering more—more service, more value and choice, more community support. Within Nobles Cooperative Electric's (NCE's) 2021 Annual Report, you'll find evidence of our dedication to serving and continually creating value for you, our members—evidence of our continuous efforts to adjust to changing demands and exceed your expectations.

NCE's values of safety, team, accountability, responsiveness and transparency are our foundation. These values represent the cooperative difference and why our members trust us to consistently deliver high standards of excellence to our members each day.

Although we were not able to meet with you last year, we introduced a mail-in ballot that was very successful, constructed a new substation, completed our work plan, held Grab-N-Go events locally, started sending you an emailed newsletter, helped members make payment arrangements on their bills and we were also able to keep our employees safe during the pandemic.

Regrettably, we made the difficult decision to close our annual meeting to the public again this year. As much as we would like to meet with our members face-to-face, the circumstances in the world today require that we keep our distance. We are thankful that we have the technology and tools available today to continue to connect with our members while we have to stay apart. We hope you'll take the opportunity to review the cooperative's annual report, vote in the upcoming election and attend our conference call annual meeting.

Stay safe and healthy. We will get through this together—the cooperative way.



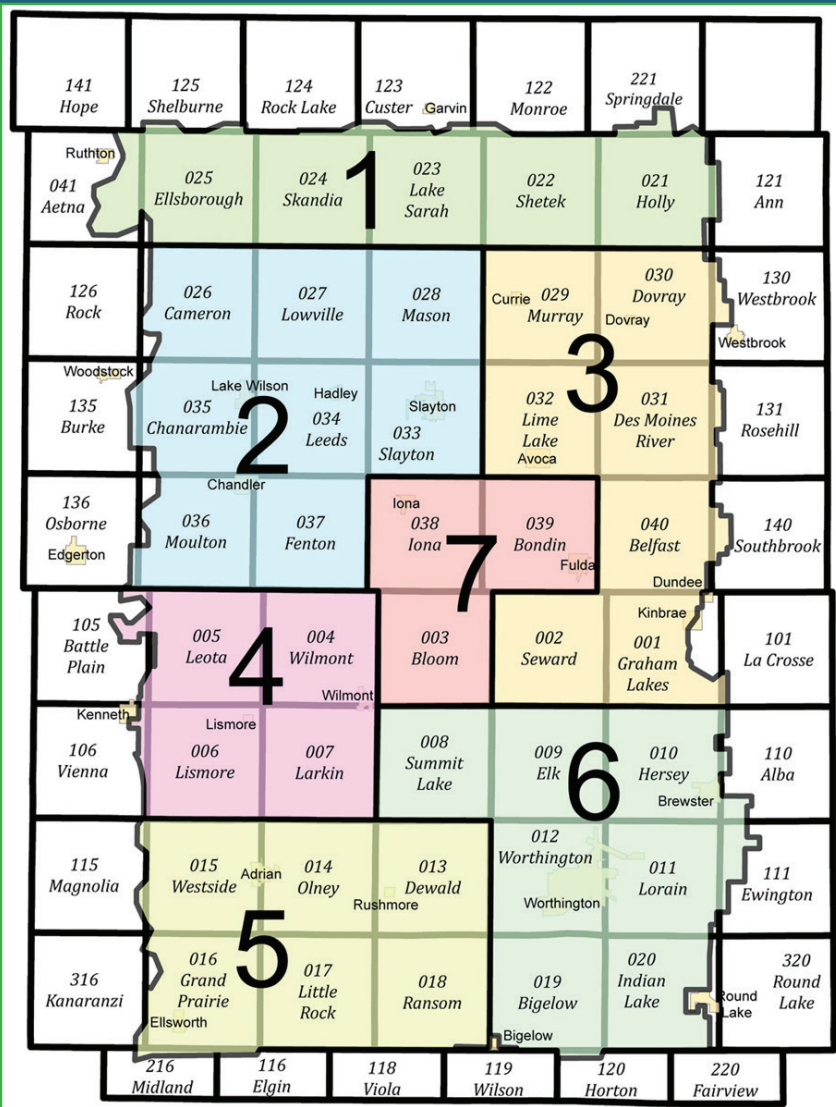
President
Ronald Schwartau

General Manager
Adam Tromblay

NCE Board of Directors is committed to serving you

Cooperatives are democratic organizations controlled by their members. Directors are elected from the membership and accountable to the members and service territory they serve. Each member has the opportunity to vote and have their voice be heard.

- Seven directors serve with staggered three-year terms.
- Directors must receive NCE's electric service and have their primary residence in the district they represent.
- Directors must meet the qualifications listed in the bylaws.
- Basic commitments:
 - Monthly board meetings
 - Committee assignments
 - Education seminars
 - Keeping the members' best interests at heart



Ronald Schwartau
District 1 - President



Lee York
District 2 - V. President



Cindy Hokeness
District 5 - Sec./Treas.



Jerry Beckering
District 4 - Director



Gary Clarke
District 3 - Director



Gary Sieve
District 7 - Director



District 6 - Director

Balance sheet

| | <u>2019</u> | <u>2020</u> |
|---|----------------------|----------------------|
| Utility plant | | |
| Lines, buildings and equipment | \$ 65,692,951 | \$ 68,225,852 |
| Less: provisions for depreciation | <u>23,513,696</u> | <u>24,672,755</u> |
| Net utility plant | \$ 42,179,255 | \$ 43,553,097 |
| Cash and investment accounts | | |
| General funds | \$ 6,815,971 | \$ 8,865,863 |
| Investments | 7,876,651 | 7,969,297 |
| Accounts receivable | 2,107,238 | 2,117,150 |
| Materials and supplies | 839,125 | 649,021 |
| Prepayments | 152,833 | 47,436 |
| Deferred debits | 661,298 | 500,653 |
| Interest receivable | 9,534 | 7,960 |
| Total cash and investments | \$ 18,462,650 | \$ 20,157,380 |
| Total assets | \$ 60,641,905 | \$ 63,710,477 |
| Liabilities | | |
| Accounts payable | \$ 3,301,118 | \$ 3,028,597 |
| Long-term debt | 27,994,697 | 30,204,670 |
| Deferred credits | 133,661 | 394,873 |
| Total liabilities | \$ 31,429,476 | \$ 33,628,140 |
| Equity | | |
| Patronage capital - allocated | \$ 25,329,905 | \$ 25,637,491 |
| Capital reserve and other equity | <u>3,882,524</u> | <u>4,444,846</u> |
| Total equity | \$ 29,212,429 | \$ 30,082,337 |
| Total liabilities and owner equity | \$ 60,641,905 | \$ 63,710,477 |

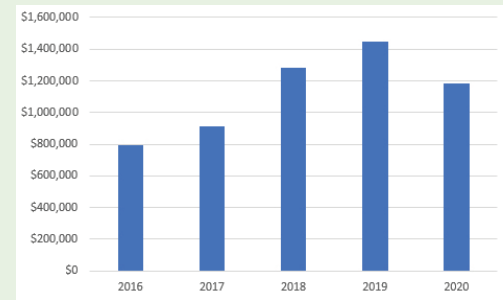
Statement of operations

| | <u>2019</u> | <u>2020</u> |
|---|----------------------|----------------------|
| Operating revenues | \$ 21,075,246 | \$ 19,762,828 |
| Operating expenses | | |
| Purchased power | \$ 12,515,250 | \$ 11,878,710 |
| Power production expense | 80,420 | 95,513 |
| Operations | 942,661 | 857,833 |
| Maintenance | 894,187 | 891,218 |
| Customer account expense | 649,074 | 675,156 |
| Administrative and general expense | 1,194,042 | 1,188,025 |
| Depreciation expense | 2,039,108 | 1,926,127 |
| Interest on long-term debt | 1,019,600 | 919,284 |
| Other income deductions | <u>17,982</u> | <u>14,847</u> |
| Total operating expenses | \$ 19,352,324 | \$ 18,446,713 |
| Net operating margins | \$ 1,722,922 | \$ 1,316,115 |
| Generation and transmission plus other cooperative capital credits | \$ 401,488 | \$ 342,169 |
| Net non-operating margins | \$ 533,532 | \$ 359,740 |
| Total patronage capital and margins | \$ 2,657,942 | \$ 2,018,024 |

Management's comments

The preliminary financial statements for the 12-month period ended December 31, 2020, and December 31, 2019, are presented here. The 2020 audit is scheduled for March 2021 to be audited by CliftonLarsonAllen, LLP, in accordance with generally accepted auditing standards and government auditing standards issued by the U.S. Comptroller General. The above is a condensed presentation of the financial statements. The auditor's report will be on file at the cooperative's office. At the time of printing, the audit was not complete.

Capital credit retirement



NCE is a member-owned, not-for-profit electric cooperative. Any margins (profits made after expenses are paid) are returned back to the member in the form of capital credits. Capital credits are just one benefit of being a member of NCE.

Equity



The above shows NCE's member equity as a percentage of assets. The equity measures the amount of membership interest in the total assets of the cooperative. Equity represents the percentage of total assets the member actually owns.

Density



NCE has 3.27 services per mile of line. All other utilities average 32 customers per mile of line.

Your co-op by the numbers

847,470

kWh ENERGY SAVINGS

\$69,849

ENERGY EFFICIENCY
REBATES PAID TO
MEMBERS

\$1,186,337

CAPITAL CREDITS
RETURNED

196,015,720

kWh SOLD

6,929

SERVICES

2,274

MILES OF LINE

- 1,202 miles of underground
- 1,072 miles of overhead

3.27

SERVICES PER MILE OF
LINE

19

SUBSTATIONS

2,812

FACEBOOK LIKES

22

EMPLOYEES

2020 Annual Meeting Minutes

Due to the COVID-19 pandemic, the annual meeting of the members of Nobles Cooperative Electric (NCE) was held via a conference call at 7 p.m. on June 10, 2020. This was pursuant to notice duly published 15 days prior to the holding of the meeting, as required by NCE's Articles of Incorporation and Bylaws.

Ronald Schwartz, president of the board of directors, welcomed the members. He stated a different format this year could change how annual meetings are done in the future and members will be asked for guidance on how the annual meetings are conducted going forward.

The meeting was called to order by President Schwartz, who presided, and Cindy Hokeness, secretary of the cooperative, kept the minutes of the meeting.

The agenda was printed in the *Current Matters* Annual Report and mailed to each member of the cooperative. A motion was made, seconded, and carried to approve the agenda.

The minutes of the last annual meeting of the members, as held May 7, 2019, were printed in the 2020 Annual Report. There being no corrections, additions, or deletions, a motion was made, seconded, and carried to approve the minutes as printed.

The cooperative's bylaws state that a quorum is established when a question is submitted to a vote by mail and there are 50 or more mailed votes received on behalf of the cooperative. Before the June 10 Conference Call Annual Meeting, more than 50 mail-in ballots were received and a quorum was established as per Article II, Section 7 of the Bylaws.

Chairman Schwartz appointed Attorney Chad Felstul as parliamentarian for the meeting.

Chad Felstul, attorney for the cooperative, stated that the Notice of Annual Meeting, along with the Proof of Publications of said notice was published in the *Worthington Globe*, *Murray County Wheel-Herald*, and *Current Matters* newsletter, as per Article II, Section 2 of the Bylaws. Such notice and proof thereof are annexed to the minutes of the meeting.

The balloting and voting procedures for the election of directors and nominating committee members was explained by Attorney Felstul. Ballots were mailed to 5,173 members, proven by a Certificate of Mailing by Dairyland Power Cooperative. The ballots were sent to Pemberton Law, P.L.L.P. for counting.

Attorney Felstul announced the results of the election, which are as follows:

| District Four Director | Votes |
|------------------------|-----------|
| Jerry Beckering | 510 |
| Ronald Honken | 73 |
| Timothy Taylor | 207 |
| Spoiled ballots | <u>28</u> |
| Total | 818 |

Felstul stated that Jerry Beckering was re-elected as director from District Four. The Nominating Committee's effort to find other director candidates for District Six and nominating committee candidates for District Three, Five, and Seven were unsuccessful and candidates were elected by acclamation.

Bruce Barber was re-elected as director from District Six. Nominating committee members re-elected were Lyle Kramer from District Three and Randy Buntjer from District Five. Daniel Bierma was elected as nominating committee member from District Seven. Each were elected for a three-year term or until their successor is duly elected and qualified.

The minutes of the 2020 Election Ballot Count certified by Pemberton Law, P.L.L.P. are attached to these minutes.

There being no further business to come before the meeting, President Schwartz adjourned the meeting and thanked the members for their participation in the conference call.

Respectfully submitted,
Cindy M. Hokeness, Secretary



Notice of annual meeting for members

The annual meeting for Nobles Cooperative Electric members will be held via conference call on Tuesday, April 6, 2021, at 7 p.m. Members can call 833-643-9163 to join the meeting. The text of the proposed amended articles of incorporation and amended bylaws will be included with the mailed notice, along with a summary of the proposed changes. The business to be conducted at the annual meeting shall include, but is not limited to, the following:

1. Approval of 2020 Annual Meeting Minutes.
2. Business and fiscal reports which will be provided to the membership prior to the annual meeting.
3. Announcing the results of director and nominating committee elections.
4. Announcing the results of the amendments to the articles of incorporation and bylaws, which have been recommended to the members by the unanimous vote of the board of directors.
5. All other business which may come before the meeting, or any adjournment, or adjournments thereof.

Voting will only be done by mail ballot for director and nominating committee elections, along with the proposed changes to the articles of incorporation and bylaws. Please watch the mail for your ballot package.

Cindy M. Hokeness, Secretary
Dated: February 12, 2021

Sample official ballot

Nobles Cooperative Electric Annual Meeting
April 6, 2021

Official Ballot

This is a sample ballot and the actual ballot may change if additional nominations are received before the ballot is finalized.

The District 6 Director Candidate will be elected to a 2-year term to fill the remainder of the term which expires in 2022. The District 7 Director Candidate will be elected to a 3-year term. The nominating committee candidates will be elected to 3-year terms. Vote for one candidate in each district, along with your articles of incorporation and bylaw choices, by placing an x in the box.

Director Candidates

District 6 (2-Year Term)

- Timothy Bickett
 Daniel Bogie

District 7 (3-Year Term)

- David Dorpinghaus
 Todd Scripture

Nominating Committee Candidates

District 4 (3-Year Term)

- Jess DeKam
 Timothy Taylor

District 6 (3-Year Term)

- Benjamin Krohn
 Malik Sampson

Recommendations

Should the **Articles of Incorporation** of this cooperative be amended and restated as sent to the membership and recommended by the board of directors?

- Yes No

Should the **Bylaws** of this cooperative be amended as sent to the membership and recommended by the board of directors?

- Yes No

Board candidates

District 1



Ronald Schwartau (*unopposed*)

Tell us a little about yourself:

Following graduation from the University of Minnesota, I worked for the U of M, first in the Extension Service in Jackson County and then returned to the University to obtain a master's degree and work as a research coordinator on the St. Paul campus. I am still actively farming.

Leadership positions:

From 2004 to 2020, I served on the National Rural Electric Cooperative Association (NRECA) Board of Directors, representing Minnesota in Washington, D.C. During that time, I served five years as chairman of the education, research and technology committee and 10 years on the insurance and financial services committee overseeing the benefits program and investments for 65,000 active and retired employees. I also served on the International Foundation and was its chairman for four years. It was very rewarding work and, in 2020, I was honored to receive the NRECA International Award. Also, since 1996, I have served on the Minnesota Rural Electric Association Board of Directors representing the southwest district of cooperatives.

Over the years, I have served on the Murray County Extension Committee, the liaison committee for Prairie View home for disabled adults in Slayton and the International Exchange Advisory committee at the University of Minnesota. At Western Mutual Insurance Company of Minnesota, I have served as President since 1994.

What are the primary issues facing the electric industry and Nobles Cooperative Electric?

Challenges will face us as we will have to adapt to meet the power requirements of more electric vehicles including agriculture equipment. The advocacy with our state legislators and members of congress will continue to be an important part of the role of directors to address these issues to prevent unfair harm to our members.

Why I want to serve on the Nobles Cooperative Electric Board of Directors?

I feel the experiences I have had on all levels of the cooperative system will continue to help serve our members. All we do has to be done with the members' interest in mind, while maintaining a financially secure business.

District 2



Lee York (*unopposed*)

Tell us a little about yourself:

I'm a lifelong resident of Murray County. After graduating from SMSU in Ag Economics, I started farming with my dad and continue to farm with my brother and sons. My family includes my wife, Joan, and three children Brian (Brandi), Terry and Kayla, along with grandsons Tyler and Aiden.

Occupation and responsibilities:

We currently operate a grain farm producing corn, soybeans and oats. I serve as local assessor for several townships in Murray and Pipestone Counties.

Community involvement/service:

As a member of the Lake Wilson (LW) United Methodist Church, I serve as board chair. I have served on the Hadley Coop Elevator Board, LW EDA and various community groups. I am a member of LW Sons of the American Legion Post #285 and charter member of Slayton Legion Post #64 Legion Riders.

Leadership positions:

I am past president of Hadley Coop Elevator, LW Community Club and church board chair. I currently serve as vice president of NCE, serving as representative to Great River Energy's Board of Directors, where I am treasurer and a member of the executive committee. I have become a Credentialed Cooperative Director and completed the Board Leadership program.

What are the primary issues facing the electric industry and Nobles Cooperative Electric?

Providing safe reliable energy service to our members at an effective rate continues to be a priority. Another challenge will be changes in how our power is generated, delivered and ultimately the cost to our members. Our G&T, Great River Energy, is shifting to renewable sources due to changes in the costs of power generation. At NCE, we need to continue to upgrade and change our system to the benefit of our whole membership.

Why I want to serve on the Nobles Cooperative Electric Board of Directors?

I want to serve on the NCE Board because electric service is essential to our members and their quality of life. I feel I have the experience and desire to be an effective voice for the members of our cooperative as we move into the future.

District 6



Timothy Bickett

Tell us a little about yourself:

I was born and raised in South Dakota, where I farmed until 2002. My wife, Stacy, and I moved to Minnesota in 2005. We live just outside Worthington near where Stacy grew up. Stacy and I have three children Kendrick, Emmett and Karissa, ages 20, 18 and 15 respectively. I have always had a rural mailing address, including my time spent working on farms in-

Cont. on page 7

District 6



Daniel Bogie

Tell us a little about yourself:

I was born and raised in Glenwood, graduating from Glenwood High School. I then attended Willmar Community College in Willmar, earning an Associate's Degree in Law Enforcement. I married my high school sweetheart, Gail, and we have two daughters and ten grandchildren. I am an avid reader,

wood worker, wood carver and rock-hound.

Cont. on page 7

Board candidates

Bickett cont. from page 6

ternationally, this fuels my passion for doing all I can to make living in rural America the best it can be.

Occupation and responsibilities:

I own and manage a branch office of The Ag Risk Consulting Group, where I develop and execute grain and cattle marketing strategies for my farmer clients to keep them independent and improve their long-term profitability.

Community involvement/service:

I have always strived to be involved in my community. My volunteer resume includes township boards, 4-H locally and beyond, my church and our local school. I am a South Dakota Ag and Rural Leadership Class III Graduate/Alumni, which has helped me be more effective in my volunteer and community involvement.

Leadership positions:

Clearwater Township clerk 1993-2000. American Lutheran Church – past president. Worthington Area Workcamp – led the efforts to plan, fundraise and complete home repair projects for 58 residents of Nobles County in the summer 2019.

What are the primary issues facing the electric industry and Nobles Cooperative Electric?

Industry regulations on generation of power basis, new and existing environmental law. Locally – the efficient maintenance of infrastructure to ensure consistent delivery of power to our member customers.

Why I want to serve on the Nobles Cooperative Electric Board of Directors?

I understand and so appreciate the cooperative model that has allowed for an improved way of life for so many rural Americans, my family included. A strong dedicated board of directors is needed to ensure the long-term viability of the cooperative system. I look forward to the opportunity to serve my district members, by being well informed and available.

District 7



David Dorpinghaus

Tell us a little about yourself:

I was raised on a corn, soybean and hog farm in Bondin Township where I now live. I graduated from Fulda in 2002 and SDSU in 2006 with a B.S. in Agricultural Business. I am currently enlisted in the South Dakota Army National Guard. In high school, I worked for Marc and Wayne Freese picking rocks and cleaning hog barns, and after college, nine months teaching English in Beijing, Army basic and advanced training and working in agricultural lending for ten years, I am back at the farm working with Marc and Wayne managing the finances for the hog barns and crop acres.

Occupation and responsibilities:

I manage accounts payable, accounts receivable, budgeting and capital improvements, plus other responsibilities for the hog barns and crops.

Community involvement/service:

I currently serve on the Fulda Educational Foundation as trea-

Cont. on page 8

Bogie cont. from page 6

Employment and business experience:

I served as a deputy sheriff and city police officer for 30 years in Tracy, Fillmore County and Worthington, retiring in 2004. I then operated a landscape business and seasonal greenhouse. In my retirement, I have also worked as a liquor store clerk, special education paraprofessional and am currently a bus driver with Bud's Bus Service for ISD 518.

Community involvement/service:

I have been active in church, serving as an elder and after-school program teacher and have been a supporter of local FFA and 4-H leadership positions.

I have supported many organizations, but have not aspired to leadership positions.

What are the primary issues facing the electric industry and Nobles Cooperative Electric?

- Maintain and upgrade infrastructure
- Invest in renewable energy that limits invasiveness of natural landscapes
- Limit pollution and utilize nature conservation technologies
- Upgrade basic grid
- Promote safe practices and limit personal hazards for employees and the public

Why I want to serve on the Nobles Cooperative Electric Board of Directors?

I have a high level of curiosity about a wide variety of topics and I want to learn and grow my knowledge of the cooperative business. I also want to encourage safety and delivery of the product.

District 7



Todd Scripture

Tell us a little about yourself:

I am originally from a farming community outside of Rochester. After graduating from college, I moved into the area for work. Since then, I married my wife, Genna, who has blessed me with our four young children. We are currently living on an acreage north of Fulda.

Occupation and responsibilities:

I have been employed at Newport Laboratories, as part of Boehringer Ingelheim Animal Health, for the past six years. Here I am currently transitioning from my former role as team leader for the bacterial culture labs to my current role as group leader for Quality Systems.

Community involvement/service:

I am a member of the First Evangelical Lutheran Church in Worthington, where I have served on the church council for the last four years, as well as other church teams. I have also become involved in the Bondin-Belfast 4-H Club. Additionally, I have delivered

Cont. on page 8

Board candidates

Dorpinghaus cont. from page 7

surer and Knights of Columbus as financial secretary. I am a member of the American Legion and have volunteered for many other boards over the past ten years.

Leadership positions:

I have held leadership positions in agricultural lending, Army National Guard training events, the Ellendale Area Chamber of Commerce as president and the Slayton Country Club as treasurer, plus various other leadership roles.

What are the primary issues facing the electric industry and Nobles Cooperative Electric?

I would imagine there are many issues regarding legislation that are being addressed by the NCE Board of Directors. Infrastructure is likely an issue that is also being addressed by the current board. Continuing to provide efficient electricity to our members and continuing to provide a healthy and strong cooperative for the employees are also top priorities.

Why I want to serve on the Nobles Cooperative Electric Board of Directors?

I have been fortunate in life in many ways and I have a sense of duty to be of service to others in my community and nation.

Scripture cont. from page 7

Mobile Meals in Worthington.

Leadership positions:

At Newport, I have supervised several technicians across multiple labs. Additionally, I serve as the local contact for global teams aimed at process improvement within Boehringer Ingelheim. Finally, I have served as church council president over the last year.

What are the primary issues facing the electric industry and Nobles Cooperative Electric?

As the environment comes further into focus, a balance must be struck between sustainable energy production and consumer costs. As the energy supplier to several major companies in the area, NCE will need to collaborate with those entities to ensure that the transition towards sustainable energy production aligns with their expectations.

Why I want to serve on the Nobles Cooperative Electric Board of Directors?

My interest in electrical distribution was piqued during a physics lecture involving transmission lines. Fast forward and that interest persists and has been bolstered by a desire to learn more about how the cooperative functions. To close, I would like to say that I am passionate about finding ways to become involved in the community and engaging in things that impact those around me.

Nominating committee candidates

District 4



Jess DeKam

I have lived in Nobles County by Leota my whole life. My wife, Tiffany, is a pharmacist at HyVee in Worthington. We have three children ages 9, 7 and 6. I am a graduate of Leota Christian grade school, Southwest Christian High School and Minnesota West in Worthington with a degree in ag management.

I have farmed by Leota for 24 years with my dad and brother. We also custom raise pigs. We practice no till and strip till farming methods. I am also the president of the Leota Park Board.

District 6



Benjamin Krohn

I am a 4th generation farmer. My wife, Stephanie, and I have been married for 13 years. We have two children, Will (11) and Ashtyn (9). In addition to farming, I am a full-time crop insurance agent for Compeer Financial. My family and I enjoy spending time outdoors, fishing, hunting, snowmobiling and water sports. We also enjoy traveling to new destinations each year.

I am president of our families' farming corporation. I am responsible for making day-to-day decisions, as well as agronomic and grain marketing decisions. As a crop insurance officer with Compeer Financial, I help producers develop and execute a risk management plan for their grain and livestock operation.

I currently serve on the board of the Frosty Riders of Nobles County Snowmobile Club. I have served on the Okabena/Ocheda Watershed District Advisory Board in the past.

District 4



Timothy Taylor

I was born and raised in the Adrian area. I have been a member of NCE for almost 40 years. My wife and I have three children.

I am currently retired. I work in my shop and also help neighboring farmers.

I am a member of St. Adrian Catholic Church and currently serve on the finance board. I have served on the Pork Producers, Farm Bureau and Kanaranzi-Little Rock Watershed boards.

District 6



Malik Sampson

I was raised in Nobles County on a dairy farm south of Worthington. I attended SDSU in Brookings, S. Dak., for four years and got my degree in ag systems technology. My wife, Miranda, and I have three children and live south of Worthington. I enjoy many summer nights with my family at the races around the area.

I am employed at Jaycox Implement in Worthington. I work in the sales department and also work with all of the precision farming products on the new equipment.

I serve on various committees at work and at my church. I have also served on the school board at the local Christian school.

Working for you | Meeting our members' needs

Serving our members has been a priority for over 80 years, and no matter what our challenges and opportunities are, we always put our members first each and every day.

2020 Accomplishments:

- Over \$1 million in capital credits was distributed
- Secured additional FEMA funding from the 2019 storm
- Completed new load control integration with Great River Energy
- Began sending an emailed newsletter to members
- Created a lot of interest in our Living Green hydroponic gardening system
- Held Grab-N-Go events in Murray and Nobles Counties during harvest
- Distributed a \$10,000 Sharing Success grant to Nobles County Emergency Management
- A USDA Rural Economic Development Loan was established that will fund local organizations with a revolving loan in the future
- Awarded eight students with Operation Round Up scholarships
- Started a mail-in ballot process for cooperative elections and increased participation by 12 percent



Working for you | Providing safe and reliable electricity

The operations department had one of its best construction years in 2020. Weather conditions permitted crews to complete the work plan in a timely manner. Although COVID-19 created new working procedures, the crews adjusted well and we are a stronger cooperative than ever before.

2020 Accomplishments:

- New Lismore Substation constructed
- Installed four three-phase URD switches
- Fourteen miles of multi-phase URD completed
- Installed five new three-phase URD services
- Members in 2020 experienced on average 1.54 outages lasting no more than 139 minutes
- Installed 42 new and 31 rebuilt services
- Replaced 190 rejected poles
- Installed and replaced 240 LED yard lights
- Replaced regulator panels in 13 substations
- Installed eight miles of single-phase URD

NCE was built
by, belongs to,
and is led by the
people in the
communities
we serve



UNDERSTANDING THE SEVEN COOPERATIVE PRINCIPLES

Cooperatives around the world operate according to the same set of core principles and values, adopted by the International Co-operative Alliance.

These principles are a key reason why America's electric cooperatives operate differently from other electric utilities, putting the needs of our members first.



VOLUNTARY AND OPEN MEMBERSHIP

Membership in a cooperative is open to all people who can reasonably use its services and stand willing to accept the responsibilities of membership, regardless of race, religion, gender or economic circumstances.



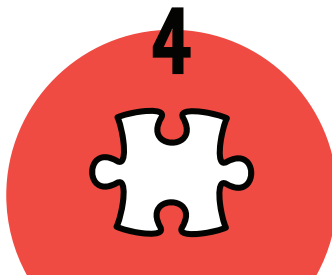
DEMOCRATIC MEMBER CONTROL

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Representatives (directors/trustees) are elected among members and are accountable to them. In primary cooperatives, members have equal voting rights (one member, one vote); cooperatives at other levels are organized in a democratic manner.



MEMBERS' ECONOMIC PARTICIPATION

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital remains the common property of the cooperative. Members allocate surpluses for any or all of the following purposes: developing the cooperative; setting up reserves; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.



AUTONOMY AND INDEPENDENCE

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control as well as their unique identity.



EDUCATION, TRAINING AND INFORMATION

Education and training for members, elected representatives (directors/trustees), CEOs and employees help them effectively contribute to the development of their cooperatives. Communications about the nature and benefits of cooperatives, particularly with the general public and opinion leaders, help boost cooperative understanding.



COOPERATION AMONG COOPERATIVES

By working together through local, national, regional and international structures, cooperatives improve services, bolster local economies and deal more effectively with social and community needs.



CONCERN FOR COMMUNITY

Cooperatives work for the sustainable development of their communities through policies supported by the membership.

THESE ARE
THE WORDS
WE LIVE BY.



Nobles Cooperative
Electric

® Your Touchstone Energy® Cooperative 

22636 U.S. Hwy. 59 - P.O. Box 788
Worthington, MN 56187-0788

PRSRT STD
U.S. Postage
PAID
DPC

NCE's Annual Meeting: April 6, 2021 — 7 p.m.

Conference call annual meeting with elections taking place by mail

The cooperative recognizes that due to COVID-19 concerns and the health and safety of our employees, directors and members, we will hold a conference call annual meeting. As a result, members can enjoy this year's co-op business meeting from the comfort of home.

Toll Free Dial-In Number: 833-643-9163

Joining the annual meeting conference call on April 6 at 7 p.m.:

1. Prior to the conference call start time, dial in using the dial-in number provided.
2. Please wait for the conference call to begin.

If you would like to submit a question for the annual meeting conference call, please email us no later than 3 p.m. on April 6 at nce@noblesce.com.

**Get to know your candidates even more on
Nobles Cooperative Electric's YouTube Channel.**

Please watch the mail for your ballot package

There are four directors up for election at the 2021 Annual Meeting. After a diligent search, only one nominee each for District 1 and District 2 could be secured as a candidate. Because only one candidate was found for District 1 and District 2, no vote is required and the candidate for District 1 and the candidate for District 2 will be elected by acclamation. There are two director candidates each for Districts 6 and 7 and you will be voting to elect directors for Districts 6 and 7. There are two candidates each for the nominating committee for Districts 4 and 6 and you will be voting to elect nominating committee members for Districts 4 and 6. Members will also be voting on changes to the articles of incorporation and bylaws as recommended by the board of directors.