

POLK-BURNETT ELECTRIC COOPERATIVE

Policy No.: **BD-16**

Subject: **Economic Development**

Objective: The board of directors and employees of Polk-Burnett Electric Cooperative (Polk-Burnett) are concerned with the well-being of our rural communities. Enhancing economic development within Polk-Burnett's service area is a desirable goal that will lead to improved standard of living for our members and better the financial condition of our cooperative.

Polk-Burnett has the following economic development objectives:

- A. To respond in a timely and consistent manner to requests for financing.
- B. To develop and diversify energy sales.
- C. To create job opportunities, increase the local tax base and enhance the region's quality of life.
- D. To receive a beneficial return on economic development investments with minimum risk to members.
- E. To actively promote/market the financial opportunities offered by the cooperative.

- Policy:
1. It is the intent of Polk-Burnett to supplement and not compete with private lenders. Polk-Burnett is in the business of providing electric service and other energy-related services to its members. Polk-Burnett is neither a commercial lender, nor a venture capital organization and therefore will give careful consideration to its financial participation in any venture.
 2. Polk-Burnett will only participate in economic development efforts that have a direct impact within the boundaries of the cooperative's service area.
 3. Polk-Burnett's board of directors is the sole authority for approval or denial of loans based on the guidelines in the Economic Development Plan.
 4. Depending on the project and the funding request, Polk-Burnett may condition the approval of a loan from the cooperative with the requirement that the prospective recipient take electric service from the cooperative.

This policy may be modified by the board of directors when situations warrant to meet the basic goals of the program while protecting the investment by the cooperative and receiving the highest degree of return to the cooperative members.

Edward O. Gullickson, President
April 23, 2018