

MINUTES OF THE 84th ANNUAL MEMBERSHIP MEETING

Lake City Church, Coeur d'Alene, Idaho

May 16, 2022

Doors opened at 5:00 p.m. for registration at the 84th Annual Membership Meeting of Kootenai Electric Cooperative.

KEC Board Chair Swick announced that a quorum was present and called the meeting to order at 6:02 p.m.

Chair Swick introduced the members of KEC's board of directors: Dave Bobbitt, Todd Hoffman, Crystal Musselman, Tim Meyer, Jim Robbins, and Roger Tinkey. He also introduced KEC General Manager Douglas Elliott and cooperative attorney Mike Schmidt. Chair Swick appointed Mike Schmidt as Parliamentarian and KEC Executive Assistant Constance Felten as Recording Secretary.

Chair Swick informed the membership that this year's meeting minutes would be posted on the KEC website for comment for a period of 60 days, after which they would be approved by the board of directors.

Audit Committee Chair Dave Bobbitt presented the treasurer's report and provided a summary of the cooperative's 2021 audit performed by the auditing firm of Eide Bailly. The purpose of the audit is to express an opinion on the financial statements of the cooperative for the years 2020 and 2021. In the opinion of Eide Bailly, the financial statements present fairly, in all material respects, the financial position of Kootenai Electric Cooperative and were made in accordance with generally accepted accounting principles and in compliance with all federal regulations.

General Manager Elliott's annual presentation provided the membership with updates on the financial performance of the cooperative in 2021 as well as the impact of growth in KEC's service territory. He also discussed the effects of recent inflationary pressures on the cooperative including the cost of non-federal power. KEC senior managers Reed Christensen, Julie Turbin, Scott Davis, and Diane Griswold provided updates on FEMA programs; the cooperative's inspection and maintenance plan; the Supervisory Control and Data Acquisition system; and recruitment and hiring at KEC, respectively.

Board Chair Bill Swick discussed the challenges and costs associated with power supply. He explained the tier system used by Bonneville Power Administration (BPA) to allocate power; how BPA determines the amount of Tier-1 hydropower available each year; and decisions that KEC has made to procure required power from non-federal sources. Chair Swick also discussed the lower Snake River dams and the potential effect that breaching them might have on rates.

Nominating Committee chair Karl Meier reported that the Nominating Committee had evaluated and interviewed 4 candidates for election to the Kootenai Electric board of directors, two for each open position. All were found qualified to stand for election: Tim Meyer (incumbent) and Jeff White for District 1 and Roger Tinkey (incumbent) and Curtis Nead for Director At Large.

Credentials and Elections Committee chair Dave Whitehead reported that the committee had met earlier in the year with the cooperative's election vendor, Survey & Ballot Systems, regarding the election and procedures used to administer the election and count ballots. The Committee was satisfied with the integrity of the election process and reviewed the election results at a meeting earlier today. He reported that in the District 1 election, Tim Meyer received 2,486 votes and Jeff White received 700. In the District at Large election, Roger Tinkey received 2,224 votes and Curtis Nead received 979.

Chair Swick declared that Tim Meyer and Roger had been elected to the Kootenai Electric Cooperative board of directors

Three grand prizes were awarded to members through a drawing.

On behalf of the Board of Directors, Chair Swick thanked the membership for attending the Annual Meeting and for its continued support of the cooperative. Chair Swick adjourned the meeting at 7:11 p.m.

I, Roger Tinkey, Secretary to the Board of Directors of Kootenai Electric Cooperative, Inc., do hereby certify that the foregoing is a true and correct copy of the minutes of the 84th Annual Membership Meeting of Kootenai Electric Cooperative, Inc., held at Lake City Church, Coeur d’Alene, Idaho, this 16th day of May 2022 as it appears in the minute book of the cooperative and that they have not been rescinded.

Roger Tinkey, Secretary

Date of Approval

DRAFT