

MINUTES OF THE 85th ANNUAL MEMBERSHIP MEETING

Kootenai County Fairgrounds, Coeur d'Alene, Idaho

May 20, 2023

Doors opened at 8:00 a.m. for registration at the 85th Annual Membership Meeting of Kootenai Electric Cooperative. Prior to the annual business meeting, members were served breakfast, interacted with KEC directors and staff, and enjoyed entertainment provided by the Sorensen Magnet School Marimba Band. Following the performance, General Manager Elliott presented his annual State of the Cooperative update with information on the new cooperative headquarters as well as a financial overview focusing on power supply, the cooperative's biggest cost. KEC staff members provided updates on vegetation management; KEC's Supervisory Control and Data Acquisition (SCADA) system; and a FEMA grant to underground 23 miles of overhead electrical lines in the Spirit Lake East subdivision.

General Manager Elliott awarded two grand prizes. Dawn Workman, Post Falls, won a leaf blower donated by Associated Arborists, and Mike Wilson, Rockford, won a \$300 energy credit.

At 9:56 a.m., KEC Board Chair Swick announced that a quorum was present and called the business meeting to order.

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 2022 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 2021 and 2022. 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.

Board Chair Bill Swick's annual address to the membership focused on both the state of the cooperative and the role and duties of the board of directors. He noted that directors have a fiduciary duty to the cooperative, as well as a legal responsibility to 'do no harm.' The latter requires the board to conduct appropriate due diligence and to act in the best interests of the cooperative and its members. Directors must not act in their own self-interest which could conflict with the best interest of the members. He noted the importance of working together as a team both as a board and with the management team with a willingness to be informed by the differing opinions of others. Chair Swick thanked the members for attending the annual meeting and for their interest in Kootenai Electric Cooperative.

Nominating Committee chair Karl Meier reported that the Nominating Committee had evaluated and interviewed four candidates for election to the Kootenai Electric board of directors, two for each open position. All were found qualified to stand for election: Todd Hoffman (incumbent) and Dan Green for District 3 and David Bobbitt (incumbent) and Deanne Austin for District 4. Ms. Austin later withdrew her candidacy.

Credentials and Elections Committee chair Tim Penberthy 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 3 election, Todd Hoffman received 2,075 votes and Dan Green received 1,461 votes.

Chair Swick declared Todd Hoffman the winner of the election and David Bobbitt elected by acclamation.

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 10:11 a.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 85th Annual Membership Meeting of Kootenai Electric Cooperative, Inc., held at the Kootenai County Fairgrounds, Coeur d'Alene, Idaho, this 20th day of May 2023 as it appears in the minute book of the cooperative and that they have not been rescinded.



Roger Tinkey, Secretary



Date of Approval