

2023

78TH

ANNUAL MEETING



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MEETING AGENDA

5:30 PM

REGISTRATION, COMPLIMENTARY MEAL &
LIVE MUSIC

JESSIE VEEDER-SCOFIELD

6:30 PM

BUSINESS MEETING

INVOCATION

CALL TO ORDER

NATIONAL ANTHEM

APPOINTMENT OF PARLIAMENTARIAN

APPROVAL OF MINUTES

LEGAL UPDATE

FINANCIAL REPORT BY AUDIT FIRM

**BRADY MARTZ &
ASSOC., P.C.**

BOARD PRESIDENT REPORT

CLAYTON MONSEN

COOPERATIVE UPDATE

MATT HANSON

APPOINTMENT OF SERGEANT AT ARMS

ELECTION OF DIRECTORS

SERVICE AWARDS PRESENTATION

OPERATION ROUND UP REPORT

SCHOLARSHIP AWARDS

OLD AND NEW BUSINESS

ADJOURNMENT

DRAWING FOR DOOR PRIZES

WELCOME TO YOUR ANNUAL MEETING

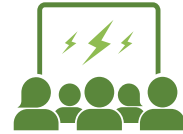
Taking part in your annual member meeting is just one way our members democratically control how McKenzie Electric Cooperative operates. We appreciate you taking the time to invest in your cooperative.

MISSION STATEMENT

McKenzie Electric Cooperative is dedicated to improving the quality of life of its member owners, while supporting the communities in which we operate, by offering safe, reliable, and affordable electricity.

VISION STATEMENT

With a cooperative culture that is adaptable to change, and committed to our corporate values, McKenzie Electric strives to demonstrate the cooperative difference for its members and provide a better future for the families within our communities.



COMMITMENT TO MEMBERS

We exist to serve the membership and our responsibility is to provide the highest quality service at the lowest possible cost.



SAFETY

We believe safety is of great importance to the operation and delivery of electric service to the membership.



INTEGRITY

We are committed to being honest and respectful and endeavor to maintain a culture of trust.



STEWARDSHIP

We believe through fiscal responsibility, personal accountability and continuous improvement, we strive to maintain a sustainable cooperative for the membership of today and future generations.

ANNUAL MEETING

Rules of Conduct

Call to order: The president shall take the chair at the time of annual meeting and shall call the meeting to order.

Points of order: The president shall preserve order and decide all questions of order, subject to an appeal to the members.

Recognition by the president: Every member, prior to speaking, shall rise from their seat and address the president, and remain standing until they are recognized by the president, and proceed by stating their name.

Who recognized: When two or more members rise at the same time to speak, the president must designate who is to speak.

Rules as to speaking, number of times and duration: No member shall speak more than twice on the same subject without permission of the delegates present, nor more than once until every delegate choosing to speak on the subject pending shall have spoken. Nor shall any member occupy the floor more than five minutes the first time, and three minutes the second time, without the consent by a majority of the members in attendance. Any member, director, manager, or attorney in good standing may speak under the same rules.

Motion to be made by a member before debate: No motion shall be debated or passed unless the same be seconded. Seconds to any motion made must also be by a member. No second is required when the motion is made by direction of a committee.

Motion may be withdrawn: If the motion has been stated, it shall be deemed in possession of the meeting, but may be withdrawn at any time before amendment or decision by the member who made the motion with the consent of a majority of the members present.

Motion on debate and procedure: When a question is under debate, no motion shall be received but to adjourn, postpone, to amend or substitute.

Motion to adjourn in order when: A motion to adjourn shall be in order, except when a member is addressing the chair or a vote is being taken.

Resolutions, How presented: Resolutions may be presented from the floor with the consent of a majority of the members present.

Program Schedule: The schedule as printed in the agenda submitted to all members, with any additions thereto, shall be the official meeting program.

Robert's Rules of order (Revised): On any point not covered in the above rules, Robert's Rules of Order shall govern.



BOARD PRESIDENT **REPORT**

A handwritten signature in black ink, appearing to read 'Clayton Monsen'.

Clayton Monsen
District 2B

The 78th year of McKenzie Electric Cooperative marked extreme opportunities and challenges, from one of the worst winter storms ever recorded in cooperative history, to some of the greatest pressures on pricing as demand outpaced supply and global events unraveled. I am happy to report that your cooperative has navigated these challenges successfully. A key to this success lies in the foundation from which McKenzie Electric is built – placing our members first.

McKenzie Electric has dealt with many of the same challenges you may have faced at your house or at your place of work. Finding qualified staff to fill critical positions has remained a top obstacle to overcome in 2022, requiring the cooperative to think differently on recruiting and development. Your cooperative has also faced significant challenges in acquiring the material needed to meet your needs. The Cooperative took action, securing almost 50 large transformers along with securing wires and poles in anticipation of future needs. This action paid off as growth remained steady in 2022 and throughout a series of weather events in which having material available limited outage times.

Among these items with the potential to derail the Cooperative's success, McKenzie Electric has stayed true to its core mission of providing safe, reliable, and affordable electricity. McKenzie Electric has been able to maintain stable rates, an accomplishment which many others have not been able to achieve.

Despite Mother Nature's influence, 2022 was a successful year for McKenzie Electric with the completion of nearly 80 miles of copper line replacement along with a host of other maintenance and reliability projects. We have started to rebuild the Dunn Center area as load continues to grow throughout our service territory. Funding was successfully acquired for additional serving capacity in the Mandaree – West Segment area. This is a great testament to the cooperation of our valued members, landowners, tribal partners and agencies as we work to see this project through to completion. The Southwest Power Pool (SPP) has also approved the construction of a new 345kV line that will bring additional capacity and reliability to our membership with a targeted completion goal of 2026.

2023 will be another busy year as McKenzie Electric kicks off the third year of copper replacement, moving beyond the halfway point. We will also be replacing sections of aging underground infrastructure in the Southwestern part of the service territory. We will be bringing three new substations online to support continued load growth. Your cooperative will also continue focusing on efficiencies including the automation of substations, improving response time and system performance monitoring capabilities.

During these challenging times, your Board of Directors will continue to focus on serving you – our members. This can be seen through our ongoing litigation efforts as we fight for just and reasonable rates. We will continue to weather the storm of challenges. I leave you with this final sentiment – McKenzie Electric is well positioned for what the future may hold. Please enjoy your 78th annual meeting as we share with you what we have accomplished in 2022, and what steps we are taking in 2023 to improve your quality of life as a member of McKenzie Electric Cooperative.



CEO

REPORT

Matt Hanson

Chief Executive Officer

2022 was a year that required creative thinking and perseverance and McKenzie Electric rose to the challenge. The year started off with the Russian invasion of Ukraine, placing significant pressure on many industries, including the energy industry which saw energy prices double from what they were in 2021. In addition, high inflation was thought to be transitory in nature but has stuck around causing the Federal Reserve to increase interest rates to over 4.5% in an attempt to slow inflation. Adding to these issues,

both foreign and domestic, the workforce that was lost during the pandemic never returned in full. This equated to specific challenges for McKenzie Electric in 2022 including a drastic increase in material costs, extension of lead times well over a year, and difficulty finding quality resources to carry out the necessary work of serving the membership.

McKenzie Electric took clear and strategic actions to minimize the impact of these pressures through various means. We worked with our suppliers to secure material well in advance of the projected needs while also increasing our inventory levels to ensure we had the availability of critical material to ensure preparedness for unexpected weather events. This foresight quickly paid dividends during the April blizzards. We brought on new contractors to expand the Cooperative's existing contractor base and employed creative recruiting strategies including internal talent considerations to address needs in the cooperative. We also assessed our staffing levels to ensure McKenzie Electric has the necessary workforce to meet the evolving needs of the cooperative sustainably and responsibly as we look to the future.

Mother nature had a significant influence in 2022. The blizzard event in April left its mark on the Cooperative with over 80% of the membership experiencing an outage. Employees banded together, persevered through difficult conditions, and restored 99% of the system within five days – a monumental task. We were able to harness the lessons learned from this event to help navigate a series of blizzards in the last two months of 2022. Through these events, McKenzie Electric maintained service to our membership 99.58% of the year in 2022.

Despite an assortment of challenges, McKenzie Electric had a very successful year. We completed the replacement of just over 80 miles of copper line, bringing the total to nearly 200 miles of line replaced. Numerous maintenance projects and system enhancements were completed to continue to increase our reliability and two new substations were brought online with four more in the works. A successful agreement was reached with the oil producers expanding capacity needs on the Fort Berthold Indian Reservation, providing increased capacity and reliability to both residential and commercial members residing within that area.

Throughout 2023, we will continue to see pressure placed on the Cooperative from ongoing inflation and the potential risk of an economic recession. Modest growth among these dynamic conditions is still anticipated. The 2023 work plan will continue to focus efforts on preparing for the future, deploying strategies that promote resiliency, innovation, and member engagement. McKenzie Electric continues to deploy forward thinking strategies to pursue our quest to remain member focused, with the constant goal to serve our membership with affordable and reliable electricity.



TREASURER

REPORT

Tim Wasem

District 3C

McKenzie Electric Cooperative, Inc. enjoyed a year of stable growth and financial performance in 2022. Table 1 on page nine represents an overview of McKenzie Electric's 2022 financial activity. The "Net Margin" is what remains after revenue dollars are used to pay expenses. Net margins are then allocated to you, the member, in the form of capital credits.

As required each year, McKenzie Electric underwent an annual audit of our 2022 financial year conducted by Brady, Martz & Associates, P.C. At the end of the examination, the audit firm returned an unmodified opinion. This opinion is the best report that can be received from an audit firm. The completed audit report has been reviewed in detail by the Board of Directors. A summary of the audited financials is included for your review and will be presented at the annual meeting.

HIGHLIGHTS FROM 2022 INCLUDE:

McKenzie Electric experienced 5.2% growth with annual sales of roughly 5.4 billion kilowatt-hours (kWhs).

Wholesale power cost continues to dominate McKenzie Electric's expenses with 88 cents of every expense dollar going toward wholesale power cost.

McKenzie Electric received an unplanned \$18.6 million wholesale power cost bill credit in November 2022. The Board of Directors elected to pass this \$18.6 million credit through to the membership. Member bill credits were determined from billed meter usage (kWh) from January through November 2022 and were distributed in December 2022. The issuance of the bill credit stabilized revenue from 2021 to 2022.

Continued litigation with Basin and Upper Missouri is the primary contributing factor in the increase in operating expense exclusive of wholesale power cost from 2021 to 2022.

McKenzie Electric paid \$3.5 M in electric distribution and transmission line tax in January 2022.

Work continues on the multi-year project to replace copper distribution lines. In 2022 this led to the addition of roughly \$2 M in capitalized plant.

McKenzie Electric enters into infrastructure agreements with members to construct facilities for future electrification requests. As part of the agreement, McKenzie Electric receives contribution-in-aid from members prior to projects commencing for the estimated construction cost. At year-end, collected aid that has yet to be spent is reclassified from construction work in progress to a deferred debit on the liability side of the Balance Sheet. The year-end, adjusting entry for collected aid yet to be spent for 2022 was \$60 million.

McKenzie Electric's share of margin allocated from Basin Electric Power Cooperative is \$38.4 million for 2022. This 235% increase in G&T capital credits year over year impacts net margin and patronage and equities on the Balance sheet.

In 2022, the Board of Directors authorized the distribution of \$4.1 M in cash for the retirement of capital credits to the membership.

COOPERATIVE FINANCIALS

BALANCE SHEET

ASSETS	2022	2021
Electric plant in service	235,883,694	230,567,284
Construction work in progress	11,437,968	6,770,387
Less accumulated depreciation	-114,004,211	-104,814,428
Total assets - electric plant	133,317,451	132,523,243
Other property and investments	156,494,973	118,902,717
Current assets, cash, cash equivalents, materials	230,202,530	170,690,773
Deferred debits	121,912	12,497
TOTAL ASSETS	520,136,866	422,129,230
EQUITIES AND LIABILITIES		
Patronage capital and other equities	378,290,670	328,699,945
Long-term debt	27,399,397	29,593,660
Non-current liabilities including power cost reserve	6,051,585	5,180,954
Current liabilities including current maturities of long-term debt	42,707,453	37,278,753
Deferred credits	65,687,761	21,375,918
TOTAL EQUITIES AND LIABILITIES	520,136,866	422,129,230

OPERATING STATEMENT

REVENUE FROM ELECTRIC SERVICE	2022	2021
Revenue from electric service	359,767,153	359,293,186
Other electric revenue	81,875	233,571
Total gross operating revenue	359,849,028	359,526,757
COST OF ELECTRIC SERVICE		
Cost of power	307,282,676	303,417,901
Operations and Maintenance	8,724,779	8,427,295
Customer service and accounts	522,347	484,851
Administrative and general	12,239,443	6,626,889
Depreciation	12,496,226	12,315,824
Accretion of plant retirement reserve	892,540	864,173
Tax expense	4,183,903	3,874,914
Interest on long-term debt	1,325,892	1,452,671
Interest expense - other	58,774	31,913
Total cost of electric service	347,726,580	337,496,431
OPERATING MARGINS		
BEFORE CAPITAL CREDITS	12,122,448	22,030,326
G&T and other capital credits	39,271,792	11,709,564
Net operating margins	51,394,240	33,739,890
NON OPERATING MARGINS	1,962,062	735,877
TOTAL NET MARGINS	53,356,302	34,475,767

SUMMARY OF FINANCIAL ACTIVITY

	2022	2021
Revenue	\$359.85	\$359.53
Wholesale Power Cost	\$307.28	\$303.42
Operating Expenses exclusive of Wholesale Power Cost	\$40.44	\$34.08
Other Income & G&T Capital Credits	\$39.27	\$11.71
Non-operating Margin	\$1.96	\$0.74
Net Margin	\$53.36	\$34.48

Table 1 summary numbers are represented in millions

WHERE EACH MEMBER'S DOLLAR WENT:

<1¢



INTEREST
\$1,384,666

1¢



TAX EXPENSE
\$4,183,903

3¢



**LINE OPERATION
& MAINTENANCE**
\$8,724,779

4¢



**ADMINISTRATIVE &
CUSTOMER SERVICE**
\$12,761,790

4¢



**DEPRECIATION & PLANT
RETIREMENT RESERVE**
\$13,388,766



**COST OF
POWER**
\$307,282,676

BOARD OF DIRECTORS



Clayton Monsen
District 2B
President



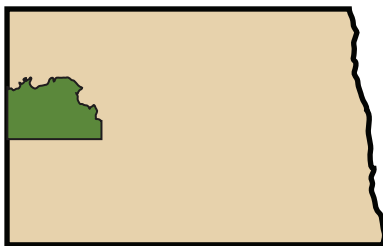
Ray Tescher
District 3A
Vice President



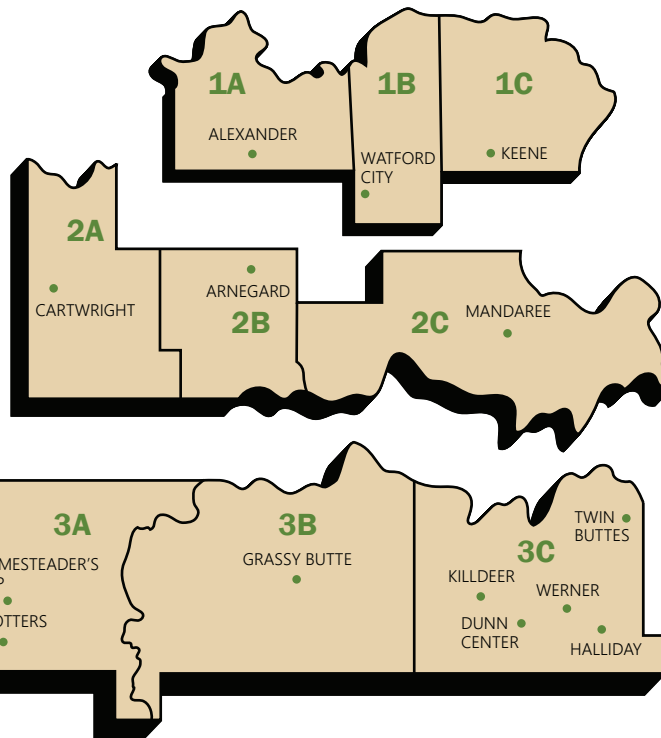
Tim Wasem
District 3C
Secretary/Treasurer



Travis Thompson
District 1C
Director-At-Large



NORTH DAKOTA



Cameron Wahlstrom
District 1A



Ken Sanford
District 1B



Chris Link
District 2A



Stephan Kershisnik
District 3B



Rick Jore
District 2C

NOMINATING COMMITTEE REPORT

The nominating committee for McKenzie Electric Cooperative, Inc. convened by telephonic meeting on Tuesday, March 21, 2023, at 6:37 p.m. Central Time. Present were cooperative attorney Ariston E. Johnson along with nominating committee members David Brenna, Wayne Johnson, and Joel Gorrell.

The meeting was called to order by Attorney Johnson.

District 1C. It was reported that there had been only one individual to indicate an interest in serving as Director for McKenzie Electric Cooperative from District 1C. Motion by David Brenna to nominate Travis Thompson as a candidate for Director from District 1C, seconded by Wayne Johnson. Motion carried unanimously.

District 2B. It was reported that there had been only one individual to indicate an interest in serving as Director for McKenzie Electric Cooperative from District 2B. Motion by Wayne Johnson to nominate Clayton Monsen as a candidate for Direct from District 2B, seconded by Joel. Motion carried unanimously.

District 3A. It was reported that there had been only one individual to indicate an interest in serving as Director for McKenzie Electric Cooperative from District 3A. Motion by Joel Gorrell to nominate Ray Tescher as a candidate for Direct from District 3A, seconded by David Brenna. Motion carried unanimously.

There being no further business, the meeting of the nominating committee was adjourned.

Respectfully submitted,

Ariston E. Johnson
Attorney at Law

BOARD POSITIONS FOR ELECTION:



Travis Thompson
District 1C



Clayton Monsen
District 2B



Ray Tescher
District 3A

YOUTH ACTIVITIES

Throughout the year, McKenzie Electric Cooperative attends events focused around the education of local youth. The primary focus of the Cooperative's attendance is to promote safe electricity use and to educate students about the dangers of electricity while also highlighting the unique attributes of a distribution system. During school visits, job fairs, and hands-on demonstrations, Cooperative employees speak about the cooperative business model, career opportunities, and how a member-driven service differs from other utility models.

The following students were selected as recipients of scholarship awards and as the delegate for Youth Tour 2023. Determining the recipients for each scholarship and award is inevitably a difficult decision and is based on many factors. McKenzie Electric Cooperative is honored to have the opportunity to play a small part in the education of young adults within our service area. Best wishes and congratulations to all applicants and graduates!



CHLOE GULLIKSON

CARTWRIGHT, ND
Fairview High School

Chloe Gullikson is the 2023 recipient of the Basin Electric Power Cooperative scholarship. Chloe plans to attend Carroll College with the intended major of psychology. Her career goal is to become a general psychiatrist and form an organization to help farmers and ranchers struggling with mental health in rural, underserved areas.

Chloe is the daughter of Doug and Tami Gullikson of Cartwright, ND. Congratulations Chloe!

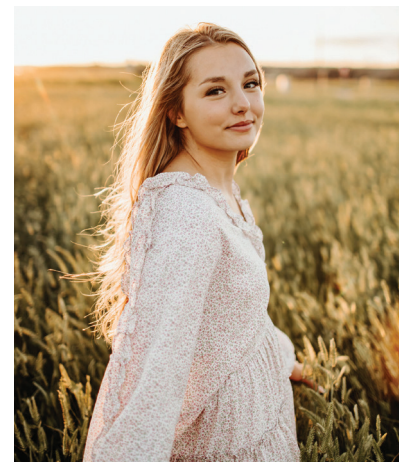


GRACIE DOE

KILLDEER, ND
Killdeer High School

Gracie Doe is the 2023 recipient of the McKenzie Electric Cooperative scholarship. Gracie plans to attend North Dakota State University (NDSU) with the intended major of nursing. Once completed with her degree, she hopes to gain experience as a registered nurse and shortly afterwards enroll in a Doctor of Nurse Practice program to pursue a career as a Certified Registered Nurse Anesthetist.

Gracie is the daughter of Jody and Sarah Doe of Killdeer, ND. Congratulations Gracie!



ALLYSON CROSS

WATFORD CITY, ND
Watford City High School

Allyson Cross is the 2023 recipient of the Basin Electric, Member Cooperative Employee scholarship. Ally plans to attend the University of Mary with the intended major of nursing. Her goal after college is to return to the Watford City area and become a Nurse Practitioner or pursue her doctorate.

Allyson is the daughter of Bob and Jamie Cross of Watford City, ND. Congratulations Ally!

2023 YOUTH TOUR DELEGATE



MAXWELL HANSON

WCHS - SOPHOMORE
WATFORD CITY, ND
Son of Matt & Angela Hanson

The Electric Cooperative Youth Tour has brought high school students to Washington, D.C. for a week in June every year since the late 1950s. Students apply and are selected for this program by their local electric cooperative utilizing a third party ranking system. We believe that students should see their nation's capital up close, learn about the political process and interact with their elected officials.

Students gain a personal understanding of American history and their role as a citizen by meeting their Representative and Senators. While student groups are organized at the state level, they all come together for Youth Day, where they get to meet each other and hear featured speakers who provide insight to the important roles electric cooperatives play in their communities.

Nearly 50,000 students from rural areas and small towns across America have participated in this program. Some of our Youth Tour alumni have gone on to design airplanes, to lead companies and to serve in the highest ranks of our government, including the U.S. Senate. Don't be surprised if you run into a former Youth Tour participant who is a congressional aide on Capitol Hill. While several of our alumni work in Washington, you will find even more alumni in your own community.

2023's Youth Tour Delegate is Maxwell Hanson, son of Matt and Angela Hanson of Watford City, ND. Congratulations Maxwell!

YOUNG ADULT ENGAGEMENT



Through events such as T4 held in April, McKenzie Electric Cooperative has the opportunity to engage with local high-school students who may be considering further education after graduation.

Throughout the U.S., electric cooperatives support nearly 612,000 jobs with a wide variety of career options ranging from office staff, to field employees such as lineworkers. While some positions require a four-year degree, line school is generally a nine-month program resulting in a certificate; some line workers attend two years of school earning an associate's degree.

McKenzie Electric Cooperative takes great pride in teaching area students about the careers, and benefits you might find in the electric utility industry.

MEETING MINUTES

JUNE 7, 2022

The 77th Annual Meeting of the members of the McKenzie Electric Cooperative, Inc. was called to order on June 7, 2021, at the Roughrider Center in Watford City, North Dakota. Prior to the meeting being called to order, a tribute to Dennis Johnson, cooperative attorney for nearly 30 years, was given and included a short film from the End of the Rope movie featuring Dennis Johnson. President Monsen also presented Kathleen Johnson, wife of former cooperative attorney Dennis Johnson, a plaque to honor the many years of service provided by Attorney Johnson.

President Clayton Monsen called the meeting to Order. Pastor Sheldon McGorman, Watford City Assembly of God, gave the invocation. A recording of the National Anthem was played.

President Monsen welcomed the members who had come to the meeting. He next appointed Paul Deutch as Parliamentarian for the meeting. President Monsen also explained that only members of McKenzie Electric may participate in the meeting.

President Monsen introduced cooperative attorney Ariston Johnson. Monsen inquired whether a sufficient number of members were present to constitute a quorum so that business may be conducted. Attorney Johnson indicated that a quorum of members was present.

President Monsen called for a motion to adopt the meeting rules as printed in the annual report. Motion was made and second to the motion was received to adopt the meeting rules as printed. Motion carried.

President Monsen called for a motion to waive the reading of the minutes of the 75th annual meeting and approve as printed. Motion was made and a second to the motion was received to waive the reading of the 75th annual meeting minutes and approve as printed. Motion carried.

President Monsen called for a motion to waive the reading of the minutes of the 76th annual meeting and approve as printed. Motion was made and a second to the motion was received to waive the reading of the 76th annual meeting minutes and approve as printed. Motion carried.

President Monsen next called upon Lance Rambousek with Brady Martz & Associates to provide the financial report for McKenzie Electric. Mr. Rambousek presented the report of the

financial status of McKenzie Electric for year 2021. Mr. Rambousek summarized the printed report from the meeting brochure and indicated that it was a clean audit and there was nothing out of the ordinary or to concern the members regarding McKenzie Electric's finances.

The membership was asked if they had any questions on the financial report. The membership had no questions regarding the financial reports from the audit that had been performed. President Monsen called for a motion to approve the financial report. Motion was made and second to the motion was received to approve the financial report. Motion carried.

President Monsen next gave a brief report to the membership. Monsen introduced the current members of McKenzie Electric's Board of Directors.

Monsen expressed the differences between last year and this year including severe drought, wild fires, and the threat of severe weather during last year's meeting. Monsen reminded members of safety first around electrical facilities and to call if there appears to be a hazard. The copper line replacement project was also reported on by Monsen which involves replacement of copper wire on the system. In 2021 approximately 100 miles were replaced and a goal in 2022 to replace 90 miles of copper distribution line. Monsen also reported there still is a steady stream of service requests coming in the door. Monsen wished former CEO John Skurupey well in his retirement and welcomed Matt Hanson as the new CEO of McKenzie Electric.

Matt Hanson, CEO of McKenzie Electric, was next called upon to give the CEO's report to the membership. Hanson focused his report on inflation, supply chain, fuel pricing, workforce issues, finding innovative solutions to address these issues as well as Environmental, Social and Governance (ESG) elements which are becoming a requirement for conducting business.

Hanson also discussed the weather events MEC has experienced from the February 2021 Polar Vortex and the two April back-to-back blizzards. During the polar vortex MEC experienced requests for shuttering load to keep the system online and is now engaging in efforts to mitigate these types of events in a more organized manner if they are to happen again. The first April blizzard MEC faired

very well but not so with the second blizzard. The wet heavy snow was a significant weather event for MEC and impacted the electrical system with large amounts of accumulated ice on power lines causing stress on the system and 11,000 meters throughout the service area to be without power. MEC experienced considerable damage from the storm surpassing \$3 million. Hanson thanked members, employees, contractors, and other support areas for helping to get power back on safely.

Hanson also discussed capacity concerns that may impact future growth, cyber security, provided discussion on the three components of electric billing: fixed charges, energy charges and demand charges and noted that a demand component may become part of residential billing at some point in the future.

Hanson thanked the Board of Directors and employees who work diligently serving members, contractors, members, the 4-H team, and other resources for their contributions to the annual meeting.

Following the CEO's report, President Monsen called upon attorney Ariston Johnson to give the Nominating Committee report. Attorney Johnson assumed the podium, explained the voting procedure, and reported the nominating committee had met and nominations were as follows: District 1A—Cameron Wahlstrom, District 2A—Chris Link and District 3C—Tim Wasem.

President Monsen then called for a motion to elect the director for District 1A Cameron Wahlstrom. Motion to cast a unanimous ballot to elect Cameron Wahlstrom to the position of Director for District 1A was made and a second to that motion was given. Upon vote, motion carried.

President Monsen then called for a motion to elect the director for District 2A Chris Link. Motion to cast a unanimous ballot to elect Chris Link to the position of Director for District 2A was made and a second to that motion was given. Upon vote, motion carried.

President Monsen then called for a motion to elect the director for District 3C Tim Wasem. Motion to cast a unanimous ballot to elect Tim Wasem to the position of Director for District 3C was made and a second to that motion was given. Upon vote, motion carried.

President Monsen and CEO Hanson next announced awards for years of service to the following McKenzie Electric employees: 40 years of service – Steve Lautenschlager; 15 years of service – Nick Shattuck; 10 years of service – Jeremy Yates

and Karl Aaker; 5 years of service – Pat Heiser and Eric Hellandsaas.

President Monsen next explained the college scholarship program that McKenzie Electric has along with Basin Electric's program. Messina Garmann, daughter of Jay and Heidi Garmann of Watford City, received a \$500 scholarship from McKenzie Electric, and Riley Bushnell, grandson of Robert and Faith Oakland of Cartwright, received the \$1,000 Basin Electric Scholarship.

President Monsen next called Kim Neprash and Andrew Spratta to the podium to report on Operation Round Up. Neprash explained Operation Round Up was adopted in 1998 and the amount of grants given out by Operation Round Up since its inception. Spratta gave a report informing the membership who serves on the Operation Round Up Board of Directors, the common applications granted and announcing the next application deadline is October 14, 2022. They thanked the members who participate in Operation Round Up which allows Operation Round Up to make meaningful grants to local entities, persons and events.

President Monsen next called for any Old Business. There was none. President Monsen then called for any New Business. There was none.

President Monsen informed the members that an application to become a member of ACRE was included in their registration information and that ACRE funds help electric cooperatives in reaching out to elected officials on issues that impact rural electric cooperative members.

President Monsen thanked the members for all that they do for the cooperative, including granting easements for power lines, reporting wire breaks, downed poles and other hazardous conditions, the 4H Club and Marcia Hellandsaas for preparing and serving the meal, photography by Clarice Kessler—NDaREC, Nightlife Sound and Lighting for audio and visual support and all MEC employees for their service to the membership.

President Monsen asked for a Motion to adjourn the meeting. Motion was made and seconded to adjourn the 77th Annual Meeting. Upon vote the Motion carried and the meeting was adjourned.





McKenzie Electric

COOPERATIVE



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