

2024 ANNUAL MEETING MINUTES

MINUTES OF THE ANNUAL MEETING OF THE MEMBERS OF THE RED LAKE ELECTRIC COOPERATIVE HELD ON WEDNESDAY, MARCH 27, 2024, AT THE LEGACY EVENT CENTER, THIEF RIVER FALLS, MN

The 86th Annual Meeting of the members of Red Lake Electric Cooperative, Inc. was held on Wednesday, March 27, 2024, at the Legacy Event Center in Thief River Falls. President Stacy Blawat called the meeting to order at 10:30 a.m. Approximately 150 members and guests were in attendance.

Blawat then opened the meeting and all attendees recited the Pledge of Allegiance. Colette Kujava, Red Lake Electric board director, gave the invocation; current board members were then introduced by Blawat.

Board Secretary Mark Hanson entertained a motion to dispense with the reading of the proof of mailing and the notice of this meeting along with the minutes of the 2023 annual meeting and approve them as they were printed in the March 2024 Volts and Jolts. It was duly moved, seconded and carried to do so.

In her President's report, Blawat shared how the last year for Red Lake Electric has been very good in many respects. She went on to explain that the average outage time per customer last year was 2.3 hours, which was the same as the previous five-year average of 2.6 hours. Blawat then shared her appreciation and the efforts of the employees to not only restore service quickly, but to also maintain the electric system properly. Blawat noted that the cooperative fared well financially last year which enabled the payout of over \$474,611 in capital credits in 2023. This return in equity to the membership included \$389,611 in general retirements and \$85,000 was paid to estates of deceased members. She went on to say that the board of directors was pleased to be able to make a capital credit retirement close to \$480,000, which was capital credits assigned to the membership in 2004 and 2005. Blawat mentioned the member equity was around 40%, well within the cooperative's goal. Blawat thanked the membership for attending the annual meeting.

Stephanie Johnson then was introduced and gave the GM report. Johnson gave a presentation on how Red Lake Electric Cooperative is a cooperative, what being a cooperative means and how it differs from an investor-owned utility.

Johnson next gave the 2023 financial report and said operating revenue was \$15.3 million due to selling 116.9 million kilowatts (kWh). Johnson reviewed various operating expenses and said the cooperative's margins were \$662,907; made up of operating margins of \$370,418 and non-operating margins of \$292,489. Johnson noted that non-operating margins are only paid to our members when Red Lake Electric receives the payout of the allocated patronage.

President Blawat asked for a motion to accept the preceding reports and it was duly moved, seconded and carried to do so.

Guest speaker Matt Marshall, Member Services, Rates & Economic Development Manager for Minnkota Power Cooperative, gave a presentation about economic development and how cooperative members can participate. He went on to present how economic development can have positive impacts on the entire region.

Election of directors then took place. Secretary Hanson verified the nominees by the submission of a petition in accordance to the Red Lake Electric bylaws, and each district had a single nomination by petition. Blawat then declared the following people duly elected as directors for three-year terms: District 2, Lars Dyrud; District 7, Krist Olson; and District 8, Cecil Anderson.

Years of service recognition awards were presented to Red Lake Electric employees and directors for 2023. 2023 recipients are Melanie LaCrosse – 15 years, Brett Knott – 15 years, Darcy Cardinal – 10 years, Branden Narlock – 10 years, Cecil Anderson – 5 years and Stephanie Johnson – 5 years. Johnson acknowledged Director Stacy Blawat with a plaque for her 12 years of service for directorship of District 2 and noted, as he was unable to attend, that Director Aaron Chervestad would be given a plaque for his nine years of service for directorship of District 7 and thanked them for their dedication and service.

Johnson presented the Red Lake Electric Trust (Operation Round Up) report. Johnson discussed the Operation Round Up program and Director Bonnie Chrisitans introduced Rosaline Groven and a Goodridge High School student as recipients of the Spring 2024 grant of \$500 to help with this year's convention for Pennington County Teens Towards Zero Deaths. A brief review of the program was given.

Kelli Brateng awarded the door prizes.

Blawat adjourned the meeting.

A sit-down meal was prepared by David Lee Catering and served by the employees and directors of Red Lake Electric.

Stacy Blawat, President

Mark Hanson, Secretary-Treasurer