

MINUTES OF THE ANNUAL MEETING
OF THE MEMBERS OF THE PARK ELECTRIC COOPERATIVE
Held on October 25, 2024

The 85th Annual Meeting of the membership of Park Electric Cooperative, Inc. was held on October 25, 2024 at the Exhibit Building of Park County Fairgrounds. The meeting began at 12:00 PM with a welcome from Craig Yost. The Pledge of Allegiance was lead by a member of the Park County 4-H, followed by the singing of “Montana” led by Ron Arthun. The invocation was given by Lois Olmstead, followed by a roast beef dinner.

Vice President Craig Yost called the meeting to order at 12:45 PM and appointed Joe Swindlehurst of Huppert and Swindlehurst, Attorneys at Law, as parliamentarian for the meeting. Vice President Craig Yost thanked the food preparers, servers, Business Professionals of America Group from Park High School and the Shining Mountain Club for all their help with lunch.

Secretary Bert Otis reported that the Annual Meeting Notices and Ballots were mailed on September 19, 2024, pursuant to the by-laws. He also reported that as of 11:40 AM, 117 members had registered, constituting a quorum.

Gerald Pinder moved to accept the minutes of the last annual meeting. The motion was seconded and carried.

Matt Jesson introduced Bill Brenner from the firm Brenner, Averett & Co., P.C. who presented the 2023-2024 audit. Mr. Brenner issued a clean audit, with no reportable conditions, for the accounting period ending July 31, 2024.

Gerald Pinder spoke for the nominating committee. The following persons were nominated to represent their respective districts (3 & 4)

District 3 – Craig Yost
District 4 – Matt Jesson

Bill Brownlee appointed the following people to the balloting committee, and asked for the ballots to be collected

1. Eileen Ewan 2. Lee Amunrud 3. Terri Smith

Vice President Craig Yost gave the President’s report for the cooperative, highlighting that while Park Electric is currently in a strong financial position, rising power costs may impact this stability in the future. Over the past four years, Park Electric has seen tremendous growth in residential and irrigation accounts, which will require significant infrastructure investment to continue serving current and future members. It’s important to remember that all new growth brings additional costs.

Manager Matt Haggerty delivered the Managers Report. 65% of our power supply comes from Western Area Power Administration (WAPA), our most affordable source, though WAPA's allocation has been capped since the 1970s. Any power needed beyond Park Electric's WAPA allocation is supplied by Basin Electric at a higher cost. This means that growth, from new homes and businesses to expanded irrigation services, adds to overall expenses. CMPEC notified Park Electric of a wholesale rate increase of approximately 9% starting in January 2025, with a similar increase expected in 2026. Park Electric worked with CMPEC to implement this rate increase over two years instead of one, in an effort to reduce the impact on our members. Both Basin and WAPA cited inflation, infrastructure upgrades, and growth are the reasons for their rate increases which will mean rate changes to our members in the upcoming years. Park Electric's Management Team and Board of Trustees are currently working through the rate-setting process to ensure a fair and equitable rate for our members. As a non-profit organization, Park Electric charges slightly above operating costs to meet our member's energy needs, and any excess is returned back to the Member in the form of capital credits. Members will be notified by mail with details regarding the rate increase and when it will go into effect.

Matt Haggerty introduced Chris Christensen. Chris Christenson is a rancher from near Hinsdale, MT, who drove nearly 7 hours each way to attend the Annual Meeting. Chris serves as a board member for NorVal Cooperative based in Glasgow, MT, and is Montana's representative on NRECA's board. He explained that NRECA and cooperatives are bipartisan organizations focused on advocating for legislation that impacts reliability and the ability to maintain affordable electric service. Chris discussed how recent mandates from the Environmental Protection Agency are set to prematurely retire baseload generation across the U.S., potentially leading to power generation and supply shortfalls. He emphasized that baseload generation includes dispatchable resources, such as hydro dams, coal, and natural gas, that can be increased as needed to meet demand. Limiting or removing these sources would significantly affect both the reliability and cost of service for our members.

Mark Lambrecht, our legislative director for the Montana Electric Cooperative Association based out of Great Falls, discussed the situation surrounding the Snake River Dams. He explained that removing these dams would impact the region's power supply, jeopardizing reliability and leading to a power shortage.

Manager Matt Haggerty answered the questions from the audience.

Trustee Brownlee announced the election results: District 3 – Craig Yost	664 votes
District 4 – Matt Jesson	647votes

_____ moved to have the ballots destroyed after 48 hours. The motion was seconded and carried.

Trustee Yost asked for any Old Business -none
Trustee Yost asked for any New Business - none

Trustee Jesson drew for fifteen \$2,000 scholarships. The winners were Shane Wolf, Mariah Creason, Ashlynn Belleghem, Nathan Laubach, Anaya Hope, Clayton Cayen, Nash Payne, Zoe Kokot, Noah Payne, Nicholas Laubach, Payton Kokot, Kyle Jerke, Brooks Smith, Colter Sienkiewicz and Haven Sager

Holly Sienkiewicz was the winner of the \$500.00 grand prize

There being no further business to come before the membership, the meeting was adjourned at 3:06 PM.

Craig Yost, Vice President

Bert Otis, Secretary/Treasurer