



POWER

FOR GENERATIONS

Roughrider Electric Cooperative, Inc.
2022 Annual Report and Annual Meeting Notice



Your Touchstone Energy® Cooperative 

OFFICIAL NOTICE OF ANNUAL MEETING

ROUGH RIDER ELECTRIC COOPERATIVE, INC.

Wednesday | June 7, 2023 | 6:30 p.m. MT

Dickinson Trinity High School | 810 Empire Rd | Dickinson, ND

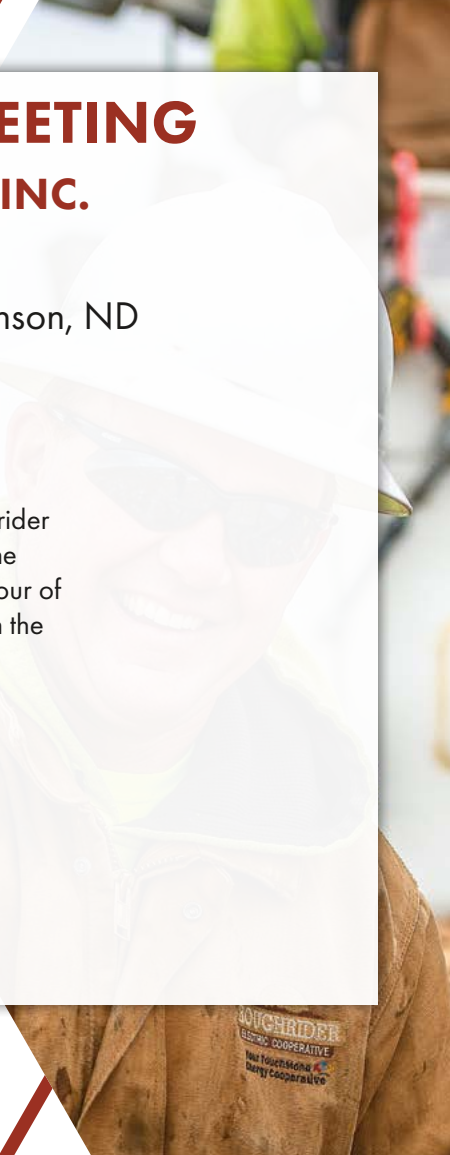
TO: All Members of Roughrider Electric Cooperative, Inc.

Notice is hereby given that the annual meeting of the members of Roughrider Electric Cooperative, Inc., will be held on June 7, 2023, as provided in the Bylaws of the Cooperative. Said annual meeting will commence at the hour of 6:30 p.m. Mountain Time of said day at Dickinson Trinity High School, in the city of Dickinson, county of Stark, state of North Dakota.

You, as a member of this cooperative, are requested to be present at the meeting. Registration will begin at 5:00 p.m. MT.

ROUGH RIDER ELECTRIC COOPERATIVE, INC.

By: Troy Sailer, Board Secretary



2023 ANNUAL MEETING

Wednesday | June 7, 2023 | 6:30 p.m. MT

Dickinson Trinity High School | 810 Empire Rd | Dickinson, ND

AGENDA

5-6:30 p.m. MT

Registration and dinner

6:30 p.m. MT

Business meeting:

- Call to order
- Invocation
- Welcome address
- Reading of notice of annual meeting and proof of mailing
- Minutes of previous meeting
- Report from Nominating Committee
- Balloting
- Financial report
- Manager's report
- New business

Adjournment

PERSONS WITH DISABILITIES

If you plan to attend the annual meeting and require assistance because of a disability, please call the Roughrider Electric Cooperative office at least one week prior to the meeting. Call 1-800-748-5533

LIVE STREAM

Roughrider is offering its members the option of viewing its annual meeting via live-stream. You can view the annual meeting by this method, and still participate in member voting by voting by mail. Vote by mail instructions and balloting are included in this mailing.



To view the live-stream of the annual meeting, follow the instructions on <https://www.roughriderelectric.com> and click annual meeting, or scan this QR code.

To view the recorded version of the annual meeting at a later date, go to <https://www.roughriderelectric.com> and click Annual Meeting or Scan this QR code.



MESSAGE FROM THE CO-GENERAL MANAGERS/ CEOS AND BOARD CHAIR



Greg Steckler
President
Central District

Our story, the cooperative story, is about ordinary people that banded together to improve the quality of life by providing electric service to our local area when no one else would do it. Neighbors worked together to create Roughrider Electric and ensure a brighter future for generations to come.

It was only possible through rural neighbors, as the bigger, investor-owned power companies thought they couldn't generate enough profit so they bypassed rural areas. Back then, there were frequent meetings among neighbors to discuss the formation of the cooperative. Once established, annual meetings were the must attend event of the year.

At that time, members of the community understood we were different because they likely knew someone who helped create Roughrider Electric. For most people, our founding and its circumstances have been long forgotten. Over time, folks in the community may have come to think of us as simply another energy provider. But we are not. We are a cooperative that is constantly evolving to meet the needs of the areas we serve, and we are able to do this because of members like you.

Fast forward to today – and tomorrow. Roughrider Electric currently serves 9,163 members and have returned \$64,581,154 of capital credits to the members.

We have sought feedback and engagement from you and that of the whole membership to guide our long-term decisions. This is why we have held an annual meeting each year. We host events like this to engage with you and obtain your feedback. Over the years, as we've listened to you and your fellow cooperative member-owners, we know that we have to keep pace as technology changes to meet your needs. We understand the spirit that helped create this cooperative must be continually nurtured. While times and technology will continue to change, our commitment and service to you will not.

As we look to the future, we view our role as a catalyst for good. Working together, we can accomplish great things for our members now and be your family's power for generations.



Travis Kupper
Co-General Manager



Jason Bentz
Co-General Manager

Greg Steckler

Travis Kupper

Jason Bentz

FINANCIAL REPORT

REVENUE

	2022	2021
Farm, Wells, Residential	17,057,412	15,745,044
Seasonal Cabins	472,457	439,932
Irrigation	474,027	585,591
Small Commercial < 1000 KVA	37,232,171	38,151,408
Large Commercial > 1000 KVA	20,994,278	18,679,541
Street Lights	55,731	57,050
Sales for Resale	1,512,814	1,492,914
Miscellaneous Revenue	2,820,705	1,488,753
TOTAL REVENUE	80,619,595	76,640,233

EXPENDITURES

Cost of Power	46,471,320	45,904,928
Line Operation & Maintenance	5,977,540	4,539,774
General Operating Expense	3,553,739	3,267,616
Depreciation	7,026,860	6,856,605
Taxes	616,430	564,023
Interest & Other Deductions	5,060,432	4,721,346
TOTAL EXPENSES	68,706,321	65,854,292

Operating Margins	12,064,895	10,785,941
Non-Operating Margins	445,281	218,801
Income on Investments	224,365	108,262
Power Supplier Capital Credits	5,783,006	1,604,595
TOTAL MARGINS	18,517,547	12,717,599

FINANCIAL STATUS

ASSETS

Utility Plant	310,224,133	290,445,911
Less Accumulated Depreciation	(65,958,885)	(61,180,455)
Net Utility Plant	244,265,248	229,265,456
Cash & Investments	56,862,654	61,047,499
Receivables and Prepayments	8,310,396	7,316,966
Material & Supplies	6,544,866	4,767,419
Revenue Deferment	2,500,000	3,750,000
TOTAL ASSETS	318,483,164	306,147,340

LIABILITIES AND MEMBER EQUITY

Long Term Debt	178,281,203	180,007,165
Accounts Payable	6,727,677	4,857,423
Other Current & Accrued Liabilities	1,874,492	1,854,837
Regulatory Liabilities - Deferred Revenue	2,500,000	3,750,000
Consumer's Prepayment & Other	95,343	112,426
TOTAL LIABILITIES	189,478,715	190,581,851

Other Equities	7,750,325	7,557,351
Patronage Capital	121,254,124	108,008,138
Total Member's Equity	129,004,449	115,565,489
TOTAL LIABILITIES AND MEMBERS' EQUITY	318,483,164	306,147,340

COOPERATIVE STATISTICS

Miles of Line.....	5,431	Meters per Mile of Line.....	2.76
Connected Meters.....	15,012	MWH's Sold.....	757,319

BOARD OF DIRECTORS



Greg Steckler
President
Central District



Roger Kudrna
Vice-President
Western District



Troy Sailer
Secretary
Central District



Bruce Darcy
Treasurer
Central District



Darell Herman
Eastern District



Dan Price
Eastern District



Jesse Flath
Eastern District

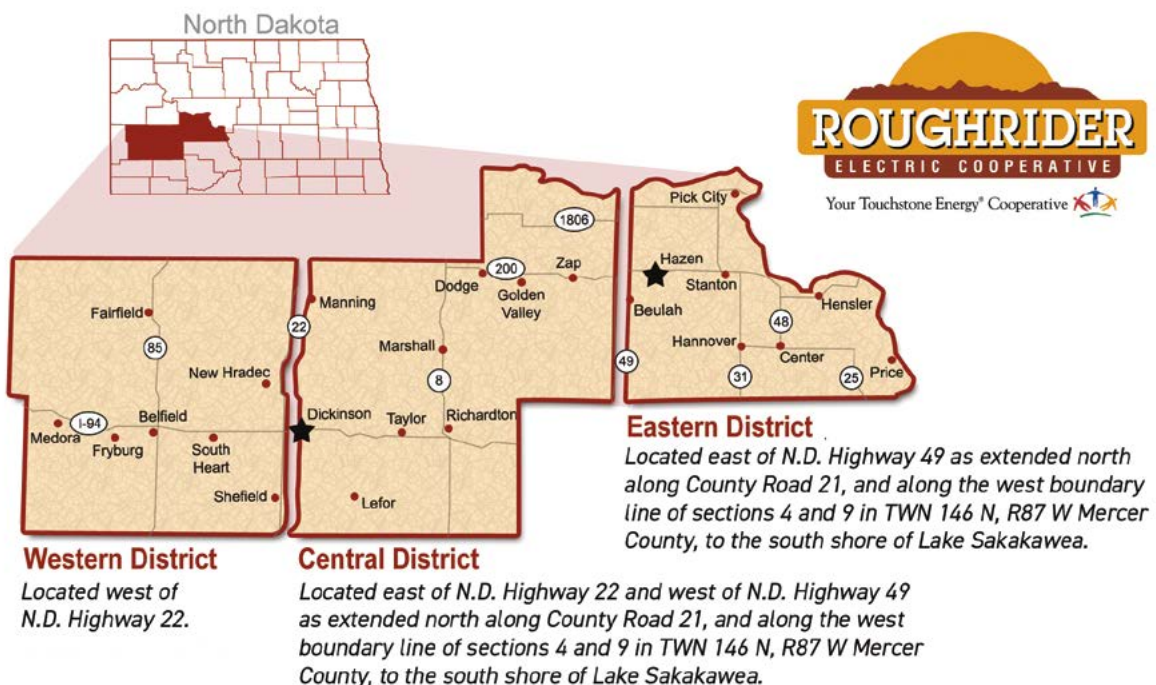


Arnold Kainz
Western District



Callen Schoch
Western District

SERVICE TERRITORY MAP



NOMINATING COMMITTEE REPORT

ROUGH RIDER ELECTRIC COOPERATIVE, INC.

The Nominating Committee of Roughrider Electric Cooperative met in the Hazen office on January 13, and February 24 in the Dickinson office.

The committee members for 2023 are:

- Lee Alderin
- Robert Fitterer
- Eugene Kinzel
- David Twist
- Randy Becker
- Alan Kadrmas
- Cole Price
- Ivo Schoch
- Don Buck

There being one vacancy in each district, the committee submitted the following candidates. (Listed in alphabetical order by district.)

WEST DISTRICT:

Arnold Kainz, 11251 32nd St. SW, Dickinson

CENTRAL DISTRICT:

Greg Steckler, 1240 101st Ave. SW, Dunn Center

EAST DISTRICT:

Dan Price, 2274 River Road, Hensler

A qualified member of Roughrider Electric Cooperative may become a candidate for election by being nominated by the nominating committee, or by petition submitted not less

than 90 days before the annual meeting date and has been signed by at least 15 members.

Annual Meeting Date: June 7, 2023
Dickinson Trinity High School, Dickinson, ND

VOTING INSTRUCTIONS

Voting by mail is authorized by Roughrider Electric Cooperative's Bylaws and will be offered to members in connection with the June 7, 2023, annual meeting. Ballots and instructions will be mailed prior to the annual meeting. Under the Bylaws, no nominations are accepted from the floor at the annual meeting. A qualified member of Roughrider Electric Cooperative may become a candidate for election by being nominated by the Nominating Committee or by a petition submitted not less than 90 days before the meeting and has been signed by at least 15 members.

Mail-in ballots will only be sent to members who request them. All ballots mailed-in or hand-delivered must be received by the Cooperative no later than 4:00 p.m. Central Time on Thursday, June 1, 2023.

Please note: Members attending the annual meeting in person who have previously voted by mail-in ballot will not be entitled to vote at the annual meeting. Their prior submission will constitute their vote(s) on the items on the ballot.

To request a ballot, please contact Brad Quenette at 800-748-5533 or bquenette@roughriderelectric.com.

Roughrider Electric Cooperative, Inc. Annual Meeting Entity Authorization to Vote

This authorization is for use by members who are not "natural persons," such as corporations, LLCs, partnerships, non-profits, trusts, etc. To assist in registration, or to verify authority to vote via mail-in ballot, an individual authorized by the entity member must complete this form.

Name of Entity Member: _____

Name of Authorized Voter: _____ **Source of Authority:** _____
(i.e. Bylaws, Board Vote, Trust Document)

Signature: _____ **Date:** _____

2023 REVIEW OF CANDIDATES

Roughrider Electric Cooperative members are being asked to vote for three board of directors; one from the Western District, one from the Central District, and one from the Eastern District. The candidates are listed on this page, along with their biographies. To vote for your board representation please review the ballot information.



Arnold Kainz
Western District

WEST DISTRICT

Name: Arnold Kainz

Residence (County, town): Stark County, Dickinson

Family: Wife Mavis, Son William

Education: 12 years + 1 year Trade School NDSSS

Hobbies and Interests: Old cars and tractors

What makes you a good candidate for Roughrider Electric Board of Directors?

Lifelong resident of rural Dickinson. The family farm we live on has been a member of the Rural Electric Cooperatives since 1951. I am concerned with continuing reliable and economic service to current and future patrons of the cooperative family.

If elected, what are your priorities?

If elected my priorities are working with the other board members to make beneficial decisions as in the past, for the good of Roughrider Electric members and facility improvements to keep current with the industry standards.



Greg Steckler
Central District

CENTRAL DISTRICT

Name: Greg Steckler

Residence (County, town): Dunn Center, Dunn County

Family: Wife Mary, Children Kari, Amanda and Tyrel

Education: Bismarck Junior College with a degree in applied science

Offices/Organizations: Western Choice Cooperative 2007 to present, currently serving as vice president and

also served as President and Secretary; school board serving as the vice president and president; ND Park Council, state president 2 years; Director on the West Dunn Fire District, member of NDSA, member of NDFU; served as director on local Dunn Co. Farmer Union Board

Hobbies and Interests: I like to do woodworking

What makes you a good candidate for Roughrider Electric Board of Directors?

My dad was a director on the West Plains Electric Board. He had told me two things and I try to apply them to this day. The first was to listen to people, what they have to say is important to them, you don't have to agree with them, but listen to them. The second thing is there isn't a problem I can't solve. It may not work out the way I wanted, but I can live with that. I added to that just because I fix something today, doesn't mean I can't go back tomorrow and make it better. I read something a while back that I think is sure true and that is, "The biggest communication problem is that we do not listen to understand. We listen to reply."

If elected, what are your priorities?

My priorities are to keep the electric power on 24/7 and also to keep the power cost affordable. This is getting hard to do, with cyberattacks, people attacking our power grid and also good, old mother nature. This all adds to the cost of keeping the power on. We have to do what we can to control all of these things the best way we can!

EAST DISTRICT



Dan Price
Eastern District

Name: Dan Price

Residence (County, town): Price, Oliver County

Family: Wife Sharla, Son Tyler, his wife Lexi and their two children Kingston and Rayna

Education: Center High School and NDSU

Offices/Organizations: Vice President of Innovative Energy Alliance, FSA Board Member, Roughrider Board

Member, Owner Price Cattle Ranch, Owner Missouri River Feeders, Owner Global Beef

Hobbies and Interests: Boating on the river, Hunting, Traveling, and Barbecues in the backyard

What makes you a good candidate for Roughrider Electric Board of Directors?

I have experience working with different groups of people and enjoy listening to other people's ideas. Having my own businesses helps me understand the needs in my community, as well as finding opportunities for other businesses.

If elected, what are your priorities?

Working on a board with others to come up with an informed decision that is best for the cooperative. To keep power reliable and affordable, as well as looking at new ideas to make the co-op more efficient.

Roughrider Electric Cooperative, Inc.

MINUTES OF THE ANNUAL MEETING OF THE MEMBERS

JUNE 1, 2022

Roughrider Electric Cooperative, Inc. (Roughrider) held its Annual Meeting of Members at Hazen High School in Hazen, North Dakota, on June 1, 2022, beginning at 6:30 p.m., Central Time.

The President of the Board, Roger Kudrna, who presided over the meeting, called the meeting to order and welcomed the members to Roughrider's 15th annual meeting. The Cooperative's attorney, Jennifer Grosz, kept the minutes of the meeting.

Mr. Kudrna welcomed the members. He thanked the many who worked hard to make the meeting a success, and he thanked Hazen Public Schools for the use of its facility and parking lot. He also thanked Union State Bank for its contributions towards the night's meal. He then led the membership in saying the Pledge of Allegiance to the Flag of the United States of America.

Roughrider Director Arnold Kainz gave the invocation. After the invocation, Hazen's Mayor Jerry Obenauer gave a welcoming address to the membership.

Mr. Kudrna reported that the Bylaws require 50 members be registered for a quorum. Ms. Laurie Miller reported that 104 members are in attendance. Mr. Kudrna declared that a quorum existed for the transaction of business.

Mr. Kudrna appointed Jennifer Grosz, Roughrider's lawyer, as parliamentarian for the meeting and announced that she would conduct the meeting according to Roberts Rules of Order.

At this time, Mr. Kudrna asked if the membership would be willing to dispense with the reading of the official Notice of Annual Meeting and the minutes of the June 2, 2021, meeting, and approve them. Upon motion duly made, seconded and unanimously carried, it was RESOLVED to dispense with the reading of the Notice of Annual Meeting and the minutes and approve them.

Mr. Kudrna asked Roughrider employee Leonard Hibl to draw for some door prizes.

Mr. Kudrna next introduced the Roughrider Board of

Directors present at the meeting, as well as the Cooperative's Co-Managers and counsel.

Mr. Kudrna asked Roughrider employee Leonard Hibl to draw for some door prizes.

Alan Kadrmas served as the Chairman of this year's Nominating Committee. Mr. Kadrmas read the 2022 Nominating Committee Report to the members, and provided the members with the names of those serving on the Nominating Committee. The Committee nominated Mr. William Retterath for the Eastern District director vacancy, Mr. Bruce Darcy for the Central District director vacancy and Mr. Callen Schoch for the Western District director vacancy.

Mr. Kudrna notified the membership that, since there was just one candidate for each district vacancy, the members can entertain a motion to suspend the rules and cast a unanimous ballot. Thereafter, upon motion duly made, seconded and unanimously carried, it was RESOLVED to suspend the rules and cast a unanimous ballot for the following directors in the following districts:

Callen Schoch	Western District
Bruce Darcy	Central District
William Retterath	Eastern District

Mr. Kudrna asked Mr. Hibl to draw for some more door prizes.

Alex Craigmile, Chief Financial Officer for Roughrider, provided the membership his financial report for the 2021. He noted that Roughrider's financials were audited by Brady Martz and Associates, P.C. Roughrider received an unmodified opinion from Brady Martz, which is the highest opinion that can be received and expresses their confidence in the Cooperative's financial record keeping. Among the highlights he explained were: The Cooperative's total revenue for 2021 was \$76,640,233. Mr. Craigmile noted that approximately 75% of the Cooperative's revenue comes from large commercial and industrial loads. Mr. Craigmile reported that cost of power for 2021 was approximately 70% of the entire expense of the Cooperative. Mr. Craigmile highlighted that Roughrider increased its net utility plant in 2021 to \$229,265,456. Member Equity totaled approximately \$115,565,489. Roughrider's long-term debt

CONTINUED ON PAGE 10

increased to \$180,007,165 in 2021. Mr. Craigmile noted that the interest rates on the long-term debt incurred by Roughrider were at extremely low rates. In 2021, Roughrider ended with a margin of \$12,717,597, which will be returned to the Members in the form of capital credits. Upon motion duly made, seconded and unanimously carried, it was

RESOLVED that the 2021 Financial Report be approved as presented.

Co-Manager Travis Kupper next provided the membership the Co-Manager's report. He informed the membership that this was Co-Manager Don Franklund's last annual meeting, as he has announced his upcoming retirement. He thanked Mr. Franklund for his dedicated service to the Cooperative. Mr. Kupper discussed the history of cooperatives with the membership, and how that mirrored how Roughrider Electric Cooperative, Inc. was established. Roughrider serves nearly 8,900 members, and has retired over \$60 million in capital credits to the membership. Roughrider's impact extends beyond providing electricity to enriching the communities it serves. He presented a video from Member Service Manager Leonard Hibl which illustrates the Cooperative's activities in its service territory. A video of Operations Manager Jason Bentz was shared with the membership, in which Mr. Bentz outlined the actions being taken by the Cooperative to provide advanced, reliable service to the members. He invited questions from those attending and encouraged any member with questions to contact him or Co-Manager Don Franklund.

Mr. Kudrna announced that the next order of business would be to hear the operation roundup report, have scholarship recipients announced and draw for the "luck of the draw" scholarship winners. He asked Mr. Hibl to come to the stage to perform these reports and drawings. Mr. Hibl provided the membership with a summary of Operation Roundup's activities over the last year.

Mr. Hibl reported to the membership that Roughrider offers scholarships to students for use for their post-secondary education. Each high school in Roughrider's service territory is provided with 1 scholarship to bestow on a deserving student. An additional scholarship is given to a student who attends a school outside the service territory but whose parents reside within and are members of the Cooperative. Basin also provides a \$1,000 scholarship. These scholarship recipients were recognized. There are also three luck of the draw scholarships available to high school seniors attending the annual meeting who has a parent who is a member. These winners were announced and provide with their scholarships: Garret Byerley; Brennan Schmitz and Abigail Hysjulien.

Mr. Kudrna reported that there is new business for the membership this year. Proposed Bylaw amendments were previously provided to the membership together with their annual report. Mr. Kudrna stated that Ms. Grosz was available to answer any questions the membership may have about the proposed amendments. Thereafter, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, to dispense with the reading of the proposed amended Bylaws.

Thereafter, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the proposed amendments to the Bylaws are approved as presented.

Mr. Kudrna invited Mr. Franklund to say a few words to the membership. Mr. Franklund reminisced that he has been at every annual meeting of Roughrider since it was established. The Board has been wonderful to work with and they work diligently to solve problems it confronts with the members' interest in the front of their minds. He thanked the members for their support.

Before the meeting was adjourned, Mr. Kudrna stated that each member that registered will receive a \$15 bill credit for attending today's annual meeting. He also thanked Roughrider's staff for their hard work in keeping the lights on. He thanked management for their guidance, legal counsel for her hard work, and his fellow board members for their commitment. He thanked those who serve on the Operation Roundup Board for the good and vital work they do. He thanked the membership most of all for their support of the Cooperative.

Thereafter, upon motion duly made, seconded and unanimously carried, the meeting adjourned at 7:23 p.m.

Troy Sailer, Secretary

Attest:

Roger Kudrna, President

COOPERATIVE SCHOLARSHIP WINNERS



Tacy Palahniuk



Taylyn Collingwood



Lucas Shilman



Ian Dorval



Cole Schneider



Ava Messer



Rachel Dazell



Mackenzie Schneider



Katelynn Albers



Lear Rohde



Layton Sailer



Abigail Lee

As part of our commitment to community and area youth, Roughrider Electric Cooperative is pleased to award several scholarships for the 2022-23 school year.

Roughrider assists in developing leadership in our service area by helping worthy recipients obtain a higher education with assistance from a scholarship. This scholarship program is designed to recognize and encourage the achievements of our members and their dependent children. Roughrider Electric awarded nine \$500 scholarships this year.

One graduating senior from each of the high schools within our service area is chosen by his or her school to receive these funds. These schools include: Belfield, Beulah, Center-Stanton, Dickinson High, Dickinson Trinity, Hazen, Richardton-Taylor, South Heart and Hope Christian Academy. Roughrider also awarded one \$500 scholarship to a graduating senior from a high school outside of our service area, whose parents are members of our cooperative.

We congratulate the following graduating seniors, who each received a scholarship award of \$500:

- Belfield High School: Tacy Palahniuk
- Beulah High School: Taylyn Collingwood
- Dickinson High School: Lucas Shilman
- Dickinson Trinity High School: Ian Dorval
- Hazen High School: Cole Schneider
- Richardton/Taylor High School: Ava Messer
- Dickinson Hope Christian Academy: Rachel Dazell
- South Heart High School: Mackenzie Schneider
- Center/Stanton High School: Katelynn Albers
- At Large: St. Mary's High School: Lear Rohde

3C LINEWORKER SCHOLARSHIP

Each year, 3C Constructions offers \$500 to Roughrider Electric Cooperative to be awarded as a scholarship to a qualified candidate pursuing a career as a lineworker. Roughrider is pleased to offer this scholarship to Layton Sailer, Hazen High School, who was picked from all the qualified applications received.

BASIN ELECTRIC POWER COOPERATIVE SCHOLARSHIP

Each year, Basin Electric Power Cooperative provides \$1,000 to Roughrider Electric Cooperative to be awarded as a scholarship to a qualified candidate. Roughrider is pleased to offer this \$1,000 scholarship to Abigail Lee from Hazen High School, who was picked from all the qualified applications received.

LUCK OF THE DRAW SCHOLARSHIPS

Roughrider will award three \$500 Luck of the Draw scholarship to be drawn at our annual meeting on June 7 in Dickinson. All high school seniors who have parents/guardians that are members of Roughrider Electric are eligible for this scholarship. Students must attend our annual meeting with at least one parent/guardian and are required to RSVP for the meeting. To RSVP, go to www.roughriderelectric.com and click Your Community and Scholarships, and scroll down.



Your Touchstone Energy® Cooperative 

800 Highway Dr. • Hazen, ND 58545

POWER FOR GENERATIONS

ATTENTION: PLEASE BRING THIS BOOKLET TO THE ANNUAL MEETING