



2023

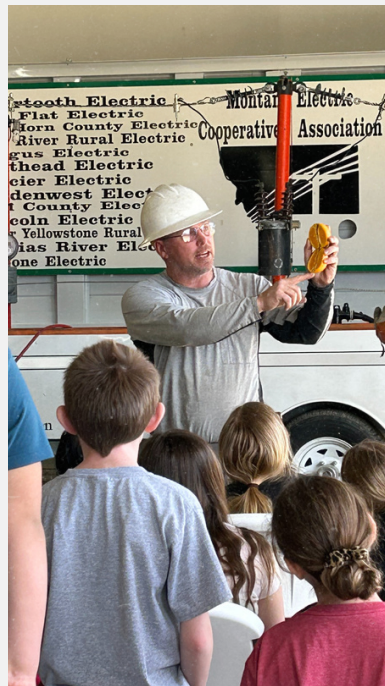
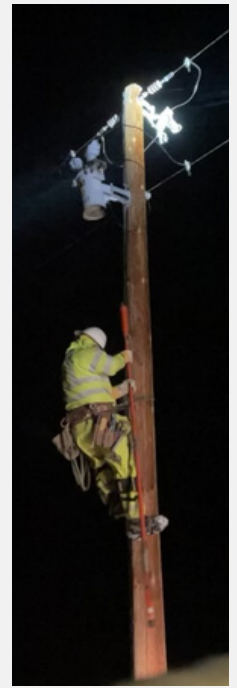
ANNUAL  
MEETING



October 24, 2023



Opheim High School



# NOTICE OF ANNUAL MEETING

The Board of Directors of Norval Electric Cooperative Inc., have selected Tuesday, October 24, 2023 as the date for the 15th Annual Meeting of the members to be held at the Opheim High School in Opheim, Montana.

Registration will begin at 4:30p.m., with a roast beef dinner to follow at 5:30p.m., and a business meeting to commence at 6:30p.m.

The purpose of this meeting is to elect three Directors for a term of three years, present reports for the previous fiscal year, and transact any other business that may come before the meeting.

## AGENDA

4:30 P.M.	Registration of Members	
5:30 P.M.	Invocation and Dinner	Rocky Kittleson, Secretary
6:30 P.M.	Call to Order	Chris Christensen, President
	Color Guard	TBD
	Pledge of Allegiance	
	National Anthem	TBD
	Determination of Quorum	Rocky Kittleson, Secretary
	Notice of Meeting	Rocky Kittleson, Secretary
	Minutes of 2022 Annual Meeting	Rocky Kittleson, Secretary
	Financial Reports for 2023	Cory Wheeler of Wheeler, Bieber & Associates
	President's Report	Chris Christensen, President
	Guest Speaker	Gary Wiens, MECA CEO
	Introduction of Candidates	Christofferson and Knierim, P.C
	Election of Directors	Christofferson and Knierim, P.C
	Manager's Report	Gretchen Boardman, General Manager
	Old Business	
	New Business	
	Cash Prize Drawing	\$200 Cash
	Grand Cash Prize Drawing	\$300 Cash



# 2022 ANNUAL MEETING MINUTES

The 2022 annual meeting of the members of NorVal Electric Cooperative, Inc., was held on October 27, 2022, at 6:30 P.M., at the Civic Center in Glasgow, Montana. Rocky Kittleson gave the invocation prior to dinner being catered by DB's Bar & Grill. Prior to the start of the meeting, President Ron Reddig announced that all kids in attendance could pick out a prize from the prize table. Additional prizes were awarded to children who entered the coloring contest. President Ron Reddig called the meeting to order at 6:30 and thanked DB's for the meal. The colors were presented by Rod Ost and Rick Olsen. The members then recited the Pledge of Allegiance. Debbie Dulaney was appointed as the recording secretary. The list of members present at the meeting is attached to these minutes. Secretary, Rocky Kittleson determined that a quorum was present. Mr. Kittleson read the notice of meeting and proof of mailing. A motion to dispense with the reading of last year's annual meeting minutes as they were printed in their entirety in the annual meeting notice booklet was made, seconded and unanimously carried. A motion to approve the minutes as printed was called for. A motion was made, seconded and unanimously carried that the 2019 annual meeting minutes be approved as printed. President Reddig introduced the former employees, former directors, and guests in attendance. President Reddig introduced the current directors to the members. President Reddig also thanked Chris Pippin for providing the sound system. Manager Herbert introduced the current employees of the cooperative and gave plaques to past board members for their years of service as follows:

Leland Risa	16 years
Kurt Breigenzer	24 years
Gary Meyer	15 years

President Reddig introduced Cory Wheeler, Certified Public Accountant, with the firm of Smith, Lang & Halley, in Sidney, and Mr. Wheeler was called upon to report on the financial statements. A motion was made, seconded, and unanimously carried to accept the financial statements as presented.

President Reddig then gave his report to the members. Manager Herbert gave his report to the members and presented a short video explaining demand. He announced that the Board had approved a rate increase to cover the additional costs that Norval was experiencing due to supply chain issues for materials used in line extensions. Manager Herbert reported that the rate increase would be effective December 1st. Manager Herbert opened the floor for questions. There was

discussion by members in the question and answer session on whether there were alternative methods to the "demand" method described above. All these options had been considered by the Board prior to approving the increase.

President Reddig introduced Chris Christensen, a current director of the cooperative, and the Montana Representative on the National Rural Electric Cooperative Association Board. Chris is currently serving as the President on the NRECA board. Mr. Christensen shared some of the issues the NRECA board is working on.

President Reddig introduced the candidates running for the director positions and invited each candidate to comment if they wished. President Reddig called upon attorney Matt Knierim to run the election portion of the meeting. Attorney Knierim announced the candidates for each position, being Kevin Nelson, the incumbent running unopposed in District 1. Rick Molvig, incumbent, and Gary Martin for District 3. Jesse McIntyre, Jeff Sather, Rick Stahl and Brett Stenglein all for District 5. Mr. Knierim asked for other nominations from the floor and there being none, a motion was made, seconded and unanimously carried to close the nominations for Districts 1, 3 and 5. The following directors were elected:

District #1:	Kevin Nelson
District #2:	Rick Molvig
District #5:	Rick Stahl

President Reddig asked for a motion to destroy the ballots. Motion was duly made, seconded and unanimously carried to destroy the ballots. Manager Herbert then presented the following service awards:

- Brock See 5 years
- Cody Odom 15 years
- Kirk Capdeville 5 years
- Kyle Shipp 5 years
- Joe Odom 25 years
- Chris Christensen 15 years

The President asked for any old or new business to be brought before the meeting. There being no other business, a motion was made, seconded and unanimously carried that the meeting be adjourned.



# LETTER FROM THE BOARD PRESIDENT

## CHRIS CHRISTENSEN



As the newly elected President of Norval Electric Cooperative, I would like to welcome you to our 15th Annual Meeting. I was able to speak to you last year as the President of our national organization (NRECA). While I am still Montana's delegate on the national board, my six-year commitment as a national officer has come to an end.

As I traveled the nation speaking to co-op members, I found that no matter where we call home, we all have a lot in common. We all want affordable, reliable and safe power. Norval constantly strives to meet that goal as we serve the needs of you, our member/owners.

I would like to thank Craig Herbert for his years of service as CEO of our organization. The Board is also excited to introduce you to our new CEO, Gretchen Boardman. You will get to know her better during the meeting and in the future. I would like to take this opportunity to thank Marie Donaldson and Nick Dulaney for taking on the day-to-day management of Norval during the transition; they were nothing short of impressive. We truly have professional and skilled employees in every position. I couldn't be more proud.

As a board member, I have served with three Presidents - Lynn Cornwell, Rick Molvig and most recently, Ron Reddig. All three were impressive in their dedication to this organization. Each of them, as well as the other board members, have served as my mentors.

Please enjoy the meeting, ask questions and make sure we are meeting your expectations.

# LETTER FROM THE GENERAL MANAGER

## GRETCHEN BOARDMAN



I would like to welcome you to NorVal Electric Cooperative's annual meeting Tuesday October 24th, 2023 in Opheim at the Opheim High School. Come in at 4:30 for registration to receive a \$30 bill credit, dinner to follow at 5:30 with a business meeting set to commence at 6:30. . We will be touching base with you on the amazing services your cooperative has to offer. Our staff and board members that serve you will be present so you can visit with the people that are here to serve the membership. I am excited to be a part of an incredible team at NorVal Electric Cooperative and truly enjoy providing safe, affordable and reliable power to our membership. We will be having a dinner, door prizes and hear from our auditor, lawyer and guest speaker, Gary Wiens. Come see what your cooperative can do for you! My favorite cooperative principle is Cooperation Among Cooperatives and this is exactly what we are doing at NorVal Electric. We hope that you will be able to join your cooperative to hear what we have done this past year. I am looking forward to meeting many of you at your annual meeting.

# GUEST SPEAKER

## GARY WIENS

Montana Electric Cooperative Association, CEO



Gary is a Glasgow native and graduated from Glasgow High School. He went on to graduate from the University of Montana with a degree in journalism. After college Gary worked in the newspaper business in Western Montana for nearly 10 years, and later served in Washington, D.C. as an energy aide to then-Eastern District Congressman, Ron Marlenee. In 1993 he was hired by MECA and worked his way up to CEO in 2019. In addition to his regular CEO duties, Gary also serves on a national co-op association committee monitoring the impact of proposed Federal EPA Regulations and serves on the board of the Montana Chamber of Commerce. Gary and his wife Pamela have two grown children who are both married and live in Montana. They have given them 4 beautiful grandchildren whom Gary and Pamela enjoy visiting often.

# BALANCE SHEET

AS OF APRIL 30, 2023

	2022	2023
<b>ASSETS-WHAT WE OWN</b>		
Electric Plant in Service	\$ 41,969,298	\$ 42,838,538
Construction Work in Progress	576,912	880,477
Less Depreciation	19,258,399	20,351,695
NET VALUE OF OUR PLANT	\$ 23,287,811	\$ 23,367,320
Working Funds- Cash	\$ 2,733,504	\$ 1,057,537
Investments in Associated Utilities	2,410,252	2,549,511
Energy Bills Due From Members	645,663	719,698
Due From Material Sales	173,285	-
Material Inventory	1,198,066	2,131,045
Prepaid Insurance & Other Debits	197,046	133,612
Other Investments	119,866	122,703
Total Assets	\$ 30,765,493	\$ 30,081,426
<b>LIABILITY- WHAT WE OWE</b>		
Owed to RUS/Loan	\$ 4,672,334	\$ 4,506,934
Owed to Federal Finance Bank/Loan	1,545,036	1,454,191
Owed to CoBank/Loan	3,127,393	2,796,615
Owed to NRUCFC/Loan	2,212,428	3,124,302
Prepaid to RUS (5% Interest Earned)	(389,255)	(369,608)
Equipment Leases	331,791	245,083
Accounts Payable	557,803	690,387
Accrued Taxes	329,647	397,907
Consumer Prepayment & Other Credits	1,906,950	711,411
Consumer Deposits	757,808	268,170
Total Liabilities	\$ 15,051,935	\$ 13,825,392
<b>EQUITY- OUR WORTH</b>		
Patronage Capital Assigned	\$ 13,854,203	\$ 15,333,059
Patronage Capital Assignable	1,832,979	896,604
Other Equities & Margins	26,376	26,371
Total Net Worth	\$ 15,713,558	\$ 16,256,034
<b>Total Liabilities &amp; Net worth</b>	<b>\$ 30,765,493</b>	<b>\$ 30,081,426</b>

# STATEMENT OF OPERATIONS

AS OF APRIL 30, 2023

## WHERE OUR DOLLAR CAME FROM

Residential Sales  
Seasonal Sales  
Irrigation Sales  
Three Phase/Oil Production  
Three Phase/General  
Large Power  
Public Street Lighting  
Other Electric Revenue  
Total Revenue

2022	2023
\$ 3,810,335	\$ 4,080,139
1,425,626	1,499,972
376,413	333,350
771,136	823,018
433,362	492,520
486,433	457,619
96,051	96,203
74,791	59,491
<u>\$ 7,474,147</u>	<u>\$ 7,842,312</u>

## WHERE OUR DOLLAR WAS SPENT

Purchase Power  
Operations & Maintenance  
Billing & Consumer Accounts Expense  
Administration & General Expense  
Depreciation Expense  
Interest Expense/RUS & CoBank  
Total Expenses

\$ 2,313,418	\$ 2,366,225
2,182,195	2,269,090
217,391	305,020
762,069	765,276
1,287,216	1,329,794
507,061	519,217
<u>\$ 7,269,350</u>	<u>\$ 7,554,622</u>

## Margins to be Allocated

<u><b>\$ 204,797</b></u>	<u><b>\$ 287,690</b></u>
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## Percentage of Revenue

<u><b>2.74%</b></u>	<u><b>3.67%</b></u>
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Capital Credits/Associated Organizations  
Interest Earned  
Other Non-Operating Income  
Net margins for period

\$ 403,888	\$ 344,901
18,469	23,271
714,370	8,417
<u>\$ 1,341,524</u>	<u>\$ 664,279</u>



# NOMINATING COMMITTEE

The nominating committees representing Districts 2, 4 & 7 submitted the following nominations to the office of NorVal Electric Cooperative, Inc. during the week of August 14, 2023.

District 2: Steve Carney, Ken Ferestad and Luke Nelson nominated the incumbent, Sam Gundermann

District 4: Keith Beil, Jim Bowman and Sherman Lacock nominated the incumbent, Chris Christensen

District 7: Ron Garwood and Joe Yeoman nominated the incumbent, Rocky Kittleson

## SAM GUNDERMANN

District #2



Sam was born in Glasgow to Hubert and Lorraine Gundermann of Glentana. He graduated from Opheim High School. Sam farms in the Larslan area. In November 1977, he married Myra (Pecora) and together they raised two daughters, Lee and Dodi, and two sons, Scott and Tony.

Sam served on the PRO Co-op Board and is the incumbent candidate for District 2 and has served on the NorVal Electric Board for 24 years. He has enjoyed the experience immensely.

## CHRIS CHRISTENSEN

District #4



Chris and his wife, Carol, have a ranching partnership with his mother in Hinsdale. They have four children; Chisholm, Chateau, Chadaya and Chaykota. Chris graduated from the University of North Dakota with an Associates Degree in Farm and Ranch Management. He transferred to Montana State University-Bozeman and received his Bachelor's Degree in Ag Education Broadfield Teaching. He also served on the office team of the Montana Association of Agricultural Educators, a group of Ag Teacher/FFA Advisors from around the state. He co-chaired on the legislative committee for District 5 and was on the National Association for Agriculture Educators for two years. Chris has served on the NorVal Electric

Board for 18 tears and is the past President for the State of Montana on the National Rural Electric Cooperatives' Board, and past co-chair of the Taxation Committee.

## ROCKY KITTLESON

District #7



Rocky Kittleson is a lifelong resident of the South Bench Community. He received his early education at the Newton Country School and completed Junior High and High School in Glasgow.

Rocky is the incumbent candidate for District 7. He has been on the NorVal Electric board for 24 years and serves as the current Secretary and Treasurer.

Rocky and his two boys, Myles and Dusty, ranch and farm South of Glasgow. In his free time, he enjoys fishing and hunting and takes time every year to go to Mexico on a mission trip with his church.

## BOARD OF DIRECTORS



Kevin Nelson  
District 1



Rick Molvig  
District 3



Rick Stahl  
District 5



Ron Reddig  
District 6

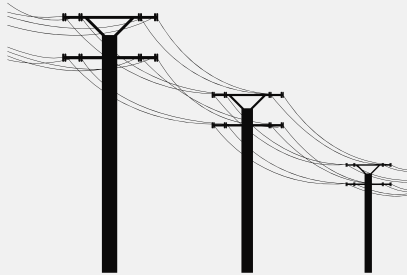
# CONSTRUCTION UPDATE

November 2022- August 2023



## 56

**New Services**



## 22

**Services Retired**

## HIGHLIGHTS

- Copenhagen line conversion from overhead to underground
- Jellum line conversion from overhead to underground
- Dry Prairie Water Projects
- Lenz Road irrigation project
- Peterson Point irrigation project
- Radio Frequency Meter Upgrade in Volt, Wolf Point and Lustre
- Cellular Metering Upgrade

## SERVICE AWARDS



**Marie Donaldson**  
Office Manager  
5 Years



**Eric Feit**  
Warehouse Manager  
10 years



**Rick Molvig**  
Director  
35 Years



**Jayson Nelson**  
Foreman  
20 Years

# AWARDED SCHOLARSHIPS



**Mason Donaldson**  
Basin Scholarship Recipient  
Glasgow High School  
University of Montana



**Trevor Dulaney**  
Glasgow High School  
Northwest Lineman  
College



**Ben Dykema**  
Glasgow High School  
North Dakota State  
College of Science



**Michael Hoyer**  
Glasgow High School  
Montana Tech-  
Butte



**Cienna Strommen**  
Hinsdale High School  
Montana State  
University-Bozeman



**Mason Swenson**  
Glasgow High School  
University of Montana



**Carrie Taylor**  
Opheim High School  
University of Providence

Not Pictured:

**Tia Dees**  
Nashua High School  
Dickinson State University

**Mattea McColly**  
Hinsdale High School  
Montana State  
University-Billings

Earn a FREE trip to  
*Washington D.C.*

Applications are open for sophomores and juniors until November 28, 2023.  
For more information please visit  
[norval.coop/youthtour](http://norval.coop/youthtour)

**SCHOLARSHIPS  
AVAILABLE**

**Due Date: January 30, 2024**

All dependents of members graduating high school in 2024 are eligible to apply for all three of the scholarships available!

**APPLY NOW**

- NorVal Electric
- MECA
- Basin Electric

Call for more information  
**406-228-9351**  
For applications visit  
**[norval.coop](http://norval.coop)**





# PROXY VOTING AUTHORIZATION

If you are unable to attend the Annual Meeting, you may designate an adult relative to represent you so long as the representative uses power under the same account number or membership with you. No person may hold more than one Proxy at any meeting. In the case of a Corporation or Partnership, an Officer, Partner, or other named designee may vote the proxy. However, the following must be signed and presented at the registration table the day of the meeting:

I the undersigned, being a member of NorVal Electric Cooperative, Inc., hereby constitute and appoint: \_\_\_\_\_ as agent for me, and in my name, place and stead, to vote as my proxy at the 15th Membership Meeting of NorVal Electric Cooperative, Inc., October 24, 2023 and to cast my vote as if I were personally present. It is understood that this proxy is given pursuant to the conditions of Article III, Section 3.7 of the Bylaws of the Cooperative.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Printed Name of Member

\_\_\_\_\_  
Signature of Member

This proxy form must be presented by the representative during registration at the Annual Meeting on October 24, 2023.

NORVAL ELECTRIC COOPERATIVE  
P.O. BOX 951  
GLASGOW, MT 59230



**ALL PRIMARY MEMBERS WILL  
RECEIVE A \$30 BILL CREDIT ON  
THEIR MAIN ACCOUNT UPON  
REGISTRATION.  
ONE CREDIT PER MEMBER.**



**KIDS GRAND PRIZE DRAWING  
A SUMMER ACTIVITY BASKET  
AND A WINTER ACTIVITY BASKET!**



**BRING YOUR CANNED GOODS  
FOR OUR ANNUAL FOOD  
DRIVE AND RECEIVE A \$10 BILL  
CREDIT!**