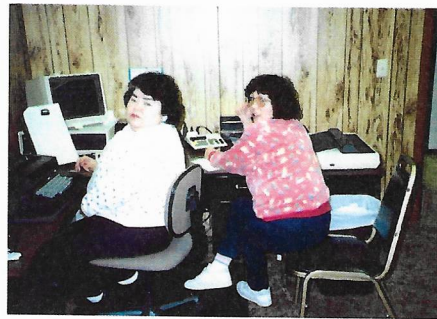


**2022 Annual Membership
Meeting of
I-N-N Electric Cooperative, Inc.
2021 Annual Report
& Meeting Packet**



"The mission of I-N-N Electric Cooperative, Inc. is to serve our members needs by providing safe and reliable energy, at reasonable rates, with exceptional customer service and commitment to the communities we serve."

Left To Right:
**Johnny Johnson and
The Late Andrew Wassillie**

Maria Anelon

Left To Right:
**The Late Freda Slye
And Debbie Anelon**

Left To Right:
**Johnny Johnson
And Ethel Adcox**

Left To Right:
**Debbie Anelon
Johnny Johnson
Ethel Adcox
The Late Wassie Wassillie
Unknown**

Left To Right:
**Steve Willis and
The Late Steve Wassillie**

I-N-N Electric Cooperative, Inc.

2022 Annual Membership Meeting

INNEC Office Building/Shop

Newhalen, Alaska

Saturday May 7, 2022

Registration 4:30 PM – Meeting 5:30 PM

AGENDA

- 1. Call to Order**
- 2. Reading of Notice of Annual Meeting and Affidavit of Mailing**
- 3. Reading and Approval of the Minutes of the May 1, 2021 Annual Meeting**
- 4. Board President's Welcome, GM to Introduce Guest Speaker**
- 5. First Drawing of Door Prizes**
- 6. Election of Directors**
- 7. Recess for Refreshments/Ballot Counting**
- 8. Reconvene Meeting and Report on Election Results**
- 9. Second Drawing of Door Prizes**
- 10. General Manager's Report**
- 11. Unfinished Business**
- 12. New Business – Questions from the Membership**
- 13. Third Drawing of Door Prizes—Survey Prize & Grand Prize TV**
- 14. Adjournment**



Dear INNEC Members,

2021 was a good year for INNEC. We completed a major project that involved completely replacing all power poles, power lines and hardware at the Bear Creek overhead crossing. This section of our distribution system was over 40 years old and suffered a major failure a couple of years ago when heavy, wet snow brought down a section of overhead power line. It should now be good for at least another 50 years.

2021-22 was an especially difficult winter for keeping the Tazimina hydro plant running. From a unprecedented bitter cold November and December we had crazy ice conditions with lots of rocks and debris in the ice being carried into the turbines. Lots of snow made travel conditions difficult getting to the hydro plant. Then an early and fast breakup created a large ice jam at our hydro plant water intake that fortunately did not cause an outage, but it was close!

The year of 2021 we burnt just over 12,000 gallons of fuel in our diesel plant. This is way more than we plan on using normally but when we rebuilt the section of distribution lines at Bear Creek we had Iliamna and Newhalen on full diesel power for 10 days. This used almost 6,000 gallons of fuel. With just 1 diesel generator running, we burn a little over 500 gallons of diesel fuel a day.

We have more projects planned for 2022 that include replacing additional underground power lines and extending our distribution system. These projects will be discussed further at the annual meeting.

In 2021 INNEC generated 3,808,370 kWh of electricity of which 3,648,580 was hydro power and 159,790 kWh was diesel power. This equates to almost 96 percent hydro power for our year which is a number we can all be proud of, especially considering that about half of that diesel power was generated due to the maintenance on the Bear Creek section of line.

We have had no major power outages and the new emergency generator in Nondalton continues to work extremely well when the power does go out. Nondalton now gets their power back on faster than Iliamna and Newhalen!

Thank you to all of our members for your support and continued patronage. It is our members who make us strong.



George Hornberger, GM



Thomas Hedlund, President

I-N-N Electric Cooperative, Inc.

Director Candidates—Each Running for One Three-Year Term

2022 Director Candidates

Seat B: (to be held by a resident of Iliamna)

Thomas Hedlund

907-571-1216

Long-time resident, Mr. Hedlund has made Iliamna his home for the past 60+ years. As an incumbent he looks forward to continued service on the Board of Directors working to ensure that the Cooperative remains a viable company and continues to provide electricity economically and safely to all consumers.

Lorene Anelon

907-310-4130

62 year resident, Ms. Anelon has served on several different boards, is a team player and feels she would be able to bring insights and different ideas to the INNEC board. She enjoys cooking, reading, and helping others.

Seat C: (to be held by a resident of Nondalton)

Gary Marttila

907-294-2200

Mr. Marttila would like to help guide the Board and General Manager through strategic planning and appropriate financial decisions to maintain safe and reliable power at a cost consistent with our resources.

I-N-N ELECTRIC COOPERATIVE, INC.

PO Box 210

Iliamna, AK 99606

(907) 571-1259 (tel)

1-800-571-1259 (toll free)

(907) 571-1579 (fax)

www.innelectric.com

innmanager@innelectric.com

BOARD OF DIRECTORS

Thomas Hedlund

President

John Baechler, Sr.

Vice President

Evelynn Trefon

Secretary/Treasurer

Gary Marttila

Director

Bob Tracey

Director

STAFF

George Hornberger

General Manager

Terri Harper

Finance Manager

Jessica Stolp

Project Manager

Nikki Askoak

Office Manager

Sarah John

Customer Service Representative

Robert Clay & Carl Balluta

Plant Operators



**I-N-N ELECTRIC COOPERATIVE
ANNUAL MEMBERSHIP MEETING MINUTES**

May 1, 2021

1. CALL TO ORDER AND VERIFICATION OF A QUORUM

President Thomas Hedlund welcomed the members and called the 2021 I-N-N Electric Cooperative (INNEC) Annual Membership Meeting to order at 5:30 PM. The meeting was held at the INNEC Shop in Newhalen, Alaska. President Hedlund stated that there are 198 members on record. A quorum of 20 was reached with 24 members signing in as of 5:30 PM.

2. READING OF THE NOTICE OF THE 2019 ANNUAL MEETING AND AFFIDAVIT OF MAILING

President Hedlund stated that he had the Official Notice of the 2021 INNEC Annual Membership Meeting and Affidavit of Mailing mailed to the 198 members of record on April 7, 2021. He asked for the motion to waive the reading of the notice and affidavit. Fedosia Balluta MOVED, Dawn Wassillie SECONDED AND IT WAS DULY PASSED to waive the reading of the meeting notice and affidavit of mailing.

3. READING AND APPROVAL OF THE May 4, 2019 and May 2, 2020 ANNUAL MEETINGS MINUTES

President Hedlund stated that the 2019 and 2020 INNEC Annual Membership Meeting minutes were in the annual meeting packet and available at the registration desk. He asked for any corrections to the minutes, hearing none, he asked for a motion to waive the reading and approve the minutes as presented. Jim Lamont MOVED, and Annie Wassillie SECONDED AND IT WAS DULY PASSED to waive the reading and approve the May 4, 2019 and May 2, 2020 INNEC Annual Membership Meetings Minutes as presented in the annual meeting packet.

4. BOARD PRESIDENT'S REPORT

President Hedlund introduced the INNEC Board of Directors: Vice President John Baechler, Sr., Secretary Evelyn Trefon, Director Gary Marttila, and Director Bob Tracey. He also introduced the INNEC employees: George Hornberger, General Manager; Terri Harper, Financial Manager; Jessica Stolp, Financial Assistant; Rob Clay, Plant Operator and Carl Balluta, Plant Operator.

The President thanked the Staff for working hard and carrying out the duties of the nominating committee by seeking board nominations and ensuring that the balloting and counting was secure.

5. FIRST DRAWING OF DOOR PRIZES

6. ELECTION OF DIRECTORS

President Hedlund introduced this year's candidate, John Baechler from Iliamna, who is running uncontested.

7. RECESS FOR REFRESHMENTS

ANNUAL MEMBERSHIP MEETING MINUTES

May 1, 2021—Continued

8. RECONVENE MEETING AND REPORT ON ELECTION RESULTS

President Hedlund reconvened the meeting at 5:58 PM.

Seat E (held At-Large)

John Baechler received 78 votes

Father Michael Trefon received 1 vote

Shannon Johnson received 1 vote

Matthew Anelon received 1 vote

Clarence Delkittie received 1 vote

George Alexie received 1 vote

Fawn Silas received 1 vote

9. SECOND DRAWING OF DOOR PRIZES

10. GENERAL MANAGER'S REPORT

11. UNFINISHED BUSINESS—NONE

12. NEW BUSINESS—QUESTIONS FROM MEMBERSHIP—NONE

13. THIRD DRAWING OF DOOR PRIZES—GRAND PRIZE DRAWING

14. ADJOURNMENT AT 6:05 PM

President Hedlund thanked the members for attending the meeting. Fedosia Balluta MOVED to adjourn the meeting. Dawn Wassillie SECONDED AND IT WAS DULY PASSED to adjourn the meeting.

Audited Financial Statements 2021

BALANCE SHEET DECEMBER 31, 2021

Assets

Net Utility Plant	\$	7,850,478
Other Property, Investments and Receivables		521,698
Current Assets		4,169,715
Total Assets	\$	12,541,891

Equities and Liabilities

Patronage Capital & Other Equities		5,502,578
Net Long-Term Debt		4,696,596
Current Liabilities		413,360
Deferred Credits		1,929,357
Total Equities and Liabilities	\$	12,541,891

STATEMENT OF OPERATIONS DECEMBER 31, 2021

Operating Revenues	\$	1,461,165
Less: Cost of Power		242,115
Other Operating Expenses		1,040,519
Total Operating Expenses	\$	1,282,634
Less: Interest on Long-Term Debt		230,315
Operating Margins after fixed charges	\$	(51,784)
Investment Income		16,727
Patronage Capital from Others		49,380
Other Non-Operating Income		
Net Margins	\$	14,323
Beginning Patronage Capital		5,480,157
Ending Patronage Capital	\$	5,494,480

Rates:

RESIDENTIAL:

Consumer Charge	\$25.00
0 - 400 kWh	.60
Over 400 kWh	.57

COMMERCIAL:

Consumer Charge	\$35.00
First 1000 kWh	.60
Over 1000 kWh	.57



This image shows a single sheet of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears slightly aged or off-white. There is no handwriting or other markings on the page.