



Mor-Gran-Sou Electric Cooperative

Your Touchstone Energy® Cooperative 

Together

we make a powerful difference.



2020

ANNUAL REPORT



OFFICIAL NOTICE

MOR-GRAN-SOU ELECTRIC COOPERATIVE, INC.

2021 Annual Meeting

Friday, July 16

Virtual Meeting at 2:00 P.M. CT

BEK TV

Channels Televised: **24.1/26.1**

BEK Communications: **Ch. 2/1002** | Consolidated: **Ch. 17** | DirecTV: **Ch. 26**

Dish Network: **Ch. 24** | Midcontinent Communications: **Ch. 609/612**

Together we make a powerful difference

BUSINESS MEETING.....2:00 p.m. CT

Welcome..... Jackie Miller, chief of staff

Call to Order..... Casey Wells, chair

Proof of Notice Casey Wells, chair

Establish Quorum..... Casey Wells, chair

Nominating Committee Report Casey Wells, chair

Introduction of Candidates..... Casey Wells, chair

Cooperative Updates..... Donald A. Franklund, co-general mgr./ceo

Travis Kupper, co-general mgr./ceo

Financial Report..... Alex Craigmile, cfo

Election Report..... Casey Wells, chair

Questions and Answers..... Casey Wells, chair

OTHER HIGHLIGHTS

Presentation of Scholarship Winners

Scholarship Luck of the Draw

Drawing of \$10 bill credits

ADJOURNMENT

All voting for this year's annual meeting will take place by mail as permitted by your cooperative's bylaws and policies. Members will be casting their written mail ballot on three director positions and approval of the 2020 Annual Member Meeting Minutes.

Please note: All ballots are due in the office no later than 4:30 p.m. CT on Friday, July 9, 2021.

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

'Thank you for your partnership and support'



Casey Wells
Board Chair

As we write this message, students are preparing for new chapters in life. Families are planning vacations with some modifications. Crops are growing, and like most years, farmers and ranchers are praying for rain. Despite the various challenges we faced over the past year due to the pandemic, life goes on. Like many, we feel a strong sense of renewal and hope for the year ahead.



Don Franklund
Co-General
Manager

We have all experienced our share of challenges, and by working together as a community, we have all made a difference. One thing that remained steady in a challenging world was Mor-Gran-Sou Electric Cooperative's unwavering commitment to provide you with safe, reliable and affordable electric service. This year's annual meeting theme, "Together we make a powerful difference," reflects our year of resiliency, thanks in large part to support from you, our member-owners.



Travis Kupper
Co-General
Manager

Last year was certainly a time of change for you and your family, our cooperative family, and Main Street businesses that help sustain the small towns that make up a portion of southcentral and southwest North Dakota. Here at Mor-Gran-Sou, we found different ways to offer the same level of service to support you.

We've said it before and we'll say it again: Mor-Gran-Sou is an advocate of working safely. It is our way of life; the culture of your cooperative. We look out for the safety of ourselves and others before, during and after work.

Never has it been more evident than during a pandemic. After we implemented safety measures and procedures to protect you, our employees and communities, it didn't take long for us to transition to a new way of serving you.

Our goal was to take care of you and meet your needs, and we hope we did just that. Some members still wanted to meet with us in-person, and we scheduled visits by appointment in a way that kept you and our employees safe.

Many of you took advantage of SmartHub and started paying your bills online. Once you became familiar with the Mor-Gran-Sou app, you discovered you could do more:

- Schedule auto payments;
- Update your information and contact us;
- Print monthly statements for your tax records;
- Request texts and emails to receive important updates related to your account; and
- Compare your electric bills from month-to-month or year-to-year.

SmartHub is a handy tool for you to take more control over your electric account. For information or to sign up, visit www.morgransou.com and click SmartHub, or call the office at 701-663-0297, 701-597-3301 or 800-750-8212.

Our operations department adapted quickly in the field, too. While the pandemic suspended some of our capital projects, our linemen completed maintenance and upgrades that benefited our members. In addition to doing annual tree-trimming and line patrol, we tested more than 11,000 distribution poles and changed out more than 400. We also replaced several extensive sections of underground cable throughout the system. To increase overall system reliability, we did maintenance on our transmission line from Stanton to New Salem, and replaced several poles and cross-arms. Collectively, these maintenance projects and upgrades benefit our members because they help us reduce outage times and gain efficiencies that save you money.

Members, your safety and service is behind every decision made in the boardroom and during our daily routines. It has been our privilege to serve you during this interesting and challenging time, in which we've seen a tremendous amount of goodwill and willingness to adapt across our service area.

Many of you stepped out of your comfort zones and embraced technology to communicate and conduct business. We saw neighbor helping neighbor. Parents and teachers becoming superheroes. Residents supporting local businesses. First-responders powering local communities. And we, at Mor-Gran-Sou Electric Cooperative, had the good fortune of keeping the lights on for you through it all.

Together, we made a powerful difference, and we thank you for your partnership and support.

This year's annual meeting will be held Friday, July 16, and televised on BEK TV. Without knowing the future and putting safety first, your board of directors has decided to hold a virtual-only meeting. Until we see you again, know we've missed you, we thank you, and please continue to stay safe.

FINANCIAL YEAR IN REVIEW

By Pam Geiger, secretary-treasurer, and Alex Craigmile, chief financial officer

It goes without saying that 2020 was an interesting and challenging year for your cooperative. We are happy to report that even with the challenges 2020 brought, at the end of the year, Mor-Gran-Sou is still in a strong financial position.



Pam Geiger
Secretary-Treasurer

In 2020, Mor-Gran-Sou ended the year with a margin of \$1,954,449, compared to \$2,242,357 in 2019. One of the main reasons for the decreased margin in 2020 is because the Mor-Gran-Sou board implemented a rate decrease for 2020. The decrease was able to be implemented, in part, due to revenue that Mor-Gran-Sou receives for being a member of Southwest Power Pool (SPP), which is a Regional Transmission Organization.



Alex Craigmile
Chief Financial Officer

Again, in 2020, a General Capital Credit Retirement was approved by the board of directors. In addition to the general retirement, Mor-Gran-

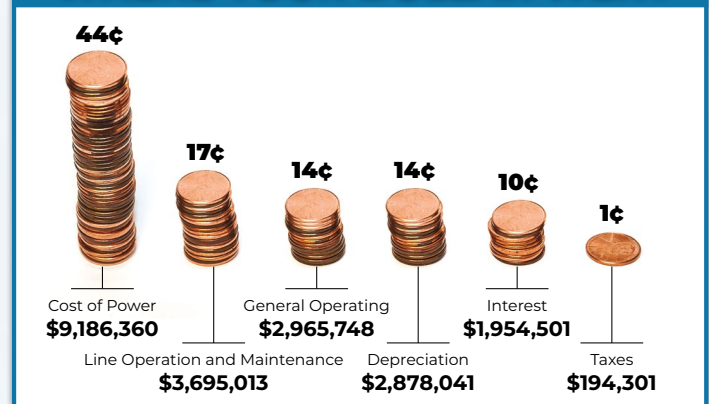
Sou continues to retire capital credits to members who have reached the age of 80 and to estates of deceased members. The total dollar amount of capital credits returned to the members of Mor-Gran-Sou totaled \$1,280,514.

As we are required to each year, Mor-Gran-Sou underwent an annual financial audit of its 2020 financial year. Brady Martz & Associates, P.C., from Bismarck conducted this audit. At the conclusion

of their process, they presented the cooperative with an unmodified opinion. This opinion is the best report that can be received from an audit firm. The completed audit report has been reviewed and accepted by the board of directors. A summary of the audited financials are included in this annual report and will be presented at the annual meeting.

Lastly, we want to thank all of you for your continued patronage to the cooperative. If you have any questions concerning the financials, feel free to call Alex at the cooperative office or send him an email at acraigmile@iea.coop.

WHERE YOUR DOLLAR WENT



“ Act as if what you do makes a difference. It does. ”

– William James

MOR-GRAN-SOU ELECTRIC COOPERATIVE STATISTICS

SERVICE AREA

Morton, Grant and Sioux Counties
More than 4,700 square miles

MEMBERSHIP

Total membership: 6,203

MILES OF LINE

Underground distribution line: 841 miles
Overhead distribution line: 2,629 miles
Transmission line: 243 miles
Distribution stations: 21
Transmission switchyards: 5
KWHs sold: 156,069,308
Full-time employees: 23

FINANCIAL REPORT

INCOME STATEMENT

For the years ended December 31, 2020 and 2019

REVENUE	2020	2019
Residential	\$11,323,237	\$11,523,666
Seasonal	1,080,981	1,010,381
Irrigation	121,632	78,616
Commercial	7,678,334	7,874,398
Street Lights	183,133	190,573
Other Revenue	1,330,618	1,228,820

TOTAL REVENUE	\$21,717,935	\$21,906,454
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EXPENDITURES

Cost of Power	\$9,186,360	\$9,414,966
Line Operation and Maintenance	3,695,013	2,969,299
General Operating Expense	2,962,928	3,312,900
Depreciation	2,878,041	2,811,512
Taxes	194,301	163,819
Interest	1,954,501	2,021,571
Other Deductions	2,820	13,290

TOTAL EXPENSE	\$20,873,964	\$20,707,357
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Operating Margins	\$843,971	\$1,199,097
Non-Operating Margins	351,240	421,535
Power Supplier Capital Credits	428,566	335,156
Other Capital Credits	330,672	286,569

NET MARGINS	\$1,954,449	\$2,242,357
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BALANCE SHEET

December 31, 2020 and 2019

ASSETS	2020	2019
Utility Plant	\$110,297,596	\$106,813,834
Less Depreciation	(\$36,747,594)	(\$35,197,006)
Net Utility Plant	\$73,550,002	\$71,616,828
Cash	408,423	866,076
Investments	12,859,684	13,069,843
Receivables		

and Prepayments	2,331,347	2,558,936
Material and Supplies	1,226,129	1,339,155

TOTAL ASSETS	\$90,375,585	\$89,450,838
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MEMBER EQUITY

Patronage Capital	\$34,679,296	\$34,005,366
Other Equities	5,066,305	4,973,389

TOTAL MEMBERS' EQUITY	\$39,745,601	\$38,978,755
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LIABILITIES

Current Accounts Payable - General	\$502,674	\$509,732
Current Accounts Payable - Power	785,780	871,126
Current Maturity of Long Term Debt	1,962,253	1,706,572
Other Current and Accrued Liabilities	4,924,373	3,747,928
Members' Prepayment and Other	2,562,312	3,026,529
Long Term Debt less Current Maturities	39,892,592	40,610,196

TOTAL LIABILITIES	\$50,629,984	\$50,472,083
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$90,375,585	\$89,450,838
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OPERATING STATISTICS: 2012 THROUGH 2020

	2012	2014	2016	2018	2020
Number of consumers served (average)	7,648	7,982	8,316	8,518	8,594
Average kWh/consumer/month	1,549	1,628	1,522	1,567	1,513
Miles of line	3,792	3,815	3,833	3,576	3,714
Capital Credit Retirement	\$157,262	\$164,610	\$136,245	\$1,784,794	\$1,280,514

MINUTES OF THE 2020 ANNUAL MEETING OF MOR-GRAN-SOU ELECTRIC COOPERATIVE, INC.

August 20, 2020

The 73rd Annual Meeting of Mor-Gran-Sou Electric Cooperative, Inc. was held virtually on Thursday, Aug. 20, 2020, at 2:00 p.m. CDT via BEK Communications televised channels in order to comply with the Centers for Disease Control and Prevention's guidance of social distancing due to the novel coronavirus (COVID-19) outbreak and as allowed by Governor Burgum's Executive Order 2020-37 dated July 1, 2020, attached hereto. Due to the COVID pandemic, the meeting had been postponed from July 17, 2020, to Aug. 20, 2020. The meeting was also recorded and uploaded to the Mor-Gran-Sou website that afternoon.

The theme was "Lights. Comfort. Connection."

Via video, Mor-Gran-Sou Chief of Staff Jackie Miller welcomed all those watching the broadcast.

Call to Order

The business meeting was called to order by Chair Casey Wells at 2:00 p.m. CDT. He welcomed everyone watching and thanked them for attending.

Besides Wells, in attendance at the broadcast were Vice Chair Chad Harrison, Mor-Gran-Sou senior staff Jackie Miller and Cindy G. Ternes, IEA Manager of Member Support Don Mastel, and Mor-Gran-Sou Legal Counsel Rebecca Thiem from Innovative Energy Alliance Cooperative. Two production managers from BEK were also in attendance.

Invocation

Via video recorded earlier, Father Dennis Schafer from Flasher, N.D., gave the invocation.

Wells thanked all the men and women of America's military services and their families for their sacrifices to ensure freedom. The National Anthem was then played.

Affidavit of Service of Mail

Wells reported the Annual Meeting Notice had been mailed on July 16, 2020, and an Affidavit of Service of Mailing had been filed.

Quorum

Harrison stated a quorum is 50 members in present or voting by mail. He then read the Declaration of Quorum. At Call to Order, there were 912 ballots received by mail. This constituted a quorum for conducting business.

Appointments

Wells appointed Legal Counsel Rebecca Thiem

from Innovative Energy Alliance Cooperative as the Parliamentarian for the meeting. He explained the meeting would be conducted based on Robert's Rules of Order. He appointed Mor-Gran-Sou Manager of Administrative Services Cindy G. Ternes as Recording Secretary.

Nominations and Bylaws/Resolutions

Harrison read the names of the Nominating Committee members. He noted a synopsis of the committee's activities during the past year was included in the Annual Meeting report. The Committee had nominated, and the Board of Directors had accepted, the following members to run for the Mor-Gran-Sou Board of Directors:

Casey Wells – Grant County

Robert "Bob" J. Leingang and Stan Boehm – Mandan Area

Rodney Froelich and Randal White, Sr. – Sioux County

Harrison reported the Board had charged the Nominating Committee with reviewing and advising the Board of any proposed Bylaw amendments and resolutions. Any bylaw amendments or resolutions were to be submitted by March 19, 2020. He reported no changes or resolutions were brought forward by the membership, the Board of Directors, or the Nominating Committee.

Introductions

Wells introduced the Mor-Gran-Sou Board of Directors via video: Casey Wells – Chair; Chad Harrison – Vice Chair; Secretary-Treasurer Lance Froelich; Directors Mark Doll, Vernard Frederick, Kathy Tokach, Bob Leingang, Pam Geiger, and Jay Larson.

Questions from the Membership

Wells explained members had been encouraged to submit written questions in advance of the Annual Meeting. If possible, questions would be answered during the broadcast. Answers may also be provided in the local pages of the *North Dakota Living* magazine, or provided individually to the member posing the question.

Presentations and Reports

Wells commended all 2020 scholarship winners. A video of all winners was shown.

Kristin Schaaf – Basin Electric/Mor-Gran-Sou \$1,000 scholarship awarded to a Mor-Gran-Sou member-dependent.

Mor-Gran-Sou's scholarship program presents a \$500 scholarship to a graduating senior at each of the local high schools. The 2020 winners were:

1. Madison Meyer – Elgin-New Leipzig Public School
2. Steven J. Schmid – Flasher Public School
3. Mikel Steckler – Glen Ullin Public School
4. Taizalee Glass – Hebron Public School
5. Karamea Miller – Mandan Public School
6. Adam Morman – New Salem-Almont Public School
7. No applications received – Selfridge Public School
8. No applications received – Standing Rock Community School
9. Ra'Sheed De'Sean Weasel – Solen Public School
10. Brenna Olsen – School outside service area

3C Construction and West Dakota Utility Services each extended a \$500 scholarship to its owners, with Mor-Gran-Sou being one of them. There were no applications received for either entity this year.

Youth Tour Winner

Wells explained Brynn Gaebe from Century High School had been awarded the 2020 Electric Cooperative Youth Tour. Her parents are members Lance and Terryl Gaebe. The Youth Tour had been cancelled due to the COVID pandemic. In place of the trip, Mor-Gran-Sou awarded Brynn a scholarship to further her education.

Co-General Managers/CEOs Report

Wells introduced Co-General Managers/CEOs Donald Franklund and Travis Kupper. A prerecorded video of the Managers' update was shown.

Financial Report

Wells introduced Alex Craigmile, Chief Financial Officer. Via prerecorded video, Craigmile gave the 2019 financial report.

Election Committee Appointment

Vice Chair Harrison announced the Election Committee was already in place, as appointed by the Board of Directors. He reminded all that due to the COVID pandemic, all voting was done with mail-in ballots only as no in-person meeting was held. All voting was done by mail ballot, which was due in the office no later than 4:30 p.m. CT on Aug. 13, 2020. He reported the ballots have been counted. The Election Committee ballot counting was overseen by Legal Counsel Thiem, Nominating Committee Chair Jim Neubauer, and director Vernard Frederick.

Election Results

Harrison opened the sealed results envelope. He reported there was a total of 912 mailed-in ballots, and 69 spoiled ballots.

He read the director election tally count results. Each position is for a three-year term. The results were:

Grant County: Casey Wells – 764 votes

Write-ins with one (1) vote each: Keith Payne, Janelle Frederick, Matt Kuhn, Lester Heraton, Joe Rothschilder, Henry Frey

Casey Wells was declared the winner.

Mandan Area: Stan Boehm – 249 votes;
Robert "Bob" J. Leingang – 567 votes

Write-ins with one (1) vote each: Anthony Ligatom, Jim Schmit, Paul French

Robert (Bob) J. Leingang was declared the winner.

Sioux County: Rodney Froelich – 597 votes;
Randal J. White, Sr. – 204 votes

Write-ins with one (1) vote each: Curt Shaff, Mike Sandland

Rodney Froelich was declared the winner.

Harrison reported the mail-in ballots had included voting to approve the 2019 Annual Meeting minutes. The results were 804 yes votes, and 7 no votes, confirming membership approval of the 2019 Mor-Gran-Sou Annual Meeting minutes.

Operation Round Up Bill Credits

Wells explained the Mor-Gran-Sou Charitable Foundation began a tradition at the 2019 Annual Meeting whereby any members who signed up for Operation Round Up at the meeting were entered into a drawing this year to win one of two \$50 bill credits. Nineteen members signed up at the Annual Meeting in 2019. He reported Steve and Francis Kopy of Mandan, and Mary Kalvoda of Mandan, each won a \$50 bill credit.

Bill Credits

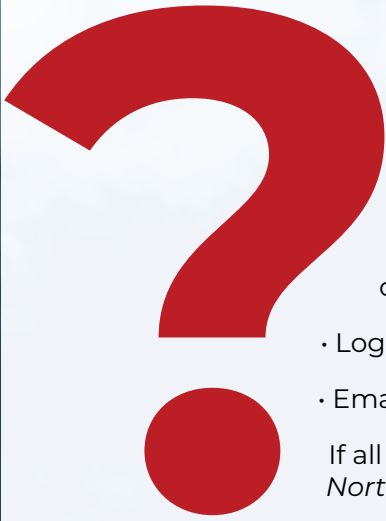
Wells announced the Mor-Gran-Sou Board of Directors had decided that each member who submitted a mailed-in ballot would receive a \$10.00 bill credit on their September electric bill.

Adjournment

Wells thanked everyone for tuning in via BEK TV for viewing the Annual Meeting. The meeting adjourned at 2:39 p.m. CDT.

LANCE FROELICH
Secretary-Treasurer

CINDY G. TERNES
Manager of
Administrative Services
Recording Secretary



I HAVE A QUESTION

If you wish to submit a question prior to the virtual Annual Meeting, you can:

- Call the office at 1-800-750-8212, 1-701-663-0297 or 1-701-597-3301, and ask for Jackie or Julie; or
- Use the form located in the June and July 2021 *North Dakota Living* magazine or *Current News* Newsletter; fill out and return the form to Mor-Gran-Sou; or
- Log into SmartHub and use Contact Us; or
- Email us at info@morgransou.com.

If all questions are not answered during the meeting, the responses may be put in the *North Dakota Living* magazine local pages or provided individually to a member.

LUCK OF THE DRAW STUDENT SCHOLARSHIPS AVAILABLE!

Mor-Gran-Sou will award two \$500 Luck of the Draw scholarships to be drawn at our annual meeting on July 16.

All high school seniors who graduated in the spring of 2021 and are dependents of Mor-Gran-Sou members, and have not previously been chosen for a Mor-Gran-Sou scholarship, are eligible for this scholarship.

In the past, Mor-Gran-Sou has required students vying for this scholarship to attend the annual meeting, in an effort to teach the next generation of members about the cooperative business model and the importance of being involved.

Because this year's meeting will not be held in-

person, students should apply for a Luck of the Draw scholarship by completing a form. It can be found in the Mor-Gran-Sou June and July local pages of the *North Dakota Living* magazine or on our website at www.morgransou.com (click Your Community, News, Local Pages and June 2021). You may also email us at info@morgransou.com and we will email you an electronic copy, or call us at 1-800-750-8212, 1-701-663-0297 or 1-701-597-3301 and we will mail it.



Submit the entry to the address listed on the form no later than **Thursday, July 8**, in order to qualify for a Luck of the Draw scholarship.

OPERATION ROUND UP ... BRINGING PEOPLE TOGETHER

In the January local pages of *North Dakota Living*, members learned how Operation Round Up supported area communities and brought people together.

Grants were conferred to the Flasher Park Board to support a luminary walk, and to the Carson Food Pantry, to purchase food and basic-need items. An estimated 75 percent of the recipients live in the Mor-Gran-Sou service area and are likely members.

Small change is changing lives in the Mor-Gran-Sou service area, thanks to members who participate.

Operation Round Up is a program in which Mor-Gran-Sou members can choose to round up their

monthly utility bills to the next dollar and donate their pennies to the Mor-Gran-Sou Charitable Foundation, Inc. The Foundation Board, who are also Mor-Gran-Sou members, meet and disburse funds in the form of grants to non-profit corporations, organizations or agencies. All of the money raised by members stays in our local communities.



Members, your participation is needed. To opt into this worthy program, please call 663-0297, 597-3301 or 800-750-8212.

Together we make a powerful difference!

NOMINATING COMMITTEE REPORT

The initial meeting of the Mor-Gran-Sou Nominating Committee was called to order via conference call on Thursday, Jan. 14, 2021, at 7:02 p.m. (CDT) pursuant to the notice sent to all the members of the Nominating Committee. The following members, duly appointed by the Mor-Gran-Sou board of directors, served on the 2021 Nominating Committee:

Bryce Allen, Mandan
Jennifer Bonogofsky, St. Anthony
Jackie Buckley, Mandan
Curtis Feland, Almont
Glenda Gross, Selfridge
Garek Murphy, Fort Yates
Jim Neubauer, Mandan
Donald D. Roth, New Leipzig
Shari Striegel, Carson

A quorum of the members of the Nominating Committee was present for the initial meeting held via conference call and for all phone conferences held thereafter.

Director Mark Doll represented the Mor-Gran-Sou board of directors and was present to answer questions posed by the Nominating Committee.

At the initial meeting and by a unanimous vote, Jim Neubauer was elected to serve as chair and Glenda Gross was elected to serve as secretary.

The 2021 Nominating Committee was informed of the open director positions for three-year terms in Morton County, Sioux County and the At-Large position.

The Nominating Committee was further informed that Notice had been provided as required by the Bylaws in the December, January and February issues of the Current News and the local community pages of the *North Dakota Living* magazine, which notice included the March 11, 2021, deadline for submitting declaration of candidacy forms and a list of Nominating Committee members.

The Mor-Gran-Sou board also charged the Nominating Committee with reviewing and advising the board of any proposed bylaw amendments and resolutions. All bylaw amendments and resolutions, either in writing or presented in person, were due by March 18, 2021, the date of the final meeting of the Nominating

Committee. The members submitted no bylaw amendments or resolutions. While there was discussion regarding potential bylaw amendments under consideration by the board, the Nominating Committee recommended no specific bylaw amendments or resolutions.

As planned, the Mor-Gran-Sou Nominating Committee met on Feb. 11, 2021, and March 4, 2021, via telephone conference calls. Because of the continued concerns surrounding COVID 19 and putting safety first, the final meeting on March 18, 2021, was held via conference call. At the March 18 meeting, Chair Neubauer called for nominations for the open director positions, which names would be reviewed by staff to determine eligibility before being forwarded to the board of directors for approval at its March 24 board meeting. The Nominating Committee voted to forward the following eligible candidates to the board of directors:

AT-LARGE

Steve Tomac – St. Anthony

MORTON COUNTY

Kathy Tokach – St. Anthony

SIoux COUNTY

Chad Harrison – Fort Yates
Lisa Kraft – Selfridge

“ Coming together is a beginning; keeping together is progress; working together is success. ”

– Henry Ford

MOR-GRAN-SOU BOARD OF DIRECTORS



Casey Wells
Grant County



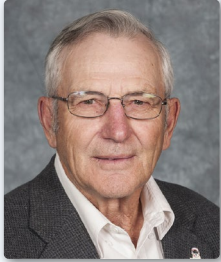
Chad Harrison
Sioux County



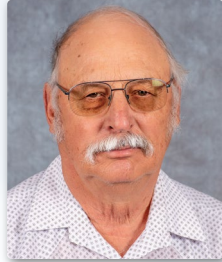
Pam Geiger
Mandan Area



Mark Doll
At-Large



Vernard Frederick
Grant County



Rodney Froelich
Sioux County



Jay Larson
Morton County



Robert Leingang
Mandan Area



Kathy Tokach
Morton County

MOR-GRAN-SOU SERVICE AREA

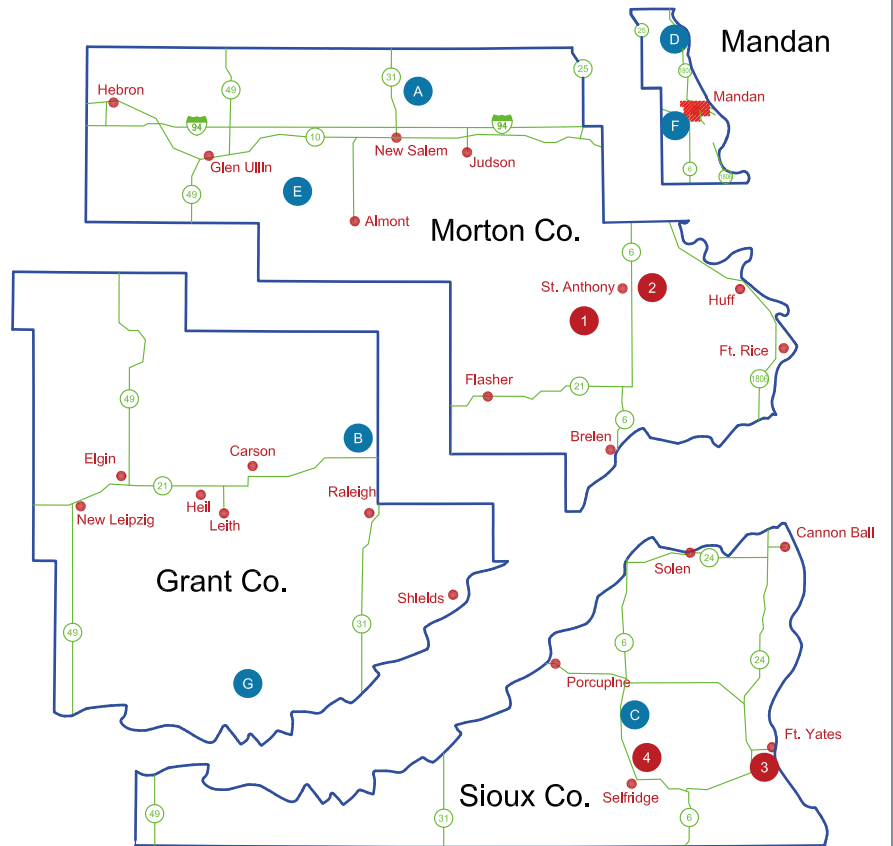
CURRENT DIRECTORS:

- A. MARK DOLL
- B. VERNARD FREDERICK
- C. ROD FROELICH
- D. PAM GEIGER
- E. JAY LARSON
- F. BOB J. LEINGANG
- G. CASEY WELLS

2021 CANDIDATES:

- 1. STEVE TOMAC – AT-LARGE POSITION
- 2. KATHY TOKACH – MORTON COUNTY
- 3. CHAD HARRISON – SIOUX COUNTY
- 4. LISA KRAFT – SIOUX COUNTY

MOR-GRAN-SOU DIRECTOR DISTRICT MAP



2021 REVIEW OF CANDIDATES

The Mor-Gran-Sou Electric Cooperative members are being asked to vote on three board directors: the At-Large position, one Morton County position, and one Sioux County position. The candidates are listed on these pages, along with their biographies. To vote for your board representation, please review the ballot information enclosed with this report.

AT-LARGE CANDIDATE



STEVE TOMAC

RESIDENCE: Morton County, St. Anthony

OCCUPATION: Rancher; rural appraiser

FAMILY: Significant other, Vicki Zimmerman, and two children

EDUCATION: 1972 graduate of McIntosh High School, South

Dakota; 1976 graduate of North Dakota State University, Fargo

DEGREES AND HONORS: Bachelor of Science in Agricultural Economics and Communication, Ambassador of Lignite Award – 2017, North Dakota Cowboy Hall of Fame Inductee – 2008

OFFICES/ORGANIZATIONS: Served in the North Dakota House of Representatives 1986 to 1990; served in the North Dakota Senate 1990 to 2002; Mor-Gran-Sou board director 2003 to 2008, during tenure held Secretary/Treasurer and Board Chair positions; Southwest Water Authority board member 2002 to 2008; North Dakota Hall of Fame board director 2010 to present; Morton County Soil Conservation District board director 2020 to present

MORTON COUNTY CANDIDATE



KATHY TOKACH

RESIDENCE: Morton County, St. Anthony

OCCUPATION: Ranching and farming as co-owner of a multi-generational diversified farming and registered Angus seed stock operation with headquarters near St. Anthony

FAMILY: Husband, Richard, and three children

EDUCATION: Graduated from Mandan High School in 1978; graduated from the University of North Dakota, Grand Forks, with a Bachelor of Science degree in Nursing in 1982; graduated from the University of Mary with a Master of Science degree in Nursing in 1993

DEGREES AND HONORS: Master's degree and Bachelor's degree in nursing; King's Ranch Excellence in Ag Leadership program; Young Cattlemen's College attendee

OFFICES/ORGANIZATIONS: Mor-Gran-Sou board director 2019 to present; N.D. CattleWomen member for 14 years, past state president 2018 to 2020, District 5 CattleWomen president, served in multiple

committee and committee chair roles within the ND CattleWomen's organization; past Morton County Farm Bureau director and secretary; past N.D. Beef Commission director from 2009 to 2015; past N.D. Angus Association board director; past Go-Getters 4-H Club leader for 15 years; past Mandan Future Farmers of American (FFA) alumni treasurer; lifetime N.D. FFA alumni member

HOBBIES: As a rancher, I know the importance of "sharing our beef story." My hobbies/activities include beef education and promotion through events working with students and consumers in our area. I add and rearrange perennial flowers around the ranch. I enjoy spending time with my grandchildren and have their help with my vegetable garden – we can plant more and enjoy the produce.

SIoux COUNTY CANDIDATES



CHAD HARRISON

RESIDENCE: Sioux County, Fort Yates

OCCUPATION: Executive Director, Standing Rock Housing Authority, Fort Yates

FAMILY: Wife, Rebecca, and three grown children

EDUCATION: Graduated from

Standing Rock High School in 1991 and the University of Notre Dame, South Bend, Ind., in 1995, with a Bachelor of Arts degree in English

OFFICES/ORGANIZATIONS: Mor-Gran-Sou board of directors 2012 to present, currently serving as vice chair; appointed and serves as a board director on the North Dakota Association of Rural Electric Cooperative board from 2017 to present; sitting member of the Oyate CDFI, a financial institution on Standing Rock; vice chairman of the Rock Development Corp. board; Standing Rock Tribal Council member 2015 to 2017; member of the Native American alumni board of Notre Dame from 2002 to 2008 and treasurer from 2002 to 2006; member of the Standing Rock Water Control board from 2004 to 2008 and chairman from 2006 to 2008

HOBBIES: Reading, shooting pool and golfing



LISA KRAFT

RESIDENCE: Sioux County, Selfridge

FAMILY: Husband, Rusty

EDUCATION: Graduated from Selfridge Public High School in 2006

HOBBIES AND INTERESTS:

Hunting, fishing, reading, and working with flowers and floral arrangements

WE ASKED THE CANDIDATES ...

What do you believe is the role of a nonprofit board such as Mor-Gran-Sou?

Steve Tomac: "To continue to ensure that our members have reliable and affordable electricity."

Kathy Tokach: "The role of any board of directors is to set long-term policy goals for an organization and guide the efforts of senior administrative staff. The Mor-Gran-Sou board of directors should balance the needs of the membership with safe, reliable, economical electric service, along with the need to maintain a strong financial position and be fiduciary responsible with the members' equity."

Chad Harrison: "To ensure the efficient management of Mor-Gran-Sou, and to provide oversight for the completion of company goals and fulfillment of strategies."

Lisa Kraft: "To improve quality of life for others at a local, state, national or even global level by providing critical services that contribute to economic stability and mobility."

How would you describe Mor-Gran-Sou's mission? (Why do we exist?)

Steve Tomac: "Providing affordable and reliable energy has been the core mission of Mor-Gran-Sou since its inception. I don't believe the mission has changed, but the challenges to fulfill that mission continue to change."

Kathy Tokach: "To provide safe, reliable economical electric power to its member-owners. As part of that mission, Mor-Gran-Sou should also have a vital role in economic development in the communities and trade area that it serves. The commitment to the community can also be shown by providing electrical safety messages to all members."

Chad Harrison: "To provide electricity for our membership in the safest and most reliable manner while maintaining reasonable costs."

Lisa Kraft: "To sustain and promote a unifying brand that delivers on the promise of electric cooperatives distinct advantage – the unique relationship with member-owners to improve the quality of life in the communities."

How do you envision Mor-Gran-Sou as an organization five years from now? Ten years?

Steve Tomac: "The strength of Mor-Gran-Sou, and all cooperatives, comes from the ability of the membership to react to the issues of the day. As a cooperative, our biggest challenge is to find ways to keep our members involved and informed."

Kathy Tokach: "I would envision that electrical usage will continue to grow across our service area as our businesses, homes and families embrace a more efficient and labor-saving lifestyle. We will most likely continue to see faster growth in our larger metropolitan areas; especially on the outskirts of Mandan. In reality, the opportunities for Mor-Gran-Sou are potentially endless. We must approach the future with an open mind and make decisions that are in the best interests of our entire membership."

Chad Harrison: "I can see Mor-Gran-Sou evolving to meet consumer demands in an industry filled with technological advances. Ten years from now, Mor-Gran-Sou can be a diversified service provider that will be able to meet the demands of the customer."

Lisa Kraft: "I believe in an ever-changing world. The possibilities from now are endless."

What do you see as the biggest challenge this organization will face in the future? How would you recommend Mor-Gran-Sou face this challenge?

Steve Tomac: "In addition to keeping our members informed and involved, I think our biggest challenges are on the generation and transmission (G&T) side. With the addition of wind power, low natural gas prices and environmental pressure on coal, the generation of reliable and affordable electricity will continue."

Kathy Tokach: "We need to be mindful that as Mor-Gran-Sou's consumer base expands in the future, so will the need for adequate infrastructure to support this growth. It will take a forward-thinking board of directors, along with the cooperation of senior management staff, to make sure these long-term capital improvements are in place and properly financed. Every business struggles with recruiting and keeping highly qualified employees. While we can do our best to address this dilemma, satisfied, highly motivated employees are the key to any long-term business success."

Chad Harrison: "Continued regulations that challenge the way electricity is created and delivered. Mor-Gran-Sou should face the challenge by being open to technology and processes that may prove to be helpful in achieving goals."

Lisa Kraft: "The role of renewables. The battle of wind and solar power is the main issue. Regulating dynamic electric pricing that ties kilowatt-hour rates to the current demands."

Why should you be elected director of the Mor-Gran-Sou board?

Steve Tomac: "The 10 years I worked for Basin Electric gives me some insight to the challenges that our G&T has. Couple that with the previous experience on the Mor-Gran-Sou board, and it gives me experience and a perspective that few board members have."

Kathy Tokach: "I have taken the opportunities to be involved in several organizations and boards over the years, and have gained insight in serving the needs of a diverse membership. I will commit to the time necessary for board requirements, and I desire to have an active role in this organization that is vital to the success of not only our ranching operation but the success of every individual and community within the Mor-Gran-Sou area."

Chad Harrison: "I have a very genuine interest in the cooperative model of business that has proven to be effective for Mor-Gran-Sou. I am also open and willing to look at solutions for the ever-changing challenges of the electric industry. It has been a pleasure serving on the Mor-Gran-Sou board of directors the last nine years. I hope we can continue to work together in this dynamic industry."

Lisa Kraft: "I am driven and eager to take on something new. Having an opportunity to develop my skills, and take on this position and work with people I can learn from. Most importantly, I want to work for an organization I can build from."



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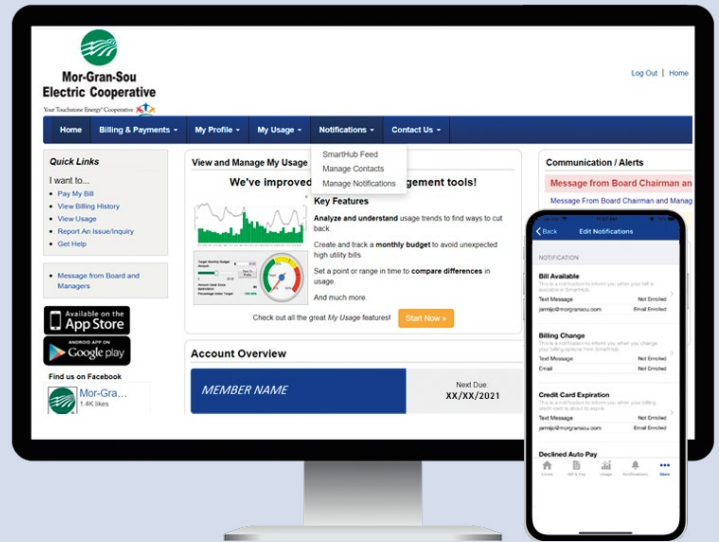
Smart
USAGE

What can SmartHub do for you?

SmartHub is Mor-Gran-Sou's app that offers features to make managing your account easy using the web, smartphone or tablet. First, download the app in the app store, sign up at www.morghransou.com and log into SmartHub. Next, view your billing history and make a payment. You can see your current and previous bills, contact customer service, report a service issue and get the latest news.

The first time you make a payment, you'll be able to securely store your payment information for future transactions. The next time you need to pay your bill, it will only take a few clicks.

Once you have an account, you will be able to see important notices. Simply select how you want to be notified, including email and text messaging.



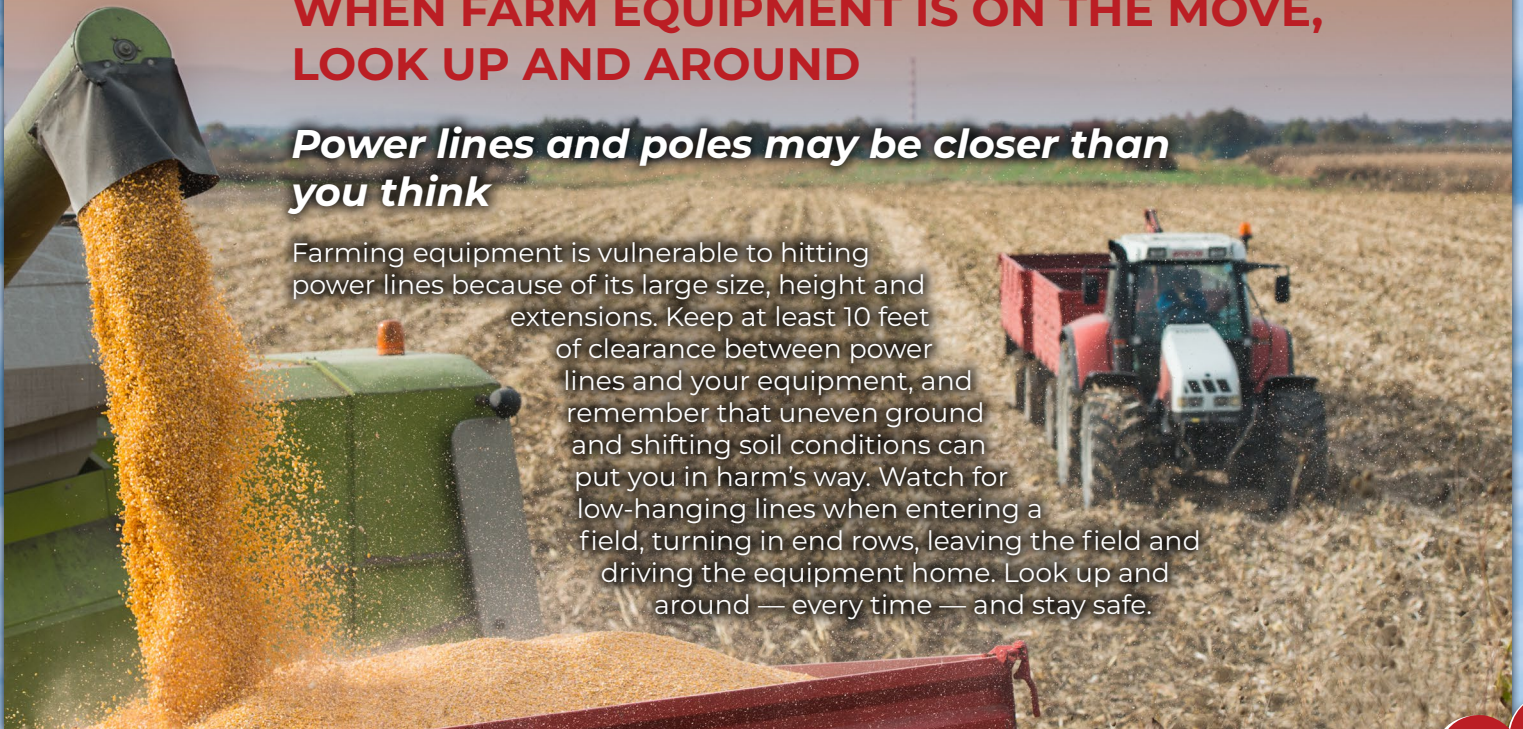
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WHEN FARM EQUIPMENT IS ON THE MOVE, LOOK UP AND AROUND

Power lines and poles may be closer than you think

Farming equipment is vulnerable to hitting power lines because of its large size, height and extensions. Keep at least 10 feet of clearance between power lines and your equipment, and remember that uneven ground and shifting soil conditions can put you in harm's way. Watch for low-hanging lines when entering a field, turning in end rows, leaving the field and driving the equipment home. Look up and around — every time — and stay safe.



2020-2021 SCHOLARSHIP WINNERS



Laura Muggli



Isabelle Boyer



Jade Hoff



Garrett Kuhn



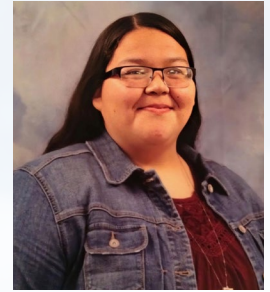
Kacey Wanner



Allison Fleck



Cora Sicble



Brashel Merlaine Silk

Mor-Gran-Sou Electric Cooperative is pleased to announce the 2020-2021 student scholarship winners, whose families are member-owners of Mor-Gran-Sou.

In the spirit of the Touchstone Energy® Cooperatives value of commitment to community, Mor-Gran-Sou offers scholarship opportunities every year to assist in developing rural leadership in our region. Mor-Gran-Sou has awarded the following scholarships:

Elgin-New Leipzig Public School	\$500	Isabelle Boyer
Flasher Public School	\$500	Jade Hoff
Glen Ullin Public School	\$500	Garrett Kuhn
Hebron Public School	\$500	Kacey Wanner
Mandan Public School	\$500	Allison Fleck
New Salem- Almont Public School	\$500	Cora Sicble
Selfridge Public School	\$500	No applications received
Solen Public School	\$500	Brashel Merlaine Silk
Standing Rock Community School	\$500	No applications received
Home School or school outside service area	\$500	No applications received
3C Construction	\$500	No applications received
West Dakota Utility Services	\$500	No applications received
Basin Electric Power Cooperative/Mor-Gran-Sou	\$1,000	Laura Muggli, Carson

“ **What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead.** ”

– Nelson Mandela

SERVICE RECOGNITION

SERVICE AND SAFETY AWARDS



Jason Helgeson
25-year service award



Jackie Miller
30-year safety award



John Rath
30-year safety award



Randy Ressler
30-year safety award



Cindy Ternes
30-year safety award

Thank you for your role in our journey



Thank you, **Mark Doll**, for serving as our At-Large board director for the past 18 years. Mark has met the term limit for directorship.

As a director, Mark was engaged, conscientious and inquisitive, and his questions spurred many good conversations in the board room.

Well-versed in the electric utility industry, Mark served as board chair for a time and helped start Innovative Energy Alliance Cooperative.

With a desire to show transparency and a commitment to community, Mark contributed to many communications articles and was always willing to help when needed.

Thank you, Mark, for your service to the cooperative and our members. You will be missed.



Members,

Is your contact information up-to-date? In today's world, communication is very important, and keeping connected with you is a top priority at Mor-Gran-Sou Electric Cooperative. In order to keep you informed, we need to know the best way to stay connected with you.

EVERY MEMBER HAS A VOICE



As an electric co-op member, you have a say in how the co-op is run and the decisions that are made.

Learn more about your electric cooperative at www.morgransou.com.



Back row, from left: **Jason Jahner, Gary Fitterer, John Rath, Kale Ohlhauser, Blake Reis, Wayde Eckroth, Brett Fleck, Doug Nagel, Lance Brown Otter, Jason Helgeson, Brent Alkire and Randy Ressler.**

Front row, from left: **Cody Graetz, Jesse Kuhn, C.J. Pesicka, Cody Maher, Jackie Miller, Cindy Ternes, Patty Kluge, Beth Kroh, Deb Haugen and Tony Stegmiller.** 2019 FILE PHOTO



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