

MORGAN COUNTY RURAL ELECTRIC ASSOCIATION
Minutes of Regular Board Meeting
Headquarters Building – Fort Morgan, Colorado

November 26, 2018: The regular monthly meeting of the Board of Directors of Morgan County Rural Electric Association was called to order at 9:00 a.m. on the above date. Directors present were: Dave Arndt, Randolph D. Graff, Larry D. Hoozee, Terry Linker, Brian Pabst, Timothy Pegram, Brian D. Schlagel, Terry Tormohlen, and Cary Wickstrom. Absent: None.

Also present were David Frick, General Manager, Matthew Richardson, General Counsel, and initially, those members of staff who personally provide monthly staff reports to the Board of Directors.

APPROVAL OF MINUTES:

- ◆ **By motion made, seconded, and carried, the minutes of the regular meeting of the Board of Directors of October 22, 2018 were approved.**

APPLICATIONS FOR MEMBERSHIP: After reviewing the applications for Membership in the cooperative presented at today's meeting for consideration by the Board of Directors,

- ◆ **By motion made, seconded, and carried, applications for membership numbered 25324 through 25343 were approved.**

CANCELLED MEMBERSHIPS: The Directors reviewed the monthly list of members who have withdrawn from the cooperative since the last meeting of the Board.

MEMBER INPUT: None.

SAFETY & HEALTH REPORT: Manager Frick presented and summarized the monthly Safety and Health Report. Manager Frick reported on the crew observations and safety meetings conducted thus far in 2018. Manager Frick next advised the Board regarding instances of damage to cooperative property during the preceding month. Bobby Brenton attended CREA's eastern slope operations managers' meeting on November 9. The Joint Safety and Health Committee met on November 13 and discussed injuries, near misses, and instances of property damage. The group also discussed the 2019 Safety Improvement Plan.

STAFF REPORT – HUMAN RESOURCES: Kristie Binder reported on the education and training seminars attended by MCREA staff during the preceding month and advised the Board of upcoming conferences, meetings, and events.

STAFF REPORT – ENGINEERING: Stephen Sundet presented the monthly engineering report to the Board. Mr. Sundet presented data related to cooperative growth and MCREA's inventory of transformers. Mr. Sundet also presented information on the number of new poles installed during the preceding five years.

STAFF REPORT – OPERATIONS: Bobby Brenton presented the monthly operations report to the Board. Mr. Brenton reported that MCREA crews were focused on new construction and installation of Form 4D Controls and Altitude Energy continued work on under build and rebuild.

STAFF REPORT – MEMBER SERVICES: Dave Henderson presented the monthly Member Services Department report. Mr. Henderson advised the Board the Tri-State G&T will be webcasting a broadcast on irrigation in January with an official date to be determined. He also reported that the Member Services Department had begun preparation for the 2019 annual meeting of the membership and that petitions for the board elections would be available on January 10th and due back on January 30th. The annual meeting will be held on March 16, 2019. Mr. Henderson next reported that applications for the Youth Camp and Youth Tour programs are due no later than December 7.

STAFF REPORT – OFFICE SERVICES: Robb Shaver presented the monthly Office Services report. Mr. Shaver reviewed the cooperative’s longterm debt and cash position with the Board.

FINANCIAL REPORT: Mr. Shaver reviewed the details of his customary monthly financial statements and reports. After questions, answers, and discussion, the President directed that the monthly Financial Reports be filed. Mr. Shaver next presented the proposed 2019 Operating and Capital Budgets, as well as a 10-Year Financial Forecast, along with detailed analysis of each.

- ◆ **By motion made, seconded, and carried, the Board approved the proposed 2019 Operating Budget, the proposed 2019 Capital Budget, and the proposed 10-Year Financial Forecast as presented.**

TREASURER’S REPORT: Timothy Peggram presented the monthly Treasurer’s report, with attention paid to the monthly accounts payable check register reflecting checks issued during the previous month. Following review and consideration of the register of accounts payable, President Graff ordered that the check register be filed.

MANAGER’S REPORT: Manager Frick presented his monthly report to the Board, including an update on construction progress with the new warehouse. Next, Manager Frick reviewed with the Board Policies 9-14 (Employees Serving on Boards of Directors in Associated Organizations), 9-15 (Security of Protected Health Information), 9-16 (Transitional Duty), and 9-17 (Cellular Phone Policy). MCREA staff recommended no changes to policy 9-14 and recommended that Policies 9-15, 9-16, and 9-17 be reaffirmed with minor revisions.

- ◆ **By motion made, seconded, and carried, the Board reaffirmed Policy 9-14.**
- ◆ **By motion made, seconded, and carried, the Board amended and affirmed Policies 9-15, 9-16, and 9-17 with adoption of the staff recommendations.**

PRESIDENT’S REPORT: President Graff appointed Brian Schlager as MCREA’s delegate to the NRECA annual meeting and appointed Timothy Peggram as his alternate.

TRI-STATE G&T BOARD REPORT: Brian Schlager reviewed and discussed at length the contents of the monthly written report he prepared and presented as the Cooperative’s delegate director to the board of directors of Tri-State G&T.

WESTERN UNITED BOARD REPORT: Brian Pabst reviewed the minutes from Western United’s most recent board meeting.

COLORADO RURAL ELECTRIC ASSOCIATION BOARD REPORT: Dave Arndt reported on the Colorado Rural Electric Association Board’s most recent meeting.

OTHER MEETING REPORTS: Timothy Peggram reported on the Basin Electric Association annual meeting.

EMERGENCY BUSINESS: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

There being no further business to consider, the meeting was declared adjourned 2:57 p.m.

Respectfully submitted:

Larry D. Hoozee, Secretary