

**MORGAN COUNTY RURAL ELECTRIC ASSOCIATION
MINUTES OF THE
ANNUAL MEETING OF MEMBERS**

MARCH 16, 2019

The 82nd Annual Meeting of the Members of Morgan County Rural Electric Association for the year 2019 was convened at 12:30 p.m. this day at the Fort Morgan High School Auditorium, 709 E. Riverview, Fort Morgan, Colorado in accordance with the official notice thereof. Prior to the meeting, a hot roast beef lunch was served to attendees.

SCHOLARSHIP RECIPIENT RECOGNITION AND PRESENTATIONS Prior to calling the 2019 Annual Meeting to order, President Graff introduced the scholarship recipients that were awarded scholarships from Morgan County Rural Electric Association, Basin Electric and Tri-State Generation and Transmission that were able to attend the annual meeting.

INVOCATION & CALL TO ORDER Following the Pledge of Allegiance, the business meeting was called to order by President Randy Graff at 12:30 p.m. Director Brian Schlagel provided the invocation.

WELCOME & INTRODUCTIONS President Graff extended a formal welcome to the members of the Association, their families and special guests. Introductions of the Directors, Attorney, General Manager and staff members followed.

NOTICE OF MEETING Secretary, Larry D Hoozee, was then called upon to certify to the mailing of the official notice of the Annual Meeting and to report on election procedures.

QUORUM CALL Secretary Hoozee informed those present that to conduct the official business of the meeting, the corporate by-laws provide that a quorum for a meeting of the members is fifty members present in person, and that 208 members had registered and therefore a quorum.

- **By motion made, seconded and carried, the formal registration of the members was substituted for a roll call of the body assembled.**

READING OF THE MINUTES President Graff called for a reading of the 2018 Annual Meeting minutes, or approval of the minutes as mailed.

- **A motion was made to dispense with a reading of the minutes and approve the 2018 Annual Meeting minutes as mailed. The motion was duly seconded and carried.**

INTRODUCTIONS General Manager David Frick then introduced special local and out-of-town guests.

INTRODUCTIONS OF CANDIDATES & ELECTION President Graff announced that 3 petitions had been filed for the office of Director. Brian Schlagel as Director candidate for District 1, Randy Graff as Director candidate for District 2 and Larry Hoozee as Director candidate for District 3 and called for a voice vote for the three year terms for the incumbent Directors.

- **A motion was made for a unanimous ballot to be cast by voice vote for the elections of Brian Schlagel, Randy Graff and Larry Hoozee. The motion was duly seconded and carried.**

TRI-STATE G&T REPORT President Graff called upon Brian Schlagel, Morgan County REA's Tri-State Director Representative to introduce Mr. Ken Reif, from Tri-State Generation and Transmission headquartered in Westminster, Colorado.

Reif began his report by stating, most of those at Tri-State are from communities much like Ft. Morgan. Employees of Tri-State enjoy serving in small communities.

Reif updated the members regarding the board of Tri-State. The Tri-State board has proposed to change the bylaws at the April 2018 Annual Meeting. Tri-State has a new Chief Executive Officer, Duane Highly, whom is highly experienced from Arkansas.

COLORADO RURAL ELECTRIC ASSOCIATION REPORT President Graff introduced the Executive Director of the Colorado Rural Electric Association, Mr. Kent Singer.

Singer began his report showing a Colorado map with all of the Cooperatives that are members of CREA. Singer stated the Colorado Legislature shown interest in directing the policy of local Cooperatives. Future bills being passed will have an impact on cooperatives.

Singer stated CREA is committed to safety and the commitment to zero contacts and commended MCREA for their commitment.

FINANCIAL REPORT Tim Peggram, corporate Treasurer, and Robb Shaver, Manager of Office Services, provided a comprehensive report detailing the year-end financial position of the cooperative. Peggram and Shaver reviewed the 2018 Annual report which had been audited by the accounting firm Jackson Thorton and stated that the association was in sound financial condition.

YOUTH TOUR/YOUTH CAMP REPORT: Anthony Piccanio gave a report on his opportunity to attend Youth Camp. Piccanio learned the importance of being a leader and becoming a servant to those around you. The experience not only grew him as a leader but gave him a great understanding of how cooperatives are run and what they embody. Piccanio ran for CYLC Counselor and won, which will give him the opportunity to return as a Youth Counselor to camp.

Andrew Littlefield gave a report on his attendance to Youth Tour. Littlefield was thankful for the opportunity to travel to Washington DC as well as Orlando, Florida. He learned life is about serving others and sees himself working at a cooperative in the future.

PRESIDENT'S REPORT Before presenting the President's report, President Graff thanked Ken Reif of Tri-State Generation and Transmission and Kent Singer from CREA for taking the time to attend MCREA's Annual Meeting and updating the members on both organizations.

President Graff began his President's report by giving an overview of the November budget approved for 2019 that included no rate increase. This is the third straight year of no increase. Tri-State did not have a rate increase which meant keep MCREA was able to keep theirs stable as well as return 2.5 million capital credits in December 2018.

Lastly, President Graff reported the new warehouse is complete. Regarding the old location, the board is weighing their options on what to do next and will keep consumers apprised of what is decided.

MANAGER'S REPORT General Manager David Frick began his presentation by thanking the employees for working endlessly to get all meters back on after the storm.

Next Frick focused on Morgan County REA being recognized as one of the fastest growing REA's in the nation. We effectively navigated this growth without increasing our number of employees.

Manager Frick addressed the commitment safety is of the utmost importance to MCREA. Management staff and employees have dedicated themselves to the highest level of safety practices. Morgan County REA also makes every effort to educate our members about electric safety, especially in school aged children.

Lastly, Manager Frick thanked all at MCREA for their hard work and dedication as well as the members.

PRIZE DRAWINGS: President Graff announced the \$250 Annual Meeting Prize winner. The name drawn for the 2019 Grand Prize was Robert F. Whelan. The name drawn for the 2019 Grand Prize was not present to win.

ADJOURNMENT There being no further business to come before the meeting, President Graff thanked the members for attending MCREA's 82nd Annual Meeting and declared the meeting adjourned at 2:13 pm.

Respectfully Submitted;

Larry D. Hoozee, Secretary