

82 YEARS AND STILL GOING STRONG

MCREA's Annual Meeting

BY JAMIE PLAKORUS, MEMBER SERVICES SPECIALIST

Morgan County Rural Electric Association's 82nd Annual Meeting and Member Appreciation was held at Fort Morgan High School on Saturday, March 16.

Preliminary figures indicated that more than 370 members and guests attended the annual meeting. Following a complimentary lunch, reports were heard from Board President Randy Graff; General Manager David Frick; Board Treasurer Tim Peggram; and Manager of Office Services Robb Shaver. Also speaking were Executive Director Kent Singer from the Colorado Rural Electric Association and Senior Vice President and General Counsel from Tri-State Generation and Transmission Ken Reif.

The annual meeting saw the election of Morgan County REA Board of Director nominees Brian Schlagel from District One, Randy Graff from District Two and Larry Hoozee from District Three.

Prior to the business meeting, the MCREA Board of Directors recognized Morgan County REA's scholarship recipients with certificates of accomplishment.

The financial report delivered by Peggram and Shaver indicated that Morgan County REA continued to be in sound financial condition in 2018, with operating revenues of \$41 million and total cost of electric service at \$38.5 million. Shaver also noted that MCREA had an operating margin — or total revenues minus total expenditures — of \$3 million for 2018.

Attendees heard a short presentation from Anthony Picciano and Andrew Littlefield, who represented Morgan County REA at the Washington D.C. Youth Tour and Cooperative Youth Leadership Camp.

During his address, Graff discussed capital credits distributed to members in 2018. "Morgan County Rural Electric Association's board of directors was thrilled to approve a patronage capital retirement of \$2.5 million. This retirement is one-half million dollars more than the 2017 and 2016 patronage capital retirements," he said.

President Graff reported that the MCREA Board of Directors authorized patronage capital retirements totaling \$2.5 million for a complete retirement of 2003 and 2004 and partial retirement of 2005 MCREA allocations, along with a complete retirement of 1998, 1999 and 2000, and partial retirement of 2001 generation and transmission margin allocations. "We have given back a total of six-and-a-half million dollars to our members in the last three years, and were able to do so without raising rates for any of those years," he added.

Graff also announced the completion of MCREA's new warehouse and truck facility. "I'm pleased to announce that the new warehouse was completed last month, and now houses the line crews and trucks, warehouse and maintenance personnel and equipment," he reported. "The building went up pretty quickly, with construction beginning last summer. The new warehouse has exceeded our expectations, and has proven to be a benefit to the co-op."

Graff then discussed the next logical question of what we are going to do with the old warehouse building. "During the planning stages of the new warehouse, the board made the decision to hold off on tackling that issue until construction was complete and employees were moved in," he said. "Now that the building is up and running, the board has begun weighing

several options available to us regarding the former headquarters. No decision has been made yet, but we will be working toward that end, and will keep you apprised when a decision is made.

General Manager Frick started his address by mentioning his remarks from last year's annual meeting. "Morgan County REA was recognized as the fastest growing electric cooperative in Colorado, and was a leader in both the state and nation in annual growth for total kilowatt-hours sold in 2016," he said. He went on to report that "MCREA is continuing this successful trend."

Frick then talked about how much our cooperative has grown in the last decade and how our overall profile has changed. "In 2008, Morgan County REA members used just over 188.3 million kilowatt-hours in electric usage. That's nearly doubled in only 10 years," he reported. He then went on to say, "It's important to note that we've effectively navigated this growth without increasing our number of employees."

Frick explained that Morgan County REA has seen more growth in just one year than it did in the 10 years from 1998 to 2008. He then explained that the shift in demographics could be summed in three words: oil and gas.

Frick then touched on the top priority at Morgan County REA, which is the safety of employees. "The safety culture at Morgan County REA is of the utmost importance," he said. He went on to talk about how MCREA reviews, revises and implements the cooperative's Safety Improvement Plan. Frick then announced "that Morgan County REA has had no lost time accidents in 20 months."

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MCREA linemen Alan Mason and Joe Graves give members a safety demonstration.



MCREA Youth Tour representative Andrew Littlefield talks with Board President Randy Graff.



Board President Randy Graff presents Robert Whelan with the \$250 Annual Meeting prize.



Trooper Marty Plakorus from the Colorado State Patrol talks with Manager of Operations Bobby Brenton and his wife, Lisa.



FFA kids pose with Power.



General Manager David Frick and MCREA attorney Matt Richardson greet members arriving for the annual meeting.



Angie Larson and Dave Henderson hand out annual meeting prizes.



Members and guests enjoy a complimentary lunch prior to the business meeting.



Members at lunch.



Board President Randy Graff and MCREA scholarship winner Walter Jordan.



The ladies of Morgan County REA.



Board President Randy Graff and MCREA scholarship winner Simon Graff.



MCREA Board of Directors speak with special guests CREA Board President Jim Lueck and CREA Executive Director Kent Singer.



Amanda helps a co-op member with registration.

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Frick then moved (Elsie and Richard Clark, acct# xxx800) to individual department updates, starting with the engineering and operations departments. “In 2018, we built 23 miles of new line and rebuilt 42 miles of existing line. We also installed 294 services in 2018,” he said. He went on to report on the construction of a new transmission line that will provide increased reliability to our existing system.

Frick talked about severe tornadoes and wind storms that hit a large swath of our eastern service territory on July 29. “The storms were devastating for many of our members and resulted in around 200 poles down and more than 1,100 meters affected,” he said. “Our line crews responded immediately, and I’m proud to say that we saw results to the restoration efforts quickly.”

The general manager then spoke about the office services department. He reported

that MCREA launched a prepay metering program. The program allows members to choose how much and how often they want to pay toward their credit balance before they use electricity. “Members receive daily texts and/or emails reminding them when their credit balance is below \$35,” Frick said. The program provides flexibility for members to manage their account.

Moving to the member services department, the general manager spoke about the revitalization of the key accounts program. It’s important to point out that all members are important at Morgan County REA. This program will be assisting members with unique and specialized needs.

The general manager noted that MCREA’s net metering program now includes a total of 15 small-scale solar and two small-scale wind generators. (Jacob Wagers, acct #xxx5900) He reported that

member services continued representing Morgan County REA in the communities it serves this past year. Member services attended Bob Stock, National Night Out and several county fairs where staff greeted the public and promoted the cooperative mission.

The general manager then introduced two new employees and extended a personal thank you to the association’s board of directors, management staff and employees. He then thanked Andrew Littlefield and Anthony Picciano “for representing our cooperative with distinction at Youth Tour and Youth Camp.”

Door prize drawings were held throughout the business meeting, and the \$250 Annual Meeting prize was claimed by Robert F. Whelan from Hillrose.



Lineman Scholarship Winners Announced

We are pleased to announce our lineman scholarship winners for 2019: Juan Lopez from Fort Morgan, William Laws from Fort Morgan and Isaac Morales from Brush.



▲ Juan Lopez — Fort Morgan



▲ William Laws — Fort Morgan



▲ Isaac Morales — Brush

SAFETY FIRST, SAFETY ALWAYS

MAY IS ELECTRICAL SAFETY MONTH

DANGER

ELECTRICAL HAZARD

Memorial Day

Morgan County REA offices will be closed on Monday, May 27 in observance of Memorial Day. We wish one and all a happy and safe Memorial Day weekend.

Win \$25 Off Your Electric Bill

Each month Morgan County REA gives two lucky members a \$25 credit on their electric bill, just by reading *Colorado Country Life*!

Congratulations, Betty Keirnes (account #xxx200) and Burlie Segelke (account #xxx700), you saw your names and account numbers in the March edition of *Colorado Country Life*. You received a \$25 credit on your electric bill.

There are two more MCREA member names and their account numbers hidden somewhere in this issue. If you find your name and account number, call member services at 970-867-5688 by May 31 to claim a \$25 credit on your electric bill.