

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

MAY 27, 2020

The 83rd Annual Meeting of the Members of Morgan County Rural Electric Association for the year 2020 was convened at 9:00 a.m. this day, virtually by Telephone Town Hall Meeting and at the Association's Fort Morgan Headquarters Location at 734 Barlow Rd., Fort Morgan, CO 80701.

SCHOLARSHIP RECIPIENT RECOGNITION AND PRESENTATIONS Prior to the meeting being called to order, Secretary Larry Hoozee recognized the scholarship recipients that were awarded scholarships from Morgan County Rural Electric Association, Basin Electric and Tri-State Generation and Transmission.

CALL TO ORDER The business meeting was called to order by President Randy Graff at 9:00 a.m.

WELCOME & INTRODUCTIONS President Graff paused for a moment of silence to honor families, healthcare workers, and essential workers impacted by the COVID-19 pandemic. President Graff explained the Association's decision to use Telephone Town Hall to conduct the Association's Annual Meeting of the Members, due to public health restrictions against gatherings, and expressed hope to return to an in-person meeting in 2021. President Graff next explained that members could access meeting materials on the Association website. Introductions of the Directors, Attorney, General Manager, and staff members followed.

NOTICE OF MEETING Secretary 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 seventy-four members had registered and therefore a quorum.

- **By motion made 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 2019 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 2019 Annual Meeting minutes as mailed. The motion carried.**

INTRODUCTIONS OF CANDIDATES & ELECTION President Graff announced that three petitions had been filed for the office of Director. Timothy Peggram as Director candidate for District 1, David Arndt as Director candidate for District 2, and Terry Linker 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 Timothy Peggram for District 1, David Arndt for District 2, and Terry Linker for District 3. The motion was duly seconded and carried.**

FINANCIAL REPORT Robb Shaver, Manager of Office Services, provided a comprehensive report detailing the year-end financial position of the cooperative. Shaver reviewed the 2019 Annual report which had been audited by the accounting firm Kelso & Lynch and stated that the association was in sound financial condition.

PRESIDENT'S REPORT President Graff began his President's report by giving an overview of the budget approved for 2020 that included no rate increase. This is the fourth straight year without an increase. Tri-State did not have a rate increase which meant MCREA was able to keep its rates stable, as well as return 2.75 million capital credits in December 2019.

Lastly, President Graff reported the Association had subdivided and sold its prior headquarters location on Highway 34 in Fort Morgan and would soon break ground on construction of a new mechanics' facility adjacent to the recently constructed warehouse facility at the Barlow Road property in Fort Morgan. The new warehouse is complete.

MANAGER'S REPORT General Manager David Frick reported regarding the Association's commitment to safety and emphasis on safety culture. Manager Frick also reported on various line rebuild and retirement projects undertaken during the preceding year, as well as regarding community engagement efforts. Manager Frick next invited any members to submit questions via the Telephone Town Hall. Manager Frick closed by thanking the membership, staff, and Board of Directors for being a part of the Association.

ADJOURNMENT There being no further business to come before the meeting, President Graff thanked the members for attending MCREA's 83rd Annual Meeting and declared the meeting adjourned at 9:40 a.m.

Respectfully Submitted;

Larry D. Hoozee, Secretary