

Caption: Posted below is the minutes from our 2019 Annual Meeting. If you have any questions, please call A.J. Atkinson at 330-627-8536 by August 18.

CARROLL ELECTRIC COOPERATIVE, INC.
ANNUAL MEETING MINUTES
AUGUST 24, 2019

The Annual Meeting of the members of Carroll Electric Cooperative, Inc., was held Saturday, August 24, 2019 at the Carroll County Fairgrounds. There were various displays under the grandstand prior to the meeting. Door prize drawings were held prior to the start of the meeting.

President Harold Sutton called the meeting to order at approximately 10:30 am.

Manager Larry Fenbers announced Abby Shockey to sing the National Anthem as the Carroll Electric linemen climbed a pole and did the raising of the flag. The pledge of allegiance was led by Manager Fenbers. Board Secretary, Harold Barber, gave the invocation.

Manager Fenbers introduced the board of trustees.

Harold Barber read the notice of the meeting.

Manager Fenbers returned to the podium and introduced special guest, Brian Stavish from Cooperative Finance Corporation. He also asked all Veterans to stand and be recognized. He then recognized the Cooperative youth tour participants and scholarship winners.

Jack Buettner of the People for People board and cooperative member spoke about the People for People program and thanked the members for their participation in the program. He explained that 50 cents is the average monthly contribution and a total of \$29,987.00 was distributed in 2018.

President Sutton returned to the podium and asked if there were any additions or corrections to the minutes the registered members had received. The minutes were approved with a motion by Joseph Wolfe and seconded by William T. Cooper.

President Sutton began his speech telling the members that the board members attend meetings in Columbus to have good information coming in and good decision making going out. He said that he believes one of the board's biggest challenges is making the short and long range plans. He spoke about the strategic planning sessions and how they will try and compile the Coop's strengths, weaknesses, opportunities and threats. He also mentioned things being seen on the horizon such as electric cars, battery storage and distributive generation (solar, wind and hydro). He also explained that change seems to be happening at a faster pace than it used to. He stated we are a small, sound, stable but not wealthy Coop and change in business is inevitable. He also told the members if they have any ideas or concerns, do not hesitate to give them to a board member and they will be discussed at a board meeting. He closed with thanking Larry and his staff for safety and efficiently keeping the lights on!

Manager Fenbers returned to the podium and introduced guest speaker, Craig Grooms, Vice President of Engineering & Operations at Buckeye Power Inc. Mr. Grooms thanked the Cooperative for having him at the annual meeting and explained he represents Buckeye Power and Ohio Rural Cooperatives and that he is here to give the membership an update on some of the things that have been accomplished over the last year or so. The first thing he touched on was the transition from AEP to Buckeye Power of the operational control of the Cardinal Plant in Brilliant, Ohio. He said up until last year AEP operated the plant under contract with Ohio's Electric Cooperatives. He stated that Buckeye also took over the operations of the two natural gas plants owned by the electric coop members in Ohio. The Mone Plant in Van Wert and the Greenville Plant in West Central Ohio. He said that in addition to taking on the onsite management and operations of the power plants, OEC also took on the dispatch responsibility for all three plants at the

end of 2018. He stated that there are improvements and savings that will come from having a smaller, more focused organization being in charge. He also mentioned Ohio's Electric Coops provide excellent service to their members and they are proud of the fact that the customer satisfaction scores for electric cooperatives were 9 points higher than the national average for investor owned and municipal utilities. He said they expanded their line-worker training programs and are actively engaged in the training of a new generation of employees that are replacing the long-term cooperative employees who are retiring. They remain actively engaged with our state and national legislatures, advocating for common sense solutions to energy and environmental issues. In closing, he said he wanted the members to know they exist to serve your needs for safe, clean, affordable and reliable electricity and they appreciate the members' support.

Manager Fenbers welcomed the members and explained that they are keeping a "first responder" theme again this year following the business meeting and the members will see a joint presentation by the Carrollton Fire Dept, Carroll County Safe Communities and Carroll Electric. He explained that four years ago the membership voted on bylaw amendments that provide for more options to vote and elect trustees and that we are seeing that change in action by the number of members who voted online, by telephone, or by mail-in ballot. He explained a Financial Report was included in this month's Ohio Cooperative Living Magazine and a very positive note was that we returned over \$621,000 in capital credits to our members. He said 2018 also finished with a very strong financial position and great margins. This was largely due to the increased kilo-watt hour sales as a result of both cold and hot seasons. He also said 2019 started off bad with New Year's Eve bringing in high winds and numerous outages. Outages like this cause unplanned expenses and are detrimental to the Coops margins. The milder weather has also caused revenue to be \$254,000 less than the same point last year. From a financial position, 2019 is looking to be quite different from last year. He also spoke of the recent Cost of Service Study that was done and it will be presented to the board next month. This study shows the need for a small rate increase in 2020. He also explained that a transformer was replaced at Sugar Grove Substation and they are in the planning stages for replacing the transformer at Merrick Substation. They also continue to rebuild aging lines and improve our tie capacities between substations. They also just completed the rebuilding of the Lodge Circuit out of the Atwood Substation. He explained trees continue to cause a significant number of outages and we are continuing the 5-year cycle that began in 2010. Along with this rotation we are addressing the dead ash trees outside the normal corridor that pose potential problems and may cause outages. He explained we are in the third year of working on the initiatives that came out of our last strategic plan. Considerable progress has been made upgrading our computer systems and focusing on cyber security to protect the members. We have also focused on employee training. 2019 also marked year nine of participation in the Carroll County Replay for Life. This year our team raised almost \$8,000 bringing the 9-year total over \$123,000. He thanked everyone that supported their efforts. He also said he was happy to report that we completed the year without any Lost Time Accidents. In closing he recognized the staff and the board of trustees and thanked them for their work throughout the past year.

Mr. Fenbers then gave the Nominating Committee Report and introduced the Board candidates as follows:

District 3 – Harold Barber & Daniel Devitt **District 5**-Kevin Tullis **District 6** – Robert McCort & Mark Brannon

President Sutton returned to the podium and asked the members if there was any new or unfinished business. There being none, he asked for a motion to close the voting and said motion was given by Charles Moyer and seconded by Dale Haley. He next asked for a motion to adjourn and motion was given by Charles Huddleston.

Manager Fenbers returned to the podium and announced the Safety Presentation. Lunch was served and there were various drawings.

Keith Harden from Coop Ballot announced the results of the election. Harold Barber, Kevin Tullis and Robert McCort were elected to three-year terms. The grand prize drawing concluded the meeting.