

CARROLL ELECTRIC COOPERATIVE, INC.

ANNUAL MEETING MINUTES

September 16, 2023

The Annual Meeting of the Members of Carroll Electric Cooperative, Inc., was held Saturday, September 16, 2023, at the Carroll County Fairgrounds.

President Sutton called the meeting to order at approximately 9:30 am. He then announced Bonnie Graham to sing the National Anthem as the Carroll Electric Cooperative linemen climbed a pole and did the flag raising. The pledge of allegiance was led by Manager Larry Fenbers. Kevin Tullis, Board Secretary, gave the invocation.

Kevin Tullis read the notice of the meeting.

Manager Fenbers returned to the podium and introduced the board of trustees. He also recognized the veterans by asking them to stand up for a round of applause.

A.J. Atkinson, Manager of Marketing and Member Services, announced the names of the Carroll Electric Cooperative scholarship winners. He also stated there were no Youth Tour applicants this year.

Manager Fenbers gave the People for People fund report. He explained how the "rounding up" process works and how a little change can go a long way. He stated that fifty cents is the average amount contributed each month on member's electric bills. He stated \$21,000 was granted to individuals and various organizations in 2022 and there has been a total of \$930,828.71 granted since the program began. He thanked the members for their participation in the People for People program.

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 Randy Ledford and seconded by Joseph Wolfe.

President Sutton thanked the members for attending the Annual Meeting. He said it has been a busy year for your Coop board and he wanted to share an overview of what they accomplished in the previous year and the outlook for the future. He started off by stating another strategic plan has been completed by both the board and staff. They are reviewing by-laws and policies as well as re-balancing the board districts to be sure they are aligned properly. He said he attended meetings last month and was surprised to learn that according to the North American Electric Reliability Corp., the number one reason for poor reliability in our electric service is not small animals or trees, but poor energy policies concerning power generations set by legislatures in Washington D.C. The demand for electricity is climbing faster than it ever has in the past 30 years. He also spoke of the cold weather last year on Christmas Eve and Christmas Day and how we experienced single digit to below zero temperatures. He explained these temperatures increased the demand for electric heat and how a regional transmission operator ordered a load shed, causing blackouts to nine states due to the lack of energy supply. He stated coal plants are shutting down because of overly aggressive policies proposed by the EPA. He said there is a provision to lower interest rates for loans to companies willing to shut down coal burning plants and he wants the members to be aware of this. He said he is not telling the members to run out and buy a backup generator, but he wants them to be aware and also be prepared. He asked members that purchase generators to be sure to contact the Co-op for information on purchasing a GenerLink. He spoke of solar arrays and heavily cautioned members to get the facts and to contact the Cooperative for more information. He said Ohio is the 34th state in terms of days of sunlight according to the World Population Review and there is a limited amount of solar in Ohio available for expensive solar arrays to generate energy. He thanked the members for their support and encouraged them to reach out to the Coop and to read their Ohio Cooperative Living magazine for more information and updates.

Manager Fenbers came to the podium and welcomed the members to another in-person meeting. He said how we went two years with virtual meetings and last year's in-person scaled down format meeting was well received. He said the election results will be announced at the end of today's meeting along with the winners of the energy credits from the members who came out to the meeting today. He explained a Financial Report was included in this month's Ohio Cooperative Living Magazine and one very positive note from the 2022 financials is that we returned over \$627,000 in Capital Credits to our members. He explained we also finished 2022 with a good financial position and positive margins. He said it was not as strong as 2021, but that year we received \$440,000 through one

of the small business association's COVID relief programs. That allowed us to avoid a rate increase in both 2021 and 2022. He said we had a Cost of Service Rate Study Analysis done to help determine a necessary rate increase and he said there was an increase of \$9.25 added to the service availability charge implemented this past February. He also explained there has been a significant increase in the cost of materials and supply delays and shortages continue to be a problem since the pandemic. He explained The Coop is doing pole replacements that are being paid for by broadband providers to attach to our poles. He said over 430 poles need replaced. He said we realize our members need high speed internet connectivity, so we are trying to accommodate these requests as quickly as possible. As far as our right-of-way clearing program, this year we are working in the Mohawk, Sugar Grove, and Springfield Substation areas. Next year we will tackle the Washington and Summitville Substation areas. He said storms had a big impact this year, especially the storm that hit Dec 23rd and the cold winter. He also explained how restoration takes time and to do their jobs safely, the linemen have lots of safety rules and procedures to follow. He said on that December day a 22-year-old Apprentice Lineman from Buckeye Rural Electric Cooperative was working on outages. His name was Blake Rodgers and Blake knew that their members were out of power and wanted to get the power back on as quickly as possible. He did not follow all the rules and procedures that day and he was electrocuted and lost his life. He said Carroll Electric Coop feels for Blake's family, co-workers, and friends. Manager Fenbers said we had that happen nearly 40 years ago, on December 4, 1983. On that day, Carroll Electric Lineman, Frank Galbraith, was electrocuted and lost his life. He told the members we need to have patience and let our employees do their job right. In March we needed outside help and that cost the Cooperative almost half a million dollars and if we had not implemented the rate increase our financials would have been very bleak. He said we had no lost time accidents and one employee was injured and on restrictive duty. He also announced Dana Bright was hired as a Member Service Representative and Devin Herrington was hired as a Mapping and Information Systems Analyst. He announced we have one employee, Ken Hutson and board member, Bob McCort, celebrating their 25-year anniversary. He recognized the staff and employees and thanked Carroll County Coffee, Ulman's Bakery and Sander's for providing today's refreshments.

A.J. Atkinson returned to the podium and gave the Nominating Committee report and explained there are nine members of the committee and how they look for certain qualities such as character, educations, skills and experience along with available time to offer in each candidate. He introduced the candidates:

District 2 – Diane Brown & Ed Trushel

District 7 – Todd Brown

District 9 – William Casper

He thanked the Nominating Committee and said how it plays a large part in the Cooperative's Democratic control and is one of the Cooperative's principles.

Manager Fenbers then introduced the Board Candidates and asked them to stand.

President Sutton asked for a motion to close the voting and Charles Huddleston gave said motion and was seconded by Ned McNutt. He then asked if there was any unfinished or new business and there being none, he asked for a motion to adjourn. Said motion was given by Fred Plavka.

Ken Rose from Coop Ballot announced the results of the election. Diane Brown, Todd Brown and William Casper were elected to three-year terms. The energy credit drawings concluded the meeting.

Kevin Tullis, Secretary/Treasurer

APPROVED BY:

Harold Sutton, President

