

MINUTES OF THE 80th ANNUAL MEMBERSHIP MEETING

Lake City Community Church, Coeur d'Alene, Idaho

April 30, 2018

Doors opened at 5:00 p.m. for registration at the 80th Annual Membership Meeting of Kootenai Electric Cooperative.

The Operation Round Up video was the introduction to the meeting.

KEC Board Chairman Swick announced that a quorum was present and called the meeting to order at 6:05 p.m. Board Secretary Roger Tinkey gave the invocation. Girl Scout Troop 3061 presented the colors and led the membership in the Pledge of Allegiance.

Member Services Manager Don Crawford facilitated the membership meeting and introduced special guests, including local legislative representatives, former KEC directors and representatives from affiliated businesses, organizations and cooperatives.

Chairman Swick introduced KEC General Manager Douglas Elliott, General Counsel Brent Schlotthauer and members of KEC's Board of Directors: Dave Bobbitt, Todd Hoffman, Terry LaLiberte, Tim Meyer, Jim Robbins and Roger Tinkey. Chairman Swick introduced the members of the Nominating Committee: Shirley Jones, Kim Ann Erk, Kathy See, Mary Mink, Ed Gossett, Terry Harwood and Joy Crupper. Chair Swick also introduced the members of the Credentials and Elections Committee: Bill Gabica, Bob Schwarzkopf, Craig Borrenpohl, Tim Penberthy, David Odgers, Jan Somers and Casey Amy.

Chairman Swick appointed General Counsel Brent Schlotthauer as Parliamentarian and KEC Executive Assistant Constance Felten as Recording Secretary.

Chairman Swick informed the membership that, like last year, the meeting's minutes would be posted on the KEC website for comment for a period of 60 days, after which they would be approved by the Board of Directors.

Audit Committee Chair Dave Bobbitt presented the treasurer's report and provided a summary of the Cooperative's 2017 audit performed by the auditing firm of Moss Adams. The purpose of the audit is to express an opinion on the financial statements of the Cooperative for the year 2017. In the opinion of Moss Adams, the financial statements present fairly, in all material respects, the financial position of Kootenai Electric Cooperative and were made in accordance with generally accepted accounting principles and in compliance with all federal regulations.

General Manager Elliott updated the membership on local and regional industry events and the state of the Cooperative. After a short review of the accomplishments of the past year, he discussed in detail some of the current issues surrounding power supply and the rate pressures being felt by the Bonneville Power Administration.

The video More Powerful Together was viewed by the membership.

Board Chair Bill Swick discussed the oversight role of the Board of Directors and their view of the state of the Cooperative. He also discussed the potential for changes in board leadership.

Nominating Committee Chair Kim Ann Erk presented the Nominating Committee report. The objective of the Nominating Committee is to ensure the most qualified people are nominated for election to the Board of Directors and to do this consistent with the Bylaws and any other applicable legal requirements. The following nominations were made:

<u>By Committee:</u>	District #2:	James Robbins
	District #5:	William Swick
	Director At Large:	Terry LaLiberte (incumbent)
		Crystal Musselman

Biographical information on the candidates was included in members' meeting packets.

Casey Amy, Chairman of the Credentials & Elections Committee announced the results of the contested election for the Director At Large position as well as the proposed changes to the Articles of Incorporation and Bylaws. All of the changes

to the Articles of Incorporation and Bylaws were approved by the membership. In the election for the Director at Large position, Crystal Musselman was elected.

Chairman Swick reported that in the event of an uncontested election, the Cooperative's Bylaws allow for the election of board members by acclamation. As there were no other candidates running for the board positions in Districts 2 and 5, Chairman Swick declared Mr. Robbins and himself re-elected by acclamation.

Following the election report, the Second, First, and Grand prizes were awarded.

On behalf of the Board of Directors, Chairman Swick thanked the membership for attending the Annual Meeting and for their continued support of the Cooperative. He invited members to meet with Cooperative senior management and the Board of Directors for a Member Feedback and Question Session immediately following the meeting. Chairman Swick adjourned the meeting at 7:15 p.m.

I, Roger Tinkey, Secretary to the Board of Directors of Kootenai Electric Cooperative, Inc., do hereby certify that the foregoing is a true and correct copy of the minutes of the 80th Annual Membership Meeting of Kootenai Electric Cooperative, Inc., held at the Lake City Community Church, Coeur d'Alene, Idaho, this 30th day of April 2018 as it appears in the minute book of the Cooperative and that they have not been rescinded.

Roger Tinkey, Secretary

Date of Approval