



80TH ANNUAL MEETING MINUTES

The 80th Annual Meeting of Stearns Electric Association was held at the Melrose Area High School in Melrose, MN on Thursday, March 30, 2017, at 7:00 p.m.

OPENING OF THE MEETING

The meeting began with the Presentation of Colors by the Melrose Color Guard and was followed by the Pledge of Allegiance. President Randy Rothstein officially opened the meeting and asked for approval of the agenda. A motion to accept the agenda was made by Tom Fischer, seconded by Lil Ortendahl and carried. Rothstein appointed Scott Dymoke to serve as Parliamentarian and Melissa Welle as Recording Secretary. Rothstein announced that a sufficient number were present to declare a quorum. Don Evans made a motion, seconded by Don Breth and carried to waive the reading of the Notice of Meeting and the Affidavit of Mailing. A motion to accept the 79th Annual Meeting minutes was made by Jim Eisenschenk and seconded by Mel Roehrl and carried.

NOMINATING COMMITTEE REPORT:

President Rothstein called on Mark Hebig, Chairperson of the 2017 Nominating Committee. Mr. Hebig introduced the following candidates for director elections: District 1: Greg Blaine; District 7: Lawrence Iverson and Thomas Kuehne; District 8: Mike Blenkush.

FINANCIAL REPORT:

CEO Dave Gruenes stated the 2016 annual audit was performed by CliftonLarsonAllen, LLC. The balance sheet and statement of operations were reviewed in detail as printed in the 2016 Annual Report. A motion to accept the financial report was made by Mark Hebig, seconded by Don Evans and carried.

CEO'S REPORT:

CEO Dave Gruenes discussed advances to the ways the Co-op is providing information to members and improving customer service through social media and SmartHub, as well as Cooperative Response Center (CRC) to provide after hours call support. Gruenes informed the members of system wide improvements which were completed in 2016 along with the assistance of ACRT to complete an assessment of our Right-of-Way (ROW) maintenance program. This report prompted the Co-op to contract with ACRT to create and manage a new vegetation management plan. Gruenes highlighted the Co-op's priorities for the future such as maintaining reliability, increasing the ROW

maintenance budget to decrease outages and continuing efforts to replace wire prone to failure. He also announced Co-op plans to build a new substation near Sartell to serve future growth. Stearns Electric will also focus on protecting member information with IT upgrades and enhance the member experience with SmartHub and social media. Gruenes noted that there was no retail rate increase in 2016. Finally, Gruenes invited Nicole Sieben, Stearns Electric's 2016 Rural Electric Youth Tour recipient, to come forward. Nicole provided a report of her Washington, D.C. experience and thanked the Co-op for allowing her the opportunity to represent Stearns Electric at the nation's capital.

BUSINESS MEETING:

Rothstein opened the business meeting and called on Attorney Scott Dymoke. Dymoke stated the purpose of the annual meeting was to give members an opportunity to speak, ask questions or make comments. No items were brought forward for old business. For new business, member Steve Dudding inquired if there is a way to notify members who are affected by a power outage. Gruenes responded, stating technology for this is on the horizon and we will consider the option when it is available. Member Diane Kenning expressed concern over her high electric bill and Gruenes suggested an energy assessment to determine how her energy is being used and ways she can conserve.

ELECTION TELLERS REPORT:

Keith Overman, chairperson of the teller's committee, came forward and reported a total of 425 ballots were cast with 1 ballot found to be ineligible. The results for a three-year term were as follows:

District 1: Greg Blaine - 121
Write In: Howard Kazeck - 1
Write In: Kim Hamson - 1

District 7: Lonnie Iverson - 140
Thomas Kuehne - 63

District 8: Mike Blenkush - 98

CLOSING OF THE MEETING:

There being no further business to conduct at this time, a motion was made by Don Evans and seconded by Mark Hebig to adjourn the meeting. Motion carried and the meeting adjourned at 8:15 p.m.