

MINUTES OF THE 78th ANNUAL MEMBERSHIP MEETING

Lake City Community Church, Coeur d'Alene, Idaho

April 5, 2016

Doors opened at 5:00 p.m. for registration at the 78th Annual Membership Meeting of Kootenai Electric Cooperative.

The Call to Serve video was the introduction to the meeting.

KEC Board Chairman Bill Swick called the meeting to order at 6:05 p.m. Board Secretary Roger Tinkey gave the invocation. Cub Scout Pack 201 presented the colors and led the membership in the Pledge of Allegiance.

Energy Services Program Administrator 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: Todd Hoffman, Terry LaLiberte, 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: Don Gardner, Casey Amy, David Odgers, Jim Mader, Bob Schwarzkopf, Jan Somers and Phil Cooper.

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

Chairman Swick announced that a quorum was present and then called for corrections to the 2015 Annual Meeting minutes. Hearing none, he declared the minutes approved as presented.

Audit Committee Member Jim Robbins presented the treasurer's report and provided a summary of the Cooperative's 2015 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 2015. 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.

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 #1:	Timothy Meyer
		Tom Craig Zajicek
	District at Large:	Roger Tinkey

Video recorded speeches by each candidate were presented to the members who were asked to cast their ballots at the conclusion of the videos. Members of the Credentials & Elections Committee collected the paper ballots from the attending membership.

General Manager Elliott updated the membership on local and regional industry events and the state of the Cooperative. He addressed the challenges that face Kootenai Electric Cooperative and other electric utilities in the face of increasing use of solar power by residential customers.

Chair Swick discussed the Cooperative's recent strategic planning process to continue to serve members. He also discussed the impact of fish and wildlife habitat mitigation on the cost of public power and KEC's efforts to ensure all voices are heard in the debate.

Kootenai Electric Trust Board Chair Len Crosby was featured in a video spotlighting individuals whose lives have been impacted by Operation Round Up® through its support of community programs. He thanked the membership for their continued support. Chair Crosby also thanked the Trust Board members for their commitment to the program. Members include Susan Meyer, Connie McGee, Kathleen Barrett, Fred Muhs, Tom Craig Zajicek and Cheri Zao. Since the

program's beginning in November 2002, the Trust Board has awarded nearly \$800,000 in grants to KEC individuals in need and to worthy charitable projects in our area.

Trust Board Secretary/Treasurer Susan Meyer recognized the college scholarship winners. The following students were each awarded a \$1,000 scholarship: Fayelee Day, Cameron Dean, Jessica Gallardo, Jodi Grantham, Joshua Heisey, Gabe Kegley, Soersha Lewis, Andy Lincoln, Jacob Lockhart, Travis McDowell, Jubal Mitchell, Cassidy Myers, McKayla Riley, Amanda Ross and Lydea Schneider. The Trust Board has awarded more than 100 scholarships to members or their children since 2007 and plans to offer the scholarship program again early next year.

Chair Swick and General Manager Elliott recognized Ron Bockstruck, former director District 1, for 13 years of dedicated service to the Cooperative and presented him with a meter lamp.

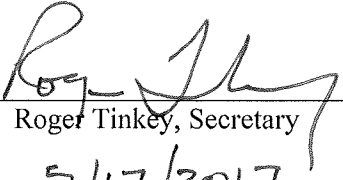
Credentials & Elections Committee Chair Phil Cooper reported on the results of the balloting for the Board of Director election:

In District 1, 2,691 votes were cast for Tim Meyer; 772 for Tom Craig Zajicek.
For the District at Large position, 3,327 votes were cast for Roger Tinkey.

Chair Swick declared Tim Meyer and Roger Tinkey to be the winners of the election.

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 Questions Session immediately following the meeting. Chairman Swick adjourned the meeting at 7:50 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 78th Annual Membership Meeting of Kootenai Electric Cooperative, Inc., held at the Lake City Community Church, Coeur d'Alene, Idaho, this 5th day of April 2016 as it appears in the minute book of the Cooperative and that they have not been rescinded.



Roger Tinkey, Secretary

5/17/2017

Date of Approval