

Presque Isle Electric & Gas Co-op ANNUAL MEETING MINUTES October 23, 2015

I. CALL TO ORDER

The 78th Annual Meeting of the members of Presque Isle Electric & Gas Co-op was called to order by Chairman John Brown at 10:12 A.M. on October 23, 2015 at Onaway, Michigan and welcomed all attendees. Onaway VFW Post #5857 presented the Colors, led the Pledge of Allegiance, and gave the invocation.

II. INTRODUCTIONS

The Chairman introduced the Board of Directors, Attorney, and CEO. After some brief opening remarks, Chairman Brown then appointed Attorney Werth to conduct the business portion of the meeting.

III. NOTICE OF MEETING

A motion was made, supported, and carried, to dispense with the Reading of the Notice of Annual Meeting which was published in Country Lines magazine.

IV. MINUTES OF LAST MEETING

A motion was made, supported, and carried, to dispense with the Reading of last year's Annual Meeting Minutes, after noting copies were available upon registering for the meeting. It was moved, supported, and carried to approve the Minutes of the 2014 Annual PIEG Meeting as presented.

V. ELECTION OF DIRECTORS

Attorney Werth reviewed the three methods by which Director candidate nominations can be made according to Article III, Section 3 of the bylaws, and announced no nominations were received by petition. Attorney Werth then called three times for nominations from the floor. None were made.

Nominating Committee Action: Attorney Werth then introduced Mr. Terry Materna to announce actions by the Nominating Committee, and presented the following nominees for 3 year terms:

Cheboygan District:	Sandy Borowicz, John Morrison
Montmorency District:	Barry Danks, Daryl Peterson
Director-At-Large:	Sally Knopf, Elias Taratuta

Introduction of Candidates: All candidates were offered an opportunity to address the members and each accepted by making brief statements, except John Morrison, who was not present.

A motion was made, supported, and carried, to close the nominations.

The membership was given time to vote and the Elections & Credential Committee picked up ballots from the floor.

VI. PRESENTATION & CONSIDERATION OF REPORTS

Audit Report: Mr. Ron Harris, Harris Group CPAs of Traverse City, presented the 2014 audit report. He indicated that the 2013-2014 audit was performed in accordance with generally accepted accounting principles and was a "clean" audit without exceptions. After offering to answer any audit questions, no questions were presented.

CEO Report: Mr. Brian Burns presented highlights of the past year including: favorable margins, pride in being nationally ranked among lowest in expenses per customer, controlling staff level, the natural gas operation, being in its 20th year, and the benefits to both gas and electric members, and the process of returning Capital Credits, now in its 5th consecutive year.

VII. UNFINISHED BUSINESS

Attorney Werth called for Unfinished Business, and hearing none, moved on to the next item of business.

VIII. NEW BUSINESS/Q&A

Attorney Werth then reviewed the criteria and need for a quorum should any action be desired on new business. He indicated the Elections & Credentials Committee certified ballots were sent to 30465 members and they registered 215 members in attendance today. Since the bylaw quorum requirement is 1% (or 305) of the membership, therefore, no quorum was present.

Without a quorum present, Attorney Werth indicated new business could not officially be addressed, but offered the membership the opportunity to address the board with their concerns. Members were given an opportunity to address the Board and Management.

Four members exercised this opportunity by asking questions or made comments concerning the following: encouraging the Co-op not to use "smart meters", an explanation of availability, distribution, and energy charges on monthly bills, possibility of using the round up feature on Capital Credit Refund checks, and encouraging the Board Secretary to use better penmanship.

IX. ELECTION RESULTS

Mrs. Doris Smith, chairman of the Elections & Credentials Committee, announced the election results as follows:

Cheboygan District: Sandy Borowicz 1166 John Morrison 434

Montmorency District: Barry Danks. 488 Daryl Peterson 1105

Director-At-Large: Sally Knopf 1015 Elias Taratuta 600

Chairperson Smith indicated the Elections & Credentials Committee had certified Sandy Borowicz, Daryl Peterson, and Sally Knopf, as directors for Presque Isle Electric & Gas Co-op for a three year term expiring in 2018.

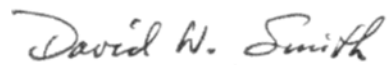
X. ADJOURNMENT

Chairman Brown thanked everyone for their participation in the annual meeting. There being no further business to come before the board, it was moved, supported, and carried, to adjourn the meeting at 11:09 am.

XI. RAFFLE & PRIZES

CFO Sobeck announced that all members who voted by mail were entered into a drawing for a \$100 credit to their billing. A random audience member was chosen to draw the winning ticket. The winner was Mr. James Dryden, who was not present. Door prize winning ticket numbers were displayed on screen and gifts were claimed in the cafeteria. Members were then dismissed and served a lunch in the cafeteria.

Respectfully submitted,



Dave Smith
Board Secretary

APPROVED