

MEETING OF MEMBERS
August 22, 2019

The Annual Meeting of the members of A&N Electric Cooperative was held at Nandua High School, Onley, Accomack County, Virginia, at 7:00 p.m. on August 22, 2019, pursuant to the Bylaws of the Cooperative.

The meeting was called to order by Addison W. Nottingham, Jr., Chairman, who presided, and Robert L. Nock, Secretary, acted as Secretary of the meeting.

Director Robert L. Nock pronounced the invocation and called for a memorial of silence for those that have passed on.

Vice Chairman Christopher D. Bott introduced the Board of Directors, staff and guest.

Secretary-Treasurer Nock then read the *Notice of the Meeting* and *Proof of the Mailing* thereof, which would be annexed to the minutes of this meeting with a copy of the *Notice of the Meeting* together with *Proof of the Mailing* thereof to all members.

Secretary-Treasurer Nock advised that minutes from the August 23, 2018 Annual Meeting were available to be read to the membership. Upon motion made, seconded and carried, reading of the minutes of the August 23, 2018 meeting was waived. Anyone so wishing to see a copy of the minutes could do so during regular business hours at the Cooperative in Tasley.

The report of the Nominating Committee was then read by the Chairman of the Credentials and Election Committee, Jeanette R. Edwards, to the meeting, in which the following members were nominated as Directors:

CLASS I DIRECTORS:

<u>Edward V. Parks, Jr.</u>	Residing in District 1
<u>Addison W. Nottingham, Jr.</u>	Residing in District 3

There were no nominations made by petition.

The C&E Committee certified the slate of candidates to be published on the proxy form which was mailed to the Members in the end of June and July.

The C&E Committee met on August 20th to certify the count of proxies returned by the Members. The proxies were counted by the accounting firm of Leatherbury & Broache with a report of the count provided to the committee. The total proxy count was 2,175 with 447 to be voted on by the Board of Directors.

Attorney Henry P. Custis, Jr., at the request of the Chairman, assumed the duties of presiding over the meeting as Temporary Chairman. Attorney Custis stated that in accordance with the Bylaws, the Board of Directors had, on May 9, 2019, appointed a Committee for Nominations to fill two vacancies to be created by the Class I Director and Class II Director serving out their terms. Attorney Custis called for a motion to elect the two unopposed candidates by acclamation. Upon motion, the election of the two candidates by acclamation was approved.

RESOLVED, that, Edward V. Parks, Jr. and Addison W. Nottingham, Jr., be, and they hereby are, unanimously reelected Directors, to hold office for the term for which they are elected or until their successors have been elected and qualified, each to represent the area for which he/she was nominated.

The meeting was turned over to Chairman Nottingham. He thanked the board for their hard work, leadership and support and declared the purpose of the meeting was to update members on the performance and financial status of their Cooperative. He then presented his chairman's report.

Chairman Nottingham announced to the membership capital credits would once again be issued in the form of a credit on your electric bill. This year ANEC's general retirement is \$1.5 million. To date, ANEC has returned over \$25 million back to its members. He provided an overview on the upgrades and improvements that have been made to our cybersecurity plan, SCADA system, and AMI system. Chairman Nottingham applauded the employees on their continued commitment to safety and dedication to the 7th Cooperative Principle, Concern for Community by establishing the nonprofit organization Lighting the Way.

Secretary-Treasurer Nock then provided an update on the financial status of the Cooperative. 2018 revenues totaled a little over 79.3 million dollars, which was a decrease of about 9.3 million dollars compared to 2018. In 2018, ANEC reached an equity level of 39.55%. Our goal is 40%. Our 2018 margins were 5.2 million dollars, increasing by about 700,000 thousand dollars from the previous year. 2018 was a successful year for A&N Electric Cooperative. We continue to increase our members' electric service reliability with upgrades to our system while keeping our expenses at a minimum.

A & N CEO Butch Williamson highlighted upcoming initiatives, which will boost value-added services offered by the cooperative. He also recognized ANEC staffers for their dedication to serving members. He noted the cooperative's efforts to continue to focus on member engagement and utilization of technology and its advanced metering infrastructure with system upgrades having a target completion of 2020. Mr. Williamson touched on the rate adjustment that was the first increase since 1991 and has been a vital part in helping the cooperative offset the slow to no growth and declining energy use here on the shore. He concluded his speech by recognizing the employees for achieving over one year without a loss time accident.

Chairman Nottingham also chairs the MHM Board and introduced a video reporting on the progress of the Cooperative's Members Helping Members foundation. The Members Helping Members organization still continues to push for at least 10% of the

membership's participation. The other members of the Members Helping Members board are: Edward V. Parks, Jr., Odelle Collins, Bruce Holland, Kay Lewis, Bruce Holland, Phil Snyder, Joseph Hopkins and Joe (Andy Duer)

Old Dominion Electric Cooperative CEO Marcus Harris detailed changes in the power supply cooperative's diverse energy generation profile and future renewable projects. Since 2005 Old Dominion Electric Cooperative has decreased its carbon intensity by 33 percent, while maintaining reliable electric supply to its member cooperatives, including A&N Electric Cooperative.

Patsy Goard, who has served as ANEC's Youth Tour chaperone for more than two decades, introduced the five high school students who participated in this year's event. Attendees then enjoyed a video with highlights of this NRECA leadership development program that gathers co-op youth from around the nation for a week in Washington D.C., including a visit to Capitol Hill and Changing of the Guard ceremony at Arlington Cemetery.

The Chairman then called for unfinished business and new business, but none was brought before the meeting. There were a few questions from the floor submitted on question cards. The questions were in the areas of automatic meters. All questions were answered by Butch Williamson.

Directors Holland, parks and Dodd then officiated the drawing of numerous door prizes.

There being no further business to come before the meeting, upon motion made, seconded, and unanimously carried, the meeting was adjourned.

Janelle Dawkins, Assistant Secretary

Robert L. Nock, Secretary

APPROVED:

Addison W. Nottingham, Jr., Chairman

Immediately following the annual meeting, the Board of Directors held the reorganizational meeting at which the following officers were elected: Chairman- Addison W. Nottingham Jr., Vice Chairman- Christopher D. Bott, Secretary- Treasurer- Robert L. Nock, and Assistant Secretary- Janelle Dawkins.