

**MINUTES OF THE 79th ANNUAL MEETING OF MEMBERS
OF UNITED POWER, INC.
WEDNESDAY, APRIL 18, 2018**

GENERAL

The 79th Annual Meeting of Members of United Power, Inc. was held Wednesday, April 18, 2018 in the Waymire Dome at the Adams County Fairgrounds. Registration began at 4:30 p.m. and the meeting began at 6:30 p.m.

INVOCATION/NATIONAL ANTHEM

Public Affairs Officer Troy Whitmore introduced Susan Petrocco, Vice President of the Board of Directors, who gave the invocation, and then Troy introduced Lauren Rocha to sing the National Anthem.

PRESENTATION OF THE COLORS AND THE PLEDGE OF ALLEGIANCE

The Brighton Fire Department Honor Guard did a Presentation of the Colors and the Pledge of Allegiance was recited.

OPENING REMARKS AND ANNOUNCEMENTS

Mr. Whitmore welcomed everyone to the meeting and stated that the theme of the meeting was "Powering the Future". He briefly reviewed the agenda for the meeting and pointed out that registration had closed at 6:30 p.m. He announced that question and comment cards were available at the back of dome and at the VIP table in the Exhibit Hall, and should be submitted to United Power if members have any specific comments or questions. He also noted that there will be an open member forum following the meeting.

INTRODUCTION OF PRESIDENT

Board President James Vigasaa was next introduced by Mr. Whitmore.

PRESIDENT'S WELCOME

Board President Vigasaa discussed that we will be sharing how United Power has been working to enhance the member's service, handle the growth in all service territories, and how United Power is planning for the future as a utility.

INTRODUCTION OF DIRECTORS & CEO STAFF

President Vigasaa introduced the following Board Members who were present at the meeting: Vice President Susan Petrocco, Secretary-Treasurer Elizabeth Martin, Assistant Secretary-Treasurer Ursula Morgan and Directors Keith Alquist, Ginny Buczek, Tim Erickson, Brian McCormick, Richard Newman, Dave Rose and Tamra Waltemath. President Vigasaa then introduced Chief Executive Officer John Parker, Legal Counsel Mark Williams, Parliamentarian Gayla Stone, Executive Administrator Michele Sack, Chief Financial Officer Laurie Rydwell, Chief Operating Officer Bryant Robbins, and Public Affairs Officer Troy Whitmore.

INTRODUCTION OF SPECIAL GUESTS

President Vigesaa recognized groups of special guests in attendance at the meeting, including legislators, representatives from other cooperatives and associated organizations including Tri-State G & T and the Colorado Rural Electric Association, city and county officials, past Directors, and Round-Up Foundation Board Members. All names of guests were displayed on the projector during dinner prior to the meeting.

CALL TO ORDER

The 79th United Power Annual Business Meeting was called to order at 6:51 p.m. President James Vigesaa announced that the current edition of *Robert's Rules of Order Newly Revised* shall govern the meeting unless it is inconsistent with United Power's Bylaws, Articles of Incorporation, or federal or state laws.

CALL OF THE ROLL

President Vigesaa introduced the Election/Credentials Committee members who are responsible for determination of a proper quorum and supervision of the election. Troy Norby, Election and Credentials Committee Chair, reported that 359 members had officially registered their meeting attendance. He then moved that the call of the roll be waived and that the roll of members as registered be the official roll of the voting members of this meeting. The motion carried.

QUORUM FOR TRANSACTION OF BUSINESS

President Vigesaa declared a quorum present, in accordance with United Power bylaws (Section 3.06) which provide that the lesser of five percent (5%) or 50 members be present in person for the transaction of business.

APPROVAL OF AGENDA

There being no objection, the agenda was accepted as presented.

NOTICE REQUIREMENTS

President Vigesaa announced that a notice of the annual meeting appeared in the March issue of United Newslines which was mailed to all members of record. He also noted that notices were published in the Brighton Standard Blade, Ft. Lupton Press, Commerce City Sentinel Express and the Longmont Daily Times Call on March 28, 2018. Since there were no objections, the reading of the notice was waived.

MINUTES OF LAST MEETING

President Vigesaa noted that the minutes of the 78th Annual Meeting of Members held Tuesday, April 18, 2017 were accepted by the Board and a copy of the minutes are included with your Annual Report. He stated that, if there is no objection, the same procedure will be followed this year. There was no objection.

ELECTION PROCEEDINGS

President Vigesaa announced that Article 4, Section 6 of United Power's bylaws provide that nominations may be made by petition signed by 15 or more members. This year four petitions were received resulting in nomination of the following director candidates:

East District	Tim Erickson
South District	Susan Petrocco
West District	Brian McCormick
Mountain District	Richard Newman

YOUTH REPORT

John Parker discussed how United Power strives to invest in our leaders of tomorrow by sponsoring attendance to the National Youth Tour, the Statewide Youth Camp and through funding of several scholarships. This year United Power awarded a total of \$18,500 in scholarships to outstanding students in our service territory. Students are selected for these awards based on academic performance, extracurricular activities and a written essay.

PRESIDENT'S REPORT

President Vigesaa reported on the changes and challenges United Power has addressed over the past year which included naming a new CEO and filling an open seat on the Board of Directors. He shared the recent purchase of a Frederick Municipal Electric System which serves Old Town Frederick, and this transition will be completed over the next several months. Due to the growth in our service territories and the time it takes to travel from the east to the west, Director Vigesaa shared United Power has purchased an additional building in the west district. This will significantly cut down on travel time when there are outages and needs of members in all service territories however particularly our west district.

SECRETARY-TREASURER'S REPORT

Secretary-Treasurer Elizabeth Martin reported that operating revenues in 2017 were \$227.4 million dollars, an increase of more than \$7 million from 2016. Most of this increase was from higher kWh sales. Energy sales increased more than 1.5%, due mostly to increased residential load.

Operating expenses totaled \$226 million in 2017, an increase of \$13.8 million, mostly due to higher purchased power costs, which represent over 76% of our operating costs.

Net margins in 2017 were \$11.1 million dollars, reflecting strong operating results. In 2017, United Power retired over \$5.3 million of capital credits to our members.

At year-end, assets totaled more than \$420 million dollars. Outstanding debt at year-end totaled \$206 million and patronage capital and other equities totaled over \$182 million.

CEO REPORT

Chief Executive Officer John Parker took a moment to introduce himself and his career history with United Power. He introduced a video explaining his vision for United Power over the next year. He also shared a video which went into a little more depth into the drone technology United Power has begun using and how it is helping provide our members more reliable service.

In closing, Mr. Parker shared a special thank you with the United Power Board for entrusting him with the operation of the cooperative. He also expressed a heartfelt thank you to the hard working United Power employees who work around the clock to keep the lights on and serve our members.

ACCEPTANCE OF REPORTS

President Vigessaa announced that the minutes will reflect the acceptance of the following reports: President, Secretary-Treasurer, CEO and Youth Reports.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

MEMBER FORUM

During the registration process, members were given the opportunity to leave questions for the CEO and Board President to be addressed during the Member Forum portion of the meeting. Collected questions of general interest were asked by the Board of Directors on behalf of the members.

ELECTION RESULTS

Election-Credentials Committee Chair, Troy Norby, announced the following election results:

East District	Tim Erickson	310
South District	Susan Petrocco	321
West District	Brian McCormick	311
Mountain District	Richard Newman	311

Tim Erickson, Susan Petrocco, Brian McCormick and Richard Newman were declared the winners in their respective districts.

COMMENTS AND QUESTIONS

President Vigessaa announced an opportunity to provide comments and ask additional questions is planned after the adjournment of this meeting. He invited those members who would like to share a concern or question to remain after the door prize selections.

ADJOURNMENT

The meeting was declared adjourned at 7:37 p.m.

LINEMAN APPRECIATION

Public Affairs Officer Troy Whitmore shared a short video celebrating Lineman Appreciation Day.

DOOR PRIZE GIVEAWAYS

A drawing was held for door prizes donated by suppliers and business friends of United Power.