

PRESIDENTS REPORT

April 2016

Good morning and welcome to Columbus Electric's 70th Annual meeting. I'm Edward Elbrock District 3, Representative and President of the Board. I would like to begin by introducing your Board of Trustees:

District 1, Nancy Clopton and Joe Johnson;

District 2, Hal Keeler and Eddie Diaz;

District 3 Randy Massey and Jay Peterson;

District 4 Myself and Bill Cloudt;

And our Trustee at Large is Bill Miller.

Our first priority as directors is to protect the welfare of the Cooperative and its members. This means in addition to hiring the general Manger, we work with him and his staff to set long term goals and objectives for the association. But this doesn't mean handling the day to day operation of the Co-op, that's the Managers Job. And having competent management is a must because there are many new challenges facing our industry.

We also oversee the financial performance of the association. We do this by reviewing monthly financial reports and hiring auditors to perform an independent annual review of our finances.

In addition to protecting the assets of members, we are responsible for helping the business to grow in a fiscally responsible manner. We do this through strategic planning, its' something the board and management do every three years. In February of this year we once again started the process which will eventually result in a written report.

Strategic planning allows us to:

- Make sure that the board and management have the same vision for the future;
- Documents our commitment to the organizations and its goals;
- Provides the board with one more method for measuring productivity;
- It helps everyone with setting priorities; and
- Increases our ability to deal with risk from a changing utility environment.

The best decisions are made when they are developed out of careful consideration and complete information.

A strong board of directors is an essential part of a growing and successful cooperative and we are committed to doing our best for you.

Thank you...