

CHOPTANK ELECTRIC COOPERATIVE, INC.
MINUTES OF
ANNUAL MEMBER MEETING

April 25, 2024

The 86th Annual Member Meeting of Choptank Electric Cooperative, Inc. ("Cooperative") was held at the Fountains Wedding and Conference Center Salisbury, MD, on Thursday, April 25, 2024. Registration began at 4:30 p.m., followed by dinner for all in attendance.

The meeting was called to order at 6:00 p.m. by Mr. Douglas D. Scott., Chairman of the Board of Directors of the Cooperative. All Cooperative Directors were in attendance. Also, in attendance were President & CEO, Mr. Micheal E. Malandro, Recording Secretary, Mrs. Dawn M. Bowie, and General Counsel and Parliamentarian, Mrs. Sarah Dahl.

The National Anthem was performed by Cooperative employee Sharon Coverdale.

Mr. Bob Arnold, Director from Queen Anne's County led the Pledge of Allegiance.

Mr. Craig Mathies, Director from the Somerset County Director District, gave the invocation.

Chairman Scott welcomed everyone to the 86th Annual Member Meeting and gave a brief history of electric cooperatives in our country.

The Chairman announced that there were more than 50 registered Members present in person at the meeting and declared that a quorum was present.

Chairman Scott introduced the Board of Directors and special guests.

Chairman Scott commented that although Governor Wes Moore was unable to attend the meeting, a Governor's Citation was presented. Chairman Scott read the citation to the Members.

Chairman Scott introduced the Youth Tour participants that were in attendance.

A motion was made, seconded, and duly carried by the Members to dispense with the reading of the notice of the 2024 Annual Member meeting.

Chairman Scott noted that the minutes of the 2023 Annual Member meeting had previously been approved by the Board, as indicated by Robert's Rules of Order, and had been posted on the Cooperative's website since May of 2023.

Director John Burke, Treasurer, then presented the Treasurer's Report for the year ended December 31, 2023, which included excerpts from the independent auditor's report conducted by Adams, Jenkins & Cheatham, CPAs, relating to its audit of the financial statements of Choptank Electric Cooperative, Inc. and Subsidiaries which comprise the consolidated balance sheets of December 31, 2023 and 2022 and the related statements of operations and comprehensive income, equities, and cash flows for the years ended, and the related notes to the consolidated financial statements (collectively the "Financial Statements"). The auditor's report, which was posted on the Cooperative's website prior to the meeting and was made available to Members at the meeting, stated, in part, that the Financial Statements "present fairly, in all material respects, the financial position of the Cooperative as of December 31, 2023 and 2022, and the results of its operations, changes in equities, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America." After the financial presentation, a motion was made, seconded, and duly carried by the Members at the meeting to adopt the auditor's report as submitted.

Chairman Scott introduced the Cooperative's President & CEO, Mr. Micheal Malandro. Mr. Malandro described some of the ways the Cooperative contributed in 2023 to meeting its goals of providing safe, reliable, and cost-effective electricity to its Members. Mr. Malandro gave an update on Choptank Fiber. Mr. Malandro also commented that the first class of the Wor-Wic Community College Lineworker Program

graduated December 2023 and the next class will be graduating in May. Mr. Malandro explained Choptank's involvement in the Junior Achievement Center located in Salisbury. Mr. Malandro advised that the state and federal governments have discontinued the low-income discount programs for internet service, but Choptank will increase its Low-Income Access Program to \$30 per month starting in May 2024.

Chairman Scott called on Ms. Mary Lou Brown, Vice Chairperson of the Cooperative's Credentials & Election Committee ("Committee"), to present the Committee Report regarding the director election results. Ms. Brown explained that on January 9, 2024, the Committee determined that, with respect to the elections to be conducted in conjunction with the 2024 Annual Member Meeting, all conditions of the Cooperative bylaws section 4.06(b)(2) were satisfied. Specifically, that the Committee completed its review of all timely filed Nomination Petitions, determined the final status of the Director Nominee relating to each Nomination Petition and that there was no more than one approved Director Candidate for each Director District. Therefore, the 2024 elections were conducted according to the procedures for uncontested Director elections, which are outlined in bylaws section 4.06(b)(2).

Chairman Scott asked Director Bob Thompson to oversee the election of Board members. Pursuant to the actions of the Committee and the bylaws section 4.06(b), Director Thompson asked for a motion to cast a unanimous ballot for the following uncontested candidates:

From the Dorchester County Director District:
Douglas D. Scott

From the Kent County Director District:
Kristen E. Nickerson

From the Queen Anne's Director District:
Robert E. Arnold

A motion was made, seconded, and carried using a voice vote and then a show of hands to vote in favor for the uncontested candidates. Director Thompson declared that Douglas D. Scott, Kristen E. Nickerson, and Robert E. Arnold were elected from their respective Director Districts as members of the Board of Directors for a three (3) year term or until their successors shall have been elected or appointed and qualified.

Choptank Trust Chairman Mr. Tom Terry provided a background on the Choptank Trust and the 2023 donations.

There was no unfinished business to come before the Members.

There was no new business to come before the Members.

Mr. Malandro answered questions from the membership.

The 2024 Annual Members Meeting adjourned at 6:47 p.m. at which time the Luck of the Draw Scholarships and door prizes were drawn.

The "Luck of the Draw" Scholarship Award winners were drawn by Directors Brandt and Nickerson. Director Brandt announced that along with the ten advertised \$1,000 scholarships there will be one \$2,000 scholarship awarded in honor of retired director Olin Davis. The ten (10) successful applicants for the \$1,000 scholarships were: Caillyn Grager, Wicomico County; Damian Kunie, Wicomico County; Hayden Jackson, Caroline County; Isabella Jobeck, Talbot County; Julianna Torre, Wicomico County; Logan Hurney, Worcester; Lukas Maloney, Caroline County; Mia Neilson, Caroline County; Riley Walstrum, Caroline County; and Rylie Kirby, Worcester County. The \$2,000 scholarship was awarded to William O'Donnell, Talbot County.

Door prize numbers were drawn by Directors West and Rathell and door prizes were distributed to the winners. The door prizes consisted of one (1) each \$100 bill credit, \$200 bill credit, \$300 bill credit, \$400 bill credit and \$500 bill credit. In addition, every Member who attended the meeting received a \$10 credit on their electric bill.

There being no further business, the meeting concluded at 6:54 p.m.



Matthew R. Holloway, Secretary