

PROPOSED BYLAW AMENDMENTS

Proposed Amendment #1

Synopsis: Provides flexibility to the board of trustees when setting a member meeting agenda. The updated bylaw will allow the meeting agenda to be conducive to the meeting format.

The new bylaw would state:

Article III: Meetings of Members

Section 7. Order of Business. The order of business at member meetings shall be set forth by the Board of Trustees.

Proposed Amendment #2

Synopsis: Remove language pertaining to the reduction of trustees from eight to seven. The cooperative has been divided into seven districts, represented by a trustee from each district since October 2019.

The new bylaw would state:

Article IV: Trustees

Section 1. General Powers. The business and affairs of the Cooperative shall be managed by a board of seven Trustees. The Trustees shall exercise all of the powers of the Cooperative except such as are by law, the Articles of Incorporation, or these bylaws conferred upon or reserved to the Members.

Proposed Amendment #3

Synopsis: Clarifies how tenure is calculated for trustees who fill a vacancy in an unexpired term.

The new bylaw would state:

Article IV: Trustees

Section 10. Vacancies. Subject to the provisions of these bylaws with respect to the filling of vacancies, occurring with less than one (1) year remaining on the term, a vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the Trustees for the unexpired portion of the term of the Trustee in respect to whom the vacancy occurs. The Member elected as Trustee to fill the vacancy must reside in the same district as the Trustee to whose office he/she succeeds.

If one (1) year or more remains on the unfulfilled term, the Board of Trustees shall call a special election of the district and voting will be conducted pursuant to Article IV, Section 8. In the event a quorum is not present, the Board of Trustees will appoint a representative to fulfill the term.

Any person appointed or elected to fulfill a vacancy shall not have that service counted toward a term as defined in Article IV, Section 2 of these bylaws.

Proposed Amendment #4

Synopsis: Provides flexibility in providing reports of the Trustees to the membership and allows reports to be provided more expediently to the membership.

The new bylaw would state:

Article VI: Officers

Section 11. Reports. The officers of the Cooperative shall submit or cause to be submitted at or before each annual meeting of the Members a report covering the business of the Cooperative for the previous fiscal year. Such report shall set forth the condition of the Cooperative at the close of such fiscal year.

Proposed Amendment #5

Synopsis: Provides flexibility in providing an audit report to the membership and allows the audit report to be provided more expediently.

The new bylaw would state:

Article XI: Miscellaneous

Section 4. Accounting System and Reports. The Board of Trustees shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the Administrator of the Rural Utilities Service of the United States of America. The Board of Trustees shall also after the close of each fiscal year cause to be made by a certified public accountant a full and complete audit of the accounts, books, and financial condition of the Cooperative as of the end of such fiscal year. A report of such audit shall be submitted to the Members at or before the next following annual meeting.