The 72nd Annual Meeting of Navopache Electric Cooperative, Inc. was held at St. Mary of the Angels Family Center Hall, Pinetop, Arizona, on September 8, 2018. Entertainment began at 12:30 p.m. featuring the John Darst Trio Band.

The Eastern Mountain Young Marines Presented Colors. Mr. Bill Arendell, Director, led the Members in the Pledge of Allegiance. The National Anthem was sung by the John Darst Trio Band. An invocation was then offered by Mr. Arendell.

**Call to Order**
The meeting was called to order at 1:08 p.m. by Board President Brad Baker.

**Recording Secretary/Parliamentarian**
The President designated Administrative Assistant to the CEO, Elizabeth Neal, as Recording Secretary for this Annual Meeting, and Legal Counsel Ray Heyman, as Parliamentarian.

**Action to Approve Agenda**
Board President, Brad Baker, asked for a motion to accept the agenda which was in the Annual Meeting Booklet and passed out at registration. Motion was made. There was a second and the motion was approved by the membership to accept the agenda.

**Declaration of Quorum and Proof of Mailing Notice**
Board Secretary, Dennis Hughes, reported there were 211 members registered at the Annual Meeting. The Bylaws state that 100 members are required for a quorum. Therefore, a quorum was present. In accordance with the Bylaws, the official notice of the 2018 Annual Meeting appeared on the July 2018 electric bills and in the August 2018 edition of the monthly membership newsletter hiLites. HiLites were mailed to members of Navopache Electric Cooperative along with their electric bills. Certification of Mailing is available.

**Action on 2017 Annual Meeting Minutes**
Board Secretary, Dennis Hughes, announced the Draft Minutes of the 2017 Annual Meeting were printed in the August 2018 hiLites, and were included in the Annual Meeting Booklet that was passed out at registration. He asked Members if they would consider dispensing with the reading of the minutes and accept them as printed. Motion and second that the reading of the Minutes of the Annual Meeting held September 9, 2017, which were available, be dispensed with and that the minutes be approved as printed. Motion carried.

---

**OFFICIAL NOTICE**
The Annual Meeting of the Members of Navopache Electric Cooperative and Director Election Results will be held Saturday, September 7, 2019, 1:00 pm

St. Joseph’s Family Center @ St. Mary’s, Pinetop, AZ

Registration begins at 10:30 a.m. and closes at 1:00 p.m. Members must be registered in order to win a prize.

**Director Elections for the Following Districts:**
1—Lakeside
3—Whiteriver, Fort Apache, Carrizo, Cedar Creek, Cibecue, McNary, Hon-Dah, Forestdale, and Sunrise
4—Concho, Hunt, St. Johns, and Vernon
7—Heber and Overgaard

Petition packets available at NEC headquarters in Lakeside starting July 1, 2019

If you have any questions regarding Elections, please contact Elizabeth Neal @ 928-368-1201

**LABOR DAY**

NEC Offices will be closed on Monday, September 2, 2019 in observance of Labor Day!
Board President Brad Baker introduced the Board of Directors and spouses present. He also introduced NEC's CEO, Chuck Moore and his wife, Ann and General Counsel, Ray Heyman. Invited guests were introduced, which included: Senator Sylvia Allen, Congressman O'Halleran was represented by Rochelle Laca, John Wallace, CEO of GCSECA, Jorge Canaca of Arizona G & T Cooperatives.

Mr. Baker introduced NEC's retirees that were present and gave a special thanks to the Pinetop Fire Department for their presence at the Annual Meeting and the service they provide to our community. He gave a special welcome to the Members and thanked them for attending.

Board President’s Report

Mr. Baker began his report by discussing the different types of fuel used for generating electricity; Coal, Natural Gas, Water, Wind and Solar and their respective contributions to the Arizona power supply. He stated that natural gas is plentiful and now less expensive than coal. Nuclear power plants are aging and they are not being replaced. He talked about the limited ability to power the grid generated by wind and solar. He reminded Members that in 2007 the Arizona Corporation Commission mandated that all regulated utilities must have 8% of their power supply from renewable sources by 2018 and 15% by 2025. Mr. Baker then pointed out the Proposition 127, which will be on the ballot this November election. The proposition is to create a state constitutional amendment that imposes mandates on regulated utilities to have 50% of their power supply come from renewable sources by 2020. Water and nuclear would not be considered renewable sources. The amendment would not affect non-regulated utilities, like Salt River Project, municipalities or electric districts, only those electric utilities that are regulated by the Arizona Corporation Commission, including NEC. Mr. Baker then introduced NEC’s CEO, Chuck Moore.

CEO Report

Mr. Moore explained the ramifications that Proposition 127 would have on NEC Members. He told the Members about the projected increase, per Member, that the proposition would cause. He talked about the unreliability of wind and solar, and its affect to the electrical grids reliability and sustainability. He talked about NEC’s fire solar arrays and how careful NEC is to make sure the cost is affordable to all members. Mr. Moore gave a recap of the 2015 PNM contract and the subsequent contract with TEP that went into effect in 2017. He reviewed with the Members the amounts that were saved over the past 2 ½ years, which is over 9 million dollars. Proposition 127 would wipe out all that hard work. He then discussed how the current rate case is structured. It would stabilize NEC’s fixed cost charge and provide flexibility to the Member on the lower kW charge. The rate case also includes a Net Metering adjustment and a Pre-paid tariff. NEC expects the new rates to be effective in mid to late 2019. Mr. Moore then told the Members about the two wild fires that swept through NEC service area in June 2018. The 377 Fire, near Heber/Overgaard was caused by a ramp on a trailer driving on the pavement. When the fire struck NEC’s transmission lines the power went out to all of the Heber/Overgaard area. NEC crews worked through the night replacing 9 burned transmission structures. In some cases, removing the still burning pole, in order to replace it. Power was restored in approximately 30 hours. This received thunderous applause from the Members. Mr. Moore then told the Members about the Ranch Fire that affected our members in the Glenwood, NM area. The fire destroyed 6 structures along treacherous cliffs and canyons. Due to the terrain and fire, crews were not able to work after dark. Generators were brought in to restore power to all but 5 or 6 locations. Full power was restored in 5 days. This also met with appreciative applause by the Members.

New, Old or Unfinished Business

Mr. Baker called for any new, old or unfinished business. A member called out from the audience for information regarding AMI meters. Mr. Baker stated that the question was not timely and offered to discuss it with her after the meeting. After a brief exchange, the meeting was restored to order.

General Counsel Report

Ray Heyman, of Snell & Wilmer, thanked Senator Allen for her presence at this Annual Meeting. He told the Members that there was no litigation to bring before the Members. He further stated that when the Board requires outside assistance to handle matters, it relies upon various outside experts. He expressed his appreciation for the hard work of the Board and management and concluded his report.

Benediction and Adjournment

The Benediction was given by Director Steve Heckathorne. The meeting was then adjourned at 2:20 p.m. and the prize drawings were held.

---

The Condensed Balance Sheet as of December 31, 2018 and the Condensed Statement of Revenues and Expenses for the year ending December 31, 2018 presented in the Annual Report have been prepared by the management of NEC, who is responsible for their integrity and objectivity. The statements and related information were prepared in conformity with generally accepted accounting principles and are based on recorded transactions and management’s best judgement. For audit purposes, NEC has a fiscal year beginning May 1 and ending April 30. The audit for the fiscal year ending April 30, 2019 was performed by CliftonLarsonAllen LLP, an independent CPA firm; audits for the fiscal years ending April 30, 2018 and 2017 were performed by Bolinger, Segans, Gilbert & Moss, LLP, an independent CPA firm. Audit reports are on file at NEC’s headquarters in Lakeside, Arizona.
**Energy Efficiency “Tip of the Month”**

Turn off kitchen, bath and other exhaust fans within 20 minutes after you’re done cooking or bathing. When replacing exhaust fans, consider installing high-efficiency, low-noise models.

*Source: energy.gov*

---

**Honey-Ginger-Cedar-Plank-Grilled-Salmon-with-Avocado-Salsa**

**INGREDIENTS**
- 1 (2 pound) wild caught, skin on salmon
- zest of 1 lemon
- 1 inch fresh ginger, grated
- 1 clove garlic, grated
- black pepper
- 1/4 cup low sodium soy sauce
- 2 tablespoons honey
- 1 tablespoon chili paste

**NEC TARINE, CORN, AND AVOCADO SALSA**
- 1 nectarine, chopped
- 1 ear grilled corn, kernels removed
- 1 avocado, diced
- 1 jalapeno, seeded and chopped
- juice of 1/2 a lemon
- juice of 1/2 a lime
- 1/3 cup fresh cilantro, chopped
- 2 tablespoons fresh basil, chopped

**INSTRUCTIONS**
1. Soak the cedar plank in water for at least 30 minutes before grilling, but 2-4 hours is ideal. Heat grill to medium heat.
2. Lay the whole salmon, skin side facing down, on top of the cedar plank.
3. Grill for 15-20 minutes, or until the salmon is cooked to your liking.
4. Meanwhile, in a small bowl, combine the soy sauce, honey, and chili paste. During the last 5 minutes of cooking, brush the soy sauce mix over the salmon.
5. Using a large spatula, remove from the grill. Top with salsa and serve.

---

**No Bake Apple Pie bites**

**APPLE PIE FILLING**
- 4 apples, peeled, cored, and diced into small pieces
- 3 tablespoons of brown sugar, use 4 tablespoons depending on how sweet you like your filling
- Juice of half a lemon
- 1 teaspoon ground cinnamon

**INSTRUCTIONS**
1. In a medium sized saucepan over medium-high heat combine the diced apples, 1/2 cup of water, sugar, cinnamon, salt, nutmeg, allspice, lemon juice, and vanilla extract.
2. Stir everything together and let the mixture cook with the lid on for about 8-10 minutes or until the apples have softened.
3. Stir the mixture every few minutes

**OTHER INGREDIENTS**
- 15 mini phyllo shells
- Whipped cream, store bought or homemade will work

and lower the heat if the apples start to stick to the bottom.
4. In a small bowl whisk together the cornstarch and remaining 1/2 cup of water until the cornstarch has dissolved.
5. Pour the cornstarch mixture over the apples then stir everything together.
6. Continue cooking and stirring the filling for another 2 minutes or until it has thickened.

**ASSEMBLING THE NO BAKE APPLE PIE BITES**
1. Let the apple pie filling cool slightly before spooning it into the phyllo shells.
2. Fill the phyllo shells with the filling then top them with the whipped cream and a sprinkle of cinnamon if desired.
3. Serve immediately to prevent the phyllo shells from becoming soft.

**NOTES**
The apple pie filling may be made ahead of time and refrigerated. Reheat the filling in the microwave or on the stove.
Don’t freeze the filling as the cornstarch causes the consistency to change when frozen. To prevent the whipped cream from melting make sure the filling is just slightly warm or room temperature.
The bites are best when they are assembled right before serving to prevent the phyllo shells from becoming soft.

---

**Pesto Zucchini Noodles with Roasted Tomatoes and Grilled Chicken**

A light and tasty summery zucchini noodle pasta tossed in fresh basil pesto with roasted tomatoes and grilled chicken.

**Ingredients**
- 1 pint cherry tomatoes, cut in half or sliced Roma tomatoes
- 1 tablespoon oil
- salt and pepper to taste
- 1 pound boneless skinless chicken breasts
- Salt, pepper and garlic powder to taste
- 4 medium zucchini, sliced into noodles
- 1/2 cup basil pesto*

**Directions**
1. Toss the tomatoes in the oil, salt and pepper, place on a baking sheet in a single layer and roast in a preheated 400F/200C oven until they start to caramelize, about 10-15 minutes.
2. Meanwhile, season the chicken with salt, pepper and garlic to taste, grill it over medium-high heat, about 3-5 minutes per side, before setting aside to rest and slicing it.
3. Add the zucchini noodles to the pan and cook until just tender, about 1-2 minutes, stirring.
4. Toss the zucchini noodles, tomatoes and chicken in the pesto and enjoy!

**Basic Pesto**

**Ingredients**
- 1 cup basil, packed
- 1 clove garlic
- 2 tablespoons pine nuts, toasted
- 1/4 cup Parmigiano-Reggiano, grated
- 3 tablespoons olive oil
- 1 tablespoon lemon juice salt and pepper to taste

**Directions**
Place everything into a food processor and blend. Freezes beautifully.

---

**Share Your Favorite Recipes**

Navopache Electric Cooperative would love to share some of your favorite recipes with our readers. Send in your favorite recipes along with your name and the town you live in (so we can give you credit). 

Navopache Electric Co-op
Attn: “hiLites” Editor
1878 W. White Mountain Blvd.
Lakeside, AZ 85929
or e-mail it to jwade@navopache.org

---

**hiLites**

is published by Navopache Electric Cooperative, Inc.
1878 W. White Mountain Blvd.
Lakeside, AZ 85929
1-800-543-6324 • 1-928-368-5118
www.navopache.org

This publication is intended for members of Navopache Electric Cooperative and is mailed with the members’ monthly billing. As the official publication of the cooperative, the purpose of “hiLites” is to inform consumers on matters pertaining to cooperative news, rural electrification, safety, efficient use of electricity and improved rural living.

---

**We hide account numbers each month in the “hiLites”. If you find your number, please contact our office and we will give you a $10 credit on your next Navopache Electric Co-op billing.**