

## RECC Regular Board Meeting December 23, 2014

The regular monthly meeting of the Board of Directors of Rural Electric Convenience Cooperative Co. was held at the cooperative headquarters on December 23, 2014, at 6 p.m., with all members present. Also present were President/CEO David Stuva; Manager of Operations and Maintenance Louis DeLaby; Director of Member and Public Relations Dana Smith; Manager of Finance & Administration Matt Sheerin; Executive Assistant Sandy Lex; Network Administrator Brandon Taylor; Accountant Daniel Drumeller; and Attorney Jerry Tice.



\* The minutes of the November 25 regular Board meeting were approved as presented.

\* CEO Stuva and Matt Sheerin presented a review of the cooperative's operating budgets for 2011, 2012, 2013 and the 2014 budget with eleven months' actual and one month projected income and expenses, along with an overview of the proposed 2015 operating budget with a Purchased Cost Adjustment (PCA) of \$.0075 per kWh, compared to the \$.0085 per kWh PCA in effect for 2014. Electric sales were projected to decrease slightly in 2015 after the cold winter and strong grain drying use raised sales in 2014.

\* CEO Stuva reported on the IMEA meeting held on December 11.

\* The AIEC report was given by Chairman Ayers. He reviewed the executive summary of the December 18 Board meeting.

\* Attorney Tice reported on the proposed pole use licensing Agreement with Ameren for their radio equipment installed on four RECC line poles.

### **President/CEO's Report**

CEO Stuva reviewed the following reports which had either been mailed or distributed to all directors and attorney: Job Training and Safety, Meters and Outages, Operations and Maintenance, Engineering and Construction, Member and Public Relations, Cash Flow, Cash Disbursements Summary, and Check Listing. The financial and statistical reports for November 2014 were reviewed and accepted for placement in the cooperative's files.

CEO Stuva also:

\* Discussed RUS's proposed rules on environmental policies and procedures. He pointed out several advantages and disadvantages of borrowing from the government agency.

\* Reported that all prior years' operating losses have now been offset in the co-op's finances by applying all non-operating margins to that expense, according to the RECC bylaws.

\* Reported that the new air-break switch was installed on the transmission tap to the Honey Bend substation by RECC crews and JF Electric contractors, along with four spans of transmission wires.

\* Reported that 5,100 poles were tested on distribution lines on the Taylorville and Sicily substations

- \* Reviewed plans for upcoming meetings and classes.

### **Board Action**

The Board acted on the following:

- \* Approved the application for, or reinstatement of, membership and electric service for seven persons.
- \* Approved the proposed 2015 Operating Budget with a reduced Power Cost Adjustment of \$.0075/kWh.
- \* Approved the allocation of any non-operating margins to members using RECC electricity during that year, when there are no operating losses to be offset.
- \* Set the 2015 Nominating Committee meeting for March 10 at 6:30 p.m., to nominate candidates for Board of Director elections at the RECC Annual Meeting on June 11, 2015.
- \* Appointed voting delegates and alternates for the NRECA Annual Meeting in February, along with association meetings held in conjunction with NRECA.

The meeting adjourned at 8:35 p.m.