

# POWERLINE Press

A Monthly Publication of:



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**RURAL**  
MISSOURI

## Coloring Contest

**H**ey kids!  
It's National Electric Cooperative Month and to celebrate, SEMO Electric Cooperative is having a coloring contest. Just color buddy bear on page two, cut it out and then drop it off or mail it back to us. All entries will be displayed at our two locations and some of our entries might even make it onto our website. Some lucky entries will be picked to win prizes, like, Buddy Bear activity books, a stuffed Buddy Bear or even cash! So get your crayons out and good luck!

Rules: 1) You must be 9 years old or under to enter. 2) One entry per child. 3) All entries must be received in our office by October 17th.



## Employee Anniversary

*The Cooperative would like to say a special thanks to the following employee who has a October anniversary.*



Storeroom Clerk, Ray McLane is celebrating his 22nd year with the Cooperative.

## Phone Scam

"You will be disconnected if you don't provide your credit card information," said the insistent caller, demanding the account number from a co-op consumer-member early this summer.

Unfortunately, the elderly woman who gave in to the demand didn't find out until later that the aggressive caller did not represent Janesville, Wisconsin based Rock Energy Cooperative.

"She gave the caller her social security number, her maiden name and her credit card information," said Barbara Uebelacker, the co-op's communications specialist. "She could be a victim of identity theft down the road.

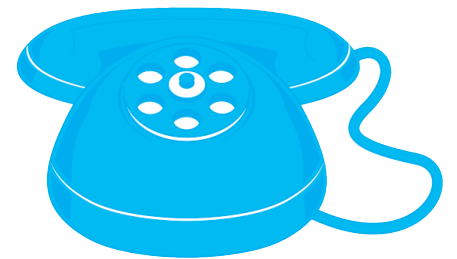
Similar reports are coming in from co-ops across the country.

"The daughter of an elderly consumer-member, was visiting when a caller claiming to represent the electric company called to demand payment; she refused to give them anything," said Steve Moore, member services manager of West Central Electric Coop in Higginsville, Mo., recalling a case in his service territory.

"To my knowledge, we have not seen this type of activity in our area," said Glen Cantrell, communications manager for SEMO Electric Cooperative. "However, we know it's been done in the state and that's close enough for us to raise a red flag. We are in the process of trying to educate our members about this important issue."

In recent months, a variation on the scam has involved vague references to federal stimulus dollars. In Georgia, two separate cooperatives have heard from consumer-members who have been encouraged to apply for grants of up to \$350 to help senior citizens and low income consumers-members pay their utility bill.

Cantrell stressed that to his knowledge there are no programs like this and "we are just letting members know, that there are people out there preying on them, so our members need to be careful." Cantrell goes on to say that if members feel like they are being scammed, they should contact the SEMO Electric Cooperative at 1-800-813-5230.



Story courtesy of  
*Electric Co-op Today*  
by Derrill Holly.

# National Electric Cooperative Month

A lot of things in your home use electricity. Some you can use by yourself, others should be used only by an adult. NEVER touch appliances like a stove or a space heater. Both can get very hot and hurt you.



Name \_\_\_\_\_

Address \_\_\_\_\_

Phone Number \_\_\_\_\_



**SEMO**  
Electric Cooperative

# MINUTES OF THE BOARD MEETING

## August 14, 2009

The regular meeting of the Board of Directors of SEMO Electric Cooperative was held Friday, August 14, 2009, at the Cooperative office in Sikeston, Missouri. Rick Faulkner, Board President, called the meeting to order at 12:45 p.m., with the invocation being lead by Tim Coppage. The following board members were present: Rick Faulkner, John Bledsoe, Tim Coppage, James Deneke, Clyde Hawes, Charles Marshall, Carl Eftink, Butch Dirnberger, Carla Moore, Dicky Hanor, Keith Haynes, and Dennis Fowler. Also in attendance was Reuben L. Jeane, General Manager, acting as secretary, Rod Widger, Cooperative Counsel and Rick Temple, Cooperative Union Counsel.

The amended agenda was approved after adding Personnel Committee and deleting Consider IBEW Contract.

Motion was made, seconded and carried to approve the minutes of the previous meeting as mailed.

### STAFF PRESENTATIONS

Randal Tennison, Financial Manager, then gave the monthly financial report. Operating revenue was \$14.8 million, which is \$400,000 lower than the budgeted amount. Cost of purchased power was \$9.3 million, which was \$600,000 more than the budgeted amount. Other expenses were close to the year-to-date budgeted amounts. With all other expenses being as anticipated, the total cost of electric service was \$15,585,000 as compared to the budgeted amount of \$14,491,000. This gives a negative year-to-date margin position of \$709,501. This is well below the predicted amount of \$793,000. A review of utility plant showed that the Cooperative continues to have a significant amount of construction on permanent repairs from the ice storm, service modifications and metering conversions in the AMI program. Total assets of the Cooperative were \$95.6 million, with the storm debt being \$41.4 million. A review of the financial statistics showed the Cooperative being at 49% equity, which is still well over state median levels. Power cost per kilowatt hour was at 5.6 cents as compared to the U.S. at 6.3 cents or 4.8 for the state of Missouri. Growth in kilowatt hours decreased substantially this year due to weather. It was negative 7.4%. Electronic disbursements, Directors' expenses, General Manager expenses and cash disbursements were all reviewed.

Randal Tennison then gave the customer service report in the absence of Jerry Dockins. The number of meters decreased by 30 as compared to last year. Kilowatt hours decreased 4%.

Larry Kelly, Engineering Manager, then gave his report updating the Board on the AMI project informing them that his department was insuring that the computer system was communicating with all 15 substations as well as with all new meters currently installed.

Marty Vineyard, Operations Manager, reported on installing load control devices on irrigation and also right-of-way crews.

Ron Montgomery then presented the materials and fleet report.

The General Manager then presented the human resource report in the absence of Marla Wood.

Glen Cantrell gave the communications report.

After comments from the Board about the staff reports, motion was made, seconded and carried to accept the reports as presented.

### EXECUTIVE SESSION

Following the staff's exit, the Board President then called for an executive session to cover the personnel committee report. After an extended executive session, the meeting

was called back into regular session. Motion was made to affirm and ratify the actions and positions of the personnel committee in negotiations with the IBEW 702. Motion was seconded and carried.

### GENERAL MANAGER'S REPORT

The General Manager then gave his monthly report. FEMA monies for the approval amount of the ice storm had not been received as to date. Hopefully this will not extend too much longer. Motion was made, second and carried to accept the General Manager's report.

### POWER SUPPLY REPORT

Clyde Hawes then gave the power supply report. Mr. Hawes reported on the last meeting of M&A Power Cooperative. He also updated the Board on AECI actions concerning repairs and cost of power. Motion was made to accept his report. Motion was seconded and carried.

### AMEC REPORT

John Bledsoe was called on to give the report on AMEC. Motion was made, seconded and carried to accept his report.

### OLD BUSINESS

There was no old business to be brought before the Board.

### NEW BUSINESS

Motion was made for membership action to be taken to receive new members and to cancel memberships with those members who have been disconnected. Motion was seconded and carried.

Membership concerns were then discussed. Concerns from Mr. Charlie Manns about the availability charge were discussed.

### BAD DEBT WRITE-OFF

The list of the bad debt from the previous year was presented to the Board. After a review of the list showing numerous bankruptcies due to the economic times, motion was made that the write-off amount of \$95,326.90 be approved. This list will be attached to these minutes as Attachment A. Motion was seconded and carried.

### SELECTION OF DELEGATES

The Board then selected delegates for NRECA, CFC, Federated, and NRTC. Motion was made to select Reuben Jeane, General Manager, as delegate to NRECA, CFC, Federated and NRTC, with the alternate being Dicky Hanor. Motion was seconded and carried.

The representative selected for the AMEC Annual Meeting was John Bledsoe, with the alternate being Tim Coppage. The representative for the AMEC Board Member for 2010 was John Bledsoe with the alternate being Keith Haynes.

Following a short executive session and there being no other business to come before the board, the meeting was adjourned at 4:15 p.m.

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Tim Coppage, Secretary

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Richard Faulkner, President

# MINUTES OF THE BOARD MEETING

## July 20, 2009

The regular meeting of the Board of Directors of SEMO Electric Cooperative was held Monday, July 20, 2009, at the Cooperative office in Sikeston, Missouri. Rick Faulkner, Board President, called the meeting to order at 12:50 p.m., with the invocation being lead by Carl Eftink. The following board members were present: Rick Faulkner, John Bledsoe, James Deneke, Clyde Hawes, Charles Marshall, Carl Eftink, Butch Dirnberger, Carla Moore, Dicky Hanor, Keith Haynes, and Dennis Fowler. Absent was Tim Coppage. Also in attendance was Reuben L. Jeane, General Manager, acting as secretary, and Rod Widger, Cooperative Attorney.

The amended agenda was approved adding Legal Report and Irrigation Requests.

Motion was made, seconded and carried to approve the June 15, 2009, board meeting.

### STAFF PRESENTATIONS

Randal Tennison, Financial Manager, then gave the monthly financial report. Sales and revenue decreased substantially. The cost of purchased power increased. The power cost was \$7.7 million with a budgeted amount of \$7.1 million. Expenses were well within budgeted expectations. Interest expense on the storm loans was \$285,000. Year-to-date margins were negative \$932,272. A portion of this loss was due to timing of the hot weather and timing between retail meter readings and wholesale meter readings. A review of the balance sheet showed that the Cooperative still has construction work in process until such time as we receive funds from FEMA. Total assets of the Cooperative were \$95,729,000. Directors' expenses and the General Manager's expenses were reviewed. The cash disbursement list was reviewed. Copies of the Form 990 as required under IRS regulations were then presented. Form 990 requests specific information from Directors.

Jerry Dockins then gave the customer service report. Monthly rebates totaled \$5,325. Year-to-date rebates were \$32,655, with a total of 53 rebates. Operation Roundup for the month of June totaled \$5,766. E-bills continue to be very strong. Credits have been issued for the mercury vapor lights that have been repaired since the ice storm. The new IVUE outage system and accounting system have been running well so far.

Larry Kelly, Engineering Manager, then gave his report.

Marty Vineyard, Operations Manager, was absent due to vacation so the General Manager presented his report.

Ron Montgomery then presented the materials and fleet report.

Marla Wood then gave the human resource report.

Glen Cantrell gave the communications report.

After comments from the Board about the staff reports, motion was made, seconded and carried to accept the reports as presented.

The staff was then asked to remain in the meeting while Rod Widger, Cooperative Attorney, gave a short presentation on board and staff responsibilities. During his discussion he advised the Board on the need to continue to learn their responsibilities and take necessary training to represent the membership in a legally responsible way. Motion was made and seconded to accept the legal report. Motion carried. Staff was excused.

### GENERAL MANAGER'S REPORT

The General Manager then gave his monthly report. A discussion was held on rates and energy usage and load.

The Board was updated on system repairs from the ice storm.

Motion was made, seconded and carried to accept the General Manager's report.

### POWER SUPPLY REPORT

Clyde Hawes then gave the power supply report. Mr. Hawes reported on the last meeting of M&A Power Cooperative and their continuing storm repair.

### AMEC REPORT

John Bledsoe was called on to give reports on AMEC, District VI, and Director's Conference. John informed the Board about concerns from AMEC concerning the Cap and Trade legislation and the extensive costs it could cause our members to pay if it passes.

Those who attended District VI and the Directors Conference informed the others about information they received in the meetings.

The Board was informed that there could be a rate increase in excess of 30% to our consumers if the Cap and Trade legislation passes in its current form. All efforts are being made to minimize this cost to our customers and to ensure that all sections of the country pay their share of maintaining excellent quality to the environment.

Motion was then made and seconded to accept these report. Motion carried.

### OLD BUSINESS

There was no old business to be brought before the Board.

### NEW BUSINESS

Motion was made for membership action to be taken to receive new members and to cancel memberships with those members who have been disconnected. Motion was seconded and carried.

Membership concerns were then discussed. Keith Haynes reported a problem with a telephone system being overloaded and the General Manager stated that he would be working to see if there is some way to adjust the system or expand it. Carla Moore reported trees in the lines south of Bloomfield. The General Manager stated that those would be taken care of. Rick Faulkner had concerns from several members about the quality of work the contractors were doing when they put in load control devices.

The Board then discussed how the Cooperative would respond if the load control system shut down during maintenance to turn the power back on the irrigations remotely to ensure that they would be working properly for the irrigation maintenance companies. The General Manager stated he would look into this to see what could be done to solve this problem.

Following an executive session at 3:35 p.m. and there being no other business to come before the board, the meeting was adjourned at 4:42 p.m.

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Tim Coppage, Secretary

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Richard Faulkner, President