

REA ENERGY COOPERATIVE, INC.
SUMMARY of MINUTES OF REGULAR BOARD MEETING
September 29, 2020

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, September 29, 2020, in the Team Building room of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:20 p.m. An invocation was given and the Board said the Pledge of Allegiance.

Roll Call

Board of Directors were present, including President & CEO, the Cooperative’s attorney, HR Administrator and Executive Assistant.

Reading of Cooperative’s Vision Statement

The Cooperative’s President & CEO read aloud the Cooperative’s Vision Statement.

Approval of Minutes

A motion was made and seconded to approve the minutes of the August 25, 2020 regular board meeting. Motion carried.

A correction to last month’s Board meeting was mentioned. At August’s Board meeting, a motion should have been made before a vote was held on Broadband. The motion was amended, and a Director seconded that amendment. Discussion was held on the need for a motion to move forward on research to build a Broadband network.

A motion was made and seconded to approve moving forward with exploring options to build and provide Broadband service. Motion carried.

Additions to Agenda

New Business: 7. Committee sheets

A motion was made and seconded to approve the revised agenda as amended. Motion carried.

NOTE: An addition to the Agenda was made to add a Standing Committee Agenda item. It was later realized there was an Agenda item for Standing Committees and the addition to the Agenda was not needed.

Special Presentations

Capital Credits

The Cooperative's President & CEO spoke about the Capital Credits plan, Cash Flow plan and Debt plan created from the last Strategic Planning session. The Cooperative's Financial Analyst presented various options at the Strategic Planning session and the Board decided on a 40-year cycle. The Cooperative's President & CEO explained Capital Credits and how they are retired.

A motion was made and seconded to continue the 40-year cycle to retire Capital Credits. Motion carried.

A motion was made and seconded to retire 1980 Capital Credits. Motion carried.

Compensation Committee

The Cooperative's HR Administrator spoke about compensation, job evaluations and performance reviews. The current payroll budget was reviewed, and the proposed payroll amount was presented to the Board of Directors.

A motion was made and seconded to approve the proposed payroll for inside employees. Motion carried.

The HR Administrator was dismissed from the meeting at 5:48 p.m.

Executive Session

Board Chairman called for an Executive Session at 5:48 p.m.

Motion was made and seconded to go into Executive Session. Motion carried.

Executive Session ended at 7:07 p.m.

Motion was made and seconded to come out of Executive Session. Motion carried.

Board Chairman declared a brief break at 7:07 p.m.

The meeting reconvened at 7:18 p.m.

New Business

Compensation package

A motion was made and seconded to approve the Compensation package as discussed in the Executive Session. Motion carried.

Establish standing committees

Discussion was held on filling positions for Committees. A list of Committees were given to Directors along with volunteer forms. Directors are to turn in the forms and the Board Chairman will appoint Board Members to the various Committees.

A motion was made and seconded to keep the standing committees. Motion carried.

Wreaths for Veterans

The Board of Directors agreed to donate money once again this year to the Wreaths for Indiana County Veterans program.

A motion was made and seconded to donate to the Indiana County Veterans Committee for their Wreath for Veterans program. Motion carried.

Compensation error

The Cooperative's President and CEO explained an error that occurred in the processing of Board of Director compensations. The error was corrected.

Statewide emergency contact form

The Cooperative's President & CEO provided all Directors a copy of the Emergency Contact form for PREA and Allegheny to be filled out and submitted.

Legal Update

The Cooperative's attorney gave an update on two Right-of-Way cases. He also spoke about attending the Annual Meeting.

Continuing Business

Memberships

A motion was made and seconded to accept 74 new members for the month of August 2020. Motion carried.

Secretary/Treasurer Report

The Secretary and Treasurer's Report was reviewed.

Annual Meeting Follow-up

The Cooperative's President & CEO presented feedback from members about the Annual Meeting. He reviewed some recommendations made by the members. Because of the positive feedback and increased numbers in attendees, next year's Annual Meeting will likely include an online option again.

Pandemic Update

The Cooperative's President & CEO gave an update on the status of employees. The lobby at the Ebensburg office will reopen soon. With October being Cooperative month, we will give gifts to members who could not attend the online Annual Meeting. He answered a few questions.

Policy C-8

Discussion was held on Policy C-8. We will work with an approved printing company to handle mailings for future Board of Directors candidates.

A motion was made and seconded to approve Policy C-8. Motion carried.

Latimer Substation

The Cooperative's President & CEO explained the need to upgrade transformers at the Latimer Substation. New transformers have been ordered.

President & CEO Report

The Cooperative's President & CEO encouraged the Board of Directors to practice using their new Surface tablets. Any issues or questions can be directed to the IT Department. He spoke about a new bucket truck recently ordered for the Line Department.

Dates were considered for the 2021 Annual Meeting. The first date chosen is Thursday, September 16, with the backup date being Thursday, September 23. The meeting will be held at the KCAC.

Lastly, it was announced one lineman will be retiring in January 2021. The Cooperative's President & CEO also congratulated a Director who recently earned his BLC.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve summary minutes of the September 10, Reorganization meeting. Motion carried.

A motion was made and seconded to approve summary minutes of the July 28 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

The following were reviewed by the Board of Directors:
CFC Patronage letter & Capital Account Information
ACRE letter
CFC District 1 Meeting information
Youth Tour information

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:47 p.m.