

REA ENERGY COOPERATIVE, INC.
SUMMARY of MINUTES OF REGULAR BOARD MEETING
October 27, 2020

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, October 27, 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 5:12 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, Financial Analyst and Executive Assistant.

Reading of Cooperative’s Core Values

The Cooperative’s President & CEO read aloud number five of the Cooperative’s Core Values.

Approval of Minutes

A motion was made and seconded to approve the minutes of the September 29, 2020 regular board meeting. Motion carried.

Additions to Agenda

- New Business:
4. December’s Board Meeting date
 5. Executive Committee

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

Special Presentations

Draft Budget

The Cooperative's Financial Analyst presented the Draft Budget for 2021. He reviewed the Income Statement, Operating costs, Maintenance expenses and loan rates, among other categories. He answered questions from the Board of Directors. A final Budget will be presented at November's Board Meeting and a vote will be held whether to approve the Budget or not.

The Financial Analyst was dismissed from the meeting at 5:53 p.m.

KRTA Presentation

The Cooperative's President & CEO explained the Key Ratio Trend Analysis the Cooperative receives from CFC. He also spoke about CFC. He highlighted some of the charts and showed how REA Energy compares to other Pennsylvania Cooperatives and Cooperatives nationwide. He answered a few questions from the Board.

Legal Update

The Cooperative's attorney updated the Board about an on-going Right-of-Way case. He answered questions from the Board of Directors.

President & CEO Report

The Cooperative's President & CEO announced the work to replace Versatecs is still underway. The water heater program at the Cooperative is under review to be sure the program is still beneficial.

The Cooperative's President & CEO spoke about work that was done to resolve high voltage issues. He also spoke about healthcare costs and options available.

Federated visited the Ebensburg office for inspections. They observed the Ebensburg line crew working at a job site. The linemen did a great job. The Cooperative's President & CEO told the new Directors about the Eaton Experience. He would like to organize a visit to their facility when Eaton reopens.

The Cooperative's President & CEO announced disconnects of delinquent accounts will begin around November 7th. The Billing department has been trying to work with members and offer assistance from various agencies. Load limiting will continue through the winter months.

Lastly, The Cooperative's President & CEO answered a question about Broadband. He spoke about new legislation recently passed that will allow the Cooperative to run Broadband equipment on existing easements. He will be meeting with representatives from In the Stix for more discussion on Broadband.

New Business

Board Political Aspirations

The Cooperative's President & CEO presented information on a political campaign involving a former REA Board of Directors. A mailer and social media posts were shown to the Board. The campaigning materials are inaccurate and paint a negative image of the former Director, the rest of the Board and the Cooperative. Discussion continued about if a new policy is needed to limit or restrict Board of Directors from running for political office. The Cooperative's President & CEO reached out to other Cooperatives and have examples of their policies. Board of Directors agree there needs to be a policy created. More information will be presented as it becomes available.

R/W complaint letter

The Cooperative's President & CEO aloud a complaint letter received from a member about Right-of-Way cutting. After he investigated this matter, he found that tree crews were threatened by the property owner. Furthermore, the trees being cut were on property owned by the Army Corps of Engineers. This property borders the member's property.

December Board Meeting

The Cooperative's President & CEO announced the need to move December's Board Meeting.

A motion was made and seconded to approve moving December's Board meeting from December 29th to December 22nd. Motion carried.

Continuing Business

Memberships

A motion was made and seconded to accept 70 new members for the month of September 2020. Motion carried.

Secretary/Treasurer Report

The Secretary/Treasurer's Report was reviewed.

Committees

The Chairman of the Board reviewed the changes to the Committees for 2021. All Directors were given a printed copy of the list of Committees.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve summary minutes of the August 25, 2020 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 letter
- Tribune Democrat article
- ERMCO letter
- Thank you e-mail

Adjourn

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

Board Chairman adjourned the meeting at 7:22 p.m.