

E L E C - O - N E W S

Happy New Year!



2017 ANNUAL MEETING

The URECC Board of Directors has set the Annual Meeting of the Members for Thursday, April 6, 2017 at 1:30 p.m. An official notice of the meeting will be mailed to each member of the Cooperative as required by the Bylaws. Along with other business to be transacted at the Annual Meeting of the Members, three Directors shall be elected representing Districts No. 1, No. 2 and No. 3. The Bylaws of the Cooperative specify as to how the Directors shall be nominated. Following is a quote from the Bylaws:

Article IV – Section 3

Qualifications

No person shall be eligible to become or remain a director of the Cooperative who:

- Is not a Member in the area served or to be served by the Cooperative and of the district they are to represent;
- Is in any way employed by or has significant financial interest in a competing enterprise or a business selling electric energy, or supplies to the Cooperative, or a business primarily engaged in selling electric or plumbing appliances, fixtures or supplies, to the Members of the Cooperative;
- Has been elected to or holding public office in connection for which a salary is paid;
- Is not a resident of the district they represent. A resident of a district is an individual who resides and is registered to vote with an address located in the district;
- Is an employee or has been a former employee of the Cooperative within the seven (7) years prior to the election at which such member is to be placed on the ballot;
- Is receiving compensation for serving the Cooperative in any capacity;
- Who is a close relative of an employee of the Cooperative;
- Is a close relative of an existing Director;
- Has not been a Member of the Cooperative for a period of twenty-four (24) consecutive months preceding the election;
- Has been convicted of a felony or a crime of moral turpitude in this state or any other state;
- Does not have the capacity to enter legally binding contracts.

Nothing contained in this Section, however, shall affect in any manner whatsoever the validity of any action taken at any meeting of the Board of Directors.

Nomination of Directors

It shall be the duty of the Board of Directors to appoint, not less than forty (40) days nor more than seventy (70) days before the date of a meeting of the Members at which Directors are to be elected, a nomination committee consisting of not less than three (3) Members. At least one (1) Member of the committee shall be elected from each district from which a Director is to be elected. Nomination Committee Members may not be an existing or close relative of an existing Director; known Director Candidate; or Cooperative employee.

The Nomination Committee shall prepare and post at the principal office of the Cooperative at least thirty-five (35) days before the meeting, a list of nominations for Directors. At least one (1) candidate shall be nominated by the committee from each district from which a Director is to be elected. Any 25 or more Members acting together may make other nominations by petition not less than thirty (30) days prior to the meeting and the Secretary shall post such nominations at the place where the list of nominations made by the committee are posted.

The Secretary shall mail with the notice of the meeting or separately but at least ten (10) days nor more than thirty (30) days before the date of the meeting a statement of the number of Directors to be elected and the names and addresses of the candidates. The names of the candidates shall be arranged by districts, from which a Director is to be elected. Such statement shall also designate the candidate nominated by the committee and those nominated by petition.

The Bylaws contain additional information pertaining to the Annual Meeting of Members, along with the powers, qualifications, election, et cetera, of Directors. Copies of the Bylaws are available to all members at the Cooperative office.

Ask the General Manager



Submit your question to Mr. Rob Walker, our General Manager at ask@urecc.com and he will select a question and address it in the following months' newsletter.

We hear some members comment about their Capital Credits checks - why did the Coop send it and what is it for? December is the traditional time for Capital Credits at Upshur Rural Electric and thus a good time to discuss what the Capital Credits refunds are about. URECC has returned Capital Credits to its membership for over 30 years now.

The best way to think of Capital Credits is to first think of Upshur Rural Electric's business structure which is both as a non-profit and one that is somewhat similar to a publicly traded stock market type business. As a non-profit the Coop is structured to return "profits" or what we call "margins" to its members. What the Coop does throughout any given year is collect bills to pay the Coop's power bill to its Generators (electric supplier) and to also raise capital to build new lines, clear rights-of-way, repair storm damage, purchase trucks, payroll, transformers, wire, etc. Where the two concepts of collecting money for these purposes and what the Coop ultimately spends on them nets out is the amount of margins that we have at the end of any given year. Most years there is some amount of margin, which varies from year to year due to the amount of sales to the membership and what has happened throughout the year. Events like storms or repairs/replacements of large items or vehicles can lessen from margins. Keeping in mind that approximately 72-75% of any members power bill goes straight to the Generators the remaining 25% or so is what we have to use for all other purposes.

At the end of each year, any margins remaining are assigned to the members who have paid them on a prorated basis. Then each fall the Board will elect to retire some amount of previously assigned margins to members on a first in-first out retirement for each member currently with assigned credits. The amount of retirement depends significantly on how much available funds there are at the end of the year and how many members currently have assigned credits. Those returned capital credits are not too unlike dividends a company might pay to a stock holder. So in that sense the Cooperative is acting a little like a public company. Most of the time the retirements may range in the \$15-\$25 range for more recent members but longer term members may see additional retirement money.

One program the Cooperative manages to help those more needy in our community is what the Coop terms Member Helping Members. This is a simple program where members can elect to no longer receive returned capital credits but rather "give them back" for the stated purpose of funding local help agencies in most of the counties we serve. URECC takes all the slated funds from this program and divides them up on a prorated share based on the number of members in each of the receiving county agencies for the purpose of helping pay some part of their energy bills when they can least afford it. URECC does not manage the program or get involved in the distribution but merely acts as a funding entity on behalf of the members who elect to participate. If you would like to participate in this beneficial program or need more information, please contact our member services group.



This October marks the 80th anniversary of Upshur Rural Electric Cooperative. We have several things planned during the year to celebrate this momentous occasion including this logo! Our new 2017 calendars will depict the history of Upshur Rural Electric. From our first General Manager, who was a female to Elvis' appearance on our auditorium stage to our current slate of employees. It has been a great 80 years and we have come a long, long way. We look forward to another great year as we continue to provide diversified, affordable, and reliable electricity to the communities we serve!



Lake O' The Pines Chamber Enlists Help for Their Trash Pick-Up Day

Lake O' the Pines Chamber of Commerce recently had a trash pick-up day for their section of Highway 729. Upshur Rural Electric had four employees volunteer to assist in their efforts. They were Deb Howell, Dylan Adkinson, Daniel Smith and Lynn Gray. There were 13 volunteers with a total of 48 man hours worked to complete the two mile stretch. We collected 34 bags of trash, a tractor tire, 7 regular tires, a cd changer, a broom and an Adirondack lawn chair. It was a very successful day!