

SOUTHWEST LINES

SOUTHWEST IOWA

RURAL ELECTRIC COOPERATIVE

Your Touchstone Energy® Cooperative 

OFFICE HOURS 7:30 AM TO 4:00 PM Find us at www.swiarec.coop

BOARD APPROVES \$454,000 FOR PATRONAGE REFUND

The Southwest Iowa Rural Electric Cooperative Board of Directors has approved payment of patronage dividends in 2014. We will be paying 100% of the dividends allocated to the members for the year 1998 and we will also pay approx. 37% of the current allocation for 2013. The total payment will be approximately \$454,000.

This refund will be distributed to you in September and appear as a **CREDIT ON YOUR ELECTRIC BILL** for those who are still active members of the Cooperative. Former members will receive a check. There is substantial savings to the Cooperative in applying these dividends to your account versus mailing out checks.

If you have questions regarding the taxability of these dividends, please consult your tax preparer. Patronage dividend refunds reduce the net cost of electricity to members. It is one of the principles that provide the basis for the Cooperative business model.

Our current policy on patronage dividend refunds allows the Board flexibility in the amount of payment and what prior year's patronage will be returned to the members. There are several factors to be considered in determining this amount. We look at our current cash position, equity level and what major improvements are needed to keep the system in good condition in order to provide all members with reliable electric service. Deferred patronage dividends are used by the Cooperative to help finance major construction and maintenance projects. This allows us to reduce the total amount of long-term financing that is required, thus reducing the total interest expense.

Southwest Iowa REC Annual Meeting

Tuesday September 23, 2014

Lenox Community Ctr. 210 E. Dallas

5:30 p.m. – Ribeye Steak Sandwich

Meal & Registration

(ROGER BURGER entertains)

DOOR PRIZE - \$10 credit on your electric bill

7:00 p.m. – Business Meeting

7:45 p.m. – “LEE COLE’S MAGICOMEDY”

Performs original magic/comedy act for all ages!

GRAND PRIZES

FREE electricity for 1 year
(up to 1000 kWhs per month)

OR

FREE electricity for 6 months
(up to 1000 kWhs per month)

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- **BEFORE DIGGING...**
CALL 811 – Make sure underground lines are located **BEFORE** you start to **DIG!!**

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- **In case of Down Power Lines REMEMBER:** no matter what vehicle you're in (tractor, car, pickup, combine) – always remember to:
 - Stay in the vehicle
 - Call for help
 - If you **MUST** exit the vehicle (in case of fire) **JUMP CLEAR!**
 - Never touch the vehicle and the ground at the same time. It could be a deadly mistake!
 - Do not touch any wires!

Corning Office

1801 Grove Avenue
Corning, IA 50841
(641) 322-3165
888-591-1261

Stanton Office

415 Broad Avenue
Stanton, IA 51573
(712) 829-2211
888-591-1260

Mt. Ayr Office

1502 W. South Street
Mount Ayr, IA 50854
(641) 464-2244
888-220-4869

**Manager's
Comments**



Phil Kinser

**Southwest Iowa REC
Mission Statement:**

Provide safe and reliable electric service, while also advancing community and economic development opportunities, in a manner consistent with sound cooperative business practices and values.

Thanks for supporting our 2014 Fair!
Adams County 4-H & FFA Fair Board

Thank you for picking me to receive your scholarship. It will come in handy when paying for college tuition and it is greatly appreciated!
Thanks again,
Cody Stackhouse

Thank you for sponsoring the trophy for Champion Egg Production. I enjoyed showing animals at the fair and appreciate your support of 4-H.
Thanks again,
Scott Vanderhoof

Thank you so much for the scholarship that I will be receiving from you my 2nd semester of College at Southwestern Community College. I sincerely appreciate your generous contribution to help me finance my education and achieve my educational and career goals!
Thanks again,
Kara Gillespie

Thank you for the scholarship. It will be very useful next year as I work toward getting my Ag Business Degree.
Thanks,
Todd Stoaks

Eagle Point Solar

In a split 4-2 decision, with one Justice abstaining, the Iowa Supreme Court issued a ruling on July 11 that allows for the sale of electricity by someone other than the assigned electricity provider. The Supreme Court ruled that Eagle Point Solar (EPS) is allowed to sell electricity directly to the City of Dubuque, which resides in the service area of Interstate Power and Light.

Iowa's electric cooperatives are concerned that our ability to equitably protect member-owners' interests – as outlined in the service territory law – is at risk from the Supreme Court's ruling. The EPS case isn't about where utilities stand on renewable energy. Iowa is a leader in renewable energy production, and we have a strong track record of supporting renewable energy. Rather, the EPS case is simply about trying to make a renewable energy installation eligible for federal tax credits, while forcing Iowans to pay for the duplication of electric facilities.

Southwest Iowa REC is disappointed that through this ruling, the Iowa Supreme Court has weakened Iowa's longstanding and effective policy of the assigned service territory law, which prevents Iowans from paying for the duplication of facilities. Providing electric service is a capital intensive business. Throughout Iowa, electric cooperatives maintain thousands of miles of distribution and transmission lines, while serving fewer than three member-owners per mile of line. Like other electricity providers in the state, we must predict as accurately as possible what the electric needs of our member-owners are going to be in order to ensure an adequate and a reliable supply of power. Efficient planning also helps to keep costs under control.

Nearly 40 years ago, by passing legislation to establish assigned service territories, the Iowa General Assembly validated the strong consumer benefits that come from utilities serving a specific customer base. As a result, each utility is required to furnish safe, reliable electric service to all customers in their service area and cannot serve customers in another utility's area. Policymakers, utilities and consumers agreed that this was a logical and fair approach that prevented utilities from "cherry-picking" customers with large electric loads from another utility and prohibited utilities from refusing to serve customers within their own area with small electric needs or poor credit ratings.

Rest assured, we are closely assessing the potential impacts of this ruling and will continue to work toward ensuring electricity costs are fair to all member-owners.

Thank you so much for participating in the 2014 Montgomery County Fair as an award sponsor! We would not be able to provide the trophies, medals, and cash awards without your generous support!

Sincerely,
Stephanie Langner
Iowa State University County Program Coordinator

I want to personally thank you for over fifty promotional messages, fair updates, and for sponsoring the Adams and Montgomery County Fairs.

Sincerely,
Don Mach
KCSI/KOAK Producer/Reporter

Thank you for sponsoring the trophies for Reserve Champion Ewe, Grand Champion Market Lamb, and Reserve Champion Breeding Gilt at the Adams County Fair. Your support is greatly appreciated.
Thank you,
Cody Birt

The 2013-2014 Lenox Junior Class would like to thank you for your prom donation. You helped make our prom and after prom a huge success.
Sincerely,
The Lenox Junior Class

Thank you for donating awards at the 2014 Adams County Fair. Your support is greatly appreciated.
Thank you!
Vicente Butcher

Thank You for sponsoring my Champion Breeding Gilt trophy. I appreciate your support of the Adams Co Fair. Sincerely,
Conner Shipley

ECONOMIC DEVELOPMENT LOANS AVAILABLE

Southwest Iowa REC has a Revolving Loan Fund (RLF) available and we are accepting applications. We will accept and consider applications for loans from the RLF for projects that will significantly benefit rural areas. The RLF is not intended to compete with other public and private lenders but to collaborate with them to provide the financial package necessary to make the project happen. The RLF seeks to improve the quality of life in rural areas by contributing to the long-term improvement in the economy, including job creation and retention, diversification, improving skills of the rural workforce, and upgrading the public infrastructure to improve the health, safety, and/or medical care of rural residents.

A Loan Review Committee (LRC) appointed by the REC Board of Directors and consisting of both Cooperative and community leaders reviews all RLF loan applications. The LRC performs necessary credit analysis and due diligence in order to make a written recommendation to the REC Board of Directors which has final authority regarding all actions of the RLF. The LRC will make a recommendation concerning the term of the loan depending upon project need, the expected life of the security, and the applicant's ability to pay. RLF loans will be collateralized as determined necessary by the REC Board of Directors to secure its participation in the project, and can include, but, is not limited to mortgages, liens, letters of credit, and/or personal guarantees.

Uses of RLF loan proceeds may be for buildings, real estate, equipment or computer needs. Ineligible uses of RLF funds include pre-development costs, refinancing of existing debts, illegal activities, general improvement loans related to normal replacement needs of a business and unrelated to business expansion/job creation, and loans to projects which have alternative sources of financing at reasonable interest rates.

The minimum RLF loan will be \$25,000 and the maximum will be the amount of funds available and must include a minimum of 20% funding from other sources. If you believe you have a project that qualifies for the RLF, contact one of our offices for an application or download one from our website at <http://www.swiarec.coop/content/loans>.

Southwest Iowa Rural Electric Cooperative is an equal opportunity provider and employer.

Shown below is CEO/General Manager Phil Kinser (right) presenting a RLF loan check to Stanton Friends represented by Stephanie Burke (left) and Mickey Anderson (center). The \$75,000 loan was used toward the newly constructed Viking Center in Stanton.



Congratulations David!

Southwest Iowa REC's David Head has successfully completed a comprehensive lineworker certification program. The Lineworker Certification Program is the time-tested benchmark of apprentice and lineworker training programs and is administered through the Northwest Lineman College. The Lineworker Certification Program is a distance-learning training program offered to electric utility and construction companies for the certification of their lineworker employees. This program is most commonly used as the curriculum component of apprenticeship leading to journeyman certification. The remainder of David's training leading to journeyman status will come from on-the-job training. Congratulations to David who can look forward to a very rewarding career at Southwest Iowa REC.



Pictured left to right: David Head and Duane Schafer Operations Manager



Energy Efficiency *Tip of the Month*

Fall is here, and that means colder months will be here before we know it. Is your home prepared for the drafts that may enter? Tight-fitting insulating drapes or shades are a perfect way to keep the heat in and the cold out.

Source: Department of Energy



Employee Spotlight

Name: Marilyn Rubel
Family: Married to Danny. Two daughters – Marla (Mickey) Anderson who have a daughter Ragen and a son Reece and Danis (Bret) Hultman who have two sons Connor and Easton.



Date of Hire: July 6, 1987

Current Position: Accountant – (Stanton)

Favorite Recipe: Snicker/Apple Salad

The RECipe

SNICKER / APPLE SALAD

Ingredients:

- Small package of French Vanilla instant pudding
- ¾ C. Milk
- 8 oz. Cool Whip
- 3 Granny Smith Apples (Cut in pieces)
- 3 Snickers bars (Cut in pieces)

Directions:

- Mix the pudding and milk together until blended and fold in Cool Whip. (This can be done the night before.)
- Add apple pieces and Snickers pieces
- NOTE: Add the apples and Snickers within a few hours of serving.

In Remembrance Stanley E. Peterman



Stanley Edward Peterman, age 61, of Villisca, Iowa, passed away Monday, July 28, 2014 at the Josie Harper Hospice Residence in Omaha, Nebraska.

Stan served on the REC Board of Directors for the past 29 years and was currently our Vice-President. Stan helped guide and direct us through two consolidations and the many changes we have encountered in our industry.

Stan will be missed by all who knew him and our prayers go out to his entire family at this difficult time.

Reduce Energy Use During Peak Hours

Peak hours are the busiest times for your local electric cooperative, since many people are using electricity at the same time. In addition, it costs your co-op more to generate electricity when demand soars during peak periods – and the cost of your electricity also may rise. Obviously, using less electricity during peak periods can save your co-op – and you – money. Here’s how you can help during peak hours, which generally are on the coldest winter days between 4 p.m. and 9 p.m.:

- Shift household chores and activities away from peak periods. Wait to run your dishwasher until you go to bed, for instance.
- Use the most energy-efficient appliances you have. Your microwave oven, for example, uses considerably less energy than your stove or cooktop.
- If you’re buying a new appliance, make sure you get a highly efficient one. Look for “Energy Star” labels when you’re evaluating different models.
- Be aware of your energy consumption, and try to get in the habit of using energy efficiently year-round.

Use the energy you need, but use it wisely! You’ll help your co-op avoid building expensive new power plants – and that, in turn; will help keep your electric rates stable.



National Farm Safety & Health Week
September 21-27, 2014