



YOUR NEIGHBOR, YOUR ENERGY

2018 Annual Report



Meade County RECC

A Touchstone Energy® Cooperative 



YOUR NEIGHBOR, YOUR ENERGY

Of all of the rules, guidelines and standards Meade County RECC follows to serve our members with safe, reliable and affordable electricity, our guiding principle isn't found in some manual or a three-ring binder.

Instead, the core of our purpose can be found in one simple rule. The Golden Rule.

"Love your neighbor as yourself," we are often reminded. And the follow-up question is just as important: "Who is my neighbor?"

That's a question Meade County RECC is eager to answer, because we are your fellow neighbors.

Meade County RECC is your neighbor in every sense of the

word. We're not only your neighbor because you live in one of the six counties we serve, we are also neighbors because we share a common purpose and interest, to improve the quality of life in this place we call home.

To put it another way, Meade County RECC is "neighborly." We care about each other.

And, Meade County RECC is in a great position to serve our own home area from Rough River Lake to Battletown because we are a cooperative. Cooperatives—by their very nature—are uniquely suited to understand their own local community. Meade County RECC was built

by, belongs to and is led by people in this community.

What does that mean for you? That means that instead of decisions being made with the concerns of out-of-town shareholders in mind, Meade County RECC considers what those decisions and strategies mean for our local communities.

We work with our energy provider, Big Rivers Electric, to keep rates low, attract business, create jobs and advocate for our local communities. We are not only working for ourselves, but so our children and grandchildren see this area as an attractive place to live and raise their families.



■ **Left, Meade County RECC linemen focus on safety when making repairs. Photo: Tim Webb**

■ **Above, Meade County RECC linemen work in all types of weather to ensure our members have electricity 24/7. Photo: Allison Redmon**

■ **Right, Big Rivers Electric and Meade partnered on a Solar Education Project; see panels at our Brandenburg and Hardinsburg offices. Photo: Tim Webb**

When you have questions about energy in your home, business or house of worship, Meade County RECC is your trusted energy adviser.

Your neighbor. Your energy.

And, that co-op spirit extends to a larger cooperative network in Kentucky and across America that works together on innovations and efficiency. Like good neighbors, when disaster strikes, our fellow co-ops are ready to help.

THE HELPING NATURE OF COOPERATIVES

Several times within this past year, Meade County RECC has helped

restore power to co-ops in Kentucky and in other states.

Meade County RECC sent crews to Georgia to help after Hurricane Michael.

Our top priority is service to you. Before committing resources to mutual aid requests, we ensure we have ample crews available for all local needs, including routine maintenance and emergencies.

By helping our neighbors, we are helping ourselves. It's long hours in challenging conditions, but our lineworkers are wired to help people. Meade County RECC is better prepared to respond to local power outages because of the assistance we provide our neighboring co-ops.

Our commitment to community also includes safety demonstrations for school and community groups, scholarships for college-bound students and

Meade County RECC staff volunteering as active and involved community members.



WE ARE PART OF THE COMMUNITIES WE SERVE

In partnership with *Kentucky Living* magazine and the Kentucky governor's office, Meade County RECC is proud to support the Beautify the Bluegrass initiative. Our project will begin soon at one of the state-owned properties in our service area. Meade County RECC employees are truly a part of the community we serve, like helping neighbors, we are excited to play a part in beautifying our section of the Bluegrass.

Truly belonging to a community also means understanding the duty we have to each other. For Meade County RECC to be able to safely and effectively serve you with on-demand energy, we need to maintain the electric grid. As a member of Kentucky Electric Cooperatives, we advocate for policies in Frankfort and Washington, D.C., that support our ability to provide the service you expect.

OUR POWER PROVIDER

Transmission line and substation upgrades by our power provider, Big Rivers Electric, are cutting the time that consumer-members of Meade County RECC go without electricity. New automatic technology installations and remote switching equipment is allowing Big Rivers Electric to limit the number of people without power and restore service faster than ever. The multi-year project has already cut outage times

■ Meade County RECC's 2018 Washington Youth Tour high school students, from left, Cassidy Weedman, Frederick Fraize High School; Evan Smiley, Meade County High School; and Julia Mattingly, Breckinridge County High School. Photo: Tim Webb

by automatically transferring substations to healthy circuits.

Also, standby transmission line circuits are temporarily deenergized when not needed to help localize the cause of the outage and restore service quickly. The power provider expects this innovative project to decrease outage duration times even more in future years.

We're proud to be your energy, and we're even prouder to be YOUR neighbor.

■ Below, Meade County RECC presented the 2018 Power Player of the Game award to Kobe Nikolao of Meade County High School. Photo: Todd Blackburn





Martin Littrel
President/CEO



Robert Rhodes
Chairman



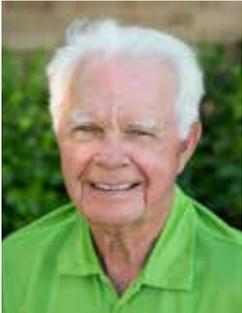
Dr. James G. Sills
Vice Chairman



Darla Sipes
Secretary-Treasurer



Stephen Barr



Paul E. Butler



Christopher Creech



David T. Wilson II



Tom Brite
Attorney

AGENDA

ANNUAL MEETING OF MEMBERS OF MEADE COUNTY RECC

WHERE: Breckinridge County
Cooperative Extension office
1377 HWY. 261, Hardinsburg, Kentucky

WHEN: Monday, June 17

REGISTRATION: 11 a.m.–1:15 p.m. Central
12 noon–2:15 p.m. Eastern

BUSINESS MEETING: 1:30 p.m. Central
2:30 p.m. Eastern

MEMBER APPRECIATION DAY

WHERE: Meade County Fairgrounds
876 Hillcrest Drive, Brandenburg, Kentucky

WHEN: Friday, June 21

TIME: 11 a.m.–1:30 p.m. Eastern
10 a.m.–12:30 p.m. Central

The annual membership meeting of this co-op organizes to take action on the following matters:

1. Call to order
2. Appointment of parliamentarian
3. Determination of quorum
4. Reading of the official meeting notice and proof of mailing
5. Reading of the minutes of the previous annual meeting of members
6. Report of the Credentials and Elections Committee
7. Election of board members
8. Unfinished business
9. New Business
10. Report of the officers, board members and committees
11. Adjournment

2018 MEADE COUNTY RECC

Year in Review

ACTIVE ACCOUNTS

As of December 31, 2018

Breckinridge	14,270
Grayson	1,634
Hancock	14
Hardin	69
Meade	12,505
Ohio	1,213
TOTAL	29,705

ACCOUNTS BILLED

2018	27,705
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AVERAGE KWH USAGE

(residential per month)

2018	1,322
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MILES OF LINE

2018	3,236
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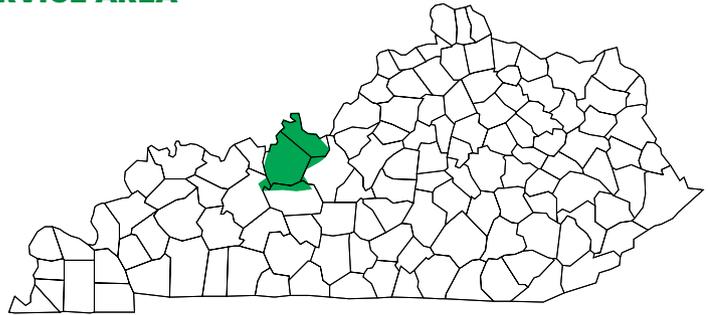
CONSUMERS PER MILE

2018	9.18
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FOR INFORMATION AND INQUIRIES

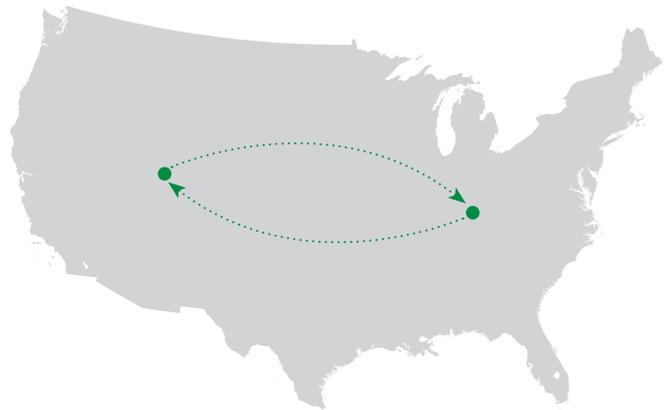
1351 Hwy 79
Brandenburg, KY 40108
(877) 276-5353
www.mcrecc.com

SERVICE AREA

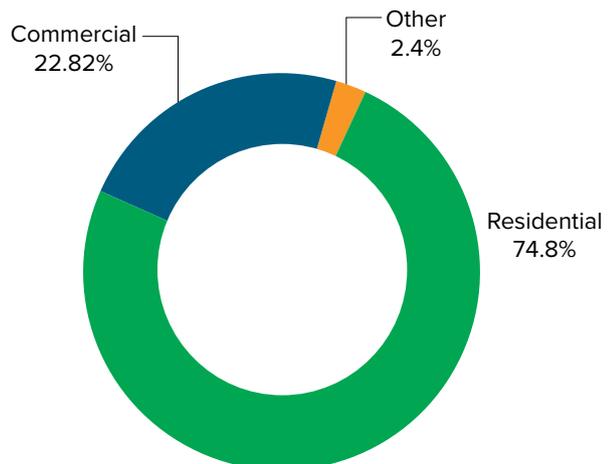


MAINTAINING LINE TO KEEP MEMBERS CONNECTED

Meade County RECC maintains **3,236** miles of line across six counties in the cooperative territory. **That is roughly enough line to stretch from Brandenburg, Kentucky, to Salt Lake City, Utah, and back.**



REVENUE SOURCES



STATEMENT OF OPERATIONS

As of December 31, 2018

Operating Revenue	\$59,127,284
OPERATING EXPENSE	
Purchased Power	\$41,606,540
Operating Expenses	\$9,913,457
Depreciation	\$4,297,337
Taxes	\$68,181
Interest on Loans	\$2,090,123
Other Deductions	\$31,642
Total Cost of Electric Service	\$58,007,280
Operating Margins	\$1,120,003
Non-Operating Margins	\$550,273
Other Capital Credits	\$81,049
Patronage Capital and Margins	\$1,751,326

BALANCE SHEET

As of December 31, 2018

ASSETS

Total Utility Plant	\$125,539,964
Less Depreciation	\$42,719,251
Net Utility Plant	\$82,820,713
Investments in Associate Organizations	\$2,247,063
Cash	\$21,613,989
Accounts and Notes Receivable	\$6,279,294
Inventory	\$731,651
Prepaid Expenses	\$219,910
Deferred Debits and Other Assets	\$1,578,887
Total Assets	\$115,491,507

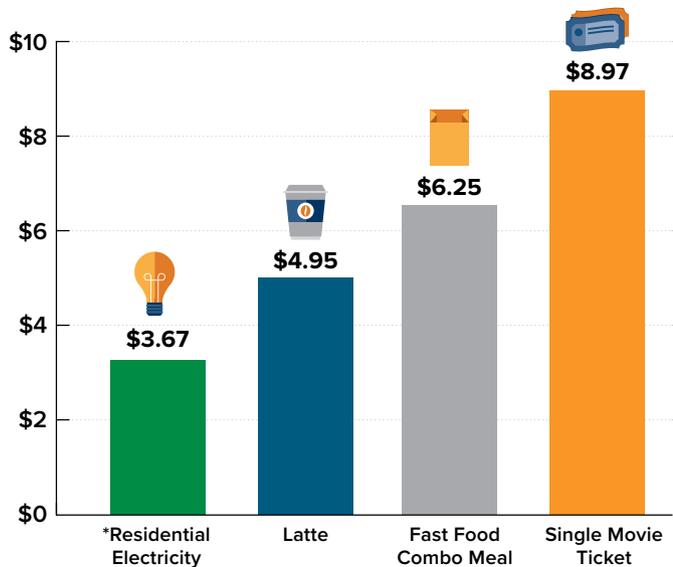
LIABILITIES

Consumer Deposits	\$1,221,257
Membership and Other Equities	\$35,588,728
Long-Term Debt	\$70,861,997
Notes and Accounts Payable	\$5,922,384
Other Current Liabilities	\$1,897,141
Total Liabilities	\$115,491,507

ELECTRICITY REMAINS A GOOD VALUE

In today's world, costs are rising for nearly all consumer goods. For an average residential member of Meade County RECC, however, electricity cost per day remains a good value. At only **\$3.67 per day on average**, electricity costs are lower than the costs of many items that our members purchase every day.

** National averages. Residential electricity rate is for 2017, from the U.S. Energy Information Administration.*



Official Notice

2019 MEADE COUNTY RECC ANNUAL MEETING NEW LOCATION

ANNUAL MEETING OF MEMBERS

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1377 HWY. 261, Hardinsburg, Kentucky

WHEN: Monday, June 17

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10 a.m.–12:30 p.m. Central

- Door Prizes
- Buckets
- LED bulbs
- Hot dogs
- Hamburgers



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