

SOUTHEAST COLORADO POWER ASSOCIATION

JUNE 2019



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Our primary mission is to provide high-quality, reliable electric service at a reasonable cost to our members, improve their quality of life through new technologies and services, be a visible and active member of the community and serve our members with respect, courtesy and responsiveness.

SOUTHEAST COLORADO
POWER ASSOCIATION IS AN
EQUAL OPPORTUNITY PROVIDER
AND EMPLOYER



Touchstone Energy®



ANNUAL MEETING REVIEW

BY JACK JOHNSTON CEO



JACK JOHNSTON

It was great to host consumer-members at our annual meeting just over a month ago at Lamar Community College. A cowboy poet kicked off the evening before guests were treated to a nice dinner prepared and served by the Ark Valley District FFA. After the tasty meal, five scholarships were proudly awarded to high school seniors throughout our territory. Attendees were also impressed and inspired by presentations of other high school students who attended our annually sponsored Youth Leadership Camp in Steamboat Springs and Washington D.C. Youth Tour.

One of the principle orders of business was to conduct a director election for expiring terms or vacancies. After 27 years on the board, Bill Wright retired with special recognition for his service. The membership voted his son, Truman Wright, as his District 1 successor, making it a third straight generation. Brad Buck from District 3 was re-elected to another three-year term.

It is always a pleasure to share some financial, operational and strategic insights from the past year as well as try to provide focus areas for the upcoming one. I want to recap a few highlights shared that evening based on a five-year viewpoint.

Southeast Colorado Power

The best news to lead off with is it has been four years since a rate increase — a trend we are striving to continue as long as possible. Gross revenue had been steady until it jumped this last year to over \$30 million after an increase in every single rate category. Cash flow and margins have moved up and down based on a variety of weather-related repairs, system improvements and broadband subsidiary performance.

Our equity ratio has remained solid and our overall membership has seen a slight, but positive trend. We are continuing to focus on system reliability and cost optimization.

SECOM

These past years have seen consistent growth in annualized revenue and overall company asset valuation. Operating and net income saw a drop in the prior years due to an accelerated growth phase but rebounded sharply last year. Our equity ratio has steadily dropped but is a main focus of our financial strategy. Cash flows have fluctuated but are always the most important operational priority. Keeping our customers extremely satisfied, maintaining our steady growth and ensuring our services are up to date in a fast-paced technology world will be our objectives.

In addition, several videos were shown spotlighting our 4-megawatt Vilas solar project, our involvement with the Twin Buttes II wind project and perspectives of our own lineman and his multistate peers who worked to energize a Guatemalan village with NRECA International. If you are interested in viewing those videos or you want to read a more detailed 2018 Annual Report, please visit our website at <http://secpa.com/annual-meeting>.

If you joined us this year, it was great to interact with you and I hope you enjoyed the evening. If you were unable to attend, we hope to see you next year in the town of Springfield. Thank you for being a consumer-member ... it keeps our cooperative strong and proud.



Members enjoy lunch together at the Annual Meeting.



CEO Jack Johnston introduces "The Year In Review."

SECPA'S ANNUAL MEETING



Alex Higbee (L) and Dylan Renquist (R) give a presentation on their experience at the 2018 Colorado Youth Leadership Camp.



Jacob Wright, \$1,000 scholarship recipient and his grandfather, retiring board member Bill Wright.

You Could Be A Winner This Month

If you find your name in this issue as follows (WIN* your name, your account number), please contact Southeast Colorado Power Association at 719-384-2551 or 800-332-8634 to receive a credit on your next power bill.

Last Month's Winner – Howard Toole



Levi Collins of Swink High School and the \$1,000 Basin scholarship recipient shown with SECPA CEO Jack Johnston (L), Board President and District Five Director Kevin Karney (middle) and Member Services Officer Kevin Brandon (R)

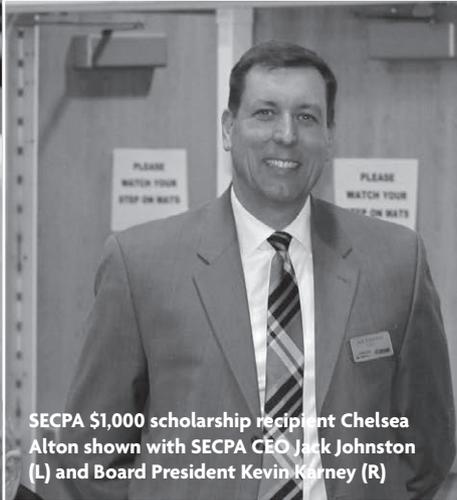
Retiring board member Bill Wright is thanked for 27 years of service.



Door prize winner.



Door prize winner.



SECPA \$1,000 scholarship recipient Chelsea Alton shown with SECPA CEO Jack Johnston (L) and Board President Kevin Karney (R)



Jeffrey Henderson, SECPA \$1,000 scholarship winner shown with (L to R) SECPA CEO Jack Johnston, Board Vice President and District Six Director Bill Grasmick and Board President Kevin Karney.


Offices will be
closed
Thursday, July 4
in observance of
Independence Day

Prepare Your Home Before Vacation

Your bags are packed and you're ready to leave your humdrum routine for a much-needed vacation. As you pack for your destination, remember your home needs a little prep, too.

Along with the usual tasks, such as having your mail stopped, here are other steps you can take to help deter burglars and even save you a little green:

- Adjust your hot water heater. For a natural gas water heater, turn it to low or vacation mode. For an electric

version, turn it down or off at the circuit breaker panel.

- Set or program your thermostat to a temperature that mimics the outside temperature (about 80 to 85 degrees). This still protects your wood floors and furniture, and saves on energy costs, too. Do not completely turn off your air-conditioning during vacation, however, so the air in your house continues to circulate.

- Unplug small appliances and electronic devices, such as gaming systems and toaster ovens, so they don't draw power. Also do not leave chargers plugged into an outlet. (This tip is important when you're home as well. Do not leave chargers plugged in when they're not in use since they can overheat. Unplug charging devices after electronics are fully charged.)
- Make sure your sump pump is working.

Give potential burglars the impression you're still home:

- If you have a smart home, regulate lights in your home remotely. Turn various lights on and off intermittently or have them timed to do so.
- If you do not have smart lighting, put lights on timers.
- Ask a trusted neighbor to park in your driveway occasionally while you are gone.
- Use motion detectors on outside lights.
- Before you leave, check all windows and doors to make sure they are locked.

Take electrical and plumbing precautions by turning off water valves to the dishwasher, refrigerator, washing machine and all sinks. Or consider shutting off the main water valve, which cuts off water to the house but still allows water supply to an outdoor sprinkler system. Finally, remember to clean out your refrigerator before leaving so you don't come home to moldy leftovers. *WIN*David Hamilton Acct 815160100*

For more information about electrical safety, visit SafeElectricity.org.

5 EASY WAYS TO PREPARE YOUR HOME FOR Vacation

- 1. Set or program your thermostat to 85 degrees** while you are away.
- 2. Unplug** small appliances and electronic devices including gaming systems so that they don't draw power.
- 3. Adjust your hot water heater.** For a natural gas water heater, turn it to low. For an electric version turn it off at the circuit breaker.
- 4. Shut all your curtains and blinds.**
- 5. Make sure your sump pump is working.**

SafeElectricity.org