

THE ELECTRIC COMPANY THAT
DOESN'T STOP AT YOUR METER

Butler REC **NEWS**

FROM THE MANAGER

Join us March 11 for YOUR Annual Meeting

Please accept Butler REC's invitation as a genuine request by your Board of Trustees and myself for you to participate in the 72nd Annual Meeting of your cooperative. This is a very important time in the history of your cooperative and your participation is more important than ever.

By virtue of the fact that you live in Butler REC's territory, purchase electricity from and have that electricity delivered by Butler REC's lines, you are a member and an owner of the cooperative!

Questions to be addressed at this year's meeting include:

- ▶ How could the current administration's policies on CO₂ affect my electric bill?
- ▶ What is the debate about building coal-fired electric generation plants?
- ▶ Is energy efficiency part of the answer to our growing energy concerns?

Steve Parr, the Executive Vice President of Kansas Electric Power Cooperatives, Inc., will be our guest speaker on these and other subjects important to you as members of Butler REC.

Some of the answers to these questions are more difficult than others. We hope to shed some light on these and other issues including how the new residential rates are working to promote energy efficiency, updates on Efficiency Butler, Efficiency Kansas and much more.

Your membership in the cooperative affords certain privileges—one includes voting at the Annual Meeting for the Board of Trustees who will guide the cooperative. We have two Trustees seeking re-election at the meeting. Nominees for this year's election are Bryce Flaming from District 3 which encompasses the Andover-Benton Area; and Riley Walters from

District 7 which encompasses the Cassoday-Eureka Area. Profiles for these nominees and the minutes of the 2009 annual meeting were published in the February 2010 issue of *Kansas Country Living* magazine.

There are other reasons to attend our Annual Meeting. Prior to the business meeting you will have an opportunity to see displays from our power supplier, the artist who did the special drawing for our cups, and Butler REC displays from various departments.

You will have an opportunity to have questions answered by knowledgeable people who make the system work. After taking your time at each of the displays (many of which will have special door prize drawings) you will be treated to a meal provided by Syl's Catering.

Following the meal, you can make your way to the auditorium for the Annual Business Meeting to begin at 7 p.m.

For those of you with youngsters, don't forget about Kid's Korner where your children will be supervised and have a great time while you are at the meeting.

Following the reports and election, we are pleased to have the Butler County Community College Smorgaschords and Headliners to entertain us.

We will conclude the evening with door prizes, collector's mugs and goody bags.

We hope you will take the time out of your busy schedules and join us for all the activities on the evening of March 11.

Don't forget this year's meeting is at Circle High School in Towanda. Dinner is at 5:30 p.m. and I hope to see you there.

SINCERELY, ROBERT "DALE" SHORT



R. Dale Short

We hope you will take the time out of your busy schedules and join us March 11.



Level Payment Plan is Here!



No need to pay for your whole propane delivery at one time. Avoid the seasonal ups and downs and know exactly what you owe each month. Our Level Payment Plan averages your propane bills for the same amount every month.

**For Details
Call Today!**

**316-320-0324
or
877-558-5770**

Butler REC Treasurer's Report

**As of December 31, 2009
(Un-audited)**

Assets and Other Debits

	Assets	Debts
Utility Plant in Service	\$34,683,902	
Construction Work in Progress	\$1,400,722	
Total Utility Plant	\$36,084,625	
Accumulated Provision for Depreciation and Amortization	<\$9,885,899>	
Net Utility Plant		\$26,198,726
Investment in Associated Organizations	\$4,945,754	
Temporary Investments	\$0	
Other Investments	\$113,235	
Total Investments		\$5,058,989
General Funds, Cash		\$799,973
RUS / CFC Construction Fund		\$0
Accounts Receivable, Consumers	\$1,349,477	
Accounts Receivable, Other	<\$85,029>	
Accounts Receivable, Net		\$1,264,448
Notes Receivable		\$102,048
Materials & Supplies		\$446,436
Prepayments, Insurance and Other Assets		\$108,038
Other Accrued Assets		\$579,673
Deferred Debits		<\$27,601>
Total Assets and Other Debits		\$34,530,730

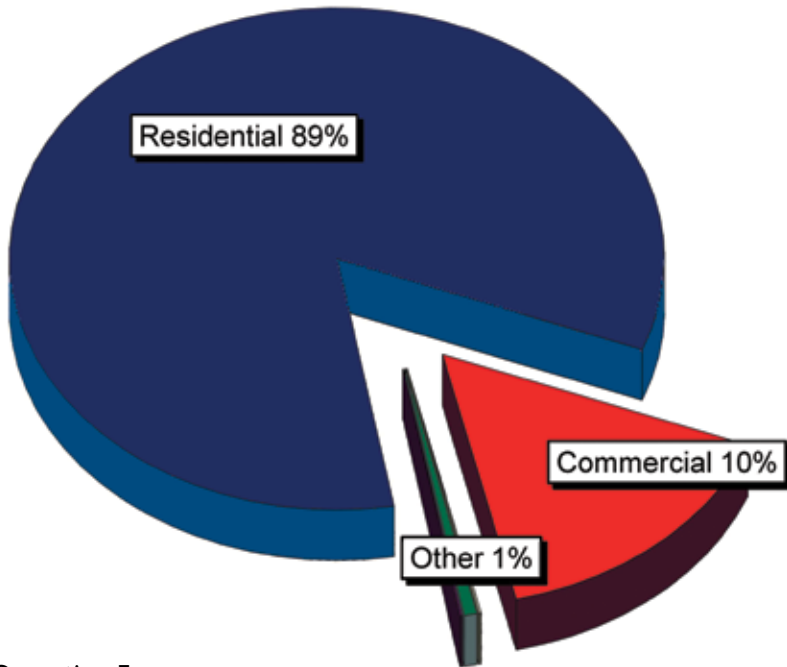
Liabilities and Other Credits

	Assets	Debts
Total Long Term Debt: CFC		\$16,569,438
Accounts Payable		\$864,492
Notes Payable		\$2,015,947
Accrued Liabilities		\$888,525
Consumer Deposits		\$179,542
Other Deferred Credits		\$229,757
Membership Fees and Donated Capital		\$0
Patronage Capital Assigned	\$11,824,056	
Patronage Capital Unassigned	\$1,958,973	
Total Capital Credits & Margins		\$13,783,029
Total Liabilities & Other Credits		\$34,530,730

2009 Electric Operating Statistics

Operating Revenue and Patronage Capital \$13,015,622

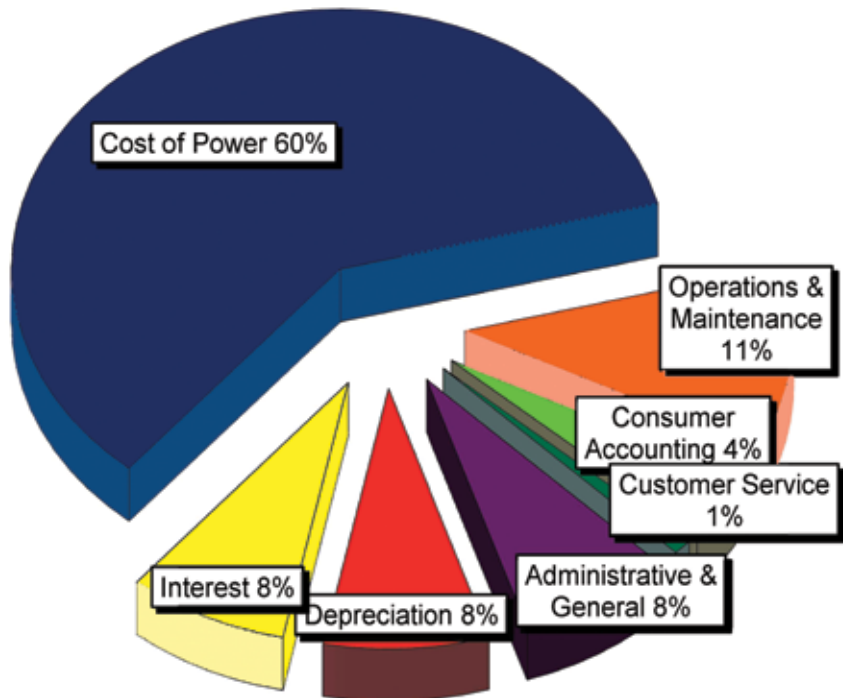
Revenue In



Revenue In	
TIER	1.88
New Services connected	91
Services Retired	36
Total Services in Place	7,502
Total Plant	\$2,299,374
Residential Services	6,240
Commercial Services	682
Commercial Over 1,000 kVa	1
Public Authority	48
Highway Lighting	19
Total Active	6,990
Percent of System Loss	5.98%
Month when Max Demand Occurred	August

Operating Expenses \$13,149,763

Dollars Out



Dollars Out	
Cost of Power	\$7,891,472
Cost of Power per kWh Sold	\$0.07015
Operations & Maintenance	\$1,369,790
Consumer Accounting	\$491,076
Customer Service	\$110,925
Administrative & General	\$899,662
Depreciation, Tax Expense	\$971,662
Interest	\$943,370

2009 Operation Round Up Report



In 2009, over 4000 members participated in the Operation Round-Up Program.

Through their generosity, donations of \$27,382.19 were added to the fund, an average of \$6.56 per member. This past year, the Operation Round-Up program awarded over \$20,400 to help individual members and organizations within Butler REC's service territory.

Butler REC member's helped support the Butler Homeless Initiative, March of Dimes, Big Brothers & Big Sisters, Salvation Army, Hearts of America, Kansas Food Bank, Soldiers in Afghanistan, National Child Id Program, Local 4H Clubs, Fishing Has No Boundaries, Area Fire Departments, OK Kid's Day, Toy-a-thon, YMCA Strong Kids, American Cancer Society, Relay for Life, Karl, Inc and many other programs.

The program was also able to directly help member families as well as provide scholarships for members' children to area colleges and lineman training school.

The Operation Round Up program has played a large role in Butler REC being able to enhance the lives of its members. Thank you to all who have participated over the years. If you are interested in joining the program, please call the office today at 800-464-0060.



2010 Butler REC Annual Meeting

Thursday, March 11, 2010, at 5:30 p.m. at Circle High School in Towanda

Butler REC will hold its Annual Meeting at Circle High School in Towanda on March 11, 2010. The meal will be served at 5:30 p.m. with the business meeting to follow.

- ▶ Supper at 5:30 p.m. catered by Syl's Catering of Colwich.
- ▶ Business meeting at 7 p.m.
- ▶ Kids Korner begins at 7 p.m. for ages three to 12. Please RSVP by March 6.
- ▶ Entertainment by Butler Community College Headliners and Smorgaschords.



Kids Korner at the 2009 Annual Meeting.

We hope to see you there!

How to Cast Your Vote for Board of Trustees by Proxy

A member may vote by proxy executed in writing signed by the member giving the proxy. Such proxy shall be filed with the Secretary at the time it is voted at any meeting. No proxy is valid after sixty days from the date of its execution.

No proxy is valid unless it specifies the meeting at which it is to be voted, and no proxy may be used for any other meeting than the one designated herein or an adjournment

thereof. A member may give his proxy only to another member, or to an adult relative living in the same home, and no member may hold or vote more than one proxy.

The presence of a member at any meeting revokes any proxy he may have previously given. The minutes of every meeting shall contain a list of the members represented by a proxy, and the name of the person to whom the proxy is given to be voted.

Butler REC Annual Meeting Proxy Voting Form

I, the undersigned, being a member of the Butler Rural Electric Cooperative, Inc., hereby appoint _____ (Proxy Holder) As my proxy, and in my stead to vote, the same as though I were present at the Annual Meeting of Butler REC (or at any adjournment thereof) to be held March 12, 2009 at Towanda, KS.

Dated at _____ this _____ day of March 2010.

Signature: _____

Note: If the person who holds the BREC membership is unable to attend, he/she should sign a proxy in favor of his/her spouse or adult relative living in the same household.