

PRESIDENT'S REPORT



Randy Mikell, President

CHANGES TO REDUCE COSTS

Nearly everyone will admit that it is fun to spend money. Buying things, especially when you can get all the bells and whistles or the newest model, is a great experience. It's only when that bill comes due or you have to write out that check that the reality comes home. Most of us cannot imagine what it would be like to buy things "if money was no object," because money is an object.

It is no different for the Board of Trustees of Central Florida Electric Cooperative. We would like to always be able to build new buildings and spend money on technology and our employees, but we cannot do that. The bill would come due to our members and that wouldn't be fair to you or future members.

This year, we have made every effort to reduce expenses and help you save money. Some of the changes have been simple fixes and even services you asked for. Other changes have been more difficult.

Late last year, a new computer software system was implemented that allowed us to do several things. It allowed the cooperative to have more services online, such as being able to view your bill and being able to pay your bill online or by phone with a credit card or debit card or with a funds transfer from a checking or savings account. It gives you the option of paying your bill from home and not having to travel to the post office or a CFEC office, saving time and money. It also allows you the option of paying quickly to avoid a late fee. Having more options should always be good for the members.

Other changes were the result of new technology. CFEC is changing out old meters, which have to be read by a meter reader, with a new type of meter, called a TWACS meter, that is read automatically from the cooperative's main office.

The new type meters will save a tremendous amount of money—eliminating the need for most meter readers, who will be assigned to other jobs, and their vehicles. The new meters will also improve our service to you because, eventually, we will be able to detect when service has been interrupted without the member having to call.

While these changes have been fairly easy, the Board of Trustees and cooperative have had to make changes and decisions that were not so easy. In fact, many decisions required a lot of thought and debate before reaching a difficult conclusion.

Examples of some of our more challenging decisions were halting some potential building projects, which are needed to replace buildings from the 1960s. CFEC's service department is no longer allowed to take vehicles home, which meant extra mileage and cost on the vehicles. Also, salaries were frozen and no raises were given this year. Again, these were not popular decisions, but it came down to finding areas where we could save money instead of spending the money and passing on that cost to our members.

Everything we do is with the members in mind, and we know that this down economy has affected you because it has affected us as well. We strive to make your electric service as reliable and affordable as possible, while building infrastructure to meet demand now and in the future. We welcome your input and suggestions.

On behalf of the Trustees and myself, we invite you to attend the Annual Meeting of Members on Oct. 3, 2009, at the cooperative's warehouse. This will be an opportunity for you to learn more about your electric cooperative. We look forward to seeing you there.