



Special Edition: Annual Meeting Information

— 2012 Annual Meeting Official Notice —

The 68th Annual Meeting of Members of the Delaware County Electric Cooperative will be held at the Delaware Academy and Central School in Delhi, New York on Friday, September 21, 2012.

The newsletter serves as official notice of the meeting to members of the Cooperative. Registration will begin at 4:30 PM. The business meeting will be called to order at 6:30 PM.

During the business meeting, members will hear a “cooperative update” from the officers and management. There will also be the election of two directors for 3-year terms. In accordance with DCEC bylaws, a Nominating Committee of members has officially identified the following candidates for the office of director of the Cooperative:

Northern Region: Towns of Davenport, Gilboa, Harpersfield, Jefferson, Maryland Stamford & Summit

Shawn Hartwell
140 Beaver Dam Road
Stamford, NY 12167

Christine Hauser
476 S. Gilboa Road
Stamford, NY 12167

Southern Region: Towns of Andes, Bainbridge, Colchester, Masonville, Middletown, Sidney, Tompkins & Walton

Dominick Dominguez
723 Pardee Road
Delancey, NY 13752

Hartley Russell
158 Russell Road
Walton, NY 13856

* See pages 5—6 for Candidate Biographies

Annual Meeting Info



This newsletter has all of the information you will need for the Annual Meeting. The information in this newsletter includes:

The Chicken BBQ Reservation Ticket

located on page 3. Tickets must be received by September 19th to reserve a dinner. Also, if you requested an absentee ballot, you will be receiving the official ballot in the mail no later than September 1st. Please fill out the ballot and return it to the DCEC office by September 11th (10 days prior to the Annual Meeting).

We certainly hope you will join us. If you have never attended this event, why not start now! See you on September 21st!!

We hope to see you there!



Take a look inside for your Brooks Chicken BBQ Ticket!



Our 68th Annual Meeting Agenda & Program

DELAWARE COUNTY ELECTRIC COOPERATIVE

Friday, September 21, 2012

- 4:30 PM REGISTRATION
Chicken Barbecue Dinner
- 6:30 PM BUSINESS MEETING
Call to Order
Quorum Determination
Official Notice of 2012 Annual Meeting & 2011 Annual Meeting Minutes
Treasurer's Report
CEO/General Manager's Report
Election of Directors
Other Business
Door Prize Drawings*
Adjournment



NOTE: *You must be in the auditorium to win. Only active members are eligible for door prizes. Directors, managers, employees and their immediate families are not eligible.

This Is Your Cooperative



This is a photo from the 1982 DCEC Annual Meeting showing the "Owned By The Members We Serve" sign that was hand-made in the late 1960's by Charlie Prescott, DCEC General Manager at the time

As a member of DCEC, you are not only an owner of your cooperative, you are also part of the governance for your cooperative. The Annual Meeting is one of the best opportunities you have to influence the bylaws and policies (rules and regulations) that govern DCEC. If you have ideas about how DCEC should be governed, please come to the Annual Meeting and share those ideas with the Board of Directors and your fellow members. There will be a portion of the meeting agenda dedicated to hearing your questions, concerns, and suggestions. You have a voice in how your cooperative operates.

As a member of DCEC, you are not only an owner of your cooperative, you are also part of the governance for your cooperative. The Annual Meeting is one of the best opportunities you have to influence the bylaws and policies (rules and regulations) that govern DCEC. If you have ideas about how DCEC should be governed, please come to the Annual Meeting and share those ideas with the Board of Directors and your fellow members. There will be a portion of the meeting agenda dedicated to hearing your questions, concerns, and suggestions. You have a voice in how your cooperative operates.

DCEC Replaces Proxy Voting With Absentee Ballots



At last years' Annual Meeting a DCEC bylaw change was voted on to replace voting by proxy with absentee balloting. In order for a member to be eligible to vote by absentee ballot an official form was made available in the July/August Catskill Hi-Line.

The members who sent back a request will receive their official absentee ballot no later than September 1, 2012. This ballot will need to be completed and sent back to the DCEC office. DCEC will count properly completed absentee ballots as long as they are received by September 11th (10 days prior to the Annual Meeting). Once DCEC has received a members absentee ballot it can not be revoked if the member decides to attend the Annual Meeting and vote once there.

Showcase Your Business That Is Served by DCEC at This Year's Annual Meeting!



Lynn Tweedie with a buffalo calf at her and her husband Don's buffalo farm on Crystal Creek Road in Walton

The electric cooperatives were started in the United States back in the late 1930s and early 1940s to serve our rural areas and promote the modernization and efficiency of the agriculture industry. Your cooperative continues to do that today and is a vital part of maintaining jobs here in parts of Delaware, Schoharie, Otsego and Chenango Counties. We would like to showcase the many businesses that Delaware County Electric Cooperative serves and supports. For instance, did you know that the co-op serves a buffalo farm, a cheese manufacturer, and a very large dairy product manufacturer? We also serve a glass installation business that is one of the largest on the East Coast! Also members are the BOCES in Trout Creek and Sportsfield Specialties in Delhi.

We would like to encourage anyone who is interested to personally display your business and/or your products at this year's Annual Meeting being held at Delaware Academy & Central School in Delhi on

Friday, September 21, 2012 starting at 4:30 p.m. We would like to highlight and showcase the diversified businesses we serve that stretch across our 800 + miles of distribution line. If you are not able to attend please provide us with business cards, a photo, description of your business, and possibly some samples of your products to be prominently displayed in the lobby of the school. This display will allow all members and guests attending the Annual Meeting to make note of the important businesses being served by the Cooperative. Please contact Tara Rifenbark at (607) 746-9299 or by email at tara.rifenbark@dce.coop if you are interested in having a display. Thank you for your participation and the privilege of serving your business.

SI 3-27-6C



Annual Meeting Chicken BBQ Dinner Reservation Ticket Friday, September 21, 2012

***Chicken dinners provided by Brooks Barbeque of Oneonta**

All reservations must be made in advance as dinner tickets will not be sold at the door. Reservations can be made either in-person at the DCEC office or by mailing in this reservation form by September 19, 2012.

Mail-in requests should include this entire coupon and payment of \$5.00 per dinner.

Name: _____ Account #: _____

Amount Enclosed: \$ _____

*Please Reserve _____ tickets for the 68th Annual Meeting & Chicken BBQ (cooperative members and family only please).

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC. AND SUBSIDIARIES
COMPILED FINANCIAL REPORT ***

Balance Sheet as of December 31, 2011

| <u>Assets</u> | |
|---|----------------------|
| Electric plant and work in progress - at cost | \$ 29,356,258 |
| Less accumulated provisions for depreciation | (8,576,237) |
| Investments in associated organizations | 614,872 |
| Cash | 255,178 |
| Accounts and notes receivable - Net | 944,218 |
| Materials and supplies (at average cost) | 580,522 |
| Prepaid expenses | 206,245 |
| Other current and accrued assets | 209,138 |
| Deferred charges | 3,264,082 |
| Total Assets: | \$ 26,854,276 |
| <u>Liabilities</u> | |
| Long-term debt (current and non-current) | 15,841,280 |
| Line of credit | - |
| Accounts payable | 26,863 |
| Accrued interest | 34,019 |
| Consumer deposits and prepayments | 159,669 |
| Other current and accrued liabilities | 149,640 |
| Deferred credits | 2,354,962 |
| Total liabilities | 18,566,433 |
| <u>Equities</u> | |
| Memberships | 49,100 |
| Patronage capital | 7,728,389 |
| Other equities | 510,354 |
| Total equities | 8,287,843 |
| Total Liabilities and Equities: | \$ 26,854,276 |

Income Statement for the years ended December 31,

| | <u>2011</u> | <u>2010</u> |
|---|------------------|---------------------|
| Operating revenues | 7,025,506 | 6,696,625 |
| Nonoperating margins, G&T and other capital credits | 73,587 | 78,086 |
| Total revenues | 7,099,093 | 6,774,711 |
| Cost of power | 1,650,687 | 1,688,139 |
| Distribution expense | 2,072,525 | 2,195,795 |
| Consumer accounts and service | 285,395 | 287,810 |
| Administrative and general | 1,082,695 | 1,138,442 |
| Depreciation and amortization | 956,969 | 926,765 |
| Interest | 624,169 | 590,978 |
| Other deductions | 64,204 | 69,267 |
| Total expenses | 6,736,644 | 6,897,196 |
| Net margins | 362,449 | (122,485) |
| Write-down of Generation Facility | (124,145) | - |
| Retirement of capital credits | (168,103) | (295,557) |
| Net change | \$ 70,201 | \$ (418,042) |

*** The above information was compiled from the Cooperative's audited financial statements which are available upon request.

2012 Candidate Biographies

DCEC members are to elect two directors to serve on the Board of Directors during the Annual Meeting on Friday, September 21, 2012. The following candidates for the positions of region directors have been identified by the 2012 Nominating Committee.

Northern Region Candidates:



Shawn Hartwell and his wife Becky currently reside in Jefferson within the Whiting Hollow Development.

Shawn graduated from Jefferson Central School in 1985 and went on to receive a Bachelor of Science degree in Pharmacy from the Albany College of Pharmacy. After obtaining his Pharmacy license he was employed as a supervising Pharmacist for over 15 years. Currently, Shawn is the Vice President of the AudioSears Corporation in Stamford. Under his leadership at AudioSears he has implemented Strategic Planning, Lean Manufacturing and a new quality system that enabled the company to become ISO certified. This position has gained him experience in Accounting/ Finance, Human Resources and Training.

Shawn's family have been members for several generations and his father Dave Hartwell (who is retiring from the board this year) has served as a director for 26 years. "I know that DCEC is a very important part of our community. My goal as a director is to keep the Cooperative strong as an organization and to ensure low-cost, reliable electricity for many generations to come."



Christine Hauser has been a member of DCEC since 1984 and lives in South Gilboa where she and her husband Bill have raised two children. She currently works as a substitute teacher.

Christine was a former leader of The Harpersfield Friends 4H Club where she was involved in various field trips, projects and Fair activities as well as honing her grant writing skills. She later used her grant writing experience as the founder and Artistic Director for the Stamford Performing Arts Center (a non-profit organization). Through her non-profit work she gained knowledge of the fiduciary responsibility that a director needs to serve the members. She has also served on a citizens committee at the request of the Town of Gilboa. She has always appreciated the fact that a member in a rural electric cooperative has a unique relationship with the source and control of one's own energy consumption. She feels that it is both a privilege and a responsibility for those who live in rural communities. She would like to be on the DCEC Board of Directors because she cares about current issues related to our regional power, and she would like to learn more about solutions to challenges we face in providing reliable and affordable power to farms, businesses and families as well as being a part of the decision making process.

"I would like to thank the Nominating Committee and the members for considering me for a seat on the DCEC Board of Directors. If elected I will do my best to serve the co-op and its member community."

Southern Region Candidates:



Dominick Dominguez, lives in Delancey with his wife Marlene. He has two children Nicole, a recent graduate of Downsville Central School, and Dominick, who will begin the 10th grade this fall.

Dominick is the owner of D & N Improvements LLC, a general contracting company, and Mountain Graphics, a printing and graphic design company both based in the Town of Colchester. Also, he is currently the President of the Colchester Chamber of Commerce.

"I would like to help the Cooperative move forward in its goal of providing low-cost, safe, reliable electric service to its members and contribute to the development of the Cooperative while recognizing the needs of the communities it serves."

Candidate Biographies Continued on Next Page...

Candidate Biographies Continued...

Southern Region Candidates :



Hartley Russell is a lifetime resident of Walton where his family has operated a dairy farm for more than 150 years. He and his wife Marilyn currently reside on Russell Road. Hartley has been a co-op member for 45 years. He is a graduate of Walton Central School and SUNY Delhi. He has served in leadership positions for several farm related organizations including Dairylea Cooperative, Agway Co-operative and Cornell Cooperative Extension of Delaware County. He is also an elder in the Walton Reformed Presbyterian Church.

Hartley firmly believes in the member-owned cooperative business model. He said he can remember when the first electric lines were run in his valley during the year he was born and like everyone else he has come to rely more and more on low cost, reliable electric service. He mentioned that with DCEC's limited growth in residential new services and lower energy consumption during the economic slow-down, it has been a challenge to find ways to meet the higher costs of providing electric service. He stated that he has great respect for all the employees at the co-op and has enjoyed serving on the DCEC Board of Directors.

"One of the goals of DCEC is to be a good neighbor and support local organizations and businesses that are beneficial to all co-op members as well as communities in which we serve. It has been a pleasure to serve on the board and I would appreciate the opportunity to be considered for the position once again."

Is Your Location Number in This Issue?

Your service location number begins with two letters and is located on your bill next to your account number. Keep your eyes peeled for the "hidden location number" in this newsletter! If you find the number, and it is your service location you will receive a DCEC fleece sweatshirt! **Good luck!**



Annual Meeting Information...

- ⚡ Because of the limited seating in the cafeteria, we ask that once you are finished eating that you proceed to the auditorium so others can be seated prior to the business meeting.
- ⚡ Please...No Smoking permitted on school grounds
- ⚡ Members not wishing to attend the chicken dinner are welcome to attend the 6:30 PM business meeting held in the auditorium and will be eligible for all door prizes.

SORRY, NO TAKE-OUT DINNERS PERMITTED!



Providing our rural members with:

- ⚡ Low-cost Electricity
- ⚡ High System Reliability
- ⚡ Community/Member Service

Warranted for LIFE and available in 30, 50, 85 and 105 gallon sizes!



39 Elm Street
P.O Box 471
Delhi, NY 13753
Ph: (607) 746-2341
Fx: (607) 746-7548
www.dce.coop

Your local area dealer for electric

Marathon
WATER HEATERS

We look forward to seeing you at the Annual Meeting!!

CATSKILL HI-LINE is a Publication of the Delaware County Electric Cooperative, Inc. and is published bi-monthly for the membership. The information contained herein is designed to promote action and discussion among members. Statements published do not necessarily reflect the official position of the cooperative. The information has been obtained from sources believed to be reliable, and the editor has exercised reasonable care to assure its accuracy.

Board of Directors

President.....Frank Winkler
Vice President Hartley Russell
Secretary..... Meg Hungerford
Treasurer..... Stephen Oles
Director..... Paul Menke
Director.....Rusty Pick

Director.....David Hartwell
Director.....Ernest Bartz
CEO/General Manager.....Mark Schneider
Asst. General Manager...Wayne Marshfield

Delaware County
Electric Coop., Inc.
39 Elm St.
PO Box 471
Delhi, New York 13753-0471
607-746-2341
Fax: 607-746-7548
Email: office@dce.coop
Web Site: www.dce.coop