



*Powering Our Rural Communities*

## Special Edition: Annual Meeting Information

### — 2013 Annual Meeting Official Notice —

The 69<sup>th</sup> 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 20, 2013.

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 be an update on the DCEC bylaws and a vote on bylaw changes (*see page 5 for more information*). Also taking place will 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:

**Central Region:** Towns of Bovina,  
Delhi, Franklin,  
Hamden, Kortright  
& Meredith

**Meg Hungerford**  
3922 Cty. Hwy. 12  
East Meredith, NY 13757

**Andrew Kiraly**  
188 Kiraly Road  
Walton, NY 13856

**Stephen G. Oles**  
1574 Federal Hill Road  
Delhi, NY 13753

**Wayne Oliver**  
54 W. Peakes Brook Rd.  
Delhi, NY 13753



*\* See pages 5—6 for Candidate Biographies*



**Take a look inside for your  
Brooks Chicken BBQ Ticket!**



### 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 2. Tickets must be received by September 18th to reserve a dinner. Also, if you requested an absentee ballot, the official ballots will be mailed out no later than August 22nd. Please fill out the ballot and return it to the DCEC office by September 10th (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 20th!!

# Our 69th Annual Meeting Agenda & Program

## DELAWARE COUNTY ELECTRIC COOPERATIVE

Friday, September 20, 2013

4:30 PM REGISTRATION  
Chicken Barbecue Dinner

6:30 PM BUSINESS MEETING  
Call to Order  
Quorum Determination  
Official Notice of 2013 Annual Meeting & 2012 Annual Meeting Minutes  
Treasurer's Report  
CEO/General Manager's Report  
DCEC Bylaw Update & Vote  
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.



### Annual Meeting Chicken BBQ Dinner Reservation Ticket Friday, September 20, 2013

\*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 18, 2013.

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

Name: \_\_\_\_\_ Account #: \_\_\_\_\_

Amount Enclosed: \$ \_\_\_\_\_

\*Please Reserve \_\_\_\_\_ tickets for the 69th Annual Meeting & Chicken BBQ (cooperative members and family only please).

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

**Balance Sheet as of December 31, 2012**

**Assets**

Electric plant and work in progress - at cost	\$ 32,134,633
Less accumulated provisions for depreciation	(9,710,690)
Investments in associated organizations	627,281
Cash	92,266
Accounts and notes receivable - Net	806,445
Materials and supplies (at average cost)	603,973
Prepaid expenses	177,578
Other current and accrued assets	321,063
Deferred charges	1,993,412

**Total Assets: \$ 27,045,961**

**Liabilities**

Long-term debt (current and non-current)	14,335,348
Line of credit	1,350,000
Accounts payable	53,043
Accrued interest	34,159
Consumer deposits and prepayments	189,491
Other current and accrued liabilities	164,025
Accumulated post retirement benefit obligation	2,444,982
<b>Total liabilities</b>	<b><u>18,571,048</u></b>

**Equities**

Memberships	50,305
Patronage capital	7,897,944
Other equities	526,664
<b>Total equities</b>	<b><u>8,474,913</u></b>

**Total Liabilities and Equities: \$ 27,045,961**

<b>Income Statement for the years ended December 31,</b>	<b>2012</b>	<b>2011 as restated</b>
Operating revenues	7,127,357	7,025,506
Nonoperating margins, G&T and other capital credits	142,358	73,587
<b>Total revenues</b>	<b><u>7,269,715</u></b>	<b><u>7,099,093</u></b>
Cost of power	1,782,570	1,650,687
Distribution expense	2,088,430	2,072,525
Consumer accounts and service	321,086	285,395
Administrative and general	1,111,375	1,082,695
Depreciation and amortization	994,376	956,969
Interest	685,874	624,169
Other deductions	76,612	64,204
<b>Total expenses</b>	<b><u>7,060,323</u></b>	<b><u>6,736,644</u></b>
Net margins	209,392	362,449
Margins applied against prior year loss	-	(122,485)
Retirement of capital credits	(163,982)	(168,103)
<b>Net change</b>	<b><u>\$ 45,410</u></b>	<b><u>\$ 71,861</u></b>

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

## 2013 Candidate Biographies

DCEC members are to elect two directors to serve on the Board of Directors during the Annual Meeting on Friday, September 20, 2013. The following candidates for the positions of region directors have been identified by the 2013 Nominating Committee.

### Central Region Candidates:



**Meg Hungerford** lives in East Meredith with her husband Randy and three children, Morgan, Jillian and Jesse. She was raised in Delaware County on a dairy farm that is still active and is served by the Cooperative today. Meg and her husband have been members for 13 years. She works as the Director of Finance for the City of Oneonta and has over 15 years of experience in public finance.

Meg has completed the training necessary for her to become a Credentialed Cooperative Director (CCD). Meg states that this and other trainings, coupled with the knowledge and experience she has gained through the past several years of serving on the board equip her to continue to effectively represent the interest of the Cooperative membership.

“DCEC is a vital part of our local community. For me, serving as a co-op board member means I can apply my skills in helping to make sure the organization serves its members and its mission to provide safe, reliable, and cost effective electric power supply to our members. Recently, our work with the RESAP (Rural Electric Safety Accreditation Program), Smart Grid and Amphenol electric service projects have all supported that mission. It has been a pleasure to serve the membership of DCEC as a Director since 2007, and I look forward to the opportunity to continue to do so.”



**Andrew Kiraly** and his wife Mariane currently reside in Walton. Their son Ian is a Fisheries Biologist in New Hampshire and their daughter, Alison is a Fashion Designer in New York City. Andrew attended Franklin Central School and graduated from SUNY Morrisville with a degree in Ag Engineering. For the last 30 years he has owned and operated Kiraly Dairy in the Town of Franklin. He and his wife Mariane run a Registered Holstein Dairy, graze the cows, grow hay, small grains, corn silage and soybeans. They also grow shiitake mushrooms and market straw.

Andrew is a current member of Delaware County Soil and Water Conservation District Board of Directors, State and County Holstein Association, a local champion for the NYS Venison Donation Program and a member of Cornell Cooperative Extension. He also participates in the Cornell Dairy Farm Business Summary and Analysis Program, Soybean Growers Group and No

-till Cooperator.

He previously was a chair of the Central New York Resource Conservation and Development Board (recently defunded by USDA), a past member holding various offices of the Delaware County Farm Bureau, past Treasurer of Eastern Milk Producers Cooperative, Delaware Valley Local and a past member of DHIA Board of Directors.

Andrew’s hobbies include hunting, fishing, snowmobiling, wood working and traveling.

“My interest in the Delaware County Electric Cooperative Board of Directors is to assist in the governing of the Cooperative, to learn more about energy in our area, advance the technology of the Cooperative to take advantage of scientific advancements and provide me with a new challenge.”



**Stephen Oles** of Delhi has served on the Board of the Delaware County Electric Cooperative for 21 years. Currently serving as the Treasurer, he has served as Secretary as well. Steve has obtained his national certification as a Credentialed Cooperative Director.

Steve has worked for the Delhi Telephone Company for over 28 years as the Business Office Manager, responsible for regulatory issues, customer service, human resources and marketing. Born and raised here in Delaware County, Steve with wife Lynn have three children and he is a proud grandfather to three.

“If re-elected as a Director, I will strive to provide safe, reliable and affordable electric power to the membership. I will continue to focus on controlling expenses and adequate communications with the membership. Please feel free to contact me at (607) 746-3083 with any questions or concerns.”

*Candidate Biographies Continued on Next Page...*

## Candidate Biographies Continued...

### Central Region Candidates :



**Wayne Oliver** was born and raised on West Peakes Brook in Delhi, NY (a stone's throw away from the Oliver farm where his father Bill was born and raised), graduating from Delaware Academy in 1978. After obtaining an AS in Engineering at SUNY Delhi followed by a BS at Clarkson University and later an MBA from Syracuse University, he began a career that moved him away from Delaware County, working with companies such as Borden, Inc., United Technologies-Carrier, Carlisle Companies, and Hendrick Manufacturing in GA, PA, FL and WI. Beginning as a Manufacturing Engineer Wayne progressed upwardly through positions in Operations and General Management. This led to his current position which allowed him to return to the area, President and CEO at Sportsfield Specialties, a sports construction equipment manufacturing company located near Delhi.

Wayne, his wife Debbie and four children, realized a dream by moving back into the area in 2002. They returned to the Oliver homestead on West Peakes Brook which he purchased from his parents Bill and Corky Oliver. With a strong belief that Delaware County was a perfect place to raise their children they became actively involved in the community. Wayne was elected as a Trustee of the Board of Education at Delaware Academy in 2003. He and wife Debbie, along with other activities, began the Relay for Life event now held annually at the American Legion. All four children graduated from Delaware Academy moving on to successful collegiate and work careers.

“The Oliver families on Peakes Brook have used (continue to use) Delaware County Electric Cooperative power since the lines were first run in the 1940s. At that time there were more than a dozen active dairy farms on the brook which, sad to say, have ended operations, the last one in 2011. In fact many have been purchased for purposes of watershed protection, forever limiting their use for other purposes; residential, commercial, etc. This change, which is occurring throughout Delaware County, along with a corresponding decrease in population, impacts DCEC by limiting revenue growth at a time when fixed and variable costs continue to rise. While not an insurmountable challenge it is critical that we understand and adapt to these changes while continuing to provide the services our members have come to expect.”

Mr. Oliver believes that his business experience and technical background will allow him to work with the other members of the DCEC Board to meet this challenge and others while continuing to move the Cooperative forward in other critical areas. He looks forward to your support at the 2013 Annual Meeting in September.

## Bylaw Changes

Bylaws are an important governing document for cooperatives. They establish the "rules" for which cooperatives conduct business. Each year the DCEC Board of Directors review the Cooperative's bylaws to determine whether any changes are necessary. Changes may be proposed to members in response to industry events and/or to bring the governing document up to contemporary standards. Many of the original terms of the bylaws date back to the mid-1940s when DCEC was formed and, over time, changes may be necessary to ensure that the document remains current, such as new laws and other legal requirements or to adapt to changes in technology (e.g. electronic storage of data).

At the May 2013 board meeting, DCEC Directors voted to propose several changes to DCEC bylaws for member consideration at the 2013 DCEC Annual Meeting on September 20. According to New York State Law, only DCEC members have the right to change the Cooperative's bylaws but the Board, who is directed by the bylaws, can recommend changes to members.

The DCEC Board is recommending the following bylaw changes for member consideration at the 2013 Annual Meeting. The changes are primarily intended to strengthen governance practices, reduce operating costs and provide for greater time for certain events and notices.

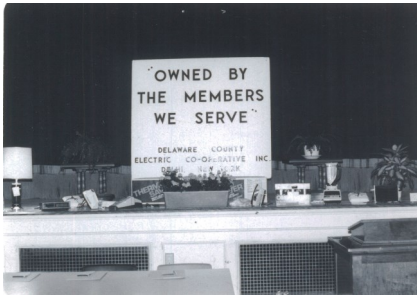
- Bylaw 1: Eliminate Inconsistency Within Bylaws Regarding Effect of Absentee Ballot on Voting at Meetings
- Bylaw 2: Clarify Process by Which Board Vacancies Are Filled
- Bylaw 3: Miscellaneous Corrections and Clarifications

For more information and detailed bylaw changes please visit [www.dce.coop](http://www.dce.coop) or contact our office for more information.





## This Is Your Cooperative



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.

## Youth Delegate to Speak at Annual Meeting



Karina Miranda, DCEC's 2013 Legislative Youth Delegate, will be speaking at this year's Annual Meeting about not only her experience as DCEC's Youth Delegate but also as the chosen NY State Legislative Youth Delegate.

Karina represented NY State at the National Rural Electric Cooperative Association (NRECA) Youth Leadership Conference that was held in Washington, D.C. from July 20-24, 2013.

"Throughout my adventure, I gained an enormous appreciation for electric cooperatives and the men and women behind them that make getting safe, reliable, and cost effective electricity even possible for rural America. You can't imagine how proud I was to represent New York State. I had no idea that this whole experience would affect and change me as much as it did. For that, I just wanted to say thank you to everyone at DCEC for believing in me," said Karina.

### Is Your Location Number in This Issue?

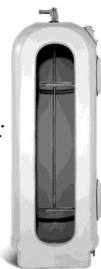
Your service location number begins with two letters and is located on your bill next to your account number. Keep your eyes peeled for the "hidden location number" in this newsletter! If you find the number, and it is your service location you will receive a DCEC fleece sweatshirt! **Good luck!**



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### 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!**

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

**WA 4-21-8A**

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

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