



*Powering Our Rural Communities*

## *Special Edition: Annual Meeting Information*

### — 2009 Annual Meeting Official Notice

The 65<sup>th</sup> Annual Meeting of Members of the Delaware County Electric Cooperative, Inc. will be held at the Delaware Academy and Central School in Delhi, New York on Friday, September 11, 2009.

Official notice is hereby given to all bona fide members of the Cooperative and their families to attend and take part in the business of your Cooperative. Registration will begin at 4:30 PM. The business meeting will be called to order at 6:30 PM.

During the business meeting, reports will be presented by the officers and management. There will also be the election of three directors for 3-year terms. In accordance with Article IV, Section 3 of the bylaws, the duly appointed Nominating Committee of members met on July 8, 2009 and nominated the following candidates for the office of Director of the Cooperative:

**DISTRICT 1:** Town of Gilboa, Schoharie County and that portion of the Town of Jefferson, Schoharie County West of New York State Highway Route 10

**David Hartwell**  
**Gordon Miller**

**DISTRICT 3:** Town of Davenport, Delaware County

**Thomas Lubbers**  
**Robert Foote**

**DISTRICT 7:** Towns of Hamden, Franklin and Walton Delaware County

**Hartley Russell**  
**Nancy Gavett**

\* See page 2 for Candidate Biographies

The Treasurer's report from the audit performed and certified by the firm of Gruver and Scott, LLP, C.P.A. for 2008, is printed in this report for members review. Due consideration shall also be given to such other business as may be properly presented at this meeting.

### **Annual Meeting Info**



This newsletter has all of the information you will need for the Annual Meeting.

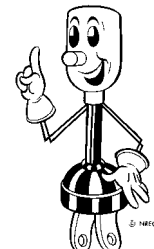
The information in this newsletter INCLUDES:

#### **THE CHICKEN BBQ RESERVATION**

**TICKET** (located on the back page) we will need an RSVP by September 8th, along with the **OFFICIAL PROXY** (please mail in if you cannot make it to the meeting).

We certainly hope you will join us. If you have never attended this event, why not start now! See you on Sept. 11<sup>th</sup>!

**We hope to see you there!**



## Our 65th Annual Meeting Agenda & Program

### DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Friday, September 11, 2009

- 4:30 PM REGISTRATION  
Chicken Barbecue
- 6:30 PM BUSINESS MEETING  
Call to Order, Invocation, Pledge of Allegiance, Introductions  
Quorum Determination  
Official Notice of 2009 Annual Meeting  
Presentation and Approval of 2008 Annual Meeting Minutes  
Treasurer's Report  
Election of Directors  
CEO/General Manager's Report  
Unfinished Business  
New Business  
Member Questions  
Service Awards  
Door Prize Drawings\*  
Election Results  
Adjournment

Brooks Chicken BBQ  
Reservation Ticket  
on Pg. 6

**NOTE:** \*You must be in the auditorium to win. Directors, managers, employees and their immediate families are not eligible to win.  
***Please...No Smoking permitted in the school building!***

## 2009 Candidate Biography's

### DISTRICT 1:



**David Hartwell** lives in Gilboa with his wife Beverly. He has been on the DCEC board since 1986. He is the President & CEO of Audiosears Corporation in Stamford. He also has served as a Councilman in the Town of Gilboa for the past 23 years. He enjoys serving on the DCEC board and is looking forward to the challenges that face DCEC in the future.



**Gordon Miller** lives in Stamford with his wife Theresa. Their kids are all grown and married with families of their own. Gordon and Theresa are still living in their farmhouse and renting out their land to other dairy farmers. Gordon works for the NYS Dept of Conservation, he is also the local CSEA President for DEC.

### DISTRICT 3:



**Thomas Lubbers** lives in Davenport with his wife Donna. He has served on the DCEC board for over 20 years. He said he has seen many dreams become reality and he is sure the future will see many more ideas become do-able. "DCEC is an exciting company, it makes me feel good to play a part in it's continuing growth."

**Bob Foote** lives in Davenport with his wife Linda. They have five children, and 9 grandchildren. Bob is retired from NYSEG after 33 years as a Lineman. In his spare time he has a dump truck and tractor that he hauls gravel with and constructs driveways.

### DISTRICT 7:

**Nancy Gavett** lives in Hamden. She has been a DCEC member since 1995. She is a Teacher at Walton Central School. Nancy also gives her time to work with 4-H.



**Hartley Russell** lives in Walton with his wife Marilyn where he owns and operates a dairy farm. A graduate of SUNY Delhi, he has been a member of DCEC since 1966, and he has served on the Board of Directors for six years. As a farm operator he knows how important low cost, reliable electricity is to small businesses.

## Annual Meeting—Topics of Discussion

**The Board of Directors recommends members vote “Yes” to approve the following changes to the DCEC bylaws. The bylaws are available at [www.dce.coop](http://www.dce.coop).**

### **2009 ANNUAL MEETING PROPOSED CHANGES TO DCEC BYLAWS**

#### **ARTICLE I – MEMBERSHIP**

Section 1 - (a) Amend to read: “filing a written *or electronic* application for membership therein;”

Section 6 - preamble Delete preamble to Section 6 since it provides no useful or legal purpose.

#### **ARTICLE II – RIGHTS AND LIABILITIES OF MEMBERS**

Preamble Delete preamble since it provides no useful or legal purpose.

#### **ARTICLE III – MEETINGS OF MEMBERS**

Section 1 Amend to read: “... meeting of the members shall be held in September of each year at such place in Delhi, in the County of Delaware, New York, or, where *desirable necessary*, in another township in which the Cooperative conducts business ....”

Section 2 Amend to read: “Special meetings of the members may be held at any place within the County of Delaware, *or where desirable, in another County in which the Cooperative conducts business in the State of New York ...*”

Section 3: Amend to read: “Written, printed *or electronic* communication stating the place ...”

Section 7 Amend Item 3 to include same provision for waiver to read: “Reading of unapproved minutes of previous meetings of the members, *or the waiver or waivers of notice of reading, as the case may be*, and the taking of necessary action thereof.”

#### **ARTICLE V – MEETING OF DIRECTORS**

Section 1 Amend to read: “A regular meeting of the board of directors shall also be held at such time and place in Delhi, Delaware County, New York State, *or, where desirable necessary, in another township in which the Cooperative conducts business, ....*”

#### **ARTICLE VI – OFFICERS**

Section 3 Amend 1<sup>st</sup> sentence to correct typo as follows: “Any officer or agent elected or appointed by directors *may be removed by the Board of Directors* whenever in its judgment the best interests of the Cooperative will be served thereby.

Section 6 – (a) Amend to: “keep the minutes of the meetings of the members and of the board of directors *stored or available on the premises in a media* provided for that purpose;”

Section 9 Propose deleting section on basis that the Board is responsible for protecting membership interests and that the Cooperative is protected through insurance and other means. Text originates from earlier days.

#### **ARTICLE VII – DISPOSITION OF REVENUES AND RECEIPTS**

Preamble Delete preamble since it provides no useful or legal purpose.

#### **ARTICLE XI – MISCELLENEOUS**

Section 4 Amend to read: “All accounts of the Cooperative shall be examined by a *finance* committee of directors appointed by the board of directions *which shall meet periodically, but not less than two times per year*, and render reports to the board of directors at least four times a year at regular meetings of the board of directors.”

*Annual Meeting Topics Continued on Page 4...*

**Annual Meeting Topics Continued from Page 3...**

**The Board of Directors recommends members to vote “Yes” to approve the following resolution. Further details are available at [www.dce.coop](http://www.dce.coop).**

**\*PRELIMINARY\***

**RESOLUTION OF THE COOPERATIVE MEMEBERSHIP  
CHANGE TO SELF-REGULATORY STATUS**

**September 11, 2009**

WHEREAS, the members of the Delaware County Electric Cooperative, Inc. (the “Cooperative”) would prefer more direct control over the determination, structure and timing of its electric rates; and

WHEREAS, the members of the Delaware County Electric Cooperative, Inc. would propose that the New York Power Authority (“NYPA”) modify its power contract with the Cooperative to allow the Directors of DCEC to determine the rates, rate structure, fees and related rules and practices for electric services (“self regulation”) from time to time under the following conditions:

The decision to self-regulate is to be made based on a majority of the members voting affirmatively at the Annual Meeting pursuant to the provisions of the Cooperative’s bylaws;

The Cooperative would be subject to audit and reporting requirements by NYPA confirming that the value of the power purchases made by the Cooperative from NYPA are flowing to its membership;

The Cooperative will self-regulate for rate-making, fees and related rules and practices. All other regulatory functions would remain regulated by NYPA;

NYPA would remain as a “backstop” entity to address customer complaints that cannot be resolved by the Cooperative’s management and Board of Directors;

Self-regulation may be rescinded by the membership by a majority vote of the members attending a duly called annual or special meeting of the members;

WHEREAS, the Cooperative has actively communicated to its membership the reasons for and the implications of self-regulation in preparation for the Annual Meeting; and

WHEREAS, the Cooperative has communicated extensively with its membership through a public informational meeting and Open House where the requirements and considerations of self-regulation were reviewed and explained; and

NOW THEREFORE BE IT

RESOLVED, that the membership of Delaware County Electric Cooperative, Inc. requests the New York Power Authority to modify existing contracts between the parties solely to permit the Cooperative’s Board of Directors to evaluate and establish what it deems to be the appropriate rates, rate structure, fees and related services and practices for electric service to all of its members.

**CERTIFICATION**

I, Meg Hungerford, Secretary of the Delaware County Electric Cooperative, Inc. Board of Directors, do hereby certify that the above is a true and correct excerpt from the minutes of the September 11, 2009 Annual Meeting of the Delaware County Electric Cooperative, Inc. at which meeting a quorum was present; and I further certify that the vote of the membership was affirmative and represented a majority of those present and voting at the September 11, 2009 Annual Meeting.

\_\_\_\_\_  
MEG HUNGERFORD  
SECRETARY

Corporate Seal:

## DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Members' Financial Report as at December 31, 2008

|  |                  |                   |
|--|------------------|-------------------|
| <u>ASSETS</u>                            |                  |                   |
| Electric plant, at cost                  | \$               | 27,273,165        |
| Less: Accumulated depreciation           |                  | (7,399,190)       |
| Investments - Related organizations      |                  | 343,307           |
| Cash                                     |                  | 188,464           |
| Accounts receivable - Net                |                  | 821,628           |
| Plant material and supplies              |                  | 812,586           |
| Prepaid expenses and interest receivable |                  | 188,140           |
| Deferred charges and non-current assets  |                  | 3,101,177         |
|  |                  | <u>3,101,177</u>  |
| TOTAL ASSETS                             | \$               | <u>25,329,277</u> |
| <u>LIABILITIES</u>                       |                  |                   |
| Long-term debt                           | \$               | 10,398,337        |
| Line of credit                           |                  | 2,500,000         |
| Accounts payable                         |                  | 723,975           |
| Customer deposits                        |                  | 168,207           |
| Accrued expenses                         |                  | 184,160           |
| Deferred credits                         |                  | 2,877,000         |
| Total liabilities                        |                  | <u>16,851,679</u> |
| <u>EQUITIES</u>                          |                  |                   |
| Memberships                              |                  | 45,785            |
| Patronage capital                        |                  | 8,057,793         |
| Other equities                           |                  | 374,020           |
| Total equities                           |                  | <u>8,477,598</u>  |
| TOTAL LIABILITIES AND EQUITIES           | \$               | <u>25,329,277</u> |
| <u>RESULTS OF OPERATIONS</u>             |                  |                   |
|  | 2008             | 2007              |
| Operating revenues                       | \$ 6,878,178     | \$ 6,528,506      |
| Non-operating margins                    | 60,701           | 221,169           |
| Total revenues                           | <u>6,938,879</u> | <u>6,749,675</u>  |
| System operation and maintenance         | 4,054,675        | 3,646,906         |
| Consumer services                        | 252,378          | 255,813           |
| Administrative and general               | 912,858          | 866,558           |
| Depreciation and amortization            | 707,908          | 678,196           |
| Interest                                 | 576,476          | 558,441           |
| Total expenses                           | <u>6,504,295</u> | <u>6,005,914</u>  |
| Net margin                               | 434,584          | 743,761           |
| Capital credits retired                  | <u>(85,356)</u>  | <u>(268,307)</u>  |
| INCREASE IN PATRONAGE CAPITAL            | \$ 349,228       | \$ 475,454        |

Prepared by independent auditors, Gruver, Zweifel & Scott, LLP. An audited financial statement is available upon request.



DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.
OFFICIAL PROXY

As a member of the Delaware County Electric Cooperative, Inc., a New York State Cooperative, I, the undersigned, hereby appoint:

Name of Proxy

my proxy to vote in my stead at the membership meeting to be held at the Delaware Academy & Central School, Delhi, New York on Friday, September 11, 2009. I realize that it is my duty as a member of the Cooperative to take an active interest in its affairs and to exercise my voting privilege in person.

Witness my hand this \_\_\_ day of \_\_\_, 2009

Signature of Member Giving Proxy

Witness

Account Number

Annual Meeting Information...

- Because of the limited seating, we ask that once you are finished eating that you proceed to the auditorium so others can be seated prior to the business meeting.
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.
There will be door prizes given away at the Annual Meeting again this year. You must be present in the auditorium at the time of the drawing to win.

SORRY, NO TAKE-OUT DINNERS PERMITTED!



Annual Meeting Brooks Chicken BBQ Reservation Ticket Friday, September 11, 2009

\*Chicken BBQ provided by Brooks of Oneonta

All reservations must be made in advance as dinner tickets will not be sold at the door. Tickets are available at the Cooperative office until September 11, 2009.

Mail-in requests should include this entire coupon and \$5.00 per dinner. The mail-in request must be received by September 8, 2009.

Name: \_\_\_\_\_

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

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

\*Please Reserve \_\_\_\_\_ tickets for the 65th Annual Meeting & Chicken BBQ (cooperative members and family only please).

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.....Harry Peterson
Secretary.....Meg Hungerford
Treasurer.....Stephen Oles
Director.....Paul Menke
Director.....Ernie Bartz
Director.....David Hartwell
Director.....Thomas Lubbers
Director.....Hartley Russell
CEO/General Manager.....Greg Starheim
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

