

*Powering Our Rural Communities*

## Special Edition: Annual Meeting Information

### — 2011 Annual Meeting Official Notice —

The 67<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 9, 2011.

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 three directors for 3- year terms. In accordance with bylaws, a Nominating Committee of members has officially identified the following candidates for the office of director of the Cooperative:

- |  |                                  |
|--|----------------------------------|
| DISTRICT 2: Towns of Harpersfield, Delaware County, Town of Summit and Jefferson, Schoharie County, West of NYS Hwy Rte 10 | Edward Pick<br>Stephen Rinehart  |
| DISTRICT 5: Town Meredith, Delaware County   | Paul Menke<br>(sole candidate)   |
| DISTRICT 9: Towns of Andes, Middletown and Colchester, Delaware County   | Russell Darling<br>Frank Winkler |

\* See pages 5—6 for Candidate Biographies

The Board of Directors is also recommending several changes to the DCEC bylaws (see page 2).

We hope to see you there!



### 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 8th to reserve a dinner. Also, the Official Proxy is located on page 3. Proxies allow your vote to count if you cannot attend the Annual Meeting. Proxies must be received by September 2nd.

We certainly hope you will join us. If you have never attended this event, why not start now! See you on Sept. 9<sup>th</sup>!

Take a look inside for your Chicken BBQ Ticket!



## Our 67th Annual Meeting Agenda & Program

### DELAWARE COUNTY ELECTRIC COOPERATIVE

Friday, September 9, 2011

4:30 PM	REGISTRATION Chicken Barbecue Dinner
6:30 PM	BUSINESS MEETING Call to Order Quorum Determination Official Notice of 2011 Annual Meeting & 2010 Annual Meeting Minutes Treasurer's Report Election of Directors CEO/General Manager's Report 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.

### 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 a February 2011 board meeting, DCEC Directors voted to propose several changes to DCEC bylaws for member consideration at the 2011 DCEC Annual Meeting on September 9, 2011. According to New York State Law, only DCEC members have the right to change the Co-operative'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 2011 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: Allow Members to Vote by Absentee Balloting (& Elimination of Proxy Voting)
- Bylaw 2: Eliminate Ability for Floor Nominations in Director Elections
- Bylaw 3: Reduce the Size of the Board from 9 to 7 Directors (with corresponding re-districting)
- Bylaw 4: Strengthen Requirements for Director Qualifications
- Bylaw 5: Provide More Time for Notice of Member Meetings & Nominating Committee Appointments

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



*DCEC Director Steve Oles and DCEC Operations Manager, Wayne Marshfield speak with a member at last year's Annual Meeting*

## Can't Make the Meeting? Your Vote Counts!

If for some reason you are not planning to attend the 2011 Annual Meeting, you can still make your vote count by completing the below proxy statement to assign your vote to another active DCEC member who may vote on your behalf. Members may vote up to **three** proxies at the Annual Meeting.

Members can return this form to the DCEC office with their bill payment at P.O. Box 471, Delhi, NY 13753. Proxies must be received by Friday, September 2, 2011 to be valid at the Annual Meeting.



### DELAWARE COUNTY ELECTRIC COOPERATIVE, INC. OFFICIAL PROXY

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

\_\_\_\_\_  
**Name of Member Receiving Proxy (Please Print)**

I 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 9, 2011. 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. I have carefully considered the business which, to my knowledge, is to be acted upon. I have discussed it with my neighbors, who are also members, and have decided to give my proxy to the person above named who is a member in his/her own right and who has agreed to vote this proxy on all matters as he/she honestly believes I would vote if I were present. I hereby ratify and confirm my proxy's vote in my stead.

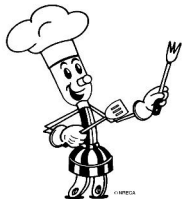
**Member Name (Member Giving Proxy):**

**Date:**

\_\_\_\_\_  
 (Print)

**Account Number:**

\_\_\_\_\_  
 (Sign)



### Annual Meeting Chicken BBQ Dinner Reservation Ticket Friday, September 9, 2011

**\*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 8, 2011.

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

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

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

\*Please Reserve \_\_\_\_\_ tickets for the 67th 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, 2010**

<u>Assets</u>	
Electric plant and work in progress - at cost	\$ 30,040,516
Less accumulated provisions for depreciation	(8,519,985)
Investments in associated organizations	596,002
Cash	117,905
Accounts and notes receivable - Net	626,305
Materials and supplies (at average cost)	577,188
Prepaid expenses	204,237
Other current and accrued assets	209,138
Deferred charges	3,338,397
	<u>3,338,397</u>
<b>Total Assets:</b>	<b>\$ 27,189,703</b>
	<u>27,189,703</u>
<u>Liabilities</u>	
Long-term debt (current and non-current)	13,854,919
Line of credit	1,000,000
Accounts payable	332,553
Accrued interest	124,218
Consumer deposits and prepayments	180,054
Other current and accrued liabilities	258,792
Deferred credits	3,319,000
Total liabilities	<u>19,069,536</u>
	<u>19,069,536</u>
<u>Equities</u>	
Memberships	47,855
Patronage capital	7,780,673
Other equities	291,639
Total equities	<u>8,120,167</u>
	<u>8,120,167</u>
<b>Total Liabilities and Equities:</b>	<b>\$ 27,189,703</b>
	<u>27,189,703</u>

<b>Income Statement for the years ended December 31,</b>	<u>2010</u>	<u>2009</u>
Operating revenues	6,555,202	6,514,579
Nonoperating margins, G&T and other capital credits	78,086	317,779
Total revenues	<u>6,633,288</u>	<u>6,832,358</u>
Cost of power	1,716,837	1,742,706
Distribution expense	2,195,795	1,914,344
Consumer accounts and service	287,810	252,221
Administrative and general	1,138,442	1,076,342
Depreciation and amortization	756,644	735,886
Interest	590,978	563,268
Other deductions	69,267	274,570
Total expenses	<u>6,755,773</u>	<u>6,559,337</u>
Net margins	(122,485)	273,021
Retirement of capital credits	(295,557)	(254,584)
Net change	<u>\$ (418,042)</u>	<u>\$ 18,437</u>

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

## 2011 Candidate Biographies

The DCEC membership are to elect three directors to serve on the Board of Directors during the Annual Meeting on Friday, September 9, 2011. The following candidates for the positions of District Directors have been identified by the 2011 Nominating Committee.

### DISTRICT 2 Candidates:



**Edward "Rusty" Pick** runs a successful construction company, R & S Construction, and has been a home builder and mason for 35 years. He served on the Harpersfield Town Council for 12 years. After opening a lumber yard, Harper Hill Building Supply, he resigned from his position on the council to avoid a potential conflict-of-interest in supplying the Town building materials for their new Post Office and Highway Department addition.

Ed and his wife Sharon have owned and operated Harper Hill Farm in Harpersfield since 1975. They opened the farm on 10 acres. Over the years they have expanded it to 400 acres to produce hay along with raising and training horses. Their son Edward is a graduate of Rochester Institute of Technology and their younger son, Brian, is currently attending SUNY Delhi. Both are active on the family horse farm.

"In 1975 I watched a DCEC crew construct a one mile of new line to my farm. The men impressed me because of their skill and commitment to serve members. My goal is to continue the sort of ideals and best interests that many of the fellow members of the Cooperative follow during these tough and challenging times."



**Stephen Rinehart** grew up in Pawling, NY in Dutchess County. He graduated from high school in 1972 and shortly after joined the Army. He was discharged from the army in 1975 and afterward purchased a farm in Delaware County in 1979. He has been a farmer for 33 years. In 1990, he became a school bus driver for Stamford Central School and then went on to become the Transportation Supervisor in 1996 to present.

"I think it's great how the co-op manages to keep rates lower for its members and I would like to have input in regards to what happens at DCEC."

### DISTRICT 5 Candidate (sole candidate):



**Paul Menke**, is an active dairy farmer on Peakes Brook Road where he lives with his wife, Candice. Paul was one of the first farmers to volunteer his farm for experimentation in the pilot program for the Watershed Committee. Paul is a Councilman for the Town of Meredith as well as a currently serving on the Board of Directors for DCEC. He is also a past member of the Meredith Town Planning Board and served on the Delaware County Farm Service Agency Committee for a number of years.

"I would like to see the Cooperative continue with the Right-of-Way Clearing which we are all so proud of in order to maintain our system reliability. Also, in the next couple of years I would like to see the Elm and Depot Street facilities updated."

"Looking back when I was a kid, and my parents would take me to DCEC Annual Meetings. It was the big outing we took for the year. I remember thinking about what it would be like to sit up front with the directors and now I am. I was proud of DCEC then and I am still proud of the co-op now. I encourage people to attend the Annual Meeting to get the latest update on what is happening at the Cooperative."

*Candidate Biographies Continued on Next Page...*

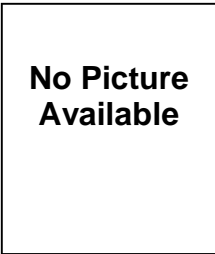
**Candidate Biographies Continued...**

DISTRICT 9 Candidates :



**Frank Winkler** lives in Andes with his wife Vicki. He is currently retired but works part-time as a Resource Conservation Planner with the Delaware County Soil and Water Conservation District. He is also the Chair of the Andes Town Planning Board and a Director for the Catskill Forest Association.

“I appreciate the opportunity to have served on the DCEC Board of Directors over the past six years. I am proud to see a high level of satisfaction from members for DCEC’s performance and I would like to thank the DCEC employees for that. With the high level of satisfaction I feel that we are obligated to do our best. I am glad to be a part of the organization and would appreciate the opportunity to serve another three years.”



**Russell Darling** graduated from Andes Central School in 1972 and went on to SUNY Delhi to study Dairy Science. Russell has worked as a dairy farmer for 41 years. His farm has approximately 350 registered Jerseys. He lives in Andes with his wife Linda and his children; Bradley, Amber, Charlie and Dawson. Bradley works for the Town of Andes Highway Department, Amber and Charlie work on the farm, and Dawson will be going into the 6th grade. Russell is very proud that this is the 6th generation to work on the family farm that has been around since 1869.

Russell served on the Andes Fire Department for 25 years, he is now an honorary member. He also is a Director for the New York State Jersey Club.

“I am happy with how DCEC operates. We are seldom out of power. They do an excellent job.”

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	Delaware County Electric
Vice President.....	Harry Peterson	Cooperative
Secretary.....	Meg Hungerford	39 Elm St., PO Box 471
Treasurer .....	Stephen Oles	Delhi, New York
Director .....	Paul Menke	13753-0471
Director .....	Ernie Bartz	607-746-2341
Director .....	David Hartwell	Fax: 607-746-7548
Director .....	Hartley Russell	
CEO/General Manager .....	Greg Starheim	Email: office@dce.coop
Asst. General Manager ..	Wayne Marshfield	Web Site: www.dce.coop

**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!*

**Put Your Energy Bill On a Diet!**

Looking for even more ways to save money on your energy bill? Well today’s your lucky day. A ton of helpful energy-saving tips and instructional videos are just a click away on TogetherWeSave.com.

