



The Energizer

SEPTEMBER 2022 | STEUBEN RURAL ELECTRIC COOPERATIVE

Official Notice

In accordance with Article III, Section 7 of the Bylaws, this Annual Meeting newsletter serves as your Official Notice of the October 15, 2022 Annual Meeting of the Steuben Rural Electric Cooperative, Inc.

Programs containing all reports will be available at the Annual Meeting and at the Bath and Cherry Creek Offices prior to the date of the meeting.

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78th Annual Membership Meeting

Saturday, October 15, 2022

Canisteo-Greenwood High School

84 Greenwood Street, Canisteo, New York

Registration: 9:00 - 11:00 am

Business Meeting: 11:00 am

President’s Invitation



I would like to take this opportunity, on behalf of the Board of Directors, to invite all member/owners to the 78th Annual Membership Meeting in on Saturday, October 15, 2022.

This year’s meeting will be highlighted by the members voting to fill four of the nine director seats. Districts 1, 2, and 9 will be for a three year term on the Board of Directors and District 4 will be for the remaining one year of a three year term due to a vacancy of the Director representing District 4. Please try to attend the meeting to vote for the candidates of your choice.

The rest of the business meeting will be devoted to discussion of current issues concerning the Cooperative. Members questions submitted prior to the meeting will be addressed during the business portion of the meeting after which we will recess for a chicken barbecue dinner prepared by Stearns Chicken. Following the luncheon recess, the meeting will reconvene for results of the voting and raffle. Please use the registration forms included in the publication to reserve your chicken barbecue dinners. I look forward to seeing and celebrating the 78th anniversary of the Cooperative with you.

James McCormick - Board President



Come early and enjoy fresh coffee, water, donuts, cheese and crackers with comradeship with your fellow members, directors, and employees of Steuben Rural Electric.



Each member will receive a goodie bag to celebrate the Cooperative’s 78th annual meeting upon registration at the meeting. One bag per membership.



Don’t forget to purchase your raffle tickets for \$1.00 each for the chance to win a Portable 12V Electric Cooler with LG Compressor, Fridge, and Freezer valued at \$500.

ONLY MEMBERS MAY PURCHASE RAFFLE TICKETS AND MUST BE PRESENT TO WIN.

Director Candidates for Election 2021-2024



James R. McCormick
District 1 - Wayland, Cohocton,
Fremont, Avoca, Hornellsville,
Greenwood, West Union

Mr. McCormick and his wife, Karen, reside on their farm in Greenwood, New York. He has been a Cooperative member for 49 years and Director for 45 years and currently serves as President of the SREC Board and Vice-President of the New York State Rural Electric Cooperatives Association. They have two grown children and five grandchildren.

He is a graduate of Greenwood Central School and has an Associates Degree from SUNY-Morrisville and is a US Army Veteran. He retired as Senior Vice President and loan officer from Steuben Trust Company. Mr. McCormick is a member of the Blessed Sacrament Church in Andover and is a former member and president of the Allegany County United Way and Jones Memorial Hospital.



Janice L. Hoad
District 2
Cameron, Howard

Mrs. Hoad currently resides in Cameron Mills, New York and has been a Cooperative member for 23 years. She has three grown children and six grandchildren. She has been a Cooperative Director since 2008 and currently serves as Secretary.

She obtained her AS Degree from Corning Community College, BS and MS Degree from Alfred University. She is a retired math teacher from Canisteo Greenwood School District since 2014.

Mrs. Hoad is a member of the National Fallen Firefighter Foundation and past 4H Leader but remains active in 4H with her grandchildren.



William H. Moss III
District 9
Chautauqua County

Mr. Moss and his wife, Joanne, reside in South Dayton, New York. He has been a Cooperative member for 37 years. He and Joanne have two grown sons, Ben and David and one grandchild.

He is a graduate of Forestville Central School and currently operates a 100 cow dairy farm. In addition to operating the dairy farm, he drives school bus at Forestville Central School and performs custom work for area farmers.

Mr. Moss is a trustee of Forestville Methodist Church and belongs to the Dairy Farmers of America Milk Co-op. He enjoys motorcycling in his free time.

Director Candidates for Election 2020-2023

The following candidate was nominated by the Nominating Committee to be elected at the 2022 Annual Membership Meeting to the position of Director for District 4 for the remaining one year of the three year term due to a vacancy of the Director representing District 4. Townships represented by District 4 include Bath.

Mr. Longwell and his wife Laurie reside in Bath, New York. He has been a Cooperative member for 45 years. He and Laurie have three sons Greg, Nathan, and Brett and six grandchildren. He is the owner of Longwell Lumber Company in Bath.

Mr. Longwell was a member of the Steuben Rural Electric Cooperative



Walter Longwell
District 4
Bath



Nominating Committee and was also a Director of the Landfill Gas Project for ten years.

CERTIFICATION OF THE NOMINATING COMMITTEE

The Nominating Committee certified to the Board of Directors, as required by the Bylaws, they made a prudent effort to nominate at least two nominees from each district scheduled for election in 2022 and were able to find only one candidate willing to be nominated for the position of director from Districts 1, 2 and 9. In addition the Nominating Committee certified to the Board of Directors, as required by the Bylaws, they made a prudent effort to nominate at least two nominees to serve the remaining one year of a three-year term for District 4 and were able to find only one candidate willing to be nominated for the position of director from District 4.

Director Qualifications

In order to be elected to the Board as a Director, candidates must meet the following qualifications (see Bylaws, Article IV, Directors, Section 2, Qualifications & Tenure):

Directors shall be elected by ballot at each annual meeting of the members, by and from the members, to serve until the third succeeding annual meeting of the members or until their successor shall have been elected and shall have qualified. No person shall be eligible to become or remain a director or to hold any position of trust in the Cooperative who:

- ◇ Is not a member and bona fide resident of the district within the Cooperative for which the director was elected to serve;
- ◇ Is in any way employed by or financially interested in a competing enterprise or a business selling electric energy, equipment or supplies to the Cooperative;
- ◇ Is an employee of the Cooperative or has been an employee of the Cooperative within five (5) years from the date of the annual meeting at which the nomination will come to a vote;
- ◇ Is unable to read, write and speak in the English language;
- ◇ Is not able to enter into a legally binding contract;
- ◇ Is a convicted felon;
- ◇ Who has had bills owed to the Cooperative delinquent for more than ninety (90) days within the past two (2) years.

NOMINATIONS

Additional nominations can be made for Board seats using the following procedure (Bylaws, Article IV, Directors, Section 3, Nominations:)
 Any fifteen (15) or more members acting together may make other nominations by petition not less than fifteen (15) days prior to the meeting, and the Cooperative shall post such nominations, under the direction of the Secretary of the Board of Directors, at the same place where the list of nominations made by the committee is posted. Under the direction of the Secretary of the Board of Directors, the Cooperative shall mail with notice of the meeting or separately, but a least seven (7) days before the date of the meeting, a statement of the number of directors to be elected and the names and addresses of the candidates, specifying separately the nomination made by petition, if any. Additional nominations made by petition shall be for the respective districts scheduled for election.

VOTING PROCEDURES

Voting at the Meeting: Elections are to fill three Board seats, District 1, 2 and 9 for a three-year term and District 4 for the remaining one year of a three year term. You will receive an Official Voting Ballot when you register at the Annual Meeting. Ballots will be collected and tabulated during the business meeting. If you are unable to attend the meeting, you may vote by proxy.

Proxy Voting: If you are unable to attend this year's meeting, you may vote for candidates on the election slate by obtaining a proxy. A member may give their proxy only to another member, and no person may hold more than one (1) proxy at any meeting. The presence of a member at a meeting shall revoke a proxy theretofore executed by themselves and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if they had not executed a proxy.

To Obtain a Proxy: (1) Call the Bath Office at 607-776-4161 or 800-843-3414 and request a proxy. Please have your account number available when you call. The proxy will be mailed to you. (2) Apply at either the Bath or Cherry Creek Office in person. Only a member may apply in person and **ONLY THE MEMBER GIVING THE PROXY TO ANOTHER MEMBER MAY OBTAIN A PROXY.**

STEBEN RURAL ELECTRIC COOPERATIVE, INC. CONSOLIDATED STATEMENTS OF REVENUE, EXPENSES & PATRONAGE CAPITAL

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Operating Revenues	\$11,264,449	\$10,881,039
Operation and Maintenance Expenses		
Cost of Purchased Power	\$2,717,846	\$2,370,510
Distribution Expense - Operation	\$1,698,234	\$1,795,440
Distribution Expense - Maintenance	\$2,010,014	\$1,829,204
Customer Accounts Expense	\$441,212	\$451,721
Customer Service and Information Expense	\$142,545	\$157,172
Administrative and General Expense	<u>\$1,236,884</u>	<u>\$1,139,261</u>
Total Operation and Maintenance Expenses	<u>\$8,246,735</u>	<u>\$7,743,308</u>
Other Operating Expenses		
Depreciation Expense	\$1,315,823	\$1,291,455
Interest Expense	\$633,427	\$727,492
Interest Expense - Other	\$9,006	\$581
Miscellaneous Expenses	<u>\$151,202</u>	<u>\$139,813</u>
Total Other Operating Expenses	<u>\$2,109,458</u>	<u>\$2,159,341</u>
Total Cost of Electric	<u>\$10,356,193</u>	<u>\$9,902,649</u>
Net Operating Margins	<u>\$908,256</u>	<u>\$978,390</u>
Non-Operating Margins		
Interest Income	\$27,608	\$31,955
Other Capital Credits and Patronage Dividends	\$57,416	\$35,559
Miscellaneous Non-Operating Income	<u>\$52,645</u>	<u>\$39,200</u>
Net Non-Operating Margins	<u>\$137,669</u>	<u>\$106,714</u>
Net Margins	\$1,045,925	\$1,085,104
Patronage Capital - Beginning	\$15,224,195	\$14,679,377
Less: Retirement of Patronage Capital	<u>(\$508,040)</u>	<u>(\$540,286)</u>
Patronage Capital - Ending	<u>\$15,762,080</u>	<u>\$15,224,195</u>

A copy of the full audit report may be obtained by contacting the Bath District Office.

STEBEN RURAL ELECTRIC COOPERATIVE, INC. CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2021 AND 2020

	<u>ASSETS</u>		
		<u>2021</u>	<u>2020</u>
Electric Plant			
In Service - At Cost		\$51,929,362	\$50,582,824
Construction in Progress		<u>\$472,471</u>	<u>\$317,964</u>
Total Electric Plant		<u>\$52,398,833</u>	<u>\$50,900,788</u>
Less:			
Provision for Depreciation		\$19,930,554	\$19,882,465
Retirement Work in Progress		(\$22,317)	(\$780)
Subtotal		<u>\$19,908,237</u>	<u>\$19,881,685</u>
Total Electric Plant - Net		<u>\$32,490,596</u>	<u>\$31,019,103</u>
Other Assets			
Investments in Associated Organizations		<u>\$1,237,030</u>	<u>\$1,207,721</u>
Total Other Assets		<u>\$1,237,030</u>	<u>\$1,207,721</u>
Current Assets			
Cash and Cash Equivalents		\$535,568	\$1,099,567
Accounts Receivable - Net		\$1,650,663	\$1,515,833
Other Accounts Receivable		\$558,755	\$576,834
Inventory		\$452,198	\$568,932
Prepaid Expenses		<u>\$183,704</u>	<u>\$358,527</u>
Total Current Assets		<u>\$3,380,888</u>	<u>\$4,119,693</u>
Noncurrent Assets			
Other Regulatory Assets		\$1,315,929	\$1,584,396
Miscellaneous Deferred Debits		<u>\$42,760</u>	<u>\$20,949</u>
Total Noncurrent Assets		<u>\$1,358,689</u>	<u>\$1,605,345</u>
TOTAL ASSETS		<u>\$38,467,203</u>	<u>\$37,951,862</u>
 <u>LIABILITIES AND MEMBERS' EQUITY</u> 			
Members' Equity		<u>2021</u>	<u>2020</u>
Memberships		\$341,030	\$334,230
Patronage Capital		\$15,762,080	\$15,224,195
Other Equities		<u>\$1,895,122</u>	<u>\$1,772,221</u>
Total Members' Equity		<u>\$17,998,232</u>	<u>\$17,330,646</u>
Long-Term Debt - Net		<u>\$17,641,480</u>	<u>\$17,464,421</u>
Current Liabilities			
Long-Term Debt - Current Maturities		\$1,312,199	\$1,288,240
Line of Credit		\$500,000	\$901,588
Accounts Payable		\$382,541	\$269,539
Customer Deposits		\$22,430	\$33,230
Other Liabilities		<u>\$346,390</u>	<u>\$394,127</u>
Total Current Liabilities		<u>\$2,563,560</u>	<u>\$2,886,724</u>
Noncurrent Liabilities			
Other Postretirement Benefits		<u>\$263,931</u>	<u>\$270,071</u>
Total Noncurrent Liabilities		<u>\$263,931</u>	<u>\$270,071</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY		<u>\$38,467,203</u>	<u>\$37,951,862</u>

A copy of the full audit report may be obtained by contacting the Bath District Office.

CHICKEN DINNER RESERVATIONS



CHICKEN DINNER RESERVATION

\$3.00 PER PERSON

MENU

One-Half Barbecued Chicken

2 Sides, Roll & Butter

Catered by Stearn's Poultry Farm, Alfred Station, NY

Saturday, October 15, 2022

REMINDERS:

1. The barbecue is limited to members and their spouse or companion and children living at home.
2. Reservation deadline October 7, 2022.
3. Payment due with registration form.

NAME _____

ACCOUNT NO. _____

NO. DINNERS AT \$3.00 EACH _____

TOTAL DUE: \$ _____



Return the reservation form & payment to the Bath Office at: 9 Wilson Avenue, Bath, NY 14819 or the Cherry Creek Office, 5966 South Road, Cherry Creek, NY 14723 by no later than October 7, 2022.



MEMBER QUESTIONNAIRE/CONCERNS YOU WOULD LIKE ADDRESSED BY SREC PERSONNEL

In order to accurately address questions or concerns of the members during the annual meeting, members are being asked to submit all questions in writing. Please feel free to submit your questions, in writing to the Bath or Cherry Creek offices using this form. The form should be submitted prior to the deadline for reservations (10/07/2022) and can be mailed to the Cooperative at 9 Wilson Avenue, Bath, NY 14810; or emailed to kcleland@steubenrec.com. Each question will be reviewed and either answered on an individual basis, at the annual meeting or in future editions of The Energizer. Additional questions will be taken during the meeting if time allows.

NAME: _____ ACCOUNT NUMBER: _____

BOARD OF DIRECTORS



James McCormick
President
District 1



Robert Nichols
Vice-President
District 7



Janice Hoard
Secretary
District 2



Gordon Foster
Treasurer
District 6



Edward Borkowski
District 3



Gerald S. Chase Jr.
District 5



Randy Stankey
District 8



William Moss, III
District 9

YOU WILL RECEIVE A \$30.00 CREDIT ON YOUR NOVEMBER BILLING STATEMENT UPON REGISTERING & ATTENDING THIS YEAR'S MEETING

Each registered member (account) will receive a \$25.00 credit that will be applied to the member's November billing statement. In addition to the \$25.00 credit, the Board has agreed to continue with the \$5.00 credit that has always been applied to registered members' November billing statements.

For all members attending and registering at this year's annual meeting, your November billing statements will reflect a \$30.00 credit. It will not be necessary to send in a separate certificate with your payment to obtain said credit.



BUS RESERVATIONS

School Bus Transportation: Free school bus transportation is available to members living in the Cherry Creek area; however, advance reservations must be made (there are only 44 seats available). To reserve seats, please call the Cherry Creek Office at 716-296-5651 or 800-883-8236 or return this form prior to the reservation deadline (10/5/22).

Driving Directions: If you decide to drive instead of taking the bus, at Exit 34A on I-86 East/Rt-17 East take ramp right for Rt-36 South toward Hornell. Keep straight on Rt-21 S/Rt-36S/W Genesee St (2.5 mi). Keep straight onto Rt-36 S/Maple City Dr N (5.3 mi) Bear tight onto Rt-248 and follow the annual meeting signs. The Canisteo-Greenwood Central High School will be on the right.

Member Name: _____
Number Riding Bus: _____
Pickup Point: Cherry Creek Office Only

Bus Departs Cherry Creek Office: 7:30 am; Bus Arrives at Canisteo-Greenwood School: 9:30 am
Bus Departs Canisteo-Greenwood School: 2:30 pm; Bus Arrives at Cherry Creek Office: 4:30 pm

****Bus Reservation Deadline, Wednesday, October 5, 2022****

Office Locations

Bath District Office

9 Wilson Ave
Bath, NY 14810
(607) 776-4161
(800) 843-3414

Cherry Creek District Office

5966 South Rd
Cherry Creek, NY 14723
(716) 296-5651
(800) 883-8236

STATEMENT OF NONDISCRIMINATION

Steuben Rural Electric Cooperative is an equal opportunity provider and employer. In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA Programs are prohibited from discriminating based on race, domestic violence victim status, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, salary history, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all basis apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found on-line at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: US Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-8410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.