



**Northwestern Rural Electric
Co-operative Association, Inc.**

A Touchstone Energy® Cooperative 

2021 ANNUAL MEETING
August 21, 2021



Photo by Ross Thomas, lineman

CONTENTS

- 3 Annual Meeting Agenda
- 4 Condensed Minutes of 2020 Annual Meeting
- 5 Know the 2021 Nominees
- 6 & 7 Consolidated Financial Reports
- 8 & 9 Your Co-op at a Glance
- 10 Your Co-op in Photos
- 11 Your Board of Directors

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This 2020 Annual Report was written, compiled and produced by the employees of Northwestern Rural Electric Cooperative Association, Inc. and its subsidiaries. Photos by Ross Thomas, Norb Adam, Amy Wellington and PREA.

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Monday - Friday, 7 a.m. to 3:30 p.m.



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85th Annual Meeting Agenda

New Beginnings Church of God
Saturday, August 21, 2021

9 a.m. to noon: Gift Pick-Up & Canned Food Drive

11 a.m. to noon: BUSINESS MEETING

- I. Call to Order: Kathryn Cooper-Winters, Board Chair **(pre-recorded)**
- II. Invocation: Lisa Chausse, District 9 **(pre-recorded)**
- III. Presentation of the National Anthem **(pre-recorded)**
- IV. Pledge of Allegiance: Kathryn Cooper-Winters **(pre-recorded)**
- V. Official Meeting Notice: Michael Sample, Board Secretary **(pre-recorded)**
- VI. Treasurer's Report: Earl Koon, Board Treasurer **(pre-recorded)**
- VII. Board Chair's Report: Kathryn Cooper-Winter **(pre-recorded)**
- VIII. President & CEO's Report: Bill Buchanan **(pre-recorded)**
- IX. Minutes of the Last Annual Meeting: Kathryn Cooper-Winters **(live)**
- X. Introduction of Nominating Committee **(live)**
- XI. Introduction of Nominees for District 3, 5, and 10 **(live)**
- XII. Introduction of Member Panel on Director Elections **(live)**
- XIII. Election Results: Member Panel Chair **(live)**

ANNUAL MEETING OF THE MEMBERS

CONDENSED MINUTES

The Northwestern Rural Electric Co-operative Association, Inc. **August 22, 2020** **The New Beginnings Church of God**

The meeting was called to order at 11:00 a.m. by Board Chair Kathryn Cooper-Winters, at which time she declared a quorum was reached.

Director Lisa Chausse gave the invocation. Then, the National Anthem was played. Board Chair Cooper-Winters then led the membership in the Pledge of Allegiance.

Board Secretary Michael Sample then read the Official Meeting Notice and the Proof of Mailing. Earl J. Koon, Board Treasurer, gave the Treasurer's Report, which summarized the financial condition of the Cooperative.

Board Chair Cooper-Winters thanked the members for viewing and participating in the Cooperative's 84th Annual Meeting.

Board Chair Cooper-Winters gave the Board Chair's Address. She addressed the membership regarding the Covid19 pandemic and changes to Annual Meeting. She then introduced the board of directors and recognized retiring district 7, David Rectenwald, for his service to the cooperative. She also reported on the Co-ops Vote initiative. In conclusion, she announced to the membership that there will be a general capital credit retirement. She then introduced, President & CEO, Bill Buchanan.

President & CEO, Bill Buchanan, addressed the membership regarding electric vehicles, the cooperative's response to the Covid19 pandemic, and broadband. In closing, he reported on the cooperative's financial position, technology, and outage sources.

Board Chair Cooper – Winters then informed the membership that the pre-recorded portion of the Annual Meeting had concluded and that the

remainder of the Annual Meeting would be live.

A motion was made and supported to dispense with the reading of the 2019 Annual Meeting minutes. The motion was carried. A motion was made and supported to accept the minutes of the 2019 Annual Meeting. The motion was carried.

A motion was made and supported to accept the Treasurer's Report. The motion was carried.

Board Chair Cooper – Winters recognized the members of the Nominating Committee and introduced the Member Panel on Director Elections. She then introduced the nominees They were as follows:

District 6: Kim Docter
District 7: David Snyder
District 8: Marian Davis
District 9: Lisa Chausse

Marsha Furno, Chairperson of the Member Panel on Director Elections, gave a complete report of the election results:

District 6:	Kim Docter	1,037 votes
District 7:	David Snyder	996 votes
District 8:	Marian Davis	1,005 votes
District 9:	Lisa Chausse	1,032 votes

Marsha Furno announced that the following directors had been elected:

District 6: Kim Docter
District 7: David Snyder
District 8: Marian Davis
District 9: Lisa Chausse

As there was no further business, the meeting adjourned at 11:45 a.m.

KNOW THE 2021 NOMINEES



Michael Sample
Wayne Township, PA

District 3: Amity, Union, Wayne, and Concord townships and Elgin and Union City Boroughs in Erie County, and Spring Creek township in Warren County.

Michael Sample, of Wayne Township, has been a member of Northwestern REC since 1994. He is the owner of *The Titusville Herald* and *The Forest Press*, of Tionesta, Pa. He is also a co-owner of *The Corry Journal*, a family-owned local newspaper. As a business owner in an industry that has experienced tremendous challenges, he adapts to change very well. Sample graduated from Penn State Behrend with a Bachelor of Science degree in management in 1989. He has worked at daily and weekly newspapers in Pennsylvania, New York, and Alabama, and has over 30 years of experience in the newspaper industry. He is also a notary public.

Sample has served as a representative of District 3 since 2015, serving as board secretary. During his time on the board, Sample has earned his Credentialed Cooperative Director certificate and is close to completing the Board Leadership Certificate. He has developed a network of board members from other cooperatives across the country with whom he exchanges ideas and information.

With his wife Debbie and two grown children, Sample has always called northwestern Pennsylvania home. He has helped regional businesses grow and prosper as a member of the Titusville and Corry Area Chambers of Commerce boards. In his spare time, Sample enjoys playing and watching sports and giving back to the community. The Samples live outside of Corry on their farm.



**Kathryn
Cooper-Winters**
Saegertown, PA

District 5: Cussewago, Hayfield, Venango, Cambridge, and Woodcock townships and Woodcock and Saegertown Boroughs in Crawford County.

Kathryn Cooper-Winters was first elected to Northwestern REC's board in 1988. She previously served as the board treasurer for eleven years and has met the requirements for the National Rural Electric Cooperative Association (NRECA) Director Certification, including Credentialed Cooperative Director, Board Leadership Certificate and Director Gold Certificate.

Cooper-Winters is the board representative to the Allegheny Electric Cooperative, Inc. (AEC). She has served as the AEC board treasurer and vice-chair, and currently serves as vice-chair for the Accounting and Finance committee. Cooper-Winters is also an At-Large Director for the National Cooperative Services Corporation (NCSC). She has been a co-op member since 1985.

Cooper-Winters was employed by Northwestern REC in communications for eight years before working as a farm consultant with Agway, Inc. In 1984, she set up her own accounting and tax business with her father, the late Jesse G. Cooper, retired Penn State University professor, AGVIZE, Inc. Cooper Associates offered accounting and tax services for 150 area client/farmers. She retired from AGVIZE in 2008.

Cooper-Winters is an active member of the Saegertown United Methodist Church and the PA Stitchers of Valor, the local chapter of the national Quilts of Valor organization that pieces, quilts and presents quilts to local veterans.

Cooper-Winters is married to William R. Winters, Sr. and has one son, five stepchildren, two grandsons and nine step-grandchildren.



Lanny Rodgers
Carlton, PA

District 10: Wayne township in Crawford County; Jackson, Plum, Oakland, Cherrytree, and Canal townships in Venango County; French Creek township in Mercer County.

Lanny Rodgers retired as a Regional Manager for the Pennsylvania State Employees' Retirement System. He served in the United States Marine Corp. from 1962 to 1966. Rodgers is a former director of the Franklin YMCA from 1992 to 1994.

Rodgers was first elected to the Board of Directors at Northwestern REC in 2000. He has served as vice president for four years and on the member ACRE committee. He formerly served as the Pennsylvania board representative to the National Rural Electric Cooperative Association. Rodgers is also a Credentialed Cooperative Director and has attained the Board Leadership Certificate designation.

Rodgers and Georgia, his wife, have two children, five grandchildren and have resided in the Carlton/Cochran area for over thirty years.

CONSOLIDATED FINANCIAL STATEMENTS

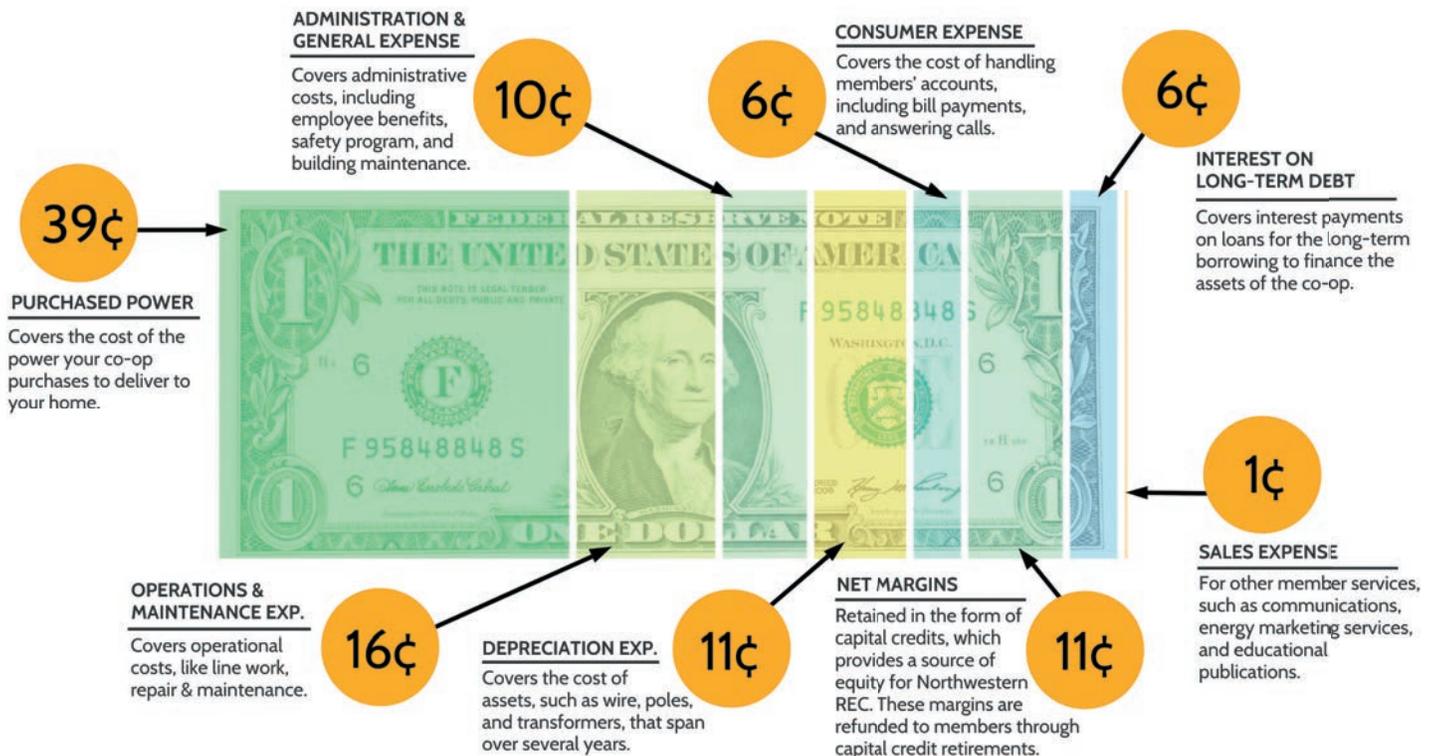
Northwestern Rural Electric Cooperative Association, Inc. and Subsidiaries

CONSOLIDATED STATEMENT OF EQUITIES

Years ended December 31, 2020 and 2019

	Memberships	Patronage Capital	Other Equities	Accumulated Other Comprehensive Loss
Balance, at December 31, 2018	\$ 70,660	\$ 12,880,281	\$ 38,127,627	\$ (482,972)
Membership fees cancelled	(1,910)	-	-	-
Net operating margins	-	3,545,542	-	-
G&T patronage capital credits received and allocated	-	229,996	(229,996)	-
Non-patronage source margins	-	(1,738,604)	1,738,604	-
Net non-operating margins	-	-	92,246	-
Retirement of capital credits	-	(1,343,921)	-	-
Equity payable upon liquidation	-	-	861,427	-
Gain on early retirement of estate capital credits	-	-	8,017	-
Total other comprehensive income	-	-	-	5,078
Donated capital	-	-	99	-
Balance, at December 31, 2019	\$ 68,750	\$ 13,573,294	\$ 40,598,024	\$ (477,894)
Membership fees cancelled	(1,805)	-	-	-
Net operating margins	-	3,947,051	-	-
G&T patronage capital credits received and allocated	-	231,691	(231,691)	-
Non-patronage source margins	-	(2,808,889)	2,808,889	-
Net non-operating margins	-	-	166,870	-
Retirement of capital credits	-	(1,326,925)	-	-
Equity payable upon liquidation	-	-	865,866	-
Gain on early retirement of estate capital credits	-	-	6,495	-
Total other comprehensive income	-	-	-	3,107
Change in donated capital	-	-	(105)	-
Balance, at December 31, 2020	\$ 66,945	\$ 13,616,222	\$ 44,214,348	\$ (474,787)

Where your co-op dollar is spent.



YOUR COOPERATIVE AT A GLANCE

2020 Year in Review



\$13,855,230

Cost of Purchased Power
264,648,164 kWh purchased



59

Full-time
Employees



21,272

Meters served
16,717 Memberships



2,561 miles

Total miles of electric line
Averaging 8 members per mile



\$122

Average monthly bill
(residential)
906 average kWh



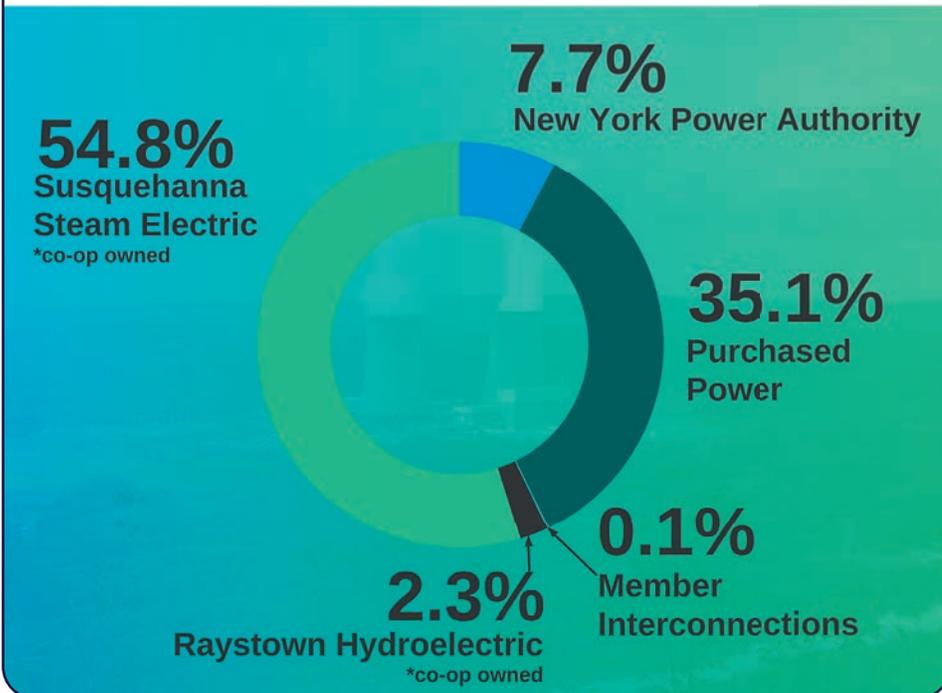
**Northwestern Rural Electric
Co-operative Association, Inc.**

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SAVE MONEY, DRIVE ELECTRIC

VISIT NORTHWESTERNREC.COM

Where your power came from in 2020



70% of lightning fatalities occur June through August
- National Weather Service

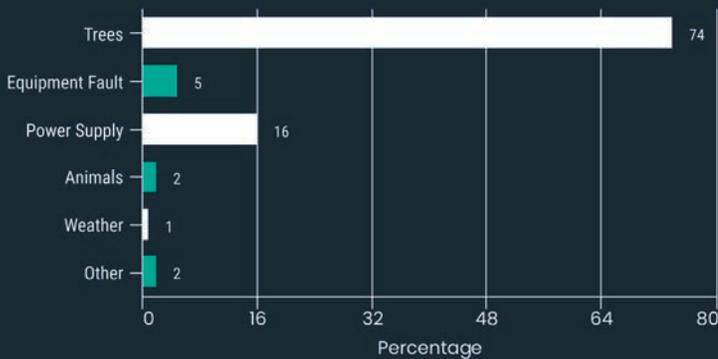


There is no safe place from lightning when you are outside. If you hear thunder, lightning is close enough to pose an immediate threat. That is why the National Weather Service advises, "When Thunder Roars, Go Indoors!" Lightning can strike up to 10 miles away from rain, even if you don't see clouds.

Learn more at [SafeElectricity.org](https://www.SafeElectricity.org)

2020 Outage Report

Reason for Outage



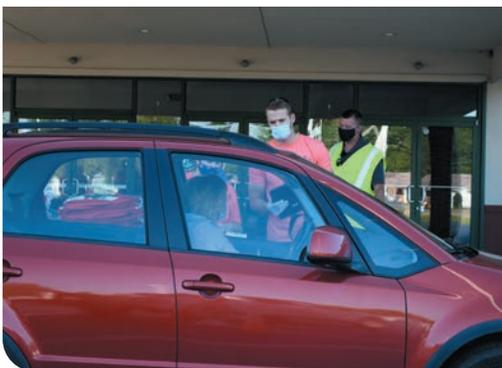
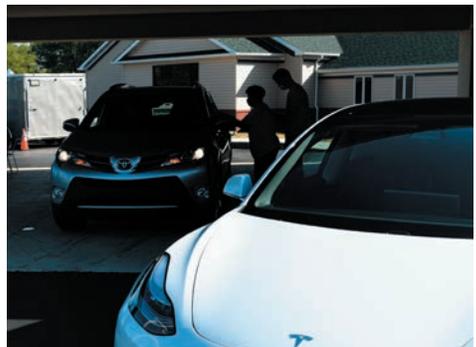
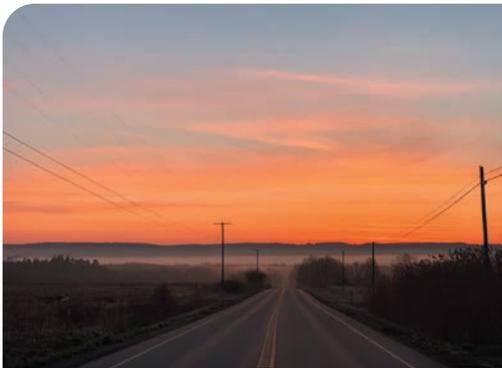
Averted Outage Minutes



YOUR COOPERATIVE IN PHOTOS



Photo by Norb Adam, lineman



YOUR BOARD OF DIRECTORS

District 1
Karl Ebert

District 2
Earl Koon

District 3
Mike Sample

District 4
Robert Agnew

District 5
Kathryn Cooper-Winters

District 6
Kim Docter

District 7
David "Earl" Snyder

District 8
Marian Davis

District 9
Lisa Chausse

District 10
Lanny Rodgers

Northwestern REC's Board of Directors

Assistance Programs Available to Northwestern REC Members

Emergency Rental Assistance Program

*For those who rent and are on unemployment.
*Money can be used for rent and utilities.
Apply online at www.dhs.pa.gov.
Administered locally by:
Center for Family Services, 814-337-8450
Erie County Care Management, 814-923-5512
Mercer, Venango and Warren Counties,
use COMPASS to apply.

Bridge Builders Community Foundation

*For NREC members who qualify in Venango Co.
*Administered by the United Way of Venango Co.
Apply by calling 814-676-6545

Member-to-Member, Inc.

*For all members with a referral from NREC.
*Administered by several local agencies, visit M2Mfund.org
Contact Northwestern REC at 800-352-0014

pa211nw.org
*Powerful search engine for all available help in your area.
Visit pa211nw.org, call or text 2-1-1

800/352-0014
NORTHWESTERNREC.COM

Auto Pay
Choose automatic payments with the SmartHub app

Pay by Phone
1-800-352-0014, option 2 to make a payment

Pay Online
Pay your bill online at Northwestern-REC.com using the SmartHub app

Pay by Mail
Mail your payment to Northwestern REC, P.O. Box 227, Cambridge Springs, PA 16403

Pay in Person
Pay with MoneyGram (15145) at Walmart, CVS or Wegmans; OR pay with cash, check, credit at our office, M-F, 7am-3:30pm

THE SEVEN *Electric Cooperative* PRINCIPLES



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Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

Members' Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers and employees, so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.



Northwestern Rural Electric Co-operative Association, Inc.

A Touchstone Energy[™] Cooperative

- 1
- 2
- 3
- 4
- 5
- 6
- 7