

**2015
Annual Report
and
Meeting Notice**

BRING THIS COPY
of the Annual Report with you
to the Annual Meeting and
**RECEIVE AN
ADDITIONAL \$5**
**IN EUREKA CHAMBER
OF COMMERCE BUCKS!!!**



**Lincoln Electric
Cooperative, Inc.**

® Your Touchstone Energy® Cooperative 

You are invited to attend Lincoln Electric's
Annual Meeting of the Members

Saturday, March 19, 2016

Lincoln County High School Auditorium

312 9th Street East, Eureka, MT

Registration begins at 8:00 am

Business meeting to commence at 9:00 am

Each registering membership will receive a door prize of \$10 in Eureka Area Chamber of Commerce bucks. **Members who bring their Annual Report will receive an additional \$5 in Chamber bucks!!**

Registration provides the chance to win various prizes throughout the meeting. The grand prize drawing of 'Free Electricity for a Year'* will be awarded to one lucky attending member.

You must be present to win prizes.

A light breakfast will be served.

Capital credit checks will be distributed after the meeting to those registered LEC members who used electricity during 1997 and/or 1998.

Luck of the Draw scholarships will be drawn from all eligible applicants. Please note those seeking to be included in the drawing for Luck of the Draw must register prior to 9:15 a.m. to be eligible.

Professional day care will be available free of charge at:

Kid Country Day Care
550 10th Street E, Eureka

**Some restrictions apply*

From the Boardroom

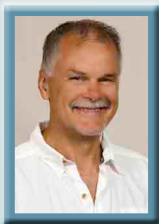
The Trustees and I would like to encourage you to come to your Annual Meeting. We will be giving an update on Lincoln Electric, reviewing the financials of your cooperative, electing three Trustees, and conducting any other business that comes before the Board. We hope to see you at the Annual Meeting on March 19!



V. Ray Ellis, Jr.
General Manager

Board of Trustees

LEC Trustees are members elected by the membership at the Annual Meeting. They meet at least once a month to provide leadership, vision and direction for the cooperative.



Mike Workman
President
District 5
Trustee since 1989



Tina Taurman
Vice-President
District 2†
Trustee since 2006



Courtney Pluid
Secretary-Treasurer
District 3
Trustee since 2010



Myra Appel
District 1
Trustee since 2015



Joel Graves
District 5
Trustee since 2011



Tom Klyver
District 1†
Trustee since 2011



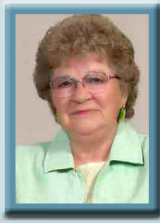
Wesly Loughman
District 4
Trustee since 2013



Marianne Roose
District 3
Trustee since 1989



Terry Utter
District 4†
Trustee since 2013



Ethel White
District 4
Trustee since 1997

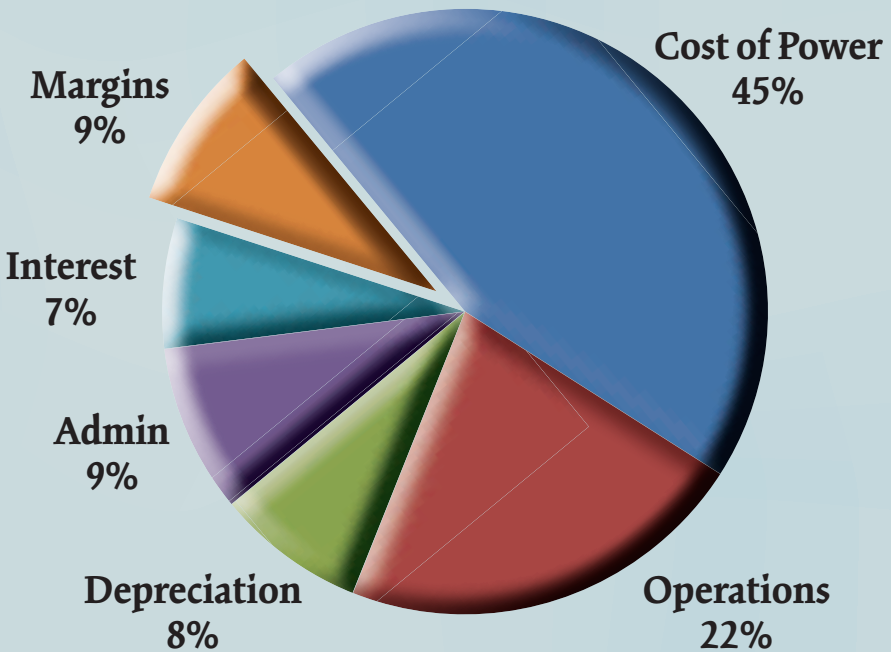
District 1: Flathead
District 2: Trego-Stryker
District 3: Fortine-Glen Lake
District 4: Eureka-Tobacco Plains
District 5: Koonanusa Shores-Pinkham

†Indicates a trustee seat up for election

System Statistics

	2015	2014
Number of Members	4,412	4,303
Number of Meters	5,712	5,611
Miles of Power Line	949	942
New Services Connected	101	103
kWh Sales	106,488,515	113,780,161
Average Residential Usage (kWh's)	1,248	1,340
Average Cost per kWh	\$0.090395	\$0.0852
Average Residential Monthly Bill	\$117.53	\$117.61
Number of Employees	18	18

Uses of Revenue



LEC Financials

These summarized financial statements are based on an audit by Summers, McNea & Co. as of year end 2015 & 2014. A full copy of the audit is available in LEC's office for inspection by members of LEC.

Revenue, Expense & Margin - Year End

	2015	2014
Revenue		
Power Sales	\$9,692,608	\$9,696,671
Expense		
Cost of Power	\$4,418,254	\$4,858,756
Operations	\$2,107,131	\$2,137,189
Administrative	\$904,985	\$904,074
Depreciation	\$795,031	\$747,178
Interest	\$691,324	\$695,910
Total Expense	\$8,916,725	\$9,343,107
Operating Margin	\$775,883	\$353,564
Other Income (net)	\$46,458	\$84,571
Total Margin	\$822,341	\$438,135

Balance Sheet - Year End

	2015	2014
Assets		
Electric Plant - Net	\$20,397,743	\$20,555,037
Long Term Investments	\$2,482,090	\$2,513,415
Cash & Short Term Investments	\$833,467	\$263,192
Receivables	\$1,106,592	\$1,194,654
Materials & Supplies	\$2,230,096	\$2,197,311
Other Current & Deferred Assets	\$1,330,184	\$908,115
Total	\$28,380,172	\$27,631,724
Equity and Liabilities		
Patronage Capital	\$9,098,588	\$8,713,396
Long Term Debt	\$16,206,055	\$16,599,976
Short Term Notes	\$1,691,684	\$400,000
Payables	\$1,073,534	\$1,579,106
Consumer Deposits	\$93,047	\$121,812
Other Current & Deferred Liabilities	\$217,264	\$217,434
Total	\$28,380,172	\$27,631,724

Delegate Certificate

A person who intends to vote a membership of a corporation, association, school, political body, church or firm with multiple ownership shall be required to furnish at the time of registering for the meeting, a certificate from a duly authorized officer of the organization certifying that such person shall have the right to vote the membership at the meeting.

I, _____,
(Name)

The _____
(Clerk, Secretary, Corporate Title)

Of _____
(Name of Corporation or Organization)

Do hereby certify that _____
(Name of Delegate)


Has been appointed by the governing body of such organization to act as the official delegate to the Annual Meeting of Lincoln Electric Cooperative, Inc., to be held in Eureka, Montana on March 19, 2016, and to vote the membership of this organization and act as the official delegate and representative.

Dated this _____ day of March, 2016.

Signature (Clerk, Secretary, Corporate Officer)



Lincoln Electric Cooperative, Inc.

® Your Touchstone Energy® Cooperative 

Notice of Annual Meeting

As a member of Lincoln Electric Cooperative, Inc., you are invited to attend the 67th Annual Meeting of the Members. It will be held on Saturday, March 19, 2016 at the Lincoln County High School Auditorium in Eureka, Montana.

Member registration begins at 8:00 am with the business session to commence at 9:00 am.

This is an opportunity for you to learn more about your cooperative, participate in electing trustees for your board and transact any other business that comes before the membership.

This year we will again be offering a door prize of \$10 in Eureka Area Chamber of Commerce bucks, as well as prize drawings throughout the meeting for registered members.

Members who bring in their copy of the Annual Report will receive an additional \$5 in Chamber Bucks!!

Remember to bring this Annual Report to the Annual Meeting with you to earn an additional \$5 in Chamber Bucks!!!