

Meet Your 2014 Board of Trustees Candidates

The following individuals are the nominees for election to the LJEC Board of Trustees. You are able to vote via the mail ballot you should have already received; or you can vote at the LJEC Annual Meeting on Tuesday, April 22, 2014.

Election of the Board of Trustees is an important process for every cooperative. We are governed by the policies set by our Board, who are also LJEC member-owners. All LJEC members are encouraged to exercise their right to vote.

A special thank you to this year's Nominating Committee who nominated these individuals, providing a valuable service to LJEC.

This year's committee included:

- **District 2—RANDY HERRMAN, MICHAEL WRIGHT**
- **District 5—BETTY ALEXANDER, EUGENE KRAMER**
- **District 7— RICK BURCHAM, RANDY OTTENSMEIER**

District 2

MARK

GRATNY—An LJEC member for 35 years, Gratny previously served on the LJEC Board of Trustees from 2002 to 2011. He



Mark Gratny

is the owner/operator of Gratny Quarter Horses and has also served on the boards of the Northeast Kansas Quarter Horse Association and the Kansas Reining Horse Association.

He is a Credentialed Cooperative Director and has also earned the Board Leadership Certificate.

He and his wife, Linda, live in rural Leavenworth and have two

children. He would appreciate the opportunity to, once again, represent the members of LJEC and work with fellow board members to ensure the continued growth and prosperity of the cooperative.

RANDY

HERRMAN—A retired Army officer, Herrman also served as Vice President and General Manager of McCaffree-Short Title Company;



Randy Herrman

managing abstracting, title insurance and escrow/closing services. He is active in the community, serving on the Board of Directors of Color Art Office Interiors as well as the Board of Trustees of the First United Methodist Church. In addition, he is active with the Leavenworth Lions Club.

He and his wife, Linda, have two children and four grandchildren. Herrman believes his experience and skill set would benefit LJEC when setting policy and decision making. He is interested in working with fellow board members and fostering a productive relationship with the LJEC members in his district.

District 5

LARRY

STEVENS—Stevens has been an LJEC member since 1969. He retired from Hallmark Cards after 31 years,



Larry Stevens

retired as an Assistant Funeral Director after 12 years and has served as an LJEC trustee for 15 years, holding the position of Board President from

2001-2004. He serves as the LJEC representative on the KEPCo Board with assignments to the finance and executive committees. He is a Credentialed Cooperative Director and has also earned the Board Leadership Certificate. Stevens would appreciate the support of the membership to continue to serve as a voice for the LJEC member-owners.

He and his wife, Sharon, live on the family farm east of Winchester. They have two children, three grandchildren and two great-grandchildren.

MIKE

TULLIS—The current Lawrence Maintenance Foreman for the Kansas Turnpike, Tullis also ran his own excavating business for



Mike Tullis

25 years. He currently serves on the Alexandria Township Board as the Clerk and is also serving on the Building Committee for the McLouth Parks & Recreation Commission in preparation for a new community center. In addition, he has served on the USD #342 Board and was President of the McLouth Youth Baseball & Softball Association for 10 years. He has also served with the Jefferson-Jackson Girls Softball League. Tullis is an active member of the community and would like the opportunity to work with fellow LJEC members to continue the advancement and future security of the cooperative.

He and his wife, Debra, live northeast of McLouth and have been members of LJEC for almost 40 years. They have two children and four grandchildren.

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LJEC's Joe Heinen & Steve Poe Retire this Month

Join us April 25 from 2-4 p.m. at the LJEC Office to Celebrate More Than 80 Years of Service

LJEC's Assistant Manager, **JOE HEINEN**, and the cooperative's Fort Operations Manager, **STEVE POE** will both retire at the end of April. Combined, they have served the LJEC members for more than 80 years.

You are cordially invited to a retirement party, hosted by LJEC, for both Heinen and Poe on Friday, April 25, 2014, from 2-4 p.m. at the LJEC offices located at 507 N. Union, in McLouth. Light refreshments will be served.

Heinen began his service to the LJEC membership in 1972, serving on the Board of Directors for nearly 20 years, serving in different capacities including Secretary, Vice President and President of the Board. He retired from those



Joe Heinen, Assistant Manager



Steve Poe, Fort Operations Mgr.

duties in 1992 and a short five months later, he joined LJEC on October 1, 1992, as an employee to continue his service to LJEC membership. He was promoted to Assistant Manager in 2002, a position he continues to hold.

Poe's journey with LJEC began in August 1972 as an Apprentice Lineman. Within four years, he

was a Journeyman Lineman and continued in that capacity until 1993 when he moved into the office to implement LJEC's automatic meter reading (AMR) system. He was instrumental in deployment that system, as well as the more recent, automatic metering infrastructure (AMI) system.

In 2003, he was named LJEC's Technical Services Coordinator and in 2005, in addition to his metering duties, Poe also took on the title of Fort Operations Manager, overseeing LJEC's Fort Leavenworth operations.

Please join us April 25 as we thank both Joe and Steve for their combined 80-plus years of service to LJEC.

Meet Your 2014 Board of Trustees Candidates, continued

District 7

ARMIN

LANDIS—A retired school teacher and administrator, Landis taught and coached for 23 years between McLouth,



Armin Landis

Garnett and Perry-Lecompton High Schools. He retired in 2010 after 12 years as an administrator, including eight years as the Principal at Perry-Lecompton Middle School. He served six years on the Bishop Seabury Academy's Board of Trustees and is a member of the United School Administrators of Kansas.

Landis wants to serve his community, including working with fellow LJEC members to ensure equitable treatment of all. He believes his years in public education as a teacher, coach and administrator has provided him with the skills to lead, make decisions and interact successfully with LJEC members and fellow board members.

He and his wife, Nancy, live in rural Oskaloosa and have one son.

NANCY

REED—Has been an LJEC member since 1968. Reed is a



Nancy Reed

retired self-employed business owner that specialized in accounting and bookkeeping. She has been an active member of the community, serving on the Board of Rural Water District #7, also serving as their bookkeeper from 1972 to 1996. She has also been active with the American Legion Auxiliary, Order of Eastern Star and local Methodist and Presbyterian churches.

She has two children and four grandchildren. She feels her background would be conducive to serving on the LJEC board and serving the members of LJEC. She is a lifetime resident of the area and wants to help ensure the cooperative continues to grow and succeed.



Your Touchstone Energy® Cooperative

P.O. Box 70 McLouth, KS 66054-0070
888-796-6111
www.ljec.coop

LEAVENWORTH-JEFFERSON
ELECTRIC COOPERATIVE

It's Annual Meeting Time!



Steve Foss

The 70th Annual Meeting of Leavenworth Jefferson Electric Cooperative will be held on Tuesday, April 22, 2014. We will gather at the McLouth School Purple Gymnasium at 217 Summit Street in McLouth. Registration will begin at 6 p.m. and the meeting will begin promptly at 7 p.m.

As a member-owner of LJEC, you are invited to attend this meeting that will cover the business of the cooperative as well as the election of three board members. You are afforded the opportunity of participating in this meeting, voting on the issues that are presented to the membership.

Information on proposed bylaw changes and nominees for the LJEC Board of Trustees is contained on the following pages. Election of board members is an important function of the cooperative as this group is responsible for setting the policies of the cooperative.

For the first time, LJEC members have two options to vote in this year's election. You will receive a mail ballot toward the latter part of March. You can either complete and return that ballot as directed to cast

your vote, or you are always welcome (and encouraged) to attend the Annual Meeting to cast your vote as additional information is presented during that meeting.

LJEC members will receive capital credits again this year. The financial stability of the cooperative is such that the Board of Trustees approved a payout during their February board meeting.

LJEC will retire allocations for the years 1975 through 1978 (approximately \$148,000) and a partial retirement of 2013 capital credits (approximately \$148,000) so that current LJEC members enjoy a benefit of membership now versus having to wait.

Once again, we will offer a \$10 credit (per membership) to your bill for attending the meeting. As usual, there will be many door prizes to be given away, including prizes such as Garmin GPS, TV, bill credit and much more! You must be present to win.

I look forward to seeing you on April 22!

April 2014						
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

2014 Proposed Changes to the LJEC Bylaws

The following are proposed changes to LJEC's bylaws. You can vote on these proposed changes using the mail ballot you should have already received or at the Annual Meeting. These changes must be voted on by the membership in order to be ratified. Many of this year's changes have to do with allowing for electronic voting in the future and changes to simply clean-up the bylaws. **Changes are noted in red.**

Unless specifically addressed in these changes, all other LJEC bylaw language remains the same. Complete copies of the current LJEC bylaws are available at www.ljec.coop or by calling 888-796-6111.

ARTICLE I—MEMBERSHIP

SECTION 4. Conversion of Membership. (a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by both to comply with the articles of incorporation, bylaws and rules and regulations adopted by the board of trustees. The ~~outstanding membership shall be canceled, and shall be reissued by the Cooperative in such manner as shall indicate the changed membership status.~~

(b) Upon the death of either person who is a party to the joint membership, such membership shall be held solely by the survivor. The ~~outstanding membership shall be canceled, and shall be reissued in such manner as shall indicate the changed membership status;~~ provided, however, that the estate of the deceased shall not be released from any debts due the Cooperative.

SECTION 5. Membership and Service Connection Fees. The Board of Trustees may establish a membership fee, a connection fee, and such other fees as may be necessary, in the Rules and Regulations of the Cooperative.

SECTION 6. Purchase of Electric Energy/Electric Service; Cogeneration. Except in the case where a member is purchasing electric distribution service only, each member shall, as soon as electric energy shall be available, purchase from the Cooperative ~~at~~ electric energy used on the premises specified in his application for membership, and shall pay therefor monthly at rates which shall from time to time be fixed by the board of trustees; provided, however, that the board of trustees may limit the amount of electric energy which the Cooperative shall be required to furnish to any one member. Where a member or applicant has made application for electric distribution service only, such member or applicant, as the case may be, shall, as soon as electric distribution service is made available, pay for such service at rates and/or upon the terms established by the Cooperative for such service. It is expressly understood that amounts paid for electric energy or electric distribution service in excess of the cost of service are furnished by members as capital and each

member shall be credited with the capital so furnished as provided in these bylaws. Each member shall pay to the Cooperative such minimum amount per month regardless of the amount of electric energy consumed, as shall be fixed by the board of trustees from time to time, or as shall be established in a contract for service with the member, pursuant to policy established by the board of trustees or action taken by the board of trustees with respect to such contract. Each member shall also pay all amounts owed by him to the Cooperative as and when the same shall become due and payable, provided, however, that Parallel Generation Contract Service required by Kansas law or approved by the Cooperative shall be permitted.

SECTION 7. Termination of Membership. (a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the board of trustees may prescribe. The board of trustees of the Cooperative may, by the affirmative vote of not less than two-thirds of all the trustees, expel any member who fails to comply with any of the provisions of the articles of incorporation, bylaws or rules or regulations adopted by the board of trustees, but only if such member shall have been given written notice by the Secretary of the Cooperative that such failure makes ~~him~~ the member liable to expulsion and such failure shall have continued for at least ten days after such notice was given. Any expelled member may be reinstated by vote of the board of trustees or by vote of the members at any annual or special meeting. The membership of a member who for a period of six (6) months after service is available to ~~him~~ the member, has not purchased electric energy or electric distribution service from the Cooperative, or of a member who has ceased to purchase energy or electric distribution from the Cooperative, shall be cancelled by resolution of the board of trustees.

ARTICLE III—MEETINGS OF MEMBERS

SECTION 1. Annual Meeting. The Annual Meeting of the members shall be held on a date selected by the Board of Trustees, at such place in the counties of Leavenworth or Jef-

erson, State of Kansas, as shall be designated in the notice of the meeting, for the purpose of electing trustees, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the Board of Trustees to make adequate plans and preparations for the Annual Meeting. Failure to hold the annual meeting at the designated time shall not ~~work~~ deem it as a forfeiture or dissolution of the Cooperative.

SECTION 3. Notice of Members' Meetings. Written, ~~or~~ printed, or electronic notice stating place, day and hour of meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not less than ten days nor more than twenty-five days before the date of the meeting, either personally, ~~or~~ by mail, electronic, or a combination of thereof, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon prepaid. ~~If electronic, the notice shall be deemed to be delivered when transmitted to the electronic address as it appears on the records of the Cooperative.~~ The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 4. Quorum. Fifty members present in person, mail ballot or by electronic ballot, shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice. The minutes of each meeting shall contain a list of the members present in person and those submitting ballots by mail or electronically. In the event a vote is to be taken on sale or transfer of the Cooperative, seventy-five per cent of the members must be present in

person to constitute a quorum.

SECTION 5. Voting. Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. The record date to determine members entitled to vote on any issue submitted to the members shall be ten days prior to the date upon which the notice of the member meeting is to be mailed. All questions shall be decided by a vote of a majority of the members voting thereon in person, ~~or~~ by proxy, by mail ballot or specifically approved electronic voting, except as otherwise provided by law, the articles of incorporation or these bylaws.

The Board of Trustees may, in their discretion, authorize a vote on an issue to come before the membership by mail ballot or in combination with electronic ballot. No mail or electronic ballot shall be utilized in connection with a sale or disposition of all or a substantial portion of the cooperative assets pursuant to Article VIII of these bylaws nor for any other issue requiring the presence of the members at a meeting under state law, the Articles of Incorporation of this Cooperative, or these bylaws.

Members submitting a completed mail or electronic ballot may not vote at the membership meeting specified in the mail ballot regarding any matter described in the mail ballot, but such mail or electronic ballot shall count as the members vote if properly completed and received on or before the time and date specified in the ballot. Each completed mail or electronic ballot received by the Cooperative prior to the membership meeting may be counted in determining whether a quorum exist at the membership meeting.

A notice accompanying each mail or electronic ballot or the mail or electronic ballot must:

- Instruct the Member how to complete and return the completed mail or electronic ballot; and,

- State the time and date by which the Cooperative must receive the completed mail or electronic ballot.

Unless otherwise provided by the Board of Trustees, a member may not revoke a completed ballot received by the Cooperative. A member's failure to receive a ballot does not affect any action taken by mail or electronic ballot provided that the records of the cooperative show that the ballot was deposited in the United States Mail, postage prepaid, to the record address of the member. ~~If electronic, the notice shall be deemed to be delivered when transmitted to the electronic address as it appears on the records of the Cooperative.~~

ARTICLE IV—TRUSTEES

SECTION 2. Election and Tenure of Office. The trustees shall be elected for 3-year terms, and three will be elected each year. All trustees

shall be elected by secret ballot of the members and they shall serve until their successors shall have been elected and shall have qualified. If an election of trustees shall not be held on the day designated herein for the annual meeting it shall be held for the purpose of electing trustees within a reasonable time thereafter. Trustees may be elected by a plurality vote of the members. ~~In the event of a tie vote for a trustee position, the Board President shall conduct a coin toss (es) to determine the winner.~~

SECTION 3. Qualifications. No person shall be eligible to become or remain a trustee or to hold any position or trust in the Cooperative who:

- is not a member and bona fide, full-time, primary resident, and receiving electric service in the Trustee District the person was elected to represent or seeks to represent; or
- is not current in their membership financial account ~~or~~ and has had a ~~collection-fee-or~~ disconnection charge levied against their account(s) in the past ~~four~~ two years.

SECTION 4. Nominations, Trustee Districts. The trustees of the Cooperative shall apportion the geographical area served by the Cooperative into nine districts and one trustee shall be elected by the entire membership of the Cooperative to represent the members residing in that district in connection with matters brought before the board of trustees by the membership. The trustee shall be a bona fide, full-time, primary resident of the district he or she shall be elected to represent.

The trustees shall apportion the Cooperative, taking into account the geographical area, the number of members in the area, the land use in such area, and, the type of endeavor, farming, residential, or recreation, generally associated with the area, in establishing such trustee districts, but no single criteria shall be used in determining such district lines. The trustees shall examine the trustee districts from time to time to assure continued representation of the membership based upon the aforesaid criteria.

It shall be the duty of the board of trustees to appoint, not less than sixty days nor more than one hundred and fifty days before the date of a meeting of the members at which trustees are to be elected, a committee on nominations consisting of two members, whom shall be selected from each trustee district whose trustee position is scheduled for election in the year the nominating committee is appointed. A nominating committee member must have an electric service account within the trustee district for which they have been selected to serve. In the event that a new trustee district(s) is effective on or about the annual meeting date, the appointed nominating committee members shall be based on the new

trustee district(s). No member of the board of trustees may serve on the nominating committee.

The nominating committee shall prepare and post at the principal office of the Cooperative at least twenty-five days before the meeting a list of nominations for trustees, each nominee being a bona fide, full-time, primary resident of the trustee district whose term stands for election. The list of nominations for trustee ~~may~~ shall include a greater number of candidates than are to be elected from any district. Any fifteen or more members, residing in a trustee district, acting together, may make other nominations by petition not less than twenty-five days prior to the meeting and the Secretary shall post such nominations at the same place where the nominating committee list is located. The person or persons nominated by petition shall be a ~~resident-of, and-an-otherwise~~ qualified candidate for, election to the trustee position standing for election.

The Secretary shall mail with the notice of the meeting, or separately, but at least seven days before the date of the meeting, a statement of the number of trustees to be elected, the names and addresses of the candidates, specifying separately the nominations made by the nominating committee and also the nominations made by petition, if any.

The chairman of the meeting of the membership shall call for additional nominations from the floor and nominations shall not be closed until at least one minute has passed during which no additional nominations have been made. Nominations from the floor shall be for a person who resides in, and is a qualified candidate for, election to the trustee position standing for election. No member may nominate more than one candidate.

ARTICLE V—MEETINGS OF TRUSTEES

SECTION 3. Notice of Trustees' Meetings. Written notice of the time, place and purpose of any special meeting of board of trustees shall be delivered to each trustee not less than five days previous thereto either personally, ~~or~~ by mail ~~or electronically~~, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President or the trustees calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the trustee at his address as it appears on the records of the Cooperative, with postage thereon prepaid. ~~If electronic, the notice shall be deemed to be delivered when transmitted to the electronic address as it appears on the records of the Cooperative.~~

ARTICLE VI—OFFICERS

SECTION 4. President. The President shall: (b) sign, with the Secretary, ~~certificates-of-membership, the issue of which shall have been authorized by the board of trustees or the-~~

~~members, and may sign~~ any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other instruments authorized by the board of trustees to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board of trustees or by these bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and

SECTION 6. Secretary. The Secretary shall:

- ~~sign, with the President, certificates-of-membership, the issue of which shall have been authorized by the board of trustees or the-~~ members;

- ~~(f)~~ have general charge of the books of the Cooperative;

- ~~(g)~~ keep on file at all times a complete copy of the articles of incorporation and bylaws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Cooperative forward a copy of the bylaws and of the amendments thereto to each member; and

- ~~(h)~~ in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the board of trustees.

SECTION 9. Bonds of Officers. The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall give bond in such sum and with such surety as the board of trustees shall determine. The board of

trustees in its discretion may also require any other officer, agent or employee of the cooperative to give bond in such amount and with such surety as it shall determine.

ARTICLE VII—DISPOSITION OF PROPERTY

The Cooperative may not sell, mortgage, lease or otherwise dispose of or encumber all or any substantial portion of its property (only as permitted by REA Rural Utility Services (RUS)) unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a meeting of the members thereof by the affirmative vote of not less than a majority of all of the members of the Cooperative, and unless the notice of such proposed sale, mortgage, lease or other disposition or encumbrance shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything herein contained, the board of trustees of the Cooperative, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon or pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises, and permits of the Cooperative, whether acquired or to be acquired, and where ever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the board of trustees shall determine, to secure any indebtedness of the Cooperative; provided further that the board of trustees may upon the authorization of a majority of these members of the Cooperative present at a meeting of the members thereof, sell, lease, or

otherwise dispose of all or a substantial portion of its property to another cooperative or foreign corporation doing business in this State pursuant to the Act under which this Cooperative is incorporated; or to a municipality or other body politic or subdivision thereof.

ARTICLE X—FINANCIAL TRANSACTIONS

SECTION 4. Change in Rates. Written notice shall be given to the Administrator of the ~~Rural Electrification Administration of the United States of America~~ RUS not less than ninety days prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy or electric distribution service becomes effective.

ARTICLE XI—MISCELLANEOUS

SECTION 3. Accounting System and Reports. The board of trustees shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the Administrator of the ~~Rural Electrification Administration of United States of America~~ RUS. The board of trustees shall also after the close of each fiscal year cause to be made a full and complete audit of the accounts, books, and financial condition of the Cooperative as of the end of such fiscal year. The trustees shall designate the audit period by appropriate resolution, and shall have an audit performed during each calendar year. Such audit reports shall be submitted to the members at the next following annual meeting.

Unable to Attend the Annual Meeting? You May Still Cast Your Vote

If you are unable to attend this year's Annual Meeting, but would like to cast your vote in matters coming before the membership, please complete the proxy form below.

The proxy form must be completed in its entirety and given to

another LJEC member or to an adult relative living in the same household to present at the Annual Meeting.

Please keep in mind that each LJEC member may only hold one proxy and one vote is allowed per membership.

LJEC Proxy Voting Form

I, _____, being a member of Leavenworth-Jefferson Electric Cooperative, Inc., an association, organized and existing under the laws of the State of Kansas, do hereby appoint _____ to vote in my stead upon the following propositions:

- ▶ The reports of officers, Trustees and committees.
- ▶ The election of three Trustees of the cooperative.
- ▶ All other business which may come before the meeting or any adjournment of adjournments thereof.

At the Annual Business Meeting of members of said cooperative to be held in the McLouth School Purple Gymnasium, McLouth, Kansas at 7 p.m. on April 22, 2014, or any adjournment thereof, with full power of substitution shall be limited to persons who are also members of said cooperative or as provided in the bylaws of the cooperative.

Witnessed my hand this _____ day of _____, 2014.

Signature of Witness

Signature of LJEC Member