



## ***Welcome!***

We thank you for your participation in the democratic member control of your cooperative. Mid-Ohio Energy is a local organization formed by the communities it serves. As a new trustee candidate of Mid-Ohio Energy Cooperative, you are likely to have questions about the many programs and resources the cooperative has to offer.

The purpose of this document is to assist trustee candidates in answering some of these questions. It is the goal of the Board of Trustees and employees of Mid-Ohio Energy to make your orientation to the organization as informative and educational as possible.

Mid-Ohio Energy Cooperative, Inc. was formed January 1, 1999 as the result of a merger between Marion Rural Electric Cooperative (Marion), and United Rural Electric Cooperative (Kenton). Both cooperatives have enjoyed a successful history of serving members for more than 80 years.

Today, Mid-Ohio Energy Cooperative is a distribution cooperative serving more than 8,100 meters in parts of 10 counties. Mid-Ohio Energy has been a leading cooperative in Ohio in terms of safety, reliability, and technology. The cooperative currently has a modern and updated distribution system, an advanced metering infrastructure, and real-time outage management capabilities. Through use of system monitoring and automation, outages can often be prevented even before they occur! As a result, we keep the lights on around-the-clock, consistently earning a reliability score of 99.99 percent.

Mid-Ohio Energy is a forward-thinking utility. The Board of Trustees and employees use strategic planning (such as a four-year work plan, long-range plan, financial forecast, and equity management plans) to achieve a high standard of safe, affordable, and reliable energy.

Finally, Mid-Ohio Energy works to provide low and stable rates. As a not-for-profit electric cooperative, members receive power at cost. Any margin the cooperative makes is allocated back to the member in the form of capital credits and then retired (or "paid out") as financially feasible. With a combination of technology, innovation, and use of the cooperative network of resources, we are able to provide excellent service at a competitive rate.

We hope this document provides an overview of the meetings, trainings, and general information relevant to cooperative trustees. If you have any questions, please don't hesitate to ask.

***Warm regards!***

## **General Information**

### **The role of a trustee**

Mid-Ohio Energy Cooperative is governed by a nine member board of trustees. The board meets monthly to decide policies, review cooperative business and activities, and make decisions affecting the entire cooperative. It also approves contracts, reviews operations, and approves all payments of patronage capital.

The cooperative's territory covers portions of 10 counties and is divided into nine districts. Each of the nine districts is represented by a board member. Every year, three board members are elected by and from the membership to serve a three-year term.

### **Who can serve on the board?**

We welcome any and all members who are interested in serving the cooperative! 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. Any trustee must also meet eligibility criteria listed in the co-op's Code of Regulations, including being an active member in good standing and having received service at the location represented for at least a year prior to becoming a trustee. Trustees must abide by conflict-of-interest policies established by the board.

### **Indemnification Of Board Members**

The cooperative shall maintain insurance to provide protection to trustees against lawsuits and judgements. The amount and terms of such insurance is reviewed and or adjusted annually by the Board of Trustees.

### **Board Committees**

The cooperative may form board committees to carry out specific tasks. These committees may assist in tasks such as preliminary planning for events or recommending changes for employee wages or benefits. Past and/or present committees include: Annual Meeting Committee, Employee Benefits Committee, Employee Wage Committee, and more.

### **Fees and Expenses**

The cooperative will provide fair and equitable compensation (per diem) for trustees to deal with cooperative business at regular and special meetings of the Board of Trustees; for attendance at other meetings, conferences, and training programs; or while performing committee assignments for the cooperative. Mid-Ohio Energy also covers approved expenses for travel and out-of-pocket expenses incurred while involved in official duties or when in attendance at authorized meetings.

### **Board and Management Relationship**

The Board of Trustees and President & CEO agree to follow all principles involving the delegation of authority and are committed to maintaining this respectful relationship.

### **Non-Conflict**

It is the policy of all trustees, management staff, and employees to refrain from any transaction which may violate law or good business ethics and will not make any decision that would provide (or imply) personal gain.

### **Anti-Harassment**

The cooperative will not tolerate sexual harassment or any other type of harassment based upon race, color, religion, sex, national origin, age or disability in the workplace and strongly encourages employees to report all incidents of harassment. Any trustee violating this policy may be subject to discipline up to and including termination of service.

## **Trustee Relationships**

The Board of Trustees has been charged by the members of the cooperative to conduct the affairs of the Cooperative using sound business principles. The Board of Trustees directs the functions of the President & CEO, attorneys, and the auditors. All other employees and contractors are the responsibility of the President & CEO. The following is a description of each employee of the Board of Trustees:

### **President & CEO**

The duties and responsibilities for this position are defined by Board Policy. This position is charged with overseeing the day-to-day operations of the Cooperative and reports directly to the Board of Trustees. It is necessary for the President & CEO to have a positive and professional working relationship with the attorney(s) and auditors. The Board of Trustees evaluates the performance of the President & CEO on an annual basis.

### **Attorney**

From time to time it is necessary for the cooperative to hire the services of an attorney. This position is charged with advising the Board of Trustees on all legal matters relative to the Cooperative. It is necessary for the attorney to have a positive and professional working relationship with the President & CEO. The Board of Trustees evaluates the performance of the attorney on an annual basis.

### **Auditors**

This position is charged with the responsibility to evaluate the fiscal status and compliance issues of the Cooperative. The auditors must report to the Board of Trustees and prepare an annual report for the members of the Cooperative. It is necessary for the auditors to have a positive and professional working relationship with the President & CEO.

## **Trustee Meetings and Events**

### **MID-OHIO ENERGY COOPERATIVE, INC.**

#### **Regular Monthly Meetings (12)**

Each month a regularly scheduled meeting is conducted at the cooperative's Kenton office. The meetings are usually scheduled for the third Monday of the month. The meetings typically begin at 7:00 p.m. and will last about 2 hours.

#### **Annual Meeting**

The Annual Meeting for the Members of the cooperative is traditionally held mid-April. The meeting is conducted during the evening at a location that is within the general area of the cooperative's service territory, rotating each year from the Kenton and Marion districts.

#### **Strategic Planning**

Each year, usually in December, the Board of Trustees and the management staff meet to discuss strategic issues for future preparation.

#### **System Tour**

Every few years the Board of Trustees and the management staff travel throughout the service territory to view the electric system and the many communities served by the cooperative.

#### **Member Attitude Survey**

Each year the Board of Trustees conducts a "*Member Attitude Survey*" to understand the attitudes, as well as learn more about the demographics of the membership. The results from the survey are generally presented to the Trustees at a regular monthly meeting.

#### **Committee Meetings**

The cooperative has appointed committees to review the Code of Regulations, the Annual Meeting, the annual budget, and the board policies. From time-to-time it is necessary for committee members to meet during the evenings to fulfill their committee responsibilities.

#### **Trustee Orientation**

Each newly elected Trustee will meet with the Chairman of the Board of Trustees and the President & CEO to be oriented about the Cooperative. This meeting is generally for a couple of hours and will attempt to prepare the new Trustee for their first Board of Trustees meeting.

## **Trustee Meetings and Events**

### **Ohio's Electric Cooperatives (OEC) and Buckeye Power, Inc. (BPI)**

#### **Trustee Conference**

OEC will conduct meetings to facilitate the learning process for trustees. These meetings will provide an opportunity for trustees to learn about industry issues, interact with leaders on a statewide basis, and meet trustees from other rural electric cooperatives throughout Ohio. Generally, meetings are conducted over a two-day period.

#### **Annual Meeting**

OEC will conduct an Annual Meeting of Members during the month of August. The meeting is held in Columbus, Ohio. At this meeting, attendees learn about issues that affect the cooperative program throughout Ohio and the United States. This meeting is a two-day event.

#### **Regional Meeting**

OEC and BPI will conduct statewide regional meetings throughout the state. Attendees can learn firsthand about issues relative to statewide services or power supply. The meeting is informal and provides the opportunity for attendees to interact with the leaders of our statewide and power supply organizations by asking questions. These meetings are generally an evening event held in late-Fall at a location that is within our region.

#### **New Trustee Orientation**

OEC will conduct a meeting for each newly-elected trustee. This meeting will provide an opportunity for the participants to meet statewide leaders, while learning about associated organizations relative to the cooperative program. This meeting is typically a one-day event.

#### **Training Seminars**

OEC will conduct various meetings throughout the year so that trustees can learn about issues that affect the cooperative program and the electric utility industry. Many of the meetings will assist Trustees meet the curriculum requirements for the NRECA Credential Director Certificate. Generally the meetings are two-day events located in Columbus, Ohio.

### **National Rural Electric Cooperative Association (NRECA)**

#### **Annual Meeting**

NRECA will conduct an Annual Meeting during the late part of January through the early part of March. Attendees can learn about national issues that affect the cooperative program, and/or attend director training classes. The meeting is usually conducted over a three-day period.

#### **Regional Meeting**

NRECA will conduct regional meetings throughout the United States. Attendees can learn about national issues that affect the cooperative program as a whole. During the regional meetings, resolutions are presented, representatives are elected, and various national organizations present programs for the attendees. These meetings are generally a three-day event, held during the first part of September, and located along the east coast, Indiana, Michigan, or Ohio.

#### **Summer Schools**

NRECA will conduct meetings at locations throughout the United States to educate and train trustees about their duties and responsibilities as elected representatives for the cooperative. These meetings can range from two-day sessions to four-day sessions.

## **Trustee Training and Certifications**

### **Credentialed Cooperative Director (CCD) Certificate**

In this era of increased scrutiny of boards and directors, it is more important than ever for directors to understand their roles and responsibilities and to have the knowledge and skills to govern today's cooperatives. NRECA's Director Education program is specifically designed to address the learning needs of electric cooperative directors. Training courses offered address board governance, financial decision-making, strategic planning, and current and emerging issues.

The Credentialed Cooperative Director (CCD) curriculum consists of five courses designed to provide the minimum knowledge and skills required of cooperative directors. The CCD is earned by attending all five required courses and successfully completing a learning assessment for each. Directors have several opportunities to attend courses, including NRECA's Pre-Annual Meeting, Pre-Annual Director's Conference, Summer Schools, Pre-Regional Meeting, and statewide association sponsored programs.

The following are the five required courses:

- 2600.1 Director Duties and Liabilities
- 2610.1 Understanding the Electric Business
- 2620.1 Board Roles and Relationships
- 2630.1 Strategic Planning
- 2640.1 Financial Decision-Making

### **Board Leadership Certificate**

The Board Leadership Certificate consists of issue and skill-based courses for directors. The certificate can be attained after earning the Credentialed Cooperative Director Certificate (CCD) and then completing a total of 10 credits from the 900-level courses listed below. The credit value is indicated after the decimal point for each course.

- 901.1 Rules and Procedures for Effective Board Meetings
- 903.1 The Role of the Board Chair in Conducting Effective Meetings
- 905.3 The 7 Habits of Highly Effective People
- 915.1 Advocating the Cooperative Difference
- 917.05 Creating a Political Action Plan: The Board's Role
- 930.1 Ethics and Governance: Implementing the New Accountability
- 935.1 Appraising and Compensating the CEO
- 936.05 Management Search Fundamentals
- 951.2 Developing Effective Boardroom Decision-Making
- 967.1 Fundamentals of Energy Risk Management for Directors
- 968.1 Advanced Rate Decisions: For Experienced Directors
- 969.1 Advanced Energy Risk Management for Directors Making Power-Supply Decisions
- 975.1 Capital Credits: Legal and Financial Issues