

LET YOUR VOICE BE HEARD

at the 72nd Annual Meeting of

COMANCHE ELECTRIC COOPERATIVE



SATURDAY, AUGUST 14 • Comanche City Park

Have you ever wondered why Comanche Electric Cooperative invites you to its annual meeting each year? Maybe this is your year to find out what it's all about. When you signed up for electric service, you became a member/owner of the cooperative. Cooperatives use a business model that's different from most companies. They don't sell stock on Wall Street, so there are no profit-seeking investors. It is run by you, the member/owners.

Comanche Electric Cooperative abides by the Seven Cooperative Principles, the second of which is **DEMOCRATIC MEMBER CONTROL**. We are a democratic organization and proud of it. What does this mean to you? It means you have the opportunity to participate in setting policies and making decisions by attending the annual meeting, where your voice will be heard in the electing of the board of directors. The annual meeting will also allow you to get to know other members, as well as the employees, staff and directors of the cooperative.

Districts 3, 5 and 6 will be electing directors this

year. In June, each of these districts met and nominated individuals to represent them on the board. Now it is your turn to vote on which of those individuals will serve the cooperative as a whole.

Districts 3 and 6 unanimously voted to nominate incumbents Ruby Solomon and Loren Stroebel. In District 5, acting director Lewie Newman chose to retire from the board. At the district meeting in June, members nominated Jeff Phillips and Troy Stewart to run for the vacated seat on the board. Biographies for all four director nominees are available in this issue.

So what are you waiting for? Mark your calendar now for this all-important meeting. Speak up. Let your voice be heard. We look forward to seeing you.

Sincerely,

Alan Lesley
Alan Lesley, General Manager

BOARD OF DIRECTORS



RANDY DENNING
DISTRICT 1



JAMES MURPHREE
DISTRICT 2



RUBY SOLOMON
DISTRICT 3
SECRETARY-TREASURER



MONTY CARLISLE
DISTRICT 4



LEWIE NEWMAN
DISTRICT 5
CHAIRMAN



LOREN STROEBEL
DISTRICT 6



PHIL TAYLOR
DISTRICT 7
VICE CHAIRMAN



ALAN LESLEY
GENERAL MANAGER

EMPLOYEES

NAME	POSITION	YEARS OF SERVICE
Dora Ballard	Assistant Accountant	11
Greg Beaty	Lineman	8
Kay Branham	Customer Service Rep.	17
George Campbell	Lineman	23
Aaron Carroll	Groundman	2
Brenda Carroll	Payroll/Work Order Specialist	13
Guy Clawson Jr.	Staking/Field Engineer	3
Jill Cleere	Director of Accounting and Finance	12
Adam Constancio	Lineman 3rd Class	5
Brandon Cook	Lineman 2nd Class	5
Jimmy Cuellar	Customer Service Rep	6
Kellie Deters	Director of Inside Operations	20
Shirley Dukes	Communications/Public Information	20
Doug Erwin	Director of Member Services	24
Tiffany Evans	Accounting Clerk	6
Rachel Ford	Customer Service Rep	3
Chad Foreman	IT Supervisor	4
Jennifer Hanson	Staking/Field Engineer	11
Craig Hardy	Lineman 3rd Class	5
Larry Hatley	Safety Coordinator	23
Billy Henry	Meter Coordinator/AMR Supervisor	33
Tommy Hesbrook	Groundman	2 months
Josh Honea	Groundman	3
Nancy Isham	Executive Secretary	26
Larry Jacobs	Lineman	30

NAME	POSITION	YEARS OF SERVICE
Mary Johnson	Purchasing Agent	12
Kendall Keith	Lineman	13
Alan Lesley	General Manager	12
Jim Lester	Engineering/Mapping Technician	14
Oracio Lopez	Lineman 2nd Class	8
Pam McClain	Customer Service Rep	10
Larry Morgan	System Distribution Coordinator	27
Chad Newman	Grounds Maintenance	9
Dale Ogle	Equipment Operator	5
Rose Ojeda	Cashier/Receptionist	5
Timothy Pallette	Lineman	12
Tommy Patterson	Service Lineman	8
Kay Pippen	Service Representative	4
Bobby Reed	Lineman	27
Justin Riley	Lineman	3
Scott Rutledge	Groundman	3
Keith Steward	Lineman	7
Eddie Strube	Director of Outside Operations	28
Jerry Strube	Mechanic	21
Adam Tally	Groundman	3
Shelley Thedford	Billing Clerk/Collection Officer	11
Curtis Tippie	Lineman 3rd Class	4
Shane Tucker	Service Lineman	11
William Works	Construction Coordinator	29

Over the years, the cooperative has attracted and kept employees who are loyal and dedicated to the work of bringing dependable electric service to the members. We have some employees with many years of experience and expertise, some who have fewer years of experience and are training for additional responsibilities, and some who are just beginning. Employees listed represent 599 years of experience.

AUDITOR'S REPORT

TO THE MEMBERS

Comanche Electric
Cooperative Association
Comanche, Texas

We are in the process of auditing, in accordance with auditing standards generally accepted in the United States of America, the balance sheet of Comanche County Electric Cooperative Association as of June 30, 2010, and the related statements of income and patronage capital, and cash flows for the year then ended (not presented herein).

The information set forth in the accompanying condensed financial statements of Comanche County Electric Cooperative Association as of December 31, 2009 and 2008 and for the years then ended has been assembled from the financial statements prepared by the cooperative. These statements are unaudited; accordingly, we do not express an opinion on them.

Bolinger, Segars, Gilbert & Moss LLP
Certified Public Accountants

August 14, 2010

BALANCE SHEET

As of December 31, 2008 and 2009

ASSETS

WHAT WE OWN

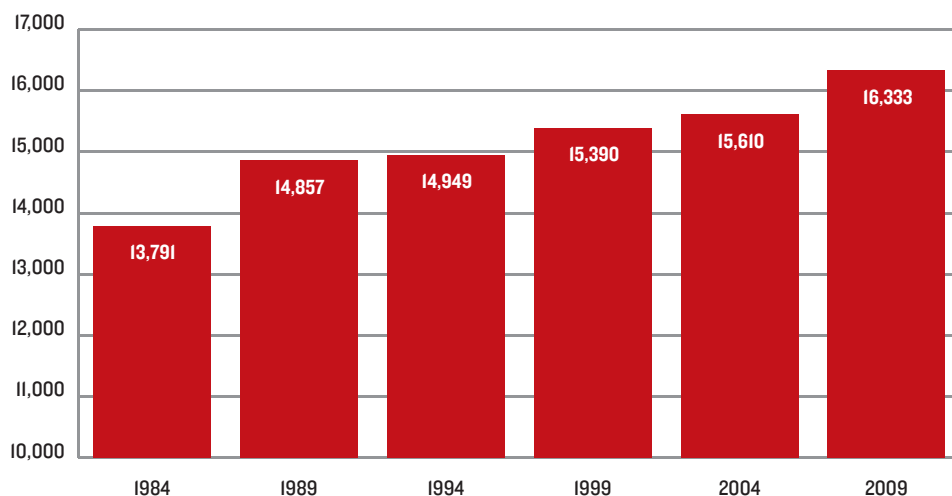
	2008	2009
Electric Lines, Equipment, Property and Buildings.....	\$57,224,473	\$59,696,654
Less: Accumulated Provision for Depreciation.....	<u>(13,093,617)</u>	<u>(14,024,000)</u>
Net Utility Plant	44,130,856	45,672,654
Non-Utility Plant	150,590	149,435
Cash.....	119,924	106,088
Investments in Associated Organizations	7,178,846	8,129,510
Other Investments	3,230,192	20,114
Accounts Receivable.....	557,683	829,330
Construction Materials and Supplies on Hand	673,778	619,006
Miscellaneous Prepayments and Other Debits	<u>235,989</u>	<u>290,452</u>
TOTAL ASSETS	\$56,277,858	\$55,816,589

LIABILITIES AND NET WORTH

WHAT WE OWE

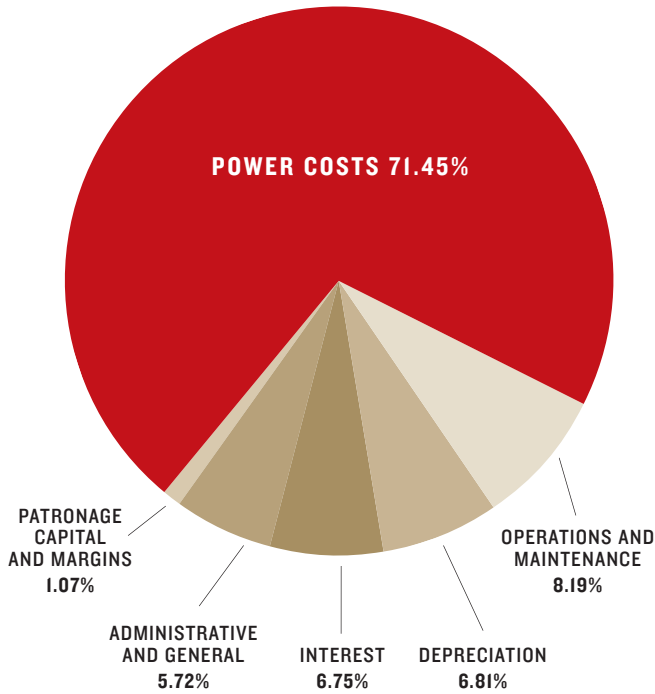
	2008	2009
Long-Term Obligations to RUS and CFC.....	\$56,597,720	\$57,040,636
Less: Payments When Due	<u>(23,969,238)</u>	<u>(25,297,900)</u>
Balance Due RUS and CFC Principal	32,628,482	31,742,736
Accounts Payable for Power, Materials, Supplies, Etc.....	2,083,848	2,319,578
Deferred Credits	<u>611,968</u>	<u>601,326</u>
TOTAL LIABILITIES	\$35,324,298	\$34,663,640
Membership Fees	163,720	164,985
Patronage Capital and Other Equities	<u>20,789,839</u>	<u>20,987,963</u>
TOTAL NET WORTH	\$20,953,559	\$21,152,948
TOTAL LIABILITIES AND NET WORTH	\$56,277,857	\$55,816,588

METERS CONNECTED



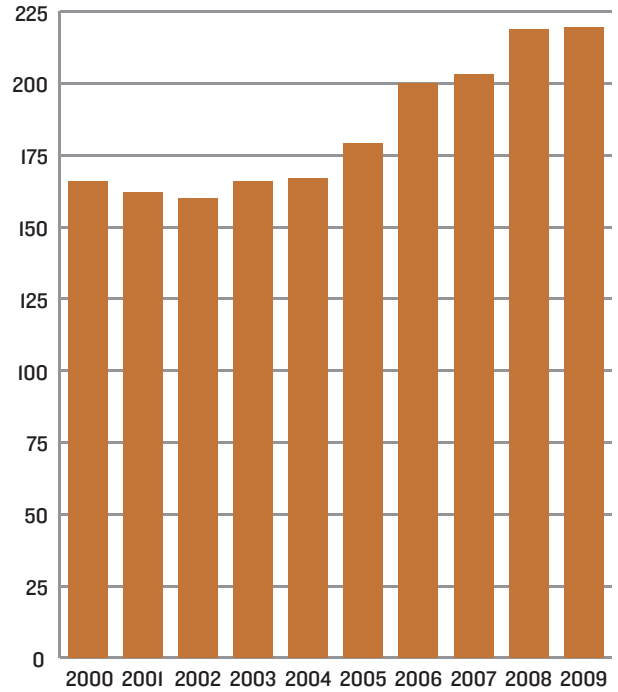
USES OF REVENUE

Fiscal Year 2009



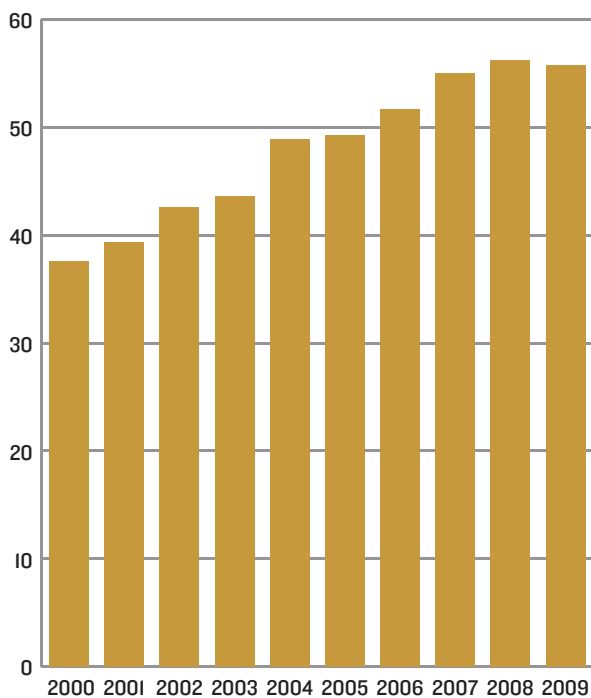
KWH SALES

In Millions of Kilowatt-Hours—Past 10 Years



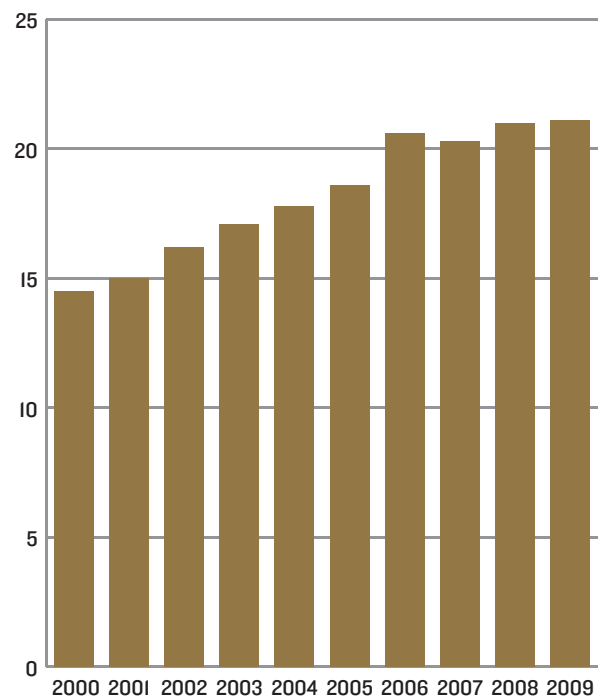
ASSETS

In Millions of Dollars—Past 10 Years



EQUITY

In Millions of Dollars—Past 10 Years



COMPARATIVE STATEMENT

INCOME AND EXPENSES

INCOME—WHERE IT CAME FROM	2008	%	2009	%
Farm and Home Sales.....	\$11,488,903	41.8	\$ 9,846,624	40.3
Small Commercial.....	13,725,867	50.0	12,292,850	50.3
Large Commercial.....	1,514,243	5.5	936,670	3.8
Service Charges and Other Revenues.....	254,586	0.9	216,730	0.9
Nonoperating and Interest.....	98,947	0.4	132,586	0.5
Brazos and Other Capital Credits.....	490,343	1.8	1,011,549	4.1
Income (Loss) From Subsidiary Investments.....	(97,750)	(0.4)	(361)	0.0
TOTAL INCOME	\$27,475,139	100.0	\$24,466,648	100.0
EXPENSES—WHERE IT WENT				
Purchased Power.....	\$19,159,275	69.7	\$16,643,188	68.1
Operating and Maintaining.....	4,186,924	15.2	4,385,143	17.9
Depreciation Expense.....	1,513,986	5.5	1,586,197	6.5
Interest on Long-Term Debt.....	1,548,244	5.6	1,572,392	6.4
TOTAL EXPENSES	\$26,408,429		\$24,186,921	
MEMBERS' CAPITAL CREDITS (Margins).....	1,066,711	3.9	249,727	1.0
TOTAL EXPENSES AND CAPITAL CREDITS	\$27,475,140	100.0	\$24,436,647	100.0

COMPARATIVE STATISTICS

	2008	2009
KWh Purchased.....	241,904,997	242,011,476
Cost of Power Purchased.....	\$19,159,275	\$16,643,188
KWh Sold.....	219,316,481	219,655,035
KWh Billing.....	\$26,729,013	\$23,076,133
Average Bill.....	\$137.24	\$117.74
Miles Energized.....	4,804	4,812
Meters Connected.....	16,230	16,333
Average KWh Used.....	1,126	1,121
New Services Connected.....	327	221
Miles of New Construction.....	24.05	33.55
Man-Hours Worked.....	126,117	114,992
Employees.....	53	48
Miles Driven by Cooperative Vehicles.....	566,655	546,569
Hours Lost Due to Accidents.....	0.0	984.00
Number Lost-Time Accidents.....	0.0	1.0
Hours Worked Since Last Lost-Time Accident.....	126,117	108,953

WHERE YOUR DOLLAR WENT



YEAR	PURCHASED POWER	OPERATIONS AND MAINTAINING SYSTEMS	DEPRECIATION	INTEREST	MEMBERS' CAPITAL CREDITS AND MARGINS
1985	65.7¢	13.7¢	5.2¢	4.3¢	11.1¢
1986	62.4¢	16.2¢	5.9¢	5.3¢	10.3¢
1987	63.1¢	17.8¢	6.6¢	6.3¢	6.2¢
1988	63.1¢	17.9¢	6.9¢	6.7¢	5.3¢
1989	59.4¢	19.8¢	7.3¢	7.0¢	6.5¢
1990	57.6¢	22.2¢	7.5¢	7.3¢	5.4¢
1991	56.7¢	22.8¢	7.9¢	8.1¢	4.5¢
1992	56.8¢	24.0¢	8.3¢	8.3¢	2.7¢
1993	56.9¢	20.9¢	7.4¢	7.1¢	7.8¢
1994	55.4¢	22.4¢	7.4¢	6.7¢	8.1¢
1995	54.9¢	24.3¢	7.5¢	7.1¢	6.2¢
1996	54.4¢	25.8¢	7.9¢	6.7¢	5.2¢
1997	56.6¢	26.5¢	8.2¢	6.3¢	2.3¢
1998	57.0¢	25.1¢	7.5¢	6.0¢	4.4¢
1999	56.1¢	25.0¢	8.3¢	6.9¢	3.6¢
2000	59.8¢	22.0¢	8.0¢	7.0¢	3.1¢
2001	60.4¢	21.3¢	8.1¢	6.9¢	3.3¢
2002	54.0¢	22.0¢	8.6¢	7.4¢	8.0¢
2003	58.1¢	20.5¢	8.0¢	7.0¢	6.4¢
2004	61.7¢	19.9¢	7.6¢	7.0¢	3.8¢
2005	66.2¢	17.4¢	6.4¢	6.3¢	3.7¢
2006	65.1¢	15.8¢	5.5¢	5.7¢	7.9¢
2007	68.1¢	16.7¢	5.7¢	5.9¢	3.6¢
2008	69.7¢	15.3¢	5.5¢	5.6¢	3.9¢
2009	68.1¢	17.9¢	6.5¢	6.4¢	1.0¢

WHERE YOUR REVENUE CAME FROM

	2005	2006	2007	2008	2009
Farm and Ranch	49.0%	45.4%	44.3%	42.6%	42.3%
Irrigation	0.0%	0.0%	0.0%	0.0%	0.0%
Small Commercial	46.8%	50.3%	50.9%	50.9%	48.1%
Large Commercial	3.2%	3.2%	3.7%	5.6%	8.7%
Other Revenue	<u>1.0%</u>	<u>1.0%</u>	<u>1.1%</u>	<u>0.9%</u>	<u>0.9%</u>
Total	100.0%	100.0%	100.0%	100.0%	100%

Flor Martinez Visits Washington, D.C.

Flor Martinez recently took part in the Government-in-Action Youth Tour sponsored by Comanche Electric Cooperative. Flor joined about 1,500 other students from electric cooperatives across the nation on an all-expenses-paid educational trip to Washington, D.C.

Flor won the trip by writing an essay on the topic "Effects of Energy Legislation on the Electric Consumer." The writers of the top 10 essays were invited to present their essays in the form of a speech in front of a panel of judges. The judges chose Flor's essay as the winner. Flor, who will be entering her senior year at Mullin High School, is the daughter of Juan Antonio and Margarita Martinez of Mullin.

Flor began her trip on June 10 in Irving, where she met up with nearly 100 other students from Texas. These students flew to Washington on June 11. In the capital, students learned about



electric cooperatives, American history and U.S. government. They participated in National Youth Day, visited with their elected officials in the House and Senate, and explored the sights around Washington, D.C.

A few of the many places the students saw included the Washington National Cathedral, Arlington National Cemetery, the Lincoln and Vietnam Veterans memorials, Mount Vernon, Union Station and the Air & Space Museum and Smithsonian museums. They also had time to shop, dance and go on a boat cruise.

If you are a sophomore, junior or senior at one of the 25 high schools within Comanche Electric Cooperative's service area, you, too, could win this trip of a lifetime. Watch for details in an upcoming issue of Texas Co-op Power.

To read Flor's winning essay, log onto our website at www.cecacoop.com.

Jeremy Phillips Awarded Scholarship For Excellence

Congratulations go to Jeremy Phillips, who has been named the recipient of Comanche Electric Cooperative's 2010 Scholarship for Excellence in the amount of \$1,000. Jeremy, who recently graduated from May High School, is the son of Jeff and Leah Phillips of May.

Jeremy participated in many activities at May High School. In sports, Jeremy competed in basketball, track, football, cross country and golf. He served as an officer in FFA, attended the FFA State Leadership Conference and was a member of the livestock judging team. He also served as a student council officer, was on the BETA team, and was a UIL participant in various events and teams. Jeremy's community involvement included mowing the May Community Center grounds, participating in Project Hope at Christmas, and delivering meals on Thanksgiving Day. Jeremy is a member of May First Baptist Church, where he is active in the youth program, helped with Bible school, and attended a mission trip to New Orleans.

Jeremy plans to attend Texas Tech University and earn a



degree in civil engineering.

To qualify for the scholarship, Jeremy competed against students from Comanche Electric Cooperative's seven-district service area. Each contestant was asked to write an essay on the topic "Emerging Energy Technologies." A panel of judges from outside the cooperative's service area reviewed the applications and chose the winner.

Comanche Electric Cooperative takes the education of our youth very seriously, and we strive to encourage our youth to pursue continuing education. It is to this end that we offer a \$1,000 scholarship each year to a qualifying student. To qualify for the scholarship, the student must be claimed as a dependent of parents or legal guardians who are active CECA members residing within the cooperative's service area. Students must maintain at least a 2.0 GPA on a 4.0 scale, and meet general entrance requirements at an accredited school. The applicant can be a graduating high school senior or a student currently enrolled in a college or university.