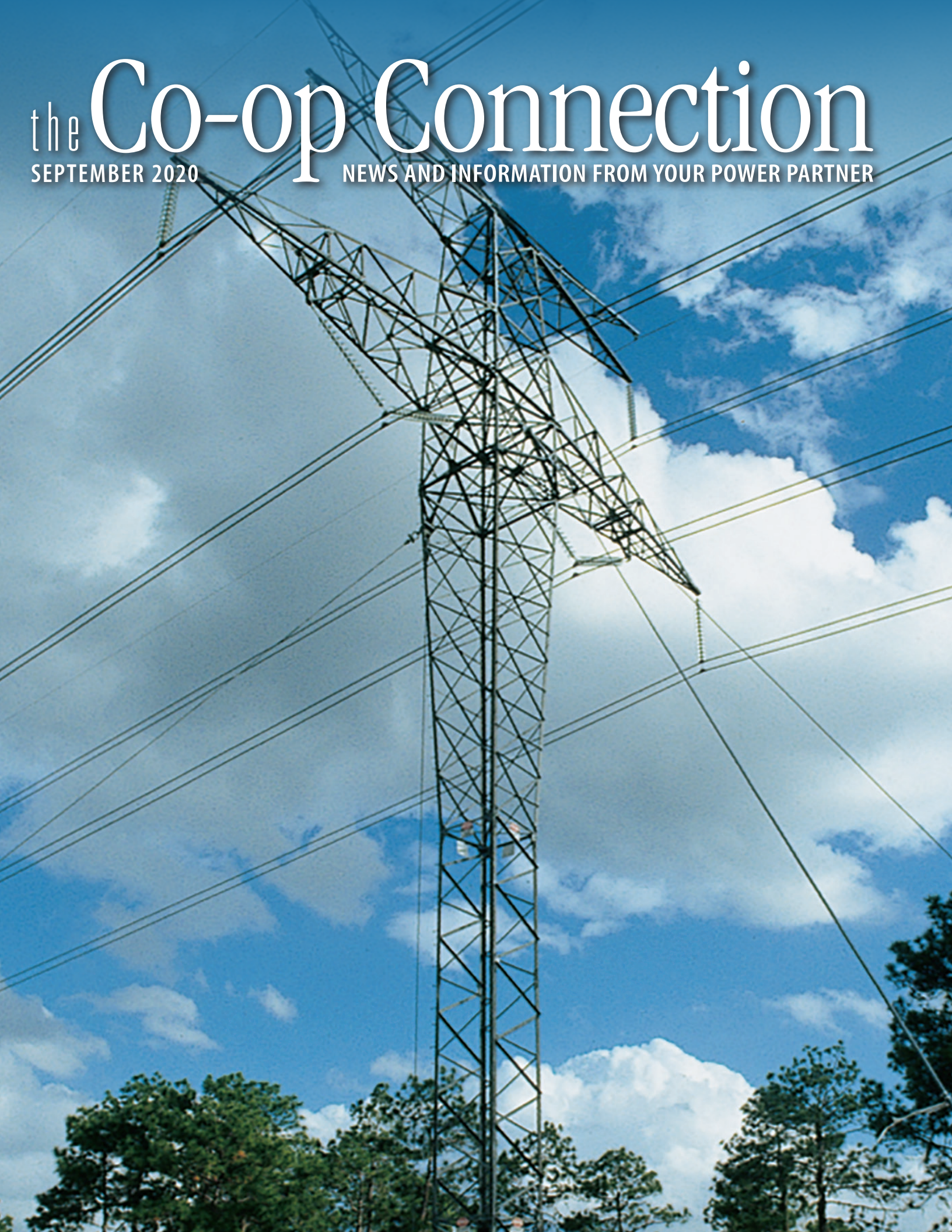


the Co-op Connection

SEPTEMBER 2020

NEWS AND INFORMATION FROM YOUR POWER PARTNER





Central Florida Electric Cooperative, Inc.

~ YOUR POWER PARTNER ~

CENTRAL FLORIDA ELECTRIC COOPERATIVE, INC. ANNUAL MEETING CANCELED

This shall serve as official notice that the 2020 Annual Meeting of Members for Central Florida Electric Cooperative, Inc. is canceled because of the ongoing COVID-19 pandemic.

Out of an abundance of precaution and in consideration of both members and employees, CFEC’s Board of Trustees determined the best course of action would be to cancel the business meeting and entertainment at this time.

Business brought up during the 2019 Annual Meeting will be addressed at the 2021 Annual Meeting. Members will be notified according to the Cooperative Bylaws. Activities relating to Board of Trustee elections were conducted as shown below.

In accordance with Article 4, Section 4 of the Cooperative’s Bylaws, the Board of Trustees appointed the following members as a committee for nominations:

**James Galen Butler
Andy Lott
Clinton Rogers**

**Don Campbell
Stephen L. Morral
Johnny Smith**

**V.C. Cannon
Robert Robinson
Margaret Sprague**

The Nominating Committee met on July 28 and nominated the following to represent their respective districts on the Board of Trustees of Central Florida Electric Cooperative, Inc.

**District 1 (Nominated)..... James McCain
District 5 (Nominated)..... Donald Lane
District 9 (Nominated)..... Barbara Townsend**

The following have been nominated by petition to serve as Trustee for their respective district.

**District 1 (By Petition) None
District 5 (By Petition) None
District 9 (By Petition) None**

**CARL ROOF, SECRETARY
CENTRAL FLORIDA ELECTRIC COOPERATIVE, INC.**



Central Florida Electric Cooperative, Inc.

~ YOUR POWER PARTNER ~

Our mission is to be the finest example of an electric cooperative where excellent service, competitive rates and concern for the consumer, community and environment guide our every action.

CFEC Board Of Trustees

Your Cooperative is divided into nine districts with a member from each district elected to serve on the Board of Trustees. Trustees are elected to staggered three-year terms, and each year three trustees are up for election.

According to CFEC's Bylaws, Trustees may be nominated (1) by nominating committee or (2) by petition. Voting is conducted by mail-out ballots sent to members in their respective district prior to the Annual Meeting. Trustees are responsible for setting overall Cooperative policies.



Alan Mikell
PRESIDENT
DISTRICT 6



James McCain
VICE PRESIDENT
DISTRICT 1



Carl Roof Sr.
TREASURER
DISTRICT 2



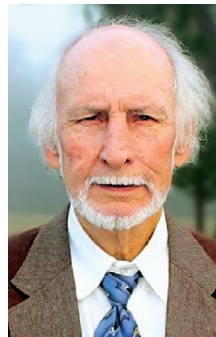
Tony Weeks
DISTRICT 3



Kyle Quincey
DISTRICT 4



Donald Lane
DISTRICT 5



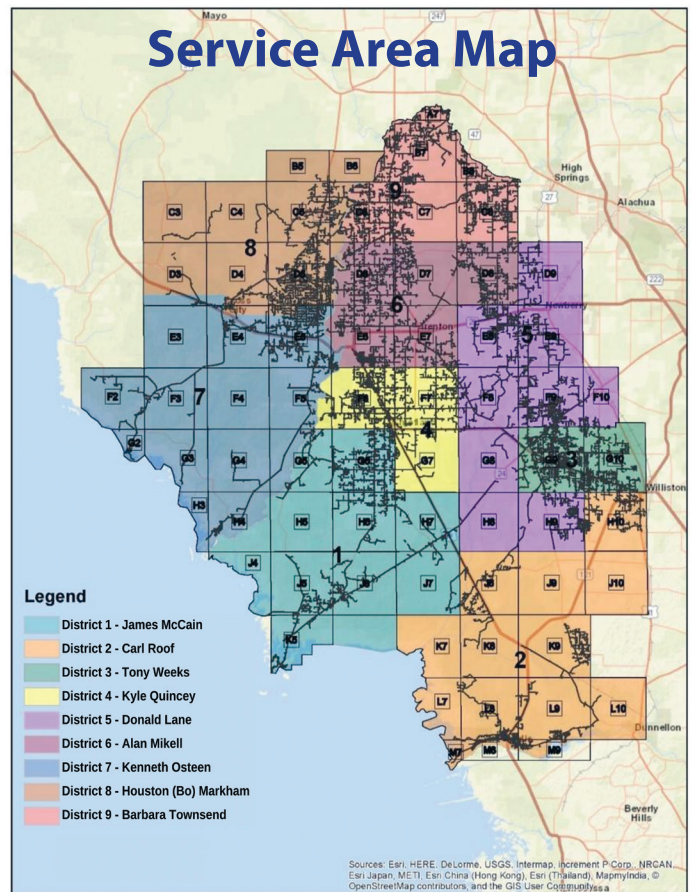
Kenneth O'Steen
DISTRICT 7



Bo Markham
DISTRICT 8



Barbara Townsend
DISTRICT 9



Central Florida Electric Cooperative, Inc.

~ YOUR POWER PARTNER ~



Alan Mikell
President
District 6

Hello, CFEC Members. This issue of the Co-op Connection is geared toward the CFEC Annual Meeting of Members and contains a check on our financial standing as well as Board of Trustee voting information.

Usually, we would also be inviting members to our Annual Meeting at the Cooperative Warehouse. But 2020 is a different year, to say the least.

After a thorough discussion and weighing the pros and cons, CFEC's Board of Trustees voted to cancel the 2020 CFEC Annual Meeting of

Members that was planned for the first Saturday in October. We would have liked to have continued the meeting in person, but the Board felt that canceling the meeting was the best course of action to protect the health of the community and CFEC employees.

Business conducted at the 2019 Annual Meeting that should have been continued and voted on at the 2020 meeting will be postponed until the 2021 Annual Meeting. However, the 2020 Board of Trustee elections, which are held separately from the business meeting, will continue as normal by mail.

We regret that this action was necessary, but it was determined to be the best decision. The Annual Meeting is always a good time to talk with members and visit with friends we have not seen in a while. I hope that we can move past this pandemic soon and are able to meet as normal in 2021.

Refund of Capital Credits

Despite the decision to not hold CFEC's Annual Meeting of Members, the work of the Board of Trustees continues. Recently, the Board approved a general refund of capital Credits for the years 1992 and 1993. Specifically, the board allocated to refund 100% of capital credits from 1992 and 28% of those from 1993. This refund to Cooperative Members totals \$1 million. Refund checks will be mailed sometime this September. Refunds less than \$25 will be posted as a credit to the member's bill.

As a reminder to members, CFEC is considered a not-for-profit entity that is member-owned. Members see their ownership in the cooperative through capital credits. Capital credits are the money or margin that is left over after all bills associated with standard business operations are paid. Members are entitled to a share of the refund of this margin based on their energy use.

As written in the cooperative bylaws, CFEC's Board of Trustees must consider the financial standing of the cooperative and other factors in determining when capital credits can be returned to members. This return signals that CFEC is in good financial standing.

CFEC is obligated by state law to retain any unclaimed refund checks for a certain amount of time and will make every attempt to contact members who may have moved. If you had service in 1992 or 1993 and do not receive a credit on your account or refund check and believe you are owed one, contact a CFEC customer service representative at 1-800-227-1302.

After a waiting period, any unclaimed capital credit monies are given to the CFEC Educational Charity, Inc. to be used for scholarships for students within the CFEC service area. We were very pleased this year to be able to increase the number of scholarships offered by CFEC and will even begin an adult education scholarship program soon.

Again, we regret that the Covid-19 pandemic will not allow us to hold our Annual Meeting of Members in 2020. We look forward to being able to visit with members and answer questions, but we must put the safety of members and employees first. If you have any questions, do not hesitate to call the Cooperative Manager, Denny George, or any of the Board of Trustees.

The Annual Meeting is always a good time to talk with members and visit with friends we have not seen in a while. I hope that we can move past this pandemic soon and are able to meet as normal in 2021.





Denny George
CFEC Executive
Vice President &
General Manager

It is hard to imagine that I have completed my second year at CFEC.

Having been in utility work for more than 30 years, there is never a doubt that, come summer, I will be focused on the summer storm season. However, I could never have imagined conducting business in the middle of a pandemic.

CFEC continues to operate under unusual practices. For example, field crews currently drive their trucks home at the end of the day and show up directly to work sites.

In thinking about these changes, it

is actually working more efficiently than in the past. Our office staff is still practicing social distancing and using masks where it is helpful or warranted.

Back to storm season, the most recent storm, Isaias, turned out to

pack quite a punch. Thankfully, we did not have to bear the impact here. However, we were ready for it. Our team reviewed storm plans, updated team member assignments and even prepared by setting aside time to perform a mock storm drill. While every storm is different and has to be dealt with in real-time, we are as ready as we can be.

We are also in the middle of our normal storm season in North Central Florida with afternoon thunderstorms that require our crews to work through the evening and into the

nights to restore service. While we are intently focused on power restoration to our members, we must put the safety of members and of line-side operations to the forefront. At CFEC, we appreciate your patience as we continue to work through the remainder of storm season and this pandemic.

While we are intently focused on power restoration to our members, we must put the safety of members and of line-side operations to the forefront.



CFEC ANNUAL MEETING CANCELED

The 2020 Annual Meeting of Members for Central Florida Electric Cooperative, Inc. is canceled because of the ongoing COVID-19 pandemic.

Out of an abundance of precaution and in consideration of both members and employees, CFEC's Board of Trustees determined the best course of action would be to cancel the business meeting and entertainment at this time.

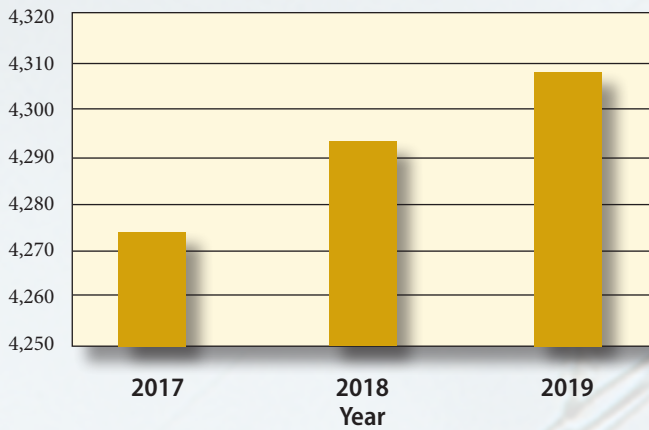
Business brought up during the 2019 Annual Meeting will be addressed at the next possible Annual Meeting event.

On behalf of the Board of Trustees, Management and Employees, we look forward to seeing members again in person in 2021.

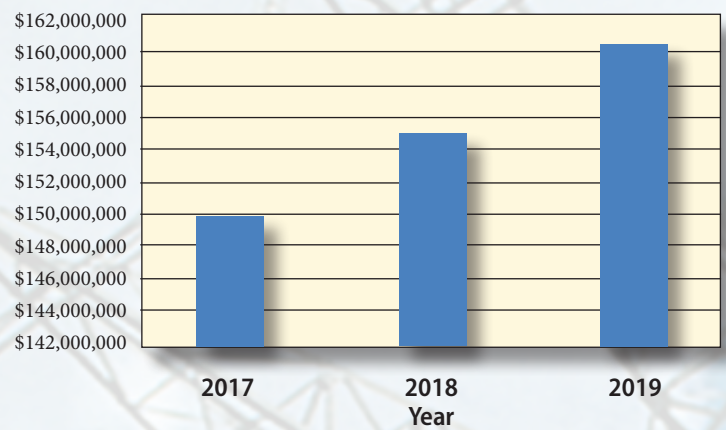
2019 CFEC Annual Financial Report

Your cooperative is pleased to offer this financial report. For the year ending Dec. 31, 2019, you will find that the cooperative is in sound condition both financially and operationally.

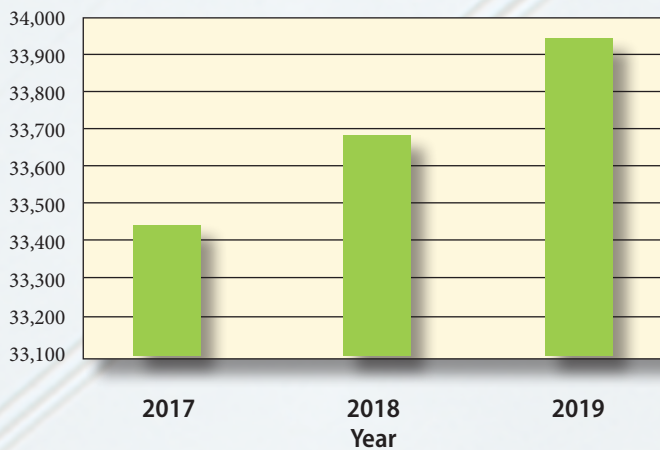
Miles of Lines



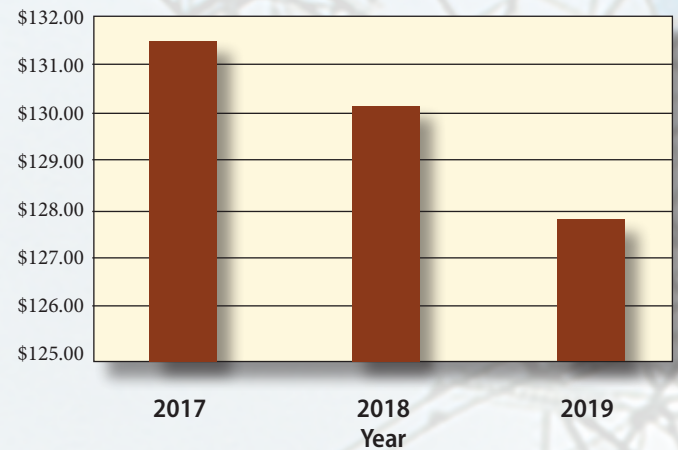
Total Utility Plant



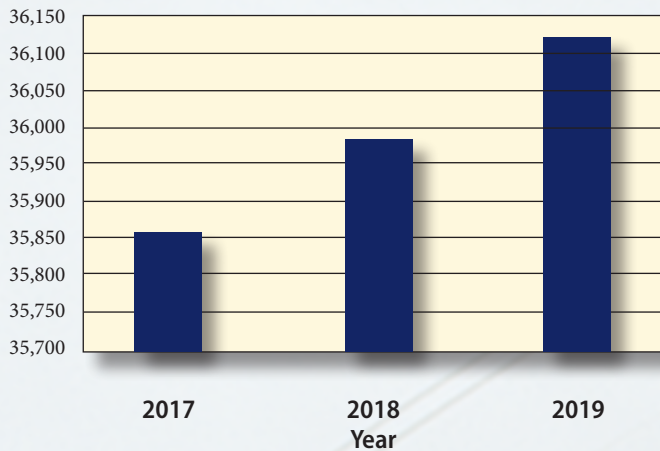
Accounts



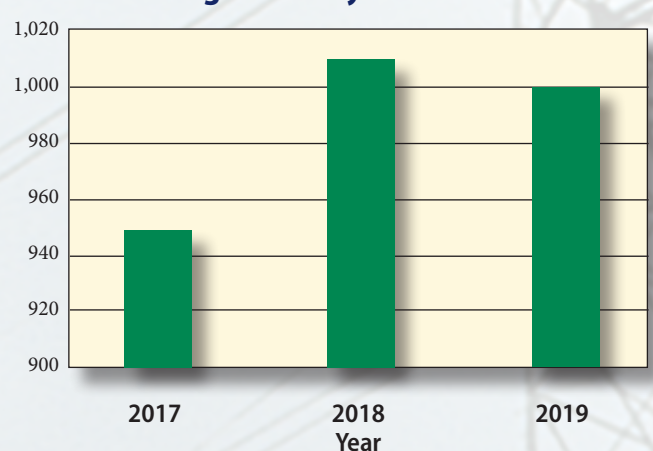
Cost of 1000 kWh of Residential Service



Services

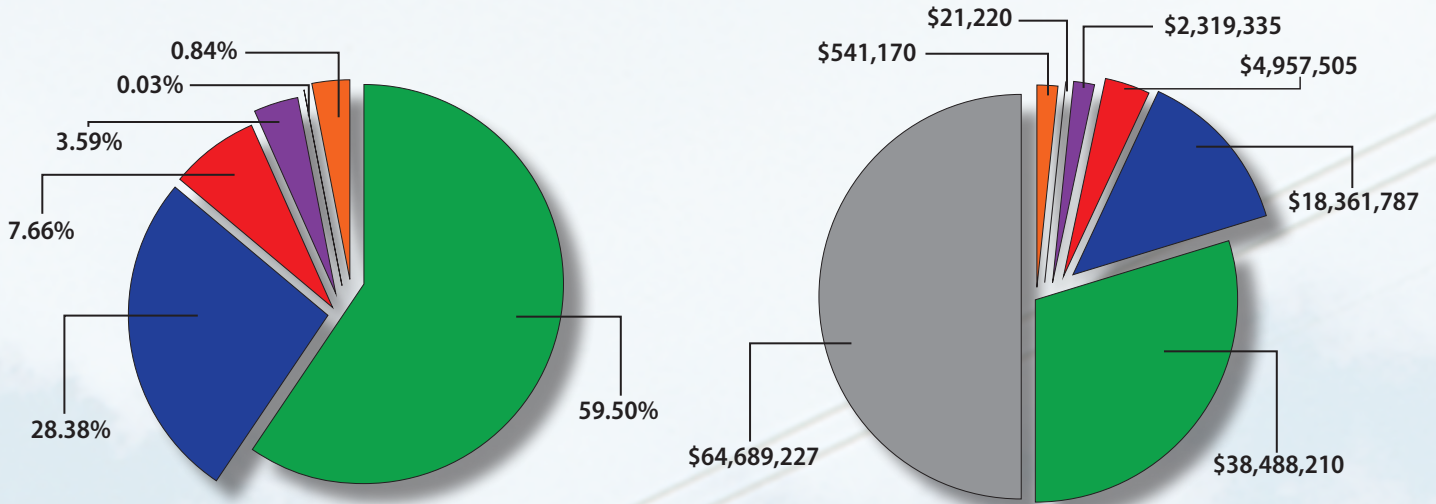


Average Monthly Residential kWh



2019 Operating Revenue Distribution

100% = \$64,689,227



■ Power Costs	59.50%
■ Operations	28.38%
■ Depreciation	7.66%
■ Interest	3.59%
■ Other Cost of Service	0.03%
■ Operating Margins	0.84%

■ Revenue	\$64,689,227
■ Power Costs	\$38,488,210
■ Operations	\$18,361,787
■ Depreciation	\$4,957,505
■ Interest	\$2,319,335
■ Other Cost of Service	\$21,220
■ Operating Margins	\$541,170

Financial Highlights	2017	2018	2019
Operating Revenue	\$ 63,645,868	\$ 65,968,189	\$ 64,689,227
Operating Expenses	\$ 54,968,122	\$ 57,006,883	\$ 56,849,997
Interest Expense	\$ 2,208,346	\$ 2,093,867	\$ 2,099,412
Other Cost of Service	\$ 4,648,148	\$ 5,041,094	\$ 5,198,648
Non-Operating Revenue	\$ 1,581,025	\$ 1,219,108	\$ 1,352,985
Net Margins	\$ 3,402,278	\$ 3,045,453	\$ 1,894,155
Total Assets	\$ 129,342,347	\$ 131,808,927	\$ 135,873,417
Net Utility Plant in Service	\$ 102,705,249	\$ 106,181,723	\$ 109,585,105
Total Long-Term Debt	\$ 48,687,308	\$ 45,928,154	\$ 53,372,584
Members' Equity	\$ 49,463,932	\$ 52,973,161	\$ 52,490,529
Patronage Capital Distributed	\$ 1,064,760	\$ 1,064,246	\$ 697,558

**CENTRAL FLORIDA ELECTRIC
COOPERATIVE, INC.**

MAIN OFFICE

11491 NW 50th Ave.
Chiefland, FL 32626-3247
352-493-2511
or 800-227-1302
www.cfec.com

Physical Address/Payment Locations

MAIL ADDRESS

P.O. Box 9
Chiefland, FL 32644-0009

CROSS CITY OFFICE

207 NE 210 Ave.
Cross City, FL 32628
352-498-7322

INGLIS OFFICE

167 Highway 40 West
Inglis, FL 34449
352-447-3553

ADDITIONAL PAYMENT LOCATIONS

Drummond Community Bank
Lafayette State Bank (Bell only)

*For a complete listing of payment
locations, go to www.cfec.com.*

*This institution is an equal opportunity provider
and employer.*



Central Florida Electric
Cooperative, Inc.

~ YOUR POWER PARTNER ~

PRSRT STD
U.S. POSTAGE
PAID
ORLANDO, FL
PERMIT NO. 3937

CFEC ANNUAL MEETING CANCELED

**The 2020 Annual Meeting of Members for Central
Florida Electric Cooperative, Inc. is canceled
because of the ongoing COVID-19 pandemic.**

Out of an abundance of precaution and in consideration
of both members and employees, CFEC's Board of Trustees
determined the best course of action would be to cancel
the business meeting and entertainment at this time.

On behalf of the Board of Trustees, Management and
Employees, we look forward to seeing members again in
person in 2021.

In This Issue:

In This Issue:

Annual Meeting Announcement	page 2
Board of Trustees & Voting Information	page 3
President's Message	page 4
Manager's Message	page 5
CFEC Financial Report	page 6

