

## Official Notice of Annual Meeting

The Cumberland Valley Electric will conduct an Annual Membership Meeting, Thursday, June 2, 2005, at 7:00 p.m. The meeting will be held at Knox Central High School, Barbourville, Kentucky. The registration of Cumberland Valley Electric's membership will begin at 5:30 p.m.

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This is the most important event of the year for your co-op. The officers of the co-op will bring you up-to-date on the status of your co-op and some of the problems that lie ahead.

Each member should make plans to attend this most important meeting, for after all, your co-op is just as strong as you make it.

The goal laid down by the Board of Directors, Manager, and Employees is to give our members the best possible service.

A good place to learn more about your co-op is by attending the Annual Meeting, June 2, 2005, at Knox Central High School, Barbourville, Kentucky.

The entertainment will be outstanding this year. I'm sure you will want to be present. Come to your Annual Meeting and enjoy the entertainment. There will be prizes for each member present.

Thank you,  
Cumberland Valley Electric

Lansford Lay, Secretary

## Notice of Annual Meeting of Members

The Annual Meeting of the Cumberland Valley Electric will be held at Knox Central High School, Barbourville, Kentucky, at 7:00 p.m. daylight-saving time, on Thursday, June 2, 2005, to take action upon the following matters:

1. Reading of the notice of the meeting.
2. Reading of the minutes of the previous meeting.
3. Report of officers and directors.
4. The election of three (3) directors of the cooperative.
5. All other business, which may come before the meeting or any adjournments thereof.

The nominating committee met, as provided by the Bylaws of the Cooperative, and the following were nominated as directors:

Roger Vanover  
Knox, Laurel, and Bell Counties

Vernon Shelley  
Whitley and McCreary Counties

Lansford Lay  
Whitley and McCreary Counties

We urge all members to attend and participate in this meeting.

Lansford Lay, Secretary

### Representatives

Chester Davis  
Leslie, Letcher, and Harlan Counties

Lansford Lay  
Whitley and McCreary Counties

Elbert Hampton  
Knox, Laurel, and Bell Counties

Vernon Shelley  
Whitley and McCreary Counties

Roger Vanover  
Knox, Laurel, and Bell Counties

## Your Board of Directors



Vernon Shelley  
*President*



Roger Vanover  
*Vice President*



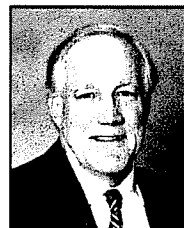
Lansford Lay  
*Secretary*



Chester Davis  
*Director*



Elbert Hampton  
*Director*



W. Patrick Hauser  
*Attorney*



Ted Hampton  
*Manager*

# Cumberland Valley Electric Financial Results

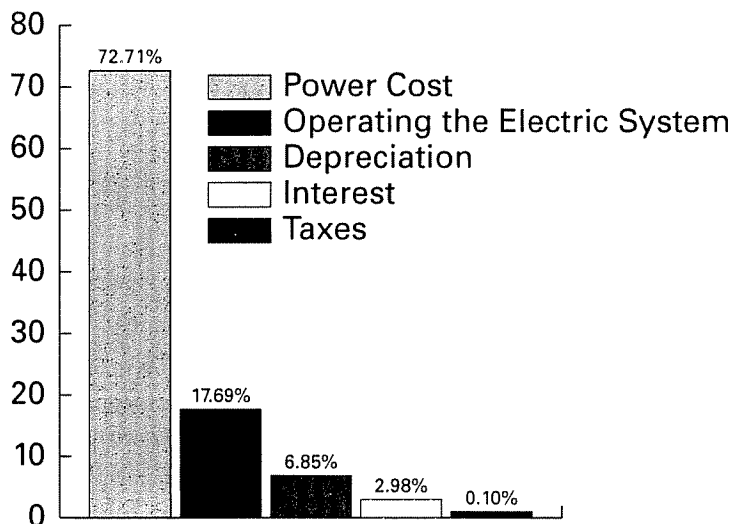
## STATEMENT OF OPERATIONS For the Year Ending December 31, 2004

Operating Revenue and Patronage Capital .....	\$29,379,691
Operating Expense	
Cost of Purchased Power .....	\$21,362,909
Operating the Electric System .....	5,142,517
Depreciation Expense .....	2,012,606
Tax Expense .....	30,111
Interest on Loans .....	874,856
Other Deductions .....	54,909
 Total Cost of Electric Service .....	 \$29,477,908
 Patronage Capital or Operating Margins .....	 (98,217)
Non-Operating Margins .....	111,423
Other Capital Credits Assigned from other Cooperatives .....	39,243
 Patronage Capital or Margins .....	 \$52,449

## BALANCE SHEET For the Year Ending December 31, 2004

WHAT WE OWN	
Total Utility Plant.....	\$61,879,711
Less Depreciation .....	22,505,132
Net Utility Plant Book Value .....	\$39,374,579
 Non-Utility Property and Other Investments ..	 \$10,375,406
Cash and Reserves .....	157,514
Owed to Co-op on Accounts and Notes .....	4,556,681
Material in Inventory .....	311,979
Deferred Debits and Other Assets .....	841,802
 Total Assets of Your Cooperative .....	 \$55,617,961
WHAT WE OWE	
Membership and Other Equities.....	24,300,719
Long-Term Debt .....	25,140,145
Notes and Accounts Payable .....	4,129,800
Other Current and Accrued Liabilities .....	2,026,932
Deferred Credits and Miscellaneous .....	20,365
 Total Liabilities and Equities .....	 \$55,617,961

## Major Costs



## Revenue Sources

