



2017
ANNUAL REPORT

OFFICIAL NOTICE

2018 ANNUAL MEETING

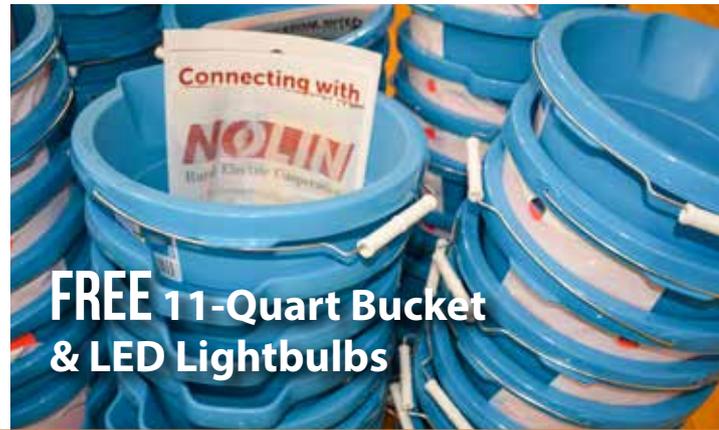
FRIDAY, JUNE 22

- Grand Prize—two \$500 cash giveaways
- Two \$250 cash prize giveaways
- Ten \$50 cash prize giveaways
- Bicycles for children ages 12 and under
- Balloon bounce houses for children
- Exhibits, displays and health fair open at 5 p.m.

COME TO THE COOKOUT!

Starting at 5 p.m. our friends the Pork, Beef and Dairy producers will sell their delicious pork burgers, hamburgers, pork chops, rib-eye steaks and ice cream.

John Hardin High School
384 W. A. Jenkins Road
Elizabethtown, KY
Registration: 5:30-7 p.m.
Business Session: 7 p.m.



**FREE 11-Quart Bucket
& LED Lightbulbs**

The idea of “belonging” to a group that sends you an electric bill might seem unusual. But, at Nolin RECC, our member-owners are the reason we exist. For 80 years and counting, our mission has been to improve your quality of life.

We hope you review this report’s financial numbers; but unlike corporations whose strengths are measured by merely the bottom line, Nolin knows that our members are our greatest asset.

GENERATIONS OF STRENGTH

We look to members like Larry Thomas, 76, of Elizabethtown, and Cole Hughes, 23, of Sonora, pictured on the cover of this report, as testament to the power of membership across generations. Cole became a member in 2016. Larry became a Nolin RECC member about 20 years earlier.

Larry has a greenhouse and relies on power from Nolin RECC. “I raise early vegetable transplants, and I heat them with heaters that are run by electricity,” he says. “If there were not faithful service, it would be a catastrophe for me.”

Larry and Cole are two of the more than 29,000 members of Nolin RECC, part of a strong network of 1.5 million Kentuckians and 42 million Americans who belong to electric cooperatives. Co-ops work together to provide you at-cost energy and advocate for our communities.

“I was worried about going out on my own,” Cole says. “There’s the occasional crazy December like we had this year, but it’s been affordable, which is helpful for someone who’s getting started and starting a family.”

Larry is a member of the Hardin County Farmers Market, and its parent company, Hardin County Farmers Market Foundation, Inc., of which he is the treasurer. He’s a member of Severns Valley Baptist Church, and an avid UK fan. “I bleed blue,” Larry says.

Cole is also a UK fan, as well as a Cincinnati Reds fan. He’s a member of First Baptist Church in Hodgenville, “and I’m enrolled in seminary—I’m a member of New Orleans Baptist Theological Seminary.”

And, both Cole and Larry are members of Nolin RECC.

Cover: Cole Hughes, Sonora, and Larry Thomas, Elizabethtown, represent generations of Nolin RECC members. Photo: Joe Imel

DIRECTOR CANDIDATE PROFILES

DISTRICT 3 (The Southwest Service Area)



RAYMOND E. "RICK" THOMAS is a lifelong resident of Hardin County. He graduated from West Hardin High School and received an associate degree in Business from Elizabethtown Community College. Rick is also a graduate of the Philip Morris Agricultural Leadership Development Program at the University of Kentucky, and the Kentucky Cattlemen's Association Leadership Development Program.

Rick has served as director on Nolin RECC's board since December 2004, being appointed then to replace retiring board member, Bob Wade Sr. Rick and his wife, Donna, purchased the Bethlehem Academy Farm in 1988 and farm full time. Their diversified farming operation has consisted of registered Angus cattle, grain crops, tobacco (along with a Tobacco Float System Operation), sheep, corn and soybean seed sales, alfalfa hay, and a fall mum and pumpkin agritourism business. They are presently raising and selling alfalfa hay and grain farming.

Rick is a Credentialed Cooperative Director and completed the Board Leadership Program through the National Rural Electric Cooperative Association Director Education Program. He and Donna are members of St. Ambrose Catholic Church in Cecilia. The couple received the Distinguished Farm City Relations Award in 2003, and the Lifetime Achievement Award from the Kentucky Angus Association in 2015. Rick is a recipient of the Jack Snyder award presented by the Elizabethtown Rotary Club, the Distinguished Service to Agriculture award presented by Hardin County Farm Bureau, and the Master Conservationist Award presented by the Kentucky Soil and Water Conservation Commission. He is a past vice chairman of the Hardin County Planning Commission, a past director for Farm Bureau, a past president of the Mid-Kentucky Angus Association, one of the original founding officers and past chairman of the Hardin County Beef Cattle Association, and a past chairman of the Hardin County Extension Foundation.

Personal remarks from Rick Thomas: "I have appreciated the opportunity to serve as the District 3 director. I am committed to the co-op members' interest in maintaining and improving the services available and keeping our rates as low as possible. I pledge to do my best to ensure safe, reliable and affordable electricity for present and future co-op members while carrying on the legacy of this cooperative."

DISTRICT 5 (The Southern Service Area)



LINDA GRIMES along with her husband, Coleman, and brother-in-law and his wife, own and operate Grimes Farms in LaRue County. They grow corn and soybeans, and have Red Angus beef cattle. Linda is involved in the daily activities on the family farm from operating the machinery to animal husbandry and keeping the books.

Linda and Coleman have two children, Joyce Goode and Warren. Joyce and her husband, Greg, who farm in Liberty, have three daughters, Emily (12), Leann (7) and Breanna (3). Warren is single and works on the

family farm. The Grimeses are members of Mt. Tabor Baptist Church in Buffalo. Linda is currently serving as the Minister of Music, and is very active in the Wednesday night youth program.

Linda was elected by Nolin members to serve as director of District 5 in June 2009. She has completed the Credentialed Cooperative Director Program, the Board Leadership Program and the Director Gold Program through the National Rural Electric Cooperative Association.

A lifelong member of her community and graduate of LaRue County High School, Linda is very active in several organizations. She has been involved with Lincoln Days Celebration for many years, from providing entertainment on Saturday to helping coordinate the community worship service on Sunday morning. Linda is a member of the Music City Christian Fellowship. She previously served on the LaRue County Extension Service District Board, and the 4-H Council. Linda is past president of the LaRue County Dairy Association, past director of LaRue County Farm Bureau, past chair of LaRue County Farm Bureau Women's Committee and past 4-H Dairy Club Leader. In 2010, Linda earned the honor of receiving the Bobby McDowell Award of Excellence.

Linda's love for music and singing take her across the local area to churches, assisted living homes and nursing homes, performing with the bluegrass-country gospel group, Brighter Day. She has also been honored to sing on the stage of the Ryman Auditorium in Nashville. Linda enjoys riding motorcycles, and most of all playing with her grandchildren.

Personal remarks from Linda Grimes: "It is a great honor to serve as your director. I feel the directors have an obligation to, and are accountable for, decisions made for the cooperative members. I have gained knowledge of the workings of the business of delivering reliable and affordable electricity to our members, and will continue to stay informed by attending educational programs and meetings to better serve you. I will continue to keep the members' needs foremost when helping make decisions for our cooperative. I ask for your support and thank you for allowing me to continue to be your director."

WE ARE CO-OP STRONG

Members empower Nolin RECC to make necessary and strategic investments in infrastructure and people so we can continue to fulfill the promises made when we were founded 80 years ago. That means investing in innovation, maintenance and safety. More than ever before, safe, reliable and affordable electricity is essential to energizing our lives and keeping our communities connected. The employees of Nolin RECC take that responsibility to heart.

The value of Nolin can be found in our commitment to deliver energy to you on the hottest days, the coldest nights, and every day in between.

Members are paying increased attention to how our energy is generated. While some prioritize reliability and

affordability of coal and natural gas, others want access to renewable energy sources, such as solar power.

With Cooperative Solar, Nolin members have unprecedented options for affordable solar power. Now is an ideal time to sign up. You can lease solar panels at Cooperative Solar Farm One, a 60-acre solar array built for Kentucky's Touchstone Energy Cooperatives. You can harness the energy of the sun without the hassle, maintenance and expense of owning private solar panels.

Nolin RECC thanks you for your trust, support and membership. Our members provide stability and a sense of local ownership. You are more than customers, you are member-owners.

Together, we are Member Strong.

STATEMENT OF OPERATIONS

As of December 31, 2017

Operating Revenue..... \$72,623,057

OPERATING EXPENSE

Purchased Power..... \$50,513,897
 Operating System..... \$16,069,109
 Depreciation..... \$4,635,651
 Interest on Loans..... \$2,962,195
 Other Deductions..... \$44,442
 Total Cost Electric Service..... \$74,225,294

Operating Margins..... (\$1,602,237)
 Non-Operating Margins..... \$1,555,465
 Other Capital Credits..... \$1,822,867
 Patronage Capital and Margins..... \$1,776,095

BALANCE SHEET

As of December 31, 2017

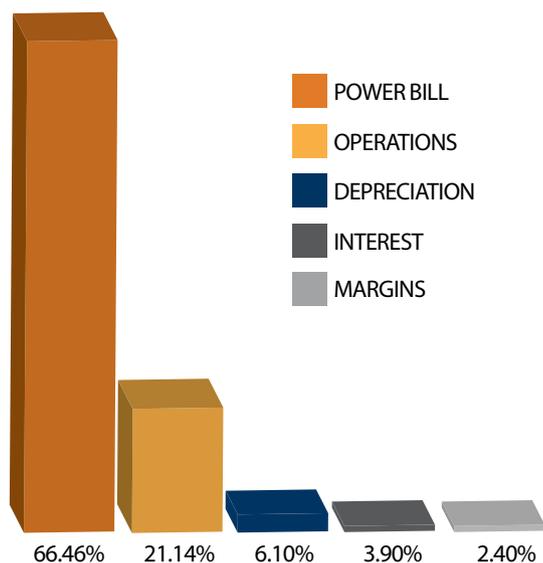
ASSETS

Total Utility Plant..... \$118,158,322
 Less Depreciation..... \$45,374,259
 Net Utility Plant..... \$72,784,063
 Investment in Associate
 Organization..... \$43,817,767
 Cash..... \$4,741,849
 Notes Receivable..... \$59,445,024
 Inventory..... \$1,320,681
 Total Assets..... \$182,109,384

LIABILITIES

Memberships and Other Equities..... \$68,397,181
 Long-Term Debt..... \$95,942,137
 Notes & Accounts Payable..... \$6,557,540
 Other Current Liabilities..... \$4,471,070
 Deferred Credits and Misc..... \$6,741,456
 Total Liabilities..... \$182,109,384

MAJOR COSTS



BOARD OF DIRECTORS



David P. Brown
Chairman



Gene Straney
Vice Chairman



A.L. "Buddy" Rosenberger
Secretary-Treasurer



Lawrence Ireland



R.E. "Rick" Thomas



Linda Grimes



John J. Scott
Attorney



Mickey Miller
President & CEO

