

Menard Electric Cooperative's

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★ Youth Day ★

2016

Senators John Sullivan and Wm. Sam McCann, and Representatives Tim Butler, C.D. Davidsmeyer, Norine Hammond and Sara Wojcicki Jimenez met with students representing Menard Electric Cooperative for the Illinois Electric and Telephone Cooperatives Youth Day.

Phillip Wessel of Chandlerville and Rhiannon Sanford of Forest City were among the 225 students from 24 Illinois co-ops who had the opportunity to visit the State Capitol, view state government in action, question their legislators on key issues, and meet with Secretary of State Jesse White.

Treasurer Michael Frerichs challenged the students to take an interest in the political process and encouraged them to follow their dreams and do what interests them because life can take interesting turns and twists.

While in Springfield, the students also visited the Supreme Court, Old State Capitol, and the Abraham Lincoln Presidential Museum.

Sanford will represent Menard Electric on the Youth to Washington Tour this summer; a weeklong tour of Washington, D.C. featuring visits with Illinois Congressmen and Senators, and tours of many of the city's sites.



Rhiannon Sanford, Representative Tim Butler, Phillip Wessel



Secretary of State Jesse White



State Treasurer Michael Frerichs

3 summer storm safety tips

- 1. Avoid wires and water** — When lightning strikes a home, the electrical charge can surge through pipes and utility wires, shocking anyone touching water or plugged in devices.
- 2. Portable generators** — Portable generators can provide a good source of power, but can be deadly if improperly installed or operated. Never connect generators directly to household wiring. Power from generators can back-feed along power lines and electrocute anyone coming in contact with them, including co-op line workers making repairs. You'll need a special hookup for your generator; contact us or an electrician for details.
- 3. Flooded areas** — Stay away from downed power lines and avoid walking through flooded areas. Power lines could be submerged and still live with electricity. Report any downed lines you see immediately.

Power for the Ages

79th Annual Meeting



June 4, 2016

See your Official Notice for details. Visit our website and Facebook page after the event to see director election results and meeting highlights.



More than \$375,000 Returned to Members

The Board of Directors has approved a capital credit refund of \$375,000. We've returned \$8.6 million to date - It's the Cooperative Difference!

We are issuing bill credits and checks to current and former members for credits earned in 1992 and a portion of 1993. Current active members receiving credits less than \$75 will see a credit on their bill. Inactive members with credits over \$5 and active members receiving credits larger than \$75 will receive a check mailed to the address currently on file.

What are capital credits?

Unlike other utilities, Menard Electric does not exist to earn a profit. Any revenues over and above the cost of doing business are considered margins.

These margins represent an interest-free source of operating capital by you and the rest of the membership to the co-op. This capital allows us to finance operations and new construction, with the intent that this capital be repaid to you in later years. We are currently on a 24-year retirement cycle.

How are capital credits calculated?

Every member who purchases electricity during a year in which margins are earned is allocated capital credits. The amount of credits you earn in a year is based upon the amount of capital you contributed to the co-op through payment of your monthly bill. The more electric service you bought, the more capital credits you earned.

The sum of your monthly bills for

the year is multiplied by an allocation factor to determine your capital credits. The allocation factor varies from year to year, depending on the success of the co-op. Capital credits are only allocated for a year in which the co-op earns margins. Since credits are a member's share of the margins, no credits are allocated for a year without margins.

Will I receive credits every year?

Each year the Board of Directors must approve a capital credit retirement after reviewing the financial health of the co-op. If the board determines that the co-op cannot afford to retire credits, they will not authorize a retirement.

What happens to my capital credits if I leave the co-op service territory?

Your capital credits remain in our system in your name until they are retired. Make sure we always have your current address so we can mail a check to you. We publish lists of names of members we were unable to find in this magazine each year as well as on our website.

What happens to the capital credits of a member who dies?

Capital credits of a deceased member may be paid at a reduced present value without waiting for a general retirement, or may be transferred to a surviving spouse if the membership was jointly held; contact Michelle for details.

We are prepared for summer storms

Summer is here, school is out, and families are gearing up for a few months of fun and relaxation. While summer brings much fun in the sun, it can also bring the occasional severe storm. In the event of a power outage, you can trust that Menard Electric is ready to respond.

The major cause of most power outages comes from damage to power lines due to falling trees and branches. We work year round – through right-of-way clearing – to ensure power lines in our service territory stand less risk of being damaged by trees, branches or other types of vegetation.

Despite our best efforts, during major storms, damage can occur to transmission stations, substations and power lines. When this happens, our first priority is to safely restore power to as many members as possible in the shortest amount of time.

We start by mobilizing our line crews and other critical staff. Every phone line available is utilized to take your outage report calls. The big



problems must be corrected before we can focus on other areas where more localized damage may have occurred.

Our line crews inspect substations to determine if the problem starts there, or if there could be an issue down the line. If the root of the problem is at the substation, power can be restored to thousands of members.

Next, line crews check the service lines that deliver power into neighborhoods and communities. Line crews

repair the damaged lines, restoring power to hundreds of people. If you continue to experience an outage, there may be damage to a tap line outside of your home or business. Make sure you notify us so crews can inspect these lines.

We will do our best to avoid power outages, but sometimes Mother Nature has other plans. Be sure to check our Facebook Page and Website on your smartphone for updates during a large power outage.

5 summer cooling efficiency tips



1. Running ceiling fans on medium, blowing down, will circulate air and make you feel cooler.
2. Closing shades and drapes during the day will help keep the sun's heat out.
3. Ensuring all return air and supply grilles are open and not blocked will help your air conditioner or heat pump function properly.
4. Keeping your outdoor heat pump or air conditioner unit free of debris will keep it from working harder than necessary.
5. Weatherstripping or caulking leaky doors or windows will help keep the hot humid air outside and the cool conditioned air inside where it belongs.

BUDGET

Take the guesswork out with Budget Billing

Don't like surprises?

Our budget billing plan invoices you the same amount each month July through May. June's bill contains either a credit (if you used less electricity than predicted) or an amount due (if you've used more). To help you plan ahead, you can see what your current credit or amount due balance is each month in the notes section on your bill. Call the office to calculate your monthly budget amount and to sign up.

Board Meeting Report

For full minutes please visit our website at www.menard.com or contact our office.

Present were Directors Jay Frye, Jerry Brooks, Warren Goetsch, Gary Martin, Donald McMillan, Michael Patrick, Roy Seaney, Jodine Tate and Steven Wornor; Manager Eric Hobbie and Attorney Charles Smith.

Wright Tree Service Line Clearance Contract approved.

Fire Retardant Clothing Policy approved as revised.

Hobbie reported on 2016 irrigation construction and presented update on the irrigation load control project. He reported the co-op received Co-Bank patronage in the form of a check for \$138,652.70 and equity of \$46,217.56. Federated paid patronage of \$3,205.00

(\$1,823.00 from 2015 and \$1,382.00 from 2008).

Hobbie discussed again a member request that co-op participate in a USDA REDLG loan; no action taken.

He presented an update on network security and cyber insurance.

Hobbie presented the financial report for the month of February. Year to date margins were \$75,736 compared to \$23,597 a year earlier. Equity as of the end of February was 37.21% and the number of member accounts served was 10,809 compared to 10,771 a year ago. Net utility plant at the end of February was \$43,840,784 compared to \$43,041,726

last year. The cooperative continues to meet the requirements of the RUS, FFB and NRUCFC.

Goetsch reported on AIEC activities.

Martin reported on Prairie Power, Inc. and Prairie State.

Brooks gave Annual Meeting Committee report.

Board discussed need to raise the debt ceiling from \$50,000,000.00 to \$80,000,000.00. Smith advised the matter must be submitted to the membership for approval. After discussion, the matter will be submitted to the membership at the 2016 Annual Meeting.

Tip of the Month

Give your home a vacation

Taking a summer vacation? Much of your home will run the same even if you're away. Here are 5 tips to give your home, and your bill, a little vacation while you're gone.

- 1) Set your water heater at its lowest setting.
- 2) Use timers on lamps.
- 3) Set the thermostat higher or use the vacation program.
- 4) Unplug chargers and items with remotes or clock displays.
- 5) Leave yourself a note to reset items when you return, and check your daily usage online from our website to see how your changes made a difference.

