

Menard Electric Cooperative's

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A Touchstone Energy® Cooperative 

Annual meeting review

Here's a recap of our 74th annual meeting held June 4. We hope you and your family were able to join us. You won't want to miss next year's 75th anniversary celebration!

The Business Meeting

Members re-elected Michael Carls of Virginia (district 3), Mike Patrick of New Holland (district 7) and Warren Goetsch of Williamsville (district 8) to the co-op's Board of Directors.

General Manager Lynn Frasco spoke to members primarily about technology changes and power costs. He reminded members that the co-op's AMR (automatic meter reading) system can provide up to date information on each meter to the co-op. Employees can use the meters to provide members with detailed usage information, pinpoint problems like areas of low voltage, and distribute crews more effectively during a storm outage by seeing which areas are out of power.

Frasco added that additional technology changes should make online bill payment an option by

the end of the year. Members already have automatic bank draft and credit card payment options.

Frasco said that improvements in technology are allowing for less labor costs as well. The AMR meters eliminated the need for 16 part time meter readers; other technology changes have allowed the co-op to streamline operations and not replace two retiring employees.

Other efforts to control costs include lowering the average interest rate on long term debt to 4.6 percent, saving money for the next 30 years. The co-op also participated in a prepayment program with PPI, the co-op's wholesale power supplier, to level power costs over five years.

Frasco noted the power credits from the prepayment program are ending in 2012 as wholesale power costs continue to increase. He said the board has contracted for a cost of service and rate study to be completed by the end of this year to evaluate if there is

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Dinner was again prepared by the Mason County Pork Producers. The pork chop dinner raved about again this year!



Kids, and adults, enjoyed the jokes and balloon creations of Doug Smith from The Unique Twist in Peoria. This young lady became a monkey in a tree.

Most of the kids present tried their hand at the Wiring Challenge. The fastest time won a \$15 Toys R Us Gift Card.



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Members learned a bit more about their health compliments of the Menard County Health Department.

Each member registered received a \$15 credit on their bill and was entered into the prize drawing.



Groundman Dan Morgan (right) was presented a watch for 25 years of service from General Manager Lynn Frasco.

a need to rebalance rates to match the actual cost of power.

He said, "Both the members and the board would like to avoid any rate adjustment; however, the reality is that wholesale power cost and general operating expenses continue to increase and a modest rate adjustment, likely less than the rate of inflation over the last three years, will be needed sometime in 2012 or 2013." He expects that more details will be available at next year's annual meeting.

In another report Treasurer Roy Seaney informed members that co-op margins for 2009 were \$983,970. He also said that approximately \$350,000 in capital credits for 1985 were recently refunded to members. Menard Electric has refunded a total of \$7,199,032 in capital credit funds to date. Capital Credits are unique to electric cooperatives. Revenues above and beyond the cost of doing business are considered "margins" and the amount is allocated to members as capital credits based on their electric usage. The co-op returns these capital credits to its member-owners when the board of directors determines it is financially feasible to do so.



Annual meeting prize winners

Grand Prize Winner

Harold and Elizabeth Baker of Kilbourne won a \$300 Gift Certificate for an EnergyStar appliance of their choice.

Supplier Gifts

Thank you to our suppliers who donated gifts for this year's meeting!

- Darryl Ebken of Kilbourne: \$30 Wal-Mart Gift Card-Drake Scruggs Equipment
- Pennsylvania Township: Selection of Spices-Brownstown Electric Supply Co.
- Norm Claussen of Petersburg: \$25 Wal-Mart Gift Card-United Utility Supply
- Albert Hoesman of Chandlerville: 16-inch Stand Fan-Power Line Supply
- Kathryn Howard of Sherman: \$50 Home Depot Gift Card-Brown Wood Preserving Company
- John Hopkins of Pleasant Plains: \$50 Home Depot Gift Card-White Hawk Enterprises
- John Lazell of Sherman: 8 Compact Fluorescent Bulbs-U.S. Electric Company
- Susan Dierker Becker of Havana: \$75 gift card to Books' Garden Center-Burton Tree
- Vera Kinnett of Alexander: \$75 gift card to Books' Garden Center-Burton Tree
- John Roat of Havana: \$75 gift card to Books' Garden Center-Burton Tree
- Ellen Shawgo of Mason City: \$75 gift card to Books' Garden Center-Burton Tree



- George Bergner of Petersburg: 6 Quart Crockpot -HD Supply

Menard Electric Prizes

These prizes were supplied by the co-op.

Early Bird Prize - \$75 Bill Credit

- Roger Ogden of Athens

\$50 Bill Credits

Melvin Nall of Bath, Weldon Renken of San Jose, Warren Ishmael of Chandlerville and Roger Harfst of Forest City.

\$25 Wal-Mart Gift Cards

Barbara Hopgood of Sherman, Donald Miller of Buffalo, Irene Frances Daniels of Cantrall and Mark Klumke of Sherman.

- Marshall Austin of New Berlin: Camp Chair
- Guy Sternberg of Petersburg: Camp Chair
- Gerald Wilke of Sherman: 40 ft. Triple Tap Extension Cord
- B&S Bait & Tackle of Ashland: 40 ft. Triple Tap Extension Cord
- Mary S Whitaker Trust of Petersburg: 75 ft. Garden Hose
- David Banister of Mason City: 27 in. Tower Fan

- Glenn Dambacher of Middletown: 27 in. Tower Fan
- David Friend of San Jose: Remote Controlled Tower Fan
- Robert Morris of Kilbourne: 2 Gallon Rubbermaid Water Jug
- Melvin Kemmerling of Springfield: Wireless Weather Station
- Indian Creek Church of Petersburg: Hanging Flower Basket
- Thomas Page of Mason City: Hanging Flower Basket
- Lee Wells of Pleasant Plains: Hanging Flower Basket
- Ernest Richardson of Kilbourne: Oster Iced Tea Maker
- Rick Price of Petersburg: 2.5 Gallon Beverage Dispenser
- Gerald Grigg of Springfield: 4 piece porcelain bowl and platter set

Proxy Prizes

These five members were selected from among all members who submitted proxies and did not attend the meeting. They each won a \$15 bill credit. Todd Beebe of Manito, James Camille of Sherman, Jon Higginbotham of Bath, Hulda Flagg of Springfield and Stephen Gerdes of Havana.



Office Closing
Monday, July 4 -
Independence Day.



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Board Meeting Report

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

Present were Manager Lynn Frasco, Attorney Charles Smith and Directors Jerry Brooks, Michael Carls, Jay Frye, Warren Goetsch, Donald McMillan, Michael Patrick, Roy Seaney and Steven Worner. President Gary Martin absent.

Vice-President Brooks presided over meeting.

Kevin Kelso reviewed 2010 Financial Audit.

Frasco advised it appeared Sangamon County would qualify for financial assistance as a result of the February winter storm. Would mean approx. \$45,000 reimbursement to co-op from FEMA.

Co-op obtained an American Express Credit Card to pay vendors and result in the co-op receiving reward points.

Two students selected from MEC at Youth to Springfield event to attend Youth to Washington trip.

GPS tracking system to be installed on a Burton Tree Service truck. Review reports generated by the tracking system next month. MEC will install additional tracking systems on the Burton trucks.

Frasco reviewed Irrigation Summary for 2011. Line construction delayed due to weather.

He reviewed Historical American Customer Satisfaction Index Survey Scores.

He reported on insurance claim by co-op member and response to member from Federated Insurance.

Status of Home Program: 113 Member Audits completed. Rebates totaled \$61,300.

Frasco also reviewed Ameren's proposed rate increases for residential customers.

Board approved Antenna Site Lease Agreement with EOS Business Services, Inc. Frasco advised co-op

completing an engineering study and frequency study before lease could be finalized.

Co-op had a zero time loss record for the year, and as a result will receive dividend payment.

Board instructed AIEC to update Cost of Service Study.

Year to date margins were (\$189,499) compared to \$303,427 a year earlier. Equity as of the end of March was 32.99% and the number of members served was 10,507 compared to 10,478 a year ago.

Net Utility Plant at the end of March was \$35,625,633 compared to \$35,338,379 last year. The co-op continues to meet the requirements of the RUS, FFB and NRUCFC.

Monthly Safety Tip

Water Wise

Slip n' slides, sprinklers and pools are a big part of summer. Keep radios and other electronics at least 10 feet from water. And don't touch lights, electronics or appliances when you're wet.

Make One Change

We encourage you to make one small, no-cost change each month to save energy. To find out how all the little changes add up visit www.togetherwesave.coop.



Stop phantom loads

If you're not using it, unplug it. If an appliance has a clock, a remote, or a large box plug, it uses energy even when it's off. Put computers and accessories on one power strip you can easily turn off. Unplug your phone charger, microwave and radio when not in use. These habits take a while to get started but soon will be second nature.