

Gene Higginbotham retires from board



Happy Retirement!

Gene Higginbotham of Martinsville, who has served as the director from District 7 since 1998, has announced his retirement from the cooperative board of directors.

“Gene has been a real asset to our cooperative,” said EnerStar CEO Mike Clark. “We truly appreciate his unique perspective. Gene always had a great point of view to offer the board as they worked through important decisions that will impact our cooperative for many years.” Clark said the board and the cooperative employees will miss Gene and wish him all the best.

At the April 2017 board meeting, the directors appointed Jeremy Williams of Martinsville to complete Higginbotham’s term until the next election at the annual meeting of members in 2018.



Find us on Facebook!
www.facebook.com/Enerstar

Follow us on Twitter!

twitter.com/enerstar

COOPERATIVE HEADQUARTERS
EnerStar Electric Cooperative
11597 Illinois Highway 1
Paris, IL 61944

TELEPHONE
800-635-4145
PAY BY PHONE
888-999-4201

OFFICE HOURS
Monday through Friday
7:30 a.m. to 4:30 p.m.

Serving the Illinois counties of Edgar, Clark, Vermilion, Douglas and Coles.

Live Line Demo comes to EnerStar

Co-op takes time to plug into safety

We all depend on electricity to power our lives, but accidents can happen when electricity is improperly used. According to the Electrical Safety Foundation International, thousands of people in the U.S. are critically injured and electrocuted as a result of electrical fires, accidents and electrocution in their own homes.

To promote safety education in our local communities as part of the co-op's mission, EnerStar recently sponsored two Live Line Demo events at the cooperative's headquarters.

On April 20, the Live Line Demo was presented to two separate audiences. Business and industry leaders attended a luncheon, and area emergency responders attended an evening session.

"We realize you have a unique job, just like our line workers, and we want to do what we can to help you stay safe," said EnerStar CEO Mike Clark. "When you respond to an accident that involves a power line or a house fire where the electricity is still on, it is critical that you know the necessary steps to remain safe and protect those in need."

Then on April 28, EnerStar held its 16th Annual Fourth-Grade Safety Day featuring the Live Line Demo.

"Teaching electrical safety at a young age ensures those lessons and concepts will remain with the children as they mature into adults," said Angela Griffin, EnerStar's Manager of Member Services. "It's a different show for the children, with balloons, hot dogs, and a fire breathing squirrel, but fundamentally, the message is the same: respect electricity and stay safe around it."

Schools attending this year were Paris Crestwood, Paris Wenz, Marshall, Martinsville, Oakland and Shiloh. The cooperative covers all transportation costs for the schools. "We realize school budgets are tight, and because this event is so important, it is money well spent," added Griffin.

At the children's event, the Live Line Demo is followed with the personal testimony of EnerStar member Delmar Bell, a Paris farmer who was injured in a power line accident more than 30 years ago. The accident caused Bell the loss of his arms. Bell explains that



Daren Deverman emphasizes to fourth graders the dangers of texting and driving, such as hitting an electric pole

he participates in the event because, "I want young children to learn from my mistake. I never knew the slogan 'Look up and live.'"

The impact of Bell's personal testimony is obvious and really gets the students' attention. "The first part of the event, while it is educational, is fun and entertaining. But when Delmar speaks, the message helps the children understand the serious nature of an electrical emergency," explained Griffin.

"We really appreciate Delmar attending the EnerStar Safety Day each year," says Griffin. "I admire the fact that he took this tragedy and turned it into a positive experience. His message not only drives home

the importance of being safe around electricity, but also teaches the children a lesson on perseverance."

"Events like these are an important part of EnerStar's mission," said Griffin. "It gives us a chance to showcase the cooperative's role in the community while educating our young on the proper way to handle an electrical emergency."

Clark added that the cooperative strives to provide our communities with safe, reliable and affordable electricity and to serve as your trusted energy advisor, now and well into the future. "I believe it is my duty and responsibility to raise awareness about the importance of electrical safety. I encourage everyone to take a moment to plug into safety."



Steve Hancock speaks to first responders from EnerStar's service area.

2016 capital credit allocation notices mailed

EnerStar recently mailed to all members who received electric service in 2016 a notice of their individual capital credit allocation.

"We encourage members to put the allocation notice with the rest of their important papers," said EnerStar's Susan Watson, member services-billing supervisor. She also encouraged those members who were members in 2016 but did not receive a notice to contact the cooperative office.

As a non-profit electric cooperative, EnerStar allocates the annual operating margins, or profits, to members receiving electric service. The margins are based on a member's individual patronage, or usage, and are called capital credits.

The notice indicates what percentage of the previous year's profits was allocated to the member's individual capital credit account. It will also show your total capital credit account balance.

Capital credits are a member's equity in our local electric cooperative. They do not bear interest and cannot be used as payment toward your electric billing statement. There are two ways that capital credits can be refunded to the membership: general retirements and special estate retirements.

Understanding general retirements

General retirements, which may be made from time to time, are determined by the board and are based on the financial condition of the cooperative. Currently, general retirements have been issued for years 1939 through 1981. Later this year, depending on the review of the year-end financials, another general refund is anticipated for the years of service from 1982 to 1984. It is the goal of the cooperative to get to a 25-year capital credit rotation cycle.

Understanding estate retirements

The only way an account can be retired or refunded in full, without a general refund, is upon the death of the member through a special estate retirement. In the case of a joint membership, both parties must be deceased before any capital credit refunds can be made.

"There are not many electric cooperatives that provide for estate retirements," said Watson. "Because it may be awhile before the general refund is issued, our board has chosen to do estate retirements so the monies are not forgotten about long after the estate is closed." Watson works closely with the members' heirs to get the proper



paperwork completed that is required by the state of Illinois. Watson added that heirs should contact the office as soon as possible upon the death of the member.

Upcoming changes to special estate retirements

If a former or current member has passed away and has unretired capital credits, EnerStar's bylaws allow for special estate retirements. In this instance, a relative or other legal representative should contact the cooperating regarding the capital credits. There have been recent changes to special estate retirements and heirs should contact the cooperative for more detailed information.

Estates of members deceased prior to January 1, 2018, may receive 100 percent of the capital credited to the deceased member's account. Estates of members deceased on or after January 1, 2018, will have two options for processing allocated capital credits.

The first option is to continue to receive distribution of capital credits at full value during the regular retirement cycle, as in, when the board issues periodic general retirements.

The second option is to request a lump sum discounted capital credit refund. The discount rate will reflect the present value of an amount that would otherwise be received in the future to reflect the time value of money. The calculation will use a discount factor equivalent to the cooperative's weighted average cost of capital and take into account the date that the distribution would have occurred as a general retirement. If unretired capital credits extend past a 25-year rotation cycle (capital credits that were allocated more than 25 years prior to the present date), they will be paid out at their full value.

Necessary paperwork for special retirements

Processing the retirement of capital credits for a decedent's estate is governed by Illinois law that requires the representative of the decedent's estate to either provide letters of office (letters of administration) issued by the circuit court in the county in which the decedent resided (formal estate administration), or a small estate affidavit for estates with no real property and personal property with a total value of less than \$100,000. EnerStar can provide the small estate affidavit form to the estate's representative, but cannot provide legal advice on completing the form. A certified copy of the death certificate for the deceased member along with a certified copy of the decedent's will, if any, is also required. This can be a time-consuming and bulky process.

Simplified option: Payable on death (POD) form

An alternative, less cumbersome method of distributing the capital credits of a deceased member is available through an Illinois statute called the Uniform TOD (Transfer on Death) Security Registration Act. This law allows the member to designate a beneficiary for his or her capital credit account by filling out a beneficiary designation form. EnerStar will provide the form, called a payable on death or POD. The POD must be in writing, signed by the member, dated, notarized, and include the full name, address, and contact information of the designated beneficiary.

Upon the death of the member, the capital credits will be paid to the designated beneficiary with no further paperwork other than a copy of the death certificate of the member, or members if it was a joint membership, and proof of identity of the designated beneficiary. The beneficiary will need to contact EnerStar upon the death of the member(s). This is a simple process that will save much time and effort later.

By filling out a simple form now and returning it to EnerStar, you are saving time, money and effort for your heirs at an already difficult time in their lives.

If you have questions about capital credits or the new POD form, please contact EnerStar's Susan Watson at 800-635-4145 or via email at swatson@enerstar.com, and consult legal counsel for specific advice on this issue as well as all other matters of estate planning.

Please make room for roadside crews

When the power goes out, so do crews from EnerStar Electric Cooperative. Lineworkers are the first to respond after an outage occurs, and they work tirelessly to restore power to the communities we serve.

If you're traveling and see one of our crews on the side of the road, we kindly ask that you move over if possible and give them a little extra space to work. We deeply care about the safety of all, and this extra precaution ensures just that.

If you approach a crew while traveling on a two-lane road, moving over to the next lane might not be an option. In this case, we simply ask that you slow down when approaching roadside crews. If you approach a crew while traveling on a four-lane road, and safety and traffic conditions allow, we ask that you move over into the far lane.

Utility crews aren't the only ones who could use the extra space.

PLEASE MOVE OVER FOR EMERGENCY AND UTILITY CREWS

If you see police, firefighters, utility crews or other emergency personnel on the side of the road, please slow down and move over when possible.

Together, we can keep our crews safe.

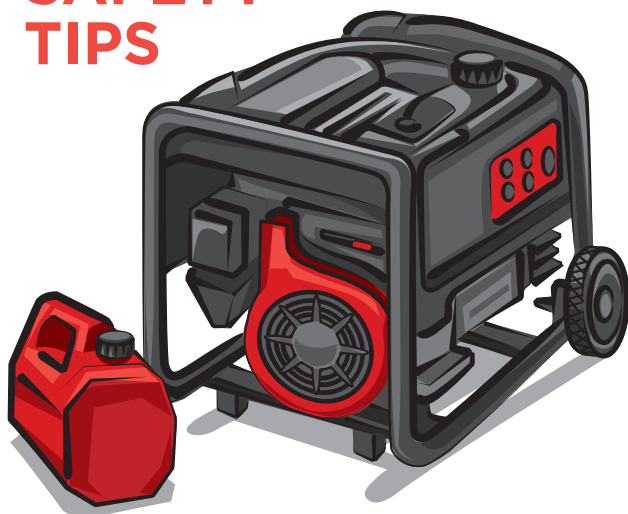


Emergency responders, such as police officers, firefighters and emergency personnel, often find themselves responding to emergency situations near busy roadways. We ask that you follow

the same procedures mentioned above to help keep these crews safe.

There's plenty of room for all. Let's work together to keep everyone safe on our local roadways.

GENERATOR SAFETY TIPS



Never connect a standby generator into your home's electrical system. There are only two safe ways to connect a standby generator to your equipment.

Stationary Generator:

An approved generator transfer switch, which keeps your house circuits separate from the electric co-op, should be installed by a professional.

Portable Generator:

Plug appliances directly into the outlet provided on the generator.

Set up and run your generator in a well-ventilated area outside the home. Make sure it's out and away from your garage, doors, windows and vents. The carbon monoxide generated is **deadly**.

Use a heavy-duty extension cord to connect electric appliances to the outlet on the generator.

Start the generator first **before** connecting appliances.

Source: SafeElectricity.org