



A Touchstone Energy® Cooperative 

Menard Electric News

MENARD ELECTRIC COOPERATIVE • 1 (800) 872-1203 • (217) 632-7746
<http://www.menard.com> • PETERSBURG, ILLINOIS 62675

Programs and Services

GEOTHERMAL RATE:

Members who have an all electric home and use a Geothermal heating system are eligible for our G.T. Rate. This rate provides our members with a substantial savings from the September meter reading through the May meter reading. All kilowatt-hours used over 1000 in each billing month will be charged at 5 cents per kWh.

ELECTRIC HEAT RATE:

Members who use electric heat as their primary source of heat in their home are eligible for our electric heat rate. Under the rate all kWhs used over 1000 in the billing months of October through May are billed at 6 cents per kWh.

GEOTHERMAL REBATE:

Heating and cooling your home with a Geothermal system is the most efficient and cost effective way to enjoy year round comfort. In addition to its low operating cost to heat and air condition your home, the system can provide up to 60 percent of your domestic hot water requirements. For members who install the system, the Cooperative will provide a one-time rebate of \$333 per ton.

ELECTRIC WATER HEATER REBATE:

Members who install an electric water heater with a 40-gallon storage capacity or larger and enroll in the Cooperative's load management program are eligible to receive a one-time re-

bate. If the new electric water heater is installed in a new structure or if it replaces a fossil-fired unit the rebate amount will be \$175. If the new electric model replaces an existing electric unit the rebate will be \$150.

ADD-ON HEAT PUMP & HEAT PUMP REBATE

Members who install an Add-On Electric Heat Pump or an Electric Heat Pump will receive a \$200 rebate. It will apply to any size heat pump installed as part of the central heating & cooling system.

WATER HEATER LOAD MANAGEMENT PROGRAM:

Members who allow the Cooperative to control the heating elements of their water heater during peak periods only (for no longer than 5 hours in a given day) between June 1st through September 15th will receive a 3 cent per kWh rate reduction from kWhs 600 to 1000, every month of the year. This could mean a savings of up to \$144 a year.

CERTIFIED COMFORT HOME:

Members who are building a home and follow the building techniques described in the certified Comfort Home Booklet could receive a \$500 rebate from the Cooperative. To find out more about how your home can be built energy efficiently please contact us at your convenience.

Credit Card Convenience



Your cooperative is accepting payment for electric accounts and other invoiced amounts by VISA or MasterCard. The Cooperative will charge a \$3.00 transaction processing fee to accept payment by VISA or MasterCard. You may either stop in the office or you may authorize the cooperative to

charge your monthly bill to your credit card by telephone or in writing. There are three ways to pay with your credit card:

1. You may come into the office.
2. You may call the cooperative and give your credit card number and expiration date of the card.
3. You may sign the authorization form below and we will charge your credit card as you like, either every month or just one time. If you are interested in the third option, please fill out the form below and return it to the office.

Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675

Menard Electric Cooperative **Credit Card Authorization**

Name: _____

Menard Electric Account No. _____ - _____ - _____

	YES	NO
Charge My Credit Card One Time Only	_____	_____
Charge My Credit Card Each Month	_____	_____

Type of Card (Circle One) VISA MC

Credit Card No. _____ - _____ - _____

Expiration Date: Month _____ Year _____

Cardholder's Name: _____
(Please Print)

I acknowledge and agree to have the transaction processing fee charged to my VISA or MasterCard.

Signature: _____ Date: _____

Now available — Long distance Business and Residential long distance phone service

Billed by Power Net Global Communications
utilizing the Qwest Long Distance Network (The nation's 4th largest carrier)

4.9¢ 6.9¢

All calls in Illinois All calls out of state
**24 hours a day — 7 days a week
plus 6 Seconds increment billing**

- Free to join • No monthly fees • No monthly premiums
- No term agreements • Major carrier
- 800 Number 4.9¢ — 6.9¢ per minute — no fees
- Free calling cards 13.9¢ per minute (No surcharge)
- NO CODES TO DIAL

Overseas calling e.g. United Kingdom 12 cents per minute.

No fees or service charge

Menard Electric Cooperative is offering long distance telephone service through Power Net Global Communications. This long distance service is one of the lowest-cost long distance services available. As you can see, you can call anywhere in the State of Illinois for a low \$0.049 per minute or anywhere out of state in the continental United States for \$0.069 per minute. In addition, you can have your own personal 800 number to receive calls from family members or acquaintances. Incoming calls on your 800 number are billed at the same rates noted above. All rates are the same 24 hours a day — 7 days a week. There are no monthly fees, no minimums, or long-term agreements.



**For Additional Information Call: 1-800-872-1203, or
Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675**

Name _____ Social Security Number _____

Street _____ Estimated Monthly Usage _____

City _____ State _____ Zip _____ Current Carrier _____

Telephone Numbers: () _____ - _____ () _____ - _____

Services Desired: Outbound 800 Travel Cards Number Requested _____

800 Service: New Existing To Ring To: () _____ - _____

I hereby authorize PowerNet Global Communications, or its designator, to transfer my long distance service. I agree to financial responsibility for all charges arising from all long distance services provided. The service requested will be provisioned only on the approval of credit for the application. A service charge may be accessed by the local telephone company when they make the carrier change.

Customer Signature _____ Date _____

Board meeting report



Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, September 25, 2001, in the office at Petersburg. President Gary L. Martin called the meeting to order at 7 p.m., Central Daylight Time. Directors present in addition to President Martin were: Jerry W. Brooks, Michael E. Carls, James G. Graff, Roy H. Seaney, Meredith Worner and D. Jay Frye. Directors Edward Allspach and Warren Goetsch were absent. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the August 28, 2001 board meeting were approved. The Inventory of Work Orders for August 2001 in the amount of \$95,967.20 was approved.

The board reviewed General Fund checks #133516 through #133784 amounting to \$2,057,355.72. After discussion, the payment of bills was approved.

The board approved 47 Membership Applications and 21 Service Permits for the month.

Manager Frasco reviewed the Financial Reports for August 2001. Revenue for August was greater than budget by \$5,291. Purchased power amounts for the month were also greater than budget by \$59,682. Operating expenses for the month not including power cost were less than budget by \$63,317. Margins for the month were \$4,423 greater than budget. Year-to-date kWh sales were 7,858,469 kWhs over budget. Actual year-to-date margins were \$1,089,096. Key financial

ratios continue to meet required levels. The ownership equity ratio is 38.85 percent. There were 113 more members served this month than in the same month a year ago. The average residential bill amount was less than in the same month a year ago by \$15.66. The balance sheet shows \$292,764 greater investment in net utility plant than at 2001 year end. The Safety Reports and Outage Summaries were reviewed. Manager Frasco reviewed with the Board a report from the AIEC about Directors Expense and Per Diem Expenses. The Manager discussed with the Board the proposed Heat Pump Rebate Program, which was adopted as presented. There were no Director's Special Occasion Vouchers for the month.

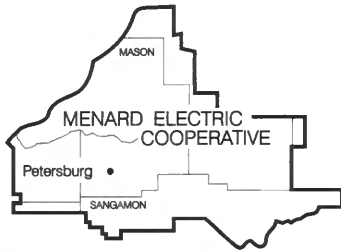
Director Brooks reported on activities of the Association of Illinois Electric Cooperatives. There was no September AIEC Board meeting. Director Carls and Manager Frasco reported on Soyland/CCS activities. The board reviewed a video, which reported on the September 2001 Soyland/CCS board meeting.

Attorney Smith presented documents to the board with regard to the \$9,900,298 RUS loan. The Board reviewed for final reading the Personal Computer Loan Policy. It was adopted as presented. Manager Frasco recommended to the Board that non-union salaries be adjusted effective October 1, 2001 in the same percentage amount as Union employees.

The meeting adjourned. The next board meeting is scheduled for Tuesday, October 23, 2001 at 7 p.m.

Menard Electric Cooperative

122 South Sixth Street • P.O. Box 200 • Petersburg, Illinois 62675-0200 • (217) 632-7746 or (800) 872-1203
Office hours: 8 a.m. — 4:30 p.m. • Web address: www.menard.com

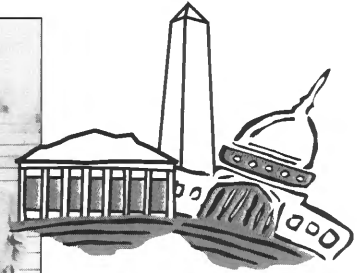


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2002 "Youth to Washington" Tour



Menard Electric Cooperative has made the tour available to high school junior and senior children of members, free to two students annually through local schools. In addition,

Does your high school junior or senior have an interest in government and American history? Every June, the electric and telephone cooperatives in Illinois sponsor a group of young people to Washington, D.C. on the "Youth to Washington" program. During a full week in the nation's Capital, these students get an up-close look at democracy in action and get to meet with their downstate Illinois members of Congress.

Since 1957, hundreds of future leaders have been introduced to Government and the legislative process through this program. Many alumni of the program have gone on to leadership positions in our communities and government. Two current members of the Illinois General Assembly, State Representatives Tom Ryder and Art Tenhouse, are past members of the tour.

if your child would like to take the tour and is not selected, but would like to participate at his/her own expense, please contact the cooperative as soon as possible. The cost of the tour to you the member is \$850. This cost includes all travel, lodging, meals and tickets. Souvenirs and incidental items will be the only participants' expenses.

The "Youth to Washington" Tour is recognized as one of the best youth tours of Washington, D.C. The tour is well organized with good chaperones and is a bargain. Participants will see monuments and memorials, visit historical places and government offices and meet Illinois Congressmen and Senators and their staffs. Several fun and exciting activities are scheduled, and your student will meet others from across the nation. For more information, contact the cooperative office.

Annual meeting scheduled for June 8, 2002

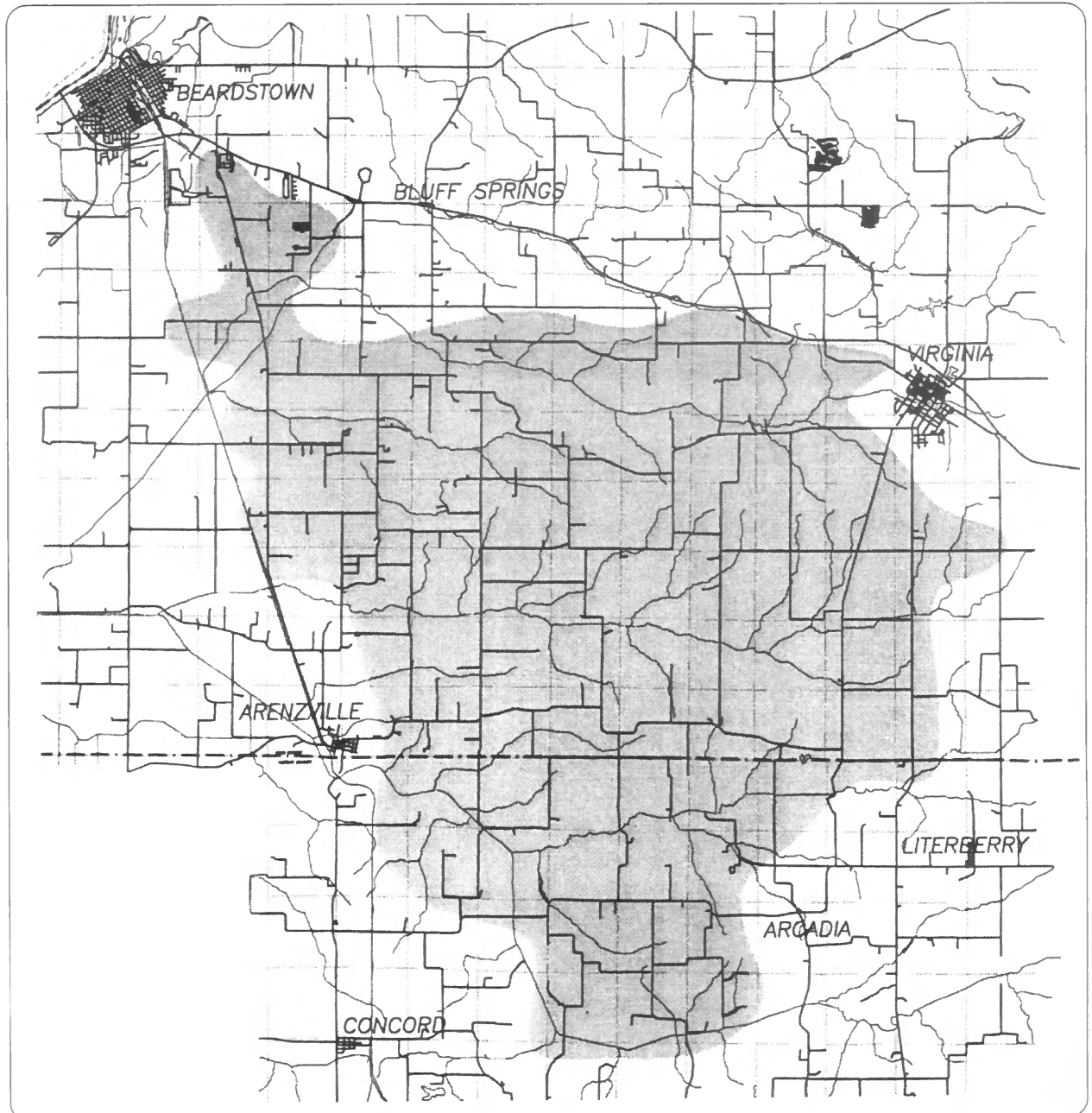
The 65th Annual Meeting of the cooperative is scheduled for Saturday, June 8, 2002 at PORTA High School in Petersburg, Illinois. Please mark your calendar and plan to attend. Cooperatives are owned by those they serve. The annual meeting is your opportunity to participate directly in the operations of the cooperative by electing di-

rectors and voting on other issues that arise. At this year's annual meeting, directors will be elected in districts 3, 7 and 8. Petitions for candidates for these districts must be submitted to the cooperative's office by April 24, 2002. Petitions are available at the cooperative's office. If you are interested, please drop by and pick one up.

Trimming Contract to Begin in Bluff Springs Area

In an effort to provide a safe environment and reliable electric service for our members, Menard Electric Cooperative administers a four-year tree line clearance program for all of its distribution lines. We have recently engaged the services of a tree trimming contractor to begin pruning trees in the area from Beardstown to Virginia south of Route 125 and north of Indian Creek. This work is scheduled to commence around the beginning of March. The contractor will be pruning larger trees back at least eight feet from our lines while removing smaller trees within eight feet of our lines to eliminate existing

and future problems. All trimming will be done according to guidelines established by the American National Standards Institute to assure the continued health of the trees. Smaller branches and brush will be chipped and removed. Larger wood will be cut into manageable lengths for disposal by the member or other local parties. Circuit maps showing locations of trimming have been submitted to your local county board chairman. For more information on the tree trimming program please visit our Web site at www.menard.com or call Jim Rechner or Doug Pettit at the cooperative office at (800) 872-1203.



Now available — Long distance

Business and Residential long distance phone service

Billed by Power Net Global Communications
utilizing the Qwest Long Distance Network (The nation's 4th largest carrier)

4.9¢ 6.9¢

All calls in Illinois All calls out of state

24 hours a day — 7 days a week plus 6 Seconds increment billing

- Free to join • No monthly fees • No monthly premiums
- No term agreements • Major carrier
- 800 Number 4.9¢ — 6.9¢ per minute — no fees
- Free calling cards 13.9¢ per minute (No surcharge)
- NO CODES TO DIAL

Menard Electric Cooperative is offering long distance telephone service through Power Net Global Communications. This long distance service is one of the lowest-cost long distance services available. As you can see, you can call anywhere in the State of Illinois for a low \$0.049 per minute or anywhere out of state in the continental United States for \$0.069 per minute. In addition, you can have your own personal 800 number to receive calls from family members or acquaintances. Incoming calls on your 800 number are billed at the same rates noted above. All rates are the same 24 hours a day — 7 days a week. There are no monthly fees, no minimums, or long-term agreements.



For Additional Information Call: 1-800-872-1203, or

Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675

Name _____ Social Security Number _____

Street _____ Estimated Monthly Usage _____

City _____ State _____ Zip _____ Current Carrier _____

Telephone Numbers: () _____ - _____ () _____ - _____

Services Desired: Outbound 800 Travel Cards Number Requested _____

800 Service: New Existing To Ring To: () _____ - _____

I hereby authorize PowerNet Global Communications, or its designator, to transfer my long distance service. I agree to financial responsibility for all charges arising from all long distance services provided. The service requested will be provisioned only on the approval of credit for the application. A service charge may be accessed by the local telephone company when they make the carrier change.

Customer Signature _____ Date _____

Board meeting report



Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, October 23, 2001, in the office at Petersburg. President Gary L. Martin called the meeting to order at 7:00 p.m. Directors present in addition to President Martin were: Jerry W. Brooks, Michael E. Carls, James G. Graff, Roy H. Seaney, Meredith Worner, Edward Allspach and Warren Goetsch. D. Jay Frye was absent. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the September 25, 2001 board meeting were approved. The Inventory of Work Orders for September 2001 in the amount of \$68,798.70 was approved.

The board reviewed General Fund checks #133785 through #133959 amounting to \$2,139,454.38. After discussion, the payment of bills was approved.

The board approved 47 Membership Applications and 16 Service Permits for the month. The Membership Applications and Service Permits were approved and accepted.

Members of the staff presented their budgets for calendar year 2002. Staff members answered questions from board members with regard to their budgets.

Manager Frasco reviewed the Financial Reports for September 2001. Revenue for Septem-

ber was greater than budget by \$5,291. Purchased power amounts for the month were also greater than budget by \$59,682. Operating expenses for the month not including power cost were less than budget by \$63,317. Margins for the month were \$4,423 greater than budget. Year-to-date kWh sales were 7,858,469 kWhs over budget. Actual year-to-date margins were \$1,089,096. Key financial ratios continue to meet required levels. The ownership equity ratio is 38.85 percent. There were 113 more members served this month than in the same month a year ago. The average residential bill amount was less than in the same month a year ago by \$15.66. The balance sheet shows \$292,764 greater investment in net utility plant than at 2000 year end. The Safety Reports and Outage Summaries were reviewed. Manager Frasco reviewed Director's Special Occasion Vouchers for the month in the amount of \$963.17. The Manager discussed plans for the strategic planning session scheduled for November 17, 2001. A review of long-term variable interest rates compared to short term variable interest rates was made.

Director Goetsch reported on activities of the Association of Illinois Electric Cooperatives. Director Carls reported on Soyland/CCS activities. The meeting adjourned. The next board meeting is scheduled for Tuesday, October 23, 2001 at 7:00 p.m.

Low Income Home Energy Assistance

If you need assistance to pay your electric bill, You may be eligible to participate in the Low Income Home Energy Assistance Program (LIHEAP). For details of this program you may wish to contact an agent in your area.

CIEDC (Logan County)
1800 5th Street Road
Lincoln, IL 62656
(217) 732-2159

**Decatur-Macon County
Opportunity Corp.**
1122 E. Marietta St.
Decatur, IL 62521
(217) 428-2193

MCS Community Services
345 W. State St.
Jacksonville, IL 62656
(217) 243-9404
(888) 288-4413

**Sangamon County Dept. of
Community Resources**
200 S. 9th St., Room 311
Springfield, IL 62701
(217) 535-3120

Tazwood Community Service, Inc.
2005 S. Main St.
Morton, IL 61550-1540
(309) 266-9941

CIEDC (Mason County)
121 S. Orange St.
Havana, IL 62644
(309) 543-6988

CIEDC (Menard County)
809 Old Salem Rd.
Petersburg, IL 62675
(217) 632-3137

Menard Electric Cooperative

122 South Sixth Street • P.O. Box 200 • Petersburg, Illinois 62675-0200
(217) 632-7746 or (800) 872-1203

Office hours: 8 a.m. — 4:30 p.m. • Web address: www.menard.com

MENARD ELECTRIC NEWS

Menard Electric Cooperative

1-800-872-1203 ■ 217-632-7746 ■ <http://www.menard.com> ■ PETERSBURG, ILLINOIS 62675 ■ A Tradisource Energy Cooperative

Annual Meeting scheduled for June 8, 2002

The 65th Annual Meeting of the cooperative is scheduled for Saturday, June 8, 2002 at PORTA High School in Petersburg, Illinois. Please mark your calendar and plan to attend. Cooperatives are owned by those they serve. The annual meeting is your opportunity to participate directly in the operations of the cooperative by electing directors and voting on

other issues that arise. At this year's annual meeting, Directors will be elected in Districts 3, 7 and 8. Petitions of candidates for these districts must be submitted to the cooperative's office by April 24, 2002. Petitions are available at the cooperative's office. If you are interested, please drop by and pick one up.

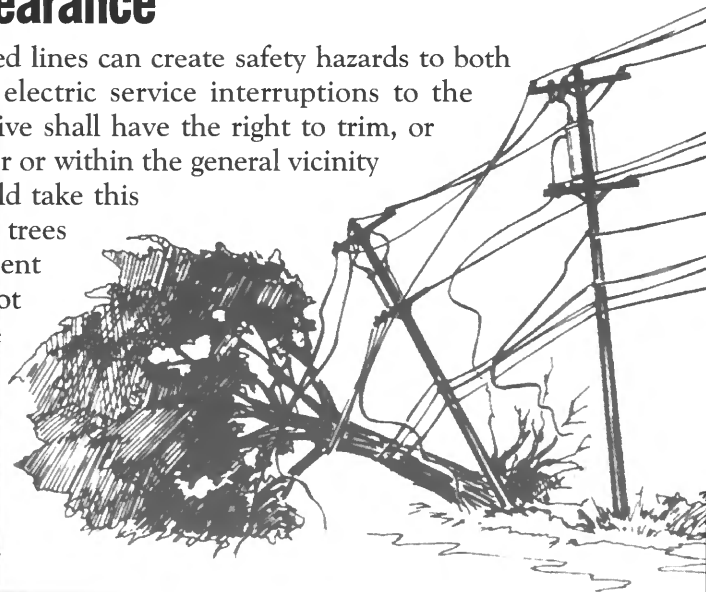
Energy Wise Homes of Illinois

Illinois Department of Commerce and Community Affairs offers this program to help residents of the state make their

homes energy efficient. It may be worthwhile to visit their website at www.energywisehomes.org.

Tree trimming and line clearance

Trees coming in contact with energized lines can create safety hazards to both life and property as well as cause electric service interruptions to the Cooperative's members. The Cooperative shall have the right to trim, or where necessary, remove any trees under or within the general vicinity of its distribution lines. Members should take this into consideration when planting new trees and avoid planting them under or adjacent to the Cooperative's lines. If this cannot be avoided the trees planted should be of a variety that grows to a limited height. Some of the varieties recommended are the amur maple, flowering crabapple, serviceberry, eastern redbud, hawthorn, kousa dogwood, japanese lilac, newport plum, or the star magnolia.



MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

Credit Card Convenience



Your cooperative is accepting payment for electric accounts and other invoiced amounts by VISA or MasterCard. The Cooperative will charge a \$3.00 transaction processing fee to accept payment by VISA or MasterCard. You may either stop in the office or you may authorize the cooperative to charge your monthly bill to your credit card by telephone or in writing. There are three ways to pay with your credit card:

1. You may come into the office.
2. You may call the cooperative and give your credit card number and expiration date of the card.
3. You may sign the authorization form below and we will charge your credit card as you like, either every month or just one time. If you are interested in the third option, please fill out the form below and return it to the office.

Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675

Menard Electric Cooperative Credit Card Authorization

Name: _____

Menard Electric Account No. _____ - _____ - _____

	YES	NO
Charge My Credit Card One Time Only	_____	_____
Charge My Credit Card Each Month	_____	_____

Type of Card (Circle One) VISA MC

Credit Card No. _____ - _____ - _____

Expiration Date: Month _____ Year _____

Cardholder's Name: _____
(Please Print)

I acknowledge and agree to have the transaction processing fee charged to my VISA or MasterCard.

Signature: _____ Date: _____

Extending electrical safety

Extension cords can be job savers if the power cord on the electrical appliance or tool you're using isn't long enough to reach the nearest outlet.

Using extension cords properly is crucial to your safety, says the National Electrical Safety Foundation, which recommends the following tips for safe usage:

- Use extension cords on a temporary basis, not as permanent wiring.
- Do not use extension cords that are cut or damaged. Touching even a single ex-

posed strand can give you an electric shock or burn.

- Never use three-prong plugs with outlets that only have two slots for the plug. Don't cut off the ground pin to force a fit. This defeats the purpose of a three-prong plug and could lead to an electrical shock.
- A ground fault circuit interrupter (GFCI) can be plugged or installed into an outlet to protect against electrical shock. GFCIs are products designed to prevent serious injury or death from electrical shock by detecting ground faults at very low levels.

Long Distance Phone service from Menard Electric Cooperative

4.9¢

per minute

ALL CALLS IN ILLINOIS

6.9¢

per minute

ALL CALLS OUT OF STATE

**24 hours a day — 7 days a week
plus 6 Second incremental billing**

- No monthly fees
- No monthly premiums
- No term agreements
- Major carrier
- 800 Number — same low rates — no fees
- Calling cards 13.9¢ per minute (No surcharge)
- NO CODES TO DIAL

For Additional Information Call: 1-800-872-1203, or

Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675

Name _____	Social Security Number _____
Street _____	Estimated Monthly Usage _____
City _____ State _____ Zip _____	Current Carrier _____
Telephone Numbers: () _____ - _____ () _____ - _____	
Services Desired: <input type="checkbox"/> Outbound <input type="checkbox"/> 800 <input type="checkbox"/> Travel Cards Number Requested _____	
800 Service: <input type="checkbox"/> New <input type="checkbox"/> Existing To Ring To: () _____ - _____	
I hereby authorize PowerNet Global Communications, or its designator, to transfer my long distance service. I agree to financial responsibility for all charges arising from all long distance services provided. The service requested will be provisioned only on the approval of credit for the application. A service charge may be accessed by the local telephone company when they make the carrier change.	
Customer Signature _____	Date _____

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. — 4:30 p.m. ■ WEB ADDRESS: www.menard.com

BOARD MEETING REPORT

Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, November 27, 2001, in the office at Petersburg. President Gary L. Martin called the meeting to order at 6:00 p.m. Directors present in addition to President Martin were: Jerry W. Brooks, Michael E. Carls, James G. Graff, Roy H. Seaney, Meredith Worner, Edward Allspach, Warren Goetsch and D. Jay Frye. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the October 23, 2001 board meeting were approved. The Inventory of Work Orders for October 2001 in the amount of \$39,766.29 was approved.

The board reviewed General Fund checks #133960 through #134196 amounting to \$1,727,988.44. After discussion, the payment of bills was approved.

The board approved 23 Membership Applications and 15 Service Permits for the month. The Membership Applications and Service Permits were approved and accepted.

Manager Frasco reviewed the Financial Reports for October 2001. Revenue for October was greater than budget by \$48,781. Purchased power amounts for the month were also greater than budget by \$39,887. Operating expenses for the month not including power cost were greater than budget by \$19,406. Margins for the month were \$4,372 less than bud-

get. Year-to-date kWh sales were 8,033,997 kWhs over budget. Actual year-to-date margins were \$987,980. Key financial ratios continue to meet required levels. The ownership equity ratio is 38.51 percent. There were 41 more members served this month than in the same month a year ago. The average residential bill amount was more than in the same month a year ago by \$3.78. The balance sheet shows \$319,996 greater investment in net utility plant than at 2000 year end. The Safety Reports and Outage Summaries were reviewed. Manager Frasco reviewed Director's Special Occasion Vouchers for the month in the amount of \$1,389.06, which were then approved. Manager Frasco reviewed the RUS Rating Summary and the written proposals from the software vendors. He also discussed the Menard Rural Water Cooperative Annual Meeting with the Board. Manager Frasco also reviewed the proposed 2002 cooperative budget with the Board. A report on capital credit retirements was discussed with the Board. In calendar year 2002 there will be \$420,000 of capital credits retired representing the balance of years 1979 and part of 1980.

Director Goetsch reported on activities of the Association of Illinois Electric Cooperatives. Director Carls reported on Soyland/CCS activities.

The meeting adjourned. The next board meeting is scheduled for Tuesday, December 7, 2001 at 6:00 p.m.

MENARD ELECTRIC NEWS

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Surge suppression program expands

Menard Electric Cooperative has expanded its surge suppression program to include a premium monthly service in addition to the existing basic whole house protection service. The cooperative will continue to provide whole house protection for “white” appliances at a monthly cost of \$4.95, as it has in the past. In addition to this basic service, you can now protect the sensitive electronic devices in your home as well as electromechanical appliances for a minimal investment of \$49.95 and a monthly cost of \$5.95.

Today, more than any time in the past, our homes are filled with sophisticated electronic equipment and expensive appliances that are more sensitive than ever before. As a result, voltage irregularities due to lightning can easily damage appliances, televisions, stereos, telephones and other electronic devices resulting in costly repairs. It is for this reason your cooperative has expanded its program even further in reducing this type of expense and allowing members a choice in the coverage they purchase.

For members who want to protect the major electromechanical appliances in their home, such as the refrigerator, washer, dryer, range, dishwasher, etc. the cooperative will continue to offer the Basic Surge Protection Plan. For \$4.95 per month on your bill we will install a whole house surge pro-

teCTOR on your electric meter which offers excellent protection for these “white” appliances. This is less than 17 cents per day and not only covers the cost of the surge protector and installation, but also all future maintenance.

For members who want to go one step further and protect the sensitive electronic equipment in their home such as a computer, television, stereo, telephone, answering machine, clock radio, etc, the cooperative is now offering the Premium Surge Protection Plan. For an initial investment of \$49.95 and a monthly payment of \$5.95, you will receive a point of use surge protection package in addition to the installation of the whole house surge protector. This package includes four individual point of use surge protectors that can be used to protect a television, entertainment center or computer center, along with a cordless phone or answering machine and two or three other pieces of electronic equipment. This kit also includes a handy circuit receptacle tester to let you know if your home grounding is adequate or if changes need to be made to assure proper protection.

In addition to the devices provided with the two monthly programs, the cooperative will be selling additional point of use protection devices for your computer, televi-

(Continued on page 16b) ►

OFFICE CLOSING

Our offices will be closed Friday, March 29, in observance of Good Friday.

We will resume normal business hours on Monday, April 1st.



MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

◀ Surge suppression program - (Continued from page 16a)

sion, satellite dish and other electronic equipment. These devices can be purchased from the cooperative at very reasonable prices. All surge protection devices come with a lifetime warranty on the device as well as repair or replacement warranties for the equipment they are protecting. Remember, lightning is very unpredictable and can enter your home not only on the electrical service, but also

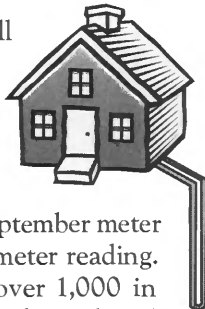
through a phone line, cable television line, satellite dish or antenna. With these individual devices installed on your telephone, computer, television, etc. to offer protection at the electric meter, you will be able to rest easy the next time a storm is in the area.

For more information about this and other "Value Added Services" call the cooperative office at (800) 872-1203 or (217) 632-7746.

Programs and Services

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ELECTRIC HEAT RATE:

Members who use electric heat as their primary source of heat in their home are eligible for our electric heat rate. Under the rate all kwhs used over 1,000 in the billing months of October through May are billed at 6 cents per kwh.

GEOTHERMAL REBATE:

Heating and cooling your home with a Geothermal system is the most efficient and cost effective way to enjoy year round comfort. In addition to its low operating cost to heat and air condition your home, the system can provide up to 60 percent of your domestic hot water requirements. For members who install the system, the Cooperative will provide a one-time rebate of \$333 per ton.

ELECTRIC WATER HEATER REBATE:

Members who install an electric water heater with a 40-gallon storage capacity or larger and enroll in the Cooperative's load management program are eligible



to receive a one-time rebate. If the new electric water heater is installed in a new structure or if it replaces a fossil-fired unit the rebate amount will be \$175. If the new electric model replaces an existing electric unit the rebate will be \$150.

ADD-ON HEAT PUMP & HEAT PUMP REBATE

Members who install an Add-On Electric Heat Pump or an Electric Heat Pump will receive a \$200 rebate. It will apply to any size heat pump installed as part of the central heating & cooling system.

WATER HEATER LOAD MANAGEMENT PROGRAM:

Members who allow the Cooperative to control the heating elements of their water heater during peak periods only (for no longer than 5 hours in a given day) between June 1st and September 15th will receive a 3 cent per kwh rate reduction from kwhs 600 to 1,000, every month of the year. This could mean a savings of up to \$144 a year.

CERTIFIED COMFORT HOME:

Members who are building a home and follow the building techniques described in the certified Comfort Home Booklet could receive a \$500 rebate from the Cooperative. To find out more about how your home can be built energy efficiently please contact us at your convenience.



Annual meeting scheduled for June 8, 2002

The 65th Annual Meeting of the cooperative is scheduled for Saturday, June 8, 2002 at PORTA High School in Petersburg, Illinois. Please mark your calendar and plan to attend. Cooperatives are owned by those they serve. The annual meeting is your opportunity to participate directly in the operations of the cooperative by electing directors and vot-

ing on other issues that arise. At this year's annual meeting, directors will be elected in districts 3, 7 and 8. Petitions for candidates for these districts must be submitted to the cooperative's office by April 24, 2002. Petitions are available at the cooperative's office. If you are interested, please drop by and pick one up.

Credit Card Convenience



Your cooperative is accepting payment for electric accounts and other invoiced amounts by VISA or MasterCard. The Cooperative will charge a \$3.00 transaction processing fee to accept payment by VISA or MasterCard. You may either stop in the office or you may authorize the cooperative to charge your monthly bill to your credit card by telephone or in writing. There are three ways to pay with your credit card:

1. You may come into the office.
2. You may call the cooperative and give your credit card number and expiration date of the card.
3. You may sign the authorization form below and we will charge your credit card as you like, either every month or just one time. If you are interested in the third option, please fill out the form below and return it to the office.

Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675

Menard Electric Cooperative – Credit Card Authorization

Name: _____

Menard Electric Account No. _____ - _____ - _____

	YES	NO
Charge My Credit Card One Time Only	_____	_____
Charge My Credit Card Each Month	_____	_____
Type of Card (Circle One)	VISA	MC
Credit Card No. _____ - _____ - _____		
Expiration Date: Month _____ Year _____		
Cardholder's Name: _____		

(Please Print)

I acknowledge and agree to have the transaction processing fee charged to my VISA or MasterCard.

Signature: _____ Date: _____

BOARD MEETING REPORT



From the Board Room December 18, 2001

Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, December 18, 2001, in the office at Petersburg. President Gary L. Martin called the meeting to order at 6:00 p.m. Directors present in addition to President Martin were: Jerry W. Brooks, Michael E. Carls, James G. Graff, Meredith Worner, Edward Allspach, Warren Goetsch and D. Jay Frye. Absent was Director Roy H. Seaney. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved as amended.

Minutes of the November 27, 2001 board meeting were approved. The Inventory of Work Orders for November 2001 in the amount of \$266,125.75 was approved.

The board reviewed General Fund checks #134197 through #134417 amounting to \$1,485,943.56. After discussion, the payment of bills was approved.

The board approved 31 Membership Applications and 11 Service Permits for the month. The Membership Applications and Service Permits were approved and accepted. The Board also approved the Agreement for Electric Service for Brauer Pork.

Manager Frasco reviewed the Financial Reports for November 2001. Revenue for November was less than budget by \$3,575. Purchased power amounts for the month were also less than budget by \$60. Operating expenses for the month not including power cost were less than budget by \$4,203. Margins for the month were \$141 less than budget.

Year-to-date kWh sales were 8,120,535 kWhs over budget. Actual year-to-date margins were \$973,864. Key financial ratios continue to meet required levels. The ownership equity ratio is 39.00%. There were 47 more members served this month than in the same month a year ago. The average residential bill amount was more than in the same month a year ago by \$7.07. The balance sheet shows \$322,078 greater investment in net utility plant than at 2000 year end.

The Safety Reports and Outage Summaries were reviewed. Manager Frasco reviewed Director's Special Occasion Vouchers for the month in the amount of \$325.88, which were then approved. Manager Frasco reported that the cooperative's headquarters had been re-wired for the new computer network. He also reported that he and President Martin attended the Menard Rural Water Cooperative Annual Meeting. Manager Frasco discussed the 2002 cooperative budget with the Board and after discussion it was approved.

Also discussed was the USGS Pumping Test being conducted in Mason County and the cooperative's participation in the tests. Proposed changes to the ICL Center Section were discussed and the board agreed that those changes were acceptable. The annual sick leave bonus program was reviewed and the board approved the continuation of the program for the year 2002. Director Carls reported on Soyland/CCS activities.

The meeting adjourned. The next board meeting was scheduled for Tuesday, January 22, 2002 at 6:00 p.m.

MENARD ELECTRIC NEWS

Menard Electric Cooperative

1-800-872-1203 ■ 217-632-7746 ■ <http://www.menard.com> ■ PETERSBURG, ILLINOIS 62675 ■ A Touchstone Energy Cooperative

MEC members can get 10 percent savings on Cingular Wireless!

The buying power of your cooperative membership can bring savings to your cellular phone bills, under a plan introduced through CapiTel Communications and Cingular Wireless. A ten percent discount on all Cingular minute-inclusive Rate Plans (excluding special promotional and corporate rates) is available to both new and existing Cingular Wireless customers. Co-op members can also take advantage of FREE phone equipment with many of the rate plans, AND a 25 percent discount on all of CapiTel's in-stock accessories!

No new purchases or contracts are required for present Cingular customers, unless you choose to upgrade your phone or service plan after learning about the many new options available. Those customers can call Jim McAfee at CapiTel Communications to request the discount on their Cingular bills. Jim can be reached at (217) 741-0405, or through the CapiTel Communications office at (888) 745-3689.

Jim will also review your equipment or calling plan needs if you're thinking about

updating them. Cingular offers many different rate plans, with local, regional and national plans with varying monthly minutes included. The best plan for you depends on when and where you use your cellular phone, and how many minutes you will use each month, says Jim.



- 10 percent discount on regular rate packages!
- New or existing Cingular customers!
- 25 percent off for in-stock accessories!
- \$9.95 corporate rate available!

An exclusive rate plan option offered to MEC members through this program is a corporate rate of just \$9.95/month and 21¢/minute. The general public can no longer purchase this low-cost plan, but it is available through this cooperative promotion! (Note: the 10 percent discount does not apply to the corporate rate plan.)

If you're not taking advantage of this savings opportunity, call Jim McAfee to request your discount on a Cingular Wireless minute-inclusive plan. If you're not presently a Cingular customer, ask about the free phones and other accessories available with many plans. Jim will talk to you at your convenience, or come to your home to show you the latest phones and accessories.

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

Power Line Anatomy 101

What do you see when you look at a power line? What are all those attachments, and why are they important?

The power lines that carry electricity from the substation to your home or business are called distribution lines. They are part of a system of poles, wires, transformers and other equipment used to deliver electricity.

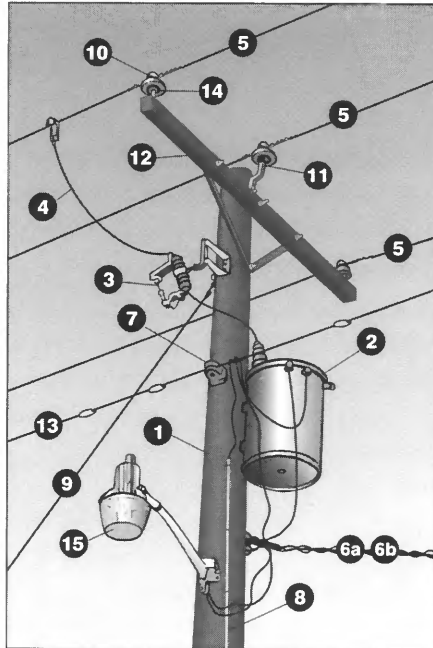
Sometimes the power lines are buried underground. However, more frequently they are run overhead.

Below is a description of the main components of an electrical distribution system.

- 1. Utility pole:** The half-ton wooden pole is the backbone of the electrical line. It is partially buried to support all of the equipment. It usually is about 40 feet in length, and typically is made from logs made of cedar, pine or fir trees.
- 2. Transformer:** The cylindrical metal tankshaped device steps down the voltage to a level safe for delivery to the customer, either 120 or 240 volts. Many transformers have a lightning arrester, which protects them from a strike.
- 3. Fused cutout:** This provides overload protection. A link inside a fiberglass barrel operates the cutout, which isolates the tap from the main line. When a loud blast is heard from a utility pole, it is the fused cutout operating.
- 4. Wire and clamp:** This wire is secured by a clamp, and connects the main line to the transformer.
- 5. Primary conductor:** This is the main series of wires that carries electricity from the supplier to the consumer through the distribution system. A three-phase line—typically used to serve large power users, such as commercial and industrial accounts—has three separate current-carrying

conductors. A single-phase line—which serves most homes—has just one current-carrying conductor.

- 6. Secondary tap (hot and neutral):** This conductor carries electricity between the transformer and the consumer's electric meter.



- 7. Strain insulators:** These ceramic objects hold the conductors in place and insulate them from the pole.

- 8. Pole ground wire:** This wire is connected to a metal rod driven eight feet into the ground. Its job is to ground the system.

- 9. Guy wire:** This stranded wire helps stabilize the pole. Hardware connects it to the pole and an anchor in the ground.

- 10. Insulators:** These porcelain or rubber objects support the electric wires and prevent an undesired flow of electricity.

- 11. Pole-top pins:** These support the insulators on the pole.

- 12. Crossarm and braces:** This is the horizontal piece on the pole that makes the structure look like a cross. It holds the insulators, and keeps the lines on a three-phase line from touching one another. It usually is made of the same wood as the pole.

- 13. Main line neutral conductor:** This wire is the neutral conductor in a distribution circuit.

- 14. Insulator pins:** These support the insulators on the crossarm.

- 15. Security light:** Although not on all power poles, a dusk-to dawn light is visible on many power poles.

OFFICE CLOSING

Your cooperative will be closed Monday, May 27 in observance of the Memorial Day holiday. The cooperative office will be open for normal business hours on Tuesday, May 28.



MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

Annual meeting scheduled for June 8, 2002

The 65th Annual Meeting of the cooperative is scheduled for Saturday, June 8, 2002 at PORTA High School in Petersburg, Illinois. Please mark your calendar and plan to attend. Cooperatives are owned by those they serve. The an-

nual meeting is your opportunity to participate directly in the operations of the cooperative by electing directors and voting on other issues that arise. At this year's annual meeting, directors will be elected in districts 3, 7 and 8.

Credit Card Convenience



Your cooperative is accepting payment for electric accounts and other invoiced amounts by VISA or MasterCard. The Cooperative will charge a \$3.00 transaction processing fee to accept payment by VISA or MasterCard. You may either stop in the office or you may authorize the cooperative to charge your monthly bill to your credit card by telephone or in writing. There are three ways to pay with your credit card:

1. You may come into the office.
2. You may call the cooperative and give your credit card number and expiration date of the card.
3. You may sign the authorization form below and we will charge your credit card as you like, either every month or just one time. If you are interested in the third option, please fill out the form below and return it to the office.

Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675

Menard Electric Cooperative – Credit Card Authorization

Name: _____

Menard Electric Account No. _____ - _____ - _____

	YES	NO
Charge My Credit Card One Time Only	_____	_____
Charge My Credit Card Each Month	_____	_____

Type of Card (Circle One) VISA MC

Credit Card No. _____ - _____ - _____

Expiration Date: Month _____ Year _____

Cardholder's Name: _____

(Please Print)

I acknowledge and agree to have the transaction processing fee charged to my VISA or MasterCard.

Signature: _____ Date: _____

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

BOARD MEETING REPORT

From the Board Room January 22, 2002

Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, January 22, 2002, in the office at Petersburg. President Gary L. Martin called the meeting to order at 6:00 p.m. Directors present in addition to President Martin were: Jerry W. Brooks, Michael E. Carls, James G. Graff, Roy H. Seaney, Meredith Worner, Warren Goetsch and D. Jay Frye. Director Edward L. Allspach was absent. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the December 18, 2001 board meeting were approved. The Inventory of Work Orders for December 2001 in the amount of \$39,331.85 was approved.

The board reviewed General Fund checks #134418 through #134611 amounting to \$1,281,827.60. After discussion, the payment of bills was approved.

The board approved 38 Membership Applications and 14 Service Permits for the month. The Membership Applications and Service Permits were approved and accepted.

Manager Frasco reviewed the Financial Reports for December 2001. Revenue for December was greater than budget by \$25,411. Purchased power amounts for the month were also greater than budget by \$393,696. Operating expenses for the month not including power cost were greater than budget by \$2,428. Margins for the month were \$361,403 less than budget. Year-to-date kWh sales were 7,194,553 kWhs over budget. Actual year-to-date margins were \$552,701. Key financial ratios continue to meet required levels. The ownership equity ratio is 37.60 percent. There were 99 more members served this month than in the same month a year ago. The average residential bill amount was less than in the same month a year

ago by \$13.37. The balance sheet shows \$315,643 greater investment in net utility plant than at 2001 year end.

The Safety Reports and Outage Summaries were reviewed. Manager Frasco introduced John Freitag from the AIEC who reviewed with the board the results of the Fall 2001 Member Survey. Manager Frasco advised that several employees would be traveling to Atlanta, GA to visit Southeastern Data Cooperative to review their facilities. The Manager advised the Board that a new Illinois Country Living Center Section would be in the March ICL edition. The manager reported that there were 16 new irrigation systems planned to be installed before the start of the irrigation season. There are currently 669 active irrigation systems on the cooperative's lines. He discussed plans for the NRECA Annual meeting to be held in Dallas, Texas in March 2002. The Manager reviewed the proposed line clearance project in the Bluff Springs area and the contractors that were awarded the tree trimming contracts.

Director Brooks reported on the Annual Meeting Committee meeting, which was held prior to the Board Meeting.

A report on capital credit retirements was discussed with the Board. In calendar year 2002 there will be \$420,000 of capital credits retired representing the balance of 1979 and part of 1980.

Director Goetsch reported on activities of the Association of Illinois Electric Cooperatives. Director Carls reported on Soyland/CCS activities

The board reviewed proposed changes to the cooperative's deferred compensation plan. After discussion the plan was amended to comply with the requirements of the Economic Growth and Tax Relief and Reconciliation Act of 2001.

The meeting adjourned. The next board meeting was scheduled for Tuesday, February 26, 2002 at 6:00 p.m.

MENARD ELECTRIC NEWS

Menard Electric Cooperative

1-800-872-1203 ■ 217-632-7746 ■ <http://www.menard.com> ■ PETERSBURG, ILLINOIS 62675 ■ A Touchstone Energy Cooperative 

ANNUAL MEETING scheduled for June 8, 2002

The 65th Annual Meeting of the cooperative is scheduled for Saturday, June 8, 2002 at PORTA High School in Petersburg, Illinois. Please mark your calendar and plan to attend. Cooperatives are owned by those they serve. The annual meeting is your

opportunity to participate directly in the operations of the cooperative by electing directors and voting on other issues that arise. At this year's annual meeting, Directors will be elected in Districts 3, 7, and 8. We look forward to seeing you there.

Budget Billing begins in June - Sign up now

Your cooperative will once again offer budget billing to all Rate A (Farm & Residential) single phase services. The budget billing plan is a method where the member is rendered equal bills for a maximum of 11 months. The budget billing cycle will begin with the June 30 bill and end with the April 30 bill. The May 30 bill will show debits and credits, depending upon whether the member's usage was higher or lower than the estimated amount of the bill through the previous 11 months.

The monthly amounts are determined by estimating the average kilowatt-hours used based on the actual usage of the previous 12 months. For new members the budget amount will be determined from an estimated usage based upon the best available data.

If you have any questions or would like to sign up for the budget billing plan, please contact the cooperative office and we will be happy to send you the necessary information.

Advantages of an electric water heater

- Heating water with electricity is seven times safer than gas. A study by the National Fire Protection Agency has found that gas water heaters cause seven times as many home fires as electric water heaters.
- Electric water heaters require no flue or vent. They can be placed virtually anywhere.
- Electric water heaters do not use air for combustion. Indoor air quality is not compromised by the water heater and there is no danger of explosion.

- Electric water heaters require less maintenance. There is no pilot light, no vent, no flue or heat exchanger to corrode.
- Electric water heaters have more insulation. They can be insulated on all sides, including top and bottom.
- Electric water heaters are more efficient. The heating elements are in direct contact with the water so they are nearly 100 percent efficient. A gas water heater loses 40 to 60 percent of its heat energy up the flue.

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

MEC members can get 10 percent savings on Cingular Wireless!

The buying power of your cooperative membership can bring savings to your cellular phone bills, under a plan introduced through CapiTel Communications and Cingular Wireless. A ten percent discount on all Cingular minute-inclusive Rate Plans (excluding special promotional and corporate rates) is available to both new and existing Cingular Wireless customers. Co-op members can also take advantage of FREE phone equipment with many of the rate plans, AND a 25 percent discount on all of CapiTel's in-stock accessories!

No new purchases or contracts are required for present Cingular customers, unless you choose to upgrade your phone or service plan after learning about the many new options available. Those customers can call Jim McAfee at CapiTel Communications to request the discount on their Cingular bills. Jim can be reached at (217) 741-0405, or through the CapiTel Communications office at (888) 745-3689.

Jim will also review your equipment or calling plan needs if you're thinking about

updating them. Cingular offers many different rate plans, with local, regional and national plans with varying monthly minutes included. The best plan for you depends on when and where you use your cellular phone, and how many minutes

you will use each month, says Jim.

An exclusive rate plan option offered to

MEC members through this program is a corporate rate of just \$9.95/month and 21¢/minute. The general public can no longer purchase this low-cost plan, but it is available through this cooperative promotion! (Note: the 10 percent discount does not apply to the corporate rate plan.)

If you're not taking advantage of this

savings opportunity, call Jim McAfee to request your discount on a Cingular Wireless minute-inclusive plan. If you're not presently a Cingular customer, ask about the free phones and other accessories available with many plans. Jim will talk to you at your convenience, or come to your home to show you the latest phones and accessories.



- 10 percent discount on regular rate packages!
- New or existing Cingular customers!
- 25 percent off for in-stock accessories!
- \$9.95 corporate rate available!

Students tour state capital during Illinois Electric and Telephone Cooperatives' Youth Day

Thirteen students representing Menard Electric Cooperative met with area legislators during the Illinois Electric and Telephone Cooperatives' Youth Day on Wednesday, April 17, in Springfield. While in the state's capital, they had an opportunity to watch government in action, visit the Illinois Supreme Court and tour Lincoln's tomb. Pictured with Senator Larry Bomke of Springfield are, front



(Continued on page 16c) ▶

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

◀ **Youth Day -**

(Continued from page 16b)

row from left: Dennis Carr of Havana, Elyse Simmons of Williamsville, Meredith Phillips of Petersburg, Amanda Williams of Kilbourne, Molly Coers of Manito, Sen. Bomke, Sara Harbin of Mason City and Mary Sylvester of Pleasant Plains. Back row from left: Matthew Hilst of Manito, James Matthews of Williamsville, Joshua

Sorrells of Petersburg, Nathaniel Swaar of Mason City, Ryan Kowalczyk of Illiopolis and Jenna Stahl of Illiopolis. The day was sponsored by Illinois electric and telephone co-ops in an effort to introduce young rural leaders to state government.

Credit Card Convenience



Your cooperative is accepting payment for electric accounts and other invoiced amounts by VISA or MasterCard. The Cooperative will charge a \$3.00 transaction processing fee to accept payment by VISA or MasterCard. You may either stop in the office or you may authorize the cooperative to charge your monthly bill to your credit card by telephone or in writing. There are three ways to pay with your credit card:

1. You may come into the office.
2. You may call the cooperative and give your credit card number and expiration date of the card.
3. You may sign the authorization form below and we will charge your credit card as you like, either every month or just one time. If you are interested in the third option, please fill out the form below and return it to the office.

Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675

Menard Electric Cooperative – Credit Card Authorization

Name: _____

Menard Electric Account No. _____ - _____ - _____

	YES	NO
Charge My Credit Card One Time Only	_____	_____
Charge My Credit Card Each Month	_____	_____

Type of Card (Circle One) VISA MC

Credit Card No. _____ - _____ - _____

Expiration Date: Month _____ Year _____

Cardholder's Name: _____

(Please Print)

I acknowledge and agree to have the transaction processing fee charged to my VISA or MasterCard.

Signature: _____ Date: _____

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

BOARD MEETING REPORT

Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, February 26, 2002, in the office at Petersburg. President Gary L. Martin called the meeting to order at 6:00 p.m. Directors present in addition to President Martin were: Michael E. Carls, James G. Graff, Roy H. Seane, Warren Goetsch and D. Jay Frye. Directors Edward L. Allspach, Jerry W. Brooks, and Meredith L. Worner were absent. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the January 22, 2002 regular board meeting were reviewed and approved. Also, the minutes of the Executive Session Meeting were reviewed and approved. The Inventory of Work Orders for January 2002 in the amount of \$92,805.00 was approved.

The board reviewed General Fund checks #134612 through #134806 amounting to \$1,194,891.20. After discussion, the payment of bills was approved.

The board approved 33 Membership Applications and 23 Service permits for the month. The Membership Applications and Service Permits were approved and accepted. Eleven agreements for Electric Service were reviewed and approved.

Manager Frasco reviewed the Financial Reports for January 2002. Revenue for January 2002 was less than budget by \$10,181. Purchased power amounts for the month were less than budget by \$105,108. Operating expenses for the month not including power cost were less than budget by \$13,192. Margins for the month were \$103,719 greater than budget.

Year-to-date kWh sales were 42,077 kWhs under budget. Actual year-to-date margins were \$218,906. Key financial ratios continue to meet required levels. The ownership equity ratio is 37.61 percent. There were 117 more members served this month than in the same month a year ago. The average residential bill amount was less than in the same month a year ago by \$7.54. The balance sheet shows \$19,879 greater investment in our net utility plant at the end of this month than at 2001 year end.

The Safety Reports and Outage Summaries were reviewed. Manager Frasco advised that several employees traveled to Atlanta, GA to visit Southeastern Data Cooperative to review their facilities. There are additional trips to other cooperatives in the near future to evaluate other data processing facilities.

He discussed plans for the NRECA Annual meeting to be held in Dallas, Texas in March 2002. The tree trimming crews have begun their work. Cooperative crews have built six new services and have replaced 26 bad poles. The Manager advised that the preliminary audit went well and the auditors would make a formal presentation in March. The Manager reviewed the program with Cingular Wireless that provides a 10 percent discount off the published rates to members and employees. Directors special occasion vouchers in the amount of \$1,745.29 were reviewed and approved.

Director Goetsch reported on activities of the Association of Illinois Electric Cooperatives. Director Carls reported on Soyland/CCS activities and the Special Soyland District Meeting.

MENARD ELECTRIC NEWS

Menard Electric Cooperative

1-800-872-1203 ■ 217-632-7746 ■ <http://www.menard.com> ■ PETERSBURG, ILLINOIS 62675 ■ A Touchstone Energy Cooperative

Members participate in Menard Electric Annual Meeting

Three area men were re-elected to the board of directors of Menard Electric Cooperative (MEC) at the organization's 65th annual meeting held Saturday, June 8, at PORTA High School, Petersburg. Mike Carls of Virginia, James G. Graff of Middletown and Warren D. Goetsch of Williamsville were re-elected to serve three-year terms.

Speaking to some 240 members and guests, Gary L. Martin, President of the board of directors spoke of the events of September 11, 2001, and how "the United States is the example of freedom, democracy and strength." He also pointed out that the second cooperative principle is "democratic member control." Martin stated the goal of an electric cooperative is to "form a united front with its communities, employees and other cooperatives to serve the needs of the people, farms and businesses located in its service territories."

Martin stated, "Menard Electric will continue to serve the needs of our service territory with integrity, accountability, innovation and a commitment to your communities." These four Touchstone Energy® core values are similar to those "principles that have helped make the United States strong through the years." Menard Electric is committed to providing reliable electric service to its members. Martin said that the problems experienced by the co-op's service providers, Illinois Power and Ameren-CIPS, accounted for 27 percent of 2001 electric outages. Martin said the co-op will continue to work with these suppliers on their need to main-



Three area men were re-elected to the board of directors at the 65th Annual Meeting of Members. Back row from left are Mike Carls of Virginia and James G. Graff of Middletown. First row from left are General Manager Lynn Frasco and Warren D. Goetsch of Williamsville.

tain a high level of service reliability so the co-op can provide better reliability to its members.

Lynn A. Frasco, General Manager, highlighted some of the operational accomplishments of Menard Electric that are expected to make the next few years as successful as 2001. Frasco said Menard Electric's generation and transmission supplier, Soyland Power Cooperative, formed

(Continued on page 16b) ▶

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com



Members enjoyed the pork chop dinner prepared again this year by the Mason County Pork Producers.

an alliance last year with Allegany Electric Cooperative to create a new organization, Continental Cooperative Services (CCS). This alliance allows CCS to provide Menard Electric with greater negotiating leverage, which in turn allows the cooperative to achieve stable wholesale power costs for members. Ameren, Menard Electric's current power supplier throughout the country and will provide stable wholesale power costs to the co-op until 2008. Frasco said, "This major component, which drives two-thirds of our total price, has been locked in at a low level. This provision shifts all the future fuel price risks to AMEREN and will result in very stable energy prices during the next six years."

The approval of the Rural Utility Services work plan prepared by the co-op's engineering and operations employees was announced. Frasco said an engineering model of the 2,600 mile electric dis-

Office closing
Menard Electric Cooperative will be closed July 4, 2002, to observe Independence Day



Gospel singing group Higher Ground entertained the crowd just before the meeting.

tribution system was built "to determine where needed improvements could be made to the system to maximize benefits to existing and new members of Menard Electric." These improvements include additions of new regulators and capacitors to provide better voltage control to members, building of new distribution lines and replacement of older circuits.

Treasurer Roy Seaney of Tallula reported that the cooperative enjoyed a fi-



Free blood pressure checks were given to members.

(Continued on page 16c) ►



Walking sticks and 20-minute phone cards were given to all members who attended.

nancially successful year. He said the cooperative finished 2001 with margins of \$555,047, which was down slightly from the 2000 margins of \$625,324. Total equity amounted to \$10,870,031 in 2001. Seaney announced, "This means that you and the other members of the cooperative own 37.6 percent of the assets belonging to the cooperative." The cooperative's total equity has increased \$179,844 since year-end 2000.

Seaney reported that the cooperative was able to retire \$405,413 in capital credits in 2001, including a general retirement of capital credits for members who received



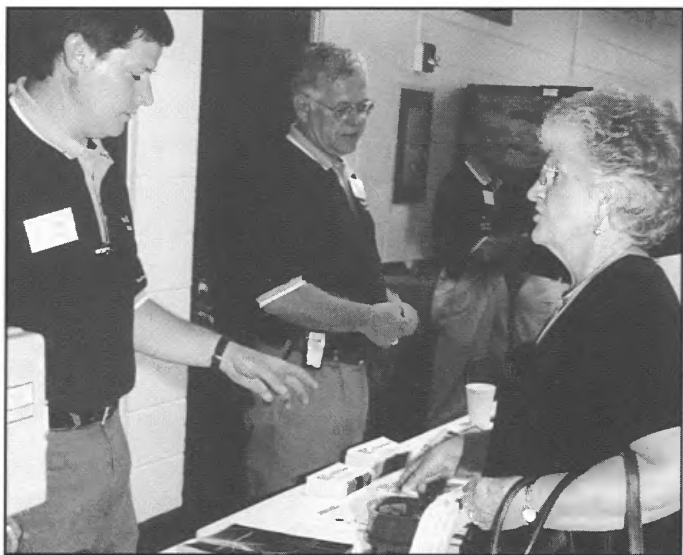
Members were able to talk with their board of directors about any concerns they may have.

service during the years 1977, 1978 and part of 1979. Through 2001, Menard Electric has returned \$2,977,483 to its members. Seaney said, "The cooperative has limited control over our power costs, but we continue, through our representation on the Soyland Power Cooperative Board, to attempt to hold the line on these costs."

In a re-organizational meeting held following the annual meeting, board officers were named. Martin, of Alexander, was re-elected

President; Jerry Brooks of Oakford, was re-elected Vice President; Roy H. Seaney of Tallula was re-elected Treasurer; and Jay Frye of Easton was elected Secretary.

Menard Electric Cooperative provides services to more than 9,700 farms, homes and businesses in the rural areas of all or parts of eight central Illinois counties over 2,531 miles of energized line. Members live in mainly rural areas of Cass, Logan, Macon, Mason, Menard, Morgan, Sangamon and Tazewell counties. The cooperative is also a member of Touchstone Energy — an alliance of some 560 local, consumer-owned electric utilities around the country, committed to providing superior service based on four core principles: integrity, accountability, innovation and commitment to community.



Some members took the opportunity to speak to Menard Electric employees about new programs and services.

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. — 4:30 p.m. ■ WEB ADDRESS: www.menard.com

BOARD MEETING REPORT

From the Board Room March 26, 2002

Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, March 26, 2002, in the office at Petersburg. President Gary L. Martin called the meeting to order at 7:00 p.m. Directors present in addition to President Martin were: Michael E. Carls, James G. Graff, Roy H. Seaney, Warren Goetsch, Edward L. Allspach, Jerry W. Brooks, and Meredith L. Worner. D. Jay Frye was absent. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the February 26, 2002, regular board meeting were reviewed and approved. The Inventory of Work Orders for February 2002 in the amount of \$113,274.13 was approved.

The board reviewed General Fund checks #134808 through #134988 amounting to \$1,563,336.84. After discussion, the payment of bills was approved.

The board approved 36 Membership Applications and 13 Service Permits for the month. The Membership Applications and Service Permits were approved and accepted. Eleven agreements for Electric Service were reviewed and approved.

The Manager introduced Nancy Nixon of the AIEC and Mary Harding from the National Touchstone Organization. They presented to the Board an update with regard to Touchstone Energy.

Manager Frasco reviewed the Financial Reports for February 2002. Revenue for February 2002 was less than budget by \$18,819. Purchased power amounts for the month were less than budget by \$76,496. Operating expenses for the month not including power cost were less than budget by \$27,991. Margins for the month were \$128,689 greater than budget. Year-to-date

kWh sales were 98,974 kWhs under budget. Actual year-to-date margins were \$420,007. Key financial ratios continue to meet required levels. The ownership equity ratio is 38.18 percent. There were 80 more members served this month than in the same month a year ago. The average residential bill amount was less than in the same month a year ago by \$4.50. The balance sheet shows \$120,551 greater investment in net utility plant the end of this month than at 2001 year end.

The Safety Reports and Outage Summaries were reviewed. Manager Frasco advised that two employees were attending an SCT User Conference in Anaheim, California. There will be an additional trip to Portland, Indiana to evaluate another data processing facility. The Manager advised that there might be a Special Board meeting to review the results of consultants in research into new business opportunities for the cooperative. He reported on Senate Bill 2034, which addressed winter disconnects. He advised that the cooperative's staff will rewrite the last notice reminder, and discussed possible revisions to that notice.

Directors Special Occasion vouchers in the amount of \$5,648.40 were reviewed and approved.

Director Goetsch reported that there was no board meeting of the Association of Illinois Electric Cooperatives. Director Carls reported on Soyland/CCS activities. Director Carls and manager Frasco were nominated and named as Directors and Delegates to the 2002 Soyland Annual Meeting, with President Martin as Alternate Director and Delegate.

Manager Frasco advised that the NRECA Legislative Conference is scheduled for May 6-8. He discussed who would be attending the conference.

There being no further business to come before the Board, it was moved and seconded that the Meeting be adjourned.

MENARD



Menard Electric Cooperative

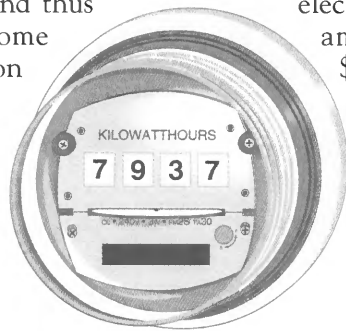
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<http://www.menard.com>

How to calculate capital credits

Menard Electric is a member-owned cooperative, and thus assigns margins (income minus expenses) to members on a prorated basis. For the fiscal year 2001, the allocation factor is .0404888182. To determine the amount of capital credits on an individual account, multiply the

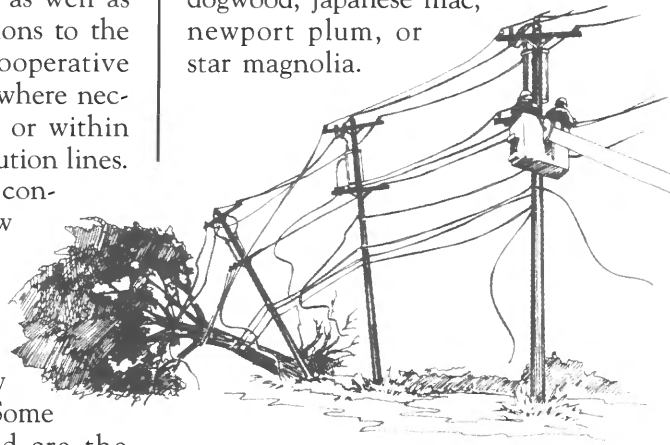


allocation factor by the amount paid for electricity excluding tax. As an example, energy payments of \$1,000 x .0404888182 = \$40.49. If you would like to know more about the assigned capital credits to your account, please contact the cooperative office.

Tree trimming and line clearance

Trees coming in contact with energized lines can create safety hazards to both life and property as well as cause electric service interruptions to the cooperative's members. The cooperative shall have the right to trim, or where necessary, remove any trees under or within the general vicinity of its distribution lines. Members should take this into consideration when planting new trees and avoid planting them under or adjacent to the cooperative's lines. If this cannot be avoided the trees planted should be of a variety that grows to a limited height. Some of the varieties recommended are the

amur maple, flowering crabapple, service-berry, eastern redbud, hawthorn, kousa dogwood, japanese lilac, newport plum, or star magnolia.



Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In electric cooperatives, members have equal voting rights (one vote per member).

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

Attendance prizes - 65th Annual Meeting

Menard Electric Cooperative

June 8, 2002

Supplier gifts

AREA GLASS - 24 Quart Cooler - Harold Steele of Buffalo
 BROWNSTOWN ELECTRIC - Assortment of Spices - Emerson Sheets of Springfield
 BURTON TREE - Goldenchain Tree - J. Weldon Renken of San Jose
 BURTON TREE - Japanese Lilac Tree - Robert McNeal of Tallula
 CAPITEL COMMUNICATIONS - Barbecue Tools - Schirding Farms, INC of Petersburg
 Judith K. Ross of Springfield
 Robert D. Albers of San Jose
 Dale Holliday of Petersburg
 DRAKE-SCRUGGS - Portable Work Lamp - C. Edward Tibbs of Middletown
 INTERNATIONAL PAPER - Sunbeam Toaster Oven - Richard Dolack of Williamsville
 PSG ENTERPRISES, INC. - Surge Suppressor Kit - Robert Morris of Kilbourne
 PSG ENTERPRISES, INC. - Surge Suppressor Kit - Dean Pfeiffer of Bath
 U.S. ELECTRIC - 15 Watt Fluorescent Light Bulbs - Albert Richardson, Sr. of Springfield
 George Brauer of Oakford
 Don Collier of Springfield
 Marion E. Maaks of Lincoln
 Duane Lee of Petersburg
 William Atwater of Havana
 UNITED UTILITY - GE Cool Touch Toaster Oven - Charles Reichart of Tallula
 WRIGHT TREE SERVICE - Weed Eater - Curt Wolff of Dawson

Menard Electric Cooperative prizes

Harold V. Baker	Kilbourne	\$50 Credit to electric account
Kenton Bottens	Chandlerville	\$50 Credit to electric account
G. W. Conklen	Sherman	\$50 Credit to electric account
Fricke G S & L	Petersburg	\$50 Credit to electric account
Calvin Hall	Athens	\$50 Credit to electric account
John Hudspeth	Petersburg	\$50 Credit to electric account
Curtis Kruse	Petersburg	\$50 Credit to electric account
Charles M. McCoy	Petersburg	\$50 Credit to electric account
Dean Mitts	Springfield	RCA DVD player - EARLY BIRD
Newmansville Township	Chandlerville	\$50 Credit to electric account
Darrell Pfeiffer	Forest City	RCA DVD player
Don Semple	New Holland	\$50 Credit to electric account
James Zimmerman	Petersburg	RCA DVD player
Robert Zook	Athens	\$50 Credit to electric account

PROXY PRIZES

Thomas Boller	Proctor Silex Electric Knife
Lynn Coers	Proctor Silex Electric Knife
John & Brenda Coss	Proctor Silex Electric Knife
Carolyn Greer	Proctor Silex Electric Knife
Louis Moehring	Proctor Silex Electric Knife

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

Now available — Long distance Business and Residential long distance phone service

Billed by Power Net Global Communications
utilizing the Qwest Long Distance Network (The nation's 4th largest carrier)

4.9¢ 6.9¢

All calls in Illinois All calls out of state
**24 hours a day — 7 days a week
plus 6 Seconds increment billing**

- Free to join • No monthly fees • No monthly premiums
- No term agreements • Major carrier
- 800 Number 4.9¢ — 6.9¢ per minute — no fees
- Free calling cards 13.9¢ per minute (No surcharge)
- NO CODES TO DIAL

Overseas calling e.g. United Kingdom 12 cents per minute.

No fees or service charge

Menard Electric Cooperative is offering long distance telephone service through Power Net Global Communications. This long distance service is one of the lowest-cost long distance services available. As you can see, you can call anywhere in the State of Illinois for a low \$0.049 per minute or anywhere out of state in the continental United States for \$0.069 per minute. In addition, you can have your own personal 800 number to receive calls from family members or acquaintances. Incoming calls on your 800 number are billed at the same rates noted above. All rates are the same 24 hours a day — 7 days a week. There are no monthly fees, no minimums, or long-term agreements.



**For Additional Information Call: 1-800-872-1203, or
Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675**

Name _____ Social Security Number _____

Street _____ Estimated Monthly Usage _____

City _____ State _____ Zip _____ Current Carrier _____

Telephone Numbers: () _____ - _____ () _____ - _____

Services Desired: Outbound 800 Travel Cards Number Requested _____

800 Service: New Existing To Ring To: () _____ - _____

I hereby authorize PowerNet Global Communications, or its designator, to transfer my long distance service. I agree to financial responsibility for all charges arising from all long distance services provided. The service requested will be provisioned only on the approval of credit for the application. A service charge may be accessed by the local telephone company when they make the carrier change.

Customer Signature _____ Date _____

BOARD MEETING REPORT



**Menard Electric
Cooperative
From the Board Room
April 23, 2002**

Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, April 23, 2002, in the office at Petersburg. President Gary L. Martin called the meeting to order at 7:00 p.m. Directors present in addition to President Martin were: Michael E. Carls, James G. Graff, Roy H. Seaney, Warren Goetsch, Jerry W. Brooks, Meredith L. Worner, and D. Jay Frye. Edward L. Allspach was absent. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the March 26, 2002, regular board meeting were reviewed and approved. The Inventory of Work Orders for March 2002 was approved.

The board reviewed General Fund checks #134987 through #135217 amounting to \$1,457,753.75. After discussion, the payment of bills was approved.

The board approved 40 Membership Applications and 17 Service permits for the month. The Membership Applications and Service Permits were approved and accepted.

It was moved and seconded that Agreements for Electric Service for S&D Farms and John W. Emerling be approved as presented. The motions carried.

Wayne Jones, Office Manager, presented a report on the status of developments with regard to the Menard Rural Water Cooperative.

Manager Frasco reviewed the Financial Reports for March 2002. Revenue for March 2002 was more than budget by \$5,427. Purchased power amounts for the month were less than budget by \$86,175. Operating expenses for the month not including power cost were less than budget by \$13,324. Margins for the month were \$104,956 greater than budget. Year-to-date kWh sales were 307,038 kWhs under budget. Actual year-to-date margins were \$445,001. Key financial ratios continue to meet required levels. The ownership equity ratio is 38.48 percent. There were 69 more members served this month than in the same month a year ago.

The average residential bill amount was more than in the same month a year ago by \$2.41. The balance sheet shows \$186,760 greater investments in net utility plant at the end of this month than at 2001 year-end. The Safety Reports and Outage Summaries were reviewed.

Manager Frasco advised that there would be a trip to Portland, Indiana to evaluate the AES Billing Software System. He reported that the Blue Cross/Blue Shield Plan had been adopted on April 1st and that this plan resulted in a 14 percent premium increase for a slightly less comprehensive plan. He also advised that the cooperative would proceed with the necessary documentation for a 125 Plan. Manager Frasco stated he obtained an application for completion to request monies from the CFC Integrity Fund for reimbursement of some of the cooperative's expenses related to various ICC cases in which the cooperative is involved. He also reported that he had a meeting with the AIEC marketing group to review various marketing materials. He discussed the cooperative's standardized pole attachment agreement and indicated that the cooperative was going to a standardized rate of \$5.00 per pole.

Directors Special Occasion vouchers in the amount of \$2,078.10 were reviewed and approved.

Director Goetsch reported on the Association of Illinois Electric Cooperatives board meeting. Director Carls and Manager Frasco reported on Soyland/CCS activities.

Manager Frasco reviewed with the Board the proposed guaranty for the new power supply agreement with Ameren, entered into by Soyland for service January 1, 2002, through December 31, 2008. It was moved and approved that the appropriate officers be authorized to enter into the guaranty.

Manager Frasco discussed the NRECA Legislative Conference scheduled for May 6 through May 8, 2002.

There being no further business to come before the Board, it was moved and seconded that the meeting be adjourned.

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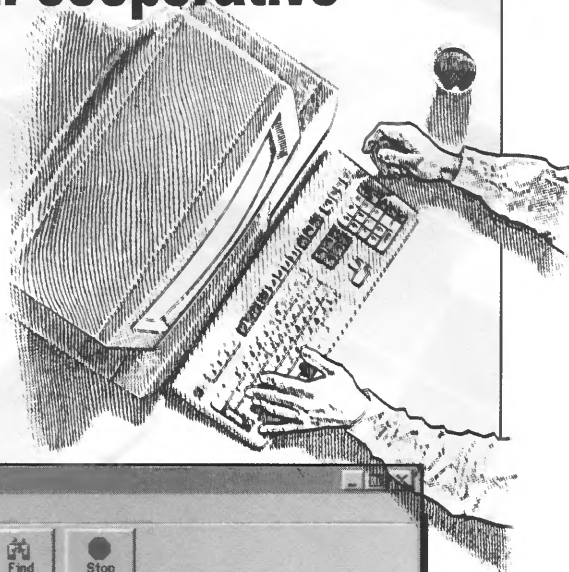
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<http://www.menard.com>

Keeping in touch with your cooperative

Your cooperative has had a homepage for six years. In that time it has been expanded and improved upon. The homepage has a great deal of information about your cooperative, from rebate programs to employee information, and links to informative sites for all members of your family. The next time you are surfing the net check out your cooperative's homepage. Visit the homepage regularly to keep in touch with what is going on at your cooperative. We will see you soon at:

www.menard.com



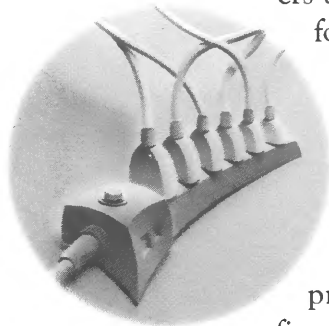
MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

DON'T TAKE CHANCES!

Look for the UL Label

With so many electrical wiring devices to choose from, how can you be assured that the items you buy will provide years of safe, problem-free performance?

When shopping for items such as light switches, dimmers or surge protectors, the Leviton Institute advises consumers to always look for the UL (Underwriters Laboratory) mark. The UL mark indicates that an electrical product satisfies the safety requirements of one of the nation's oldest and most trusted product testing organizations.



The UL label is also your assurance that the manufacturer's products are tested and re-tested often to ensure that safety standards don't slip. UL inspectors are frequent visitors at most facilities that manufacture electrical components.

As long as a product carries the UL listing, consumers can be assured that it has undergone a rigorous regimen of testing.



Source: The Leviton Institute

Used vehicle sale

The cooperative is accepting bids for a 1998 Chevrolet 1/2 Ton truck (130,500 miles) equipped with a service body. The vehicle will be available for inspection at

the cooperative's office in Petersburg, Illinois from 8:00 a.m. to 4:30 p.m. until Friday, September 20, 2002, at which time the bids will be opened.

OFFICE CLOSING

Our offices will be closed Monday, Sept. 2 in observance of Labor Day. *Enjoy your holiday!*



MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

MEC members can get 10 percent savings on Cingular Wireless!

The buying power of your cooperative membership can bring savings to your cellular phone bills, under a plan introduced through CapiTel Communications and Cingular Wireless. A ten percent discount on all Cingular minute-inclusive Rate Plans (excluding special promotional and corporate rates) is available to both new and existing Cingular Wireless customers. Co-op members can also take advantage of FREE phone equipment with many of the rate plans, AND a 25 percent discount on all of CapiTel's in-stock accessories!

No new purchases or contracts are required for present Cingular customers, unless you choose to upgrade your phone or service plan after learning about the many new options available. Those customers can call Jim McAfee at CapiTel Communications to request the discount on their Cingular bills. Jim can be reached at (217) 741-0405, or through the CapiTel Communications office at (888) 745-3689.

Jim will also review your equipment or calling plan needs if you're thinking about

updating them. Cingular offers many different rate plans, with local, regional and national plans with varying monthly minutes included. The best plan for you depends on when and where you use your cellular phone, and how many minutes you will use each month, says Jim.



cingularSM
WIRELESS

- 10 percent discount on regular rate packages!
- New or existing Cingular customers!
- 25 percent off for in-stock accessories!
- \$9.95 corporate rate available!

An exclusive rate plan option offered to MEC members through this program is a corporate rate of just \$9.95/month and 21¢/minute. The general public can no longer purchase this low-cost plan, but it is available through this cooperative promotion! (Note: the 10 percent discount does not apply to the corporate rate plan.)

If you're not taking advantage of this savings opportunity, call Jim McAfee to re-

quest your discount on a Cingular Wireless minute-inclusive plan. If you're not presently a Cingular customer, ask about the free phones and other accessories available with many plans. Jim will talk to you at your convenience, or come to your home to show you the latest phones and accessories.

Celebration at Berea Christian Church

The Berea Christian Church, located on Route 123, seven miles southwest of Ashland, was formed in 1852. The church is celebrating its sesquicentennial, with its final celebration events taking place this Labor Day weekend, August 31 – September 1, 2002.

On Saturday, August 31st a "cemetery walk," including historical sketches about early settlers and founders of the church is planned. A wiener roast and picnic will follow. A gospel music group will present the evening program.

On Sunday, following Sunday school, the church will present a pork chop dinner and program. There will also be a display of memorabilia.

This church has a special place in Menard Electric Cooperative's past. According to Ruth Lepper, Berea's historian, the church was used as a location for some of the cooperative's organizational meetings in the 1930s and has also been the site of member meetings through the years. Ruth's late husband Dale R. Lepper was on the board of both the electric cooperative and the church.

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

BOARD MEETING REPORT

**Menard Electric Cooperative
From the Board Room
May 28, 2002**

Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, May 28, 2002, in the office at Petersburg. President Gary L. Martin called the meeting to order at 7:00 p.m. Directors present in addition to President Martin were: Michael E. Carls, James G. Graff, Roy H. Seaney, Warren Goetsch, Jerry W. Brooks, Meredith L. Worner and D. Jay Frye. Edward L. Allspach was absent. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the April 23, 2002, regular board meeting were reviewed and approved. The Inventory of Work Orders for April 2002 in the amount of \$177,108.34 was approved.

The board reviewed General Fund checks #135218 through #135464 amounting to \$1,323,864.85. After discussion, the payment of bills was approved.

The board approved 52 Membership Applications and 28 Service Permits for the month. The Membership Applications and Service Permits were approved and accepted.

It was moved and seconded that the Agreement for Electric Service for Nellie Mae Larson be approved as presented. The motion carried.

Manager Frasco reviewed the Financial Reports for April 2002. Revenue for the month was more than budget by \$90,143. Purchased power amounts for the month were more than budget by \$72,859. Operating expenses for the month not including power cost were more than budget by \$2,254. Margins for the month were \$20,945 greater than budget. Year-to-date kwh sales were 122,356 kwhs more than budget. Actual year-to-date margins were \$445,581. Key financial ratios continue to meet required levels. The ownership equity ratio was 38.29 percent. There were 95 more members served this

month than in the same month one year ago. The average residential bill amount was more than in the same month one year ago by \$2.82. The balance sheet shows \$245,988 greater investments in net utility plant the end of this month than at 2001 year-end.

The Safety Reports and Outage Summaries were reviewed. The Manager advised that the Section 125 plan would be implemented as of July 1, 2002. Manager Frasco discussed with the Board placing a \$5.00 limit on capital credit retirement checks. It has been the cooperative's policy to write checks for the retirement of capital credits no matter how small the amount. The Board approved preparing capital credit retirement checks only if the amount exceeds \$5.00.

Director Goetsch reported on the Association of Illinois Electric Cooperatives board meeting. Director Carls and Manager Frasco reported on Soyland/CCS activities. The AIEC will be holding its 61st Annual Meeting this July. The Board appointed Warren Goetsch as Delegate and Jerry Brooks as Alternate Delegate.

Manager Frasco reviewed with the board a proposed Superfund Site Settlement with PCB Treatment, Inc. The Board approved entering into the Settlement Agreement. He also reviewed with the Board a Pole Use Agreement with Insight Communications. The Board entered in the agreement. The Manager reviewed with the board the Staff recommendation to select ATS Software to replace the SCT Software. The Board approved the Manager be authorized to proceed with negotiations with ATS for the purchase of the necessary software.

Director Worner advised the Board that he was no longer interested in serving as the Board Secretary.

There being no further business to come before the Board, it was moved and seconded that the meeting be adjourned.

MENARD



NEWS

Menard Electric Cooperative

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Meredith Worner retires from the board of directors



Effective August 27, 2002, Meredith Worner retired from the cooperative's board after serving 29 years representing District 6. Meredith joined the board on May 29, 1973. He has served in several positions: Vice Presi-

dent from June 12, 1982, to June 4, 1983, and two separate terms as Secretary from June 26, 1976, to June 12, 1982; and June 8, 1985, until June 8, 2002. Meredith and his wife Delores live in Manito.

A search committee was formed to appoint a successor to Meredith. The committee selected Steve L. Worner to fill Meredith's term through the June 2003 annual member meeting.

Rebates anyone?

■ WATER HEATER REBATES

Through August 2002 your cooperative has given 22 rebates totaling \$4,225 to members who have installed an electric water heater with a load control switch installed. This water heater rebate program is available to all members on a one time basis who agree to replace an existing fossil fuel fired water heater with an electric water heater which has at least a 40 gallon capacity. If the new electric water heater is installed in a new structure or replaces a fossil fuel fired water heater you will receive a \$175 rebate. If the new electric water heater replaces an existing electric water heater you will receive a \$150 rebate. To qualify for the rebate you must sign up for the cooperative's load management program. In addition to the rebate above you will qualify for a 3 cent per kilowatt-hour rate reduction on kilowatt-hours used between 600 and 1,000 every month of the year. This could save you up to \$144 each year in addition to the rebate.

■ GEOTHERMAL REBATES

To date in 2002 your cooperative has given 15 rebates totaling \$20,813 to members for the in-

stallation of a geothermal heating and cooling system as their primary source of heating and cooling. The rebate is \$333 per ton based on the cooling capacity of the unit installed. The unit can be installed in either a new or existing home. If you install a geothermal heating and cooling system in an all electric home, you will also be eligible for your cooperative's geothermal rate. Under this rate you will be billed 5 cents per kilowatt-hour for all kilowatt-hours used between 1,000 and 6,000 for the billing months of October through May each year.

■ HEAT PUMP & CERTIFIED COMFORT HOME REBATES

So far in 2002 the cooperative has given four rebates totaling \$800 for the installation of Air-to-Air Heat Pumps. Also the cooperative has given two rebates totaling \$1,000 for members who have built their new homes to the standards of a Certified Comfort Home.

If you have any questions on these rebates give the cooperative a call at (800) 872-1203 or check the cooperative's Web site at www.menard.com.

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com



Start winterizing your **HOME** now

Even though we may have a few more relatively warm fall days ahead of us, now is the best time to start planning for the cold winds of November and the subsequent central Illinois winter weather. Since many of us haven't used our furnaces since, oh, perhaps last April, this may be the best place to start.

Heating systems and humidifiers

If you have a humidifier attached to your furnace, it should be cleaned and chlorinated. Replace filters, making sure the water is turned on and the drain is clear. Make sure the humidifier is not leaking into the furnace.

Check all furnace filters to make sure they are clean. If not, either clean them or replace them. In some systems, filters should be replaced on a monthly basis during the regular heating period. Check your owner's manual for recommended replacement time and other maintenance requirements.

If you have a wood-burning stove, check all ductwork for possible leaks. Do not vent a wood-burning stove or fireplace in the same flue as a gas, or oil burner, or space heater. Check fireplace chimney for obstructions or creosote buildup and clean it at least once a year. Leave the damper slightly open at all times if you have a gas log or gas starter.

Plumbing and water heaters

Locate your main water shut-off valves and know how to use them.

Turn off any water lines going to outside faucets and drain the pipes to prevent winter freeze up.

Insulate water lines in your basement or outer walls exposed to cold drafts; however, do not use heat tapes in hard-to-reach areas.

Install a temperature pressure relief valve and metal overflow line on your electric water heater. Consider insulating your water heater to prevent unwanted heat loss.

Snow Birds

If you plan on taking an extended vacation over a period of months, consider draining your entire water system and shutting the water off to your home until you return.

Unplug any large appliances not in use: range, washer, dryer, refrigerator (if empty and defrosted, leave door ajar), television, etc.

Set your thermostat at a minimum of 45 degrees to prevent freeze up.

Ask a friend or neighbor to periodically check your home in case of some unforeseen emergency.

Call the Menard Electric Cooperative office for more winterizing tips.

By reviewing your winterization needs now, you'll be ready later — as Old Man Winter is knocking on your door.

Incentive rates begin with September meter reading

Members using electric heat or a geothermal heating system in their home, will find that their bills for the next few months will be calculated in a different manner. Beginning with the September meter reading, the geothermal rate and electric heat rate go into effect and will continue until the meter reading in May.

As a reminder for those members using geothermal systems, kilowatt-hours used over 1,000 during this period will be billed

at 5 cents per kilowatt-hour. For members utilizing electric heat as their primary source of heat, kilowatt-hours used over 1,000 during the winter period will be billed at 6 cents per kilowatt-hour.

If you have electric heat or a geothermal system and are not currently enrolled in these two incentive rates, please contact the cooperative office to find out details and requirements.

October is cooperative month

Today many electric cooperative members don't remember the first day electricity came to their homes. In fact, your electricity was probably already there when you moved in — one of those automatic things like the telephone line and running water.

The day you joined your electric cooperative, you became a member of a unique organization.

An electric cooperative is different.

Your electric cooperative is not-for-profit and consumer owned, like the local credit union or agriculture supply cooperative. That means any revenue above expenses is eventually returned to the member (you) in the form of capital credit payments.

Your electric cooperative is committed to providing the best possible service at the lowest possible cost. We take pride in our cooperative — a grassroots system of service started by pioneers like those who settled this area.

There is some thing different about receiving your electricity from an electric cooperative. We think it's a difference you can be proud of.

PowerConnect

PowerConnect is the new Internet product from PowerNet Global. Designed for residential customers seeking Internet connections from their home computer, PowerConnect offers fast and reliable connections, valuable add-ons, and technical support that delivers a robust Internet service at a very reasonable monthly price. You do not have to be a member of Menard Electric Cooperative to sign up for this Internet Service.

- \$14.95 per month
- Unlimited Access
- Speeds up to 56K
- 5 Email Accounts
- 10 MB of WebSpace
- Free Technical Support
- One bill for Long Distance and Internet
- Optional Filter Protection

Visit <http://support.pngusa.net> for local access numbers and more information. Some access numbers are listed below. PowerConnect utilizes a nationwide network providing extensive U. S. residential coverage.

CURRENT PNG CUSTOMERS: Call (877) 599-2295 to sign up for service. Current availability is limited to those who can dial the access numbers listed below as local calls. All others may have to pay long distance charges to access PowerConnect.

NEW PNG CUSTOMERS: Current availability is limited to those who can dial the access numbers listed below as local calls. All others may have to pay long distance charges to access PowerConnect. Please call Menard Electric Cooperative at 1.800.872.1203 to receive an application for this Internet Service.

ACCESS NUMBERS:

Peoria – (309) 219-0005
Bloomington – (309) 831-0005
Springfield – (217) 303-0002
Lincoln – (217) 838-0005
Decatur – (217) 619-0005



MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

BOARD MEETING REPORT

**Menard Electric Cooperative
From the Board Room
June 25, 2002**

Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, June 25, 2002, in the office at Petersburg. President Gary L. Martin called the meeting to order at 7:00 p.m. Directors present in addition to President Martin were: Michael E. Carls, James G. Graff, Roy H. Seaney, Jerry W. Brooks, Meredith L. Worner, D. Jay Frye, Edward L. Allspach and Warren Goetsch. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the May 28, 2002, regular board meeting were reviewed and approved. The Inventory of Work Orders for May 2002 in the amount of \$105,228.13 was approved.

The board reviewed General Fund checks #135465 through #135751 amounting to \$1,451,017.67. After discussion, the payment of bills was approved.

The board approved 39 Membership Applications and 9 Service Permits for the month. The Membership Applications and Service Permits were approved and accepted.

It was moved and seconded that the Agreements for Electric Service for Brian Farley and James Tomin be approved as presented. The motions carried. Member Oakleigh Adkins entered the Board Room to discuss the recent flooding of the Sangamon River and its effect on farm drainage and the levy districts. Member Adkins exited the Board Room after his comments.

Manager Frasco reviewed the Financial Reports for May 2002. Revenue for the month was more than budget by \$55,833. Purchased power amounts for the month were more than budget by \$45,598. Operating expenses for the month not including power cost were less than budget by \$28,645. The Loss for the month was \$39,030 less than budget. Year-to-date kWh sales were 422,296 kWhs more than budget. Actual year-to-date margins were \$334,699. Key financial ratios continue to meet required levels. The ownership equity ratio was 38.58 percent. There were 61 more members served this month than in the same month a year ago. The average residential bill amount was more than in the same month a year ago by \$2.10. The balance sheet shows \$275,054 greater investments in net utility plant the end of this month than at 2001 year-end.

The Safety Reports and Outage Summaries were reviewed. The Manager discussed that the cooperative had a voluntary interruption of water heaters the day before the board meeting. He discussed the proposed Power Plant at Turris and the new draft of the contract between the cooperative and Turris. He advised the Board that he hoped to have the new ATS Agreement to present next month. He advised the Board of the matters with regarding the rate Taloma Grain was paying. They pay a high demand rate and the staff would review the matter. He discussed the Missouri Electric Works situation with the Board and advised that the project was going along fine. He discussed the Beardstown Franchise and the possibility of switching the one residential customer to the cooperative's residential rate. The board agreed to place this one residential member on the cooperative's normal residential rate.

The Manager discussed the options for the cooperative's new office building. The building committee would meet to discuss the various proposals. The audit agreement with Dryer-Kelso was reviewed. It was the consensus of the Board to renew the two year audit agreement.

Director Goetsch reported on the Association of Illinois Electric Cooperatives board meeting. There was no AIEC Board meeting for the month of June. Director Carls and Manager Frasco reported on Soyland/CCS activities. The Board reviewed and discussed the 2002 Annual Meeting. The Board set a proposed date for the June 2003 Annual Meeting for June 7, 2003.

The Board reviewed proposed amendments to the by-laws specifically Article I, Section 1.04 – Joint Membership and Section 1.05 – Conversion of Membership. He also reviewed with the Board the proposed amendments to the tree trimming policy- Section VIII – Operating Procedures.

Director Worner advised the Board that he was no longer interested in serving on the board, since he would be moving from the cooperative's lines. The board selected a committee of members from his district to make recommendations to the Board to fill the vacancy.

There being no further business to come before the Board, it was moved and seconded that the meeting be adjourned.

MENARD



NEWS

Menard Electric Cooperative

A Touchstone Energy® Cooperative 

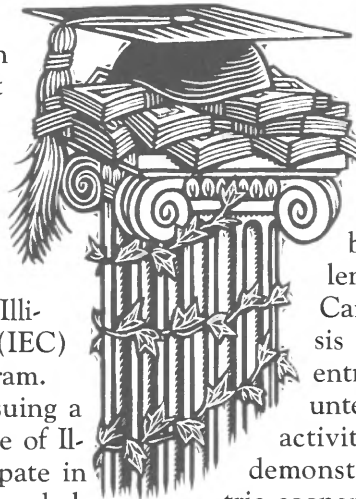
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Students encouraged to apply for 2003 IEC Memorial Scholarships

Menard Electric Cooperative Manager Lynn Frasco has announced that for the eighth consecutive year, the Illinois electric cooperatives will award \$1,000 academic scholarships to high school seniors. The four scholarships are being awarded through the Illinois Electric Cooperative (IEC) Memorial Scholarship Program.

High school seniors pursuing a college education in the state of Illinois are eligible to participate in the program. Three of the four scholarships will be awarded to the child of an electric cooperative member. The other \$1,000 award will go to the child of an electric cooperative director or employee. Deadline for applications to be returned to the cooperative is January 1, 2003.

"The purpose of the scholarship program is to assist electric cooperative youth



while honoring past rural leaders through memorial gifts," said Frasco. "Menard Electric Cooperative and the other Illinois electric cooperatives want to make a difference in their communities. One of the best ways we can do that is by lending a hand to our youth."

Candidates are judged on the basis of grade point average, college entrance exam scores, work and volunteer experience, school and civic activities, and a short essay, which demonstrates their knowledge of electric cooperatives.

The IEC Memorial Scholarship program was established in 1994 by the board of directors of the Association of Illinois Electric Cooperatives. For further information on the IEC Memorial Scholarship Program, contact Menard Electric at (800) 872-1203, or ask your high school guidance counselor.

OFFICE CLOSING



Your cooperative office will be closed Monday, Nov. 11, in honor of Veterans Day.

The Cooperative office will also be closed on Thursday and Friday, Nov. 28 and 29, to observe the Thanksgiving Holiday with family and friends.



MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

MEC members can get 10 percent savings on Cingular Wireless!

The buying power of your cooperative membership can bring savings to your cellular phone bills, under a plan introduced through CapiTel Communications and Cingular Wireless. A ten percent discount on all Cingular minute-inclusive Rate Plans (excluding special promotional and corporate rates) is available to both new and existing Cingular Wireless customers. Co-op members can also take advantage of FREE phone equipment with many of the rate plans, AND a 25 percent discount on all of CapiTel's in-stock accessories!

No new purchases or contracts are required for present Cingular customers, unless you choose to upgrade your phone or service plan after learning about the many new options available. Those customers can call Jim McAfee at CapiTel Communications to request the discount on their Cingular bills. Jim can be reached at (217) 741-0405, or through the CapiTel Communications office at (888) 745-3689.

Jim will also review your equipment or calling

plan needs if you're thinking about updating them. Cingular offers many different rate plans, with local, regional and national plans with varying monthly minutes included. The best plan for you depends on when and where you use your cellular phone, and how many minutes you will use each month, says Jim.

An exclusive rate plan option offered to MEC members through this program is a corporate rate of just \$9.95/month and 21¢/minute. The general public can no longer purchase this low-cost plan, but it is available through this cooperative promotion! (Note: the 10 percent discount does not apply to the corporate rate plan.)

If you're not taking advantage of this savings opportunity, call Jim McAfee to request your discount on a Cingular Wireless minute-inclusive plan. If you're not presently a Cingular customer, ask about the free phones and other accessories available with many plans. Jim will talk to you at your convenience, or come to your home to show you the latest phones and accessories.



- 10 percent discount on regular rate packages!
- New or existing Cingular customers!
- 25 percent off for in-stock accessories!
- \$9.95 corporate rate available!

VENTILATE WISELY

Kitchen and bathroom ventilating fans are great to have - but during cold weather, they can suck a lot of heated air out of your house. In fact, in just one hour, a good vent fan can empty an entire house of its heated air, forcing the furnace to work a lot harder.

So when you're cooking or showering, use the fan only for as long as it's needed. A bit of extra moisture in the air during the cold months can be beneficial and you won't lose your heat out the vent.



Source: Brainerd Public Utilities (www.bpu.org)

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. -- 4:30 p.m. ■ WEB ADDRESS: www.menard.com

Credit Card Convenience



Your cooperative is accepting payment for electric accounts and other invoiced amounts by VISA or MasterCard. **Effective January 1, 2003, the cooperative will charge a \$3.00 transaction processing fee to accept payment by VISA or MasterCard for bills up to \$200.** Electric bills more than \$200 will be charged a transaction fee of 3 percent of the bill amount. You may

either stop in the office or you may authorize the cooperative to charge your monthly bill to your credit card by telephone or in writing. There are three ways to pay with your credit card:

1. You may come into the office.
2. You may call the cooperative and give your credit card number and expiration date of the card.
3. You may sign the authorization form below and we will charge your credit card as you like, either every month or just one time. If you are interested in the third option, please fill out the form below and return it to the office.

Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675

Menard Electric Cooperative Credit Card Authorization

Name: _____

Menard Electric Account No. - - -

	YES	NO
Charge My Credit Card One Time Only	_____	_____
Charge My Credit Card Each Month	_____	_____

Type of Card (Circle One) VISA MC

Credit Card No. - - -

Expiration Date: Month _____ Year _____

Cardholder's Name: _____

(Please Print)

I acknowledge and agree to have the transaction processing fee charged to my VISA or MasterCard.

Signature: _____ Date: _____

Note: New Fee Schedule Effective January 1, 2003

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

BOARD MEETING REPORT

Menard Electric Cooperative

From the Board Room

July 23, 2002

Menard Electric Cooperative's Board of Directors held its regular monthly meeting on Tuesday, July 23, 2002, in the office at Petersburg. President Gary L. Martin called the meeting to order at 7:00 p.m. Directors present in addition to President Martin were: Michael E. Carls, James G. Graff, Roy H. Seaney, Jerry W. Brooks, Meredith L. Worner, D. Jay Frye, Edward L. Allspach and Warren Goetsch. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the June 25, 2002, regular board meeting were reviewed and approved. The Inventory of Work Orders for June 2002 in the amount of \$144,979.49 was approved.

The board reviewed General Fund checks #135752 through #135962 amounting to \$1,464,082.31. After discussion, the payment of bills was approved.

The board reviewed 59 Membership Applications and five Service Permits for the month. The Membership Applications and Service Permits were approved and accepted.

Manager Frasco reviewed the Financial Reports for June 2002. Revenue for the month was more than budget by \$6,836. Purchased power amounts for the month were more than budget by \$135,113. Operating expenses for the month not including power cost were less than budget by \$8,427. The loss for the month was \$84,868.

Year-to-date kwh sales were 102,880 kwhs less than budget. Actual year-to-date margins were \$249,831. Key financial ratios continue to meet required levels. The ownership equity ratio was 37.35 percent. There were 40 less members served this month than in the same month a year ago. The average residential bill amount was more than in the same month a year ago by \$3.27. The balance sheet shows \$433,916 greater investment in net utility plant the end of this month than at 2001-year end.

The Safety Reports and Outage Summaries were reviewed. The Menard Rural Water Cooperative requested a donation of one of the cooperative's old personal computers to assist with billing operations. The board agreed to give the water cooperative a personal computer. The water cooperative also requested that Lynn Frasco be permitted to act as Certified Operator for the water cooperative until such time as the water cooperative could hire a certified operator. The electric cooperative board agreed that Mr. Frasco could serve as the water cooperative's certified operator.

Manager Frasco advised the board that the staff had inquired if the board would be interested in having a staff member present at certain board meetings

to make a presentation as to the duties and responsibilities as to that respective staff member. The board agreed to have a staff member attend every other board meeting. The Manager reviewed the Low Income Home Energy Assistance (LIHEAP) Program with the board. Also discussed with the board was DTN Speednet, which is a new wireless Internet service coming to Menard County.

DTN Speednet wants a Lease Agreement to place their antenna on the cooperative's radio tower. The board approved the cooperative entering into the lease agreement with DTN Speednet.

Director Allspach and Manager Frasco presented the report of the building committee. They had reviewed several sites in the Petersburg area for a new headquarters facility. The pros and cons of each site were discussed and the Board gave approval to the Manager to investigate the matter further and look into options with the various property owners.

Director Worner had reported he had contacted three members in his district that were willing to serve on the Nomination Selection Committee. The Committee would recommend a member to be appointed to fill the vacancy created by the pending resignation of Meredith Worner. The members of the committee were Robert Garlich, Lynn Coers and Doug Clark. The Board approved these three members being appointed to the committee.

Manager Frasco reviewed with the board the Non Union Wage and Salary Schedule. He advised that the present schedule allowed for five steps. It was the manager's recommendation that the five-step schedule be increased to seven steps. It was moved and seconded that the salary schedule for non-union employees be expanded to seven steps.

The Manager briefly discussed the CFC Key Ratio trend analysis. He also discussed the adopting resolution for the Flexible Benefit Plan – Section 125 IRS Code. After a review of the resolution, the board approved the adoption of this resolution. Also, the board had the second reading of the proposed amendment to the cooperative's Tree Trimming Policy – Section VIII of the Operating Procedures. It was moved and seconded that the policy be adopted.

Neither Director Goetsch nor Director Brooks could attend the Association of Illinois Electric Cooperatives board meeting. Director Carls and Manager Frasco reported on Soyland/CCS activities.

There being no further business to come before the board, it was moved and seconded that the Meeting be adjourned.

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com

MENARD

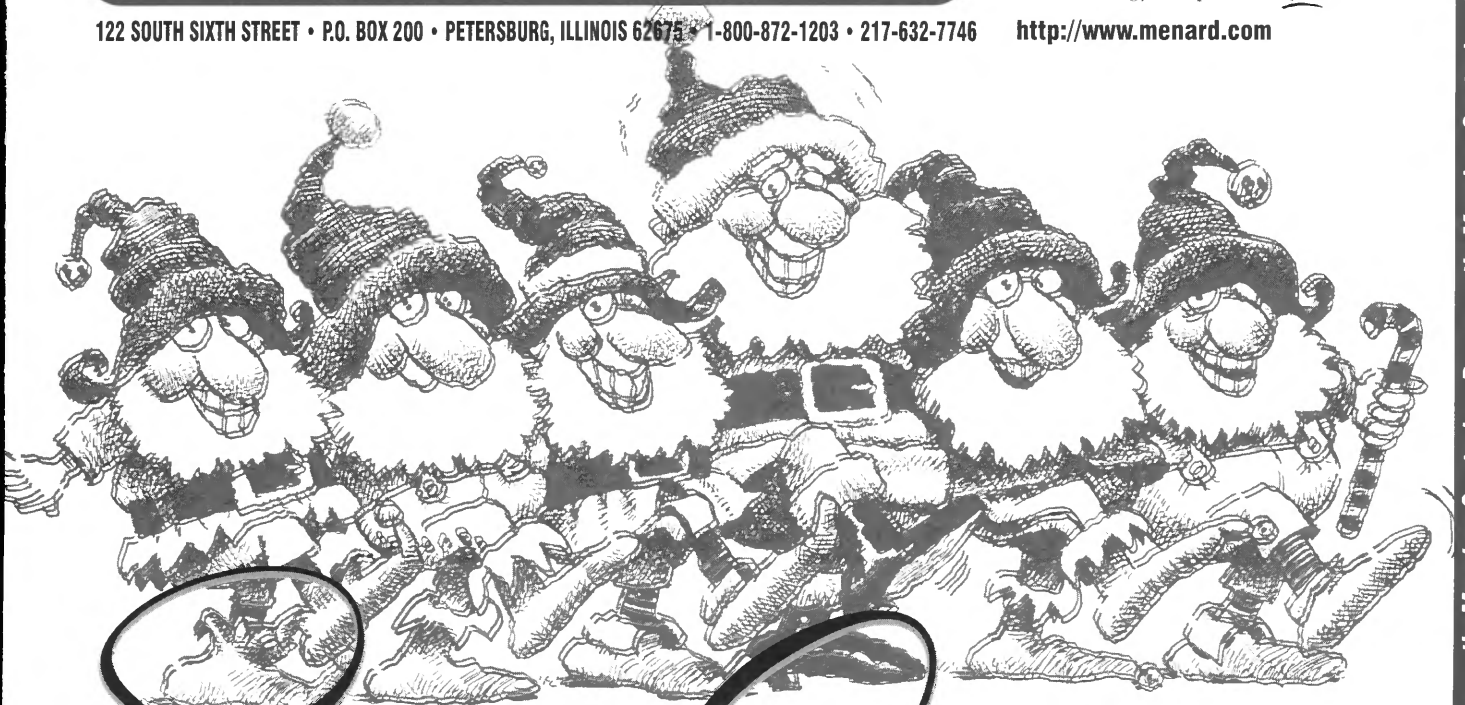


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<http://www.menard.com>



Season's Greetings

BOARD OF DIRECTORS

Gary L. Martin, President
Jerry W. Brooks, Vice President
D. Jay Frye, Secretary
Roy H. Seaney, Treasurer
Edward L. Allspach
Michael E. Carls
James G. Graff
Warren D. Goetsch
Steve L. Worner

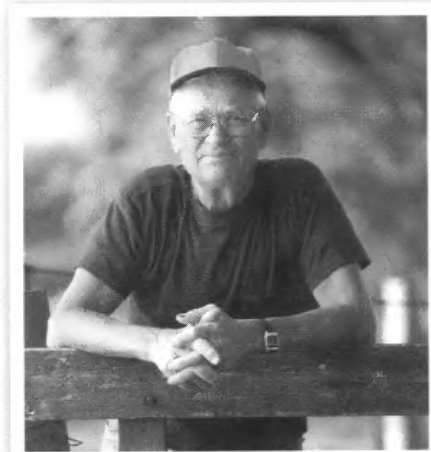
COOPERATIVE PERSONNEL

Lynn A. Frasco, Manager	James T. Haddick	Seth Parker
Janey L. Ames	Dwayne E. Heyen	Douglas S. Pettit
Randolph J. Avery	Christopher P. Hinton	Larry D. Power
Brandon Blair	Alan D. Horn	Judith A. Powers
Mark A. Bradley	Wayne E. Jones	James Rechner
Cheryl Buerkett	M. Orene Lynn	Rhonda K. Satorius
Robert P. Burriss	Darlene M. McGee	Leo. P. Savage
Stuart Churchill	James K. Masten	Timothy Schafer
Terry L. Cutright	Brock D. Meyer	Troy S. Shafer
W. R. (Casey) Duncheon	Trish Michels	Corey M. Stone
Terry W. Entwistle	John D. (Dan) Morgan	John H. Whitehurst
M. Suzanne Freeland		

MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com



Menard Electric Cooperative linemen participated in the Sixth Annual Lineman's Safety Rodeo at Lincoln Land Community College on Friday, October 11, 2002. The cooperative's team placed fifth overall. From left to right: Brandon Blair, Corey Stone and Seth Parker.



Your **COOPERATIVE** is here for you.

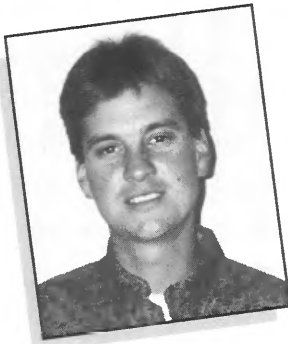
Electric cooperatives were created to serve rural residents when no one else would. And we will continue to provide you with electricity and other services that improve your quality of life. When you look around and see things changing, remember one thing that will never change is the quality of service you receive from your electric cooperative.

OFFICE CLOSINGS

Menard Electric Cooperative will be closed December 24 and 25 in observance of Christmas. The office will also be closed on January 1 for the New Year's Day holiday.



MENARD ELECTRIC COOPERATIVE ■ OFFICE HOURS: 8 a.m. – 4:30 p.m. ■ WEB ADDRESS: www.menard.com



On Tuesday, August 27, 2002, Steve L. Worner of Manito was appointed by the board of directors to fill the unexpired term of Meredith L. Worner. Steve, his wife Lori and children Kyle and Katie reside in Manito, where he farms. Steve will serve until the June 2003 annual meeting at which time he will stand for election.

Credit Card Convenience



Your cooperative is accepting payment for electric accounts and other invoiced amounts by VISA or MasterCard. **Effective January 1, 2003, the cooperative will charge a \$3.00 transaction processing fee to accept payment by VISA or MasterCard for bills up to \$200. Electric bills more than \$200 will be charged a transaction fee**

of 3 percent of the bill amount. You may either stop in the office or you may authorize the cooperative to charge your monthly bill to your credit card by telephone or in writing. There are three ways to pay with your credit card:

1. You may come into the office.
2. You may call the cooperative and give your credit card number and expiration date of the card.
3. You may sign the authorization form below and we will charge your credit card as you like, either every month or just one time. If you are interested in the third option, please fill out the form below and return it to the office.

Mail Application to: Menard Electric Cooperative, P.O. Box 200, Petersburg, IL 62675

Menard Electric Cooperative – Credit Card Authorization

Name: _____

Menard Electric Account No. _____ - _____ - _____

	YES	NO
Charge My Credit Card One Time Only	_____	_____
Charge My Credit Card Each Month	_____	_____

Type of Card (Circle One) VISA MC

Credit Card No. _____ - _____ - _____

Expiration Date: Month _____ Year _____

Cardholder's Name: _____ (Please Print)

I acknowledge and agree to have the transaction processing fee charged to my VISA or MasterCard.

Signature: _____ Date: _____

NOTE: New fee schedule effective January 1, 2003

BOARD MEETING REPORT

**Menard Electric Cooperative
From the Board Room
August 27, 2002**

Menard Electric Cooperative's board of directors held its regular monthly meeting on Tuesday, August 27, 2002, in the office at Petersburg. President Gary L. Martin called the meeting to order at 7:00 p.m. Directors present in addition to President Martin were: Michael E. Carls, James G. Graff, Roy H. Seaney, Jerry W. Brooks, D. Jay Frye, Edward L. Allspach and Warren Goetsch. Also present were Manager Lynn A. Frasco and Attorney Charles K. Smith. After roll call, the agenda for the meeting was approved.

Minutes of the July 23, 2002, regular board meeting were reviewed and approved. The inventory of work orders for July 2002 in the amount of \$67,191.95 was approved.

The board reviewed General Fund checks #135963 through #136181 amounting to \$1,590,433.95. After discussion, the payment of bills was approved.

The board approved 60 membership applications and 13 service permits for the month. The membership applications and service permits were approved and accepted.

Manager Frasco reviewed the financial reports for July 2002. Revenue for the month was more than budget by \$277,872. Purchased power amounts for the month were more than budget by \$112,548. Operating expenses for the month not including power cost were more than budget by \$3,299. Margins for the month was \$204,910.

Year-to-date kwh sales were 4,530,730 kwhs more than budget. Actual year-to-date margins were \$454,751. Key financial ratios continue to meet required levels. The ownership equity ratio was 37.14 percent. There were 85 more members served this month than in the same month a year ago. The average residential bill amount was more than in the same month a year ago by \$19.11. The balance sheet shows \$494,239 greater investment in net utility plant the end of this month than at 2001 year-end. The safety reports and outage summaries were reviewed. Manager Frasco reported that all the paperwork had been completed for the state operating permit for the Menard Rural Water Cooperative. He advised that the contractors for the water cooperative were still in the process of flushing the lines. He advised that he and Mike Carls attended the open house for Dick Dunsworth from McDonough Electric Cooperative and met Mr. Dunsworth's successor. The manager reported that the staff was still negotiating with DTN Wireless as to the terms and conditions of the lease agreement. He also reminded the Board that next month they would be considering a cost of living adjustment for non-union employees. He reviewed the 4th addition agreement for Steeplechase partnership. Motion carried. He discussed matters with regard to the cooperative credit card policy. He had advised that staff had raised concerns about members who are paying with credit cards on large accounts. The cooperative's policy allowed for charging approximately \$3.00 for any member whom paid their account by credit card. The concern was that

with large accounts as this amount was not sufficient to cover the cooperative's expenses. After discussion, it was moved and seconded that the cooperative policy be amended to provide that with regard to accounts not exceeding \$200.00, the charge would be \$3.00. For any accounts over \$200.00, there would be a 3 percent charge based on the amount of the bill, with such policy amendment to take effect for the October/November billing. Motion carried. Manager Frasco discussed with the board the status of the ATS conversion. He advised that the conversion was going well.

Director's special occasion vouchers in the amount of \$1,207.68 were presented to the board. It was moved and seconded that those vouchers be approved as presented.

Director Allspach and Manager Frasco presented the report of the building committee. The Manager reviewed the three sites for the new building and the pros and cons of each. After discussion, it was moved and seconded that the Manager be authorized to pursue a firm purchase price for one of the sites, which would include up to 10 acres. Motion carried. The board instructed the manager to bring any proposals back to the board for further consideration.

Manager Frasco reviewed with the board the CFC Key Ratio trend analysis and the Capital Credit Estate Refund Report.

Director Brooks attended the Association of Illinois Electric Cooperatives board meeting and gave his report on the meeting.

Director Carls and Manager Frasco reported on the Soyland/CCS annual meeting. He advised that Manager Frasco was elected Chairman of Soyland.

Manager Frasco presented the report of the nominating selection committee for district 6. He advised that he had been contacted by Lynn Coers, a member of the committee, who advised that after much discussion, it was the recommendation of the committee that Steve L. Worner be appointed by the board to fill the remaining term of retired Director Meredith L. Worner. It was moved and seconded that the board accepts the resignation of Meredith L. Worner. Motion carried. After discussion, it was moved and seconded to appoint Steve L. Worner as Director from district 6. Attorney Smith advised that, pursuant to the bylaws, Steve L. Worner would fill the term of former Director, Meredith L. Worner, until the annual meeting at which time he would stand for election. If elected, he would then serve for the remainder of the unexpired term of former Director Meredith L. Worner.

President Martin adjourned the regular meeting and called the board into executive session. President Martin reconvened the monthly board meeting.

The next meeting was scheduled for Tuesday, October 22, 2002, at 7:00 p.m. There being no further business to come before the board, it was moved and seconded that the meeting be adjourned.