

CELEBRATING
75
YEARS



Find us on:
facebook.

39

Spoon River News

President's Report



William R. Dodds
President/CEO

Capital credits

It is with great pleasure that I welcome Bernard Marvel as the new Chairman of the Spoon River Electric Cooperative Board of Directors. With 19 years of service on the board, Bernard brings experience with all aspects of the Cooperative to his new role. I'm confident he will serve the membership well. Bernard was formerly the board's vice-chairman. He is a Credentialed Cooperative Director and he holds a Board Leadership Certificate.

I also extend my thanks to outgoing Board Chairman Jack Clark. Jack has served 15 years on the board, 12 as chairman. Being chairman requires extra time for meetings and preparation, and Jack has always been diligent and committed. He will continue to serve as a director on the board. He is also serving as Chairman of the Board for Prairie Power, our Generation and Transmission Cooperative.

I'm also pleased to report that your Board of Directors recently voted to pay out capital credits for the year 1973 in the amount of \$81,501.13. Those who were members accumulating capital credits that year can expect to see checks later this summer.

For those of you who are new to the Cooperative, here's some information about capital credits. As always, if you have questions, feel free to call the office at (309) 647-2700.

What are capital credits?

A cooperative does not earn profits in the sense that other businesses do. Instead, any margins, or revenues remaining after all expenses have been paid, are returned to the members in proportion to their usage of the co-op's services through capital credits allocations and retirements. Capital credits represent each member's share of the cooperative's margins and ownership of the co-op.

What do cooperatives do with capital credits?

Every business needs to maintain a suitable balance between debt and equity to ensure its financial health and stability. Capital credits are the most significant source of equity for most electric cooperatives. Equity is used to help meet the costs of the co-op, such as paying for new equipment to serve members and repaying debt. Capital credits help keep rates at a competitive level by reducing the amount of funds that must be borrowed.

How does the cooperative determine who receives capital credits?

Capital credits are allocated to each member of the cooperative every year based on participation in the cooperative. The board of directors determines the basis for the allocation. Frequently, the allocations are

based on such measures as the total dollar amount of services purchased or kwh of electricity consumed.

How are capital credits disbursed?

Each year the board of directors determines whether the co-op's financial position permits the return, or retirement, of capital credits and, if so, what amount of capital credits will be retired. The board also decides the method for determining which capital credits are returned.

What happens to a member's capital credits if the member moves away from the system?

A member who terminates service no longer receives additional capital credits allocations. The balance in the member's capital credits account is maintained until it is retired in full. It is the member's responsibility to notify the co-op of any changes in address so that the member can be located when it is time for the co-op to retire capital credits allocated to the member's account.

What happens to a member's capital credits if the member dies?

Capital credits in the member's account belong to the member's estate.

(Continued on page 16b)

76th Annual Meeting of Members

Spoon River Electric Cooperative recently held its 76th Annual Meeting of Members at Canton High School.

Re-elected to the Cooperative's board were Dr. Jack Clark, District 5, Terry Beam, District 6 and Bob Lascelles, District 9.

The Cooperative awarded a \$500 Scholastic Scholarship to Zackary Endsley, a graduate of Lewistown High School. The Scott Parrish Memorial Scholarship was awarded to Elizabeth Hayes, a Canton High School graduate, by Nancy Parrish. A \$500 Honorary Scholarship was awarded to Keaten Miller, a graduate of Lewistown High School. Several other students who live in the Cooperative's service area were awarded \$100 scholarships.

Spoon River Electric Cooperative President and CEO William Dodds presented financial information from 2012 to the membership in a video. Dodds said



Recipients of college scholarships from Spoon River Electric Cooperative stand with the Cooperative's Scholarship Committee at the 2013 Annual Meeting of Members at Canton High School.

the loss of residential meters and a steep decline in usage from the Cooperative's largest commercial account have had a negative effect on sales. The opening of the Prairie State coal plant, which will supply electricity to the Cooperative, is expected to stabilize rates in coming years.

Service awards were presented to employees and directors as follows:

Kevin Bloyd – 15 years of service
Keith Miller – 5 years of service
Dr. Jack Clark – 15 years of board service
Steve Pille – 10 years of board service

Entertainment was provided by Impressionist Brandon Styles.

President's Report

(Continued from page 16a)

Why does the co-op not charge lower rates instead of retaining capital credits?

The board of directors has a fiscal responsibility to maintain the financial integrity of the cooperative in a way that provides competitive rates and allows the return of capital credits to members. A sound equity management plan is key to achieving this.

Does the member have to report capital credits on tax returns?

Capital credits are a return of money paid for electricity in a previous year and are generally not taxable income for residential consumers. Commercial and industrial consumers should discuss any capital credits retirements with their tax advisers.

Spoon River Electric Cooperative

930 South Fifth Ave, PO Box 340, Canton, IL 61520
 8:00 a.m. – 4:30 p.m.
 309-647-2700 • www.srecoop.org

President/CEO

William R. Dodds
 bdodds@srecoop.org

Chairman

Jack Clark, Lewistown

Vice Chairman

Bernard Marvel, Browning

Secretary

Steve Pille, Glasford

Treasurer

Lyle Nelson, Abingdon

Assistant Treasurer

Terry Beam, Cuba

Board of Directors

James Banks, Canton
 Robert Lascelles, Ipava
 Greg Leigh, Avon
 John Spangler, Marietta

Editor of Spoon River News

Brenda Rothert
 brothert@srecoop.org

Spoon River Electric Cooperative – By the Numbers

Miles of line energized: 1,249 • Number of members served: 4,944
 Number of power poles in territory: 29,255

Snowmans inspired to live dream

When they were asked to become part of a billionaire philanthropist's reinvigoration of their hometown, Scott and Tracy Snowman took it as a sign.

In 2011, the late Bill Cook, a Canton native who made his fortune in the medical device business, commissioned the Snowmans, both artists and teachers, to paint murals for a downtown Canton building, one of several he purchased and renovated.

"We were really inspired by him and by reading his book," Tracy Snowman said. "We had been putting our dreams on hold and kicking them down the road for decades."

High on that list of dreams was opening an art gallery downtown. They found a building just off the square on South Main Street, where they were able to open not only a gallery, but also a sign business.

"We walked in and immediately I could see this," Tracy Snowman said as she sat in the upscale gallery recently. The walls are adorned with original paintings, prints and photographs depicting scenes from Canton to the other side of the world.

"Our visions were identical," said Scott Snowman, who worked side-by-side with his wife for several weeks to renovate the building into the gem it is today. In addition to art, the gallery sells handmade jewelry, hand painted scarves and other one-of-a-kind treasures and gifts.

Scott Snowman is an education instructor at Spoon River College, and has been teaching for 28 years, 13 of those at the college. Tracy Snowman is an art instructor with 27 years of experience who will begin her 25th year of teaching at the college this fall. They are the parents of two grown children, Taylor and Jake.

The Snowmans have been busy doing commissioned portraits of homes, family farms and even



beloved pets. They also offer full service framing and photo restoration services. When they aren't busy teaching classes or painting murals, they spend time interacting with customers in the gallery.

"I think the reason we're successful is because customer service is so hard to find these days," Tracy Snowman said. "The mom and pop stores are going away. People are hungry for personal attention, and we spend a lot of time with them. They love the idea of quality and personal attention."

From designing logos to creating and hanging signs, the Snowmans have kept busy with the sign side of their business. They created the sign for another Cook renovation, The Sweet Shoppe, in downtown Canton.

The Snowmans get to indulge their love of painting on a large scale through the custom murals they design and paint, one of which was the Cook project. They reproduced scenes from vintage postcards on panels that now adorn a downtown Canton wall.

"The real root of who we are is fine artists," Tracy Snowman said. "Our first love is murals."

They've undertaken several new mural projects, and they credit Cook with helping them live their dream. Tracy Snowman said their meetings with him and his enthusiasm for the quality of their work will stay with them forever.

"It's interesting to meet someone whose philosophy changes your thinking," she said.

76th Annual Meeting

