

Members attend annual meeting

Shelby Electric Cooperative held its 76th annual member meeting Friday, June 13th at the Shelby County 4-H Fairgrounds in Shelbyville. Members were served a barbecue pork chop lunch, heard reports and board member election results.

During the meeting it was announced that members elected Larry Durbin of Shelbyville to the District 4 position. Darrell Shumard had filled this role, serving as Chairman of the Board. Brian Hallbrook of Shelbyville will replace Jeff Standerfer in the District 5 position. Both men will serve a three-year term.

In his report, Board Chairman Darrell Shumard of Stewardson shared the accomplishments of the co-op during his 21-year tenure and addressed a number of issues including finances, investment in Prairie State Energy Campus (a 30-year low-cost fuel supply) and deployment of broadband. He highlighted Shelby Electric Cooperative, saying, “We had the highest customer satisfaction index score in the state among electric distribution utilities, both cooperative and investor-owned.” He reminded the members that Shelby Electric is audited annually and the financial report is published each year and available to members. He closed saying, “This Board has worked hard at providing you with the services that you – the members – have requested. We have spent hours making decisions on expenditures, decisions based on what was best for our members, to have dependable, low-cost power.”

President/CEO of Shelby Electric, Jim Coleman, informed members about the business of the Cooperative,



After Shelby Electric Cooperative's 76th annual meeting held Friday, June 13th at the Shelby County 4-H Fairgrounds in Shelbyville, the cooperative board reorganized with John Scott elected as Chairman, Richard Boggs as Vice Chairman, James McCoy as Secretary and Mark Lash as Treasurer. Pictured l to r, front row: Scott, McCoy and Brent Lively. Back row: newly elected Larry Durbin (District 4), Lash, Boggs and newly elected Brian Hallbrook (District 5).

including the facility charge, net metering, finances and capitol credits.

“Your facility charge pays for everything to build, maintain and supply the plant so it can deliver the electricity you use,” Coleman explained. “While we raised the facility charge to \$52, we lowered energy cost about 5 percent.” The plant has 2,200 miles of line composed of 45,000 poles (installed cost of \$570 each), 8,000 transformers (\$1,300 each) and substations at \$1.3 million. This is to serve 10,000 members, 4.5 members per mile of line.”

Coleman also spoke about the Cooperative's debt to put it in perspective for the members. He likened the cooperative to the family farm. “When I got here in 1989, the ‘farm’ was paid

off, but the ground hadn't seen any fertilizer, the tractor was broken and the combine was damaged. We had two-bucket trucks, one broken and one damaged. Line loss was nearly 10 percent, and the plant was being held together with bailing wire,” he shared. “Today, line loss (that is power bought but not sold because of trees in the line, or overloaded lines and equipment) is about 6.5 percent. The cooperative has saved \$500,000 annually due to this line loss reduction.

“We have continued to rebuild the system, improving safety and reliability. In the past 25 years, we added trucks and equipment so we can work

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the lines while they are energized. We built or rebuilt 12 of the 20 substations because they were overloaded or needed for new loads. We have replaced many miles of line and installed bigger equipment.

“Our debt is \$32 million, but our average annual revenue is more than our debt. The plant is worth \$62 million, and our average loan maturity is 15 years.”

Of the debt carried, about half of it went to the \$7.5 million investment in the new Prairie State Generation Campus (PSGC) Power Plant and to members in the form of Capitol Credits. The money the cooperative receives from the membership that is over the cost to do business, is considered patronage, and is allocated back to the members as directed by the board. In the past 10 years, Shelby Electric Cooperative has returned about \$6 million in Capitol Credits to its members. “We have paid back the members their investment in the cooperative through 1986,” Coleman said. “This fall we will pay the Capitol Credits for 1987 in the amount of another quarter of a million dollars, leaving a balance of \$2.7 million on the books – the lowest total owed of any cooperative in the state to my knowledge.”

Coleman shared with the members

that the United States Environmental Protection Agency passed a rule saying that existing power plants have to reduce CO2 by 30 percent from levels set in 2008. “Illinois is blessed with an abundance of coal and about 45 percent of our electricity comes from burning coal. Forecasters say this will raise rates in the future maybe as much as 40 percent. This action by the EPA will cause many plants to close and may jeopardize reliability,” said Coleman. “I am asking you to voice your concerns through Action. Coop. We all want clean air and water, but for our power supply it should include all sources of energy, including coal. Fortunately for us, the new PSGC plan meets all the new clean air requirements.”

Shelby Electric Cooperative has 54 employees today, compared to 64 seven years ago. “We are doing more with less. I am proud of what we have achieved over the last 25 years. I hope you appreciate the work they do for you,” Coleman said.

“Your elected board gave us a goal of reaching 40 percent equity within five years. I am pleased to say we have already reached that goal,” he continued. “To make things even better, the \$7.5 million investment in PSGC

will be returned to the co-op over the next several years, which will bring our equity to nearly 50 percent.” The national average for cooperatives is 42 percent.

Education of the younger generations is important to Shelby Electric Cooperative’s mission. Sarah Locke, the 2013 Illinois representative on the National Youth Leadership Council addressed the crowd by sharing her experience from participating in the Youth to Washington Tour. She thanked the members and Shelby Electric Cooperative for the opportunity to represent them and reminded members of the need to encourage today’s youth to have a voice, to gain experience and education. “This was an opportunity of a lifetime.”

The cooperative also announced that Audrey Hoene, a graduate of Teutopolis High School, Brandon Butcher, a graduate of Taylorville High School and Abbey Burgener, a graduate of Central A & M High School were the three scholarship winners. Each student received a \$1,000 scholarship from Shelby Electric Cooperative.

SHELBY News

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Chief Operating Officer Josh Shallenberger presents Robert Stremming of Strasburg with this year’s annual meeting grand prize, \$250 Shelby Electric dollars.

Scholarship winners announced

Three area youths were recognized and awarded \$1,000 scholarships during Shelby Electric Cooperative's 76th annual meeting of members on Friday, June 13th.

This year's winners were Audrey Hoene of Sigel, Brandon Butcher of Blue Mound and Abbey Burgener of Moweaqua.

Audrey is a recent graduate of Teutopolis High School and plans to attend the University of Illinois to study pre-medicine and biology. She is the daughter of Paul and Martha Hoene.

Brandon is a recent graduate of Taylorville High School and plans to attend the University of Illinois to study agricultural law. He is the son of Shane and Shelly Butcher.

Abbey is a graduate of Central A & M High School and plans to attend Richland Community College, then transfer to Lakeview College of Nursing. She is the daughter of Bret and Angela Burgener.

"We are always pleased to be able



Shelby Electric Cooperative announced the winners of its 2014 scholarships at its 76th annual meeting of members. This year's winners pictured from left are Audrey Hoene of Sigel, Brandon Butcher of Blue Mound and Abbey Burgener of Moweaqua.

to provide our scholarships each year to these outstanding students as a way to give back to the communities we serve," noted former Cooperative Board Chairman Darrell Shumard.

Heidi Hall, who coordinates this program for the cooperative, will begin notifying schools within the cooperative's service territory in

January about the 2015 scholarships. You can also learn more about the scholarships on the cooperative's website, shelbyelectric.coop under the "Our Community" menu tab. Like our Facebook page by going to www.facebook.com/YourCoop and clicking on "Like."

Thank You

Shelby Electric Cooperative would like to say thank you for taking part in the first ever director elections via mailed ballots. Members who returned their ballots were entered into a drawing for a \$25 bill credit. The following members were selected and received a credit on their July bill: Denise Winter, Stephen Jacobs, and Jeromy Miller all from Taylorville, Robert Taylor from Beecher City, Ray Buhrmester of Shelbyville, Terry Lankow of Stewardson, Roy Hopkins of Cowden, Robert Cox of Findlay, Darrin Storm of Windsor and Donald Myers of Moweaqua.

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Cooperative and subsidiary offices will be closed September 1st in observance of Labor day.



Energy Efficiency

Tip of the Month

During summer months, our homes can be extremely hot, making living conditions uncomfortable. Before you fire up your air conditioner, try cooling off with a ceiling fan first. Using ceiling fans can actually raise your thermostat setting by 4 degrees and still feel just as comfortable.

Source: Department of Energy

Partlow and Stenger represent the cooperative in Washington, D.C.

Two area students represented Shelby Electric Cooperative in Washington, D.C., during the annual “Youth to Washington” Tour, June 13-20: Morgan Partlow, daughter of Scott and Leslie Partlow of Neoga, and Ryan Stenger, son of Jeff and Sandy Stenger of Shelbyville. This event, sponsored by the electric and telephone cooperatives of Illinois since the late 1950s, is an introduction for rural youth to our democratic form of government and the cooperative business model.

The students met with Congressman John Shimkus and were among 75 rural Illinois youth leaders selected for the trip. The Illinois students joined more than 1,600 young leaders from across the country from 44 states. In addition to the Capitol, they also visited Gettysburg, Arlington National Cemetery, the Washington National Cathedral,



several Smithsonian Museums, The U.S. Supreme Court, the U.S. Holocaust Memorial Museum, the World War II Memorial, memorials to Presidents Lincoln, Jefferson, Washington and Roosevelt, the Royal Embassy of Saudi Arabia, the Newseum and a number of other historical sites.

Juniors in high schools that are

within the service area of Shelby Electric Cooperative are eligible to participate in the annual program. Call the cooperative to learn more about the “Youth to Washington” Tour at 1-800-677-2612.

Pictured from l-r: Stenger, Partlow and Congressman Shimkus.