

**Medina Electric Cooperative, Inc.** is proud to be your local electric provider. It is our belief that working together towards a common vision is the cooperative difference. Let us tell you more about your cooperative...

### **Nominating Process**

Medina EC's director nomination process begins at the Annual Membership Meeting held the last Saturday of every September. At this meeting, members from each voting district are caucused to select Nominating Committees to represent them in selecting candidates for the next year's election. The Nominating Committees then meet the first Wednesday of March to choose a slate of candidates to be voted upon by the membership. In addition, a candidate may be nominated by petition in accordance with the bylaws.

### **Member Involvement**

As a member of Medina EC, we encourage you to become involved in one of our member committees which include:

- » Member Advisory Committee
- » Credentials and Election Committee
- » Scholarship Committee
- » Operation Roundup<sup>®</sup>

These committees are a vital link between the membership and the cooperative. It is from these committees that ideas are garnered, suggestions are given, and the communication lines between members and the board through management exist. Member committees such as Scholarship and Operation Roundup<sup>®</sup> are responsible for reviewing applications and selecting recipients. No employee or director involvement occurs when making those choices.

### **Director Election Process**

Medina EC prides itself on its director elections. Following one of the Seven Cooperative Principles, the election process reflects a democratic member control: one member, one

vote. Medina EC has nine members on its board of directors - three from each of the directorate districts. Each year the board of directors elects a method for voting in the director election. For many years, the preferred method of voting has been a Vote by Mail process. Ballots, candidate profiles, proxies, and other pertinent information are provided in the September issue of the *Texas Co-op Power* magazine. It is up to you, the members, to elect the director best qualified to run your cooperative.

### **Director Term Limits**

An elected director may serve no more than three consecutive 3-year terms on the board. The only exception to this rule is a director who is appointed to fill an unexpired term. This appointment is not counted toward the directors own term should he or she be elected by the members after completing the appointment.

### **Director Responsibilities**

Directors are tasked with the development of governance policies and monitoring the financial health of the cooperative. In addition, they are charged with keeping up-to-date on industry trends, legislative actions, and other pertinent issues affecting cooperatives as well as representing the membership at cooperative related functions.

### **Director Compensation**

Medina EC directors are provided per diem (by the day) pay plus expenses for meetings attended on behalf of the cooperative. They are not salaried and they are not considered employees. Further, they are not provided with any fringe benefits such as medical insurance. Directors receive their per diem for each day spent doing cooperative business, whether it is the board meeting, a committee meeting, or training. On average, directors spend between two and four days each month representing Medina EC.

### **Capital Credits**

Because we are a not-for-profit organization, any margins made above and beyond our operating expenses are allocated to our members. The board of directors determines each year whether or not to return Capital Credits; their decision is based on the cooperative's financial position. To date, Medina EC has returned more than \$16,000,000 dollars in Capital Credits.

### **Escheated Funds**

After three years, unclaimed Capital Credit funds are forwarded to the State of Texas. The State then allocates a portion of unclaimed funds back to the cooperative for the purpose of distributing the funds through specified accounts. The approved accounts for escheated funds are Scholarship, Economic Development, and Energy Efficiency.

### **Release of Cooperative Information**

Medina EC believes its members should have an opportunity to request certain information with regards to the operation of the cooperative. Such information includes our bylaws, policies, Articles of Incorporation and the tariff, just to name a few. We welcome requests for cooperative information and are happy to visit with any member interested in understanding how their cooperative works. Standard information (mentioned above) is available by contacting your local district office. Requests for more specific information must be made in writing on a *Members Request for Cooperative Information* form. Medina EC believes that as a member, you have every right to know how your cooperative is doing.

***For more information, check our website at [www.medinaec.org](http://www.medinaec.org) or contact your local district office.***

