

# 73rd Annual Membership Meeting

## Trusting Your Co-op



**FRED LANCASTER**  
BOARD PRESIDENT

Trust and believe are often considered interchangeable words, but there is a big difference between the two.

Simply put, trust is stronger than believe. Trust is something that is built over both good and challenging times. You can rely on those you trust when hard times appear because they have proven themselves to you.

“Believe” means accepting what the others say about something. Trust is not only believing or accepting what is said, but following the suggestions they give you. Trust is a step above “believe”.

We at Medina Electric strive to have a cooperative that our members believe in and trust. Trust is a vital foundation for the relationship between the co-op and the membership.

The electric industry is facing serious issues that will directly affect each member and their utility bill.

From government regulations to concerns over future power supply, Medina EC and the membership will have to trust each other in the coming years to face these looming challenges.

### Together We Save

In 2010, Medina EC debuted the Together We Save Program, a national energy efficiency program designed to help co-ops and members work together to conserve energy and save money.

Over the past year, Medina EC has communicated conservation tools and tips, implemented energy efficiency rebate programs and much more to provide members with more knowledge on how to control their bills.

However, while your cooperative can provide the latest resources and information, without member participation Together We Save fails.

Trust means taking action. We encourage you to take action if you trust your cooperative and invite you to take advantage of the many things Medina EC has to offer the membership.

Without the members’ trust in Medina EC as a resource for information on energy efficiency and conservation, data on distributed generation and important concerns regarding electricity, our co-op can’t be of full use to the members.



**MARK ROLLANS**  
CEO

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## CONTACT US

### Call

1-866-MEC-ELEC (632-3532)

### Online

[www.MedinaEC.org](http://www.MedinaEC.org)

[www.facebook.com/MedinaEC](http://www.facebook.com/MedinaEC)

[twitter.com/#!/MedinaECTalks](https://twitter.com/#!/MedinaECTalks)

### E-mail

[Info@MedinaEC.org](mailto:Info@MedinaEC.org)

### Mail

**General Office**  
PO Box 370, Hondo 78861

#### District Offices

Hondo - District 1  
PO Box 69, Hondo 78861

Dilley - District 2  
PO Box 49, Dilley 78017

Rio Grande City - District 3  
PO Box 496, Rio Grande City 78582

Uvalde - District 4  
PO Box 1810, Uvalde 78802

Brami - District 5  
PO Box 88, Brami 78344

### Board of Directors

#### District 1

Larry Huesser . . . . . 830-363-7651

Richard Saathoff . . . . . 830-426-3230

Glenn Schweers . . . . . 830-741-3250

#### District 2

Fred Lancaster . . . . . 830-334-3416

Kenneth White . . . . . 830-232-6541

#### District 3

Cesar Gonzalez . . . . . 956-487-3060

Albert Lowry . . . . . 956-717-0115

Annette Sorrells . . . . . 361-527-5172

### CEO

Mark Rollans . . . . . 1-866-MEC-ELEC  
(632-3532), ext. 1045

# Members & MEC Working Together

Continued from page 17

Remember, as a cooperative, Medina EC is a not-for-profit organization dedicated to helping the membership.

Medina EC employees are not sales people, but rather here to assist the members in keeping energy available, reliable, affordable and dependable, even when that means promoting ways to lower usage.

Our goal for the coming year is to continue to inform members about energy conservation and encourage participation in everything your cooperative has to offer.

In addition to providing energy efficiency tips and tools, Medina EC also has other programs designed to assist members.

From youth programs to Operation Round Up, your cooperative offers a variety of opportunities for members and the community.

## Open and Transparent


In every aspect of the business, Medina EC makes every effort to be as open and transparent as possible to the membership, from the decisions made to the process used to make those decisions. Medina EC is *your* cooperative.

Board meeting dates are published online in advance. The cooperative's governing bylaws are available to every member.

Numerous communication tools are devoted to keeping the membership apprised of what is happening at their cooperative.

Even during unexpected events, for example the passing of dedicated Director Murray McKinley and the need to fill his seat on the Board of Directors, every effort is taken to inform the membership.

## Be Involved



**Did You Know ...**

A variety of sources are used to generate electricity in Texas. The current mix includes natural gas (48 percent), coal (35 percent), nuclear (11 percent) and renewables (6 percent).

Source: Edison Electric Institute

ILLUSTRATION BY DALE WHEAT

## Need Some Assistance?

Be sure to let Medina EC know if you need an American Sign Language or Spanish translator during the Annual Membership Meeting on September 24.

Just call 1-866-MEC ELEC and speak with Gayle Rohrbach (ext. 1022) or Brian Bell (ext. 1056) before Monday, September 19 to request the service and Medina EC will make sure a translator is available the day of the meeting.

## ¿Necesite un poco de ayuda?

Esté seguro dejar a Medina EC saber si usted necesita a un traductor de español durante la Junta Anual de Miembro el 26 de Septiembre.

Sólo llame 1-866-MEC ELEC (and speak with) Gayle Rohrbach (ext. 1022) o Brian Bell (ext. 1056) antes de el Lunes, 19 de Septiembre para solicitar el servicio y Medina EC se asegurará que un traductor este disponible el día de la reunión.

A cooperative's strength lies in the commitment and dedication of the members it serves. But being an involved member doesn't have to take a lot of time. Simply voting for your representation in the Board of Directors Election is one easy way to be engaged in the co-op.

Ballots were mailed last month and are due no later than September 22. More details are on pages 22-23. Election results will be announced at the 73rd Annual Membership Meeting on September 24, 2011 at Uvalde High School in Uvalde, Texas.

If members cannot attend in person, information from the meeting will be available in an upcoming issue of Texas Co-op Power and on the cooperative's website.

Members are always encouraged to discover more about the happenings at the cooperative by visiting our:

Web site: [www.MedinaEC.org](http://www.MedinaEC.org)

Facebook Page: [www.facebook.com/MedinaEC](http://www.facebook.com/MedinaEC) or

Twitter: [twitter.com/#!/MedinaECTalks](http://twitter.com/#!/MedinaECTalks).

You can also contact your cooperative by calling 1-866-MEC-ELEC (632-3532).

We hope to see you at the 73rd Annual Membership Meeting.

Until next time,  
*Fred Lancaster*  
Board President

*Mark Rollans*  
CEO

# Seven Cooperative Principles

All cooperative businesses, including Medina EC, adhere to these seven guiding principles:

## Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination. **Example: Medina EC's diverse membership that spans 17 counties.**

## Members' Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. **Example: Medina EC members receive capital credits.**

## Autonomy and Independence

Cooperatives are autonomous, self-help organizations owned by their members. **Example: Medina EC is locally operated through six different offices.**

## Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation. **Example: Medina EC has numerous communication tools and programs to keep the public and the employees informed.**

## 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. **Example: Members are elected to serve on Medina EC's Board of Directors. Election results are announced every year at the Annual Membership Meeting.**

## Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures. **Example: Medina EC collaborates with cooperatives around the country, including the National Rural Electric Cooperative Association (NRECA).**

## Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members. **Example: Medina EC has several programs designed to benefit the community, including a scholarship program, various safety trainings and Operation Round Up®.**

For more information about Medina EC, members are encouraged to visit [www.MedinaEC.org](http://www.MedinaEC.org) or call 1-866-MEC-ELEC (632-3532).

## Helping Others with Spare Change

With your spare change, you can make a difference in the community through the Operation Round Up® program. The average amount each Medina EC member who supports the Operation Round Up® (ORU) program gives every year is a mere six dollars. Participating members agree to "round up" their monthly electric bills to the next whole dollar. Your contributions directly impact those within Medina EC's 17-county service area. Want to join? Please call 1-866-MEC-ELEC (632-3532) or visit [www.MedinaEC.org](http://www.MedinaEC.org) for more information or to sign up.

The most recent ORU donations were \$1,000 each, given to two ladies in Hebronville battling cancer.



Left to Right: ORU committee members C.L. Gonzalez and J.L. Gonzalez; recipient Charlotte Gonzalez; Service Foreman Role Falcon and MEC member Mary Gonzalez.



Left to Right: MEC member Mary Gonzalez; Service Foreman Role Falcon; recipient Beatriz Gutierrez; ORU committee members C.L. Gonzalez and J.L. Gonzalez.

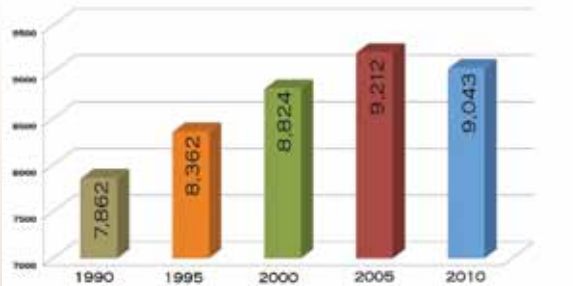
# OPERATING STATISTICS FOR 2009-2010

	<u>2009</u>	<u>2010</u>
<b>Revenue</b>		
Sales of Electric Power	\$57,600,051	\$59,751,996
Misc. Electric Revenues	2,278,773	630,449
<b>Total Revenues</b>	<b>\$59,878,824</b>	<b>\$60,382,445</b>
<b>Expenses</b>		
Power Production Expenses	\$ -0-	\$ -0-
Purchased Power	37,077,527	36,883,515
Operations & Maintenance	7,349,435	8,281,102
Consumer Accounting	2,194,622	2,232,399
Member Services	487,316	478,814
Administration & General Expenses	3,904,166	4,345,708
Depreciation	3,489,659	3,674,097
Taxes	-0-	-0-
Interest (RUS, FFB, CoBank & Other)	2,796,134	2,683,207
<b>Total Expenses</b>	<b>\$57,298,859</b>	<b>\$58,578,842</b>
<b>Margins</b>		
Operating Margins	\$2,579,965	\$1,803,603
Generation/Transmission Capital Credits	-0-	-0-
Other Capital Credits	1,035,673	2,954,128
Non-Operating Margins	504,850	<168,617>
<b>Total Margins</b>	<b>\$4,120,488</b>	<b>\$4,589,114</b>
<b>Assets</b>		
Total Utility Plant	\$126,469,021	\$131,035,005
Accumulated Depreciation	<28,283,717>	<28,613,798>
Net Utility Plant	98,185,304	102,421,207
Cash, Commercial Paper & C.D.s	2,628,752	3,947,993
Investments	13,742,512	16,551,539
Accounts Receivable	5,408,792	5,392,254
Materials & Supplies	1,731,924	-0-
Deferred Charges & Other Assets	604,560	437,116
<b>Total Assets</b>	<b>\$122,301,844</b>	<b>\$128,750,109</b>
<b>Liabilities</b>		
Long Term Debt to RUS, FFB, CoBank	\$68,231,091	\$69,784,452
Short Term Notes	-0-	-0-
Accounts Payable & Notes Payable	4,256,716	5,155,188
Membership Fees & Consumer Deposits	1,278,727	1,289,439
Deferred Credits & Accruals	3,258,927	2,835,662
Patronage Capital	41,075,394	44,895,084
Accum. Provision for Pensions/Benefits	5,774,389	6,197,884
Accum. Other Comprehensive Loss	<1,573,400>	<1,407,600>
<b>Total Liabilities</b>	<b>\$122,301,844</b>	<b>\$128,750,109</b>

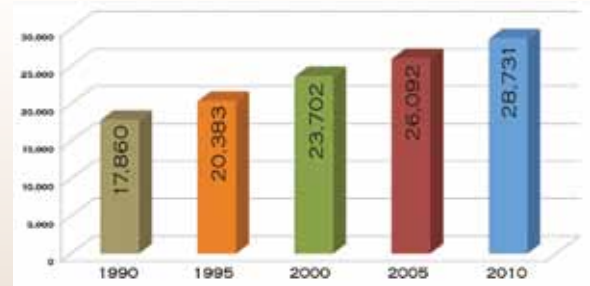
# HOW YOUR DOLLAR WAS SPENT IN 2010



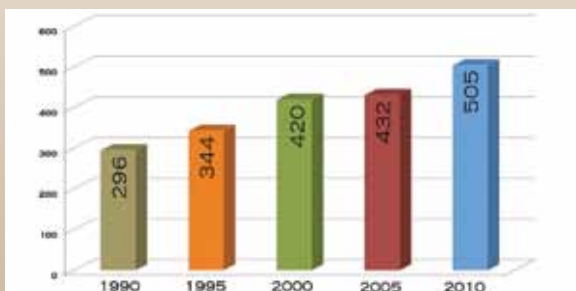
MILES OF LINE



CONSUMERS



KWH SOLD  
(IN MILLIONS)



REVENUE  
(IN MILLIONS)



# 2011 Board of Directors



*With 37 years of service in the electrical industry, I believe my knowledge, dedication and experience makes me an instant asset to the Medina EC Board. I am a graduate of Texas A&M, a Licensed and Registered Professional Engineer and worked 13 years for AEP in engineering, consumer services and management areas in South Texas. After moving to D'Hanis, I served on your Advisory Committee and then began my 21 years as your Medina EC President, Vice-President, Secretary/Treasurer and Director with perfect attendance at board meetings. I have served on the SMEC Board, our coal generation cooperative, and past Vice President and current Director for STEC, our generation and transmission cooperative. Knowledge and experience gained in my years of service is a benefit in making decisions on your board.*

-Larry Huesser, District 1



*A major benefit that I would bring to Medina EC is my experience on various boards; being retired is an additional asset since it gives me the opportunity to become more involved in the community. It also allows me to work with others to develop the best possible solution for any arising situation. I will also try to balance the needs of the community with sound financial decisions.*

*As the mission statement of the cooperative states, I believe it is important to "enhance the quality of life" and it would be my pleasure to learn and to help provide leadership for this important cause. We have been truly blessed to be able to be a part of a caring community and it is time for me to give back with my time and talents.*

-Robert Kirby, District 1



*I would be a good director because I am extremely motivated and interested in serving as a director. Since I am retired I have the time to commit to the time involved in serving. I am conscientious and diligent in my duties. I understand the importance of:*

*Good Stewardship and Spending Money Wisely  
Training and Retaining Outstanding Employees  
Providing Excellent Customer Service  
Planning for the Future  
Planning and Preparing for Emergencies (Disaster Recovery)  
Importance of Computer Security*

-Caroline A. Nentwich, District 1



*I strive to be a person of good integrity. The past 50 years of life and work experiences have taught me many lessons personally and professionally. I am not afraid of any challenges that may be placed before me and I am neither easily intimidated nor afraid to ask the tough questions to get the answers necessary to resolve an issue which will allow me to have a successful tenure on this board. I believe my best assets are common sense and a conservative nature. I am currently serving on the Medina County Farm Bureau Board of Directors. I am in my eighth year and have held the position of Secretary/Treasurer for the last five years. I have also served on other Board of Directors in the past. I believe my work experiences over the last 40 years, in middle and top management in the business community, with responsibility and authority over \$1,000,000 - \$50,000,000 per year capital expenditure budgets, has prepared me to serve on this board if so elected by the membership.*

-Ralph "Chris" Stiegler, Jr., District 1



*I want to be in the forefront and become involved in helping work for one of the most vital facets of rural life: the importance of electrical energy service. I believe I possess outstanding leadership qualities and administrative abilities necessary to serve on the Medina EC Board of Directors. I have a strong work ethic, possess outstanding organizational skills, exceptional verbal and written communication skills and strive for excellence in everything I undertake.*

*I have good rapport with fellow professionals and work well under pressure—qualities that would make me a good choice for director. I want to focus on addressing the needs of the cooperative, improving services to its members and continuing the enhancement of those positive aspects, which have already been established.*

-Irene Rodríguez-Dubberly, District 1

# Candidates Speak Up



*Experience is often the best teacher and I believe my six years on the Medina EC Board will be helpful to our cooperative customers and employees. My unique knowledge of construction at the Lon C. Hill Electric Plant, near Corpus Christi, expansion and the challenges such a project faces would also be an advantage when problems arise.*

*I feel my biggest asset is my board experience. Also, my years in the construction industry is an asset, having dealt with contractors, sub-contractors and customers while I was superintendent of many projects. If elected, I will continue that commitment to Medina EC.*

-James W. Young, District 2



*Electricity has been a part of my entire adult life. At the age of 18, I went to work for Central Power and Light (CPL). I worked there for 18 years in various roles, including 16 years as a Class A Lineman, with extensive training in overhead and underground. At the age of 36, I went into the business as an electrical contractor and co-owner of Morgan Electric for 30 years working in residential, commercial and industrial. Residential and commercial business was very rewarding but the industrial side brought many rewards as well, such as the opportunity to work with Del Monte Corporation. I worked many years with the farmers and ranches to ensure their irrigation wells kept running... I am currently retired from the electrical business but am still ranching in Uvalde and Comal counties. I believe through my experiences and the things I learned, I have a strong understanding of the wants and needs of the customers Medina EC serves.*

-Jimmie Raines, District 2



*I have lived in this district since December 1976 and I feel I have the ability to look at both sides of an issue. I have a business background, good communication skills and a desire to make a profit in business while being fair and having integrity towards those around me.*

*I can also think independently but can work with others for the common good. I can also help Medina EC grow with these changing times while serving the commercial and agricultural industries, both new and old, competitively and maintaining the spirit that created this cooperative. I bring with me a good reputation, a good family name, my education and experience in a community that serves agriculture and industry, exposure to successful people and a desire to represent others with integrity.*

*I also think I have the ability to weigh both sides of an issue and be a part of the decision that best serves the district I represent as well as the whole cooperative and its membership.*

-Chris C. Surles, District 2



*I have gained experience on the Medina EC Board over past three years and have participated with a great team in seeing Medina EC through some very turbulent times.*

*I believe my best asset's are the ability to listen, think and use common sense.*

*With my background in finance and agriculture, I believe my exposure to many situations and an awareness of our market area helps me provide constructive input as a Board member of Medina EC.*

-Albert Lowry, District 3

## Want to know more?

Full candidate biographies are available online at [www.MedinaEC.org](http://www.MedinaEC.org) or you can obtain a copy by calling 1-866-MEC-ELEC (632-3532). All votes must be cast (if voting online) or received (if mailing your ballot) by 9 a.m. CDT on Thursday, September 22, 2011. Election results will be announced at the Annual Meeting.



# 72nd Annual Membership Meeting Minutes\*

The Medina Electric Cooperative, Inc. 72nd Annual Membership Meeting was held at the Roma High School in Roma, Texas beginning at 10 a.m. on Saturday, October 2, 2010.

Opening remarks announcing the theme of the meeting, Together We Save, were delivered by General Manager and CEO Mark Rollans. Fred Lancaster, Board President, called the meeting to order.

The invocation was given by President Lancaster followed by the presentation of the colors by the Roma High School ROTC, the Pledge of Allegiance and the National Anthem led by Medina employee, Bryce Thayer.

Ricardo Perez, Director of Performing Arts at Roma High School provided the welcoming remarks. President Lancaster welcomed the membership and introduced board members as well as General Manager/CEO Mark Rollans and General Counsel Tom Rothe.

The next order of business was the roll call; however, President Lancaster entertained a motion to dispense with the reading of the membership roll, as it would take several hours to read more than 16,000 names. A motion was made by Jessie Yantis, Jr. and seconded to dispense with the reading of the membership roll. Motion carried.

Inasmuch as a quorum had been reached with 105 members registering in person and 312 by proxy, President Lancaster asked that the registrar's registration report be

accepted. A motion was made by Rudy Gomez and seconded to accept the registrar's registration report. Motion carried.

Secretary of the Board Richard Saathoff read the Notice of Meeting and the Affidavit of Publication. He stated he had before him the minutes of the 2009 annual meeting, with President Lancaster entertaining a motion to dispense with the reading of the minutes for the sake of time.

A motion was made by Jesus Sanchez and seconded to dispense with the reading of the 2009 Annual Meeting minutes and that they stand approved as written. Motion carried.

Secretary Saathoff read the names of the 2010 director nominees as well as the dates and places of the District Nominating Meetings. The candidates were asked to stand and were thanked for their support and for taking an active interest in their cooperative.

President Lancaster recognized the Member Advisory Group, the Scholarship Committee, and the Operation Round Up Committee, speaking of the importance of their work and thanking them for their support.

The President and General Manager/CEO reports were presented by video. Manager Rollans followed the video report with additional information regarding the Together We Save campaign and the need for member involvement in the Action Committee for Rural Electrification (ACRE).

Manager Rollans presented service awards to Ace Gaucin, Holly Gunter, David Ramirez (absent) and Fernie Rodriguez for 25 years of service, and Fish Castillo, Doug Ellis and Oscar Reyes for 30 years of service to the cooperative.

President Lancaster recognized retiring director Marty Sorrells. A plaque was presented to Director Sorrells for his service and dedication to the board.

President Lancaster introduced Tom Rothe, Cooperative Attorney, to announce the results of the 2010 director election. Mr. Rothe reported the following results:

**District 1:** Glenn Schweers won with 1547 votes

**District 2:** Murray McKinley won with 1327 votes

**District 3:** Annette Sorrells won with 2208 votes

Manager Rollans reported that last year the board elected to change the nominating process by taking the nominating meetings to the members. This process enables more members to participate in the nominating process rather than having to travel to the annual meeting to participate.

The new process included one member meeting in each voting district beginning February 2010. President Lancaster asked whether there remained any new or unfinished business. There being no other business, the meeting was adjourned. \*Excerpt from the 2010 Annual Membership Meeting minutes.

## Happy Labor Day

Medina EC offices will be closed  
Monday, September 5 in observance  
of Labor Day.

*We wish you a safe and happy holiday.*

*As always,  
crews will be  
on standby  
in the event  
of an outage.*

