

Sheridan Electric Cooperative

LiveWire

Sheridan Electric Cooperative - Medicine Lake, Mont. 406-789-2231

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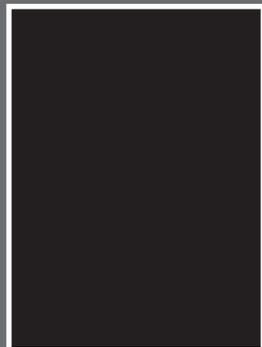
Your annual meeting is coming soon!

Oct. 10 | Medicine Lake High School gymnasium

- 8 a.m. – Registration
- 10 a.m. – Business session
- Noon – Dinner
- Door prizes
- Drawing for some great gifts
- Drawing for a bike for the kids, along with a movie
- Progressive drawing is up to \$300 at the 2018 meeting!

Board elections for 2018

Meet the incumbents:



District 9 is an open seat



Andy Dethman
has served as director since 2012 in District 6.



Alan Danelson
has served as director since 2012 in District 8.

District Nominating Committee report

Every year, you have the opportunity to vote for three directors at the annual meeting. The directors serve for a three-year term. The directors whose terms expire this year are in District 6 (the district includes west of Highway 16, Homestead and south to the Missouri River), District 8 (this area covers the entire northwest corner of the service territory), and District 9 (this district covers the territory in the southwest corner).

Sheridan Electric Cooperative has several steps to help members get on the ballot. First, we appoint a Nominating Committee. This committee is made up of members in each district who are your neighbors. These committee members then hold a meeting and nominate who they think would be good board members. These nominations then appear on the printed ballot at the annual meeting.

In District 6, incumbent Andrew

Dethman was nominated. In District 8, incumbent Alan Danelson was nominated. In District 9, Sherl Shanks was nominated.

We want to thank each district's Nominating Committee for assuming the responsibility of nominating these candidates. Finding members with the time to serve on the board is difficult. We hope to see you, the members, at the annual meeting Oct. 10 so you can vote on these candidates. ■

Absentee ballots available in 2018

Every year, Sheridan Electric Cooperative has trustee elections as three-year terms expire. Although trustees can be nominated for additional terms, other candidates can also run for the positions.

One component of this process is the absentee ballot process. In this process, a member of Sheridan Electric can vote by proxy if he or she cannot be present at the

scheduled annual meeting.

The process is simple, but has to be requested by the member when needed. Below is the section from the Sheridan Electric Cooperative's bylaws that describe the process thoroughly.

"Absentee ballots for elections of officers are available upon request. Absentee ballots will only be issued upon request of a member. Ballots will be mailed to the member no

more than 45 days nor less than 15 days before the annual meeting of the members. Absentee ballots must arrive at the cooperative offices no later than five (5) days before the annual meeting of the members."

We encourage any member of Sheridan Electric Cooperative to use this feature for voting by proxy. Just give Tasha or Jamie a call at 406-789-2231.

Thanks for all of your support. ■

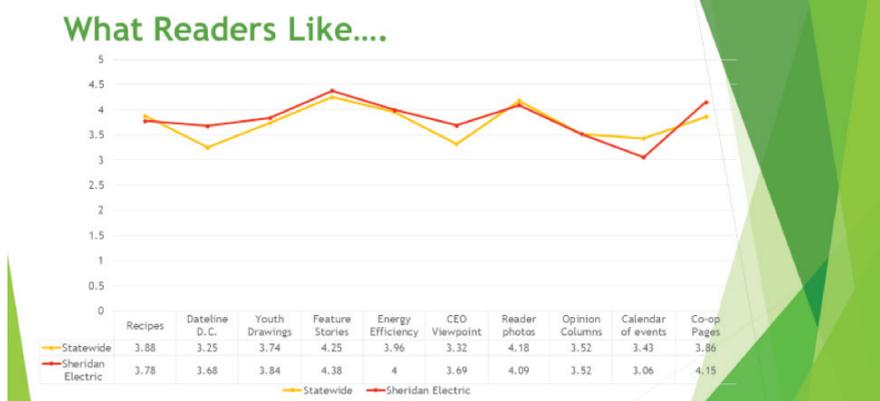
Rural Montana magazine survey results shared

BY SCOTT WESTLUND

During the June board meeting, Ryan Hall from the Montana Electric Cooperatives' Association delivered the results of the survey in which we participated last year. As Ryan expanded on the results, I was truly amazed as to the character of the people we serve.

If I were to sum up our membership in one word, it would be "engaged."

Through the hard work of my predecessor, Rick Knick, we learned what is important to the



membership of Sheridan Electric. This hard work was a great starting point for my tenure in this region.

The presentation from Ryan showed Sheridan Electric at the top of several areas compared to

the rest of the state in regards to the magazine. The graph here shows some of those results.

The staff of Sheridan Electric thanks all of the membership for their support of this outstanding periodical. ■

Early retirement of capital credits

BY RICK KNICK

This is the 10th year Sheridan Electric Cooperative has offered an early capital credit retirement to the membership. This program gives the member the choice of waiting 15 years for the normal retirement cycle or taking an early retirement at a value that is discounted based on the time value of money. This year, the co-op offered the 2010 margins which is eight years earlier than the normal retirement schedule.

We get a few questions every year about this program. Members have asked why we wait 15 years before retirement of the margins. Why not give them back in the same year or the following year? First, these capital credits are the operating funds for the coming year. Another consideration is the balance in the capital credit fund, which is around \$20 million. To shorten the cycle from 15 years, we would need to borrow money and raise rates. Keep in mind that about half of the \$20 million is generation and transmission capital credits

allocated to Sheridan Electric, but not yet retired, so it is money that we haven't received.

Another question frequently asked is: "How do I know if this is the right choice for me?" Of course, there are different answers for each scenario. If you are an ag producer planning to be here for the long haul, then maybe it's best to wait for the normal retirement. If you are an ag producer with a need for cash for a down payment on land or a piece of equipment, it might be a good decision.

If you are a commercial business here for an oil boom, but expecting to leave when the boom is over, then taking the early retirement might make sense. If you are an oil service company that serves the production side of the business, then you are most likely here for the long haul and might want to wait.

"Why is this the percentage of the discount?" is another often-asked question. This has to do with the time value of money. I remember going to the movie as a kid, paying

50 cents to get in and buying a candy bar for 10 cents. Considering the time value of money, the 10-cent candy bar now costs at least \$1 and the movie will probably cost you at least \$7. I'm going to bore you with a formula, but it is the technical answer to the question. The formula we use to determine the discounted value is: average weighted cost of debt X percent of debt + cost of equity X percent of equity.

The board of directors takes the capital credit issue very seriously. We know it is the members' money, so we make it a priority. In recent years, we have reduced the retirement schedule from 18 years to 15 years. The 15-year retirement schedule is our target, but we anticipate some high-margin years in the future so we will make an effort to reduce it even more, knowing we might fall back a couple of years in the future.

Capital credits are one of the values of being a co-op member. If we make a margin, it will come right back to you, the member. ■

Meet the newest member of the Sheridan Electric family

Pictured is Victoria Waller and her new son, Palmer. Palmer visited the co-op during the baby shower that the team threw for Torie Waller and family.

Please help us welcome Palmer to the family.



Lighting to be given away



In the spirit of efficiency, Sheridan Electric Cooperative is giving away light-emitting diodes (LEDs) each month. Each month's winner will receive 12 new LED bulbs.

So this month, take a moment to complete and mail the coupon. Maybe you'll be this month's lucky winner and save on your energy costs. Good luck. ■

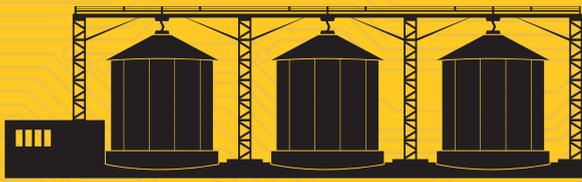
Name: _____

Address: _____

Phone number: _____

Account number: _____

*Congratulations to **Duane Wilson**
for winning this month's light bulb giveaway.*



Sheridan Electric Cooperative STATISTICAL REPORT

	June 2017	June 2018
Total miles of line	2,831	2,836
Consumers billed	3,081	3,090
Kilowatt-hours purchased	9,653,105	8,470,158
Kilowatt-hours sold	9,341,997	7,790,132
Average KWH per residential consumer	868	767
Average bill per residential consumer	\$120.37	\$104.56
Cost of purchased power	\$439,294	\$432,926
Margins year to date	\$2,167,853	\$2,026,564

LINE DEPARTMENT STATS

	June 2017	June 2018
Weather	10	21
Age or deterioration	3	5
Animals and public	12	4
Power supplier	1	1
Equipment	0	0

SUMMARY OF WORK COMPLETED

	June 2017	June 2018	Year to date
Pole installations	23	8	20
New construction	364 ft.	15,087 ft.	42,535 ft.
Miles driven	32,576	23,819	122,136
New accounts	1	10	19
Accounts retired	0	1	3

SHERIDAN ELECTRIC CO-OP

Medicine Lake, Mont. 59247
406-789-2231

TRUSTEES

Wayne Deubner, President Brockton, Mont.
 Rod Smith, V. President Dagmar, Mont.
 Rob Rust, Sec. Alkabo, N.D.
 Kerrey Heppner, Treas. Plentywood, Mont.
 Alan Danelson, Trustee Scobey, Mont.
 Andrew Dethman, Trustee Brockton, Mont.
 Rick A. Hansen, Trustee Froid, Mont.
 Harlan Skillingberg, Trustee Plentywood, Mont.

EMPLOYEES

Rick Knick Manager
 Riley Tommerup Office Mgr./Accountant
 Scott Westlund Marketing/Member Service Manager
 Jamie Ator Accountant
 Lisa Salveold Office Assistant
 Tasha Ronnes Customer Service Representative
 Torie Waller Work Order Clerk
 Kory Opp Line Superintendent
 Bryan Lenz Line Foreman
 Nick Oelkers Staking Tech
 Tim Ereth Operator/Utilityman
 Josh Johnson Electrical General Foreman
 Tom Hinds Electrical Foreman
 Steve Augustine Line Sub Foreman
 Tristan Ereth Apprentice Electrician
 Dan Roeder Journeyman Lineman
 Shawn Sansaver Journeyman Lineman
 Josh Marottek Journeyman Lineman
 Bill Baillie Apprentice Lineman
 Josh Ming Apprentice Lineman
 Jim Bakken Material Specialist
 Vicky Haddix Custodian

OUTAGES • CALL 24 HOURS A DAY
406-789-2231

OFFICE HOURS: 7 a.m. to 4:30 p.m.
Monday through Friday

Your Touchstone Energy® Cooperative