

THE ELECTRIC COMPANY THAT  
DOESN'T STOP AT YOUR METER

# Butler REC **NEWS**

## FROM THE MANAGER

### Join us at Annual Meeting March 15

Please accept this invitation as a genuine request by your Board of Trustees and myself for you to participate in this year's Annual Meeting of your cooperative. By virtue of the fact that you live in Butler REC's territory, purchase electricity and have electricity delivered by Butler REC's lines, you are a member and an owner of the cooperative.

Questions to be addressed at this year's meeting include:

- ▶ How are new regulations and policies affecting my electric bill?
- ▶ What is the debate about building coal fired electric generation plants and how will decisions coming out of the debate affect you?
- ▶ How might this year's election results make a difference on my energy costs?
- ▶ What is the answer to our energy needs for the future?

Steve Parr, the Executive Vice President and CEO of Kansas Electric Power Cooperative (KEPCo), will be our guest speaker on these and other subjects important to you as members of Butler REC. Some of the answers to these questions are more difficult than others, but we hope to shed some light on these and other issues and how Butler REC's Trustees and management are looking out for you.

Your membership in the cooperative affords certain privileges—one includes voting at the Annual Meeting for the members of the Board of Trustees who will guide the coopera-

tive. We have three Members nominated for this year's meeting. The nominees are **SHAWN WIEBE**, District 1; **JOHN WORRELL**, District 6 and **KENT WEBBER**, District 4. Profiles for these nominees were in last month's magazine.

There are other reasons to attend our Annual Meeting. Prior to the business meeting, you will have an opportunity to see displays from our power supplier, Propane Division, Satellite Internet Division and Butler REC displays from various departments. You will have an opportunity to have questions answered by knowledgeable people who make the system work.

After taking your time at each of the displays (many of which will have a special door prize drawing), you will be treated to a meal provided once again by Syl's Catering.

Following the meal, you can make your way to the auditorium for the Annual Business Meeting at 7 p.m. Those of you with youngsters don't forget about Kid's Korner, they always have a great time.

Following the reports and election, we are pleased to have Butler County Community College "Headliners" to entertain us again this year. We will conclude the evening with door prizes and collector's mugs.

We hope you will take the time out of your busy schedules and join us for all the activities on the evening of March 15 at Circle High School in Towanda. Dinner is served at 6 p.m. and I hope to see you there.



R. Dale Short

**We hope  
to see  
you at the  
Annual  
Meeting  
March 15.**

## Attention High School Juniors

Butler REC will send TWO students on a FREE summer trip!

If you are a Butler REC member and your child is a high school junior, he or she may have a chance to win an all expenses-paid trip to Washington D.C., June 14-21, 2012, or Steamboat Springs, CO, July 14-20, 2012, plus a scholarship!



During Youth

Tour, students will join 1,500 youth from across the nation in Washington, D.C. They will visit the monuments and other attractions, as well as visit Capitol Hill to learn more about how our government works.

At camp, students will join youth from Colorado, Wyoming, Oklahoma and Kansas. Campers will form a mock cooperative, learn about leadership and also learn about the cooperative industry.

Butler REC will provide information over which there will be a quiz, and a short oral interview to pick the two winners. The overall winner will choose which trip he or she would like to go on and he or she will also receive a \$500 scholarship. The second place winner will go on the remaining trip and will also receive a scholarship.

For more information on the 2012 Youth Tour, visit our website at [www.butler.coop](http://www.butler.coop) where you can get information about both trips and download the application. There is also a video of the past trip which will give you an idea of all that you will be able to do and see. For more information you can call Travis at the Butler REC office at 800-464-0060.

## Treasurer's Report

As of December 31, 2011  
(Unaudited)

### Assets and Other Debits

	Assets	Debits
Utility Plant in Service	\$ 36,915,681	
Construction Work in Progress	\$ 2,557,361	
Total Utility Plant	\$ 39,473,042	
Accumulated Provision for Depreciation and Amortization	\$ (10,410,289)	
Net Utility Plant		\$ 29,062,753
Investment in Associated Organizations	\$ 6,383,287	
Temporary Investments	\$ 142,020	
Other Investments	\$ 121,282	
Total Investments		\$ 6,646,589
General Funds, Cash		\$ 844,945
Special Deposits		\$ -
Accounts Receivable, Consumers	\$ (318,886)	
Accounts Receivable, Other	\$ 880,026	
Accounts Receivable, Net		\$ 561,140
Notes Receivable		\$ 1,272,107
Materials & Supplies		\$ 100,749
Prepayments, Insurance and Other Assets		\$ 531,700
Other Accrued Assets		\$ 3,310,640
Deferred Debits		\$ 32,903
<b>Total Assets and Other Debits</b>		<b>\$ 39,052,886</b>

### Liabilities and Other Credits

	Credits	Liabilities
Total Long Term Debt: CFC		\$ 20,901,724
Accounts Payable		\$ 597,167
Notes Payable		\$ -
Accrued Liabilities		\$ -
Consumer Deposits		\$ 184,886
Other Deferred Credits		\$ 524,770
Other Current & Accrued Liabilities		\$ 550,578
Patronage Capital Assigned	\$ 13,594,237	
Patronage Capital Unassigned	\$ 2,699,524	
<b>Total Capital Credits and Margins</b>		<b>\$ 16,293,761</b>
<b>Total Liabilities and Other Credits</b>		<b>\$ 39,052,886</b>

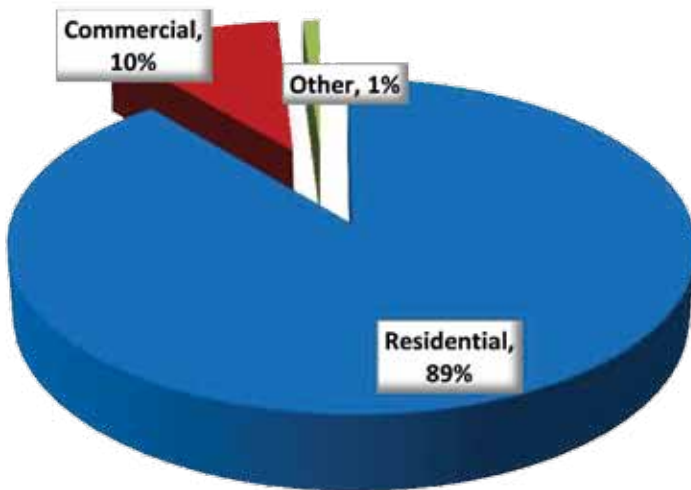
## Efficiency Tip of the Month

Adding insulation to your home? An R-value indicates insulation's resistance to heat flow—a higher R-value means more effective insulation. Every type of insulation has a unique R-value depending on material, thickness, and density. Your ideal R-value depends on whether your home is new or existing, your heating fuel, and where you live. Learn more at [www.energysavers.gov](http://www.energysavers.gov).

# 2011 Electric Operating Statistics

Operating Revenue and Patronage Capital ..... \$16,821,770

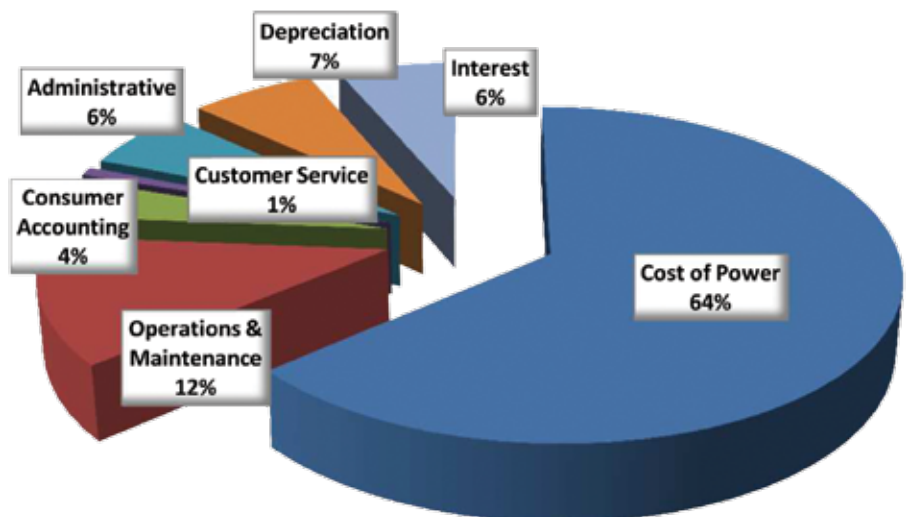
## Revenue In



TIER	2.49
New Services Connected	75
Services Retired	37
Total Services in Place	7578
Residential Services	6258
Commercial Services	701
Commercial Over 1,000 kVa	1
Public Authority	22
Highway Lighting	49
Total Active	7031
Percent of System Loss	5.55%
Month When Max Demand Occurred	August

Operating Expenses ..... \$16,315,552

## Dollars Out



Cost of Power	\$10,404,805
Cost of Power per kWh Sold	\$0.08434
Operations & Maintenance	\$2,032,980
Consumer Accounting	\$634,203
Customer Service	\$139,724
Administrative & General	\$960,383
Depreciation & Tax Expense	\$1,104,025
Interest	\$1,039,432

## Operation Round-Up & Butler REC Need Your Help



Operation Round-Up is a program that helps Butler REC enhance the lives of the less fortunate in our community and also helps area charities and service

organizations.

Through this program, Butler REC automatically rounds up a participating member's electric bill to the next highest dollar, with the additional cents going to the Operation Round-Up Fund. In 2011, 4,003 out of our 7,036 accounts participated in Operation Round-Up. Through their generosity, donations of \$24,681.70 were added to the fund, an average of \$6.17 per account.

This past year, the Operation Round-Up program awarded over \$24,188.91 to help individual members and organizations within Butler REC's service territory.

Butler REC members helped support the Butler Homeless Initiative, YMCA Strong Kids program, American Cancer Society, Big Brothers Big Sisters, Butler County Sheriff's Office, NRECA International Linemen's Fund, The Purple Cow Farm, B.A.S.E., local 4-H clubs, National Child Safety Council, OK Kid's Day, Pass it on Program, KARL, Inc. and local high schools.

The program was able to directly help 42 member families with medical bills, house fires and other special circumstances.

For less than it costs to eat out, your participation in Operation Round-Up could help enhance the life of someone less fortunate. Thank you to all who have participated over the years. If you are interested in joining the program, please call the office today at 800-464-0060.



## 2012 Butler REC Annual Meeting

Thursday, March 15, 2012, at 6 p.m. at Circle High School in Towanda

Butler REC will hold its Annual Meeting at Circle High School in Towanda on March 15, 2012. The meal will be served at 6 p.m. with the business meeting to follow.

- ▶ Supper at 6 p.m. catered by Syl's Catering of Colwich.
- ▶ Business meeting at 7 p.m.
- ▶ Kids Korner begins at 7 p.m. for ages 3 to 12. Please RSVP by March 6.
- ▶ Entertainment by Butler Community College *Headliners*.

**We hope to see you there!**



## How to Cast Your Vote for Board of Trustees by Proxy

A member may vote by proxy executed in writing, signed by the member giving the proxy. Such proxy shall be filed with the Secretary at the time it is voted at any meeting. No proxy is valid after sixty days from the date of its execution.

No proxy is valid unless it specifies the meeting at which it is to be voted, and no proxy may be used for any other meeting than the one designated herein or an adjournment

thereof. A member may give his proxy only to another member, or to an adult relative living in the same home, and no member may hold or vote more than one proxy.

The presence of a member at any meeting revokes any proxy he may have previously given. The minutes of every meeting shall contain a list of the members represented by a proxy, and the name of the person to whom the proxy is given to be voted.

### Butler REC Annual Meeting Proxy Voting Form

I, the undersigned, being a member of the Butler Rural Electric Cooperative, Inc., hereby appoint \_\_\_\_\_ (Proxy Holder) As my proxy, and in my stead to vote, the same as though I were present at the Annual Meeting of Butler REC (or at any adjournment thereof) to be held March 15, 2012, in Towanda, KS.

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of March 2012.

Signature: \_\_\_\_\_

Acct # \_\_\_\_\_

*Note: If the person who holds the BREC membership is unable to attend, he/she should sign a proxy in favor of his/her spouse or adult relative living in the same household.*