

Clay ELECTRIC News

A Touchstone Energy® Cooperative

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From the Manager

Being part of a cooperative means being part of something special. Clay Electric Co-operative is celebrating National Cooperative Month in October, along with 40,000 other cooperative businesses serving more than 120 million people nationwide. “Cooperatives Build” is the theme of this year’s National Cooperative Month. I have to say, this year’s theme is excellent. There are so many ways that cooperatives help to build a stronger rural America. In fact, your cooperative reinvests a large amount of revenue back into the system every year. Wages are paid to local employees keeping those dollars circulating close to home, helping to strengthen the local economy. Then, any excess revenue is allocated to member accounts in the form of capital credits.

Consider these ways that co-ops build:

Cooperatives Build Trust

Most co-ops strive to adhere to seven key cooperative principles, which combine to help build trust between the co-op, its members and the community. You heard me talk about these principles at the annual meeting in August. For example, the first principle is Voluntary and Open Membership, which means that we are a voluntary organization open to all people to use our services and willing to accept the responsibility of membership. The second principle, Democratic Member Control, gives members a voice in the cooperative’s policies and decisions. Through the fifth principle, Education, Training and Information, we enable members to contribute to the development of our cooperative.

Cooperatives Build Community

The seventh cooperative principle is Concern for Community. Cooperatives work for the sustainable development of their communities through employee involvement in local organizations, through charitable contributions to community efforts and through support for schools. Clay Electric recently participated in a “Back to School Bash” with our Live Line Display. We also helped out the North Clay Fire Protection District by setting poles for their siren to be mounted. Clay Electric employees will be at the FAF Appleknocker Festival showing kids things we do at the cooperative. With the assistance of the Clay County Health Dept. and the Clay County Hospital, we had a mini Health Fair at our recent Annual Meeting of Members. If there is a need in a surrounding community, we will make an effort to assist if we can.

Cooperatives Build Jobs

Cooperatives generate jobs in their communities, keep profits local and pay local taxes to help support community services. Cooperatives often take part in community improvement programs, ensuring that everyone has an opportunity to benefit from the cooperative experience.

Cooperatives Build a Better World

Your cooperative is always looking for a way to make a difference in the lives of our members, and our communities. In that way, we are acting locally, but through all of the above ways, doing our part to build a better world.

If you would like more information please visit www.coopmonth.coop.



Pictured Adam Smith, top photo & Matt Conklin bottom, take part at the recent “Back to School Bash”



Ed VanHoose
Manager

Clay's 72nd Annual Meeting

During our 72nd Annual Meeting of Members, Clay Electric Co-operative, Inc. members re-elected three area men to the board of directors and learned of the organization's financial condition, its commitment to providing more efficient and faster service and uncertainties that could affect co-op members in the coming years.

Executive Vice President/General Manager Edward VanHoose reported that the co-op is financially stable, but that he and the board are cautious in their forward look. Concerns with the upcoming presidential election and resulting changes in the Supreme Court will likely affect coal-fired power plants and energy prices. He said, "We will do everything we can to keep your power reliable, and as affordable as possible. There are things beyond our control, but as a member-owned, not-for-profit cooperative, I take very seriously the needs of you, our members." He strongly encouraged meeting attendees to educate themselves on how candidates stand on important issues, and get out and vote.

Clay Electric completed several projects to streamline their internal processes resulting in faster service



During Clay Electric Co-operative's 72nd annual meeting, members re-elected three area men to the board of directors. Shown with Executive Vice President/General Manager Edward VanHoose, left, are (left to right): Neil Gould of Louisville, Frank Herman of Xenia and Kevin Logan of Edgewood.

and improved electric reliability. The co-op installed a grid information system (GIS) to help employees work more efficiently and more effectively serve members. They are also focusing on tree trimming and right-of-way clearance to reduce blinks and outages.

VanHoose announced that after careful consideration and planning, the co-op will be returning a total of \$207,000 in capital credits to members who received service during the years 1958 to 1962. He explained, "For far too long, we have not done a good job of returning those margins to you, the members. After all, it's your money." Capital credits are exclusive to cooperatives. At the end of each year, after the cooperative's bills have been paid and all expenses considered, the money that remains is called a margin. Capital credits are a member's share of the margin allocated annually to each member and returned in accord with the cooperative's bylaws. He said, "It is our intention to continue this process for the foreseeable future until we have caught up to a reasonable amount in retained margins." The co-op ended the year 2015 with a net operating margin of \$446,526.

During the annual meeting, three area men were re-elected to the co-op's board. The re-elected directors are Neil Gould of Louisville, Frank Herman of Xenia and Kevin Logan of Edgewood.



Members enjoyed the meal, meeting, tables & chairs seating, prizes, and the awesome facility on the Oil Belt Campus at the recent 72nd Annual Meeting.

Don't be fooled by common energy myths

Eating carrots will greatly improve your eyesight, cracking your knuckles leads to arthritis, watching too much TV will harm your vision. We've all heard the old wives' tales, but did you know there are also many misconceptions about home energy use? Don't be fooled by common energy myths.

Myth: The higher the thermostat setting, the faster the home will heat (or cool).

Many people think that walking into a chilly room and raising the thermostat to 85 degrees will heat the room more quickly. This is not true.

Thermostats direct a home's HVAC system to heat or cool to a certain temperature. Drastically adjusting the thermostat setting will not make a difference in how quickly you feel warmer. The same is true for cooling. The Department of Energy recommends setting your thermostat to 78 degrees during summer months, and 68 degrees during winter months.

Myth: Opening the oven door to check on a dish doesn't really waste energy.

While it can be tempting to check the progress of that dish you're cooking in the oven, opening the oven door does waste energy. Every time the oven door is opened, the temperature inside is reduced by as much as 25 degrees, delaying the progress of your dish and, more importantly, costing you additional money. If you need to check the progress of a dish, try using the oven light instead.

Myth: Ceiling fans keep your home cool while you're away.

Believe it or not, many people think this is true. Ceiling fans cool people, not rooms. Ceiling fans circulate room air but do not change the temperature. A running ceiling fan in an empty room is only adding to your electricity use. Remember to turn fans off when you're away and reduce your energy use.

Myth: Reducing my energy use is too expensive.

Many consumers believe that reducing energy use requires expensive up-front costs, like purchasing new, more efficient appliances or construction upgrades to an older home. But the truth is, consumers who make small changes to their energy efficiency habits, such as turning off lights when not in use, sealing air leaks and using a programmable thermostat, can see a reduction in energy consumption.

Remember, energy efficiency doesn't have to be difficult. Focus on small changes to save big. Learn more about ways to save energy by visiting togetherwesave.com.

Abby Berry writes on consumer and cooperative affairs for the National Rural Electric Cooperative Association, the Arlington, Va.-based service arm of the nation's 900-plus consumer-owned, not-for-profit electric cooperatives.



UTILITY POLES ARE NOT BULLETIN BOARDS

Think before you post that sign!
Staples, nails and tacks used to hang signs and fliers create dangerous obstacles for electric lineworkers. *Their jobs are dangerous enough – help us keep them safe!*



Minutes of Board of Trustees Meeting

Regular meeting July 25, 2016

Trustees present were: Frank Czyzewski, Bill Croy, Neil Gould, Frank Herman, Kevin Logan, Bob Pierson, Richard Rudolphi, Danny Schnepfer and Greg Smith. Also present were Executive Vice President/General Manager Ed VanHoose, Operations Manager Luke Johnson, Cooperative Attorney Melanie Pearce, Cooperative Building Solutions personnel Gary Hobson, Max Ott, and Tim Masa. The invocation was given by Danny Schnepfer.

Approved the agenda as presented and amended by Gen. Mgr. VanHoose.

Heard a presentation by Cooperative Building Solutions personnel concerning the possibility of a new office building for Clay Electric Cooperative. They then left the meeting.

Discussed Facility Planning Study as presented, Informed by Gen. Mgr. VanHoose the option of exploring alternative cost estimates.

Approved the minutes of the regular meeting held June 27, 2016 as amended, to reflect a correction in paragraph 7 striking the word Approved and inserting the word Reviewed.

Accepted 15 new members for service.

Canceled 12 members no longer receiving service.

Approved a list of work orders in the amount of \$35,700.33.

Approved the disbursement list for June, 2016.

Heard a report by Luke Johnson concerning Policy # 900-1 Service to Mobile Homes.

Approved Gen. Mgr. VanHoose recommendation to amend Policy # 900-1 as presented.

Heard a report by Gen. Mgr. VanHoose concerning the new NRECA CEO Jim Matheson.

Appointed Frank Herman as Voting Delegate, and Bob Pierson as Alternate to the NRECA Region V Meeting.

Heard and Reviewed the "Summary of CFC Long-Term Loan Portfolio" presented by Gen. Mgr. VanHoose.

Heard a report by Trustee Herman concerning the recent SIPC Board meeting specifically Monthly Highlights. Informed by Gen. Mgr. VanHoose as to discussions regarding "Coincidental Peak" Billing and the impact such a change would have to CECEI.

Reviewed "Prairie State Energy Campus June 2016 Review"

Discussed assistance by CECEI as requested by AIEC for Live Auction.

Reviewed "Illinois ACRE Spotlight: July 2016."

Discussed invitation to attend upcoming David Reis Outing and Dinner.

Heard a financial report by Gen. Mgr. VanHoose as to the following;

a. **Reviewed** Form 7/Operations Report

b. **Reviewed** June cash flow report.

c. **Reviewed** SIPC June power bill.

d. **Reviewed** June power factor.

e. **Reviewed** June switching report.

f. **Reviewed** June power cost adder.

g. **Reviewed** US Bank June Credit Card statements.

h. **Approved** Write-offs for July. Also discussed a members account that was resolved without an actual loss.

Approved entering into Executive Session for the purpose of discussing Personnel.

Approved entering into Open Session.

Heard and Accepted a report by Cooperative Attorney Melanie Pearce concerning NRECA Legal Seminar 56.

Heard Managers report by Gen. Mgr. VanHoose as follows:

a. **Heard** a safety report discussing all items of topic through the month of July 2016.

b. **Heard** a report on recent Monthly Safety Meeting.

c. **Heard** a report as to inquiry to Federated RE Insurance regarding liability on equipment use.

d. **Reviewed** CECEI Facebook post addressing "Pokemon GO" game advising public to stay away from Electrical Energized Equipment specifically electrical substations while playing said game.

e. **Heard** a report as to unpaid State of Illinois accounts, specifically that a budget has been approved and balances will be addressed.

f. **Heard** a report concerning the replacement of the Iola Substation Power Transformer and insurance payout including labor and expenses. **Approved** the purchase of the recommended 5,000 KVa rebuilt power transformer.

g. **Heard** a report concerning Industry discussions on Solar/Net Metering Policies in the interest of fairness in allocating costs among the Membership.

h. **Heard** a report as to FEMA ruling of 6/8/16 whereby the Office of the Inspector General sanctioned an inappropriate procurement involving an Oklahoma Cooperative.

i. **Heard** a report as to the Department of Labor Overtime Rules.

j. **Approved** entering into Executive Session for the purpose of discussing Personnel.

k. **Approved** entering into Open Session.

l. **Heard** a report as to the USDA-RESP, United States Department of Agriculture-Rural Energy Savings Program.

m. **Informed** of upcoming Flora Chamber of Commerce Business After Hours Event that will be held at the Cooperative Headquarters.

n. **Heard** a report as to a phishing attempt, a cybersecurity issue; an example of the same demonstrated to the Board.

Thereafter said Managers Report was Approved.

Reviewed a Thank You card from Alvena Hildebrand expressing gratefulness for service following a power outage.

Approved the retirement of Capital Credits to estate of one deceased Member pursuant to Cooperative Policy.

Reviewed Liability Insurance Certificates of MVMA Electric Co., Inc. and Windstream Services, LLC.

Adjournment.

**Clay Electric
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