

From the Manager

Harr's Ace Hardware, owned by Jeff and Janice Harr of Flora, recently donated a portion of the cost of a YETI 65 Cooler to Clay Electric Co-operative. The YETI will be included in a silent auction at the Association of Illinois Electric Cooperative's Annual Meeting to benefit the Thomas H. Moore Illinois Electric Cooperatives Memorial Scholarship Program. There are 10 scholarships given each year worth \$2,000 each. The different scholarships are available to students who are children of Illinois electric cooperative members and employees going to four-year universities or attending an Illinois community college or technical school. The applications are due by December 31 of each year.

Check out www.ceci.coop or www.aiec.coop for more information on the scholarships and the application process.



Pictured in front of the YETI display with Clay Electric Co-operative Executive VP/General Manager Ed VanHoose, is Kristi Harr Richards. We thank the Harr's for their generous donation.



Ed VanHoose
Manager



The Clay Electric Co-Operative, Inc. 72nd Annual Meeting of Members

will be held Thursday, August 25th at Oil Belt Christian Service Camp

on the north-west side of Charley Brown Park on Old Hwy 50 west of Flora.

Drawing for five \$100 bill credits for five lucky members in attendance

Along with other bill credit prizes

A \$10 bill credit will be given to each member that registers at the meeting



**If you are a current member of Clay Electric,
please come and participate in your Annual Meeting.**

You are a member, not a customer

That's the co-op difference!

Many businesses use the word “member” to describe their customers. Places like Sam’s Club or Costco and even American Express like to refer to their customers as members. You pay a fee to buy their goods and services, but that is really all you get for the “membership.” No right to vote for the Board of Directors or to participate in any meaningful way in the organization.

In cooperatives like Clay Electric, membership really does mean something more than just the right to buy electricity. Co-ops of all types are founded on seven cooperative principles that give us guidance and strategic direction. Membership also gives you rights as an owner of this co-op. Brett Fairbairn is the director of the Center for the Study of Co-operatives at the University of Saskatchewan in Canada. He makes the case that member relations is not just part of what co-ops should be doing, but in fact is the fundamental core business of the cooperative.

He further lays out the three strategic concepts that any co-op must get right in order to survive and thrive:

Economic linkage

Clay Electric Co-operative is connected to you. There is a business relationship that serves you (the member) and the co-op. Since co-ops are solely owned by people in the community, they have a mutual interest to ensure that both the co-op and the member do well and prosper.

Transparency

As an owner of the co-op, you have a right to know how it operates and how decisions are made that directly impact you. If the co-op is transparent and combines this trait with integrity and fairness, it will build trust with the members.

Cognition

In this case, cognition is best defined as how your co-op thinks. It includes the current and historical identity, the mission and the sense of shared values with co-op members. Research, education and training are critical

functions that Clay Electric must conduct on an ongoing basis to ensure that we always have the best information to make decisions.

The cooperative business model is the best one on earth, but like any enterprise, it is up to the human beings who work at the co-op, who serve on the board and the members like you to ensure that the principles and values do not fade over time.

First and foremost, Clay Electric strives to be thought of as a member-owned cooperative that gives you the best value of any utility. If we succeed, our community thrives and you will always value being a member – not a customer.

Adam Schwartz is the founder of The Cooperative Way a consulting firm that helps co-ops succeed. He is an author, speaker and member-owner of the CDS Consulting Co-op. You can follow him on Twitter @adamcooperative or email him at aschwartz@thecooperative-way.coop.

A cyber security plan from the experts

Lessons you can learn from how electric co-ops guard against Internet bad guys

Could a computer hacker shut down the nation's electric grid? It's a question asked in popular books, congressional hearings – and it's even the plot point in the 2007 Bruce Willis movie "Live Free or Die Hard."

Most experts answer that question with, "probably not." Part of the reason for that answer is there are a lot of people in government and the utility industry like Barry Lawson.

As Associate Director of Power Delivery and Reliability for the National Rural Electric Cooperative Association (NRECA), Lawson spends his time working with electric co-op utilities to try to protect utilities from digital hackers.

Lawson and several others at NRECA run cyber security training sessions, publish security safety materials and develop techniques and software not only to keep the nation's electric supply reliable and secure, but to protect sensitive member, employee and co-op data and information from identity theft.

Lawson says co-ops make a high priority out of protecting themselves from the constant variety of cyber computer attacks by everyone from organized crime to hobbyist hackers, who are constantly launching attacks on every computer in the world.

"We're all being hacked," says Lawson. "As soon as you plug a new

FOUR TIPS TO PROTECT YOUR COMPUTER



1. Install antivirus software and keep it updated.



2. Never send emails that include your personal information (like date of birth or SSN).



3. Never open attachments or links unless you know the sender or were expecting the message.



4. Monitor children's activity on the Internet and make sure they know how to practice good cyber security.



computer into the Internet, it's being hacked by software that looks for Internet connections by the millions."

Lawson says we can all use advice that's the basis for how utilities protect themselves from cyber attacks: "try to make it as difficult as possible, and put in as many layers of protection as possible."

Here are Lawson's top four tips for protecting your computer:

1. Make sure you have antivirus software installed on your computer, and remember to keep it updated.
2. Don't send e-mails containing personal information, like your date of birth or Social Security Number,

because that increases opportunities for mal-actors to steal your identify. Be careful of typing a credit card number into a website—if you do, make sure that it's a secure website. You can tell whether it's secure by looking for the "s" at the beginning of the website address. Most begin with "http://." A secure site will begin with "https://."

3. Attachments or links in an email can contain malware that can infect your computer. Don't open an e-mail attachment or click a link unless you know the person sending it, and you were expecting them to send it to you (hackers can take over an account and make it look like it's from a friend.)

4. Monitor children's online activity, and make sure they know how to practice good cyber security. Visit the U.S. Computer Emergency Readiness Team's (UC-CERT) website for security tips on how to keep children safe online (<https://www.us-cert.gov/ncas/tips/ST05-002>).

Paul Wesslund writes on cooperative issues 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.

Energy Efficiency Tip of the Month



Use small electric pans, toaster ovens or convection ovens for small meals rather than your stove or oven. A toaster or convection oven uses one-third to one-half as much energy as a full-sized oven.

Source: energy.gov

Minutes of Board of Trustees Meeting

Regular meeting April 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, Cooperative Attorney Melanie Pearce, Gary Hobson and Staff of Cooperative Building Solutions, and Earl Ridlen of London Witte Group, LLC. The invocation was given by Greg Smith.

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

Heard a presentation by guests Gary Hobson and Staff as to planning, design, and construction of Rural Electric Cooperative Facilities. Thereafter they left the meeting.

Heard a report from Earl Ridlen as to the 2015 audit report. Reviewed and Discussed the audit and capital credit disbursement. Thereafter Mr. Ridlen left the meeting.

Approved the audit as presented.

Approved the minutes of the regular meeting held March 28, 2016.

Accepted 7 new members for service.

Canceled 14 members no longer receiving service.

Reviewed and **Approved** work orders in the amount of \$104,644.71

for the month of March 2016. Accepted the disbursement list for March, 2016.

Informed by Gen. Mgr. VanHoose that Director Richard Rudolphi had earned a Director Gold Certificate for his commitment in pursuing NRECA Director education credits.

Reviewed NRECA Memo regarding efforts to encourage certain legislation including the extension of the Geothermal Tax Credit.

Reviewed NRECA document summarizing NRECA's vision as to the industry's future involving new and growing technologies that was submitted to the Solar Electric Power Association.

Informed by Gen. Mgr. VanHoose 2015-16 Directors Study is available for review.

Heard a report by Trustee Herman concerning the recent SIPC Board meeting specifically financial information, and margin shortfall and necessity of imposing a rate adjustment.

Informed that rate adjustments require a 90 day notice but that a waiver of the 90 day requirement would be beneficial to CECI. **Approved** waiving the 90 day Notice Requirement and **Executed** "Resolution Waiving Notice Requirements for Adjusting Wholesale Power Rates for Power Purchased From SIPC," said waiver for this instance only and not a waiver generally. Also **Heard** a report as to SIPC Fidelity loss recognition as to cost of fuel.

Heard a report by Gen. Mgr. VanHoose as to necessity of increase in CECI rates due to increase in SIPC rate. **Discussed** various methods of increase, **Approved** rate increase to be imposed in a hybrid application.

Informed that there was not an AIEC Meeting this month. **Heard** a report by Gen. Mgr. VanHoose as to Youth Day participation by CECI sponsored students.

Heard a report by Gen. Mgr. VanHoose as to the following;
a. **Reviewed** Form 7/Operations Report.
b. **Reviewed** March cash flow report.
c. **Reviewed** SIPC March power bill.
d. **Reviewed** March power factor.

e. **Reviewed** March power cost adder.
f. **Informed** that US Bank March Credit Card statement was not available for review.

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

Approved entering into Open Session.

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

Heard a safety report and Reviewed attendance record for the CECI Training and Safety Meeting held April 11, 2016 addressing Dealing with Road Rage and Irate Members.

Informed a CFC check had been received for Semiannual interest earned by CECI on investments in CFC.

Heard a report as to status of Cooperative owned chipper requiring repair or replacement. Approved the repair of said chipper.

Informed by Gen. Mgr. VanHoose that there are openings on the Cooperative Response Center, Inc. Board of Directors. **Determined** no interest in seeking the position.

Informed by Gen. Mgr. VanHoose that the State of Illinois is behind on payment of their electric bills with CECI in the amount of \$2,554.90 as of April 20, 2016. CECI Board resists terminating service at this time.

Reviewed Official Meeting Notice for the 72nd Annual Meeting of the Members of Clay Electric Cooperative to be held on August 25, 2016, at the Oil Belt Christian Service Camp in Charley Brown Park. Districts up for election are I, II, and IX.

Reviewed Thank You card from Samuel Larch, Youth Day Participant.

Approved one Purchase Power Agreement in the form as presented.

Approved the retirement of Capital Credits to the estates of 2 Deceased Members pursuant to Cooperative Policy.

Disbursed CFC "Commitment to Excellence: A Guide to Developing Board Policies for Financial Best Practices" handbook.

Adjournment.

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