

## Democracy is the co-op way

*The more you put in, the more you get out.*

By Adam Schwartz

Every year Clay Electric Co-operative has an annual meeting. One of the most important activities we conduct is the election for the board of directors. These are the nine people we entrust to give strategic direction and ensure the co-op has good governance.

In 1844 when the 28 Rochdale pioneers created the modern cooperative movement, they were insistent that all members have the right to vote. Unless we consistently remind ourselves about how precious this right to vote truly is, we can easily take it for granted.

At Clay Electric, we try to make it as convenient as possible for members to participate in the election. A qualified candidate can pass a petition to your neighbors, asking them for their support. If a member is elected, a huge commitment then begins. Education is of vital importance. Courses are all about a cooperative, and important required training to be the best director for the membership that you represent. As the utility industry is experiencing some of the biggest changes since its founding, electric co-ops need your active participation. As a member of a co-op, you have the right (and some may even say the obligation) to help set the direction for the co-op. This is a critical difference between co-ops and other electricity providers, such as investor-owned utilities (IOUs) or municipally-owned systems.

With IOUs, you are a customer and there is no required ownership. IOU stockholders live far away and have no direct

attachment to the organization other than seeking a return on their investment. Communities served by municipally-owned systems may vote for the mayor or city council, but the connection to the electric service is very indirect.

The board of directors of a co-op makes important strategic decisions for the organization, while the operations (day-to-day running of the business) is entrusted to the employees. Examples of decisions boards make that impact all the members are:

- the level of involvement in community economic development
- whether to offer renewable types of energy such as solar or wind generated power to the members
- offering other services such as broadband
- approving the budget for the co-op
- make major decisions about rates that will impact those you serve

So when the next election for the board comes around you may want to ask the candidates where they stand on these or other issues. As locally-owned businesses in the community, electric co-ops have the opportunity to introduce neighbors to neighbors and rekindle that spirit of democracy at the grassroots level. We can encourage respectful debate about the role we see our co-op playing in our community.

We know that democracy is not a perfect form of governing, it just happens to be better than any of the others. Maybe if we can practice doing it well at the local level, it will have a positive impact on our democracy as a whole.

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Longtime Clay Electric Co-operative Bookkeeper Ginger Williams will be retiring in June 2017. Ginger started her career in 1980. She has seen many changes and improvements to the utility industry in her 36-plus year career. She lives in Flora with her husband Raymond. Her retirement will be spent spoiling her grandchildren and traveling. Clay Electric board and employees thank Ginger for her dedication and service to the cooperative. **Happy retirement, Ginger!**

# Notice

The following is the Section of the Bylaws of Clay Electric Co-operative, Inc. that describes the process of nominating candidates for Trustees that serve on the Co-operative's Board.

## ARTICLE III SECTION 3. Nominations.

(a) For the purposes of nomination of candidates for the office of Trustee, and to determine the number of Trustees elected to represent each district, the following districts and number of Trustees representing each district are established as follows:

*(this list is Districts up for election at 2017 Annual Meeting)*

<u>DISTRICT</u>	<u>NUMBER OF TRUSTEES</u>
<b>District IV</b> to include Pixley Township, Clay County; and Noble Township and Denver Township, Richland County	1
<b>District V</b> to include Hoosier Township and Louisville Township, Clay County	1
<b>District VII</b> to include Clay City Township and Stanford Township, Clay County; and Keith Township, Wayne County	1

(b) Any qualified member, a member meeting the requirements of Article III, Section 2 of these Bylaws, from the required District, may be nominated for Trustee by official petition of not less than fifteen (15) members of the Co-operative from the required District. Official petition forms will be available at the Co-operative Headquarters no more than one hundred twenty (120) days prior to the date of the meeting for the calendar year in which Trustee's terms expire.

(c) All candidates' nomination petitions, together with such additional information as may be requested by the Secretary of the Co-operative, shall be submitted by the prospective candidate to the Secretary at the Co-operative headquarters building, not less than forty-five (45) days prior to the date of the meeting at which Trustees will be elected. At the time of delivering the signed written petition to the Secretary, the prospective candidate shall also deliver to the Secretary a completed Statement of Qualifications demonstrating that he or she is qualified to serve as a Trustee under the terms of Article III, Section 2 of the bylaws. All petitions filed by persons waiting in line as of 8:00 a.m. on the first day for filing, or as of the normal opening hour of the headquarters building on that day, shall be deemed filed as of 8:00 a.m. or the normal opening hour, as the case may be. Petitions filed by mail and received after midnight of the first day for filing and in the first mail delivery or pickup of that day shall be deemed as filed as of 8:00 a.m. of that day or as of the normal opening hour of such day, as the case may be. All petitions

## 2. Bylaws

The bylaws of a corporation are an important document. You should read them because they are an internal

received thereafter shall be deemed as filed in the order of actual receipt. Where 2 or more petitions are received simultaneously, the Secretary shall break ties and determine the order of filing, by means of lottery or other fair and impartial method of random selection approved by the Secretary. Such lottery shall be conducted within nine (9) days following the last day for petition filing and shall be open to the public. Seven (7) days written notice of the time and place of conducting such random selection shall be given by the Secretary and such notice shall be posted at the Co-operatives headquarter building.

(d) The Secretary shall review all candidate nomination petitions to insure that the candidate is qualified to be a Trustee and to insure that the requisite number of qualified signatures (signatures of members residing in the required District) are contained in the petition.

(e) The Secretary shall cause to be posted a list of all qualified nominations at the Co-operative's headquarters building thirty (30) days before the meeting and shall cause to be mailed with the notice of meeting or separately, but at least five (5) days before the date of the meeting at which Trustees are to be elected, a statement of the number of Trustees being elected, the names and addresses of the candidates, and the Districts in which they are candidates. The ballot to be used at the election, if needed, shall list the names of the candidates nominated and the District in which they are candidates. Further, the order of candidates on the ballot shall be determined as follows: for each district, all candidates shall be listed in the order in which their petitions have been filed; where candidates have filed simultaneously, they shall be listed in the order determined by lot and prior to candidates who filed for the same District at a later time.

(f) In the event petitions are received only for the number of Trustees to be elected in a District and the Secretary determines the petitions are in order and the candidates qualified, no further election process shall be held and those candidates nominated shall be declared elected as Trustees at the meeting.

(g) Nominations by petition is the only means or method of becoming a candidate for Trustee. No nominations shall be made by nominating committee nor from the floor of a meeting at which trustees are to be elected.

# Minutes of Board of Trustees Meeting

## Regular meeting March 27, 2017

1. The regular February meeting of the Board of Trustees of Clay Electric Co-operative, Inc. (CECI) was held at the principal office of the Cooperative, R.F.D., in Flora, Illinois beginning at 7:00 o'clock p.m. on Monday, March 27, 2017.
2. Trustees present were: Frank Czyzewski, Frank Herman, Kevin Logan, Bill Croy, Bob Pierson, Neil Gould, Richard Rudolph, and Greg Smith. Danny Schnepfer was absent. Also present were: Ed VanHoose, Executive V.P. General Manager, Tyra Cycholl, CECI Attorney, Carrie Goldstein, CECI Bookkeeper and Earl Ridlen, Auditor of London-Witte. The meeting was opened by Richard Rudolph, who presided and Greg Smith, Secretary, acted as secretary thereof.
3. The invocation was given by Frank Czyzewski.

The following proceedings were had [all action being first duly moved and seconded and all action taken being upon the unanimous vote of the Board or without dissenting vote of abstention unless otherwise stated]:
4. **INTRODUCED**, newly hired Bookkeeper, Carrie Goldstein. Thereafter Goldstein left the meeting.
5. **HEARD THE** 2017 Audit Report as presented by Earl Ridlen of London-Witte.
6. **REVIEWED** the 2016 Management Representation Letter for the Audit. Thereafter Earl Ridlen left the meeting.
7. **APPROVED** the agenda as presented with the amendment of adding an executive session.
8. **APPROVED**, the minutes of the Regular Board meeting held on March 6, 2017.
9. **REVIEWED**, that the Board of Trustees hereby: (a) approve and admit to membership those 9 applicants connected for service since the last such review by the board, and (b) cancel those 12 former members shown on the Manager's Report since the last such review by the Board, said members no longer taking service.
10. **APPROVED**, a list of work orders in the amount of \$41,108.40.
11. **REVIEWED**, the checklist for the month of February 2017.
12. **APPROVED** the Special Resolution as presented, and a plaque for Ginger Williams retirement.
13. **REVIEWED** the NRECA updates including potential Executive Orders.
14. **REVIEWED** the CFC Rate Guide and CFC Benefits of Ownership.
15. **DISCUSSED** the NCSC Board Opening and were **INFORMED** that Kevin Logan is on the ballot to fill the open seat on the Board.
16. **REVIEWED** the Federated Member Update for February 2017.
17. **HEARD** a report by Trustee Herman on the recent SIPC Committee meeting.
18. **REVIEWED** the Prairie State Energy Campus February 2017 report.
19. **INFORMED** of the SIPC Annual Meeting on March 30, 2017
20. **HEARD**, a report by Kevin Logan as to the most recent AIEC meeting held March 16, 2017, in Springfield, Illinois at the AIEC Headquarters.
21. **DISCUSSED** NRECA Course "Communicating the New Energy Landscape."
22. **INFORMED** that there were no committee meetings this month.
23. **UPDATED** on the building plans.
24. **HEARD** a financial report by Manager VanHoose as to the following:
  - a. February 2017 Form 7;
  - b. February 2017 Cash Flow;
  - c. SIPC Power Delivered in February 2017 dated March 8, 2017February 2017 Power Factor.  
February 2017 Power Cost Adder
25. **HEARD** a General Safety Report for February 2017.
26. **REVIEWED** Monday morning safety meeting sheet dated March 13, 2017.
27. **APPROVED**, moving into Executive Session to discuss Confidential Negotiations.
28. **APPROVED**, entering back into General Session.
29. **APPROVED** engaging Tyra Cycholl as needed in Confidential Negotiations.
30. **HEARD and APPROVED** a report by Manager VanHoose as to the following:
  - a. CFC Rate Lock
  - b. Interruptible rates
  - c. Policy 600-2
  - d. SEDC Capital Credits
  - e. National Linemen Appreciation Day
  - f. Upcoming meetings
31. **DISCUSSED and APPROVED** locking in the CFC Interest Rate as presented.
32. **DISCUSSED and APPROVED** discontinuing the Interruptible rates 13, 15, and 16, on January 1, 2018. (Trustee Gould abstained)
33. **DISCUSSED and APPROVED** Policy 600-2 as amended.
34. **REVIEWED** SEDC Capital Credits.
35. **INFORMED** of plans to recognize National Linemen Appreciation Day.
36. **REMINDED** of upcoming Board Meeting times.
37. **APPROVED** the Legal Report as presented.
38. No Thank you cards.
39. No Purchase Power Agreements for the month.
40. **HEARD and APPROVED**, a report by Manager VanHoose as to requests for retirement of capital credits for the estates of three deceased Members pursuant to Cooperative policy.
41. No Liability Insurance Certificates for the month.

There being no further business to come before the Board, said meeting was declared **ADJOURNED**.

### Clay Electric Co-operative, Inc.

A Touchstone Energy® Cooperative 

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## New hire

**C**lay Electric Co-operative recently hired Carrie Goldstein of Flora to fill the position of Bookkeeper that will be open when Ginger Williams retires in June of 2017.

Carrie brings utility and bookkeeping experience to her new employment. She lives in Flora along with her two children.

Carrie served in the United States Army for eight years. She served as an Administrative Specialist, Postal Specialist, Supply Specialist, and was promoted to Staff Sergeant. Carrie was stationed in the 1st Calvary Division Post Office in Baghdad.



Family is important to her, and she wants to stay here in Clay County where most of her family reside.

*Congratulations to Carrie on her new position in our cooperative family.*

## Please make room for roadside crews *By Abby Berry*

**W**hen the power goes out, so do Clay Electric Co-operative's line crews. Lineworkers are the first to respond after an outage occurs, and they work tirelessly to restore power to the communities we serve.

If you're traveling and see one of our crews on the side of the road, we kindly ask that you move over if possible and give them a little extra space to work. We deeply care about the safety of all, and this extra precaution ensures just that.

If you approach a crew while traveling on a two-lane road, moving over to the next lane might not be an option. In this case, we simply ask that you slow down when approaching roadside crews. If you approach a crew while traveling on a four-lane road, and safety and traffic conditions allow, we ask that you move over into the far lane.

Utility crews aren't the only ones who could use the extra space. Emergency responders, such as police officers, firefighters and emergency medical technicians, often find themselves responding to emergency situations near busy roadways. We ask that you follow the same procedures mentioned above to help keep these crews safe.

There's plenty of room for all. Let's work together to keep everyone safe on our local roadways.

*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.*



### PLEASE MOVE OVER FOR EMERGENCY AND UTILITY CREWS

If you see police, firefighters, utility crews or other emergency personnel on the side of the road, please slow down and move over when possible.

**Together, we can keep our crews safe.**

