



# Clinton County Connection

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## Minutes from the 78th Annual Meeting of Members

Members in attendance at Clinton County Electric Cooperative's 78th Annual Meeting, held Thursday, March 17, 2016 at Central Community High School in Breese, re-elected three members of the board of trustees by acclamation, approved proposed Bylaw changes by acclamation, and heard the 2015 accomplishments as well as the financial results of CCECI. Members in attendance also had the opportunity to hear about Southern Illinois Power Cooperative, Prairie State Generating Campus, and future rate strategies at Clinton County Electric Cooperative. Every registered member received a \$10 bill credit and the evening closed with three attendance prizes being awarded.

Upon motion by Bill Guile, seconded and a vote taken thereon, Trustees Cary Dickinson from District 1, Joe Voss from District 2, and Steve Kalmer from District 3 were re-elected by acclamation. Upon motion by Ron Zurliene, seconded and a vote taken thereon, the proposed revisions to Article I of the Bylaws were approved by acclamation. Upon motion by Jim Tebbe, seconded and a vote taken thereon, the proposed revisions to Article V of the Bylaws were also approved by acclamation.

Vernon Mohesky, recently elected Chairman of the Board, began his speech by talking about CCECI's accomplishments in 2015. Mohesky went on to explain CCECI has not had a lost time accident since April of 2009,

which is almost 270,000 hours worked without an accident. He then focused on reliability, and said "One of our main initiatives at Clinton County Electric is reliability. Our goal is to have no more than 1 hour of outage per member per year. Two thousand fourteen was the first year we were able to attain that goal. For 2015 we ended up slightly over that goal at 1.29 member outage hours. The main culprit for not making our goal was a substation transformer failure at the Keyesport Substation in March of 2015." While on the topic of reliability, Mohesky touched briefly on the widespread outage that affected almost our entire service territory on the evening of January 26, 2016 and he attributed the outage to a failure on Ameren's 69,000 volt transmission system.

The next topic on Chairman Mohesky's agenda was capital credits. Mohesky stated "At our regular November, 2015 Board Meeting, the Board of Trustees approved a \$200,000 one-time refund of revenue back to the membership which was applied to their December electric bill. The average account received between a \$25 and \$30 bill credit. The board felt it was best to return those dollars to the membership in 2015, rather than returning those funds as future patronage retirements." He also mentioned the approximate \$200,000 of retired patronage that was paid to those who were members in 1990 and 1991. Chairman Mohesky spoke briefly about strategic planning

and concluded his speech by reviewing a couple of the core Cooperative Principles.

Recently elected Treasurer Timothy Hanke came to the podium and reported that 2015 was a financially successful year for Clinton County Electric. He centered his speech on sources and uses of cash. Treasurer Hanke stated the Cooperative collected a little over \$18.2 million last year, with the largest source of cash, \$16.5 million, having come from member payments. The second largest source of cash, \$1.3 million, came from long and short term loans from our national cooperative bank. Fifty-nine percent of the total cash spent by Clinton County in 2015 went to SIPC for the payment of purchased power. The remaining cash was spent on wages/benefits, distribution system support, principal and interest payments, capital improvements, contractors, capital credits, and corporate governance.

**Continued on 16b ▶**



*Bob Kroeger*

**Annual Meeting continued from 16a**

Treasurer Hanke concluded his portion of the speech by saying "Within the cooperative business model, there are two short term sources of funds, the member and the bank. The board understands to help ensure a reliable source of power for you the member, we need to borrow money. If we didn't borrow money for the investments into the system, we would only have two alternatives, raise rates or let reliability subside."

Next Don Gulley, President/COO at Southern Illinois Power Cooperative (SIPC), which is the source of power for Clinton County Electric, stated the generation and transmission (G&T) cooperative is working towards stability for the future. One area is reliability. SIPC owns one of the highest performing plants in the country. Mr. Gulley said, "Our forced outage rate is less than 2 percent. Whenever we ask them (the plants) to run, they run and that's a testament to the experienced and seasoned staff we have at SIPC." Keeping those employees safe is paramount to SIPC, and its commitment is paying off. Safety is at an all-time high, with zero lost time accidents at the plant since September 2014. Holding down costs has also been a major priority. New coal contracts and good management of fuel, additives and trucking are helping to reduce costs for SIPC, and ultimately its distribution cooperatives and their member/owners. Mr. Gulley reported Prairie State Generating Campus (PSGC) in Marissa, in which SIPC is part-owner, is continuing to improve reliability. "Prairie State is maintaining a good trajectory we started in 2015, with setting a record number of days of continuous operation." In 2015, PSGC

had the lowest cost per megawatt hour since its inception, which has helped reduce rates by nine percent. Environmental regulations continue to be a serious challenge for coal-burning power plants across the country. Mr. Gulley said, "SIPC is committed to reducing the amount of sulfur dioxide and nitrous oxide emitted into the air. We invested in technology a long time ago that is helping to meet those new requirements."

Then President/CEO Mike Johnson came to the podium and detailed the cooperative's rate strategy. Since 2012, the cooperative has been working to create a fair and reasonable rate structure. He said, "Rate making is not done in a vacuum; it is the culmination of everything the cooperative does. Whether it's building distribution line, reading a meter, providing customer service, processing a payment; all of these activities are eventually reflected in members' rates."

The cooperative had a cost of service study conducted through the Association of Illinois Electric Cooperatives, which has provided information and guidance for each component on member electric bills. Johnson said, "Based on the results of the cost of service study, there will be some rate adjustments within rate classes that could slightly raise or lower members' bills. Generally, the facilities charge will increase and the energy charge will decrease. Once the new rates are determined, they will be phased in over a three year period commencing in April of 2017." Upon motion by Nelson Arrowsmith, seconded and a vote taken thereon, all the reports given by the officers and the president were approved.

President Johnson gave an update concerning the employees of Clinton County Electric. Brenda Knolhoff has completed five years of dedicated service; Doug Vonder Haar twenty-five years of dedicated service, and Harry Buller forty years of dedicated service. He reported Gary "Goober" Albers, retired in March of 2016 with over forty three years of dedicated service. With the retirement of Goober, the Cooperative hired Kyle Wiegmann as an Apprentice Lineman in March of 2016. Dale Nordike retired in 2015 and the Cooperative hired Mike Korte as the Field Services Technician to replace Dale.

The meeting drew to a close with President Johnson giving an update on the trustees. Steve Kalmer was recognized for completing five years of dedicated services; Vernon Mohesky for ten years of dedicated service; Randy Renth for twenty years of dedicated service; and Ron Becker for twenty-five years of dedicated service.

There being no further business to come before the 78th Annual Meeting of Members of the Clinton County Electric Cooperative, Inc., upon motion by Bob Dumstorff, seconded and a vote taken thereon, the meeting was adjourned by Chairman Mohesky.

Following adjournment, four cash prizes were awarded. The winners were: Gerald Innes, \$100; Stanley Detmer, \$50; Virgil Hemker, \$50; and Nick Gundlach, \$50.

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Timothy D. Hanke, Secretary

APPROVED:

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Vernon Mohesky, Chairman

*Happy Holidays*

**The cooperative office will be closed on Friday, December 23 & Monday, December 26 in observance of Christmas and on Friday, December 30 & Monday, January 2 in observance of New Year's.**



# Bylaws specify nomination procedure

Section 4.06. Nominations. It shall be the duty of the Board of Trustees to appoint, more than ninety (90) days before the date of a meeting of the members at which Board trustees are to be elected, a committee on election and credentials consisting of not less than five (5) nor more than nine (9) members with at least one (1) member from each district from which a trustee is to be elected. No employee, trustee, Officer, known candidate, or close relative (as hereinafter defined) of any of the above may serve on such committee. The purpose of the committee is to review the qualifications of petitioning nominees and to conduct the election of trustees. To be nominated by petition, a candidate for trustee must file a petition for nomination signed by at least twenty-five (25) members, but not more than fifty (50) members. Signatures may come from the entire Cooperative membership. A joint membership constitutes only one member. Nominations by petition must be picked up and filed not more than ninety (90) days or less than forty-five (45) days before the date of a meeting of the members at which trustees are to be elected. The Election and Credentials Committee, or subcommittee of same must meet to determine if the candidates meet the qualifications for trustee. Upon establishment of the fact that a nominee for trustee lacks eligibility under these Bylaws, it shall be the duty of the Election and Credentials Committee to disqualify such nominee. If there are no nominations by Petition for trustee in any district in which a trustee is to be elected, it is the duty of the Board of trustees to appoint a member

to serve in that position. At least thirty (30) days prior to the meeting of members, the Election and Credentials Committee shall certify a list of nominees for trustee to the secretary. The secretary shall then post at the principal office of the Cooperative, at least thirty (30) days prior to the meeting of members, a list of the nominations for trustee to be elected, listing separately the nominee(s) for each trustee district. The secretary shall also be responsible for mailing, with the Notice of Meeting or separately, but at least five (5) days before the date of the meeting, a statement of the number of Board members to be elected and the names and addresses of the nominees. No nominations may be made from the floor. Nominees' names from the same district may be rotated on the ballot so that each nominee's name is on the ballot in the same position as equal number of times as possible. Notwithstanding anything in this section contained, failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of trustee. The Election and Credentials Committee shall elect its own chairman and secretary at its initial meeting. It shall be the responsibility of the committee to establish or approve the manner of conducting any ballot or other voting, to pass upon all questions that may arise with respect to registration of members in person, to count all ballots or other votes cast in any election or in any other manner, to rule upon the effect of any ballots or other votes irregularly or indecisively marked or cast, to rule upon all questions that may arise relating to member vot-

ing in the election of trustees and to pass upon any protest filed with respect to election or to conduct affecting the result of the election. In exercising the responsibility, the committee shall have available to it the advice of counsel provided by the Cooperative. In the event a protest or objection is filed concerning any election, such protest or objection must be filed not more than three (3) business days following the adjournment of the meeting in which the voting is conducted. The committee shall thereupon be reconvened, upon notice from its chairman, not less than seven (7) days after such protest or objection is filed. The committee shall hear such evidence as is presented by the protestor(s) or objector(s), who may be heard in person, by counsel, or both, and any opposing evidence; and the committee, by a vote of a majority of those present and voting, shall, within a reasonable time but not later than thirty (30) days after such hearing, render its decision, the result of which may be to affirm the election, to change the outcome thereof, or to set aside. The committee's decision (as reflected by a majority of those actually present and voting) on all matters covered by this Section shall be final. The committee may not affirmatively act on any matter unless a majority of the committee is present.

**For a list of Election and Credentials Committee members, date of meeting, a petition or any other information concerning the nominations procedure, please contact: Bob Kroeger, President, Clinton County Electric Cooperative, Inc., 475 N. Main Street, Breese, IL 62230, (618) 526-7282.**

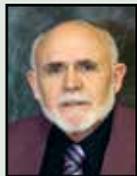
# 2017 Youth Day and Youth Tour



Clinton County Electric will again sponsor up to 12 area sophomores or juniors to attend Youth Day in Springfield to be held on April 5, 2017, sponsored by the cooperative and the Association of Illinois Electric Cooperatives. Two will be selected to go to Washington DC from June 9-16, 2017 for an all-expense paid tour. See our January, 2017 issue for more details.

2017 Clinton County Electric Cooperative Annual Meeting  
 Thursday, March 16, 2017 – Be sure to mark your calendar!  
 It is never too early to plan for your upcoming annual meeting

## The Trustees and Employees of Clinton County Electric wish everyone a very Merry Christmas and a Happy and Prosperous New Year.



Ronald Becker



Cary Dickinson



Robert Gerstenecker



Tim Hanke



Stephen Kalmer



Kevin Kampwerth



Vernon Mohesky



Randy Renth



Joseph Voss



Craig Benhoff



Harry Buller



Jason Deering



Ron Deien



Allan Deiters



Mike Faust



Jacob Haselhorst



Justin Hubert



Brenda Knolhoff



Mike Korte



Bob Kroeger



Ralph Kuhl



Ahren Langhauser



John Schroeder



Katy Singler



Brian Taylor



Carrie Trame



Doug Vonder Haar



Kyle Wiegmann