

MINUTES OF REGULAR MEETING OF DIRECTORS

October 31, 2023

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, October 31, 2023, at the Headquarters facility. The meeting was called to order at 8:30 AM by President Hicks. Present for the meeting were:

Paul Hicks, President
Kevin Liefer, Vice President
Randall Campbell, Sec.-Treasurer
Paul Pyatt
Ken Jarrett
Mary Homan
Rick Asaturian
Kevin Bame

Shane Hermetz, GM/EVP
Brad Austin
Travis Deterding
Jennifer Nugent
Bart Swisher

Casey Twomey, Attorney
Cindy Krisby
Julie Loesing
Roni Croxell

Absent: Steve Prest, Brooke Guthman

MEMBER and GUEST COMMENTS: N/A

RECESS: The Board went into recess at 8:31 AM to allow the Egyptian Electric Charitable Fund, NFP Board to hold their meeting. The Board returned from recess at 8:33 AM.

The **CONSENT AGENDA**, consisting of the consideration of the prior month's board meeting minutes, review of the list of checks written during the prior month, the Equity Analysis report, Capital Credit Estate Refunds (\$3,088.77) for the month, the EECA Safety Report, the EECA ROW Report, the EECA Strategic Scorecard, the Regulatory Report, and the Outage Report were approved on a motion by Mr. Liefer and seconded by Ms. Homan, motion carried.

AIEC and SIPC REPORTS: Mr. Hermetz provided an overview of recent developments within AIEC and SIPC, highlighting the decision by another Illinois cooperative to institute a residential demand rate schedule in 2024, which will require members to pay fixed costs upfront. Discussion followed. Additionally, Mr. Hermetz provided an update on the solar project planned for EECA's neighboring property. The solar company has started making payments for electric line extensions to SIPC, and materials are being ordered in preparation for the substation. Discussion followed.

Mr. Pyatt provided an update on the SIPC Power Production Committee, and Mr. Jarrett provided an update on SIPC Administration and Finance. Mr. Hermetz added that the SIPC Board did vote to accept Coincident Peak (CP) rate. Discussion followed.

ENGINEERING\OPERATIONS REPORT: Mr. Austin delivered the Engineering and Operations Report, highlighting the progressing sales agreement with Pinckneyville Hospital to acquire property for an EECA substation. In addition, he provided the latest developments concerning the Archea Energy solar project, the increased load requirements for KRPD 1, and the status of the Campbell Solar and Stag Steel projects.

IT REPORT: Mr. Swisher presented the IT report, providing updates on fiber installation, security cameras, and new card readers. He added that IT has ordered an HVAC server to replace the existing server. Mr. Swisher provided information on recent worldwide cyber-attacks, and an update on day-to-day IT upgrades and issues at the cooperative.

MEMBER SERVICES REPORT: Ms. Croxell presented the Member Services Report in Ms. Guthman's absence. Copies of the upcoming month's Illinois Country Living center section, the employee newsletter, and the ICL Page 6 ad were presented in the Board materials.

Ms. Croxell notified the Board that NISC will be onsite in mid-November to go over all processes to ensure we are best utilizing NISC service enterprises. She added that the AIEC Member Services Meeting will be held on November 8-9, where she will present on Crisis Communications. She provided a brief update on Operation Round Up, Classroom Grants, and the AIEC scholarships.

FINANCIAL REPORT: Ms. Bauersachs presented the Human Resources and Finance Report. Total margin for September 2023 was \$211,968.64 vs budget of \$180,133.81. Operating Revenue was \$3,446,390.04 up 10.1% from September last year at \$3,131,241.91. KWH sales were 23,883,237 up 2.3% from last September at 23,342,825. KWH purchases were 24,956,696 an increase of 2.8% from September last year at 24,285,435. Variance of Major Costs from budget was Power Cost \$91,887.93 lower, Distribution Expense \$26,470.21 higher, Depreciation \$8,177.85 lower, Interest Expense \$8,986.53 higher, Customer Expenses \$11,636.42 higher, Sales Expense \$5,735.00 lower, and General and Administrative Expenses were \$20,223.80 lower.

Ms. Bauersachs and Mr. Hermetz presented the FY2024 Cooperative Budget. They collectively presented the FY2024 budget income statement, a summary, and a detailed explanation of all planned expenditures/projects within the FY2024 budget and provided comparative information from previous years. Discussion followed.

LEGAL REPORT: Attorney Casey Twomey said the process continues to review all EECA policies. Legal will continue to work with management to review policies and forms for updating.

MANAGER'S REPORT: Mr. Hermetz presented the Manager's report. He discussed recent presentations he's given on cyber security and electric vehicles. He also discussed the next steps for adding charging infrastructure and a possible deployment schedule. He provided a brief update on grants and policy revisions with legal and management team. Mr. Hermetz also presented Policies 404-408 for Board review. Discussion followed.

Mr. Hermetz reminded the Board that Strategic Planning 2024 is scheduled for November 7 at 8:30 a.m. EECA employees, the leadership team, and Board Members are invited to attend to discuss EVs, solar, changing membership, and related topics.

OTHER BUSINESS:

Upon a motion by Mr. Liefer and seconded by Mr. Campbell and a vote taken thereafter, the Board approved by majority vote **to accept the recommendation of the Egyptian Electric Chartable Fund NFP Board to award a grant in Q3 of 2023, a five-hundred-dollar (\$500) grant to the Carbondale Park District.**

Upon a motion by Mr. Bame and seconded by Mr. Jarrett and a vote taken thereafter, the Board approved by majority vote **the purchase of two 2023 Ford F150 Lightning pickup trucks.**

Upon a motion by Mr. Liefer and seconded by Mr. Cambell and a vote taken thereafter, the Board approved by majority vote **to accept a budget amendment adding \$371,900 to the 2023 Fiscal Budget.**

Upon a motion by Mr. Pyatt and seconded by Ms. Homan and a vote taken thereafter, the Board approved by majority vote **to adopt the FY2024 Budget as presented.**

EXECUTIVE SESSION: N/A.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, October 31, 2023. There being no further business to come before the Board of Directors, upon a motion and a second, and a vote taken thereof, the meeting was adjourned at 12:27 AM.

Date Approved: October 31, 2023

Randall Campbell, Board Secretary/Treasurer

Recorded by Roni Croxell, Communications Coordinator