

MINUTES OF REGULAR MEETING OF DIRECTORS

November 28, 2023

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, November 28, 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
Jeremy Thies
Jennifer Nugent
Bart Swisher
Cheryl Bauersachs
Brooke Guthman

Elisha Sanders, Attorney
Cindy Krisby
Julie Loesing
Roni Croxell

Absent: Travis Deterding

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 8:32 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 (\$5,139.69) 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 Mr. Pyatt, motion carried.

AIEC and SIPC REPORTS: Mr. Hermetz provided an overview of recent developments within AIEC and SIPC, noting the departure of SIPC CEO Don Gulley and the efforts to find a suitable replacement for the vacant position. Discussion followed. Additionally, Mr. Hermetz provided an update on the SIPC FY24 Budget, the proposed new rate schedules and EECA's rate for Q1 2024.

ENGINEERING\OPERATIONS REPORT: Mr. Austin presented the Engineering and Operations Report, highlighting the load shed exercise conducted by SIPC on November 9. EECA participated in the scenario and worked through a winter load shed plan. Mr. Austin also noted recent developments on projects such as renewable gas at the landfill, added load at SIU's McLafferty Annex, and plans for a baseball facility at John A. Logan College. He concluded the report with updates on supply chain delays and lead times.

IT REPORT: Mr. Swisher presented the IT report, noting that the latest NISC software has been installed. He also provided a brief update on phishing and scam attempts EECA has avoided since blocking some countries from visiting our website. He concluded the report with an update on day-to-day IT upgrades and issues at the cooperative.

MEMBER SERVICES REPORT: Ms. Guthman presented the Member Services Report. 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. Guthman updated the board on the recent NISC on-site visit to evaluate manual processes in EECA workflow and find more efficient solutions. The visit was very productive. She added that Disconnects for Non-Payment (DNPs) will be processed sooner. This will allow our billing to work as it should and the amounts due by our membership to be lower. She concluded with a brief update on website improvements, SmartHub redesign, Classroom Grants, and the AIEC scholarships.

FINANCIAL REPORT: Ms. Bauersachs presented the Human Resources and Finance Report. Total margin for October 2023 was \$72,125.84 vs budget of \$23,701.16. Operating Revenue was \$3,398,216.97 up 15.4% from October last year at \$2,945,825.43. KWH sales were 23,363,893 up 9.1% from last October at 21,412,769. KWH purchases were 24,425,337

an increase of 9.6% from October last year at 22,291,577. Variance of Major Costs from budget was Power Cost \$19,972.99 higher, Distribution Expense \$94,487.09 lower, Depreciation \$8,412.06 lower, Interest Expense \$25,209.31 higher, Customer Expenses \$15,851.63 higher, Sales Expense \$1,625.91 lower, and General and Administrative Expenses were \$36,080.75 lower.

LEGAL REPORT: Attorney Elisha Sanders 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, as well as proposed SIPC/EECA rate schedule. Mr. Hermetz also presented Policies 409-413 for Board review. Discussion followed.

Mr. Hermetz concluded that the Strategic Planning meeting was very productive. Discussion followed.

OTHER BUSINESS:

Upon a motion by Mr. Campbell and seconded by Ms. Homan, and a vote taken thereafter, the Board approved by majority vote to **accept Mr. Pyatt's resignation from SIPC Board, effective December 31.**

Upon a motion by Mr. Jarrett and seconded by Mr. Liefer, and a vote taken thereafter, the Board approved by majority vote to **appoint Mr. Prest to the SIPC Board, effective January 1, 2024.**

Upon a motion by Mr. Pyatt and seconded by Ms. Homan, and a vote taken thereafter, the Board approved by majority vote to **accept Mr. Prest's resignation from the AIEC Board effective December 31 and appoint Mr. Campbell as the new AIEC Director, effective January 1, 2024.**

Upon a motion by Mr. Jarrett and seconded by Mr. Pyatt and a vote taken thereafter, the Board approved by majority vote to **approve the 2023 Strategic planning minutes, as presented.**

Upon a motion by Mr. Jarrett, seconded by Mr. Campbell, and a vote taken thereon, it was decided by majority vote to **allow the General Manager to execute paperwork associated with the SIPC wholesale power contract, waiving the time notice associated with the expected rate adjustment effective January 2024.**

Upon a motion by Mr. Prest and seconded by Mr. Liefer and a vote taken thereafter, the Board approved by majority vote to **amend board policy 114 – Returned Payments, as presented.**

Upon a motion by Mr. Campbell, seconded by Mr. Jarrett, and a vote taken thereon, it was agreed upon by majority vote to **name Director Paul Hicks the voting delegate and Director Kevin Liefer the Alternate Delegate for the NRECA Annual meeting in March 2024.**

Upon a motion by Mr. Campbell, seconded by Mr. Prest, and a vote taken thereon, it was agreed upon by majority vote to **name Director Kevin Liefer the voting delegate and GM Shane Hermetz the Alternate Delegate for the IL Workers Compensation Annual meeting in December 2023.**

Upon a motion by Mr. Jarrett, seconded by Mr. Campbell, and a vote taken thereon, it was agreed upon by majority vote to **name General Manager, Shane Hermetz the EECA voting delegate and Cheryl Bauersachs the Alternate Delegate for the CRC Annual meeting in March 2024.**

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, December 19, 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 11:18 AM.

Date Approved: December 19, 2023

Randall Campbell, Board Secretary/Treasurer

Recorded by Roni Croxell, Communications Coordinator