

MINUTES OF REGULAR MEETING OF DIRECTORS

March 26, 2024

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, March 26, 2024, at the Headquarters facility. The meeting was called to order at 8:27 AM by President Hicks. Present for the meeting were:

Paul Hicks, President	Shane Hermetz, GM/EVP	Elisha Sanders, Attorney
Kevin Liefer, Vice President	Cindy Krisby	Travis Deterding
Randall Campbell, Sec.-Treasurer	Jeremy Thies	Julie Loesing
Paul Pyatt	Jennifer Nugent	Roni Croxell
Ken Jarrett	Cheryl Bauersachs	Anna Guetersloh, KEB
Kevin Bame	Brad Austin	
Rick Asaturian	Brooke Guthman	
Steve Prest		
Mary Homan		

ABSENT:

MEMBER and GUEST COMMENTS: Anna Guetersloh from KEB presented an overview of the independent audit performed by KEB. She noted that EECA received an “unmodified opinion,” which is the highest opinion that can be given by an auditor. Ms. Guetersloh left the meeting at 8:39AM.

RECESS: The Board went into recess at 8:39 AM to allow the Egyptian Electric Charitable Fund, NFP Board, to hold their meeting. The Board returned from recess at 8:48 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 (\$1,496.79) 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. Jarrett and seconded by Mr. Liefer, motion carried.

AIEC and SIPC REPORTS: Mr. Campbell provided an update on AIEC happenings, noting the recent emphasis from AIEC on “red flag rules” to protect member information. Discussion followed.

Mr. Liefer provided an update from the SIPC Power Delivery Committee and recently approved bids, projects, and work orders. He also noted that Osmose had completed its pole inspection and SIPC came in under budget.

Mr. Prest provided an update from the SIPC Power Production Committee noting an upcoming unit closure for boiler repairs, at which time SIPC will be alternating units. He added that SIPC is working through coal contracts.

Mr. Jarrett provided an update from the SIPC Administration and Finance Committee noting that this year SIPC came in very close to budget.

Mr. Hermetz provided information on the latest developments and potential projects within AIEC and SIPC.

ENGINEERING\OPERATIONS REPORT: Mr. Austin presented the Engineering and Operations Report giving an update on supply chain concerns and upcoming projects. He also talked about legislation moving through the IL legislature that may affect solar installations that EECA should be aware of.

IT REPORT: Ms. Nugent presented the IT report giving a progress update on projects including touch up painting at EECA headquarters and the construction of two new offices in the former records room. Ms. Nugent added that the VM Ware EECA purchases from Broadcom has increased and the IT team is actively looking for a more affordable long-term solution.

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 also reviewed the recent policies that have been revised and are awaiting Board approval. She also presented a formal REDLG application from Greater Egypt Planning for reconstruction of road in DuQuoin. Discussion followed. Ms. Guthman will prepare a list of criteria needed for REDLG applications to be brought to the Board.

She concluded her report notifying the Board that data is being collected on how members are paying their bills so we can tailor options to best suit member needs. She also provided a recap of recent events including Fields & Wires and Chester High School Career Fair.

FINANCIAL REPORT: Ms. Bauersachs presented the Human Resources and Finance Report. Total margin for February 2024 was \$115,070.41 vs budget of -\$215,056.21. Operating Revenue was \$3,744,343.27 up 1.0% from February last year at \$3,705,452.68. KWH sales were 25,734,248 down 1.6% from last February at 26,141,724. KWH purchases were 26,862,724 a decrease of 1.4% from February last year at 27,232,105. Variance of Major Costs from budget was Power Cost \$271,587.49 lower, Distribution Expense \$75,312.39 lower, Depreciation \$23,899.32 lower, Interest Expense \$7,189.31 lower, Customer Expenses \$3,105.19 lower, Sales Expense \$5,424.21 lower, and General and Administrative Expenses were \$11,419.93 lower. Mrs. Bauersachs also commented on the 2023 audit, discussion followed.

LEGAL REPORT: Attorney Elisha Sanders that the process continues to review all EECA policies. Legal will continue to work with management to review policies and forms for updating. Legal will also continue to update the Board on legislative impacts to EECA policies and make needed recommendations.

MANAGER'S REPORT: Mr. Hermetz presented the Manager's report. He reviewed recent grant applications and awards, fraud activity caught by our financial software, short term and long term debt, and cash flow. The Board discussed authorizing Mr. Hermetz to sign grant agreements without Board consensus as they are often timely. Mr. Hermetz also notified the Board on potential modifications to interconnection agreements to allow for larger loads and pending legislation that might affect current policies.

OTHER BUSINESS:

Upon a motion by Mr. Jarrett and seconded by Mr. Campbell and a vote taken thereafter, the Board approved by majority vote to **approve the 2023 Audit of finances from KEB.**

Upon a motion by Mr. Prest and seconded by Mr. Liefer and a vote taken thereafter, the Board approved by majority vote to **amend one (1) rate tariff, Rate schedule A-1 – (full retail net metering) - making the rate non-transferrable to new members at the service location and sunseting the rate for all members twenty-five (25) years from the date of interconnection.**

Upon a motion by Mr. Pyatt and seconded by Mr. Prest and a vote taken thereafter, the Board approved by majority vote to **approve amendments to Board Policy 101 Ideals.**

Upon a motion by Mr. Campbell and seconded by Mr. Jarrett and a vote taken thereafter, the Board approved by majority vote to **approve amendments to Board Policy 405 - Director medical expenses.**

Upon a motion by Mr. Campbell and seconded by Mr. Bame and a vote taken thereafter, the Board approved by majority vote to **approve the appointment of Director Steve Prest as the voting delegate and Director Paul Pyatt as the alternate delegate for the CFC & Federated Annual Meetings to be held in June 2024.**

Upon a motion by Mr. Bame and seconded by Mr. Campbell and a vote taken thereafter, the Board approved by majority vote to **authorize management, pending legal review, the authority to authorize agreements with the state of IL, for the acceptance of \$320,000 in grant funds for the installation of electric vehicle charging equipment.**

Upon a motion by Mr. Prest and seconded by Mr. Bame and a vote taken thereafter, the Board approved by majority vote to **authorize members to ‘add’ generation sources to an existing agreement, provided that the total interconnected load is not larger than our 39.95 kW limit, per our agreement with SIPC.**

Upon a motion by Mr. Prest and seconded by Mr. Bame and a vote taken thereafter, the Board approved by majority vote accept the recommendation of the Egyptian Electric Charitable Fund NFP Board to award four (4) grants in Q1 2024, including:

- Hopewell Baptist Church, Carbondale – Annual Backpack to School Drive - \$1,000.
- S.P.I.N., Murphysboro – NFP community services & donation organizations/facility renovations from flood- \$750
- Family Outreach Center, Murphysboro – community donated hygiene kits & adult diapers - \$750
- Centerstone, Carbondale – NFP specializing in mental health & substance abuse disorders - \$750

EXECUTIVE SESSION: The Board of Directors did not enter into an executive session.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, April 30, 2024. 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 11:36 AM.

Date Approved: March 26, 2024

Randall Campbell, Board Secretary/Treasurer

Recorded by Roni Croxell, Communications Coordinator