

MINUTES OF REGULAR MEETING OF DIRECTORS

July 23, 2024

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, July 23, 2024, at the Headquarters facility. The meeting was called to order at 8:58 AM by President Liefer. Present for the meeting were:

Kevin Liefer, President	Shane Hermetz, GM/EVP	Elisha Sanders, Attorney
Randall Campbell, Vice President	Brad Austin	Julie Loesing
Kevin Bame, Sec.-Treasurer	Cindy Krisby	Jeremy Thies
Mary Homan	Jennifer Nugent	Cheryl Bauersachs
Paul Pyatt	Chris Barton	
Ken Jarrett		
Paul Hicks		
Rick Asaturian		
Steve Prest		

ABSENT: N/A

MEMBER and GUEST COMMENTS: N/A

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 (\$2003.18) 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. Campbell, motion carried.

AIEC and SIPC REPORTS: Mr. Campbell noted that there was no AIEC meeting, so there was nothing to report. Mr. Prest reported on activities in the Power Production Committee. Discussion followed. Mr. Hermetz gave an update on the 2024 SIPC Strategic Planning session. Discussion followed.

ENGINEERING\OPERATIONS REPORT: Mr. Austin presented the Engineering and Operations Report, providing updates on infrastructure projects, recent solar installations, supply chain delays, and capacity expectations for summer 2025. Discussion followed.

IT REPORT: Mrs. Jennifer Nugent presented the IT Report, updating the Board on the ongoing construction at the HQ facility, along with a review all internal IT systems and a status update on Cooperative cyber defenses. Discussion followed.

MEMBER SERVICES REPORT: Ms. Loesing presented the Member Services Report. Included in the Board materials were copies of the upcoming month's Illinois Country Living center section and page 6, the employee newsletter, and the Annual Meeting 2024 Book. She also presented the final draft of the Payment Avoidance Policy, which clarifies the process for handling members with bad debt attempting to connect service on a new account. Discussion followed.

FINANCIAL REPORT: Ms. Bauersachs presented the Human Resources and Finance Report. Ms. Bauersachs reported that total margin for June 2024 was \$184,671.23 vs budget of -\$36,512.21. Operating Revenue was \$3,997,016.67 up 3.4% from June last year at \$3,864,084.06. KWH sales were 27,659,143 up 4.2% from last June at 26,549,192. KWH purchases were 28,873,571 an increase of 4.7% from June last year at 27,572,249. Variance of Major Costs from budget was Power Cost \$77,153.25 lower, Distribution Expense \$25,692.21 lower, Depreciation \$19,994.13 lower, Interest Expense \$17,720.26 lower, Customer Expenses \$13,208.27 lower, Sales Expense \$259.30 higher, and General and Administrative Expenses were \$57,827.61 lower. Ms. Bauersachs reviewed the 2023 Key Ratio Trend Analysis (KRTA) with the Board. Discussion followed. Ms. Bauersachs closed by discussing an accounting change to accelerate depreciation of electric meters, changing the depreciation window from fifteen years to ten years. Discussion followed.

LEGAL REPORT: Attorney Elisha Sanders stated that Legal counsel continues to review all EECA policies. Mrs. Sanders also stated that the closing occurred regarding the real estate purchase from Pinckneyville Community Hospital District. Discussion followed.

MANAGER'S REPORT: Mr. Hermetz presented the Manager's report. He discussed the 2024 annual meeting of members, provided an update on the power cost adjustment (PCA), presented rate rider 2 – distributed generation rider for discussion, presented changes to rate schedule A for discussion, updated the Board on grant submittal status, and discussed partnerships with other cooperatives and outside entities. Discussion followed.

OTHER BUSINESS:

Upon a motion by Mr. Prest and seconded by Mr. Campbell and a vote taken thereafter, the Board approved by majority vote to **approve the 2024 Board reorganization minutes.**

Upon a motion by Mr. Pyatt and seconded by Mr. Jarrett and a vote taken thereafter, the Board approved by majority vote to **authorize General Manager Shane Hermetz to execute all agreements pertaining to the grant award from the IL EPA – Drive a Cleaner IL program – Round two.**

Upon a motion by Mr. Campbell and seconded by Mr. Prest and a vote taken thereafter, the Board approved by majority vote to **reschedule the December 2024 Board meeting from December 31st to Friday December 20th, 8:30AM start.**

EXECUTIVE SESSION: The Board of Directors entered executive session at 11:46 AM to address governance matters. They exited executive session at 12:32 PM.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, August 27, 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 12:33 PM.

Date Approved: August 27, 2024

Kevin Bame, Board Secretary/Treasurer

Recorded by Shane Hermetz, Executive Vice President/General Manager