

MINUTES OF REGULAR MEETING OF DIRECTORS

August 27, 2024

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, August 27, 2024, at the Headquarters facility. The meeting was called to order at 8:25 AM by President Liefer. Present for the meeting were:

Kevin Liefer, President	Shane Hermetz, GM/EVP	Casey Twomey, Attorney
Mary Homan	Jennifer Nugent	Cheryl Bauersachs
Paul Pyatt	Chris Barton	Brooke Guthman
Ken Jarrett	Cindy Krisby	Jeremy Thies
Paul Hicks	Brad Austin	Roni Croxell
Rick Asaturian	Travis Deterding	Bart Swisher
Steve Prest		

ABSENT: Randall Campbell, Kevin Bame

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 (\$5,248.09) 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. Paul Hicks and seconded by Mr. Steve Prest, motion carried.

AIEC and SIPC REPORTS: Mr. Liefer provided an update on the Power Delivery Committee, followed by reports from Mr. Prest on the Power Production Committee and Mr. Jarrett on the Finance Committee. Mr. Hermetz then offered an update on the 2024 AIEC Annual Meeting, along with other AIEC and NRECA developments. Discussion followed.

ENGINEERING\OPERATIONS REPORT: Mr. Austin presented the Engineering and Operations Report, covering updates on infrastructure projects, recent property and infrastructure acquisitions, supply chain delays, findings from the 2024 pole inspections, recent employee safety trainings, and the rapid growth of electric vehicles within our EECA footprint.

IT REPORT: Mr. Swisher presented the IT Report, updating the Board on the ongoing construction at the HQ facility, noting that quotes are under review, and providing a status update on Cooperative cyber defenses. Discussion followed.

MEMBER SERVICES REPORT: Ms. Guthman presented the Member Services Report. Included in the Board materials were copies of the upcoming Illinois Country Living center section and page 6, along with the employee newsletter. Ms. Guthman guided Board members through a survey similar to the one recently distributed to members to gauge their experiences with the cooperative and assess perceptions on emerging issues. She also presented Policy 121 on Collections and Bad Debt for Board review, as well as updates to the REDLG policy, which addresses the revolving loan fund (RLF). Additionally, she provided an update on a Delta Regional Authority Grant that EECA is pursuing to assist with the construction of a new substation in Randolph County. Ms. Guthman also announced that capital credit retirements are being distributed, classroom grants are now available, and the date for Member Appreciation and Recycle Day. Discussion followed.

FINANCIAL REPORT: Ms. Bauersachs presented the Human Resources and Finance Report. Ms. Bauersachs reported that the total margin for July 2024 was negative (\$385,655.04) vs budget of \$202,823.79. Operating Revenue was \$4,131,897.11 down 3.4% from July last year at \$4,277,736.89. KWH sales were 28,981,017 down 2.9% from last July at 29,838,561. KWH purchases were 30,404,955 a decrease of 2.4% from July last year at 31,147,220. Variance of Major Costs from budget was Power Cost \$137,109.19 lower, Distribution Expense \$22,218.66 higher, Depreciation \$492,237.38 higher, Interest Expense \$10,541.17 lower, Customer Expenses \$1,431.16 higher, Sales Expense \$574.97 lower, and General and Administrative Expenses were \$30,210.79 lower.

LEGAL REPORT: Attorney Casey Twomey stated that Legal counsel continues to review all EECA policies and meet with management concerning various ongoing projects. Ms. Twomey also noted that, based on a review of recent legislation, retired capital credits that have remained unclaimed for more than two years may be used by EECA for the benefit of general membership. Discussion followed.

MANAGER'S REPORT: Mr. Hermetz presented the Manager's report, covering upcoming events and meetings, recent grant applications, changing the PCA credit, and the process for depreciating meters. He also discussed the potential for charging an application fee for solar interconnections. Additionally, he addressed cybersecurity concerns, plans for EV charging infrastructure and potential EV grants, and provided details about the upcoming Key Accounts Luncheon. Discussion followed.

OTHER BUSINESS:

Upon a motion by Mr. Prest and seconded by Mr. Jarrett and a vote taken thereafter, the Board approved by majority vote to **set the date for the 2025 Annual Meeting for Thursday, July 11, 2025, at 6 p.m.**

Upon a motion by Mr. Pyatt and seconded by Ms. Homan and a vote taken thereafter, the Board approved by majority vote to **set the 2025 Credentials Committee Meeting for Tuesday, May 13, 2025, at 6 p.m.**

Upon a motion by Mr. Prest and seconded by Ms. Homan and a vote taken thereafter, the Board approved by majority vote to **amend Rate Schedule A, with the changes taking effect for March usage and reflected on April 2025 bills.**

Upon a motion by Ms. Homan and seconded by Mr. Hicks and a vote taken thereafter, the Board approved by majority vote to **adopt Rate Rider #2, a distributed generation rider for payment of excess interconnected energy.**

Upon a motion by Mr. Jarrett and seconded by Mr. Prest and a vote taken thereafter, the Board approved by majority vote to **amend Policy 309 – Rural Economic Development with updated guidelines for the Revolving Fund program.**

Upon a motion by Mr. Prest and seconded by Ms. Homan and a vote taken thereafter, the Board approved by majority vote to **adopt a new policy, Policy 121 – Payment Avoidance.**

Upon a motion by Mr. Jarrett and seconded by Ms. Homan and a vote taken thereafter, the Board approved by majority vote to **adopt a resolution of support, allowing EECA to apply for a grant from the Delta Regional Authority for aid to construction funding for a proposed substation in northern Randolph County.**

EXECUTIVE SESSION: The Board of Directors entered executive session at 10:53 AM to address governance matters. They exited executive session at 11:28 PM.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, September 24, 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 11:29 PM.

Date Approved: September 24, 2024

Kevin Bame, Board Secretary/Treasurer

Recorded by Roni Croxell, Communications Coordinator