

MINUTES OF REGULAR MEETING OF DIRECTORS
January 26, 2016

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, January 26, 2016, at the Steeleville office. The meeting was called to order at 8:30AM by Vice-President Jarrett. Present for the meeting were:

Ken Jarrett, Vice-Pres.	Kevin Liefer	James Riddle, EVP/GM
Steve Prest, Secretary	Paul Pyatt	M. Shane Hermetz, Staff
Larry Ebers		Art Pontow, Staff
Allen Haake	Bill Broom, Attorney	Dennis Luehr, Staff
		Brooke Guthman, Staff
		Travis Deterding, Staff

Randall Campbell, Paul Hicks and Gil Kroening were absent.

The **CONSENT AGENDA**, consisting of the consideration of minutes of the board meeting held December 22, 2015, review the list of checks written during the prior month (the EVP/GM expenses were reviewed by the Secretary/Treasurer), the prior month's treasurer's report, capital credit estate refunds (\$5,699.06), the AIEC report, the safety report, and the outage report, was approved on a motion by Mr. Prest, and seconded by Mr. Pyatt.

SIPC DIRECTOR REPORTS: The SIPC reports were given by Mr. Haake, Mr. Liefer, Mr. Pyatt and Mr. Riddle. Don Gulley & Todd Gallenbach from SIPC attended to give an SIPC/PSGC report. Don Gaston attended from Prairie State Generating Campus (PSGC) to expand on the report of their facility. A motion was made to approve these reports by Mr. Ebers, seconded by Mr. Prest, motion carried.

MAJOR CAPITAL PROJECTS / IT: Mr. Hermetz reported on the current and pending Engineering and Operations projects. He gave the regulatory report update. In IT, Mr. Hermetz discussed the current activities. Also some of the new 2016 Illinois laws were listed.

FINANCIAL REPORTS: Mr. Pontow presented the financials for November 2015 for review. Net margin for December is \$849K vs budgeted margin of \$38K. This includes the SIPC capital credit allocation of \$997K. Electric Revenue at \$3,024,224 down 16.7% from December last year at \$ 3,631,986 and YTD at \$39,738,409 vs \$40,469,416 for December last year down 1.8%. KWH sales at 25,352,915 down 20.5% from December last year at 31,894,713 and YTD at 345,718,091 vs 351,788,430 for December last year down 1.7%. KWH purchases at 29,013,042 down 15.7% from December last year at 34,414,812 and YTD at 355,500,217 vs 364,967,647 down 2.6%. On Major Cost Analysis Power Cost was down \$712,852, Labor down \$17,262, Fringes down \$30,883, Depreciation up \$ 7,726, ROW Maintenance up \$63,128, Line, Meter, Transformer Maintenance up \$4,995 while the remaining costs were close to budget. Pontow also provided an update of the State of Illinois accounts and the amounts owed.

LEGAL REPORT: Attorney Broom discussed a Finney property legal description issue and the new Carbondale sub site property.

MANAGER'S REPORT: Mr. Riddle presented the Manager's report. Items of correspondence were shared. A goals update was given. It was recommended to continue the PCA credit as is. Riddle asked who planned to attend the NRECA course 2640.2, Financial Decision Making on March 8 & 9. It was reported that KEB had performed preliminary audit work on December 16 and that the audit dates are to be February 22 – March 4. Travis Deterding gave a year-end right-of-way report. With the retirement of Bryce Cramer, Brooke Guthman was promoted to the position of Communications Coordinator. With the Guthman promotion Adam Korando was promoted to Engineering Tech I. We will be advertising for a replacement for Adam Korando in an Engineering Tech I position. An ad is out for an IT Supervisor which was budgeted. Upon a motion by Mr. Haake, second by Mr. Liefer, the manager's report was approved.

OTHER BUSINESS:

A **Facilities committee report** was given by Haake, Riddle and Hermetz.

Upon a motion by Mr. Pyatt, seconded by Mr. Liefer, **revisions to Policy 205**, Employee – Major Medical Group Insurance Plan were unanimously approved.

Upon a motion by Mr. Haake, seconded by Mr. Prest, **revisions to Policy 220**, Business Ethics were unanimously approved.

Upon a motion by Mr. Ebers, seconded by Mr. Haake, **revisions to Policy 304**, Expense Accounts were unanimously approved.

Upon a motion by Mr. Liefer, seconded by Mr. Pyatt, **all EECA directors were authorized to attend the SIPC annual meeting on March 31, 2016 @ 1:00PM.**

Upon a motion by Mr. Prest, seconded by Mr. Ebers, **Liefer, Haake, Pyatt and Riddle were confirmed to represent EECA as directors on the SIPC board** for the year beginning at the SIPC annual meeting on March 31, 2016.

Upon a motion by Mr. Liefer, seconded by Mr. Haake, **the 2016 EECA annual meeting was set** for Thursday, July 21, 2016, 6:30PM at the Steeleville American Legion.

Upon a motion by Mr. Ebers, seconded by Mr. Prest, **the 2016 EECA Nomination Committee meeting was set** for Tuesday, May 10, 2016, 6:30PM at the Steeleville office.

EXECUTIVE SESSION: None

MEETINGS: The next scheduled Board of Directors meeting will be held at the Steeleville office beginning at 8:30AM on Tuesday, February 23, 2016.

There being no further business to come before the Board of Directors, the meeting was adjourned at 11:50AM.

Date Approved February 23, 2016

Steve Prest, Secretary

Recorded by Jim Riddle