

MINUTES OF REGULAR MEETING OF DIRECTORS
February 21, 2017

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, February 21, 2017 at the Steeleville office. The meeting was called to order at 8:30AM by President Jarrett. Present for the meeting were:

Ken Jarrett, Pres.	Allen Haake	James Riddle, EVP/GM
Steve Prest, Vice. Pres.		M. Shane Hermetz, Staff
Paul Hicks, Sec.-Treasurer	Kevin Liefer	Art Pontow, Staff
Randall Campbell	Paul Pyatt	Dennis Luehr, Staff
Larry Ebers	Bill Broom, Attorney	Brooke Guthman, Staff
		Bart Swisher, Staff

Gil Kroening was absent.

MEMBER COMMENTS: no attendees

The **CONSENT AGENDA**, consisting of the consideration of minutes of the board meeting held January, 2017, 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 (\$0), the AIEC report, the safety report, and the outage report, was approved on a motion by Mr. Hicks, and seconded by Mr. Campbell.

SIPC DIRECTOR REPORTS: The SIPC reports were given by Mr. Haake, Mr. Liefer, Mr. Pyatt and Mr. Riddle. A motion was made to approve these reports by Mr. Prest, seconded by Mr. Ebers, motion carried.

CAPITAL PROJECTS & REGULATORY: Mr. Hermetz reported on the current and pending Engineering and Operations projects. He gave the regulatory report update.

FINANCIAL REPORTS: Mr. Pontow presented the financials for the previous month for review. Net margin for Jan is \$362K vs budgeted margin of \$198K. Electric Revenue at \$4,054,491 up 22.9% from Jan last year at \$ 3,297,788. KWH sales at 36,587,315 up 29.3% from Jan last year at 28,295,719. KWH purchases at 35,114,085 down 6.7% from Jan last year at 37,648,550. On Major Cost Analysis Power Cost was down \$ 165,128, Labor up \$37,542, Fringes up 33,012, Depreciation down \$7,046, ROW Maintenance down \$7,297, Interest Expense down \$11,285, Director Expenses down \$12,856, Line, Meter and Transformer Maintenance up \$17,690. We received a refund of \$142,543 from Federated as our portion of the IL Group Retention for the period 01/31/2012 – 01/31/2015. Pontow also provided an update of the State of Illinois and SIU accounts. The proposed resolution for the revised CFC line of credit was also discussed.

STAFF REPORTS: Guthman, Luehr & Swisher reported on current items they are involved in.

LEGAL REPORT: Attorney Broom discussed a possible wording for an Articles of Incorporation amendment to allow the Cooperative to make Rural Development loans to Cooperative members.

MANAGER'S REPORT: Mr. Riddle presented the Manager's report. Items of correspondence and complaints were shared. A goals update was given. It was recommended to continue the PCA credit as is. He asked who plans to attend the NRECA course 961.1 and the board agreed to a \$1,000 donation for a reception for Phil Carson as the NRECA incoming President at the 2017 NRECA

annual meeting. Riddle also gave an update on the KEB audit and the EECA Rate/ Cost of Service study being done by the AIEC. He then discussed give away items for the July EECA annual meeting and an item for the 2017 AIEC annual meeting. Riddle reminded the board of the June ACES Member Conference. Upon a motion by Mr. Pyatt, seconded by Mr. Haake, the manager's report was approved.

OTHER BUSINESS:

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

Upon a motion by Mr. Liefer, seconded by Mr. Pyatt, the **NRUCFC Certificate of Resolution and Incumbency** was unanimously passed. A copy is made a part of these minutes

Upon a motion by Mr. Campbell, seconded by Mr. Haake, **management was authorized to implement a disconnect moratorium for LIHEAP recipients for the period ending March 31, 2017 and the 2017 summer period when the 24-hour temperature forecast is in excess of 95 degrees.** This motion was unanimously passed.

An update was given on the possible **REDLG grant for the Degognia-Fountain Bluff pump project and REDLG loan for the S I Airport.**

The following members were appointed to the **2017 Nominating & Credentials committee:** Donald Stallman, Daniel Gobert, Russell Biggs, Dwayne Mulholland, Richard Fager, Stuart Langrehr, Roger Morganstern, Virgil Gramenz and Kenneth Hollmann.

Upon a motion by Mr. Haake, seconded by Mr. Hicks, the **SIPC resolution waiving notice requirements for adjusting wholesale power rates for power purchased from Southern Illinois Power Cooperative (SIPC)** was unanimously passed. A copy is made a part of these minutes

EXECUTIVE SESSION: none

MEETINGS: The next scheduled Board of Directors meeting will be held at the Steeleville office beginning at 8:30AM on Tuesday, March 28, 2017.

There being no further business to come before the Board of Directors, the meeting was adjourned at 10:54AM.

Date Approved March 28, 2017

Paul Hicks, Secretary

Recorded by Jim Riddle