

MINUTES OF REGULAR MEETING OF DIRECTORS

April 26, 2016

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

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

The **CONSENT AGENDA**, consisting of the consideration of minutes of the board meeting held March 29, 2016, 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 (\$1,149.66), the AIEC report, the safety report, and the outage report, was approved on a motion by Mr. Jarrett, and seconded by Mr. Kroening.

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. Hicks, 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.

FINANCIAL REPORTS: Mr. Pontow presented the financials for March 2016 for review. Net margin for March is \$465K vs budget of \$21K. Electric Revenue at \$3,531,545 down 16.2% from March last year at \$ 4,215,736 and YTD at \$10,752,969 vs \$12,130,960 for March last year down 11.4%. KWH sales at 30,688,714 down 19.5% from March last year at 38,110,593 and YTD at 94,115,187 vs 109,437,262 for March last year down 14%. KWH purchases at 26,379,263 down 16.6% from March last year at 31,634,865 and YTD at 96,111,569 vs 110,642,716 down 13.1%. On Major Cost Analysis Power Cost was down \$429,584, Labor down \$20,842, Fringes down \$41,325, ROW Maintenance up \$69,789, Director Expense down \$6,620, Line, Meter and Transformer Maintenance up \$19,603, Transportation up \$4,082 and Computer Maintenance up \$7,442. Pontow also provided an update of the State of Illinois accounts and the amounts owed and an update on what our service availability charge would be to cover all costs except power cost.

LEGAL REPORT: Attorney Broom discussed a possible issue with the legal description of the new Carbondale substation site property and that the Finney property documents are ready to close.

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 discussed the possible sale of EECA property located on Ziegler Mine Road and the board agreed to sell this property. The EECA strategic planning date was set for August 16th beginning at 8:30AM. Riddle informed the board of the 2016 Youth to Washington winners and that the 2015 AIEC rate comparison is published on the call to order dashboard. Upon a motion by Mr. Liefer, second by Mr. Pyatt, the manager's report was approved.

OTHER BUSINESS:

A **Facilities committee report** was given by Haake, Riddle and Hermetz. President Campbell called a **Special Board meeting** for Thursday, May 5, 2016 beginning at 8:30AM to be held at the Finney substation site, Murphysboro, IL.

Upon a motion by Mr. Pyatt, seconded by Mr. Kroening, the **proposed revision to Policy 117, Use of Prepay Billing System**, was unanimously approved. Copy attached to these minutes.

Upon a motion by Mr. Jarrett, seconded by Mr. Haake, the **proposed revision to Policy 519, Power Quality**, was unanimously approved. Copy attached to these minutes.

EXECUTIVE SESSION: The board entered executive session at 10:45AM to discuss personnel issues and exited executive session at 11:30AM

MEETINGS: The next scheduled Board of Directors meeting will be held at the Steeleville office beginning at 8:30AM on Tuesday, May 24, 2016.

There being no further business to come before the Board of Directors, the meeting was adjourned at 11:30 AM.

Date Approved May 24, 2016

Steve Prest, Secretary

Recorded by Jim Riddle