

**MINUTES OF REGULAR MEETING OF DIRECTORS**  
**July 26, 2016**

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, June 28, 2016, at the Steeleville office. The meeting was called to order at 8:30AM by President Jarrett. Present for the meeting were:

Ken Jarrett, Pres.  
Steve Prest, Vice-Pres.

Alan Haake  
Gil Kroening  
Kevin Liefer

James Riddle, EVP/GM  
M. Shane Hermetz, Staff  
Art Pontow, Staff

Randall Campbell  
Larry Ebers

Paul Pyatt  
Bill Broom, Attorney

Brooke Guthman, Staff

Paul Hicks was absent.

The **CONSENT AGENDA**, consisting of the consideration of minutes of the board meeting held June, 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 (\$4,756.84), the AIEC report, the safety report, and the outage report, was approved on a motion by Mr. Campbell, and seconded by Mr. Pyatt.

**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. Kroening, seconded by Mr. Prest, motion carried.

**CAPITAL PROJECTS / IT / REGULATORY:** 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 June 2016 for review. Net margin for June is loss of \$644K vs budget loss of \$353K. Electric Revenue at \$2,807,325 up .6% from June last year at \$ 2,791,818 and YTD at \$19,148,492 vs \$20,800,867 for June last year down 7.9%. KWH sales at 23,493,248 up .4% from June last year at 23,410,661 and YTD at 164,599,046 vs 182,974,689 for June last year down 10%. KWH purchases at 31,061,737 up 5.6% from June last year at 29,421,723 and YTD at 174,091,323 vs 186,688,148 down 6.7%. On Major Cost Analysis Power Cost was up \$77,849, Labor down \$30,330, Fringes down \$36,148, ROW Maintenance down \$32,457, Interest Expense down \$13,078, Line, Meter and Transformer Maintenance down \$7,545 and Computer Maintenance up \$6,382. Pontow also provided an update of the State of Illinois and SIU accounts.

**LEGAL REPORT:** Attorney Broom discussed the proposed new Carbondale substation site.

**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. The 2016 EECA annual meeting was discussed. The upcoming AIEC pre-annual meeting attendance as reviewed. Riddle also discussed the August 17<sup>th</sup> strategic planning meeting. The CFC KRTA & KRTA Executive summary was presented and will be reviewed further at strategic planning. Riddle then reviewed the net metering discussions be held by the AIEC. Upon a motion by Mr. Liefer, seconded by Mr. Haake, the manager's report was approved.

**OTHER BUSINESS:**

A **Facilities committee report** was given by Haake, Riddle, Hermetz and Guthman. Discussion was also held about requests to attend an upcoming board meeting.

Upon a motion by Mr. Pyatt, seconded by Mr. Kroening, the **minutes of the July 21, 2016 Reorganizational meeting** were unanimously approved.

**EXECUTIVE SESSION:** The board entered executive session at 11:15AM to discuss a personnel issue and returned to regular session at 11:33AM

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

There being no further business to come before the Board of Directors, the meeting was adjourned at 11:33AM..

Date Approved August 30, 2016

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Paul Hicks, Secretary

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Recorded by Jim Riddle