

**MINUTES OF REGULAR MEETING OF DIRECTORS**  
**July 25, 2017**

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, July 25, 2017 at the Steeleville office. The meeting was called to order at 8:30AM by President Jarrett. Present for the meeting were:

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|----------------------------|----------------------|------------------------|
| Ken Jarrett, Pres.         | Larry Ebers          | Shane Hermetz, Int. GM |
| Steve Prest, Vice. Pres.   | Gil Kroening         | Art Pontow, Staff      |
| Paul Hicks, Sec.-Treasurer |                      | Dennis Luehr, Staff    |
| Randall Campbell           | Paul Pyatt           | Brooke Guthman, Staff  |
| Allen Haake                | Bill Broom, Attorney | Bart Swisher, Staff    |

Kevin Liefer was absent.

**MEMBER COMMENTS:** no attendees

The **CONSENT AGENDA**, consisting of the consideration of minutes of the board meeting held June 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 (\$33,222.05), the AIEC report, the safety report, and the outage report, were approved on a motion by Mr. Hicks and seconded by Mr. Haake.

**SIPC DIRECTOR REPORTS:** The SIPC reports were given by Mr. Haake, Mr. Pyatt and Mr. Hermetz. A motion was made to approve these reports by Mr. Prest seconded by Mr. Kroening, 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:** The financials for the previous month were presented for review. Net deficit for June is \$619,670 vs budgeted loss of \$347,244. Electric Revenue at \$2,945,949 up 3.93% from June last year at \$ 2,834,445 and YTD at \$19,500,386 vs \$19,304,057 for June last year up 1.02%. KWH sales at 24,824,549 up 5.67% from June last year at 23,493,248 and YTD at 167,085,655 vs 164,599,046 up 1.5% from June last year. KWH purchases at 29,376,819 down 5.42% from June last year at 31,061,737 and YTD at 166,787,856 vs 174,091,323 down 4.2% from June last year. On Major Cost Analysis Power Cost was down \$ 20,639, Labor down \$24,639, Fringes down \$21,964, Depreciation down \$4,132 ROW Maintenance down \$13,140, Interest Expense down \$15,169, Director Expenses up \$480, Line, Meter and Transformer Maintenance up \$249,957. An update was also provided of the State of Illinois and SIU accounts along with an update on progress being made on the cost of service/rate study. Mr. Luehr also updated everyone on the status of the move toward the IRS requirement regarding unbilled revenue.

**MEMBER SERVICES REPORT:** Mrs. Guthman reported on the current and pending Member Services projects. She also provided copies of the upcoming month's Illinois Country Living center section and Page 11 ad.

**IT REPORT:** Mr. Swisher reported on the current and pending IT projects.

**OFFICE MANAGER REPORTS:** Mr. Pontow reported on the current and pending Office and billing activities.

**LEGAL REPORT:** Attorney Broom discussed the recent Articles of Incorporation change, the status of the Cypress Gardens subdivision agreement with Williamson County, the importance of filing easements, and the status of the Calnon Property acquisition.

**INTERIM MANAGER'S REPORT:** Mr. Hermetz presented the Interim 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. Hermetz reported on the status of policy review regarding service to LIHEAP participants. Hermetz discussed upcoming meetings that EECA directors will be attending. Upon a motion by Mr. Pyatt, seconded by Mr. Kroening., the interim manager's report was approved.

**OTHER BUSINESS:**

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

Upon a motion by Mr. Campbell, seconded by Mr. Hicks, and a vote taken thereon, it was unanimously approved to **approve the REORGANIZATION meeting minutes from July 20, 2017.**

Upon a motion by Mr. Haake, seconded by Mr. Prest, and a vote taken thereon, it was unanimously approved to **close both office locations for training on Friday October 20, 2017 and setting Monday October 23, 2017 as the official Headquarter facility opening date.**

Upon a motion by Mr. Campbell, seconded by Mr. Prest, and a vote taken thereon, it was approved, with Director Jarrett abstaining from the vote, to **authorize the USDA REDLG grant program for Degonia Fountain Bluff project.**

Upon a motion by Mr. Hicks, seconded by Mr. Campbell, and a vote taken thereon, it was unanimously approved to **adopt a resolution to terminate the NRECA Pension Restoration Plan (PRP).**

Upon a motion by Mr. Pyatt, seconded by Mr. Haake, and a vote taken thereon, it was unanimously approved to **authorize the First National Bank of Steeleville Banking Authorization resolution.**

**EXECUTIVE SESSION:** The board entered executive session at 11:14 AM. They returned to regular session at 12:01 PM.

Upon a motion by Mr. Campbell, seconded by Mr. Kroening, and a vote taken thereon, it was unanimously approved to **place the Murphysboro District office property up for sale with Re-Max relators of Carbondale.**

**MEETINGS:** The next scheduled Board of Directors meeting will be held at the Steeleville office beginning at 8:30AM on Tuesday, August 29, 2017. There being no further business to come before the Board of Directors, the meeting was adjourned at 12:02 PM.

Date Approved August 29, 2017

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Paul Hicks, Secretary

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Recorded by Shane Hermetz