

MINUTES OF REGULAR MEETING OF DIRECTORS

October 27, 2020

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday October 27, 2020 at the Headquarters facility. The meeting was called to order at 8:29 AM by President Pyatt. Present for the meeting were:

Paul Pyatt, President
Kevin Liefer, Sec.-Treasurer
Kevin Bame
Ken Jarrett
Randall Campbell
Steve Prest
Rick Asaturian

Shane Hermetz, GM/EVP
Dennis Luehr, Staff
Brooke Guthman, Staff
Brad Austin, Staff
Cheryl Bauersachs, Staff
Bart Swisher, Staff

Ms. Elisha Sanders, Attorney
Travis Deterding, Staff
Kay Taylor, Staff

Absent: Larry Ebers, Paul Hicks

MEMBER and GUEST COMMENTS: No members or guests were in attendance today.

The **CONSENT AGENDA**, consisting of the consideration of prior month's board meeting minutes, 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 (\$7786.83) for the month, the AIEC report, the NRECA report, the CRC report, the CFC banking report, the right of way report, the EECA safety report, the EECA Strategic Scorecard, the regulatory report, and the outage report were approved on a motion by Mr. Prest and seconded by Mr. Jarrett, motion carried.

SIPC DIRECTOR REPORTS: The SIPC report on Electric Systems was given by Mr. Liefer. Mr. Liefer discussed the current electric systems projects, requests for system interconnections, and the various transmission system projects at SIPC. Discussion followed. The SIPC report on Power Production was given by Mr. Pyatt. Mr. Pyatt discussed the status of fuels, fuel markets, regulatory compliance, and electricity production. Discussion followed. The SIPC report on Admin and Finance was given by Mr. Jarrett. Mr. Jarrett reviewed current finances for the month and year to date. Discussion followed. Mr. Hermetz discussed the recent retirement of SIPC Unit 4, along with a summary of the SIPC FY2021 Budget. Discussion followed. A motion was made to approve this report by Mr. Campbell seconded by Mr. Asaturian, motion carried.

ENGINEERING\OPERATIONS REPORT: Mr. Austin presented the Engineering and Operations Report. A current listing of members requesting an interconnection of a solar panel was shared in the Board materials. Mr. Austin updated the Board on the status of the electric metering system, expansion at Southern Illinois Airport, the expansion at Pinckneyville Hospital, expansion at SIH Cancer Center, and the proposed Casino at Walkers Bluff. He also shared a series of articles related to electric vehicles and grid storage technologies. Discussion followed.

IT REPORT: Mr. Swisher presented the IT report. He updated the Board on the upcoming hardware replacement for the billing and accounting system and provided updates on changes to our Verizon data plan for field iPads. Discussion followed.

MEMBER SERVICES REPORT: Mrs. Guthman presented the Member Services Report. Copies of the upcoming month's Illinois Country Living center section and Page 11 ad were presented in the Board materials. Mrs. Guthman reviewed the Classroom Grant program, the AIEC scholarship program, and an update of the new billing format project. She shared information regarding the upcoming community projects such as the Blood Drive and the electronics recycling day. She shared an update of employee cross training within her department and that a new member services representative will be hired early next year. Mrs. Guthman also shared a detailed report on the importance of the Delta Leadership Institute. Discussion followed.

FINANCIAL REPORTS: Mr. Dennis Luehr presented the Human Resources and Finance Report. Total margin for September 2020 was \$72,843.12 vs budget of \$(2,802.72). Operating Revenue was \$3,005,379.05 down 10.34% from September last year at \$3,352,124.21. KWH sales were 26,752,366 down 6.14% from last September at 28,502,987. KWH purchases were 23,870,901 a decrease of 11.9% from September last year at 27,095,913. Variance of Major Costs from budget was Power Cost \$344,908.90 lower, Distribution Expense

\$23,556.48 higher, Depreciation \$15,019.80 lower, Interest Expense \$39,270.28 lower, Customer Expenses \$9,153.68 lower, Sales Expense \$2,104.33 lower, and General and Administrative Expenses were \$12,565.64 lower. Mr. Luehr updated the Board on EECA Capital Credits, updated the Board on the status of the Payroll Protection Program (PPP) forgiveness, and discussed the AIEC/EECA Cost of Service Study. Mr. Luehr shared information on the CRC Key Trend Ratio Analysis report and previewed the upcoming rate discussion to be held next month. Discussion followed.

LEGAL REPORT: Attorney Elisha Sanders updated the Board on requirements set forth in the Open Meetings Act, along with a discussion on employee rights regarding vaccination status. Discussion followed.

MANAGER'S REPORT: Mr. Hermetz presented the Manager's report. Items of correspondence, along with questions from last meeting were discussed, and member compliments/complaints were shared. Mr. Hermetz, discussed the upcoming Bylaws committee meeting, presenting an agenda and a copy of the current bylaws to the committee members. Mr. Hermetz, with the assistance of Mr. Luehr and Mrs. Bauersachs, presented the FY2021 Budget and the 2019 CFC Key Trend Ratios (KRTA) Report. Discussion followed. Upon a motion by Mr. Prest, seconded by Mr. Jarrett, the General Manager's report was approved.

OTHER BUSINESS:

Upon a motion by Mr. Campbell, seconded by Mr. Liefer, and a vote taken thereon, it was unanimously agreed upon **to approve the one time transfer of \$6000 from EECA to the Egyptian Electric Charitable Fund, NFP for the purposing of giving out the 2021 Classroom Grants.**

Upon a motion by Mr. Bame, seconded by Mr. Campbell, and a vote taken thereon, it was unanimously agreed upon **to adopt the FY2021 Budget as presented.**

Upon a motion by Mr. Campbell, seconded by Mr. Liefer, and a vote taken thereon, it was unanimously agreed upon **to transfer two thousand dollars (\$2000.00) from the travel/training budget to the Member Services budget for the purpose of donating funds to four (4) local food pantries.**

EXECUTIVE SESSION: N/A

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, November 24, 2020. There being no further business to come before the Board of Directors, the meeting was adjourned at 11:53 AM.

Date Approved: November 24, 2020

Kevin Liefer, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM