

MINUTES OF REGULAR MEETING OF DIRECTORS

November 24, 2020

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday November 24, 2020 at the Headquarters facility. The meeting was called to order at 8:29 AM by President Pyatt. Present in person for the meeting were:

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

Shane Hermetz, GM/EVP
Dennis Luehr, Staff

Present via video conference for the meeting were: Brooke Guthman – Staff, Brad Austin – Staff, Bart Swisher – Staff, Cheryl Bauersachs – Staff, Kay Taylor – Staff, Art Pontow – Staff, and Casey Twomey – Attorney.

Absent: Larry Ebers

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 (\$10,434.07) 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. Jarrett and seconded by Mr. Hicks, 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. He also discussed the status of Emery pond. 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 timeline for the SIPC Cost of Service and Rate Studies. Discussion followed. A motion was made to approve this report by Mr. Prest seconded by Mr. Campbell, 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 discussed the installation status of solar panels near the SI Airport. 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. 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 REDLG projects, the member satisfaction survey, the Classroom Grant program, the AIEC Youth Tour program, and an update of the new billing format project. Discussion followed.

FINANCIAL REPORTS: Mr. Dennis Luehr presented the Human Resources and Finance Report. Total margin for October 2020 was \$210,261.31 vs budget of \$42,394.82. Operating Revenue was \$2,981,487.81 down 6.38% from October last year at \$3,184,526.02. KWH sales were 22,427,437 down 6.36% from last October at

23,950,505. KWH purchases were 23,422,641 a decrease of 1.4% from October last year at 23,763,319. Variance of Major Costs from budget was Power Cost \$351,399.62 lower, Distribution Expense \$63,662.12 lower, Depreciation \$14,851.86 lower, Interest Expense \$44,205.49 lower, Customer Expenses \$18,373.72 lower, Sales Expense \$2,346.00 lower, and General and Administrative Expenses were \$7,988.44 lower. Mr. Luehr updated the Board on EECA Capital Credits, updated the Board on the status of the Payroll Protection Program (PPP) forgiveness, and shared information on the CRC Key Trend Ratio Analysis report. Discussion followed.

LEGAL REPORT: Attorney Casey Twomey reported that all is well, nothing new to update the Board on for the month.

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, presented analysis of the residential rate and methods to adapt it. Discussion followed. Upon a motion by Mr. Hicks, seconded by Mr. Liefer, the General Manager's report was approved.

OTHER BUSINESS:

Mr. Pyatt, Mr. Prest, Mr. Jarrett, and Mr. Hicks discussed the minutes of the Bylaws committee meeting held on November 10th. Discussion followed

EXECUTIVE SESSION: The board entered executive session at 11:07 AM. They returned to regular session at 11:47 AM.

Upon a motion and a second, and a vote taken thereof, it was agreed to add \$15,000 per year to the salary of the Executive Vice President/General Manager.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, December 22, 2020. There being no further business to come before the Board of Directors, the meeting was adjourned at 11:48 AM.

Date Approved: December 22, 2020

Kevin Liefer, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM