

# MINUTES OF REGULAR MEETING OF DIRECTORS

April 27, 2021

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, April 27, 2021 at the Headquarters facility. The meeting was called to order at 8:30 AM by Vice-President Hicks. Present for the meeting were:

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

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

Elisha Sanders, Attorney  
Travis Deterding, Staff  
Jeremy Thies, Staff

## **MEMBER and GUEST COMMENTS: None**

The **CONSENT AGENDA**, consisting of the consideration of prior month's board meeting minutes, review of 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 (\$8200.32) for the month, the AIEC report, the NRECA report, the CRC report, the CFC 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 and transmission-level projects. He also discussed upcoming construction work plan projects at SIPC. Discussion followed. The SIPC report on Power Production was given by Mr. Pyatt. Mr. Pyatt discussed current and pending regulatory compliance concerns, along with the status of power production at the Marion and Prairie State power plants. 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 updated the Board on the SIPC finances and provided an update of the issues discussed by SIPC with local legislators at the 2021 Legislative Conference. Discussion followed. A motion was made to approve these reports by Mr. Prest and 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 co-generation was shared in the Board materials. Mr. Austin updated the Board on the status of various construction projects in the area, the status of the electric metering system, and an update of proposed regulatory and legislative items that may impact Cooperative members. Discussion followed.

**IT REPORT:** Mr. Swisher presented the IT report. He informed the Board on recent changes in credit card security and the upcoming replacement of credit card terminals at the office. He also discussed server replacement and the ongoing concern of cybersecurity. Discussion followed.

**MEMBER SERVICES REPORT:** Mrs. Guthman presented the Member Services Report. Copies of the upcoming month's Illinois Country Living center section, the employee newsletter, and the ICL Page 11 ad were presented in the Board materials. Mrs. Guthman updated the Board on Operation Round Up, changes in LIHEAP, activities in the local community, and activities in the front office. Discussion followed.

**FINANCIAL REPORTS:** Mr. Luehr and Mrs. Bauersachs presented the Human Resources and Finance Report. Total margin for March 2021 was \$405,778.02 vs budget of \$259,728.23. Operating Revenue was \$3,283,939.46 down 1.14% from March last year at \$3,321,778.06. KWH sales were 25,461,830 up 0.23% from last March at 25,404,518. KWH purchases were 24,778,234 a decrease of 3.1% from March last year at 25,571,216. Variance of Major Costs from budget was Power Cost \$33,880.88 higher, Distribution Expense \$111,588.88 lower, Depreciation \$23,468.30 lower, Interest Expense \$17,417.11 lower, Customer Expenses \$4,581.15 higher, Sales Expense \$2,701.80 lower, and General and Administrative Expenses were \$33,971.06 lower. Mrs. Bauersachs

updated the Board on current month and year to date finances. Mr. Luehr updated the Board on possible Capital Credits retirements in 2021 and our equity position. Discussion followed.

**LEGAL REPORT:** Attorney Elisha Sanders discussed that Legal has been working with Members Services to review proposed changes to Capital Credits procedures that will be shared at the 2021 Strategic planning session in October. Discussion followed. Mr. Hermetz provided a brief update on a lawsuit filed by a Cooperative member. Discussion followed.

**MANAGER'S REPORT:** Mr. Hermetz presented the Manager's report. Items of correspondence, an update on COVID-related issues, along with questions from last meeting were discussed, and member compliments/complaints were shared. Mr. Hermetz discussed the 2021 Annual meeting, the upcoming Strategic planning session in October, and provided an update on the 2021 Legislation Conference. He also discussed the general retirement of Capital Credits in 2021. Discussion followed. He closed in discussing options for the 2020 Audit process and the trendline of statewide electric rates for the year 2020. Discussion followed. Upon a motion by Mr. Liefer, seconded by Mr. Hicks, the General Manager's report was approved.

**OTHER BUSINESS:**

Upon a motion by Mr. Prest, seconded by Mr. Jarrett, and a vote taken thereon, it was unanimously agreed upon that **Mr. Dennis Luehr will be the voting delegate and Mrs. Cheryl Bauersachs will be the alternate voting delegate at the 2021 CFC Annual meeting.**

**EXECUTIVE SESSION:** The Board entered executive session at 11:10 AM. They returned to regular session at 11:20 PM.

**MEETINGS:** The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, May 25, 2021. There being no further business to come before the Board of Directors, the meeting was adjourned at 11:21 AM

Date Approved: May 25,2021

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Kevin Liefer, Board Secretary/Treasurer

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Recorded by Shane Hermetz, EVP/GM