

MINUTES OF REGULAR MEETING OF DIRECTORS

May 25, 2021

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, May 25, 2021 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
Paul Hicks, Vice President
Kevin Liefer, Sec.-Treasurer
Kevin Bame
Rick Asaturian
Ken Jarrett
Steve Prest
Randall Campbell
Mary Jo Homan

Shane Hermetz, GM/EVP
Kay Taylor, Staff
Brooke Guthman, Staff
Bart Swisher, Staff
Brad Austin, Staff

Casey Twomey, Attorney
Travis Deterding, Staff
Art Pontow, Staff
Cheryl Bauersachs, Staff

Absent: None

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 (\$5407.30) 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, the Power Cost Adjustment report, and the outage report were approved on a motion by Mr. Hicks and seconded by Mr. Jarrett, motion carried.

SIPC DIRECTOR REPORTS: The SIPC report on Electric Systems was given by Mr. Hermetz. Mr. Hermetz discussed the current electric systems and transmission-level projects. He also discussed the proposed 150MW solar farm to be built in Jackson County. 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 pending legislation that is being considered during the closing IL legislative session. Discussion followed. A motion was made to approve these reports by Mr. Campbell and seconded by Mr. Bame, 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. He also discussed electric vehicles and the possibility of receiving grant funding for the installation of electric vehicle charging. Discussion followed.

IT REPORT: Mr. Swisher presented the IT report. He informed the Board that the server replacement project is ongoing and also discussed 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 the 2021 Annual Meeting preparations, the Annual meeting scholarships, and the status of activities in the front office. Discussion followed.

FINANCIAL REPORTS: Mrs. Bauersachs presented the Human Resources and Finance Report. She updated the Board on current month and year to date finances Total margin for April 2021 was a negative (\$15,232.05) vs budget of \$120,257.48. Operating Revenue was \$2,781,216.27 down 3.24% from April last year at \$2,874,251.35. KWH sales were 20,938,845 down 1.02% from last April at 21,154,789. KWH purchases were 21,844,602 a decrease of 0.55% from April last year at 21,965,502. Variance of Major Costs from budget was

Power Cost \$150,429.40 higher, Distribution Expense \$42,938.46 lower, Depreciation \$21,584.75 lower, Interest Expense \$18,039.47 lower, Customer Expenses \$1,264.22 lower, Sales Expense \$2,956.84 lower, and General and Administrative Expenses were \$15,333.90 lower. Discussion followed. She also updated the Board on the Cooperative's review of Auditors used by other Cooperatives in the area. Discussion followed.

LEGAL REPORT: Attorney Casey Twomey discussed that Legal has been working with Members Services to review proposed changes to Capital Credits procedures and are reviewing By-Law documents to be presented at Annual meeting. She also discussed how the Freedom of Information Act applies to certain Cooperative documents. 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 session in Springfield. He also discussed three possible scenarios for the general retirement of Capital Credits in 2021. Discussion followed. Upon a motion by Mr. Campbell, seconded by Mr. Prest, the General Manager's report was approved.

OTHER BUSINESS:

Upon a motion by Mr. Hicks, seconded by Mr. Liefer, and a vote taken thereon, it was unanimously agreed **that EECA would contribution \$500 to the CFC Integrity Fund for the year 2021.**

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, June 29, 2021. There being no further business to come before the Board of Directors, the meeting was adjourned at 11:45 AM

Date Approved: July 27, 2021

Kevin Liefer, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM