

MINUTES OF REGULAR MEETING OF DIRECTORS

Jul 27, 2021

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, July 27, 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
Brad Austin, Staff
Brooke Guthman, Staff
Dennis Luehr, Staff

Casey Twomey, Attorney
Cheryl Bauersachs, Staff

Absent: None

MEMBER and GUEST COMMENTS: N/A

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 (\$7969.81) 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, the Equity Analysis report, and the outage report were approved on a motion by Mr. Campbell 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, transmission-level projects, and status of operations at Prairie State. 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 provided input on the Cost-of-Service study currently underway at SIPC. Discussion followed. A motion was made to approve these reports by Mr. Prest and seconded by Mr. Hicks, 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 on the possibility of receiving grant funding for the installation of electric vehicle charging. Discussion followed. Mr. Austin also updated the Board on recent meetings with members regarding changes to the EECA net metering policy. Discussion followed.

IT REPORT: Mr. Hermetz presented the IT report. He informed the Board that of the ongoing concern of cybersecurity. He discussed the services we provide under contract for Clay Electric Cooperative, along with other related projects in the IT department. 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, the Annual meeting scholarships, and the status of activities in the front office. Discussion followed. Office Supervisor, Kay Taylor, announced her plans to retire at the end of the year. 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 June 2021 was \$102,345.23 vs budget of \$172,559.57. Operating Revenue was \$3,376,251.08 up 1.23% from June last year at \$3,335,077.36. KWH sales

were 26,772,391 up 4.06% from last June at 25,727,129. KWH purchases were 28,451,491 an increase of 4.84% from June last year at 27,137,585. Variance of Major Costs from budget was Power Cost \$205,178.88 higher, Distribution Expense \$24,928.11 higher, Depreciation \$17,834.14 lower, Interest Expense \$20,067.10 lower, Customer Expenses \$1,365.72 lower, Sales Expense \$5,944.80 higher, and General and Administrative Expenses were \$37,486.49 lower. Discussion followed. Dennis Luehr updated the Board on the work to build better electric rates, the Cooperative's equity position, and cash flow. Discussion followed.

LEGAL REPORT: Attorney Casey Twomey reported that she, along with Attorney Mrs. Elisha Sanders, attended the NRECA Legal Summit. 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 recent changes to COVID protocols within the office and net metering concerns from the membership. Discussion followed. He also reviewed the 2021 Annual meeting, the upcoming AIEC Annual meeting, and the upcoming NRECA Region 5 meeting. Discussion followed. Upon a motion by Mr. Liefer, seconded by Mr. Jarrett, the General Manager's report was approved.

OTHER BUSINESS:

Upon a motion by Mr. Hicks, seconded by Mr. Prest, and a vote taken thereon, it was unanimously agreed **to approve the minutes of the 2021 Cooperative Reorganization meeting held on the evening of July 15, 2021.**

Upon a motion by Mr. Prest, seconded by Mr. Campbell, and a vote taken thereon, it was unanimously agreed **to adopt Board policy 413, Electronic Meeting Attendance.**

Upon a motion by Mr. Campbell, seconded by Mr. Hicks, and a vote taken thereon, it was unanimously agreed **to amend Board policy 515, Cogeneration.**

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, August 31, 2021. There being no further business to come before the Board of Directors, the meeting was adjourned at 10:58 AM.

Date Approved: August 31, 2021

Kevin Liefer, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM