

MINUTES OF REGULAR MEETING OF DIRECTORS

August 31, 2021

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, August 31, 2021, at the Headquarters facility. The meeting was called to order at 8:30 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
Bart Swisher, Staff

Elisha Sanders, Attorney
Cheryl Bauersachs, Staff
Julie Loesing, Staff
Kay Taylor, 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 (\$1798.67) 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. Jarrett and seconded by Mr. Liefer, 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 pending State energy legislation, along with updates on the SIPC Cost of Service Study. Discussion followed. A motion was made to approve these reports by Mr. Prest and 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 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 electric vehicles in our service area and the opportunities for vehicle charging. Discussion followed. Mr. Austin also updated the Board on recent vehicle purchases and possible supply chain concerns in the electric and vehicle industries.. Discussion followed.

IT REPORT: Mr. Swisher presented the IT report. He informed the Board that of the ongoing concern of cybersecurity. He discussed the repurposing of IT equipment and also the services we provide under contract for Clay Electric Cooperative. 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 selection of Ms. Julie Loesing as the new Office Supervisor, replacing Mrs. Kay Taylor, who is retiring at the end of the year. Discussion followed. She also discussed upcoming changes to billing cycles, communications with membership after the Annual meeting, and other activities related to 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. She reported that total margin for July 2021 was \$246,162.24 vs budget of \$161,177.60. Operating Revenue was \$3,563,490.19 down 0.32% from July last year at \$3,574,789.51. KWH sales were 28,444,628 down 1.91% from last July at 28,997,317. KWH purchases were 28,451,491 an increase of 4.84% from July last year at 27,137,585. Variance of Major Costs from budget was Power Cost \$32,266.08 lower, Distribution Expense \$33,071.24 higher, Depreciation \$17,312.81 lower, Interest Expense \$24,548.88 lower, Customer Expenses \$2,843.59 higher, Sales Expense \$2,922.17 lower, and General and Administrative Expenses were \$30,842.80 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 Elisha Sanders reported that she, along with Attorney Mrs. Casey Twomey, plan to attend an upcoming NRECA training seminar regarding pole attachments and Broadband. 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 meetings with two local Telephone Cooperatives regarding possible partnerships to help get members high speed internet service. Discussion followed. He discussed possible partnerships with local community leaders and businesses to enhance beneficial electrification in the local area. Discussion followed. He also discussed the recent NRECA governance training and reviewed the importance of teamwork. Upon a motion by Mr. Hicks, seconded by Mr. Liefer, the General Manager's report was approved.

OTHER BUSINESS:

Upon a motion by Mr. Jarrett, seconded by Mr. Campbell, and a vote taken thereon, it was unanimously agreed **to donate one thousand dollars to the AIEC Hurt Line Worker Fund.**

Upon a motion by Mr. Bame, seconded by Mr. Jarrett, and a vote taken thereon, it was unanimously agreed **to amend Board policy 310, Operation RoundUp.**

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

Upon a motion by Mr. Prest, seconded by Mr. Hicks, and a vote taken thereon, it was unanimously agreed upon **to set the date for the 2022 EECA Annual meeting of members for Thursday, July 14, 2022; 6PM.**

EXECUTIVE SESSION: The Board entered executive session at 11:08 AM. They returned to regular session at 12:31 PM.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, September 28, 2021. There being no further business to come before the Board of Directors, the meeting was adjourned at 12:33 PM.

Date Approved: September 28, 2021

Kevin Liefer, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM