

MINUTES OF REGULAR MEETING OF DIRECTORS

October 26, 2021

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, October 26, 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
Travis Deterding, Staff
Jeremy Thies, 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 (\$11,158.24) 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. Liefer 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; along with the FY2022 proposed budget items at SIPC. 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. He also discussed the FY2022 budget. 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 summarized the overall FY2022 budget proposal for SIPC. 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, including Walkers Bluff Casino. Mr. Thies discussed the recent storm damage and restoration efforts. Mr. Deterding updated the Board regarding a recent vehicle accident involving U12 and a trailer. Discussion followed.

IT REPORT: Mr. Swisher presented the IT report. He informed the Board of updates to the NISC system along with updates to various other computer systems. He discussed proposed fiber optic projects with Egyptian Telephone and Clearwave, extending fiber service into EECA substations. 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 discussed the upcoming changes to billing cycles, communications with membership regarding the cycle changes, upcoming scholarships and classroom grants, Operation RoundUP communications with the membership, and other activities related to the Front Office. Discussion followed. She also updated the Board on the status of the Capital Credits review process. Discussion followed.

FINANCIAL REPORT: Mrs. Bauersachs presented the Human Resources and Finance Report. She updated the Board on current month and year to date finances. She reported that the total margin for September 2021 was

\$231,602.16 vs budget of \$12,155.83. Operating Revenue was \$3,220,190.73 up 7.15% from September last year at \$3,005,379.05. KWH sales were 25,437,416 up 11.56% from last September at 22,802,031. KWH purchases were 25,036,344 an increase of 4.88% from September last year at 23,870,901. Variance of Major Costs from budget was Power Cost \$177,153.24 lower, Distribution Expense \$8,080.13 lower, Depreciation \$14,269.88 lower, Interest Expense \$18,879.76 lower, Customer Expenses \$7,647.34 lower, Sales Expense \$567.66 higher, and General and Administrative Expenses were \$31,461.25 lower. Discussion followed. Dennis Luehr updated the Board on the Cooperative's equity position, and cash flow. Discussion followed.

LEGAL REPORT: Attorney Elisha Sanders had no new business to report.

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 updated the Board on a project covered by a non-Disclosure agreement. He also discussed possible partnerships with local Telephone Cooperatives regarding high-speed internet service to the membership. He discussed the Presidential directives to get all Americans vaccinated. Discussion followed. Upon a motion by Mr. Hicks, seconded by Mr. Jarrett, the General Manager's report was approved.

OTHER BUSINESS:

Upon a motion by Mr. Liefer, seconded by Mr. Prest, and a vote taken thereon, it was unanimously agreed **to approve the minutes of the 2021 Strategic Planning session.**

EXECUTIVE SESSION: The Board entered executive session at 11:47AM to discuss the Board's self-evaluation process and to discuss the General Manager's annual performance. They returned to regular session at 12:26PM.

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, November 30, 2021. There being no further business to come before the Board of Directors, the meeting was adjourned at 12:27 PM.

Date Approved: November 30, 2021

Kevin Liefer, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM