

MINUTES OF REGULAR MEETING OF DIRECTORS

December 21, 2021

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, December 21, 2021, at the Headquarters facility. The meeting was called to order at 8:25 AM by President Pyatt. Present for the meeting were:

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

Shane Hermetz, GM/EVP
Brad Austin, Staff
Brooke Guthman, Staff
Dennis Luehr, Staff

Bill Broom, Attorney
Bart Swisher, Staff
Julie Loesing, Staff
Kay Taylor, Staff

Absent: Rick Asaturian

MEMBER and GUEST COMMENTS: N/A

RECESS: The Board went into recess at 8:27AM to allow the Egyptian Electric Charitable Fund, NFP Board to hold their meeting. The Board returned from recess at 8:38AM.

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 (\$2,264.14) 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. Campbell, motion carried.

SIPC DIRECTOR REPORTS: The SIPC report on Electric Systems was given by Mr. Liefer. The SIPC report on Power Production was given by Mr. Pyatt. The SIPC report on Admin and Finance was given by Mr. Jarrett. Mr. Hermetz summarized the regional outlook for electricity prices. Discussion followed. A motion was made to approve these reports by Mr. Prest and seconded by Mr. Liefer, 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 and Pinckneyville Hospital expansion. Discussion followed. He also discussed the status of the metering project and discussed supply chain concerns for the electric industry. 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.

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 status of the Capital Credits review process, Operation Round-UP, Classroom grants, NRECA Youth Tour program, and other activities in the member Services Department. 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 November 2021 was \$245,005.58 vs budget of (\$36,264.50). Operating Revenue was \$3,339,868.96 down 14.14% from November last year at \$3,889,930.34. KWH sales were 26,054,903 up 8.46% from last November at 24,021,603. KWH purchases were 27,183,710 an increase of 9.86% from November last year at 24,744,110. Variance of Major Costs from budget was Power Cost \$372,264.76 lower, Distribution Expense \$65,992.52 lower, Depreciation

\$11,511.27 lower, Interest Expense \$24,289.38 lower, Customer Expenses \$5,611.39 lower, Sales Expense \$1,562.13 lower, and General and Administrative Expenses were \$29,271.56 lower. Discussion followed. Mr. Luehr also updated the Board on the Cooperative's equity position, and cash flow. Discussion followed.

LEGAL REPORT: Attorney Bill Broom reported that fellow attorney Elisha Sanders recently gave birth to a wonderful daughter and that mother and daughter were doing well.

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 presented draft changes to policy 119 – meter tampering, along with information regarding recent energy legislation that includes self-generation of electricity language. Discussion followed. Upon a motion by Mr. Campbell, 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 to **appoint Mr. Paul Pyatt as the NRECA voting delegate and Mr. Kevin Liefer as the NRECA Alternate Voting Delegate for 2022.**

Upon a motion by Mr. Liefer, seconded by Mrs. Homan, and a vote taken thereon, it was unanimously agreed to **appoint Mr. Paul Pyatt as the NRTC voting delegate and Mr. Kevin Liefer as the NRTC Alternate Voting Delegate for 2022.**

Upon a motion by Mr. Campbell, seconded by Mr. Hicks, and a vote taken thereon, it was unanimously agreed to **approve a Franchise agreement with the village of Cambria.**

Upon a motion by Mr. Jarrett, seconded by Mr. Liefer, and a vote taken thereon, it was unanimously agreed to **amend the FY2022 budget, adding \$51,000 to the Construction Work plan for the purchase of land for a future substation, agreed to a budget amendment not to exceed \$525,000 for the purchase of a 10 MVA power transformer for delivery in FY2023, , agreed to a budget amendment not to exceed \$185,000 for the purchase of a small bucket truck for delivery in FY2023, and agreed to a budget amendment not to exceed \$350,000 for the purchase of a large digger truck for delivery in FY2024,.**

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, January 25, 2022. There being no further business to come before the Board of Directors, the meeting was adjourned at 11:30 AM.

Date Approved: January 25, 2022

Kevin Liefer, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM