

MINUTES OF REGULAR MEETING OF DIRECTORS

September 27, 2022

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, September 27, 2022, at the Headquarters facility. The meeting was called to order at 8:27 AM by President Hicks. Present for the meeting were:

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

Shane Hermetz, GM/EVP
Brad Austin, Staff
Art Pontow, Staff
Dennis Luehr, Staff

Elisha Sanders, Attorney
Bart Swisher, Staff
Julie Loesing, Staff

Absent: Kevin Liefer, Vice President

MEMBER and GUEST COMMENTS: No guests or members were in attendance.

RECESS: The Board went into recess at 8:54 AM to allow the Egyptian Electric Charitable Fund, NFP Board to hold their meeting. The Board returned from recess at 8:58 AM.

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 (\$3435.92) 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. Pyatt and seconded by Mr. Prest, motion carried.

AIEC and SIPC REPORTS: Mr. Prest gave the AIEC report. He shared that the AIEC Board did not meet in the month of September. He shared information regarding upcoming training opportunities for the next year. Discussion followed. Mr. Hermetz gave the SIPC report. He shared information regarding increasing pressures on electricity pricing and provided an update to the SIPC cost of service and rate studies. He also discussed the upcoming changes to the MISO markets, an updated status on coal/carbon contracts, and provided an update regarding the need to add new electricity generating resources to the SIPC portfolio. Discussion followed.

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 new and ongoing construction projects, he discussed the ongoing supply chain concerns for the electric industry, and he provided multiple examples of how electric vehicles continue to expand in popularity and their impact on the local electric grid. Discussion followed.

IT REPORT: Mr. Swisher presented the IT report. Mr. Swisher shared the status of fiber service to key substations, the ongoing efforts to protect data from cyber criminals and provided an update to the plan of migrating to a new email platform. Discussion followed.

MEMBER SERVICES REPORT: Ms. Loesing 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. Ms. Loesing discussed the status of the classroom grant program, the upcoming key accounts meeting and upcoming blood drive, and provided an update on the annual statewide survey. Discussion followed.

FINANCIAL REPORT: Mr. Austin presented the Human Resources and Finance Report. He updated the Board on current month and year to date finances. He shared that total margin for August 2022 was (\$2,255.15) vs budget of \$126,461.34. Operating Revenue was \$3,697,208.28 up 0.42% from August last year at \$3,681,651.91. KWH

sales were 28,709,741 down 2.26% from last August at 29,373,066. KWH purchases were 29,919,190 a decrease of 4.14% from August last year at 31,210,984. Variance of Major Costs from budget was Power Cost \$18,579.75 higher, Distribution Expense \$149,244.26 higher, Depreciation \$217.96 higher, Interest Expense \$2,008.59 higher, Customer Expenses \$914.53 lower, Sales Expense \$2,326.59 lower, and General and Administrative Expenses were \$58,735.60 lower. Discussion followed.

LEGAL REPORT: Attorney Elisha Sanders reported the work regarding the capital credits process was nearing completion, with examples of updated forms presented in the Board materials. 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 net metering concerns shared by members. Discussion followed. He provided a list of items that the cooperative is developing the FY2023 budget around, stating that the full budget presentation would be available at the October meeting. Discussion followed. He discussed the effects of inflation on the Cooperative finances, provided an update on the pandemic response plan, provided updates regarding the ongoing efforts by others to extend Broadband service in Jackson County, and provided updates regarding the Jackson County LEAP grant. Discussion followed. He closed his presentation by discussing employee and board training options for the remainder of the year and into next year. Discussion followed.

OTHER BUSINESS:

Upon a motion by Mr. Campbell, seconded by Mr. Asaturian, and a vote taken thereon, it was decided by majority vote **to approve the 2023 EECA Board of Directors meeting schedule and to set the date for the 2023 Annual Meeting of members as Thursday, July 13, 2023; 6PM.**

Upon a motion by Mr. Campbell, seconded by Mr. Jarrett, and a vote taken thereon, it was decided by majority vote **to set the date for the 2023 Nominating Committee meeting as Tuesday, May 16, 2023; 6PM.**

EXECUTIVE SESSION: There was no Executive Session.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, October 25, 2022. There being no further business to come before the Board of Directors, upon a motion and a second, and a vote taken thereof, the meeting was adjourned at 11:56 AM.

Date Approved: October 25, 2022

Randall Campbell, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM