

# MINUTES OF REGULAR MEETING OF DIRECTORS

## November 29, 2022

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, November 29, 2022, at the Headquarters facility. The meeting was called to order at 8:28 AM by President Hicks. Present for the meeting were:

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

Shane Hermetz, GM/EVP  
Brad Austin  
Brooke Guthman  
Jennifer Nugent  
Dennis Luehr  
Jeremy Thies  
Art Pontow

Casey Twomey, Attorney  
Bart Swisher  
Cheryl Bauersachs  
Julie Loesing  
Travis Deterding  
Cindy Krisby

Absent: NONE

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

**RECESS:** The Board went into recess at 8:28 AM to allow the Egyptian Electric Charitable Fund, NFP Board to hold their meeting. The Board returned from recess at 8:38 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 (\$12,488.50) for the month, 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. Asaturian and seconded by Mr. Prest, motion carried.

**AIEC and SIPC REPORTS:** Mr. Prest gave the AIEC report. He shared information regarding the new AIEC CEO. Discussion followed. Mr. Liefer gave the Power Delivery report, Mr. Pyatt gave the Power Production report, and Mr. Jarrett gave the Administrative/Finance report. Discussion followed. Mr. Hermetz summarized the reports and discussed Supplement 5 to the SIPC wholesale power contract. He also discussed information regarding increasing pressures on electricity pricing and provided an update to the SIPC cost of service and rate studies. Discussion followed.

**ENGINEERING\OPERATIONS REPORT:** Mr. Austin presented the Engineering and Operations Report. Mr. Austin updated the Board on new and ongoing construction projects, he discussed the ongoing supply chain concerns for the electric industry and provided an update on electric vehicles in our service area. Discussion followed. Mr. Austin discussed the costs of line extensions for 2023 and discussed possible changes to line extension policies to allow structured payments. Discussion followed.

**IT REPORT:** Mr. Swisher presented the IT report. Mr. Swisher presented information regarding our cyber monitoring reports and discussed the format that will be shared monthly with the Board. Discussion followed. He shared information current and ongoing IT projects within his 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 discussed the recent Key Accounts meeting, provided an update on the classroom grant program, and shared the 2022 membership satisfaction survey. Discussion followed.

**FINANCIAL REPORT:** Mrs. Bauersachs presented the Human Resources and Finance Report. She shared that total margin for October 2022 was (\$17,172.10) vs budget of \$4,206.01. Operating Revenue was \$2,945,825.43 down 0.95% from October last year at \$2,974,109.62. KWH sales were 21,412,769 down 6.07% from last October at 22,797,095. KWH purchases were 22,291,577 a decrease of 6.87% from October last year at 23,935,690. Variance of Major Costs from budget was Power Cost \$33,113.00 higher, Distribution Expense

\$35,530.32 lower, Depreciation \$778.86 lower, Interest Expense \$231.42 higher, Customer Expenses \$12,699.74 higher, Sales Expense \$126.87 lower, and General and Administrative Expenses were \$47,833.65 lower. Discussion followed. Mrs. Bauersachs discussed interest rates and the current cost to borrow money. Discussion followed.

**LEGAL REPORT:** Attorney Casey Twomey discussed the legal review process regarding Supplement 5 to the SIPC wholesale power contract. 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 reviewed the increasing costs of electricity from SIPC and the management plan to address the increasing costs. Discussion followed. He also discussed the recent review of governance policy and discussed options to modernize the policies. He closed by sharing information regarding EECA strategic partner, NISC. Discussion followed.

**OTHER BUSINESS:**

Upon a motion by Mr. Prest, seconded by Mr. Jarrett, and a vote taken thereon, it was decided by majority vote **to appoint Director Paul Hicks as voting delegate and Director Kevin Liefer as alternate delegate for the upcoming NRECA and NRTC annual meetings.**

Upon a motion by Mr. Pyatt, seconded by Mr. Jarrett, and a vote taken thereon, it was decided by majority vote **to approve Supplement 5 of the SIPC wholesale power contract.**

**EXECUTIVE SESSION:** The Board entered executive session at 11:43 AM. They returned to regular session at 11:47 AM.

**MEETINGS:** The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, December 20, 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 11:48 AM.

Date Approved: November 29, 2022

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Randall Campbell, Board Secretary/Treasurer

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Recorded by Shane Hermetz, EVP/GM