

MINUTES OF REGULAR MEETING OF DIRECTORS

April 25, 2023

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, April 25, 2023, 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
Kevin Liefer, Vice President
Randall Campbell, Sec.-Treasurer
Mary Jo Homan
Paul Pyatt
Ken Jarrett
Steve Prest
Kevin Bame
Rick Asaturian

Shane Hermetz, GM/EVP
Brooke Guthman
Bart Swisher
Brad Austin
Cheryl Bauersachs
Abbie Weil

Casey Twomey, Attorney
Cindy Krisby
Julie Loesing
Jennifer Nugent
Travis Deterding

Absent: NONE

MEMBER and GUEST COMMENTS: N/A

RECESS: The Board went into recess at 8:29 AM to allow the Egyptian Electric Charitable Fund, NFP Board to hold their meeting. The Board returned from recess at 8:31 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 (\$8465.11) 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. Prest and seconded by Mr. Liefer, motion carried.

AIEC and SIPC REPORTS: Mr. Prest gave the AIEC report, sharing that the AIEC Board did not meet in April. Mr. Pyatt and Mr. Hermetz gave the SIPC report. Discussion followed.

ENGINEERING\OPERATIONS REPORT: Mr. Austin presented the Engineering and Operations Report. Mr. Austin updated the Board on new and ongoing construction projects, provided updates regarding supply chain concerns, system interconnections, and on large scale solar developments in the area and the potential electrical loads that would connect to EECA. Discussion followed.

IT REPORT: Mr. Swisher presented the IT report. Mr. Swisher presented information regarding cybersecurity, updated the Board on the recent internet outage at the headquarters, and proved an update on the shared services agreement with a neighboring 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 discussed the upcoming 'Coffee with the Cooperative' meeting, and the retirement of capital credits. Discussion followed. Ms. Weil presented the results of the review of unclaimed capital credits Discussion followed.

FINANCIAL REPORT: Mrs. Bauersachs presented the Human Resources and Finance Report. She shared a recap for the monthly finances, reporting that total margin for March 2023 was \$248,765.55 vs budget of (\$63,678.49). Operating Revenue was \$3,774,063.45 up 16.1% from March last year at \$3,250,161.45. KWH sales were 27,078,352 up 6.5% from last March at 25,436,878. KWH purchases were 28,223,982 an increase of 6.5% from March last year at 26,500,952. Variance of Major Costs from budget was Power Cost \$55,906.89 lower, Distribution Expense \$38,965.59 lower, Depreciation \$7,599.02 lower, Interest Expense \$17,727.81 higher,

Customer Expenses \$4,028.48 lower, Sales Expense \$4,945.00 lower, and General and Administrative Expenses were \$14,244.01 lower. Mrs. Bauersachs presented three options for the retirement of capital credits in 2023. Discussion followed. Mrs. Bauersachs closed by discussing options regarding FDIC coverage on the cooperative bank accounts. Discussion followed.

LEGAL REPORT: Attorney Casey Twomey discussed the work pertaining to a franchise agreement with a local municipality and the review of the new Illinois Leave for All act. 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 presented two new board policies and one policy revision for board consideration, discussed Southern Services LLC, discussed the NRECA legislative conference, discussed the upcoming nominating committee meeting, and upcoming continuing education opportunities. Discussion followed.

OTHER BUSINESS:

Upon a motion by Mr. Prest, seconded by Mr. Campbell, and a vote taken thereon, it was agreed upon by majority vote **to amend board policy 304 – Expense Accounts.**

Upon a motion by Mr. Campbell, seconded by Mrs. Homan, and a vote taken thereon, it was agreed upon by majority vote to amend **board policy 307 – Purchasing Policy.**

Upon a motion by Mr. Pyatt, seconded by Mr. Bame, and a vote taken thereon, it was unanimously approved **to contribute \$500 to the CFC System Integrity Fund** in 2023.

Upon a motion by Mr. Campbell, seconded by Mr. Liefer, and a vote taken thereon, it was unanimously approved **to contribute \$1000 to the CFC Cooperative Family Fund** in 2023.

Upon a motion by Mr. Campbell, seconded by Mr. Jarrett, and a vote taken thereon, it was unanimously approved **to retire up to \$752,729 of Capital Credits as General Retirements, retiring 100% of year 1992, using the FIRST IN, FIRST OUT method (FIFO) method and to continue estate retirements as submitted by members in accordance with Board policy 108.**

EXECUTIVE SESSION: The Board of Directors entered into executive session at 11:41 AM to discuss employment matters concerning the Cooperative and returned from executive session at 11:52 AM.

MEETINGS: The next scheduled Board of Directors meeting will be held at the EECA Headquarters office beginning at 8:30AM on Tuesday, May 30, 2023. 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 11:53 AM.

Date Approved: May 30, 2023

Randall Campbell, Board Secretary/Treasurer

Recorded by Shane Hermetz, EVP/GM