

MINUTES OF REGULAR MEETING OF DIRECTORS
July 26, 2011

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, July 26, 2011, at the Steeleville office. The meeting was called to order at 8:30 a.m. with the President and Secretary present.

Present for the **July 26, 2011**, meeting:

Paul Pyatt, President	Allen Haake	James Riddle, EVP/GM
Kevin Liefer, Sec-Treas	Paul Hicks	M. Shane Hermetz, Asst Mgr
Randall Campbell	Ken Jarrett	Art Pontow, Staff
Larry Ebers	Gilbert Kroening	William Broom, Attorney

ABSENT: Ray Mulholland

The consent agenda, consisting of the consideration of minutes of the board meeting held June 28, 2011, the list of checks written for the month of June, the June treasurer's report, capital credit estate refunds (\$10,004.02), the safety report and the outage report, was approved by a motion from Mr. Kroening, seconded by Mr. Jarrett. Motion carried. There was no July meeting at the AIEC.

REORGANIZATIONAL MEETING: Mr. Hicks made a motion, seconded by Mr. Haake, to approve the minutes of the reorganizational meeting, which were handed out at this meeting. Motion carried.

SIPC DIRECTOR REPORTS: The SIPC reports were given by Mr. Liefer, Mr. Haake, and Mr. Riddle. On motion of Mr. Jarrett, seconded by Mr. Campbell, the SIPC reports were approved. Motion carried.

YTW REPRESENTATIVE: Christine Lee, one of the students that Egyptian Electric sent to Washington, visited the board meeting to express her thanks and appreciation for the trip. On that trip to Washington, Miss Lee was chosen by her peers to represent Illinois on the Youth Consulting Board. As a representative on the YCB, she is awarded the opportunity for some additional travel over the next year to several NRECA functions---one being the annual meeting in San Diego, CA, in March of 2012.

MAJOR CAPITAL PROJECTS: The new North circuit out of the Carterville Substation is in the construction phase. Construction on the SI Airport Substation is moving forward with the dry weather. Sun Valley Subdivision in Carbondale with 16 metering points is in progress. Engineering is complete for a Carterville Subdivision and also a Murphysboro Subdivision, but we are waiting on the developers. Engineering is working on the Reed Station Road project.

FINANCIAL REPORTS: Mr. Pontow presented the financials for the month of June. There were negative margins (-\$174,655) in June, which put YTD margins at \$1,423,199. Revenue YTD is up 1.6% compared to last June and YTD kWh sales are up 1.9%. DSC and TIER are well above the required numbers.

MANAGER'S REPORT: Mr. Riddle presented the Manager's report adding to the June operating reports. There was discussion on the upcoming strategic planning session and what topics to include, the ICC complaint filing by Ameren, future rates at SIPC and Egyptian, CFC's Key Ratio Trend Analysis. and a goals update. Mr. Riddle also reported on the Southern Services activities. On a motion of Mr. Haake, seconded by Mr. Hicks, the manager's report was approved. Motion carried.

ANNUAL MEETING: There was a recap of our annual meeting, which was July 21. Larry Ebers, Gilbert Kroening and Raymond Mulholland were re-elected for a three-year term. The random drawing for \$1000 scholarship drew in 33 applicants. Due to the excellent response to this new feature, an executive decision was made at the annual meeting to draw for two \$1000 scholarship winners.

SECURITY SYSTEM: There was discussion about the break-in/theft at the Murphysboro office. As a result, the security system improvements that had been placed on hold were discussed. The bids for painting the office exterior were lower than budgeted so the extra money budgeted for the painting will cover the security equipment and the replacement of the old metal awnings. Mr. Kroening made a motion, seconded by Mr. Haake, to make a budget amendment and proceed with the installation of more motion detectors, replace the data printer, install 2 low-light cameras and a digital recorder and the awnings. Motion carried. The board approved the bids for painting the exterior of the Murphysboro office and asphalt coating at both offices since they were within budget figures

STRATEGIC PLANNING MEETING: The Strategic Planning meeting will be Tuesday, August 23, 2011, beginning at 9 a.m. at the Steeleville office.

At 12:11 p.m. the board went into executive session.

Upon reconvening into regular session and there being no further business to come before the Board of Directors, the meeting was adjourned at 12:27 p.m.

Date Approved: 8/30/2011

Kevin Liefer, Secretary

Recorded by James B. Riddle, EVP/GM