

MINUTES OF REGULAR MEETING OF DIRECTORS
June 28, 2011

The regular monthly meeting of the Egyptian Electric Cooperative Association Board of Directors was held on Tuesday, June 28, 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 **June 28, 2011**, meeting:

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

ABSENT: Paul Hicks and Ray Mulholland

The consent agenda, consisting of the consideration of minutes of the board meeting held May 31, 2011, the list of checks written for the month of May, the May treasurer's report, capital credit estate refunds (\$1,288.76), the AIEC report, the safety report and the outage report, was approved by a motion from Mr. Campbell, seconded by Mr. Kroening. 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. Ebers, the SIPC reports were approved. Motion carried.

MAJOR CAPITAL PROJECTS: A three-phase line extension at Walkers Bluff is currently in progress. A hotel and amphitheater has the green light as the complex continues to grow. Building the north circuit out of Carterville Substation is underway. Work on the SI Airport Substation is a little behind schedule due to the weather, but should be done by October. The Pomona line rebuild is finished. There are two subdivision projects in progress. Engineering has been completed on Boskydell Road line relocation and work should begin in the fall. The Reed Station Road project is going slow. There's renewed interest in developing some lots at the Islands of Waterside project, west of Marissa. We've been notified about a new mine in the Pyramid State Park area; they are working with IDNR. Staff reviewed the new phone system with CTS and the CSRs looked at it as well. Project is moving forward with a completion of install by September.

FINANCIAL REPORTS: Mr. Pontow presented the financials for the month of May. There were negative margins (-\$159,358) in May, which put YTD margins at \$1,597,854. Revenue YTD is up .4% compared to last May and YTD kWh sales are up 1.3%. DSC and TIER are well above the required numbers. An adjustment was made to the patronage capital figures; unclaimed amounts from the years that had been refunded were moved to a different account. We should be receiving some FEMA money due to the storm. In the major cost analysis, the YTD variance in comparing actual and budget is with power cost and maintenance.

MANAGER'S REPORT: Mr. Riddle presented the Manager's report adding to the May operating reports. The methodology used at SIPC for its upcoming rate increases will be the biggest factor when deciding EECA's future rate increases. We will show environmental costs as a separate item in the note area of the bill beginning in July. A 2011 goals update was given. Citizens Electric is considering a mutual aid agreement to provide communication for meters on Kaskaskia Island. We have a signed lease agreement with SIAA for two acres of land close to our new sub; we are covering the engineering fees. Should there be additional growth in that area, we will be ready. Next week is the hearing before the ICC on the complaint which Ameren filed due to our serving Southern Precision Sand. There was an update on Southern Services activities. On a motion of Mr. Haake, seconded by Mr. Liefer, the manager's report was approved. Motion carried.

ANNUAL MEETING: Our annual meeting is set for Thursday, July 21, at the Steeleville American Legion. Larry Ebers, Gilbert Kroening and Raymond Mulholland were nominated as directors for re-election. The random drawing for \$1000 scholarship will be done at the close of the meeting. We'll have the picnic in the park followed by the business meeting in the large hall. All registered members will receive a \$10 electric credit.

EECA BYLAWS: Reviewing and amending the bylaws is a continuing process. Any changes must be presented to the membership at an annual meeting. It was suggested to discuss changes in a piecemeal fashion at each board meeting.

REGIONAL VOTING DELEGATES: Due to our president and vice-president not planning to attend the regional meeting, Mr. Haake made a motion, seconded by Mr. Campbell, that named Mr. Kroening as the voting delegate and Ken Jarrett as the alternate delegate for the regional meeting in September. Motion carried.

SIPC POWER REQUIREMENTS STUDY: Mr. Riddle recommended to the Egyptian Electric Cooperative's Board of Directors that it approve the proposed Power Requirements Study as presented. Mr. Liefer made the motion, seconded by Mr. Jarrett, to adopt the following resolution:

WHEREAS, at a regular meeting of the Board of Directors on June 28, 2011, a proposed Power Requirements Study was presented to the Board; and

WHEREAS, such proposal requires that the Board approve said Power Requirements Study and authorize the staff to request approval of said proposal from the Rural Utilities Service;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby approves the Power Requirements Study as presented at its June 28, 2011, regular meeting; and

FURTHER RESOLVED, that the Board of Directors hereby authorizes the staff to seek approval of said Power Requirements Study from the Rural Utilities Service.

Motion carried.

BOARD SELF-ASSESSMENTS: Discussion of the results of the board self-assessments was tabled until the August strategic planning meeting. The assessment covered the nine board responsibilities and evaluated the board's performance using a rating scale.

There being no further business to come before the Board of Directors, the meeting was adjourned at 11:30 a.m.

Date Approved: July 26, 2011

Kevin Liefer, Secretary
Recorded by Brenda K Rapp, Assistant Secretary