

Southwestern Electric Cooperative, Inc.
Minutes of the Regular Meeting
April 25, 2024
Greenville, IL

The regular meeting of the Board of Directors of Southwestern Electric Cooperative, Inc. was held on Thursday, April 25, 2024, at 6:30 p.m. at the office of Southwestern Electric Cooperative headquarters in Greenville, IL pursuant to notice given. President Jerry Gaffner called the meeting to order and led in the Pledge of Allegiance to the flag.

The following directors were present constituting a quorum:

Jerry Gaffner
Sandy Grapperhaus
Annette Hartlieb
Brad Lurkins
Ann Schwarm
Jared Stine
Marvin Warner
Ted Willman

Director Bill Jennings was absent. Staff members present were Chief Executive Officer Bobby Williams, Chief Operating Officer Vic Buehler, and Executive Assistant Brooke Scott. Also present was Auditor Craig Popenhagen from CliftonLarsonAllen via video conference.

2023 Auditor's Report:

Auditor Craig Popenhagen from CliftonLarsonAllen presented the 2023 Auditor's Report through video conference. They did not find anything significant to report. He noted that the audit provides reasonable, but not absolute assurance. There were no audit adjustments or difficulties with management to discuss, and they had a clean opinion of internal controls.

The board reviewed the following key ratios, comparing SWECI to the 2022 industry mean:

- Modified Debt Service Coverage,
- Times Interest Earned (TIER),

- Blended Interest Rate,
- Equity Level as a percentage of Assets,
- Capital Credits Retired per Total Equity,
- Power Cost as a percentage of Revenue,
- Total Operating Expense per KWH Sold,
- Total Electric Revenue per KWH Sold,
- Growth in number of Consumers,
- Growth in KWH Sales,
- TUP Investment per Consumer.

With no further questions, Popenhagen left the meeting at 6:55 p.m. Grapperhaus made a motion to approve the 2023 Audit Report as presented. Warner seconded; motion carried.

Approval of Minutes:

Minutes of the regular board meeting held on March 27, 2024, were considered. On a motion made by Hartlieb, seconded by Stine and carried, the minutes were approved as presented.

Executive Session:

At 6:59 p.m., Schwarm made a motion to enter into executive session to discuss Freedom Operations and personnel matters. Warner seconded; motion carried. At 7:27 p.m., Grapperhaus made a motion to leave executive session. Stine seconded; motion carried.

Staff Reports & Presentations

CEO's Report:

CEO Bobby Williams's report included:

- Substation property update.
- Banking resolutions for FNB, CoBank, and CFC.
- Revision to *Check Signatures for the Payment of Money* policy.
- Member matters.
- 2024-25 MISO Planning Resource Auction (PRA) results.

Report of Operations and Construction:

CEO Bobby Williams's report included:

- Balance Sheet for three months ended March 31, 2024.
 - Construction WIP.
 - Cash.
 - Total Assets and Other Debits.

- Total Margins & Equities.
- LTD.
- Aid-to-Construction.
- Statement of Operations for one month ended March 31, 2024.
 - Total Sales of Electricity.
 - Total Revenue.
 - Cost of Purchased Power.
 - LMR.
 - Total Operating and Maintenance Expense.
 - Total Cost of Electric Services.
 - Net Margins.
- Cash flow statement for March 2024.
- Statement of Operations for three months ended March 31, 2024.
 - Total Sales of Electricity.
 - Total Revenue.
 - Cost of Purchased Power.
 - Total Operating Maintenance Expense.
 - Net Margins.
 - Current Outlook.
- Cash flow statement for three months ended March 31, 2024.

Operating Report and Work Order Summary Approval:

Warner made a motion to approve the Operating Report and Work Order Summary in the amount of \$933,606.26 for March 2024. Stine seconded; motion carried.

COO's Report:

COO Vic Buehler's report included:

- Update on workplan projects.
- AMI System
- Member matters.
- Software conversion.
- Potential loads.
- Grant funding.
- Power transformer.
- Outages from storm.

Membership Applications and Terminations:

March's list of membership applications and April's list of terminations were sent to the board prior to the meeting.

A motion was made by Hartlieb, seconded by Lurkins, and carried to accept 77 applications for membership for March 2024, in accordance with Section 2 of the bylaws.

A motion was made by Grapperhaus, seconded by Schwarm, and carried to formally acknowledge the termination of 16 memberships for April 2024, effective as of the date on which the cooperative ceased furnishing services, and the release of capital credits to members and members' estates totaling to \$31,906.62.

2024 Committee of Nominations Appointment:

On a motion made by Lurkins, seconded by Hartlieb and carried, the following members were appointed by the board of directors to serve on the 2024 committee of nominations.

<u>District I</u>	<u>District II</u>	<u>District III</u>
D. Joachimsthaler	N. Reisner	J. Lawson
D. Meyer	R. Hilliard	T. Koberlein
D. Petry	C. Zimmerman	G. Moore

Committee Reports:

Scholarship Committee:

The scholarship committee met on April 12 to discuss applications and award \$1,200 to twelve recipients for SWECI scholarships, and award \$1,200 to one recipient for the Alan Libbra Memorial Scholarship funded by the Libbra family. Chairperson Jared Stine gave a report on the content of the meeting.

AIEC Board Meeting Report:

There was no AIEC Board Meeting in April.

Unfinished Business:

The authorized signers need to be updated for CFC, FNB, and CoBank. A motion was made by Grapperhaus, seconded by Schwarm and carried to adopt the FNB Community Bank Account

Agreement, FNB Signature Addendum, FNB Corporate Banking Resolution, CoBank Incumbency Certificate, CoBank Exhibit C, CoBank Corporate Banking Resolution, and CFC Paying Agent Service Board Resolution.

A motion was made by Hartlieb, seconded by Warner and carried to authorize and direct COO Vic Buehler to execute any and all documents, settlement statements, and other instruments necessary to carry out the terms and conditions of the .59 property purchase for the Pocahontas Substation.

The board discussed the 2024 Annual Meeting. A motion was made by Lurkins, seconded by Willman and carried, to offer corresponding evening dates from 2023 to 2024 for absentee voting at the St. Jacob, St. Elmo, and Greenville facilities, and to offer a \$20 bill credit for members that vote either absentee or on the day of the meeting, with an additional \$10 credit if the member brings in their registration card.


New Business:

A motion was made by Hartlieb, seconded by Stine, and carried to approve the revised *Check Signatures for the Payment of Money* policy.

Adjournment:

With no further business to come before the board, the meeting adjourned at 8:39 p.m.

Attest:



Jerry Gaffner, President



Annette Hartlieb, Secretary

