

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

The regular meeting of the Board of Directors of Southwestern Electric Cooperative, Inc. was held on Thursday, July 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
Bill Jennings
Brad Lurkins
Ann Schwarm
Marvin Warner
Ted Willman

Vice President Jared Stine was absent. Staff members present were Chief Executive Officer Bobby Williams, Chief Operating Officer Vic Buehler, Chief Financial Officer Nathan Taylor, and Executive Assistant Brooke Scott.

Approval of Minutes:

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

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

Executive Session:

At 6:31 p.m., Jennings made a motion to enter into executive session to discuss legal and personnel matters. Schwarm seconded; motion carried. At 6:45 p.m., Hartlieb made a motion to leave executive session. Jennings seconded; motion carried.

Staff Reports & Presentations

Report of Operations and Construction:

CFO Nathan Taylor's report included:

- Overview of the Freedom sale.
 - Assets.
 - Asset Sale.
 - Year-to-date financial impact.
 - Year-end forecast impact.
- Financial Summary as of June 30, 2024 (month, year-to-date, and outlook)
 - Revenue
 - Total Costs
 - Net Operating Margins
 - Non-Operating Income
 - Net Margins.
- Year-to-date and Year-end Cash flow statement.
- Debt Service Coverage Ratio.
- Rate discussion.
- Potential risks and opportunities to Margins and the cash forecast.
- Recommendations from the Operation Round Up Committee.
- Options for establishing a 501(c)(3).

The Operation Round Up (ORU) committee met in July to discuss six applications. A motion was made by Warner, seconded by Hartlieb, and carried to approve the Operation Round Up (ORU) total contribution of \$5,949 which includes the committee's recommendations, an additional \$500 towards the Coffeen Fire Protection District, and a variance from policy for the maximum contribution per check for the Greenville Jr. High School STEM Club.

Hartlieb made a motion for Southwestern Electric to create its own 501(c)(3). Warner seconded; motion carried.

Operating Report and Work Order Summary Approval:

Grapperhaus made a motion to approve the Operating Report and Work Order Summary in the amount of \$476,088.68 for June 2024. Jennings seconded; motion carried.

CEO's Report:

CEO Bobby Williams's report included:

- Topics from July's Safety Committee Meeting.
 - Overview of Safety Day.
 - NRECA's Commitment to Zero Contacts initiative phase II.
- Strategic Planning event.
- Capacity.
- Potential load.
- Annual Meeting.

COO's Report:

COO Vic Buehler's report included:

- Update on workplan projects.
 - AMI.
 - Software conversion.
 - Smithboro Substation.
- Member matters.
- Update on the Maple Grove to Edwardsville Transmission Project

Membership Applications and Terminations

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

A motion was made by Hartlieb, seconded by Willman, and carried to accept 85 applications for membership for June 2024, in accordance with Section 2 of the bylaws.

A motion was made by Jennings, seconded by Warner, and carried to formally acknowledge the termination of 16 memberships for July 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 \$20,308.18.

Credentials and Elections Committee Appointment:

A motion was made by Grapperhaus, seconded by Lurkins and carried to approve the following active Southwestern Electric members to serve on the 2024 Credentials and Election Committee:

District I

Ted Flath
Kenneth Grotefeldt
John Sedlacek

District II

Ron Jarrett
Steven Laesch
Hal Langham

District III

Kyra Willenborg
Brad Stein
Dale “Pete” Burnam

AIEC Board Meeting Report:

There was no AIEC board meeting for July. Schwarm noted that AIEC’s Annual Meeting is at the end of the month, and she was asked to do the presentation at the Leadership Luncheon. SWECI is donating two baskets to AIEC’s silent auction benefiting the Thomas H. Moore IEC Memorial Scholarship fund.

Report on Director Training:

Schwarm attended the CoBank Energy Conference. She gave a verbal report to the board on her takeaways from this year’s meeting. Some of the topics discussed were energy transition, national security, AI, data centers, and the availability of electricity.

Unfinished Business:

There was no unfinished business discussed.

New Business:

A motion was made by Hartlieb, seconded by Lurkins, and carried to appoint Jennings as the voting delegate for the CoBank Director Election.

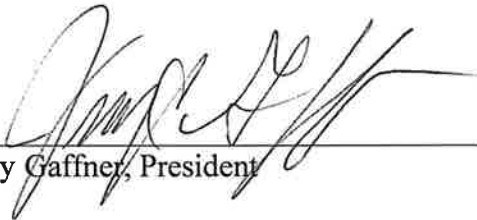
A motion was made by Lurkins, seconded by Schwarm, and carried to appoint Jennings as the voting delegate and Schwarm as the alternate for the NRECA Director Election.

The scholarship committee will meet on Tuesday, August 13 at 4 p.m.

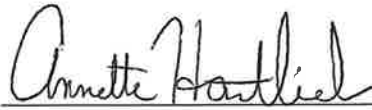
Adjournment:

With no further business to come before the board, the meeting adjourned at 8:48 p.m.

Attest:



Jerry Gaffney, President



Annette Hartlieb, Secretary

