

Southwestern Electric Cooperative, Inc.
Minutes of the Regular Meeting
August 27, 2020
Greenville, IL

Call to Order and Roll Call

The regular meeting of the Board of Directors of Southwestern Electric Cooperative, Inc. was held on Thursday, August 27, 2020 at 6:30 p.m. at the office of Southwestern Electric Cooperative headquarters in Greenville, IL pursuant to notice given. President Ann Schwarm 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
Rich Gusewelle
Annette Hartlieb
Bill Jennings
Sandy Nevinger
Ann Schwarm
Jared Stine
Ted Willman

Staff members present were Chief Executive Officer Bobby Williams, Chief Financial Officer Becky Jacobson, and Executive Assistant Brooke Scott. Jacob Thomas and Garrett Cole from GDS were present via video conference.

Financial Forecast Presentation with GDS:

At 6:31 p.m., Hartlieb made a motion to enter into executive session to discuss the cooperative's financial forecast, as it relates to the cooperative's strategic plan. Nevinger seconded; motion carried. VP of Member Services Susan File entered the meeting at 8:00 p.m. At 8:43 p.m., Grapperhaus made a motion to leave executive session. Stine seconded; motion carried. Thomas and Cole left the meeting at 8:43 p.m.

Report from the Credentials & Election Committee Meeting:

The Credentials and Election Committee meeting was held this evening at 6 p.m. All members were in attendance, and Hal Langham was appointed as the 2020 chairperson for the committee. File reviewed the setup for the annual meeting. With no further questions to address, File left the meeting at 9:04 p.m.

The meeting recessed at 9:04 p.m. and reconvened at 9:13 p.m.

Approval of Minutes:

Minutes of the special board meeting held on July 16, 2020, were considered. On a motion made by Nevinger, seconded by Gusewelle and carried, the minutes were approved as presented.

Minutes of the regular board meeting held on July 23, 2020, were considered. On a motion made by Hartlieb, seconded by Stine and carried, the minutes were approved as presented.

Staff Reports & Presentations

Report of Operations and Construction

CFO Becky Jacobson's report included:

- Cash Flow Statement and Balance Sheet review.
- Work-in-progress (WIP),
- Cash position status.
- Accounts receivable, accounts payable, and other deferred credits.
- Long-term Debt.
- Statement of Operations for one month and seven months ended July 31, 2020.
- 2020 compared to 2019.

Operating Report and Work Order Summary Approval

Willman made a motion to approve the Operating Report and Work Order Summary in the amount of \$413,061.62 for July 2020. Grapperhaus seconded; motion carried.

CEO's Report:

CEO Bobby Williams's report included:

- No lost time accidents reported for July 2020.
- Discussion on several topics from the staff reports.

- A damage claim.
- Residential EV pilot program.
- Emergency workforce plan due to COVID-19.
- Emerging Technology Committee meeting request.

Nevinger made a motion to pay for expenses, as it relates to the damages incurred from the Meadowbrook sewer line incident. Gusewelle seconded; motion carried.

Membership Applications and Terminations

A list of membership applications and terminations was sent to the board prior to the meeting.

A motion was made by Gusewelle, seconded by Grapperhaus and carried to accept 143 applications for membership for July 2020 in accordance with Section 2 of the bylaws.

A motion was made by Nevinger, seconded by Stine and carried to formally acknowledge the termination of 8 memberships for July 2020, effective as of the date on which the cooperative ceased furnishing services, and the release of capital credits to the members' estates totaling to \$19,636.91.

Report on Director Education:

Jennings and Grapperhaus participated in the NRECA virtual training course, 975.1 Capital Credits Issues and Decisions. Written reports were sent to the board. Jennings and Grapperhaus gave verbal reports. Some of the topics discussed were retiring capital credits to estates, rotating capital credits, and issuing checks vs. bill credits.

Jennings and Nevinger attended the CoBank Connect virtual conference. They gave verbal reports. Written reports will be sent to the board. Some of the topics discussed were the upcoming Presidential Election, and the long- and short-term effects of COVID-19.

Schwarm participated in the virtual CFC Special Member Meeting. She gave a verbal report and will submit a written report. Some of the topics discussed were ways to live with COVID-19, best crisis managers, and a change to the bylaws.

Unfinished Business:

The board discussed methods to nominate officers and agreed to return to voice nominations for 2020. If two or more directors are nominated for an office, a written vote will be taken as stated in the bylaws.


New Business:

Voting delegates and alternates need to be appointed for the NRECA Online Regional Week and for the Annual Electronic Business Meeting of Touchstone Energy Cooperative, Inc. Appointments will be made at September's regular board meeting.

Gusewelle is retiring from the board after 36 years of service. The board recognized him for his dedication to Southwestern Electric.


Adjournment:

With no further business to come before the board, the meeting adjourned at 10:58 p.m.



Annette Hartlieb, Secretary - pro-temp
Jared Stine

Attest:



Ann Schwarm, President