

Southwestern Electric Cooperative, Inc.
Minutes of the Regular Meeting
October 22, 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, October 22, 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
Annette Hartlieb
Bill Jennings
Sandy Nevinger
Ann Schwarm
Jared Stine
Marvin Warner
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.

Rate Design Presentation with GDS:

At 6:31 p.m., Grapperhaus made a motion to enter into executive session to discuss rate design. Stine seconded; motion carried. At 8:53 p.m., Hartlieb made a motion to leave executive session. Nevinger seconded; motion carried. Thomas and Cole left the meeting at 8:53 p.m.

The meeting recessed at 8:54 p.m. and reconvened at 9:00 p.m.

Approval of Minutes:

Minutes of the regular board meeting held on September 24, 2020, were considered. On a motion made by Nevinger, seconded by Warner 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.
 - Total Utility Plant
 - Work-in-progress (WIP)
 - Cash position status.
 - Notes payable, accounts payable, and other deferred credits.
 - Notable fluctuations for September and year-to-date.
- Statement of Operations for one month and nine months ended September 30, 2020.
- 2020 compared to 2019.
- Debt Service Coverage Ratio.
- 3rd Quarter Financial Statement Detail Report.
- Highlights from the Accounting Department Staff Report.

Operating Report and Work Order Summary Approval

Grapperhaus made a motion to approve the Operating Report and Work Order Summary in the amount of \$514,200.51 for August 2020. Hartlieb seconded; motion carried.

The meeting recessed at 8:10 p.m. and reconvened at 8:16 p.m.

CEO's Report:

CEO Bobby Williams' report included:

- No lost time accidents reported for September 2020.
- Discussion on several topics from the staff reports.
- 2020 Annual Meeting.
- Load opportunities.
- Commercial and residential EV chargers.

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 Warner, seconded by Grapperhaus and carried to accept 112 applications for membership for September 2020 in accordance with Section 2 of the bylaws.

A motion was made by Stine, seconded by Nevinger and carried to formally acknowledge the termination of 12 memberships for September 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 \$32,419.39.

Report on Director Education:

Schwarm and Grapperhaus participated in the virtual NRECA Regional Meeting. They gave verbal reports and have submitted written reports. Some of the topics discussed included referring to members as member owners, clean energy, resolutions, and voting.

Jennings participated in the NRECA virtual training course, 914.1 Cooperative Communications and Public Opinion: The Director's Perspective. His written report was sent to the board. Jennings gave a verbal report. Some of the topics discussed were social media, communication policies, message strategy, and a communication plan.

Committee Reports:

Scholarship Committee:

The scholarship committee asked for board consideration on the following changes to the scholarship application and acceptance process.

- 1) Committee recommends converting to an online application available on the SWECI website. Applicants must download, complete with written narrative, and mail with postmarked date of Feb 12, 2021.
- 2) Committee recommends removing "How many family members are living in the home excluding you?" and "Of this number, how many (excluding you) are considered dependents" and replacing with "How many dependents were claimed on your family's previous year taxes?"
- 3) Committee recommends removing the questions "What is the projected annual cost of attending college for you (including tuition, housing, books, etc.)?" and "What is the combined projected annual cost of attending college for other family members (members of your household) next year?", as the question asking for school(s) is already on the application.

4) Committee recommends removing the section regarding other scholarships applied/received.

A motion was made by Stine, seconded by Grapperhaus, and carried to approve the changes to the scholarship application and acceptance process as recommended by the scholarship committee. Ten \$1,000 scholarships will be included in the 2021 proposed budget.

Executive Committee:

The executive committee met on October 21st. Schwarm gave a verbal report. Key highlights included evaluating and expanding the strategic plan, COVID-19 impact, an evaluation tool, and the 2021 meeting calendar.

Unfinished Business:

Nevinger made a motion to donate \$1000 to the Bond County Fairgrounds to thank them for allowing us to use their facilities for our annual meeting, Willman seconded, motion carried.

New Business:

A glossary of electrical cooperative terms will be added to the Board of Directors Teams group.

Williams will look into a new speaker system for the meeting room.

The regular board meetings held November 2020 to March 2021 will begin at 6:00 p.m. December's board meeting will begin at 5:00 p.m., as it will include the 2021 proposed budget.

A motion was made by Grapperhaus, seconded by Hartlieb and carried to approve a \$6,000 ERC loan for an air source heat pump.


Adjournment:

With no further business to come before the board, the meeting adjourned at 10:48 p.m.



Annette Hartlieb, Secretary
Jared Stine, Secretary Pro Tempore

Attest:



Ann Schwarm, President

