

Southwestern Electric Cooperative, Inc.
Minutes of the Regular Meeting
July 29, 2021
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, July 29, 2021, 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 (*via conference call*)
Bill Jennings (*via video conference*)
Sandy Nevinger
Ann Schwarm
Jared Stine
Marvin Warner
Ted Willman

Staff members present were Chief Executive Officer Bobby Williams, Chief Financial Officer Becky Jacobson, Executive Assistant Brooke Scott, and Freedom Power Plant GM Russ Gilbert. Board Secretary Annette Hartlieb attended via conference call and Director Bill Jennings attended via video conference.

As Hartlieb was present via conference call, Sandy Nevinger was appointed Secretary Pro Tempore.

Executive Session:

A motion was made by Grapperhaus, seconded by Warner and carried to go into executive session at 6:31 p.m. to discuss financial, legal and personnel matters. Hartlieb left the meeting at 7:37 p.m. Gilbert left the meeting at 7:43 p.m. A motion was made by Willman, seconded by Nevinger and carried to leave executive session at 8:43 p.m.

The meeting recessed at 8:43 p.m. and reconvened at 8:48 p.m.

Approval of Minutes:

Minutes of the regular board meeting held on June 24, 2021, were considered. On a motion made by Nevinger, seconded by Warner and carried, the minutes were approved as presented.

Staff Reports & Presentations

Hartlieb rejoined the meeting at 8:56 p.m. via conference call.

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.
 - Total debt.
 - Notes Receivable.
 - Accounts Receivable.
 - Long-term Debt.
- Statement of Operations for six months ended June 30, 2021.
 - Total Sales of Electricity.
 - Cost of Power.
 - Three-year trend for MISO Ancillary Services, Capacity, Ameren NITS, and Purchased Energy.
 - Sales for Resale.
 - Production Expenses.
 - Operating and Maintenance Expense.
 - Net Operating Margins.
 - Net Margins.
- Debt Service Coverage as of June 30, 2021.
- Heat Rate Call Option.
- Construction project projected costs.

Operating Report and Work Order Summary Approval

Stine made a motion to approve the Operating Report and Work Order Summary in the amount of \$562,393.40 for June 2021. Grapperhaus seconded; motion carried.

CEO's Report:

CEO Bobby Williams' report included:

- No lost time accidents for June.
- Status of Maple Grove Transmission Line project.
- Cooperative property for sale.
- EV Pilot program member feedback.
- Legal matters.
- EV Chargers at Anderson Hospital.
- Member matters.
- HomeServe Cares project video.

Membership Applications and Terminations

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

A motion was made by Warner, seconded by Hartlieb, and carried to accept 128 applications for membership for June 2021, 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 15 memberships for July 2021, effective as of the date on which the cooperative ceased furnishing services, and the release of capital credits to the members' estates totaling to \$32,818.71.

Credentials and Elections Committee Appointment:

A motion was made by Grapperhaus, seconded by Stine and carried to approve the following active Southwestern Electric members to serve on the 2021 Credentials and Election Committee:

District I	District II	District III
Ted Flath	Ron Jarrett	Angela Reeter
Kenneth Grotefendt	Steven Laesch	Brad Stein
John Sedlacek	Hal Langham	Dale "Pete" Burnam

Unfinished Business:

The board discussed the 4-H donations. In keeping with Fayette County's and Madison County's timelines, the program fee checks will not be invoiced until next year. The check to Bond County 4-H has been mailed. The board was open to giving a donation of \$2,500 to Fayette County and Madison County 4-H Clubs if needed for an event in 2021.

Gaffner made a motion to offer a \$20,000 settlement for an agreement to release SWECI and its officers, directors, employees, members, successors, and assigns, for any and all claims, suits, demands, causes of action and liability related to SWECI member number 37470. Stine seconded; motion carried.

A board resolution was presented to authorize CFO Rebecca Jacobson the right to execute all documents necessary to act on behalf of SWECI regarding the sale of real estate property in Holiday Shores at 1106 Barbados Drive, Edwardsville, IL. A motion was made by Warner, seconded by Hartlieb and carried to adopt the board resolution as presented, giving CFO Jacobson the authorization to act on behalf of SWECI regarding the sale of real estate property in Holiday Shores.

The board discussed the 2021 director training budget and plans for the 2021 Annual Meeting.

New Business:

Motions are needed to elect voting delegates for NRECA's Region 5 Meeting and 2021 CoBank Director Election.

A motion was made by Grapperhaus, seconded by Stine, and carried, to appoint Gaffner as voting delegate for the 2021 CoBank Director Election.

A motion was made by Warner, seconded by Stine, and carried, to appoint Jennings as voting delegate and Schwarm as alternate for NRECA's Region 5 Business Meeting.

Adjournment:

With no further business to come before the board, the meeting adjourned at 10:24 p.m.


Annette Hartlieb, Secretary

Attest:


Ann Schwarm, President

