

Southwestern Electric Cooperative, Inc.
Minutes of the Regular Meeting
April 27, 2023
Greenville, IL

The regular meeting of the Board of Directors of Southwestern Electric Cooperative, Inc. was held on Thursday, April 27, 2023, 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, Chief Operating Officer Marvin Ayala, and Executive Assistant Brooke Scott.

Executive Session:

At 6:31 p.m., Grapperhaus made a motion to enter into executive session to discuss Freedom Operations and personnel matters. Jennings seconded; motion carried. At 7:51 p.m., Jennings made a motion to leave executive session. Hartlieb seconded; motion carried.

The meeting recessed at 7:52 p.m. and reconvened at 8:00 p.m.

Approval of Minutes:

Minutes of the regular board meeting held on March 23, 2023, were considered. On a motion made by Warner, seconded by Nevinger and carried, the minutes were approved as presented.

Staff Reports & Presentations

Report of Operations and Construction

CFO Becky Jacobson's report included:

- Statement of Operations for twelve months ended December 31, 2022.
 - 2022 Adjustments
 - Net Margins
 - Freedom Turbine Engine project
 - Debt Service Coverage
- Balance Sheet for two months ended February 28, 2023.
 - Total Utility Plant
 - WIP
 - Cash
 - Accounts Receivable – Other
 - Other Deferred Debits
 - LTD
- Statement of Operations for two months ended February 28, 2023.
 - Total Sales of Electricity.
 - Cost of Power
 - Gross Margins
 - Non-Operating Margins
- Update on projects and other matters.
 - Reports
 - Debt
 - Audit
 - Form 7
 - Form 990
 - Budget

Operating Report and Work Order Summary Approval:

Hartlieb made a motion to approve the Operating Report and Work Order Summary in the amount of \$825,790.97 for January 2023. Grapperhaus seconded; motion carried.

Warner made a motion to approve the Operating Report and Work Order Summary in the amount of \$622,774.71 for February 2023. Willman seconded; motion carried.

CEO's Report:

CEO Bobby Williams' report included:

- No lost time accidents
- Work Plan project update
- Member matters
- Property updates
- Updates from various meetings
- Legal matters
- Power transformer bids
- REDLG
- Donation requests
- Staff Reports

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 Grapperhaus, seconded by Nevinger, and carried to accept 74 applications for membership for March 2023, in accordance with Section 2 of the bylaws.

A motion was made by Jennings, seconded by Stine, and carried to formally acknowledge the termination of 17 memberships for April 2023, effective as of the date on which the cooperative ceased furnishing services, and the release of capital credits to the members' estates totaling to \$50,123.55.

2023 Committee of Nominations Appointment:

On a motion made by Nevinger, seconded by Grapperhaus and carried, the following members were appointed by the board of directors to serve on the 2023 committee of nominations.

District I

D. Joachimsthaler
D. Meyer
D. Petry

District II

B. Lurkins
R. Hilliard
C. Zimmerman

District III

J. Lawson
T. Koberlein
G. Moore

Committee Reports:

Scholarship Committee:

The scholarship committee met on April 4 to discuss applications and award \$1,000 to ten recipients for SWECI scholarships, and award \$1,000 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 and the recommendations from the committee.

Policy & Bylaws Committee:

The Policy & Bylaws Committee met on April 27 at 5:30 p.m. at the Greenville Headquarters to discuss converting the Succession Planning statement for the Board of Directors adopted in 2019 to a policy. Chairperson Warner gave a report on the committee's recommended revisions.

A motion was made by Warner, seconded by Stine, and carried to adopt the *Succession Planning - Board of Directors Policy* as presented.

Unfinished Business:

A motion was made by Nevinger, seconded by Warner and carried to offer payment of \$40K to a non-member for easement for the Maple Grove to Edwardsville tie-line project.

The board discussed the 2023 Annual Meeting. The executive committee and Stine will meet to discuss the details. A motion was made by Warner, seconded by Grapperhaus and carried, to offer corresponding evening dates from 2022 to 2023 for absentee voting at the St. Jacob, St. Elmo, and Greenville facilities. A motion was made by Jennings, seconded by Grapperhaus and carried, 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.

A special meeting to discuss facility needs was scheduled for Monday, May 1 at 6:30 p.m.

The executive committee will meet to discuss corporate counsel.

A motion was made by Warner, seconded by Hartlieb, and carried to postpone the effective date for the *Capital Credits Policy* to January 1, 2024. Williams will create a training schedule and will share it with the board.

New Business:

The Operation Round Up Committee (ORU) met to discuss seven applications. A motion was made by Willman, seconded by Nevinger and carried, to approve the Operation Round Up total contribution of \$5,750 to St. Peter's Lutheran Church, The Restore Network Families, Got Your 6 Support Dogs, Backpack 2 School, St. James Lutheran Church-Fresh Start Program, and St. James Lutheran Church-Tools for Schools, as recommended by the ORU committee.

Grapperhaus made a motion to include an annual donation of \$1,000 to the Cooperative Family Fund in future budgets. Nevinger seconded; motion carried.

The board will discuss making a donation to the Integrity Fund at May's board meeting.

A motion was made by Hartlieb, seconded by Nevinger, and carried to award two scholarship applicants that want to become linemen \$500 towards climbing school/linemen training and \$500 upon the successful completion of training.

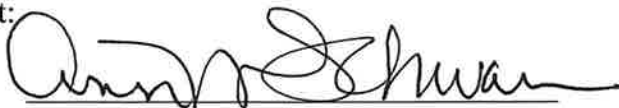
Adjournment:

With no further business to come before the board, the meeting adjourned at 10:20 p.m.



Annette Hartlieb, Secretary

Attest:



Ann Schwarm, President

