

Southwestern Electric Cooperative, Inc.
Minutes of the Regular Meeting
November 16, 2023
Greenville, IL

The regular meeting of the Board of Directors of Southwestern Electric Cooperative, Inc. was held on Thursday, November 16, 2023, 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 (via video conference)
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.

Approval of Minutes:

Minutes of the regular board meeting held on October 26, 2023, were considered. On a motion made by Hartlieb, seconded by Warner and carried, the minutes were approved as presented.

Unretired Capital Credits:

The board reviewed the unretired capital credit totals for 1995-2022. Several topics were discussed including leveling payments, cashflow, debt, material costs, efficiencies, cost of service study, and PCA.

A motion was made by Jennings, seconded by Warner, and carried to retire the remaining 1995 unretired capital credits in the amount of \$1,002,384.22.

2023 Annual Write-offs of Unpaid Accounts:

The board reviewed the write-off totals for 2015-2023. There is a total of \$25,071.06 subject to write-off for 2023. After the application of unretired capital credits from members with bad debt, the adjusted total is \$5,031.06. A motion was made by Grapperhaus, seconded by Willman, and carried to write off the amount of \$25,071.06, and to immediately apply the unretired capital credits to bad debt accounts that are subject to this write-off.

Staff Reports & Presentations

CFO's Report:

CFO Becky Jacobson's report included:

- Financial statements for one and ten months ended October 31, 2023.
 - Balance Sheet:
 - Total Utility Plant.
 - WIP.
 - Cash.
 - Regulatory Assets.
 - Long-term Debt.
 - Notes Payable.
 - Statement of Operations:
 - Bitcoin Sales.
 - Total Sales of Electricity.
 - Cost of Purchased Power.
 - Ameren NITS.
 - Total Operation and Maintenance Expense.
 - Net Losses.
 - Cash flow statement for one and ten months ended October 31, 2023.

Operating Report and Work Order Summary Approval:

Stine made a motion to approve the Operating Report and Work Order Summary in the amount of \$496,270.83 for October 2023. Grapperhaus seconded; motion carried.

CEO's Report:

CEO Bobby Williams's report included:

- Highlights from Safety Committee Meeting.
- Personnel matters.
- Legal matters.
- Freedom update.
- Project update.

COO's Report:

COO Marvin Ayala's report included:

- Process evaluation.
- Job percentage for the year.
- Training.
- Meeting update.

Membership Applications and Terminations:

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

A motion was made by Lurkins, seconded by Warner, and carried to accept 92 applications for membership for October 2023, in accordance with Section 2 of the bylaws.

A motion was made by Jennings, seconded by Hartlieb, and carried to formally acknowledge the termination of 4 memberships for November 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 \$12,440.18.

AIEC Board Meeting Report:

AIEC's board meeting is scheduled for November 17. Schwarm has been appointed to the Scholarship Committee and Annual Meeting Committee.

Unfinished Business:

Williams will have several policies for the board to review at December's board meeting.

March 2024's board meeting date falls on Holy Thursday. After discussion, the meeting date for March was moved to Wednesday, March 27, 2024.

New Business:

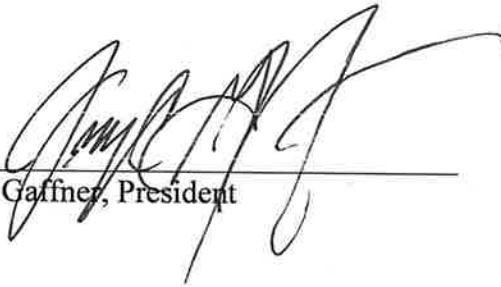
The 2024 Touchstone Energy Membership dues are due and payable in the amount of \$17,224. A motion was made by Jennings, seconded by Lurkins, and carried to approve payment of the 2024 Touchstone Energy Membership dues.

The board discussed a letter from member number 48099, about the number of blinks and outages. Management has reach out to the member and is investigating the matter.

Adjournment:

With no further business to come before the board, the meeting adjourned at 8:16 p.m.

Attest:



Jerry Gaffner, President



Annette Hartlieb, Secretary Pro-temp
Bill Jennings