

Southwestern Electric Cooperative, Inc.
Minutes of the Regular Meeting
January 25, 2024
Greenville, IL

The budget and regular meeting of the Board of Directors of Southwestern Electric Cooperative, Inc. was held on Thursday, January 25, 2024, at 6:00 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, led in the Pledge of Allegiance to the flag, and led the opening prayer.

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, and Executive Assistant Brooke Scott.

Executive Session:

At 6:03 p.m., Grapperhaus made a motion to enter into executive session to discuss Freedom Operations and personnel matters. Lurkins seconded; motion carried. At 7:16 p.m., Willman made a motion to leave executive session. Jennings seconded; motion carried.

2024 Budget Presentations

2024 Proposed Capital Budget

CFO Rebecca Jacobson's presentation included:

- Construction work plan request.
- Fleet request.
- Departmental request.
- Building and grounds request.
- Trend analyses.

2024 Proposed Operating Budget

CFO Rebecca Jacobson's presentation included:

- 2024 proposed budgeted Statement of Operations.
- Notable expenses.
- Trend analyses.
- 2024 budgetary cash flow projection.

A motion was made by Warner, seconded by Hartlieb, and carried to approve the 2024 Capital Budget request of \$9,664,898 and Operating Budget reflecting Net Margins of \$1,647,641.

The meeting recessed at 8:05 p.m. and reconvened at 8:15 p.m.

Approval of Minutes:

Minutes of the regular board meeting held on December 20, 2023, were considered. On a motion made by Schwarm, seconded by Stine and carried, the minutes were approved as corrected.

Staff Reports & Presentations

CFO's Report:

CFO Becky Jacobson's report included:

- Preliminary financial reports for twelve months ended December 31, 2023, including:
 - Net Margins.
 - WIP.
 - Cash.
 - LTD.
 - Other Deferred Credits.

Operating Report and Work Order Summary Approval:

Warner made a motion to approve the Operating Report and Work Order Summary in the amount of \$7,706,555.63 for December 2024. Grapperhaus seconded; motion carried.

CEO's Report:

CEO Bobby Williams's report included:

- Board resolution amending the 401(k)-pension plan.
- Capital credit matters.
- Annual Meeting,
- Easements.
- Topics from staff reports.

Membership Applications and Terminations:

December's list of membership applications and January's list of terminations were sent to the board prior to the meeting. The board discussed classifications and how memberships are set up. Williams will have Billing Manager Veroncia Forbis remove the column for class and add columns for FEIN numbers and W-9s to the list of membership applications.

A motion was made by Hartlieb, seconded by Stine, and carried to accept 68 applications for membership for December 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 27 memberships for January 2024, effective as of the date on which the cooperative ceased furnishing services, and the release of capital credits to the members' estates totaling to \$70,957.72.

AIEC Board Meeting Report:

Schwarm attended the AIEC Board Meeting on January 18. She gave a verbal report to the board. The topics of discussion included an update on legislation, NRECA, consulting services, and culture.

Unfinished Business:

A motion was made by Lurkins, seconded by Warner, and carried to adopt the Resolution Authorizing the Amendment of the 401(k) Pension Plan as follows:

WHEREAS, Southwestern Electric Cooperative, Inc. is participating in the 401 (k) Pension Plan (the "401(k) Plan"), and;

WHEREAS, The Board of Directors of Southwestern Electric Cooperative, Inc. ("the Board") now desires to amend these plans pursuant to Section 18.2 of the 401(k) Plan pension documents, and does hereby authorize the amendment effective March 1, 2024, by executing the appropriate Adoption Agreements;

BE IT RESOLVED that the amendment to the 401(k) Plans are as follows:

Eligibility Requirements

The Eligibility period for Employees to become Participants and begin making Employee Elective Contributions shall be changed from the completion of a Year of Eligibility Service to the completion of One Full Month of Employment or, if earlier, a Year of Eligibility Service.

The Eligibility period for Employees to receive Employer Contributions shall remain unchanged at the completion of a Year of Eligibility Service.

BE IT FURTHER RESOLVED that the Board does hereby authorize and direct the Chief Executive Officer to execute all necessary documents and to take any and all further actions necessary to carry out the intentions of the Board as indicated in this resolution.

A motion was made by Stine, seconded by Hartlieb, and carried to appoint Gaffner as the voting delegate for NRECA's Annual Meeting.

A motion was made by Grapperhaus, seconded by Willman, and carried to appoint Warner as the alternate for NRECA's Annual Meeting.

A motion was made by Grapperhaus, seconded by Hartlieb, and carried to appoint Stine as the voting delegate and Warner as the alternate for CRC's Annual Meeting.

New Business:

No new business was discussed.

Adjournment:

With no further business to come before the board, the meeting adjourned at 9:34 p.m.



Annette Hartlieb, Secretary

Attest:



Jerry Gaffner, President

Jared Stine, President Pro-temp

