

## REGULAR MEETING OF THE BOARD OF DIRECTORS

### MINUTES – March 24, 2022

A regular meeting of the Board of Directors of A & N Electric Cooperative was held Thursday, March 24, 2022, at the office of the Cooperative at 1:00 p.m.

The meeting was called to order by Chairman Nottingham followed by the invocation by Director Bott.

The following were present: Directors James N. Belote, III, Christopher D. Bott, Ralph W. Dodd, E. Garrison Drummond, Penney P. Holland, Addison W. Nottingham, Edward V. Parks and W.E. Ted Shockley. Joined by Zoom were Henry P. Custis and Robie Marsh. Also present were Shawn Hildebrand, Todd Bireley, Joe Cataldo, Jay Diem, Butch Williamson, and Bette Cornell.

#### **Resolution Previous Minutes**

Minutes of the regular Board Meeting held on February 24, 2022, were presented. ***Upon motion, the minutes were approved.***

#### **Resolution Consent Agenda**

The Consent Agenda, which included Memberships, February Work Order Schedule #1141, February Safety Report, the February Income and Balance Sheet, Outages, Accounts Receivables/Arrears Update and Products and Services were provided.

***Motion was made by Director Bott to approve the Consent Agenda, seconded by Director Belote. Upon Motion, the Consent Agenda was approved.***

#### **February Operating Reports**

The Financial Report was presented by Shawn Hildebrand.

The Engineering Report was presented by Todd Bireley.

The Operations/Construction Report was presented by Joe Cataldo.

There were no reports on Human Resources.

#### **Administration Updates**

- Capital Credit Review/Discussion – Shawn Hildebrand presented and reviewed the process which included Financial Statements, Retirement Methods and Considerations. Shawn Hildebrand presented the staff recommendation Allocation of Distribution Margins; \$3,591,157, ODEC Capital Credits; \$1,338,096, Non-operating Margins (ODEC Trans. Maint.) \$230,191, Retain: Non-Operating Margins Interest, \$92,072, and Retirement of Distribution Margins (FIFO/Percentage), \$2,450,000; Estates, \$50,000; G&T / ODEC (Percentage), \$292,765; Total Retirement: \$2,792,765. The retirement of

the capital credits will be done using a hybrid approach of FIFO and percentage methods.

***Motion was made by Director Shockley and seconded by Director Bott to approve the 2021/2022 Allocation and Retirement per staff's presented recommendation. Upon Motion, the recommendation was approved.***

- There was discussion on whether the board is supposed to do a policy change regarding closed accounts. Chairman Nottingham suggested to look at the policy on closed accounts at the next board meeting.

### **Facilities Update and Discussion**

Mr. Williamson stated that A&N is going forward with the plan we have in place during the renovations of the facility. He has asked staff for their input by which staff have been meeting to continue discussions with the plan. Mr. Williamson noted that some staff, depending on their position will be working from home and assured the board it would not affect the operations here.

### **Committee Reports**

Bylaw/Policy Committee – Director Belote gave the committee report. The Bylaw/Policy Committee meeting met on March 17, 2022, to review and discuss Polices: C-14; D-6; D-9; M-2; M-4; T-1; Credit Checks; Hiring and Employment Policy; Personnel Files Policy; and Reporting Suspected Unethical and Illegal Actions Policy.

***The full board voted unanimously to accept the Committee's recommendation.***

### **Legal Report**

There was no legal report presented.

### **ODEC Report**

Director Drummond reported the March ODEC report to the Board.

### **President's Report**

- Mr. Williamson reported because of higher fuel cost, ODEC has instituted a rate increase to cover the higher generation costs resulting primarily from those natural gas price increases. There will be a slight increase to our members effective May 1, 2022. We will inform our members of the increase and will also have something published in Cooperative Living.
- Mr. Williamson reviewed the upcoming meeting dates.
- Mr. Williamson announced that dates have been locked in for facility usage at Eastern Shore Community College for board meetings and the Annual Meeting during the facility renovations.
- Member Engagement Day went well – there were a total of six members who attended.
- We will be celebrating Arbor Day here on April 30.

### **Old Business**

No Old Business to report.

**New Business**

- Chairman Nottingham made the board aware of the appointment of filling ANEC's Secretary/Treasurer which was the responsibility of Mr. Nock. Director Belote motioned to nominate Ralph Dodd, Seconded by Director Bott. The motion was approved unanimously.
- A Resolution is being prepared to be matted and presented to Mrs. Nock. Mrs. Nock contacted Mr. Williamson to extend a thank-you to the board and everyone at A & N for everything they have done.

**Other Business**

- Mr. Williamson noted, based on ANEC's bylaws, Mr. Nock's replacement will fill an unexpired position, which will be appointed by the board in the future.
- There was discussion on the timeline of the application process for filling the position.
- A preliminary timeline was discussed with the proposed month for advertising to the full membership in August for interested members in District I. A timeline will be developed and followed for filling the vacant position.

**Information and Correspondence**

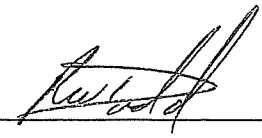
Items in Information and Correspondence were provided for review.

There being no further business in the regular board meeting, the meeting was adjourned at 3:22 pm.


**The next board meeting is scheduled for April 28, 2022, at 1 pm.**

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Assistant Secretary

APPROVED:

  
\_\_\_\_\_  
Secretary

APPROVED:

  
\_\_\_\_\_  
Chairman