

Utilities District of Western Indiana REMC
Regular Meeting of the Board of Directors
Minutes for April 25, 2022

The Board of Directors of the Utilities District of Western Indiana Rural Electric Membership Corporation met at the office of the corporation, Bloomfield, Indiana, at 6:30 p.m. on April 25, 2022.

President David L. Burger called the meeting to order at 6:30 p.m.

Mr. Cullison gave the invocation.

The following directors reported present:

David Burger	Todd Carpenter	Dax Collins
Shawn Dugan	W. Edward Cullison	Sophie Haywood
John Royal	Michael Williams	

Also present were CEO Doug Childs, COO Shane Smith, CFO Michael Sullivan, Office Administrator Lydia Campbell, member Richard Nichols, and Amanda Craft of Crafted Communications.

Mr. Burger called for additions or corrections to the meeting agenda. Hearing none, Mr. Royal made a motion for approval, Mr. Carpenter seconded, and all approved.

Mr. Burger called for additions or corrections to the minutes of the March 28, 2022, regular session board meeting. Hearing none, Mr. Collins made a motion to approve the minutes as written, Mr. Williams seconded, and the motion carried.

Amanda Craft, Crafted Communications, provided a report for a review of traditional and social media communications. Her team assists with the creation and publication of member and employee newsletters. The next editions of both will be distributed in early May. A press release reviewing the Annual Meeting was distributed to local media. Her team is working with UDWI REMC & SCI REMC to construct resources for the joint fiber project.

Lydia Campbell, Office Administrator, gave a post-Annual Meeting update.

The meeting was held at the cooperative headquarters at 6:00 p.m., with 26 people in attendance. She presented the Survey & Ballot Systems Final Report containing statistics from the director election. A total of 1,627 members voted this year, over 10% of the membership. Most submitted member comments were positive, as the membership remains satisfied with the mail-in/online voting options.

Doug Childs, Chief Executive Officer, presented the 2022 Power Requirements Study for UDWI REMC. The study is completed every other year. It forecasts the growth in electric service energy sales through the year 2040. The PRS was prepared by Hoosier Energy and will be submitted to Rural Utilities Service as part of current loan covenant requirements. This year's study did not require significant changes.

Mr. Collins made a motion to accept the study and submit the required resolution to Hoosier Energy.

Mr. Cullison seconded, and the vote was approved by all.

Michael Sullivan, Chief Financial Officer, presented the financial reports.

He presented the quarterly Appendix A Rate Adjustment Schedule for approval. The appendix shows the PCA Tracker rate for member billings effective for April 1, 2022, through June 30, 2022. The new rate calculation is \$.00088, which will result in a \$1.78 monthly increase for the average residential bill. It is Mr. Cullison made a motion to approve. Mr. Dugan seconded the motion. Each director approved and the motion passed.

The Statement of Cash Flows compared March 2021 and 2022 figures. The report showed that Other Operating Receipts increased by \$96,000 in energy assistance this year compared to 2021. Admin & General expenses increased due to \$70,000 in IT supply purchases. After making the final payment for the ACRT study, the Miscellaneous ROW Maintenance Expense line showed we are on track with the 2022 budget.

The first quarter of the 2022 Capital Budget is in line with budget projections. New Construction Underground expenses are under for the quarter after a \$234,000 wire purchase for three separate river bore jobs.

Mr. Smith requested an adjustment to the budget as the entire operations radio system (which was hit by lightning in 2021) needs to be replaced. The new cost is \$60,000 after discount. It was previously budgeted at \$40,000. After discussion, Mr. Collins made a motion to approve the purchase of the new system and adjust the budget. Ms. Haywood seconded, with all in favor, the motion was approved.

The Variance Report depicted revenue higher than budget due to increased usage in January and February. The more significant operating expense variances in the budget are missing wages of three unfilled positions, multiple software agreements purchased in the first quarter, tree trimming contractor quarantines during the pandemic, adding in weather and lower staffing factors.

The Balance Sheet and Income Statement were also available for review.

The Financial Highlights report provided sales and revenue figures and year-to-date expense breakdowns. YTD revenue is at its highest since 2018, and kWh sales are the highest of the past five years.

Shane Smith, Chief Operating Officer, presented the Operations Department reports. The Operations and Engineering Report highlighted department activity. Max Hinchman advanced to the third-year apprentice position. Kasidee Myers was offered the open position of Member Service Representative/Dispatcher. She accepted and will begin employment on May 9, 2022.

The Arc Flash Analysis was completed and reviewed by the In-House Safety Committee. No major changes were made. The study is completed every three years.

HHM and Haley Bros are adapting well to the new ACRT standards and moving quickly through the Bloomfield and Calvert substation areas. In three weeks, they cleared a total of 8.6 miles of line.

The Safety Report showed employees worked over 67,000 hours injury-free since June 2021. Total training hours completed for this quarter totaled 131, with ten classes offered. A category was added to the report to track Director training. Mr. Smith will send out an email reminder about course completion by the due date.

The Outage Report indicated vegetation and power supply issues remain the primary cause of outages. The report also showed only small outages (under 4 hours) over the past month.

Mr. Childs presented the Manager's Reports.

First, he reported on the HHM business.

The new safety committee will begin meeting soon and is working to collect near misses and hazard reports for review. John Armstrong, Director of HR & Admin, continues to assist the LLC with management training, new hire paperwork, and onboarding.

Next, he provided a copy of the March 2022 Hoosier Energy invoice to review.

Mr. Childs briefly reviewed the MISO Resource Planning Auction (PRA) results. The PRA indicated a capacity shortfall for the north/central regions exposing entities with net short positions to the clearing price for the planning year.

The directors discussed a proposed agreement between Accord Telecommunications Collaborative, LLC and UDWI REMC. The Company, made up of member cooperatives and telecommunication entities, offers temporary membership which helps support fiber construction efforts. Many cooperatives have invested including Nine Star Connect, Johnson County REMC, Jackson County REMC, Bartholomew County REMC, and SCI REMC. Mr. Childs requested approval of temporary membership in support of Accord. UDWI REMC would be a temporary member for two years investing \$5,000. Mr. Williams made a motion to approve. Mr. Dugan seconded, with a unanimous vote, the motion carried.

Mr. Childs presented on employee accomplishments and commendations. He shared a message from a member who thanked our crews for quick response times. And he highlighted another thank you note from a member which included a drawing from her son depicting his kite tangled in an overhead electric wire. Our linemen Nathan Neill and Ross Egenolf were able to safely remove the kite and return it to the child.

The Audit, Building & Equipment, Budget, and Community Fund committees did not meet over the past four weeks.

District 2 Director Todd Carpenter reported on updates and events at Hoosier Energy. He was not elected as Treasurer of the Board of Directors this year. Officer terms are set at two years with positions normally rotating through the chairs.

District 5 Director Mr. Williams reported on updates and events at Indiana Electric Cooperatives. Mr. Williams and Mr. Childs attended the April 20 Board meeting. SCI REMC CEO James Tanneberger presented on update of the Accord project. The co-op will hold regional board meetings in August. They continue to search for new office building/facility.

A listing of director education courses offered by IEC was supplied for reference and consideration.

The next IBEW Local 1393 Annual Hooligan Open is scheduled for July 16, 2022, with registration ending on May 2, 2022.

The next three UDWI REMC board meetings were approved and scheduled for May 23, 2022, June 27, 2022, and July 25, 2022.

Mr. Burger adjourned the regular session meeting at 7:50 p.m. to convene into an executive session. The session included Mr. Childs, Mr. Smith, Mr. Sullivan, Ms. Craft, and all directors. President Burger officially adjourned the meeting at 8:00 p.m.

APPROVED:

David L. Burger, President

Sophie Haywood, Secretary