

Utilities District of Western Indiana REMC
Regular Meeting of the Board of Directors
Minutes for August 28, 2023

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 August 28, 2023.

President W. Edward Cullison called the meeting to order at 6:30 p.m.

Melinda Hendrix gave the invocation.

The following directors reported present:

Todd Carpenter	Dax Collins	W. Edward Cullison
Sophie Haywood	Melinda Hendrix	David Kirkling
Michael Williams		

Others present were CEO Doug Childs; COO Shane Smith; CFO Michael Sullivan; Amanda Craft; USTF CEO Bryant Niehoff; Karen Lewis; member Richard Nichols.

Mr. Collins motioned to excuse the absence of Mr. Dugan. Mr. Kirkling seconded the motion and all approved.

Next, Mr. Cullison called for additions or corrections to the meeting agenda. Hearing none, Ms. Hendrix made a motion to approve the agenda. Mr. Carpenter seconded, and the motion carried.

Mr. Cullison also called for additions or corrections to the minutes of the July 24, 2023, regular session board meeting. Mr. Collins made a motion to accept the minutes as presented. Ms. Hendrix seconded, and the motion carried.

Ms. Lewis requested in advance permission to attend the meeting. She presented her request and the topic was discussed with the Board of Directors.

Ms. Craft provided a report for the review of both traditional and social media communications. Her team continues to assist with newsletter creation and social media inquiries and posts.

The CEO of Uplands Science & Technology Foundation (USTF), Mr. Bryant Niehoff, offered a presentation highlighting WestGate@Crane current and future infrastructure planning and economic development topics.

Mr. Sullivan presented the cooperative monthly/quarterly financial reports. He reviewed figures from the Statement of Cash Flows for July 2022 and 2023. Electric revenue receipts were up 3% due solely to the PCA Tracker increase in 2022. Tax payments were down because of the Utility Receipts Tax (URT) repeal in July 2022. Outage restoration expenses increased because of the derecho on June 29, 2023. The costs were for extra contractors, hotels for mutual aid workers, and meals for all. Right-of-way costs showed \$25,000 over the total spent in 2022 due to an increased focus on mowing. The Other Distribution Maintenance expenses indicated an increase from higher transformer repair costs and transformer oil cleanup and disposals in 2023. Cash Flow from Investing Activities/Disbursements showed the \$2.7 million short-term investment with CFC in July 2022. Cash balances at the end of July 2023 were \$788,000 with \$350,000 of which is classified as restricted because it is earmarked for a revolving loan fund through USDA and RUS.

The Income Statement for July 2022 and 2023 was reviewed.

Revenue was up due to sales volumes being 3% higher compared to July 2022, but annual sales volumes for 2023 are down by almost 7%.

Power Supply expenses were over \$900,000 higher in total as the PCA Tracker has increased by \$2.5 million.

Overhead Distribution outage costs and Right-of-way expenses were up over \$200,000.

Total Net Margins for the month end were \$44,000.

A few additional points were highlighted from the July 2023 Balance Sheet report.

The Electric Plant in Service and Construction Work in Progress asset balances were up \$5 million while Cash and Power Bill Prepayments dropped by nearly \$4.8 million.

Mr. Smith briefly reviewed the operations department reports.

The Operations and Engineering Report shows specific department activity. Curtis Hasler completed the 8-hour rubber gloving exam and should graduate from the apprenticeship program in October.

Operations Department employees were forklift-certified by Hoosier Energy in July.

As of the end of July, employees worked over 72,000 hours since the last lost-time accident.

A refreshed Outage Report was presented. Mr. Smith explained each category. Vegetation continues to be the main cause of outages.

A copy of the Vegetation Management Report was also provided. Clearing targets are down currently.

Mr. Childs presented the Manager's Reports.

First, he reported on HHM business. Health insurance benefits for calendar year 2024 will increase significantly. Overall staffing and production remain positive.

The July 2023 Hoosier Energy invoice was provided for review.

Lastly, Mr. Childs acknowledged recent employee accomplishments and shared comments from members. He shared a few member notes thanking everyone for their part in quick service restoration.

Mr. Cullison called for a review and revision of cooperative and board policies and bylaws.

The board reviewed the changes and updates suggested by cooperative legal counsel.

Board Policy No. 201.2 Attendance at Board of Directors Meetings was presented for review and approval. The board chose to table the policy until the following month.

Board Policy 201.3 Second Regular Board of Directors Meetings was presented for review and rescission, as recommended by legal counsel. A resolution was provided to be signed by the Board Secretary to rescind the policy.

Ms. Haywood made a motion to table Policy No. 201.2 and rescind Policy No. 201.3. Mr. Williams seconded the motion; the vote passed.

Mr. Cullison called for Director Committee reports. No committees have met in the last four weeks.

District 2 Director Todd Carpenter reported on updates and events at Hoosier Energy.

Mr. Carpenter gave an update from the Annual Strategic Planning Session held earlier in the month.

Treasurer Michael Williams reported on updates and events at Indiana Electric Cooperatives (IEC).

He provided an overview of the recent Director's 2023 Summer Retreat held on July 29-30, 2023, at the French Lick Springs Hotel.

Mr. Cullison offered reminders for upcoming training and meetings.

A list of board education opportunities for the 2023 calendar year was provided.
Ms. Hendrix and Mr. Kirkling will be attending the next CCD course on November 17, 2023, at IEC.

The HEATS Graduation ceremony, along with dinner, will be held on October 27, 2023, at the French Lick Springs Hotel.

The next three UDWI REMC board meetings were approved and scheduled for September 25, 2023, October 23, 2023, and November 27, 2023.

With no further business presented, Mr. Cullison adjourned the regular session meeting at 8:15 p.m. to convene into an executive session. The session included Mr. Childs, Mr. Smith, Mr. Sullivan, and all directors in attendance. Mr. Cullison officially adjourned the meeting at 9:15 p.m.

APPROVED:

Dax Collins, Vice President

Sophie Haywood, Secretary