

Utilities District of Western Indiana REMC
Minutes of the Regular Meeting of the Board of Directors
January 26, 2026

The Board of Directors of the Utilities District of Western Indiana Rural Electric Membership Corporation met virtually via Microsoft Teams.

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

Mr. McDaniel gave the invocation.

The following directors reported present:

Todd Carpenter	W. Edward Cullison	Shawn Dugan	
Melinda Hendrix	David Kirkling	Terry McDaniel	Michael Williams

Others present were CEO Shane Smith; CFO Michael Sullivan; Office Manager Lydia Campbell; Amanda Craft of Crafted Communication; and member Richard Nichols.

Mr. Cullison called for additions or corrections to the meeting agenda. Hearing none, Mr. Dugan made a motion to approve the agenda. Mr. Kirkling seconded, and the motion carried.

Mr. Cullison also called for additions or corrections to the minutes of the December 15, 2025, regular session board meeting. Mr. Dugan made a motion to accept the minutes as presented. Mr. Williams seconded, and the motion carried.

Crafted Communications continues to assist with both traditional and social media communications. She provided an overview of completed and on-going projects.

Due to the winter storm and virtual meeting platform, the Board Education Series was not provided. The educational slides provided by Hoosier Energy CEO Donna Walker were made available for review.

The Member Services reports were available and stand as previously presented.

Mr. Sullivan presented the financial reports.

He chose to stand on the Statement of Cash Flows, Income Statement, Balance Sheet, and Financial Highlights reports as previously presented.

Mr. Sullivan and Mr. Smith offered a proposal on rate increases. They explained why an increase is requested and how revenue needs are determined. They compared current UDWI rates with other suppliers in the state of Indiana as well as offering historical co-op rate data. A 10-year forecast of revenue requirements was also reviewed. The board reviewed the proposed three-year plan which is expected to reduce rate shock. It will limit the impact on members and will move closer to the recommended rate design of the cooperative rate consultant. The increase will also support additional capital credits payouts. This would be the first increase in twelve years following two decreases in the past eight years.

After a lengthy discussion, Mr. Cullison called for a roll call vote to for the proposal as presented.

Carpenter – Aye, Dugan – Aye, Hendrix – absent, Kirkling – Aye, McDaniel – Aye, Williams – Aye.

The proposal was approved 5 to 0. Effective April 1, 2026, residential members will see a 2% rate increase and then a 1% increase the following two years. Commercial member accounts will average 3% each year.

Mr. Smith presented the CEO reports.

He stood on the HHM, LLC business report. The Board of Directors met on January 21, 2026.

Mr. Smith presented the Hoosier Energy Voting Delegates and Board of Directors Nominee Certificates for action. The Hoosier Energy (H.E.) Annual Meeting is scheduled for April 8, 2026. Pursuant to their Bylaws

Article III Section 3, each member cooperative is entitled to be represented at the meeting by a delegate with the authority to cast one vote on all matters. In the same article and section of the Bylaws, each member system is required to submit its nominee for the board of directors.

The 2025 certificates appointed Mr. Cullison as voting delegate and Mr. Carpenter as board representative. After discussion, the Board suggested retaining both for 2026. Mr. McDaniel made a motion to approve. Mr. Kirkling seconded, and the vote passed. H.E. requires the two certificates provided to be updated and returned annually.

NRECA will hold their Annual Business Meeting in Nashville, TN on March 10, 2026, during the respective national conference. Each cooperative may participate in the director election. The voting delegate certification and credentialing form allows UDWI REMC directors and employees to vote for NRECA representatives. In 2024, Mr. Dugan was elected to be the official voting delegate. Mr. Smith and Mr. Dugan expressed interest in attending. Mr. McDaniel made a motion to approve Mr. Dugan as the delegate and Mr. Smith as an alternate. Mr. Williams seconded and the vote passed. The proper documentation will be returned to NRECA to reflect the decision.

The Cooperative Response Center (CRC) is the company that UDWI REMC utilizes to assist with overflow calls. Their Annual Membership Meeting is scheduled for March 8, 2026. This year, they opted to utilize Survey & Ballot Systems' electronic voting platform. UDWI will not have representation at the meeting, although the Board elected not to update the voting delegates in October 2025, they require the platform be updated each year. After discussion, Mr. Kirkling made a motion to approve Mr. Smith as the voting delegate and Mr. Sullivan as the alternate. Mr. Dugan seconded. The vote passed. The proper documentation will be returned to CRC.

A copy of the CFC District 4 Report was provided for review.

A copy of a FEMA PA Notification was provided for information. The note referred to closed project #726894 relating to a case submitted by UDWI REMC for storm/outage losses. The co-op will receive \$26,000 in compensation to assist in replacement of lost property. Mr. Smith applauded the efforts of Michael Sullivan, Britt Miller, and Johnathan Sutton on completing the request.

Mr. Smith shared an outline pertaining to current Strategic Planning efforts by the UDWI REMC management team. The outline provided themes and timelines expected over the next few years.

The distributed generation rate structure changed effective January 1, 2026. The 'Net Metering' rate expired and was subsumed into the 'Wholesale Net Metering' rate. The change was necessary to ensure sustainability for all members who continue to support renewable and distributive energy resources. A copy of the letter sent to UDWI members was provided for information.

Mr. Smith also shared notes of thanks and appreciation from members, as well as recent employee accomplishments.

Mr. Cullison called for review of board policies.

Board Policy No. 102.0 'Membership Fee' was presented for review. Board Policy No. 101.1 'Patronage Allocations' was presented with revisions to wording for proper clarification. Board Policy No. 103.0 'Service Security Deposit' with Appendix B was also presented with revisions. Revisions in the policy regard payment history. In the Appendix, revisions refer to removal of service charges regarding pre-paid metering and disconnections. Cooperative legal counsel reviewed the policies previously. Mr. Dugan made a motion to approve the changes to each policy. Mr. Carpenter seconded, the motion carried.

Mr. Cullison called for individual Director Committee reports.

The Community Fund Committee met on December 4, 2025. The Rates Committee met on January 12, 2026. The Building & Equipment Committee conversed electronically.

District 2 Director Todd Carpenter reported on updates and events at Hoosier Energy. The Board of Directors met on January 20, 2026.

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

The Board of Directors meets bi-monthly. The Annual Meeting was held on December 8-9, 2025. They will meet again in February.

Mr. Cullison extended reminders for upcoming training and meetings.

The next three UDWI REMC board meetings were approved and scheduled for February 23, 2026, March 23, 2026, and April 27, 2026.

The NRECA PowerXchange & TechAdvantage conference will be held March 6-11, 2026, in Nashville, TN. Mr. Smith and Mr. Dugan are interested in attending.

With an executive session not required, Mr. Carpenter made a motion to adjourn the meeting. Mr. Dugan seconded and the vote carried. Mr. Cullison adjourned the regular session meeting at 7:55 p.m.

APPROVED:

W. Edward Cullison, Vice President

Shawn W. Dugan, Secretary