

**Minutes of Regular Meeting of the  
Board of Directors of  
Utilities District of Western Indiana R.E.M.C.**

**December 22, 2016**

The regular meeting of the Board of Directors of the Utilities District of Western Indiana Rural Electric Membership Corporation was held at the WestGate Academy, Crane Indiana, at 2:00 p.m., on December 22, 2016, following the annual employee Christmas luncheon.

The meeting was called to order by President Jim Weimer who also gave the invocation.

The following Directors reported present:

James A. Jackson	Jack Norris	Ronald E. Thompson
Jack Knust	Roger Shake	William K. Watkins
	David L. Stone	James S. Weimer

Also present were CEO Brian Sparks and Executive Assistant Connie Huffine.

President Weimer asked if there were any additions or corrections to the meeting agenda. Hearing none, a motion was made by Bill Watkins to approve, Jack Norris seconded, and the motion carried.

Mr. Weimer called for additions or corrections to the minutes of the November 28, 2016, regular board meeting. Hearing none, a motion was made by Ron Thompson to approve the minutes as written, David Stone seconded, and the motion carried.

Bill Watkins presented the Treasurer's report for the eleven months ended November 30, 2016. After discussion, a motion to accept the report was made by Jim Jackson, Roger Shake seconded, and the motion carried.

Bill Watkins, Chairman of the Equipment Committee, reported that the committee met on December 15 to discuss replacing Truck 11 (2011 Ford E250 meter van). Bill reported that bid proposals were reviewed from Ruxer Ford; Bob Burkle Ford; and Bedford Ford for a 2017 Ford Transit Van. The committee recommended purchasing the van from Ruxer Ford as Ruxer submitted the lowest bid. Mr. Weimer entertained a motion to accept the committee's recommendation. David Stone made a motion to accept, Jack Knust seconded, and the motion carried.

Mr. Sparks reviewed the cooperative's Statement of Operations for the year ended November 30, 2016; Balance Sheet as of November 30, 2016; and Projected Statement of Operations through November 30, 2016. After discussion, a motion was made by Bill Watkins to accept the financial reports as presented, Jack Norris seconded, and the motion carried.

Mr. Weimer presented a report on UDWI's Community Fund meeting that was held on December 16. He reported that 12 applications were submitted and all 12 grant applicants received a total of \$11,220 which left a little over \$3,000 to carry over to the March 2017 disbursements. He briefly discussed the Operation Roundup PLUS program. The PLUS program allows members to participate in the normal roundup then give an additional flat

amount on their monthly bill. Further discussion on the PLUS program will continue at the March 2017 board meeting.

Mr. Weimer reminded the Board that Steve Smith will attend the January 23, 2017, regular scheduled board meeting to present UDWI with a patronage capital distribution check and provide highlights of Hoosier Energy's 2016 accomplishments. The meeting is scheduled for 5:30 p.m.

Mr. Weimer advised that representatives needed to be appointed for the NRTC and CFC Annual meetings to be held in February in San Diego. Ron Thompson made a motion to appoint Jack Norris to serve as Voting Delegate and Jim Jackson as Alternate to the NRTC Annual meeting, David Stone seconded, and the motion carried. Roger Shake made to motion to appoint Jim Weimer to serve as Voting Delegate and Jack Knust as Alternate Voting Delegate at CFC's Annual meeting, Bill Watkins seconded, and the motion carried.

In his manager's report, Mr. Sparks discussed UDWI's net margins for period ended November 2016 from RUS Form 7; the cooperative's November power bill, and reported that the IRS has announced that the 2017 standard mileage rate reimbursement is 53.5 cents per mile, down from 54 cents per mile in 2016. He reported on the following forecasts from **The Kiplinger Letter**: The America of 2035 will be grayer, more urban and much more diverse, well on the way to becoming a nation in which no racial or ethnic group is a majority of the population. ~ From now until 2030, about 10,000 baby boomers will turn 65 each day, and many will tap Social Security. Annual spending on the retirement program will grow from \$900 billion now to about \$1.6 trillion in 2026. Medicare and Medicaid costs will soar from just over \$1 trillion now to over \$1.8 trillion. ~ The stock market is poised for a decent year. The market's recent upswing indicates that investors are gung ho on prospects under President Donald Trump, including tax cuts, regulatory rollbacks and government spending on infrastructure. ~ The coal industry is enjoying a bit of a comeback because of an increase in the price of natural gas but gas is still cheap by historical standards, so coal's upside remains fairly limited. Even with Trump in the Oval Office, the use of coal for power generation will stay at about 30%. But holding steady isn't so bad in light of earlier expectations of further declines attributable to tough climate change regulations and rock-bottom natural gas prices. ~ Al Qaeda is going to surpass ISIS as the top terrorist organization in the Middle East as many Sunnis who are repelled by the Islamic State's brutality see al Qaeda as more receptive to their needs. ~ Middle America will find itself in the spotlight as it will get more attention from both politicians and marketers who have come to realize they're out of touch with working-class whites in the heartland who propelled Trump into the White House.

Mr. Sparks reviewed the monthly Operations and Engineering Department Monthly Report and noted the solar system that was installed at UDWI by our employees earlier in the month; minutes from the December 16, 2016 In-House Safety Meeting noting that as of November 30, 2016, 7,510 hours have been worked without a lost time accident; Monthly Vehicle Maintenance Schedule; and November 2016 Marketing & Communications Report.

Write-off of uncollectible accounts in the amount of \$24,934.03 was presented to the Board for approval. After discussion, a motion was made by Bill Watkins to approve the write-off, Roger Shake seconded, and the motion carried. (See Attachment A)

Board Policy No. 105.0, Identity Theft Red Flag Prevention Policy, was presented to the Board for review. A motion was made by Jack Norris to accept the policy as presented, David Stone seconded, and the motion carried.

Jim Jackson led a brief discussion on Indiana Electric Cooperatives Annual Meeting that was held earlier this month in Indianapolis. Several positive comments were expressed by the Board.

There being no further business, the meeting was adjourned at 3:00 p.m.

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Roger Shake, Secretary

APPROVED:

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James S. Weimer, President