

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

**June 26, 2017**

The regular meeting of the Board of Directors of the Utilities District of Western Indiana Rural Electric Membership Corporation was held at the office of the Corporation, Bloomfield, Indiana, at 6:30 p.m., on June 26, 2017.

The meeting was called to order by President Ron Thompson followed by the invocation given by Mike Chapman.

The following directors were in attendance:

David Burger	James Jackson	Roger Shake
Todd Carpenter	Jack Norris	Ronald Thompson
	John Royal	William Watkins

Also present were Mike Chapman, Manager of Human Resources/Compliance; Shane Smith, Manager of Operations and Engineering; Matt Miller, Manager of Finance and Accounting; Executive Assistant, Connie Huffine; and Scott Carmichael, John Coleman, Dewayne Mayfield, Jeff Ryser, Scott Sargent, Jimmy Shields, and Mike Williams members of the cooperative. Also in attendance was Sabrina Stockrahm, Greene County Daily World.

President Thompson welcomed members of the cooperative, news media, staff and Board of Directors and introductions were made.

Mr. Thompson then called on each member to voice any questions or concerns they would like addressed. Topics raised by members included:

- Audit process/any findings
- Next year's director election/districts
- Director nominations and voting procedures
- 2017 election platform for new directors/ Board compensation reduction

Mr. Thompson then responded to questions and asked the guests to give them (the Board) a little time as they are in the middle of labor negotiations.

Mr. Thompson asked if there were any additions or corrections to the meeting agenda. Hearing none, a motion was made by John Royal to approve, Roger Shake seconded, and the motion carried.

Mr. Thompson called for additions or corrections to the minutes of the May 22, 2017, regular board meeting. Hearing none, a motion was made by Jim Jackson to approve the minutes as written, Jack Norris seconded, and the motion carried.

Matt Miller presented the Treasurer's report for the five months ended May 31, 2017. A list of the cooperative's 30 highest paid vendors for May 2017 and Year-to-Date was also reviewed. Following discussion, a motion was made by Bill Watkins to accept the Treasurer's report as presented, Jim Jackson seconded, and the motion carried.

Mr. Miller reviewed the Statement of Operations for the five months ended May 31, 2017, Balance Sheet for May 2017, and Projected Statement of Operations as of May 31, 2017. He remarked that a decrease of two million dollars in revenue was attributed to the decrease in the Power Cost Tracker and kilowatt sales over last year. A motion was made by Roger Shake to accept the reports as presented, Jack Norris seconded, and the motion carried.

Write-off of uncollectible accounts in the amount of \$37,917.55 was presented to the Board by Mr. Chapman for approval. A motion was made by Bill Watkins to approve the write-off, Roger Shake seconded, and the motion carried. (See Attachment A)

Matt Miller presented investment proposals from a local financial institution that offers to pay a higher rate of return on money the cooperative currently has invested with another financial institution. After discussion, the Board agreed to table any action pending further information from other institutions.

Mr. Thompson provided an update from the UDWI REMC Community Fund Meeting that was held on June 24. Fourteen organizations were funded out of 18 that applied. The total amount awarded was \$13,620.50. The next meeting of the trustees is scheduled for September 30, 2017.

Mr. Thompson reminded the Board of upcoming meetings that included UDWI's Director Scholarship presentations that will be held July 24 at 6:00 p.m. prior to the regular scheduled board meeting and NRECA's Regional Meeting scheduled for September 7-8 in Pittsburgh, Pennsylvania. He advised that a voting delegate and alternate needed to be selected to represent the cooperative at the NRECA Regional Meeting and CFC's District Meeting. A motion was made by John Royal to accept Jim Jackson as the voting delegate and Jack Norris as alternate at NRECA's Regional Meeting, Bill Watkins seconded, and the motion carried. Roger Shake made a motion to designate Jack Norris to serve as voting delegate and Jim Jackson as alternate voting delegate at CFC's District meeting, Bill Watkins seconded, and the motion carried.

Mr. Smith provided an update on UDWI's subsidiary, Hoosier Heritage Management (HHM). Minutes from HHM's May 18, 2017 board meeting were included in the June meeting packet. Mr. Thompson suggested a board tour this fall to observe the progress of tree clearing projects in UDWI's service territory.

Mr. Smith provided highlights from the monthly Operations and Engineering Department Monthly Report including the Monthly Outage Report; June 2017 Contractors Work Inspections; May's Monthly Vehicle Maintenance & Repairs Report; and minutes from the June 14th In-House Safety Meeting noting that as of May 31, 2017, 58,677 hours have been worked without a lost time accident. He reported that PowerTech Engineering is reviewing proposed bid projects and gathering estimated costs for the Construction Work Plan. Shane hopes to present the Work Plan at the July board meeting.

Mr. Smith reported the need for a diversion ditch to be constructed on UDWI's property to divert runoff to a neighboring property. Three quotes were obtained. After discussion, a motion was made by David Burger to award the project to the lowest bidder, John Royal seconded, and the motion carried.

Mr. Chapman provided an update on recent activities from the May Marketing & Communications Report.

Proposed revisions to Board Policy No. 201.2, *Member Attendance at Cooperative Board Meetings*, as discussed at last month's board meeting, was presented for approval. A motion was made by Bill Watkins to approve Board Policy No. 201.2 as presented, Todd Carpenter seconded, and the motion carried. The revised policy will be posted on the cooperative website. (See Attachment B)

The Board revisited two revised versions, Options 1 and 2, of Board Policy No. 307.0, *Safety Deposit Box*. Board action was tabled at last month's meeting pending the status of the certificates contained in the box. Matt Miller reported that the certificate from Federated Rural Electric Insurance Exchange (Federated REC) was of no value and could be destroyed. The Capital Term Certificate with National Rural Utilities Cooperative Finance Corporation (CFC) can only be paid to the cooperative and that CFC will notify the cooperative upon maturity of the certificate. After discussion, a motion was made by Todd Carpenter to accept the revisions to Board Policy No. 307.0, Option 1, Jim Jackson seconded, and the motion carried. (See Attachment C)

Mr. Chapman presented proposed amendments to Article VI, Section 13, *Indemnification of Directors, Officers, and Employees*, of the Utilities District of Western Indiana REMC Bylaws for board consideration and approval. The amendments, as recommended by the cooperative's legal counsel, provide clarity to the Bylaws on indemnification and align the policy with the cooperative's insurance requirements. After discussion, a motion was made by Jack Norris to accept the amendments as presented, Jim Jackson seconded and, by a show of hands, the motion was unanimously carried.

At 8:20 p.m., Mr. Thompson called for a short recess before entering into Executive Session. All guests departed the meeting at that time.

The Board convened into Executive Session at approximately 8:30 p.m. Ms. Huffine and Mr. Miller were excused from the meeting.

There being no further business to come before the meeting, on motion duly made, the meeting was adjourned.

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Roger Shake, Secretary

APPROVED:

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Ronald E. Thompson, President