

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

November 28, 2016

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 November 28, 2016.

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 Ron Thompson to approve, Jack Knust seconded, and the motion carried.

Mr. Weimer called for additions or corrections to the minutes of the October 24, 2016, regular board meeting. Hearing none, a motion was made by Roger Shake to approve the minutes as written, David Stone seconded, and the motion carried.

Bill Watkins presented the Treasurer's report for the ten months ended October 31, 2016. After discussion, a motion to accept the report was made by Jack Norris, Jim Jackson seconded, and the motion carried.

Mr. Sparks reviewed the cooperative's Statement of Operations for the year ended October 31, 2016; Balance Sheet as of October 2016; and Projected End of Year Statement of Operations through October 31, 2016. He also presented the proposed 2017 Capital Budget and 2017 Operating Budget. Following discussion, a motion was made by Bill Watkins to accept the financial reports and budgets as presented, Ron Thompson seconded, and the motion carried.

Mr. Weimer provided an update on upcoming meetings including UDWI's Community Fund meeting scheduled for December 16; IEC's Annual Meeting to be held December 5-6; UDWI's employee Christmas luncheon scheduled for December 22 at noon at WestGate Academy; and NRECA's Annual Meeting with general sessions scheduled from February 27-March 1, 2017. He reported that a Voting Delegate and Alternate needed to be appointed to represent the cooperative at NRECA's Annual Meeting. A motion was made by Bill Watkins to designate Jim Jackson as the voting delegate and Jack Knust as alternate, Roger Shake seconded, and the motion carried.

Mr. Sparks reported that representatives from Hoosier Energy will attend the January 2017 regular scheduled board meeting to provide Hoosier's Annual Report. A motion was made by Bill Watkins to move the board meeting from 6:30 to 5:30 p.m., Roger Shake seconded, and the motion carried.

Due to NRECA's Annual Meeting conflicting with UDWI's regular scheduled board meeting, alternate dates were discussed to reschedule the meeting. A motion was made by Jack Norris to hold the meeting on February 23, 2017, Jim Jackson seconded, and the motion carried.

In his manager's report, Mr. Sparks discussed UDWI's net margins for period ended October 2016 from RUS Form 7; the cooperative's October power bill, and forecasts and insights from *The Kiplinger Letter*. In a recent publication, Kiplinger reported that the Electoral College is back in the political crosshairs. It happens every four years, usually with the losing side complaining the most saying the system is arcane and prevents the will of the people from being expressed. Abolishing the college takes a constitutional amendment and is not likely to happen. ~ *The Kiplinger* also reported on the cost of medical care saying that doctors, hospitals and drugs will jump by 4% in 2017 and beyond. That's helping to drive the higher insurance premiums that many businesses and individuals are seeing.

Appendix A was presented to the Board for approval of a Purchased Power Cost Adjustment Tracking Factor in the amount of \$0.0008 per kWh – down \$0.005216 from the previous month. The new rate becomes effective with use beginning November 1, 2016, and will remain unchanged until the February 2017 billing (January's usage). Roger Shake made a motion to approve, Jack Norris seconded, and the motion carried. (See Attachment A)

Mr. Sparks reviewed the monthly Operations and Engineering Department Monthly Report remarking that October outages were below average for the month; minutes from the November 23, 2016 In-House Safety Meeting noting that on November 1, 2016, UDWI experienced a lost-time accident resetting the hours from 263,443 to zero. He also reviewed the Monthly Vehicle Maintenance Schedule; October 2016 Marketing & Communications Report; and UDWI's proposed 2017 incentive programs.

Proposed amendments to Board Policy No. 501.0, Line Extension Policy was presented to the Board for review and acceptance. A motion was made by Ron Thompson to accept the policy as presented, Jack Knust seconded, and the motion carried. (See Attachments B)

Mr. Weimer presented a report of the Hoosier Energy Board Meeting held November 14, 2016.

There being no further business, the meeting was adjourned.

Roger Shake, Secretary

APPROVED:

James S. Weimer, President