

Minutes of the regular meeting of the Clark County REMC
Board of Directors held at the headquarters,
7810 State Road 60, Sellersburg, Indiana on
April 2, 2018 at 5:30 pm (EST)

Those present were: President Steven G. Dieterlen, Vice-President Paul Graf, Secretary/Treasurer Candace S. Meyer and Directors: Derrick Vogt, John Biesel and Joe Basham

District 5 has a vacant Board seat at this time.

Others Present: General Manager David A. Vince, System Attorney David Lewis, Assistant Secretary/Administrative Assistant Cindy Hockensmith, Assistant Treasurer/Finance & Administration Manager Jeremy Miller, Operations and Engineering Manager Dave Barton, and Member Services & Marketing Manager Brian Omerso

Guests: Earl Ridlen, III with LWG CPAs & Advisors

Call to Order

President Dieterlen called the meeting to order at 5:26 p.m.

Additions or Deletions to the Agenda

President Dieterlen called for any changes, additions or deletions to the April 2, 2018 meeting agenda. Hearing none it was moved by Vice President Graf and seconded by Director Vogt to approve the April 2nd board meeting agenda as presented. The motion carried.

Review of Draft Minutes

President Dieterlen called for any changes to the draft minutes of the Board of Directors' meeting held on March 6, 2018. Hearing none president Dieterlen declared the minutes of the March 6th Board Meeting approved as written.

Member Session

There were no members present for this month's Member Session.

General Manager's Report to the Board

Financial Report: The Financial Report was emailed to the directors for their review prior to the meeting. No Financial Report was given during this meeting. The Financial Report is included in attachment A.

Safety Report: The Safety Report was emailed to the directors for their review prior to the meeting. No Safety Report was given during this meeting. The Safety Report is included in attachment A.

50 **Questions on Reports:** General Manager Vince asked the directors if they had any questions about the
51 department reports that were emailed prior to the meeting. The numbers on the Purchasing Report were
52 questioned. It was noted that the numbers did not add up correctly. We will have Purchasing & Facilities
53 Administration Manager Tim Hayden take a look at this and make any needed corrections.

54
55 Sec/Treas. Meyer asked Manager Miller if we are required to pay off the line of credit at least once a year.
56 Manager Miller answered that we pay it off more often than once a year noting that we had a zero balance
57 at the end of February.

58
59 There was discussion on our Service Orders by Type and what we would consider a perfect month.
60 Manager Omerso explained that the information included in the chart is a reflection of work being
61 requested by our members and when these job requests are completed, so there isn't really a perfect
62 month. The chart shows the completed jobs, that everything is in range, and it's not taking too long to
63 complete the work.

64
65 **Audit Presentation**

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67 The Board welcomed Earl Ridlen III with LWG CPAs & Advisors to the meeting. Copies of the audit
68 report for Years Ended December 31, 2017 and 2016 were distributed. See attachment B. Mr. Ridlen
69 reviewed the Letter to the Board located at the front of the report, noting that LWG CPAs & Advisors are
70 charged with expressing their opinion as described in the letter.

71
72 Mr. Ridlen reviewed the financial report.

73
74 Mr. Ridlen reported no adjusting journal entries. He said that the letter indicates a good audit and clean
75 report adding that he has nothing of importance to bring to the Board's attention.

76
77 Mr. Ridlen added that even though they do not audit internal measures, LWG's auditors gain an
78 understanding of the internal processes by performing the audit. Mr. Ridlen noted that the processes that
79 we have in place should catch any internal issues.

80
81 Mr. Ridlen said that if prepaid pensions are again offered from NRECA we should analyze the benefit of
82 doing this again. He noted that the benefits will vary from co-op to co-op and may not be as
83 advantageous for us as they were in the past.

84
85 It was noted by Mr. Ridlen that our debt to total equity is the lowest it has been in ten years. Our power
86 tracker hit right where we wanted it to. According to Mr. Ridlen we came pretty close to a break-even
87 year on cash, missing it by only \$17,000.

88
89 Mr. Ridlen reported we received a clean audit with no suggested journal entities.

90
91 General Manager Vince commended Manager Miller and his group for a great job preparing for the
92 Audit. He also praised and thanked Mr. Ridlen and the auditors at LWG for a job well done.

93
94 President Dieterlen called for a dinner break at 6:25 p.m.
95 President Dieterlen called the meeting back to order at 6:55 p.m.

96
97 Earl Ridlen, III with LWG CPAs & Advisors left the meeting at this time.

98
99

100 **General Manager’s Report to the Board**

101
102 **Early Voting:** Member Services & Marketing Manager Brian Omerso reported on the vote totals to date,
103 noting that we have 1728 votes cast and our record over the years is 1800. He added that we should top
104 our record before Saturday. Manager Omerso explained the vote total graph. Manager Omerso said that
105 we have learned some things and will make adjustments in future elections. We will have district totals
106 available following the vote count on Saturday, April 7th.

107
108 **2018 Parliamentarian Selection:** It was moved by Vice President Graf and seconded by Sec/Treas.
109 Meyer to appoint System Attorney David Lewis as the Parliamentarian for the 2018 Annual Meeting.
110 The motion carried.

111
112 **Member Concerns:** Sec/Treas. Meyer reported that she was contacted by a member wanting to discuss
113 the “Operation Roundup” program. It was noted that we may want to look at this program again. The
114 “Operation Roundup” program is usually controlled by a separate foundation board. Manager Miller said
115 that it is usually a stand-alone entity. NISC offers co-ops the choice to add an “Operation Roundup”
116 option into SmartHub. It was also noted that the money from the program is usually donated to charitable
117 organizations.

118
119 Assistant Treasurer/Finance & Administration Manager Jeremy Miller, Operations and Engineering
120 Manager Dave Barton, and Member Services & Marketing Manager Brian Omerso left the meeting at this
121 time.

122
123 **Policies Review:** Policies GP-39 and CIV-403 were presented to the board for review. System Attorney
124 Lewis reviewed policy GP-39 as a new policy governing the issuance/use of Director Credit Cards. The
125 policy is modeled after the employee credit card policy, “Credit Cardholder’s Acknowledgment and
126 Statement of Responsibility Signature Form” which was approved by the Board in March, 2018.

127
128 It was noted that staff has been working with Jay Novatony and Tim Crouch from IEC, to make needed
129 changes to Policy CIV-403, Computers, Electronic Mail/Telephones/Voice Mail Usage,
130 which was presented to the board for review and approval.

131
132 It was moved by Director Biesel and seconded by Vice President Graf to approve policies GP-39 and
133 CIV-403 as presented. The motion carried.

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135 **Standing Reports**

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137 **Hoosier Energy Report:** President Dieterlen reported on the Hoosier Energy Board Meeting. President
138 Dieterlen noted that Mike Rampley will be retiring in March 2019. During a scheduled outage damage
139 was found at Merom Unit 2 turbine. Repairs of the damage will increase the cost of the turbine project.
140 Modifications to the Riverstart Solar Power Purchase Agreement will delay the start for energy deliveries
141 until 2022.

142
143 **Indiana Electric Cooperatives Meeting:** Secretary/Treas. Meyer gave a brief IEC Report noting that
144 IEC is planning a co-op talent initiative as a way to find candidates for co-op positions. Secretary/Treas.
145 Meyer said that IEC is looking for ways to appeal to younger people using the co-op story and they hope
146 that this initiative will become a pipeline to potential employees for all Indiana co-ops.

147

148 **Legal Report:** President Dieterlen called the meeting into Executive Session to discuss current litigation
149 effecting the co-op. Following the discussion, President Dieterlen called the meeting back into regular
150 session.

151
152 **Calendar Update:** The calendars showing upcoming events were reviewed.
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154 **Executive Session:** President Dieterlen called the meeting into Executive Session to discuss Union
155 Arbitration. Following the discussion, President Dieterlen called the meeting back into regular session.
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157 **Adjournment**

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159 There being no further business appearing the meeting was adjourned at 7:56 p.m.
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Signed original on file in co-op office

Candace Meyer,
Secretary/Treasurer

171 Attachment A: General Manager's Report

172 Attachment B: Audit Report