

MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS HELD IN THE  
PRINCIPAL OFFICE OF THE COOPERATIVE,  
1207 INDIANAPOLIS AVENUE, LEBANON,  
INDIANA AT 7:00 P.M. ON APRIL 26, 2023.

**CALL TO ORDER** The meeting was held in the principal office of the cooperative pursuant to notice mailed as shown by original copy of the proof and made a part of the minutes.

**ATTENDANCE** Directors present were Noel Kendall, Chairman; Tom Dull, Vice-Chairman; Mark Gruninger, Secretary/Treasurer; Alan Cragun; Bruce Guernsey; Danny Lawson; Mark Starkey; and Jon Stevens. Not present was G. Tom Taylor.

Also present were Bill Conley, President & CEO; Jeanette Johnson-Hite, VP Corporate Services/CFO; Allen Jones, VP Engineering Services; Corey Willis, VP Corporate Development & Technology; Mandy Saucerman, Communications Director; Kent Frandsen, Attorney; and Pamela Warmoth, Executive Assistant & Recording Secretary.

**MARCH MINUTES** Chairman Kendall called for a motion to approve the minutes of the regular board meeting held on March 22, 2023. **A motion was made and seconded to approve the minutes, as presented. The motion carried.**

**STATEMENT OF QUALIFICATIONS / CONFLICT OF INTEREST**

Mr. Conley reported that the Director Qualifications, Standards of Conduct and Conflict of Interest Statement, as well as the relative bylaws language and board policies were made available in the director's board packet for review. The Statement affirms the director's receipt and review of the Bylaws and policies regarding the qualifications for serving as a director, compliance with all clauses and conditions noted in the outlined policies, and any exceptions that may be a conflict of interest. **It was board consensus to accept the requirements of the Statement of Qualifications / Conflict of Interest as provided, with each director submitting their completed documentation by the next board meeting.**

**ELECTION OF OFFICERS**

Mr. Frandsen reviewed the requirements for the election of board officers. **By a ballot vote, the current officers were re-elected, Chairman, Noel Kendall, Vice-Chairman, Tom Dull, and Secretary-Treasurer, Mark Gruninger.**

## CORPORATE REPORTS

### 2023 ANNUAL MEETING REPORT

Boone REMC Communications Director, Mandy Saucerman, was in attendance to provide an update on the BREMC Annual Meeting that was held on Saturday, April 22, 2023, at the Boone County 4-H Fairgrounds. Mrs. Saucerman provided a summary report from the meeting that included demographics of attending members, total votes per district, and historical information regarding member votes per district and city/town. She noted there was a total of 1,085 registered members, that included 290 drive-thru members attending the meeting at the fairgrounds. Mrs. Saucerman was thanked for her presentation and was excused.

### 2022 CFC ANNUAL FORM 7

Mrs. Johnson-Hite reviewed the 2022 CFC Annual Form 7. The annual report was provided in advance of the meeting for director's review. **A motion was made and seconded to accept the 2022 CFC Annual Form 7 financial report.**

### 2023 CFC OFFICER'S CERTIFICATE OF COMPLIANCE

Mr. Conley reviewed the CFC Officer's Certificate of Compliance checklist and confirmed we are in compliance with the various CFC mortgage provisions. He noted that we are also required to provide CFC with an Auditor's Independent Certification. London Witte Group prepares and submits the auditor's form. Boone REMC also has an independent Professional Engineer perform a work order certification that is based on a review of our work orders for the past year, to assure compliance with standard construction practices and the appropriate use of borrowed funds.

### BOARD DISTRICT DISCUSSION

As a follow-up to last month's board discussion regarding board districts, Mr. Conley reported that a Board District Analysis report was developed and made available for directors to review prior to the board meeting. Mr. Jones reviewed the report, which included demographics on meter density, the number of meters per board district, current system-wide district representation by meter, a six-year annual meeting member attendance count by district/year, and member rate classes by district.

Board discussion was held regarding an optimal number of directors, potential redistricting options, and optimal member demographics for director representation. The nominating committee process was also discussed.

A suggestion was made to contract with a third party to facilitate a conversation regarding a potential board redistricting and subsequent nominating committee process. It was noted that former Indiana Electric Cooperatives CEO, Tom Van Paris, has a background in facilitating board strategic initiatives with organizations such as IEC, Buckeye Power, and NRECA, and that he may be available to facilitate a discussion with the BREMC board of directors regarding board redistricting. **A motion was made and seconded to engage former IEC CEO, Tom Van Paris, as a facilitator for board discussion regarding potential board redistricting. The motion carried.**

## STRATEGIC PLANNING DISCUSSION

Mr. Conley introduced discussion regarding the planning of a Board strategic planning session. He noted the focus of the planning session would be on growth and financial planning that are associated with increasing infrastructure needs, as well as a headquarters facility that would address the growing human resources needs of the company. Mr. Conley suggested working with either CoBank or CFC to utilize their expertise in facilitating the planning session. Discussion was held regarding the background of each financial organization and the optimal facilitator. **It was the consensus of the board to authorize management to schedule a strategic financial planning discussion and select a facilitator from CoBank or CFC.**

## COMMITTEE REPORTS

### POLICY & BYLAWS COMMITTEE

Committee Chairman, Bruce Guernsey, deferred to Mr. Conley to report on five employee policies with policy language revisions. Mr. Conley reported on proposed, minor policy language revisions, to provide policy language clarification, in Employee Policy #304 Employee Relations – Employment Practices; Employee Policy #306 Employee Status; Employee Policy #334 Employee Drivers Policy; Employee Policy #342 Sick Leave; and Employee Policy #347 Non-Paid Leave.

**Following discussion, a motion was made and seconded to accept the proposed policy language changes to Employee Policy #304 Employee Relations – Employment Practices; Employee Policy #306 Employee Status; Employee Policy #334 Employee Drivers Policy; Employee Policy #342 Sick Leave; and Employee Policy #347 Non-Paid Leave as provided. The motion carried.**

Mr. Conley reported on a proposed Bylaws language modification to clarify the purchase of electric energy guidelines for net-metering members. He

noted this language clarification would also be outlined within the new member application. **A motion was made and seconded to accept the Bylaws and membership application language modifications as presented. The motion carried.**

#### DPATRICK FORD PROPERTY EASEMENT UPDATE

Mr. Conley provided an update on the status of the DPatrick Ford property mutual drainage easement, reporting that an additional meeting was held with the property owners and their legal counsel. Additional comments were shared by Mr. Frandsen regarding the most recent meeting. Mr. Conley reported that additional information on the status of the mutual drainage easement would be provided when it becomes available.

#### NEW BUSINESS

##### WVPA ALL-REQUIREMENTS CONTRACT

Mr. Kendall introduced discussion on the new WVPA All-Requirements Contract (ARC). He reported on the process that led to the new ARC and shared that WVPA is requesting its members to review and adopt the new ARC prior to August 3, 2023.

Discussion was held regarding the parameters of the contract, and buyout options. Additional comments were made by Mr. Frandsen regarding power supply contracts. A request was made to obtain a redline markup of the new ARC for board review prior to taking board action on the new contract. **It was the consensus of the board to take action on the new ARC at a future regular board meeting.**

##### MEMBER ISSUE REPORT

Mr. Conley reported on a member issue regarding charges for two metering points. Mr. Conley provided background information on the initial member request and setup for the second meter, the billing usage history, and the follow-up discussions that have been held with the member and Mr. Dickerson. **It was the consensus of the board that there would be no reimbursement of service charge fees for the second service.**

##### MEMBER ACCESS TO CORPORATE RECORDS

Mr. Conley reported that a member had requested to review the board meeting minutes of the BREMC Board of Directors meetings for the past year. Mr. Conley shared the member is a net-metering account, and the member requested to review the board meeting meetings for the past year to better understand the information, discussion, and the ultimate outcome of

the current net-metering rate. Mr. Conley reviewed Administrative Policy #118 Member Access to Corporate Records.

Board discussion was held regarding the member's specific request and the current policy language. **It was the consensus of the board that the Policy & Bylaws Committee review the current policy language and provide a committee recommendation regarding the policy language at the next board meeting.** A follow-up discussion with the member is to be held to share the board's position regarding the member's request, and the noted board action to review the current policy language.

**OLD BUSINESS**      There was no old business.

**LEGAL**              Mr. Frandsen provided a legal report.

## **BOARD REPORTS**

**WVPA**              Mr. Kendall reported on the WVPA board meeting that was held on April 5, 2023.

### **WVPA ANNUAL MEETING**

Mr. Kendall, Mr. Cragun, and Mr. Conley reported on the WVPA Annual Meeting that was held on April 5, 2023.

**IEC**              Mr. Dull reported on the IEC board meeting that was held on April 13, 2023.

### **NRECA LEGISLATIVE CONFERENCE**

Mr. Conley reported on the NRECA Legislative Conference that was held on April 17-18, 2023 in Washington, D.C.

## **CEO/STAFF REPORTS**

The CEO and Departments report was provided in advance of the meeting.

## **FINANCIAL REPORT**

Detailed financial reports for February were provided in advance of the meeting for each director to review. **A motion was made and seconded to accept the financial reports as presented. The motion carried.**

## **SAFETY REPORT**

The safety report for April was provided in advance of the meeting for each director to review. **A motion was made and seconded to accept the safety report as presented. The motion carried.**

#### **MAY MEETING**

The next regular meeting of the Board of Directors is scheduled for Wednesday, May 24, 2023, at 7:00 p.m.

#### **ADJOURN**

**There being no further business to come before the Board, upon a motion properly made; seconded; and duly carried, the Board meeting adjourned at approximately 10:20 p.m.**

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Mark Gruninger, Secretary/Treasurer