

BUTLER RURAL ELECTRIC COOPERATIVE, INC.**BOARD OF TRUSTEES****AUGUST 25, 2021**

The regular meeting of the Board of Trustees of Butler Rural Electric Cooperative, Inc. was held at the Cooperative office, at 3888 Stillwell Beckett Road, Oxford, Ohio on August 25, 2021. The meeting was called to order by Tom McQuiston at 9:00 a.m.

ROLL CALL

Board members present were: Tom McQuiston, Robert Hoelle, David Evans, Butch Foster, Jay Hasbrook, Ron Kolb, Jim Meador, Robert Spaeth, and Mike Tilton. Others present were: Lee Geiger, Attorney; Thomas C. Wolfenbarger, General Manager; Greg Phillips, Director of Corporate Services; Mike Murray, Director of Operations; Charlie Young, Manager of Engineering and Planning; Judie Persinger, Director of Accounting and Finance; and Lisa Staggs Herrmann, Director of Member and Community Relations; Julie Abbott, Director of Administration; and Adam Osborn, Manager of Safety & Compliance. The meeting was opened with the Pledge of Allegiance to the Flag and invocation by Butch Foster.

MINUTES

Minutes were provided electronically prior to the board meeting. A motion was made by Butch Foster, seconded by Mike Tilton that the minutes of the regular meeting held on July 28, 2021, be approved. Motion carried.

FINANCIAL REPORT**REVIEW STATEMENTS AND CHECKS WRITTEN**

The unaudited financial statements were presented to the Board by Judie Persinger. Robert Hoelle reviewed a report of the checks written for the month of July. A motion was made by Jim Meador, seconded by Ron Kolb, that the past payment of bills be approved, and the unaudited financial statements be accepted as presented. Motion carried.

CFC KEY RATIO TREND ANALYSIS

Judie Persinger presented the Key Ratio Trend Analysis for 2020. The KRTA is an analytical tool used to compare performance of Butler Rural Electric Cooperative, Inc. to the US total, state grouping, and consumer size, power supplier and plant growth. (See document attached)

CFC REPRICE OF LOAN 9016

Judie Persinger presented repricing interest rates for the CFC loan. She asked for board approval to authorize management to evaluate the repricing options and to lock-in the best option prior to CFC/s deadline as stated in the following resolution.

Whereas, the Board of Trustees of Butler Rural Electric Cooperative, Inc. having been advised by CFC that OH0749016001 will reprice on November 1, 2021;

Therefore, be it resolved that the Board of Trustees authorizes management, at its discretion, to reprice the above loan.

A motion was made by Jay Hasbrook, seconded by Mike Tilton, to authorize management to reprice the CFC loan. Motion carried.

FORM 990 and 990T

Judie Persinger presented to the Board a review of the 2020 Form 990, the Return of Organization Exempt from Income Tax, and 2020 990T, the Exempt Organization Business Income Tax Return. She reported on the extension filed earlier in the year and provided the Trustees with an update. The 990 and 990T have been reviewed by BHM auditors. (See forms attached)

BHM ENGAGEMENT LETTER

Judie Persinger provided information on the contract with BHM, CPA Group, Inc. and the engagement letter. This letter includes management and auditor responsibilities, reporting and audit documentation. A motion was made Mike Tilton, seconded by Jim Meador to approve the Engagement Letter as presented. Motion carried.

ENGINEERING REPORT

Charlie Young reported on the fiber progress with Cincinnati Bell for Butler and Member sites. Project completion is projected for September. Butler REC and Cincinnati Bell have submitted a request for funding to Butler County Commissioners for fiber phase 2 to connect an additional 1,900 members. A meeting with a group of townships, school district and City of Oxford will ask for expansion of the project as a county wide effort. Charlie provided an update on net metering/billing systems, solar production, and SAIDI, SAIFI, and CAIDI reliability reports.

SAFETY & COMPLIANCE REPORT

Adam Osborn reported on safety & compliance activities for the month of July, including internal field visits and a crew observation. He reviewed safety performance measures for the month including highlights on the Safety Improvement Plan and safety demonstrations/training Butler REC provided for the City of Oxford.

OPERATIONS REPORT

Mike Murray reported on the activities of the internal BREC crews, which included replacement of poles and equipment. He reviewed maintenance performed at five of Butler's substations. Mike provided an update on the construction of the new mound system. He provided a report on outages for the month of July.

MEMBER SERVICES REPORT

Lisa Staggs Herrmann reviewed member issues and concerns for the month. She provided an update on the Community Connection golf outing, Farm Science Review, and Warren Davidson's visit. Lisa requested a meeting with the annual meeting

committee to discuss the 2022 annual meeting entertainment. She presented the results from the American Customer Satisfaction Index (ACSI) survey.

\$85 BILL CREDIT WINNERS

Becky Sams

Paul Scott

Michael Haenning

Kevin R. Foister

Cynthia L. Sandell

Kerry Rutherford

CORPORATE SERVICES REPORT

Greg Phillips provided a PCI compliance review. He reported on a Red Flag event, provided an update on enhancements with NISC Business Process Consulting (BPC), and reviewed a security incident that occurred in the past month.

VOIDED & NEW MEMBERSHIPS

A motion was made by Mike Tilton, seconded by Jay Hasbrook, that 97 memberships be accepted into the membership of the Cooperative for July. There were five voided memberships in July. Motion carried.

CAPITAL CREDITS

A motion was made by Bob Hoelle, seconded by Ron Kolb, that the past payment of capital credits for 11 estates, totaling \$40,407.49 be approved. Motion carried.

CAPITAL CREDITS SETOFFS

A motion was made by Bob Spaeth, seconded by Butch Foster, to approve seven capital credits setoffs totaling \$1,822.72. Motion carried.

BAD DEBTS WRITE-OFF

A total of \$4,681.00 was submitted to the Board to be written-off for July. A motion was made by Bob Hoelle, seconded by Bob Spaeth, to write off bad debts. Motion carried.

GENERAL MANAGER'S EXPENSE REPORT

A motion was made by Bob Spaeth, seconded by Jay Hasbrook, that the Manager's expense report for July in the amount of \$10.64 be approved. Motion carried.

LEGAL UPDATE

Lee Geiger reported on issues he has been working on with management. He has been reviewing the Legal Seminar information provided online.

PRESIDENT'S REPORT

There was no report.

OHIO'S ELECTRIC COOPERATIVES & BUCKEYE POWER INC.

Tom McQuiston submitted an electronic copy of the monthly meeting of the Ohio Electric Cooperatives, Inc. prior to the meeting. An electronic report of the Buckeye Power, Inc. regular monthly meeting of the Board of Trustees was submitted prior to the meeting by Tom Wolfenbarger.

TRUSTEES REPORT

Tom McQuiston reviewed voting delegates for the regional meeting. Bob Hoelle is the NRECA delegate and Jim Meador will be the CFC delegate.

HUMAN RESOURCES REPORT

Julie Abbott reviewed the Annual Benefit Plan Rating for 2022 and recommended no changes to the plans. She reviewed past and upcoming meetings and training for employees and Trustees.

MANAGER'S REPORT

Tom Wolfenbarger reported that he has been asked to serve on the Buckeye Rate Committee. His first meeting will be at the end of September. Tom provided an update on the employee advisory committee meeting and Warren Davidson's visit to the cooperative. He reported on the status of the roof lawsuit.

ACTIVITIES REPORT

Tom Wolfenbarger submitted an electronic list of dates of past and future activities.

CORRESPONDENCE

Items of correspondence were received and shared with the trustees.

OTHER DISCUSSION**ADJOURNMENT**

There being no further items of business to discuss, Mike Tilton motioned with a second by Jay Hasbrook to adjourn the meeting. Motion carried.

Respectfully submitted,



David Evans
Secretary/Treasurer