

**BUTLER RURAL ELECTRIC COOPERATIVE, INC.****BOARD OF TRUSTEES****October 30, 2019**

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 October 30, 2019. The meeting was called to order by Tom McQuiston at 9:00 a.m.

**ROLL CALL**

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

**MINUTES**

The September board meeting minutes were electronically submitted prior to the meeting. A motion was made by Ron Kolb, seconded by Jim Meador, that the minutes of the regular meeting held on September 25, 2019 be approved. Motion carried.

**FINANCIAL REPORT****REVIEW STATEMENTS AND CHECKS WRITTEN**

The unaudited financial statements were presented to the Board by Judie Persinger. Bob Hoelle reviewed a report of the checks written for the month of September. A motion was made by Butch Foster, seconded by Mike Tilton, that the past payment of bills be approved and the unaudited financial statements be accepted as presented. Motion carried.

**2020 LINE EXTENSION AND MISCELLANEOUS RATES**

Judie Persinger presented the proposed changes to the Line Extension Rates and Miscellaneous Fees and responded to questions. The rates and fees will be presented for action at the November Board Meeting.

**2019 INVENTORY**

Judie Persinger reported on a positive 2019 inventory, the efficiencies of inventory day, and the importance of the annual inventory. Results very consistent to last year.

**ENGINEERING REPORT**

Tom Wolfenbarger provided an update on the current negotiations for the fiber project with Cincinnati Bell. He reported on the net metering systems, both connected and pending applications. The New Biddinger upgrade has been delayed due to county bridge work. Tom submitted SAIDI, SAIFI and CAIDI service reliability charts for the month.

### **SAFETY AND COMPLIANCE REPORT**

Adam Osborn reviewed a monthly Safety and Compliance report. The report included field observations, a vehicle incident, and follow-up investigations for the past month. Adam reported on training and activities for September which included a safety demonstration at the Oxford Fire Department for all three shifts.

### **OPERATIONS REPORT**

Mike Murray reported on the activities of the internal line crews, highlighting maintenance and substation work. He provided an update on options for replacing the cooperative septic system and highlighted community service work for the Morgan Ross Athletic Association. Mike submitted a report of outages for the month of September.

### **MEMBER SERVICES REPORT**

Lisa Staggs Herrmann reviewed member issues and concerns for the past month. She provided an update on the two electric vehicle events in October for members and employees. Lisa reported on the Reily Park groundbreaking, Annual Meeting entertainment selection, and provided an update on committee meetings.

#### **\$100 Bill Credit Winner - Electric Vehicle Event**

John Moon

#### **\$50 Bill Credit Winners**

William E. Frey

Karen R. Emerick

William A. Schwecke

Peggy Madden

J. H. Saylor

### **CORPORATE SERVICES REPORT**

Greg Phillips reported on cyber security training and preparing for a cyber security audit.

### **VOIDED & NEW MEMBERSHIPS**

There were no voided memberships for September. A motion was made by Butch Foster, seconded by Jim Meador, that 60 members be accepted into the membership of the Cooperative for September. Motion carried.

### **CAPITAL CREDITS**

A motion was made by Ron Kolb, seconded by Bob Spaeth, that the past payment of capital credits for 12 estates, totaling \$28,291.51 be approved. Motion carried.

### **CAPITAL CREDITS SETOFFS**

A motion was made by Bob Hoelle, seconded by Mike Tilton, to approve 14 capital credits setoffs totaling \$3,618.67. Motion carried.

### **BAD DEBTS WRITE-OFF**

A total of \$4,825.85 was submitted to the Board to be written-off for September. A motion was made Mike Tilton, seconded by Bob Spaeth, to write off bad debts. Motion carried.

### **MANAGER'S EXPENSE REPORT**

A motion was made by Bob Spaeth, seconded by Mike Tilton, that the Manager's expense report for September in the amount of \$1,079.36 be approved. Motion carried.

**LEGAL UPDATE**

Tom Humbach provided an update on cooperative roof. He is addressing further issues. Tom said he will be filing a law suit with the HVAC system contractor.

**TRUSTEE'S REPORT****BUCKEYE POWER INC.**

Mike Sims submitted an electronic report of the regular monthly meeting of the Buckeye Power, Inc. Board of Trustees.

**STATEWIDE REPORT**

Tom McQuiston submitted an electronic copy of the regular monthly meeting of the Ohio Rural Electric Cooperatives, Inc. prior to the meeting.

**PRESIDENT'S REPORT****UNCLAIMED CAPITAL CREDITS**

A capital credit unclaimed list was presented for review.

**REGIONS 2 & 3 MEETING**

The Trustees who attended the Region 2 & 3 reported on highlights from the meeting. They agreed the topics covered made it one of the best meetings.

**BOARD VACANCY**

A motion was made by Mike Tilton, with a second from Butch Foster, to set a special meeting date on November 20 at 9:00 a.m. to discuss the board vacancy for District #4. Motion carried.

**2020 STRATEGIC ISSUES MEETING**

A motion was made by Mike Tilton, seconded by Butch Foster, to hold a strategic issues meeting on January 22 at 9:00 a.m. Motion carried.

Butch Foster received his CCD certificate from board president, Tom McQuiston.

**HUMAN RESOURCES REPORT**

Julie reviewed training for October and November and updated the Trustees on upcoming employee and board events.

**MANAGER'S REPORT**

Mike Sims excused the staff at 11:50 a.m. to review wage and salary information for employees and per diem for the Board of Trustees. A motion was made by Mike Tilton, seconded by David Evans to approve an annual increase of 2.5% for all employees and increase each per diem level by \$10 beginning January 1, 2020. Motion carried.

Mike Sims submitted an electronic report of various activities and meetings for October and November.

After taking a break for lunch, the board and staff reconvened.

**TEN-YEAR FINANCIAL FORECAST 2019-2028**

Judie Persinger presented the Ten-Year Financial Forecast for the years 2020–2029 and responded to questions. Action will be taken at the November board meeting.

**PRELIMINARY BUDGET**

Judie Persinger reviewed the preliminary 2020 Budget, highlighting various components of the budget. Trustees were encouraged to review the documents and to contact Mike Sims with questions. Action will be requested at the November board meeting on the final version.

**EXECUTIVE SESSION**

Tom McQuiston excused everyone except the Board of Trustees to discuss a personnel matter.

**CORRESPONDENCE**

Items of correspondence were received by the trustees.

**ADJOURNMENT**

There being no further items of business to discuss, the meeting was declared adjourned by Tom McQuiston, Chairman.

Respectfully submitted,

David Evans  
Secretary/Treasurer