

TELL CITY ELECTRIC DEPARTMENT
BOARD OF DIRECTORS
October 20, 2020

The Tell City Electric Department Board of Directors met at 4:00 P.M. All members were present. JB Land presided.

Superintendent Dixon was in attendance as was Paige Schank and Mack Cail for the Department.

A motion was made by Mr. Malone and seconded by Ms. Noble to approve the Agenda. Motion passed 6-0.

Minutes from the September 16, 2020 meeting were presented in written form. Being no corrections, Mr. Daum made a motion to approve the minutes, Mr. Kohnert seconded and the motion passed 6-0.

Committees

Human Resources: Mr. Dixon noted that Mack Cail's last day with the department is October 30, 2020. Mr. Cail will be retiring after more than 46 years working for Tell City Electric.

Financial Matters: The Financial Reports, Working Fund Report, Liquidity Report and Docket were presented and discussed. Mr. Poole motioned to approve the reserve transfers to the four reserve accounts: \$55,500.00 to the Operating Reserve, \$11,250.00 to the Expansion Reserve, \$1,700.00 to the Waupaca Substation Reserve and \$9,993.47 to the Loan Liquidation Reserve and the Docket. Mr. Daum seconded and the motion passed 6-0

Strategic Planning: Mr. Dixon stated there were no matters to report.

Current Business

Power Supply Report: A copy of the monthly report was distributed. The Department's cost per kWh in September is \$0.070609. Jasper's is \$0.0847440, Huntingburg's is \$0.0812260 and Troy's is \$0.0856910. A monthly comparison of charges from TCED and SIP to Waupaca Foundry Inc. was presented for the Board's review for the month of September consumption. TCED's cost to Waupaca for the September invoice was higher than SIP's charge to Waupaca by approximately \$24,000.

Ms. Noble made a motion, seconded by Mr. Daum at 4:11 P.M. to adjourn to Executive Session to:

Discuss matters related to personnel matters.

The motion passed 6-0.

At 4:52 P.M. Mr. Malone made a motion to adjourn the Executive Session and return to Regular Session. Mr. Kohnert seconded and the motion passed 6-0.

New Business

a. Request from Mayor Cail for Street Light Reserve funds to be applied to the replacement of City Hall Park light to energy efficient bulbs: Mayor Cail has requested funds from the Street Light

Reserve to change out the City Hall Park lights to LED bulbs, which would be more energy efficient than the current bulbs. The Street Light Reserve was created when TCED received an IMPA grant to change out street lights to be more energy efficient. The monies saved from these changes was put into an account by TCED for a certain time period, to later be used for energy efficient projects. The Department has utilized this reserve to replace the perimeter lights at the 601 Main Street office, replace the leaking hot water heater at 601 Main Street and HVAC replacement at the Waupaca substations. Motion was made by Mr. Daum and seconded by Ms. Noble to approve the use of the reserve account for the cost of the replacement bulbs, as provided by Mayor Cail and the associated labor for installation by TCED. Motion passed 6-0.

b. 2021 TCED Budget (Resolution – R201020A): Mrs. Schank provided the 2021 TCED Budget draft to the Board through their mailed Board packets. The budget as presented showed the following items: increase in IMPA purchase power by 3.85%, budgeted revenue after adjusted for COVID projections comes in \$800,000 less than prior year's budget, funding to reserves decreased by \$55,500, 0% blanket wage increase, capital projects cut by \$328,000 from prior year, bucket truck carried forward from 2020 budget. With these adjustments, the budget shows a cash surplus of \$16,000. The Department received requests from representatives of the "Employee Committee" the day prior to the Board meeting. There are both monetary and nonmonetary requests noted. At this time, the Department is unable to move forward on the monetary requests, but will discuss the nonmonetary requests with the employees. The Board noted that they would review the Department's financial standings at mid-year 2021 for revaluation of the requests. The budget was adjusted for the one-time contractor's contribution to the building inspector of \$10,000. Mrs. Schank will adjust the "outside services" general ledger account within the provided budget for this contribution. See further discussion regarding this contribution within the "other business" section of these minutes. With the \$10,000 contribution adjustment, the budget surplus shown on the budget file is \$6,728 for the year 2021. Mr. Malone made the motion to approve Resolution R201020A – TCED 2021 Budget as presented to the Board with the \$10,000 building inspector contribution included. Motion was seconded by Mr. Daum and the resolution was approved 6-0.

Other Business

a. Discussion on partial funding of the City Building Inspector Position: The Department received a letter from Mayor Cail, requesting that TCED fund 30% of the building inspector's salary and 30% of the part-time clerical position within the building and zoning department. The letter states that the 30% is based on the number of electrical permits given out by the building inspector. During the discussion, it was noted that the building inspector does not provide additional revenue to the electric department, outside of the new houses built, which does not amount to a material dollar figure each year. The electrical permits relate to work performed by the building inspector for the benefit of the customer, not the electric department. It was also noted that, though the electrical permits might equate to 30% of the total permits, they do not equate to 30% of the time and work performed for these positions. TCED reviewed the other nine positions within the City that the Department currently contributes to and noted that the average percent contribution was 17% of salary. It was also noted that other small electric municipalities do not contribute to the building inspector's salary, while larger ones that do, only contribute a small percentage such as 2.5%. As such, the Department suggests that a one-time contribution of \$10,000 be provided to the City to assist in funding the building inspector's position. This contribution is a professional fee/consulting service and the position will not be included on TCED's payroll. The 17% average percentage contribution was utilized in determining the one-time contribution figure. Motion to allocate \$10,000 within the budget for 2021 to the consulting services of the building inspector was made by Mr. Kohnert and seconded by Mr. Daum. Motion passed 6-0.

There being no other business, Ms. Noble made a motion at 5:22 P.M. to adjourn. Mr. Poole seconded; the motion passed 6-0.

Handwritten signature of J.B. Land in black ink.

J.B. Land, Chairman

Handwritten signature of Missy Noble in blue ink.

Missy Noble, Secretary

