

TELL CITY ELECTRIC DEPARTMENT  
BOARD OF DIRECTORS  
July 21, 2020

The Tell City Electric Department Board of Directors met at 4:00 P.M. All members were present except for Mr. Poole and Mr. Daum. JB Land presided.

Superintendent Dixon was in attendance as was Paige Schank for the Department. Mayor Cail was also in attendance.

A motion was made by Mr. Malone and seconded by Ms. Noble to approve the Agenda. Motion passed 4-0.

Minutes from the June 16, 2020 meeting and June 30, 2020 special meeting were presented in written form. Being no corrections, Mr. Kohnert made a motion to approve the minutes from both meetings, Mr. Malone seconded and the motion passed 4-0.

Committees

Human Resources: Superintendent Dixon reported that all open positions at the Department have now been filled. Dane Wheatley was hired as Jeff Bender's replacement in the meter technician position. Dane started with the Department on July 6<sup>th</sup> and is learning quickly.

Financial Matters: The Financial Reports, Working Fund Report, Liquidity Report and Docket were presented and discussed. Ms. Schank felt it was appropriate to resume transferring money into the four reserve accounts once again based on the cash balance on hand as of the meeting date. It was further noted that there was an increase in residential sales, contributed by warmer weather, in the month of May. Mr. Malone 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. Ms. Noble seconded and the motion passed 4-0.

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

Current Business

Power Supply Report: A copy of the monthly report was distributed for the month of June. The Department's cost per kWh in June is \$0.072171. Jasper's is \$0.0783580, Huntingburg's is \$0.0770420 and Troy's is \$0.0761910. A monthly comparison of charges from TCED and SIP to Waupaca Foundry Inc. was presented for the Board's review for the month of June consumption. TCED's cost to Waupaca for the June invoice was more than SIP's charge to Waupaca by approximately \$21,000.

Tracker Status – Conference call with John Wolfram, Catalyst Consulting: John Wolfram presented his recommendation to the Board regarding the use of the IMPA (ISC) tracker compared to an internally maintained tracker as developed by John and the Department. To simplify the tracker concept, it can be thought of as the additional rate TCED needs to charge its customers in order cover the cost of the purchase power used from IMPA to TCED. If the tracker is over collecting, this means there is positive gross margin on TCED billing over the price TCED pays to IMPA for the power used. This positive gross margin is needed in order to cover the remaining operational costs

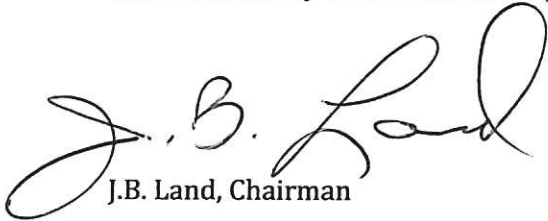
of the department. Mr. Wolfram recommended to the Board that the Department maintains the use of the current IMPA (ISC) tracker through the balance of the year 2020 while continuing to update the monthly, in house tracker. Mrs. Schank will provide the Board with a file showing the IMPA (ISC) tracker collections and the comparable tracker collections had the Department implemented the internal tracker. See the slide deck in the 'Board Materials' file for complete details of his presentation.

New Business

No new business was presented before the Board.

Other Business

Being no further business to come before the Board, a motion was made by Mr. Noble at 5:11 p.m. and seconded by Mr. Kohnert to adjourn the meeting. Motion passed 4-0.



J.B. Land, Chairman



~~Missy Noble, Secretary~~

JOE MALONE  
VICE-CHAIRMAN