

TELL CITY ELECTRIC DEPARTMENT
BOARD OF DIRECTORS
July 19, 2022

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

General Manager Andy Hicks was in attendance as was Paige Schank for the Department. No further guests were in attendance.

The Agenda was presented to the Board in written form. Mr. Hicks stated there were no changes to the agenda as presented. A motion was made by Mr. Malone and seconded by Mr. Daum to approve the Agenda. Motion passed 6-0.

Minutes from the June 21, 2022 meeting and the June 15, 2022 Special Meeting were presented in written form. Being no corrections, Mr. Poole made a motion to approve the minutes from June 21, 2022, Mr. Kohnert seconded and the motion passed 6-0. Being no corrections to the Special Meeting minutes from June 15, 2022, Ms. Nance made a motion to approve the minutes, Mr. Daum seconded and the motion passed 6-0.

Committees

Human Resources: Mr. Hicks stated nothing to report.

Financial Matters: It was noted that for the month of June, the Department saw a loss. The demand portion of our purchase power cost increased and was not offset by the increase in usage by the rate payers. The primary increase in usage was seen through the residential rate, which does not have a demand charge associated to the rate class. It was also noted that the tracker under collected by approximately \$35,000 for the month of May consumption, June financials. The Financial Reports, Working Fund Report, Liquidity Report and Docket were presented and discussed. 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. Mr. Daum seconded and the motion passed 6-0.

Strategic Planning:

i. Southwest Substation Update: TCED has received the 69KV breaker quotes and it is recommended by Spectrum Engineering that the 69 KV break is awarded to General Electric based on their quote and specifications within. The 15KV breakers came in over the \$150,000 state quote limit, and the Department only received two quotes. Per state guidelines, three quotes are required for items greater than \$150,000. Spectrum Engineering has already placed the 15KV breakers out for requote. The Department will have the quotes prior to the August Board meeting. The control building bidding process has been started and was published in the July 18, 2022 Perry County Newspaper.

Current Business

a. Power Supply Report: A copy of the monthly report was distributed. The Department's cost per kWh in June is \$0.075977, Jasper's is \$0.0876010, Huntingburg's is \$0.0884740 and Troy's is

\$0.0820450. 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 consumption (due in July) invoice was lower than SIP's charge to Waupaca by approximately \$21,000.

b. 2022 Cost of Service Study Update: The cost of service study was presented at the July 7th City Council meeting for approval. The Council passed the new rates, to be effective for July 1, 2022 usage. Mr. Feltner with The Prime Group is working on updating the rate book. The new rates were published to the Perry County News on July 18, 2022.

Mr. Malone made a motion, seconded by Mr. Poole at 4:23P.M. to adjourn to Executive Session to:

Discuss matters related to employee matters.

The motion passed 6-0.

At 4:49 P.M. Mr. Poole 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. Resolution R220719A – Operations Employees Compensation Review: In order to remain competitive to other local electric companies, Tell City Electric needs to review the compensation paid to the operations employees. These employees consist of the line crew, meter technicians, and associated supervisors. The Board reviewed wages from other electric companies, the current financial standings of the Department, and the operations employees' current wages to determine that a 4% wage increase is appropriate. This increase is effective July 31, 2022 at 12:01a.m. for the operations employees. The Board feels this increase is appropriate to maintain the experienced linepersons within the Department. Ms. Nance made the motion to approve Resolution R220719A. Mr. Malone seconded and the motion passed 6-0.


b. Resolution R220719B – Office Employees Compensation Review: In order to remain competitive to other local companies due to the increased cost of living and inflation rates, Tell City Electric needs to review the compensation paid to the office employees. The Board reviewed the current financial standings of the Department, the lack of wage movement in the prior two and a half years, and the office employees' current wages to determine that a 6% wage increase is appropriate. This increase is effective July 31, 2022 at 12:01a.m. for the office employees. Mr. Kohnert made the motion to approve Resolution R220719B. Mr. Poole seconded and the motion passed 6-0.


c. Resolution R220719C – General Manager Compensation Review: The Board reviewed the current financial standings of the Department, the current cost of living, inflation rates, and the overall performance of the general manager to determine that a 6% wage increase is appropriate. This increase is effective July 31, 2022 at 12:01a.m. Mr. Daum made the motion to approve Resolution R220719C. Mr. Kohnert seconded and the motion passed 6-0.

c. Resolution R220719D – Chief Financial Officer Compensation Review: The Board reviewed the current financial standings of the Department, the current cost of living, inflation rates, and the overall performance of the CFO to determine that a 6% wage increase is appropriate. This increase is effective July 31, 2022 at 12:01a.m. Mr. Malone made the motion to approve Resolution R220719D. Mr. Daum seconded and the motion passed 6-0.

Other Business

There being no other business, Ms. Nance made a motion at 4:53 P.M. to adjourn. Mr. Daum seconded; the motion passed 6-0.


J.B. Land, Chairman


Bob Kohnert, Secretary