

Regular meeting of the Board of
Directors of Decatur County
Rural Electric Membership
Corporation held July 28, 2022
at the headquarters facilities on
1430 W. Main,
Greensburg, Indiana at 6:30 p.m.

The meeting was opened by Chairman, Steve AmRhein, and Brian Scheidler, kept the minutes of the meeting.

All board members were present, also present was CEO Brett Abplanalp. Guests Clare Spreckelson and Sandy Nieman were present.

Upon motion made by Dale Wernke, seconded by Clay Nuhring, and carried, the agenda was approved.

Cool Moment

Clare Spreckelson Youth Tour Participant shared details about the DCREMC funded trip to Washington DC. Clare went over all the different monuments seen and people she met while on the trip.

The board went into Executive Session at 6:51 pm until 7:15 pm.

Safety Minute

Brett Abplanalp talked about traffic laws and safety for the crews by slowing down when orange signs are present, and crews are at work.

Approval of Previous Meeting Minutes

Upon motion by Dale Wernke, seconded by Suzanne Parmer, and carried, the minutes for the June 28, 2022, board meeting were approved unanimously with amendments.

Member Address Board

Sandy Nieman presented to the board her perspective on the annual meeting event and director election process.

CEO Update

Brett Abplanalp reported out focus areas from the past month and gave strategic company project updates. Brett Abplanalp reported out on June metrics. June's median temperature was flat to our five-year average with cooling degree days 1% below our five-year average. Our Hoosier purchased energy was down 1% compared to our five-year average with demand flat to our five-year average. Year to date energy sales to budget went from -3.3% under budget to -2.47%. There were no major storms for the month of June. Lost consumer hours were 60% below our 5-year average. The number of outages were 50 compared to our five-year average of 93. Outage causes for the month were "wind, not trees", then "trees – other."

Financial Update

Brett Abplanalp reported out on June's financials.

Balance sheet, net utility plant increased \$333,520 in June due to closing some of the construction work plan project work orders. Revenues are under YTD budget by \$193,299 but power costs are also under by \$296,596, resulting in a favorable gross margin of \$103,297 YTD. Controllable expenses are over budget \$303,979, mainly due to tree trimming being ahead of schedule. The cash flow statement shows a June

beginning balance of \$1,319,871 and we ended the current month with a net decrease in cash of \$567,337 resulting in an ending cash balance of \$752,534.

Director Compensation Study

Steve AmRhein went over the state survey results and no changes were made to director compensation.

Director Election Bio Formula

Brett Abplanalp reported that several years ago, DCREMC created a template for director and nominating committee candidate biographies. This was done to provide consistency and fairness to all candidates. There have been times when candidates have wanted to deviate from the template. Management would like the board to establish guidelines in a policy. This will allow the board to use their fiduciary duty of care and loyalty to ensure candidates represent the company and industry without negative connotations on employees and the company. It will then allow management to carry out the standards the board creates to continue uniformity and impartiality for all candidates.

Policy/Bylaws Reviews & Report Outs

The following policies were reviewed by the board: Policy 10-5: Employee Vacations, Policy 10-8: Employee Education and Policy 4-8: Adequate Rate Levels. The redline changes were to change the title from General Manager to CEO. Upon motion made by Jeff Lawrence, seconded by Carl Riedeman, the changes passed unanimously.

Board Strategic Initiative – Board Governance

Steve AmRhein referred the board back to meeting minutes and the resolution where the board agreed from strategic planning to complete a board competency report and board self and external assessment report. He asked the board for support to complete this commitment.

Affiliated Organizations

Hometown Energy

Brian Scheidler discussed that prices have been set for this heating season. The next meeting will be in January 2023.

Hoosier Energy Board/Committee Updates

Jason Barnhorst discussed the industry pressures on fuel cost and the energy market prices.

Upon motion made by Clay Nuhring, seconded by Suzanne Parmer and carried, the meeting was adjourned to executive session at 9:00 p.m.

Brian Scheidler, Secretary

Attest: _____
Steve AmRhein, Chairman