

Regular meeting of the Board of
Directors of Decatur County
Rural Electric Membership
Corporation held June 22, 2021
at the headquarters facilities on
1430 W. Main,
Greensburg, Indiana at 6:30 p.m.

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

All board members were present with Brian Scheidler attending virtually. Also present was CEO, Brett Abplanalp, Legal Counsel, Robert Wickens and employees Matt Raver and Crystal Greathouse.

Steve AmRhein opened by welcoming Clay Nuhring as a newly elected Director and publicly thanked all Decatur County REMC employees along with the outside REMCs that helped restore power during the June 18 storms.

Upon motion made by Steve AmRhein, seconded by Dale Wernke, and carried, the agenda was approved with amendments.

Safety Minute & Cool Moment

Brett Abplanalp shared a “cool moment” thanking employees, their families, our co-op friends, all the first responders and volunteers who helped aid in the storm. He shared there were ten Facebook updates during the outage for our members which resulted in 48,880 impressions during the time of the restoration. Brett was quoted, “It was a fantastic effort by our entire team! Excellent dispatching and planning, safe and efficient execution by our crews, tremendous communication effort, and wonderful support from our community partners, first-responder agencies, local media, and our members.”

For a safety moment, Brett Abplanalp shared a message received by a member during our restoration process. The member questioned why the REMC employee out scouting the lines couldn't just replace the fuse blown at his transformer and restore his power immediately. Brett explained that the outage restoration process is very detailed – planned, targeted to restore the greatest number of meters out first and then work around the system. It is extremely important that we have designated, trained individuals running out lines to find problems and issues before linemen repair, restore power. A tree or line could be down, further down the line and not knowing.... could cause a fatality. Linemen, groundmen, engineers, meter techs, CEOs, etc. all have specific training and capabilities. There are limitations to what certain roles can do. We will never jeopardize the safety of our employees, members, or community in order to restore an outage faster... we will ALWAYS operate safely – without compromise.

Approval of Previous Minutes

Upon motion made by Dale Wernke seconded by Jason Barnhorst, and carried, the minutes for the May 27, 2021 board meeting were approved.

Election of Officers

Robert Wickens led the elections of board officers.

First office was Chairman:

Suzanne Parmer nominated Jeff Lawrence with Carl Riedeman seconding.

Jason Barnhorst nominated Dale Wernke with Brian Scheidler seconding.

The vote was done by secret ballot and was a four-to-four tie.

Second round of voting was also a four-to-four tie.

Jeff Lawrence made a motion to allow the Vice Chairman, Steve AmRhein to be the acting Chairman, and Secretary, Brian Scheidler remain acting, and table all officer elections for a month. Carl Riedeman seconded and carried; the motion was approved.

Jason Barnhorst asked the two candidates to submit in writing why they should be the Chairman.

CEO Update

The CEO report was reviewed as presented on Call to Order.

Brett Abplanalp reviewed the CEO report, project updates and company metrics as presented on CTO.

We completed strategic project priority number 2: Front Lobby Security Risk Mitigation.

Management is summarizing our findings and will begin working with our facilitator on our vision retreat as well as strategic offsite.

May was 5.7% cooler than our five-year average with heating degree days up 40% and cooling degree days down 28% from the five-year average.

Our Hoosier purchased energy was one percent lower than the five-year average with demand being flat from the five-year average. Energy sales went from 1.24% under budget to 1.5% under.

There were no major storms for the month of May. Lost consumer hours and the number of outages were well below the five-year average. Outage causes for the month were “maintenance”, then “unknown.”

Our 30/60/90-day A/R past due was well under the five-year average. We completed four crews audits with the end of year goal being 20. Three safety improvement ideas have been put in place YTD.

Financial Update

Matt Raver reviewed the financials as presented on CTO.

Revenues are under YTD budget by -5.3% but power costs are also under by -8.6%, resulting in a gross margin above budget of 3.2% YTD.

Our kWh sales are 1.5% behind budget.

Controllable expenses are under budget -13.4%. Many differences are due to timing & can be expected to appear as the year progresses.

At the end of May, our operating margins are \$419,769 ahead of budget.

Cost of Service Scope

There was discussion regarding which consultants to use and the desire to bid the work out to five contractors. The board consensus was to move forward bidding the COSS scope as presented with just the work, not the consultant.

Community Trust Nominations

Steve AmRhein asked if Carl and Suzanne had appointments for the trust.

They will have names by next meeting.

Policy/Bylaws Reviews & Report Outs

The board discussed the recommendations to remove the 30-month true up requirement on the line extension policy in R&R rule 25.

Board consensus was to not make the change at this time and requested more data from extensions in process today.

Election Follow-up

Follow-up from the election was discussed from May's board meeting. It was noted by the Chairman that the election process is decided by the board and was approved by the board. It is not a nominating committee duty per our bylaws and legal counsel. The election of district five and six is being contested

by five members, a letter was forwarded to the Chairman and the Credentials and Election Committee. The contested election is from the five members who submitted the letter not the candidates.

Hoosier Energy Board/Committee Update

Jason Barnhorst stated there is no June board meeting, but he was attending a Finance and Audit Committee meeting on June 23.

IEC Board/Committee Update

Steve AmRhein stated the next IEC board meeting is scheduled for June 30.

Upon motion made by Jason Barnhorst, seconded by Jeff Lawrence and carried, Policy 2-7: Members Access to Board Meetings was updated to strike the requirement to notify the REMC if planning to attend a board meeting and not address the board.

Upon motion made by Jeff Lawrence, seconded by Clay Nuhring and carried the meeting was adjourned. The meeting was ended at 8:07 p.m.

Brian Scheidler, Secretary

Attest: _____
Steve AmRhein, Vice-Chairman