

Minutes of the
Decatur County REMC
Regular Meeting of the Board of Directors
February 25th, 2020
1430 W Main ST.
Greensburg, IN at 6:30 p.m.

Chairman Steve AmRhein called the meeting to order at 6:30 p.m., and Michael Brelage kept minutes of the meeting.

All members of the board were present. Also present were DCREMC CEO Brett Abplanalp and DCREMC staff members Jennie Meyer, and Crystal Greathouse.

Upon motion by Dale Wernke, seconded by Jeff Lawrence, and carried, the agenda of the meeting was approved.

Crystal Greathouse reported that ETC will be installing some security updates. She also requested the use of funds to improve the drive through and to enhance the member experience. The request received no objections.

The power tracker was then discussed. Jeff Lawrence presented a motion to remove the updated power tracker calculation and replace it with a straight pass through method. The updated tracker was passed by the entire board in the December's board meeting and was developed by our rate consultant. It was explained that based on April through December's 2019 billing that DCREMC under collected power cost for many classes and the updated tracker is designed to correct this and not allow DCREMC to collect margin on power cost. The motion failed to get a second.

The financial report was given by Jennie Meyer and reviewed as presented on Call to Order. Revenues were below budget in January mainly due to warm weather. The financials were accepted by the board as presented and filed for audit.

Prepayment of loans was discussed by the board. Current, the FFB does not have loans

available to refinance existing loans and Abplanalp is checking into CoBank and CFC loans for refinancing. However, currently with prepayment penalties and interest rates it is not looking like a viable option. Jeff Lawrence then motioned to pay off five (5) loans at a total of \$519,159.17. It was discussed that the funds that would be used are already designed for our construction work plan and if used, we will either have to borrow to cover this or continue to push off needed plant investment. It was noted by another member that there may be a bigger need to return Capital Credits as our equity number continues to rise and it cost members more for us to use their money as compared to using low interest loans. The motion did not receive a second.

A motion was made by Jeff Lawrence seconded by Jason Barnhorst, and carried, approving the consent agenda by unanimous vote.

New and Rescinded Members

CEO Abplanalp reported the website is up and running but they are still debugging it as issues arise. He has also been working to hire a new financial Finance and Accounting Manager and hopes to have a hire shortly. The Value and Mission event was completed which was an important event for the REMC last month. Abplanalp also reported that due to many fiber projects in the area Chris Gallaway is very limited on time to engineer other parts of the construction work plan.

The dashboard review showed that due to warm weather in January, demand was down 8.7% and usage was also down 6.4%. Outages were down for January when compared to our four-year average.

During project reviews, it was reported that the pole replacement project will start in March.

Hoosier Energy is in process of executing their energy portfolio transformation.

IEC Director, Steve AmRhein reported that IEC is still looking at facility options as their current lease ends in 4 years. They also discussed employee benefits, and the youth tour.

Old Business:

Abplanalp reported that the new Finance and Accounting Manager will be working to develop an Equity Ratio Target for the REMC.

On a motion by Jeff Lawrence and seconded by Carl Riedeman 5 nominating committee candidates were approved.

New Business:

Abplanalp discussed the employee satisfaction survey, noting that the overall survey is up over 110% since 2017. He highlighted this accomplishment was extraordinary and that every employee played a huge part in this accomplishment. Abplanalp also noted that the culture has shifted; one team working together, employees have input and are being heard, strategic execution and focus on board/employee strategic initiatives and communication.

Abplanalp then presented his and the REMC's 2020 Goals. This was tabled for approval at a future meeting.

On a motion by Dale Wernke seconded by Brian Scheidler the values of "Trustworthiness, Community, Service, Responsibility, and Family" were approved on a 5-0 vote with 2 members abstaining.

On a motion by Jason Barnhorst seconded by Michael Brelage and passed Policy 3-3 Statement of Function of Nominating Committee was updated as redlined.

Jason Barnhorst was nominated as the Hoosier Director by Brian Scheidler seconded by Jeff Lawrence and elected.

Dale Wernke was nominated as Hoosier Annual Meeting Delegate by Jason Barnhorst seconded by Jeff Lawrence and elected.

Upon a motion made by Michael Brelage and seconded by Dale Wernke the meeting was adjourned to executive session at 8:15 p.m.

Michael Brelage, Secretary

Attest: _____
Steve AmRhein, Chairman