

Regular meeting of the Board of  
Directors of Decatur County  
Rural Electric Membership  
Corporation held January 27, 2022  
at the headquarters facilities on  
1430 W. Main,  
Greensburg, Indiana at 6:30 p.m.

The board acted through email to approve a side letter of agreement between Decatur County Rural Electric Membership Corporation and the International Brotherhood of Electrical Workers, Local 1393 (AFL-CIO) dated December 22, 2021.

The meeting was opened by Chairman, Steve AmRhein, and Brian Scheidler kept the minutes of the meeting. All board members were present. Also, present were CEO, Brett Abplanalp, and employees Matt Raver, Crystal Greathouse, Jeanne Loechle, Jennie Meyer, and Pat Nobbe. Upon motion made by Jeff Lawrence, seconded by Carl Riedeman, and carried, the agenda was approved with “needs action” removed from item seven and the request to document the board’s budget recommendations.

#### Member Request to Address the Board

The board moved to executive session for this portion of the meeting.

The board then came out of executive session and back into general session.

#### Safety Minute and Cool Moment

Brett Abplanalp acknowledged the winner of Hoosier Energy’s Daniel L. Schuckman Memorial Scholarship and then DCREMC’s employee Brian AmRhein was awarded the Distinguished Service to Safety Award from Indiana Electric Cooperatives for his extraordinary actions and dedication to safety. The safety minute was around the dangers of cutting trees.

#### Approval of Previous Meeting Minutes

Suzanne Parmer made the motion to approve the minutes from the December 21, 2021 board meeting with amendments, Jeff Lawrence seconded and the motion passed unanimously.

#### 2022 Budget

Discussion on the 2022 budget.

#### Educational

Brett Abplanalp and his staff reviewed the 2020 metrics including the key ratio trend analysis (KRTA) for the business. Outages are trending in the right direction, which is contributed to the vegetation management program. Our total controllable expenses are 17% under the states average, and our equity as a percent of assets is 4.8% higher than the states average. These

financial and the long-term debt plan require DCREMC to have an operating margin 40% higher than the states average.

#### CEO Update

Brett Abplanalp reviewed CEO report as posted on CTO.

Strategic planning was complete with management and board on Dec 15-16.

Developed teams for our strategic initiative and started the teamwork.

Drafted 2022 projects and goals, hope to have them completed by February's board meeting.

#### Metrics Reviews

The December median temperature was 24% over our five-year average with heating degree days 25% below our five-year average.

Our Hoosier purchased energy was 8.3% under our five-year average with demand 8.5% lower than our five-year average. Year to date energy sales went from 1.75% under budget to 2.07% under in December.

There was a major storm on December 11 due to 50 mph+ winds. Our T(Med) was 49 with the major storm threshold being 30.

Lost consumer hours were 9,640 hrs with the December 5-year average at 1,746 hrs. The number of outages was 94 compared to our five-year average of 29. Outage causes for the month were "major storm", then "small animals or birds."

Our 30, 60 & 90 day past due AR continue to be well under our 5-year averages.

We have generated 16 near misses or safety suggestions and implemented 13 corrective actions year to date. We fell short of our goal of 20 crew audits at 7 completed in 2021.

#### Financial Update

Matt Raver reviewed the financials as presented on CTO.

Revenues finished the year under budget by -5.5% but power costs are also under by -8.3%, resulting in a gross margin above budget of 2.1%. Our kWh sales finished 2.07% behind budget.

Controllable expenses finished under budget by -1.7%. Our operating margins are \$351,513 ahead of budget.

#### Strategic Initiatives

Brett Abplanalp presented the process and recommended strategic initiatives. Upon Motion made by Jason Barnhorst, seconded by Dale Wernke and carried. The resolution for the strategic plan was passed unanimously.

#### Final Annual Meeting Plans

Brett Abplanalp presented updated recommendations based on prior board discussion.

#### Election:

Survey and Ballots Systems (SBS) preferred election vendor with early online/SmartHub/mail voting options.

Onsite voting at the member event on 6/17 (3-6 pm) with SBS representative onsite to tabulate votes consistent with SBS process - nominating committee and attorney can be present. Onsite votes will be tabulated at the drive thru event. Those results will remain confidential and given to the attorney to transport to DCREMC where Nominating Committee, SBS and attorney will meet in the boardroom to declare the election winners.

#### Event:

Drive thru at Greensburg Elementary School (3-6 p.m.) with various engagement/entertainment opportunities along the route. Chic-fil-A bag meal will be given with a \$10 bill credit for those who register at the event (through the drive-thru). The business meeting will be virtual and start at 7:00 p.m.

#### Policy/Bylaws Review

##### Policy 1-8 Director's Fees and Expenses

Jeff Lawrence made the motion to remove II D and any mention of D. Suzanne Parmer seconded and the motion passed unanimously.

##### Policy 10-18 Employee Drivers

Clay Nuhring made the motion to approve the redlines. Suzanne Parmer seconded, and the motion passed unanimously.

##### Policy 1-10 Director Code of Ethics and Oath of Office

Suzanne Parmer made the motion to approve the redlines. Jeff Lawrence seconded, and the motion passed unanimously.

#### Hoosier Update – Jason Barnhorst

Jason Barnhorst presented updates of the January 18 board meeting and the Merom site options were discussed. Hoosier CEO will be coming to DCMREC in March. The annual meeting is on April 7<sup>th</sup> in French Lick.

Upon motion made by Jeff Lawrence seconded by Carl Riedeman, and carried, the meeting was adjourned to executive session at 8:02 p.m.