

Regular meeting of the Board of
Directors of Decatur County
Rural Electric Membership
Corporation held September 23, 2021
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 CEO, Brett Abplanalp, and employees Matt Raver, Crystal Greathouse, Jennie Meyer, Pat Nobbe and Chris Gallaway. Guest speakers were Brian Christenberry with IEC and auditor for Monroe Shine, Chris Hawkins.

Upon motion made by Jason Barnhorst, seconded by Jeff Lawrence, and carried, the agenda was approved.

Financial Audit from Monroe Shine

Chris Hawkins presented the findings of the audit. The financial statement disclosures are neutral, consistent, and clear.

Upon motion by Dale Wernke, seconded by Suzanne Parmer and carried, the audit was approved.

Education - Brian Christenberry of IEC shared the success stories of broadband in Indiana.

Broadband Feasibility discussion

After discussing broadband needs in our area it was decided that a feasibility study would be a good starting point.

Upon motion by Jeff Lawrence, seconded by Clay Nuhring and carried, the board requests three quotes for a broadband feasibility study.

2022 CWP Capital Budget

Pat Nobbe and Chris Gallaway presented part of the construction work plan (CWP) for 2022. In order to get bids to contractors in a timely manner and be able to have the work completed in 2022 it was necessary to present the CWP now instead of in December with the rest of the 2022 budget.

Upon Motion by Jason Barnhorst, seconded by Jeff Lawrence and carried, \$1,637,250 for the 2022 CWP budget was unanimously approved.

Approval of Previous Meeting Minutes

Dale Wernke made the motion to accept the August 26, 2021 Board Meeting minutes, Suzanne Parmer seconded, and the minutes were approved.

CEO Update

Brett Abplanalp reviewed CEO report, project updates and company metrics as presented on CTO. Strategic project to update policy 11-1 and R&R for facility credits was completed.

Worked through the IEC health trust refund.

August median temperature was 4.4% above our five-year average with cooling degree days 38% above our five-year average.

Our Hoosier purchased energy was flat from our five-year average with demand 1.2% higher than our five-year average. Year to date energy went from 1.36% under budget to 1.1% under. Retail sales were up for residential and continue to be under budget for our industries.

There was no major storm for the month of August. Lost consumer hours were 86% below our 5-year average. The number of outages was at 45 compared to our five-year average of 55. Outage causes for the month were “trees”, then “lightning.”

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

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 -7.56%, resulting in a gross margin above budget of 0.9% YTD. Our kWh sales are 1.1% behind budget. Controllable expenses are under budget -11.8%. Our operating margins are \$534,040 ahead of budget.

Brett Abplanalp discussed with the board that lead times for 3-phase transformers has increased and DCREMC has no spares onsite for certain transformers.

The recommendation to the board was to purchase reworked inventory spares to mitigate the risk.

A board members asked if we could utilize some of the larger transformers in place of a smaller units to reduce the total amount to purchase. The team will investigate.

IEC Board Representative Election

Dale Wernke nominated Steve AmRhein to be the IEC board representative. There were no other nominations. Nominations were closed.

Upon motion made by Jason Barnhorst, seconded by Suzanne Parmer and carried Steve AmRhein was elected IEC board representative.

IEC Annual Meeting Voting Delegate

Jason Barnhorst nominated Clay Nuhring to be the IEC annual meeting voting delegate. There were no other nominations. Nominations were closed.

Upon motion made by Jason Barnhorst, seconded by Jeff Lawrence and carried Clay Nuhring was elected IEC annual meeting voting delegate.

Policy review

Redlines were presented for Policy 1-8 Director’s Fees and Expenses.

Upon motion by Clay Nuhring, seconded by Carl Riedeman and carried, Policy 1-8 II B is removed and added “New directors will earn their first retainer the month after their election.” to II C .

Board Meeting Change Request

Steve AmRhein requested to change the November 2021 board meeting from the 25th to the 23rd.

Upon motion made by Dale Wernke, seconded by Jeff Lawrence, and carried, the November 2021 meeting was moved to the 23rd.

Hoosier Energy Board/Committee Update

Jason Barnhorst reported out on Hoosier Energy updates.

Upon motion made by Jason Barnhorst seconded by Jeff Lawrence, and carried, the meeting was adjourned to executive session at 10:10 p.m.