

Regular meeting of the Board of
Directors of Decatur County
Rural Electric Membership
Corporation held October 28, 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 and Crystal Greathouse.

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

ACRE/FORE Presentation

Alexandra Jones with IEC spoke about the importance of ACRE/FORE and the lobbying work that they do for coops in the state.

Member Request to Address Board

The meeting was moved to executive session at 6:50 p.m. The meeting came out of executive session at 6:56 p.m. Jeff Lawrence made the motion to have Brett Abplanalp leave for this portion of the meeting, Carl Riedeman seconded, the vote was 4-4 and the motion died. The meeting was moved back into executive session at 6:57p.m. The meeting came out of executive session at 7:15p.m.

Cost of Service Study Bids

Bids from five companies were presented to the board to complete a cost of service study. The bids are confidential so the companies are listed 1-5. Suzanne Parmer made the motion to go with company 3, Carl Riedeman seconded, but after some discussion Suzanne Parmer rescinded her motion. Jeff Lawrence made the motion to go with company 1, Carl Riedeman seconded and the motion passed unanimously.

Align Audit with 990

Suzanne Parmer had previously requested that the board look into aligning the financial audit with the form 990. The board was presented with three options and the understanding that it was originally not aligned due to additional cost of the audit. Suzanne Parmer made the motion to change the annual audit from May 31st to December 31st and to review the audit firm to be used, Jeff Lawrence seconded, and the motion passed unanimously.

Broadband Feasibility Bids

The board was presented with three confidential bids which were referred to as company 1-3. Jason Barnhorst made the motion to accept the bid from company 1, Clay Nuhring seconded and the motion passed unanimously.

Safety Min & Cool Moment

Brett Abplanalp mentioned the success of the solar workshop put on October 5th. A safety minutes was given on deer hunting stand safety.

Approval of Previous Meeting Minutes

Dale Wernke made the motion to approve the minutes from the September board meeting, Suzanne Parmer seconded, and the motion passed unanimously.

CEO Update

Brett Abplanalp reviewed CEO report as posted on CTO.

Brett Abplanalp reported the following:

- Completed project priority 10, implement design guidelines to reduce design rework and implement lessons learned
- Completed the COSS bidding process and drafted a recommendation for the October board meeting
- We concluded the business case for the “Beat the Budget” idea of bringing ROW in house. We determined there is no savings to bring it in house.
We are still evaluating the pros and cons to determine if there is value to have FTE as opposed to contractors.

September median temperature was 1.6% under our five-year average with cooling degree days 12% under and heating degree days 8% above our five-year averages.

Our Hoosier purchased energy was 6% under our five-year average with demand 4% lower than our five-year average.

Year to date energy sales went from 1.1% under budget to 1.52% under. Retail sales were up for residential and commercial and continue to be under budget for our industries.

There was no major storm for the month of September. Lost consumer hours were 55% below our 5-year average. The number of outages was 57 compared to our five-year average of 33.

Outage causes for the month were “trees”, then “trees not in ROW.”

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

We have generated 13 near misses or safety suggestions and implemented 10 corrective actions year to date.

Financial Update

Matt Raver reviewed the financials as presented on CTO.

Matt Raver reported out the following:

There was not a lot of significant change in Net Utility Plant for September.

Revenues are under YTD budget by \$1,466,113 but power costs are also under by \$1,517,936, resulting in a gross margin above budget of \$51,822 YTD.

Controllable expenses are under budget \$573,002. At the end of September, we are projecting Total margins to be \$1,462,024 or \$694,544 ahead of budget.

At the end of September, we are projecting Total Operating margins to be \$1,297,992 or \$657,312 ahead of budget.

The Cash Flow statement shows a September beginning balance of \$2,543,501 and we ended the current month with a Net Decrease in cash of \$135,377 resulting in an ending cash balance of \$2,408,124.

Transformer Inventory Ask

The need to order transformers due to extended lead times was presented to the board. Dale Wernke made the motion to purchase four transformers with three more to be purchased in 2022, Carl Riedeman seconded, and the motion passed unanimously.

Policy Review

Policy 2-7, Member Access to Board Meeting was reviewed with redlines that added back language that was inadvertently removed regarding members needing to fill out paperwork if they wish to address the board. Jason Barnhorst made the motion to accept the redlines, Clay Nuhring seconded and the motion passed unanimously.

December Board Meeting Date

Jason Barnhorst made the motion to move the December meeting to the 21st, Jeff Lawrence seconded and the motion was approved unanimously.

Capital Credit Retirement Resolution

Jeff Lawrence made the motion to retire the capital credits for the remainder of 1994 (\$139,158), \$200,000 from 1996 and \$290,000 from 1997, Brian Scheidler seconded and the motion passed unanimously.

Hoosier Energy Board/Committee Update

Jason Barnhorst reported out on Hoosier Energy updates. Next month they will review the generation portfolio, the closing of Merom, retirements, and the how to handle stranded cost recovery and decommissioning costs for Merom. Hoosier is still on track for the wholesale rate reductions which have been mentioned previously.

IEC Board/Committee Update

Steve AmRhein reported out on IEC updates. There was a strategic event that will be reported on next month with results.

Upon motion made by Jason Barnhorst seconded by Jeff Lawrence, and carried, the meeting was adjourned to executive session at 9:24 p.m.