

Regular meeting of the Board of  
Directors of Decatur County  
Rural Electric Membership  
Corporation held February 24, 2022  
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, Jason Barnhorst was present virtually. Also, present CEO, Brett Abplanalp, and employees Matt Raver, and Pat Nobbe. Rachel Sullivan and Crystal Greathouse was present virtually.

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

#### Meter Pole Discussion – Pat Nobbe

Various real world condemned meter pole scenarios were presented and discussed. There are many different configurations and solutions to consider with very few of them being the same. Brett Abplanalp presented some project barriers and asked if the board would support the team's recommended next steps.

#### Approval of Previous Meeting Minutes

Upon motion by Dale Wernke, seconded by Suzanne Parmer, and carried, the minutes for the January 27, 2022 board meeting and the February 1, 2022 special board meeting were approved with a unanimous vote.

#### CEO Update

Brett Abplanalp reported out the following:

Completed company training on active shooter and CPR & First Aid.

We completed creating our 2022 company goals and filtering them down to management goals. These goals have been loaded in our performance management system.

Our strategic initiative teams have met and are in the process of brainstorming. I communicated to the teams we would like to present out to the board what projects have been developed during our September board meeting. This may be a first draft but will give the board some idea of each team's direction.

January median temperature was 14.4% below our five-year average with heating degree days 11.5% above our five-year averages.

Our Hoosier purchased energy was flat to our five-year average with demand 0.5% lower than our five-year average. Year to date energy sales is 2.8% under budget.

There was no major storm for the month of January. Lost consumer hours were 55% below our 5-year average. The number of outages was 20 compared to our five-year average of 37. Outage causes for the month were "scheduled", then "trees not in ROW."

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

#### Financial Update

Matt Raver reported out the following:

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

Revenues are under YTD budget by \$113,076 (-3.4%) but power costs are also under by \$35,544 (-1.5%), resulting in a gross margin below budget of \$77,531 (-7.5%) YTD.

Controllable expenses are under budget \$123,125 (-21.8%). Operating margins are ahead of budget by \$48,750 (21.7%).

The Cash Flow statement shows a January beginning balance of \$1,496,571. We ended the current month with a Net increase in cash of \$351,471 resulting in an ending cash balance of \$1,848,042.

### Budget Approvals

a. InSite Conference Presentation Opportunity

Brett Abplanalp presented an opportunity to share DCREMC's successes in improving member engagement. This would allow us to build relationships and connections with cooperatives across the nation focused on member engagement and present a learning opportunity to see what others are doing and what has worked for them.

Brian Scheidler made the motion to approve the addition to the budget, Dale Wernke seconded, the motion failed with a tie vote.

b. Union Side Letter

Clay Nuhring made the motion to approve the addition to the budget, Jeff Lawrence seconded, the motion passed with a unanimous vote.

### Hoosier Board and Delegate

Dale Wernke nominated Jason Barnhorst to be the Hoosier Board Director, Brian Scheidler seconded and Jason Barnhorst was elected with a unanimous show of hand vote.

Suzanne Parmer nominated Steve AmRhein to be the Hoosier voting delegate, Clay Nuhring seconded and Steve AmRhein was elected with a unanimous vote.

### NRECA Annual Meeting Delegate

Brian Scheidler nominated Jason Barnhorst, Clay Nuhring seconded and Jason Barnhorst was elected with a unanimous vote.

### CRC Voting Delegate

Clay Nuhring nominated Jeff Lawrence, Carl Riedeman seconded and Jeff Lawrence was elected with a unanimous vote.

### 2022 Company Goals

Dale Wernke made the motion to approve the company goals, Jeff Lawrence seconded and the motion passed unanimously.

### Loan Restructuring Recommendation

Matt Raver covered several options to restructure some construction loans. After some discussion Jeff Lawrence made the motion to pay off RUS loans 26-1, 26-2, and 26-3 out of cash reserves totaling \$249,500 and to revisit replacing that cash with new FFB loans once the work is completed to secure the funds, Suzanne Parmer seconded, and the motion passed unanimously.

Jeff Lawrence made the motion to authorize the borrowing of \$1.5 million for thirty years against the construction work plan through FFB if interest rates go to 2% or lower, Carl Riedeman seconded, and the motion passed unanimously. For future debt restructuring.

Board Governance Strategic Initiative

Steve AmRhein discussed the board assessment and the quotes he received.

Steve asked for agreement on who to move forward with in April's board meeting.

Policy/Bylaws Reviews & Report Outs

Legal Consultant & Policy 1-6

Clay Nuhring made the motion to approve Brian Garrisons legal counsel for the board, Jeff Lawrence seconded, and the motion failed with a tie vote. The board agreed to have firms present to the board at a later time.

IEC Update – Steve AmRhein

At the last meeting the discussion was around the strategic event. Broadband and electric vehicles were discussed. There was a committee meeting concerning relocating the IEC offices.

Hoosier Energy Update

Brett Abplanalp presented the history and process that drove Hoosier's generation portfolio change, the new rate structure that will be in effect April 2023 and wholesale rate outlook.

Upon motion made by Clay Nuhring, seconded by Jeff Lawrence, and carried, the meeting was adjourned to executive session at 10:41 p.m.

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Brian Scheidler, Secretary

Attest:

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Steve AmRhein, Chairman