

Regular meeting of the Board of
Directors of Decatur County
Rural Electric Membership
Corporation held August 26, 2021
at the headquarters facility 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 with Jason Barnhorst attending virtually. Also present was CEO, Brett Abplanalp, and employees Matt Raver and Crystal Greathouse and guest speaker Larry Feltner.

Upon motion made by Dale Wernke, seconded by Brian Scheidler, and carried, the agenda was approved.

Member Request to Address Board

Jennifer McNealy, a member, addressed the board on the following topics:

1. Election procedures – she didn't like how it was done in the past when you had to be present to vote, she likes utilizing a third party to count ballots because it's non-biased and best practice, she also added that the board must listen to all members not just the nominating committee, lastly if votes come in after the deadline, then they should not be counted.
2. Transparency – she likes the videos online and stated all meetings should be done the same way
3. Future of the cooperative – she asked directors to understand their districts, she spoke about educating the community and last, asked the directors to work together and with the staff.

Education

Larry Feltner with the Prime Group gave a presentation on cost-of-service studies.

Election of Officers

Don Wickens led the election for chairman tabled from June's board meeting where Jeff Lawrence and Dale Wernke were nominated. After voting three times and each resulting in a 4-4 tie the election was once again tabled.

Approval of Previous Meeting Minutes

Suzanne Parmer made the motion to accept the June board meeting, Jeff Lawrence seconded, and the minutes were approved.

Dale Wernke made the motion to accept the regular July board meeting, Brian Scheidler seconded, and the minutes were approved.

Suzanne Parmer made the motion to accept the July special board meeting minutes, Jeff Lawrence seconded, and the minutes were approved.

CEO Update

Brett Abplanalp reviewed CEO report as posted on CTO.

RESAP certification was completed, Q3 risk management meeting was held, 2021 employee survey was completed, and capital credit checks/credits were issued.

The team completed project priority seven (7): CI Performance Evaluation Tool, with the implementation of Threads software in 2022.

Brett Abplanalp then reviewed monthly metrics as posted to CTO. July median temperature was just under our five-year average with cooling degree days right at our five-year average. Our Hoosier purchased energy was 2.4% lower than the five-year average with demand just below the five-year average. Year to date energy sales went from 1% under budget to 1.36% under. There was no major storm for the month of July. Lost consumer hours ended up at 3,333 compared to a 5-year average of 4,104. The number of outages was at 78 compared to our five-year average of 70. Outage causes for the month were “trees”, then “trees not in ROW.” We have generated 12 near misses or safety suggestions and implemented 10 corrective actions year to date.

Financial Update

Matt Raver reviewed the financials as presented on CTO.

Revenues are under YTD budget by -5.4% but power costs are also under by -7.9%, resulting in a gross margin above budget of 1.4% YTD. Our kWh sales are 1.5% behind budget. Controllable expenses are under budget -11%. At the end of July, our operating margins are \$469,384 ahead of budget. Brett Abplanalp also mentioned our right-of-way contractor is off track with what was bid out for 2021.

Risk Management Plan Report 2021 Q3

Brett Abplanalp went over what risks were mitigated and closed as well as the ten new ones. Management believes we have mitigations in place to operate at an acceptable risk level. We have identified some projects that will need to be resourced and discussed in our budget review and potentially become 2022 projects.

Community Trust Nominations

Carl Riedeman made a motion to approve the nominations brought to the board, Suzanne Parmer seconded, the motion was approved.

Strategic Planning Input Reports

Brett Abplanalp submitted the Community Immersion report and OPs Review report to the board as an input into strategic planning later in the year.

Employee Satisfaction Survey Results

Brett Abplanalp reviewed employee satisfaction survey results for 2021.

The results show a 159% improvement since 2017 and a 9.2% improvement over 2020.

Direction on options for Veterans Way line extension

There was discussion on the options that management put forward for the Veterans Way line extension. Upon motion made by Suzanne Parmer, seconded by Jeff Lawrence, and carried, the following will apply to the Veterans Way line extension which include Whitaker shop and pizza restaurant:

- material overhead and labor overhead cost will be exempt
- the revenue credit will be extended from policy of 30 months to 60 months.

Policy/Bylaws Reviews & Report Outs

Redline changes on facility credits were reviewed as posted to CTO on Policy 11-1: Relocating REMC Facilities & Lines and Rules & Regulations, Rule 25: Extension of Distribution and Service Lines.

Upon motion made by Suzanne Parmer, seconded by Clay Nuhring, and carried, the redline changes along with “and benefit” added after the word “accommodate” were approved. Line Extension True-up Long Term and Policy 1-8 Director’s Fees and Expenses were reviewed. No action was taken.

Broadband Discussion

Brett Abplanalp discussed recent member communications regarding fiber and the fact that some wireless options for our members are going away come October. Having a full fiber feasibility study was discussed and the deliverables of the study were requested. Jeff Lawrence discussed Watch Communications needs for towers to support their wireless system.

Hometown Energy

Brian Scheidler reported out on the Hometown Energy board meeting in August. Price was set at \$1.899 per gallon and the service availability charge was increased from \$4.00/month to \$6.00/month.

Hoosier Energy Board/Committee Update

Jason Barnhorst reported out on Hoosier Energy updates.

IEC Board/Committee Update

Steve AmRhein reported out on IEC updates.

Director Training/Conf Report Out

Brian Scheidler and Suzanne Parmer both took courses from IEC last month and reported out. With completing these courses both Brian and Suzanne completed their CCD credentials.

Directors Conduct

Steve AmRhein addressed concerns with board meeting attendance and asked the board to review Policy 1-8 Director’s Fees and Expenses for changes.

Upon motion made by Jeff Lawrence seconded by Clay Nuhring, and carried, the meeting was adjourned to executive session at 12:09 a.m.

Brian Scheidler, Secretary

Attest: _____
Steve AmRhein, Chairman