

Regular meeting of the Board of
Directors of Decatur County
Rural Electric Membership
Corporation held September 25, 2024
at the headquarters facilities on
1430 W. Main,
Greensburg, Indiana at 5:30 p.m.

Chairman Steve AmRhein called the meeting to order at 5:30 p.m., with Steve Nobbe recording the minutes. All board members were present, along with CEO Brett Abplanalp, employees Matt Raver and Crystal Greathouse, and representatives from Aclara and Brownstown.

Dale Wernke moved to approve the meeting agenda. Brian Scheidler seconded the motion, which was unanimously approved.

Safety Minute and Cool Moment

Brett Abplanalp shared a safety moment highlighting that October is National Cybersecurity Awareness Month. The cool moment featured the Round-Up Trust awarding grants to fourteen local organizations, totaling \$14,800.

Approval of Previous Meeting Minutes

Suzanne Parmer moved to approve the minutes from the board meeting on August 28, 2024, as well as the executive board meeting minutes from the same date. Jason Barnhorst seconded the motion, which was unanimously approved.

RF Meter Replacement Feasibility

Aclara, Brownstown, and Crystal Greathouse presented a business case to the board for replacing the aging meters. Key highlights of the presentation included existing equipment failures and the risk of further failures in the field, the introduction of new technology through an RF meter network, and current pricing quotes.

Steve Nobbe moved to approve \$2.3 million for the deployment of an RF meter system to be completed by a third party over 1.5 years. Dale Wernke seconded the motion, which was unanimously approved. The board requested a financing plan to be presented at the next meeting.

CEO Update

Brett Abplanalp provided an update on strategic projects, including the safety improvement plan, pole replacement program, construction work plan, RF meter feasibility, and the fiber project. He also covered company metrics as prepared on CTO. August's median temperature remained consistent with our five-year average. Wholesale purchased energy decreased by 1.6% compared to the five-year average, and demand was down 0.8%. Year-to-date energy sales were 1.44% above budget. There were no major storms during the month of August.

Financial Update

Matt Raver provided the financial update. The net utility plant increased by \$154,734 in August, bringing our current equity to 64.77%. Year-to-date revenues are above budget, and power costs

have also risen, resulting in a gross margin that exceeds budget by \$286,298. Controllable expenses are under budget by \$245,315, primarily due to savings in labor and right-of-way costs. The cash flow statement shows a starting balance of \$764,189, and we ended the month with a net cash decrease of \$447,509, resulting in an ending cash balance of \$316,680.

New Business

Fiber Marketing Budget

Brett Abplanalp presented a budget request to support marketing for our fiber business, which has proven essential in other cooperative projects to achieve desired take rates.

Suzanne Parmer moved to approve \$21,000 for marketing the fiber business, Brian Scheidler seconded the motion, and the board unanimously approved it.

Community Trust Awards

Brett Abplanalp announced the recipients of the Round-Up Trust awards.

IEC Director and Voting Delegate

Jason Barnhorst nominated Steve AmRhein for the IEC Director position. No other nominations were submitted, which closed the nominations. Jason Barnhorst then moved to approve Steve AmRhein as the IEC Director, Suzanne Parmer seconded the motion, and the board unanimously approved.

Jason Barnhorst nominated Steve Nobbe for the IEC voting delegate position and Brian Scheidler as the alternative. No other nominations were submitted, which closed the nominations. Suzanne Parmer then moved to approve Steve Nobbe for the IEC voting delegate position and Brian Scheidler as the alternative, Brian Scheidler seconded the motion, and the board unanimously approved.

Budget Presentation and December Board Meeting Dates

The board discussed management's recommendation. Jason Barnhorst moved to:

- Reschedule the November board meeting to Tuesday, November 26,
- Reschedule the December meeting to Wednesday, December 18, and
- Hold a budget presentation at a special board meeting on Tuesday, December 12, at 10 a.m.

Steve Nobbe seconded the motion, and it was unanimously approved by the board.

Policy Review

The board reviewed the following policies:

- Policy 2-08: Member Access to Corporate Records, updated to allow electronic communication.
- Policy 10-10: Establishment of Safety Policy, no changes.
- Policy 1-16: Director Conduct Policy, no changes.
- Policy 1-10: Director Code of Ethics and Oath of Office, no changes.

Dale Wernke moved to approve the recommended changes, Suzanne Parmer seconded the motion, and the board unanimously approved the updates.

Old Business

Bylaw Legal Review

The board reviewed the proposed changes to the bylaws made last month, which primarily involved clarifications and cleanup.

Dale Wernke moved to approve the recommended changes, Jason Barnhorst seconded the motion, and the board unanimously approved the changes.

Long Term Debt / Loan Withdrawal

Matt Raver requested approval to withdrawal from a completed construction work plan loan.

Dale Wernke moved to withdraw \$250,000 for a term of 30 years, Suzanne Parmer seconded the motion, and it was approved with a vote of 6-1.

Affiliated Organizations

Jason Barnhorst gave a brief update from Hoosier Energy and the upcoming power plant tour.

Director Training/Conference Report Out

Steve Nobbe discussed his take aways from his 5th and final CCD course, 2630.

Carl Riedeman moved to adjourn the meeting. Suzanne Parmer seconded the motion. The motion passed unanimously, and the meeting was adjourned at 8:22 p.m. and the board moved into executive session.

Steve Nobbe, Secretary

Attest: _____
Steve AmRhein, Chairman