

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD JULY 29, 2021**

The Regular Meeting of the Board of Directors of South Central Indiana Rural Electric Membership Corporation was held pursuant to notice as required by the Bylaws at the principal office of the Cooperative, 300 Morton Avenue, Martinsville, Indiana on Thursday, July 29, 2021, at 5:30 p.m.

The following Directors were present: Mark Smith, Jerry Pheifer, Jim Cox, Lisa Prosser (virtual), Rex Franklin, Larry Alden, Jim Koch (virtual), Bruce Hamlin, and Heather Mollo. Others in attendance were Michael Schultz (virtual), General Counsel; James Tanneberger, President & CEO; Randy Elliott (virtual), VP of Finance and Member Services; Tim LeMere, VP of Distribution Services; and Stacey Sauer, Executive Assistant.

Ms. Mollo opened the meeting with prayer. Mr. Hamlin then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held June 24 or the Special Board Meeting held July 15, 2021. There were no amendments or corrections. Mr. Smith made a motion to approve the minutes as presented. The motion was seconded by Mr. Franklin and passed.

Mr. Hamlin introduced new board member, Larry Alden. Mr. Alden was selected to fill the vacancy in Board District 6 due to the passing of long-time director, Stephen Williamson.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month and answered the Directors' questions. Mr. LeMere discussed the anatomy of a utility pole reviewing possible attachments (communications) and spacing requirements and safety zones with regards to

attachments. Following discussion, Mr. Cox made a motion to accept the Safety Report. The motion was seconded by Ms. Mollo and approved.

Financial Reports: The Board reviewed the financial reports for June 2021. Following discussion and questions, Ms. Prosser made a motion to accept the financial reports and write-offs to bad debt for June 2021 as presented. The motion was seconded by Mr. Pheifer and passed.

SCI Fiber: Mr. Tanneberger discussed the SCI fiber project reporting on in-home installations (projecting 7,000 by year-end), the fiber network, staffing, collaboration with other cooperatives and entities, and smart grid. Following discussion, Mr. Pheifer made a motion to accept the SCI Fiber Report. The motion was seconded by Mr. Smith and approved.

Committee Reports:

Audit Committee: Ms. Mollo reported that the Audit Committee met on July 27, 2021, to review the first six months expenses for the Board, President & CEO, and Executive Staff. Ms. Mollo reported all was found to be in order.

Personnel Committee: The Personnel Committee scheduled a meeting for Monday, August 23 at 8:30 am to review benefit renewals for 2022.

Unfinished Business: Mr. Tanneberger reported his goals for 2021 were included in the Board Report with updates in red.

The Board was then brought up to date on the plans for the 2021 Annual Meeting to be held virtually on Saturday, September 25, 2021.

Mr. Tanneberger reported that the discussion regarding an alternate electric feed for SCI's main office will be tabled to the August Meeting as we are awaiting additional information.

New Business: As a matter of recordkeeping, the Board approved the transfer of funds from the RUS Trustee account to the Cooperative's General Fund for approved construction costs included in the FFB/RUS bank loan.

The Board then considered a Citizens Bank Corporate Authorization Resolution removing a recently retired employee from the account. Mr. Franklin made a motion to adopt the resolution as presented. The motion was seconded by Mr. Smith and approved. A copy of the resolution is attached.

The Voting Delegate and Alternate Delegate to the NRECA Regional Meeting were then considered by the Board. Ms. Prosser is the only director attending the meeting. Mr. Franklin made a motion to appoint Ms. Prosser as the Voting Delegate to the NRECA Regional Meeting. The motion was seconded by Mr. Pheifer and approved.

The Directors considered the CoBank 2021 Director Election for the Central Region. Following discussion, Ms. Mollo made a motion to vote for Lisa A. Borgen. The motion was seconded by Ms. Prosser and approved.

The Board was informed that the 2021 Hoosier Energy End-Use Survey is available in the Resource Center of Boardbooks.

The Board discussed SCI's mission statement and considered the recommendation following the recent Strategic Planning Session to amend the statement as follows:

“SCI REMC is a trusted electric cooperative serving our diverse communities with innovative energy solutions and life-enhancing services”

Following discussion, Mr. Pheifer made a motion to approve the recommendation as presented. The motion was seconded by Mr. Koch and approved.

The September Board Meeting was changed to Thursday, September 23, 2021, due to the Annual Meeting being held on September 25, 2021.

Mr. Tanneberger reported that a draft of the Strategic Action Planning Model and SCI Electric Vehicle Five Year Plan were included in the Board Report for Director review. He welcomes any suggested additions or amendments to the plans.

Attorney: Mr. Schultz discussed proposed board policy changes as follows:

Board Policy No. 4-1 – Member Access to Board Meetings– Following discussion of the policy and proposed changes, Mr. Franklin made a motion to approve the policy as amended. The motion was seconded by Ms. Mollo and passed.

Board Policy No. 4-2 – Access to Corporate Records– Following discussion of the policy and proposed changes, Ms. Mollo made a motion to approve the policy as amended. The motion was seconded by Ms. Prosser and passed.

Mr. Schultz further reported on several ongoing projects.

President/CEO Report: Mr. Tanneberger reported he continues to communicate SCI's strategic vision, mission statement and internal vision to employees to ensure all are working toward the same goal.

Mr. Tanneberger then asked if there were any questions regarding the President/CEO's monthly written report. Following questions, the President/CEO Report was accepted.

Miscellaneous Reports: Mr. Hamlin and Mr. Tanneberger discussed the FERC Open Access Order 2222.

Hoosier Energy: Mr. Pheifer reported on the recent meeting of the Hoosier Energy Board of Directors and answered the Directors' questions.

There being no further business to come before the Board, Mr. Alden made a motion to adjourn the meeting. The motion was seconded by Mr. Franklin and passed.

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary