

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD SEPTEMBER 23, 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, September 23, 2021, at 5:30 p.m.

The following Directors were present: Mark Smith (virtual), Jerry Pheifer, Jim Cox, Lisa Prosser, Rex Franklin, Larry Alden, Jim Koch (virtual), and Bruce Hamlin. Director Heather Mollo was absent. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; and Stacey Sauer, Executive Assistant.

Mr. Hamlin opened the meeting with prayer. He then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held August 26, 2021. There were no amendments or corrections. Ms. Prosser made a motion to approve the minutes as presented. The motion was seconded by Mr. Smith and passed.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month and answered the Directors' questions. Following discussion, Mr. Pheifer made a motion to accept the Safety Report. The motion was seconded by Ms. Prosser and approved.

Financial Reports: The Board reviewed the financial reports for August 2021. Following discussion and questions, Mr. Alden made a motion to accept the financial reports and write-offs to bad debt for August 2021 as presented. The motion was seconded by Mr. Franklin 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, system maintenance, collaboration with other cooperatives and entities, and smart grid.

Committee Reports:

Budget and Workplan: Ms. Prosser reported on the Budget and Workplan Committee meeting held September 2, 2021, to discuss the proposed 2022 Budget and Workplan ratios and guidelines. She reported the recommendation from the Committee was included in the Board Report. Following discussion, Ms. Prosser made a motion to approve the ratios and guidelines for the 2022 Budget and Workplan as recommended by the Committee. The motion was seconded by Mr. Smith and approved.

Unfinished Business: Mr. Tanneberger reviewed the CEO Goals for 2021 and progress of the strategic planning goals.

The Board was then brought up to date on the plans and details for accessing the 2021 Annual Meeting to be held virtually (via Facebook Live) on Saturday, September 25, 2021.

New Business: The Board then considered nominations for the Indiana Electric Cooperatives director position for 2022. Mr. Pheifer made a motion to appoint Bruce Hamlin as SCI's Indiana Electric Cooperatives Director. The motion was seconded by Mr. Franklin and passed.

The Voting Delegate and Alternate Delegate to the Indiana Electric Cooperatives Annual Meeting were then considered by the Board. Ms. Prosser made a motion appointing Mark Smith to serve as the Delegate and Jerry Pheifer as the Alternate Delegate. The motion was seconded by Mr. Alden and approved.

The Board discussed the Blue Ribbon Auction held during the IEC Annual Meeting and considered making a donation. Following discussion, Mr. Pheifer made a motion to donate

\$500.00 for the auction which benefits the Ronald McDonald House. The motion was seconded by Mr. Franklin and passed.

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.

Attorney: Mr. Schultz discussed a recommendation by staff to rescind the following Board Policies as there are standard operating procedures:

Board Policy No. 4-18 – Due Date Deferral Plan
Board Policy No. 4-19 – Automatic Payment Plan for Members

Following discussion, Mr. Cox made a motion to approve rescinding the policies as recommended. The motion was seconded by Mr. Franklin 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, Ms. Prosser made a motion to accept the President/CEO's report. The motion was seconded by Mr. Pheifer and approved.

Miscellaneous: Ms. Prosser reported on the NRECA Regional Meeting she recently attended.

Chairman Bruce Hamlin expressed his appreciation to Director Jim Cox for his past 10 years of service on the REMC Board. Mr. Cox did not seek re-election.

Indiana Electric Cooperatives: Mr. Hamlin reported on the recent meeting of the Indiana Electric Cooperatives' Board discussing government relations.

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

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary