

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD APRIL 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, April 29, 2021, at 5:30 p.m.

The following Directors were present: Mark Smith (virtual), Jerry Pheifer, Jim Cox, Rex Franklin, Jim Koch (virtual), Bruce Hamlin, and Heather Mollo. Director Lisa Prosser was absent. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; Earl Ridlen, London Witte Group; Randy Elliott, VP of Finance and Member Services; Tim LeMere, VP of Distribution Services; Charity Coffman, Controller; Elisha Coffey, Accounting Specialist; and Stacey Sauer, Executive Assistant.

Mr. Cox opened the meeting with prayer and Mr. Smith discussed the life of an inspiring young man who recently lost his life to cancer. Chase Smith lived his life with integrity, grace and ministered to others the importance of living life to the fullest, accepting challenges, and encouraging others in our daily life. Mr. Hamlin then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held March 25, 2021. There were no amendments or corrections. Ms. Mollo made a motion to approve the minutes as presented. The motion was seconded by Mr. Cox and passed.

Audit Report: Earl Ridlen with London Witte Group discussed the audited financial statements of the Cooperative for the period ending December 2020. He indicated that the

auditors did not have any concerns to report and asked if the Board had any questions or concerns they would like to have addressed. The Board then went into an executive session.

Safety Report: Upon reconvening the Regular Board Meeting, Mr. Tanneberger reviewed the Safety Report for the month and answered the Directors' questions. Following discussion, Mr. Cox made a motion to accept the Safety Report. The motion was seconded by Mr. Pheifer and passed.

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

SCI Fiber: Mr. Tanneberger discussed the SCI fiber project reporting on in-home installations (projecting 7,500 by year-end), the fiber network, and smart grid. He further discussed a fiber consortium with other Cooperatives, new business accounts, and transport updates.

Committee Reports:

Emerging Technologies Committee: The Committee met on April 15, 2021 to discuss electric vehicles and their impact on SCI's system. The group also discussed a proposed pilot Electric Vehicle Time of Use Rate (Rate Schedule -EV-TOU Pilot) to be effective May 1, 2021. Following discussion of the recommended Pilot Electric Vehicle Time of Use Rate, Mr. Cox made a motion to approve the rate as presented. The motion was seconded by Ms. Mollo and passed.

Finance Committee: Mr. Smith and Mr. Tanneberger reported on the Committee Meeting held April 20, 2021. The Committee discussed a tracker adjustment and detailed the overall assumptions based on the adjusted tracker. Following discussion, Mr. Cox made a

motion to approve the tracker adjustment as recommended by the Finance Committee. The motion was seconded by Mr. Pheifer and unanimously approved.

Personnel Committee: The Personnel Committee was reminded of the meeting scheduled for Thursday, May 20, 2021, at 9:00 am at the REMC office.

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

The President/CEO reported that COVID cases continue to trend in a positive direction. The lobby will be open to the public beginning on May 3 and employees will transition back to the office in May with a full return planned for the beginning of June.

Chairman Hamlin indicated that he plans to add additional directors to the committee interviewing potential candidates for the vacancy in District 6. To date, two members have submitted their information for consideration and several other members have requested information.

The Board discussed possible locations to hold a strategic planning session in June. Mr. Tanneberger will follow-up on possible locations and facilitator for discussion at the May Board Meeting.

New Business: Director Rex Franklin was appointed the Voting Delegate to the CFC Summer Summit and the NCSC Annual Meeting to be held in June.

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 next considered recommended changes to the SCI Bylaws with regards to Article III - Meetings of Members including Sections III-VII. Following discussion of the proposed changes, Ms. Mollo made a motion to approve the recommended changes as presented.

The motion was seconded by Mr. Franklin and unanimously approved. A copy of the amendments is attached.

Attorney: Mr. Schultz discussed proposed changes to board policies as follows:

Board Policy No. 2-8 – Business Ethics for Directors and Employees – Following discussion of the policy and proposed changes, Mr. Franklin made a motion to approve the policy as amended. The motion was seconded by Mr. Cox and passed with Director Jim Koch opposed.

Board Policy No. 2-10 – Loans and Special Benefits to Directors and Employees – Review only (no recommended changes).

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.

He then asked if there were any questions regarding the President/CEO's monthly written report. Following questions, Mr. Cox made a motion to accept the President/CEO Report. The motion was seconded by Mr. Franklin and approved.

Miscellaneous Reports: The Board discussed director election petitions and the requirement that petitions collect and count only confirmed member signatures.

Mr. Tanneberger discussed the attendance of senior staff at Board Meetings. The Board indicated attendance should be based on the agenda; however, they are welcome to attend board meetings anytime their schedules allow.

Hoosier Energy: Mr. Pheifer reported on the Hoosier Energy Board of Directors Meeting held at the end of March.

Indiana Electric Cooperatives: Mr. Hamlin reported on the IEC Board Meeting reporting that membership dues will no longer be based on the number of employees which should benefit SCI.

There being no further business to come before the Board, the meeting was duly adjourned.

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary