

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD January 30, 2020**

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, January 30, 2020, at 5:30 p.m.

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

The meeting was called to order with prayer offered by Lisa Prosser. Mr. Hamlin then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held December 19, 2019. Mr. Williamson made a motion to approve the minutes as presented. The motion was seconded by Ms. Prosser and passed.

Staff Report: Mr. LeMere gave the staff report for the month discussing the five-year service reliability project which will include placing lines underground, moving lines closer to road, and adding sectionalizing devices in critical areas. He then answered the Directors' questions regarding the project.

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

Financial Reports: Mr. Smith reported that the remainder of the December financial reports will be forthcoming as staff works to close 2019. Following discussion, Ms. Prosser made a motion to accept the available financial reports and the December write-off to bad debt in the amount of \$4,030.40. The motion was seconded by Mr. Cox and approved.

SCI Fiber: Mr. Tanneberger discussed the SCI fiber project reporting that there are 2,133 members with fiber and the goal is to have 5,000 fiber members by the end of 2020. He further discussed the fiber business plan, SCI's network, and answered the Directors' questions.

Committee Reports:

Finance Committee: Mr. Smith reported that the Finance Committee met prior to the Board Meeting to discuss the pros and cons to using available cash to pay down the line of credit.

Fiber Committee: The Fiber Committee has a meeting scheduled on February 20, 2020, at 6:00 p.m. at the REMC office.

Member Service and Marketing Committee: The Committee was reminded that a meeting needed to be scheduled to begin planning the 2020 Annual Meeting. Mr. Tanneberger also reported that the Mooresville High School has limited dates in August and September and suggested that the Board make a decision regarding the Annual Meeting date. Following discussion of available dates, the 2020 Annual Meeting will be held on Saturday, September 26, 2020 at the Mooresville High School.

Ms. Mollo also distributed information regarding the cost of implementing electronic voting which will be discussed with the Committee.

EV and Emerging Technologies Committee: Ms. Prosser distributed a recap of the Committee meeting held on January 23, 2020 and answered the Directors' questions.

Audit Committee: The Audit Committee has a meeting scheduled for February 17, 2020, at 10:00 am at the REMC office.

Unfinished Business: Mr. Tanneberger discussed his goals for 2020 which revolve around safety, satisfaction and strength.

It was suggested that the Board have a one-day strategic planning session in 2020.

New Business: The Board considered the Voting Delegate and Alternate Delegate to the CFC Annual Meeting. Mr. Cox made a motion to appoint Mark Smith as the Voting Delegate and Lisa Prosser as the Alternate. The motion was seconded by Mr. Williamson and passed.

The Board next considered the nomination of the Hoosier Energy Director. Mr. Franklin made a motion to nominate Jerry Pheifer to represent SCI on the Hoosier Energy Board of Directors. The motion was seconded by Mr. Williamson. Ms. Prosser expressed her interest in being considered as a nominee for the Hoosier Energy Director. Mr. Smith made a motion to nominate Ms. Prosser. The Board then voted via secret ballot. With a majority of the votes, Mr. Pheifer was named the nominee for the Hoosier Energy Board of Directors.

The Hoosier Energy Annual Meeting Delegate was then considered. Ms. Prosser made a motion to appoint Mr. Franklin as the Delegate. The motion was seconded by Mr. Pheifer and approved.

The Voting Delegate and Alternate Delegate to the NRTC Annual Meeting was then considered by the Board. Ms. Prosser made a motion to appoint Mr. Cox as the Voting Delegate and Mr. Williamson as the Alternate. The motion was seconded by Mr. Pheifer and approved.

Mr. Tanneberger reminded the Board that FORE and ACRE memberships are due and encouraged the Board to participate. Further, the Board considered the Corporate Contribution to Indiana FORE in the amount of \$2,000.00. Mr. Cox made a motion to approve the \$2,000

corporate contribution to Indiana FORE. The motion was seconded by Mr. Franklin and approved.

The Board was informed that the mileage reimbursement for 2020 will be 57.5¢ and reminded the Directors to submit their 990 questionnaire and timesheets for 2019 as soon as possible.

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

Attorney: Mr. Schultz described several ongoing projects including the comprehensive board policy review and ongoing work on Fiber related contract documents.

President/CEO Report: The Board briefly discussed the CEO's written report. Mr. Williamson made a motion to accept the CEO report. The motion was seconded by Ms. Prosser and passed.

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

Board Chairman Comments: Mr. Hamlin suggested that Directors and staff consider attending electric coop annual meetings around the state.

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

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary