

2022 Annual Meeting Minutes

South Central Indiana Rural Electric Membership Corporation (hereinafter "Cooperative") held an Annual Meeting of its members on Saturday, September 24, 2022, via a virtual (Facebook Live) meeting beginning at 9:45 a.m.

Mr. Tanneberger opened the meeting welcoming everyone and thanked the membership as we recognize we are here because of our membership and we are here to serve you.

Bruce Hamlin, Chairman of the Board of Directors, then called the meeting to order and welcomed everyone to the Cooperative's 83rd Annual Meeting and delivered the invocation. Mr. Hamlin then asked that everyone join him in the Pledge of Allegiance. Mr. Hamlin also recognized and thanked all veterans, police, fire, EMS, all first responders, and educators for their services.

Mr. Hamlin turned the meeting over to SCI's attorney, Michael Schultz, to provide the official notice of this meeting and mailing certificate. Mr. Schultz reported there was a total of 6,125 votes cast from members, which constitutes the quorum necessary to conduct business. In accordance with the Cooperative's Bylaws, the Secretary has certified that an official notice of the Annual Meeting was deposited and mailed by first-class mail to 29,435 members on August 26, 2022.

Mr. Hamlin reported Members of the Cooperative were asked to approve the minutes of the 2021 Annual Meeting on the mail-in ballot. A majority vote to approve the minutes was received and recorded by the September 20 deadline. The minutes were approved by the membership.

Mr. Hamlin announced that at the end of the meeting, drawings would be conducted for ten \$500 and fifteen \$100 cash prizes from members who mailed their ballots by the deadline.

Mr. Hamlin thanked Mr. Tanneberger and the SCI Team for their work and accomplishments in 2022 and called upon Mr. Tanneberger to provide the membership with a business update.

Mr. Tanneberger reviewed accomplishments in 2022. He reported SCI is driven to deliver on three primary objectives: improving electric reliability, ensuring all members have access to affordable, reliable, high-speed internet and keeping rates stable. He stressed that SCI is committed to continuing to offer reliable service, address challenges with innovative solutions, and be trusted support for our members and communities.

Mr. Hamlin and Mr. Tanneberger then answered questions that were submitted by members to be answered during the meeting.

Mr. Hamlin then called upon Michael Schultz, General Counsel, to conduct the election of directors. Mr. Schultz reported Board Districts 2, 6, and 7 were up for election. District 6 was a contested election. Survey and Ballot Services received and counted all ballots. There was a total of 4,231 votes online and 1,894 mail-in ballots.

The elections results were as follows:

District 2 – Jerry Pheifer (unopposed)

District 6 – Kenneth Sebastian (elected)

Larry Alden

District 7 – Bruce Hamlin (unopposed)

Mr. Hamlin reported that the SCI Board is proud to serve as your voice and is dedicated to maintaining a high standard of safety, reliability, and efficiency. The Board strives to be forward-thinking, responsible, and make decisions that best serve the membership.

The Board Member oath of office will be administered at the next meeting of the Board of Directors.

Mr. Hamlin reported the first 500 members that voted online and the first 500 members that mailed their ballot will receive at \$20 annual meeting bill credit on their October bill. We will post the winners of the ten \$500 and fifteen \$100 cash prizes on our website following the meeting.

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

ATTEST:

Bruce Hamlin

Bruce Hamlin, Chairman

Jerry W. Pheifer

Jerry W. Pheifer, Secretary-Treasurer

BUSINESS MEETING AGENDA

- Welcome
- Certification of Quorum and Official Notice of Mailing
- Approval of 2022 Minutes
- Board Chairman Report
- President and CEO Report
- Member Questions and Answers
- Director Election Results
- Drawings for \$100 Bill Credits

As time allows, questions will be answered during the meeting. Please submit your questions in advance to the email below.

ANNUALMEETING@SCIEMC.COM



South Central Indiana REMC's 2023 Virtual 84th Annual Member Meeting

Notice and Report

TO VIEW THE BUSINESS MEETING, VISIT
[FACEBOOK.COM/SCIEMC](https://www.facebook.com/sciremc)

September 23, 2023 at 9:45 am

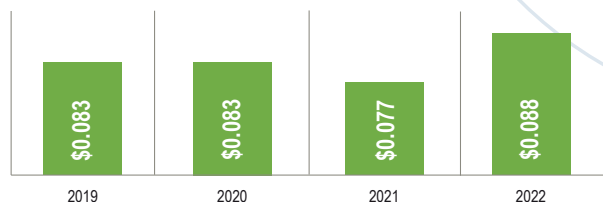
2022 EXPENSES



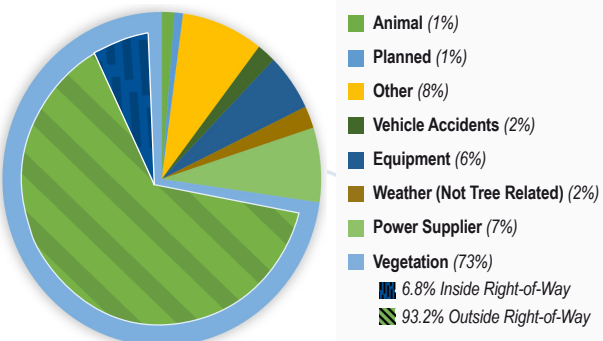
■ Purchased Power
 ■ Total Fixed Costs
 ■ Operations & Maintenance
 ■ Administrative & Member Expense

WHOLESALE COST OF PURCHASED POWER

(PER KILOWATT HOUR - ELECTRIC DIVISION EXPENSE ONLY)



2022 OUTAGE CAUSES



STATEMENT OF OPERATIONS

(DOLLARS IN MILLIONS)

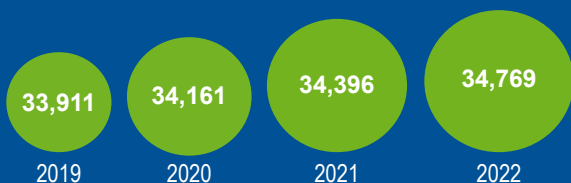
	2021	2022
Revenues	\$89.9	\$99.7
Operating Expenses		
Purchased Power	\$47.8	\$58.8
Operations & Maintenance	\$11.2	\$14.3
Customer Service Expense	\$2.2	\$2.3
Administrative Expense	\$7.0	\$7.2
Total Operating Expenses	\$68.3	\$82.6
Fixed Costs		
Depreciation	\$9.4	\$10.4
Taxes	\$1.8	\$1.3
Interest	\$5.0	\$5.4
Total Fixed Costs	\$16.2	\$17.2
Total Cost of Services	\$84.5	\$99.8
Operating Margins	\$5.4	-\$0.1
Non-Operating Margins		
Interest Income	\$0.1	\$0.1
Other Margins, Including Patronage Revenue	\$2.7	\$2.2
Total Non-Operating Margins	\$2.8	\$2.2
TOTAL NET MARGINS	\$8.2	\$2.1

BALANCE SHEET

(DOLLARS IN MILLIONS)

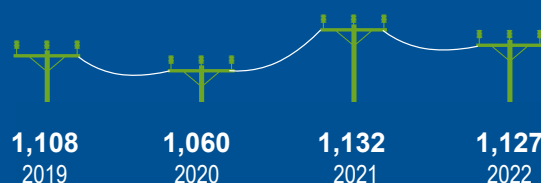
	2021	2022
ASSETS		
Net Utility Plant	\$216.6	\$242.6
Current & Accrued Assets		
Investments	\$38.2	\$38.7
Cash & Cash Equivalents	\$0.8	\$0.9
Receiveables	\$11.2	\$12.6
Materials & Supplies	\$5.2	\$4.0
Other Assets	\$0.7	\$0.5
Total Current Assets	\$56.2	\$56.6
Deferred Debits	\$0.4	\$0.1
TOTAL ASSETS	\$273.1	\$299.0
LIABILITIES		
Equities		
Total Long-term Debt, Less Current Portion	\$92.9	\$95.0
Total Long-term Debt, Less Current Portion	\$135.4	\$163.3
Current & Accrued Liabilities		
Accounts Payable	\$11.5	\$13.4
Accrued Expenses	\$14.0	\$14.4
Notes Payable	\$6.7	0
Customer Deposits & Advances	\$3.8	\$3.8
Current Portion of Long-term Debt	\$8.8	\$9.1
Total Current Liabilities	\$44.8	\$40.7
TOTAL LIABILITIES	\$273.1	\$299.0

NUMBER OF METERS SERVED



AVERAGE MONTHLY RESIDENTIAL USAGE OF ELECTRICITY

(PER KILOWATT HOUR)



FIBER SUBSCRIBERS

