

2021 ANNUAL MEETING MINUTES

South Central Indiana Rural Electric Membership Corporation (hereinafter "Cooperative") held an Annual Meeting of its members on Saturday, September 25, 2021, via a virtual (Facebook Live) meeting beginning 9:45 a.m.

Mr. Tanneberger opened the meeting welcoming everyone and reported that the meeting is being held virtually to focus on the health and well-being of our employees, members, and community as we continue to navigate the ongoing challenges of the pandemic.

Bruce Hamlin, Chairman of the Board of Directors, then called the meeting to order and welcomed everyone to the Cooperative's 82nd 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 5,984 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 29,261 members on August 27, 2021.

Mr. Hamlin reported Members of the Cooperative were asked to approve the minutes of the 2020 Annual Meeting on the mail-in ballot. A majority vote to approve the minutes was received and recorded by the September 21 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 2021 and called upon Mr. Tanneberger to provide the membership with a business update.

Mr. Tanneberger reviewed accomplishments in 2021 discussing the fiber project, electric system reliability improvements, improved communications, and the Operation RoundUp program. 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 3, 4, and 8 were up for election. District 8 was a contested election. Survey and Ballot Services received and counted all ballots. There was a total of 5,984 votes (4,209 online and 1,955 mail-in).

The elections results were as follows:

- District 3 – Brad Shields (unopposed)
- District 4 – Lisa Prosser (unopposed)
- District 8 – Donald Renner

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. Pfeifer

Jerry W. Pfeifer, Secretary-Treasurer

BUSINESS MEETING AGENDA

- Welcome
- Certification of Quorum and Official Notice of Mailing
- Approval of 2021 Minutes
- Board Chairman Report
- President and CEO Report
- Member Questions and Answers
- Director Election Results
- Drawings for \$500 and \$100 Prizes

As time allows, questions will be answered during the meeting. Please submit your questions in advance to annualmeeting@sciremc.com.



2022 Virtual

83rd ANNUAL MEMBER MEETING

Powering Possibility
Notice and Report

TO VIEW the business meeting, visit fb.com/sciremc
September 24, 2022 at 9:45 am

sciremc.com | 765.342.3344

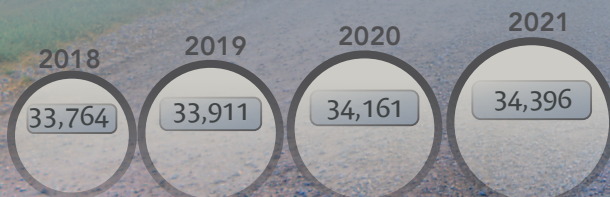
Balance Sheet

(dollars in millions)	2021	2020
ASSETS		
Net utility plant	\$216.6	\$188.0
Current & accrued assets		
Investments	\$38.2	\$40.1
Cash & cash equivalents	\$0.8	\$0.9
Receivables	\$11.2	\$10.9
Materials & supplies	\$5.2	\$3.2
Other Assets	\$0.7	\$0.5
Total Current Assets	\$56.8	\$55.6
Deferred Debits	\$0.4	\$0.6
Total Assets	\$273.1	\$244.2
LIABILITIES		
Equities	\$92.9	\$84.8
Total long-term debt, less current portion	\$135.4	\$111.5
Current and accrued liabilities		
Accounts payable	\$11.5	\$13.0
Accrued expenses	\$14.0	\$11.9
Notes Payable	\$6.7	\$12.6
Customer deposits and advances	\$3.8	\$3.3
Current portion of long-term debt	\$8.8	\$7.2
Total current liabilities	\$44.8	\$47.9
Total Liabilities	\$273.1	\$244.2

Fiber Subscribers



Number of Meters Served



Statement of Operations

(dollars in millions)	2021	2020
Revenues	\$89.9	\$85.5
Operating expenses		
Purchased Power	\$47.8	\$48.3
Operations & Maintenance	\$11.2	\$11.9
Customer Service Expense	\$2.2	\$2.2
Administrative expense	\$7.0	\$6.4
Total operating expenses	\$68.3	\$68.8
Fixed Costs		
Depreciation	\$9.3	\$8.1
Taxes	\$1.8	\$1.9
Interest	\$5.0	\$5.0
Total fixed costs	\$16.2	\$14.9
Total cost of electric service	\$84.5	\$83.7
Operating margins	\$5.4	\$1.8
Non-operating margins		
Interest Income	\$0.1	\$0.1
Other margins, including patronage revenue	\$2.7	\$2.9
Total non-operating margins	\$2.8	\$3.0
Net Margins	\$8.2	\$4.8

Wholesale Cost per kWh (Kilowatt Hour)



Average Monthly Residential Usage of Electricity (kWh)



Expenses

57% Purchased Power
from Hoosier Energy,
our power provider

19% Total Fixed Costs

13% Operations & Maintenance

11% Administrative & Member Expense

2021 Outage Causes (By Outage Times)

