

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA  
RURAL ELECTRIC MEMBERSHIP CORPORATION  
HELD APRIL 27, 2023**

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 27, 2023, at 5:30 p.m.

The following Directors were present: Mark Smith (virtual), Jerry Pheifer, Lisa Prosser, Brad Shields, Rex Franklin, Ken Sebastian, Don Renner, Bruce Hamlin and Heather Mollo. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; Brian Cherry, London Witte Group; Randy Elliott, VP of Finance; Tammy Haenlein, VP of Member Services; Gregg Hopsicker, VP of Distribution Services; Jeff Childress, Manager of Process Improvement; Charity Coffman, Controller; Elisha Coffey, Accounting Specialist; Jim Jackson, Manager of Operations; John Chambers; Manager of System Operations; Brad Porter; Senior Stockman; and Stacey Sauer, Executive Assistant.

Director Jerry Pheifer opened the meeting with prayer. Chairman Hamlin then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held March 30, 2023. Hearing none, Mr. Shields made a motion to accept the minutes as presented. The motion was seconded by Ms. Mollo and approved.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month and answered the Directors' questions. Mr. Tanneberger further stressed that safety is priority and will be treated as such. Following discussion, Mr. Pheifer made a motion to accept the Safety Report. The motion was seconded by Mr. Renner and passed.

Staff Report: Mr. Hopsicker and staff, including Jim Jackson, John Chambers, and Brad Porter, discussed the recent major storm which included tornados in Owen, Monroe, and Morgan Counties. Overall SCI had over 14,500 members out of power, replaced 135 broken poles and 80 transformers, and managed 115 trucks, 145 linemen and 43 additional support staff working on storm restoration over the six day event. Restoration was completed safely with no injuries.

Audit Report: Brian Cherry with London Witte Group discussed the audited financial statements of the Cooperative for the period ending December 2022. He reported that the financial books were in appropriate order and asked if the Board had any questions or concerns they would like to have addressed. Following discussion, Ms. Prosser made a motion to accept the Audit Report as presented. The motion was seconded by Mr. Renner and passed.

Financial Reports: The Board reviewed the financial reports for March 2023 and discussed rates and the power cost tracker. Following discussion and questions, Mr. Shields made a motion to accept the financial reports and write-offs to bad debt for March 2023 as presented. The motion was seconded by Mr. Franklin and passed.

SCI Fiber: Mr. Tanneberger discussed the SCI fiber project reporting that the majority of the original project scope has been completed . We currently have 9,500 users and project 10,000 users taking service by the end of 2023. There currently are over 500 users taking advantage of the telephone service. The commercial side of fiber is beginning to pick up pace.

He further reported on recent activities of Accord Telecommunications stating that there are currently 21 members including electric cooperatives and independent telephone companies.

Committee Meetings:

**Personnel Committee:** The Personnel Committee scheduled a meeting for Tuesday, May 23, 2023, at 2:00 pm at the REMC office.

Unfinished Business: Mr. Tanneberger reviewed his updated CEO Goals for 2023.

New Business: The Board was informed of the CoBank Energy Directors' Conference to be held in July. Any directors planning to attend should let Ms. Sauer know as soon as possible.

Due to the date of the CoBank meeting, it was suggested to change the date of the July Board Meeting. Following discussion, the July Board Meeting will be held on Monday, July 31, 2023, at 5:30 p.m.

As a matter of record keeping, 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 the following board policy:

Board Policy No. 4-26 – Information Security – he reported that this policy replaces the current Board Policy No. 4-26 – Cyber Security. Following discussion, Mr. Smith made a motion to approve the policy as presented. The motion was seconded by Mr. Renner and passed.

Mr. Schultz further discussed review of vendor contracts with regards to remote access, commercial terms and conditions for fiber, and 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 discussion, Mr. Pheifer made a motion to accept the President/CEO's report. The motion was seconded by Mr. Sebastian and approved.

Indiana Electric Cooperatives: Mr. Hamlin reported on the recent meeting of the Indiana Electric Cooperatives Board of Directors.

There being no further business to come before the Board, the Regular Meeting was adjourned to an Executive Session of the Board.

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Bruce Hamlin, Chairman

ATTEST:

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Jerry W. Pheifer, Secretary