

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD DECEMBER 17, 2020**

The Regular Meeting of the Board of Directors of South Central Indiana Rural Electric Membership Corporation was held virtually pursuant to notice as required by the Bylaws on Thursday, December 17, 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, Bruce Hamlin, and Heather Mollo. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; Randy Elliott, VP of Finance and Member Service; Tim LeMere, VP of Distribution Services; and Stacey Sauer, Executive Assistant.

Director Jerry Pheifer opened the meeting with prayer. The Annual Meeting of SCI Services, LLC for 2020 was then conducted.

Upon reconvening the regular meeting, Mr. Hamlin then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held November 19, 2020. There were no amendments or correction. Ms. Prosser made a motion to approve the minutes as presented. The motion was seconded by Mr. Williamson and passed.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month reviewing several recent safety incidents and answered the Directors' questions.

Financial Reports: The Board reviewed the financial reports for November 2020. Following discussion, Mr. Koch made a motion to accept the financial reports and write-offs to bad debt for November 2020 as presented. The motion was seconded by Mr. Smith and passed.

SCI Fiber: Mr. Tanneberger discussed the SCI fiber project reporting on in-home installations to date with a goal of 4,500 by year end.

He further discussed a recent meeting of the Finance and Fiber Committee to review discussions with Jackson County REMC with regards to fiber. The group discussed the financial impact and advantages of pursuing a fiber connection with Jackson County REMC. The group recommended moving forward with the project.

Mr. Tanneberger discussed the results of the Rural Digital Opportunities Fund (RDOF) census block auction and answered the Directors' questions.

Committee Reports:

Internal Audit: The Audit Committee was reminded of the need to schedule a Committee Meeting to review the last six months of 2020 CEO and Director expenses.

Unfinished Business: Mr. Tanneberger discussed the wrap up of his goals for 2020 which revolved around safety, satisfaction and strength indicating that updates are noted in red. He reported that some goals will carry over to 2021.

Mr. Tanneberger reported that COVID has impacted the cooperative both directly and indirectly. He indicated that SCI would continue to take necessary precautions to keep employees and members safe during this time. Further, Mr. Tanneberger will be recording short videos to communicate with employees and members SCI's challenges and plans going forward.

The Board was updated on the Hoosier Energy Electric Vehicle Pilot Project. Mr. Tanneberger reported that an electric vehicle will be rotated among Hoosier Energy cooperatives. Further, an EV charger will be installed at the SCI headquarters as well as Oliver Winery (an SCI member).

New Business: The Board discussed the SCI Annual Financial Audit and the possibility of contracting a different auditing firm. Further research will be conducted for consideration for the 2021 annual audit.

Mr. Tanneberger reported that Nice-Pak, a Mooresville manufacturer of wet wipes, will be building a new manufacturing complex in part of SCI's territory. SCI and Hoosier Energy staff have developed a proposed Nice-Pak Economic Development Rate for the complex for Board approval. Following discussion, Mr. Cox made a motion to approve the proposed Nice-Pak Economic Development Rate as presented. The motion was seconded by Mr. Franklin and approved.

Mr. Tanneberger reported that a draft of the CEO's 2021 goals is included in the Board Report for the directors to review and recommend any changes, additions, etc.

The CEO reported that a recap of 2020 positive takeaways was included in the Board Report.

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

Board Policy No. 1-4 – Nondiscrimination Policy – Following discussion of proposed changes, Ms. Prosser made a motion to approve the policy as amended. The motion was seconded by Mr. Williamson and approved.

Board Policy No. 1-6 – Use of Consultants – Following discussion of proposed changes, Mr. Smith made a motion to approve the policy as amended. The motion was seconded by Mr. Franklin and approved.

Board Policy No. 3-7- Anti-Harassment Policy – Following discussion of proposed changes, Ms. Prosser made a motion to approve the policy as amended. The motion was seconded by Mr. Williamson and approved.

Mr. Schultz further reported on several ongoing projects and expressed his appreciation of working with the SCI Board and Staff.

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, Ms. Prosser made a motion to accept the CEO report. The motion was seconded by Mr. Cox and passed.

Indiana Electric Cooperatives Report: Mr. Hamlin reported that an Annual Business meeting was held for the election of officers.

The meeting was then adjourned to an Executive Session of the Board.

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary