

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD February 25, 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 Tuesday, February 25, 2020, at 5:30 p.m.

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

The meeting was called to order with prayer offered by Mr. Tanneberger. Mr. Hamlin then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held January 30, 2020. Mr. Cox noted that the Fiber Committee Meeting was scheduled for February 20 versus February 19. Thereafter, Mr. Williamson made a motion to approve the minutes as amended. The motion was seconded by Mr. Cox and passed.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month and answered Directors' questions regarding personal injury and property damage incidents. Following discussion, Mr. Pheifer made a motion to accept the Safety Report. The motion was seconded by Mr. Cox and approved.

Financial Reports: Mr. Smith reported that financial reports will be forthcoming as staff works to close 2019 and prepare for the annual audit. Following discussion, Mr. Franklin made

a motion to accept the available financial reports and the January 2020 write-off to bad debt in the amount of \$5,119.00. The motion was seconded by Mr. Pheifer and approved.

SCI Fiber: Mr. Tanneberger discussed the SCI fiber project and the Fiber Committee Meeting held February 20. He reported that there are 2,335 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 fiber transport network, grant applications, and answered the Directors' questions.

Committee Reports:

Member Service and Marketing Committee: The Committee was reminded that a meeting needed to be scheduled to begin planning the 2020 Annual Meeting which is scheduled for September 26, 2020, at the Mooresville High School.

The Board discussed possible bylaw changes with regards to potential director qualifications and timeframe for appointing an audit firm to tabulate ballots. These items will be considered at the March Board Meeting.

Audit Committee: The Audit Committee met on Monday, February 17, 2020, to examine the expenses of the REMC Directors and President/CEO for the last six months of 2019. Mr. Pheifer reported all was found to be in order. The committee made suggestions with regards to consistency and details when Directors are completing expense vouchers.

Fiber Committee: The Fiber Committee met on February 20, 2020, at 6:00 p.m. at the REMC office. Mr. Tanneberger reported on the meeting in his SCI Fiber report.

Unfinished Business: Mr. Tanneberger discussed his goals for 2020 which revolve around safety, satisfaction and strength indicating that updates are noted in red.

New Business: Mr. Tanneberger reported that CFC's 2019 Borrower Compliance Certification has been completed as required by the CFC mortgage.

The Board then reviewed and approved a Partial Release of Easement to reduce SCI's blanket easement to a platted easement for SCI's facilities on a member's property per the member's request.

The Board was reminded that the 2020 CFC Forum will be held in June and registration is now open. Any Director wishing to attend should let Ms. Sauer know 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 for 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 documents. He further discussed proposed changes to Board Policy No. 3-11 – Employee Training and Development and Expense Reimbursement as well as the SCI Travel and Expensive Guidelines 2020. Following review, the Board approved the recommended changes as presented.

President/CEO Report: The President/CEO discussed written department reports and answered the Directors' questions. Mr. Williamson made a motion to accept the CEO report. The motion was seconded by Mr. Smith and passed.

Hoosier Energy Report: Mr. Pheifer reported on the Hoosier Energy Board of Directors' Meeting held in February.

Indiana Electric Cooperatives: Mr. Cox reported on the Indiana Electric Cooperatives Board Meeting held in February discussing the upcoming Legislative Conference and plans for a Lineman Rodeo.

Miscellaneous Reports: The Board reviewed the recap of the Operation RoundUp Meeting held January 29, 2020.

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

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary