

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA  
RURAL ELECTRIC MEMBERSHIP CORPORATION  
HELD JANUARY 26, 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, January 26, 2023, at 5:30 p.m.

The following Directors were present: Mark Smith, Jerry Pheifer, Lisa Prosser (virtual), Brad Shields, Rex Franklin, Ken Sebastian, Don Renner, Bruce Hamlin and Heather Mollo. Others in attendance were Jim Buddenbaum, General Counsel; James Tanneberger, President & CEO; Marilou Idland, VP of Human Resources; Tammy Haenlein, VP of Member Services; Gregg Hopsicker, VP of Distribution Services; Jeff Childress, Manager of Commercial Fiber; and Stacey Sauer, Executive Assistant.

Chairman Hamlin opened the meeting with prayer. He then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held December 15, 2022. Hearing none, Mr. Renner made a motion to approve the minutes as presented. The motion was seconded by Ms. Mollo and passed.

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. Sebastian made a motion to accept the Safety Report. The motion was seconded by Ms. Prosser and passed.

Financial Reports: The Board reviewed the financial reports for December 2023. Following discussion and questions, Mr. Shields made a motion to accept the financial reports

and write-offs to bad debt for December 2022 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 and projected more than 10,000 users taking service by the end of 2023.

Mr. Tanneberger discussed the Accord Telecommunication Collaborative and the role of the entity in the development of the fiber transport network throughout Indiana. He reported the entity continues to grow by adding additional electric cooperatives, telephone cooperatives, and independent fiber providers. He further discussed Accord's recently completed business plan and filing of the federal middle-mile grant application. He then answered the Directors'

Committee Meetings:

**Audit Committee:** Mr. Pheifer reported that the Audit Committee met on January 26, 2023, to review the second half of 2022 expenses for the Board, CEO and Department Vice Presidents. Following the review, it was reported all was found to be in order.

**Marketing and Member Services Committee:** Ms. Mollo reported that she worked with SCI's staff to develop a list of resources that are available for SCI employees with regards to mental, physical, and financial well-being. Further she developed a list of local community resources addressing substance abuse, prevention, education and advocacy.

Unfinished Business: Mr. Tanneberger reviewed the CEO Goals for 2023.

New Business: The Board considered the nomination of the Hoosier Energy Director. Directors Jerry Pheifer and Lisa Prosser expressed their interest in being considered as a nominee. Thereafter, the Board voted via secret ballot. With a majority of votes, Mr. Pheifer was named the nominee for the Hoosier Energy Board of Directors.

The Voting Delegate for the Hoosier Energy Annual Meeting to be held April 5, 2023, was then considered by the Board. Mr. Shields made a motion to appoint Lisa Prosser as the Hoosier Energy Voting Delegate. The motion was seconded by Mr. Smith and approved.

The Board discussed appointing an Alternate Director to the Hoosier Energy Board to attend meetings in Mr. Pheifer's absence. Ms. Sauer will contact Hoosier Energy regarding the process for appointing an alternate director.

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.

The Board was reminded to complete and submit their 990 questionnaires for 2022 including their total hours spent on SCI business.

It was reported that the 2023 standard IRS mileage reimbursement will be 65.5¢.

Attorney: Mr. Buddenbaum discussed proposed board policy changes as follows:

Board Policy No. 4-28 – Identify Theft Red Flag Prevention Policy and Board Policy No. 4-29 – Third Party Access. It was recommended by staff and legal counsel that the policies be rescinded as they are standard operating procedures. Following discussion, Mr. Franklin made a motion to rescind the policies as recommended. The motion was seconded by Mr. Shields and approved.

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 further discussed SCI's continued initiative to diversify our revenue stream.

Mr. Tanneberger then asked if there were any questions regarding the President/CEO's monthly written report. Following questions, Ms. Mollo made a motion to accept the President/CEO's report. The motion was seconded by Mr. Pheifer and approved.

Hoosier Energy: Mr. Pheifer reported on the Hoosier Energy Board of Directors Meeting held in January and answered the Directors' questions.

Indiana Electric Cooperatives: Mr. Hamlin reported on the recent meeting of the Indiana Electric Cooperatives Board of Directors discussing the finalizing of plans for IEC's new office location.

There being no further business to come before the Board, the 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