

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD JANUARY 25, 2024**

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 25, 2024, at 5:30 p.m.

The following Directors were present: Mark Smith, Jerry Pheifer, Lisa Prosser, Brad Shields, Rex Franklin, Ken Sebastian, Don Renner, and Bruce Hamlin. Director Heather Mollo was absent. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; Randy Elliott, Chief Operating Officer; Tammy Haenlein, VP of Member Services; Gregg Hopsicker, VP of Distribution Services; Marilou Idland, VP of Human Resources; Charity Coffman, Controller; and Stacey Sauer, Executive Assistant.

Director Lisa Prosser 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 December 14, 2023. Hearing none, Mr. Renner made a motion to approve the minutes as presented. The motion was seconded by Mr. Franklin and approved.

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

Staff Report: Controller Charity Coffman reviewed the recent Rural Utilities Service (RUS) External Compliance Audit and answered Director questions. Following review,

Mr. Renner made a motion to accept the report as presented. The motion was seconded by Mr. Smith and approved.

Financial Reports: The Board reviewed the preliminary financial reports for December 2023. Following discussion and questions, Mr. Smith made a motion to accept the financial reports and write-offs to bad debt for December 2023 as presented. The motion was seconded by Mr. Pheifer and passed.

Committee Meetings:

Audit Committee: Mr. Pheifer reported that the Audit Committee met on January 25, 2024, to review the second half of 2023 expenses for the Board, CEO, COO, and Department Vice Presidents. Following the review, it was reported all was found to be in order.

SCI Fiber: Mr. Tanneberger discussed SCI fiber reporting that the majority of the original project scope has been completed. We currently have 10,426 users and continue to grow. The fiber team continues to fine tune processes for both residential and commercial accounts.

He reported on recent activities of Accord Telecommunications Collaborative stating that there are currently twenty-five members and five associate members including electric cooperatives and independent telephone companies.

Strategic Plan Update: Mr. Tanneberger reported that the SWOT Analysis from the recent strategic planning session was included in the Board Report along with suggested items to be addressed over the next five years. Staff will review the information and develop a tracking spreadsheet of initiatives to be addressed as suggested by the Board.

New Business: Mr. Tanneberger reported that the President/CEO goals for 2024 were included in the Board report. He asked that the board review the goals and provide any feedback with regards to additional items or recommendations.

The Board considered the nomination of the Hoosier Energy Director. Directors Jerry Pheifer and Lisa Prosser expressed their interest in being considered as nominees. 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 3, 2024, was then considered by the Board. Ms. Prosser made a motion to appoint Brad Shields as the Hoosier Energy Voting Delegate. The motion was seconded by Mr. Smith and approved.

The Board was reminded to submit their 990 questionnaires by the February Board Meeting. They were also advised that the 2024 standard IRS mileage reimbursement will be sixty-seven cents per mile.

Attorney: Mr. Schultz reviewed the following board policies:

Board Policy No. 4-13- Right-of-Way Clearing Overhead Lines – Following discussion and questions, the policy will be further reviewed at the February Board Meeting.

Board Policy No. 4-15 – Meter Tamping Electric Theft Investigations - Following discussion of the proposed amendments and further revisions, Mr. Shields made a motion to approve the policy as amended. The motion was seconded by Mr. Renner and approved.

The amendments to Board Policy No. 4-15 were updated in the SCI Service Rules. Following discussion, Mr. Shields made a motion to approve the SCI Service Rules as amended. The motion was seconded by Mr. Renner and approved.

Mr. Schutlz further discussed the adoption of a resolution to establish the authority of the Chief Operating Officer to serve as an officer of the corporation. Following discussion, Mr. Franklin made a motion to adopt the resolution as presented. The motion was seconded by Mr. Renner and the following resolution was unanimously approved:

WHEREAS, South Central Indiana Rural Electric Membership Corporation (the “Corporation”), acting through its duly elected Board of Directors pursuant to Article IV Section I of its Bylaws, has previously approved the creation of the position of Chief Operating Officer, who reports directly to the President/Chief Executive Officer; and

WHEREAS, the Board, consistent with the requirement of Board Policy 1-3, wishes to clarify and establish the powers and duties of the Chief Operating Officer.

NOW THEREFORE, BE IT RESOLVED that the position of Chief Operating Officer is established as an officer of the Corporation and shall have the same authority to execute agreements as has been previously delegated to the President/Chief Executive Officer. The Chief Operating Officer shall also perform such duties and shall exercise authority as the Board of Directors delegate, or as may be assigned or delegated from time to time by the President/Chief Executive Officer.

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. The CEO communicates this message monthly in the employee newsletter along with other updates. He further reported on attending a recent meeting of several members and Hoosier Energy with regards to their concerns with the new Hoosier Energy transmission line being built near their homes.

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

There being no further business to come before the Board, Ms. Prosser made a motion to adjourn the meeting. The motion was seconded by Mr. Franklin and approved.

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary