

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD JULY 28, 2022**

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, July 28, 2022, at 5:30 p.m.

The following Directors were present: Mark Smith, Jerry Pheifer, Brad Shields, Lisa Prosser, Rex Franklin, Larry Alden, Don Renner, Bruce Hamlin and Heather Mollo. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; Jonathan Presley, Manager of Business Technology; and Stacey Sauer, Executive Assistant.

Ms. 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 June 30, 2022. Hearing none, Ms. Prosser made a motion to approve the minutes as presented. The motion was seconded by Mr. Renner and passed with Mr. Shields and Ms. Mollo abstaining as they were not present at the June Meeting.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month and answered the Directors' questions. Following discussion, Mr. Pheifer made a motion to accept the Safety Report. The motion was seconded by Ms. Prosser and passed.

Staff Report: Mr. Presley gave the Staff Report reviewing SCI's Cyber Security initiatives.

Financial Reports: The Board reviewed the financial reports for June 2022 and leveraging of a previously approved loan. Following discussion and questions, Mr. Renner made

a motion to accept the financial reports and write-offs to bad debt for June 2022 as presented.

The motion was seconded by Mr. Smith and passed.

SCI Fiber: Mr. Tanneberger discussed the SCI fiber project reporting that the majority of the original project scope will be completed by year-end with a total of approximately 8,500 members taking service at that time. There is positive ongoing growth in the in-service areas. Mr. Tanneberger also spoke about material delays, staffing, the fiber network, collaboration with other providers, development of the middle mile fiber network, and grant monies.

Mr. Tanneberger further 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 with members and associate members which includes electric cooperatives as well as telephone cooperatives. He further discussed Accord's membership in Hoosier Net and answered the Directors' questions.

Committee Reports:

Audit Committee: Mr. Pheifer reported that the Audit Committee met on July 19 and reviewed the first six months expenses for the Board, CEO and VPs. He reported all was found to be in order.

Personnel Committee: The Personnel Committee scheduled a meeting for Wednesday, August 24, 2022, at 8:30 am to review the 2023 medical rates.

Unfinished Business: Mr. Tanneberger reviewed the CEO Goals for 2022 and progress of the strategic planning goals.

The Board was reminded of the NRECA Regional Meeting to be held in September in Indianapolis.

The Board was brought up to date on the Annual Meeting to be held virtually on Saturday, September 24, 2022, via Facebook Live. Mr. Tanneberger reported that there will be a contested election in District 6. The incumbent directors in Districts 1 and 7 are unopposed.

New Business: The Voting Delegate and Alternate Delegate to the NRECA Regional Meeting were then considered by the Board. Ms. Prosser made a motion to appoint Mr. Pheifer as the Voting Delegate and Mr. Franklin as the Alternate Delegate to the NRECA Regional Meeting. The motion was seconded by Ms. Mollo and approved.

The Voting Delegate and Alternate Delegate to the CFC 2022 District Meeting were also considered by the Board. Mr. Pheifer made a motion to appoint Ms. Prosser as the Voting Delegate and Ms. Mollo as the Alternate Delegate to the 2022 CFC District Meeting. The motion was seconded by Mr. Franklin and approved.

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.

Mr. Tanneberger referred to the articles included in the Board Report from Hoosier Energy regarding power supply cost and reliability and answered the Directors' questions.

The Board was reminded of the Electrify Indiana 2022 Conference that will be hosted by Hoosier Energy and Wabash Valley Power Alliance, co-sponsored by IEC and various additional industry partners. The conference will be held on September 22 in Indianapolis. All directors plan to attend.

Attorney: Mr. Schultz reported ongoing projects and answered the Directors' questions.

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.

Thereafter, Mr. Franklin made a motion to accept the 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 July and answered the Directors' questions.

Indiana Electric Cooperatives: Mr. Hamlin reported on the recent meeting of the IEC Board of Directors held in July.

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

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary