

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD JUNE 30, 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, June 30, 2022, at 5:30 p.m.

The following Directors were present: Mark Smith, Jerry Pheifer, Lisa Prosser (virtual), Rex Franklin, Larry Alden, Don Renner (virtual), and Bruce Hamlin. Directors Brad Shields and Heather Mollo were absent. Others in attendance were Michael Schultz (virtual), General Counsel; James Tanneberger, President & CEO; Tim LeMere (virtual), VP of Distribution Services; Marilou Idland, VP of Human Resources; Randy Elliott, VP of Finance and Member Services; and Stacey Sauer, Executive Assistant.

Mr. Hamlin 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 May 26, 2022. Hearing none, Mr. Franklin made a motion to approve the minutes as presented. The motion was seconded by Mr. Smith and passed.

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 Mr. Franklin and passed.

Financial Reports: The Board reviewed the financial reports for May 2022 and the impact of increased power supply costs. Following discussion and questions, Mr. Renner made a

motion to accept the financial reports and write-offs to bad debt for May 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. 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: The Audit Committee scheduled a meeting for Tuesday, July 19 to review the first six months expenses for the Board, CEO and VPs.

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

The Board was reminded of the 2022 NRECA Regional Meeting to be held September 6-8 in Indianapolis.

New Business: The Board considered the 401(k) Plan Adoption and Resolution for the Union Plan. Following discussion, Mr. Franklin made a motion to approve the 401(k) and resolution as presented. The motion was seconded by Mr. Smith and passed.

The Board then considered the 2021 Capital Credit Allocations. Following discussion, Mr. Alden approved the allocations as presented. The motion was seconded by Mr. Pheifer and passed. A copy is attached.

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. Elliott discussed the Utility Receipts Tax Repeal reporting what SCI is doing to comply with the repeal and communication to members.

Mr. Tanneberger discussed current power supply costs and reliability and answered the Directors' questions.

Attorney: Mr. Schultz discussed Board Policy No. 2-8 – Business Ethics for Directors and Employees. Following discussion, Mr. Renner made a motion to approve the policy as amended. The motion was seconded by Mr. Smith and approved.

Mr. Schultz further reported on finalizing of the union contract, member concerns, 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.

He further reported that SCI had an all-employee meeting for the first time since prior to the pandemic. Thereafter, Mr. Franklin made a motion to accept the CEO's Report. The motion was seconded by Mr. Alden and approved.

Miscellaneous Reports: Mr. Tanneberger reported on the recent meeting of the Hoosier Energy Emerging Technologies Committee and answered the Directors' questions.

Hoosier Energy: Mr. Pheifer reported there was not a Hoosier Energy Meeting in June.

Indiana Electric Cooperatives: Mr. Hamlin reported that the current IEC Chief Executive Officer has resigned, and a search is currently underway for his replacement.

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