

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD MARCH 26, 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 via video conference on Thursday, March 26, 2020, at 5:30 p.m.

The following Directors were present: Mark Smith, Jerry Pheifer, Jim Cox, Lisa Prosser, Rex Franklin, Stephen Williamson, Jim Koch, Heather Mollo, and Bruce Hamlin. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; Marilou Idland, VP of Human Resources; Randy Elliott, VP of Finance and Member Services; Tim LeMere, VP of Distribution Services; and Stacey Sauer, Executive Assistant.

Director Heather Mollo opened the meeting with prayer. Mr. Hamlin then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held February 25, 2020. There were no amendments or corrections. Mr. Smith made a motion to approve the minutes as presented. The motion was seconded by Mr. Williamson and passed with Ms. Prosser abstaining as she was not present at the February meeting.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month discussing a recent accident and answering the Directors' questions. Following discussion, Mr. Cox made a motion to accept the Safety Report. The motion was seconded by Ms. Prosser and approved.

Financial Reports: The Board reviewed available financial reports. Following discussion, Mr. Franklin made a motion to accept the available financial reports. The motion was seconded by Mr. Williamson and approved.

SCI Fiber: Mr. Tanneberger discussed the SCI fiber project including a recommendation with regards to the project due to RUS Funding delays and cash flow concerns due to the pandemic. The recommendation is to finish feeders that are nearly complete and submit for reimbursement from RUS, delay those feeders that have not been started, and continue fiber drops as they are reimbursed monthly. Following discussion, Mr. Cox made a motion to approve the recommendation as presented. The motion was seconded by Mr. Franklin and passed. Mr. Tanneberger further discussed the fiber business plan, SCI's fiber transport network, grant applications, and answered the Directors' questions.

Committee Reports:

Finance Committee: The Finance Committee has a meeting scheduled for Tuesday, April 7 at 4:30 p.m.

Member Service and Marketing Committee: The Member Service and Marketing Committee scheduled a meeting for Tuesday, March 31 at 4:30 p.m. to begin planning the 2020 Annual Meeting which is scheduled for September 26, 2020, at the Mooresville High School.

Personnel Committee: The Personnel Committee scheduled a meeting for Thursday, May 21 at 6:00 p.m.

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: The Board considered proposed Bylaw changes as follows:

ARTICLE III – Meetings of Members, Section VII. Election Procedures and Election Supervisory Committee:

As necessary, and not less than **90 30** days prior to any Annual Meeting at which an election may occur, the Board shall appoint a Certified Public Accounting firm ("CPA firm") to receive, prepare and secure the return envelopes containing ballots, as well as any ballots cast at the Annual Meeting itself, and at the appropriate time, tabulate ballots and report voting results to the Board.

ARTICLE IV – Directors, Section II. Qualifications and Tenure:

No person shall be eligible to become or remain a director of the Cooperative who does not have and maintain his/her principal residence served by the Cooperative in the district for which he/she runs for election, **who has not been a member of the Cooperative for twenty-four (24) consecutive months prior to the Annual Meeting, who is not at least twenty-one (21) years of age,** who is a close relative of an incumbent director or of an employee of the Cooperative, who has been or is convicted of a felony, who is an employee of the Cooperative, who is employed by a competing enterprise or who is in the business of selling electric energy to the Cooperative; provided, however, that a member who operates an approved Small Power Generation System in accordance with terms and conditions of such systems as may be approved by the Cooperative from time to time shall not be made ineligible for board service. Further, an employee of the Cooperative shall be ineligible to become a director within 5 years after his/her employment relationship with the Cooperative terminates for any reason, including retirement. A director who, by marriage or otherwise, becomes a close relative of an incumbent director or employee shall be allowed to complete the remainder of his/her current term of office. As used in these Bylaws, a close relative means a person who by blood or in-law, including step or adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew, or niece of the principal.

Following discussion, Mr. Franklin made a motion to approve the Bylaws changes as presented. The motion was seconded by Mr. Cox and approved with one opposing vote. There was further discussion regarding formal background checks on potential director candidates. This will be reviewed further for discussion at the April Board Meeting.

The Board was brought up to date on actions taken for the safety of employees and members during the pandemic.

The ACES Member Conference is scheduled for May 28-29. We will continue to follow-up on the status of the meeting.

Attorney: Mr. Schultz described several ongoing projects including the comprehensive board policy review and ongoing work on Fiber related documents.

President/CEO Report: The President/CEO asked if there were any questions regarding the President/CEO's monthly report. There were no questions. Thereafter, Mr. Pheifer made a motion to accept the CEO report. The motion was seconded by Mr. Williamson and passed.

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

Indiana Electric Cooperatives: Mr. Cox reported that the Indiana Electric Cooperatives Board Meeting was postponed due to the pandemic.

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

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary