

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD MAY 30, 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, May 30, 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. Others in attendance were State Representative Peggy Mayfield; Dominic Cooper; BSMS Inc; Michael Schultz, General Counsel; James Tanneberger, President & CEO; Randy Elliott, Chief Operating Officer; Marilou Idland, VP of Human Resources; Tammy Haenlein, VP of Member Services; Charity Coffman, VP of Finance; and Stacey Sauer, Executive Assistant.

Director Ken Sebastian 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 April 25, 2024. Hearing none, Mr. Shields made a motion to approve the minutes as presented. The motion was seconded by Mr. Sebastian and approved.

State Representative Peggy Mayfield was welcomed by the Board. Ms. Coffman, VP of Finance, discussed the impact of major storms with regards to outages and costs summarizing the only way to lessen the impact would be to place overhead lines underground. Ms. Coffman indicated SCI would need to obtain grant funding at the state and federal levels to make this happen. Staff will continue to research funding opportunities to assist with the burial of

overhead lines. Representative Mayfield also offered suggestions for funding avenues at the state level to assist with this endeavor.

The Board thanked Representative Mayfield for her support of Indiana electric cooperatives.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month and stressed that safety is a priority and will be treated as such.

Ms. Idland then introduced Dominic Cooper to the Board. Mr. Cooper discussed establishing a behavioral based safety cultural. Following discussion, The Board scheduled a meeting with Mr. Cooper for further review of the behavioral based safety cultural program.

Ms. Idland also discussed the Smith Systems Driver's Training which is scheduled to begin in the next week.

Thereafter, Ms. Prosser made a motion to accept the Safety Report. The motion was seconded by Mr. Smith and passed.

Wins:

SCI was awarded \$1.2 million from the Infrastructure Development Fund to assist with burial of electric lines.

Financial Reports: The Board reviewed the financial reports for April 2024. Following discussion and questions, Mr. Franklin made a motion to accept the financial reports and write-offs to bad debt for April 2024 as presented. The motion was seconded by Mr. Sebastian and passed.

SCI Fiber: Mr. Tanneberger reported that SCI Fiber continues to be a great asset to our membership and participation continues to increase as we approach 11,000 subscribers. As the focus changes from construction of plant to service of plant, we will be identifying plans and processes for moving forward.

He further reported on the recent activities of Accord Telecommunications Collaborative.

Committee Meetings:

Director Candidate Interview Committee: The Committee met on May 20, 2024, to interview potential director, Mike Witte. The Committee recommended appointing Mr. Witte to fill the remaining term for District 9. Following discussion, Mr. Renner made a motion to appoint Mr. Witte to the Board as recommended. The motion was seconded by Mr. Franklin and approved. Mr. Witte will begin his term on June 1, 2024.

Personnel Committee: The Personnel Committee met on Tuesday, May 28, 2024, at 1:00 pm at the REMC office. A report of the Committee will be given in an Executive Session at the end of the Regular Meeting.

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 be reviewing the information to determine a unified plan to bring initiatives under one umbrella to move forward.

Unfinished Business: Mr. Tanneberger reviewed the President/CEO goals for 2024 and the board was brought up to date on the status of the Rogers Building.

Mr. Tanneberger discussed the Excess Generation Rate (solar) and recent changes to the Hoosier Energy Avoided Cost Rate. The Board discussed the rate details and the rate in comparison to area Cooperatives. Following discussion, Mr. Pheifer made a motion not to adjust the rate. The motion was seconded by Mr. Renner and approved.

New Business: The approval of Hoosier Energy's 2024 Preliminary Power Requirements Study was then considered by the Board. Following discussion, Mr. Pheifer made a motion to

adopt the following resolution approving the study as presented. The motion was seconded by Mr. Franklin and passed.

THAT WHEREAS, the South Central Indiana Rural Electric Membership Corporation Power Requirements Study 2022-2042 dated July 2024, has been prepared by the Hoosier Energy Rural Electric Cooperative, Inc. staff with assistance from the staff at South Central Indiana Rural Electric Membership Corporation; and

WHEREAS, the said Power Requirements Study is an instrument of support for future planning and use with financial and engineering documents and is required to be submitted to the Rural Utilities Service.

BE IT THEREFORE RESOLVED, that the South Central Indiana Rural Electric Membership Corporation Board of Directors hereby accepts and approves the South Central Indiana Rural Electric Membership Corporation Power Requirements Study 2022-2042 dated July 2024.

The Board next reviewed and considered the CFC Certificate of Incumbency and Resolutions for the new CFC loan. Following discussion, Mr. Pheifer made a motion to approve the Certificate of Incumbency and Resolutions as presented. The motion was seconded by Ms. Prosser and passed. A copy is attached.

The Board then considered the 2023 Capital Credit Allocations. Following discussion, Mr. Franklin approved the allocations as presented. The motion was seconded by Ms. Prosser and passed. A copy is attached.

The Voting Delegate to the CFC 2024 District Meeting was then considered by the Board. Ms. Prosser made a motion to appoint Mr. Hamlin as the Voting Delegate and Mr. Franklin as the Alternate Delegate to the 2024 CFC District Meeting. The motion was seconded by Mr. Pheifer and approved.

The Board considered the delegate for the NCSC Annual Meeting to cast the ballot for the director election. Mr. Smith made a motion to appoint Director Bruce Hamlin as the Voting Delegate and Director Rex Franklin as Alternate Delegate. The motion was seconded by Mr. Shields and passed. The Board then considered the NCSC Director Ballot. By consensus of the Board, Mr. Hamlin will cast the ballot for SCI.

Mr. Tanneberger reported that SCI had received correspondence from CFC regarding the Cooperative System Integrity Fund. The correspondence indicated there would not be a request for contributions this year.

The Board discussed holding the NRECA Course 927.1 – Cybersecurity: The Board’s Oversight Role onsite to assure all directors receive the training. Following discussion, the Board directed staff to schedule on-site training for the near future.

The Board reschedule the September Board Meeting from September 19 to Thursday, September 26, 2024.

Attorney: Mr. Schultz reviewed the following board policy:

Board Policy No. 4-9- Underground Service – Following discussion of the proposed amendments, Mr. Renner made a motion to approve the policy as amended. The motion was seconded by Ms. Prosser and approved.

Board Policy No. 4-12 – Partial Release of Easement – There were no recommended changes to this policy.

Mr. Schutlz further discussed ongoing projects.

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. Following discussion, Mr. Smith made a motion to accept the President/CEO’s report. The motion was seconded by Ms. Prosser and approved.

Miscellaneous Reports: The Board considered changing the start time of board meetings as of June with dinner at 4:30 pm with meeting beginning at 5:00 pm.

Hoosier Energy Report: Mr. Pheifer reported on the recent meeting of the Hoosier Energy Board of Directors and answered the directors’ questions.

Indiana Electric Cooperatives Report: Mr. Hamlin reported on the recent meeting of the IEC Board of Directors indicating that IEC would move to their new headquarters by the end of June.

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

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary