

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD OCTOBER 27, 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, October 27, 2022, at 5:30 p.m.

The following Directors were present: Mark Smith, Brad Shields, Lisa Prosser, Rex Franklin, Ken Sebastian, Don Renner, Bruce Hamlin and Heather Mollo. Director Jerry Pheifer was absent. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; Randy Elliott, VP of Finance; Tammy Haenlein, VP of Member Services; and Stacey Sauer, Executive Assistant.

Chairman Hamlin then opened the meeting with prayer and welcomed newly elected Director, Ken Sebastian. He then asked if there were any amendments or corrections to the minutes of the Regular Board of Directors' Meeting held September 22, 2022. Hearing none, Mr. Renner made a motion to approve the minutes as presented. The motion was seconded by Ms. Prosser and passed.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month and answered the Directors' questions. Mr. Tanneberger further stressed that safety is priority and will be treated as such. Following discussion, Ms. Mollo made a motion to accept the Safety Report. The motion was seconded by Mr. Shields and passed.

Staff Report: Ms. Haenlein, VP of Member Services, gave the staff report reviewing highlights from 2022 including safety communications, the new SCI website to launch soon,

growth in social media, and in person member outreach. She further discussed the recent annual meeting and the 2023 communication plan and goals.

Financial Reports: The Board reviewed the financial reports for September 2022.

Following discussion and questions, Mr. Smith made a motion to accept the financial reports and write-offs to bad debt for September 2022 as presented. The motion was seconded by Ms. Mollo and passed.

The Board further discussed rising power costs and the potential impact on SCI's 2023 budget and work plan.

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 approximately 8,800 members taking service at that time with a projection of more than 10,000 users taking service by the end of 2023.

Mr. Tanneberger 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 by adding additional electric cooperatives, telephone cooperatives, and independent fiber providers. He further discussed Accord's membership in Hoosier Net and Accord's recent federal middle-mile grant application. He then answered the Directors' questions.

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

New Business: The Board was reminded of upcoming meetings and to contact Ms. Sauer for further information and registration.

The Board next considered the appointment of Marce King and Steve Deckard to the RoundUp Board of Trustees for a second three-year term. Following discussion, Mr. Franklin

made a motion to appoint Ms. King and Mr. Deckard to a second term on the RoundUp Board of Trustees. The motion was seconded by Mr. Renner and approved.

The proposed 2023 Board Meeting and Holiday Schedules were reviewed and approved by the Board.

The Board was informed that the CoBank Incumbency Certificate certifying the current CEO and Board Officers needed to be updated. Following discussion, Mr. Renner made a motion to authorize the execution of the updated CoBank Incumbency Certificate. The motion was seconded by Ms. Prosser and approved.

The Board next considered the extension of the \$6M CFC line of credit with a maturity date of December 31, 2023. Following discussion, Mr. Renner made a motion to execute the necessary documents to extend the \$6M CFC line of credit through December 31, 2023. The motion was seconded by Ms. Prosser and approved.

The Election of Board Officers was then conducted. Ms. Prosser made a motion to reappoint the current Officers. The motion was seconded by Mr. Franklin and passed to reappoint Bruce Hamlin, Chairperson; Heather Mollo, Vice Chairperson; and Jerry Pheifer, Secretary/Treasurer.

Attorney: Mr. Schultz discussed proposed board policy changes as follows:

Board Policy No. 5-1 – Accounting Systems and Methods – Following discussion of the policy and proposed changes, Mr. Franklin made a motion to approve the policy as amended. The motion was seconded by Ms. Prosser and passed.

Board Policy No. 5-3 – Sales of Used Poles, Scrap and Obsolete Materials – Following review, there were no proposed amendments to the policy.

Mr. Schultz further reported on several 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. He further discussed rates paid for excess generation of residential solar and hiring of a new Vice President of Distribution Services due to the departure of the current vice president at the end of the year.

Mr. Tanneberger then asked if there were any questions regarding the President/CEO's monthly written report. Thereafter, the President/CEO's report was accepted by the Board.

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

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