

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA  
RURAL ELECTRIC MEMBERSHIP CORPORATION  
HELD SEPTEMBER 22, 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, September 22, 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.

Mr. Shields 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 August 25, 2022. Hearing none, Ms. Prosser made a motion to approve the minutes as presented. The motion was seconded by Mr. Smith and passed.

The Board also considered the Minutes of the Special Board Meeting held September 14, 2022. Mr. Smith made a motion to approve the minutes as presented. The motion was seconded by Ms. Prosser and passed with Ms. Mollo and Mr. Franklin abstaining as they were not present at the meeting.

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, Mr. Franklin made a motion to accept the Safety Report. The motion was seconded by Mr. Pheifer and passed.

Staff Report: Mr. Presley, Manager of Business Technology, reviewed SCI's cyber security initiatives with regards to questions from Directors after they had attended a recent cyber security course held by NRECA.

Financial Reports: The Board reviewed the financial reports for August 2022. Following discussion and questions, Mr. Franklin made a motion to accept the financial reports and write-offs to bad debt for August 2022 as presented. The motion was seconded by Ms. Prosser 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 8,700 members taking service at that time.

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 with members and associate members which include electric cooperatives as well as telephone cooperatives. He further discussed Accord's membership in Hoosier Net, grant opportunities, and answered the Directors' questions.

Committee Reports:

Budget and Work Plan Committee: Ms. Prosser reported on the Budget and Workplan Committee meeting held September 2, 2022, to discuss the proposed 2023 Budget and Workplan ratios and guidelines. She reported the recommendation from the Committee was included in the Board Report. Following discussion, Ms. Prosser made a motion to approve the ratios and guidelines for the 2023 Budget and Workplan as recommended by the Committee. The motion was seconded by Mr. Smith and approved.

Fiber and Finance Joint Committee Meeting: Mr. Tanneberger indicated that the Committees met on September 12 to discuss a possible joint venture with another company to

provide fiber to rural areas of Bartholomew County. Mr. LeMere and staff reviewed the scope of the project including potential subscriber numbers, projected financials, pros and cons of the project, and answered the directors' questions. A Special Board Meeting was scheduled for September 14 to discuss the matter further. Following the Special Board Meeting, the consensus of the Board was to not move forward with the potential project.

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

The Board was brought up to date on the Annual Meeting and given instructions for accessing the virtual meeting via Facebook Live.

New Business: The Board then considered nominations for the Indiana Electric Cooperatives director position for 2023. Mr. Pheifer made a motion to appoint Bruce Hamlin as SCI's Indiana Electric Cooperatives Director. The motion was seconded by Ms. Prosser and passed.

The Voting Delegate and Alternate Delegate to the Indiana Electric Cooperatives Annual Meeting were then considered by the Board. Director Jerry Pheifer was appointed the Voting Delegate with Director Rex Franklin appointed as the Alternate Voting Delegate.

The Board discussed the Blue Ribbon Auction held during the IEC Annual Meeting and considered making a donation. Following discussion, Mr. Pheifer made a motion to donate \$500.00 for the auction which benefits the Ronald McDonald House. The motion was seconded by Ms. Prosser and passed.

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.

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

Board Policy No. 4-11 – Provision of Security Light Service– Following discussion of the policy and proposed changes, Mr. Franklin made a motion to approve the policy as amended. The motion was seconded by Mr. Renner and passed.

Dusk-to-Dawn Outdoor Light Rate Schedule – Following discussion of proposed changed to coincide with updated Board Policy No. 4-11, Mr. Franklin made motion to approve the rate schedule as amended. The motion was seconded by Mr. Renner and passed.

Board Policy No. 5-2 – Financial Policy– Following discussion of the policy and proposed changes, Mr. Renner made a motion to approve the policy as amended. The motion was seconded by Ms. Prosser and passed.

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.

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 passed.

Hoosier Energy: Mr. Pheifer reported that there was not a Hoosier Energy Board Meeting held in September.

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

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

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Bruce Hamlin, Chairman

ATTEST:

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Jerry W. Pheifer, Secretary