

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF SOUTH CENTRAL INDIANA
RURAL ELECTRIC MEMBERSHIP CORPORATION
HELD SEPTEMBER 24, 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 at the principal office of the Cooperative, 300 Morton Avenue, Martinsville, Indiana on Thursday, September 24, 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 (via Zoom), Bruce Hamlin, and Heather Mollo. Others in attendance were Michael Schultz, General Counsel; James Tanneberger, President & CEO; Marilou Idland, VP of Human Resources; and Stacey Sauer, Executive Assistant.

Director Mark Smith 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 August 27, 2020. It was noted that under the President/CEO Report, the motion to approve the report was seconded by Mr. Williamson instead of Ms. Williamson. Thereafter, Mr. Williamson made a motion to approve the minutes as amended. The motion was seconded by Ms. Mollo and passed.

Safety Report: Mr. Tanneberger reviewed the Safety Report for the month and answered the Directors' questions. Ms. Prosser made a motion to accept the Safety Report. The motion was seconded by Mr. Franklin and approved.

Financial Reports: The Board reviewed available financial reports. Following discussion, Mr. Smith made a motion to accept the available financial reports and write-offs to bad debt for August 2020. The motion was seconded by Ms. Mollo and passed.

SCI Fiber: Mr. Tanneberger discussed the SCI fiber project reporting on in-home installations, potential business customers, contractors, staffing structure, the Next Level Connection Broadband Grant Program, the Rural Digital Opportunities Fund census block auction, SCI's fiber transport network, and the joint project with Smithville.

He further reported that the focus of the fiber area has been prioritized with fiber to the home being the main focus then followed by smart grid and business and transport.

Committee Reports:

Budget and Workplan: Ms. Prosser reported on the Budget and Work Plan Committee held on August 27, 2020 discussing the Committee's recommendation of the 2021 preliminary budget guidelines. Following discussion, Mr. Cox made a motion to approve the recommendation of the Committee for the 2021 preliminary budget guidelines. The motion was seconded by Mr. Koch and approved. .

Personnel: Mr. Franklin reported on the Personnel Committee Meeting held September 17, 2020 reporting the Committee discussed the 2021 employee benefits and the possibility of moving Vegetation Management from SCI Service, LLC to SCI REMC. The Committee recommended that employee benefits continue with NRECA and Vegetation Management be moved to the REMC as of January 1, 2021. Following discussion, Ms. Prosser made a motion to approve the recommendation of the Personnel Committee. The motion was seconded by Mr. Franklin and approved.

Fiber: Mr. Cox reported on the Fiber Committee Meeting held September 23, 2020, reporting that the Committee discussed authorization limits for all fiber related projects. The group discussed and recommended three tiers for authorizing fiber projects. Following discussion of the tiers, Mr. Franklin made a motion to approve the recommendation as presented. The motion was seconded by Mr. Smith and approved.

The Board considered granting authority to the Finance and Fiber Committee to have spending authority to authorize construction with regards to Tier 2. Mr. Cox made a motion to grant authority to the Finance and Fiber Committees as discussed. The motion was seconded by Ms. Prosser and approved.

Unfinished Business: Mr. Tanneberger discussed his goals for 2020 which revolve around safety, satisfaction and strength indicating that updates are noted in red.

Mr. Tanneberger reported no changes to the current working arrangement of employees due to the pandemic. He further reported that the Community Room is still closed to the public.

The Board was reminded of the Annual Meeting to be held on Saturday, September 26. Directors may dial in for the meeting or come to the REMC office. An Annual Meeting video has been produced and will be made available on the SCI website.

Scheduling of a Strategic Planning Session was then considered by the Board. Following discussion, a Strategic Planning Session was scheduled for Saturday, October 17, 2020.

New Business: The Board then considered nominations for the Indiana Electric Cooperatives director position for 2021. Mr. Pheifer made a motion to appoint Bruce Hamlin as SCI's Indiana Electric Cooperatives Director. The motion was seconded by Mr. Williamson and passed.

The Voting Delegate and Alternate Delegate to the Indiana Electric Cooperatives Annual Meeting were then considered by the Board. Mr. Williamson made a motion appointing Jim Cox to serve as the Delegate. The motion was seconded by Mr. Franklin and approved. Mr. Cox made a motion appointing Lisa Prosser to serve as the Alternate Delegate to the Indiana Electric Cooperatives Annual Meeting in December. The motion was seconded by Mr. Williamson and passed.

The Board considered the Voting Delegate to the CFC District 4 Director Election. Mr. Williamson made a motion to appoint Heather Mollo as the Voting Delegate. The motion was seconded by Mr. Pheifer and passed.

A donation to the Blue Ribbon Auction normally held during the IEC Annual Meeting was then considered by the Board. Mr. Pheifer made a motion to donate \$500.00 for the auction which benefits the Ronald McDonald House. The motion was seconded by Mr. Franklin and passed.

Mr. Tanneberger indicated that the 2021 Board of Directors' budget would be based on conferences attended in 2019 as many were cancelled in 2020.

Attorney: Mr. Schultz discussed proposed changes to Board Policy No. 1-5 – Offers to Acquire All or Substantially All of SCI. Following discussion, Ms. Prosser made a motion to approve Board Policy 1-5 as amended. The motion was seconded by Mr. Cox and passed.

Board Policy No. 1-6 – Use of Consultants will be further amended and reviewed at the September Board Meeting.

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 has a meeting scheduled with all employees hired during the pandemic to communicate SCI's vision and answer any questions they may have.

He then asked if there were any questions regarding the President/CEO's monthly written report. Thereafter, Mr. Williamson made a motion to accept the CEO report. The motion was seconded by Mr. Franklin and passed.

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

There being no further business to come before the Board, the meeting was duly adjourned.

Bruce Hamlin, Chairman

ATTEST:

Jerry W. Pheifer, Secretary