

**NineStar Connect**  
**2020 Annual Meeting Minutes**

The 67<sup>th</sup> Annual Meeting of the members of Hancock Rural Telephone Corporation d/b/a NineStar Connect was held virtually on Friday, March 27, 2020. The meeting was held virtually due to the State of Indiana Governor's Executive Order 20-08 – Stay-at-Home order effective 3/23 to 4/6. The meeting was broadcast via livestream and on NineStar TV Channel 9.

Chairman Hayes asked all to join him in a moment of silence for those who are impacted by the Coronavirus emergency.

Chairman Hayes welcomed everyone who was watching the livestream of NineStar's first ever virtual Annual Meeting and he stated the Secretary has declared there is a quorum to conduct the Annual Meeting and he officially called the meeting to order at 6:30 pm. Hayes thanked all members of the cooperative who took the time to vote early for candidates to our Board of Directors and stated under Indiana law governing utility cooperatives, early votes count toward the quorum that is needed to conduct their annual meeting.

Chairman Hayes called upon Board of Directors Secretary Raymond Kerkhof to read the Annual Meeting Notice proof of mailing. Secretary Kerkhof read the proof of mailing.

Chairman Hayes tabled the reading and approval of 2019 Annual Meeting minutes until the 2021 Annual Meeting where members can be physically present to vote on the motion.

Chairman Hayes introduced the current Board of Directors: James Cherry, Kim Cronk, Mark Evans, Philip Hayes, David Heller, Chris Jeter, Raymond Kerkhof, Shelly Kleiman, Ronnie Mohr, Joseph Paxton, Don Shaw, Darrell Thomas, and Stephen Vail.

Chairman Hayes called upon Board of Directors Secretary Raymond Kerkhof to read the report of the 2020 Nominating Committee. Kerkhof reviewed the meeting minutes and reported that no nominations by petition were submitted.

Chairman Hayes listed the members of the 2020 Teller Committee and stated that normally at this time the Teller's Committee would take custody of the ballot boxes and retire to another room to count the ballots. Since early voting was stopped when NineStar's offices closed on March 23<sup>rd</sup>, the Teller's Committee convened on Tuesday, March 24<sup>th</sup> to tally the ballots that had been cast and certify the election of the directors. Following the tabulation of the ballots, the Teller's Committee certified that the following individuals had been elected by the membership to a three-year term as a director of the cooperative:

District 1: Christopher Jeter  
District 7: Jack Negley  
District 8: Raymond Kerkhof  
District At-Large 1: Kim Cronk

Chairman Hayes thanked all NineStar employees who have been, and continue to be, focused on providing the essential utility services all of us need to survive through the current public health emergency.

Hayes stated the 2020 Annual Meeting was planned to be a milestone celebration marked with some special recognitions – one of which was to recognize two outstanding members of our board who have retired as directors. The first of those individuals was Beverly Gard who served on our board for over five years. While her service on the board was relatively short, she did have a big impact on NineStar Connect and the strategic direction our cooperative has taken over the last decade. More important to note, however, is that during Beverly's many years of service as our local State Senator, she worked tirelessly in support of her local utility cooperatives in Hancock, Henry, Rush and Shelby Counties as well as cooperatives across the state. In fact, Beverly sponsored the enabling legislation that allowed Central Indiana Power and Hancock Telecom to merge and become NineStar Connect. The second director to announce his retirement was David Heller. Dave is one of our most senior directors whose experience, knowledge and history will be hard to replicate. Over his 35 years of service as a director, Dave was part of the team that helped bring cable TV to rural portions of our serving territory, locally owned long-distance telephone services and perhaps most importantly, broadband internet. Dave served as a director on both Hancock Telecom and Central Indiana Power's boards where at different times he was elected by his peers as Chairman. He is also one of the founding members of the NineStar Connect board of directors and has been key in developing the strategic direction of our locally owned hybrid utility, making it a nationally recognized cooperative.

Hayes stated tonight was planned to be a celebration of the 125 year history of the cooperative that has come to be known as NineStar Connect. It has long been celebrated as a locally owned and controlled organization that is independent and finds solutions, improves the quality of place and drives the economic vitality for the communities it serves. Through two world wars, a Great Depression, 9/11, the Great Recession and now a national pandemic, your local cooperative utility has found a way to continue to provide the critical services you need to not only survive but thrive. Together with your continued support, we will continue to provide those services you need.

Chairman Hayes introduced President & CEO Michael R. Burrow who began his address by thanking the members and customers who were watching the live stream broadcast of the 2020 Annual Meeting. Burrow stated the current public health emergency has forced all of us at NineStar to pare down what we do to the bare essentials – we have to keep the lights on, the internet on, and the water flowing. He discussed the efforts to keep employees and member safe while still delivering critical services and encouraged members to utilize our social media accounts for news during this time. Burrow stated over the last 125 years, this cooperative and the communities it serves have weathered through many crisis by working together for the betterment of all. Together we will get through this current emergency as well and he hopes to see all of you in person at next year's Annual Meeting.

Chief Financial Officer Scott Hiatt reported on the December 31, 2019 Audited Financial Report for NineStar Connect. CFO Hiatt reported the following:

- Revenues for 2019 were steady over the prior year at \$65 Million.

- 2019 Operating Margin of \$695,000 is down \$1.3 Million from 2018.
- 2019 Net Margin of \$17.8 Million, increased due to book entry only for valuation of a partnership investmen.
- Member Equity increased \$6 Million, while total equity of NineStar increased by \$10 Million.

CFO Hiatt reviewed the criteria for the 2020 NineStar Scholarship Program. The randomly drawn winners of the fifteen \$1,000 scholarships were:

- Padraig Alford – Mt. Vernon High School
- Evan Bobb – Pendleton Heights High School
- Cameron Cole – Mt. Vernon High School
- Cora Downing – New Palestine High School
- Anthony Fleming – Mt. Vernon High School
- Grace Hobbs – New Palestine High School
- Corina Jennings – Eastern Hancock High School
- Samuel Jennings – Greenfield Central High School
- Lillian Leiner – Hamilton Southeastern High School
- Logan Overman – Greenfield Central High School
- Ellie Robertson – Greenfield Central High School
- Hannah Rodgers – Eastern Hancock High School
- Elizabeth Salisbury – Heritage Christian High School
- Shaun Shipley – Mt. Vernon High School
- Paige Wickard – Eastern Hancock High School

CFO Hiatt, introduced David Spencer, Director of Marketing and PR, who gave the 2019 Operation Round-up Report. Spencer thanked the cooperative members who serve as trustees for Operation Round-Up. Spencer reviewed the program and stated that in 2019 a total of \$88,595.00 in grants were awarded to 26 organizations.

Chairman Hayes stated that prior to broadcast we were advised there was no new business, and also no old business to come before the meeting.

President & CEO Burrow and Director of Marketing & PR Spencer conducted the door prize drawing:

\$500:

- Charles Gorth
- Daniel Richey

\$300:

- Andrew Barriento
- Jerome Beightol
- Chad Cole
- Michael Halterman
- Deanna Hobbs

- Debbie Kerr
- David Matlock
- Michelle Mohr
- Walter Ricker
- Robert Robinson

\$100:

- William Beaty
- Richard Bloom
- Byford Borgman
- Rick Bramwell
- Linda Burkett
- Jan Cochard
- Daryl Myran
- Robert Reed
- Larry Smith
- Sheri Wilburn

Chairman Hayes adjourned the Annual Meeting at 7:47 pm.