

**SHELBY ENERGY COOPERATIVE, INC.**  
**Shelbyville, Kentucky**  
**Board of Directors' Meeting-December 19, 2024**

<b>Regular Meeting</b>	The following persons were present at 9:00 a.m., either in person or electronically.	
	<u>Directors:</u>	
	Ashley Chilton	Chairman
	Pat Hargadon	Vice Chairman
	Roger Taylor	Secretary/Treasurer
	Wayne Stratton	Director
	Diana Arnold	Director
	Jeffrey Joyce	Director
	<u>Also Present:</u>	
	Jack Bragg, Jr.	President & CEO
	Randy Stevens	SVP, Power Delivery Services
	Michael Moriarty	Chief Financial Officer
	Jennie Pate	Manager, Billing & Customer Service
	Dylan Staples	Manager, Engineering
	Mike Mason	Manager, Operations
	Jason Ginn	Manager, Contract Resources
	Mary Beth Dennis	Director of Communications & Member Services
	Alan Q. Zaring	Attorney
	<b>Board Information</b>	<p>Copies of the following were provided to Board Members on December 13, 2024.</p> <p>Chairman Chilton called the meeting to order.</p>
	<b>Safety Moment</b>	Jason Ginn presented the Safety Moment on a truck rollover that occurred with a contractor on 12/12/24.
	<b>Minutes</b>	Upon unanimous motion, the Minutes of the November 21, 2024, meeting were approved.
	<b>Communications &amp; Cooperative Services</b>	<p>Mary Beth Dennis gave the Communications &amp; Cooperative Services Report.</p> <p>She reviewed recent and upcoming Community Events.</p> <p>Dennis gave the monthly website analytics, as well as Facebook insights and Top Post, LinkedIn information, and the Messenger and solar energy report.</p>



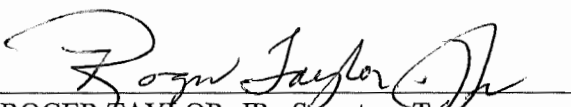
	<p>She also reviewed the Energy Audits, Rebate and Solar Credit Reports, and provided an update on the Smarthub Adoption rate.</p>
<b>Finance, Accounting &amp; Payroll</b>	<p>Michael Moriarty presented the Accounting and Payroll reports for November, 2024. For the month, the TIER was 0.70 and OTIER was 0.60. Power cost as a percentage of revenue for November was 69.5%.</p> <p>The November, 2024 check registers, credit card expenses, fleet card expenses, and Propane Plus financials were available for review.</p> <p>Moriarty also provided an update on the Medical Insurance plan.</p> <p>The Board then discussed retirement of capital credits. After much discussion, upon motion by Joyce and second by Stratton, the Board voted to not exercise a general retirement of capital credits for 2024. This is based upon the lack of sustainable margins and is related to the outcome of the 2023 rate case.</p>
<b>Billing and Customer Service</b>	<p>Jennie Pate reviewed the Billing and Customer Service Reports for November, 2024.</p> <p>This included a comparison of membership numbers for November, 2023, and November, 2024. The data shows 14,174 active members currently, compared to 14,002 one year ago.</p> <p>The Collections Summary Report for November was presented. A total of \$2,998.34 was submitted for collection, with \$562.57 being collected by GLA and \$0 by Shelby Energy.</p> <p>Two estates received capital credit refunds in November, totaling \$2,359.33.</p> <p>There were 22 uncollectable Accounts for November, 2024, with September, 2024, cut-off dates, totaling \$4,187.70, that were eligible for write-off.</p> <p>A summary of those accounts was provided, and upon motion by Hargadon, seconded by Taylor, those amounts were approved.</p>
<b>Information Technology</b>	<p>Jack Bragg presented the IT Report for November, 2024. That included:</p> <ul style="list-style-type: none"> <li>-A summary of the Zorus DNS/Web Filtering activity for the month.</li> <li>-Sophos Managed Threat Detection &amp; Response information</li> <li>-Notification that AT&amp;T has provided 3 cell modems to replace the outdated DSL connections at 3 substations; and that 2 failover modems on FirstNet SIM cards have also been purchased. These can be used in the event of an internet outage.</li> </ul>

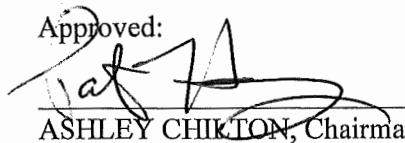


<b>Power Delivery Report</b>	Randy Stevens reviewed the Power Delivery Report for November, 2024. He presented updates on the Construction Work Plan and Contractor Right-of-Way budgets.
<b>Engineering Report</b>	Dylan Staples gave the Engineering Report for November, 2024. He informed the Board that the Cooperative installed 28 new meters in November.  SAIFI and SAIDA numbers were also reviewed.
<b>Internal Resources Operations</b>	Mike Mason presented the Internal Resources Operations Reports for November, 2024.  He advised there were 2 safety meetings in November and 6 job site inspections, with no findings.  He also advised that crews were working on red tag pole changes and helping with RDOF pole changes.
<b>Operations and Contract Resources</b>	Jason Ginn presented the Operations and Contract Resources Reports for November, 2024. He provided information on contract manpower and equipment tracking, as well as a summary of a recent bucket truck rollover accident for the Elliott crew.  Ginn also provided progress tracking for the Lightning Work Orders and updates on Spectrum RDOF/Grant/BEAD updates.
<b>2025 Proposed Operating Budget</b>	Michael Moriarty presented the proposed Operating Budget for 2025.  Upon motion of Hargadon, seconded by Arnold, the Board voted to accept the 2025 budget as presented.
<b>2025 Tentative Meeting Dates</b>	Bragg presented the tentative schedule for the Board Meetings in 2025. Upon motion by Arnold, seconded by Taylor, the Board approved the schedule as presented.
<b>EKPC Wholesale Power Contract</b>	Bragg led discussion about the EKPC Wholesale Power Contract. Upon motion by Stratton, seconded by Arnold, the Board voted to affirm and adopt the Resolution ratifying Amendment 5 to the EKPC Wholesale Power Contract.
<b>Executive Session</b>	Upon motion by Taylor, seconded by Joyce, the Board entered executive session with Zaring present.



<b>Board Policies</b>	<p>Bragg and Zaring presented the following policies for consideration and approval:</p> <p>BP 324-Information Technology  BP 719-Acceptable Use of Systems  BP 721-Internet Access  BP 907-Other Employee Benefits  BP 911-Conduct of Employees  BP 923-Medical Insurance for Active Employees Hired After 7/1/96</p> <p>Upon motion by Stratton and second by Taylor, the policy updates were unanimously approved.</p>
<b>EKPC</b>	Stratton presented the EKPC Report.
<b>KEC</b>	Hargadon presented the KEC Report.
<b>President &amp; CEO Report</b>	Bragg provided the President & CEO's report.
<b>Adjourn</b>	There being no further business, the meeting was adjourned. The next Board meeting will be on January 23, 2025, at 9:00 a.m.

  
ROGER TAYLOR, JR., Secretary-Treasurer

Approved:  Vice Chair  
ASHLEY CHILTON, Chairman