

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting —January 27, 2022

Regular Meeting	The following persons were present at 9:00 a.m.	
	<u>Directors:</u>	
	Ashley Chilton	Chairman
	Pat Hargadon	Vice Chairman
	Roger Taylor	Secretary/Treasurer
	Wayne Stratton (Zoom)	Director
	Diana Arnold	Director
	Jeffrey Joyce (Zoom)	Director
	<u>Also Present:</u>	
	Jack Bragg, Jr.	President & CEO
	Randy Stevens	SVP, Power Delivery Services
	Nanette McCarty	Manager, Billing & Customer Service
	Jason Ginn	Operations Manager
	Dustin Peach	IT Administrator
	Michael Moriarty	Chief Financial Officer
	Melanie Crossfield	Communications
	Dusty Phelps	Manager, Engineering
	David S. Sullivan	Attorney

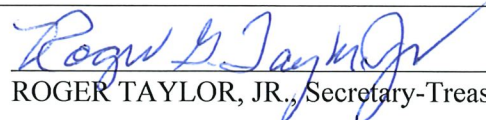
Board Information	Copies of the following were provided to Board Members on January 21, 2022.	
	<ol style="list-style-type: none"> 1. Agenda. 2. Proposed Minutes of December 16, 2021 3. Finance and Cooperative Services Report 4. Accounting and Payroll Report 5. Billing and Customer Service Report 6. Information Technology Report 7. ROW Report 8. Safety Report 9. Engineering Board Report 10. Operations Report 11. BP108 – Qualifications, Standards of Conduct, Conflict of Interest Policy for Directors and Key Personnel 12. BP700- Information and Cybersecurity Policy BP 10-12 13. BP913- Education Assistance BP 13-15 14. BP926- Employee Code of Ethics 	
Safety Moment	Jack Bragg presented the safety moment on traffic safety and the dangers of texting and driving and the importance of keeping your attention on the road.	

Minutes	Upon motion of Hargadon, seconded by Arnold, the Minutes of the December 16, 2021, Board of Directors meeting were unanimously approved.
Finance & Cooperative Services	<p>Melanie Crossfield gave the Finance & Cooperative Services Report.</p> <p>The Rebate Reports for the month notes 3 energy audits, with 3 for the year.</p> <p>Crossfield gave the monthly website analytics, as well as Facebook insights and Top Post, and the solar energy report. She also provided an update on the Washington, D.C. trip applicants; 10 new solar panel leases; and the Smart Hub and Messenger Report.</p> <p>The Annual Meeting was also discussed, with the thought of having a virtual meeting once again, with drive-through prizes.</p>
Accounting & Payroll	<p>Moriarty presented the Accounting and Payroll reports for November, 2021.</p> <p>For December, Shelby Energy's year-to-date TIER was 5.43 and its OTIER was 4.81. Power cost as a percentage of revenue for the month was 70.23.</p> <p>The December, 2021 check registers, credit card expenses, fleet card expenses, and Propane Plus financials were available for review.</p>
Billing and Customer Service	<p>Nanette McCarty reviewed the Billing and Customer Service Reports for September.</p> <p>Write offs of 25 Uncollectable Accounts totaling \$ 4,935.31 were reported from October disconnect dates. A summary of those accounts was provided, and upon motion by Arnold, seconded by Chilton, that amount was approved.</p> <p>The Collections Summary Reports for December was presented. A total of \$4,347.31 was submitted for collection, with \$878.94 being collected by GLA and \$432.73 by Shelby Energy.</p> <p>Eight estates received capital credit refunds in October, 2021, totaling \$5,819.01.</p>
Information Technology	Dustin Peach presented the IT Report for December, 2021. Noteworthy items included 12.5 TB data transferred. Project updates were also provided.
Power Delivery Report	Randy Stevens reviewed the ROW Report for December, 2021. This included discussion of the joint use tariff filing and construction work plan.

Safety Report	<p>Mike Mason gave the Safety Report for December, 2021. There were 6 inspections of Shelby and contractor crews during these months, with no findings.</p> <p>There were no injuries for the month.</p>
Engineering Report	Dusty Phelps gave the Engineering Report for December. There was one outage at the Bedford Substation on December 11, which affected 582 customers and lasted 1 hour 35 minutes and was due to lightning.
Operations Report	<p>Jason Ginn presented the operations reports for December, 2021.</p> <p>Ginn and Phelps updated the Board on work that continues at Bardstown Trail; Russell Branch Road; Highway 421; Industrial Park; Highway 395 from Pea Ridge to Cat Ridge; Spectrum fiber pole changes; and new construction and pole changes.</p>
Executive Session	The Board entered Executive Session with Sullivan present.
Voting Delegates	Bragg discussed the need for voting delegates for the NRECA Annual and Regional Meetings. After some discussion, Stratton was appointed as delegate and Bragg as alternate.
Board Policies	<p>Zaring and Bragg presented the following policies for consideration and approval:</p> <p>BP108 – Qualifications, Standards of Conduct, Conflict of Interest Policy for Directors and Key Personnel</p> <p>BP700- Information and Cybersecurity Policy BP 10-12</p> <p>BP913- Education Assistance BP 13-15</p> <p>BP926- Employee Code of Ethics</p> <p>After discussion and some minor changes, upon motion by Taylor and second by Arnold, the policy updates were unanimously approved.</p>
EKPC	Stratton presented the EKPC Report.
KEC	Hargadon presented the KEC Report.
President & CEO Report	Bragg provided the President & CEO's report for December.
Adjourn	There being no further business, the meeting was adjourned. The next Board meeting will be February 25, 2022, at 9:00 a.m.

Approved:

ASHLEY CHILTON, Chairman


 ROGER TAYLOR, JR., Secretary-Treasurer