

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting —May 25, 2023


Regular Meeting	The following persons were present at 9:00 a.m., either in person or electronically.	
	<u>Directors:</u>	
	<u>Ashley Chilton</u>	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
	Mike Mason	Internal Resources Operations
	Jason Ginn	External Resources Operations
	Nanette McCarty	Manager, Billing & Customer Service
	Dylan Staples	Manager, Engineering
	Michael Moriarty	Chief Financial Officer
	Mary Beth Dennis	Director, Communications and Member Services
	Alan Q. Zaring	Attorney
	John Wolfram	Catalyst Consulting, LLC

Board Information	Copies of the following were provided to Board Members on May 17, 2023.
	<ol style="list-style-type: none"> 1. Agenda. 2. Proposed Minutes of April 27, 2023, meeting 3. Communications and Cooperative Services Report 4. Finance, Accounting and Payroll Report 5. Billing and Customer Service Report 6. Information Technology Report 7. Power Delivery Report 8. Engineering Board Report 9. Internal Resources Operations Report 10. External Resources Operations Report 11. NSCS Proposed Bylaw changes and Voting 12. BP 101-Policy Development, Approval and Administrative 13. BP 103-Board of Directors and President CEO Relationship 14. BP 104-Authority Given by the Board to President CEO
Safety Moment	Randy Stevens presented the safety moment on power washing safety.

Minutes	Upon unanimous motion, the Minutes of the April 27, 2023, meeting were approved.
Cost of Service Study	John Wolfram with Catalyst Consulting, LLC presented a cost of service study.
Communications & Cooperative Services	<p>Mary Beth Dennis gave the Communications & 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>Dennis also reviewed the Energy Audits, Rebate and Solar Credit Reports, and provided an update on the Nominating Committee.</p> <p>For April, the Smarthub adoption rate is 50.69%.</p> <p>Dennis also presented for approval the Appointment of Assistant Secretaries for the 2023 Annual Meeting. Upon motion by Stratton, seconded by Joyce, the following employees were appointed: Nanette McCarty; Evelyn Lancaster; Emma Redmon; Shelia Case; Tracy Bohannon; Racene Curtsinger; Dustin Peach; Pam Goetzinger; Johnna DeWitt; Barbie Goodwin; Mary Beth Dennis; Emily Hartgrove; Shelley Dailey; and Jean McLaughlin.</p>
Finance, Accounting & Payroll	<p>Moriarty presented the Accounting and Payroll reports.</p> <p>He provided an extensive review of the budgeted vs. actual costs for the month and YTD, financial ratios, as well as power usage comparisons.</p> <p>For April, Shelby Energy’s TIER was 0.68 and its OTIER was 0.48. Power cost as a percentage of revenue for the month was 76.80.</p> <p>The April, 2023, 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>
Billing and Customer Service	Nanette McCarty reviewed the Billing and Customer Service Reports for April, 2023.

	<p>There were 18 uncollectable Accounts for April, 2023, with February, 2023, cut-off dates, totaling \$13,470.15.</p> <p>A summary of those accounts was provided, and upon motion by Arnold, those amounts were approved.</p> <p>The Collections Summary Reports for April was presented. A total of \$6,365.26 was submitted for collection, with \$338.33 being collected by GLA and \$0 by Shelby Energy in March.</p> <p>Eight estates received capital credit refunds totaling \$4,936.13.</p>
Information Technology	<p>Dustin Peach presented the IT Report for April, 2023. That included the Network Failover Performance Report; a Cybersecurity update; a Phishing Security Test Report; and the status of the AT&T FirstNet radio project, which had some technical issues, but should be up and running in 2-3 weeks.</p> <p>Peach also reported on recent trainings attended by himself and others.</p>
Power Delivery Report	<p>Randy Stevens reviewed the Power Delivery Report for April, 2023. He presented updates on the Construction Work Plan budgets.</p>
Engineering Report	<p>Dylan Staples gave the Engineering Report for April, 2023. Noteworthy items included new services completed, updating service mapping, and large project updates.</p> <p>Outage figures were also presented.</p>
Internal Operations & Safety	<p>Mike Mason presented the Internal Operations & Safety Report for April, 2023.</p> <p>Noteworthy items included 1 safety meeting covering grounding; 6 job site inspections with no findings; and project updates.</p>
External Resources Operations	<p>Jason Ginn presented the External Operations and Safety Report for April.</p> <p>Ginn advised that the Russell Branch 4.5 mile single phase to three phase job is complete, which improved reliability, increased capacity to cover load, and relocated to the road for improved accessibility.</p> <p>He also reported on the Spectrum RDOF pole changes, including Final Invoicing and State Grant Joint Use Builds.</p> <p>He also reported on RDOF pole changes; the Eddie Lane KU Overbuild; line improvement project updates; and updates on contractor crews.</p>

NSCS Bylaw Amendments	Bragg reviewed the proposed amendments to the NCSC Bylaws, as well as voting delegates.
Executive Session	The Board entered into Executive Session with Zaring present.
Board Policies	<p>Zaring and Bragg presented the following policies for consideration and approval:</p> <p style="text-align: center;">BP 101-Policy Development, Approval and Administrative BP 103-Board of Directors and President CEO Relationship BP 104-Authority Given by the Board to President CEO</p> <p>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 April.
Adjourn	There being no further business, the meeting was adjourned. The next Board meeting will be the Annual Meeting on June 15, 2023, at 9:00 a.m.



ROGER TAYLOR, JR., Secretary-Treasurer

Approved:



ASHLEY CHILTON, Chairman