

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting —May 28, 2020

Regular Meeting	The following persons were present, telephonically, at 9:00 a.m. at Shelby Energy's headquarters
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<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
Jared Routh	SVP, Finance & Cooperative Services
Sergio Cole	Manager, Accounting & Payroll
Nanette McCarty	Manager, Billing & Customer Service
Sarah Newton	Safety Coordinator
Dustin Peach	IT Administrator
Alan Q. Zaring	Attorney

Board Information	Copies of the following were provided to Board Members on May 21, 2020.
	<ol style="list-style-type: none"> 1. Agenda. 2. Proposed Minutes of 04/16/20 meeting 3. Finance and Cooperative Services Report 4. March Financial Review 5. April Financial Review 6. Billing and Customer Service Report 7. Information Technology Report 8. ROW Report 9. Safety Report 10. Engineering Board Report 11. Proposed Certificate of Resolution and Incumbency 12. Proposed Resolution for new CUB account 13. BP 905-Sick Leave and Bereavement 14. BP 906- Unpaid Leave of Absence

	15. BP 909- Disciplinary Procedures 16. Pandemic Response Contingency Financial Plan
Call to Order	The regular Board meeting was called to order by Chairman Chilton.
Safety Moment	The Safety Moment was presented by Sarah Newtown, who discussed assessing risk before launching a task.
Minutes	Upon motion of Hargadon, the Minutes of the April 16, 2020, Board of Directors meeting were unanimously approved.

Finance & Cooperative Services	<p>Routh gave the Finance & Cooperative Services Report. He announced the 2020 scholarship recipients and that the Youth Tour has been canceled this year.</p> <p>In addition, the Board agreed to utilize Zoom to be present at the Annual Meeting on June 25.</p> <p>Other noteworthy items were:</p> <p>The Rebate Reports for March 2020, noted no energy audits due the current pandemic, with 15 having been conducted year-to-date.</p> <p>Routh also gave the monthly website analytics, and Facebook insights and Top Post, as well as the solar energy report.</p> <p>The compilation of the New Member Surveys for April showed 17 very satisfied and 1 satisfied with Shelby Energy's services of the 18 surveys returned. This represented a 21% monthly return rate from the 86 members surveyed.</p> <p>Routh also gave an update on the medical insurance plan status.</p> <p>Routh presented the Form 990 and 990T for review, and upon motion by Stratton, those documents were unanimously approved.</p> <p>In addition, upon motion of Joyce, it was unanimously approved to allow the secretaries for purposes of registration of members at the Annual Meeting.</p>
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Accounting & Payroll	<p>Cole presented the Accounting and Payroll reports for March, and April, 2020.</p> <p>For March, Shelby Energy's year-to-date TIER was 3.59 and its OTIER was 3.02. Power cost as a percentage of revenue for the month was 62.42.</p>
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	<p>For April, Shelby Energy's year-to-date TIER was 2.93 and its OTIER was 2.57. Power cost as a percentage of revenue for the month was 63.14.</p> <p>The March and April 2020 check registers, credit card expenses, fleet card expenses, and Propane Plus financials were available for review.</p>
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Billing and Customer Service	<p>Nanette McCarty reviewed the Billing and Customer Service Reports for April, 2020.</p> <p>Write offs of Uncollectable Accounts totaling \$1,737.94 were reported from February disconnect dates. A summary of those accounts was provided, and on motion by Stratton, unanimously approved, that amount was passed.</p> <p>5 estates received capital credit refunds totaling \$1,459.18.</p> <p>McCarty presented a Collections Summary Report. For March, \$1,404.25 was submitted to collections, with \$1,445.44 being collected by GLA and \$0.00 by Shelby directly. For April, \$1,499.42 was submitted to collections, with \$412.22 being collected by GLA and \$0.00 by Shelby directly.</p> <p>In addition, \$4,674.58 was refunded to member's estates in capital credits for April, bringing the YTD amount to \$26,836.11.</p>
Information Technology	Dustin Peach presented the IT Report for April, 2020.
Power Delivery Report	Randy Stevens presented the ROW Report for April, 2020.
Safety Report	<p>Sarah Newton gave the Safety Report for April, 2020. There were 7 inspections of Shelby and contractor crews during the month, with no findings. There was one accident or injury for the month.</p> <p>Newton also reviewed the Cooperative's Covid-19 plan.</p>
Engineering Report	Stevens gave the Engineering and Outage report for April, 2020. There were 59 outages during the month, with 1,477 members impacted. None of those affected more than 500 members.

Operations Report	Stevens presented the operations reports for April, 2020. The work orders for March totaled 97. Ginn updated the Board on work that continues at: Webb Road, phases 1, 2, and 3; South Property Road, phase 2 to phase 3; and Cardinal Club.
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Resolutions	<p>Bragg presented for consideration and approval the following resolutions:</p> <p>(1) Certificate of Resolution and Incumbency related to SBA Payroll Protection Program Loan. After discussion and upon motion by Stratton, the Resolution was approved.</p> <p>(2) Resolution to establish new bank account at Citizens Union Bank for proceeds from the SBA Payroll Protection Program Loan. After discussion and upon motion by Hargadon, the Resolution was approved.</p>
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Executive Session	The Board entered Executive Session with Zaring present.
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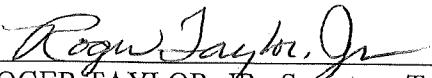
Board Policies	<p>Bragg presented the following policies for consideration and approval:</p> <p>BP 905-Sick Leave and Bereavement BP 906-Unpaid Leave of Absence BP 909-Disciplinary Procedures</p> <p>Upon motion by Arnold, the policy updates were approved.</p>
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EKPC Report	Wayne Stratton reported that the EKPC did not meet in April, but gave an update on EKPC business that he was familiar with.
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KEC Report	Hargadon reported that the KEC did not meet in April, but gave an update on KEC business that he was familiar with.
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President & CEO Report	Bragg provided the President & CEO's report for April.
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Adjourn	There being no further business, the meeting was adjourned. The next Board meeting will be the Annual Meeting on June 25, 2020.
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ROGER TAYLOR, JR., Secretary-Treasurer

Approved:

ASHLEY CHILTON, Chairman