

# 2023 ANNUAL REPORT



SUPPORT | **ADVOCATE** | EDUCATE



Shelby Energy Cooperative

A Touchstone Energy® Cooperative







## ADVOCATE

**T**he word “advocate” carries a rich and profound meaning, and it’s what Shelby Energy Cooperative is all about.

The Latin root words of “advocate” mean “to call to one’s aid.” At the heart of our member-owned cooperative is the mission to improve the quality of life for the people we serve.

For new members of Shelby Energy Cooperative, this concept may be difficult to grasp. Why should a power company care about me? Isn’t it just a corporation that says things like that to sound good to its shareholders?

Shelby Energy Cooperative advocates for our members because we belong to our members. As a cooperative, there are no out-of-town shareholders or parent companies profiting off our members. Shelby Energy Cooperative is a not-for-profit utility that, from the very beginning in 1937 to this day, has always been led by and owned by the people we serve.

It means being your consumer-advocate and standing up for your rights, interests and needs. Here are some key ways we advocate for you:

### AFFORDABLE RATES

Shelby Energy Cooperative works with East Kentucky Power Cooperative to keep electric rates as low as possible. We advocate for fair, just and reasonable rate structures, and our cooperative team is accountable to members to manage our operations efficiently. This ensures that we can offer some of the most competitive electricity rates in the country.

### RELIABILITY

We understand the essential role electricity plays in your daily life. Our cooperative invests in maintaining and upgrading our infrastructure to ensure a reliable power supply. We advocate for robust and resilient systems to minimize outages, and when they do occur, we strive to restore power quickly.

### MEMBER EDUCATION

An informed member is an empowered member. We advocate for your right to understand your energy consumption and how to use electricity efficiently. Through workshops,

▲  
Above, Engineer Dylan Staples, center, discusses new service construction with operations personnel Randy Stevens, left, and Mike Mason.

▲  
Above right, Linemen Chandler Ping and Jeff Lea load poles for a job.

▲  
Right, Customer Service and Billing Manager Jennie Pate works with Tracy Bohannon to set up a new customer account.  
Photos: Tim Webb

On the cover: President and CEO Jack Bragg takes a moment to talk to Gary Warford, Dylan Staples and Randy Stevens.  
Photo: Tim Webb





*Kentucky Living* and online resources, Shelby Energy Cooperative provides our consumer-members with the knowledge to make informed decisions about energy use.

## **COMMUNITY ENGAGEMENT**

We believe in the power of community, and we advocate for the well-being of the communities we serve. Our cooperative actively supports local initiatives, charitable organizations and economic development efforts. Together, we strengthen our communities and advocate for their growth and prosperity.

This year we hosted a Lineman Field Day for high school students to get hands-on line work experience and learn about electrical safety. We also sponsored two students on the Frankfort Youth Tour and one of those students went to the Washington Youth Tour in June.

## **TRANSPARENCY AND ACCOUNTABILITY**

Advocacy is also about being transparent and accountable in our actions. Shelby Energy Cooperative shares our financial reports, operational updates and important decisions with you, our members.

Your input and participation in the cooperative's governance is crucial, and we advocate for and promote your right to elect the cooperative board. No matter the size of your home or your business, each member of Shelby Energy Cooperative gets one vote.





Your democratically elected board members represent you and protect your interests.

The annual meeting, held each year in June, is one way we ensure transparency and accountability in our cooperative's operations. It's one way that you, as a consumer-member, can participate in the business of the cooperative.

In addition to updates and engagement at the annual meeting, Shelby Energy Cooperative regularly updates our membership in the pages of *Kentucky Living*, on our website and on social media.

## RESILIENCE AND INNOVATION

We advocate for innovation and adaptability in a changing world. The energy landscape is evolving, and Shelby Energy Cooperative is committed to staying at the forefront. By investing in smart technologies and exploring new ways to generate and distribute electricity, we ensure that you have access to the best services and the most cutting-edge solutions.

## SPEAKING UP

Working with the 25 other electric cooperatives in Kentucky and more than 900 nationwide, Shelby Energy Cooperative has a voice in Frankfort and Washington, D.C., speaking up on your behalf so policymakers understand the far-reaching consequences of their decisions.

Our advocacy also means speaking up before a crisis rears its head, and making sure that elected leaders know Shelby Energy Cooperative is paying attention to their votes.

We not only encourage our members to cast their ballots to decide who represents them on the Shelby Energy Cooperative board, but we also participate in the non-partisan Co-ops Vote initiative, reminding members to register and vote in elections.

## CHALLENGES AND TRIUMPHS

The past year brought challenges that tested our resolve. From extreme weather to a regulatory environment that threatens the reliability of the electric grid, Shelby Energy Cooperative is always focused on solutions and safety.

We celebrate triumphs in our daily advocacy for the safety and well-being of our employees and members, speaking up for your interests and adapting to new realities. Our commitment to you and your communities remains unwavering.

## LOOKING AHEAD

As we reflect on the past year, we acknowledge that advocacy for our consumer-members is not a one-time effort but an ongoing journey. We are excited about the path ahead, as we continue to advocate for your best interests, ensuring that Shelby Energy Cooperative remains a trusted partner in your lives.

Thank you for your ongoing support and trust. It is your belief in the cooperative spirit that drives us to advocate for you each day. Together, we light up our communities, empower our members and embrace a brighter future.

Gary Warford and Barbie Goodwin deliver items to Ronald McDonald House Charities. Photo: Sha Phillips

Christopher Miller, sponsored by Shelby Energy, receives a warm welcome home from the Honor Flight. Photo: Tim Webb



# AGENDA

## Annual Meeting of Members of Shelby Energy Cooperative

**Henry County Fairgrounds**

**Thursday, June 20**

**Registration:** 10 a.m.–1 p.m.

**Business Meeting:** 2 p.m.

The annual membership meeting of this co-op organizes to take action on the following matters:

1. Report on the number of members present in person in order to determine the existence of a quorum.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Reading of approved meeting of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, trustees and committees.
5. Report on the election of board members.
6. Unfinished business.
7. New business (or other business if properly raised).
8. Adjournment.



**Jack Bragg Jr.**  
President & CEO



**Ashley Chilton**  
Chairman



**Pat Hargadon**  
Vice Chairman



**Roger G. Taylor Jr.**  
Secretary-Treasurer



**Diana Arnold**  
Director



**Jeff Joyce**  
Director



**R. Wayne Stratton**  
Director



**Alan Q. Zaring**  
Attorney

# 2023 Shelby Energy Cooperative YEAR IN REVIEW

## ACTIVE ACCOUNTS

As of December 31, 2023

Anderson County .....	14
Carroll County .....	884
Franklin County .....	8
Henry County .....	4,333
Jefferson County .....	2
Oldham County .....	126
Owen County .....	82
Shelby County .....	8,896
Spencer County .....	163
Trimble County .....	3,433
Total .....	17,941

## ACCOUNTS BILLED

2023 .....17,941

## AVERAGE KWH USAGE

(residential per month)

2023 .....1,136

## MILES OF LINE

2023 ..... 2,214

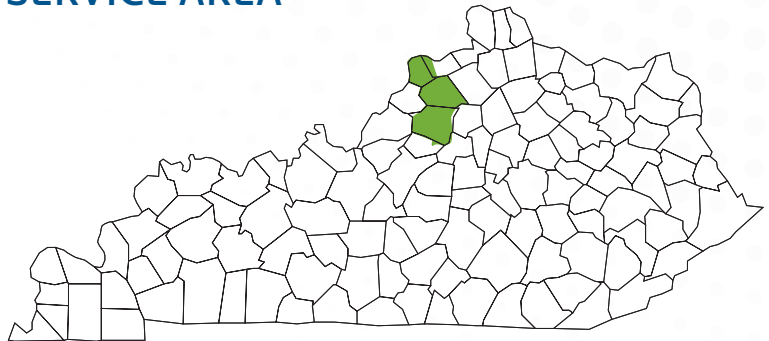
## CONSUMERS PER MILE

2023 ..... 8.10

## FOR INFORMATION AND INQUIRIES

620 Old Finchville Road  
Shelbyville, KY 40065  
(800) 292-6585  
[www.shelbyenergy.com](http://www.shelbyenergy.com)

## SERVICE AREA

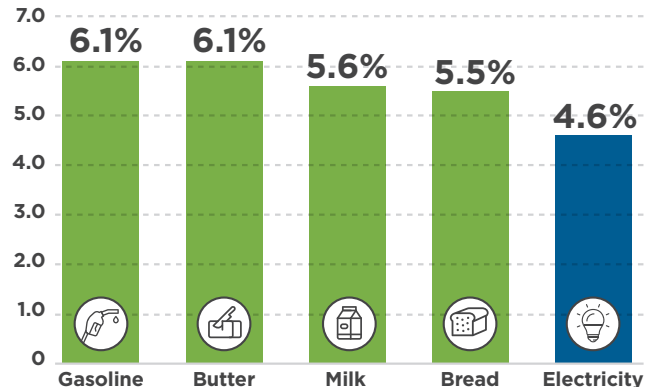


## ELECTRICITY REMAINS A GOOD VALUE

Although inflation has led to increasing costs in many areas of our lives, the cost of powering your home rises slowly when compared to other common goods. Looking at price increases over the last five years, electricity remains a good value.

### Average Annual Price Increase 2017-2022

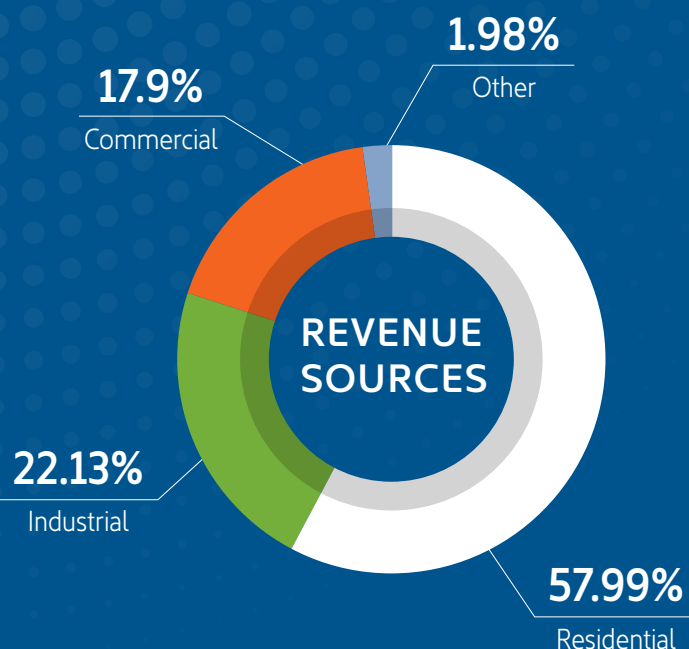
Percent



Source: U.S. Bureau of Labor Statistics  
Consumer Price Index



# FINANCIALS



## STATEMENT OF OPERATIONS

As of December 31, 2023

Operating Revenue..... \$51,761,818

### OPERATING EXPENSE

Purchased Power .....\$38,959,224

Operating System.....7,357,186

Depreciation.....4,177,725

Taxes .....44,900

Interest on Loans .....2,375,199

Other Deductions .....215,465

**Total Cost of Electric Service..... \$53,129,699**

Operating Margins .....\$(1,367,881)

Non-Operating Margins.....544,489

G & T Capital Credits .....661,964

Other Capital Credits .....335,295

**Patronage Capital and Margins ..... \$173,867**

## BALANCE SHEET

As of December 31, 2023

### ASSETS

Total Utility Plant ..... \$121,820,100

Less Depreciation .....27,683,021

Net Utility Plant.....94,137,079

Investments in Associate Organization .....35,621,612

Cash .....3,855,360

Accounts and Notes Receivable .....6,105,179

Inventory.....1,941,984

Prepaid Expenses.....284,636

Deferred Debits and Other Assets.....1,551,470

**Total Assets ..... \$143,497,320**

### LIABILITIES

Consumer Deposits.....\$1,593,042

Membership and Other Equities .....55,400,854

Long-Term Debt.....74,571,221

Notes and Accounts Payable.....7,632,666

Accumulated Postretirement Benefits .....1,188,942

Other Current Liabilities.....3,110,595

**Total Liabilities ..... \$143,497,320**

Official Notice

2024

# Shelby Energy Cooperative Annual Meeting and Member Appreciation Days

**THURSDAY, JUNE 20**

**Drive-thru Registration: 10 a.m.–1 p.m.**  
**Virtual Business Meeting: 2 p.m.**  
Livestreamed on Facebook



Drive-thru registration with buckets and bulbs at three locations:

- **Henry County Fairgrounds**  
1106 Castle Hwy, Eminence, KY
- **Trimble County Fairgrounds**  
3114 US-421, Bedford, KY
- **Shelby County Fairgrounds**  
1513 Midland Trail, Shelbyville, KY

## **Member Appreciation Day**

Drive through and receive a bucket and LED bulb and register for a prize giveaway (one prize awarded at each office). Members do not need to be present to win.



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