

**SHELBY ENERGY COOPERATIVE, INC.**  
**Shelbyville, Kentucky**  
**Board of Directors' Meeting — July 20, 2023**

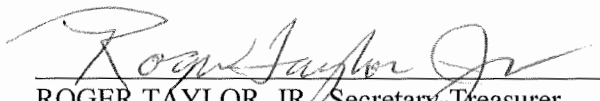
<b>Regular Meeting</b>	The following persons were present at 9:00 a.m., either in person or electronically.	
	<u>Directors:</u>	
	Ashley Chilton	Chairman
	Pat Hargadon	Vice Chairman
	Roger Taylor	Secretary/Treasurer
	Wayne Stratton	Director
	Diana Arnold	Director
	Jeffrey Joyce	Director
	<u>Also Present:</u>	
	Jack Bragg, Jr.	President & CEO
	Randy Stevens	SVP, Power Delivery Services
	Nanette McCarty	Manager, Billing & Customer Service
	Dylan Staples	Manager, Engineering
	Michael Moriarty	Chief Financial Officer
	Mary Beth Dennis	Director, Communications and Member Services
	David S. Sullivan	Attorney

<b>Board Information</b>	Copies of the following were provided to Board Members on July 14, 2023.
	<ol style="list-style-type: none"> <li>1. Agenda.</li> <li>2. Proposed Minutes of May 25, 2023, Meeting</li> <li>3. Proposed Minutes of June 15, 2023, Special Meeting</li> <li>4. Communications and Cooperative Services Report</li> <li>5. Finance, Accounting and Payroll Report</li> <li>6. Billing and Customer Service Report</li> <li>7. Information Technology Report</li> <li>8. Power Delivery Report</li> <li>9. Engineering Board Report</li> <li>10. Internal Resources Operations Report</li> <li>11. External Resources Operations Report</li> <li>12. Resolution to Open Bank Account at Independence Bank</li> <li>13. BP 106-Director and Attorney Benefits</li> <li>14. BP 107-Attendance of Directors and Attorneys at Board Meetings</li> <li>15. BP 924-Privacy Policy for Health Benefit Plans</li> </ol>
<b>Safety Moment</b>	Randy Stevens presented the safety moment on taking extra time to know what you're working on, if a pole is bad, etc.

<b>Election of Officers</b>	Ashley Chilton discussed the need to re-elect officers for the fiscal year. Wayne Stratton moved to keep all Officers in the same position and Diana Arnold seconded. The motion was unanimously approved.
<b>Minutes</b>	Upon unanimous motion, the Minutes of the May 25, 2023, Meeting and the June 15, 2023, Special 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, including Special Olympics and Touch a Truck; and discussed attendance, both in person and electronically, at the 2023 Annual Meeting.</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 May/June, the Smarthub adoption rate is 51.83%.</p>
<b>Finance, Accounting &amp; Payroll</b>	<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 May, Shelby Energy's TIER was 1.01 and its OTIER was .49. Power cost as a percentage of revenue for the month was 76.80.</p> <p>For June, Shelby Energy's TIER was .42 and its OTIER was .26. Power cost as a percentage of revenue for the month was 75.53.</p> <p>The May and June, 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 and the FEMA deadline and reimbursement schedule.</p>
<b>Billing and Customer Service</b>	<p>Nanette McCarty reviewed the Billing and Customer Service Reports for May and June, 2023.</p> <p>There were 13 uncollectable Accounts for May, 2023, with March, 2023, cut-off dates, totaling \$3,498.35.</p> <p>For June, there were 10 uncollectable accounts, with June, 2023, cut-off dates, totaling \$1,016.55.</p>

	<p>A summary of those accounts was provided, and upon motion by Joyce, second by Stratton, those amounts were approved.</p> <p>The Collections Summary Reports for May and June were presented. A total of \$2,533.03 was submitted for collection in May, with \$392.19 being collected by GLA and \$452.54 by Shelby Energy. For June, \$496.52 was submitted, with \$1,732.06 being collected by GLA and \$939.89 by Shelby Energy.</p> <p>Five estates received capital credit refunds in May, totaling \$6,655.55, and fives in June, totaling \$7,560.58.</p>
<b>Information Technology</b>	Dustin Peach presented the IT Report for May and June, 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.
<b>Power Delivery Report</b>	Randy Stevens reviewed the Power Delivery Report for June, 2023. He presented updates on the Construction Work Plan budgets, right-of-ways, etc.
<b>Engineering Report</b>	<p>Dylan Staples gave the Engineering Report for May and June, 2023. Noteworthy items included new services completed, updating service mapping, and large project updates. Those include upgrading the campground at Guist Creek with 80 new meters and updating Walmart to electric heat, among others.</p> <p>Outage figures were also presented.</p>
<b>Internal Operations &amp; Safety</b>	<p>Randy Stevens presented the Internal Operations &amp; Safety Report for May and June, 2023.</p> <p>Noteworthy items included 4 safety meetings; a Hurt Man Rescue Training; and a chainsaw safety training conducted by Wright Tree Service for Shelby linecrew.</p>
<b>External Resources Operations</b>	<p>Randy Stevens presented the External Operations and Safety Report for May and June, 2023.</p> <p>Stevens advised that the Ardmore Crossing project is finishing up Section 4; that 2 of the 4 transformers at Wieland are energized; and that 1 barrel house and temporary service is installed at Koetter.</p> <p>He also presented final numbers and invoicing for the Spectrum RDOF updates. IN total, 4,384 requests were received with an estimated 4,000 total requests for attachment to Shelby's poles. Spectrum has paid over \$2.7 million so far.</p>

	Shelby currently has 2 dedicated crews working on these pole changes, with approximately 150 in que to change.
<b>Resolution</b>	Michael Moriarty discussed and presented a Resolution to open a bank account for the Lightning LLC Project. Upon motion of Hargadon, second by Arnold, the Resolution was adopted.
<b>Board Meeting date change</b>	Bragg presented a proposal to change the August Board meeting date from Thursday, August 24, to Wednesday, August 23. Upon motion by Joyce, second by Arnold, that change was approved.
<b>Executive Session</b>	The Board entered into Executive Session with Sullivan present.
<b>Board Policies</b>	<p>Bragg presented the following policies for consideration and approval:</p> <p style="text-align: center;">BP 107-Attendance of Directors and Attorneys at Board Meetings BP 924-Privacy Policy for Health Benefit Plans</p> <p>Upon motion by Hargadon, and second by Joyce, 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 Wednesday, August 23, at 9:00 a.m.

  
 ROGER TAYLOR, JR., Secretary-Treasurer

Approved:

  
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 ASHLEY CHILTON, Chairman