

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting —March 23, 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
	Nanette McCarty	Manager, Billing & Customer Service
	Mike Mason	Operations & Internal Resource Manager
	Dustin Peach	IT Administrator
	Michael Moriarty	Chief Financial Officer
	Mary Beth Dennis	Director, Communications and Member Services
	Dylan Staples	Manager of Engineering
	Alan Q. Zaring	Attorney
	Travis Frick	Jones, Nale and Mattingly
	Jason Garman	Jones, Nale and Mattingly

Board Information	Copies of the following were provided to Board Members on March 17, 2023. .	
	<ol style="list-style-type: none"> 1. Agenda. 2. Proposed Minutes of February 22, 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. RUS Treasury Direct Loan Documents Workman 12. BP 303-Equity Management and Capital Credits 13. BP 919-Employee Assistance Program 	

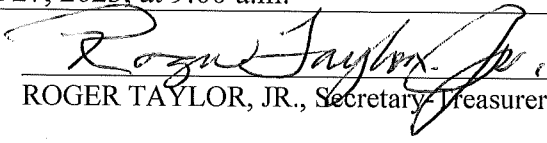
Safety Moment	Mike Mason presented the safety moment on high wind danger when working during storms.
Minutes	Upon unanimous motion, the Minutes of the February 22, 2023, meeting were approved.
2022 Financial Statement Audit	Travis Frick and Jason Garman of Jones, Nale and Mattingly presented the 2022 Financial Statement Audit for consideration and acceptance. On motion of Stratton, second by Joyce, the Audit was accepted.
Communications & Cooperative Services	<p>Mary Beth Dennis gave the Communications & Cooperative Services Report.</p> <p>She reviewed recent and upcoming Community Events, including the Lineman Field Day on March 7.</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 Audit, Rebate and Solar Credit Reports, and provided an update on the Nominating Committee.</p> <p>Noteworthy items included Lineman Field Day on March 7; Annual Meeting preparation and nominating committee review.</p>
Finance, Accounting & Payroll	<p>Moriarty presented the Accounting and Payroll reports.</p> <p>For February, Shelby Energy's TIER was 1.75 and its OTIER was 0.86. Power cost as a percentage of revenue for the month was 73.05%.</p> <p>The January, 2023, check registers, credit card expenses, fleet card expenses, and Propane Plus financials were available for review.</p> <p>Upon motion of Joyce, second by Hargadon, the Board voted to void and reconcile the 2021 outstanding checks.</p>
Billing and Customer Service	<p>Nanette McCarty reviewed the Billing and Customer Service Reports for February, 2023.</p> <p>There were 28 uncollectable Accounts for February, with December, 2022, cut-off dates, totaling \$9799.67.</p>

	<p>A summary of those accounts was provided, and upon motion by Hargadon, those amounts were approved.</p> <p>The Collections Summary Reports for February was presented. A total of \$4,065.88 was submitted for collection, with \$60.00 being collected by GLA and \$0 by Shelby Energy in February.</p> <p>Nine estates received capital credit refunds total \$3,295.58.</p>
Information Technology	Dustin Peach presented the IT Report for February, 2023. That included the Network Failover Performance Report; a Cybersecurity update; a report on new laptops ordered to replace outdated PCs; and the status of the AT&T FirstNet radio project.
Power Delivery Report	Randy Stevens reviewed the Power Delivery Report for February, 2023. He presented updates on the budgets for circuit work and maintenance cutting and treatment.
Engineering Report	<p>Dylan Staples gave the Engineering Report for February, 2023. Noteworthy items include 84 new services completed and comparisons show our system is much more reliable than others nationally.</p> <p>Outage figures were also presented.</p>
Internal Operations & Safety	<p>Mike Mason presented the Internal Operations & Safety Report for February, 2023.</p> <p>Noteworthy items included 1 safety meeting; 4 job site inspections with no findings; and project updates.</p>
External Resources Operations	<p>Randy Stevens presented the External Operations and Safety Report for February.</p> <p>Stevens provided a report on Elliott and Wright Tree crews, as well as Power Pole Maintenance Company.</p> <p>Stevens also presented an update on RDOF spectrum pole replacements.</p>
RUS Treasury Direct Loan review	Michael Moriarty presented the RUS Treasury Direct Loan documents for review. Upon motion by Joyce, second by Arnold, those documents we approved and executed, pending final approval by the Public Service Commission.
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 303-Equity Management and Capital Credits BP 919-Employee Assistance Program</p> <p>Upon motion by Taylor, and second by Joyce, 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 February.
Adjourn	There being no further business, the meeting was adjourned. The next Board meeting will be Thursday, April 27, 2023, at 9:00 a.m.

Approved:


ASHLEY CHINTON, Chairman


ROGER TAYLOR, JR., Secretary-Treasurer