

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting — October 24, 2019

Regular Meeting

The following persons were present at 9:00 a.m. at Shelby Energy's headquarters:

Directors:

Ashley Chilton	Chairman
Pat Hargadon	Vice Chairman
Roger Taylor	Secretary/Treasurer
Wayne Stratton	Director
Diana Arnold	Director
Jeffrey Joyce	Director

Also Present:

Dudley Shryock	CPA
Jack Bragg, Jr.	President and CEO
Carolyn Cutshaw	Executive Assistant
Jared Routh	SVP, Finance and Cooperative Services
Sergio Cole	Manager, Accounting and Payroll
Nanette McCarty	Manager, Billing and Customer Service
Dustin Peach	Manager, IT
Randy Stevens	SVP, Power Delivery Services
Zach Mischler	Manager, Engineering
Sarah Newton	Manager, Safety
Jason Ginn	Manager, Operations
Alan Q. Zaring	Attorney

Board Information

Copies of the following were provided to Board Members on October 16, 2019:

1. Agenda.
2. Thank you, letter - Distinguished Young Women Shelby County
3. Thank you, letter - Trimble County Apple Festival
4. Thank you, letter - Eli Ballard, 4-Her of the month
5. Newswire - October 2019
6. Internal Audit Report
7. Proposed Minutes - September 26, 2019
8. Finance and Cooperative Services Report - September 2019
9. September Financial Review - September 2019
10. Billing and Customer Service Report - September 2019
11. Safety and ROW Report - September 2019
12. Engineering Board Report - September 2019
13. Monthly Operations Report - September 2019

14. Proposed 2020 Board Meeting Schedule
15. Flyer on RunSwitch Communications Training for Directors
16. KEC Annual Meeting info
17. EKPC Agenda - 10/15/19

Call to Order	The regular Board meeting was called to order by Chairman Chilton.
Safety Moment	The Safety Moment was presented by Sarah Newton, who discussed fire safety and chemical awareness.
Internal Audit Review	Dudley Shryock presented the internal audit review. Upon motion of Stratton, the audit review was unanimously approved.
Ginn	Ginn gave a presentation on Brooks Lane and Webb Road improvements.
Minutes	The Minutes of the September 20, 2019, Board of Directors meeting were unanimously approved.
Recognition	Bragg recognized Sarah Newton for completion of her CLCP certification.
Review of Strategic Plan	Bragg presented a Quarterly review of the Strategic Plan goals as of September 30, 2019. Noteworthy items include IT upgrades.
Accounting and Payroll	Sergio Cole presented the Accounting and Payroll reports for September 2019. Shelby Energy's year-to-date TIER was 1.67 and its OTIER was 1.51 as of September 2019. Power cost as a percentage of revenue for the month was 66.59. The September 2019 check registers, credit card expenses, fleet card expenses, and Propane Plus financials were available for review.
Billing and Customer Service	Nanette McCarty reviewed the Billing and Customer Service reports for September 2019. Write offs of Uncollectable Accounts totaling \$2,647.30 were reported from July disconnect dates. A summary of those accounts was provided, and on motion by Hargadon, unanimously approved, that amount was passed. Four estates received capital credit refunds totaling \$2,669.71. McCarty presented a Collections Summary report for September, \$2,105.02 was submitted to collections, with \$457.92 being collected by GLA and \$0 by Shelby directly.

Power Delivery Report Randy Stevens presented the Safety and ROW report for September 2019. There were no accidents or injuries for the month. There were two inspections of Shelby and contractor crews for those months, with no findings. He reviewed the safety training and meetings for the month.

Engineering Report Stevens gave the Engineering and Outage report for September 2019. There were 28 outages during the month, with 255 members impacted. None of those affected more than 500 members.

Operations Report Ginn presented the operations reports for September 2019. The work orders for September totaled 57. Ginn updated the Board on work that continues at: Highway 146; King's Highway 3 Phase; South Property Phases 1-3; Pea Ridge to Cat Ridge; and The Fairways at Cardinal Club.

Ginn also presented additional information about the Brooks Lane and Webb Road improvements.

Executive Session The Board entered into Executive Session with Zaring present.

Board Policies Bragg presented for consideration and approval the following board policies:
Board Policy 720 - Email use
Board Policy 919 - Employee Assistance Program (EAP)
Board Policy 927 - Whistleblower
Board Policy 928 - Records Management
Board Policy 929 - Employee Verification and References
Board Policy 933 - Harassment in the Workplace
Board Policy 934 - Opt-Out Plan for Major Medical

Upon motion by Stratton, these policy changes, with the exception of BP 933, were approved. Policy 933 - Harassment in the Workplace-was tabled for further discussion and development.

Communications Training for Directors Bragg discussed the KEC's upcoming Communications Training for Directors on Thursday, December 5.

EKPC Report Stratton reported on the EKPC Board meeting held October 15, 2019, in accordance with the Agenda provided to the Directors.

President and CEO Report Bragg provided the President and CEO's report for October.

Adjourn There being no further business, the meeting was adjourned. The next regular Board meeting will be held Thursday, November 21, 2019, at 9:00 a.m.



ROGER TAYLOR, JR., Secretary-Treasurer

Approved:



ASHLEY CHILTON, Chairman