

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting — February 27, 2020

Regular Meeting	The following persons were present 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
Zach Mischler	Manager, Engineering
Jason Ginn	Manager, Operations
Nanette McCarty	Manager, Billing & Customer Service
Sarah Newton	Safety Coordinator
Dustin Peach	IT Coordinator
Alan Q. Zaring	Attorney

Board Information	Copies of the following were provided to Board Members on February ____, 2020.
	<ol style="list-style-type: none"> 1. Agenda. 2. Proposed Minutes of 01/23/20 meeting 3. Finance and Cooperative Services Report 4. January Financial Review 5. Billing and Customer Service Report 6. Information Technology Report 7. ROW Report 8. Safety Report 9. Engineering Board Report 10. 2020 Credentials & Election Committee information 11. 2020 Nominating Committee information 12. BP 403-Inspection of Distribution System, Buildings and Equipment

	<p>13. BP 102-Functions of the Board of Directors</p> <p>14. BP 105-Reporting to Board Key Performance Areas</p> <p>15. BP 108-Qualifications Standards of Conduct and Conflict of Interest Policy for Directors, Officer and Key Employees</p> <p>16. BP 910-Drug/Alcohol Policy</p> <p>17. 2018 Outstanding/Unreconciled Checks Summary</p> <p>18. Shelby Energy Inventory Ratio Tracking</p>
Call to Order	The regular Board meeting was called to order by Chairman Chilton.

Safety Minute	The Safety Moment was presented by Sarah Newton, who discussed avoiding clutter and avoiding falls.
Recognition	Bragg recognized the Year End Inventory Team.
Minutes	The Minutes of the January 23, 2020, Board of Directors meeting were unanimously approved.

Finance & Cooperative Services	<p>Routh gave the Finance & Cooperative Services Report.</p> <p>Noteworthy items were:</p> <p>The Rebate Reports for January 2020, noted 10energy audits, with 10 having been conducted year-to-date.</p> <p>Routh also gave the monthly website analytics, and Facebook insights and Top Post.</p> <p>The compilation of the New Member Surveys for January showed 8 very satisfied and 4 satisfied with Shelby Energy's services of the 12 surveys returned. This represented a 15% monthly return rate from the 76 members surveyed.</p> <p>Routh also gave an update on the vehicle insurance and medical insurance policies.</p> <p>Routh presented the 2018 outstanding/unreconciled checks summary. Upon motion of Arnold, seconded by Taylor, the Board voted to remove these amounts from the books.</p>
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Accounting & Payroll	<p>Cole presented the Accounting and Payroll reports for January, 2020.</p> <p>Shelby Energy's year-to-date TIER was 2.95 and its OTIER was 1.31 as of</p>
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	<p>January, 2020. Power cost as a percentage of revenue for the month was 69.26.</p> <p>The January 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 January, 2020.</p> <p>Write offs of Uncollectable Accounts totaling \$3,511.12 were reported from November disconnect dates. A summary of those accounts was provide, and on motion by Hargadon, unanimously approved, that amount was passed.</p> <p>9 estates received capital credit refunds totaling \$5,496.39.</p> <p>McCarty presented a Collections Summary Report. For January, \$2,980.10 was submitted to collections, with \$440.61 being collected by GLA and \$0.00 by Shelby directly.</p>
Information Technology	Dustin Peach presented the IT Report for January, 2020.
Power Delivery Report	Stevens presented the ROW Report for January, 2020.

Safety Report	<p>Sarah Newton gave the Safety Report for January, 2020. There were 5 inspections of Shelby and contractor crews during the month, with no findings. There were no accidents or injuries for the month. She also reviewed the safety training and meetings for the month.</p>

Engineering Report	<p>Mischler gave the Engineering and Outage report for January, 2020. There were 33 outages during the month, with 541 members impacted. None of those impacted more than 500 members.</p>
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Operations Report	<p>Ginn presented the operations reports for January, 2020. The work orders for January totaled 52. Ginn updated the Board on work that continues at: Webb Road, South Property Road, and Cardinal Club.</p>
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Executive Session	<p>The Board entered Executive Session with Zaring present.</p>
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Credentials and Election Committee List	Bragg discussed the Credentials and Election Committee list. Upon motion by Hargadon, the Committee was unanimously approved.
Nominating Committee List	Bragg discussed the Nominating Committee list. Upon motion by Taylor, the Committee was unanimously approved.
District Reports	Bragg reviewed the District 1, 2, and 3 reports.
Board Policies	Bragg presented the following policies for consideration and approval: BP 403-Inspection of Distribution System BP 102-Functions of the Board of Directors BP 105-Reporting to the Board on Key Performance Areas BP 108-Qualification Standards of Conduct and Conflict of Interest Directors and Key Employees BP 910-Drug/Alcohol Policy Upon motion by Arnold, the policy changes were approved.
EKPC Report	Stratton reported on the January EKPC meeting held in accordance with the Agenda provided to the Directors.

KEC Report	Hargadon reported on the January KEC meeting held in accordance with the Agenda provided to the Directors.
President & CEO Report	Bragg provided the President & CEO's report for January.

Adjourn	There being no further business, the meeting was adjourned. The next regular Board meeting will be held Thursday, March 26, 2020, at 9:00 a.m.
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 ROGER TAYLOR, JR., Secretary-Treasurer

Approved:



 ASHLEY CHILTON, Chairman