

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting — January 23, 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 (appeared telephonically)
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
Mike Ray	Henry County Economic Development Council

Board Information	Copies of the following were provided to Board Members on January 17, 2020.
	<ol style="list-style-type: none"> 1. Agenda. 2. Proposed Minutes of 12/19/19 meeting 3. Resolution to Appoint Privacy Officer and Security Officer 4. Finance and Cooperative Services Report 5. December Financial Review 6. Billing and Customer Service Report 7. Information Technology Report 8. ROW Report 9. Safety Report 10. Engineering Board Report 11. Monthly Operations Report 12. Memorandum regarding CFC Annual Meeting

	13. NRECA Annual Meeting Voting Delegate Certification 14. BP 913-Educational Assistance
Call to Order	The regular Board meeting was called to order by Chairman Chilton.

Safety Minute	The Safety Moment was presented by Sergio Cole, who discussed creating an emergency kit for your vehicle.
Executive Session	The Board went into Executive Session with Mike Ray of the Henry County Economic Development Council and with Zaring present.
Minutes	The Minutes of the December 19, 2019, Board of Directors meeting were unanimously approved.
HIPPA Resolution	Routh presented a Resolution to appoint the HIPPA Privacy Officer and Security Officer. After discussion and upon motion by Joyce, unanimously passed, Routh was appointed as Privacy Officer and Bragg was appointed as Security Officer.

Finance & Cooperative Services	<p>Routh gave the Finance & Cooperative Services Report.</p> <p>Noteworthy items were:</p> <p>The Rebate Reports for December, 2019, noted 0 energy audits, with 41 having been conducted year-to-date through December.</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 December showed 15 very satisfied and 3 satisfied with Shelby Energy's services of the 18 surveys returned. This represented a 25% monthly return rate from the 72 members surveyed.</p> <p>Routh also gave an update on the vehicle insurance and medical insurance policies.</p>
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Accounting & Payroll	Cole presented the Accounting and Payroll reports for December, 2019.
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	<p>Shelby Energy's year-to-date TIER was 2.13 and its OTIER was 1.37 as of December, 2019. Power cost as a percentage of revenue for the month was 78.46.</p> <p>The December 2019 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 December, 2019.</p> <p>Write offs of Uncollectable Accounts totaling \$2,682.44 were reported from October disconnect dates. A summary of those accounts was provide, and on motion by Arnold, unanimously approved, that amount was passed.</p> <p>14 estates received capital credit refunds totaling \$14,880.62.</p> <p>McCarty presented a Collections Summary Report. For December, \$862.90 was submitted to collections, with \$1,465.15 being collected by GLA and \$0.00 by Shelby directly.</p>
Information Technology	Dustin Peach presented the IT Report for December, 2019.
Power Delivery Report	Stevens presented the ROW Report for December, 2019.

Safety Report	<p>Sarah Newton gave the Safety Report for December, 2019. 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 December, 2019. There were 31 outages during the month, with 1,020 members impacted. One of those, on December 29, 2019, affected more than 500 members in the Bedford substation area. This was caused by a large tree outside of the right-of-way falling on a main line and lasted 67 minutes.</p>
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Operations Report	<p>Ginn presented the operations reports for December, 2019. The work orders for December totaled 66. Ginn updated the Board on work that continues at: Webb Road Phases 2-3; South Property Phases 2-3; and The Fairways at Cardinal Club.</p>
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Executive Session	The Board entered Executive Session with Zaring present.
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Voting Delegates	Bragg discussed the appointment of voting delegates for the 2020 CFC Annual Meeting and the 2020 NRECA Annual Meeting. Upon motion by Hargadon, unanimously approved by the Board, Stratton was appointed as voting delegate and Bragg the alternate for the CFC; and Stratton the delegate and Bragg the alternate for the NRECA.
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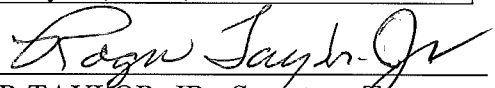
Board Policies	Bragg presented Board Policy 913-Educational Assistance , for consideration and approval. Upon motion by Joyce, the policy changes were approved.
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EKPC Report	Stratton reported on the December EKPC meeting held in accordance with the Agenda provided to the Directors.
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KEC Report	Hargadon reported on the December KEC meeting held in accordance with the Agenda provided to the Directors.
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President & CEO Report	Bragg provided the President & CEO's report for December.
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Adjourn	There being no further business, the meeting was adjourned. The next regular Board meeting will be held Thursday, February 27, 2020, at 9:00 a.m.
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 ROGER TAYLOR, JR., Secretary/Treasurer

Approved:



 ASHLEY C. MILTON, Chairman