

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting — March 26, 2020

Regular Meeting	The following persons were present, telephonically, 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
David S. Sullivan	Attorney
Alan Zumstein	CPA

Board Information	Copies of the following were provided to Board Members on March 20, 2020.
	<ol style="list-style-type: none"> 1. Agenda. 2. Proposed Minutes of 02/27/20 meeting 3. Finance and Cooperative Services Report 4. February Financial Review 5. Billing and Customer Service Report 6. Information Technology Report 7. ROW Report 8. Safety Report 9. Engineering Board Report 10. BP 301- Annual Work Plan and Budget 11. BP 303-Equity Management and Capital Credits 12. BP 306-Audit Committee

Call to Order	The regular Board meeting was called to order by Chairman Chilton.
Safety Moment	The Safety Moment was presented by Jared Routh, who discussed mental health during the Covid-19 pandemic.
Audit Committee Review	Alan Zumstein reviewed the 2019 financial audit for consideration and acceptance. Upon motion of Arnold , the audit was accepted.
Minutes	The Minutes of the February 27, 2020, Board of Directors meeting were unanimously approved.

2020 Annual Meeting Discussion	Routh led the discussion regarding the 2020 Annual Meeting and the possibility of doing it via video/live stream. A review of June dates, the agenda, and speaker roster was conducted. It was determined that a review of the Bylaws is necessary to determine the requirements of proxies/quorum in the event the current Covid-19 pandemic prevents public gathering.
CFC Officer Review	Routh reviewed the CFC Officer's Certificate of Compliance. The was discussion about whether the Bedford issue was "material," and it was determined not, since the damages would likely be less than \$3,000.00, per Stevens. Routh indicated he would complete the form and submit it online.

Finance & Cooperative Services	<p>Routh gave the Finance & Cooperative Services Report.</p> <p>Noteworthy items were:</p> <p>The Rebate Reports for February 2020, noted 4 energy audits, with 14 having been conducted year-to-date.</p> <p>Routh also gave the monthly website analytics, and Facebook insights and Top Post, as well as the solar energy report.</p> <p>The compilation of the New Member Surveys for February showed 8 very satisfied and 3 satisfied with Shelby Energy's services of the 11 surveys returned. This represented a 16% monthly return rate from the 70 members surveyed.</p> <p>Routh also gave an update on the vehicle insurance and medical insurance policies.</p> <p>The unreconciled check summary was also reviewed and, upon motion by Arnold, approved.</p>
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Accounting &	Cole presented the Accounting and Payroll reports for February, 2020.
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Payroll	<p>Shelby Energy's year-to-date TIER was 3.65 and its OTIER was 3.01 as of February, 2020. Power cost as a percentage of revenue for the month was 63.27.</p> <p>The February 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 February, 2020.</p> <p>Write offs of Uncollectable Accounts totaling \$1,815.46 were reported from December disconnect dates. A summary of those accounts was provide, and on motion by Hargadon, unanimously approved, that amount was passed.</p> <p>16 estates received capital credit refunds totaling \$11,522.39.</p> <p>McCarty presented a Collections Summary Report. For February, \$1,404.25 was submitted to collections, with \$586.31 being collected by GLA and \$0.00 by Shelby directly.</p>
Information Technology	Dustin Peach presented the IT Report for February, 2020.
Power Delivery Report	Stevens presented the ROW Report for February, 2020.

Safety Report	<p>Sarah Newton gave the Safety Report for February, 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 February, 2020. There were 24 outages during the month, with 1,945 members impacted. One of those, on February 24, 2020, affected more than 500 members and was due to a blown lighting arrester at the Logan substation.</p>
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Operations Report	<p>Ginn presented the operations reports for February, 2020. The work orders for January totaled 42. Ginn updated the Board on work that continues at: Webb Road, phases 1, 2, and 3; South Property Road, and Cardinal Club.</p>
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	There was also discussion about adjusting work hours during the Covid-19 pandemic, and the possibility of working four 10 hour days; staggered hours; and going to two "teams" to minimize exposure to others.
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Executive Session	The Board entered Executive Session with Sullivan present.
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Board Policies	<p>Bragg presented the following policies for consideration and approval:</p> <p>BP 301-Annual Work Plan and Budget BP 303-Equity Management and Capital Credits BP 306-Audit Committee</p> <p>Upon motion by Arnold, the policy changes were approved.</p>
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EKPC Report	Stratton reported on the February EKPC meeting held in accordance with the Agenda provided to the Directors.
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KEC Report	Hargadon reported on the February 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 February.
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Adjourn	There being no further business, the meeting was adjourned. The next regular Board meeting will be held Thursday, April 16, 2020, at 9:00 a.m.
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ROGER TAYLOR, JR., Secretary-Treasurer

Approved:



ASHLEY CHILTON, Chairman