

SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting —October 22, 2020

Regular Meeting	The following persons were present, electronically, at 9:00 a.m.
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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
Nanette McCarty	Manager, Billing & Customer Service
Zach Mischler	Manager, Engineering
Jason Ginn	Operations Manager
Dustin Peach	IT Administrator
Alan Q. Zaring	Attorney
W. Dudley Shryock	CPA
Brian Stavish	CFC

Board Information	Copies of the following were provided to Board Members on October 16, 2020.
	<ol style="list-style-type: none"> 1. Agenda. 2. Proposed Minutes of September 24, 2020, meeting 3. Finance and Cooperative Services Report 4. Accounting and Payroll Report 5. Billing and Customer Service Report 6. Information Technology Report 7. ROW Report 8. Safety Report 9. Engineering Board Report 10. Operations Report 11. BP 317-Disposal of Scrap Metal 12. BP 319-Payroll Processing

	13. BP 320-Outstanding Checks 14. BP 920-Medical Insurance Active Employees Hired Prior to July 1, 1996
Call to Order	The regular Board meeting was called to order by Chairman Chilton.
Safety Moment	The Safety Moment was presented by Jack Bragg, who discussed safe driving in the rain.
Minutes	Upon motion of Arnold, the Minutes of the September 24, 2020, Board of Directors meeting were unanimously approved.
CPA Review of Specific Processes	Dudley Shryock discussed his review of the Joint Pole Contract Process; and his Internal Audits of the Monitoring Meter Constants; the Procurement Fraud Deterrence; and the Safety Program.
KRTA Review	Brian Stavish with CFC gave the 2019 KRTA Review. Notable items were slower growth in rural areas; stable power costs; and solid performance by Shelby Energy.

Finance & Cooperative Services	<p>Routh gave the Finance & Cooperative Services Report.</p> <p>The Rebate Reports for September noted no energy audits due to the current pandemic, with 11 having been conducted year-to-date.</p> <p>Routh also gave the monthly website analytics for September and Facebook insights and Top Post, as well as the solar energy report.</p> <p>The compilation of the New Member Surveys for September showed 9 very satisfied and 3 satisfied with Shelby Energy's services of the 12 surveys returned. This represented a 13% monthly return rate from the 94 members surveyed.</p> <p>Routh also gave an update on the medical insurance plan status.</p>

Accounting & Payroll	<p>Cole presented the Accounting and Payroll reports for September, 2020.</p> <p>For September, Shelby Energy's year-to-date TIER was 1.37 and its OTIER was 1.23. Power cost as a percentage of revenue for the month was 68.10.</p> <p>The September 2020 check registers, credit card expenses, fleet card expenses, and Propane Plus financials were available for review.</p> <p>Cole also reviewed the 2020 Director Expense Reports.</p>
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Billing and	
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Customer Service	<p>Nanette McCarty reviewed the Billing and Customer Service Reports for September.</p> <p>Write offs of Uncollectable Accounts totaling \$454.84 were reported from July disconnect dates. A summary of those accounts was provided, and that amount was approved upon motion by Arnold and second by Joyce.</p> <p>McCarty presented a Collections Summary Report. For September, \$397.39 was submitted to collections, with \$10.00 being collected by GLA and \$0.00 by Shelby directly.</p> <p>6 estates received capital credit refunds totaling \$4,827.26 for the month of September.</p>
Information Technology	Dustin Peach presented the IT Report for September, 2020.
Power Delivery Report	Randy Stevens reviewed the ROW Report for September, 2020.
Safety Report	Stevens also gave the Safety Report for September, 2020. There were 9 inspections of Shelby and contractor crews during the month, with no findings.

Engineering Report	Mischler gave the Engineering and Outage report for September, 2020. There were 52 outages during the month, one of which, on September 30, affected more than 500 members. That was at the Bedford substation, and lasted 2 hours. The crews were unable to find a cause after patrolling the feeder.
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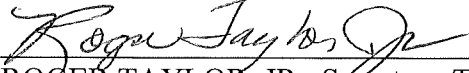
Operations Report	<p>Ginn presented the operations reports for September, 2020. The work orders for September totaled 70.</p> <p>Ginn updated the Board on work that continues at: Spectrum fiber pole changes; South Property 2 phase to 3 phase; and Highway 42 re-route.</p>
Executive Session	The Board entered Executive Session with Zaring present.

Board Policies	<p>Bragg presented the following policies for consideration and approval:</p> <p>BP 317-Disposal of Scrap Material BP 319-Payroll Processing BP 320-Outstanding Checks BP 920-Medical Insurance Active Employees Hired prior to 7/1/96</p> <p>Upon motion by Hargadon and second by Stratton, the policy updates were approved.</p>
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EKPC Report	Wayne Stratton reported on the EKPC monthly meeting.
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KEC Report	Hargadon reported on the EKPC monthly meeting.
President & CEO Report	Bragg provided the President & CEO's report for September.

Adjourn	There being no further business, the meeting was adjourned. The next Board meeting will be November 19, 2020.
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 ROGER TAYLOR, JR., Secretary-Treasurer

Approved:



 ASHLEY CHILTON, Chairman