

Meeting Minutes Summary

June 2023

Chairman of the Board, Joseph H. Spalding, called the meeting to order.

After roll call, it was noted that the following directors were present either in person or via video/phone conference, to-wit:

Joseph H. Spalding	J. Kevin Preston
Lou Kerrick	Allen Goggin
Jason E. Todd	

Also present and participating were President and CEO Jerry Carter and Board Attorney J. Hadden Dean.

As a result of this meeting being rescheduled, Mr. Peyton was already committed to being out of town and could not attend the meeting. Mr. Kerrick made a motion to approve the absence of Mr. Peyton. Mr. Preston made a second to the motion and the motion passed unanimously. It was noted the retainer would be paid to Mr. Peyton, but no payment for meeting attendance would be made.

I. PRAYER

Chairman Spalding opened the meeting with prayer.

II. SAFETY MOMENT

Mr. Kerrick gave the safety moment and reminded everyone that as we all age, the ability to drive will begin to get more difficult. That includes loss of some vision. Other issues that are common with aging were also discussed. Mr. Kerrick emphasized the importance of having regular visits with health care professionals in order to maintain good health and with early detection of medical issues, serious consequences can be avoided or mitigated.

III. ADOPTION OF AGENDA

Chairman Spalding presented the agenda for review. Mr. Kerrick made a motion to approve the agenda. Mr. Goggin seconded the motion and the motion passed unanimously.

IV. BOYLE COUNTY ECONOMIC DEVELOPMENT

JJ Harris, the serving Executive Director of the Danville-Boyle County Development Corporation and Boyle County Industrial Foundation, was present and discussed the current status of infrastructure development and challenges and opportunities for growth and economic development.

V. REVIEW OF MINUTES

The Board reviewed the minutes of the May 26, 2023, Board Meeting. Mr. Goggin made a motion to approve the minutes. Mr. Kerrick made a second to the motion and the motion passed unanimously.

VI. MAY 2023 SUMMARY MINUTES

May 2023 summary minutes were reviewed. Mr. Todd made a motion to approve the summary minutes of the May 26, 2023, board meeting. Mr. Kerrick made a second to the motion and the motion passed unanimously.

VII. REPORTS

Departments

The minutes will reflect that each of the respective department heads have in the past and will continue to provide summaries of monthly activities, budgets, and other commentary, all to be included in a packet distributed to each of the Directors prior to the meeting. For June 16, 2023, meeting, each of the respective departments did in fact present a summary of their activities included in the board packet of each of the Directors of the Cooperative.

A. Finance and Administration – Due to the software conversion there was no financial data to be discussed. Ms. Kurtz gave an update on the FEMA reimbursement from the last storm and also discussed the software conversion process. She also advised that due to the prior fraud attempt on the capital credit bank account, she requested the Board allow her to close the old capital credit account, as well as a payroll account at a local bank. Mr. Preston made a motion to approve the closure of those two accounts and Mr. Goggin made a second to the motion and after discussion the motion passed unanimously.

B. Office Services – The report reflected there were 33 accounts for bills that were older than February 1, 2023 which totaled \$7,053.47. Mr. Todd made a motion to approve those accounts to be assigned to bad debt and sent to collections pursuant to PSC regulations. Mr. Goggin made a second to the motion and the motion passed unanimously. Ms. Stocker advised there was approximately \$49,000.00 in debt management, with 94 accounts participating in debt management and 45 of those accounts with outstanding balances greater than \$500.00. She also noted there were 590 members taking advantage of the prepay program.

C. Operations – Mr. Phelps advised that due to the software conversion no Plant Account data was available to present at the meeting. With regard to the engineering projects, he advised that his department was working on the Charter pole change out process and collecting data for cost estimates. Other staking and field inventory work was ongoing at Broughtontown, Lebanon, The Willows at Harrodsburg, and temporary requests in Wood Point

Subdivision in Paintlick. Field inventory information was completed in several areas in use. Collection of field inventory data was underway in Perryville and just started at the Lebanon substations.

He then gave a review of the construction projects ongoing with the contract crews and company crews.

A diagram of the miles of right-of-way cleared for 2023 was presented and demonstrated that the progress is ahead of what was scheduled. The costs are up, but the progress of miles of line cleared were ahead of schedule.

Miscellaneous matters discussed included a meeting with a metering company regarding the AMI upgrade, and weekly contact with Pernod Ricard Contractors. He also advised that the NISC conversion was underway and tasks such as time entry, work management, mapping, imagery uploading, and AMI integration set-up were all underway.

D. Member Services – Mr. Hitchcock advised the member service activity report, as well as the summary of the member service department activities. A graph of donations and sponsorships for 2023 was presented. The key account summary through May of 2023 was presented in a bar graph format and reflected the key accounts totaled just over \$1,703,000.00 for May of 2023. He also presented a pie chart of the top five key accounts with Diageo still dominating at 74% of those five members. The next highest consumption by a member was Makers Mark at 10% of the total top five key accounts. He then presented images and discussed a recent visit to Montebello Packaging in Lebanon, Kentucky. He visited there on June 13th and discussed their current operations and plans for expansion. A comparison of Charge Point Electric Car Ratings was displayed. It referenced the distinctions between Level 1, Level 2, and Level 3 chargers. The comparison included data on car charger voltage, amp rating, average watts rating per hour as well as charging duration for each respective Level. The article then compared the average fuel economy for an internal combustion engine to the costs to charge an EV.

E. Executive – Mr. Carter noted there were five (5) service anniversaries in June of 2023.

1. Corporate Services – Mr. McGuffey advised of one incident relating to a collision with a Coop vehicle and a trash container. Minimal damage was done to the vehicle. He also gave an update on the crew visits. There were two recordable incidents that involved prescriptions for two separate instances of poison ivy and a tick bite. He gave an update on the safety meeting that is scheduled to be held on June 29 where East Kentucky Power Cooperative will be conducting “Lock Out Tag Out Training” and Substation Restoration.

2. Information Technology/Cyber Security - Chris Bach gave an update and presented a dashboard of several testing metrics that have been utilized and the Cooperative's score. He also discussed a Public Service Announcement made by the federal government detailing just how serious the fraud issues are and the scale, in dollars, that are involved with cybercrimes.

VIII. ANNUAL MEETING

A. Approve Annual Meeting Agenda

Mr. Carter discussed the annual meeting agenda and Mr. Todd made a motion to approve the agenda as presented. Mr. Goggin made a second to the motion and after discussion the motion passed unanimously.

B. Select Parliamentarian for Annual Meeting

Mr. Carter solicited a motion to approve the parliamentarian for the upcoming annual meeting. Mr. Kerrick made a motion to appoint the Board attorney, J. Hadden Dean, to serve in that capacity. Mr. Preston made a second to the motion and the motion passed unanimously.

C. Member Speakers at Annual Meeting

Mr. Carter asked the Board to set forth parameters for members speaking at the annual meeting. Mr. Todd made a motion that there be an allowance for up to 30 minutes of member speeches at the annual meeting, with no speech being longer than 5 minutes. Should there be more than six (6) members sign up to speak at the meeting, then the maximum time for each speaker shall be the total of 30 minutes divided by the number of members that sign up to speak.

IX. LEGAL /REGULATORY/POLICY

Mr. Carter was approached by a local citizen who wanted to address him regarding some unidentified issues. Mr. Carter agreed to meet with the citizen but later learned that the citizen was speaking on behalf of Kentuckians for the Commonwealth. Mr. Carter asked David Samford, the board attorney for EKPC to attend the meeting, which is scheduled for Thursday, June 22, 2023 at 3:00 p.m. at the cooperative headquarters in Danville. Mr. Carter requested an agenda be presented to him before the meeting.

Mr. Carter also discussed an employee request to consider a flexible work schedule. No formal action has been taken and he advised those making the request that at no time should that request impact the effectiveness and or availability of staff to address member needs.

X. BOARD/CEO SESSION

A. Annual Calendar Review - Annual calendar was presented and discussed.

XI. COMMITTEE REPORTS

None

XII. EKPC

Mr. Spalding discussed the current financial status of EKPC. He also discussed recent communications between PJM and the staff at EKPC regarding maintenance of equipment during summer months. He advised that PJM made it clear that any outages will have to be in the fall, so as to avoid any peak demand coinciding with an outage due to maintenance.

XIII. KEC/UUS

A. UUS Board Annual Meeting- Louisville, Ky July 17, 2023.

a. No voting delegate is needed for this meeting.

B. The KEC Annual Meeting is set for August 7 and 8, 2023 in Louisville, Kentucky at the Marriott Downtown Hotel.

a. Hotel - Reservation cutoff is July 7.

b. Attendees: Mr. Carter, Mr. Preston, Chairman Spalding, Mr. Todd, Mr. Kerrick and Mr. Peyton.

XIV. NRECA

A. Board Governance- deferred until the next meeting.

B. Region 2 & 3 Meeting is scheduled to occur in Louisville, Kentucky October 11-13, 2023. Registration is open but hotel information has not been released at this time.

XV. FEDERATED RURAL ELECTRIC INSURANCE / BOARD LEGAL UPDATE

No report.

XVI. RUS-CFC-COBANK NEWS/UPDATES

A. CFC Forum is set to be held in Seattle, Washington June 19-21, 2023. Mr. Carter, Chairman Spalding, and Mr. Preston are scheduled to attend.

XVII. CAPITAL CREDIT DISBURSEMENTS

For May 2023 there was \$28,643.60 in estate retirements. As of May 2023, the Cooperative has retired over \$14,422,000 in capital credits. Mr. Goggin made a motion to approve the capital credit disbursements. Mr. Todd made a second to the motion and the motion passed unanimously.

XVIII. WORK ORDERS FOR MAY 2023

A. No work orders were presented. The NISC conversion was underway and work orders will be presented at the July 2023 meeting.

XIV. APPROVE NEW MEMBERS FOR May 2023

- A. 160 New Members
- B. \$8,000.00 Membership Fees

Mr. Todd made a motion to approve the new members in the amount of fees stated, which was seconded by Mr. Kerrick. The motion passed unanimously.

XX. MISCELLANEOUS

Chairman Spalding requested the Board submit their expense sheets by providing those to Farrah Coleman. Chairman Spalding noted the next regular board meeting is scheduled for Tuesday July 25, 2023, at 8:30 a.m. The Annual Meeting is Friday July 21, 2023.

Chairman Spalding suggested that anyone wishing to have an item placed on the agenda for upcoming board meetings do so by providing the same to Ms. Coleman.

XXI. OTHER BUSINESS

None.

XXII. ADJOURN

A motion to adjourn was made by Mr. Goggin and Mr. Preston made a second to the motion. The motion passed unanimously, and the Board adjourned at 1:25 p.m.