

**OWEN ELECTRIC COOPERATIVE
REGULAR BOARD MEETING
April 27, 2017**

PRESENT The regular meeting of the Board of Directors of Owen Electric Cooperative, Inc., was held at the Headquarters Building in Owen County, Kentucky, on April 27, 2017. All Directors were present, along with: Mark Stallons, Mike Cobb, Ann Wood, Rusty Williams, Jim Petreshock, Jennifer Taylor, Missy Moore, and Attorney Jim Crawford.

**CALL TO ORDER,
PLEDGE OF ALLEGIANCE
AND INVOCATION**

The meeting was called to order, and the Pledge of Allegiance and invocation were given by Rick Messingschlager and Robert True.

**ADOPTION OF
AGENDA**

Upon a motion by Charlie Richardson, seconded by John Grant, the Board voted unanimously to adopt the April, 2017, Board Meeting Agenda as presented.

MINUTES

APPROVED Upon a motion by Alan Ahrman, seconded by Eddie McCord, the Board voted unanimously to approve the March 30, 2017, regular Board Meeting Minutes.

**SAFETY
MOMENT**

Alan Ahrman presented the safety moment on the need to be careful using farm equipment and lawn mowers.

MEMBER

CONCERNS Alan Ahrman shared a positive comment a member made to him about coop employees being very conscientious in their work.

NEW MEMBERS

ACCEPTED The Directors reviewed and accepted as information a listing of 480 New Coop Members.

**REVIEW OF LISTING OF
TERMINATED ACCOUNTS**

The Directors then reviewed and accepted as information a listing of the terminated accounts.

REVIEW OF PRESIDENT'S CONSULTANT'S AND DIRECTORS'

EXPENSES The Directors then reviewed and accepted as information a listing of the previous month's expenses incurred by the President, Consultant and Directors.

UNCOLLECTIBLE WRITE-OFFS AND CAPITAL CREDIT PAYMENT

The Board reviewed 55 member write-offs of \$8,486.37, a list of which is attached hereto and made part of these minutes.

The Board reviewed payment of \$18,812.72 in Capital Credits, a list of which is attached hereto and made part of these minutes.

Upon a motion by Rick Messingschlager, seconded by John Grant, the Board voted unanimously to approve the Uncollectible Write-Offs and Capital Credit Payments.

MEMBER SERVICES

Mike Cobb presented the Member Services report for the month of March, 2017, in accordance with the summary attached hereto and made part of these minutes. Mike reviewed with the Board the plans for the June 16, 2017, annual meeting.

CORPORATE AND RISK MANAGEMENT

Ann Wood presented the Corporate and Risk Management report for the month of March, 2017, in accordance with the summary attached hereto and made part of these minutes. Ann reported on four (4) pending PSC cases and that the coop has no reportable accidents in March, 2017. She reported that the coop is underfunded in the medical plan year to date of \$58,500. Ann reported margins year to date are \$1,179,898. She advised the Distributed Generation Unit has incurred a net loss of \$6,500 year to date. Ann also reviewed with the Board the 2016 Form 990 which must be filed with the IRS by May 15, 2017. She discussed with the Board the coop's equity ratio, and advised that management is reviewing same and will be bringing recommendations in regard to same to the Board for its consideration in the near future.

OPERATIONS

Rusty Williams presented the Operations report for the month of March, 2017, in accordance with the summary attached hereto and made part of these minutes.

TECHNOLOGY

Jim Petreshock presented the Technology report for the month of March, 2017, in accordance with the summary attached hereto and made part of these minutes.

ENGINEERING

Jennifer Taylor presented the Engineering report for the month of March, 2017, in accordance with the summary attached hereto and made part of these minutes.

AUDIT COMMITTEE

Hope Kinman reviewed with the Board the Audit Committee meeting of April 13, 2017, in accordance with the minutes of that meeting attached hereto and made part of these minutes.

2016 AUDIT

REPORT Upon a motion by Hope Kinman, seconded by Rick Messingschlager, the Board voted unanimously to approve the 2016 audit report.

2017 NOMINATING & CREDENTIALS COMMITTEE

Upon a motion by John Grant, seconded by Eddie McCord, the Board voted unanimously to appoint Sherry Ryle to the Nominating Committee in lieu of Greg Ryle and Linda Bray-Schafer to the Credentials Committee in lieu of Ed Stubbs.

EKPC DIRECTOR APPOINTMENT

Upon a motion by Rick Messingschlager, seconded by John Grant, the Board voted unanimously to appoint Alan Ahrman as the coop's director on the EKPC Board of Directors for the 2017-2018 term.

BOARD MEETING DATE CHANGE

Upon a motion by Charlie Richardson, seconded by Eddie McCord, the Board voted unanimously to change the June Board Meeting to June 30, 2017.

EKPC REPORT

Alan Ahrman presented the April, 2017, Board Meeting report for the East Kentucky Power Cooperative, Inc., in accordance with the summary and minutes of said meeting prepared by EKPC staff. The actual summary and minutes cannot be attached to these minutes because of the terms of a Confidentiality and Non-Disclosure Agreement EKPC has required the coop's director representative and CEO to sign before being allowed to attend said meetings.

KAEC REPORT

Robert True reported there was no KAEC meeting for the month. Mr. Stallons advised the Board that the 16 coop managers met this month and discussed various issues related to the industry.

ATTY. REPORT

Jim Crawford reported there was no new litigation for the month.

UPDATES BY MR. STALLONS

Mr. Stallons reported on the following:

Enterprise Risk Management - Mr. Stallons updated the Board on the Enterprise Risk Management. He advised that a BROCC meeting will be held in May.

Debt Refinancing Update - Mr. Stallons advised that the Co-Bank refinancing was finalized as of March 28, 2017.

TRAINING/MEETINGS

Mr. Stallons reminded the Board of the following training/meetings:

OEC Regular Board Meeting - May 25, 2017

Checks over \$15,000

Apr-17

<u>Check#</u>	<u>Ck Date</u>	<u>Vendor Name</u>	<u>Description</u>	<u>Check Amount</u>
114650	4/7/2017	Cannon Technologies	AMI RF	20,760.00
114652	4/7/2017	Carrollton Utilities	DG	31,058.42
114653	4/7/2017	Cheyenne Const	Work Orders	44,715.18
114661	4/7/2017	City Of Indep	Franch Tax	21,023.80
114665	4/7/2017	Comstock Brothers Elec	Generator Fencing	23,500.00
114681	4/7/2017	Mountjoy Chilton	Bill no 2 YE 12-16	15,000.00
114682	4/7/2017	NRECA	Life Ins	252,472.64
114690	4/7/2017	Rural Coop Credit Union	Company Credit Cards	23,091.47
114701	4/7/2017	Wesco	Material	30,338.70
114715	4/13/2017	Bowlin Group LLC	Contractor, jobs	100,631.08
114719	4/13/2017	Cheyenne Const	Work Orders	23,023.00
114724	4/13/2017	East KY Power	Medical Ins Premium	100,500.79
114733	4/13/2017	Power Pole Maint	Pole Treatment	38,469.00
114751	4/21/2017	Aramark	Uniforms	20,589.82
114752	4/21/2017	Asplundh	tree trimming	129,544.90
114758	4/21/2017	Brownstown	Material	17,711.98
114759	4/21/2017	Butler Rural Elec	Labor, OH storm	24,453.12
114762	4/21/2017	Carroll Tire	Tire Balancers	17,392.48
114794	4/21/2017	Power Pole Maint	Pole Treatment	24,353.00
114800	4/21/2017	SEDC	Monthly Invoice	73,546.33
114807	4/21/2017	United Utility	Material	67,563.21
114810	4/21/2017	USIC Locating	locating UG	18,357.70
114812	4/21/2017	Wesco	Material	24,242.28
114842	4/28/2017	Brownstown	Material	18,581.97
114845	4/28/2017	Cheyenne Const	Work Orders	18,710.70
114863	4/28/2017	KAEC	Ky Living	26,153.46

Total for Checks <u>over</u> \$15,000	1,205,785.03
Total for Checks <u>under</u> \$15,000	404,737.62
Total for <u>all</u> Checks for Month	<u>1,610,522.65</u>

Signature

Richard A. Messing-Schlyer



ACES Power Conference - June 1-2, 2017
EKPC Annual Meeting - June 6, 2017
NRECA Summer School East - June 9-14, 2017
CFC Forum - June 12-14, 2017
OEC Annual Meeting - June 16, 2017
CoBank Energy Director's Conference - June 27-29, 2017
OEC Regular Board Meeting - June 30, 2017
OEC Regular Board Meeting - July 27, 2017
OEC Regular Board Meeting - August 31, 2017
OEC Regular Board Meeting - September 28, 2017
NRECA Regional Meeting - October 12-13, 2017
OEC Regular Board Meeting - October 26, 2017
KAEC Annual Meeting - November 20-21, 2017
OEC Regular Board Meeting - November 30, 2017
NRECA Winter School - December 1-6, 2017
OEC Regular Board Meeting and Christmas Luncheon - December 14, 2017

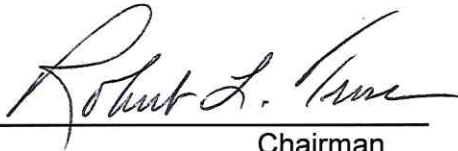
OLD BUSINESS

None.

NEW BUSINESS

None.

ADJOURN Upon a motion by Hope Kinman, seconded by Charlie Richardson, the Board voted unanimously to adjourn the meeting.



Chairman



Secretary