

**OWEN ELECTRIC COOPERATIVE
REGULAR BOARD MEETING
September 26, 2017**

PRESENT The regular meeting of the Board of Directors of Owen Electric Cooperative, Inc., was held at the Headquarters Building in Owenton, Kentucky, on September 26, 2017. Chairman Robert True and Directors, Hope Kinman, John Grant and Charlie Richardson, were present. Director Alan Ahrman attended a portion of the meeting by telephone. Directors Rick Messingschlager and Eddie McCord were absent. Also present were: Mark Stallons, Mike Cobb, Rusty Williams, Ann Wood, April Brown, Jennifer Taylor, Jim Petreshock, Missy Moore and Attorney Jim Crawford. Tony Dempsey and Rodney Kincaid were present for a portion of the meeting.

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

The meeting was called to order, and the Pledge of Allegiance and invocation were given by Hope Kinman and Mike Cobb, respectively.

ADOPTION OF

AGENDA Upon a motion by John Grant, seconded by Hope Kinman, the Board voted unanimously to adopt the September, 2017, Board Meeting Agenda as presented.

MINUTES

APPROVED Upon a motion by Charlie Richardson, seconded by John Grant, the August 31, 2017, Board Meeting Minutes were approved as submitted.

SAFETY

MOMENT Mr. Stallons presented the safety moment on safe use of the lawn mower.

MEMBER

CONCERNS None.

NEW MEMBERS

ACCEPTED The Directors then reviewed and accepted the listing of 568 New Members.

**REVIEW OF LISTING OF
TERMINATED ACCOUNTS**

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

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 51 member write-offs of \$12,145.46.

The Board reviewed payment of \$22,787.47 in Capital Credits.

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

HUMAN RESOURCES

April Brown presented the Human Resources report for the month of August, 2017, in accordance with the summary attached hereto and made part of these minutes. April introduced Tony Dempsey who retires as Safety Director on Friday after thirty (30) years of service. Rodney Kincaid was introduced as Tony's replacement as Safety Director. The Board members thanked Tony for his service and welcomed Rodney as his replacement. April reported no accidents during the month. She discussed in detail the KREC medical plan which is self-funded by fifteen (15) coops, including OEC.

MEMBER SERVICES

Mike Cobb presented the Member and Corporate Services report for August, 2017, in accordance with the summary attached hereto and made part of these minutes.

CORPORATE SERVICES

Ann Wood presented the Corporate Services report for August, 2017, in accordance with the summary attached hereto and made part of these minutes. Ann reported on one (1) pending PSC case. She reported margins year to date are \$2,234,752. Ann discussed with the Board a recent hearing before the PSC involving a fatality at Jackson Purchase. She showed portions of the hearing by video as a part of her presentation and discussions. Ann advised the Distributed Generation Unit is in the black for 2017 year to date in the amount of \$26,000. She reviewed with the Board three (3) capital credit refund options for year 2017. The Board will make a decision on the capital credit refund for 2017 next month.

OPERATIONS

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

EKPC REPORT

Mr. Stallons presented the September, 2017, regular Board Meeting report for the East Kentucky Power Cooperative, Inc., in accordance with the minutes and summary of said meeting prepared by EKPC staff. The actual minutes and summary 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 meeting.

KAEC REP. Robert True presented the September, 2017, KAEC Board Meeting report for KAEC in accordance with the minutes and summary of said meeting prepared by KAEC staff. The actual minutes and summary of the meeting cannot be attached to these minutes at the request of KAEC.

ATTY. REP.

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

UPDATES BY MR. STALLONS

Mr. Stallons reported on the following:

2018 Strategic Plan & Budget - Mr. Stallons reported strategy and budget development for 2018 is ongoing.

Benefits Update - Mr. Stallons reported that MDF HR Consulting has begun work on reviewing the coop's existing retirement benefit package.

Attorney & CEO Appraisals - The attorney and CEO appraisals were handed out to be completed by the Board by next month's meeting.

TRAINING/MEETINGS

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

NRECA Regional Meeting - October 12-13, 2017

Wage, Personnel & Audit Committee Meeting - October 19, 2017

OEC Regular Board Meeting - October 26, 2017

Bid, Budget & Planning Committee Meeting - November 16, 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

OEC Regular Board Meeting - January 25, 2018

OEC Regular Board Meeting - February 22, 2018

NRECA Annual Meeting - February 22-28, 2018

Director's Conference - March 25-28, 2018

OEC Regular Board Meeting - March 29, 2018

Legislative Conference - April 8-10, 2018

OEC Regular Board Meeting - April 26, 2018

OEC Regular Board Meeting - May 31, 2018

CFC Forum - June 10-13, 2018

OEC Regular Board Meeting - June 28, 2018

CoBank Energy Directors Conference - July 10-12, 2018

OEC Regular Board Meeting - July 27, 2018

OEC Regular Board Meeting - August 30, 2018

OEC Regular Board Meeting - September 27, 2018

NRECA Regional Meeting - October 9-11, 2018

OEC Regular Board Meeting - October 25, 2018

OEC Regular Board Meeting - November 29, 2018

OEC Regular Board Meeting and Christmas Luncheon - December 20, 2018

OLD BUSINESS

None.

NEW BUSINESS

None.

**EXECUTIVE
SESSION**

Upon a motion by Charlie Richardson, seconded by Hope Kinman, the Board voted unanimously to enter into executive session to discuss personnel issues.

Upon a motion by Hope Kinman, seconded by John Grant, the Board voted unanimously to exit executive session at 2:30 p.m.

ADJOURN

Upon a motion by Hope Kinman, seconded by Charlie Richardson, the Board

voted unanimously to adjourn the meeting.

Chairman

Secretary