

**OWEN ELECTRIC COOPERATIVE  
REGULAR BOARD MEETING  
February 23, 2023**

**PRESENT** The regular meeting of the Board of Directors of Owen Electric Cooperative, Inc., was held at the Headquarters Building in Owenton, Kentucky, on February 23, 2023. All Directors were present, along with: Mike Cobb, Teresa Hamilton, Mike Stafford, Jim Petreshock, Brian Jones, Jennifer Taylor, Christina Perkins, Christel Buffin, and Attorney Jake A. Thompson.

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

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

**ADOPTION OF**

**AGENDA** Upon a motion by Hope Kinman, second by Charlie Richardson, the Board voted unanimously to adopt the February 23, 2023, Board Meeting Agenda as presented.

**MINUTES**

**APPROVED** Upon a motion by Rick Messingschlager, second by Eddie McCord, the January 26, 2023, Regular Board Meeting Minutes were approved as submitted.

**SAFETY**

**MOMENT** Mike Stafford and Christina Perkins gave the safety moment on the need to list emergency contacts in your phone and setting the phone to automatically contact the contacts in case of an emergency.

**MEMBER**

**CONCERNS** None.

**NEW MEMBERS**

**ACCEPTED** The Directors then reviewed and accepted the listing of 372 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 January expenses incurred by the President, Consultant and Directors.

**UNCOLLECTIBLE WRITE-OFFS AND  
CAPITAL CREDIT PAYMENT**

The Board reviewed 79 member write-offs of \$15,080.24.

The Board reviewed payment of \$37,945.85 in Capital Credits.

Upon a motion by Rick Messingschlager, second by Alan Ahrman, the Board voted unanimously to approve the Uncollectible Write-Offs and Capital Credit Payments.

## **PRESIDENT/**

**CEO REPORT** Mike Cobb presented the CEO Report for the month of February, 2023, in accordance with the summary attached hereto and made a part of these minutes.

EKPC's 2022 Patronage Capital - Mike advised the Board that Owen has 12.61% EKPC's patronage capital making it the largest percentage of the 16 coops that EKPC services.

Employee Retention Application - Mike updated the Board on management's efforts in regard to the retention tax credit provided in the CARES Act or any other COVID-19 related legislation.

Balance Scorecard 2022 Results / 2023 Targets - Mike discussed with the Board the 2022 balance scorecard results and announced that Touchstone Energy will pay the costs of next year's customer satisfaction scores.

Corinth Property - Mike discussed with the Board five (5) acres of land the Coop owns near Corinth at Exit 144 off I-75.

Employee Day - Mike discussed with the Board "Employee Day" held February 20, 2023, at General Butler State Park, Carrollton, Kentucky.

Annual Meeting - Mike updated the Board on the planning for the 2022 annual meeting scheduled for Friday, June 9, 2023.

## **ACCOUNTING**

Teresa Hamilton presented the Accounting report for January 2023 and the 2022 year end financials, in accordance with the summary attached hereto and made part of these minutes. Teresa reported in January of 2023 net margins of \$735,416 compared to \$1,139,317 last year.

## **MEMBER SERVICES**

Mike Stafford presented the Member Services report for the month of January, 2023, in accordance with the summary attached hereto and made part of these minutes. Mike reported accounts billed for the month of January, 2023, of 65,508 compared to 64,793 for the same period last year. He reported energy audits through January 2023 of 42 compared to 59 for the same period in 2022.

Mike reported \$96,936 in wholesale power rate savings with the current E Rate over the previous E2 rate for January 2023. Mike introduced the new field service representative Ethan Glass.

Christina Perkins presented an economic development report in accordance with the summary attached hereto and made a part of these minutes, followed by a legislative update for the 2023 Legislative Session.

## **HUMAN RESOURCES**

Mike Cobb presented the Human Resources report for the month of February, 2023, in accordance with the summary attached hereto and made part of these minutes. Mike reported the Coop has gone 65 days as of February 23, 2023, without a recordable incident or lost time injury. He reported for the month of February, three (3) employees were isolated due to COVID and zero (0) quarantined. The mask mandate for all coop employees is optional, and management continues efforts to encourage employees to get vaccinated for everyone's safety.

## **OPERATIONS**

Brian Jones presented the Operations report for the month of February, 2023, in accordance with the summary attached hereto and made part of these minutes.

## **TECHNOLOGY**

Jim Petreshock presented the Technology report for the month of February, 2023, in accordance with the summary attached hereto and made part of these minutes.

## **ENGINEERING**

Jennifer Taylor presented the Engineering report for the month of February, 2023, in accordance with the summary attached hereto and made part of these minutes.

## **CREDENTIALS**

**COMMITTEE** The following individuals were appointed to the Credentials Committee in accordance with the Bylaws, namely: Joe Shinkle, Jeff Armstrong, Rich Mason, Anthony Motley and Harry Brock.

Motion by Alan Ahrman, second by Bob True, the Board voted unanimously to appoint Joe Shinkle, Jeff Armstrong, Rich Mason, Anthony Motley and Harry Brock to the Credentials Committee.

## **EKPC REPORT**

Alan Ahrman gave the February 2023 EKPC Board meeting report 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.

**KEC REP.** Rick Messingschlager reported there was no Kentucky Electric Cooperative (KEC) meeting for this month.

**ATTY. REP.** Jake A. Thompson reported there was no new litigation for the month.

## **TRAINING/MEETINGS**

Mike Cobb reminded the Board of the following training/meetings:

Power Xchange - March 3-8, 2023

OEC Regular Board Meeting - March 30, 2023

Legislative Conference - April 16-19, 2023

Audit Committee Meeting - April 20, 2023

OEC Regular Board Meeting - April 27, 2023

OEC Regular Board Meeting - May 25, 2023

Membership Appreciation Days - June 8-9, 2023

Annual Business Meeting - June 9, 2023

OEC Regular Board Meeting - June 29, 2023

CoBank Directors Conference - July 24-26, 2023

OEC Regular Board Meeting - July 27, 2023

KEC Annual Meeting - August 7-8, 2023

OEC Regular Board Meeting - August 31, 2023

OEC Regular Board Meeting - September 28, 2023

NRECA Regional Meeting - October 11-13, 2023

OEC Regular Board Meeting - October 26, 2023

OEC Regular Board Meeting - November 16, 2023

OEC Regular Board Meeting - December 21, 2023

#### **CONFERENCE**

**REPORTS**     None.

#### **OLD BUSINESS**

None.

#### **NEW BUSINESS**

After discussion on motion by Rick Messingschlager, second by Charlie Richardson, the Board voted unanimously to approve the following Resolutions:

RESOLVED, that the Cooperative apply to establish a line of credit and authorize borrowing from National Rural Utilities Cooperative Finance Corporation ("CFC") in an amount which shall not at any one time exceed \$7,200,000.00 (the "Line of Credit Amount"), subject to the provisions of a Line of Credit Agreement, in such form as the persons authorized herein may



negotiate with CFC (the "Line of Credit Agreement"); and,

RESOLVED, that if such application is approved by CFC the individuals listed below are hereby authorized to negotiate, to execute and to deliver to CFC the Line of Credit Agreement with CFC;

RESOLVED, that each of the following individuals is hereby authorized in the name and on behalf of the Cooperative to negotiate, to execute and to deliver all such other documents and instruments as may be necessary or appropriate, to execute any future amendments to said Line of Credit Agreement as such individual may deem appropriate within the Line of Credit Amount so authorized, and to do all such other acts as in the opinion of such authorized individual acting may be necessary or appropriate in order to carry out the purposes and intent of the foregoing resolutions: Teresa Hamilton, Vice-President of Accounting; Michael Cobb, President/CEO; and, Hollie Breeden, Senior Accountant.

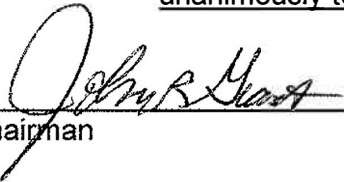
**EXECUTIVE  
SESSION**

On motion of Alan Ahrman, second by Eddie McCord, the Board voted unanimously to enter into Executive Session at 3:53 p.m. to discuss pending litigation.

On motion of Hope Kinman, second by Eddie McCord, the Board voted unanimously to exit Executive Session at 4:00 p.m.

**ADJOURN**

Upon a motion Hope Kinman, second by Eddie McCord, the Board voted unanimously to adjourn the meeting.

  
Chairman

  
Secretary

# Regular Board Meeting

February 23, 2023

**OWEN Electric**

A Touchstone Energy Company



Touchstone Energy<sup>®</sup>  
Cooperatives

- Directors Present/Absent
- Call to Order/Pledge of Allegiance/Invocation



# Agenda & Minutes

- Adoption of Agenda (Tab 3)
- Approval of Minutes of Previous Meeting (Tab 4)

# **Safety Moment**

## **Mike Stafford**

# Review/Discuss Member Compliments and/or Concerns

# Review Agenda

- Review New Members: 372
- *(Listing on Board Table & in Board Paq)*
- Review Listing of Terminated Accounts:
- 218 Members at \$37,496.68  
*(Listing on Board Table & in Board Paq)*



## **Review of President's, Directors' and Consultant Expenses**



- Approve Uncollectible Member Write-offs:  
79 Members at \$15,080.24  
(Listing on Board Table and in Board Paq)
- Approve Payment of Capital Credits: \$37,945.85  
(Tab 11)
- Approval of Consent Agenda Items
  - Motion \_\_\_\_\_
  - Second \_\_\_\_\_



# **President/CEO Report February 23, 2023 Board Meeting**



# President's Report Topics

- Owen's Assignment of EKPC's 2022 Patronage Capital
- Employee Retention Tax Credit – UPDATE
- Balance Scorecard 2022 Results / 2023 Targets
- Corinth Property Discussion
- Employee Day (February 20, 2023)
- Annual Meeting Discussion – Committee Assignments and Timelines
- Other Topics / Discussion



# Employee Retention Credit: Update

- Met with Synergi Partners to Discuss Program and Scope of their Services
  - Identify and determine eligibility for Employee Retention Tax Credits provided for in the Coronavirus Aid Relief and Economic Stimulus Act (“CARES Act”) or any other COVID-19 related legislation which may be available
  - Gather applicable Client Data (i.e. payroll data, employer healthcare costs, operational impacts, etc.) and calculate credits
  - Prepare and deliver ‘Tax Credit Package’ that includes eligibility analysis, applicable supporting schedules, and a calculation of credits based on applicable law
  - Provide internal, external and IRS audit support (as required)

Update: Staff is continuing to review (due diligence)

CFO & CEO: Additional ERC service providers have been interviewed to compare services and fees. Discussion with auditor and ongoing discussions with other Ky Coop CEO's and CFO's.

We have until April 2024 to apply.



# Balance Scorecard Results 2022

## OWEN ELECTRIC COOPERATIVE

### 2022 PERFORMANCE INDICATORS

#### BALANCED SCORECARD - BENCHMARKS VS ACTUALS

			1st Quarter				2nd Quarter				3rd Quarter				4th Quarter				Annual	Annual Targets		
			Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	Actual	Actual	Threshold	Target	Stretch
AREA	#	INDICATOR																				
Safety	(1)	Recordable Incident Rate																	0.84	1.54	0.76	0.00
	(2)	Severity Rate	6.33	3.17	0.00	0.00	17.52	8.76	0.00	0.00	6.22	3.11	0.00	0.00	3.13	1.56	0.00	0.93	0.93	33.92	16.96	0.00
Reliability (Filtered)	(3)	SAIDI	19.531	16.796	16.639	21.920	21.612	18.586	18.412	32.400	24.437	21.015	20.818	28.020	14.079	12.108	11.995	11.230	93.570	79.630	68.480	67.840
	(4)	SAIFI	0.217	0.186	0.174	0.170	0.289	0.248	0.232	0.320	0.366	0.315	0.294	0.280	0.199	0.171	0.160	0.013	0.783	1.070	0.920	0.860
Cost	(5)	Controllable Exp. Per Member																	\$276.42	\$ 280	\$ 277	\$ 274
Member Service	(6)	Member Satisfaction Scores																	85	85	86	87
Individual Award - Safety and Cyber Training 100% Completed																					\$ 125	
Individual Award - Safety Observation Must Be Shared and Documented During the Year																					\$ 100	

- (1) (Deaths + Cases of Days Away + Cases of Job Transfers + Cases of Other) \* 200,000 / Total Quarter Hours Worked
- (2) (Number of Days Away + Number of Days Job Transfers) \* 200,000 / Total Quarter Hours Worked
- (3) Average time in minutes a member is without power
- (4) Average number of interruptions per member
- (5) Controllable expenses per Form 7 divided by average number of billed accounts (excluding Acct #593.20 - Right of Way)
- (6) Member Satisfaction Score
- (7) All safety and cyber modules must be 100% completed to earn payout
- (8) One safety observation must be shared and documented during the year to earn payout

Legend:	Threshold
	Target
	Stretch
	Missed

# 2023 Performance Targets

OWEN ELECTRIC COOPERATIVE  
2023 PERFORMANCE INDICATORS  
BALANCED SCORECARD - BENCHMARKS

AREA	INDICATOR	2018	2019	2020	2021	2022	2023 Targets			2023 Earning Potential		
							Threshold	Target	Stretch	Threshold	Target	Stretch
Safety	(1) Recordable Incident Rate	-	3.03	1.55	0.76	0.84	1.54	0.76	-	\$ 100	\$ 150	\$ 200
	(2) Severity Rate	-	0.76	-	37.99	0.93	32.42	16.21	-	\$ 100	\$ 150	\$ 200
Reliability (Filtered)	(3) SAIDI	92.13	94.97	78.77	71.32	93.57	91.93	73.86	67.84	\$ 150	\$ 240	\$ 325
	(4) SAIFI	1.02	1.15	1.09	1.08	0.78	1.07	0.95	0.84	\$ 150	\$ 240	\$ 325
Cost	(5) Controllable Exp/Avg Member	\$ 280.56	\$ 279.64	\$ 276.98	\$ 276.92	\$ 276.42	\$ 305	\$ 302	\$ 299	\$ 300	\$ 400	\$ 500
Member Service Individual	(6) Member Satisfaction Scores	83	84	87	88	85	84	85	86	\$ 300	\$ 400	\$ 500
	(7) Safety & Cyber Security Training	n/a	n/a	n/a	100%	100%	n/a	n/a	100%	n/a	n/a	\$ 125
Individual	(8) Safety Moment	n/a	n/a	n/a	100%	100%	n/a	n/a	100%	n/a	n/a	\$ 100

(1) (Deaths + Cases of Days Away + Cases of Job Transfers + Cases of Other) \* 200,000 / Total Hours Worked

(2) KEC Severity Safety Goal set at Threshold

(3) Average time in minutes a member is without power

(4) Average number of interruptions per member

(5) Controllable expenses per Form 7 lines 5-10 divided by the average number of billed accounts (Excluding Acct #593.20 - Right of Way)

(6) Member Satisfaction Score

(7) All safety and cyber modules must be 100% completed to earn payout

(8) One safety observation must be shared and documented during the year to earn payout

# Corinth Property Discussion

## (Continued from January Mtg.)



OWEN  
ELECTRIC  
COOPERATIVE  
INC

5.0487 ACRES

SUSAN  
COX  
KENTUCKY  
LLC





# Employee Communications & Training

- Employee Day Scheduled for February 20<sup>th</sup>
  - Departmental Updates
  - Service Excellence
  - G & T Update
  - Motivational Speaker
  - Drug Free Workplace
    - Medical Marijuana
  - Speed *up*-Dating
    - Member Owned Solar / Gov't & Business Relations / IT Security Efforts / Supply Chain Challenges / AMI Conversion Status / Q&A

## Employee Day - February 20, 2023

Gen. Butler State Park Convention Center  
1608 Hwy 227 , Carrollton, KY

8:00	Welcome	Mike C.
	CEO Update: '22 Bal. Scorecard / '23 Goals	Mike C.
	Departmental Updates	Jim, Teresa, Jennifer, Brian, Mike S.
	Wellness Update / 2023 Plan	Sherra
9:00	Service Excellence	Sha Phillips
10:00	Break	
10:10	Service Excellence (Continued)	Sha Phillips
11:00	Effects of Storm Elliott Generation & Transmission Outlook	Joe Settles & Aaron Rodgers
12:00	Lunch	
12:45	Motivational Speaker	Larry Weaver
1:45	Drug Free Work Place / Medical Marijuana	Rodney K.
2:45	Break	
	Speed <i>up</i> -Dating	
2:55	*Member Owned Solar Installations	Jude C.
3:00	*Governmental and Business Relations	Christina P.
3:05	*IT - End Point Detection Update	Blaine F.
3:10	*Supply Chain	Mike H.
3:15	*AMI Conversion Status	Tim C.
3:20	Q & A	
3:30	Closing / Dismiss	Mike C.



# Annual Meeting Important Dates

Annual Meeting Dates 2023  
Friday, June 9

Kentucky Living Publications Notice - Summary of Owen Electric Cooperative's Bylaws Relating to Annual Meeting Election Process At <u>least 180</u> days before Annual Meeting. Required to meet the February Kentucky Living Issue.	Board Meeting Month	Not Before	Not After
			12/11/2022
<b>Appoint Credentials and Election Committee</b> At <u>least 75</u> days before Annual Meeting.	<b>February</b> 2/23/2023		<b>3/24/2023</b>
<b>Any Agenda Item proposed by anyone other than the Board of Directors</b> Must be presented at <u>least 70</u> days before Annual Meeting.	<b>March</b> 3/30/2023		3/31/2023
<b>Members may nominate by petition</b> Nominations must be presented by the members at <u>least 70</u> days before Annual Meeting.	4/27/2023		3/31/2023
<b>Appoint Nominating Committee</b> At <u>least 60</u> days before Annual Meeting, but <u>not more than 105</u> days.	<b>March</b> 3/30/2023	2/24/2023	4/10/2023
<b>Review Districts</b> At <u>least 60</u> days before Annual Meeting.	<b>March</b> 3/30/2023		4/10/2023
<b>Post Nominations (by Nominating Committee at their meeting)</b> At <u>least 45</u> days before Annual Meeting. (Nominating Committee meeting must before this date each year)			4/25/2023
<b>Any Agenda Item requiring a vote of the membership which is proposed by Directors</b> Must be placed on the Annual Meeting Agenda by board action at <u>least 40</u> days before Annual Meeting.	<b>April</b> 4/27/2023		4/30/2023
<b>Notice of Annual Meeting</b> At <u>least 10</u> days, but <u>no more than 60</u> days.		4/10/2023	5/30/2023

*The honor of your presence is requested at a*

# LEGISLATIVE RECEPTION

FEB | 23 | 2023

*The Foundry on Broadway*

317 W. Broadway  
Frankfort, KY 40601  
6–9 p.m.

RSVP to Kelli Gibson  
502.815.6368 or [kgibson@kyelectric.coop](mailto:kgibson@kyelectric.coop)

*Hosted by:* Kentucky Electric Cooperatives and  
Kentucky's Investor-Owned Electric Utilities

KENTUCKY ELECTRIC  
COOPERATIVES

DUKE  
ENERGY

KENTUCKY  
POWER  
An AES Company  
BOUNDLESS ENERGY

LGE KU  
PPL companies

Touchstone Energy<sup>®</sup> Cooperative



# Accounting Department

## Board Report

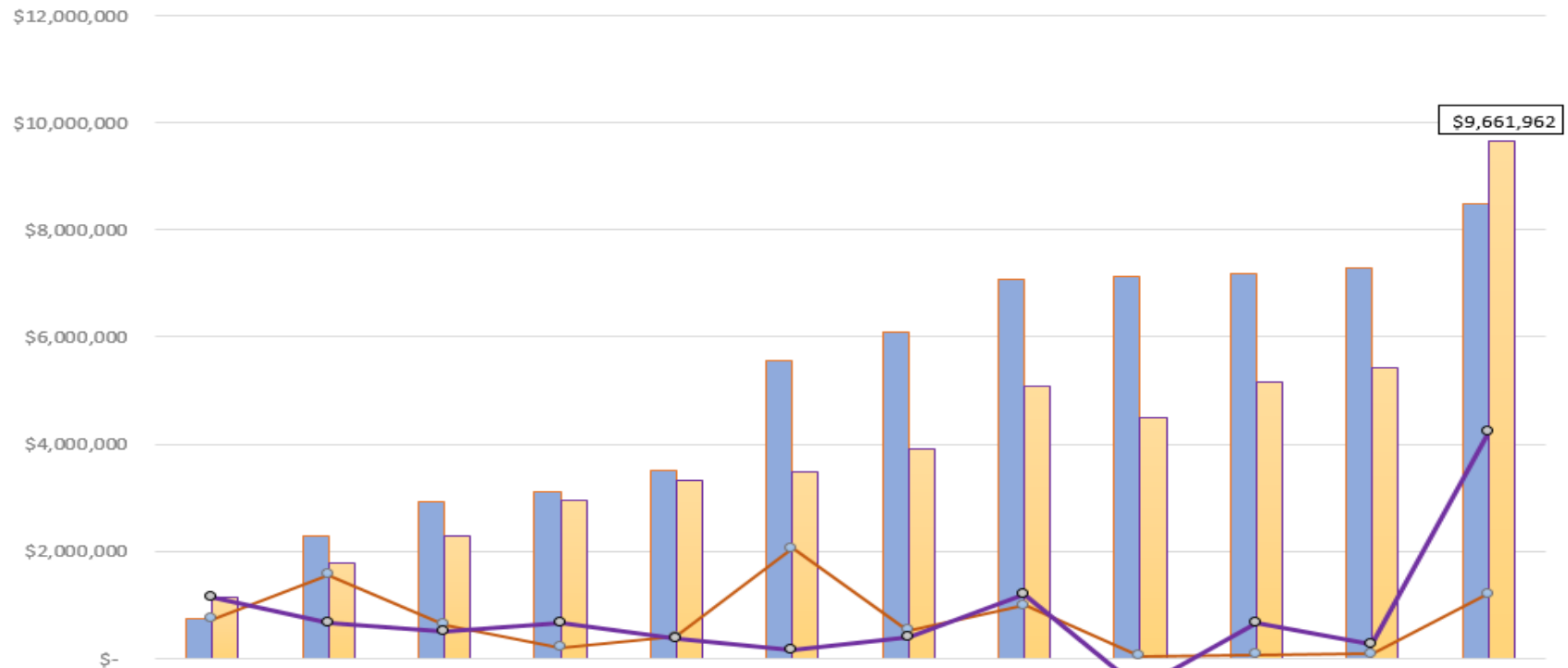
February 23, 2023

- Year End Financial Reporting (unaudited)
- Temporary Investments
- January 2023 Financials (distributed Board Meeting Day)
- April 20<sup>th</sup> Audit Committee Meeting

# Month to Month and YTD Comparison with YTD amount posted for 2022

\*\*June 2021 and YTD 2021 totals include the PPP Loan Forgiveness of \$1.98M

## Net Margins



\$(2,000,000)

	January	February	March	April	May	June	July	August	Sept	October	November	December
2021 YTD	\$730,752	\$2,288,029	\$2,920,923	\$3,120,170	\$3,518,665	\$5,566,267	\$6,092,777	\$7,076,904	\$7,119,160	\$7,194,529	\$7,279,934	\$8,484,973
2022 YTD	\$1,139,317	\$1,792,925	\$2,298,888	\$2,955,410	\$3,324,416	\$3,486,630	\$3,895,742	\$5,077,472	\$4,506,935	\$5,158,320	\$5,420,816	\$9,661,962
2021 Monthly Totals	\$730,752	\$1,557,277	\$632,893	\$199,247	\$398,495	\$2,047,602	\$526,510	\$984,127	\$42,256	\$75,369	\$85,405	\$1,205,038
2022 Monthly Totals	\$1,139,317	\$653,608	\$505,963	\$656,521	\$369,006	\$162,214	\$409,111	\$1,181,731	(\$570,537)	\$651,385	\$262,497	\$4,241,146

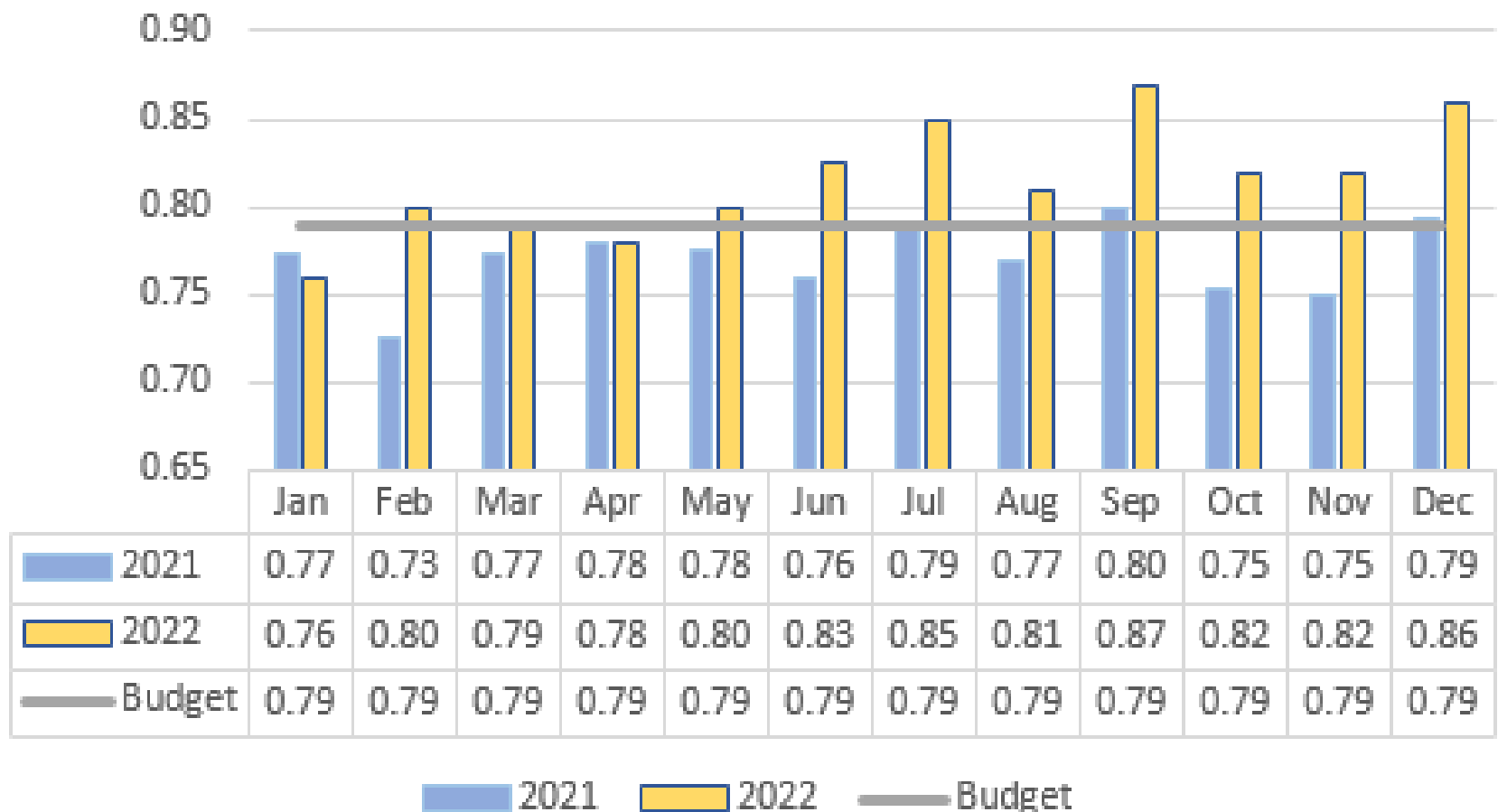
2021 YTD 2022 YTD 2021 Monthly Totals 2022 Monthly Totals

Statement of Operations  
 Variances from Last Year and Budget  
 2021 included the PPP Loan Forgiveness of \$1.98M

	<i><b>THIS YEAR</b></i>	<i><b>LAST YEAR</b></i>	<i><b>VARIANCE</b></i>		<i><b>THIS YEAR</b></i>	<i><b>BUDGET</b></i>	<i><b>VARIANCE</b></i>
Operating Revenue	227,863,483	181,117,000	46,746,483		227,863,483	207,369,060	20,494,423
Less: Cost of Purchased Power	186,428,622	140,260,938	46,167,684		186,428,622	164,100,809	22,327,813
<b>Net Revenue</b>	<b>41,434,861</b>	<b>40,856,061</b>	<b>578,800</b>		<b>41,434,861</b>	<b>43,268,251</b>	<b>(1,833,391)</b>
Controllable Cost	21,466,057	21,300,230	165,827		21,466,057	21,658,097	(192,040)
Depreciation and Amortization Expense	11,766,994	11,664,380	102,614		11,766,994	11,814,382	(47,388)
Interest on Long Term Debt	3,136,414	2,981,636	154,778		3,136,414	3,177,697	(41,283)
Interest Expense - Line of Credit	15,623	3,279	12,345		15,623	3,000	12,623
Other Deductions	58,796	63,086	(4,289)		58,796	61,000	(2,204)
<b>Total Expenses (less Power Cost)</b>	<b>36,443,885</b>	<b>36,012,611</b>	<b>431,274</b>		<b>36,443,885</b>	<b>36,714,176</b>	<b>(270,291)</b>
<b>Members' Margins</b>	<b>4,990,976</b>	<b>4,843,450</b>	<b>147,526</b>		<b>4,990,976</b>	<b>6,554,075</b>	<b>(1,563,099)</b>
Non-Operating Margins - Interest/Other	469,651	2,126,031	(1,656,381)		469,651	72,000	397,651
Generation & Transmission Capital Credits	3,912,026	1,315,490	2,596,535		3,912,026	4,114,752	(202,726)
Other Capital Credits & Patronage Dividend	289,310	200,000	89,309		289,310	139,000	150,310
<b>Net Margins</b>	<b>9,661,962</b>	<b>8,484,973</b>	<b>1,176,989</b>		<b>9,661,962</b>	<b>10,879,827</b>	<b>(1,217,865)</b>

# Purchase Power was over budget 9 out of 12 months

Power cost to Revenue





# Breakdown for every dollar earned 2022

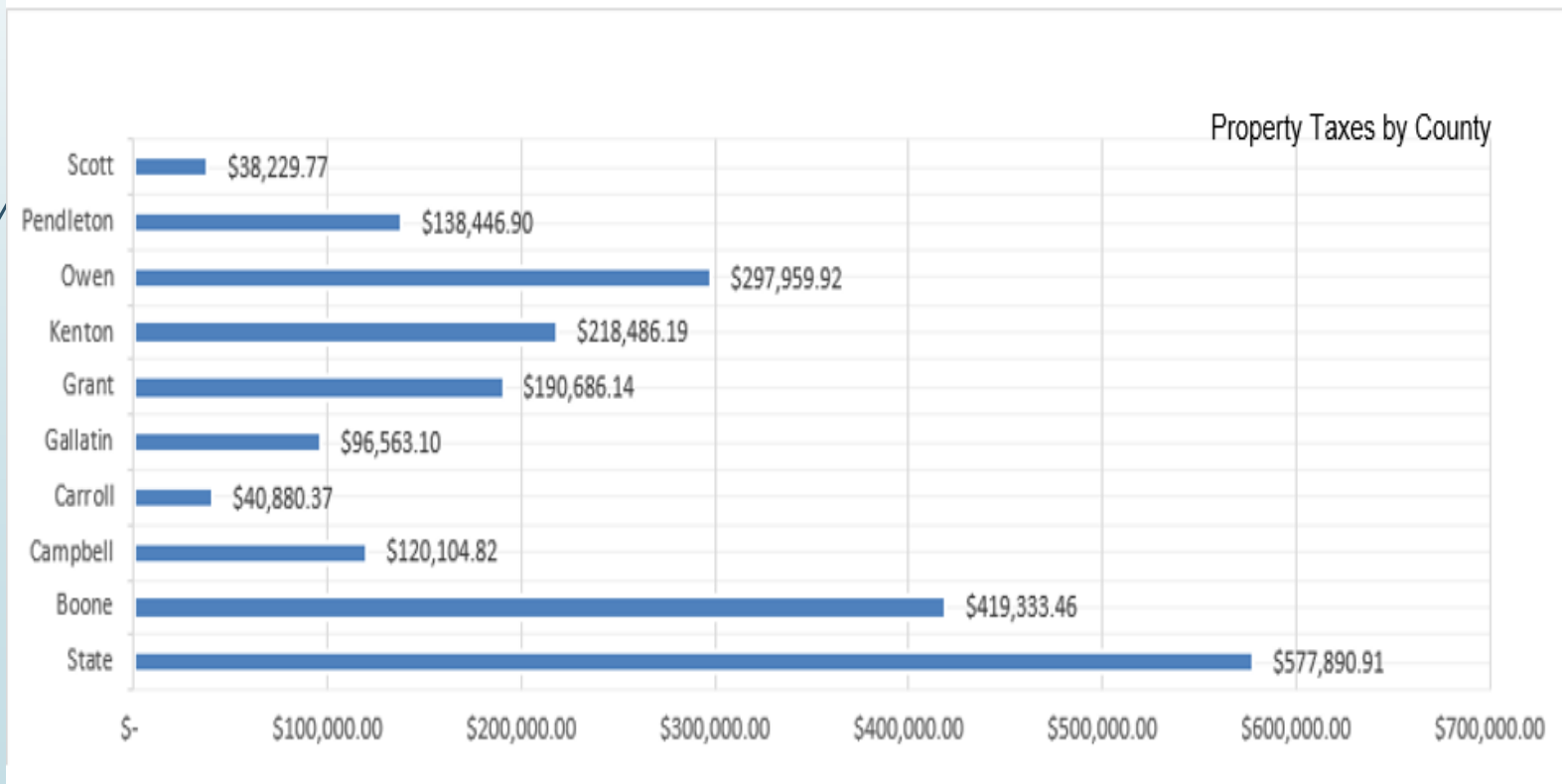




Owen Electric Cooperative is exempt from federal and state income taxes under section 501(c) 12 Internal Revenue Code.

➤ Taxes we do pay, include:

- Property Taxes - approximately \$2,138,582 for 2022
- Sales and Use Tax on Materials and Services, except for transformers (due to manufacturing case ruling)
- Payroll taxes (employer)
- Other Taxes



*Distribution Equity is based on Policy 319  
Benchmarks are based on debt covenants*

KEY METRICS	YTD	Rolling 12 Month	Benchmark
T.I.E.R (TIMES INTEREST EARNED)	4.081	4.081	1.25
O.T.I.E.R (OPERATING)	2.591	-	1.10
DSC (DEBT SERVICE COVERAGE)	3.850		1.35
ODSC (OPERATING)	-	3.118	1.35
MDSC (Modified Debt Service Coverage)		2.514	1.35
DISTRIBUTION EQUITY	-	31.58%	20%-35%
TOTAL EQUITY	-	53.33%	>27%
CURRENT RATIO		1.142	> 1.0
DAYS of CASH on HAND	122		100



## Temporary Investments - Board Policy 318

<u>Note Number</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Term in Days</u>	<u>Interest Earnings</u>
CFC Medium Term Notes	\$ 2,000,000.00	3.04%	6/15/2023	356	\$ 59,300.82
CFC Medium Term Notes	\$ 3,000,000.00	3.83%	10/2/2023	426	\$ 134,102.47
CFC Medium Term Notes	\$ 3,000,000.00	3.89%	8/2/2024	731	\$ 233,719.73
CFC Commerical Paper		Various			\$ 6,009.32

December 2022

Thank you



*Signed financials for 2022 will be included in Board  
Paq when audit is completed.*



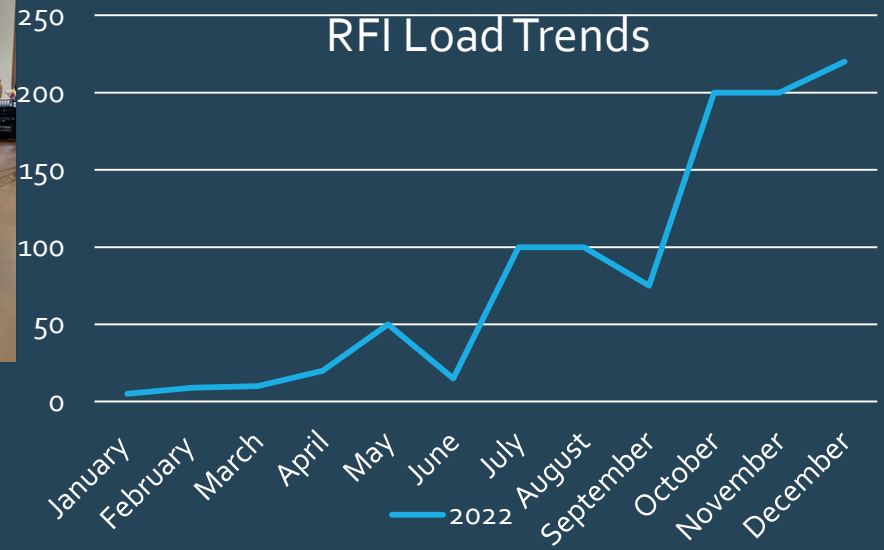
# YEAR IN REVIEW

Christina Perkins, Business and Government Relations

# TRI-ED



Sustainability & BRE





# LEADERSHIP KENTUCKY



# MEMBER SERVICES REPORT



PRESENTED BY MIKE STAFFORD



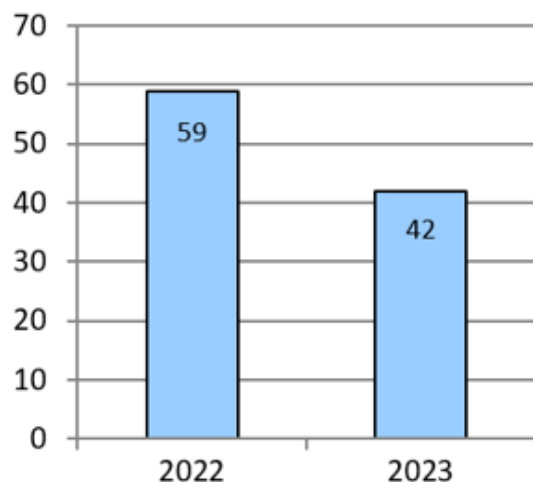


# January 2023 Statistics

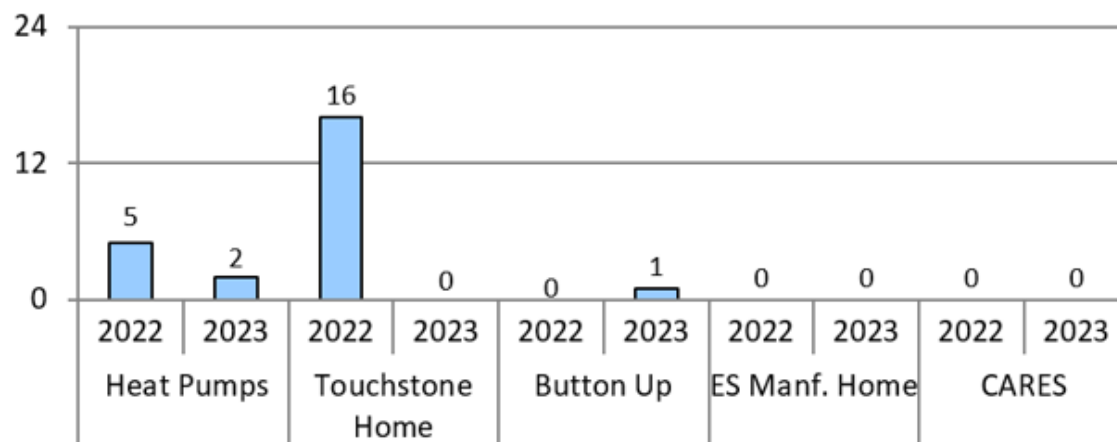
Member Account Activity	Current Month 2023	Last Month 2022	Same Period Last Year 2022
Bank Deposits	\$16,316,362.36	\$13,725,320.83	\$13,317,179.64
Accounts Billed	65,508	65,494	64,793
Total Billing (Excluding Taxes)	\$16,037,826.38	\$14,666,733.22	\$14,258,470.09
Delinquent Notices Mailed	9,715	7,483	8,342
Total Delinquent Amount	\$2,072,482.07	\$1,255,525.55	\$1,589,158.30
Total Penalty Amount	\$95,447.51	\$62,291.81	\$78,790.78
Number of Arrangements	1,731	1,215	1,216
Total Amount of Arrangements	\$408,346.79	\$221,740.47	\$235,819.77
Return Check Amount	\$25,339.42	\$13,112.46	\$20,403.48
Number of Return Checks	118	81	117
Office Pymts (Walk-in & Drive-thru)	3,182	2,943	2,856
Cutoff Tickets	1,629	1,460	1,463
Actual Cutoffs	451	341	319
New Accounts Set Up	522	529	588
Service Orders	2,518	2,160	2,585
Calls Answered by Member Services Reps	11,184	8,883	8,916
Telelink Calls	29,868	29,226	26,928
Member Services Collection Program	\$4,166.85	\$5,368.27	\$9,168.35
<b>Total Collections by Member Services</b>	<b>\$982,155.38</b>		

# Energy Efficiency Update

**Energy Audits  
(Year to Date)**



**Summary of Residential Energy Efficiency Incentives  
Paid  
(Year to Date)**



**Direct Load Control (Simple Saver DSM Program)**

	Monthly Activity		Program Total	
	Installations	Removals		
HVAC	0	-6	HVAC	2,690
Water Heater	0	-8	Water Heater	1,641
Thermostat	20	0	Thermostat	722
Totals	20	-14	Totals	5,053

# Community Investment



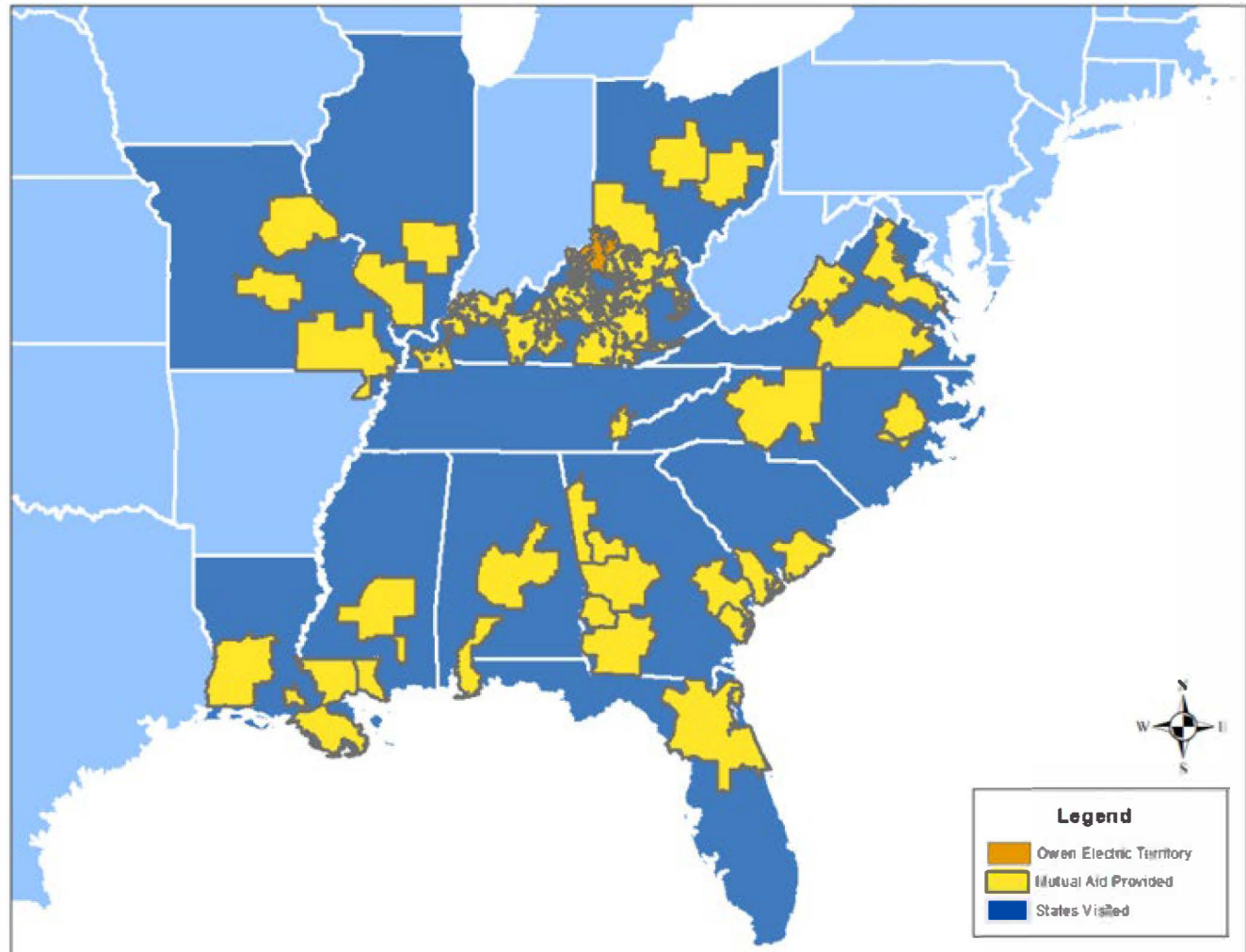
Volunteerism



Charitable Contributions



Disaster Relief

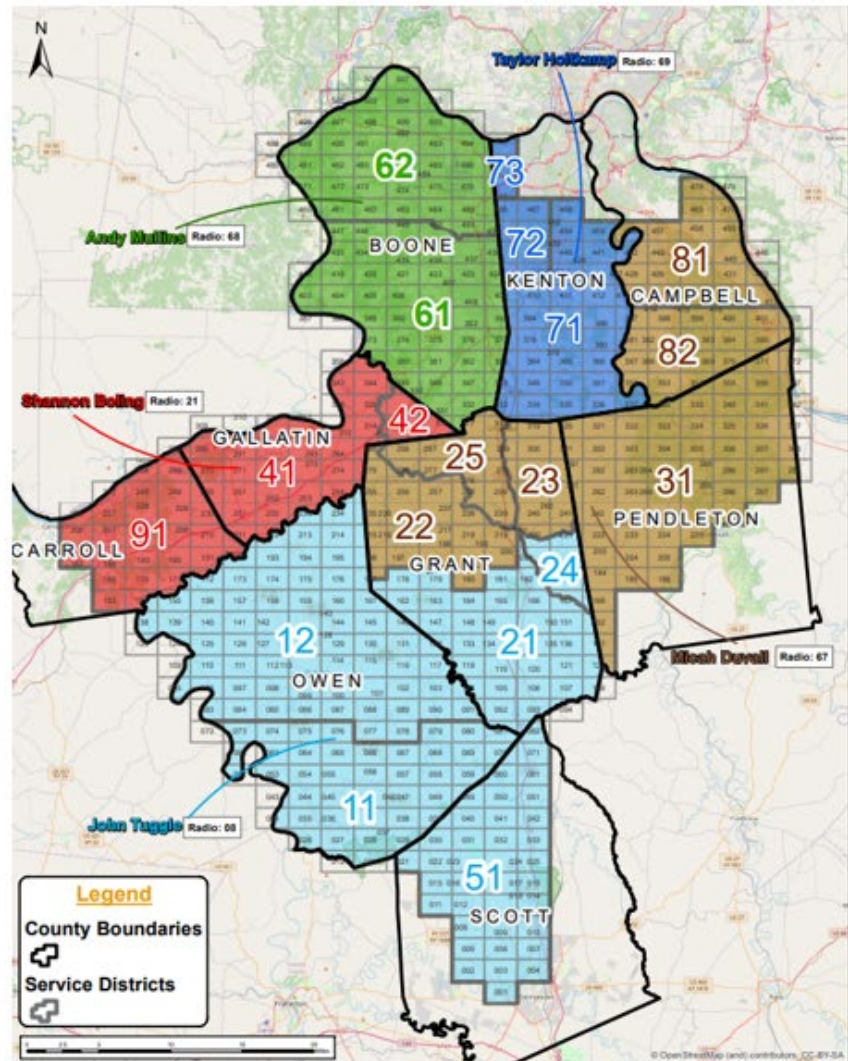






# FIELD SERVICE REP. UPDATE

**ETHAN GLASS**



# Human Resources Board Report


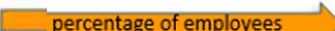




February 23, 2023



## February 2023








### Leading Indicators

Safety Culture Score 2019 = 90%

Crew Visits		1
Safety Suggestions		0
Near Miss Reports		1
Hazards Reported		2
Risk Assessments		0
Corrective Actions		2

### Lagging Indicators

Actuals

Recordable Injury Rate		0
D.A.R.T. Rate		0
Severity Rate		0
OSHA Recordables		0
Actual Days Off Work		0
OEC Vehicle Accidents		0
Other Incidents		0

1st  
Quarter

Note: All Stretch Goals Are 0.00



SAFETY IS NO ACCIDENT

WE HAVE WORKED

65

**DAYS**

WITHOUT A RECORDABLE  
INCIDENT

As of 02/23/2023

WE HAVE WORKED

65

**DAYS**

WITHOUT A LOST TIME INJURY

We continue to be focused on being proactive in hazard awareness by making corrections to affect the situations that can cause a negative impact to our Safety Indicators ( physical alterations to equipment and additional training).

\* We have worked 20134 hours (01/01/23 thru 01/31/23).

We currently have 124 employees.

**Note:** The calculations reflect realtime data so that we can see a better picture of where we stand within the current quarter.

OEC employees continue to work hard while controlling workplace hazards very well. Communication between departments about safe practices remains essential and it is evident that it is taking place.

The focus during crew visits continue to be about best practices for covering energized parts and areas with different potential.

A list of Commitment to ZERO action items have been established and are currently in the process of being implemented. Some of which include changes to our safety reporting software and a better plan of focusing on **Life Saving Rules.**

The 2023 Safety Plan is available on The Circuit's Safety Page and includes the proposed training for the year!

# Operations Board Report 2022 Year End Totals

February 2023



# PSC Line Inspection

	2020	2021	2022
Miles Inspected	2,293	2,264	2,345
Meters Inspected	29,537	32,722	31,452
Feeders Inspected	68	58	68
Man Hours	1,587	1,559	1,511
Total Cost	\$152,182	\$160,251	\$157,902
Cost per Meter	\$5.15	\$4.90	\$5.02
Cost per Mile	\$66.37	\$70.78	\$67.32



# Construction

	2021	2022
Jobs Worked	3736	3466
Temporaries	493	399
Retirements	208	202
Retired Temporaries	350	347

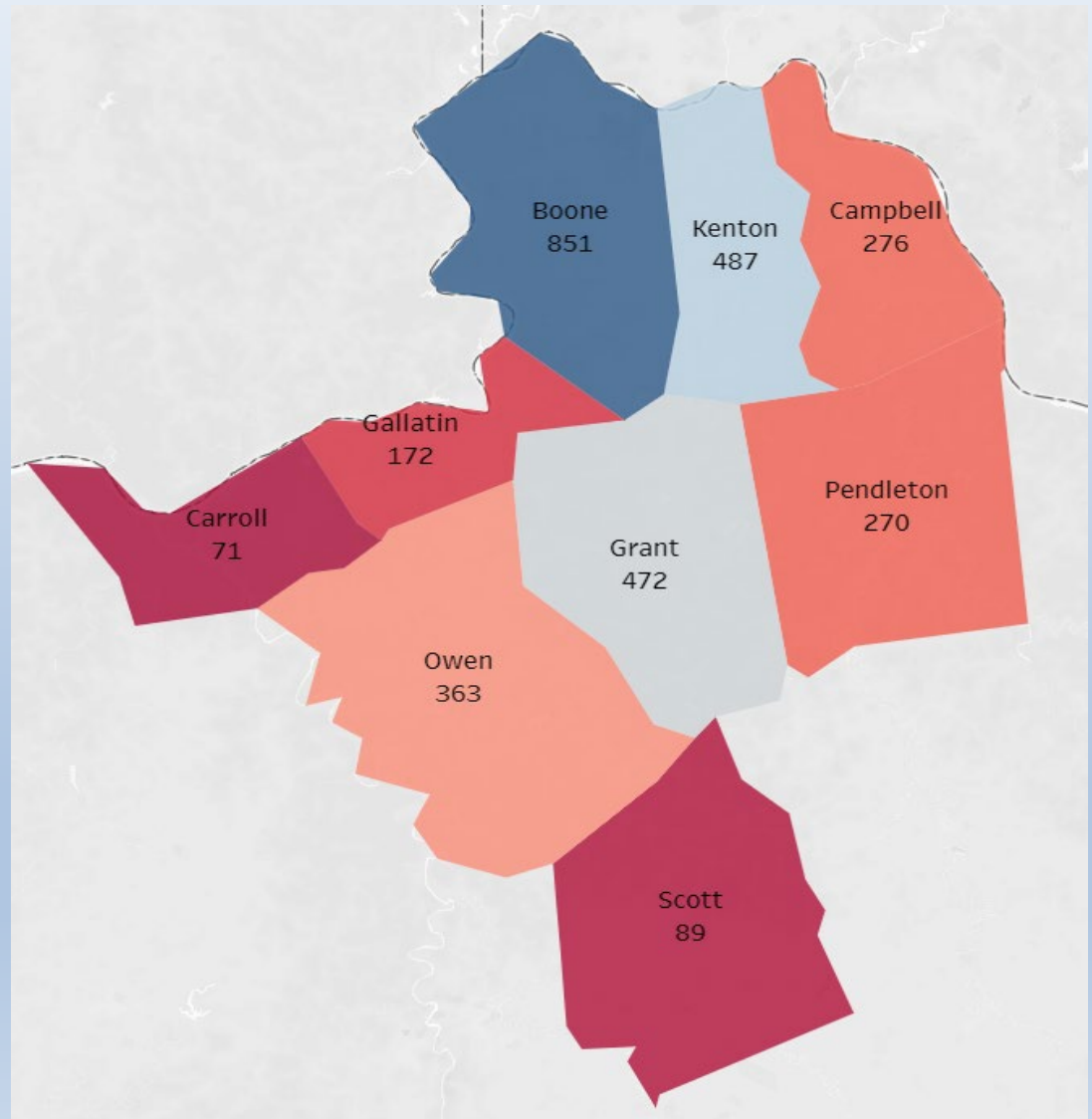


# Construction

Workplan # - Description	Total Worked
101 – Underground	998
607 – Miscellaneous	904
606 – Pole Changeouts	361
100 – Overhead Const.	205
701 – New Lights	107

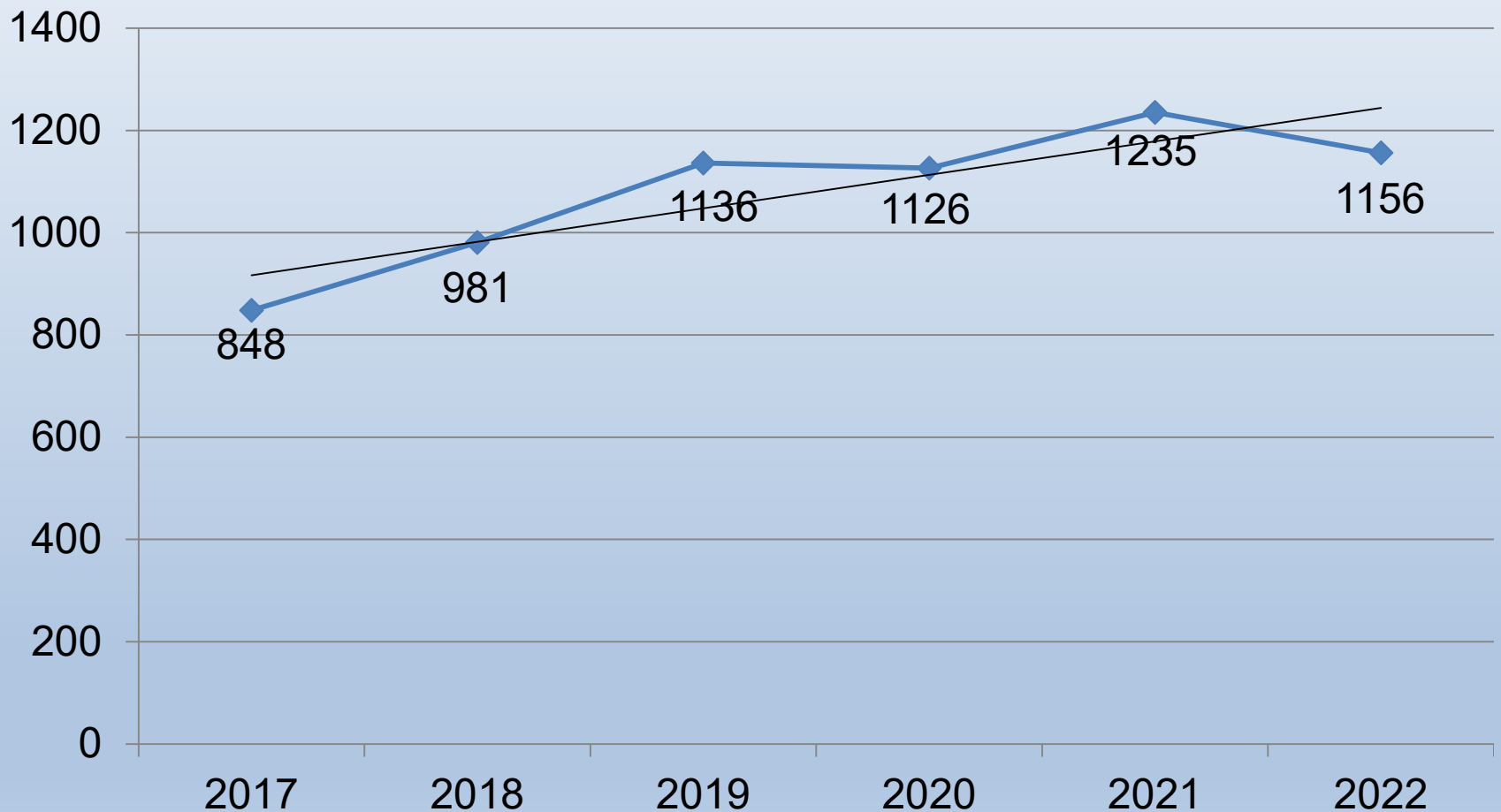


- Boone – 851
- Kenton – 487
- Grant – 472
- Owen – 363
- Campbell – 276
- Pendleton – 270
- Gallatin – 172
- Scott – 89
- Carroll – 71





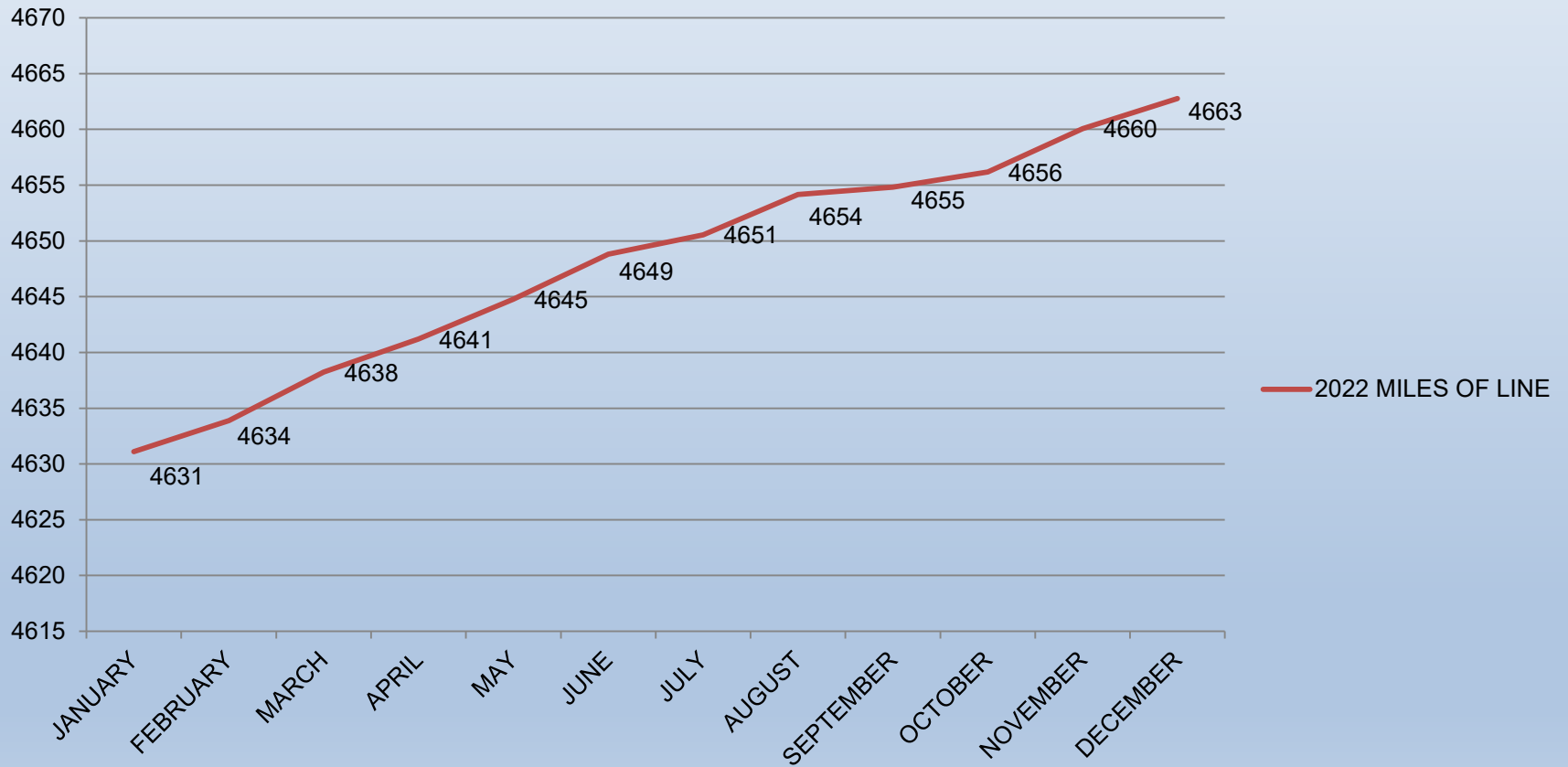
# Number of Permanent Service Connects 2017-2022





# 2022 Miles of Line

## 2022 MILES OF LINE



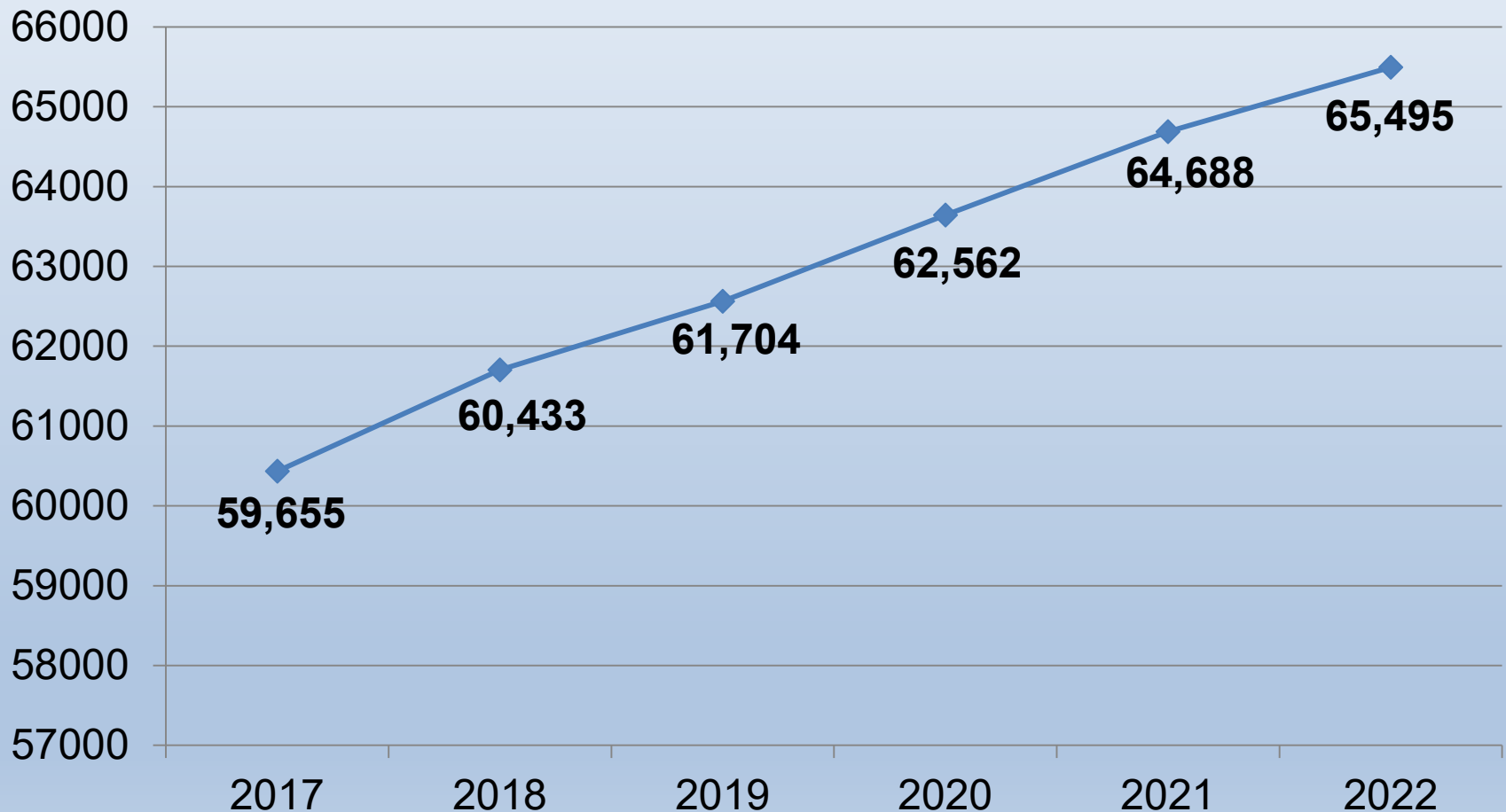


# Meters Billed by County

County	2021	2022	Increase	% Increase
Boone	24,218	25,548	330	1.36%
Kenton	13,816	13,977	161	1.17%
Grant	7,314	7,392	78	1.07%
Owen	5,237	5,271	34	0.65%
Campbell	3,999	4,053	54	1.35%
Pendleton	3,607	3,690	83	2.30%
Gallatin	3,428	3,458	30	0.88%
Scott	1,906	1,927	21	1.10%
Carroll	1,163	1,178	15	1.29%
<b>Total</b>	<b>64,689</b>	<b>65,459</b>	<b>806</b>	<b>1.25%</b>

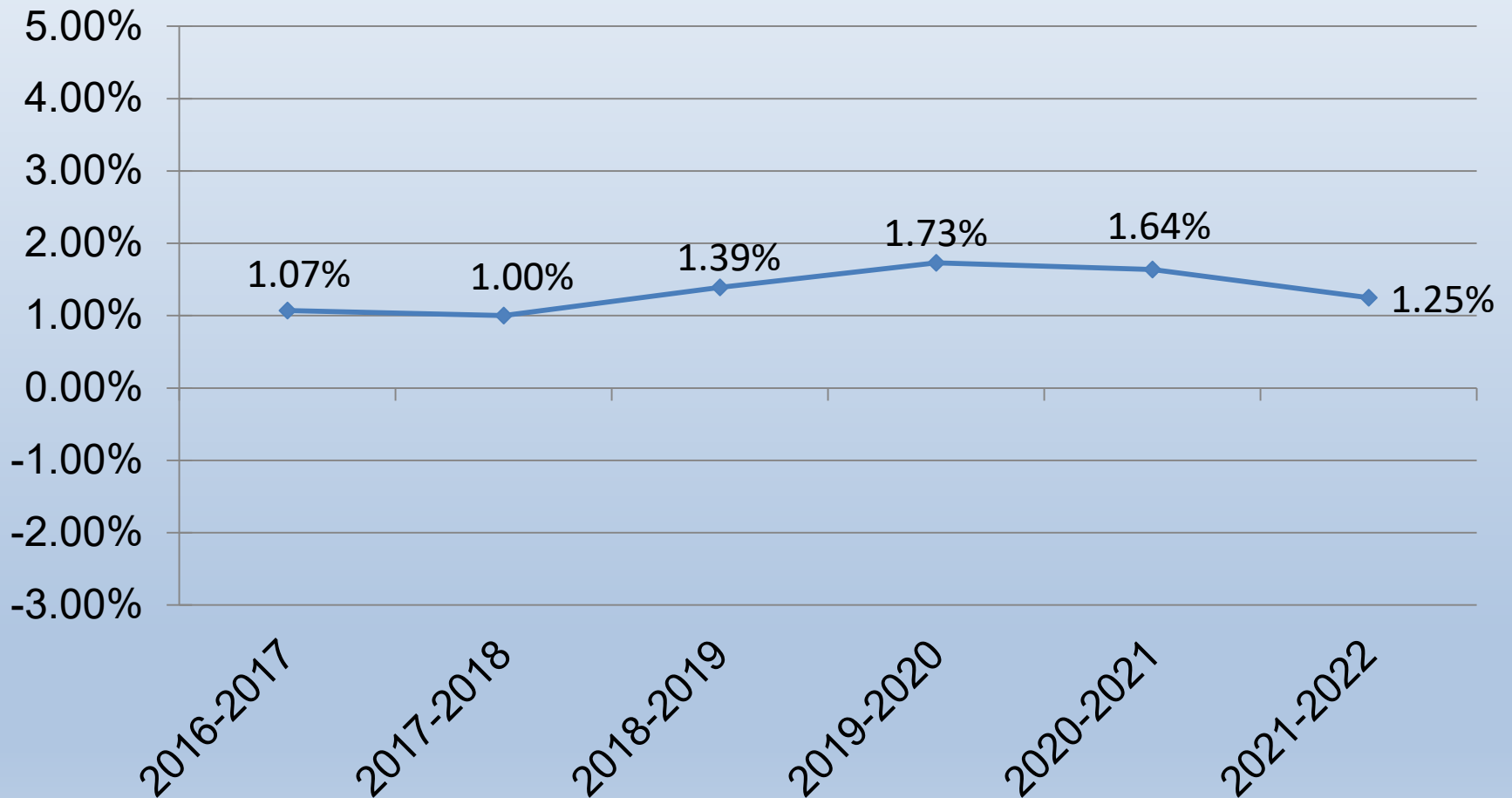


# Number of Meters Billed December Totals for 2017-2022





# Annual Growth (By Meters Billed)





# Interstate 71 Crossing

## I-71 Crossing

Owen Electric Traffic Control Operation

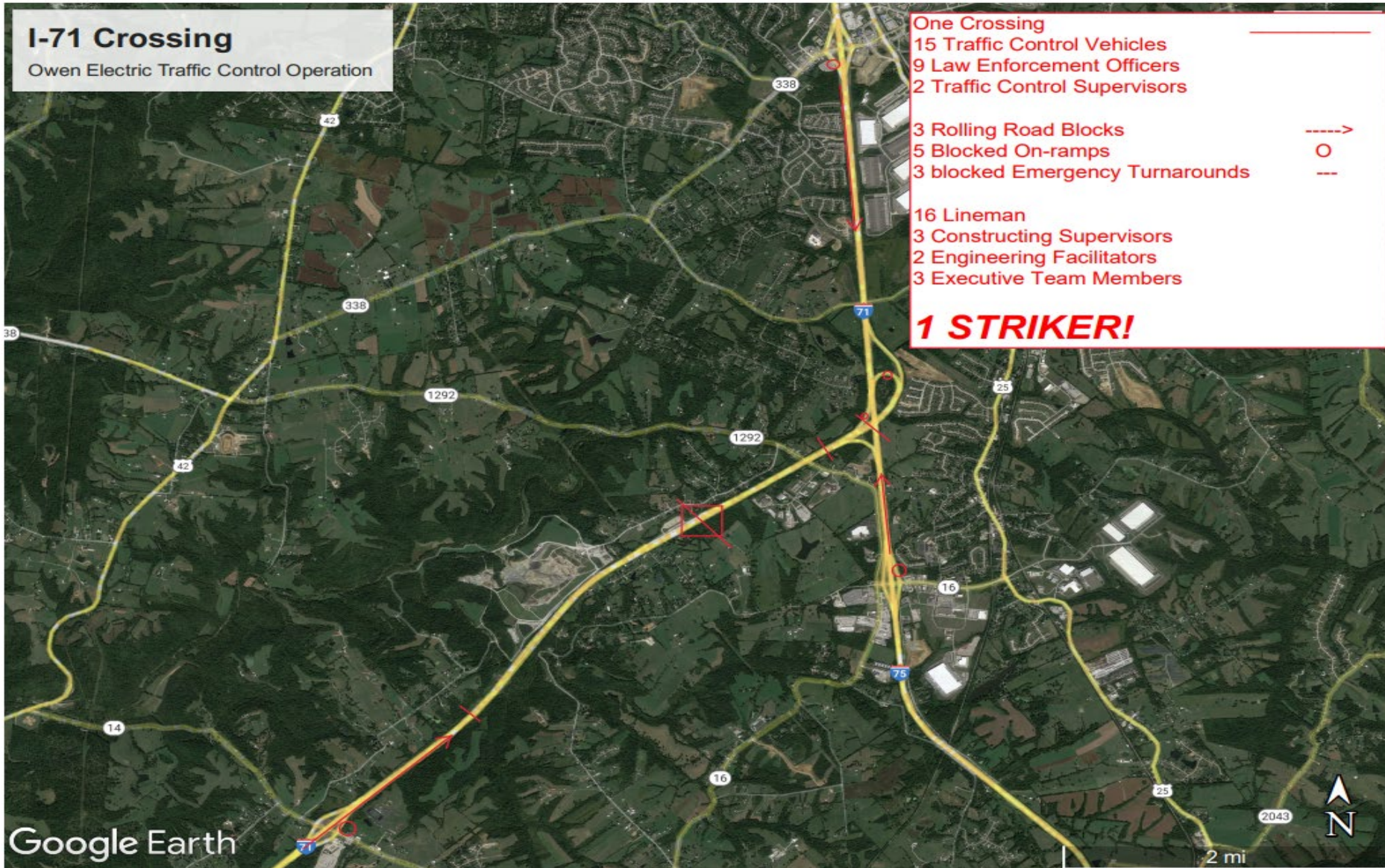
### One Crossing

15 Traffic Control Vehicles  
9 Law Enforcement Officers  
2 Traffic Control Supervisors

3 Rolling Road Blocks  
5 Blocked On-ramps  
3 blocked Emergency Turnarounds

16 Lineman  
3 Constructing Supervisors  
2 Engineering Facilitators  
3 Executive Team Members

**1 STRIKER!**





# Interstate 71 Crossing





# Interstate 71 Crossing





# Interstate 71 Crossing



# Interstate 71 Crossing







# Interstate 71 Crossing





# Technology Report

February 2023





# Engineering

Jennifer Taylor

# GRIP Funding / SCADA project

- NRECA consortium for a 50/50 split of funding for next gen SCADA & self heals
- Initial concept paper was approved and DOE suggested NRECA move forward with the request.
- Currently in the process of completing full application, with items due each Friday through March 2<sup>nd</sup>.
- DOE will either accept or reject proposal in early summer.
- Likely approved and if so, money would start to flow on 1-1-2024 at which point money could start to be spent on the project.

## 2023 Reliability KPI

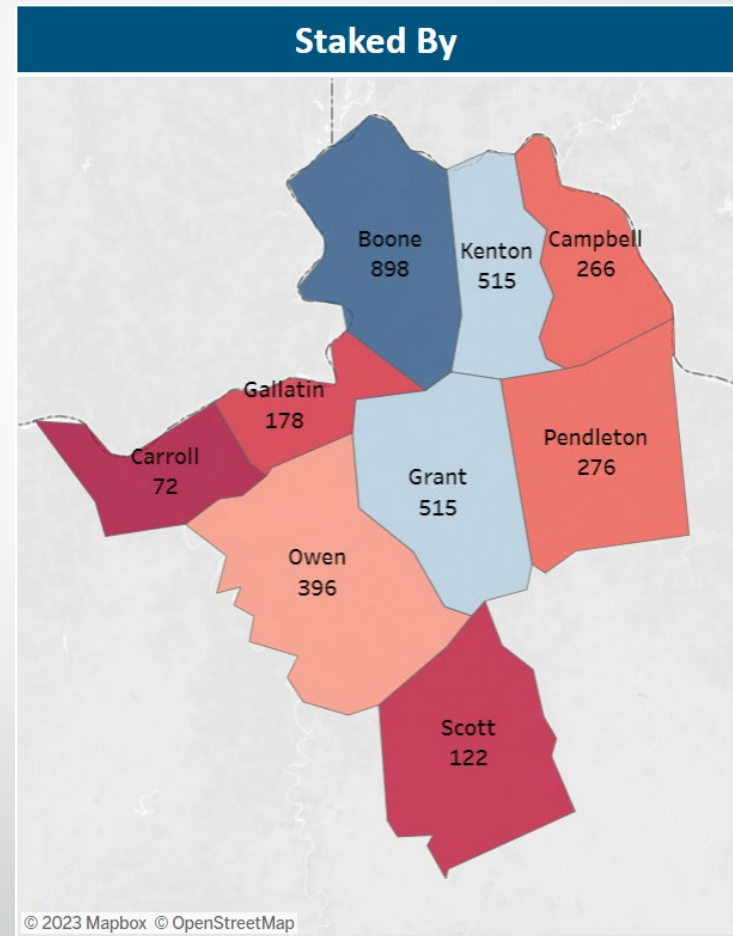
	Q1	Q2	Q3	Q4	YTD
SAIDI	9.150				9.150
SAIFI	0.080				0.080
MED	0	0	0	0	0

THRESHOLD
TARGET
STRETCH

Currently trending towards Threshold for both SAIDI and SAIFI in Q1



Total Job staked – Year End 2022  
3,291 jobs staked



# New Subdivisions

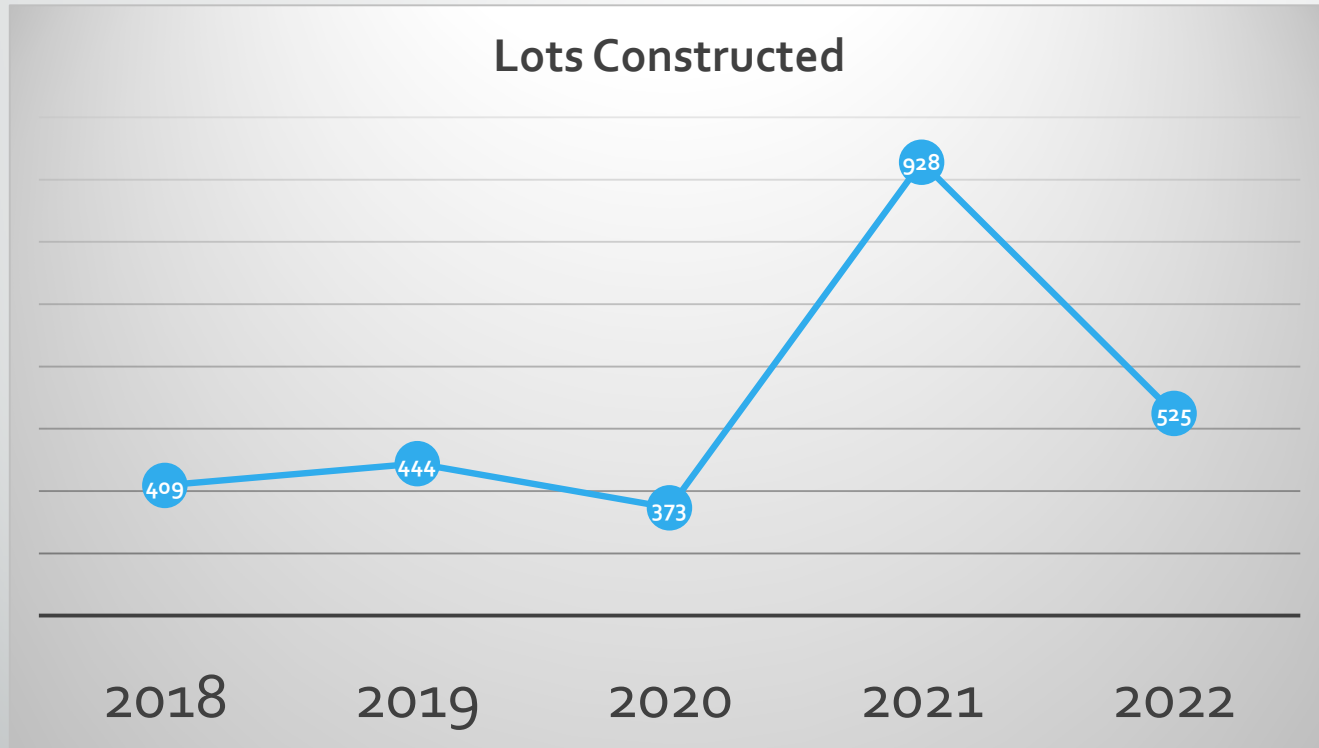
Development for 2022 equaled approx. 525 new residential lots

## Up and Coming New Subdivisions/Apartments in 2023

Alderbrook	Kenton	Taylor Mill Road
Aberdeen (formerly Grenay)	Boone	Long Branch Road
Ridgefield	Boone	Camp Ernst and Hathaway
Park View	Boone	Camp Ernst
Avalon Townhomes	Boone	Weaver Road
Altair Apartments	Boone	Weaver Road



# Subdivision Developments



# New 3 phase projects / C&I

## Walton Towne Center

- Haven's Crossing
- Bobcat Dealership
- Walton Self Storage
- Boone County Library

## New Schools

- Grantslick Elementary – Campbell
- WV Intermediate - Boone

## Speculative Building

- Park 536
- Elijah Creek Road
- Carbon Way
- Frogtown Road

# Mineola Substation Loads

- Old Toyota HQ reinhabited
- Ellis Road Spec building by Neyer
- Corporex development along Mineola corridor

## Corporex to convert Boone County's CirclePort into mixed-use development

Dec 1, 2022, 2:44pm EST

One of Greater Cincinnati's largest commercial real estate developers is widening the scope of its sprawling Boone County development as the area sees growth skyrocketing.

Corporex's CirclePort development, which has primarily served as a business-park development since its inception, is pivoting to be a major mixed-use development. Plans are either underway or pending county approval for additions such as a new retail plaza and apartments.



CORPOREX

A conceptual rendering for CirclePort, Corporex's development off Mineola Pike and I-275.

# Nucor Tubular







## EKPC Activity

- Rebuild of Munk Substation - complete
- Rebuild of Penn Substation – end of Feb.
- Rebuild of Griffin transmission tap – complete
- Rebuild of transmission from Boone Switchyard to Bullittsville substation - complete
- Rebuild of transmission from Grantslick to Griffin Junction (mostly complete)
- Rebuild of Boone to Williamstown transmission -2024
- Rebuild Griffin substation June 2023
- Rebuild of Smoot 2 high side June 2023
- Bullittsville substation rebuild 2024
- Mineola transmission and new substation – end of 2024



# **Review/Discuss/Approve Appoint Credentials Committee**

-Motion \_\_\_\_\_

-Second \_\_\_\_\_



# Oversight Agenda



# EKPC Report



Report Presented By:  
Alan Ahrman



# KEC Report

KENTUCKY ELECTRIC  
COOPERATIVES

**Report Presented by:**  
**Rick Messingschlager**

# **Attorney's Report**

Presented By: Jake Thompson

# Information Agenda



## **2023 Board Meetings & Training**

**February 23, 2023**-Legislative Reception, 6:00pm, Frankfort, KY

**March 3-8, 2023**-Power Xchange, Nashville, TN

**March 30, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY

**April 16-19, 2023**-Legislative Conference, Washington, DC

**April 20, 2023**-Audit Committee Meeting, 9:00am, HQ-Owenton, KY (Hope, Alan, Rick & John)

**April 27, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY

**May 25, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY

**June 8-9, 2023**-Membership Appreciation Days

**June 9, 2023**-Annual Business Meeting, Walton, KY

**June 27, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY

**July 24-26, 2023**-CoBank Directors Conference, Colorado Springs, CO

**July 27, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY

**August 7-8, 2023**-KEC Annual Meeting, Louisville, KY

**August 31, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY

**September 28, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY

**October 11-13, 2023**-NRECA Regional Meeting, Louisville, KY

**October 26, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY

**November 16, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY

**December 21, 2023**-Regular Board Meeting, 9:00am, HQ-Owenton, KY





# Information Agenda

- Conference Reports
  - As needed
- Old Business
- New Business
- Executive Session
- Miscellaneous
- Adjourn

- Motion \_\_\_\_\_
- Second \_\_\_\_\_