



## BOARD MEETING SUMMARY

August 2024

### **Newton Discusses SKRECC Staffing Update During August Board Meeting**

Kevin Newton, President and CEO, discussed recent staffing changes during the regular meeting of the board of directors on Thursday, August 8<sup>th</sup>. Mr. Newton reported to the Board, that retirements tend to run in cycles, and a couple of recent ones have resulted in job openings which have been filled through internal promotions.

Mr. Newton explained that internal promotions may then result in job openings for entry level positions. This means that the retirement of a manager may subsequently result in the posting of a new dispatcher or member service representative opening.

Newton assured the Board that once these entry level positions are filled, barring unforeseen circumstances, the co-op should be fully staffed.

### **Board To Pursue Cost of Service Study Required By PSC**

Mr. John Wolfram, Catalyst Consulting, LLC, has been contracted to complete a cost-of-service study, required by the Kentucky Public Service Commission, as a preliminary step in petitioning for a future rate increase.

The cost-of-service study, once completed, will assist the co-op in determining the parameters of a future rate case. South Kentucky RECC's last rate increase took effect in July of 2022.

### **September Board Meeting Date Moved**

Due to scheduling issues, the September regular monthly board meeting will be held on Tuesday, September 10<sup>th</sup> instead of the usual second Thursday of the month. The meetings are not open to the public. Members interested in addressing the Board during a meeting should call the co-op to request the necessary paperwork.

### **CFO Highlights May Financials**

Carrie Bessinger, Chief Financial Officer, reported the June margin reflected a larger loss than budgeted. She commented that power costs are up due to June's hot weather resulting in high usage, but revenue numbers lagged behind because of the timing of billings. Operating revenues are under budget for the year, but higher than the prior year.

Power cost is over budget for the month of June as a result of purchasing more kWh at a higher than budgeted power cost rate. For the year, power cost is under budget from purchasing fewer kWh than budgeted. The average power cost rate for the year has been higher than budgeted.

Controllable costs continue to run over budget mainly due to right of way clearing costs, May storm expenses, and higher than usual labor and labor overheads. Mrs. Bessinger informed directors that the executive staff is communicating with managers about expenses. They are being asked to discuss project initiations with their supervisors before proceeding, minimize overtime when possible, and cease non-necessary purchases.

### **SKRECC Communications Team Taps Knowledge Resource with Retiree Interviews**

The communications team at South Ky RECC has been working with interested retirees to record interviews in an effort to preserve some of the history of the cooperative which began in 1938.

From working in appliance showrooms featuring electric skillets and some of the first microwaves to working with advanced technology where digital meters and online bill payment have become the norm, retired South Kentucky RECC employees have acquired a wealth of information and valuable insight which will be showcased in the videos soon to be featured on our social media platforms.