



## BOARD MEETING SUMMARY

June 2024

### **SKRECC Hosts Live-Streamed Annual Business Meeting**

On Thursday evening, June 13<sup>th</sup>, beginning at 7:30 pm, the South Ky RECC Board of Directors joined members in their homes via a live-streamed annual meeting. Cathy Epperson, board chairperson, welcomed members and introduced fellow directors and incoming board counsel, Monticello attorney, Frank Phillips.

Mark David Goss, retiring Chief Legal Officer and board counsel, thanked the Board, fellow employees, and members that he worked with over the past 12 years and welcomed Mr. Phillips, who will assume his new role on July 1<sup>st</sup>. Mr. Goss, serving as moderator, called the meeting to order and proceeded with the business of the annual meeting.

Mr. Goss reported that the 2025 director election will encompass two districts, District 1-Pulaski, and District 5-Clinton and that more information will be made available in late 2024. The minutes from the 2023 meeting were approved and there being no unfinished or new business, Mr. Goss turned the meeting over to Kevin Newton for the CEO's report.

Mr. Newton reported on progress made in 2023 including 1,201 new services, 37 miles of new line, 958 miles of right-of-way cleared, and the installation and/or replacement of over 800 poles. Newton stated, "Our primary goal is the safety of our employees, our members, and the public. This commitment to safety is supported by our Board of Directors, management team and employees. Our employees completed 2023 without a lost time accident. We had a reliability rate of 99.96% last year, and we continue to strengthen our distribution system, ensuring good reliability by keeping your lights on and your homes comfortable. You are not only our owners but also our friends and neighbors. This relationship has been in place for over 85 years, and while we face many challenges, we will meet each challenge together to forge a better future for generations to come."

Mr. Goss thanked Mr. Newton for his report, and upon motion, the 2024 annual business meeting adjourned.

### **Newton Reports \$1.2 Million in Memorial Weekend Storm Damages**

Kevin Newton, President & CEO, reported to the Board of Directors during the June regular monthly meeting, that the co-op had submitted a \$1.2 million estimate to FEMA for damages incurred from storms and tornadoes which occurred in the service territory over Memorial Day weekend.

Contract personnel and linemen from sister co-ops were brought in to repair lines, replace 115 broken poles, and restore power to the 17,000 plus members left without power after the powerful storms blew through. South Kentucky RECC sustained the most damage of any co-op within the East Ky Power service territory.

### **CFO Discusses April Financials**

Carrie Bessinger, Chief Financial Officer, noted that April financials were behind budget for the month but slightly ahead of budget for the current year. Operating revenues were under budget by \$2 million with mild weather being the biggest contributing factor.

Bessinger also commented that the enhanced right-of-way clearing is resulting in an increase in controllable costs. Favorable weather is allowing crews to work ahead clearing overgrown circuits as part of a six-year vegetation management plan which the co-op began in 2023.

### **Board Approves RLF Loan to Russell County Business**

Directors voted to extend revolving loan funds to Waddell Gate Company, LLC, a father-son run operation in Russell County. The start-up company will use loan proceeds to purchase equipment and make facility upgrades which will allow the hiring of new employees within the SKRECC service area.