



BOARD MEETING SUMMARY

February 2025

Allen Recognized During Recent Board Meeting

Kevin Newton, President and CEO, recognized district four director, William Allen, during the regular board meeting on February 13th for completing his NRECA Credentialed Cooperative Director certification.

The certification, which is required to be completed during the director's first year of serving on the board of directors, is a five-course curriculum which provides essential knowledge and skills required by cooperative directors.

2025 Annual Business Meeting Date and Format Approved by Board

Directors voted unanimously to approve Thursday, June 12th as the date for the annual business meeting for South Kentucky RECC. The meeting which will be live streamed for members will begin at 7:30 pm and will conclude with the announcement of the grand prize vehicle winner which caps off the annual Membership Days event.

Mr. Newton informed directors that Membership Days will take place on June 10th at the Clinton and Wayne County offices, June 11th at the McCreary and Russell County offices, and June 12th at the Somerset office. The events will run from 7:30 am to 6:00 pm, local times, and include prize and bucket/bulb giveaways along with in-person voting in the director's election.

Newton Updates Board on Rate Case Status

Mr. Newton informed directors that the rate case was filed with the Kentucky Public Service Commission on Monday, February 3rd.

An informal conference with the PSC has been scheduled for late February and Mr. Newton and Mrs. Bessinger will attend along with Mrs. Honaker and Mr. Wolfram.

December 2024 Financial Margins Show a Gain

Carrie Bessinger, Chief Financial Officer, reminded directors that December numbers are preliminary, and the auditors may make final adjustments. She reported that net margins for December show a gain of \$2.1 million compared to a budgeted gain of \$2.44 million. This amount is lower than the \$2.4 million gain which was included in the financial report sent out prior to receiving the actual allocation amount from East Ky Power.

Mrs. Bessinger reported that power cost for December was up, and the co-op purchased 14.7 million more kWh than budgeted, increasing costs by \$1.23 million. This, combined with purchasing power at a higher rate than budgeted, further increased costs by another \$230,000.

Mrs. Bessinger commented that the variance to 2024 budget within the expense accounts are very good and the report shows that we are holding down expenses. She commented that we're placing dollars where they will benefit our membership the most.

Phillips Updates Board on Upcoming 2025 Director Election

Frank Phillips, Board Counsel, reported to directors that the independent Credentials & Elections Committee verified two candidates to be placed on the ballot for the District 1 director seat election. Rick Barker will face incumbent Cathy Epperson during the director election this summer.

Mr. Tommy Nelson, director in District 5, is unopposed for his seat and will begin his second four-year term in July of 2025.

Mrs. Epperson and Mr. Barker will submit biographies and photographs which will be placed in the May issue of Ky Living Magazine and posted on the SKRECC website.