

RESOLUTIONS
OF THE BOARD OF DIRECTORS OF
CUMBERLAND VALLEY ELECTRIC, INC.

A special meeting of the Board of Directors of Cumberland Valley Electric, Inc. ("Cumberland Valley"), was held at the Headquarters Office at Gray, Knox County, State of Kentucky, on February 23, 2017, for the purpose of considering action to address the issue of prospective contributions by salaried/management employees to both health and dental insurance coverage.

Upon motion by Mr. Elbert Hampton, seconded by Mr. Kevin Moses, and duly carried, the following resolution was unanimously adopted:

RESOLUTION I

WHEREAS, in its Order entered February 6, 2017, in Case No. 2016-00169, *In the Matter of: Application of Cumberland Valley Electric, Inc. for a General Adjustment of Rates*, the Kentucky Public Service Commission ("Commission") directed Cumberland Valley to make a filing to the Commission setting forth the prospective employer and employee contribution amounts and percentages which Cumberland Valley will implement for health and dental insurance offered to salaried employees, along with the date the revised contribution schedules will be implemented; and,

WHEREAS, the Commission's Order also directed Cumberland Valley to file evidence of its implementation of the revised contribution schedules; and,

WHEREAS, the Board of Directors of Cumberland Valley has solicited and obtained from the cooperative's financial staff several different scenarios under which these contribution amounts could be implemented; and,

WHEREAS, the Board of Directors of Cumberland Valley believes that any such change shall be gradually implemented in order to prevent a sudden and unduly burdensome impact on the personal financial condition of Cumberland Valley's salaried/management employees, while at the same time realizing increased savings for the cooperative over time;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Cumberland Valley hereby approves and implements a plan pursuant to which, beginning April 1, 2017, Cumberland Valley's salaried/management employees shall be required to contribute to their individual and family health insurance coverage in accordance with the following implementation schedule:

Timeframe	Employee Contribution	Employer Contribution	Projected Annual Savings to Cumberland Valley
4/1/17 – 3/31/18	5.0 %	95.0 %	\$7,232.70
4/1/18 – 3/31/19	7.5 %	92.5 %	\$10,849.05
4/1/19 – 3/31/20	10.0 %	90.0 %	\$14,465.41
4/1/20 – indefinitely	12.5%	87.5 %	\$17,901.75

Also, upon motion by Mr. Roger Vanover, seconded by Mr. Kermit Creech, and duly carried, a second resolution, presented below, was unanimously adopted:

RESOLUTION II

WHEREAS, in its Order entered February 6, 2017, in Case No. 2016-00169, *In the Matter of: Application of Cumberland Valley Electric, Inc. for a General Adjustment of Rates*, the Kentucky Public Service Commission (“Commission”) directed Cumberland Valley to make a filing to the Commission setting forth the prospective employer and employee contribution amounts and percentages which Cumberland Valley will implement for health and dental insurance offered to salaried employees, along with the date the revised contribution schedules will be implemented; and,

WHEREAS, the Commission’s Order also directed Cumberland Valley to file evidence of its implementation of the revised contribution schedules; and,

WHEREAS, the Board of Directors of Cumberland Valley has solicited and obtained from the cooperative’s financial staff several different scenarios under which these contribution amounts could be implemented;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Cumberland Valley hereby approves and implements a plan pursuant to which, beginning April 1, 2017, Cumberland Valley’s salaried/management employees shall be required to contribute to their individual and family dental insurance coverage in accordance with the following:

Timeframe	Employee Contribution	Employer Contribution	Projected Annual Savings to Cumberland Valley
4/1/17 – indefinitely	40.0 %	60.0 %	\$931.01

CERTIFICATION

I, Mr. Vernon Shelley, Chairman of Cumberland Valley Electric, Inc., do hereby certify that the above is a true and correct excerpt from the minutes of the meeting of the Board of Directors of Cumberland Valley Electric, Inc., held on February 23, 2017, at which meeting a quorum was present.


VERNON SHELLEY, CHAIRMAN