

MINUTES  
JACKSON PURCHASE ENERGY CORPORATION  
September 26, 2024

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A regular meeting of the Board of Directors of Jackson Purchase Energy Corporation was conducted on Thursday, September 26, 2024, at 5:30 p.m. The meeting was conducted at the offices of Jackson Purchase Energy Corporation.

The following directors participated in the meeting:

Josh Barnes, Lee Bearden, Kevin Bell, David Brown, Wayne Elliott, Erick Harris, Jack Marshall, and Terry Teitloff

Also present and participating were Greg Grissom, President & CEO; Ward Morgan, Vice-President of Operations and Technical Services; Travis Spiceland, Vice-President of Engineering; Meredith Kendall, Vice-President of Finance and Accounting; Mark Lindsey, Vice-President of Member Services, Communications & Human Resources; Amy Vick, Administrative Assistant; and Richard L. Walter, general counsel.

### **OPENING BUSINESS**

The meeting was called to order by Chairperson Erick Harris.

The invocation was offered by David Brown.

A safety moment was presented by Meredith Kendall. Meredith discussed fall and holiday decorations and the importance of extension cord safety. Extension cords can be easily overloaded and create fire hazards. In addition, there are fire hazards associated with space heaters as cooler weather approaches.

#### Consent Agenda:

The Consent Agenda was presented to the Board. Motion was made by Wayne Elliott and seconded by Josh Barnes to approve the Consent Agenda. The motion unanimously passed.

### **DEPARTMENTAL REPORTS**

#### Finance and Accounting Services:

Meredith Kendall presented the Finance and Accounting Services Report. A full and complete copy of Meredith's report was contained within the Board packet.

Meredith reported that July was an excellent month for JPEC. Sales were up and operation expenses were under budget. Net margins were favorable.

Meredith also reported that the equity to asset ratio this year is 33.8% as compared to 31.66% last year.

At the conclusion of her report, Meredith was available to the Board for questions any member may have.

#### Engineering Services

Travis Spiceland provided the Engineering Services report. His complete report was made available to the Board of Directors in the Board packet.

Travis reported to the Board on the AMI schedule. It is hoped that by mid-October, five sample meters will be produced and provided to Jackson Purchase along with some collecting units. The purpose of these samples is to inspect them and check to be sure they are what we want before mass production. Travis is continuing to work with Aclara relative to this project. He is also working with NISC to coordinate on logistics and implementation.

At the conclusion of his report, Travis was available for any questions the Board may have.

#### Operations and Technical Services:

Ward Morgan provided the Board with the Operations and Technical Services Report. A complete copy of the Report prepared by Ward was made available to the Board and contained within the Board packet.

At the time of the meeting, Ward advised the Board as to the projected effects of Hurricane Helene on power systems and cooperatives both in Florida, as well as along the East Coast. At the time of his report, JPEC was not sending any crews to Florida as we were waiting to see what effect the storms may have on our co-op.

Ward did report on August outages. There were 151 outages. 45 were categorized as storm related, while the other 106 were of various causes. Right-of-way being the largest cause of outages.

At the conclusion of his report, Ward was available for any questions the Board may have.

#### Member Services, Communications & Human Resources:

Mark Lindsey provided the Member Services, Communications & Human Resources report. A full and complete copy of his report was made available to the Board and contained within the Board work packet.

Mark reported to the Board on current community events. He also reported there is scheduled an all-employee meeting for September 30 with Jeff Shepherd being the featured speaker. He also reported that during the month of October, Member Appreciation events will take place every Friday.

Finally, Mark reported that the current census is 68 employees. That is an increase of two over the July census of 66.

At the conclusion of his report, Mark was available to the Board for any questions it may have.

### General Counsel:

General Counsel Richard L. Walter provided the Board his monthly report for September. The report continued the continuing work on the update on the RUS loan project. All title work has now been completed and we are merely awaiting return of the mortgage documents from county clerk offices. Counsel generally touched upon the ongoing Union negotiations deferring of course to CEO Grissom for a more thorough report.

General Counsel was available to the Board for any questions they may have.

### CEO Report:

Greg Grissom provided his report to the Board. His complete report was made available to the Board in the Board packet.

Greg's report concerned politicians that the Kentucky co-ops were supporting. He provided information as to how political dollars were spent on selected candidates.

Greg also reported on safety measures that we are continuing to track and monitor. He indicated the co-op was headed in the right direction with its safety program and there was still no lost time injury.

Finally, CEO Grissom advised the Board as to the current status of Union negotiations and the progress that had been made towards entering reaching an appropriate proposed contract.

Greg was available to the Board members for comments or questions at the conclusion of his report.

## **ASSOCIATION / MEETING REPORTS**

### KAEC

Lee Bearden reported that the KAEC meeting occurred on Tuesday, September 17. President Chris Perry provided a report. Tip Depp, General Counsel, provided an update on pole attachment users.

Lee also reported on finances. For year to date 2024, KAEC had \$189,000,000 in sales. He also reported on capital credits and an update on the safety manual. Lee was available for any questions the Board may have.

### Big Rivers Report

Wayne Elliott provided the report on Big Rivers. He updated the Board on the recent September 20, 2024 Big Rivers' Annual Meeting.

Wayne also reported that the Reed Unit has major issues. It has suffered a break down and it is anticipated that it will cost hundreds of thousands of dollars to try and determine the cause. Projected cost of repair is three to four million dollars and may be as long as two years to repair.

As always, at the conclusion of his report, Wayne was available to the Board for any questions they may have.

**OLD BUSINESS**

There was no old business to consider.

**NEW BUSINESS**

July 2024 RUS Form 7

The Board received a presentation from Meredith Kendall on the July 2024 Form 7. She indicated the report was in good form and was encouraged by its contents.

A motion was made by Kevin Bell and seconded by Lee Bearden to approve the July Form 7. The motion unanimously passed.

Delegate for CFC Regional Meeting

A motion was made by Wayne Elliott and seconded by Lee Bearden to designate Greg Grissom as the voting delegate at the CFC Regional Meeting with the alternate being Erick Harris. The motion passed unanimously.

Audit Engagement Letter

As discussed at the recent Board workshop, JPEC has received a proposal that Jones Nale and Mattingly perform an audit of the JPEC books. A motion was made by Wayne Elliott and seconded by Lee Bearden to approve the Audit Engagement letter and enter into a contract with Jones Nale and Mattingly for the audit. The motion unanimously passed.

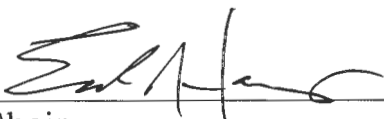
Executive Session

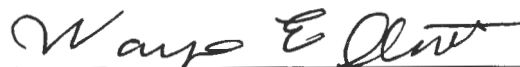
There was no Executive Session

**ADJOURNMENT**

Motion was made by Wayne Elliott and seconded by Jack Marshall to adjourn the meeting. The motion unanimously passed.

Dated this 24<sup>th</sup> day of October 2024.

  
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Chair

  
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Secretary/Treasurer