

ANNUAL MEETING OF MEMBERS – 2024

The annual meeting of the members of West Kentucky Rural Electric Cooperative Corporation was held July 13, 2024, at the WK & T headquarters at 100 WK & T Technology Drive in the City of Mayfield, Graves County, Kentucky, at 2:00 p.m. CDT. The meeting was broadcast online to all members. Board President Bob Hargrove opened the meeting by extending an official welcome to all members and asked for Director Kevin Crider to give the invocation and to lead the Pledge of Allegiance. Following the playing of the national anthem, Board President Hargrove proceeded to introduce each member of the Board of Directors. Board President Hargrove continued and recognized the eight scholarship winners from the four districts in the Cooperative's service area and the four winners of the trade school scholarships. Board President Hargrove then introduced Greg Carter, the Board Attorney for West Kentucky Rural Electric Cooperative Corporation, to serve as Chairman of the business meeting.

Chairman Carter welcomed the members to the 86th annual meeting of their electric cooperative and reported that 1,332 members had registered for the annual meeting Friday, July 12, 2024, and Saturday, July 13, 2024. He announced that such number was sufficient to constitute a quorum and, therefore, the Chairman called the business session to order.

Chairman Carter began the order of business by offering to read the roll call of the members but notified the group that the Chair would entertain a motion to dispense with the roll call. The Chair received a motion and second to dispense with the roll call and based on the oral votes and the written ballots presented at registration, the Chairman declared that the motion to dispense with the reading of the roll call carries.

Chairman Carter stated there would now be a reading by the Secretary of the Notice of Meeting and the Proof of Affidavit of Mailing or that the Chair would entertain a motion to dispense with those formalities. Upon a motion and a second, based on the oral votes and the written ballots presented at registration, the Chairman declared that the motion to dispense with the reading of the Notice of Meeting and the Proof of Affidavit of Mailing carries.

Chairman Carter stated there would now be a reading of the unapproved minutes of the 2023 Annual Meeting of the Members by the Secretary or that the Chair would entertain a motion to dispense with the reading and approve the minutes as written. Upon a motion and a second, based on the oral votes and the written ballots presented at registration, the Chairman declared the 2023 Annual Meeting of the Members minutes be approved as written and annexed to the minutes of this meeting.

The Chairman stated that the Treasurer's report would be given by the Cooperative's Board of Director's Secretary-Treasurer, Chad Willett and would be followed by the President's report provided by the Cooperative's CEO David Smart.

Chad Willett, the Cooperative's Secretary-Treasurer, gave the financial report and referred to the financial material that had been mailed to the members in *Kentucky Living* magazine. Mr. Willett gave a brief but very informative report on the financial condition of the Cooperative and emphasized that the Cooperative and its Board members are striving hard to meet the financial requirements while keeping the rates as low as feasibly possible and providing safe and reliable electric service. Mr. Willett mentioned that \$847,078.00 was added to member equity resulting in 53.39% total equity of the Cooperative. Willett noted the Cooperative had total operating expenses of \$18,816,957.00 with \$3,000,000.00 being used to maintain the Cooperative's right-of-way program and \$1,500,000.00 used for storm restoration. He continued by informing the members that the Cooperative increased the total utility plant by \$14,529,694.00 and pointed out 63%

of the Cooperative's total overall revenues are provided by the residential members. Mr. Willett closed by notifying the members that the Cooperative remains financially stable.

David Smart, the Cooperative's President & CEO, gave the President's report and referred to the article that had been mailed to the members in *Kentucky Living* magazine. Mr. Smart reflected on how legislation, regulation, and appropriations have impacted the cooperatives' ability to provide safe, affordable, and reliable electricity to our communities. When Congress passed the Clean Air Act of 1970 that was amended in 1977 and 1990, the legislation imposed many requirements on electric generation companies to reduce the amount of air and water toxins emitted from coal-fired plants. The implementation of the required improvements to limit the toxins emitted into the environment were very expensive and led increases in the cost of electric power to consumers.

The responsibility of carrying out the provisions of the Clean Air Act lies with the Environmental Protection Agency (EPA). Over the years, the EPA has placed more stringent requirements on electric generation plants as technologies evolved that could further reduce emissions. Newly released EPA regulations are forcing a shift to more renewable and clean generation sources. These new regulations will lead to the closure of many fossil-fuel fired generation plants. The cost of complying with the new regulations and the inability for fossil-fueled plants to comply with the regulations will result in electric generation plant closures. This in turn will result in less reliable, higher cost electricity.

Mr. Smart continued and stated that appropriations through the Infrastructure Investment and Jobs Act and the Inflation Reduction Act are dedicating funding that is aimed at driving investments in renewable and clean generation sources. However, this shift to cleaner generation sources will come with potential consequences like higher costs, less reliability and possibly periods without electric power in homes and businesses.

In closing, Mr. Smart encouraged members to voice their concerns through the Cooperative's grassroots efforts to continue the fight for safe, affordable, and reliable electricity.

The Chairman entertained a motion and a second to approve the Treasurer's Financial Report and the President's report as presented and as written in the July 2024 edition of *Kentucky Living* magazine. Upon a motion and second, based on the oral votes and written ballots presented at registration, the Chairman declared that the Treasurer's report and the President's report were approved.

The Chairman noted that the audit of the Cooperative was available for inspection after the meeting and ordered that it be annexed to the minutes of this meeting.

The Chairman then announced that the election of directors was the next order of business and declared that voting was closed as of 12 p.m. on Saturday, July 13, 2024. He noted that the terms of directors in Calloway, Carlisle, Graves and Marshall Counties had expired and that a Nominating Committee was appointed and met on April 11, 2024, and nominated the following members, who are incumbents for election to the Board of Directors: District 1 (Calloway County) – Michael Burchett; District 2 (Carlisle and Hickman Counties) – Kevin Crider; District 3 (Graves County) – Mark Elliott; and District 4 (Marshall County) – Dennis Barnes. The Chairman directed that the Nominating Committee report be annexed to the minutes of the meeting.

The Chairman reported that no petitions had been submitted for any of the four districts and that no nominations from the floor were allowed under the Bylaws. In accordance with the Cooperative's bylaws, as an unopposed nominee, the Chairman declared the election of Mike Burchett for District 1 (Calloway County) to the Board of Directors of West Kentucky Rural Electric Cooperative Corporation for the term of July 13, 2024, through July 8, 2028, approved.

In accordance with the Cooperative's bylaws, as an unopposed nominee, the Chairman declared the election of Kevin Crider for District 2 (Carlisle and Hickman Counties) to the Board of Directors of West Kentucky Rural Electric Cooperative Corporation for the term of July 13, 2024, through July 8, 2028, approved.

Next, in accordance with the Cooperative's bylaws, as an unopposed nominee, the Chairman declared the election of Mark Elliott for District 3 (Graves County) to the Board of Directors of West Kentucky Rural Electric Cooperative Corporation for the term of July 13, 2024, through July 8, 2028, approved.

Lastly, in accordance with the Cooperative's bylaws, as an unopposed nominee, the Chairman declared the election of Dennis Barnes for District 4 (Marshall County) to the Board of Directors of West Kentucky Rural Electric Cooperative Corporation for the term of July 13, 2024, through July 18, 2028, approved.

There was no old, new, or unfinished business.

Upon motion duly made and seconded, the Chairman declared that the meeting was adjourned.

Prizes were then awarded.

Secretary

President

Chairman