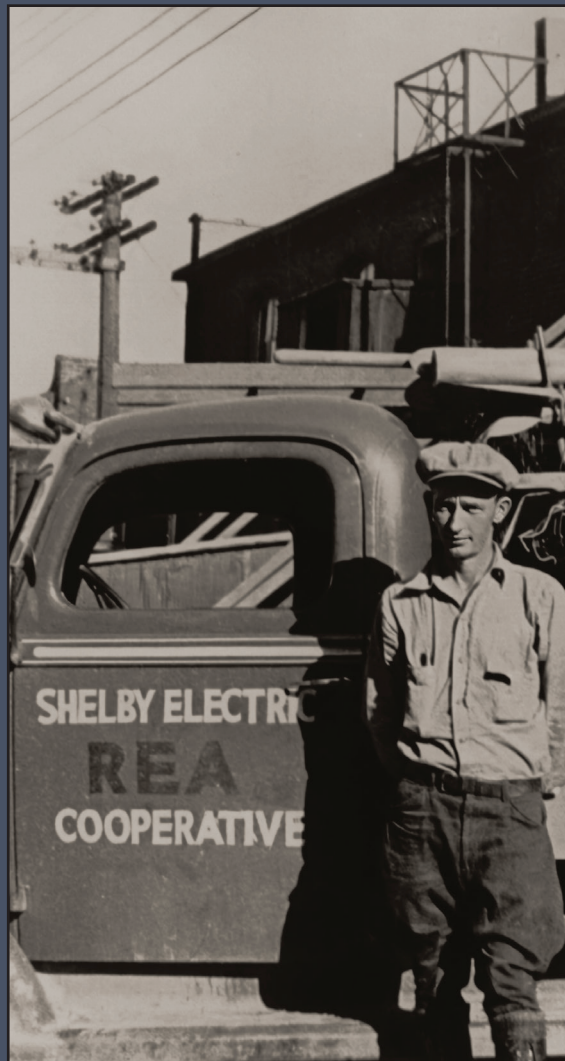


POWERFUL PAST FUTURE FOCUSED



Shelby Electric
Cooperative

Your Touchstone Energy® Cooperative 

ANNUAL MEETING 2024

Friday, June 7, 2024

1:00 P.M.

Shelby County 4-H Fairgrounds
Shelbyville, IL

Your neighbors serving as YOUR COOPERATIVE'S DIRECTORS



--- District 1 ---
Robert Holthaus
Stonington
Chairman



--- District 2 ---
Greg Mackling
Dalton City
Treasurer



--- District 3 ---
David Keown
Findlay
Secretary



--- District 4 ---
Tim Lenz
Strasburg



--- District 5 ---
Nick Dunaway
Shelbyville



--- District 6 ---
Scott Ohmes
Pana



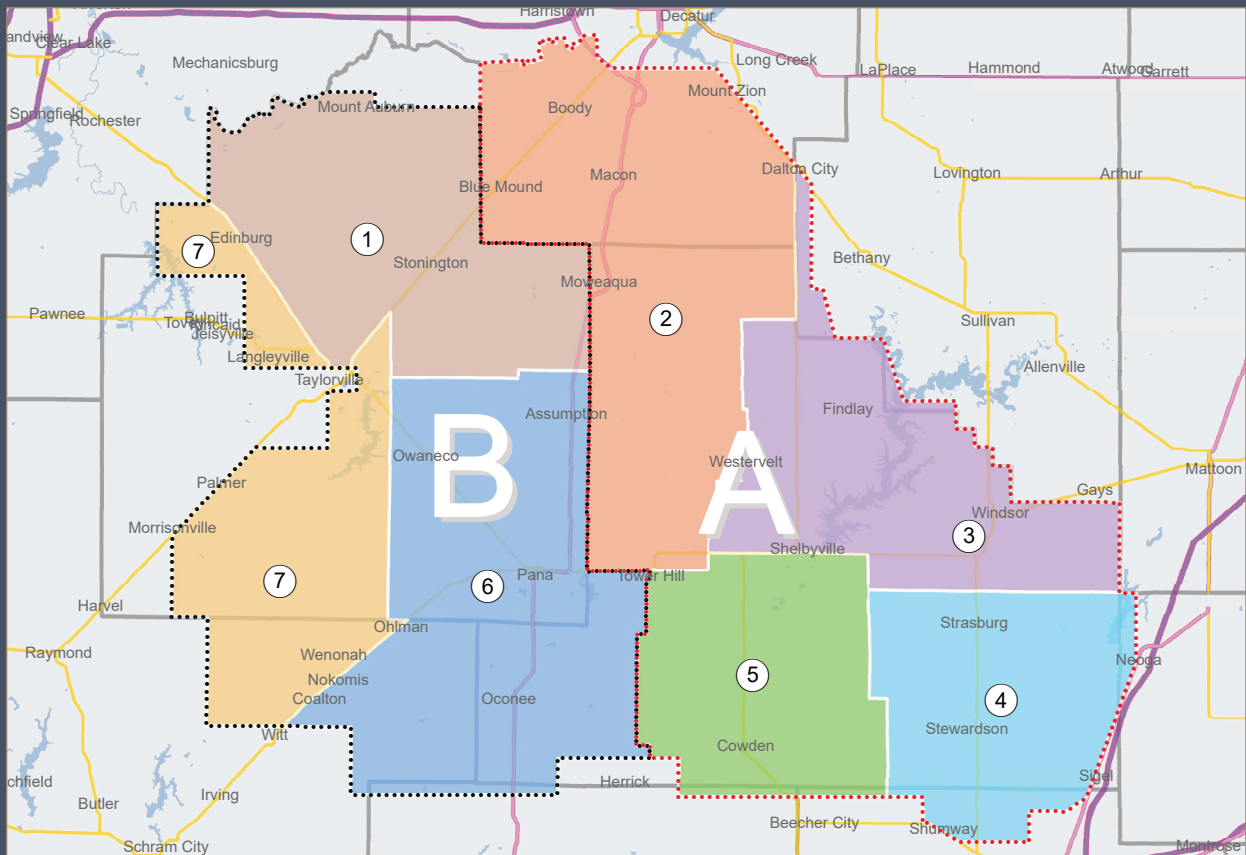
--- District 7 ---
Brent Lively
Taylorville
Vice Chairman



--- At-Large A ---
Rob Bullock
Shelbyville



--- At-Large B ---
John Gardner
Taylorville



The district area map above includes the two at-large districts:

At-Large A represents districts 2, 3, 4 and 5 - At-Large B represents districts 1, 6 and 7

AGENDA

National Anthem
 Call to OrderRobert Holthaus, Chairman
 Invocation
 Legal Call of the 85th Annual MeetingDavid Keown, Secretary
 Report on Board of Directors Appointment of Committee on Credentials Robert Holthaus
 Introduction of Scholarship Winners..... Robert Holthaus
 Report of Committee on Credentials Regarding Active Class A Members
 Present to Establish a Quorum Committee Chairman
 Approval of Minutes of Previous (2023) Meeting..... Robert Holthaus
 Chairman’s Report..... Robert Holthaus
 Treasurer’s Report.....Greg Mackling, Treasurer
 Amendment to Bylaws Amy Jackson, Attorney
 Election of DirectorsAmy Jackson
 President/CEO Report.....Josh Shallenberger, President/CEO
 Other Business
 Door Prize Drawing.....Josh Shallenberger
 Adjournment

OFFICIAL MEETING NOTICE

The annual meeting of the members of Shelby Electric Cooperative will be held at the Shelby County 4-H Fairgrounds in Shelbyville, Illinois, at 1:00 p.m. on Friday, June 7, 2024, to take action upon the following matters:

1. Approval of Minutes of 2023 annual meeting;
2. Presentation of reports of officers;
3. The election of three (3) directors;
4. Consideration of proposed amendment to bylaws; and
5. All other business which may come before the meeting or any adjournment.

In connection with the election of one director from Districts 1, 2 and 7 for a term of three years, the following members have been nominated by petition.

DISTRICT #	
1	Robert Holthaus
2	Greg Mackling

DISTRICT #	
7	Brent Lively

Additional nominations for director may not be made from the floor at this meeting.

Dated at Shelbyville, Illinois, this 17th day of May, 2024.

David Keown, Secretary

NOMINEES FOR DIRECTORS

Shelby Electric Cooperative
 June 7, 2024
 Shelbyville, Illinois

DISTRICT 1 (Vote for one)
 Robert Holthaus, Stonington.....(3-Year Term)

DISTRICT 2 (Vote for one)
 Greg Mackling, Dalton City(3-Year Term)

DISTRICT 7 (Vote for one)
 Brent Lively, Taylorville(3-Year Term)

CEO REPORT

POWERFUL PAST FUTURE FOCUSED



Josh Shallenberger
President/CEO
Shelby Electric Cooperative

When your Cooperative was founded in 1938, it was a grassroots movement to get affordable and reliable delivery of electricity to where others would not take the risk. So instead, leaders of this electric distribution cooperative movement took it upon themselves to band together and embark on what would be the best economic development tool in the history of rural America. Households and farms in the rural areas across America came to realize the benefits of the conveniences and efficiencies of the modern world.

Over the course of time, your Cooperative has been governed by community leaders that are also members of the Cooperative elected by their member peers. This model has proven to be one of the most effective governance structures available as it supports incredible organizational alignment. Decisions made locally are often very long term in nature, because the institutional investments required – the highly-skilled tradespeople, substations, poles, wire, transformers, line trucks, and generation equipment have useful lives that span decades of time. The organizational mission from day one – safe, reliable, and affordable power delivered to the rural areas – has resonated over the span of the rural cooperative movement's history.

It is the grassroots involvement of the member consumers that has led to the ultimate success of rural distribution cooperatives across the nation – over 900 of them exist today. With many upcoming challenges related to the changing landscape of the entire electric generation, transmission and distribution industry, the pace has been hastened when it comes to making those long-term decisions. They all have economic outcomes, but perhaps just as or more important, these decisions impact both near and distant-future resilience of the electric grid. The caveat - there are many opportunities to adapt to this unprecedented industry change as well.

Therefore, we would like to invite you to attend the 85th annual meeting of Shelby Electric Cooperative and plan for an enjoyable time visiting with friends, family, and neighbors over a fantastic meal. I also encourage you to stay for the business meeting that begins at 1pm to learn more about the current state of the industry and your Cooperative. We exist today for one reason – to serve you – the member.

PROPOSED CHANGE TO BYLAWS ARTICLE I

MEMBERSHIP

Section 2. Requirements for Membership for Class A Members and Section 3. Requirements for Membership for Class B Members

Any person or entity, including, but not limited to, a firm, association, corporation, partnership, limited liability company, trust, or body politic or subdivision thereof, will become a member of Shelby Electric Cooperative as a Class A member upon receipt of electric energy services from the Cooperative, provided that **they** or it has first:

* * *

(d) Agreed to provide the Cooperative, as required by the Cooperative for a "Cooperative Purpose," with (1) safe and reliable access to or use of Class A [or Class B for Section 3] member property, and (2) a grant and conveyance to the Cooperative, without charge or compensation from the Cooperative, of an easement, right-of-way, license, or other such right or interest over, through, under, and on property that is owned, occupied, or controlled by a Class A member. Said grant and conveyance of an easement or other rights shall be effective and enforceable even in the absence of a separate written easement or other agreement executed by the Class A [or Class B under Section 3] member. The member shall, nevertheless, sign a separate written easement or other agreement for recording purposes if requested to do so by the Cooperative.

For purposes of this Article I, Section 2 [or Section 3], a "Cooperative Purpose" shall include, but is not necessarily limited to the furnishing of electric energy or telecommunications services to either the Class A [or Class B for Section 3] member's land or to others, and the construction, extension, improvement, installation, operation, modification, maintenance, or relocation of the Cooperative's poles, lines, cables, fiber, and other materials and equipment necessary and incidental to the furnishing of electric energy and telecommunications services. A "Cooperative Purpose" may also include the cutting, trimming, or pruning of trees, shrubbery, or other vegetation, as well as the application of herbicide or other forms of vegetation management when deemed necessary by the Cooperative for safety, reliability, efficiency, or similar reasons pertaining to the electric energy or telecommunications systems.

EXPLANATION FOR SEC PROPOSED BYLAW AMENDMENTS

The Shelby Electric Cooperative Board of Directors proposes the addition of a new sub-paragraph (d) to both Sections 2 and 3 for the purpose of aligning the bylaws with the terms of the membership application which includes a grant of easement to the Cooperative by the member, and the terms of that easement. The Board also proposes a change to the introductory paragraph of each Section which would replace the word "he" with the neutral term "they." The same language is proposed for both Sections 2 and 3.



EIGHTY-FOURTH ANNUAL MEETING OF SHELBY ELECTRIC COOPERATIVE

The Eighty-fourth Annual Meeting of the members of the Shelby Electric Cooperative was called to order by Chairman of the Board Robert Holthaus in the 4-H Auditorium at the Shelby County Fairgrounds, Shelbyville, Illinois, at 1:00 p.m., Friday, June 9, 2023. Following the playing of the National Anthem, Dustin Theiss, Coordinator for Broadband and Member Services for Shelby Electric, delivered the invocation.

Secretary David Keown then read to the members the Legal Call of the Eighty-fourth Annual Meeting of members which was as follows:

LEGAL CALL

DAVID KEOWN, Secretary of Shelby Electric Cooperative, hereby reports that, at my direction, on the 19th day of May, 2023, a notice of the annual meeting of members of the Cooperative to be held on June 9, 2023 was deposited by or on behalf of the Cooperative in the United States Mail, with postage prepaid, addressed to each active Class A member of the Cooperative at the address of said active Class A member as it appears in the records of the Cooperative.

Dated: June 9, 2023 (SIGNED) David Keown, Secretary

After the reading of the Legal Call, Chairman Holthaus introduced the Board of Directors. Chairman Holthaus

also recognized Craig Sondgeroth, President/CEO of the Association of Illinois Electric Cooperatives, as well as several employees of Prairie Power Inc., including President/CEO Eric Hobbie.

Chairman Holthaus next introduced the winners of Shelby Electric Cooperative scholarships. Each year, Shelby Electric Cooperative awards three \$1,000 scholarships to high school seniors. Applicants must be children of current members receiving electric service and must be furthering their education at a four- or two-year college or university, including vocational and technical schools, located in the United States. The recipients are selected based on academics, community involvement, character, and financial need. The following students were recognized in 2023 as \$1,000 scholarship recipients:

1. **Audrey Summers**, daughter of Amy and Jon Summers of Mode
2. **Kallie Havera**, daughter of Michael and Kyra Havera of Taylorville
3. **Evan Swisher**, son of Bryan and Jennifer Swisher of Tower Hill

The scholarship recipients and their parents were congratulated!



Chairman Holthaus reported that the following members of the Cooperative had been appointed to serve as the Committee on Credentials:

Greg Mackling, Chair
Rob Bullock
David Keown

Chairman Holthaus reported that the following members of the Cooperative had been appointed to serve as Inspectors of Elections:

Jessica Fox, Chair
William Kroncke
Brian Bunton

Greg Mackling, Chair of the Committee on Credentials delivered the report of the Committee, said report being as follows:

REPORT OF THE COMMITTEE ON CREDENTIALS OF THE 84th ANNUAL MEETING OF THE SHELBY ELECTRIC COOPERATIVE, JUNE 9, 2023

We, the undersigned members of the Committee on Credentials appointed to serve for the 84th Annual Meeting of the Shelby Electric Cooperative, held June 9, 2023 at 1:00 p.m., do hereby certify as follows:

That we, and each of us, have examined the credentials of the active Class A members of the Shelby Electric Cooperative present for the 84th Annual Meeting, and report as follows:

That the total number of active Class A members present in person are 563;

That the total number of active Class A members presenting duly executed proxies is zero;

Making a total of 563 active Class A members present in person or by proxy.

Dated this 9th day of June 2023.

Greg Mackling, Chair
Rob Bullock
David Keown

Members of the Committee on Credentials

Chairman Holthaus declared a quorum to be present and the meeting open for the transaction of business.

Chairman Holthaus announced that written copies of the minutes of the Eighty-third Annual meeting of the members, held on June 10, 2022, had been included in the notice of meeting and had also been made available to the members prior to the meeting and asked if there was a motion to approve the minutes as published. On motion of member Marion L. McVey, seconded by member Richard Simms, the minutes as published were approved by vote of the membership.

Chairman Holthaus then delivered his report as Chairman of the Board of Directors of the Cooperative. Chairman Holthaus recognized Shelby Electric Cooperative staff present and extended his and the Board's sincere appreciation for their hard work during the year. He commended everyone for their dedication to safety and for maintaining such a safe workplace. He also expressed his appreciation for the members of the Board, who dedicate a significant amount of time and effort into guiding the Cooperative in service to the members. Chairman Holthaus recognized the fact that it has been a busy and successful year for the cooperative, with a lot of work focused on improvements to the electric distribution system and on broadband deployment.

Chairman Holthaus then acknowledged the retirement of two members of the Cooperative's Board of Directors; thanking Larry Durbin and Brian Halbrook for their years of service.

Chairman Holthaus then introduced the Cooperative Treasurer, Greg Mackling, who reviewed the Annual Report as published in the annual meeting notice. He reported that the Cooperative had annual revenues in 2022 of approximately \$35 million from the sale of electric service and that approximately \$22 million was paid by the Cooperative to purchase electricity. He reported that 2022 total margins were \$3,618,664. The Cooperative's total assets are approximately \$84 million, that the Cooperative has approximately \$32 million in liabilities, making the net value of the Cooperative approximately \$52 million.

Treasurer Mackling reported that the Cooperative continues to invest nearly two times as much in providing reliable service to each member when compared to the investment of members in the Cooperative.

Treasurer Mackling reported that Shelby Energy Company, the Cooperative's propane subsidiary had over 3,100 customers and in 2022 had total sales of over



\$3.6 million. As a wholly owned subsidiary of Shelby Electric, Shelby Energy continues to remain profitable.

PWR-net is a division of Shelby Electric that provides broadband internet service. Treasurer Mackling reported the PWR-net division continues to remain profitable with over 1,400 customers and net income in 2022 of just over \$275,000.

Lastly, Treasurer Mackling informed the members that the annual audit was completed by a Certified Public Accounting firm and that copies of the Cooperative audit were available for those members that were interested in reviewing it.

After receiving the Report of the Cooperative Treasurer, on motion of member Charles Bishop, seconded by member Maurice Isaacs, said Treasurer's Report was received and unanimously approved by vote of the membership.

At the request of Chairman of the Board Robert Holthaus, the Cooperative's attorney, Amy Jackson, took charge of the meeting for consideration of the proposed amendment to the bylaws and on the procedure for the election of directors.

Attorney Jackson reported that the proposed amendment to the bylaws was published in the Annual Meeting notice, along with an explanation of the rationale behind the proposed amendment. She reported that the proposed change is the addition of a Dispute Resolution process in Article I, Section 10. The proposed bylaw amendment would provide a cooperative means for resolving disputes that arise between the Cooperative and one or more members. The dispute resolution proposal is for a three step process that includes 1) informal negotiations; 2) non-binding mediation; and 3) binding arbitration. Both the Cooperative and the membership would be required to observe this process in the event of a dispute.

She reported that the proposed bylaw amendment had been placed on the written ballot that was distributed to each member upon registration at the Annual Meeting.

Attorney Jackson then reported on the election of directors. She reported that nominating petitions with the requisite number of signatures by Class A members of the Cooperative and properly completed Statements of Qualification as required by the Cooperative's bylaws had been received from the following persons not less than 60 days prior to the date of the annual meeting:

DISTRICT 4:

Tim Lenz, Strasburg

AT-LARGE DIRECTOR B (Districts 1, 6, & 7):

John Gardner, Taylorville

She reported that both directors will be elected to serve a full three-year term.

She reported also that the names of all persons who had delivered the duly signed petition and Statement of Qualifications to the Cooperative legal counsel had been placed on the written ballot which was distributed to each member upon registration at the Annual Meeting.

Attorney Jackson then asked the members who had not yet cast their ballot to do so.

President and CEO Josh Shallenberger addressed the meeting and noted his gratitude for such good attendance. The electric distribution system covers 2,214 miles and provides service to over 10,000 meters. Safety and reliability of the system continue to be of the utmost importance to the Cooperative. With this in mind, the past year has seen much activity in the way of system improvements to enhance reliability and prepare for future use of infrastructure. Maintaining and improving the system is an ongoing effort and requires significant expenditure of capital in order to maintain quality infrastructure.

CEO Shallenberger told the gathered members that efforts are continually being made to enhance and maintain system reliability. These efforts include compliance with a construction work plan and adherence to a necessary vegetation management program. Significant issues encountered in the past year included delays due to supply chain issues as well as inflationary increases in the price of goods and materials.

CEO Shallenberger reported that after more than 2,000 days with no lost time incidents, the Cooperative did experience an employee injury resulting in lost time. Nevertheless, CEO Shallenberger is very proud of the efforts of Cooperative employees to maintain a safe workplace.

CEO Shallenberger also commented on the increasing development of solar and other renewable energy sources. As of the meeting date, the Cooperative had 163 systems approved for interconnection with the electric distribution system. Attempts are being made, both locally and statewide, to streamline the process for interconnection of renewable energy sources.



CEO Shallenberger addressed the Cooperative's efforts to build a reliable broadband/fiber optic network to provide high speed internet for those in Shelby Electric's service territory. The fiber optic network will be a generational asset for the membership, and it will be a key component for reliable electric systems of the future. According to CEO Shallenberger, the Cooperative is attempting to utilize federal and state funding in order to build the network and bring good, reliable, high speed internet service to the rural areas. This service will be provided under the name "Shelby Fiber," and this is an exciting opportunity for the Cooperative and the membership.

At this point in the meeting, President and CEO Shallenberger introduced Eric Hobbie, President and CEO of Prairie Power, Inc. (PPI), the generation and transmission cooperative of which Shelby Electric Cooperative is a member, and from whom electric energy is purchased.

CEO Shallenberger engaged in a dialogue regarding relevant issues and challenges facing electric cooperatives. Eric Hobbie explained how PPI has intentionally diversified its power supply, including owning a portion of the power supply, as a way to create stability for PPI and its member cooperatives. According to Eric Hobbie, this allows PPI to hedge against shifts in the market that would otherwise impact not only the availability of power, but the price of power.

Eric Hobbie and CEO Shallenberger also discussed the troubling news regarding the risks associated with retiring generation sources faster than new sources are being built. This is a nationwide issue but is especially pertinent in Illinois in light of the recent legislation requiring phase out and closure of fossil fuel generation, including the Prairie State Energy Campus of which PPI is a part owner.

In concluding his remarks, CEO Shallenberger acknowledged and thanked Cooperative staff for the valuable impact they have on the communities served; including the annual Touchstone Energy Balloon Fest, the CEO Programs in Shelby and Christian County, the CoBank Sharing Success program, as well as numerous other opportunities for community involvement and monetary support.

At the conclusion of CEO Shallenberger's comments, Chairman Holthaus asked if there was any other business to be addressed. Hearing none, he then called upon

Jessica Fox, Chair of the Inspectors of Elections to read the Certificate of Inspectors of Election, as follows:

CERTIFICATE OF INSPECTORS OF ELECTIONS

We, the undersigned, the duly appointed Inspectors of Elections, for the Annual Meeting of the members of Shelby Electric Cooperative held on the 9th day of June, 2023 do hereby certify that the voting on the proposed amendment to Article I of the bylaws was fairly and impartially conducted; that we received the votes of the members by written ballot and counted the votes cast; and that the votes totaled as follows:

IN FAVOR OF PROPOSED AMENDMENT	23
OPPOSED TO PROPOSED AMENDMENT	2

We certify accordingly that the proposed amendment to Article I, Section 10 of the bylaws, has been duly adopted by the majority of members present.

In addition, we further certify that the election of Directors was fairly and impartially conducted; that we received the votes of the members by written ballot and counted the votes cast; and that the following members received the number of votes set opposite their respective names, to-wit:

DISTRICT 4: (To serve for a term of three years – One (1) to be elected from this district)

NAME	NO. OF VOTES RECEIVED
Tim Lenz	25
Spoiled Ballots	3

AT-LARGE DIRECTOR B (Districts 1, 6, & 7) (To serve for a term of three years – One (1) to be elected from these Districts)

NAME	NO. OF VOTES RECEIVED
John Gardner	22
Spoiled Ballots	3

Based on the foregoing, we further certify that the following persons were duly elected as Directors to hold office for a term of three years or until their successors shall have been elected and qualified:

- DISTRICT 4: Tim Lenz
- AT-LARGE DIRECTOR B (Districts 1, 6, & 7): John Gardner



IN WITNESS WHEREOF, we have hereunto set our hands and seals this 9th day of June 2023.

Jessica Fox, Chair (SEAL)
William Kroncke (SEAL)
Brian Bunton (SEAL)

Chairman Holthaus declared that Tim Lenz and John Gardner were duly elected to the Board of Directors for three-year terms.

Before adjourning the meeting, President and CEO Shallenberger awarded door prizes. The name of each member in attendance was placed in contention for the drawing and prizes were awarded to members with the grand prize being \$250 Shelby Electric Dollars, which was won by Harold Adams.

There being no further business, on motion duly made by member Patricia Oldham, seconded by member Marion L. McVey, the meeting was adjourned by voice vote at 1:55 p.m.

Secretary

APPROVED:

Chairman

2024 ANNIVERSARY DATES:

EMPLOYEES

1 YEAR
Michael Gillespie
Joe Haenel
Chance Hinton
Megan Miller
Jared Phelps
Jessica Stigers
Dalton White

5 YEARS
Samantha England

10 YEARS
Lucas Morse
Nick Ray
Derek West

20 YEARS
Andy McDonald
Josh Shallenberger
Nick Sloan

25 YEARS
Tim Hardy
Adam Schrock
Dustin Theiss

35 YEARS
Kevin Bernson
Christy Biddle
Jim Matlock

DIRECTORS

1 YEAR
Nick Dunaway
Tim Lenz

5 YEARS
David Keown

MEMBERS' FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2023

Assets

Total cost of electric plant system including work in progress	95,485,020	
Depreciation	(47,340,652)	
Net electric plant system		48,144,368
Cash on hand and in the bank was		2,619,352
Investments in associated organizations		19,591,754
Investments in non-utility property		931,027
Other Investments and subordinated certificates		4,708,456
Receivable for electricity sales, and material sold		4,211,163
Stock materials and supplies		3,434,817
Prepaid expenses, deferred charges and miscellaneous assets		1,223,554
Total owned		84,864,491

Liabilities and Members' Equity

Borrowed from and owed to CFC	16,407,407	
Borrowed from and owed to USDA	2,092,423	
Other Long Term Liabilities	1,777,192	
Total Debt	20,277,022	
Owed for materials, credit balances on consumers accounts, advanced consumer underground deposits, taxes, & etc.	3,628,219	
Consumer deposits paid	65,433	
Deferred credits and miscellaneous liabilities	1,224,736	
Total Liabilities	25,195,410	

Members' Equity (Net Worth)

Donated capital	2,407,260	
Patronage capital and other margins	57,261,821	
Total Members' Equity		59,669,081
Total Liabilities and Members' Equity (Net Worth)		84,864,491

COOPERATIVE STATEMENT OF RECEIPTS AND EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

Our Receipts:	
Sale of electric service	\$37,057,824
Propane revenue	3,170,244
Other receipts	221,778
Total receipts for 2023	\$40,449,846
Our Expenses:	
Purchased electric power cost	\$23,376,669
Purchased propane cost	1,959,172
Operations and maintenance expense	4,053,837
Consumer accounting and collecting expenses	899,568
Customer assistance expense	886,437
General office salaries and expenses	3,229,368
Outside services	192,592
Insurance expense	92,818
Post retirement benefits, excluding pensions	220,797
Depreciation and amortization expense	2,789,826
Taxes	944,858
Interest expense to CFC	1,041,667
Total cost of providing service for 2023	39,687,609
Operating margin	762,237
Interest income, capital credits and other non-operating revenue	2,645,739
Total Margin	\$3,407,976

LONG-TERM OBLIGATIONS TO CFC & USDA RURAL DEVELOPMENT

Total CFC loan funds available less outstanding CFC debt	\$28,420,000
Total CFC funds borrowed	\$16,407,407
Total USDA funds borrowed	\$2,092,423
Payments made on principal during year	\$2,551,531
Total interest paid during year	\$1,041,667

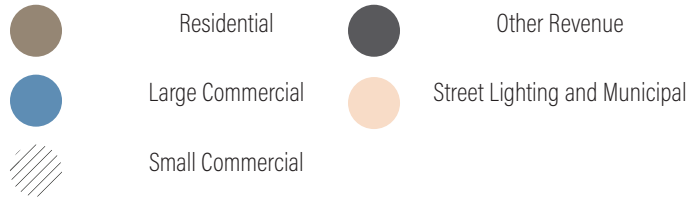
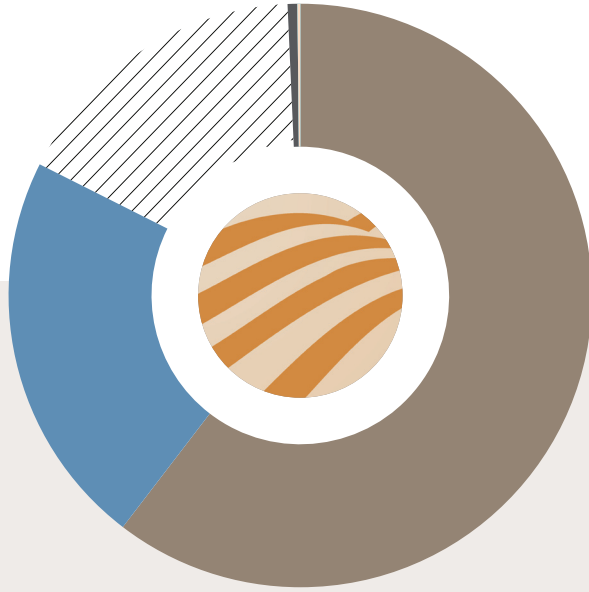
INTERESTING INFORMATION ABOUT YOUR COOPERATIVE'S PROGRESS AND WHAT IT MEANS TO LOCAL BUSINESS

	2023	2022	2021	2020	2019
Total electric plant	91,109,736	83,090,751	80,421,818	78,380,706	74,370,350
Total miles of line	2,217	2,214	2,211	2,208	2,203
Average plant investment per mile	41,096	37,530	36,374	35,499	33,759
Average number of customers served	9,803	9,792	9,769	9,751	9,743
Average number of consumers per mile of line	4.42	4.42	4.42	4.42	4.42
Average plant investment per consumer served	9,294	8,486	8,232	8,038	7,633
Total cost of purchased power	23,376,669	21,791,561	20,630,482	20,035,368	20,816,899
Maximum monthly kw demand	52,821	52,795	48,776	49,144	48,687
Total kwh purchased by cooperative	254,828,446	265,610,228	263,205,608	257,959,556	266,606,640
Total kwh purchased by members	235,920,283	246,956,725	246,933,787	241,954,512	249,733,560
Average kwh used per month per member	2,006	2,102	2,106	2,068	2,136
Total electric revenue	37,260,637	34,760,276	33,819,803	33,477,386	34,406,977
Average monthly electric bill per member	317	296	288	286	294
Average monthly revenue per mile of line	1,401	1,308	1,275	1,263	1,302
Average ownership equity per member	6,083	5,335	4,965	4,715	4,216
Total taxes paid	944,858	960,313	953,613	949,597	963,892
# of Coop vehicles	39	36	35	35	35
Miles traveled by transportation vehicles	360,418	278,331	324,885	328,050	246,554
Total transportation costs	383,076	332,977	258,692	205,168	192,543
Average costs per mile by transportation vehicles	1.06	1.20	0.80	0.63	0.78
Hours used on power operated vehicles	8,859	9,223	9,095	10,161	8,351
Total power operated costs	485,626	464,577	405,757	351,502	420,665
Average cost per hour by power operated vehicles	54.82	50.37	44.61	34.59	50.37

COOPERATIVE OPERATING STATS

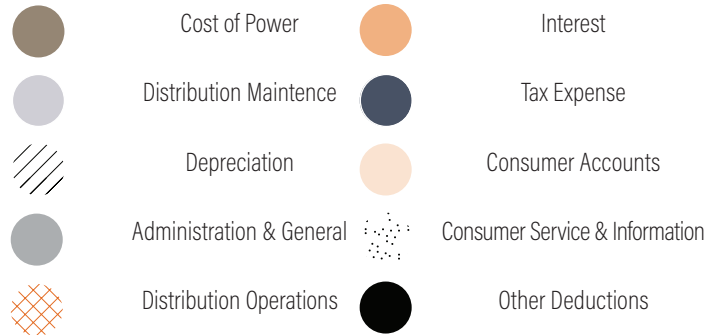
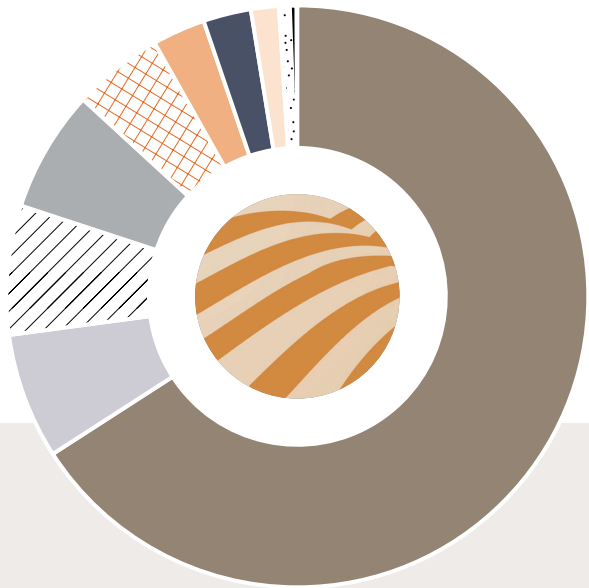
	2023	2022	2021	2020	2019
Cost of purchased power	23,376,669	21,791,561	20,630,482	20,035,368	20,816,899
Total kwh purchased	254,828,446	265,610,228	263,205,608	257,959,556	266,606,640
Total kwh sold	235,920,283	246,956,725	246,933,787	241,954,512	249,733,560
Average number of members served (excl. comm.)	9,520	9,514	9,497	9,477	9,469
Average kwh use per month per member (excl. comm.)	1,013	1,083	1,072	1,057	1,065
Average cost per kwh to member (excl. comm.)	19.31	16.89	16.7	16.78	16.93

SALES REVENUE



Residential	\$22,508,288	60.41%
Large Commercial	\$8,200,493	22.01%
Small Commercial	\$6,289,104	16.88%
Other Revenue	\$202,812	0.54%
Street Lighting and Municipal	\$59,940	0.16%
Total	\$37,260,637	100.00%

ALLOCATION OF TOTAL COST



Cost of Power	\$23,376,669	65.89%
Distribution Maintenance	\$2,478,151	6.99%
Depreciation	\$2,544,277	7.17%
Administration & General	\$2,404,548	6.78%
Distribution Operations	\$1,778,463	5.01%
Interest	\$1,041,667	2.94%
Tax Expense	\$941,971	2.66%
Consumer Accounts	\$549,373	1.55%
Consumer Service & Information	\$339,014	0.96%
Other Deductions	\$22,646	0.05%
Total	\$35,476,779	100.00%



ANNUAL MEETING OF MEMBERS SHELBY ELECTRIC COOPERATIVE

PROXY

- I, the undersigned active Class A member of Shelby Electric Cooperative, hereby appoint (**insert name of person to act as proxy**) _____ as my agent and proxy (a) to attend and represent me at the annual meeting of members of Shelby Electric Cooperative on June 7, 2024, and any continuation or adjournment of the annual meeting of members and (b) to act and vote on my behalf in the transaction of any business conducted at the annual meeting of members, in the same manner and with the same effect as if I were personally present.
- This proxy and the authority represented by this proxy may be revoked by me at any time and is automatically revoked if I am personally in attendance at the annual meeting of members.

Date: _____, 2024

(Typed/printed name of active Class A member giving proxy)

(Signature of active Class A member giving proxy)

Witness: _____

(Title/office, if corporation or other entity)

(NOTE: The bylaws of the Cooperative provide that (1) only active Class A members of the Cooperative may cast the vote of another active Class A member for whom he or she has been given a proxy, (2) an active Class A member may only cast one proxy vote for an absent active Class A member in addition to his/her own vote, (3) any proxy must be filed with the Secretary of the Cooperative at or before the meeting, and (4) proxies expire 60 days after date of execution.)

The business meeting will be held at the Shelby County 4-H Fairgrounds, Shelbyville, IL

(Prepared by Pork Producers of Shelby County)



Registration 10:30 a.m. - 1:00 p.m.

- A Barbecue Pork Chop Dinner will be served between 10:30 a.m. and 12:45 p.m.
- There will be a free Health Fair with testing for blood pressure
- Entertainment preceding the meeting by The Hood Family Band
- All registered members will receive a \$15 bill credit
- Must be present to win door prizes in the drawing after the meeting
- Paddi's Air Filled Fun
- Tim the Twister and Sunshyne the Clown
- Master Gardener from Illinois Extension
- U.S. Corps of Engineers information booth

Please mark your calendar and plan to attend

Door Prizes

Prizes will be given at the close of the business meeting.*

*Eligibility for prizes: You must be registered for this year's annual meeting by 1:00 p.m. to be eligible for all prize drawings and you must be present to win

Grand Prize!!!

\$250 "Shelby Electric Dollars" that can be used for any Shelby Electric provided service

SHELBY ELECTRIC COOPERATIVE

P.O. Box 560
Shelbyville, IL 62565

ADDRESS SERVICE REQUESTED

Presorted
Standard Mail
U.S. Postage Paid
Springfield, Illinois
Permit No. 609

THIS IS YOUR REGISTRATION CARD

Please bring it with you to expedite the registration process

All registered members will receive a \$15 bill credit

Member Giveaway

Made in the USA
5-gallon bucket
Rope handle
Pour handle on bottom



A

B

C

A. Line crews working to change out a pole.

B. Pete Miner from Windsor was one of the cooperative's first linemen. He is standing by the first truck which was purchased in 1938.

C. Lineman Jake Kull giving his son and niece a bucket truck ride.