

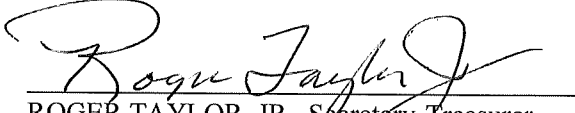
SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky
Board of Directors' Meeting-November 20, 2025

Regular Meeting	The following persons were present at 9:00 a.m., either in person or electronically.	
	<u>Directors:</u>	
	Pat Hargadon	Chairman
	Jeffrey Joyce	Vice-Chairman
	Roger Taylor	Secretary/Treasurer
	Wayne Stratton	Director
	Diana Arnold	Director
	Roby Foree	Director
	<u>Also Present:</u>	
	Jack Bragg, Jr.	President & CEO
	Randy Stevens	SVP, Power Delivery Services
	Michael Moriarty	Chief Financial Officer
	Jennie Pate	Manager, Billing & Customer Service
	Dylan Staples	Manager, Engineering
	Mike Mason	Manager, Operations
	Mary Beth Dennis	Director of Communications & Member Services
	Dustin Peach	IT Administrator
	Alan Q. Zaring	Attorney
	Joe Arnold	Vice President of Strategic Communications, Kentucky Electric Cooperative
	Board Information	<p>Copies of the following were provided to Board Members on November 14, 2025.</p> <p>Chairman Hargadon called the meeting to order.</p>
	Safety Moment	Jack Bragg presented the Safety Moment on using caution during the deer rut to avoid a collision.
	Presentation on <i>Kentucky Living</i>	Joe Arnold with Kentucky Electric Cooperative gave a presentation to the Board about the value of <i>Kentucky Living</i> magazine.
	Minutes	Upon unanimous motion, the Minutes of the October 23, 2025, meeting were approved, with suggested amendments.
	Communications & Cooperative	Mary Beth Dennis gave the Communications & Cooperative Services Report.

Services	<p>She reviewed recent and upcoming Community Events.</p> <p>Dennis gave the monthly website analytics, as well as Facebook insights and Top Post, LinkedIn information, and the Messenger and solar energy report.</p> <p>She also reviewed the Energy Audits, Rebate and Solar Credit Reports, and provided an update on the Smarthub Adoption rate.</p>
Finance, Accounting & Payroll	<p>Michael Moriarty presented the Accounting and Payroll reports for October, 2025. For the month, the TIER was 1.67 and OTIER was 1.60. Power cost as a percentage of revenue for October was 64%.</p> <p>The October, 2025 check registers, credit card expenses, fleet card expenses, and Propane Plus financials were available for review.</p> <p>Moriarty also provided an update on the Medical Insurance plan.</p>
Billing and Customer Service	<p>Jennie Pate reviewed the Billing and Customer Service Reports for October, 2025.</p> <p>This included a comparison of membership numbers for October, 2024, and October, 2025. The data shows 14,366 active members currently, compared to 14,203 one year ago.</p> <p>The Collections Summary Report for October was presented. A total of \$1,462.97 was submitted for collection, with \$157.50 being collected by GLA; \$454.04 by Shelby Energy; and \$233.63 by OUE.</p> <p>There were 6 capital credits issued in October, totaling \$4,754.45.</p> <p>There were 14 uncollectable accounts for September that were eligible for write-off.</p> <p>A summary of those accounts was provided, and upon motion by Taylor, seconded by Arnold, those amounts were approved.</p>
Information Technology	<p>Dustin Peach presented the IT Report for October, 2025. That included:</p> <ul style="list-style-type: none"> -A summary of the Zorus DNS/Web Filtering activity for the month. -Sophos Managed Threat Detection & Response information.

	<p>-Peach reported on his attendance at the KEC Incident Response meeting and the IT Association meeting.</p> <p>-He also provided updates on miscellaneous projects, including preparation to replace 5 network switches that are nearing the end of their lives; updates on all FirstNet radios for linemen; and scheduling to replace 5 Substation modems that are currently running Verizon. Those will be updated to FirstNet to save costs.</p>
Power Delivery Report	Randy Stevens reviewed the Power Delivery Report for October, 2025. He presented updates on the Construction Work Plan and Contractor Right-of-Way budgets.
Engineering Report	<p>Dylan Staples gave the Engineering Report. He informed the Board that the Cooperative installed 88 new meters for the month. He also reported the hiring of Kiefer Court, a new GIS/mapping technician.</p> <p>He also reviewed SAIDI and SAIFI numbers.</p>
Internal Resources Operations	<p>Mike Mason presented the Internal Resources Operations Reports for October, 2025.</p> <p>He advised there were 2 safety meetings in October and 4 job site inspections, with no findings.</p>
Operations and Contract Resources	<p>Randy Stevens gave the Operations and Contract Resources Report for October, 2025.</p> <p>He provided the Contract Manpower & Equipment tracking information, as well as updates on several projects.</p> <p>Stevens also reported on the Lightning Project, red tag pole changes and RDOF progress.</p>
2026 Budget	Michael Moriarty reviewed the 2026 departmental expense budgets and general retirement of capital credits. After discussions, motion was made by Stratton, seconded by Taylor, and approved to retire 50% of capital credits for the year 1988 and 5% for the year 2002.
Executive Session	Upon motion of Taylor, seconded by Arnold, the Board entered executive session.

	Upon motion of Taylor, seconded by Arnold, the Board exited executive session.
Board Policies	<p>Bragg and Zaring presented the following policies for consideration and approval:</p> <p>BP 321: Refunds of Advance Payment for Excess Line Extensions BP 322: Tax Collection and Remittance</p> <p>Upon motion by Joyce, and second by Stratton, the policy updates were unanimously approved.</p>
EKPC	Stratton presented the EKPC Report.
KEC	Hargadon presented the KEC Report.
President & CEO Report	Bragg provided the President & CEO's report.
Adjourn	There being no further business, the meeting was adjourned. The next Board meeting will be on December 18, 2025, at 9:00 a.m.


 ROGER TAYLOR, JR., Secretary-Treasurer

Approved:


 PAT HARGADON, Chairman