

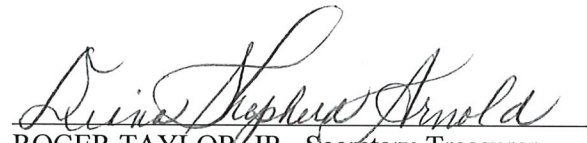
**SHELBY ENERGY COOPERATIVE, INC.**  
**Shelbyville, Kentucky**  
**Board of Directors' Meeting-December 18, 2025**

<b>Regular Meeting</b>	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
	Dylan Staples	Manager, Engineering
	Mary Beth Dennis	Director of Communications & Member Services
	Dustin Peach	IT Administrator
	Alan Q. Zaring	Attorney
	<b>Board Information</b>	<p>Copies of the following were provided to Board Members on December 12, 2025.</p> <p>Chairman Hargadon called the meeting to order.</p>
	<b>Safety Moment</b>	Pat Hargadon presented the Safety Moment on being careful of black ice.
	<b>Minutes</b>	Upon unanimous motion, the Minutes of the November 20, 2025, meeting were approved, with suggested amendments.
	<b>Communications &amp; Cooperative Services</b>	<p>Mary Beth Dennis gave the Communications &amp; Cooperative Services Report.</p> <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>
<b>Finance, Accounting &amp; Payroll</b>	<p>Michael Moriarty presented the Accounting and Payroll reports for November, 2025. For the month, the TIER was 2.31 and OTIER was 2.22. Power cost as a percentage of revenue for November was 67.6%.</p> <p>The November, 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>
<b>Billing and Customer Service</b>	<p>Michael Moriarty reviewed the Billing and Customer Service Reports for November, 2025.</p> <p>This included a comparison of membership numbers for November, 2024, and November, 2025. The data shows 14,363 active members currently, compared to 14,174 one year ago.</p> <p>The Collections Summary Report for November was presented. A total of \$3,995.45 was submitted for collection, with \$178.52 being collected by GLA; \$131.06 by Shelby Energy; and \$0 by OUE.</p> <p>There were 6 capital credits issued in November, totaling \$4,169.68.</p> <p>There were 29 uncollectable accounts for October that were eligible for write-off. A summary of those accounts was provided, and upon motion by Taylor, seconded by Arnold, those amounts were approved.</p>
<b>Information Technology</b>	<p>Dustin Peach presented the IT Report for November, 2025. That included:</p> <ul style="list-style-type: none"> <li>-A summary of the Zorus DNS/Web Filtering activity for the month.</li> <li>-Sophos Managed Threat Detection &amp; Response information.</li> <li>-He also provided updates on miscellaneous projects, including the migration of NISC's Multichannel Messenger, which should take 3 weeks to complete; rebuilding a firewall that crashed recently; replacement of network switches; and working with Owen Electric to change our VPN connection for SCADA during their Internet Service Provider change recently.</li> </ul>

<b>Power Delivery Report</b>	Randy Stevens reviewed the Power Delivery Report for November, 2025. He presented updates on the Construction Work Plan and Contractor Right-of-Way budgets.
<b>Engineering Report</b>	<p>Dylan Staples gave the Engineering Report. He informed the Board that the Cooperative installed 28 new meters for the month.</p> <p>He reviewed the Vipers Report and Large Power Rate-Demand Summary, as well as the SAIDI and SAIFI numbers.</p>
<b>Internal Resources Operations</b>	<p>Randy Stevens presented the Internal Resources Operations Reports for November, 2025.</p> <p>He advised there were 2 safety meetings in November that covered DOT review and how to inspect and repair trucks.</p> <p>Mason also advised there were 6 job site inspections in November, with no findings; and that KEC preformed 1 job site inspection with no findings.</p>
<b>Operations and Contract Resources</b>	<p>Randy Stevens gave the Operations and Contract Resources Report for November, 2025.</p> <p>He reported that the Triple Crown Phase 2 was complete and that crews were doing a good job on Red Tag poles.</p>
<b>2026 Budget</b>	<p>Michael Moriarty reviewed the Proposed Operating Budget for 2026.</p> <p>After discussions, motion was made by Stratton, seconded by Arnold, to approve same.</p>
<b>2026 Meeting Dates</b>	<p>Jack Bragg presented the tentative schedule for Board Meetings for 2026.</p> <p>Upon motion by Joyce, second by Foree, the Board approved the schedule as presented.</p>
<b>Executive Session</b>	<p>Upon motion of Taylor, seconded by Joyce, the Board entered executive session.</p> <p>Upon motion of Taylor, seconded by Joyce, the Board exited executive session.</p>

<b>Board Policies</b>	<p>Bragg and Zaring presented the following policies for consideration and approval:</p> <p>BP 312: Purchase and Use of Shelby Energy Vehicles BP 315: Accounts Payable</p> <p>Upon motion by Joyce, and second by Taylor, the policy updates were unanimously approved.</p>
<b>EKPC</b>	Stratton presented the EKPC Report.
<b>KEC</b>	Hargadon presented the KEC Report.
<b>President &amp; CEO Report</b>	Bragg provided the President & CEO's report.
<b>Adjourn</b>	There being no further business, the meeting was adjourned. The next Board meeting will be January 22, 2026, at 9:00 a.m.

  
 ROGER TAYLOR, JR., Secretary-Treasurer

Approved:

  
 PAT HARGADON, Chairman