

Meeting Minutes Summary

March 2026

Chairman of the Board, Joseph H. Spalding, called the meeting to order. After roll call, it was noted the following directors were present, to-wit:

Joseph H. Spalding	J. Kevin Preston
Louis A. Kerrick	Allen Goggin
Jason E. Todd	John Henry Wayne Russell

Also present and participating were President and CEO Jerry Carter and Attorney J. Hadden Dean as attorney for the Cooperative.

I. PRAYER

Mr. Carter opened the meeting with prayer.

II. SAFETY MOMENT

Mr. Goggin reminded everyone that the presence of large farm equipment on the roadway will increase due to the start of planting season. Care should be taken in anticipation of slow moving and large equipment.

III. ADOPTION OF AGENDA

Chairman Spalding presented the agenda for review. Mr. Russell made a motion to approve the agenda. Mr. Goggin made a second to the motion and the motion passed unanimously.

IV. ACTION ON FEBRUARY 27, 2026, BOARD MEETING MINUTES

The Board reviewed the February 27, 2026, Board Meeting minutes. Mr. Goggin made a motion to approve the minutes. Mr. Todd made a second to the motion and after discussion the motion passed unanimously.

V. ACTION ON FEBRUARY 27, 2026, SUMMARY MINUTES

The February 27, 2026, summary minutes were reviewed. Mr. Russell made a motion to approve the summary minutes. Mr. Preston made a second to the motion and the motion passed unanimously.

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VII. ACTION ON MARCH 5, 2026, SPECIAL CALED MEETING MINUTES

The Special Called Meeting minutes from March 5, 2026, were reviewed. Mr. Kerrick made a motion to approve the special meeting minutes. Mr. Todd made a second to the motion and the motion passed unanimously.

VIII. DEPARTMENT REPORTS

Departments

The minutes will reflect each of the respective department heads have in the past and will continue to provide summaries of monthly activities, budgets, and other commentary, all to be included in a packet distributed to each of the Directors prior to the meeting. Each of the respective departments presented a summary of their activities included in the board packet of each Director of the Cooperative.

A. Finance and Administration

February operating revenues are \$684,000 higher than last year and there were negative margins of \$576,000, while the budget was only for negative \$422,000. The Cooperative had a negative OTIER for February of (2.26) and a negative TIER of (1.80). Net operating margins were (\$154,142.00).

A comparison of the financial data from January 2025 and 2026 was made.

Interest comparisons were reviewed from February and March. Ms. Kurtz gave an analysis of the diverse options and requested the Board give directions on how to set the rate for a loan. Mr. Preston moved to leave that loan at the 3-month rate and to review as that maturity comes close. Mr. Kerrick made a second to the motion and the motion passed unanimously.

Form 7, Interest Income Report concluded and Working Capital Status Report and Forecast for 2025 ended the finance report.

B. Office Services

Ms. Kurtz advised 20 accounts were overdue and older than November 1, 2025. The total for those overdue accounts was \$8,270.60. Mr. Preston made a motion that these accounts be assigned to bad debt and sent to collections pursuant to the PSC regulations. Mr. Russell made a second to the motion and the motion passed unanimously.

Currently, there are 640 members with prepaid accounts.

1. February 2026 Capital Credit Recap. Ms. Kurtz gave an update on the status of the general retirement of capital credits. A spreadsheet outlining the data was reviewed.

C. Operations

Mr. Phelps discussed recent interviews and a job fair at the University of Kentucky.

The plant account completed 400 work orders in February. There were 81 poles installed and 15,285' of conductor added to the plant. There were 48 poles and 1,766' removed from the plant.

Engineering work for the month included working on new services and joint use. The bi-annual line inspections were 20% completed for Danville and 32% for Lebanon. Joint Use work includes Charter has been billed \$1,387,677 through February. In February there were 685 bud calls and 40 were for the Cooperative. There were 57 new service orders created in February. Mr. Carter discussed the recent informal meeting with the PSC and members of Charter Spectrum on issues of existing pole replacements and deadlines expected to be met by the end of June.

Contract crews were working on pole replacements and company crews were working on new service orders.

Steel Rock continues working on the right of way clearing in Lebanon. Kendall is working on the Danville Circuit coming out of the Lebanon substation. Asplundh is working on Wells Landing Circuit from the Ballard substation. Year to date billing is \$323,003.

Miscellaneous items and system reliability issues were reviewed. He noted he expected 22 contract crews to be working on pole change outs and plan to complete the work by the end of June, subject to weather and other factors that are beyond control of the Cooperative.

D. Member Services

The Key Account chart was presented and year-to-date those accounts totaled \$1,282,648. Diageo still dominated the pie chart and accounted for 68% of the total costs of power for the group. Other images of the improvements that are being made to Maker's Mark facilities were reviewed. A chart outlining the donations was included in the board materials. It was noted that Marion County giving was a result of cost sharing between the Cooperative and East Kentucky Power for a scoreboard in the new Marion County Community Center.

There has been a major change in the Honor Flight program. The cooperatives will no longer be able to select the member or guardian. It was decided that EKPC and the member cooperatives would no longer participate in the program.

1. Annual Meeting Calendar

a. Appoint Members (Boyle, Garrard, Lincoln, Mercer) and Officer to C&E Committee

The directors gave their respective members to Ms. Coleman.

b. Review of District Composition

Chairman Spalding called for the district to be reviewed and a map of the same was displayed. Mr. Preston made the motion to approve the district composition as presented. Mr. Goggin made a second. The motion passed unanimously.

c. Review of Upcoming Election Process (Casey and Marion Districts)

E. Executive

Mr. Carter discussed the construction plan spread sheet. There is only one year left in that work plan. Mr. Carter then displayed images of employee work anniversaries noting the nine people listed were celebrating work service anniversaries with a total of 137 years of service.

1. Safety and Corporate Services. There were no incidents to report. The Recordable Incident rate was 0.00 for February. The DART and Severity Rates were all 0.0. For 2026 the Recordable Incident Rate is 10.54 and DART Rate and Severity rates are both 0.0. Continuing education on transformer banking was conducted yesterday.

2. Information Technology and Cyber Security Report.

a. Mr. Bach discussed the Assessment Summary for February 16, 2026. He discussed the issues in the report and the "Report Card" and advised it was a good report. There are no longer any public external access points to the system. Remote work does exist through another software company.

b. Phishing Report

No clicking happened in the recent past but there is still a trend that is being addressed.

IX. LEGAL/REGULATORY/POLICY

A. Policy 224 – Employee Assistance Program (Review)

This policy was discussed and no changes were recommended. Mr. Todd made a motion to list the policy as reviewed with no changes. Mr. Goggin made a second to the motion and the motion passed unanimously.

B. Policy 315 – Safety and Occupational Health (Review)

This policy was discussed and no changes were recommended. Mr. Todd made a motion to list the policy as reviewed with no changes. Mr. Kerrick made a second to the motion and the motion passed unanimously.

X. EXECUTIVE SESSION

Mr. Kerrick moved to go into executive session and invite David Phelps and Bo McGuffey to attend. Mr. Todd made a second to the motion and the motion passed.

Mr. Kerrick moved to come out of executive session. A second was made by Mr. Goggin and the motion passed unanimously. There was no action taken.

XI. BOARD /CEO SESSION

A. Annual Calendar Review

Mr. Carter reviewed the annual calendar and did not make any recommendations or changes to the items listed.

B. Dashboard

Mr. Carter discussed all factors that impacted margins for the month and year to date. OTEIR AND TIER are both in the red zone. Other metrics on the Dashboard showed strong results with all metrics in the 'green' category.

C. Board Policy Review:

- a. 406 – Nepotism
- b. 423 – Standards of Conduct
- c. 424 – Conflicts of Interest
- d. 425 – Code of Ethics

Mr. Kerrick moved to approve all policies as reviewed without changes. Mr. Goggin made a second to the motion. After discussion, the motion passed unanimously.

D. Charter PSC Meeting

Mr. Carter advised of the meeting and the discussion on this matter was held during the operations report.

E. 457(b) Employee Plan (Review)

F. 457(b) Director Plan (Review)

XII. COMMITTEE REPORTS

A. Governance Committee

Policy 408 – Chairman Spalding discussed that there was an ongoing review of this policy.

XIII. EKPC

Chairman Spalding welcomed CEO Don Mosier who discussed the current status of things at EKPC. Those discussions included the new generation, strategic plan and employment proposals, among other issues.

Mr. Preston made a motion to nominate Chairman Spalding to continue to serve as the Cooperative representative at EKPC. Mr. Kerrick made a second to the motion. The motion passed unanimously.

XIV. KEC/UUS

Mr. Carter gave an overview of the retirements and replacements in positions with KEC. A safety update was given.

XV. NRECA

A. Board Governance Video - due to time constraints no video was played.

B. Legislative Conference- April 26-29, 2026 (Washington, DC)

1. Primary Hotel: Marriott Marquis, Washington, DC (Cutoff: March 27, 2026)

2. Mr. Carter has registered to attend the conference. Mr. Kerrick made a motion to approve Mr. Carter's attendance. Mr. Todd seconded the motion and the motion passed unanimously.

XVI. FEDERATED RURAL ELECTRIC INSURANCE / BOARD LEGAL UPDATE

No report.

XVII. RUS-CFC-COBANK NEWS/UPDATES

A. CFC Forum – June 15-17, 2026 (Chula Vista, Ca)

1. Hotel: Gaylord Pacific Resort & Convention Center (Cutoff: May 21st)

2. Attending: Joe Spalding and Jerry Carter

XVIII. CAPITAL CREDIT DISBURSEMENTS

For February 2026 there was \$13,204.79 in estate retirements. Mr. Russell made a motion to approve the estate retirements as stated. Mr. Goggin made a second to the motion. After discussion, the motion passed unanimously.

XIX. WORK ORDERS FOR FEBRUARY 2026

A. Work Order #202602- \$596,072.42.

Motion by Mr. Goggin with a second by Mr. Todd. The motion passed unanimously.

XVIII. APPROVE NEW MEMBERS FOR FEBRUARY 2026

A. 131 New Members

B. \$6,550.00 in membership fees were paid.

Mr. Russell made a motion to approve the new members and the amount of fees stated. Mr. Goggin made a second to the motion. The motion passed unanimously.

XIX. MISCELLANEOUS

A. Expense Sheets - Chairman Spalding requested members of the Board submit their expense sheets.

B. Next Board Meeting – Mr. Carter asked the meeting to be moved to April 30th, 2026, at 8:30 a.m. Mr. Todd made the motion, and Mr. Kerrick made a second to the motion.

XX. OTHER BUSINESS

None.

XXI. ADJOURN

A motion to adjourn was made by Mr. Russell. A second was made by Mr. Goggin and the motion passed unanimously. The meeting adjourned at 2:20 p.m.