

Meeting Minutes Summary

May 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. CALL TO ORDER

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 Russell

Also present and participating were President and CEO Jerry Carter and Board Attorney J. Hadden Dean.

II. PRAYER

Mr. Kerrick opened the meeting with prayer.

III. SAFETY MOMENT

Mr. Kerrick gave a safety moment on the focus and importance of safety throughout the Cooperative starting with the review of the mission statement.

IV. ADOPTION OF AGENDA

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

V. REVIEW OF APRIL 30, 2026 MINUTES

The Board reviewed the minutes of the April 30, 2026 Board Meeting. Mr. Todd made a motion to approve the minutes. Mr. Kerrick made a second to the motion and the motion passed unanimously.

VI. REVIEW OF APRIL 30, 2026 SUMMARY MINUTES

The April 2026 summary minutes were reviewed. Mr. Preston made a motion to approve the summary minutes of the April 2026 board meeting. Mr. Goggin made a second to the motion and the motion passed unanimously.

VII. CALL WITH KARA - HOMESTEAD AT 12:45

There were no questions posed from the Board regarding the Homestead Plan.

VIII. COFFEE WITH THE LEGISLATORS (COMMUNITY ROOM – 9:00 A.M.)

The Board paused its meeting to attend “Coffee with Legislators” in the Community Room at the Cooperative. After the meeting, the Board reconvened and resumed its regular board meeting.

IX. DEPARTMENT REPORTS

Departments

The minutes will reflect that 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. For the May 22, 2026 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 – April 2026 had operating revenues \$415k higher than last year. OTIER was 5.74 and TIER was 5.82 for the month. YTD OTIER was 1.71 and TIER was 1.90. YTD operating revenues are \$2.3 million above budget, and expenses are \$62k below budget. Net margins were \$111,120 above budget.

KWH purchased was approximately 6,300,000 less than last month.

Total services in place increased YTD by 1.83%.

A review of the quarterly interest rates was compared between April and May and were slightly above maturity.

The EKPC rate increase was partially recognized this month. The bills will be prorated for the month of May to account for the EKPC rate increase.

The finance report ended with a review of the Form 7 report.

B. Office Services – Ms. Kurtz advised 24 accounts were overdue and older than January 1, 2026, and which totaled \$5,628.30. Mr. Todd made a motion that these accounts be assigned to bad debt and sent to collections pursuant to PSC regulations. Mr. Preston made a second to the motion and the motion passed unanimously. Prepaid accounts totaled 667 and payment arrangements totaled just over \$18,600.

1. April 2026 Capital Credit Recap

Ms. Kurtz gave an update on the status of the negotiation of the checks for the recent general retirement of capital credits.

C. Operations – Mr. Phelps gave an update of the Charter pole replacement process. He feels confident the goal of having the requisite numbers of poles installed by the June deadline will be met. He also discussed the winding down of the pole replacement project as there are now 20 crews working in the area.

The Plant account report stated that there were 308 new work orders in April, with new construction totaling approximately just over \$1,805,684. Purchases for April totaled \$844,066 which included 97 poles and 1,431' of conductor being added to the plant. Bi-annual line inspections are 37% complete. In April 1650 bud calls were made and 133 were the Cooperative's. There were 68 new service orders created in April. Pernod Ricard construction work was discussed and there is still a lot of work before operations can begin. The original target date to start the boilers was September of 2026 and it is not anticipated that target will be met.

Right-of-Way costs for YTD billing were \$572,036.

Mr. Phelps ended his report with a discussion of Charter work and status. There were 245 pole changes in the first week of May. Company crews made 39 of those pole change outs. He also gave an update of the RICE engine project in Casey County. The Grissan circuit should be completed in the next three to four weeks and then energized as the payment for relocation is received. The Joint Use attachment audit is underway and there are bi-weekly report meetings to discuss these issues.

He ended his report with system reliability and there were 91 outages that were not planned and 296 due to pole replacements. There were no major events in April.

D. Member Services – A list of scholarship winners was presented.

A bar chart of the Key accounts was displayed, and it reflected there was just over \$1,347,000 in revenue for April.

This was followed by a "pie chart" for revenue from the Key Accounts. The chart continues to be dominated by Diageo at 66% with Makers Mark in second place with 11%.

A Virtual Energy Assessment summary was presented. There was a discussion regarding EV Charging Program and Net-Metering. This displayed the Off-Peak EV Charging Programs for March 2026. Of the ten listed only two of them also have net-metering.

An update of the Habitat for Humanity project in Mercer County was discussed with photos of the home construction.

1. Annual Meeting

- a. C&E Meeting Report (Last day to post nomination is May 22- Posted on May 15)

Mr. Carter gave a report on the meeting held on May 15th, and advised both incumbents met the Cooperative requirements for the board, and neither were opposed.

b. Review of Annual Meeting Agenda (Last day to add to the Agenda is June 24).

E. Executive - Mr. Carter displayed images of various board and employee work anniversaries noting Chairman Spalding had served the Cooperative for 31 years. A summary of ongoing construction projects throughout the service territory was discussed and the spread sheet identifying the data was presented.

1. Corporate Services

Mr. Carter gave an update on the testing of the trucks. EPA stopped by to do an inspection that was not scheduled. The verbal report from the EPA staff was good. The Cooperative will get the official report in the next two weeks. There were no accidents or injuries in April 2026. Recordable Incident Rate, DART Rate and Severity Rate were all 0.00. YTD the Recordable Incident Rate was 5.05 and the DART and Severity Rate were both 0.00. The May Safety Meeting will be conducted on the issue of grounding and will be presented by Charlie Lewis. There was a Safety Day on site at the Cooperative from KEC apprenticeship which included a hot line skills training session.

a. Truck 31/KEC Safety Program Discussion

Mr. Carter discussed selling Truck 31 at its estimated value. After confirming the estimate, it was proposed selling the truck to KEC for \$1.00 so KEC could use it for on-site training. Mr. Todd made a motion to approve the sale of \$1.00. Mr. Kerrick seconded the motion, and the motion passed unanimously.

2. Information Technology and Cyber Security Report

a. Cyber Hygiene Assessment

Mr. Bach advised that all testing metrics were excellent, as displayed on page 6 of the report on cyber hygiene. This included High Level Findings and Vulnerabilities.

b. Phishing Report

The Organizations Risk Score was 46.7 and is in the 'yellow' range of scales. All but one security type declined with only the Account Hygiene score increasing by .07. Phishing Security Testing over the last six months has been reviewed. The Cooperatives account average phish-prone score was .07% while the industry standard was 19.9%.

VIII. LEGAL/REGULATORY/POLICY

Mr. Carter presented the following policies for review:

A. Policy 205- Insurance, Retirement and Savings Plan (review)

B. Policy 307 Harassment Free Workplace (Action on Proposed Revision)

A motion was made by Mr. Todd to approve Policy 205 and the revision to Policy 307. A second to the motion was made by Mr. Kerrick. The motion passed unanimously.

IX. BOARD /CEO SESSION

A. Annual Calendar Review

Mr. Carter gave an update on the status of the annual calendar and listed the schedule for the upcoming months. He invited the Board to review, and he requested suggestions on additional thoughts on agenda items and invitations to extend for attending the board meeting. Mr. Carter discussed the executive director of the “Mega Site” in Rockcastle County coming to the Board and discussing the site and the status of the development of the site.

B. Dashboard Review

Mr. Carter reviewed the dashboard and went over the metrics outlined therein, including safety, financial, operational and customer indicators. He noted that TIER, OTIER, and Equity metrics all fell within the target ‘green area’ of the chart.

C. Board Policy Review

1. 407- Manager Search and Selection

Mr. Carter discussed the terms and there were no requested changes. Mr. Preston made a motion to note the policy was reviewed with no changes. Mr. Russell made a second to the motion and the motion passed unanimously.

2. 408-Director Fees, Compensation and Expenses

The Board reviewed and discussed this policy, and it will be placed on next month’s agenda for further review and approval.

D. IT Department Update

The assistant to Mr. Bach has left the department and ongoing efforts are being made to interview and fill the position.

X. COMMITTEE REPORTS

None

XI. EKPC

Chairman Spalding discussed the retirement party for Mr. Campbell and those who attended. The event was hosted by CFC in Lexington, Ky. The meeting included a presentation to Mr. Campbell. His family also attended. The Cooper generation facility will be named in honor of Tony Campbell and called “Campbell Combined Cycle” facility. Margins were 11.8M above budget. There was a discussion of the rate increase but did not include the SIM [Symmetrical

Metric Increase]. There was mention of another possible increase in rates notwithstanding two years of significant margins above expectations.

A. EKPC Annual Meeting – June 9, 2026 (Winchester, Ky)

1. Attending: Jerry Carter, Chairman Spalding, Kevin Preston, Louis Kerrick, Allen Goggin, Jason Todd and John Henry Russell.

XII. KEC/UUS

A. KEC Annual Meeting will be held August 10-11, 2026 in Louisville. Those who attend will stay at the Marriott Hotel Downtown. It has yet to be determined who will attend.

B. Appoint Delegate and Alternate for KEC Annual Meeting

Mr. Goggin made a motion to approve Chairman Spalding to service as the delegate for the KEC Annual Meeting and for Mr. Preston to be designated as the alternate delegate. Mr. Russell seconded the motion and the motion passed unanimously.

C. Appointing of Board Members to Serve on the 2027 KEC Board

Mr. Kerrick made a motion for approval of Jason Todd and Jerry Carter to be board members of KEC. Mr. Preston made second to the motion and the motion passed unanimously.

XIII. NRECA

A. Board Governance – not presented.

Summer School for Directors- June 26-30, 2026 (Louisville, KY)

1. Louisville Marriott Downtown (Deadline: June 5, 2026)

XIV. FEDERATED RURAL ELECTRIC INSURANCE / BOARD LEGAL UPDATE

No report.

XV. RUS-CFC-COBANK NEWS/UPDATES

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

1. Attending: Jerry Carter and Chairman Spalding

XVI. CAPITAL CREDIT DISBURSEMENTS

For April 2026 there was \$19,435.19 in estate retirements. Mr. Russell made a motion to approve the retirements as stated. Mr. Todd made a second to the motion. After discussion, the motion passed unanimously.

XVII. WORK ORDERS FOR APRIL 2026

A. Work Order #202604 - \$386,951.22.

Mr. Goggin made a motion to approve the work order as stated. Mr. Kerrick made a second to the motion. The motion passed unanimously.

XVIII. APPROVE NEW MEMBERS FOR JANUARY 2024

A. 136 New Members

B. \$6,800.00 in membership fees were paid.

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

XIX. MISCELLANEOUS

Chairman Spalding requested the Board submit their expense sheets by providing those to Farrah Coleman. Chairman Spalding noted the next regular board meeting is scheduled for Friday, June 22, 2026, at 8:30 a.m. and due to a conflict, the meeting will need to be rescheduled to Tuesday, June 30, 2026 at 8:30 a.m. A motion was made by Mr. Todd to move the June meeting date. Mr. Preston seconded the motion and the motion passed unanimously.

Chairman Spalding suggested anyone wishing to have an item placed on the agenda for upcoming board meetings do so by providing the same to Ms. Coleman.

XX. OTHER BUSINESS

None.

XXI. ADJOURN

A motion to adjourn was made by Mr. Todd. A second was made by Mr. Russell and the motion passed unanimously. The meeting adjourned at 3:02 p.m.