

LAKE REGION ELECTRIC COOPERATIVE, INC.

MINUTES OF THE REGULAR MONTHLY MEETING OF THE BOARD OF TRUSTEES

The regular monthly meeting was held Tuesday, April 2, 2024 in the LREC Board Room. President Manes called the meeting to order at 9:14 a.m.

Roll call by Recording Secretary Ryals determined a quorum with all seven Trustees present.

Others present included Lee, CEO; McCollum, Director of Finance and Administration; Walker, SR Director of Accounting; Clark, Director of Marketing and Member Relations; Pleasant, Director of Operations; Welch, Director of IT and Broadband; Ryals, Executive Administrative Assistant; Poteet, Benefits Specialist/Staff Secretary; Tina Glory-Jordan, Cooperative Attorney; Corey Haddock and Warren Grigsby, Briscoe, Burke and Grigsby.

A motion was made by Trustee Mayfield and seconded by Trustee Teague to waive the reading of and to approve the minutes of the regular monthly board meeting of March 7, 2024, as written. Copies were previously mailed to each Trustee. The motion carried unanimously.

STAFF REPORTS

Marketing and Member Relations Update – Glen Clark, Director of Marketing & Member Relations presented an update on:

- Rebate Update
- Youth Tour Update
- Livestock Premium Sale Add-ons Update
- LREC Employees to Volunteer in Cherokee and Wagoner Counties as an Official in Upcoming Elections
- LREC System Facilities Tour Update
- Shoot for the Nations is September 27
- Hulbert Rider Hall of Fame April 13

Financial Report – Ben McCollum, Director of Finance & Administration presented:

- Financial Report
- Budget to Actual Comparison for February 2024

Engineering and Operations Report – Logan Pleasant, Director of Operations presented an update on:

- Operations
- Electric Contractors
- Right-of-Way
- Fleet Update
- Outage Reports
- Safety Report – There were no accidents to report for February 2024

NEW BUSINESS

A motion was made by Trustee Cooper and seconded by Trustee Mayfield to approve the rescinding of memberships for all members for whom service has been discontinued since the last regular board meeting and to accept as new members all those applicants for membership whose applications have been received. The motion carried unanimously.

Warren Grigsby of Briscoe, Burke and Grigsby, LLP Certified Public Accountants, gave the Independent Auditor's Report. In his opinion, the financial statements present fairly, in all material respects, the financial position of Lake Region Electric Cooperative, Inc., and Subsidiaries, as of December 31, 2023 and 2022 and the results of its operations and its cash flow for the years then ended in conformity with accounting principles. Mr. Grigsby stated that he has provided the audit report with unqualified or clean opinion.

A motion was made by Trustee Cooper and seconded by Trustee Lamons to go into executive session at 9:51 a.m. The motion carried unanimously.

A motion was made by Trustee Cooper and seconded by Trustee Mayfield to come out of executive session at 10:13 a.m. and resume regular session with no action taken. The motion carried unanimously.

A motion was made by Trustee Lamons and seconded by Trustee Walls to accept the audit report, as presented. The motion carried unanimously.

A motion was made by Trustee Cooper and seconded by Trustee Teague to Revise LREC's Line Construction Standards as presented. The motion carried unanimously.

A motion was made by Trustee Cooper and seconded by Trustee Mayfield to approve the revision of LRTC's Lifeline Rate as presented below:

Lifeline is a Federal Program that offers a monthly benefit of up to \$9.25 towards Phone or Internet Services for eligible subscribers (up to \$34.25 for those living on Tribal lands).

\$25.00 – Tribal Land

\$9.25 – Internet

\$5.25 – Phone

Tribal Land + Internet = \$34.25

Tribal Land + Internet + Phone = \$30.25

This policy will be effective May 1, 2024

The motion carried with 5 votes in favor and 2 against.

A motion was made by Trustee Mayfield and seconded by Trustee Lamons to approve the revision of Policy #201 General Repayment of Capital Credits as presented. The motion carried unanimously.

A motion was made by Trustee Mayfield and seconded by Trustee Cooper to Review Policy #202 Cashing Checks Payable to the Cooperative as presented with no changes. The motion carried unanimously.

A motion was made by Trustee Mayfield and seconded by Trustee Lamons to Review Policy #203 Charge on Returned Capital Credit Checks as presented with no changes. The motion carried unanimously.

A motion was made by Trustee Lamons and seconded by Trustee Mayfield to change May 2024 Board Meeting to May 2, due to scheduling conflicts. The motion passed unanimously.

PRESIDENT AND TRUSTEE REPORTS

KAMO - Trustee Teague reported his and CEO Lee's attendance at the KAMO monthly meeting March 8, 2024. Copies of KAMO's board summary report of items discussed were distributed to each Trustee.

UPDATE OF LEGAL MATTERS – Tina Glory-Jordan, Cooperative Attorney reported that her and CEO Lee will be working on Reviewing and Revising Policy #401 Cooperative Owned Vehicles Policy and bringing more Policies to be updated and possibly updating the Bylaws.

LREC CEO REPORT - CEO Lee reported on the following items:

- KWH Sales
- New Building Project Update
- CFC Forum June 16 – 19
- CFC Executive Leadership Conference August 21 – 23
- Nina Jones received Coop Finance Professional Certificate
- Offices will be closed on April 3 for All Employee Safety/Appreciation Meeting on April 3
- 2023 LRTC Transfer Pricing Update
- Pole Attachment Agreements Update

LRTC CEO REPORT – CEO Lee reported on the following items:

- Capital Expenditures Update

LRTC FINANCIAL REPORT - Leisa Walker, SR Director of Accounting reported on the following items:

- Financial Report

LRTC REPORT – Jarrod Welch, Director of IT and Broadband presented on:

- Tahlequah Area Build Update
- E-Rate Update
- SCADA Devices Update
- Total Subscribers 12,311
- Nathan Elkins Graduated from Northwest Lineman College

OTHER BUSINESS

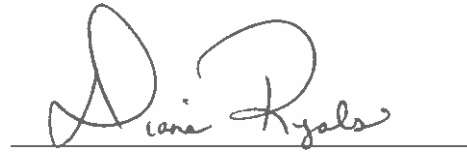
Any Unforeseen Business – None

Announcements – CEO Lee reported he will be out of the office on April 4 and 5. Glen Clark, Director of Marketing & Member Relations reminded Directors of the Annual Meeting on April 27.

A motion was made by Trustee Shankle and seconded by Trustee Teague to adjourn the regular monthly meeting at 12:46 p.m. The motion carried unanimously.



Randall Shankle Secretary/Treasurer



Diana Ryals, Recording Secretary