

LAKE REGION ELECTRIC COOPERATIVE, INC.

MINUTES OF THE REGULAR MONTHLY MEETING OF THE BOARD OF TRUSTEES

The regular monthly meeting was held Tuesday, August 6, 2024 in the LREC boardroom. President Manes called the meeting to order at 9:02 a.m.

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

Others present included Lee, CEO; 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; Tina Glory-Jordan, Cooperative Attorney and Trevor Barnett, CFC.

A motion was made by Trustee Lamons and seconded by Trustee Shankle to go into executive session at 9:02 a.m. The motion carried unanimously.

A motion was made by Trustee Lamons and seconded by Trustee Mayfield to come out of executive session at 9:50 a.m. and resume regular session with no action taken. The motion carried unanimously.

A motion was made by Trustee Cooper and seconded by Trustee Teague to waive the reading of and to approve the minutes of the regular monthly board meeting of July 2, 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
- Gross Receipt Tax Update
- LRTC won “The Best Internet Provider” according to readers in the Tahlequah Daily Press
- Lifeline Update
- LRTC \$25 Bill Credit for Veterans Appreciation Update
- Jon Enkey has been selected to join the Line Crew to bring electricity to Barejones Guatemala sponsored by OAEC
- AECI Power Plant Tour Update
- NRECA RE Magazine Article interview with Director of Operations Logan Pleasant is in the August issue about the Lake Crossing

Financial Report – CEO Lee presented:

- Financial Report
- Budget to Actual Comparison for June 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 was one accident to report for June 2024

NEW BUSINESS

A motion was made by Trustee Shankle and seconded by Trustee Lamons 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.

Trustee Lamons, Chairman of the Budget and Finance Committee, reported that the committee has reviewed Trustee Compensation, Expenses and the CEO Expenses for the 2nd quarter of 2024 and found them to be in order and on behalf of the Budget & Finance Committee, he made a motion to approve the expenses as reported. The motion passed unanimously.

A motion was made by Trustee Teague and seconded by Trustee Mayfield to approve Allocation of Capital Credits for 2023 margins in the amount of \$7,070,060. The motion carried unanimously.

Discussion was held regarding the revision of LREC Bylaws Article II Rights and Liabilities of Members, Article III Meeting of Members and Article IV Trustees as presented. No action was taken.

Trevor Barnett with CFC presented the Key Ratio Trend Analysis Report in detail reviewing LREC's key financial and operational ratios and how LREC ranks in comparison to other cooperatives.

A motion was made by Trustee Mayfield and seconded by Trustee Shankle to table the Adoption of the Remote Work Procedure. The motion carried unanimously.

A motion was made by Trustee Lamons and seconded by Trustee Walls to change the September 2024 Board Meeting Location to an off-site facility to be determined at a later date due to Construction at LREC. The motion carried unanimously.

PRESIDENT AND TRUSTEE REPORTS

KAMO - Trustee Teague reported his and CEO Lee's attendance at the KAMO monthly meeting July 12, 2024. Copies of KAMO's board summary report of items discussed were distributed to each Trustee.

UPDATE OF LEGAL MATTERS – None

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

- KWH Sales
- New Building Project Update
- Insurance Claim Update
- Roof Repair Update
- Hulbert Front Lobby and Drive Thru will be closed due to Construction. We are Currently working with Local Bank to rent out space in Hulbert to open the Hulbert Office back up temporarily.
- LREC has hired Charlie Plumb out of Tulsa specializing in Employment Law due to the absence of Director of Finance and Administration Ben McCollum. He will be updating some policies.

- CEO Lee will be attending CFC Executive Leadership in Boston, MA on August 21 – 23
- CEO Lee will be going with OAEC to the Capital in Washington, DC on September 16 - 19

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 an update on:

- Tahlequah Area Fiber Build Update
- OzarksGo Internet Update
- Cookson Hills Interconnect Update
- Oklahoma Broadband Office Update
- Outage Report Update
- Total Subscribers 12,744

OTHER BUSINESS

Any Unforeseen Business – None

Announcements – None

A motion was made by Trustee Mayfield and seconded by Trustee Cooper to adjourn the regular monthly meeting at 11:59 a.m. The motion carried unanimously.



Randall Shankle, Secretary/Treasurer



Diana Ryals, Recording Secretary