

LAKE REGION ELECTRIC COOPERATIVE, INC.

MINUTES OF THE REGULAR MONTHLY MEETING OF THE BOARD OF TRUSTEES

The regular monthly meeting was held Tuesday, May 5, 2026 in the LREC boardroom. President Manes called the meeting to order at 9:10 a.m.

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

Others present included Clark, CEO; Walker, Director of Finance and Administration; Latty, Director of Operations; Welch, Director of IT and Broadband; Jones, Accounting Manager; Mattes, Director of Marketing and Member Services; Ryals, Executive Administrative Assistant; Polk, Cashier/Receptionist; Hamid Vahdatipour; Tina Glory-Jordan, Cooperative Attorney; and Kyle Perry, CoBank.

A motion was made by Trustee Cooper and seconded by Trustee Lamons to waive the reading of and to approve the minutes of the regular monthly board meeting of April 7, 2026 as written. Copies were previously mailed to each Trustee. The motion carried unanimously.

A motion was made by Trustee Lamons and seconded by Trustee Cooper to approve the minutes of the Reorganizational Meeting April 25, 2026. The motion carried unanimously.

STAFF REPORTS

Marketing and Member Relations Update – Larry Mattes, Director of Marketing and Member Services reported on the following items:

- Rebates Update
- Oklahoma Special Olympics Summer Games Update
- Senior Scholarship Update
- Energy Camp Update
- Tahlequah Chamber Honor Grad Luncheon Update
- Tahlequah Leadership Class Update
- Annual Meeting Update

Financial Report – Leisa Walker, Director of Finance and Administration reported on the following items:

- Financial Report
- Budget to Actual Comparison for March 2026

Engineering and Operations Report – Jerry Latty, Director of Operations reported on the following items:

- Operations Update
- Electric Contractors Update
- Right-of-Way Update
- Staking Update
- Fleet Update
- Outage Report Update
- Safety Report – There were 2 accidents to report for March 2026

NEW BUSINESS

A motion was made by Trustee Shankle and seconded by Trustee Walls 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 1st quarter of 2026 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.

LREC CEO, Clark, administered Affirmation of Trustee Qualifications, according to LREC Policy #101, "Qualifications for Eligibility to Serve on the Cooperative's Board".

Kyle Perry, representing CoBank, delivered a presentation on Financial Balance. His discussion included key topics such as financing strategies, maintaining flexibility and access to credit, factors influencing interest rates, the patronage rate curve, and the impact of interest expense on operations. He also addressed interest rate strategies and the role of patronage in overall financial performance. The Board received the information for awareness and informational purposes. No action was taken following the presentation.

PRESIDENT AND TRUSTEE REPORTS

KAMO Update - Trustee Teague reported his, CEO Clark and Trustee Manes's attendance at the KAMO monthly meeting April 10, 2026. Copies of KAMO's board summary report of items discussed were distributed to each Trustee.

OAEC Update –

- CEO Clark reported on highlights from Legislation Day
- CEO Clark reported on key takeaways from the Annual Meeting
- CEO Clark reported Eric Turner gave his farewell address during the meeting
- CEO Clark reported that LREC ranked among the top 12 cooperatives in sending Oklahoma Living postcards to Legislators and Senators, demonstrating strong participation in advocacy efforts
- CEO Clark reported an update on the progress of the Energy Trails initiative

UPDATE OF LEGAL MATTERS – None

LREC CEO REPORT – CEO Clark reported on the following items:

- KWH Sales
- Periodic Load Data
- Capital Expenditures Budget to Actual Comparison Update
- Manager's Report:
 - Annual Meeting Satisfaction Survey Election Results and Voting Process
 - Unit 54 and 55 Update
 - Employee Update

A motion was made by Trustee Cooper and seconded by Trustee Shankle to go into executive session at 11:50 a.m. The motion carried unanimously.

A motion was made by Trustee Lamons and seconded by Trustee Walls to come out of executive session at 12:26 p.m. and resume regular session with no action taken. The motion carried unanimously.

Co-Op 101 Presentation Update
Important November Dates:
CFC Executive Summit, November 3 – 5
Budget Finance Committee Meeting, November 19

LRTC FINANCIAL REPORT – Wenonah Jones, Accounting Manager, reported on the following items:

- Financial Report
- Budget to Actual Comparison for March 2026

LRTC OPERATIONS REPORT – Jarrod Welch, Director of IT and Broadband reported on the following items:

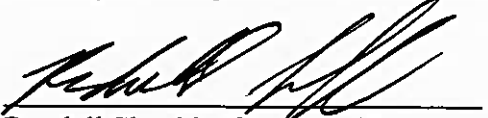
- Fort Gibson Update
- Adtran Future Update
- KAMO Update
- KAMO Call Center Stats (March) Update
- Flint Hills Update
- Data Center Update
- SB 1122 (Ad Valorem) Update
- Andrew Ng Quote Update
- Outage Report Update
- Total Subscribers 14,671

OTHER BUSINESS

Any Unforeseen Business – None

Announcements – None

A motion was made by Trustee Lamons and seconded by Trustee Walls to adjourn the regular monthly meeting at 1:08 p.m. The motion carried unanimously.


Randall Shankle, Secretary/Treasurer


Diana Ryals, Recording Secretary