

RANDOLPH ELECTRIC MEMBERSHIP CORPORATION

Asheboro, North Carolina
Minutes of Board of Directors Meeting
March 24, 2025

Pursuant to due notice thereof, and following an Executive Session, a regular meeting of the Board of Directors of Randolph Electric Membership Corporation (hereinafter called "the Cooperative") was held on March 24, 2025, at 1:00 p.m. at the Cooperative's headquarters.

All Directors were present. Also present were Dennis Mabe, Chief Executive Officer; Aaron Christensen, General Counsel; Jay Albright, District Vice President; Fred Smith, Vice President of Economic Development and Compliance; Jacob Barlow, Vice President of Engineering and Operations; Michael Trent, Vice President of Member Services & Public Relations; and Jennifer German, Vice President of Finance. Jason Peacock, auditor from McNair McLemore Middlebrooks & Co.; and Stephanie Beauregard, Vice President from Booth & Associates; attended portions of the meeting.

With President Phillips presiding, the following proceedings were held:

- | | | |
|---|----|---|
| Invocation | 1. | Mr. Harris gave the invocation. |
| Safety Moment | 2. | Mr. Smith presented the safety moment on sleep and fatigue. |
| Approval of Minutes of Board Meetings | 3. | On MOTION and second, the Board approved the minutes of the meeting of February 24, 2025. |
| Construction Reports | 4. | On MOTION and second, the Board accepted the Construction Reports for February 2025. |
| Safety Report | 5. | Mr. Mabe presented the Safety Report for February 2025; additional information is included with the Board Packet. Thereafter, on MOTION and second, the Board accepted the Safety Reports. |
| Resignations and New Member Applications | 6. | A total of 260 new members applied for service in February and those new members are now actively receiving electric service from the Cooperative. A total of 216 members resigned their memberships during the month of February; they are no longer receiving service. Thereafter, on MOTION and second, the following resolution was approved: |

RESOLVED, the resignations and/or disconnections of resigning members is hereby accepted and approved. The applications of new members are hereby accepted and approved. A list of resigning

members and new members is hereby directed to be filed in the official records of the Cooperative.

- | | | |
|---|-----|---|
| Finance and Audit Committee Report | 7. | Ms. Isley presented the Finance and Audit Committee report. The Committee reviewed and approved all expenses. |
| 2024 Audit | 8. | Mr. Peacock presented the 2024 audited financial statements and independent auditor's report, providing an unmodified or "clean" opinion, followed by a private meeting with the Board for a further detailed review. |
| 2024 Form 990 Review | 9. | Mr. Peacock presented the 2024 Form 990. |
| Financial Report | 10. | Ms. German presented the financial report, reviewing the balance sheets, statement of operations, key financial ratios, debt schedules and year-to-date margins as of February 28, 2025. On MOTION and second, the board accepted the financial report. |
| Capital credits Allocation | 11. | On MOTION and second, the Board allocated 2024 margins. |
| Executive Session | 12. | The Board entered an Executive Session for purposes on strategic deliberations. No official actions were taken. |
| Bad Debt | 13. | On MOTION and second, the Board approved the 2024 bad debt write off, subject to an expectation of continued collection efforts. |
| Confidential Legal Report | 14. | Mr. Christensen presented the confidential legal report. |
| Cost of Service Study and Retail Rate Adjustment | 15. | Ms. Beauregard presented the cost-of-service study, evaluating the costs associated with serving different classes of members in an effort to avoid subsidization within and among classes. On MOTION and second, the Board adopted the rate schedules as recommended by Booth and Associates, effective May 1, 2025. |
| Underground Line Extension Contract | 16. | On MOTION and second, the Board awarded a one-year underground line extension contract with Lee Electrical Construction. |
| Member Committee Reports | 17. | Mr. Smith reported on the results of the Nominating Committee meetings and the Credentials and Election Committee meeting. Mr. Isley (District 1), Mr. Routh (District 3), and Mr. Sugg (District 6), were nominated |

to stand for election during the 2025 Annual Member Meeting.

- | | | |
|---|-----|---|
| Annual Member Meeting Update | 18. | Mr. Smith and Mr. Trent updated the Board on continued planning for the 2025 Annual Member Meeting. |
| NRECA PowerXchange and Director Education Review | 19. | Directors reported on their experiences from the NRECA PowerXchange. Mr. Cole and Mr. Sugg commented on their attendance at educational classes on capital credits and equity management. |
| Rally in Raleigh Review | 20. | Ms. Phillips commented on observations from the recent Rally in Raleigh. |
| NC Annual Meeting/Brighter Future Attendees | 21. | On MOTION and second, the Board approved Mr. Bowman, Mr. Cole and Ms. Phillips, to attend the Brighter Future Summit on April 2-3, 2025. |
| Lineman/Employee Appreciation Day | 22. | Mr. Mabe commented on Lineman/Employee Appreciation Day, scheduled for Wednesday, April 16, 2025. |

There being no further business, the meeting was adjourned at 4:30 p.m.

Respectfully submitted this 24th day of March 2025.



Secretary

Approved:



President