CLAIBORNE ELECTRIC COOPERATIVE, INC.
BOARD OF DIRECTORS MEETING MINUTES
MAY 26, 2026

1. **Call to Order –** Mr. Fincher

2. **Invocation**

3. **Pledge –** Mr. Fincher

4. **Attendance**

Phillip Fincher, President	Other in Attendance:
Scott Jones, Vice President	Paul Kitchens, Corporate Counsel
Jody Woodard, Secretary/Treasurer	Michael P. Marcotte, CEO
Rand Killgore	Daniel Kimbell, COO
Lane Davidson	Lisa Ledbetter, Executive Secretary
Leroy Perritt	Melissa Watts, Financial Consultant
Butch Sensley	Mike Hallum, External Auditor
Benjamin Abshire	
Kenneth Franklin	

5. **Request for Items to be Added to the Agenda** – Mr. Fincher - ***None***

6. **Consent Agenda –** Mr. Fincher
    a. Approval of April 28, 2026 Meeting Minutes
    b. Approve Expense Reports
    c. Approve Kitchens Law Firm Expense
    d. Accept New Members
    e. Approve Capital Credits (subject to Counsel's review and approval)
    f. Approve CEO's Expense Report

A motion to accept the Consent Agenda.
Motion ***Mr. Davidson*** *Second* ***Mr. Killgore***

7. **2025 Audit Presentation** – Mike Hallum, Knuckols, Duvall, Hallum & Company.

    A motion to accept the 12/31/2025 Audit as prepared by Knuckols, Duvall, Hallum & Company.
    Motion ***Mr. Jones*** *Second* ***Mr. Abshire***

8. **Resolution Regarding Allocation of Margins as Patronage Capital and Retirement of Capital Credits**

   A motion to adopt Resolution #26-017 approving the allocation of margins as patronage capital and retirement of capital credits for the fiscal year ending December 31, 2025.
   Motion ***Mr. Killgore*** *Second* ***Mr. Woodard***

9. **Operation Round Up**
   a. Director Nominations

A motion to accept the nominations for ORU Directors
District 4 – Mark Stockle
District 9 – Haley Robinson
Nominees were approved by acclimation.

10. **Safety and Loss Control Report** – Mr. Marcotte and Mr. Kimbell

11. **Executive Session to Receive and Discuss:**
    a. Attorney's Report – Mr. Kitchens
    b. Update on pending or potential litigation(s) – Mr. Kitchens
    c. 1803 Electric Cooperative Report – Mr. Fincher

A motion to enter Executive Session.
Motion ***Mr. Perritt*** *Second* ***Mr. Sensley***

A motion to exit Executive Session.
Motion ***Mr. Perritt*** *Second* ***Mr. Sensley***

A motion to accept the Attorney's report.
Motion ***Mr. Abshire*** *Second* ***Mr. Davidson***

A motion to accept the 1803 report.
Motion ***Mr.Franklin*** *Second* ***Mr. Abshire***

12. **Financial Report** – Mrs. Watts & Mr. Marcotte
    a. April 2026 Financial Report (MW)
    b. April 2026 Write-offs (MW) ($3,274.19)
    c. Report on Work Plan material purchases over $100,000 (MM)
    d. Discussion of options to convert the current LOC balance to LTD.

A motion to approve the April 2026 Financial Reports, Write Offs, and Recommendations.
Motion ***Mr. Jones*** *Second* ***Mr. Abshire***

13. ALEC Report – Mr. Davidson

a. Report on May 18, 2026 Regular ALEC Meeting

A motion to approve the ALEC Report.
*Motion **Mr. Abshire** Second **Mr. Perritt***

14. LEC Report – Mr. Franklin

A motion to approve the LEC Report.
*Motion **Mr. Woodard** Second **Mr. Killgore***

15. CEO's Report – Mr. Marcotte

a. LPSC Update
b. Conexon Update
c. Employee Update
d. Operations Update
e. Other Topics of Interest

A motion to approve the CEO's Report.
*Motion **Mr. Franklin** Second **Mr. Abshire***

16. Approval of Revised Policy 208.2
A motion to approve revised Policy 208.2.
*Motion **Mr. Davidson** Second **Mr. Sensley***

17. Approval of revised Policy 210.1
A motion to approved revised Policy 210.1.
*Motion **Mr. Franklin** Second **Mr. Woodard***

18. Approval of revised Policy 301.1
A motion to approved revised Policy 301.1.
*Motion **Mr. Woodard** Second **Mr. Abshire***

19. Discussion of Administrative Policy A208.2

20. Discussion of Administrative Policy A301.1

21. Policy Review and Update Project:

a. Introduction of Revised Policy 109.0

22. Executive Session to Receive and Discuss:

a. To review and discuss potential budget management strategies for the remainder of CY 2026.

b. To review and discuss future staffing and ratemaking strategies.

A motion to enter Executive Session.
Motion ***Mr. Woodard*** *Second* ***Mr. Abshire***

A motion to exit Executive Session.
Motion ***Mr. Woodard*** *Second* ***Mr. Abshire***

A motion to approve the recommendations made by consultants regarding budget management strategies, future staffing strategies, and ratemaking strategies.
Motion ***Mr. Davidson*** *Second* ***Mr. Abshire***

23. Executive Session for Directors

A motion to enter Executive Session.
Motion ***Mr. Franklin*** *Second* ***Mr. Abshire***

A motion to exit Executive Session.
Motion ***Mr. Franklin*** *Second* ***Mr. Abshire***

24. Approve Meeting Expenses – Mr. Fincher

A motion to approve the Meeting Expenses.
Motion ***Mr. Davidson*** *Second* ***Mr. Franklin***

25. Confirm Next Meeting Dates – Mr. Fincher

a. Thursday, June 4, 2026, 10:00 AM, Special Board Meeting w/ CFC (COSS)
b. Saturday June 6, 2026, 9:00 AM - 12:00 Noon, Annual Meeting
c. Tuesday, June 30, 2025, 4:30 PM, Regular Board Meeting

26. Adjournment

A motion to adjourn.
Motion ***Mr. Killgore*** *Second* ***Mr. Woodard***