

REGULAR MEETING OF THE BOARD OF DIRECTORS
KAUA'I ISLAND UTILITY COOPERATIVE
via Video Conference Call
November 21, 2024

MINUTES

Meeting called to order by Chair Smith at 1:01 p.m.

1. Roll Call

- 1.1. **Directors present:** Allan Smith (Chair), Jan TenBruggencate (Vice-Chair), Peter Yukimura (Treasurer), Calvin Murashige (Secretary), David Iha, James Mayfield, Teofilo Tacbian, Michael Yamane; David Bissell (CEO)
- 1.2. **Others present:** Stacie Dellamano (CFO), Brad Rockwell (COO), Mike Scarbo (General Counsel), Teresa Amoy (Executive Administrator), Beth Amaro (Member Services & Communications Mgr.), Cameron Kruse (Engineering & Technology Mgr.), Daurice Arruda (Accounting Mgr.), Erin Tsuda (Finance Mgr.), Corinne Cuaresma (Controller), Scott Sato (Energy Services Supervisor), Allison Young (Communications & PR Specialist); Members of the press (0) and Member of the public (0)
- 1.3. **Absent/Excused:** None

2. Approval of the Agenda

- 2.1. The Board of Directors' agenda of November 21, 2024, was approved as circulated.

3. Approval of Minutes

- 3.1. The minutes of October 31, 2024, Regular Board meeting were approved as circulated.

4. President's Report – David Bissell (CEO)

- 4.1. The CEO discussed November's President's Report as presented to the board (report attached).
 - The CEO's message for the Employee Meeting held on November 8th emphasized and reaffirmed that a safe work environment is KIUC's top priority.

5. Financial Report – Stacie Dellamano (CFO)

- 5.1. The CFO provided an update on the October 2024 Financial Report (report attached). Key financial metrics reviewed.
 - Sales Year-to-Date: Increased by 2% compared to the prior year.
 - Tariff Changes: Schedule L and Schedule P combined for reporting.

- Monthly and Yearly Variance: Sales up 4% for the month and 1% for the year against the budget.
- Kilowatt Hour Sales: Up 6% for the month and 2% for the year against prior year.
- Number of Customers: Slightly fewer new members than budgeted, but higher usage among existing customers.
- Equity Ratio: Stable with no significant changes.
- Tier and DSC: Margins increased but expected to decrease by year-end in final month as we paydown LGM.
- Cash and Short-Term Investments: \$36.9 million.
- Utility Plant and Service: Includes fiber removal, boiler plant removal, and new overhead conductors.
- Construction Work in Progress: Significant updates due to pole inspections and replacements.
- Economic Development Projects: Community investment increased by \$1 million.
- Debt: No new debt this year.
- Margins: Year-to-date margins at \$9.5 million, expected to decrease in December.
- Expenses: Slightly higher than last year due to inflation and salary increases.
- Interest Income: Increased due to high cash reserves and interest rates.
- Accounts Receivable: Higher balances, but nothing concerning.
- Treasury Management: Detailed report on the ratings, amounts, and interest rates of various funds. Regular updates on the status of funds and any changes in red.

6. NRECA Hawai'i Director Report – Director David Iha update

- 6.1. The NRECA Director's report, presented by Director Iha, covered the following key points:
- Jim Matheson provided updates at the Townhall meeting following the election, emphasizing nonpartisan efforts to preserve gains in grants and tax incentives.
 - NRECA working with both transition teams and the Trump Administration on regulatory issues.
 - NRECA Board meeting scheduled for the first week of December in Arlington.

7. Charitable Foundation Board Report – Director Phil Tacbian

- 7.1. Director Tacbian noted the Charitable Foundation did not meet for the month but provided an update of the KIUC Charitable Foundation Golf Tournament held on November 16th, 2024.
- The golf tournament was a successful event with strong participation and camaraderie among employees.
 - Acknowledgments and special thanks to all employees for their hard work.

- A detailed financial report on the golf tournament is to be provided next month.

8. Public Testimony

- 8.1. No public testimony was received.

9. New Business

9.1. Policy 29 – Equity Management Planning

- Director Yamane introduced draft Board Policy 29 as presented to the Board. The revisions were recommended by KIUC staff and consultants. The Policy Committee approved the recommendations and minor modifications for full board approval.
- **MOTION:** to approve Board Policy 29 as modified and presented to the Board. [Motion: Yamane] [Second: Murashige]

No discussion.

IN FAVOR:	Smith, TenBruggencate, Yukimura, Mayfield, Murashige, Tachian, Iha, Yamane	Total – 8
OPPOSED:	None	Total – 0
EXCUSED:	None	Total – 0

Motion carried

10. Calendar

- 10.1. **December 6, 2024** – Lights on Rice Parade (5:00PM, Vidinha Stadium)
 10.2. **December 12, 2024** – Board Committee Meetings (9:00am, MCR)
 10.3. **December 19, 2024** – Regular Board Meeting (1:00pm, Zoom)
 10.4. **December 21, 2024** – Waimea Lights Parade (5:00PM, Waimea Town)
 10.5. **December 24, 2024** – HOLIDAY – Christmas Eve (KIUC Offices Closed)
 10.6. **December 25, 2024** – HOLIDAY – Christmas Day (KIUC Offices Closed)

11. Executive Session

At 1:27 p.m. a motion by Director TenBruggencate and seconded by Director Murashige to go into Executive Session was approved unanimously. The Board recessed the meeting to enter Executive Session closed to the public on matters limited to those specified in Section II. A. 2. of Board Policy No. 16. The items to be discussed in the Executive Session are matters of a proprietary or financial nature, public disclosure of which could affect on-going or potential negotiations, or legal or administrative proceedings and human resource issues related to the hiring, evaluating, dismissing, or disciplining an officer or employee and a matter requiring legal consultation on issues pertaining to the powers, duties, privileges, immunities, and liabilities of the Board of Directors.

- 11.1. The open session of the Regular meeting was reconvened at 1:57 p.m.
- A motion to ratify actions taken in Executive Session by Director TenBruggencate and seconded by Director Murashige was approved unanimously.
 - The Executive Session minutes of October 31, 2024, were approved as circulated in executive session.
 - The decision to authorize the CEO to negotiate terms for various renewable projects.

12. Adjournment

- 12.1. The meeting was adjourned at 1:58 p.m.

Calvin Murashige

Calvin Murashige (Dec 19, 2024 21:49 HST)

Calvin Murashige
Board Secretary



President's Report

November 21, 2024

David Bissell, CEO

President's Report

Safety (October)	Month	2024 YTD	2023 YTD
Recordable Incidents	0	2	3
Availability and Reliability	Month	2024 YTD	2023 YTD
Reportable Outages	3	36	34
Average Outage Hours Per Customer	0.28	5.92	3.57
Efficiency	Month	2024 YTD	
Net Plant Heat Rate	8,968	9,085	
Peak Demand (MW)	80.49	80.49	
Residential Rates			
November 2024	\$0.41/kwh increase \$0.11 from October		

Update Items

- Renewable Energy Projects
 - Term sheets executed for two projects; working on Purchase Power Agreements
- Mahipapa biomass plant expected to return to service any day
- Waimea Mediation Agreement Phase 1 Diversion modification requirements for KIUC have been resolved
- Regulatory: KIUC's GO7 relating to PUC authorization for capital projects has been approved, raising approval level to \$4.3 million from \$2.5 million
- Wildfire Mitigation
 - Kauai was under Red Flag Fire warning last Friday and Saturday. No power shutoffs required for KIUC
 - Over 50% of wooden poles have been inspected with failure rate of approximately 4%
 - 200+ poles have been replaced to date
 - Wildfire mitigation plan updates in response to PUC order are underway
- Safety: KIUC lineman injured ankle climbing out of bucket truck

Update Items - Continued

- Regulatory workshop held with board
 - Review of current and historical regulation of KIUC
 - Goals for regulatory process changes reviewed, with possible paths to achieve discussed
 - Recommended ad hoc committee of board and staff be formed to oversee process
- All employee meeting held on afternoon of November 8
 - Safe work environment, KIUC's shared values, accomplishments and upcoming challenges discussed
- KIUC's Fleet Electrification Plan reviewed with board
- Locator devices being installed on all KIUC vehicles; on schedule for year-end completion

Update Items - Continued

- Grant related items
 - Efforts continue to complete agreements with Hawaii State Energy Office related to battery and synchronous condenser projects to enable reimbursement
 - Request to cancel Congressional earmark of \$1 million for north shore battery has been sent by KIUC due to lack of suitable project to warrant expenditures for grant matching
- 2025 Hawaii legislative session planning underway
- 2025 goal setting for staff is also underway

Mahalo!



Kaua'i Island Utility Cooperative

Your Touchstone Energy® Cooperative



BOD Meeting Financial Report

November 2024

Finance, Accounting, Regulatory and Warehouse Monthly Summary

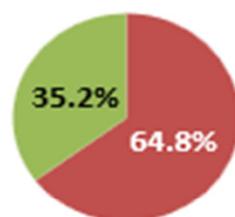
Finance and Accounting Update

- Key Performance Indicators (KPIs)
- Financial Results
 - Balance Sheet
 - Income Statement
 - Results of Operations Summary Page
- Outstanding Loan Detail Report
- A/R Reports
- Sales Reports – Annual kWh Sales Comparison
 - ROO Statistical Sales kWh data
- Treasury Management Monthly Discussion
- Monthly Updates

MWh Sales

Class	YTD Prior Year	YTD Actual		Percent Change
Residential (D)	160,563	162,002	↑	0.9%
Small Comm (G)	54,242	55,215	↑	1.8%
Large Comm (J)	42,700	42,834	↑	0.3%
Lrg Pwr Primary (LP)	127,447	132,834	↑	4.2%
Street Lighting (SL)	578	580	↑	0.3%
Irrigation	884	773	↓	-12.5%
Total	386,415	394,239	↑	2.0%

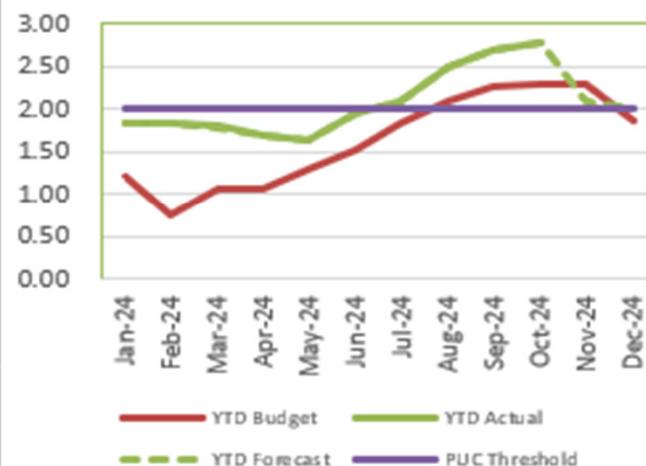
Equity Ratio



■ Liabilities as a % of Assets

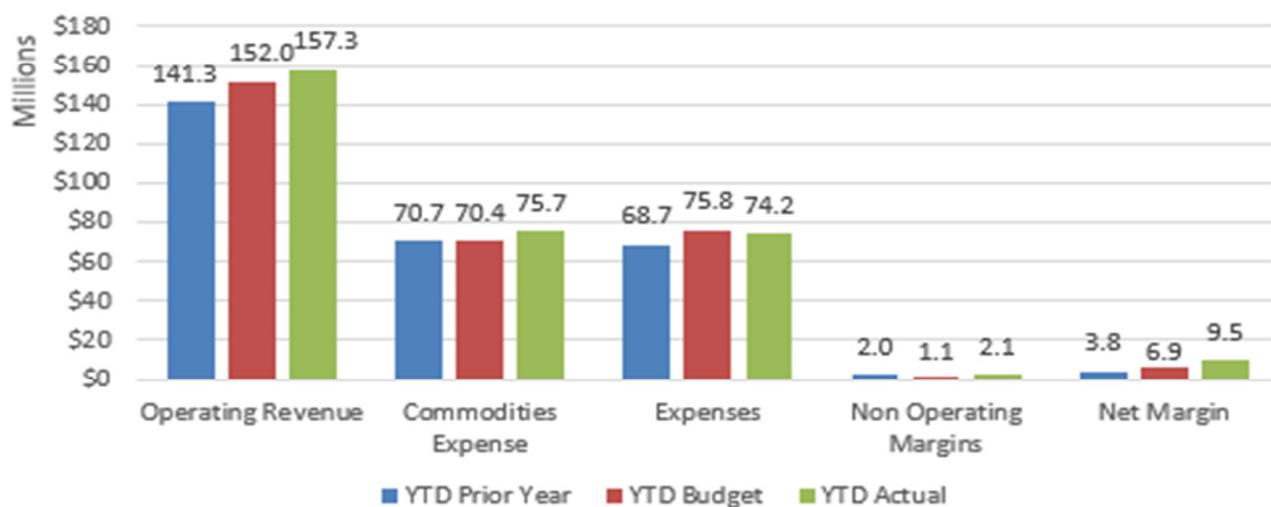
■ Equity as a % of Assets

TIER



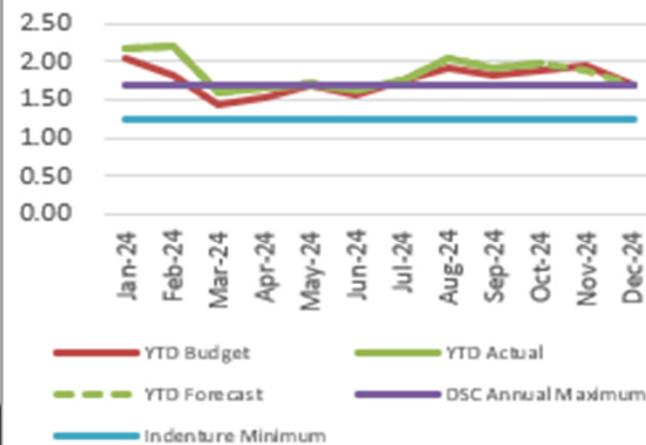
— YTD Budget — YTD Actual
- - - YTD Forecast — PUC Threshold

Key Results



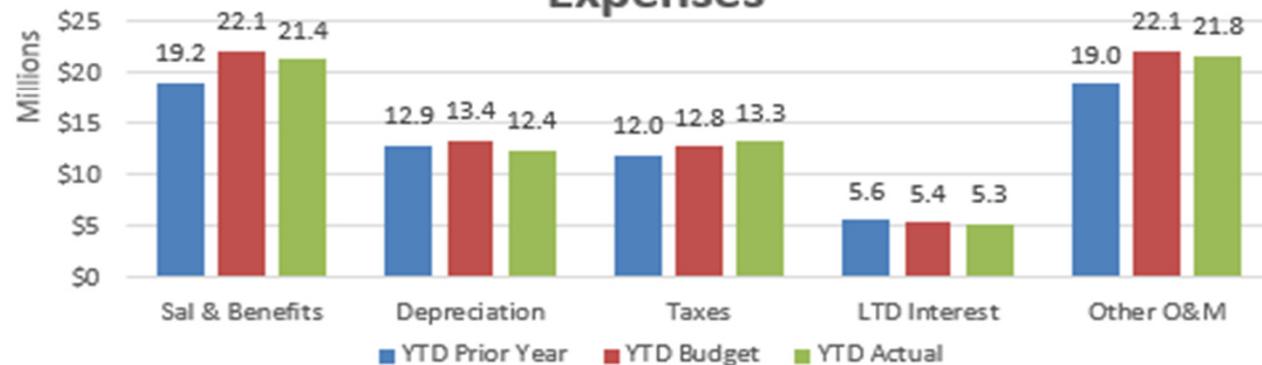
■ YTD Prior Year ■ YTD Budget ■ YTD Actual

DSC



— YTD Budget — YTD Actual
- - - YTD Forecast — DSC Annual Maximum
— Indenture Minimum

Expenses



■ YTD Prior Year ■ YTD Budget ■ YTD Actual

(In Millions)	YTD Actual
Cash	\$0.0
Short-Term Investments	\$36.9
Cushion of Credit	\$0.0
Total Cash & Investments	\$36.9
Line of Credit Available	\$100.0
Line of Credit Drawn	\$0.0

General Ledger Financial And Operating Report Electric Distribution

BALANCE SHEET FOR OCT 2024

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	601,071,645.07	600,338,070.96	-733,574.11
2. Construction Work in Progress	10,834,273.52	12,533,383.90	1,699,110.38
3. Total Utility Plant (1 + 2)	611,905,918.59	612,871,454.86	965,536.27
4. Accum. Provision for Depreciation and Amort.	339,018,220.17	338,609,874.69	-408,345.48
5. Net Utility Plant (3 - 4)	272,887,698.42	274,261,580.17	1,373,881.75
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	22,387,100.27	20,999,109.44	-1,387,990.83
8. Invest. in Assoc. Org. - Patronage Capital	1,263,969.31	1,304,320.64	40,351.33
9. Invest. in Assoc. Org. - Other - General Funds	831,300.00	666,500.00	-164,800.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0.00	0.00	0.00
11. Invest. in Economic Development Projects	995,465.97	2,008,096.80	1,012,630.83
12. Other Investments	0.00	0.00	0.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	25,477,835.55	24,978,026.88	-499,808.67
15. Cash - General Funds	1,786,521.12	613,320.33	-1,173,200.79
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	-30,903.52	-29,517.77	1,385.75
18. Temporary Investments	41,228,549.43	36,881,961.62	-4,346,587.81
19. Notes Receivable (Net)	0.00	0.00	0.00
20. Accounts Receivable - Sales of Energy (Net)	11,178,607.25	15,658,301.48	4,479,694.23
21. Accounts Receivable - Other (Net)	555,085.28	300,243.53	-254,841.75
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	22,074,150.66	21,125,133.24	-949,017.42
24. Prepayments	1,919,559.46	2,471,628.72	552,069.26
25. Other Current and Accrued Assets	8,983,616.63	9,851,608.52	867,991.89
26. Total Current and Accrued Assets (15 thru 25)	87,695,186.31	86,872,679.67	-822,506.64
27. Regulatory Assets	35,106,046.88	35,309,180.92	203,134.04
28. Other Deferred Debits	136,613.20	197,183.56	60,570.36
29. Total Assets and Other Debits (5 + 14 + 26 thru 28)	421,303,380.36	421,618,651.20	315,270.84

11/12/2024 1:09:10 pm

General Ledger Financial And Operating Report Electric Distribution

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BALANCE SHEET FOR OCT 2024

	Last Year	This Year	Variance
LIABILITIES AND OTHER CREDITS			
30. Memberships	608.28	621.21	12.93
31. Patronage Capital	134,480,568.86	138,464,675.29	3,984,106.43
32. Operating Margins - Prior Years	0.00	0.00	0.00
33. Operating Margins - Current Year	3,827,496.07	9,516,889.41	5,689,393.34
34. Non-Operating Margins	0.00	0.00	0.00
35. Other Margins and Equities	136,710.20	355,160.21	218,450.01
36. Total Margins & Equities (30 thru 35)	138,445,383.41	148,337,346.12	9,891,962.71
37. Long-Term Debt - RUS (Net)	0.00	0.00	0.00
38. Long-Term Debt - FFB - RUS Guaranteed	118,759,126.23	114,307,281.73	-4,451,844.50
39. Long-Term Debt - Other - RUS Guaranteed	0.00	0.00	0.00
40. Long-Term Debt - Other (Net)	119,828,361.85	113,044,181.97	-6,784,179.88
41. Long-Term Debt - RUS Econ. Devel. (Net)	0.00	0.00	0.00
42. Payments - Unapplied	0.00	0.00	0.00
43. Total Long-Term Debt (37 thru 41 - 42)	238,587,488.08	227,351,463.70	-11,236,024.38
44. Obligations Under Capital Leases - Noncurrent	13,583,205.15	13,003,196.24	-580,008.91
45. Accumulated Operating Provisions	32,671.90	-46,008.66	-78,680.56
46. Total Other Noncurrent Liabilities (44 + 45)	13,615,877.05	12,957,187.58	-658,689.47
47. Notes Payable	0.00	0.00	0.00
48. Accounts Payable	5,881,441.47	6,372,550.75	491,109.28
49. Consumers Deposits	1,521,473.95	1,644,340.06	122,866.11
50. Current Maturities Long-Term Debt	0.00	0.00	0.00
51. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
52. Current Maturities Capital Leases	0.00	0.00	0.00
53. Other Current and Accrued Liabilities	10,884,096.06	12,246,685.09	1,362,589.03
54. Total Current & Accrued Liabilities (47 thru 53)	18,287,011.48	20,263,575.90	1,976,564.42
55. Regulatory Liabilities	0.00	0.00	0.00
56. Other Deferred Credits	12,367,620.34	12,709,077.90	341,457.56
57. Total Liab. & Other Credits (36+43+46+54 thru 56)	421,303,380.36	421,618,651.20	315,270.84
Current Assets To Current Liabilities	4.80 to 1	4.29 to 1	
Margins and Equities To Total Assets	32.86 %	35.18 %	
Long-Term Debt To Total Utility Plant	38.99 %	37.10 %	

KAUAI ISLAND UTILITY COOPERATIVE
NOTES, BONDS, AND OTHER INDEBTEDNESS
YEARS ENDED DECEMBER 31, 2023 AND 2024

LINE NO.	LENDER	DATE OF NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	LOAN #	ORIGINAL AMOUNT	BALANCE AT 12/31/2023	2023 INTEREST EXPENSE	PROJECTED BALANCE AT 12/31/2024	PROJECTED 2024 INTEREST EXPENSE
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
1	CFC	12/17/03	12/18/03	09/30/23	3.690%	HI001-9005	\$ 8,240,000	\$ -	\$ 7,612	\$ -	\$ -
2	CFC	04/30/19	04/30/19	03/31/35	2.550%	HI001-9014-001	103,133,717	72,704,840	1,930,366	67,052,336	1,788,214
3	CFC	02/06/20	02/25/20	12/31/49	2.760%	HI001-9019B	26,500,000	24,226,770	679,552	23,579,920	662,002
4							<u>137,873,717</u>	<u>96,931,610</u>	<u>2,617,529</u>	<u>90,632,257</u>	<u>2,450,216</u>
5	FFB	06/01/04	10/19/04	12/31/23	2.837%	B8 - 1-1	8,240,000	-	10,185	-	-
6	FFB	06/01/04	10/19/04	12/31/23	2.574%	B8 - 1-2	8,240,000	-	9,234	-	-
7	FFB	06/01/04	10/19/04	12/31/23	4.430%	B8 - 1-3	16,480,000	-	35,673	-	-
8							<u>32,960,000</u>	<u>-</u>	<u>55,092</u>	<u>-</u>	<u>-</u>
9	FFB	07/01/11	06/07/12	12/31/42	2.424%	C8#1 - 2-1	8,716,000	6,262,788	155,277	5,995,975	148,560
10	FFB	07/01/11	10/23/12	12/31/42	2.604%	C8#1 - 2-2	1,606,000	1,162,799	30,956	1,114,101	29,639
11	FFB	07/01/01	06/24/13	12/31/42	3.259%	C8#1 - 2-3	9,100,000	6,770,327	225,194	6,504,071	216,192
12	FFB	07/01/11	11/25/13	12/31/42	2.662%	C8#1 - 2-4	2,689,000	1,928,409	52,473	1,848,092	50,254
13	FFB	07/01/11	03/18/14	12/31/42	3.334%	C8#1 - 2-6	5,198,000	3,941,994	134,111	3,788,091	128,788
14	FFB	07/01/11	08/07/14	12/31/42	3.023%	C8#1 - 2-7	5,731,000	4,340,285	133,992	4,165,662	128,514
15	FFB	07/01/11	05/08/15	12/31/42	2.665%	C8#1 - 2-8	4,213,000	3,208,446	87,402	3,074,855	83,705
16	FFB	07/01/11	09/18/15	12/31/42	2.715%	C8#1 - 2-9	748,000	574,669	15,946	550,855	15,275
17	FFB	01/15/15	10/29/15	12/31/42	2.558%	C8#2 - 3-1	6,000,000	4,611,482	120,612	4,417,504	115,460
18	FFB	01/15/15	01/12/16	12/31/42	2.636%	C8#2 - 3-2	35,586,552	27,600,650	743,748	26,448,249	712,208
19							<u>79,587,552</u>	<u>60,401,849</u>	<u>1,699,711</u>	<u>57,907,457</u>	<u>1,628,596</u>
20	FFB	12/01/17	04/24/18	12/31/51	3.199%	D8 - 4-1	22,192,000	20,365,770	658,583	19,895,814	642,298
21	FFB	12/01/17	10/22/18	12/31/51	3.437%	D8 - 4-2	5,707,000	5,255,619	182,503	5,138,616	178,139
22	FFB	12/01/17	06/06/19	12/31/51	2.578%	D8 - 4-3	4,776,000	4,341,053	113,293	4,231,193	110,239
23	FFB	12/01/17	06/22/20	12/31/51	1.326%	D8 - 4-4	3,992,000	3,620,494	48,759	3,510,802	47,200
24	FFB	12/01/17	10/08/21	12/31/51	2.087%	D8 - 4-5	7,889,000	7,494,384	158,532	7,290,648	153,959
25	FFB	12/01/17	05/19/22	12/31/51	3.236%	D8 - 4-6	3,450,000	3,341,179	109,287	3,264,506	106,598
26	FFB	12/01/17	08/29/22	12/31/51	3.422%	D8 - 4-7	12,706,000	12,379,027	428,003	12,102,814	417,747
27							<u>60,712,000</u>	<u>56,797,525</u>	<u>1,698,961</u>	<u>55,434,394</u>	<u>1,656,180</u>
28	COBANK	02/06/20	02/22/21	02/20/51	2.900%	00102606 T01	18,119,000	17,004,406	506,035	16,590,382	495,406
29	COBANK	02/06/20	02/10/22	02/10/52	3.330%	3455702 T01-DS	4,900,000	4,720,774	161,090	4,618,994	158,147
30							<u>23,019,000</u>	<u>21,725,180</u>	<u>667,125</u>	<u>21,209,376</u>	<u>653,553</u>
31	Total Long Term Debt						\$ 334,152,269	\$ 235,856,165	\$ 6,738,418	\$ 225,183,483	\$ 6,388,545

General Ledger Financial And Operating Report Electric Distribution

INCOME STATEMENT FOR OCT 2024

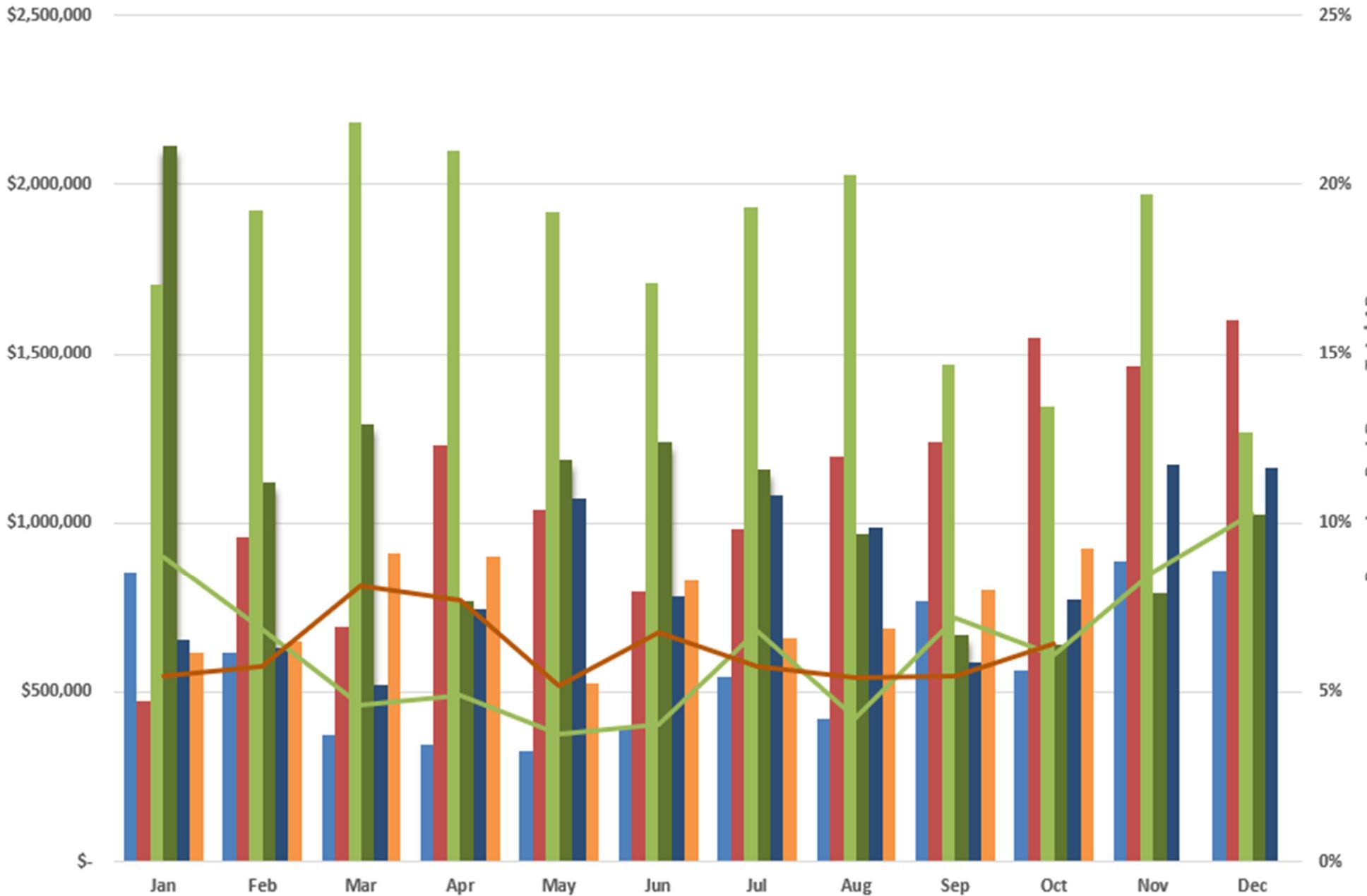
Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	141,263,415.38	157,269,464.54	152,023,692.00	16,378,237.04	15,871,862.00
2. Power Production Expense	44,203,238.51	55,085,140.49	43,079,939.00	6,128,299.39	5,084,794.00
3. Cost of Purchased Power	37,739,868.94	33,086,033.34	39,527,356.00	2,847,694.55	3,704,407.00
4. Transmission Expense	1,054,698.14	1,365,783.04	1,246,303.00	170,022.82	119,096.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	1,356,119.04	1,434,731.84	1,383,483.00	125,846.12	138,141.00
7. Distribution Expense - Maintenance	3,977,663.15	4,572,679.09	4,504,304.00	471,232.30	457,877.00
8. Customer Accounts Expense	1,889,349.79	2,003,176.91	2,500,287.00	203,327.47	253,017.00
9. Customer Service and Informational Expense	268,268.00	232,828.42	456,690.00	10,408.53	29,549.00
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	18,391,391.16	21,043,776.20	21,981,448.00	2,083,467.33	2,076,351.00
12. Total Operation & Maintenance Expense (2 thru 11)	108,880,596.73	118,824,149.33	114,679,810.00	12,040,298.51	11,863,232.00
13. Depreciation & Amortization Expense	12,915,885.63	12,414,561.15	13,372,215.00	1,232,894.63	1,337,222.00
14. Tax Expense - Property & Gross Receipts	3,528,743.07	3,928,596.33	3,800,595.00	409,031.74	396,797.00
15. Tax Expense - Other	8,448,870.18	9,377,431.60	9,031,894.00	965,960.63	937,259.00
16. Interest on Long-Term Debt	5,633,887.73	5,336,759.03	5,368,000.00	528,461.62	533,000.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	0.00	0.00	0.00	0.00	0.00
19. Other Deductions	23,102.27	53,618.63	84,200.00	3,173.00	2,830.00
20. Total Cost of Electric Service (12 thru 19)	139,431,085.61	149,935,116.07	146,336,714.00	15,179,820.13	15,070,340.00
21. Patronage Capital & Operating Margins (1 minus 20)	1,832,329.77	7,334,348.47	5,686,978.00	1,198,416.91	801,522.00
22. Non Operating Margins - Interest	2,452,031.94	2,231,161.71	1,554,882.00	206,153.33	111,759.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	-838,139.65	-328,084.32	-663,150.00	-37,605.51	-117,569.00
25. Non Operating Margins - Other	198,774.38	199,827.15	121,200.00	7,364.76	12,120.00
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	182,499.63	79,636.40	195,000.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	3,827,496.07	9,516,889.41	6,894,910.00	1,374,329.49	807,832.00
Operating - Margin	3,827,496.07	9,516,889.41	6,894,910.00	1,374,329.49	807,832.00
Non Operating - Margin	0.00	0.00	0.00	0.00	0.00
Times Interest Earned Ratio - Operating	1.33	2.37			
Times Interest Earned Ratio - Net	1.68	2.78			
Times Interest Earned Ratio - Modified	1.65	2.77			

Kauai Island Utility Cooperative Results of Operations (ROO)

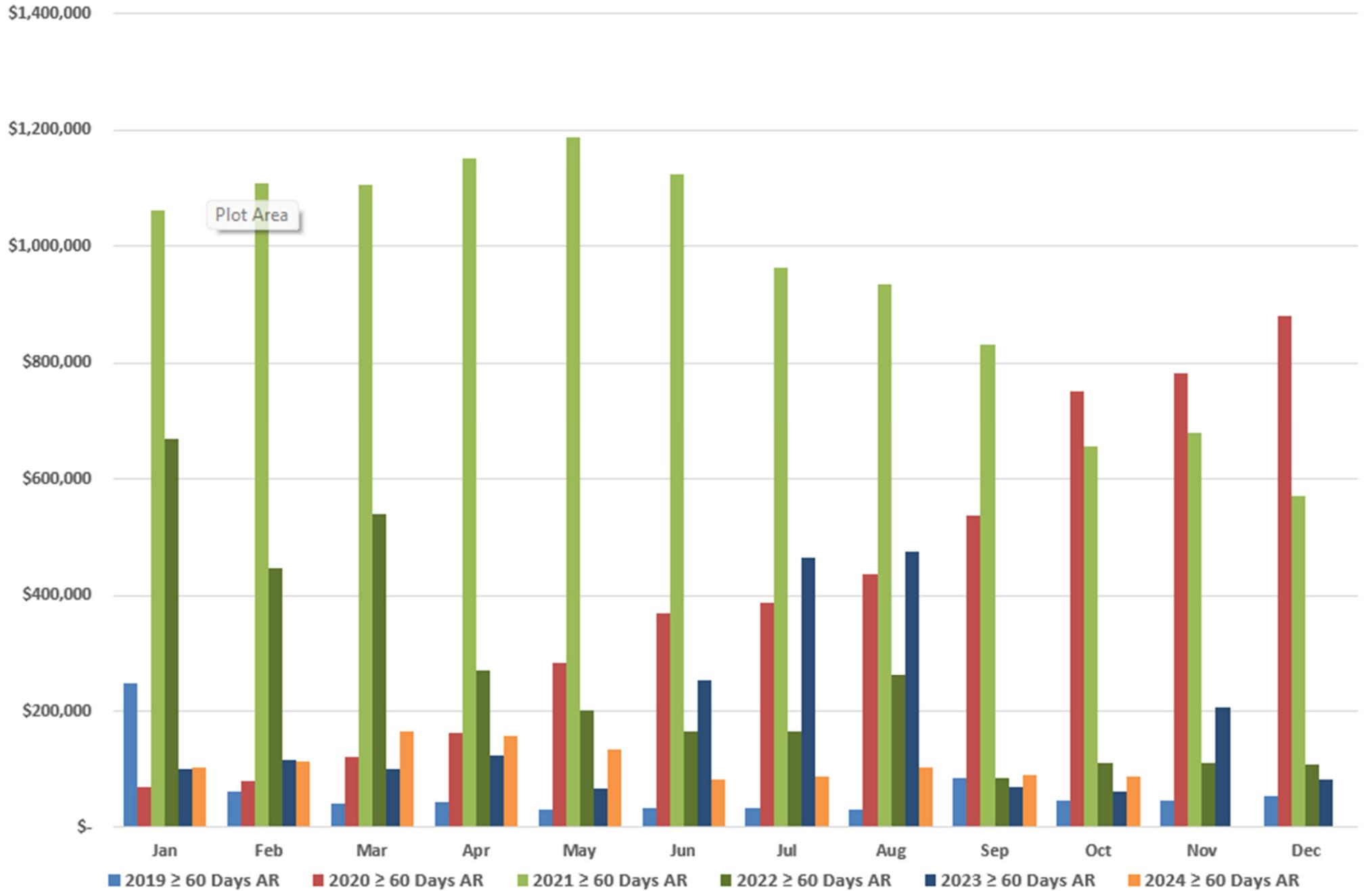
October-24

	Month				Year-To-Date				Budget (+/-) YTD Variance	2024 Annual Budget	YTD Forecast
	October-24	Budget	Variance	Variance	This Year	Budget	Variance	Variance			
Irrigation Revenue Total	33,821	45,033	(11,212)	-25%	181,203	266,226	(85,023)	-32%	206,700	291,723	206,700
Residential Revenue Total	6,890,667	6,880,145	10,522	0%	66,915,563	65,355,740	1,559,823	2%	79,851,909	78,292,086	79,851,909
Commercial Revenue Total	9,414,446	8,916,809	497,637	6%	89,812,592	86,103,780	3,708,812	4%	106,530,472	102,821,660	106,530,472
Street Light Revenue Total	66,849	62,284	4,565	7%	671,162	622,036	49,126	8%	796,800	747,674	796,800
Other/Rental Revenue Total	(27,545)	(32,409)	4,864	-15%	(311,056)	(324,090)	13,034	-4%	(3,182,124)	(3,195,158)	(4,120,479)
Total Revenues	16,378,237	15,871,862	506,375	3%	157,269,465	152,023,692	5,245,773	3%	184,203,758	178,957,985	183,265,403
Commodities Total	7,864,510	7,566,600	297,910	4%	75,654,199	70,405,661	5,248,538	7%	89,288,832	84,040,294	89,288,832
Gross Margin	8,513,727	8,305,262	208,465	3%	81,615,266	81,618,031	(2,765)	0%	94,914,926	94,917,691	93,976,571
Power Supply Total	1,173,641	1,282,336	(108,695)	-8%	13,183,147	12,786,790	396,358	3%	15,661,985	15,265,628	16,436,985
Transmission & Distribution Expense Total	857,189	813,254	43,935	5%	8,296,848	8,095,879	200,969	2%	9,912,539	9,711,570	9,956,217
Member Services Total	273,904	303,655	(29,751)	-10%	2,673,535	3,048,781	(375,246)	-12%	3,272,013	3,647,259	3,209,809
Communications Total	53,405	80,484	(27,079)	-34%	692,803	805,430	(112,627)	-14%	882,918	995,545	882,918
Energy Services Total	65,104	70,196	(5,092)	-7%	687,748	768,516	(80,768)	-11%	817,342	898,110	834,133
Human Resources Total	110,879	99,689	11,190	11%	960,136	1,013,226	(53,090)	-5%	1,158,715	1,211,805	1,133,860
Executive Total	96,899	96,451	448	0%	1,027,275	1,071,664	(44,389)	-4%	1,242,290	1,286,679	1,242,290
Board of Directors Total	38,747	25,003	13,744	55%	542,275	653,637	(111,362)	-17%	615,698	727,060	615,698
Safety & Facilities Total	308,640	312,693	(4,053)	-1%	3,035,663	3,095,786	(60,123)	-2%	3,663,496	3,723,619	3,642,795
SOS Shearwater Program Total	32,193	28,600	3,593	13%	292,254	289,850	2,404	1%	350,204	347,800	348,918
Regulatory Total	116,026	130,017	(13,991)	-11%	1,214,911	1,306,366	(91,455)	-7%	1,480,440	1,571,895	1,458,655
Engineering Total	84,350	123,279	(38,929)	-32%	896,583	1,280,091	(383,508)	-30%	1,147,824	1,531,332	1,079,628
Habitat Conservation Program Total	420,566	421,100	(534)	0%	4,230,031	4,358,565	(128,534)	-3%	5,115,866	5,244,400	5,115,866
Financial & Corporate Services Total	325,983	277,410	48,573	18%	2,957,659	2,827,154	130,505	5%	3,499,663	3,369,158	3,509,611
Information Technology Total	218,264	232,465	(14,201)	-6%	2,479,084	2,872,414	(393,330)	-14%	2,948,990	3,342,320	2,948,990
Total O&M Less Commodities	4,175,789	4,296,632	(120,843)	-3%	43,169,951	44,274,149	(1,104,198)	-2%	51,769,982	52,874,180	52,416,372
Total O&M Including Commodities	12,040,299	11,863,232	177,067	1%	118,824,149	114,679,810	4,144,339	4%	141,058,813	136,914,474	141,705,204
Depreciation & Amortization Total	1,232,895	1,337,222	(104,327)	-8%	12,414,561	13,372,215	(957,654)	-7%	15,089,004	16,046,658	15,089,004
Taxes Other Than Income Total	1,374,992	1,334,056	40,936	3%	13,306,028	12,832,489	473,539	4%	15,573,868	15,100,329	15,573,868
Total Expenses	14,648,186	14,534,510	113,676	1%	144,544,738	140,884,514	3,660,224	3%	171,721,685	168,061,461	172,368,076
Operating Income	1,730,052	1,337,352	392,700	29%	12,724,726	11,139,178	1,585,548	14%	12,482,072	10,896,524	10,897,327
Interest & Dividend Income Total	206,153	111,759	94,394	84%	2,231,162	1,554,882	676,280	43%	2,454,679	1,778,399	2,677,394
Other Income (Jobbing) Total	(1,411)	4,000	(5,411)	-135%	100,203	40,000	60,203	151%	108,203	48,000	120,243
Income (Loss) from KRS1/KRS2H Total	(37,606)	(117,569)	79,963	-68%	(328,084)	(663,150)	335,066	-51%	(629,255)	(964,321)	(629,255)
Non-Operating Income Total	8,775	8,120	655	8%	94,624	81,200	13,424	17%	110,864	97,440	110,864
Liquidated Damages Total	-	-	-	0%	-	-	-	0%	-	-	-
Gain on Disposition of Property Total	-	-	-	0%	5,000	-	5,000	0%	5,000	-	5,000
Capital Credits & Patronage Allocation Total	-	-	-	0%	79,636	195,000	(115,364)	-59%	89,636	205,000	89,636
Sponsorships & Contributions Total	(3,173)	(2,830)	(343)	12%	(53,619)	(84,200)	30,581	-36%	(59,819)	(90,400)	(59,819)
Other Deductions-Abandoned PSI Total	-	-	-	0%	-	-	-	0%	-	-	-
Interest Expense - LTD Total	(528,462)	(533,000)	4,538	-1%	(5,336,759)	(5,368,000)	31,241	-1%	(6,394,759)	(6,426,000)	(6,394,759)
Interest Expense - STD Total	-	-	-	0%	-	-	-	0%	-	-	-
Net Margins	1,374,329	807,832	566,497	70%	9,516,889	6,894,910	2,621,979	38%	8,166,621	5,544,642	6,816,632
Times Interest Earned Ratio (TIER)	3.60	2.52	1.08	43%	2.78	2.28	0.50	22%	2.28	1.86	2.07
Indenture DSC	1.994	1.639	0.354	22%	1.994	1.639	0.354	22%	1.774	1.695	1.695
EQUITY RATIO	35.18%				35.18%						

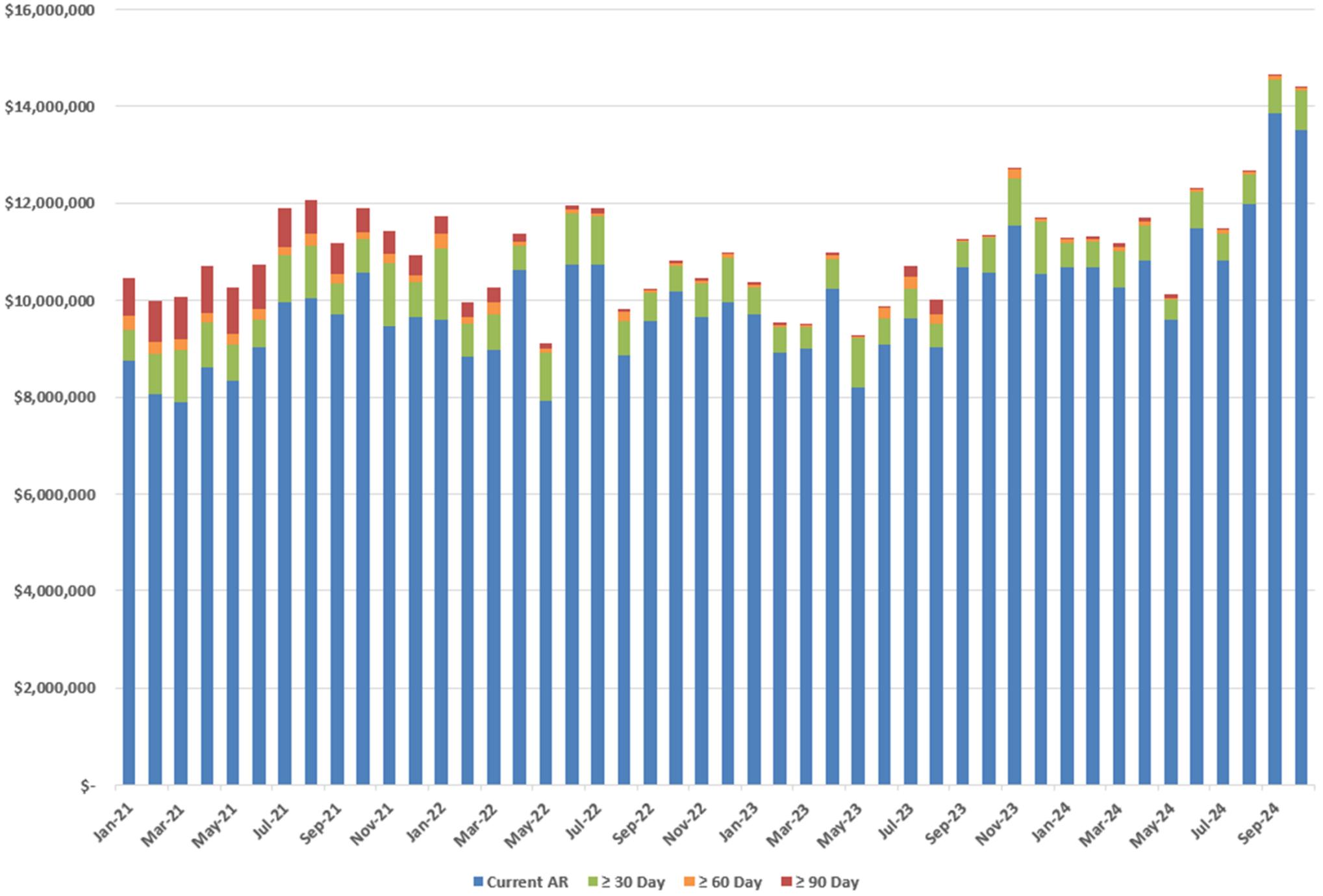
YOY > 30 days vs Total AR



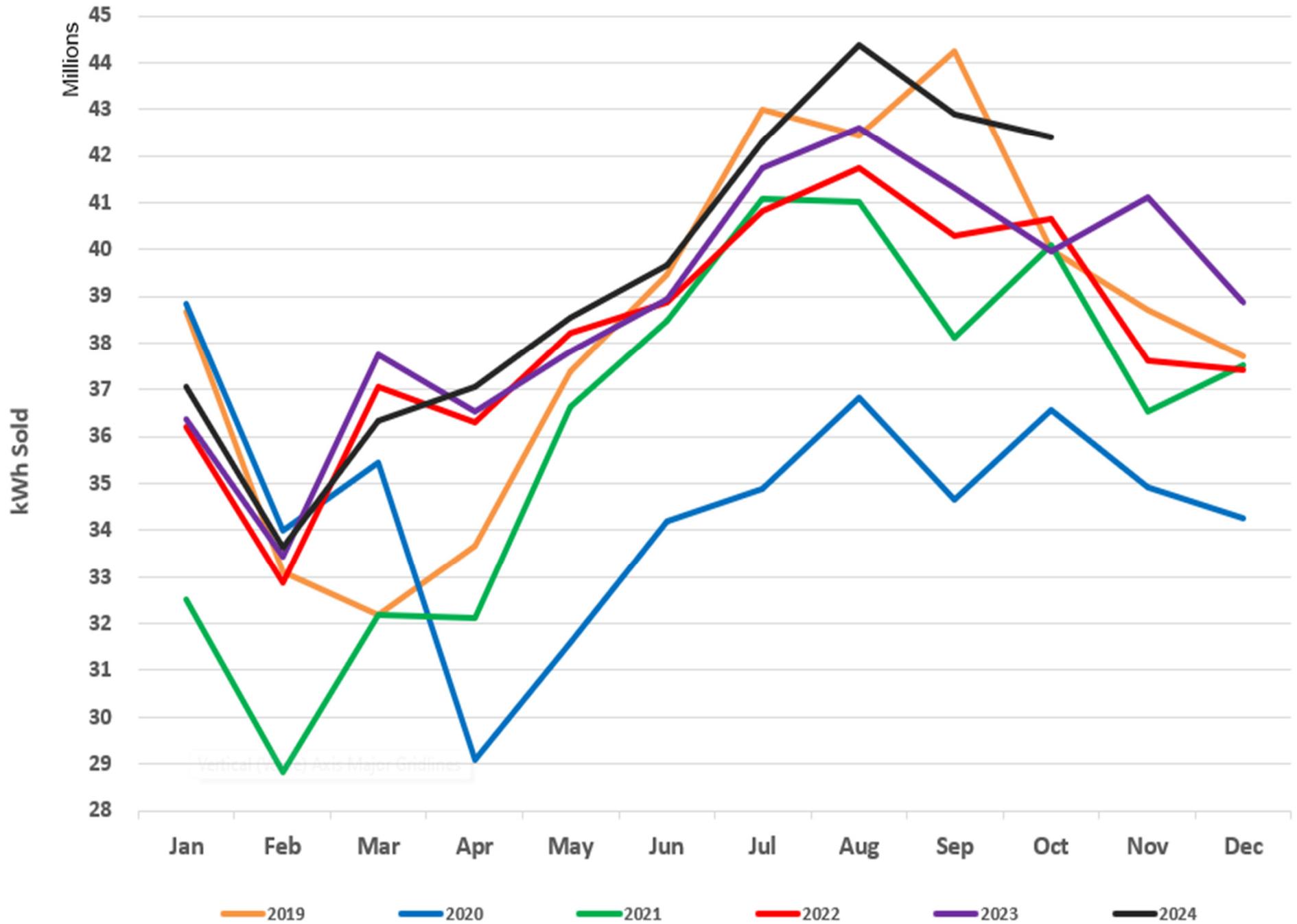
YOY \geq 60 Days



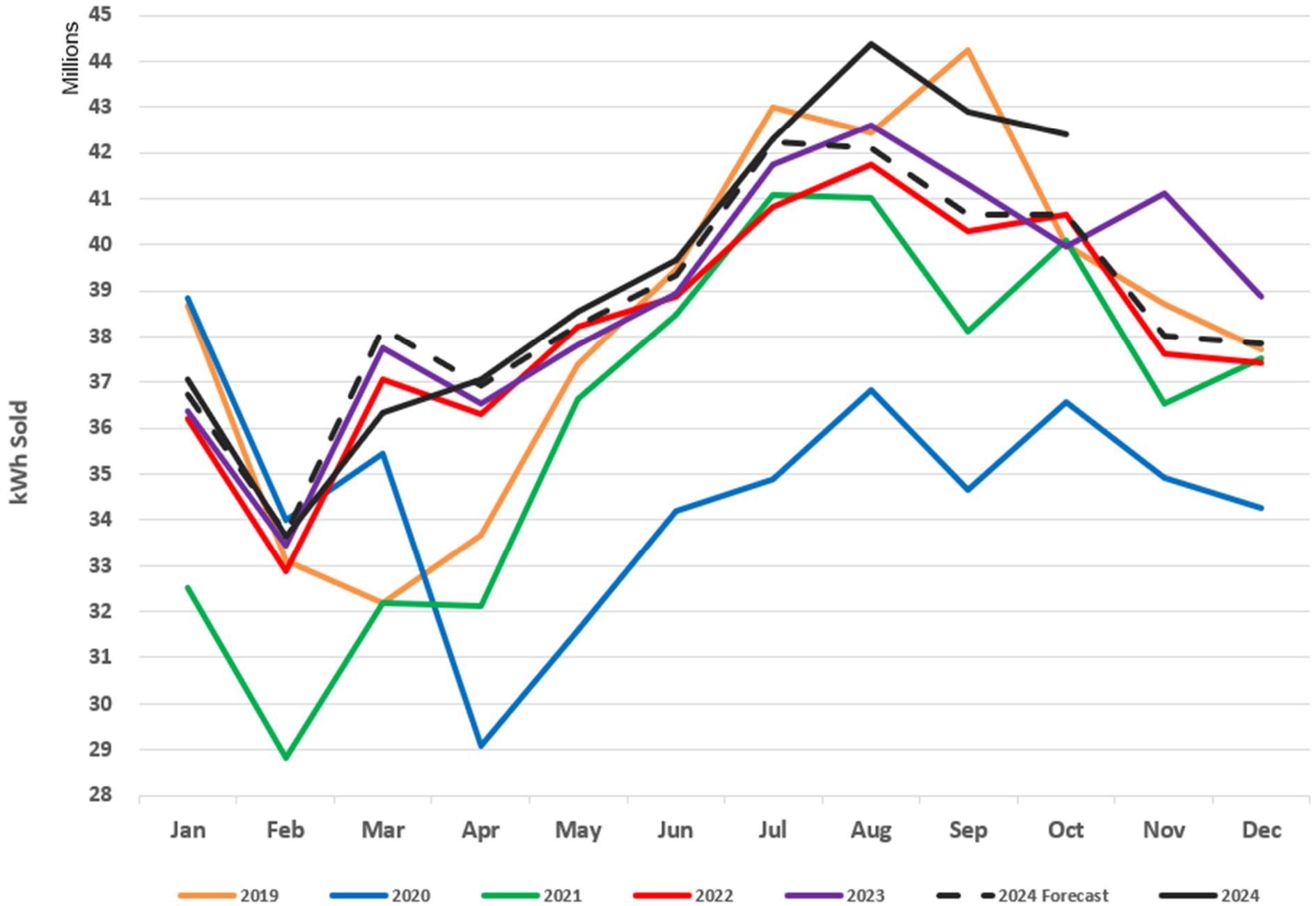
Total AR Balances



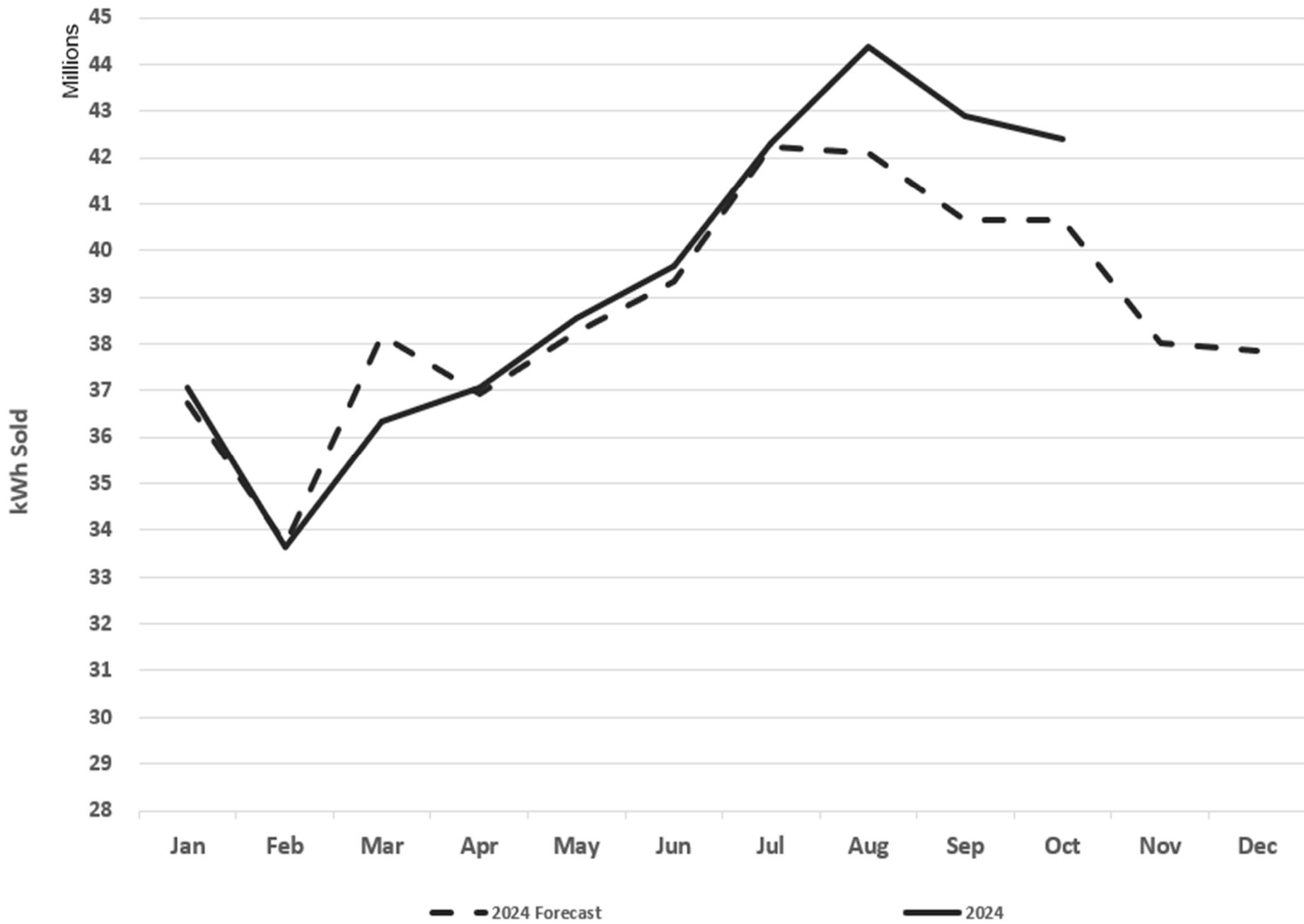
Total kWh Sold



Total kWh Sold



Total kWh Sold



Kauai Island Utility Cooperative Results of Operations (ROO)
October - 2024

STATISTICS	Month				Year-To-Date				Budget (+/-) YTD Variance	2024 Annual Budget	YTD Forecast
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance			
kWh Sales											
Irrigation	156,000	136,000	20,000	15%	773,496	804,000	(30,504)	-4%	850,496	881,000	850,496
Residential (D)	17,162,077	17,033,000	129,077	1%	162,002,124	161,408,000	594,124	0%	193,920,124	193,326,000	193,920,124
Small Commercial (G)	5,984,572	5,689,000	295,572	5%	55,215,185	54,288,000	927,185	2%	65,727,185	64,800,000	65,727,185
Large Commercial (J)	4,611,461	4,268,000	343,461	8%	42,833,906	42,076,000	757,906	2%	51,061,906	50,304,000	51,061,906
Large Power-Primary (LP)	14,412,849	13,457,000	955,849	7%	132,834,234	129,555,000	3,279,234	3%	157,841,234	154,562,000	157,841,234
Large Power-Secondary (P)	-	-	-	0%	-	-	-	0%	-	-	-
Street Lighting (SL)	58,039	61,000	(2,961)	-5%	579,791	610,000	(30,209)	-5%	703,791	734,000	703,791
Total-kWh Sales	42,384,998	40,644,000	1,740,998	4%	394,238,736	388,741,000	5,497,736	1%	470,104,736	464,607,000	470,104,736
Number of Customers											
Irrigation	2	2	-	0%	2	2	-	0%	2	2	2
Residential (D)	30,142	30,307	(165)	-1%	30,142	30,307	(165)	-1%	30,142	30,333	30,333
Small Commercial (G)	4,802	4,703	99	2%	4,802	4,703	99	2%	4,802	4,707	4,707
Large Commercial (J)	294	293	1	0%	294	293	1	0%	294	293	293
Large Power-Primary (LP)	111	118	(7)	-6%	111	118	(7)	-6%	111	118	118
Large Power-Secondary (P)	-	-	-	0%	-	-	-	0%	-	-	-
Street Lighting (SL)	3,829	3,789	40	1%	3,829	3,789	40	1%	3,829	3,793	3,793
Total-Customers	39,180	39,212	(32)	0%	39,180	39,212	(32)	0%	39,180	39,246	39,246
Total kWh Output	44,900,825	42,823,726	2,077,099	5%	413,364,145	409,588,467	3,775,678	1%	493,298,610	489,522,932	493,298,610
KIUC Energy	28,158,483	21,001,836	7,156,647	34%	223,190,660	179,951,423	43,239,237	24%	261,923,459	218,684,222	261,923,459
Fuel	27,984,391	20,557,668	7,426,723	36%	222,545,574	177,299,183	45,246,391	26%	260,509,797	215,263,406	260,509,797
Hydro	174,092	444,168	(270,076)	-61%	645,086	2,652,240	(2,007,154)	-76%	1,413,662	3,420,816	1,413,662
Purchase Power	16,742,342	21,821,890	(5,079,548)	-23%	190,173,485	229,637,044	(39,463,559)	-17%	231,375,151	270,838,710	231,375,151
Hydro	4,046,273	4,447,632	(401,359)	-9%	50,802,581	47,560,680	3,241,901	7%	60,139,517	56,897,616	60,139,517
Solar	12,696,069	13,032,658	(336,589)	-3%	134,047,404	143,323,564	(9,276,160)	-6%	157,161,934	166,438,094	157,161,934
Biomass	-	4,341,600	(4,341,600)	-100%	5,323,500	38,752,800	(33,429,300)	-86%	14,073,700	47,503,000	14,073,700
kWh Company Use	177,910	165,000	12,910	8%	1,610,208	1,692,000	(81,792)	-5%	1,961,208	2,043,000	1,961,208
Unaccounted For	2,337,917	2,014,726	323,191	16%	17,515,201	19,155,467	(1,640,266)	-9%	21,232,666	22,872,932	21,232,666
Unaccounted For %	5.21%	4.70%	0.50%	11%	4.24%	4.68%	-0.44%	-9%	4.30%	4.67%	4.30%
System Peak MW	80.91	76.75	4.16	5%	82.37	78.89	3.48	4%	78.89	78.89	78.89
TOTAL PAYROLL (DIRECT+OVERHEAD)											
Operations & Maintenance	2,111,883	2,247,514	(135,631)	-6%	21,404,031	22,138,028	(733,997)	-3%	25,844,158	26,578,155	25,679,627
Capital	409,689	356,697	52,992	15%	3,895,116	3,510,355	384,761	11%	4,598,290	4,213,529	
Clearing Accounts (Stores & Billable Jobs)	72,080	103,075	(30,995)	-30%	711,336	1,011,589	(300,253)	-30%	914,519	1,214,772	
Total Payroll	2,593,652	2,707,286	(113,634)	-4%	26,010,482	26,659,972	(649,490)	-2%	31,356,966	32,006,456	25,679,627
Overtime (included in totals above)	139,383	166,370	(26,987)	-16%	1,627,800	1,629,408	(1,608)	0%	1,966,958	1,968,566	

Kauai Island Utility Cooperative Results of Operations (ROO)

October - 2024

ACTUAL TO PRIOR YEAR ACTUAL

STATISTICS	Month				Year-To-Date			
	Actual	Prior Year	Variance	% Variance	Actual	Prior Year	Variance	% Variance
kWh Sales								
Irrigation	156,000	96,000	60,000	63%	773,496	884,400	(110,904)	-13%
Residential (D)	17,162,077	16,562,741	599,336	4%	162,002,124	160,563,424	1,438,700	1%
Small Commercial (G)	5,984,572	5,308,890	675,682	13%	55,215,185	54,242,093	973,092	2%
Large Commercial (J)	4,611,461	3,869,061	742,400	19%	42,833,906	42,699,642	134,264	0%
Large Power-Primary (LP)	14,412,849	14,061,860	350,989	2%	132,834,234	127,446,776	5,387,458	4%
Large Power-Secondary (P)	-	-	-	0%	-	-	-	0%
Street Lighting (SL)	58,039	57,894	145	0%	579,791	578,332	1,459	0%
Total-kWh Sales	42,384,998	39,956,446	2,428,552	6%	394,238,736	386,414,667	7,824,069	2%
Number of Customers								
Irrigation	2	2	-	0%	2	2	-	0%
Residential (D)	30,142	30,038	104	0%	30,142	30,038	104	0%
Small Commercial (G)	4,802	4,757	45	1%	4,802	4,757	45	1%
Large Commercial (J)	294	300	(6)	-2%	294	300	(6)	-2%
Large Power-Primary (LP)	111	110	1	1%	111	110	1	1%
Large Power-Secondary (P)	-	-	-	0%	-	-	-	0%
Street Lighting (SL)	3,829	3,806	23	1%	3,829	3,806	23	1%
Total-Customers	39,180	39,013	167	0%	39,180	39,013	167	0%
Total kWh Output	44,900,825	43,739,944	1,160,881	3%	413,364,145	407,595,055	5,769,090	1%
KIUC Energy	28,158,483	24,102,010	4,056,473	17%	223,190,660	186,795,416	36,395,244	19%
Fuel	27,984,391	23,922,020	4,062,371	17%	222,545,574	184,873,363	37,672,211	20%
Hydro	174,092	179,989	(5,897)	-3%	645,086	1,922,052	(1,276,966)	-66%
Purchase Power	16,742,342	19,637,934	(2,895,592)	-15%	190,173,485	220,799,639	(30,626,154)	-14%
Hydro	4,046,273	4,215,427	(169,154)	-4%	50,802,581	50,555,964	246,617	0%
Solar	12,696,069	13,123,007	(426,938)	-3%	134,047,404	135,845,675	(1,798,271)	-1%
Biomass	-	2,299,500	(2,299,500)	-100%	5,323,500	34,398,000	(29,074,500)	-85%
kWh Company Use	177,910	168,734	9,176	5%	1,610,208	1,661,137	(50,929)	-3%
Unaccounted For	2,337,917	3,614,764	(1,276,847)	-35%	17,515,201	19,519,251	(2,004,050)	-10%
Unaccounted For %	5.21%	8.26%	-3.06%	-37%	4.24%	4.79%	-0.55%	-12%
System Peak MW	80.91	80.24	0.67	1%	82.37	80.24	2.13	3%
TOTAL PAYROLL (DIRECT+OVERHEAD)								
Operations & Maintenance	2,111,883	1,869,747	242,136	13%	21,404,031	19,150,551	2,253,480	12%
Capital	409,689	367,388	42,301	12%	3,895,116	3,439,555	455,561	13%
Clearing Accounts (Stores & Billable Jobs)	72,080	38,789	33,291	86%	711,336	666,251	45,084	7%
Total Payroll	2,593,652	2,275,924	317,728	14%	26,010,482	23,256,357	2,754,125	12%
Overtime (included in totals above)	139,383	118,902	20,481	17%	1,627,800	1,731,045	(103,244)	-6%

Treasury Management – Monthly Discussion

- Ratings:
 - 10/15 BOH confirmed no changes in Money Market Fund Rating - AAA
- Current Summary Of Investments:
- **\$26.9M** Dreyfus Funds – AAA Rating Money Market Fund very ST
 - Government MM Fund – Treasury Only
 - Stable Value type of money market (heavily regulated and makes it difficult to break the dollar)
 - **4.48%** Interest Rate
- **\$4.92M** CFC Daily and Monthly Commercial Paper – ST to Medium Term Investment – Daily to Monthly A2 Moody and S&P A-
 - Daily Fund - **4.20%**
- **\$4.86M** CoBank Commercial Paper Investment – AA- Moody and S&P
 - 60-day Investment – **3.68%**
- **\$279,258** Central Pacific Bank – Backup Checking in NISC if needed
 - Backup for Checking in Money Market (unlimited) account
 - **3.63%**

Questions?

KIUC BOARD POLICY NO. 29
EQUITY MANAGEMENT PLANNING

PURPOSE OF POLICY:

To develop and keep current a plan for optimizing the members' equity in KIUC that facilitates providing safe and reliable electricity to its members at the lowest reasonable cost, while maintaining KIUC's financial strength and retiring member patronage equity on a timeframe consistent with the cooperative principles (the "Equity Management Plan" or "EMP"). The EMP seeks to maintain a balance of the sometimes conflicting objectives of maintaining the lowest reasonable cost of electricity with the need for healthy margins and financial ratios which can provide for a reasonable patronage capital retirement cycle.

EQUITY MANAGEMENT PLAN OVERALL OBJECTIVE:

The overall objective of the EMP is to implement financial policies, consistent with the overall objective of providing safe and reliable electricity at the lowest reasonable cost, which serve to achieve margins and resulting financial performance ratios and retain patronage equity capital sufficient to (i) maintain a sound financial position, (ii) provide uninterrupted access to additional debt capital under KIUC's financing documents, even during difficult capital market conditions, at interest rates that reflect a highly credit worthy borrower, (iii) maintain unused financial liquidity to meet all counterparty obligations under reasonably foreseeable operating circumstances, and (iv) provide for the retirement of member patronage capital to both non-current former members and current members on a reasonable retirement cycle.

POLICY CONTENT:

I. Objectives of KIUC's Equity Management Plan

The development and implementation of KIUC's EMP will consider relevant financial, economic, strategic, regulatory and other considerations including:

1. KIUC's growth prospects and need for utility plant financing.
2. KIUC's ~~and its~~ expected debt service coverage capacity and equity capitalization ratio.
3. KIUC's ~~its~~ rate competitiveness, including factors such as the need to accumulate equity or reduce consumer's effective costs by returning their capital as patronage dividends.
4. KIUC's balances of unretired member patronage equity by vintage year and the resulting patronage capital retirement term.
5. Legal, tax, and other regulations, and accounting principles.

II. Matters to be Addressed in the EMP

KIUC's Equity Management Plan will address the following matters:

1. ~~Consideration~~A range of forecasted growth rates in total capitalization of KIUC based upon expected changes in the level of membership and electricity sales.
2. Construction of needed additions to KIUC's plant and facilities using a combination of long-term debt and general funds.
3. Maintenance of the facilities of KIUC in a safe and reliable operating condition.
4. Estimated debt financing requirements and the blended costs of debt.
5. Goals for minimum debt service coverage from margins.
6. Goals for total equity to total capitalization~~assets~~.
7. Maintaining adequate working capital, ~~and~~ cash reserves, and unused lines of credit.
8. Establishing a capital credit rotation program on an appropriate cycle, complying with all applicable loan requirements of the lending institutions, and subject to any binding direction from the Hawaii Public Utilities Commission (HPUC).

III. Equity Management Planning Implementation

KIUC's equity management planning shall be implemented as follows:

1. Management shall be accountable for development of KIUC's Equity Management Plan for approval by KIUC's Board.
2. Management shall strive to update EMP as changes and circumstances warrant with an anticipated cycle of every five to seven at least once every three years in keeping with the past and current members' overall best interests.
3. The current KIUC Equity Management Plan shall be deemed incorporated herein and a copy shall be attached to the version of this policy posted on KIUC's website, www.kiuc.coop, as Exhibit "A" thereto.

IV. Responsibility

The KIUC Board and President & CEO are jointly responsible for compliance with this policy.

Adopted on this xx day of xxxxxx 20xx

Calvin Murashige
Secretary

Reviewed: Xx/xx/xxxx
 Reviewed: 09/23/2021
 Reviewed: 02/26/2019
 Reviewed: 01/31/2017
 Reviewed: 03/27/2015
 Original Adoption: 09/25/2012