

## September 2022 Board Meeting Summary

The Lake Region Electric Cooperative (LREC) Board of Directors convened at 8:00 a.m. on Thursday September 29, 2022 at the cooperative's headquarters in Pelican Rapids, Minnesota. The Board of Directors approved the minutes of the August 25, 2022 board meeting. Approval was also given to the consent agenda items of expense reports, new memberships, capital credit retirements to estates, disbursements and legal bills.

**CEO Report:** CEO Tim Thompson presented on the changing landscape of industry and the impact that high natural gas prices have on LREC, GRE's new transmission, Connexus' exit from being a member of Great River Energy. Identified legislators and key races.

**Strategic Plan:** Thompson presented rate history and new revenue being needed in the near future. Human Resources Manager Theresa Halverson presented on safety, succession planning, employee engagement, community engagement and events, rates, shared economies, services, partnerships and communications. VP of Engineering and Operations Al Fazio presented on vegetation management, construction work plan, distribution grid improvement program (DGIP), plan to ensure adequate and effective workforce, cross department training and supporting a strong safety culture. VP of Business Solutions Dylan Aafedt presented strategic plan for Peak Demand Reduction, Data Analytics, Natural Gas, Products and Services, marketing and communications, information technology, customer service and collections. Manager of Finance Amanda Bunkowski presented strategic planning for Finance.

**Compensation and Benefits:** Human Resources Manager Theresa Halverson presented on wage and benefit forecast. Action was taken by board to approve Resolution of the Board of Directors Authorizing the Amendment and Restatement of the Retirement Security and/or 401(K) Pension Plan.

**Financial Report:** The August 2022 financials were approved as presented. The quarterly write-offs for LREC were approved by the board as presented. The board approved the 2021 IRS Form 990 as presented. The board approved the 2022 Capital Credit Retirement of 2% and the total general retirement amount of \$1,863,452.00.

**DSM Rates:** Kristi Robinson of Star Energy Services presented on DSM rates. The board approved increases to DSM rates.

**Vegetation Management:** Board approved budget expansion for vegetation management by \$125,000.00.

**Policies:** Policy 303 – Emergency Preparedness: was discussed and tabled for revisions; Revisions to Policy 305 – Purchasing, were approved by the board; Policy 309 – Meeting Room Facilities: was discussed and tabled for revisions; Revisions to Policy 602 – Member Attendance and Board Meetings, were approved by the board; the board approved Addendum A to Policy 610 as presented regarding DSM rate changes.

**Lake Region Energy Services (LRES):** The August 2022 financials were approved as presented. The LRES quarterly write-offs were approved as presented.

**Great River Energy (GRE):** GRE board materials were provided to the board. Tim Thompson provided an update on the GRE Member Manager Group.