

MILLE LACS ENERGY COOPERATIVE
Aitkin, MN 56431

The regular meeting of the Board of Directors of the Mille Lacs Energy Cooperative was held at its office on April 28, 2022. All board members were present.

President Harold Harms called the meeting to order at 9 a.m.

All team leaders were present for their reports. Executive Assistant Debra Chute was also present. Everyone joined in the Pledge of Allegiance.

These minutes being transcribed by or under the direction of Secretary/Treasurer, Barbara Welty, the following proceedings have all action being first duly moved and seconded, and all action taken being upon the unanimous vote of the Board, or without dissenting vote or abstention, unless otherwise stated.

M/S/P to approve consent agenda items - expense vouchers for the period ending April 28, 2022; agenda for the April 28, 2022 regular board meeting; and minutes of the March 24, 2022 regular board meeting.

Management team and financial reports for March 2022 were reviewed and accepted upon motion.

M/S/P to approve the Board Resolution authorizing William Fillion, MLEC Operations Manager to sign on behalf of MLEC all legal documents associated with permits necessary for the operation of MLEC.

Said resolution is attached to these minutes.

MLEC 990 Review

As part of the board's due diligence, the 990/990T Tax Report was reviewed prior to filing.

M/S/P to approve the 2021 990/990A Tax Report.

PRESENTATION

Kerri Arnold of Newport Group joined the meeting virtually. She reviewed state, regional, and national status of CEO salary comparisons.

The Board met in Executive Session to discuss MLEC's CEO Sarah Cron salary.

M/S/P to approve the 2022-2023 salary for CEO Sarah Cron.

VOTING

2.1 RECOMMENDED WRITE-OFFS

M/S/P to approve the recommended electric and internet write-offs for this month in the amount of \$2,464.00.

2.2 POLICY REVIEW

M/S/P to approve the following revised policies:

- Policy No. 201 – Financial Policy
- Policy No. 201A – Petty Cash
- Policy No. 201B– Checks Under \$25
- Policy No. 201C – Corporate Credit Card
- Policy No. 202 – Investment Policy
- Policy No. 202A – Investment Procedure
- Policy No. 203 – Bank Depositories & Safety Deposit Box

2.3 ACTIVITY REPORTS

- GRE – March and April 2022 GRE Board Reports submitted by Harold Harms were reviewed.
- MREA – MREA March 2022 Board notes were reviewed. MREA First Quarter 2022 Report was reviewed.
Legislative Bulletins from March 25, April 1 and 8, 2022 were reviewed.
Aileen DeMenge was elected to serve as MREA’s District 2 Director at MREA’s Annual Meeting held March 16, 2022.
- RESAP – None
- RUS – None
- CFC – Official notice of CFC’s 2022 Annual; Membership Meeting scheduled for June 20 was reviewed.
- NRECA – None
- MAC – None
- FEDERATED – Chad Knutson of Federated Rural Electric Insurance Exchange recently visited MLEC to conduct a safety and loss prevention assessment.
- NRTC – None
- RESCO – None
- NISC – None
- Other
CoBank – Notice of CoBank 2021 Patronage was reviewed.
CoBank 2022 Proxy Ballot is included was reviewed and voted on.
M/S/P to vote for CoBank Bylaw Amendments.

M/S/P to accept the activity reports.

REPORTS

3.1 SAFETY CONTROL

Deanna Soderberg of PLS presented Procedure Manual Updates and Lockout/Tagout on April 13th

The next safety meeting is scheduled for May 5th with Deanna of PLS conducting a *Forklift Training*.

The 2022 Safety Meeting schedule was reviewed.

The 2022 Safety Cross was reviewed.

3.2 QUARTERLY ARTICLES/BYLAWS REVIEW

The quarterly review of the Articles and Bylaws included the second third of the Bylaws.

3.3 MLE COMMUNITY TRUST UPDATE

Per Article XXI of the Trust's Bylaws, The Trust Board's Annual Audit Report and expenditures were reviewed. Chuck Schotzko, Trust Board President, submitted an Operations Round Up report to be included in this year's annual meeting booklet. Chuck plans to attend MLEC's Annual Meeting.

SCHEDULED MEETINGS

NRECA Director Online Classes

Upcoming online classes being offered by NRECA was reviewed.

4.1 MLEC Annual Meeting, Minnesota National Golf Course

Thursday, May 5, 2022

Attending: All directors.

4.2 MREA District 2 Meeting

Friday, July 15, 2022, Lake Country Power, Cohasset, MN

Attending: All Directors

4.3 MREA New Director Orientation, Bloomington, MN

August 8 -9, 2022

Attending: Mark Anderson

4.4 MREA Energy Issues Summit

Wednesday – Thursday, August 10 – 11, 2022, Radisson Blu Mall of America, Bloomington

Attending: Harold Harms, Carol Pundt, Mike Reem, Bruce Robinson

GRE Meeting, October 5 – 6, 2022, Maple Grove

Special Guest Invite: Carol Pundt

4.5 NRECA Credentialed Cooperative Director Training, Maple Grove

November 16 – 18, 2022 AND November 30 – December 2, 2022

Attending: Carol Pundt and Mark Anderson

Other Meeting Information:

- May 28th:
 - Election of Officers/Reorganization
 - Annual Board Duties and Responsibilities Review
 - NRECA Governance Video or Article

- June 23rd:
 - Board Fees
 - NRECA Governance Video or Article

- July 26th:
 - NRECA Governance Video or Article

MREA 2022 Board Meeting Dates:

- Tuesday – Wednesday, June 21-22
- Thursday - Friday, August 11-12
- Tuesday – Wednesday, October 18-19
- Tuesday – Wednesday, December 20-21
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NOTE: If anyone is interested in attending a MREA Board meeting, please let Deb Chute and Director Aileen DeMenge know so arrangements can be made.

4.8 Board Meeting Dates:

- Friday, May 27, 2022
- Thursday, June 23, 2022
- Thursday, July 28, 2022

M/S/P to approve Thursday, July 28, 2022 board meeting date.

M/S/P to approve director participation at all scheduled meetings.

Confidential Discussion/Update

CEO Sarah Cron updated the board on confidential issues.

Meeting adjourned at 12:30 p.m.

Secretary/Treasurer

Harold Harms, President