

MILLE LACS ENERGY COOPERATIVE  
Aitkin, MN 56431

The regular meeting of the Board of Directors of the Mille Lacs Energy Cooperative was held via Zoom on April 22, 2021. All board members except Don Appel were present.

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

All team leaders except Lincoln Messner were present for their reports. Executive Assistant Debra Chute was also present. Everyone joined in the Pledge of Allegiance. Also present for a portion of the meeting via Zoom were Jean Luke Arel and Derek Flanagan of Eide Bailly, LLP, and Heinrich Brucker of Ryan, Brucker & Kalis, Ltd.

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 22, 2021; agenda for the April 22, 2021 regular board meeting; and minutes of the March 18, 2021 regular board meeting.

Management team and financial reports for March 2021 were reviewed and accepted upon motion.

M/S/P to approve Member Allocation of Capital Credits. Mille Lacs Energy Coop Allocation is in the amount of \$660,720 and Great River Energy Allocation is in the amount of \$403,224.

M/S/P to approve the Board Resolution authorizing Sarah Cron, MLEC CEO to open a new corporate account at Neighborhood National Bank.

M/S/P to approve the Board Resolution authorizing Sarah Cron, MLEC CEO to sell property owned by MLEC located at 23329 US Highway 169, Aitkin, MN 56431, and to sign all legal documents associated with the sale of said property.

Said resolutions are attached to these minutes.

#### 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 \$3,977.74.

## 2.2 POLICY REVIEW

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

- Policy No. 401 – Collection Procedures
- Administrative Policy No. 401A – Guidelines for Denying Consumer Request for Additional Services
- Policy No. 402 – Defaulted Check/ACH Payment Service Charge
- Policy No. 403 – Adjustments for Billing Inaccuracies

## 2.3 ACTIVITY REPORTS

- GRE – March 2021 GRE Board Report submitted by Harold Harms was reviewed. Harold gave a verbal report from the April GRE meeting.
- MREA – Legislative Bulletins from March 12, 19, and April 9, 2021 were reviewed.
- RESAP – A Thank You letter from Lidia Dilly Jacobson for MLEC’s participation in Rural Electric Safety Achievement Program.
- RUS – no report.
- CFC – no report.
- NRECA – no report.
- MAC – no report.
- FEDERATED – no report.
- NRTC – no report.
- RESCO – Information regarding RESCO 2021 Director Candidate Nominations was reviewed. A recommendation was made to nominate Don Appel as a RESCO Director Candidate.
- NISC – no report.
- Other – none

M/S/P to accept the activity reports.

## REPORTS

### 3.1 SAFETY CONTROL

Deanna Soderberg of PLS conducting a *Field Audit* on March 16<sup>th</sup>. MREA presented *ATV Safety* on April 1, 2021. Deanna Soderberg presented *AWAIR, Bloodborne Pathogens, and Right to Know* to all employees on April 13<sup>th</sup>.

The next safety meeting is scheduled for May 12<sup>th</sup> with MREA presenting *Tree Trimming*, and May 13<sup>th</sup> with Deanna of PLS conducting a *Field Audit*.

The 2021 Safety Meeting schedule was reviewed. Barb Welty would like to attend the August 1<sup>st</sup> Defensive Driving meeting.  
The 2021 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. Jack Gilbertson, Trust Board President, submitted an Operations Round Up report to be included in this year's annual meeting booklet.

### 3.4 POLICY 203 – ANNUAL SAFETY DEPOSIT BOX INSPECTION

A list of contents of the MLEC Safety Deposit Box at Neighborhood National Bank in Aitkin was last reviewed as of May 14, 2019.

M/S/P to instruct Secretary/Treasurer Barb Welty and Debra Chute, MLEC Executive Assistant to conduct a physical inventory of the contents in the box.

### PRESENTATION

Jean Luke Arel and Derek Flanagan of Eide Bailly, LLP attended the meeting via Zoom to review the 2020 MLEC Audit Report. Also attending via Zoom was MLEC Attorney Heinrich Brucker.

M/S/P to accept the 2020 MLEC Audit Report.

### SCHEDULED MEETINGS

4.1 MLEC Annual Meeting, Grand Casino Mille Lacs  
Thursday, May 6, 2021  
Attending: All directors

4.2 NRECA New Co-op Leaders Orientation  
May 18 – 20, 2021, Online  
Registration for two attendees has been done.  
Attending: Carol Pundt and Lincoln Messner, MLEC Accounting and Finance Manager

4.3 MREA District 2 Meeting  
Friday, July 16, 2021, Lake Country Power, Cohasset, MN  
Attending: all directors except Harold Harms.

4.4 MREA Energy Issues Summit  
Wednesday – Thursday, August 11 – 12, 2021, Radisson Blu Mall of America, Bloomington  
Attending: Final decision on who is attending will be made at a future board meeting.

### 4.5 Other Meeting Information:

- May 27<sup>th</sup>:
  - Election of Officers/Reorganization
  - Annual Board Duties and Responsibilities Review
  - NRECA Governance Video or Article

- June 24<sup>th</sup>:
  - Board Fees
  - NRECA Governance Video or Article
  
- July 22<sup>nd</sup>:
  - MLEC 990 Review
  - NRECA Governance Video or Article

MREA 2021 Board Meeting Dates:

- Tuesday/Wednesday – April 20-21
- Tuesday/Wednesday – June 15-16
- Tuesday/Wednesday – August 17-18
- Tuesday/Wednesday – October 19-20
- Tuesday/Wednesday – December 21-22

NOTE: If anyone is interested in attending an MREA Board Meeting, please let Deb Chute and Director Barb Welty know so arrangements can be made.

4.6 Board Meeting Dates:

- Thursday, May 27, 2021
- Thursday, June 24, 2021
- Thursday, July 22, 2021

M/S/P to approve Thursday, July 22, 2021 board meeting date.

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

Barb Welty was recognized for 20 years on MLEC Board of Directors, and Harold Harms for 10 years.

Confidential Discussion/Update

CEO Sarah Cron updated the board on confidential issues.

Meeting adjourned at 11:50 a.m.

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Barbara G. Welty, Secretary/Treasurer

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Harold Harms, President