

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 in Aitkin, Minnesota on July 20, 2020. All board members were present.

President Harold Harms called the meeting to order at 9:00 a.m.

Sarah Cron, CEO and Executive Assistant Debra Chute were 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 were had: (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 the Consent Agenda Items - Expense vouchers for the period ending July 20, 2020, agenda of the July 20, 2020 regular board meeting, and minutes of the June 18, 2020 regular board meeting.

MLEC Accounting and Finance Manager Lincoln Messner, presented the June financial report. Scott Nutting, Energy Advisor, gave an update on meter loop installations for new services and MLEC's generator program.

The team reports and financial statement for the month of June 2020 were reviewed and accepted upon motion.

VOTING

2.1 Recommended Write-offs

M/S/P to approve the recommended electric, long distance, and internet, write-offs for this month in the amount of \$4,850.87.

2.2 Policy Review

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

- Policy No. 107 – Cooperative Records
- Policy No. 108 – Whistle Blower Policy
- Policy No. 301 – Organization
- Administrative Policy No. 301A – Selection of Employees
- Administrative Policy No. 301B – Relocation Assistance
- Administrative Policy No. 301 C – CEO Relocation Assistance and Agreement
- Policy No. 902 – Energy Theft and Vandalism

2.3 BOARD FEES

Board of Directors fees and expense reimbursement were discussed.

Per diem is currently \$299 per day. Retainer is currently \$511 per month.

M/S/P to keep Board of Director fees at the current amounts.

2.4 ACTIVITY REPORTS

GRE – The June 2020 GRE Board Report submitted by Harold Harms were reviewed. Harold gave a verbal update on the July GRE Board Meeting.

MREA – District 2 Zoom meeting was discussed and reviewed.

MREA June 2020 newsletter was reviewed.

RUS – None

CFC – Notice of CFC Special Meeting and Bylaw Amendment were reviewed.

M/S/P to vote in favor of the proposed amendments to CFC Bylaws.

M/S/P – Voting Delegate – Harold Harms; Alternate Delegate – Don Appel.

NRECA – None

MAC – None

FEDERATED – None

NRTC – None

RESCO – None

NISC – None

OTHER – CoBank director candidates David Kragnes and Mike Nordwald letters of introduction were reviewed.

M/S/P to accept the activity reports.

2.5 Banking Authorization Resolution Changes

Resolutions were presented to add Lincoln Messner, Accounting and Finance Manager, to MLEC's financial accounts.

M/S/P on said resolutions. Resolutions are attached to these minutes.

Financial institutions and banks include:

CoBank

CFC

RUS

Deerwood Bank – Lock Box Account

Neighborhood National Bank –

General Fund Account

Capital Credit Account

Flex Spending Account

E-Bill Account

Billing Direct Deposit Account

Safety Deposit Box

Security State Bank – Construction Account

Woodland National Bank (Onamia) – General Account (linemen use this to deposit cash collected in Onamia area)

REPORTS

3.1 Safety Control

Safety trainings have been on hold with the COVID-19 Pandemic; they will need to be rescheduled when we are able to conduct in person training or conducted as online training.

The next safety meeting is scheduled for July 24th with MREA presenting *Pole Top/Bucket Rescue with Emergency Actions*. Deanna Soderberg is scheduled to conduct *Crew*

Observation/Field Audit on August 13th.

The 2020 Safety Cross was reviewed.

Mille Lacs Energy Cooperative received a "Certificate of Safety Achievement" from Rural Electric Safety Achievement Program (RESAP).

3.2 Quarterly Articles/By-laws Review

The quarterly update included the final third of the By-Laws.

SCHEDULED MEETINGS

4.1 MREA Energy Issues Summit, August 18 – 20, 2020, Radisson Blu Mall of America, Bloomington Wednesday & Thursday

Attending: All directors and CEO Sarah Cron.

M/S/P to appoint Aileen DeMenge as the voting delegate.

4.2 MLEC Strategic Planning Meeting with CFC, September 22 – 23, 2020

Tuesday – Wednesday

Location to be determined.

Attending: All directors and managers, and CFC staff

4.3 NRECA Regional Meeting, Online October 12 – 16, 2020

Attendance will be determined when the schedule is finalized.

Voting Delegate – Harold Harms

Alternate – Sarah Cron

4.4 Other Meeting Information

Three month look ahead @ MLEC Board meeting NON-Reoccurring Agenda Items:

- Friday, August 21st:
 - Annual Rate Comparison
 - NRECA Board Governance Video or Article

- Thursday, September 17th:
 - Cold Weather Rule Appeals Committee
 - Budget Parameters for 2020
 - MLEC 990 Review
 - NRECA Board Governance Video or Article

- Thursday, October 15th:
 - Unclaimed Property
 - Annual Technology Plan Update
 - NRECA Board Governance Video or Article

Remaining MREA 2020 Board Meeting Dates:

- Tuesday/Wednesday = August 18 - 19

- Tuesday/Wednesday = October 20 - 21
- Tuesday/Wednesday = December 15 - 16

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

4.5 Board Meeting Dates

- Friday, August 21, 2020
- Thursday, September 17, 2020
- Thursday, October 15, 2020

2021 Annual Meeting Date: Discussion was held on the 2021 Annual Meeting Date. No date was selected at this time.

M/S/P to approve Thursday, October 15, 2020 Board meeting date.

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

Confidential Discussion/Update

Sarah updated the Board on confidential issues.

The Board reviewed the NRECA Board Governance article titled "Open Board of Directors Meetings".

The Board met in Executive Session starting at 11:50 a.m.

Meeting adjourned at 12:05 p.m.

Barbara G. Welty, Secretary/Treasurer

Harold Harms, President