

MILLE LACS ENERGY COOPERATIVE
Aitkin, MN 56431

The regular meeting of the Board of Directors of the Mille Lacs Energy Cooperative was held virtually via Zoom on November 19, 2020. All board members were present.

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

Management team members Sarah Cron, Mary Ward, Lincoln Messner, Bill Fillion and Executive Assistant Debra Chute were also present.

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 consent agenda items expense vouchers for the period ending November 19, 2020, agenda for the November 19, 2020 regular board meeting, and minutes of the October 18, 2020 regular board meeting.

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

Audit Proposals

Lincoln Messner, MLEC Accounting and Finance Manager, presented proposals from four companies to conduct MLEC's audits.

M/S/P to approve the proposal presented by Eide Bailly to conduct MLEC audits for 2020, 2021 and 2022.

2021 Updated Proposed Budget was presented for Board review and discussion.

2020 Preliminary General Retirement Calculation

Management recommended retiring capital credits in the amount of \$832,149 to be applied to the bills of active members or by check in December.

M/S/P to retire capital credits as recommended by the Management Team.

VOTING

2.1 Recommended Write-offs

M/S/P to approve the recommended electric, long distance, internet and other accounts receivable write-offs for this month in the amount of \$10,737.94.

2.2 Policy Review

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

- Policy No. 308 – Employee Expense Voucher
- Policy No. 309 – Use of Cooperative’s Equipment
- Administrative Policy No. 309B – PC and Communication Resources User Guidelines
- Administrative Policy No. 309C – Remote Access to MLEC’s Network Equipment
- Policy No. 310 - Loss Control

2.3 Board Activity Reports

GRE – The October 2020 GRE Board Report was submitted by Harold Harms for review. Harold gave a verbal update of the November 2020 GRE Board Meeting.

MREA – MREA October 2020 Board of Directors Informal Summary was reviewed.

MREA Legislative Update from October 30, 2020 was reviewed.

MREA Resolutions Review for 2021 information and deadlines were reviewed.

RUS – No report.

CFC – CFC 2020 Director Elections Update was reviewed.

CFC 2020 Patronage Capital Allocation Information was reviewed.

Information regarding CFC’s One Card Program was reviewed. On purchases MLEC made from September 1, 2019 to August 31, 2020, we earned a cash rebate of \$917.42.

NRECA – No report

MAC – No report.

FEDERATED – No report.

NRTC – No report.

RESCO – No report.

NISC – No report.

M/S/P to accept the activity reports.

REPORTS

3.1 Safety Control

MREA presented Overhead Transformers on October 14th.

The next safety meeting is scheduled for December 14th with Deanna Soderberg of PLS presenting *Spill Clean Up and Hearing Protection*.

The 2020 Safety Cross was Reviewed.

SCHEDULED MEETINGS

4.1 NRECA Annual Meeting, Online

February 18 – 24, 2021

2020 Voting Delegate was Harold Harms, Sarah Cron was alternate.

2021 voting delegate and alternate will be discussed at the December board meeting.

4.2 MREA Annual Meeting, St. Paul, MN

March 2 - 3, 2021, Tuesday and Wednesday

Attending: No final decision made at this time.

2020 Voting Delegate was Harold Harms, Don Appel was Alternate.

2021 voting delegate and alternate will be discussed at the December board meeting.

4.3 CoBank Regional Meeting, JW Marriott Mall of America, Minneapolis, MN

March 8 – 9, 2021, Monday - Tuesday

Attending: No final decision made at this time.

4.4 Other Information:

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

- December 17th:
 - 2021 Final Budget Review and Approval
 - Mille Lacs Community Trust Update
 - NRECA Governance Video or article

- January 21st:
 - Alison Deelstra of CFC – Review KRTA
 - Review GRE Power Bill
 - NRECA Governance Videos

- February 18th:
 - Year End Presentation
 - Annual Report to Board on Policy 517
 - NRECA Governance Videos

Remaining MREA 2020 Board Meeting Dates:

- Tuesday/Wednesday = December 15 sa- 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

- Thursday, December 17, 2020
- Thursday, January 21, 2021
- Thursday, February 18, 2021

M/S/P to approve Thursday, February 18, 2021 Board meeting date.

4.6 2021 MLEC Annual Meeting

Discussion was held on the date and location for MLEC's 2021 Annual Meeting.

Thursday, May 6, 2021 at McGregor Community Center was selected as the date and location.

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

M/S/P to approve a Christmas gift of \$50 cash for all employees.

Confidential Discussion/Update

CEO Sarah Cron updated the board on confidential issues.

Regular Board Meeting adjourned at 10:55 a.m.

Barbara Welty, Secretary/Treasurer

Harold Harms, President