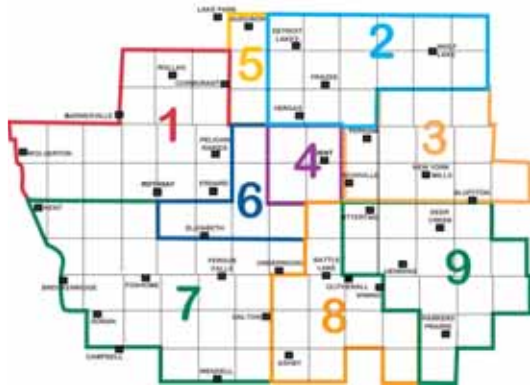


LREC Service Territory



Board of Directors

- District 1—Kathleen Josephson, treasurer
- District 2—Dennis Mathiason
- District 3—Kenneth Hendrickx, chair
- District 4—John Koepcke
- District 5—Charles Kvare, secretary
- District 6—Joyce Valley
- District 7—Jack Lacey, vice chair
- District 8—Sid Wisness
- District 9—Robert Shaw

The mission of Lake Region Electric Cooperative is to provide our members with safe, reliable and cost-effective electric and related services.



Steps to Becoming an LREC Director

Lake Region Electric Cooperative
Pelican Rapids, Minnesota

Your Touchstone Energy® Partner 

About LREC

Lake Region Electric Cooperative is an electric distribution cooperative. It provides power to more than 26,000 members over more than 5,500 miles line. Its service territory includes all or parts of Otter Tail, Wilkin, Becker, Douglas, Todd, Wadena and Grant counties.

LREC corporate headquarters is in Pelican Rapids, Minnesota. An outpost for equipment and lineworkers is located in Ottertail, Minnesota, in the eastern portion of our territory. Current total assets exceed \$80 million.

LREC is a member of Great River Energy in Elk River, Minnesota, a not-for-profit generation and transmission cooperative owned by 28 distribution cooperatives. Most of our power is generated at Coal Creek Station near Underwood, North Dakota. The remaining power is generated in North Dakota, Minnesota and Wisconsin. Renewables include 213 MW of wind energy and biomass. LREC also receives a small allocation of power from the Western Area Power Administration.

Lake Region Electric Cooperative is a Touchstone Energy® partner. Touchstone Energy is a national alliance made up of more than 640 local, consumer-owned electric cooperatives in 46 states. Touchstone Energy co-ops collectively deliver power and energy solutions to more than 30 million members every day. Electric cooperatives distribute power for 75 percent of the U.S. land mass over 2.4 million miles of power lines. As a Touchstone Energy cooperative,

we are dedicated to doing business with integrity, accountability, innovation and commitment to community.

Why does LREC have a board of directors?

When the cooperative was formed in 1937, its founding members approved Articles of Incorporation and Bylaws, which still govern. This document provides for a board of directors, specifies the election procedure and spells out the responsibilities of board members.

Who is on the board of directors?

LREC territory is divided by population into nine districts each of which is represented by one director elected for a three-year term.

When are elections held?

Each year, three of the nine districts nominate candidates for directors at district meetings. Directors are elected in June at the annual meeting. Prior to that, ballots are mailed to members in the nominating districts. Candidates who were nominated at district meetings are listed first on the ballot, with the name of the person receiving the most votes first. Petitioners are listed after those nominated at district meetings. All ballots are tallied by a member Credentials and Elections Committee. Results of the election are announced before the close of the annual meeting.

What are the responsibilities of a director?

Monthly board meetings are usually held the fourth Thursday of each month from about 9 a.m. to 4 p.m. Board responsibilities include:

- Hiring a CEO
- Approving policies and policy revisions
- Approving rates
- Reviewing and approving operating budgets and work plans
- Strategic planning
- Approving various loans and contracts

How much of a time commitment is there?

Directors read a large amount of material to keep up-to-date on legislative and other issues important to cooperatives. Prior to each board meeting directors receive an e-mailed report on the specific business of the cooperative in order to prepare for the meeting.

An average of 40 days per year is necessary for board and other cooperative meetings. In addition, directors attend meetings of related organizations such as Great River Energy, Minnesota Rural Electric Association (MREA) and National Rural Electric Cooperative Association (NRECA) and National Rural Electric Cooperative Finance Corporation (CFC). Most meetings are held within the state.

Directors can also expect to have personal contact with and receive telephone calls from members in their districts.

What else should I know?

Directors sign a conflict of interest certification annually.

Directors must accept committee assignments.

Directors must accept election to leadership positions.

Directors can serve five consecutive three-year terms.

Directors must complete the National Rural Electric Cooperative Association Credentialed Cooperative Director (CCD) certification program within the first three-year term.

Who is eligible?

Candidates must meet the following criteria as stated in the LREC Articles of Incorporation and Bylaws:

- Receive electric service in the district from which they would be elected
- Reside within the district from which they would be elected.
- Cannot have had a felony conviction within the past five years
- Cannot be an LREC employee now nor within the past three years
- Cannot be an employee of nor have a financial interest in a company doing business or competing with LREC
- Cannot be a close relative of any LREC employee (parent, brother, sister, grandparent or grandchild including step, in-law or half)
- Cannot be employed by nor share a material financial interest with an existing director

How do I become a candidate?

At district meetings

Any member of the district may nominate one candidate from the floor at district meetings. Regardless of the number of candidates, only the two receiving the most votes will be on the ballot.

By petition*

Nominee must meet the same qualifications as those nominated from the floor.

Petition must be signed by 50 members of the district and filed with the secretary of the board of directors not more than 30 days after the district meeting.

The secretary certifies signatures and makes sure the candidate meets all qualifications.

Names are placed on the ballot in order of nomination following candidates nominated at the district meeting.

All candidates

Before officially being declared eligible, all candidates undergo an independent background check paid for by the cooperative.

**This action is separate from any nomination taking place at a district meeting. Because voting at district meetings is by secret ballot, there is no way to determine whether a member who signed a petition voted for a candidate nominated at his or her district meeting without violating secrecy requirements.*

Districts by township

District 1—Atherton, Cormorant, Deerhorn, Erhard Grove, Humboldt, Manston, Mitchell, Norwegian Grove, Parke, Pelican, Prairie View, Roberts, Scambler, Skree, Tanberg, Tansem, Trondhjem, and Wolverton

District 2—Burlington, Candor, Detroit, Erie, Evergreen, Gorman, Green Valley, Height of Land, Hobart, Lake View, Runeberg, Silver Leaf, Spruce Grove, Toad Lake, and Wolf Lake

District 3—Blowers, Bluffton, Butler, Corliss, Homestead, Leaf River, Newton, Otto, Paddock, Perham, Pine Lake, and Rush Lake.

District 4—Dead Lake, Dora, Edna, and Star Lake.

District 5—Audubon, Dunn, and Lake Eunice

District 6—Elizabeth, Friberg, Lida, Maine, Maplewood, and Oscar

District 7—Aastad, Akron, Andrea, Aurdal, Bradford, Brandrup, Breckenridge, Buse, Carlisle, Connelly, Dalton, Dane Prairie, Fergus Falls, Foxhome, Lawrence, Meadows, McCauleyville, Nilson, Nordick, Orwell, Pomme de Terre, Sverdrup, Stonybrook, Sunnyside, and Western

District 8—Amor, Clitherall, Eagle Lake, Effington, Everts, Leaf Mountain, Leaf Valley, Lund, Nidaros, Pelican Lake, St. Olaf, and Tordenskjold

District 9—Bertha, Compton, Deer Creek, Eastern, Elmo, Folden, Girard, Henning, Inman, Leaf Lake, Miltona, Oak Valley, Otter Tail, Parkers Prairie, Stowe Prairie, and Woodside

LREC Articles of Incorporation and Bylaws supersede any discrepancy with the information provided in this brochure.