

March 2022 Board Meeting Summary

The Lake Region Electric Cooperative (LREC) Board of Directors convened at 8:00 a.m. on Thursday March 31, 2022 at the cooperative's headquarters in Pelican Rapids, Minnesota. The Board of Directors approved the minutes of the February 24, 2022 board meeting. Approval was also given to the consent agenda items of expense reports, new memberships, capital credit retirements to estates, disbursements and legal bills.

CEO Report: CEO Tim Thompson updated the board with the meeting he and LREC directors Patrick Meyers and Kurt Krueger had with Rep. Jordan Rasmusson and Rep. Paul Marquart, together with Mike Bull and Jenny Glumack of MREA. Thompson highlighted recent Northern Managers Group meeting hosted by LREC and indicated that there was great discussion with other CEOs from various Minnesota co-ops. Thompson updated the board on the testimony he provided to the Minnesota House Climate and Energy, Finance and Policy Committee. Discussed strategic planning involving DER strategy, Future of solar, wind and battery storage.

CoBank: Andy Glover of CoBank presented on battery storage.

Audit: Jim Halvorsen of CliftonLarsonAllen provided the audit presentation, and indicated that the balance sheet is in a strong position.

Financial Report: The February 2022 financials were approved the board as presented. The board approved the LREC quarterly write-offs as presented.

Virtual Member Advisory Committee (VMAC): Dylan Aafedt and Candace Rastedt presented on topics, feedback and interaction resulting from VMAC.

Policies: The board approved changes to Policy 212—Donations; the board approved changes to Policy 215—Director Technology Devices; and the board approved changes to Policy 216—CEO Compensation.

Materials / Supply Chain: Al Fazio presented on increased material costs and supply chain issues that impact LREC. Lead times have changed significantly from past years because of supply chain issues.

Lake Region Energy Services (LRES): The February 2022 financials were approved as presented.