July 2019 Board Meeting Summary

The Lake Region Electric Cooperative (LREC) Board of Directors met at 8 a.m. on Thursday, July 25, 2019 at the cooperative headquarters in Pelican Rapids, MN. The Board of Directors approved the minutes of the June 27, 2019 board meeting. Approval was also given to the consent agenda items of expense statements, disbursements, new memberships, and capital credit retirements to estates.

CEO Report: CEO Tim Thompson reviewed the strategic quarterly report and noted how the cooperative is meeting all of its dashboard goals. The main items are safety, member satisfaction, financial strength, reliability, and natural gas.

A hard copy of the board strategic planning session held with CoBank was distributed to the board.

With several retirements coming up at the end of the year, Thompson mentioned how they are working hard on the succession plan. Succession planning will continue to be a priority in the coming years as more employees reach retirement.

Financial Report: June 2019 financials were approved as presented. Revenue for the month was ahead of budget. The average temperature in June was 4 degrees cooler than in 2018. Power cost and controllable expenses for June were under budget. The hybrid project generated 563,409 kWh from wind production and 43,173 kWh from solar production during the month.

Meeting Review: Directors Tom Jennen and Earl Rydell provided a recap of the Minnesota Rural Electric Association (MREA) District 3 meeting held in Alexandria on July 11.

2020 Annual Meeting: The board decided to hold next year's annual meeting on June 4, 2020 at Life Church in Fergus Falls.

Lake Region Energy Services: The income statement/balance sheet for June 2019 was approved. Operating expenses for the month were on plan. The board was provided the 2019 income statement forecast for review.

Great River Energy (GRE): Board Member Denny Tollefson reported on GRE's most recent board meeting. CEO Tim Thompson and Tollefson commented on the strategic planning sessions with GRE.