

## **October 2023 Board Meeting Summary**

The Lake Region Electric Cooperative (LREC) Board of Directors convened at 8:00 a.m. on Thursday, October 26, 2023, at Lake Region Electric Headquarters located in Pelican Rapids, Minnesota. The Board of Directors approved the minutes of the September 28, 2023, board meeting. Approval was also given to the consent agenda items of new memberships, capital credit retirements to estates, disbursements, and legal fees.

**CEO Report:** CEO Tim Thompson presented a safety moment and shared email correspondence received from Minnesota Rural Electric Association's Safety Coordinator Anthony Lenz. Thompson presented the Quarterly CEO Report for the 3<sup>rd</sup> quarter of 2023 and highlighted goals being met by LREC.

**Great River Energy (GRE):** Director Mike Brasel provided the GRE board meeting update. CEO Tim Thompson provided a GRE Member Manager Group (MMG) update.

**Financial Report:** The September 2023 financials were approved as presented.

**Budget:** CEO Tim Thompson, CFO Amanda Fuller, VP of Business Solutions Dylan Aafedt, VP of Engineering and Operations Al Fazio, and Operations Superintendent Paul Bergren presented preliminary budget and preliminary budget book. The presentation included an Executive Summary of the preliminary budget, Business Solutions preliminary budget, Engineering preliminary budget, Construction expenditures, Capital expenditures, Equipment expenditures and budget strategy.

**Lake Region Energy Services (LRES):** The September 2023 financials were approved as presented. The 2024 Preliminary budget for LRES was presented by CFO Amanda Fuller and VP of Business Solutions Dylan Aafedt presented proposed LRES natural gas increase with CFO Amanda Fuller discussing the financial impact of proposed LRES natural gas rate increase. Action was taken by the Board of Directors to approve the LRES natural gas rate increase as presented, to be effective January 1, 2024.