



Summary of Board Minutes

February 27, 2024

The regular meeting of the Board of Directors of Freeborn Mower Electric Cooperative (“FMEC”) took place at FMEC’s headquarters office, located at 3366 Bridge Avenue, Albert Lea, MN 56007, on Tuesday, February 27, 2024.

All board members were present for this meeting.

Dennis Anderson, Vice Chair	District 1
Jay Neitzell – Joined Remotely	District 2
Steve Garbisch, Treasurer	District 3
Richard Schaufler	District 4
Frank Fryer, Secretary	District 5
Matt Maras	District 6
Jack Korman, Chair	District 7
Bill Trygstad	District 8
Larry Irvine	District 9

Call To Order: At 8:00 a.m., Jack Korman, FMEC Board Chair, called the meeting to order and led the attendees in reciting the Pledge of Allegiance.

Agenda Approval: Chair Korman called for any additions or edits to the agenda. Hearing none, the board voted to approve the agenda for the monthly meeting on February 27, 2024, as presented.

Safety Share: Larry Irvine, Director from District 9, gave an update on heart disease, specifically in men. Some common symptoms of men's heart disease include chest pain or discomfort, shortness of breath, fatigue, nausea, lightheadedness, and pain in the arm, neck, jaw, or back. It's important to note that not all people with heart disease experience these symptoms, and some may not have any symptoms at all.

There are several steps men can take to help prevent heart disease, including:

1. Eating a healthy diet that is low in saturated fats, trans fats, and cholesterol
2. Maintaining a healthy weight
3. Getting regular exercise

4. Not smoking or using tobacco products
5. Managing stress levels
6. Controlling high blood pressure, high cholesterol, and diabetes through medication and lifestyle changes
7. Limiting alcohol consumption

Talking with a healthcare provider to create a personalized plan for preventing heart disease based on individual risk factors and medical history is essential.

Monthly Governance Discussion: Prior to starting the meeting, all board members watched a video entitled "Key Board Traits—Trust, Respect, and Open-Mindedness," created by NRECA. The video aimed to educate the board members on the significance of the key traits necessary for a successful board member. After watching the video, the board members had a productive conversation, and they shared their general comments on the importance of these key traits in their decision-making processes.

The board entered Executive Session at 8:19 a.m.

Executive Session: Jim Krueger updated the board on the two legal suits the cooperative is involved in and details on the upcoming Union Contract negotiations.

The board left the Executive Session at 8:57 a.m.

Union Contract: During the meeting, a motion was made and seconded to approve the proposed changes to the Union Contract. Jim Krueger and Al Stadheim presented the three-year contract.

Enterprise Risk Management Plan: Jim Krueger reviewed the highlights and updates of the FMEC Enterprise Risk Management Plan. Priority areas include the following.

- Employee & Member Engagement
- Financial Strength
- Operational Excellence
- Growth – Economic Development
- Technological Advancements
- God Governance
- Safety

MREA Open Board of Directors Position: Steve Garbisch, MREA voting delegate, will cast the approved FMEC vote for this position at the MREA Annual Meeting on March 19-20, 2024.

Consent Agenda: Approval of the Consent Agenda: Motion carried to approve the Consent Agenda as presented. This includes approval of the monthly board minutes and executive session minutes from the board meeting held on January 23, 2024, approval of new members,

authorization for payments to estates, and acceptance of the audit committee and treasurer's reports, as well as the safety and management team reports.

General Discussion: The topics below were discussed during the meeting, but no decisions or actions were taken.

- Jim Krueger, President & CEO, provided an update on the eight FMEC accounts that will be transferred to Austin Utility's service territory.
- During the board meeting, directors provided an update on the calls they received from members since the last meeting.
- Bryan Skogheim gave an update on the FMEC Solar Power Purchase Agreement (PPA). One solar array will be located west of Albert Lea. The other site is near Grand Meadow.
- FMEC is actively collaborating with potential new businesses to expand our economic development initiatives.

Director's Reports: Bill Trygstad, DPC director, briefed the group about the meetings he attended at Dairyland Power Cooperative (DPC) since our last board meeting. The Rate Study Taskforce will meet in April. Jim Krueger is on this committee and feels the current plan is sufficient. He will be meeting at least monthly from April through December.

Due to their district meetings, DPC did not hold a board meeting in February. However, the DPC financial reports were reviewed.

Trygstad also provided an update on the DPC Wholesale Power Contract Taskforce.

FMEC Financials: Angie Kolker, Director of Finance, presented the monthly FMEC financial reports for January 2024. Bryan Skogheim, Director of Business Development and Energy Solutions, fielded questions regarding the monthly C&I reports.

990 Questionnaires: Each board member completed and returned the IRS Form 990 Questionnaires during the meeting.

Federated Insurance Subscriber's Agreement and Power of Attorney: This agreement was signed by Jim Krueger, President & CEO, and attested by Frank Fryer, Board Secretary.

CFC Officer's Certificate of Compliance and Certification: The NRUCFC Officer's Certificate of Compliance Worksheet and Certification for 2023 was reviewed.

2023 Annual DG-4 Summary: The DG-4 Annual Summary Report on compensation for overproduction on DG systems in 2023 was reviewed. Credit will be reflected on the May 2024 DPC Power Bill.

Policy 1.009: Policy 1.009 – Procurement Conflict of Interest Certification and Disclosure Form was reviewed with no changes. All board and executive team members disclosed any conflicts of interest by reviewing and signing the form.

Policy 2.005: Policy 2.005 – Succession Plan for President and CEO was reviewed with no changes.

Policy 4.029: Motion carried to amend policy 4.029 – Controlled Residential Water Heater Service.

Work Order #1286 and Special Equipment #608 were presented to the Treasurer for signatures.

Motion carried to adjourn this meeting at 12:10 p.m.