



## Summary of Board Minutes

January 23, 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, January 23, 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 January 23, 2024, monthly meeting as presented.

**Safety Share:** Bill Trygstad, Director from District 8, commented it is never ideal to drive in dense or heavy fog. If you have to keep driving without taking a break, the following tips might be helpful to ensure a safe and comfortable journey:

- **Minimize distractions.** Silence your cell phone and the car stereo. Put distractions like your cell phone in a place where you won't be tempted to reach for them while driving, like the glove compartment.
- **Reduce your speed.** Because you can't see the road or other vehicles, a low speed can help you react safely.
- **Roll down your window.** This allows you to listen for cars and emergency vehicles.
- **Use roadside reflectors as a guide.** The markings can help you navigate twists and turns.
- **Turn off cruise control.** This will maximize your control of your vehicle.
- **Use windshield wipers and defrosters.** These will help limit excess moisture on the window and reduce glare.

- **Drive with low beams and fog lights.** High beams/brights can worsen visibility because they reflect off the fog.
- **Use the right edge of the road as a guide.** Helps you stay in your lane and not "drift" into the middle lane.
- **Increase your following distance from other cars** to ensure you have the proper time to respond to any obstacles. A good rule of thumb is to increase your count distance by at least 5 seconds instead of the normal 2 seconds behind another vehicle.
- **Beware of animals on the road.** Animals, especially whitetail deer, feel bolder under the cover of fog and are much harder to see. The lowered visibility in dense fog means less time for you to see them and for them to see you.

**Monthly Governance Discussion:** Before the meeting, each board member watched a video entitled "Navigating Difficult Ethical Issues". A productive discussion ensued, during which all members agreed that boards should review ethical challenges at least once a year.

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

- Jim Krueger, the President & CEO, provided an update on GreatCo-ops and discussed the benefits of their consulting business. The following topics will be covered in the Director's Retreat scheduled for March 27, 2024.
  - Characteristics of a Successful Board
  - Governance Review to include a SWOT analysis
  - Executing and approving the Strategic Plan
- Bill Trygstad commented on a phone call he received from a concerned member regarding our Operation Round Up Program's Opt Out option.
- Jim Krueger provided an update on the Union Contract that will expire in 2024.
- Senator Amy Klobuchar visited our cooperative in late January. The discussion centered on economic development, our revolving loan fund, and the positive impact the funds have made on local businesses.
- Bryan Skogheim gave an update on the HomeServe program that FMEC rolled out. Another letter to members is scheduled to mail in mid-February.

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 December 21, 2023, 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.

**Potential New Business:** FMEC is working on a rate design with Power Systems Engineering to find a rate for this proposed new business. This company is invested in the communities they are a part of, and we are optimistic this business will locate in Albert Lea. This company would generate its own power and use FMEC for standby power.

**Generator Program:** FMEC is currently considering the possibility of offering a Generator Sales Program or Generator Program to its members. Star Energy has a program that is being utilized by

other utilities, which appears to be quite convenient for cooperatives to offer to their own members. FMEC would not have to bear any start-up costs for this program. The demand response for such a program can add value.

**CPR and First Aid Training:** Employees and board members are encouraged to attend the CPR/First Aid training on January 18 and 19.

**Director Reports:** FMEC's Dairyland Power Cooperative (DPC) Director, Bill Trygstad, mentioned that there would be no board meeting update on the DPC monthly meeting as it is scheduled for January 24 & 25. However, he provided an update on their monthly financials.

**FMEC Financials:** Angie Kolker, Director of Finance, presented the monthly FMEC financial reports for December 2023. Bryan Skogheim, Director of Business Development and Energy Solutions fielded questions regarding the monthly C&I reports.

**Write-Offs:** Motion carried to write off uncollectible accounts totaling \$22,825.11 for January through June 2023.

**Inventory Adjustments:** Motion carried to approve the 2023 inventory adjustments totaling \$39,143.20.

**Operation Round-Up:** The fourth quarter ORU disbursements were reviewed. It was agreed by everyone that Sandy Forstner should be acknowledged for his many years of service on the Operation Round Up Board of Trustees.

**Quarterly Subsidiary Reports:** We reviewed the quarterly subsidiary reports for USDA REDL&G & FMEC Energy Improvement Loans, SMEC, Heartland Security Services, and MN Three, LLC.

**Call-to-Order App:** **NISC is making changes to its Call-to-Order app.** Peter Nelson, Director of Informational Technology, will assist board members in ensuring the changes are completed on each iPad.

**Policy Amendments:** Motion carried to amend the below policies.

- 4.004 – Beneficial Electrification Financing
- 4.009 – Line Extension
- 5.023 – Time of Use Peak Alert Service
- 5.904 – Cogeneration and Small Power Production

**Policy 4.019:** Policy 4.019 was reviewed with no changes.

Work Orders #1285 & #991223 and Special Equipment #607 were presented to the Treasurer for signatures.

Motion carried to adjourn this meeting at 12:00 p.m.