



Summary of Board Minutes

March 26, 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, March 26, 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: Jack Korman, FMEC Board Chair, started the meeting at noon and led the attendees in reciting the Pledge of Allegiance. The board had a later start time to hold both their regular monthly and annual meetings on the same day.

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 March 26, 2024, as presented.

Safety Share: Dennis Anderson, Director from District 1, reviewed the importance of smoke alarms in homes and maintenance tips. To clean your home fire alarm, you should first turn off the power to the alarm. Then, use a soft brush or vacuum cleaner to remove dust or debris from the alarm. You can also use a can of compressed air to blow out any dust or debris that may be stuck inside. Once you have cleaned the alarm, turn the power back on and test it to ensure it works correctly.

Monthly Governance Discussion: Before the meeting began, all board members watched a video created by NRECA titled "The Board's Role in the Audit Process." The board has a vital role in this process, and this review was timely as our auditor joined the meeting later in the day.

Termination of LTD Broadband Agreement: FMEC has decided to act against a telecommunication company building a fiber network in our service territory. LTD Broadband, operating under the name Gig Fire, has not paid several invoices for over 90 days.

LTD Broadband is in default under the December 2021 Pole Attachment Agreement. The agreement's termination is effective 60 days from the date of the letter sent on March 8, 2024.

Audit Update: Due to weather conditions, Dave Holt from Brady, Martz & Associates joined the meeting via phone and presented an update on the audit of FMEC financial statements for the year ended December 31, 2023. A motion was made and the audit report was accepted as presented. All staff then left the meeting so the board could discuss topics of concern privately with the auditor.

RESCO Request for Director Candidate Nominations: Jim Krueger, President & CEO, reviewed the RESCO Board of Directors nomination process and said if board members are interested, it would be discussed at the April Board Meeting.

HF3895: Minnesota's rural electric cooperatives are against HF3895. This legislation is opposed for the following reasons:

- It rejects standard data privacy practices.
- It threatens effective cooperative management.
- It undermines local control.
- It impairs meaningful member engagement.

The rural electric cooperatives in Minnesota will continue to work with MREA to oppose this legislation.

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 February 27, 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.

- The Union has approved the labor contract, and it will come into effect on April 20, 2024.

- Our cooperative is collaborating with Riverland Community College's Albert Lea Campus to convert the cooperative's 1946 truck into an electric vehicle. Questions related to the conversion process were answered.
- DPC is upgrading its load management platform by replacing the analog system with Wi-Fi and cellular communication technology. This will enable newer technologies to participate in demand response while providing more accurate demand response data. FMEC has been given 5-7 years to replace all the old load management receivers with cellular technology.
- FMEC will add a DG interconnection fee of \$500 to all interconnection agreements. This cost will align with our neighboring co-ops and will become effective on May 1, 2024.

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 group also reviewed DPC's monthly financial report for February.

DPC Annual Meeting: All board members, Jim Krueger, Peter Nelson, and Bryan Skogheim, will attend the DPC Annual Meeting on June 5, 2024, in LaCrosse, WI.

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

ERP Certification: For the Emergency Restoration Plan (ERP) exercise, Peter Nelson, Director of Information Technology, reviewed a simulated phishing attack and discussed how FMEC would handle a cyber security attack if it were to occur.

Policy 6.029: Motion carried to amend Policy 6.029 – Vacation, Sick Leave, and Holidays.

Policy 4.017: Policy 4.017 – Limited English Proficiency Policy was reviewed with no changes. The updates to the plan of action were also discussed.

Policy 6.041: Motion carried to amend Policy 6.041 - Remote Work.

Rate Change Update: Motion carried to approve the rate components of the 2024 rate changes as presented. The effective date will be September 1, 2024.

Work Order #1287 and Special Equipment #609 were presented to the Treasurer for signatures.

Motion carried to adjourn this meeting at 4:00 p.m.