

October 2024 Board Meeting Summary

The Lake Region Electric Cooperative (LREC) Board of Directors convened at 8 a.m. on Thursday, Oct. 31, 2024 at LREC main office in Pelican Rapids. The Board approved the minutes of the Sept. 26 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 began by informing the Board about ‘Tailgating with Tim’, an event where Thompson and other LREC staff traveled to the Elmo substation outside of Henning to meet with line workers for a lunch grilled on-site, receive an update on project status and provide an important safety message. Thompson also shared a business process improvement implemented through an iPad system upgrade that allows crews in the field to record regulator readings electronically, thereby improving efficiency and reducing human error. Thompson presented updated Key Ratio Trend Analysis (KRTA) data, provided by the Cooperative Finance Commission (CFC), describing it as a valuable tool to measure LREC against other co-ops on equity, rates and reliability. Allison Deelstra from CFC is planned to present additional KRTA detail for the November Board meeting. Thompson detailed preliminary plans to hold two/three Coffee with the Co-op events this summer to connect with our members. Thompson finished by presenting the 2024 Q3 CEO Strategic Plan Report, highlighting the corporate scorecard and achievement of LREC safety, financial, reliability and natural gas quarterly goals with final results regarding member satisfaction to come in November.

Engineering & Operations: Kristi Robinson, a consultant from Star Energy Services, presented details of the 2025 Construction Work Plan to the Board. The Board approved the almost \$35 million dollar 4 year plan.

Financial Report: CFO, Amanda Fuller and Vice President of Engineering and Operations, Al Fazio presented details of the 2025 preliminary budget. The final 2025 budget will go before the Board for approval at the Nov. 26 meeting.

The Board approved the September 2024 financials as presented.

Lake Region Energy Services (LRES): The Board approved the September 2024 financials as presented.

Great River Energy (GRE): Board Member Mike Brasel discussed key topics from the October Board meeting and GRE’s September financial results. CEO Tim Thompson reported on the most recent member managers’ meeting.