

STEARNS ELECTRIC ASSOCIATION BOARD OF DIRECTORS MINUTES

JANUARY 2020

The regular meeting of the Board of Directors of Stearns Electric Association was held on January 30, 2020 at 1:00 p.m. at the Stearns Electric Association office located in Melrose, Minnesota.

CEO Robin Doege reported on a NRECA government affairs meeting noting that they were instrumental in the passing of the RURAL Act where cooperatives wouldn't lose potential FEMA funding due to their taxation status.

The current financial condition of the Cooperative's subsidiary businesses was reviewed. Heartland Security ended 2019 with good net income. Carr's Tree Service exceeded both sales and net income projections as well.

VP of Administration and Finance Vicky Herkenhoff reviewed information related to personnel matters. The Member Services report included information on bad debts and EnergyWise® Program participation. Various rebates and incentives were also included.

VP of Engineering and Operations Matt O'Shea gave an overview of various items from the Operations division including the 2019 construction and distribution system statistics. After providing an update on the work management project, a board member asked Mr. O'Shea to explain what work management is used to accomplish. Simply stated, it is an electronic flow of work that allows the Cooperative to know the progress of a task or project at any point in time. It allows the Cooperative to be paperless and track our progress through the use of technology.

Safety and Reliability reports were provided for examination. Mr. O'Shea explained how the frequency of outages has decreased which is also part of the employee incentive plan. The 2020 Safety Campaign (Work Safe—Home Safe) was introduced to illustrate that Cooperative employees are also part of the communities we serve.

Next Meeting: March 26, 2020

