

STEARNS ELECTRIC ASSOCIATION BOARD OF DIRECTORS MINUTES

FEBRUARY 2020

The regular meeting of the Board of Directors of Stearns Electric Association was held on February 27, 2020 at 1:00 p.m. at the Stearns Electric Association office located in Melrose, Minnesota.

Manager of Finance, Cindy Anderson reviewed the final December 2019 financial statement which included the deferred revenue entry not previously available. Ms. Anderson followed with the annual financial results of the Cooperative's subsidiary businesses.

CEO Doege was asked to testify in front of the Minnesota House Energy Committee, which is intended to promote consumer protection and provide transparency to the public on the cost of energy rates by posting them online. CEO Doege testified this is already done by cooperatives. The bill, if passed, would mandate additional rate reporting to the Public Utilities Commission which is already on Cooperative websites. CEO Doege explained that energy is such a focal point of this year's session that MREA has an additional lobbyist to protect the interests of electric cooperatives.

VP of Engineering and Operations Matt O'Shea shared a comprehensive review of work completed in 2019, planned 2020 project goals, personnel changes, safety information, job/vehicle inspections, and right-of-way clearing projects. Planned equipment and substation upgrades were also included. Mr. O'Shea presented the results of the recent RUS system operations and maintenance review of programs, processes and records. This review occurs every four years to assess loan security and determine borrower compliance with RUS policies. Results of the review indicated excellent maintenance processes, condition of new construction, and general substation conditions.

Safety and Reliability reports were available for examination.

Next Meeting: April 23, 2020

