

STEARNS ELECTRIC ASSOCIATION BOARD OF DIRECTORS MINUTES

NOVEMBER 2020

The regular meeting of the Board of Directors of Stearns Electric Association was called to order on November 24, 2020 at 1:00 p.m. via Zoom.

Manager of Finance Cindy Anderson reviewed the October 2020 financial and statistical information. Ms. Anderson reported strong year-to-date gross margins compared to budget due primarily to a lower power cost rate and higher sales volume.

Stearns Electric received a GRE refund on our power bill. This refund was provided by GRE to help offset increased costs associated with COVID-19 (potential increase in bad debt write offs, late payment fees waived, delayed payment arrangements, etc.)

Discussion took place regarding the balance between margins, the equity management plan and Capital Credit payouts.

CEO Robin Doege reported on the financial condition of the Cooperative's subsidiary businesses.

The proposed 2021 budget was presented to the directors. Commentary was provided by the Cooperative staff and many clarifying questions were asked throughout the presentation.

The Member Service report provided information about the upcoming Capital Credits payout, ACH promotion and energy assistance availability. The Business Development overview included programming updates and rebate information.

VP of Engineering and Operations Matt O'Shea provided an overview of the recent areas of focus for his division including Construction Work Plan projects, inspections and maintenance.

The Engineering report outlined the installation of the new St. Augusta 10 MVA transformer and moving the existing transformer to the Little Sauk substation.

Next Meeting: February 25, 2021

