

MCLEAN ELECTRIC COOPERATIVE, INC.

August 28, 2014

The August meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Cooperative's Headquarters in Garrison, North Dakota, on the 28th day of August, 2014. The meeting was called to order by President Alvin Myers at 8:30 o'clock a.m.

Directors present:

Clarence Behles
Larry Gessele
Ernest Grueneich
Alvin Myers
Troy Presser
Orvin Ravnaas
Rod Stockdill

Also present were Manager Martin D. Dahl and Attorney David A. Lindell.

A motion was made by Ravnaas and seconded by Stockdill to approve the Consent Agenda which consisted of the minutes of the July 25, 2014, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications. The motion carried.

The estates of Beverly Smith, Robert Matzke, Idamae Wagner, and Reuben R. Herr were presented for capital credit retirement. A motion was made by Ravnaas and seconded by Grueneich, to approve the retirement of the capital credits. The motion carried.

STAFF REPORTS:

1. Business Department - Luke Steen. Items discussed and actions taken during the Business Department report were as follows:
 - a. Provided the financial report for the cooperative which included the July, 2014, KWH usage and revenue, a review of the July, 2014, Form 7, Financial Ratios analysis, and the budget to actual reports.
 - b. Discussed potential future oil accounts.
 - c. Reported that his terms as an officer of the North Dakota Office Manager and Accountant Association Term have ended.
 - d. Discussed the Cooperative's health insurance program.

- e. Provided a discussion update on budget billing.
 - f. Reported that an update for the credit check software has been received.
 - g. Provided a staffing update. Reported that the accounting clerk has left the Cooperative for different employment and that Staff is interviewing for a replacement. Also, a billing assistant has been hired.
2. Operations Department - Keith Thelen. Items discussed and actions taken during the operations department report were as follows:
- a) Provided an August workload and work plan update.
 - b) Gave a contract labor update.
 - c) The Board acknowledged the minutes of the Safety Meeting held August 21, 2014.
3. Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
- a) Reported on his attendance at the Central Power Manager's Meeting.
 - b) Reported on his attendance at the Basin Electric Cooperative's Manager's Meeting.
 - c) Reported on his attendance at the Statewide Manager's Meeting.
 - d) Provided a member services update.
 - e) Reported that the Camp of the Cross has asked for the Cooperative's support for an \$800,000.00 Rural Development Loan. An irrevocable Letter of Credit will be provided. A motion was made by Behles and seconded by Stockdill for the Cooperative to support the Camp of the Cross in procuring the \$800,000.00 loan. The motion carried.
 - f) Reported that the Cooperative's bus tour to the Antelope Valley Power Station and DGC is scheduled for October 14, 2014.

Reports on meetings attended:

1. Central Power - Presser

Other Business:

1. The Board discussed participation in the 2014 Dakota Feeder Calf Show.
2. The Board discussed upcoming ballot measures, specifically the initiated Clean Water, Wildlife and Parks Amendment. A motion was made by Ravnaas and seconded by Grueneich to have Statewide join North Dakotans for Common Sense Conservation and oppose the measure. The motion carried.

Upcoming Meetings:

1. The next regular Board Meeting is scheduled for Thursday, September 25, 2014, at 8:30 o'clock a.m.

The Board ended its meeting in Executive Session to discuss upcoming General Manager evaluation and potential salary. No action was taken.

After the Executive Session, there being no further business, upon a motion made and carried, the meeting was adjourned.

Secretary