

MCLEAN ELECTRIC COOPERATIVE, INC.

August 26, 2019

The August meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters, in Garrison, North Dakota, on the 26<sup>th</sup> day of August, 2019. The meeting was called to order by President Larry Gessele, at 8:30 o'clock a.m.

Directors present:

Larry Gessele  
Karen Hanson  
Darcy Klain  
James Odermann  
Troy Presser  
Rod Stockdill

Directors absent: Clarence Behles

Also present were Finance Director Wendy Kinn, Staff Engineer Lucas Schaaf, General Manager/CEO Martin D. Dahl, and Attorney David A. Lindell.

President Gessele welcomed recently appointed Director Karen Hanson to the board.

A motion was made and seconded to approve the Consent Agenda which consisted of the minutes of the July 30, 2019, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications/transfers. The motion carried.

The estates of Robert Bear, Jr., Carol Kuball, Niela Rae Ludwik, Sylvia Monicken, and Jack Werre, were presented for capital credit retirement. A motion was made and seconded to retire the capital credits for the estates. The motion carried.

STAFF REPORTS:

1. Finance Department - Wendy Kinn. Items discussed and actions taken during the Finance Department report were as follows:
  - a) Provided the Financial Report for the Cooperative which included the review of the July, 2019 KW and KWH sales and revenue, financial ratios, and the preliminary July 2019, Form 7, and the budget to actual report. Year-to-date revenue is above budget by \$30,960.00 and July was under-budget by \$89,480.00.
  - b) Presented the Cooperative's vehicle inventory for the board to look at the timeline for possible replacement of the Cooperative's vehicles.

- c) Discussed the 2019 capital credit retirement.
2. Engineering Department - Lucas Schaaf. Items discussed and actions taken during the Engineering Department report were as follows:
- a) Provided a workload and construction work plan update.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Report were as follows:
- a) The board acknowledged the minutes of the August 7, 2019, Safety Committee meeting. Manager Dahl commended Thelen for the safety that the employees have been practicing.
  - b) Provided the August work load/work plan and contract labor update.
4. General Manager's/CEO Report - Martin D. Dahl. Items discussed and actions taken during the General Manager's/CEO Report were as follows:
- a) Discussed the Matthew and Denise Johannes bill dispute. A motion was made and seconded for Manager Dahl to finish the settlement with the Johannes'. The motion carried.
  - b) A motion was made and seconded to approve a capital credit retirement for Painted Woods Golf Course to the Cooperative in the amount of its outstanding bill due to the billing error. The motion carried.
  - c) Discussed the Energy Efficiency Loan Program. A motion was made and seconded for the Cooperative to go forward with borrowing up to \$500,000.00 to start the program. The motion carried.
  - d) Provided a Statewide MAC Meeting report.
  - e) Co-Bank director elections. A motion was made and seconded to approve the entire nominating committee slate for 2020 and 2021. The motion carried.
  - f) Manager Dahl was appointed as the delegate to the Federated Insurance and RESCO Annual Meeting to be held in September during the Region 6 meeting.
  - g) Reported that the Midwest Consumers Association meeting scheduled for December.

- h) Reported that CFC has provided 2019 capital credit allocation in the amount of \$708.78. The retired amount was \$354.39 less the Integrity Fund donation of \$17.71.

REPORTS ON MEETINGS ATTENDED:

- a) Statewide - Stockdill
- b) Central Power - Presser
- c) Basin Electric - Presser

UPCOMING MEETINGS:

1. NRECA Region 6 Meeting - September 10-12, 2019 in Milwaukee, Wisconsin.
2. The next monthly board meeting will be held on Friday, September 27, 2019, at 8:30 o'clock a.m. at the Cooperative's headquarters.

The board went into Executive Session. After the Executive Session, there being no further business. Upon a motion made and carried, the meeting was adjourned.

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Secretary