

MCLEAN ELECTRIC COOPERATIVE, INC.
May 25, 2023

The May meeting of the board of directors of McLean Electric Cooperative Inc. was held at the cooperative's headquarters in Garrison, North Dakota, on the 25th day of May, 2023. The meeting was called to order by President, Larry Gessele, at 8:35 o'clock a.m.

Directors present were:

Clarence Behles - via Zoom
Larry Gessele
Karen Hanson
Darcy Klain
Troy Presser
James Odermann
Rod Stockdill

Also in attendance were Finance Manager Wendy Kinn, Staff Engineer Lucas Schaaf, Operations Manager Keith Thelen, General Manager/CEO Mark Doyle, and Attorney David A. Lindell.

A motion was made and seconded to approve the Consent Agenda which consisted of additional agenda items, review of directors checks, approval of the membership and service applications/transfers, and the minutes of the April 21, 2023, board meeting. The motion carried.

The estates of Linda Litt, Michael Berg, David Muscha, and Thomas Diffely were presented for capital credit retirement. A motion was made and seconded to approve the retirement of 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 May Financial Report for the Cooperative which included the review of the April KW and KWH sales and revenue. The financial ratios for March and April, and the March and April Form 7.

YTD revenue is below budget \$162,832.99. YTD KWH sales are above budget 631,079. YTD demand is above budget 765. March margin was \$654,349.00. April margin was \$714,993.00. YTD margin (through April) is \$129,522.00.

2022 YTD margin was \$1,811,578.00. A motion was made and seconded, to approve the Financial Report. The motion carried.

A motion was made and seconded to approve the allocation of the 2022 margin of \$1,811,578.00 to the cooperative's patrons. The motion carried.

- b) Provided a ERTC refund update.
 - c) 2022 audit report. The audit was clean. A motion was made and seconded to approve the 2022 audit. The motion carried.
 - d) 2022 FEMA single audit. A motion was made and seconded to approve the 2022 FEMA single audit. The motion carried.
2. Engineering Department - Lucas Schaaf. Items discussed and actions taken during the Engineering Department report were as follows:
- a) Provided a staking/mapping update.
 - b) Presented an update of the White Shield solar projects..
 - c) Provided an IT update.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Department Report were as follows:
- a) Provided a work load update.
 - b) Reported that a Federated Insurance representative visited the Cooperative in May.
4. General Manager's/CEO Report - Mark Doyle. Items discussed and actions taken during the General Manager/CEO Report were as follows:
- a) Provided a Blue Flint Ethanol update. A Second Amendment to the Service Agreement is in discussion.
 - b) Provided an update of the January frost event. FEMA has denied the request for a disaster declaration.
 - c) Provided a Rainbow Energy update.
 - d) CFC issues:

- 1) That the Cooperative will continue with its donation of 10% of the annual CFC patronage to the CFC Integrity Fund.
 - 2) The CFC Annual Meeting is in person with no MEC director will be attending.
 - 3) Reported that nominations are open for a Director seat. No board member was interest.
- e) Provided a Statewide Infrastructure Task Force report.
 - f) A motion was made and seconded to approve the sale of the surplus Skidsteer. The motion carried.
 - g) Operation Roundup Trust Board report. The next meeting is scheduled for June 1, 2023. A motion was made and seconded to re-elect Darcy Behles for another term on the board. The motion carried.
 - h) NISC Contact Authorization. A motion was made and seconded to approve Manager Doyle as the NISC contact.
5. Member Relations Report - Sonja Moe. Items discussed and actions taken during the Member Relations Report were as follows:
- a) Presented a sponsorship request for the 2023 Norsk Hostfest. A motion was made and seconded to approve the sponsorship. The motion carried.
 - b) Presented a request from the Washburn School Renovation Project. A motion was made and seconded to donate \$3,000.00 for science classrooms with possible matching by Basin Electric and RDFC. The motion carried.
 - c) Presented an update of the Turtle Lake Trails Project. A motion was made and seconded to donate \$500.00 with a possible match by Basin Electric. The motion carried.

OTHER BOARD REPORTS:

1. Statewide - Stockdill
2. Central Power - Presser
3. Basin Electric - Presser

UPCOMING MEETINGS:

1. 2023 Annual Meeting - Tuesday, June 20, 2023, at the Cooperative's headquarters.
2. The June board meeting is scheduled for Thursday, June 22, 2023, which shall begin at 8:30 a.m.

The Board went into Executive Session. After the Executive Session there being no further business, upon a motion made and seconded, the meeting was adjourned.


Secretary