

MCLEAN ELECTRIC COOPERATIVE, INC.
October 26, 2015

The October meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters in Garrison, North Dakota, on the 26th day of October, 2015. The meeting was called to order by President Alvin Myers at 8:30 o'clock a.m.

Directors present:

Clarence Behles
Larry Gessele
Darcy Klain
Alvin Myers
Troy Presser
Thomas Sheldon
Rod Stockdill

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

President Myers announced that Presser was elected as Director of Basin Electric and he was congratulated for his victory.

A motion was made by Presser and seconded by Behles to approve the Consent Agenda which consisted of the minutes of the September 24, 2015, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications. The motion carried.

The estates of David Kraft, Teresa Weinand, and Duane Zimmerman were presented for capital credit retirement. A motion was made by Stockdill and seconded by Sheldon to approve the retirement of the capital credits. The motion carried.

The board discussed capital credit retirement discounting.

Hope Scheresky of Garrison High School FFA presented the FFA Creed to the board and answered questions as practice for her participation in the National FFA Creed Contest to be held in Louisville, Kentucky, the last week of October.

STAFF REPORTS:

1. Business Department - Manager Martin D. Dahl. Items discussed and actions taken during the Business Department Report were as follows:

- a) Provided the Financial Report for the Cooperative, which included the KWH usage and revenue for September 2015, review of the September 2015, Form 7, financial ratios and budget to actual report for September 2015.
 - b) Provided an update of the NRECA 401(k) proposal.
 - c) Discussed the Cooperative Health Insurance Plans. A motion was made by Presser, seconded by Klain for the Cooperative to move to a NRECA HSA Insurance Plan with the Cooperative to contribute up to \$5,500.00 for family or \$2,500.00 for individual to each employees HSA and to keep the employees out of pocket deductible at \$500.00 for up to seven (7) years. The motion carried.
2. Operations Department - Keith Thelen. Items discussed and actions taken during the operations department report were as follows:
- a) Provided the October work load/work plan update.
 - b) Provided a Contract Labor update.
 - c) The board acknowledged the Safety Report of the August 4, 2015, safety meeting.
3. Manager's Department - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
- a) Provided a Statewide Benefits Trust update.
 - b) Reported on his attendance at the Central Power MAC meeting.
 - c) Reported on his attendance at the Basin Electric MAC meeting.
 - d) Reported that Courtney Uran has been hired as the Business Manager and will start employment on November 16, 2015.
 - e) Discussed his membership on the Dakotas America Board of Directors.
 - f) Provided a member services update.

REPORTS ON MEETINGS ATTENDED:

1. Statewide - Klain
2. Central Power - Presser

OTHER BUSINESS:

A motion was made by Presser, seconded by Gessele, for the Cooperative to pursue an opportunity for the Turtle Lake Farmers Union Oil Company to apply for a loan from the Cooperative's Revolving Loan Fund. The motion carried.

UPCOMING MEETINGS:

1. The 2015 Basin Electric Annual Meeting is scheduled for November 4th and 5th, 2015 in Bismarck, North Dakota.
2. The next regular board meeting is scheduled for Tuesday, November 24, 2015, at 9:00 o'clock a.m.

There being no further business, upon a motion made and carried, the meeting was adjourned.

Secretary