

MCLEAN ELECTRIC COOPERATIVE, INC.

March 24, 2016

The March meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Grand Hotel, in Minot, North Dakota, which followed the Central Power Cooperative Annual Meeting. The meeting was called to order by President Alvin Myers at 11:00 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 and Operations Manager Keith Thelen.

A motion was made by Behles and seconded by Klain to approve the Consent Agenda which consisted of the minutes of the March 3, 2016, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications. The motion carried.

The estate of Angela O'Keefe was presented for capital credit retirement. A motion was made by Behles and seconded by Gessele to approve the retirement of the capital credits. The motion carried.

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 February 2016, review of the February 2016, Form 7, financial ratios for February 2016. He reported that the revenues are slightly ahead of the previous year, but he suggested that a few items be postponed from the budget until the Cooperative learns of a potential Basin Electric rate hike.

2. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Department Report were as follows:
  - a) Provided the March work load/work plan update and progress report.
  - b) Provided a contract labor update.
  - c) The board acknowledged the minutes of the January 27, 2016, Safety Committee meeting.
  
3. Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
  - a) Provided a report of his attendance at the Basin MAC meeting.
  - b) Reported that the Cooperative's annual audit will occur between March 23 and March 25, 2016.
  - c) Reported on his attendance at the Central Power MAC meeting.
  - d) Reported that the CoBank loan documents have been submitted.
  - e) Presented a members services update.
  - f) Reported on Federal Legislation that new employees hired after January 1, 2017, will no longer be allowed to receive quasi retirement after 30 years of service and before age 62.
  - g) Reported that Kara Schnorr has been hired as an Engineer Technician, Brett Holtz has been hired as the Business Department Manager, and Trevor Thomas as been hired as a new lineman for the Cooperative.

POLICY REVIEW:

1. Policy Review - The following policies were reviewed:
  - a) Policy No. 203 - Director's Fees and Expenses. A motion was made by Presser, seconded by Klain to approve the amending Policy No. 203 as presented. The motion carried.
  - b) Policy No. 612.0 - Business Expense. A motion was made by Behles, seconded by Klain, to amend Policy No. 612.0 as presented. The motion carried.

- c) Policy No. 204 - Board of Directors and General Manager Relationships - A motion was made by Stockdill, seconded by Sheldon, to approve Policy No. 204 as reviewed without changes. The motion carried.

REPORTS ON MEETINGS ATTENDED:

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

OTHER BUSINESS:

1. The 2016 Union Negotiating Committee will be made up of Gessele, Sheldon, and Behles.

UPCOMING MEETINGS:

1. The next regular board meeting is scheduled for Thursday, April 28, 2016, at 8:30 a.m.
2. The board congratulated Director Klain on her son being admitted into the National Honor Society.

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

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Secretary