

MCLEAN ELECTRIC COOPERATIVE, INC.

January 29, 2015

The January meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Cooperative's Headquarters in Garrison, North Dakota, on the 29th day of January, 2015. The meeting was called to order by President Alvin Myers at 9:00 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 Presser and seconded by Ravnaas to approve the Consent Agenda which consisted of the minutes of the December 23, 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 Marcella White, Margarete Wagner, John Chickosky were presented for capital credit retirement. A motion was made by Stockdill 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 KWH usage and revenue, a preliminary 2014 year end summary which shows a preliminary operating margin of \$13,201,431.00, a preliminary gross revenue of \$13,203,431.00 and an operating margin of \$1,429,298.00 with 132,713.778 KWH sold., the Financial Ratios analysis and review of the budget to actual reports for December, 2014. The miles of line and new service data review and meter density for December and year end 2014 were also reviewed.

- b. Policy 628 Vehicle Housekeeping. A presentation with operations manager Keith Thelan. A motion was made by Presser and seconded by Behles to approve Policy 628 as presented with grammatical corrections. The motion carried.
- 2. Operations Department - Keith Thelen. Items discussed and actions taken during the operations department report were as follows:
  - a) Provided a January, 2015, work plan/work load update.
  - b) The Board acknowledged the minutes of the Safety Committee Meeting held on January 5, 2015.
  - c) Reported that the Cooperative received a Certificate of Safety Achievement at the AT&S Annual Conference.
- 3. Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
  - a) Provide a Statewide Annual Meeting report.
  - b) Reported that he was elected to the Rural Development and Finance Corporation Board of Directors.
  - c) Provided a Central Power MAC Report.
  - d) Provided a Basin Electric MAC Report in which he reported on Basin Electric's revised financial forecast.
  - e) Provided a Member Services update. JW Electric has been hired for current metering issues.
  - f) Provided a CEO Close Up conference report.
  - g) Discussed transmission line issues.
  - h) Reported that the Cooperative Board of Directors had 100% participation in REPAC and ACRE for the year 2014.
  - i) Discussed topics for the upcoming strategic planning session to be held on March 4 and 5, 2015.

- j) Discussed a concern from Cooperative patron Jody White regarding the \$3.00 base charge increase which started in January, 2015.
- k) Discussed Cove heater warranty. A motion was made by Ravnaas and seconded by Stockdill to reimburse the supplier for the heater replacement costs. The motion carried.
- l) Reported that Manager Dahl was awarded the Wally Beyer Rural Development Award during the NDAREC Annual Meeting.

Reports on meetings attended:

- 1. Statewide - Stockdill
- 2. Central Power - Preser

Upcoming Meetings:

- 1. The next regular Board meeting is scheduled for Wednesday, March 4, 2015 at 9:30 o'clock a.m. which will be followed by a Strategic Planning session which is scheduled for March 4 and 5, 2015.

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

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Secretary