

MCLEAN ELECTRIC COOPERATIVE, INC.

June 25, 2015

The June meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters in Garrison, North Dakota, on the 25th day of June, 2015. The meeting was called to order by President Alvin Myers at 8:40 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.

A motion was made by Presser and seconded by Stockdill to approve the Consent Agenda which consisted of the minutes of the May 28, 2015, board meeting, minutes of the June 16, 2015, re-organizational meeting, additional agenda items, review of director's checks, and approval of the membership and service applications. The motion carried.

The estates of Luella Schlaht, Miles Gradin, Berthold Weishaar, Selma Fyilling and Joseph Johnson were presented for capital credit retirement. A motion was made by Behles and seconded by Stockdill to approve the retirement of the capital credits. The motion carried.

The following bad debts were presented for write-off: David Bauch in the amount of \$308.90, Wade Sundsback Estate in the amount of \$800.17, Shannon Hodges in the amount of \$449.74, Tara Price in the amount of \$118.05. A motion was made by Presser, seconded by Behles to approve the write-off of the bad debts. 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 for May 2015, review of the May 2015, Form 7, financial ratios and budget to actual report for May 2015.
 - b) Provided an update of the NDARC Medical Insurance Trust report.

- c) Gave an update of the installment loans which are outstanding with the Cooperative.
 - d) Discussed the bank signature cards. A motion was made by Presser, seconded by Stockdill, for the Cooperative to update the signature cards at BNC National Bank and Garrison State Bank for the newly elected officers. The motion carried.
 - e) Discussed NRECA 401K proposal.
2. Operations Department - Keith Thelen. Items discussed and actions taken during the operations department report were as follows:
- a) Provided the June work load/work plan update.
 - b) The Board acknowledged the minutes of the June 2, 2015, Safety Committee meeting.
3. Manager's Department - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
- a) Provided an update of Camp of the Cross and Garrison High School Bleacher Project loan applications.
 - b) Provided an Underwood Economic Development Corporation Board update.
 - c) Provided a Central Power update.
 - d) Provided a Member Services update. The primary focus of the past month was Annual Meeting preparation. There was a recap of the 2015 Annual Meeting.
 - e) Provided a Garrison Rural Water District update. Reported that a new maintenance person has been hired by the district.
 - f) Provided a ceiling clean-up update.

POLICY REVIEW:

The following policies were reviewed:

1. Policy No. 606.0 - Safety Glasses, Ear Protection and Arc Flash Shield - A motion was made by Behles, seconded by Presser, to approve Policy No. 606.0 with the proposed amendments.
2. Policy No. 607.0 - Vacation Leave - A motion was made by Gessele, seconded by Stockdill, to approve Policy No. 607.0 as reviewed. The motion carried.
3. Policy No. 608.0 - Sick Leave and Funeral Leave. A motion was made by Behles, seconded by Klain, to approve Policy No. 608.0 as reviewed. The motion carried.
4. Policy No. 609.0 - Termination of Employment and Severance Pay - A motion was made by Klain, seconded by Sheldon, to approve Policy No. 609.0 as reviewed. The motion carried.
5. Policy No. 610.0 - Holiday - A motion was made by Behles, seconded by Presser, to approve Policy No. 610.0 as reviewed. The motion carried.

Reports on meetings attended:

1. Central Power - Presser

Other Business:

1. Brian Kelly of RESCO joined the meeting to present the Board with payment of the Cooperative's 2014 capital credits.
2. The next regular board meeting is scheduled for Thursday, July 30, 2015, at 8:30 o'clock a.m.

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

Secretary