

MCLEAN ELECTRIC COOPERATIVE, INC.
December 2, 2019

The November meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters, in Garrison, North Dakota, on the 2nd day of December, 2019. The meeting was called to order by President Larry Gessele, at 9:00 o'clock a.m.

Directors present:

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

Also present were Finance Manager Wendy Kinn, Staff Engineer Lucas Schaaf, Operations Manager Keith Thelen, General Manager/CEO Martin D. Dahl, and Attorney David A. Lindell.

A motion was made and seconded to approve the Consent Agenda which consisted of the minutes of the October 24, 2019, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications/transfers. The motion carried.

The estates of Leonard Storbeck, Linda Schlafmann, and Thomas Mack, were presented for capital credit retirement. A motion was made and seconded to retire 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 Financial Report for the Cooperative which included the review of the October, 2019 KW and KWH sales and revenue, financial ratios, the preliminary October 2019, Form 7, and budget to actual report. Revenue for the month of October was over-budget \$82,477.76, and year-to-date revenue was over-budget \$42,061.54. It was reported that \$194,000.00 will be re-allocated to the year 2018 when the expense actually occurred and work orders closed. A motion was made and seconded to approve the 2018 re-allocation of the expense and capital credits for the year. The motion carried.
 - b) Reported that the capital credit retirement checks are scheduled to be mailed December 20, 2019.

- c) Presented a RUS Resolution to name Martin D. Dahl as a Certifier with Wendy Kinn as the Security Administrator for purposes of complying with RUS form 674. A motion was made and seconded to approve the appointments. The motion carried.
 - d) Discussed the 2019 budget. A motion was made by Presser, seconded by Odermann, to approve the budget as presented. The motion carried.
 - e) Discussed the Energy Efficiency Loan Program. MEC was approved but it may be undesirable to start such a program financially. An alternative will be looked into.
 - f) A motion was made and seconded to approve \$2.3 million of 2019 work orders for submission to RUS. The motion carried.
2. Engineering Department - Lucas Schaaf. Items discussed and actions taken during the Engineering Department report were as follows:
- a) Provided an update of the work load/work plan.
 - b) Provided an update of the NAWS and Red River Valley water supply projects.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Report were as follows:
- a) The board acknowledged and reviewed the minutes of the October 31, 2019, Safety Committee meeting.
 - b) Provided the November work load/work plan and contract labor update.
4. General Manager's/CEO Report - Martin D. Dahl. Items discussed and actions taken during the General Manager's/CEO Report were as follows:
- a) Reported on his attendance at the Central Power MAC Meeting.
 - b) Provided a RESCO report.
 - c) Provided Dakotas America report.
 - d) Discussed the NRECA Cyber Security Self Assessment Program.
 - e) Reported that NRECA dues will increase approximately 2% for 2020.

- f) NDAREC board delegate and alternate. A motion was made and seconded to reappoint Stockdill as delegate with Klain as alternate. The motion carried.

Statewide Annual Meeting delegates are Stockdill, Klain and Odermann with alternates Behles, Hanson, Gessele, and Presser.

- g) NRECA Annual Meeting delegate - A motion was made and seconded to appoint Hanson as delegate with Gessele as alternate.
- h) Reviewed Policy 614.0 - Pregnancy, Maternity, Paternity, Adoption, Family & Medical Leave, and Related Matters - A motion was made and seconded to approve Policy 614.0 as amended. The motion carried.

REPORTS ON MEETINGS ATTENDED:

- a) Statewide - Stockdill
- b) Central Power - Presser
- c) Basin Electric - Presser

UPCOMING MEETINGS:

1. The next monthly board meeting will be held on Thursday, December 19, 2019, at 9:00 o'clock a.m. at the Cooperative's headquarters.
2. The January 2020 board meeting is scheduled for Thursday, January 23, 2020, at 1:30 o'clock p.m. with a Member Advisory Committee meeting to follow that evening.

The board went into Executive Session. After the Executive Session, there being no further business. Upon a motion made and carried, the meeting was adjourned.

Secretary