

MCLEAN ELECTRIC COOPERATIVE, INC.  
ANNUAL MEETING

June 18, 2013

The 68th Annual Meeting of the members of McLean Electric Cooperative, Inc., was held at the Garrison City Auditorium in Garrison, North Dakota, on the 18th day of June, 2013. The meeting was called by order by President Alvin Myers at 6:30 o'clock p.m.

Dinner was prepared by Kyle's Katering of Garrison, North Dakota, and served by the Garrison Legion Baseball Team, the Titans.

President Myers introduced Vice-President, Orvin Ravnaas, to lead the Pledge of Allegiance.

President Myers introduced Pastor Don Barsness of Garrison Congregational Church who gave the opening invocation.

The Promptness Prize of \$68.00 was won by Albert Klain.

President Myers introduced dignitaries and guests who were in attendance and read letters which were received from elected officials.

Secretary Jennings informed President Myers that a quorum was present and President Myers informed the attendees that the Cooperative was open for business.

President Myers noted that the Notice of the 68<sup>th</sup> Annual Meeting was ready to be read for approval and the Minutes of the 67<sup>th</sup> Annual Meeting were ready to be read for approval by the membership. It was moved that the reading of the Notice and the reading of the Minutes be waived and that they be approved as presented. The motion was seconded and carried.

President Myers introduced General Manager Martin D. Dahl who introduced Jasper Schneider, the State Director of USDA Rural Development, who gave the key note address. State Director Schneider congratulated the Cooperative for the work that it provides to its patrons. He spoke about the opportunities available in North Dakota and how the USDA works with Cooperatives in North Dakota, and he gave his perspective of the growth and growth opportunities in North Dakota and McLean County. He informed the attendees "that it takes a team to build a cooperative and a team to move North Dakota forward".

President Myers provided his President's report to the attendees. He introduced the Board of Directors to the attendees, and he discussed the following items:

- Reasons for the latest rate increase for the Cooperative to maintain financial sustainability.

- Reported that the Cooperative has switched to iPad usage for the Board and Staff.
- Stated that Operation Roundup was initiated and is up and running.
- Reported that during the year, Del Saylor resigned as a Director because she moved out of Cooperative territory and Rod Stockdill was appointed as a replacement to fill her term.
- Discussed the duties and obligations of being a director.
- Showed his appreciation of the Cooperative staff.

President Myers introduced Manager/CEO Martin D. Dahl, who gave his address to the attendees.

Manager Dahl discussed the following:

- Reported the financial condition of the Cooperative is healthy.
- Maintenance is increasing but more work is to be done.
- The Cooperative line extension policy has been amended.
- Reported the Cooperative has a solid group of employees and he thanked the employees for their hard work and dedication.
- Provided a “Where are we going” stating that the Cooperative is growing in agricultural, tourism, farms, homes and lake homes being the greatest increased loads with irrigation loads increasing slightly, while the oil loads in Cooperative territories has slowed. He stated the Cooperative should experience continued farm and residential growth with slower oil field load.
- Provided a current work load and maintenance report.
- Discussed Operation RoundUp.
- Briefly discussed the need for members input on how the Cooperative should conduct its Annual Meeting.
- Reported that the Board has implemented a Member Advisory Board, and the reasons for such Board.

- Discussed national issues regarding Department of Energy, Regional Haze, Carbon Tax, Farm Bill and Energy Bill.

Manager Dahl introduced Luke Steen, Business Manager of the Cooperative, who provided the financial report. He reported that the auditor’s opinion for 2012 was clean. The 2012 total revenue was \$10,417,622.00. Total KWH hours sold in 2012 was 112.1 million hours with an annual margin of \$818,891.00. Business Manager Steen further reported that 500 new accounts were added in 2012.

Director Troy Presser, the Board’s Central Power Electric Cooperative delegate, gave a Central Power report. He reported that the largest expense to McLean Electric is purchased power and he discussed the Cooperative’s power providers. He stated that the greatest challenges to McLean Electric are adequate supply and reasonable rates, and reported of Central Power and McLean Electric’s involvement in the Basin Electric Cooperative system.

President Myers presented the following scholarships:

1. McLean Electric/Basin Electric scholarships of \$500.00 each to Jocelyn Vander Wal, daughter of Austin and Sheila Vander Wal of Washburn, and Mariah Sondrol, daughter of Kevin and Lana Sondrol of Turtle Lake.
2. Financial Assistance Award of \$500.00 to Kaylee Tishmack, daughter of Jerry and Sheila Tishmack of Underwood.

President Myers announced the 2013 REC Youth Tour participant from McLean Electric was Courtney Tweeten, daughter of Harold Tweeten and Roxanne Tweeten.

Manager Dahl recognized Travis Voth, lineman, for his 10 years of service to the Cooperative and Lucas Dusek, lineman, for his 5 years of service to the Cooperative.

President Sorge announced the terms of directors for District I, District III and District V were up for election. As President Myers was a candidate for District I, he turned the podium over to Vice-President Ravnaas who called upon Secretary Jennings to announce the following candidates:

District I	Alvin Myers
District III	Rod Stockdill and John Wilcox
District V	Troy Presser

As there was only one candidate for Districts I and V, Vice President Ravnaas asked for a motion to cast a unanimous ballot for Alvin Myers for District I and Troy Presser for District V. It was moved and seconded to cast a unanimous ballot, the motion carried, and the Directors were re-elected.

Each candidate in District III gave a short nomination speech and votes were collected to be tallied.

Mark Jennings, a member of the Operation RoundUp Board of Directors, gave an Operation Round Up report. He announced that Operation RoundUp awards were presented to Daniella Rensch, Tiny Turtles Day Care, Painted Woods Golf Course expansion, and the Grover family.

President Myers asked for any old business. There was none.

President Myers asked for any new business. An attendee asked about availability of Board minutes to the membership, and it was reported that the Board minutes will be made available on the Cooperative's web site or e-mailed to a member who makes such request.

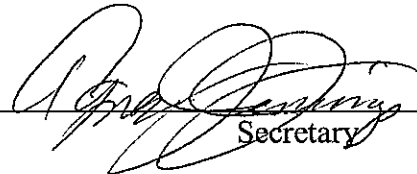
The election results for District III director were announced. It was reported that Rod Stockdill was elected as Director for District III by a count of 110 to 70.

There was no other business.

The grand prize drawing of \$2,000.00 was held. The member whose name was drawn had to be present to win the grand prize drawing but the member was not present. In lieu of a presentation of the grand prize, drawings of ten \$68.00 consolation prizes were given as well as other door prizes.

President Myers thanked the attendees for attending the 68<sup>th</sup> Annual Meeting.

The meeting, upon a motion made, seconded and carried, was adjourned.

  
Secretary