

MCLEAN ELECTRIC COOPERATIVE, INC.

December 20, 2013

The December meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters in Garrison, North Dakota, on the 20th day of December, 2013. The meeting was called to order by President Alvin Myers at 9:10 o'clock a.m.

Directors present:

Ronald Bloom  
Ernest Grueneich  
Agnes Jennings  
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 Jennings and seconded by Stockdill to approve the Consent Agenda which consisted of the minutes of the November 22, 2013, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications. The motion carried.

The estates of Doris Ruud, Nancy Brown, Gary Matheny, Theodore Hochsprung, and Larry Iverson were presented for capital credit retirement. A motion was made by Ravnaas, seconded by Presser, to approve the retirement of the capital credits. The motion carried.

Manager Dahl presented a REDL&G Grant Resolution for the Cooperative to approve a \$300,000.00 grant to Garrison Memorial Hospital with a \$60,000.00 contribution by the Cooperative for the establishment and operation of a revolving loan fund program with the grant. A motion was made by Bloom and seconded by Ravnaas to approve the resolution. The motion carried.

A motion was made by Ravnaas and seconded by Jennings for the Cooperative to enroll in the 2014 NDAREC Education and Training program. The motion carried.

STAFF REPORTS:

1. Member Services - Darrin Sand. Items discussed and actions taken during the Member Services Report were as follows:
  - A. Discussed Central Power Radio and AMR issues.

- B. Provided a Dickens Festival update.
  - C. Provided a Heat Meter installation update.
  - D. Provided an Operations Round Up update. Three applications were approved by the Round Up Committee.
2. Business Department - Luke Steen. Items discussed and actions taken during the Business Department Report were as follows:
- a) Provided the financial review for the Cooperative, which included the KWH usage and revenue for the previous month and year to date, review of the November, 2013, Form 7, and review of the Financial Ratios and the Budget to Actual Report.
  - b) Provided a Cooperative Health Insurance Update.
  - c) Reported that the 2013 Capital Credit Retirement checks have been sent to the Cooperative's patrons.
  - d) Discussed the Cooperative's long range plan and its effect on the financial situation of the cooperative.
  - e) Reported that the Cooperative's accounting clerk has asked to be permanently assigned as a part time employee, which was approved by management.
3. Operations Department - Wayne Skarda. Items discussed and actions taken during the operations department report were as follows:
- a) Provided a December workload/workplan update.
  - b) The Board acknowledged the minutes of the November 25, 2013, safety meeting.
4. Manager's Report - Martin D. Dahl. Items discussed and actions taken during the Manager's Report were as follows:
- a) Reported on his attendance at the GRE Community meeting.
  - b) Discussed the Cooperative's long range plan.

- c) Health Insurance discussion. Upon information received from NRECA, it appears that it will be better for the cooperative to enroll in Blue Cross/Blue Shield for 2014.
- d) Held a brief policy discussion.

Reports on meeting attended:

- 1. Midwest Power Annual Meeting - Myers
- 2. Central Power - Presser

Upcoming Meetings:

- 1. The next Board Meeting is scheduled for Thursday, January 23, 2014, at 9:00 a.m. at the Cooperative's headquarters.

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

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Secretary