

MCLEAN ELECTRIC COOPERATIVE, INC.  
October 22, 2018

The October meeting of the Board of Directors of McLean Electric Cooperative, Inc., was held at the Company's headquarters, in Garrison, North Dakota, on the 22<sup>nd</sup> day of October, 2018. The meeting was called to order by President Larry Gessele, at 9:00 o'clock a.m.

Directors present:

Clarence Behles  
Larry Gessele  
Darcy Klain  
James Odermann  
Troy Presser  
Rod Stockdill after 10:30 a.m.

Directors absent: Thomas Sheldon

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 by Klain, seconded by Presser, to approve the Consent Agenda which consisted of the minutes of the September 27, 2018, board meeting, additional agenda items, review of director's checks, and approval of the membership and service applications/transfers. The motion carried.

There were no capital credit retirements applied for during the month.

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 September KWH sales use and revenue (revenue is ahead of budget by \$364,204.00), financial ratios, preliminary September, Form 7, year-to-date statistics, and the quarterly budget to actual variances.
  - b) 2018 capital credit retirement - Following policy, the Cooperative retirement would be \$369,680.29 plus there is \$127,543.74 of G & T retirement for 2018. A motion was made by Presser, seconded by Klain, to retire Cooperative capital credits in the amount of \$369,680.29. The motion carried.

A motion was made by Behles, seconded by Odermann, to retire the G & T capital credits paid to the Cooperative in 2018 in the amount of \$127,360.57. The motion carried.

2. Engineering Department - Lucas Schaaf, Staff Engineer. Items discussed and actions taken during the Engineering Department report were as follows:
  - a) Provided the monthly work load and IT report.
  - b) Reviewed the current Capital Work Plan for the Cooperative.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Report were as follows:
  - a) Provided the current work load/work plan and contract labor reports. Reported that tree trimming is complete for the year.
  - b) The board acknowledged the minutes of the September 4, 2018, Safety Committee meeting.
4. General Manager's/CEO Report - Martin D. Dahl. Items discussed and actions taken during the Manager's/CEO Report were as follows:
  - a) Reported that all employee evaluations are complete.
  - b) Reported on his attendance at a Smart Utility Summit.
  - c) Reported the Co-Bank ND meeting is scheduled for March 28-29, 2019, in Fargo.
  - d) Reported he attended the Mountrail-Williams Electric Cooperative open house.
  - e) Reviewed the 2017 990-T Exempt Organization Business Income Tax Return with the board.
  - f) Reported the Basin Electric Annual Meeting is set for November 7, 2018.
  - g) Reported the Garrison Chamber of Commerce desires to use the Cooperative's Community Room for the Christmas sales by local businesses and that they have asked to waive the Cooperative's no-alcohol policy for the meeting. A motion was made by Presser, seconded by Odermann, to waive the no-alcohol policy during the Garrison Chamber of Commerce open house. The motion carried.

REPORTS ON MEETINGS ATTENDED:

- a) Leadership Seminar - Odermann
- b) Statewide - Stockdill
- c) Central Power - Presser
- d) Basin Electric - Presser

UPCOMING MEETINGS:

1. Basin Electric Annual Meeting will be held November 6-8, 2018, in Bismarck, ND.
2. The next monthly board meeting will be held on Monday, December 3, 2018, at 9:00 o'clock a.m. at the Cooperative's Headquarters.

The board held an Executive Session with Manager Dahl present. The Board then went into Executive Session without Manager Dahl.

After the Executive Session, there being no further business, upon a motion made and carried, the meeting was adjourned.

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Secretary