

MCLEAN ELECTRIC COOPERATIVE, INC.

January 26, 2023

The January meeting of the board of directors of McLean Electric Cooperative Inc. was held at the cooperative's headquarters in Garrison, North Dakota, on the 26th day of January, 2023. The meeting was called to order by President, Larry Gessele, at 10:00 o'clock a.m.

Directors present were:

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

Also in attendance were Finance Manager Wendy Kinn, Staff Engineer Lucas Schaaf, Operations Manager Keith Thelen, Communications Manager Sonja Moe, General Manager/CEO Mark Doyle and Attorney David A. Lindell.

A motion was made and seconded to approve the Consent Agenda which consisted of additional agenda items, review of directors checks, approval of the membership and service applications/transfers, and the minutes of the December 22, 2022, board meeting. The motion carried.

The estates of Earnest E. Slagg, Linus Bauer, Marie Demchuk, Geraldine Lahaise, and Venetta Giffey were presented for capital credit retirement. A motion was made and seconded to approve the retirement of 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 January Financial Report for the Cooperative which included the review of the December KW and KWH sales and revenue. The December ratios and Form 7 were not available for the meeting.

December 2022 revenue is projected to be \$15,517,923.98 which is \$46,367.03 ahead of budget. 2022 YTD KW sales were 159,680. 2022 YTD KWH sales 136,848,099 which is 4,747,898 ahead of budget. YTD margin is still being calculated.

- b) Reported FEMA funds of \$1,015,332.81 were received in January.
 - c) Provided an RUS AE45 loan update. A resolution was presented for the Cooperative's officers to execute any instrument that is needed to complete the loan and authorize them to execute advance requests. A motion was made and seconded to approve the resolution. The motion carried.
 - d) Reported that Central Power will retire capital credits to the Cooperative in the amount of \$141,639.82 and allocate capital credits via a bill credit.
 - e) Year end services - There were 55 new services in 2022. Total active services were 4,199 with total services, including idle services, of 4,496.
 - f) Stated that Brady Martz would also conduct a Benefits Audit for 2023 which is required every five (5) years. A motion was made and seconded to approve Brady Martz to conduct the Benefits Audit. The motion carried.
2. Engineering Department - Lucas Schaaf - Items discussed and actions taken during the Engineering Department report were as follows:
- a) Provided a mapping/staking update.
 - b) Presented an electric vehicle service rate class 17 for review. A motion was made and seconded to approve the new rate class as proposed. The motion carried.
 - c) Provided an IT/metering update.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Department Report were as follows:
- a) Provided an update of the report of the storm/frost outages.
 - b) Provided a January work load update.
 - c) Reported that a 50' bucket truck has been ordered.
 - d) Reported on his attendance at the 59th Annual AT&S Conference. The Cooperative received a Safety Performance Award for zero injuries for the third consecutive year.

4. General Manager's/CEO Report - Mark Doyle. Items discussed and actions taken during the General Manager/CEO Report were as follows:
 - a) Reported that the Member Advisory Committee meeting has been postponed due to the weather. The meeting has been rescheduled for Thursday, February 16, 2023, following the February board meeting.
 - b) Strategic Planning is scheduled for Thursday, February 9, 2023.
 - c) Provided an Infrastructure Funding update.
 - d) Reported on his attendance at the NRECA CEO Close-Up meeting which was held in Florida.
 - e) Discussed the REPAC silent auction.
 - f) Provided an RDFC Report.
 - g) Member Relations Report by Sonja Moe.

COMMITTEE REPORTS:

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

The board reviewed the Basin Electric Members Virtual Meeting which had been postponed from the November Annual Meeting.

UPCOMING MEETINGS:

- 1) The Strategic Planning session - Thursday, February 9, 2023, beginning at 9:00 o'clock a.m.
- 2) Central Power Annual Meeting is scheduled for March 21-23, 2023, in Minot, North Dakota.
- 3) The February 2023, board meeting is scheduled for Thursday, February 26, 2023, at 12:00 o'clock p.m. followed by the Member Advisory Committee Meeting.
- 4) The March 2023, board meeting is scheduled for Thursday, March 23, 2023, in Minot, North Dakota, following the adjournment of the Central Power Annual Meeting.

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

A handwritten signature in cursive script, appearing to read "Rod Stark". The signature is written in dark ink and is positioned above a horizontal line.

Secretary