

MCLEAN ELECTRIC COOPERATIVE, INC.  
January 28, 2021

The January meeting of the board directors of McLean Electric Cooperative Inc. was held at the Cooperative's headquarters in Garrison, North Dakota, on the 28<sup>th</sup> day of January, 2021. The meeting was called to order by President Larry Gessele at 9:30 o'clock a.m.

Directors present were:

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

Also in attendance were Finance Director, Wendy Kinn, Staff Engineer, Lucas Schaaf, Operations Manager, Keith Thelen, 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 21, 2020 board meeting. The motion carried.

The estates of Eleanor Anderson, Larry Fidler, Gerald White, Eugene Jungling, Agnes Evenson, Harvey Larson, Pauline Heinle, Delphine Meier, and Maynard Sandberg were presented for capital credit retirement. A motion was made and seconded to retire the capital credits for the estate. 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 December 2020 KW and KWH sales and revenue, financial ratios, and the preliminary December 2020, Form 7. December revenue was below budget by \$63,204.05. 2020 year to date revenue was ahead of budget \$207,467.68. Year to date KWH sales were under budget 1,302,143 with year to date demand above budget 7,012.

- b) Presented an Audit Engagement Understanding letter for Board review and approval. A motion was made and seconded to approve the understanding letter and direct Chairman Gessele and Manager Doyle to execute the letter. The motion carried.
2. Engineering Department - Lucas Schaaf. Items discussed and actions taken during the Engineering Department report were as follows:
- a) Provided a current work load update which included discussing the Cooperative's Current Line Extension Policy.
  - b) Discussed the Cooperative's irrigation rate. A motion was made and seconded to add a KVA capacity charge of \$1.00 per KVA over 50 KVAs per meter, per month, effective March 1, 2021, with notices to be sent to known irrigators by February 15, 2021.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Department Report were as follows:
- a) Provided the work load/work plan and contract labor update.
  - b) Provided the inventory discrepancies for 2019. Inventory 154 was off \$3,780.39 and Inventory 155 was off \$474.75, which are approximately 1% off. A motion was made and seconded to write-off the inventory. The motion carried.
  - c) Reported that the Cooperative received three Statewide Safety Awards and a Certificate of Safety Achievement.
  - d) The board reviewed the minutes of the January 19, 2021, Safety Committee meeting.
4. General Manager's/CEO Report - Mark Doyle. Items discussed and actions taken during the General Manager/CEO Report were as follows:
- a) Provided a Covid-19 update. There have been no quarantines since last board meeting.
  - b) Discussed the 2021 upcoming Annual Meeting.
  - c) Reported that the 2021 Strategic Planning Session will be held Tuesday, February 23th, followed by the February board meeting on Wednesday, February 24th.

- d) Reviewed Policy No. 608 - Sick Leave and Funeral Leave. No action was taken.
- e) Discussed the SBA Payback Protection Plan (PPP) Loan Program. A motion was made and seconded for the Cooperative to apply for a Phase I PPP Loan. The motion carried.
- f) Discussed potential fleet purchases of an Engineering Truck in the amount of \$36,553.15 and a Pole Trailer in the amount of \$17,969.08. A motion was made and seconded to purchase both units. The motion carried.

COMMITTEE REPORTS:

- a) Statewide - Stockdill. The 2021 Annual Meeting will be held virtually on February 9, 2021.
- b) Central Power - Presser. The 2021 Annual Meeting will be held March 24, 2021.
- c) Basin Electric - Presser

UPCOMING MEETINGS:

1. NREC Annual Meeting virtually on March 3, 2021.
2. The 2021 Strategic Planning Meeting will be held Tuesday, February 23<sup>rd</sup> and Wednesday February 24<sup>th</sup>, followed by the February board meeting on Wednesday, February 24<sup>th</sup>. Both meetings will begin at 9:30 o'clock a.m.

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

  
Secretary