

MCLEAN ELECTRIC COOPERATIVE, INC.
August 22, 2022

The August meeting of the board of directors of McLean Electric Cooperative Inc. was held at the Cooperative's headquarters in Garrison, North Dakota, on the 22nd day of August, 2022. The meeting was called to order by President, Larry Gessele, at 8:30 o'clock a.m.

Directors present were:

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

Also in attendance were Finance Director, 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 July 28, 2022, board meeting. The motion carried.

The estates of Bernard Nelson and Susan Jorgenson 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 August Financial Report for the Cooperative which included the review of the July financial ratios, KW and KWH sales and revenue and preliminary July, 2022, Form 7.

YTD margin is \$368,229.00 which is above budget \$125,275.00. July margin was \$148,378.00. YTD revenue is below budget 335,981. YTD KWH is above budget 1,030,897. YTD demand is below budget 3,119.00.

- b) Reported that the Basin capital credit retirement bill credit was received on the July power bill in the amount of \$62,146.23.
 - c) Reported that the Cooperative received a capital credit retirement from Central Dakota in the amount of \$1,219.72.
 - d) Reported that work closings in July totaled \$101,006.56.
 - e) Provided an update of the AE45 Loan. The application is with RUS Engineering for review.
2. Engineering Department - Lucas Schaaf. Items discussed and actions taken during the Engineering Department report were as follows:
- a) Provided a staking/engineering update.
 - b) Provided a IF/Metering update.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Department Report were as follows:
- a) Provided a operations and work load update.
 - b) Provided a storm damage report.
 - c) The board reviewed the minutes of the August 4, 2022, 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) Reviewed Policy No. 604 - Workplace Hours. Manager Doyle suggested to amend the policy to allow non-union hourly employees to receive overtime in accordance with the current Bargaining Unit Contract. A motion was made and seconded to amend Policy No. 604 to implement Manager Doyle's suggestions. The motion carried.
 - b) Provided a Blue Flint Ethanol Plant enhancements update. Central Power desires to purchase an existing Viper circuit recloser which was transferred to MEC in the past. A motion was made and seconded to resell to Central Power the Viper circuit recloser. The motion carried.

- c) Presented an NRECA Restated Adoption Agreement Resolution for the Cooperative's retirement plan. A motion was made and seconded to approve the resolution. The motion carried.
- d) Gessele was appointed as a delegate to the Federated Insurance and CFC meetings to be held during the NRECA Region V and VI convention. A motion was made and seconded to cast a ballot for Anthony Larson. The motion carried.
- e) Reported that Basin Electric is hosting a land owner meeting regarding the 345 KV transmission line from Stanton to Tioga which will be held at the Cooperative's headquarters August 22nd at 6:00 p.m.
- f) Provided his reports of attendance at the ND Manager's and Central Power MAC Meetings.
- g) Communications Report - Sonja Moe who provided a list of donation sponsors made during August and informed them of upcoming events in the Cooperative territory.

COMMITTEE REPORTS:

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

OTHER BUSINESS:

The Board discussed management looking into possibilities to receive payroll tax credits through a Federal program. A consensus was given to the staff to compile information regarding the program.

UPCOMING MEETINGS:

The September board meeting is scheduled for Tuesday, September 27, 2022, which shall begin at 8:30 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