

MCLEAN ELECTRIC COOPERATIVE, INC.
May 26, 2022

The May meeting of the board directors of McLean Electric Cooperative Inc. was held at the Cooperative's headquarters in Garrison, North Dakota, on the 26th day of May, 2022. The meeting was called to order by President, Larry Gessele, at 8:30 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 April 21, 2022, board meeting. The motion carried.

The estates of Amanda Seidler, Harlan Olson, and Ervin Jans 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 May Financial Report for the Cooperative which included the review of the April financial ratios, KW and KWH sales and revenue and preliminary April, 2022, Form 7.

KWH sales for April YTD were ahead of budget by 1,398,499. Demand YTD is \$1,255.00 under budget. The April margin was \$20,432. Year to date revenue is below budget \$169,131.00.
 - b) Reviewed Policy 317 (Variance from Budget Report).

- c) Reported that the RTC Capital Credit Retirement check in the amount of \$3,422.72 was received.
 - d) The 2021 final margin is \$2,056,339.99. A motion was made and seconded to allocate this margin to the Cooperative's patrons. The motion carried.
 - e) A \$1,500,000.00 line of credit draw was applied for to help cover the April storm expenses.
 - f) Reported that work orders closed in December and March were posted to the 605 report. The final \$1,000,000.00 draw down has been requested.
 - g) New loan application. General Manager Doyle and Manager Kinn presented a corporate debt limit resolution for board review. The resolution would approve a debt limit for the Cooperative of \$75,000,000.00. A motion was made and seconded to approve the resolution as presented. The motion carried.
 - h) Reviewed the 2022-2031 financial forecast with Tim Bohan with RUS. A motion was made and seconded to approve the 2022-2031 financial forecast. The motion carried. Mr. Bohan reviewed the new RUS/Treasury Loan AE45 Application for a \$15,000,000.00 loan. A motion was made and seconded to approve the application for RUS/Treasury Loan AE45 in the amount of \$15,000,000.00. The motion carried.
2. Engineering Department - Lucas Schaaf. Items discussed and actions taken during the Engineering Department report were as follows:
- a) Provided a work plan update.
 - b) Presented a meter testing and IT update.
3. Operations Department - Keith Thelen. Items discussed and actions taken during the Operations Department Report were as follows:
- a) Provided April storm update.
 - b) Provided a work load update.
 - c) Discussed raising lines due to new farm equipment size. No action was taken.

4. General Manager's/CEO Report - Mark Doyle. Items discussed and actions taken during the General Manager/CEO Report were as follows:
 - a) Policy 313 Capital Credit Retirement regarding uncashed retirement checks was reviewed. New checks will not be reissued, rather the balance of the uncashed check will be added to the next year's retirement check.
 - b) Manager Doyle presented a resolution to authorize an amendment and authorizing an amendment and the retirement security and/or 401(k) Pension Plan for the Cooperative. A motion was made and seconded to approve the resolution. The motion carried.
 - c) Provided a Blue Flint Ethanol update.
 - d) Provided a Coal Creek Station update. The sale from GRE to Rainbow is complete.
 - e) Reported that MEC patron, JP Moszer, has agreed to participate in the No Barriers Warriors Program.
 - f) Discussed Operation Round-Up.
 - g) Discussed the planning for the 2022 Annual Meeting.
 - h) Provided the Communications Report compiled by Sonja Moe.

COMMITTEE REPORTS:

- a) Central Power - Presser
- b) Basin Electric - Presser

UPCOMING MEETINGS:

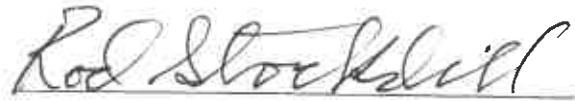
The 2022 Strategic Planning scheduled scheduled for Wednesday, June 8, 2022, from 8:30 o'clock a.m. to 4:30 o'clock p.m. at the Cooperative's headquarters.

The 2022 Annual Meeting is scheduled for Tuesday, June 21, 2022, at the Cooperative's headquarters.

The June board meeting is scheduled for Thursday, June 23, 2022, which shall begin at 8:30 o'clock a.m.

The July board meeting is scheduled for Thursday, July 28, 2022, which is scheduled to 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.

A handwritten signature in cursive script that reads "Rod Stockdill". The signature is written in black ink and is positioned above a horizontal line.

Secretary