

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
MARCH 22, 2022

The monthly Board Meeting of the Board of Directors of Menard Electric Cooperative was called to order at 6:00 P.M. at the Headquarters of the Cooperative, 14300 State Highway 97, Petersburg, County of Menard and State of Illinois.

On roll call the following Directors were present: President D. Jay Frye, Directors Warren D. Goetsch, Gary Holloway, Gary L. Martin, Donald E. McMillan via zoom, Michael E. Patrick, Dennis Ryan, Jodine Tate and Steven L. Worner. Also present were General Manager Alisha Anker and Attorney Charles K. Smith.

The Agenda of the meeting was read. There were no changes to the Agenda. Thereafter, with President Frye presiding and with these minutes being transcribed by or under the direction of Secretary Patrick, the following procedures were had (all action being first duly moved and seconded, and all action taken being upon the unanimous vote of the Board, or without dissenting vote or abstention, unless otherwise stated).

President Frye reviewed the Consensus Agenda. It was moved and seconded that the Consensus Agenda be approved. Motion carried.

General Manager Anker presented the Harvest App introduction. She explained that this was a new time tracking tool. She explained and demonstrated how the App worked. It was the consensus of the Board to proceed with obtaining the App.

General Manager Anker presented the Manager's Report for February, 2022. She reviewed the Operating Statement, Balance Sheet and Budget. General Manager Anker advised that Federated Insurance had announced they were making a patronage distribution based on the Company's 2021 net margins. General Manager Anker presented the Member Services Report, past due notices, generated cut-off tickets and write-offs for the Month. She reviewed the Operations Report and Reliability Report for the Month and advised there were 50 incidents, the longest duration of a single outage was 290 minutes due to a winter wind storm and affecting 25 members, total outage member-minutes were 89,817.50 and the largest number of Members affected by a single outage was 130. She presented a Materials Cost Comparison and discussed the comparison of costs of equipment and reviewed what had been paid in previous years and what was going to be the resulting increase in the various costs for those materials. She advised that there would be an almost 50% increase in some material costs and discussed the percentage of increase per item over the previous year. General Manager Anker presented the Safety Report. She advised Meeting topics were Pole Top and Bucket Truck Rescue Training. She advised that there was 1 reportable incident and 1 near miss during the month. She advised that the Safety Meeting was held on March 16, 2022 and that Director Warren Goetsch was the visiting Director. General Manager Anker presented the Irrigation Report. She reported on the status of construction of new irrigation systems. She also discussed the new Legislature's Map for the State House and Senate. She reviewed the contents of the Connect Newsletter. General Manager

Anker reviewed the Education and Event Course Attendance Report. She reviewed the FEMA Disaster Request and Public Assistance Summary. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Director Goetsch reported on AIEC Activities.

Director Martin reported on Prairie Power, Inc. He discussed the President's Report, Board Highlights and the February energy charge.

General Manager Anker presented the Capital Credit Estates Refund Report.

It was moved and seconded that the Board enter into Executive Session. Motion carried.

It was moved and seconded that the Board reconvene the monthly Board Meeting and that the actions taken in Executive Session be approved and adopted by the Board. Motion carried.

President Frye advised the next regular Board Meeting was scheduled for Tuesday, April 26, 2022.

Under other business, President Frye advised that the Strategic Planning Seminar was scheduled for Thursday, March 31, 2022 at 8:00 a.m. at Roots Event Center, Petersburg, Illinois.

There being no further business to come before the Board, it was moved and seconded the Meeting be adjourned. Motion carried.

Respectfully submitted,

Secretary

President

MENARD ELECTRIC COOPERATIVE
MONTHLY OPERATING REPORT

	Year to Date			February 2022		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	4,393,228	4,326,740	4,254,084	72,656	2,169,400	2,032,376	2,051,783	(19,407)
kWhr Sold	31,607,048	31,742,366	30,238,473	1,503,893	15,996,173	14,622,378	14,452,140	170,238
2. Cost of Power	1,835,525	957,494	1,112,441	154,947	1,418,588	956,259	920,501	(35,758)
kWhr Purchased	34,092,167	34,289,406	34,113,616	(175,790)	17,211,161	15,779,777	17,253,986	1,474,209
3. Operation Expense	326,875	381,605	301,807	(79,798)	120,112	165,833	148,004	(17,829)
4. Maintenance Expense	462,819	427,363	497,605	70,242	168,016	202,406	232,790	30,384
5. Consumer Accounts & Coll. Exp.	65,928	61,297	77,768	16,471	32,700	32,037	37,791	5,754
6. Member Service Expense	31,041	41,921	43,021	1,100	12,692	20,739	21,010	271
7. General Office Expense	122,685	172,366	95,998	(76,368)	57,620	63,481	46,539	(16,942)
8. Outside Professional Services	5,581	4,338	10,166	5,828	2,313	3,538	4,583	1,046
9. Insurance, Employee & Welfare	6,996	(2,581)	800	3,381	2,750	644	400	(244)
10. Director's Fee & Mileage	9,256	18,398	11,505	(6,893)	4,577	7,569	5,128	(2,441)
11. Dues - Assoc. Organizations	23,544	23,576	24,200	624	11,772	11,788	12,100	312
12. Other Misc. General Expense	70,401	75,256	64,907	(10,349)	26,492	29,153	20,886	(8,267)
13. Depreciation Expense	398,504	402,595	401,410	(1,185)	199,144	201,439	200,828	(611)
14. Tax Expense - Property	49,850	55,081	52,050	(3,031)	24,925	29,056	26,025	(3,031)
15. Tax Expense - Other	3,558	12,017	3,767	(8,250)	1,875	10,127	1,823	(8,304)
16. Interest Expense on L-T Debt	197,994	184,455	190,339	5,884	94,006	90,072	90,241	169
17. Total Expense less Power	1,775,032	1,857,688	1,775,343	(82,345)	758,994	867,882	848,148	(19,734)
17a. Total Operating Cost	3,610,557	2,815,181	2,887,784	72,603	2,177,582	1,824,141	1,768,649	(55,492)
18. Operating Margins	782,671	1,511,559	1,366,300	145,259	(8,182)	208,235	283,134	(74,899)
19. Non-Operating Margins	6,849	20,108	7,200	12,908	2,571	16,253	3,600	12,653
20. G & T Capital Credits	0	0	0	0	0	0	0	0
21. Other Capital Credits	0	6,064	0	6,064	0	6,064	0	6,064
22. Total Margins	789,520	1,537,731	1,373,500	164,231	(5,611)	230,552	286,734	(56,182)

Balance Sheet Analysis

02/28/2021 - 2/28/2022

18-Mar-22

	Prior Yr Balance 02/28/2021	Current Yr Balance 2/28/2022	End of Yr Balance 12/31/2021	Change YTD
ASSETS:				
Utility Plant in Service	76,695,817	79,509,616	79,123,303	386,313
Construction Work in Process	1,330,225	1,263,576	1,291,261	(27,685)
Total Utility Plant in Service	78,026,042	80,773,192	80,414,564	358,628
Accumulated Depreciation	(23,947,984)	(24,549,821)	(24,277,381)	(272,440)
Net Utility Plant	54,078,058	56,223,371	56,137,183	86,188
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	12,112,828	13,273,009	13,266,945	6,064
Inv.in Assoc.Org.- General Funds				0
Inv.in Assoc.Org.-Non Gen Funds	681,132	681,132	681,132	0
Investments in Economic Dev. Projects				0
Other Investments	2,112,905	1,408,605	1,408,605	0
Special Funds	246,643	228,671	284,884	(56,213)
Total Other Prop. & Investments	15,153,508	15,591,417	15,641,566	(50,149)
Cash-General Funds	640,723	1,447,815	711,595	736,220
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	3,045	13,432	2,891	10,541
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	2,139,331	1,991,971	2,451,975	(460,004)
Accounts Receivable-Net-Other	180,610	1,567	23,565	(21,998)
Materials & Supplies	646,948	798,411	747,887	50,524
Prepayments	148,211	154,419	192,782	(38,363)
Other Current & Accrued Assets	13,106	13,106	7,985	5,121
Total Current & Accrued Assets	3,772,428	4,421,175	4,139,134	282,041
Regulatory Assets	0	0	0	0
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	73,003,994	76,235,963	75,917,883	318,080
OWNER'S EQUITY:				
Memberships	313,565	322,695	321,540	1,155
Patronage Capital	24,719,773	26,335,596	26,361,694	(26,098)
Operating Margins-Prior Years	1,744,439	2,782,379	0	2,782,379
Operating Margins-Current Year	789,522	1,537,732	2,782,379	(1,244,647)
Non-Operating Margins	0	0	0	0
Other Margins & Equities	2,804,168	3,021,157	2,980,966	40,191
Total Margins & Equities	30,371,467	33,999,559	32,446,579	1,552,980
LIABILITIES:				
Long Term Debt-RUS	849,632	782,826	794,120	(11,294)
Long Term Debt Other - RUS Guar.	24,826,749	25,866,804	25,866,804	0
Long Term Debt - Other	12,517,384	10,347,049	10,627,351	(280,302)
Long Term Debt Other - Adv Payments	(260,699)	0	0	0
Total Long Term Debt	37,933,066	36,996,679	37,288,275	(291,596)
Accumulated Operating Provisions	1,021,275	1,054,062	1,114,466	(60,404)
Total Other Noncurrent Liabilities	1,021,275	1,054,062	1,114,466	(60,404)
Notes Payable	0	1,800,000	325,000	1,475,000
Accounts Payable	1,818,928	1,377,170	3,299,660	(1,922,490)
Deposits	161,326	186,645	188,770	(2,125)
Other Current & Accrued Liabilities	1,503,697	657,894	473,712	184,182
Total Current & Accrued Liabilities	3,483,951	4,021,709	4,287,142	(265,433)
Deferred Credits	194,235	163,954	781,420	(617,466)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	73,003,994	76,235,963	75,917,882	318,081

MENARD ELECTRIC COOPERATIVE

	This Month				
	February18	February19	February20	February21	February22
1. Operating Revenue	2,073,200	2,094,598	1,996,265	2,169,400	2,032,376
kWhr Sold	15,117,059	15,576,868	14,566,486	15,996,173	14,622,387
2. Cost of Power	1,316,465	1,230,027	1,269,599	1,418,588	956,259
kWhr Purchased	16,284,356	16,759,633	15,818,286	17,211,161	15,779,777
3. Operation Expense	176,816	150,647	174,468	120,112	165,833
4. Maintenance Expense	303,368	205,539	196,168	168,016	202,406
5. Consumer Accounts & Coll. Exp.	50,003	45,147	33,105	32,700	32,037
6. Member Service Expense	9,131	13,110	18,914	12,692	20,739
7. General Office Expense	76,353	48,980	59,246	57,620	63,481
8. Outside Professional Services	3,493	2,750	4,363	2,313	3,538
9. Insurance, Employee & Welfare	296	(339)	441	2,750	644
10. Director's Fee & Mileage	15,109	4,037	11,749	4,577	7,569
11. Dues - Assoc. Organizations	11,391	11,516	11,526	11,772	11,788
12. Other Misc. General Expense	26,066	21,987	27,143	26,492	29,153
13. Depreciation Expense	169,654	185,207	190,902	199,144	201,439
14. Tax Expense - Property	22,375	23,400	24,025	24,925	29,056
15. Tax Expense - Other	1,791	1,752	1,678	1,875	10,127
16. Interest Expense	96,318	101,157	101,068	94,006	90,072
17. Total Expense less Power	962,164	814,890	854,796	758,994	867,882
17a. Total Operating Cost	2,278,629	2,044,917	2,124,395	2,177,582	1,824,141
18. Operating Margins	(205,429)	49,681	(128,130)	(8,182)	208,235
19. Non-Operating Margins	3,066	2,627	6,700	2,571	16,253
20. G & T Capital Credits	0	0	0	0	0
21. Other Capital Credits	0	0	0	0	6,064
22. Total Margins	(202,363)	52,308	(121,430)	(5,611)	230,552