

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
FEBRUARY 28, 2023

The monthly Board Meeting of the Board of Directors of Menard Electric Cooperative was called to order at 8:00 A.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 Warren D. Goetsch, Directors D. Jay Frye, Gary Holloway, Gary L. Martin, Michael E. Patrick, Dennis Ryan, and Jodine L. Tate. Directors Donald L. McMillan and Steven Wornor were absent. Also present were Director of Accounting & Finance Julie Atwater, Director of Member Services Trish Michels, Operations Manager Dalton Whitley, Engineering Manager Brady Smith, General Manager Alisha Anker and Attorney Charles K. Smith. President Goetsch introduced Craig Sondgeroth, the new AIEC General Manager.

The Agenda of the meeting was read. There was no changes to the Agenda. Thereafter, with President Goetsch 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 Goetsch reviewed the Consensus Agenda. It was moved and seconded that the Consensus Agenda be approved. Motion carried.

President Goetsch welcomed Sondgeroth who gave a brief summary of his background and outlook for the AIEC. Following his comments Michels, Whitley, and Smith exited the Board room.

Director of Accounting & Finance Julie Atwater discussed some issues that have arisen with regard to 1099's as issued by the Cooperative. She then exited the Board room.

General Manager Anker reviewed the terms and provisions of the Station Power Agreement with Moraine Sands Wind Farm. It was moved and seconded that the Agreement be approved as presented. Motion carried.

General Manager Anker presented a tracking model for strategic planning implementation progress.

Director Donald L. McMillan entered the Board room.

General Manager Anker reviewed and discussed the various entries and provisions of a Prairie Power Bill.

Craig Sondgeroth exited the Board room.

General Manager Anker presented the Manager's Report for January, 2023. She reviewed the Operating Statement, Balance Sheet and Budget. She reviewed the Long Term Debt Maturity Schedules. She presented the Member Services Report, past due notices, generated cut-off tickets and write-offs for the Month. General Manager Anker reviewed the Operations Report and Reliability Report for the Month and advised there were 35 incidents, the longest duration of an outage was 192 minutes, total member minutes were 72966.45 and largest number of Members affected by a single outage was 136. She presented the Safety Report and advised that the Safety Meeting was held on February 15, 2023. She advised there was no Guest Director for the Meeting and that there was one (1) lost time incident and one (1) reportable incident. She presented the Irrigation Report and advised that there would be delays in construction of new irrigation systems due to delays in obtaining equipment as a result of supply chain problems. General Manager Anker reviewed the contents of the Connect Newsletter and advised that it included a list of Members whose 2022 capital credit checks had been returned to the Cooperative as a result of incorrect address and who could not be located. It was moved and seconded to approve the Manager's Report. Motion carried.

President Goetsch reported on AIEC Activities.

Director Martin reported on Prairie Power, Inc. He reviewed the President's Report and the Energy Charge Summary.

General Manager Anker presented the Capital Credit Estate Refunds Report.

President Goetsch proposed the Board Meeting date for the June meeting be changed from June 27 to June 29, 2023 at 8:00 a.m. It was moved and seconded to change that Meeting date. Motion carried.

President Goetsch advised the next regular Board Meeting was scheduled for Tuesday, March 28, 2023, at 8:00 a.m.

Under other business, President Goetsch advised that the NRECA Annual Meeting was March 5-8, 2023, that the CoBank Customer Meeting sign up was March 13, 2023, and that the NRECA Legislative Conference was scheduled for April 16-19, 2023.

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			January 2023		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	2,294,364	2,371,413	2,244,122	127,291	2,294,364	2,371,413	2,244,122	127,291
kWhr Sold	17,119,988	15,258,344	16,306,004	(1,047,660)	17,119,988	15,258,344	16,306,004	(1,047,660)
2. Cost of Power	1,235	127,630	388,590	260,960	1,235	127,630	388,590	260,960
kWhr Purchased	18,509,629	16,506,188	17,682,000	1,175,812	18,509,629	16,506,188	17,682,000	1,175,812
3. Operation Expense	215,772	137,563	159,622	22,059	215,772	137,563	159,622	22,059
4. Maintenance Expense	224,957	245,903	273,662	27,759	224,957	245,903	273,662	27,759
5. Consumer Accounts & Coll. Exp.	29,260	46,918	43,730	(3,188)	29,260	46,918	43,730	(3,188)
6. Member Service Expense	21,182	25,130	24,647	(483)	21,182	25,130	24,647	(483)
7. General Office Expense	108,885	46,422	49,020	2,598	108,885	46,422	49,020	2,598
8. Outside Professional Services	800	3,880	3,917	37	800	3,880	3,917	37
9. Insurance, Employee & Welfare	(3,225)	2,630	1,150	(1,480)	(3,225)	2,630	1,150	(1,480)
10. Director's Fee & Mileage	10,829	8,920	11,203	2,283	10,829	8,920	11,203	2,283
11. Dues - Assoc. Organizations	11,788	10,762	10,957	195	11,788	10,762	10,957	195
12. Other Misc. General Expense	46,103	57,172	32,134	(25,038)	46,103	57,172	32,134	(25,038)
13. Depreciation Expense	201,156	208,518	212,728	4,210	201,156	208,518	212,728	4,210
14. Tax Expense - Property	26,025	26,771	26,695	(76)	26,025	26,771	26,695	(76)
15. Tax Expense - Other	1,890	1,910	1,872	(38)	1,890	1,910	1,872	(38)
16. Interest Expense on L-T Debt	94,383	109,076	34,464	(74,612)	94,383	109,076	34,464	(74,612)
17. Total Expense less Power	989,806	931,575	885,801	(45,774)	989,806	931,575	885,801	(45,774)
17a. Total Operating Cost	991,040	1,059,205	1,274,391	215,186	991,040	1,059,205	1,274,391	215,186
18. Operating Margins	1,303,324	1,312,208	969,731	342,477	1,303,324	1,312,208	969,731	342,477
19. Non-Operating Margins	3,855	4,043	3,600	443	3,855	4,043	3,600	443
20. G & T Capital Credits	0	0	0	0	0	0	0	0
21. Other Capital Credits	0	0	0	0	0	0	0	0
22. Total Margins	1,307,179	1,316,251	973,331	342,920	1,307,179	1,316,251	973,331	342,920

Balance Sheet Analysis

01/31/2022 - 1/31/2023

24-Feb-23

	Prior Yr Balance 01/31/2022	Current Yr Balance 1/31/2023	End of Yr Balance 12/31/2022	Change YTD
ASSETS:				
Utility Plant in Service	79,475,303	83,660,660	83,143,441	517,219
Construction Work in Process	1,141,608	929,934	888,872	41,062
Total Utility Plant in Service	80,616,911	84,590,594	84,032,313	558,281
Accumulated Depreciation	(24,381,685)	(25,151,167)	(25,129,442)	(21,725)
Net Utility Plant	56,235,226	59,439,427	58,902,871	536,556
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	13,266,945	14,405,851	14,405,851	0
Inv.in Assoc.Org.- General Funds				0
Inv.in Assoc.Org.-Non Gen Funds	681,132	680,032	680,032	0
Investments in Economic Dev. Projects				0
Other Investments	1,408,605	704,305	704,305	0
Special Funds	227,883	139,720	186,550	(46,830)
Total Other Prop. & Investments	15,584,565	15,929,908	15,976,738	(46,830)
Cash-General Funds	962,883	1,101,771	824,353	277,418
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	14,968	7,369	7,634	(265)
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	2,032,415	2,494,156	2,732,388	(238,232)
Accounts Receivable-Net-Other	1,497	728	286	442
Materials & Supplies	808,899	1,472,481	1,473,956	(1,475)
Prepayments	180,908	150,033	192,105	(42,072)
Other Current & Accrued Assets	10,676	10,676	8,697	1,979
Total Current & Accrued Assets	4,012,700	5,237,668	5,239,873	(2,205)
Regulatory Assets	0	0	0	0
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	75,832,491	80,607,003	80,119,482	487,521
OWNER'S EQUITY:				
Memberships	322,245	330,720	330,120	600
Patronage Capital	26,361,694	27,864,041	27,884,522	(20,481)
Operating Margins-Prior Years	2,782,379	1,968,911	0	1,968,911
Operating Margins-Current Year	1,307,179	1,316,251	1,968,911	(652,660)
Non-Operating Margins	0	0	0	0
Other Margins & Equities	2,979,008	2,998,823	2,988,750	10,073
Total Margins & Equities	33,752,505	34,478,746	33,172,303	1,306,443
LIABILITIES:				
Long Term Debt-RUS	788,572	718,164	724,061	(5,897)
Long Term Debt Other - RUS Guar.	25,866,804	31,483,066	29,808,066	1,675,000
Long Term Debt - Other	10,575,721	9,479,097	9,531,004	(51,907)
Long Term Debt Other - Adv Payments	0	0	0	0
Total Long Term Debt	37,231,097	41,680,327	40,063,131	1,617,196
Accumulated Operating Provisions	1,049,202	748,837	794,171	(45,334)
Total Other Noncurrent Liabilities	1,049,202	748,837	794,171	(45,334)
Notes Payable	2,325,000	1,300,000	1,300,000	0
Accounts Payable	565,760	812,511	3,147,089	(2,334,578)
Deposits	186,230	201,230	203,095	(1,865)
Other Current & Accrued Liabilities	557,897	625,575	509,949	115,626
Total Current & Accrued Liabilities	3,634,887	2,939,316	5,160,133	(2,220,817)
Deferred Credits	164,800	759,777	929,744	(169,967)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	75,832,491	80,607,003	80,119,482	487,521

MENARD ELECTRIC COOPERATIVE

	This Month				
	January19	January20	January21	January22	January23
1. Operating Revenue	2,335,065	2,193,854	2,223,828	2,294,364	2,371,413
kWhr Sold	17,635,382	16,257,017	15,610,875	17,119,988	15,258,344
2. Cost of Power	1,389,527	466,021	416,937	1,235	127,630
kWhr Purchased	19,015,785	17,517,717	16,881,006	18,509,629	16,506,188
3. Operation Expense	309,422	127,463	206,763	215,772	137,563
4. Maintenance Expense	188,778	250,345	294,803	224,957	245,903
5. Consumer Accounts & Coll. Exp.	38,540	42,233	33,228	29,260	46,918
6. Member Service Expense	17,808	19,982	18,349	21,182	25,130
7. General Office Expense	91,776	68,919	65,065	108,885	46,422
8. Outside Professional Services	5,168	3,153	3,268	800	3,880
9. Insurance, Employee & Welfare	368	(3,536)	4,246	(3,225)	2,630
10. Director's Fee & Mileage	6,959	10,839	4,679	10,829	8,920
11. Dues - Assoc. Organizations	11,516	11,526	11,772	11,788	10,762
12. Other Misc. General Expense	51,924	32,373	43,909	46,103	57,172
13. Depreciation Expense	184,541	190,561	199,360	201,156	208,518
14. Tax Expense - Property	23,400	24,025	24,925	26,025	26,771
15. Tax Expense - Other	1,994	2,173	1,683	1,890	1,910
16. Interest Expense	112,059	108,995	103,988	94,383	109,076
17. Total Expense less Power	1,044,253	889,051	1,016,038	989,805	931,575
17a. Total Operating Cost	2,433,780	1,355,072	1,432,975	991,040	1,059,205
18. Operating Margins	(98,715)	838,782	790,853	1,303,324	1,312,208
19. Non-Operating Margins	4,100	8,755	4,278	3,855	4,043
20. G & T Capital Credits	0	0	0	0	
21. Other Capital Credits	0	0	0	0	
22. Total Margins	(94,615)	847,537	795,131	1,307,179	1,316,251