

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
JUNE 30, 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, Donald E. McMillan, Michael E. Patrick, Dennis Ryan and Jodine Tate. Director Steven L. Worner was absent. Also present was General Manager Alisha Anker and Attorney Charles K. Smith.

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).

General Manager Anker discussed the regular Board Meeting dates for July 2023 through June 2024. She advised that it was necessary to consider some possible changes to the scheduled Meeting dates. She advised that the July 2023 Board Meeting should be changed to July 31, the December 2023 Meeting date should be changed to December 22, the January 2024 Meeting date should be changed to January 30, 2024, and that the April 2024 Meeting date should be changed to April 30, 2024. It was moved and seconded that those changes be approved and adopted. Motion carried.

General Manager Anker presented the Manager's Report for May, 2023. She reviewed the Operating Statement, Balance Sheet and Budget. General Manager Anker advised that the Cooperative had taken a draw from its RUS Loan. She reviewed the confirmation notice received from Federated Financing Bank. 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 77 incidents, the longest duration of an outage was 374 minutes, and largest number of Members affected was 103. She reviewed cause of both outages were downed trees during the May 7th storm. General Manager Anker presented the Safety Report and advised that the Safety Meeting was held on June 20, 2023 and that Director Gary L. Martin was the Guest Director. She advised that Meeting Topics were CPR, First Aid, and Telehandler Certification for Operations Employees. General Manager Anker gave the Irrigation and Load Control Report. She discussed the contents of the Connect Newsletter. General Manager Anker reviewed the 2023 Applications for the Sharing Success program and the results of the anonymous Director survey ranking each entity's application. After discussion, there was a motion made to provide for contributions to four of the Applicants. There was then a motion to amend that motion to provide for the following: \$3,000.00 for Ashland Fire Protection District, \$2,000.00 for Athens Area Food Pantry, \$2,000.00 to Camp CILCA, and \$3,000.00 to Cooperative Family Fund. It was so moved and

seconded that the donations from the Cooperative be made in said amounts and an application for matching funds from CoBank be submitted. Motion carried. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Director Ryan left the Boardroom after the Manager's Report.

President Goetsch reported on AIEC Activities. He reviewed the NRECA Report.

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

General Manager Anker presented the Capital Credit Estate Refunds Report and summary of the 2023 General Retirement.

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. Motion carried.

President Goetsch advised the next regular Board Meeting was scheduled for Monday, July 31, 2023, at 8:00 a.m.

Under other business, President Goetsch advised that the CoBank Energy Directors' Conference was July 25-26, 2023, the AIEC Annual Meeting was scheduled for August 3-4, 2023, and that the NRECA Region V Meeting was scheduled for September 12-14, 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			May 2023		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	10,336,090	11,761,799	10,167,123	1,594,676	2,325,888	3,095,650	2,359,107	736,543
kWhr Sold	69,533,700	68,068,801	69,361,012	(1,292,211)	13,025,937	15,896,637	13,466,015	2,430,622
2. Cost of Power	4,475,569	5,649,917	6,182,106	532,189	1,254,500	1,535,062	1,437,134	(97,928)
kWhr Purchased	75,379,452	73,542,405	74,653,100	1,110,695	14,275,931	17,015,945	14,366,000	(2,649,945)
3. Operation Expense	917,321	519,552	751,262	231,710	197,469	159,100	152,424	(6,676)
4. Maintenance Expense	1,220,995	1,163,367	1,444,737	281,370	273,035	232,897	346,393	113,496
5. Consumer Accounts & Coll. Exp.	184,290	253,592	248,893	(4,699)	43,830	86,277	44,133	(42,144)
6. Member Service Expense	113,022	128,781	126,642	(2,139)	24,590	33,605	30,077	(3,528)
7. General Office Expense	296,385	215,362	255,189	39,827	39,921	48,754	55,363	6,609
8. Outside Professional Services	15,086	25,995	44,585	18,590	2,173	4,461	3,917	(544)
9. Insurance, Employee & Welfare	(317)	11,182	4,450	(6,732)	750	4,959	825	(4,134)
10. Director's Fee & Mileage	63,480	50,888	64,316	13,428	9,681	11,876	6,853	(5,023)
11. Dues - Assoc. Organizations	58,940	53,811	54,785	974	11,788	10,762	10,957	195
12. Other Misc. General Expense	146,164	150,744	178,050	27,306	18,345	25,444	39,529	14,085
13. Depreciation Expense	1,011,872	1,056,987	1,067,897	10,910	204,306	214,777	216,059	1,282
14. Tax Expense - Property	133,156	133,551	133,475	(76)	26,025	26,695	26,695	0
15. Tax Expense - Other	16,950	9,991	8,454	(1,537)	1,948	2,378	1,898	(480)
16. Interest Expense on L-T Debt	476,107	549,764	424,728	(125,036)	97,696	113,082	41,605	(71,477)
17. Total Expense less Power	4,653,448	4,323,566	4,807,463	483,897	951,556	975,067	976,728	1,661
17a. Total Operating Cost	9,129,017	9,973,483	10,989,569	1,016,086	2,206,056	2,510,129	2,413,862	(96,267)
18. Operating Margins	1,207,073	1,788,316	(822,446)	2,610,762	119,832	585,520	(54,755)	640,275
19. Non-Operating Margins	29,345	23,164	18,000	5,164	3,079	4,528	3,600	928
20. G & T Capital Credits	1,062,294	1,069,288	1,000,000	69,288	0	0	0	0
21. Other Capital Credits	137,044	102,877	130,800	(27,923)	0	0	0	0
22. Total Margins	2,435,755	2,983,644	326,354	2,657,290	122,910	590,048	(51,155)	641,203

Balance Sheet Analysis

Menard Electric Coop

05/31/2022 - 05/31/2023

27-Jun-23

	Prior Yr Balance 05/31/2022	Current Yr Balance 05/31/2023	End of Yr Balance 12/31/2022	Change YTD
ASSETS:				
Utility Plant in Service	80,856,482	86,119,273	83,143,441	2,975,832
Construction Work in Process	893,627	740,267	888,872	(148,605)
Total Utility Plant in Service	81,750,109	86,859,540	84,032,313	2,827,227
Accumulated Depreciation	(24,939,417)	(25,485,830)	(25,129,442)	(356,388)
Net Utility Plant	56,810,692	61,373,710	58,902,871	2,470,839
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	14,386,306	15,513,668	14,405,851	1,107,817
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	234,187	149,620	186,550	(36,930)
Total Other Prop. & Investments	16,710,230	17,047,625	15,976,738	1,070,887
Cash-General Funds	777,791	1,552,148	824,353	727,795
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	11,991	3,341	7,634	(4,293)
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	2,182,740	3,432,305	2,732,388	699,917
Accounts Receivable-Net-Other	1,102	(910)	286	(1,196)
Materials & Supplies	1,006,444	1,820,153	1,473,956	346,197
Prepayments	109,995	93,461	192,105	(98,644)
Other Current & Accrued Assets	5,294	5,294	8,697	(3,403)
Total Current & Accrued Assets	4,095,811	6,906,246	5,239,873	1,666,373
Regulatory Assets	0	0	0	0
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	77,616,733	85,327,581	80,119,482	5,208,099
OWNER'S EQUITY:				
Memberships	324,970	333,095	330,120	2,975
Patronage Capital	26,192,022	27,698,933	27,884,522	(185,589)
Operating Margins-Prior Years	2,782,379	1,968,911	0	1,968,911
Operating Margins-Current Year	2,435,756	2,983,644	1,968,911	1,014,733
Non-Operating Margins	0	0	0	0
Other Margins & Equities	3,028,635	3,151,918	2,988,750	163,168
Total Margins & Equities	34,763,762	36,136,501	33,172,303	2,964,198
LIABILITIES:				
Long Term Debt-RUS	765,481	694,339	724,061	(29,722)
Long Term Debt Other - RUS Guar.	25,677,937	31,939,704	29,808,066	2,131,638
Long Term Debt - Other	10,014,266	9,215,447	9,531,004	(315,557)
Long Term Debt Other - Adv Payments	0	0	0	0
Total Long Term Debt	36,457,684	41,849,490	40,063,131	1,786,359
Accumulated Operating Provisions	1,069,431	768,721	794,171	(25,450)
Total Other Noncurrent Liabilities	1,069,431	768,721	794,171	(25,450)
Notes Payable	2,300,000	2,500,000	1,300,000	1,200,000
Accounts Payable	1,976,932	2,410,083	3,147,089	(737,006)
Deposits	204,860	232,240	203,095	29,145
Other Current & Accrued Liabilities	617,485	750,674	509,949	240,725
Total Current & Accrued Liabilities	5,099,277	5,892,997	5,160,133	732,864
Deferred Credits	226,579	679,872	929,744	(249,872)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	77,616,733	85,327,581	80,119,482	5,208,099

MENARD ELECTRIC COOPERATIVE

	This Month				
	May19	May20	May21	May22	May23
1. Operating Revenue	2,273,414	2,155,030	2,145,112	2,325,888	3,095,650
kWhr Sold	13,957,380	12,266,727	11,835,318	13,025,937	15,896,637
2. Cost of Power	1,171,893	1,156,093	1,113,919	1,254,500	1,535,062
kWhr Purchased	14,485,210	13,352,179	12,815,216	14,275,931	17,015,945
3. Operation Expense	137,568	64,954	151,498	197,469	159,100
4. Maintenance Expense	294,460	141,014	337,273	273,035	232,897
5. Consumer Accounts & Coll. Exp.	30,181	27,594	35,754	43,830	86,277
6. Member Service Expense	17,852	20,454	12,368	24,590	33,605
7. General Office Expense	43,518	54,976	47,113	39,921	48,754
8. Outside Professional Services	0	21,601	4,470	2,173	4,461
9. Insurance, Employee & Welfare	0	3,303	2,431	750	4,959
10. Director's Fee & Mileage	7,894	8,212	3,513	9,681	11,876
11. Dues - Assoc. Organizations	11,516	11,526	11,772	11,788	10,762
12. Other Misc. General Expense	27,009	14,031	17,649	18,345	25,444
13. Depreciation Expense	185,578	193,030	197,109	204,306	214,777
14. Tax Expense - Property	23,400	24,025	24,925	26,025	26,695
15. Tax Expense - Other	2,021	1,733	1,845	1,948	2,378
16. Interest Expense	117,093	107,543	102,018	97,696	113,082
17. Total Expense less Power	898,090	693,996	949,738	951,557	975,067
17a. Total Operating Cost	2,069,983	1,850,089	2,063,657	2,206,057	2,510,129
18. Operating Margins	203,431	304,941	81,455	119,831	585,521
19. Non-Operating Margins	9,823	7,144	2,842	3,079	4,528
20. G & T Capital Credits	0	0	0	0	0
21. Other Capital Credits	0	0	0	0	0
22. Total Margins	213,254	312,085	84,297	122,910	590,049