

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
JUNE 26, 2018

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, Warren D. Goetsch, Gary L. Martin, Michael E. Patrick, Dennis Ryan, Roy H. Seaney, Jodine Tate, and Steven L. Worner. Director Donald E. McMillan was absent. Also present was Director of Member Services Trish Michels, Engineering Manager Brady Smith, Manager Alisha Anker, and Attorney Charles K. Smith.

The Agenda of the meeting was read. There was one addition to the Agenda, that being 7.k. LiHeap Survey. There were no other changes or additions 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).

Director of Member Services Trish Michels presented a review of the 81st Annual Meeting.

Engineering Manager Brady Smith presented a Review of the Joint Use Pole Attachments Agreement.

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

Manager Anker reviewed the Series Part Three (3) of Three (3) of the NRECA 2018 National Director Survey Results.

Manager Anker presented the Manager's Report for May, 2018. She reviewed the Balance Sheet and Budget. She did a review of the Capital Credit Retirements for 2018. Manager Anker reviewed the Rebate Summary and the Surge Protection Summary. She reviewed the Safety Report. Under the Reliability Report, she reported there were 66 incidents and the longest duration was the Fish Hatchery in Mason County. Under the Operations Report, she advised of the causes for the various outages. Under the Irrigation Report, Manager Anker reported on the status of construction. She also reviewed the Hot Water Heater Rate Survey Report results. She presented a status update on the Co-Bank Programs. She advised that construction at Mason County Fairgrounds had been completed. She also advised that she and President Frye would make presentation to the Marbold Association at their next Meeting for recognition of the contribution made to the Association by Co-Bank/Menard Electric. She advised that there would

also be a presentation by she and President Frye to Theatre in the Park. She advised that she has spoken to the Representatives for the Logan County Fairgrounds and that there would likewise be a presentation yet to be scheduled in the future in recognition of the contribution to the Logan County Fairgrounds. She discussed what would be in the ICL Center Section. She reviewed the LiHeap Survey and discussed the fact that requests were substantially less than last year. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Manager Anker presented the financial report for the month of May. Year to date margins \$1,399,688 compared to \$1,593,386 last year. Equity at the end of May was 40.51%. Member accounts served was 10,889. Net utility plant was \$48,437,749 compared to \$46,632,106 last year. Co-op meets the requirements of RUS, FFB, NRCFC and CoBank.

Director Goetsch reported on AIEC Activities and asked the Board to review the Executive Summary.

Director Martin reported on Prairie Power, Inc. He discussed the Prairie Power Annual Meeting.

It was moved and seconded that Director Goetsch be appointed the Delegate for the NRECA Region V Meeting with Director Ryan as the Alternate. Motion carried.

The Board reviewed the Board Meeting dates and times for 2018/2019. It was moved and seconded that there would be some changes to the schedule due to conflicts, that being that the September Board Meeting be moved and scheduled for October 2, 2018 and that the December Board Meeting be scheduled for December 21, 2018, at approximately 9:00 a.m. It was so moved and seconded. Motion carried.

The Board reviewed the Board Committee and Delegate Appointments. President Frye announced the following Committee appointments for 2018/2019 as set forth in Exhibit A, attached hereto and incorporated herein by reference. It was moved and seconded that President Frye's Board Committee and Delegate Appointments be approved. Motion carried.

Manager Anker presented the Capital Credit Estate Refunds 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. Motion carried. It was moved and seconded that the Board confirm and ratify all action taken in the Executive Session. Motion carried.

There was discussion about scheduling a Meeting of the Bylaw and Policy Committee for July 24, 2018, at 5:15 p.m. There followed discussion. It was moved and seconded that the Bylaw and Policy Committee Meeting be scheduled for July 24, 2018, at 5:15 p.m. Motion carried.

President Frye reported that next month's Board Meeting was scheduled for July 24, 2018, at 6:00 p.m.

Under other business, President Frye reminded the Board that the AIEC Annual Meeting was scheduled for July 26-27, 2018, at the Crowne Plaza, Springfield, Illinois; and on July 25, 2018, the Seminar entitled Equity Management & Boardroom Decision Making would be held at the Crowne Plaza, Springfield, Illinois. There was discussion about a Strategic Planning Session for December 4-5, 2018 and the location thereof. After discussion, it was determined to schedule the Strategic Planning Session for December 4-5, 2018 at Roots, which is located across the highway from the Cooperative Headquarters.

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