

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
APRIL 26, 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 and Jodine Tate. Director Steven L. Worner was absent. Also present were General Manager Alisha Anker and Attorney Charles K. Smith.

The Agenda of the meeting was read. There was one addition to the Agenda, being "5A Approval of Agreement for Electric Service for United Regional Water Cooperative. The report from the Building Committee was moved ahead of the Manager's Report. There were no other 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 discussed and reviewed the Summary of the Strategic Planning Session. She discussed the strategic planning implementation tracking model, which set forth various goals and objectives. It was moved and seconded that the six (6) strategic planning goals be adopted. Motion carried.

General Manager Anker discussed the Policy entitled Removal of Inactive Facilities. She discussed the need to address a member request for variance from the Policy. Following discussion, it was advised that she and Staff get together to discuss possible changes and additions to the Policy.

General Manager Anker presented the Electric Service Agreement with United Regional Water Coop (URWC) and discussed their requests.

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.

It was moved and seconded to approve the Electric Service Agreement with URWC. Motion carried.

Operations Manager Dalton Whitley entered the Board Room to report on the Building Committee meeting held April 25th. He discussed plans for expansion of the Warehouse and Yard Facilities. Dalton reviewed the work that was proposed and discussed the potential costs for the various stages of the Project, as well as a Preliminary Drawing from Morton Buildings, Inc. He advised that he sent out a request for bids for the Project, but had only received one (1) bid. It was the consensus of the Board to make further effort to see if others were interested in bidding on the Project. It was the consensus to then bring those bids back to the Board. Operations Manager Whitley exited the Board room.

General Manager Anker presented the Manager's Report for March, 2022. She reviewed the Operating Statement, Balance Sheet and Budget. 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 46 incidents, the longest duration of an outage was 425 minutes, total member hours were 1780.5 and largest number of Members affected was 542. She reviewed the Alternate Energy Summary. General Manager Anker presented the Safety Report. She advised that there were no injuries or illnesses to report. General Manager Anker reviewed the Education and Event Course Attendance Report. She reviewed the Irrigation Report and reported on the status of completed irrigations and those still to be built. Manager Anker reviewed the contents of the Connect Newsletter. General Manager Anker announced recipients of 2022 Youth to Washington Scholarships. General Manager Anker distributed a sign-up sheet for the CoBank Director's Conference, as well as for the CFC Forum and Annual Meeting. General Manager Anker advised that she had received an e-mail from FEMA and it appeared that the application the Cooperative filed with FEMA for public assistance was going to be denied. She advised that she had not received the official notice denying the request, but that such should be forthcoming. She advised that the Cooperative intended to appeal the decision. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Director Tate led the Report from the Annual Meeting Committee. It was determined speakers would try to complete video reports.

Director Goetsch reported on AIEC Activities. He advised that there was no Meeting for the month. It was determined to certify Director Goetsch as the AIEC Annual Meeting Delegate with Director Worner as the Alternate Delegate. It was determined to certify Director Goetsch as 2022-23 FY AIEC Director and Director Worner as Alternate Director.

Director Martin reported on Prairie Power, Inc. He advised that there was no Meeting for the month. It was determined to certify Director Martin as Annual Meeting Delegate and General Manager Anker as the Alternate Delegate. It was determined to certify General Manager Anker as Manager-Director, Director Martin as Director-Director with Director Worner as Alternate Director.

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.
Motion carried.

President Frye advised the next regular Board Meeting was scheduled for Tuesday, May 24, 2022.

Under other business, President Frye advised that the Co-Bank Directors Conference is July 13-14, 2022 at Chicago Marriott Marquis and the CFC Forum and Annual Meeting is June 20-22, 2022 at the Boston Convention Center.

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			March 2022		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	6,242,838	6,215,960	6,140,682	75,278	1,849,610	1,889,220	1,886,598	2,622
kWhr Sold	44,189,693	44,912,336	43,151,629	1,760,707	12,582,645	13,169,970	12,913,156	256,814
2. Cost of Power	2,971,520	2,138,371	2,386,211	247,840	1,135,995	1,180,877	1,273,770	92,893
kWhr Purchased	47,779,634	48,558,003	47,558,288	(999,715)	13,687,467	14,268,597	13,444,672	(823,925)
3. Operation Expense	504,790	556,789	451,385	(105,404)	177,915	175,184	149,578	(25,606)
4. Maintenance Expense	722,977	705,394	763,761	58,367	260,158	278,030	266,156	(11,874)
5. Consumer Accounts & Coll. Exp.	99,358	95,329	137,515	42,186	33,430	34,032	59,747	25,715
6. Member Service Expense	57,352	64,883	65,537	654	26,311	22,961	22,516	(445)
7. General Office Expense	187,681	218,237	142,537	(75,700)	64,996	45,871	46,539	668
8. Outside Professional Services	7,907	5,746	20,749	15,004	2,326	1,408	10,583	9,176
9. Insurance, Employee & Welfare	6,996	(2,320)	1,200	3,520	0	261	400	139
10. Director's Fee & Mileage	14,701	39,524	16,632	(22,892)	5,445	21,126	5,127	(15,999)
11. Dues - Assoc. Organizations	35,316	35,364	36,300	936	11,772	11,788	12,100	312
12. Other Misc. General Expense	92,756	103,790	98,732	(5,058)	22,355	28,534	33,825	5,291
13. Depreciation Expense	594,873	604,227	603,205	(1,022)	196,369	201,632	201,795	163
14. Tax Expense - Property	74,775	81,106	78,075	(3,031)	24,925	26,025	26,025	0
15. Tax Expense - Other	5,355	13,565	5,458	(8,107)	1,797	1,548	1,691	143
16. Interest Expense on L-T Debt	301,130	283,590	289,544	5,954	103,136	99,136	99,205	69
17. Total Expense less Power	2,705,967	2,805,223	2,710,630	(94,593)	930,935	947,536	935,287	(12,249)
17a. Total Operating Cost	5,677,487	4,943,594	5,096,841	153,247	2,066,930	2,128,413	2,209,057	80,644
18. Operating Margins	565,351	1,272,366	1,043,841	228,525	(217,320)	(239,193)	(322,459)	83,266
19. Non-Operating Margins	12,501	23,345	10,800	12,545	5,652	3,237	3,600	(363)
20. G & T Capital Credits	0	0	0	0	0	0	0	0
21. Other Capital Credits	0	137,044	90,000	47,044	0	130,980	90,000	40,980
22. Total Margins	577,852	1,432,755	1,144,641	288,114	(211,668)	(104,976)	(228,859)	123,883

Balance Sheet Analysis

Menard Electric Coop

03/31/2021 - 3/31/2022

21-Apr-22

	Prior Yr Balance 03/31/2021	Current Yr Balance 3/31/2022	End of Yr Balance 12/31/2021	Change YTD
ASSETS:				
Utility Plant in Service	76,823,799	80,183,831	79,123,303	1,060,528
Construction Work in Process	1,075,870	864,493	1,291,261	(426,768)
Total Utility Plant in Service	77,899,669	81,048,324	80,414,564	633,760
Accumulated Depreciation	(24,095,200)	(24,677,042)	(24,277,381)	(399,661)
Net Utility Plant	53,804,469	56,371,282	56,137,183	234,099
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	12,027,034	13,324,012	13,266,945	57,067
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	248,893	231,035	284,884	(53,849)
Total Other Prop. & Investments	15,069,964	15,644,784	15,641,566	3,218
Cash-General Funds	867,973	862,464	711,595	150,869
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	3,161	12,643	2,891	9,752
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	1,680,328	1,739,966	2,451,975	(712,009)
Accounts Receivable-Net-Other	27,959	2,502	23,565	(21,063)
Materials & Supplies	624,046	938,749	747,887	190,862
Prepayments	137,902	142,835	192,782	(49,947)
Other Current & Accrued Assets	15,775	15,797	7,985	7,812
Total Current & Accrued Assets	3,357,598	3,715,410	4,139,134	(423,724)
Regulatory Assets	0	0	0	0
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	72,232,031	75,731,476	75,917,883	(186,407)
OWNER'S EQUITY:				
Memberships	314,295	323,320	321,540	1,780
Patronage Capital	24,703,583	26,238,620	26,361,694	(123,074)
Operating Margins-Prior Years	1,744,439	2,782,379	0	2,782,379
Operating Margins-Current Year	577,855	1,432,756	2,782,379	(1,349,623)
Non-Operating Margins	0	0	0	0
Other Margins & Equities	2,810,626	3,081,512	2,980,966	100,546
Total Margins & Equities	30,150,798	33,858,587	32,446,579	1,412,008
LIABILITIES:				
Long Term Debt-RUS	844,312	777,211	794,120	(16,909)
Long Term Debt Other - RUS Guar.	24,647,505	25,677,937	25,866,804	(188,867)
Long Term Debt - Other	12,460,383	10,294,970	10,627,351	(332,381)
Long Term Debt Other - Adv Payments	(263,270)	0	0	0
Total Long Term Debt	37,688,930	36,750,118	37,288,275	(538,157)
Accumulated Operating Provisions	1,027,126	1,058,923	1,114,466	(55,543)
Total Other Noncurrent Liabilities	1,027,126	1,058,923	1,114,466	(55,543)
Notes Payable	0	1,300,000	325,000	975,000
Accounts Payable	1,596,426	1,854,204	3,299,660	(1,445,456)
Deposits	159,816	186,605	188,770	(2,165)
Other Current & Accrued Liabilities	1,414,700	558,240	473,712	84,528
Total Current & Accrued Liabilities	3,170,942	3,899,049	4,287,142	(388,093)
Deferred Credits	194,235	164,799	781,420	(616,621)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	72,232,031	75,731,476	75,917,882	(186,406)

MENARD ELECTRIC COOPERATIVE

	This Month				
	March18	March19	March20	March21	March22
1. Operating Revenue	2,073,294	2,093,429	1,885,050	1,849,610	1,889,220
kWhr Sold	15,229,094	15,268,686	13,062,856	12,582,645	13,169,970
2. Cost of Power	1,200,266	1,244,919	1,129,394	1,135,995	1,180,877
kWhr Purchased	16,329,039	16,486,445	14,197,104	13,687,467	14,268,597
3. Operation Expense	147,098	180,043	172,171	177,915	175,184
4. Maintenance Expense	140,797	145,653	236,065	260,158	278,030
5. Consumer Accounts & Coll. Exp.	43,682	40,196	33,241	33,430	34,032
6. Member Service Expense	9,261	14,988	23,556	26,311	22,961
7. General Office Expense	78,575	57,488	68,185	64,996	45,871
8. Outside Professional Services	5,695	2,860	9,006	2,326	1,408
9. Insurance, Employee & Welfare	3,772	0	0	0	261
10. Director's Fee & Mileage	24,509	23,212	16,052	5,445	21,126
11. Dues - Assoc. Organizations	11,391	11,516	11,526	11,772	11,788
12. Other Misc. General Expense	17,324	23,453	22,535	22,355	28,534
13. Depreciation Expense	171,302	185,431	191,074	196,369	201,632
14. Tax Expense - Property	22,375	23,400	24,025	24,925	26,025
15. Tax Expense - Other	1,702	1,698	1,534	1,797	1,548
16. Interest Expense	109,085	111,009	107,815	103,136	99,136
17. Total Expense less Power	786,568	820,947	916,785	930,935	947,536
17a. Total Operating Cost	1,986,834	2,065,866	2,046,179	2,066,930	2,128,413
18. Operating Margins	86,460	27,563	(161,129)	(217,320)	(239,193)
19. Non-Operating Margins	13,696	33,167	12,979	5,652	3,237
20. G & T Capital Credits	0	0	0	0	
21. Other Capital Credits	187,988	137,399	143,528	0	130,980
22. Total Margins	288,144	198,129	(4,622)	(211,668)	(104,976)