

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
APRIL 30, 2024

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 Warren D. Goetsch, Directors D. Jay Frye, Gary Holloway, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan and Steve L. Worner. Jodine Tate was absent. Also present were Cooperative Independent Auditor Kevin Kelso, Director of Accounting and Finance Julie Atwater, General Manager Alisha Anker and Attorney Charles K. Smith.

The Agenda of the meeting was read. 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 the Consensus Agenda be approved. Motion carried.

Cooperative Independent Auditor Kevin Kelso presented a review of the 2023 Financial Audit Report. General Manager Anker presented an Engagement Letter from Mr. Kelso for the 2024 and 2025 Audits. It was moved and seconded that President Goetsch enter into the Engagement Letter for YE 2024 and 2025. Motion carried.

Mr. Kelso left the Board Room.

Director of Accounting and Finance Julie Atwater presented the results of the Quarterly Inventory Count. She discussed changes made to improve the process and ability to accurately account for Inventory. She advised that the Inventory Count would have resulted in a positive adjustment of \$7,767.34. It was moved and seconded the Quarterly Inventory presentation be approved. Motion carried.

Ms. Atwater left the Board Room.

General Manager Anker discussed Goal #2 of the Strategic Plan Tracking Update. She advised the primary goal was to purchase an EV for the fleet and a Test Drive Program. She reported that there had been little interest in the Program and discussed ways to improve knowledge of the Program and encourage participation in the Program. There was a motion to trade the electric vehicle in on some other item at the first available option. There was no second to the motion, so the motion failed. General Manager Anker discussed a possible direct payment tax credit in the future. She advised that she would bring other ideas to promote usage of the EV.

General Manager Anker presented the Manager's Report for March, 2024. She reviewed the Operating Statement, Balance Sheet and Budget. General Manager Anker discussed the need for a Restatement of the 2024 Budget. She advised that there were two categories that needed to be restated for a total restatement of \$253,002. It was moved and seconded that the Restatement be approved. Motion carried. General Manager Anker presented the Member Services Report,

past due notices, generated cut-off tickets and write-offs. She reviewed the Operations Report and Reliability Report for the Month and advised there were 30 incidents, the longest duration of an outage was 230 minutes, and largest number of Members affected by a single outage was 373. General Manager Anker presented the Safety Report and advised that there was no Guest Director for the month. She reviewed the Irrigation Report and reported on the status of new and completed Irrigation construction. General Manager Anker discussed the contents of the Connect Newsletter. General Manager Anker discussed the 2024 Scholarship Winners and selection of the Youth to Washington Ambassador. She advised that the Patronage Capital Allocation of 2023 margins from Prairie Power, Inc. was \$1,089,229.00. It was moved and seconded that the Manager's Report be approved as presented. Motion carried.

President Goetsch reported on AIEC Activities. The Board discussed selection of Voting Delegates for the AIEC Annual Meeting. It was moved and seconded that President Goetsch be the Delegate with Director Frye as the Alternate Delegate. Motion carried. Director Goetsch reported on Lobby Day. He reviewed the NRECA Report and reported on the NRECA Legislative Conference.

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 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 Goetsch advised the next regular Board Meeting was scheduled for Tuesday, May 28, 2024 at 6:00 p.m.

President Goetsch advised that he had a conflict with the June Board Meeting date. It was moved and seconded that the June Board Meeting date be changed from Tuesday, June 25, 2024 to Friday, June 28, 2024 at 8:00 a.m. Motion carried.

Under other business, President Goetsch discussed the BLC 984 course on The Road to Resiliency scheduled for May 22, 2024 and advised that he was circulating the sign-up sheet for the AIEC Annual Meeting, which was July 31 - August 2, 2024, at the Crowne Plaza, Springfield, 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			March 2024		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	6,662,023	6,569,816	6,597,084	(27,268)	2,224,530	1,953,373	2,070,568	(117,195)
kWhr Sold	41,109,319	39,632,504	39,688,419	(55,915)	13,139,405	11,476,831	12,555,367	(1,078,536)
2. Cost of Power	3,005,377	1,642,043	2,067,237	425,194	1,380,173	1,192,390	1,271,354	78,964
kWhr Purchased	44,683,305	43,110,077	42,813,371	(296,706)	14,313,308	12,552,011	13,581,911	1,029,900
3. Operation Expense	385,648	695,366	610,365	(85,001)	98,385	275,217	213,100	(62,117)
4. Maintenance Expense	682,713	721,887	832,144	110,257	227,921	304,629	264,278	(40,351)
5. Consumer Accounts & Coll. Exp.	124,398	140,698	193,082	52,384	42,418	44,848	73,049	28,201
6. Member Service Expense	72,419	90,976	75,088	(15,888)	25,495	35,156	24,604	(10,552)
7. General Office Expense	118,088	151,335	135,859	(15,476)	41,343	50,101	44,595	(5,506)
8. Outside Professional Services	8,900	18,319	18,400	81	1,723	7,800	8,917	1,117
9. Insurance, Employee & Welfare	4,096	6,638	4,260	(2,378)	243	(4,050)	1,420	5,470
10. Director's Fee & Mileage	31,721	39,778	53,059	13,281	16,518	23,768	27,963	4,195
11. Dues - Assoc. Organizations	32,286	34,750	34,752	2	10,762	11,583	11,584	1
12. Other Misc. General Expense	98,103	95,511	97,387	1,876	24,043	32,934	26,461	(6,473)
13. Depreciation Expense	629,998	693,870	647,265	(46,605)	211,471	231,924	216,214	(15,710)
14. Tax Expense - Property	80,161	83,775	83,775	0	26,695	27,925	27,925	0
15. Tax Expense - Other	5,385	5,353	5,660	307	1,730	1,638	1,860	222
16. Interest Expense on L-T Debt	327,075	377,625	357,873	(19,752)	113,920	132,619	121,182	(11,437)
17. Total Expense less Power	2,600,991	3,155,881	3,148,969	(6,912)	842,666	1,176,092	1,063,152	(112,940)
17a. Total Operating Cost	5,606,368	4,797,924	5,216,206	418,282	2,222,839	2,368,482	2,334,506	(33,976)
18. Operating Margins	1,055,656	1,771,892	1,380,878	391,014	1,691	(415,109)	(263,938)	(151,171)
19. Non-Operating Margins	13,055	17,187	10,800	6,387	4,877	6,543	3,600	2,943
20. G & T Capital Credits	0	0	0	0	0	0	0	0
21. Other Capital Credits	102,877	91,166	130,800	(39,634)	102,877	91,166	130,800	(39,634)
22. Total Margins	1,171,587	1,880,245	1,522,478	357,767	109,445	(317,400)	(129,538)	(187,862)

REA Form 7
Balance Sheet Analysis
3/31/2023 - 3/31/2024

IL 21 Menard
Menard Electric Coop
18-Apr-24

	Prior Yr Balance 3/31/2023	Current Yr Balance 3/31/2024	End of Yr Balance 12/31/2023	Change YTD
ASSETS:				
Utility Plant in Service	84,859,286	88,957,396	88,570,600	386,796
Construction Work in Process	698,987	1,539,367	556,703	982,664
Total Utility Plant in Service	85,558,273	90,496,763	89,127,303	1,369,460
Accumulated Depreciation	(25,299,715)	(24,687,652)	(24,461,555)	(226,097)
Net Utility Plant	60,258,558	65,809,111	64,665,748	1,143,363
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	14,444,380	15,620,926	15,585,044	35,882
Inv.in Assoc.Org.- General Funds				0
Inv.in Assoc.Org.-Non Gen Funds	680,032	680,032	680,032	0
Investments in Economic Dev. Projects				0
Other Investments	704,305	0	0	0
Special Funds	144,420	169,473	221,564	(52,091)
Total Other Prop. & Investments	15,973,137	16,470,431	16,486,640	(16,209)
Cash-General Funds	536,572	1,831,870	714,205	1,117,665
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	5,664	4,134	3,355	779
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	2,313,637	2,161,455	2,837,618	(676,163)
Accounts Receivable-Net-Other	(2,214)	(2,544)	(2,061)	(483)
Materials & Supplies	1,688,047	934,057	1,681,309	(747,252)
Prepayments	123,059	223,614	200,164	23,450
Other Current & Accrued Assets	15,797	15,862	9,163	6,699
Total Current & Accrued Assets	4,681,016	5,168,902	5,444,207	(275,305)
Regulatory Assets	0	146,506	154,217	(7,711)
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	80,912,711	87,594,950	86,750,812	844,138
OWNER'S EQUITY:				
Memberships	331,945	339,170	337,870	1,300
Patronage Capital	27,768,951	28,586,103	28,635,881	(49,778)
Operating Margins-Prior Years	1,968,911	2,598,289	0	2,598,289
Operating Margins-Current Year	1,171,587	1,880,245	2,598,289	(718,044)
Non-Operating Margins	0	0	0	0
Other Margins & Equities	3,095,276	3,186,172	3,159,752	26,420
Total Margins & Equities	34,336,670	36,589,979	34,731,792	1,858,187
LIABILITIES:				
Long Term Debt-RUS	706,211	634,230	652,418	(18,188)
Long Term Debt Other - RUS Guar.	31,289,704	36,291,746	34,791,746	1,500,000
Long Term Debt - Other	9,346,617	8,751,736	9,014,640	(262,904)
Long Term Debt Other - Adv Payments	0	0	0	0
Total Long Term Debt	41,342,532	45,677,712	44,458,804	1,218,908
Accumulated Operating Provisions	758,929	872,412	911,816	(39,404)
Total Other Noncurrent Liabilities	758,929	872,412	911,816	(39,404)
Notes Payable	1,200,000	1,000,000	1,000,000	0
Accounts Payable	1,886,774	1,742,160	3,909,104	(2,166,944)
Deposits	203,690	233,241	231,292	1,949
Other Current & Accrued Liabilities	484,600	684,827	495,650	189,177
Total Current & Accrued Liabilities	3,775,064	3,660,228	5,636,046	(1,975,818)
Deferred Credits	699,516	794,619	1,012,354	(217,735)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	80,912,711	87,594,950	86,750,812	844,138

MENARD ELECTRIC COOPERATIVE

	This Month				
	March20	March21	March22	March23	March24
1. Operating Revenue	1,885,050	1,849,610	1,889,220	2,224,530	1,953,373
kWhr Sold	13,062,856	12,582,645	13,169,970	13,139,405	11,476,831
2. Cost of Power	1,129,394	1,135,995	1,180,877	1,380,173	1,192,390
kWhr Purchased	14,197,104	13,687,467	14,268,597	14,313,308	12,500,202
3. Operation Expense	172,171	177,915	175,184	98,385	275,217
4. Maintenance Expense	236,065	260,158	278,030	227,921	304,629
5. Consumer Accounts & Coll. Exp.	33,241	33,430	34,032	42,418	44,848
6. Member Service Expense	23,556	26,311	22,961	25,495	35,156
7. General Office Expense	68,185	64,996	45,871	41,343	50,101
8. Outside Professional Services	9,006	2,326	1,408	1,723	7,800
9. Insurance, Employee & Welfare	0	0	261	243	(4,050)
10. Director's Fee & Mileage	16,052	5,445	21,126	16,518	23,768
11. Dues - Assoc. Organizations	11,526	11,772	11,788	10,762	11,583
12. Other Misc. General Expense	22,535	22,355	28,534	24,043	32,934
13. Depreciation Expense	191,074	196,369	201,632	211,471	231,924
14. Tax Expense - Property	24,025	24,925	26,025	26,695	27,925
15. Tax Expense - Other	1,534	1,797	1,548	1,730	1,638
16. Interest Expense	107,815	103,136	99,136	113,920	132,619
17. Total Expense less Power	916,785	930,935	947,536	842,667	1,176,092
17a. Total Operating Cost	2,046,179	2,066,930	2,128,413	2,222,840	2,368,482
18. Operating Margins	(161,129)	(217,320)	(239,193)	1,690	(415,109)
19. Non-Operating Margins	12,979	5,652	3,237	4,877	6,543
20. G & T Capital Credits	0	0	0	0	0
21. Other Capital Credits	143,528	0	130,980	102,877	91,166
22. Total Margins	(4,622)	(211,668)	(104,976)	109,444	(317,400)