

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
JULY 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: Directors Warren D. Goetsch, Gary Holloway, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan, Jodine Tate, and Steven L. Worner. Director D. Jay Frye was absent. In the absence of President Frye, it was moved and seconded that Vice-President Goetsch preside over the Meeting. Motion carried. Also present were General Manager Alisha Anker and Attorney Charles K. Smith.

The Agenda of the meeting was read. There were no changes or additions to the Agenda. Thereafter, with Vice-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).

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

General Manager Anker reviewed the results of the 2021 Key Ratio Trend Analysis (KRTA) Report.

General Manager Anker discussed the NRECA 401k and RS Adoption Agreement Restatements. After discussion, it was moved and seconded the Resolutions authorizing the Amendment and Restatement of the NRECA 401k and RS Plans be approved. Motion carried. See Resolutions for each employee group marked Exhibit A and Exhibit B, respectively, attached hereto and incorporated herein by reference.

General Manager Anker presented the Manager's Report for June, 2022. General Manager Anker reviewed the Operating Statement, Balance Sheet and Budget. She 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 109 incidents, the longest duration of an outage was 439 minutes, total outage member-hours were 2428, and the largest number of Members affected by a single outage was 301. General Manager Anker presented the Safety Report. She advised that there was one (1) new injury reported, no lost time. She advised that Director Patrick was the Guest Director for the Safety Meeting. General Manager Anker discussed the Irrigation and Load Control Report. She discussed the status of irrigation construction and the one load control event during the Month. General Manager Anker reviewed the Education and Event Course Attendance Report. She advised that the Cooperative continues looking for a Journeyman/Lineman and had recently interviewed a good prospect. She reviewed the qualifications of the individual. General Manager Anker advised that there was a

sign-up sheet for the NRECA Region V Meeting. She advised that a Delegate and Alternate Delegate was needed for the NRECA Region V Meeting. It was moved and seconded that Director Goetsch be the Delegate and Director Ryan be the Alternate. Motion carried. General Manager Anker reviewed the NRECA Governance Talk Video. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Director Goetsch advised that there was no AIEC Monthly Meeting.

Director Martin advised that there was no monthly Prairie Power, Inc. Meeting. He reviewed the President's Report and the Energy Charge Summary.

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.

Vice-President Goetsch advised the next regular Board Meeting was scheduled for Tuesday, August 23, 2022, at 6:00 p.m.

Under other business, Vice-President Goetsch reminded the Board that the AIEC Annual Meeting and Continuing Education Course was scheduled for July 27-29, 2022. He also reminded the Board that several Committees would meet on August 1st and the Annual Meeting of Members was scheduled for August 4, 2022. He also advised that the NRECA Region V Meeting was September 21-23, 2022.

There being no further business to come before the Board, it was moved and seconded the Meeting be adjourned. Motion carried.

Respectfully submitted,

Secretary

Vice-President

MENARD ELECTRIC COOPERATIVE
MONTHLY OPERATING REPORT

	Year to Date			June 2022		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	13,181,058	13,555,085	13,490,614	64,471	3,046,417	3,218,995	3,316,059	(97,064)
kWhr Sold	87,924,778	92,144,080	87,892,667	4,251,413	20,850,540	22,610,380	20,331,421	2,278,959
2. Cost of Power	7,038,612	6,736,260	7,100,827	364,567	1,956,895	2,260,691	2,077,385	(183,306)
kWhr Purchased	95,244,117	99,735,449	95,660,833	(4,074,616)	22,571,075	24,355,997	23,036,555	(1,319,442)
3. Operation Expense	858,055	1,025,246	904,585	(120,661)	135,014	107,925	154,926	47,001
4. Maintenance Expense	1,617,550	1,554,525	1,685,795	131,270	372,660	333,531	364,188	30,657
5. Consumer Accounts & Coll. Exp.	209,027	199,598	251,489	51,891	37,639	15,308	35,030	19,722
6. Member Service Expense	100,109	134,313	134,889	576	14,363	21,291	25,617	4,326
7. General Office Expense	339,279	332,840	289,072	(43,768)	46,473	36,455	51,755	15,300
8. Outside Professional Services	21,371	20,192	36,798	16,606	1,835	5,106	4,083	(1,023)
9. Insurance, Employee & Welfare	14,020	151	2,400	2,249	2,686	468	400	(68)
10. Director's Fee & Mileage	30,902	70,165	45,513	(24,652)	6,337	6,685	7,127	442
11. Dues - Assoc. Organizations	70,632	70,479	72,600	2,121	11,772	11,539	12,100	561
12. Other Misc. General Expense	178,457	175,316	232,255	56,939	16,164	29,152	50,801	21,649
13. Depreciation Expense	1,187,432	1,215,782	1,220,701	4,919	198,761	203,910	206,693	2,783
14. Tax Expense - Property	149,550	159,181	156,150	(3,031)	24,925	26,025	26,025	0
15. Tax Expense - Other	11,045	19,378	11,884	(7,494)	2,430	2,429	2,835	406
16. Interest Expense on L-T Debt	591,350	570,081	577,873	7,792	89,102	93,974	94,539	565
17. Total Expense less Power	5,378,779	5,547,246	5,622,004	74,758	960,161	893,798	1,036,119	142,321
17a. Total Operating Cost	12,417,391	12,283,506	12,722,831	439,325	2,917,056	3,154,489	3,113,504	(40,985)
18. Operating Margins	763,667	1,271,579	767,783	503,796	129,361	64,506	202,555	(138,049)
19. Non-Operating Margins	832,213	32,744	21,600	11,144	813,314	3,400	3,600	(201)
20. G & T Capital Credits	1,092,798	1,062,294	1,000,000	62,294	0	0	0	0
21. Other Capital Credits	140,588	137,044	90,000	47,044	0	0	0	0
22. Total Margins	2,829,266	2,503,661	1,879,383	624,278	942,675	67,906	206,155	(138,249)

Balance Sheet Analysis

06/30/2021 - 6/30/2022

18-Jul-22

	Prior Yr Balance 06/30/2021	Current Yr Balance 6/30/2022	End of Yr Balance 12/31/2021	Change YTD
ASSETS:				
Utility Plant in Service	77,871,429	81,013,199	79,123,303	1,889,896
Construction Work in Process	1,253,167	1,002,692	1,291,261	(288,569)
Total Utility Plant in Service	79,124,596	82,015,891	80,414,564	1,601,327
Accumulated Depreciation	(24,528,165)	(24,796,362)	(24,277,381)	(518,981)
Net Utility Plant	54,596,431	57,219,529	56,137,183	1,082,346
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	13,260,420	14,386,306	13,266,945	1,119,361
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	253,393	235,763	284,884	(49,121)
Total Other Prop. & Investments	16,307,850	16,711,806	15,641,566	1,070,240
Cash-General Funds	546,437	662,066	711,595	(49,529)
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	3,391	10,349	2,891	7,458
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	2,805,961	3,128,287	2,451,975	676,312
Accounts Receivable-Net-Other	25,829	1,104	23,565	(22,461)
Materials & Supplies	861,534	1,237,597	747,887	489,710
Prepayments	223,191	207,417	192,782	14,635
Other Current & Accrued Assets	7,898	7,898	7,985	(87)
Total Current & Accrued Assets	4,474,695	5,255,172	4,139,134	1,116,038
Regulatory Assets	0	0	0	0
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	75,378,976	79,186,507	75,917,883	3,268,624
OWNER'S EQUITY:				
Memberships	316,715	325,545	321,540	4,005
Patronage Capital	24,664,958	25,191,962	26,361,694	(1,169,732)
Operating Margins-Prior Years	1,744,439	2,782,379	0	2,782,379
Operating Margins-Current Year	2,829,269	2,503,661	2,782,379	(278,718)
Non-Operating Margins	0	0	0	0
Other Margins & Equities	2,964,128	3,124,132	2,980,966	143,166
Total Margins & Equities	32,519,509	33,927,679	32,446,579	1,481,100
LIABILITIES:				
Long Term Debt-RUS	827,625	759,576	794,120	(34,544)
Long Term Debt Other - RUS Guar.	24,468,872	28,944,697	25,866,804	3,077,893
Long Term Debt - Other	11,301,531	9,960,423	10,627,351	(666,928)
Long Term Debt Other - Adv Payments	(265,896)	0	0	0
Total Long Term Debt	36,332,132	39,664,696	37,288,275	2,376,421
Accumulated Operating Provisions	1,027,546	1,074,291	1,114,466	(40,175)
Total Other Noncurrent Liabilities	1,027,546	1,074,291	1,114,466	(40,175)
Notes Payable	1,914,794	500,000	325,000	175,000
Accounts Payable	2,791,354	3,091,320	3,299,660	(208,340)
Deposits	160,606	204,560	188,770	15,790
Other Current & Accrued Liabilities	503,071	497,937	473,712	24,225
Total Current & Accrued Liabilities	5,369,825	4,293,817	4,287,142	6,675
Deferred Credits	129,964	226,024	781,420	(555,396)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	75,378,976	79,186,507	75,917,882	3,268,625

MENARD ELECTRIC COOPERATIVE

	This Month				
	June18	June19	June20	June21	June22
1. Operating Revenue	3,174,463	2,483,267	3,027,328	3,046,417	3,218,995
kWhr Sold	23,746,886	16,211,571	21,937,048	20,850,540	22,610,380
2. Cost of Power	2,130,207	1,678,890	1,964,204	1,956,895	2,260,691
kWhr Purchased	26,040,927	17,397,125	23,590,529	22,571,075	24,355,997
3. Operation Expense	130,769	161,413	84,859	135,014	107,925
4. Maintenance Expense	305,318	397,555	405,436	372,660	333,531
5. Consumer Accounts & Coll. Exp.	45,251	46,708	40,409	37,639	15,308
6. Member Service Expense	11,220	15,892	12,034	14,363	21,291
7. General Office Expense	66,922	39,220	57,479	46,473	36,455
8. Outside Professional Services	3,300	2,273	14,160	1,835	5,106
9. Insurance, Employee & Welfare	956	1,125	6,186	2,686	468
10. Director's Fee & Mileage	8,626	9,885	3,957	6,337	6,685
11. Dues - Assoc. Organizations	11,391	11,516	11,526	11,772	11,539
12. Other Misc. General Expense	58,563	57,961	13,132	16,164	29,152
13. Depreciation Expense	173,612	186,044	194,758	198,761	203,910
14. Tax Expense - Property	22,375	23,400	24,025	24,925	26,025
15. Tax Expense - Other	2,525	1,974	2,422	2,430	2,429
16. Interest Expense	104,682	112,554	104,020	89,102	93,974
17. Total Expense less Power	945,510	1,067,520	974,403	960,161	893,798
17a. Total Operating Cost	3,075,717	2,746,410	2,938,607	2,917,056	3,154,489
18. Operating Margins	98,746	(263,143)	88,721	129,361	64,506
19. Non-Operating Margins	23,659	35,810	8,175	813,314	3,400
20. G & T Capital Credits	0	0	0	0	0
21. Other Capital Credits	0	0	0	0	0
22. Total Margins	122,405	(227,333)	96,896	942,675	67,906