

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
AUGUST 22, 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 (zoom), Donald E. McMillan, Michael E. Patrick, Dennis Ryan, Jodine Tate and Steven L. Worner. Also present was General Manager Alisha Anker and Attorney Charles K. Smith.

The Agenda of the meeting was read. There were 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).

President Goetsch reviewed the Board Committee Appointments and advised that he was making no changes in the current Board and Committee appointments.

General Manager Anker reviewed the general terms of a proposed Service Rights Agreement for Distributed Energy Resource Projects being developed partially in Ameren Illinois and cooperative service territories. General Manager Anker advised that Ameren was proposing an alternative approach to determining territorial service rights associated with station power load provided to DER Projects. She advised that this approach would determine service rights only for these large-scale generator sites. No action was necessary as this was a review of the concept.

General Manager Anker presented the Manager's Report for July, 2023. 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 102 incidents, the longest duration of an outage was 326 minutes and largest number of Members affected by a single outage was 1,087. She reviewed the causes of the outages. General Manager Anker presented the Safety Report and advised that the Safety Meeting was held on August 15, 2023 and that there was no Guest Director. She advised that Meeting Topics were annual inspections for fire extinguisher, first aid kits, AEDs and personal tools. There was also discussion regarding near misses. General Manager Anker gave the Irrigation and Load Control Report. General Manager Anker reviewed the preliminary damage assessment requested by IEMA for the June 29th storm event. General Manager Anker advised that there would need to be a Delegate appointed for the CFC District V Meeting. It was moved and seconded that Director Holloway be named Delegate and Director McMillan be named Alternate Delegate. Motion carried. General Manger Anker discussed the nominees for the CFC District V Board. She

reviewed the qualifications of the candidates nominated to fill the CFC Board vacancy. It was moved and seconded to vote for Jeffrey Rehder of Iowa. Motion carried. General Manager Anker reviewed the Report with regard to the EPA proposal rule-making to require removal of carbon dioxide emissions from most fossil fuel power plants. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Director Tate reported on the Meeting of the Bylaw/Policy Committee. She advised that the Committee discussed proposed changes and that the Committee was in agreement that the proposed changes be submitted to the Board for approval and adoption. It was moved and seconded that the proposed changes be adopted. Motion carried.

President Goetsch reported on AIEC Activities.

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

General 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.

President Goetsch advised the next regular Board Meeting was scheduled for Tuesday, September 26, 2023, at 6:00 p.m.

Under other business, President Goetsch advised that the NRECA Region V Meeting was scheduled for September 13-14, 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			July 2023		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	17,236,519	19,916,526	19,221,059	695,467	3,681,434	4,083,384	4,895,693	(812,309)
kWhr Sold	118,210,885	122,207,913	116,177,980	6,029,933	26,066,805	27,189,072	25,460,834	1,728,238
2. Cost of Power	9,199,127	10,748,523	11,381,633	633,110	2,462,867	2,524,290	2,798,683	274,393
kWhr Purchased	127,790,685	131,736,658	125,076,100	(6,660,558)	28,055,236	29,188,647	27,515,000	(1,673,647)
3. Operation Expense	1,209,381	865,477	1,048,621	183,144	184,135	132,537	147,048	14,511
4. Maintenance Expense	1,867,769	1,838,552	2,164,439	325,887	313,244	249,192	347,063	97,871
5. Consumer Accounts & Coll. Exp.	240,758	293,369	336,837	43,468	41,161	52,069	44,735	(7,334)
6. Member Service Expense	157,410	184,592	176,162	(8,430)	23,097	22,662	23,921	1,259
7. General Office Expense	371,600	339,947	359,727	19,780	38,760	36,213	51,295	15,082
8. Outside Professional Services	20,192	66,186	70,419	4,233	0	23,749	22,917	(832)
9. Insurance, Employee & Welfare	659	14,101	6,100	(8,001)	509	1,797	825	(972)
10. Director's Fee & Mileage	83,126	72,930	85,420	12,490	12,961	14,434	11,068	(3,366)
11. Dues - Assoc. Organizations	81,241	76,156	77,965	1,809	10,762	11,583	12,223	640
12. Other Misc. General Expense	234,067	277,906	260,513	(17,393)	58,751	67,034	37,314	(29,720)
13. Depreciation Expense	1,419,991	1,487,087	1,504,367	17,280	204,208	215,131	218,467	3,336
14. Tax Expense - Property	185,206	186,941	186,865	(76)	26,025	26,695	26,695	0
15. Tax Expense - Other	22,537	16,594	15,646	(948)	3,159	3,304	3,906	602
16. Interest Expense on L-T Debt	666,596	782,617	769,554	(13,063)	96,514	120,215	34,154	(86,061)
17. Total Expense less Power	6,560,533	6,502,456	7,062,635	560,179	1,013,287	976,615	981,631	5,016
17a. Total Operating Cost	15,759,660	17,250,979	18,444,268	1,193,289	3,476,154	3,500,905	3,780,314	279,409
18. Operating Margins	1,476,859	2,665,547	776,791	1,888,756	205,280	582,479	1,115,379	(532,900)
19. Non-Operating Margins	36,915	33,196	25,200	7,996	4,171	9,005	3,600	5,405
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	2,713,112	3,870,907	1,932,791	1,938,116	209,451	591,484	1,118,979	(527,495)

REA Form 7
Balance Sheet Analysis
07/31/2022 - 07/31/2023

IL 21 Menard
Menard Electric Coop
18-Aug-23

	Prior Yr Balance 07/31/2022	Current Yr Balance 07/31/2023	End of Yr Balance 12/31/2022	Change YTD
ASSETS:				
Utility Plant in Service	81,568,469	87,510,343	83,143,441	4,366,902
Construction Work in Process	311,943	527,431	888,872	(361,441)
Total Utility Plant in Service	81,880,412	88,037,774	84,032,313	4,005,461
Accumulated Depreciation	(24,577,609)	(25,584,118)	(25,129,442)	(454,676)
Net Utility Plant	57,302,803	62,453,656	58,902,871	3,550,785
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	681,032	680,032	680,032	0
Investments in Economic Dev. Projects				0
Other Investments	1,408,605	704,305	704,305	0
Special Funds	237,339	156,470	186,550	(30,080)
Total Other Prop. & Investments	16,713,282	17,054,475	15,976,738	1,077,737
Cash-General Funds	1,154,595	1,198,589	824,353	374,236
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	9,612	3,203	7,634	(4,431)
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	3,757,021	4,365,891	2,732,388	1,633,503
Accounts Receivable-Net-Other	800	648	286	362
Materials & Supplies	1,321,874	1,737,969	1,473,956	264,013
Prepayments	181,954	124,185	192,105	(67,920)
Other Current & Accrued Assets	10,589	10,589	8,697	1,892
Total Current & Accrued Assets	6,436,899	7,441,528	5,239,873	2,201,655
Regulatory Assets	0	0	0	0
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	80,452,984	86,949,659	80,119,482	6,830,177
OWNER'S EQUITY:				
Memberships	326,415	334,545	330,120	4,425
Patronage Capital	27,974,341	26,773,125	27,884,522	(1,111,397)
Operating Margins-Prior Years	0	1,968,911	0	1,968,911
Operating Margins-Current Year	2,713,113	3,870,908	1,968,911	1,901,997
Non-Operating Margins	0	0	0	0
Other Margins & Equities	3,121,868	3,169,481	2,988,750	180,731
Total Margins & Equities	34,135,737	36,116,970	33,172,303	2,944,667
LIABILITIES:				
Long Term Debt-RUS	753,694	682,385	724,061	(41,676)
Long Term Debt Other - RUS Guar.	28,944,697	33,251,733	29,808,066	3,443,667
Long Term Debt - Other	9,911,621	9,354,492	9,531,004	(176,512)
Long Term Debt Other - Adv Payments	0	0	0	0
Total Long Term Debt	39,610,012	43,288,610	40,063,131	3,225,479
Accumulated Operating Provisions	1,079,150	778,512	794,171	(15,659)
Total Other Noncurrent Liabilities	1,079,150	778,512	794,171	(15,659)
Notes Payable	1,500,000	2,000,000	1,300,000	700,000
Accounts Payable	3,081,324	3,106,977	3,147,089	(40,112)
Deposits	202,015	231,402	203,095	28,307
Other Current & Accrued Liabilities	618,722	662,194	509,949	152,245
Total Current & Accrued Liabilities	5,402,061	6,000,573	5,160,133	840,440
Deferred Credits	226,024	764,994	929,744	(164,750)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	80,452,984	86,949,659	80,119,482	6,830,177

MENARD ELECTRIC COOPERATIVE

	This Month				
	July19	July20	July21	July22	July23
1. Operating Revenue	4,025,058	3,485,582	3,262,217	3,681,434	4,083,384
kWhr Sold	29,462,766	26,654,655	22,315,212	26,066,805	27,189,072
2. Cost of Power	2,405,468	2,549,000	2,127,217	2,462,867	2,524,290
kWhr Purchased	31,793,611	28,783,077	24,187,099	28,055,236	29,188,647
3. Operation Expense	50,132	122,810	153,707	184,135	132,537
4. Maintenance Expense	316,900	275,518	251,756	313,244	249,192
5. Consumer Accounts & Coll. Exp.	36,917	33,909	36,241	41,161	52,069
6. Member Service Expense	19,987	16,949	15,970	23,097	22,662
7. General Office Expense	46,124	52,617	60,328	38,760	36,213
8. Outside Professional Services	8,472	4,998	6,818	0	23,749
9. Insurance, Employee & Welfare	976	6,095	(30,952)	509	1,797
10. Director's Fee & Mileage	10,251	7,635	4,641	12,961	14,434
11. Dues - Assoc. Organizations	11,526	11,772	11,788	10,762	11,583
12. Other Misc. General Expense	28,292	35,175	33,376	58,751	67,034
13. Depreciation Expense	186,318	195,716	198,860	204,209	215,131
14. Tax Expense - Property	23,400	24,025	24,925	26,025	26,695
15. Tax Expense - Other	3,253	2,848	2,615	3,159	3,304
16. Interest Expense	114,910	106,881	99,972	96,514	120,215
17. Total Expense less Power	857,458	896,948	870,045	1,013,287	976,615
17a. Total Operating Cost	3,262,926	3,445,948	2,997,262	3,476,154	3,500,905
18. Operating Margins	762,132	39,634	264,955	205,280	582,479
19. Non-Operating Margins	4,355	5,361	2,993	4,171	9,005
20. G & T Capital Credits	0	0	0	0	0
21. Other Capital Credits	0	0	0	0	0
22. Total Margins	766,487	44,995	267,948	209,451	591,484