

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
SEPTEMBER 28, 2021

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 in person or by Zoom: President D. Jay Frye, Directors Warren D. Goetsch, Gary Holloway, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan, and Jodine Tate. Director Steven L. Worner was absent. Also present were General Manager Alisha Anker, Manager of Accounting Chris Hinton, Director of Accounting & Finance Brian Hartsock, and Attorney Charles K. Smith. Due to the fact that Director Patrick was present via Zoom, it was moved and seconded that Director Ryan be appointed Acting Secretary for the Meeting. Motion carried.

The Agenda of the meeting was read. There were no changes to the Agenda. Thereafter, with President Frye presiding and with these minutes being transcribed by or under the direction of Acting Secretary Ryan, 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.

The Board reviewed the minutes of the August 24, 2021 Executive Session. It was moved and seconded that the Minutes be approved. Motion carried.

General Manager Anker introduced Tom Hancock from Kelso Lynch, P.C., P.A.. By Zoom, Mr. Hancock reviewed the year-ending 2020 Form 990, Form 990-T, and IL-Form-990 returns with the Board. Following the presentation, Mr. Hancock exited the meeting.

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. Mr. Hinton and Mr. Hartsock then exited the meeting.

General Manager Anker presented the Manager's Report for August, 2021. She 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. General Manager Anker reviewed the Security Report. She discussed security issues, concerns and external and internal vulnerabilities. General Manager Anker reviewed the Operations Report and Reliability Report and reported that for the month that there were 84 incidents, the total number of minutes were 244,098.60, longest duration of an outage was 425 minutes and largest number of Members affected was 202. Under the Safety Report, General Manager Anker reported on the Safety

Meeting that was held on Tuesday, September 21, 2021. She advised the Guest Director was Director Jodine Tate. She advised there were no reportable incidents during the month. General Manager Anker reviewed the Education Event Course Attendance Report for the month. She also reviewed the Load Control Report. She discussed the content of the Connect Newsletter and advised that there was an article in the Newsletter advising that Director Goetsch had been elected to the NRECA Board. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Director Goetsch reported on AIEC Activities.

Director Martin reported on Prairie Power, Inc.

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 adopt and approve the actions taken in the Executive Session. Motion carried.

President Frye advised that the next regular Board Meeting was scheduled for Tuesday, October 26, 2021 at 6:00 p.m.

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

Respectfully submitted,

Acting Secretary

President

MENARD ELECTRIC COOPERATIVE
MONTHLY OPERATING REPORT

	Year to Date			August 2021		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	19,803,983	19,773,603	19,873,865	(100,262)	3,388,183	3,330,328	3,195,655	134,673
kWhr Sold	141,308,295	132,896,676	139,373,177	(6,476,501)	25,768,874	22,656,686	22,618,118	38,568
2. Cost of Power	11,640,534	10,677,306	12,140,523	1,463,217	2,134,284	1,511,477	2,207,415	695,938
kWhr Purchased	152,931,024	143,854,000	151,010,000	7,156,000	27,780,155	24,422,784	24,501,500	78,716
3. Operation Expense	1,063,187	1,086,198	1,062,302	(23,896)	150,367	74,436	128,717	54,281
4. Maintenance Expense	1,941,548	2,167,064	2,263,562	96,498	197,493	297,758	349,058	51,300
5. Consumer Accounts & Coll. Exp.	277,916	277,227	463,034	185,807	31,882	31,959	43,459	11,500
6. Member Service Expense	151,954	132,830	206,916	74,086	22,109	16,751	26,108	9,357
7. General Office Expense	470,871	471,777	462,074	(9,703)	46,621	72,170	56,845	(15,325)
8. Outside Professional Services	63,733	29,584	32,964	3,380	(6,142)	1,395	3,333	1,938
9. Insurance, Employee & Welfare	14,998	(15,067)	3,200	18,267	412	1,865	400	(1,465)
10. Director's Fee & Mileage	69,964	54,182	42,384	(11,798)	5,282	18,639	3,998	(14,641)
11. Dues - Assoc. Organizations	92,700	94,208	95,530	1,322	11,772	11,788	12,425	637
12. Other Misc. General Expense	190,647	262,639	280,375	17,736	24,493	50,806	19,552	(31,254)
13. Depreciation Expense	1,544,777	1,584,626	1,619,584	34,958	196,272	198,334	206,287	7,953
14. Tax Expense - Property	192,200	199,400	199,400	0	24,025	24,925	24,925	0
15. Tax Expense - Other	16,570	16,341	17,420	1,079	2,801	2,681	2,747	66
16. Interest Expense on L-T Debt	846,720	791,042	826,898	35,856	106,588	99,720	107,591	7,871
17. Total Expense less Power	6,937,785	7,152,050	7,575,643	423,593	813,975	903,226	985,445	82,219
17a. Total Operating Cost	18,578,319	17,829,356	19,716,166	1,886,810	2,948,259	2,414,703	3,192,860	778,157
18. Operating Margins	1,225,664	1,944,247	157,699	1,786,548	439,924	915,625	2,795	912,830
19. Non-Operating Margins	50,562	838,619	41,900	796,719	(5,430)	3,413	5,100	(1,687)
20. G & T Capital Credits	1,116,929	1,092,798	1,000,000	92,798	0			0
21. Other Capital Credits	144,338	140,588	60,000	80,588	810			0
22. Total Margins	2,537,493	4,016,252	1,259,599	2,756,653	435,304	919,038	7,895	911,143

Balance Sheet Analysis

Menard Electric Coop

08/31/20 - 08/31/21

24-Sep-21

	Prior Yr Balance 08/31/20	Current Yr Balance 08/31/21	End of Yr Balance 12/31/20	Change YTD
ASSETS:				
Utility Plant in Service	75,654,560	77,994,666	76,456,443	1,538,223
Construction Work in Process	1,386,642	1,694,296	1,335,167	359,129
Total Utility Plant in Service	77,041,202	79,688,962	77,791,610	1,897,352
Accumulated Depreciation	(23,904,840)	(24,559,735)	(23,732,676)	(827,059)
Net Utility Plant	53,136,362	55,129,227	54,058,934	1,070,293
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	12,119,067	13,260,420	12,112,828	1,147,592
Inv.in Assoc.Org.- General Funds				0
Inv.in Assoc.Org.-Non Gen Funds	704,332	681,132	681,132	0
Investments in Economic Dev. Projects				0
Other Investments	2,817,205	2,112,905	2,112,905	0
Special Funds	231,793	257,143	303,252	(46,109)
Total Other Prop. & Investments	15,872,397	16,311,600	15,210,117	1,101,483
Cash-General Funds	730,688	648,346	600,926	47,420
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	3,266	3,584	2,891	693
Temporary Investments	503,708	0	1,296,801	(1,296,801)
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	3,697,994	3,418,111	2,507,929	910,182
Accounts Receivable-Net-Other	40,009	50,678	23,025	27,653
Materials & Supplies	602,789	888,006	506,818	381,188
Prepayments	151,113	169,211	75,885	93,326
Other Current & Accrued Assets	13,571	13,280	8,651	4,629
Total Current & Accrued Assets	5,743,592	5,191,670	5,023,380	168,290
Regulatory Assets	0	0	0	0
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	74,752,351	76,632,497	74,292,431	2,340,066
OWNER'S EQUITY:				
Memberships	309,095	318,145	312,520	5,625
Patronage Capital	25,633,740	26,405,751	25,564,451	841,300
Operating Margins-Prior Years	0	0	0	0
Operating Margins-Current Year	2,537,500	4,016,255	1,744,439	2,271,816
Non-Operating Margins	0	0	0	0
Other Margins & Equities	2,753,560	2,962,638	2,789,759	172,879
Total Margins & Equities	31,233,895	33,702,789	30,411,169	3,291,620
LIABILITIES:				
Long Term Debt-RUS	883,277	816,594	860,516	(43,922)
Long Term Debt Other - RUS Guar.	25,175,704	24,468,872	24,826,749	(357,877)
Long Term Debt - Other	13,211,709	11,006,102	12,810,678	(1,804,576)
Long Term Debt Other - Adv Payments	(254,900)	(265,896)	(260,699)	(5,197)
Total Long Term Debt	39,015,790	36,025,672	38,237,244	(2,211,572)
Accumulated Operating Provisions	951,220	1,039,247	1,050,650	(11,403)
Total Other Noncurrent Liabilities	951,220	1,039,247	1,050,650	(11,403)
Notes Payable	0	2,664,794	0	2,664,794
Accounts Payable	2,496,153	2,228,297	3,115,942	(887,645)
Deposits	160,940	158,190	161,330	(3,140)
Other Current & Accrued Liabilities	698,543	683,541	465,279	218,262
Total Current & Accrued Liabilities	3,355,636	5,734,822	3,742,551	1,992,271
Deferred Credits	195,811	129,964	850,817	(720,853)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	74,752,352	76,632,494	74,292,431	2,340,063

MENARD ELECTRIC COOPERATIVE

	This Month				
	August17	August18	August19	August20	August21
1. Operating Revenue	2,840,270	3,090,461	3,314,015	3,388,183	3,330,328
kWhr Sold	21,066,521	21,379,983	24,015,752	25,768,874	22,656,686
2. Cost of Power	2,005,340	1,913,132	2,090,176	2,134,284	1,511,477
kWhr Purchased	23,528,669	23,210,544	25,963,692	27,780,155	24,422,784
3. Operation Expense	103,883	108,277	105,764	150,367	74,436
4. Maintenance Expense	604,992	356,373	264,061	197,493	297,758
5. Consumer Accounts & Coll. Exp.	47,809	39,805	41,535	31,882	31,959
6. Member Service Expense	14,723	11,482	17,160	22,109	16,751
7. General Office Expense	73,343	62,927	51,394	46,621	72,170
8. Outside Professional Services	1,678	2,247	9,945	(6,142)	1,395
9. Insurance, Employee & Welfare	596	337	1,238	412	1,865
10. Director's Fee & Mileage	15,246	10,975	13,845	5,282	18,639
11. Dues - Assoc. Organizations	11,391	11,516	11,526	11,772	11,788
12. Other Misc. General Expense	21,931	20,004	31,356	24,493	50,806
13. Depreciation Expense	167,470	173,957	186,960	196,272	198,334
14. Tax Expense - Property	20,900	22,375	23,400	24,025	24,925
15. Tax Expense - Other	3,598	2,453	2,692	2,801	2,681
16. Interest Expense	106,566	107,644	114,451	106,588	99,720
17. Total Expense less Power	1,194,126	930,372	875,327	813,975	903,226
17a. Total Operating Cost	3,199,466	2,843,504	2,965,503	2,948,259	2,414,703
18. Operating Margins	(359,196)	246,957	348,512	439,924	915,625
19. Non-Operating Margins	4,557	4,007	5,291	(5,430)	3,413
20. G & T Capital Credits	0	0	0	0	
21. Other Capital Credits	0	56	454	810	
22. Total Margins	(354,639)	251,020	354,257	435,304	919,038