

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
MENARD ELECTRIC COOPERATIVE  
PETERSBURG, ILLINOIS  
JUNE 22, 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: Directors Warren D. Goetsch, Gary Holloway, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan remotely, and Jodine Tate. President D. Jay Frye and Director Steven L. Worner were absent. Also present were General Manager Alisha Anker and Attorney Charles K. Smith. In the absence of President Frye, the Meeting was conducted by Vice-President Warren Goetsch.

The Agenda of the meeting was read. There were no changes 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 correspondence from Rural Development advising that a loan guaranty commitment in the amount of \$23,476,000.00 had been approved by RUS for projects to be completed in the 2020-2023 Work Plan. She reviewed the terms of the loan. It was moved and seconded that the President be authorized to accept and acknowledge the loan from RUS, designated as AY8. Motion carried.

General Manager Anker reviewed the DCEO Low Income Home Energy Assistance Program (LIHEAP) Agreement and the terms of the four (4) 2022 Vendor Agreements between the Cooperative and (i) Community Action Partnership of Central Illinois, (ii) MCS Community Services, (iii) Tazwood Community Services, and (iv) Sangamon County Resources. It was moved and seconded that each Agreement be approved. Motion carried.

The Board discussed the proposed Monthly Meeting dates for July 2021 through June 2022 to comply with Bylaw Section 5.01. It was moved and seconded that the schedule of Meetings be approved. Motion carried. The Board reviewed the terms and provisions of the Conflict of Interest Policy and Directors submitted Certification and Disclosure forms.

General Manager Anker presented the Manager's Report for May 2021. She reviewed the Operating Statement, Balance Sheet and Budget. She made the Board aware that forgiveness for the SBA PPP loan had been received and the June 2021 financial reports would reflect the necessary adjustments. She presented the Member Services Report, past due notices, generated cut-off tickets and write-offs for the month. In addition, she provided a summary of the funds

made available for members under the state's Utility Disconnect Assistance Program. Also during the Member Services Report, Manager Anker provided the actual statistics for the 2021 capital credit general retirement being distributed to members totaling \$803,875. General Manager Anker reviewed the Operations Report and Reliability Report and reported that for the month there were 77 incidents, the longest duration of an outage was 516 minutes affecting one member, and the largest number of members affected by a single outage was 1,159 due to loss of Ameren transmission service during a wind storm. Under the Safety Report, General Manager Anker advised that there was a lost time and reportable incident during the month.

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.

General Manager Anker reviewed the Irrigation Report. General Manager Anker discussed the contents of the most recent Connect Newsletter. She reported that the Connect Newsletter would have information about the Annual Meeting scheduled for Thursday, August 5, 2021. Registration was to start at 4:30 p.m. and run to 6:30 p.m. and the Meeting would start at 7:00 p.m. General Manager Anker reviewed the Vegetation Management Report and recent correspondence from an impacted member. She discussed the Sharing Success Program for 2021 and advised that there had been several applications and reviewed past donations. She advised that applications had been submitted by Athens Christian Church, Athens Municipal Library, Community Action Partnership of Central Illinois, Capital Area Coveys Quail Forever, Central Illinois Services NFP, Sangamon County Rescue Squad Foundation and Virginia Christian Women's Fellowship. After discussion, it was moved and seconded to submit to CoBank an application for matching donations in the amount of \$250.00 to Virginia Christian Women's Fellowship, \$3,125.00 to Community Action Partnership of Central Illinois, \$1,000.00 to Central Illinois Services NFP, and \$3,125.00 to Sangamon County Rescue Squad Foundation. Motion carried. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Director Martin reported on Prairie Power, Inc.

Director Goetsch reported on AIEC Activities.

General Manager Anker reviewed the Capital Credit Estate Refunds Report.

Vice-President Goetsch advised that the next regular Board Meeting was scheduled for Tuesday, July 27, 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,

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Secretary

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Vice-President

**MENARD ELECTRIC COOPERATIVE**  
**MONTHLY OPERATING REPORT**

	Year to Date			May 2021		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	9,902,890	10,134,641	10,114,795	19,846	2,155,030	2,145,112	2,267,874	(122,762)
kWhr Sold	66,947,718	67,074,238	68,972,993	(1,898,755)	12,266,727	11,835,318	13,724,358	(1,889,040)
2. Cost of Power	4,993,046	5,081,717	5,348,264	266,547	1,156,093	1,113,919	1,321,671	207,752
kWhr Purchased	72,777,263	72,673,042	74,738,500	2,065,458	13,352,179	12,815,216	14,872,500	2,057,284
3. Operation Expense	705,151	723,041	663,934	(59,107)	64,954	151,498	127,629	(23,869)
4. Maintenance Expense	1,063,101	1,244,890	1,276,079	31,189	141,014	337,273	294,484	(42,789)
5. Consumer Accounts & Coll. Exp.	171,716	171,388	313,996	142,608	27,594	35,754	61,737	25,983
6. Member Service Expense	100,862	85,746	127,117	41,371	20,454	12,368	24,829	12,461
7. General Office Expense	314,154	292,806	290,500	(2,306)	54,976	47,113	54,867	7,754
8. Outside Professional Services	50,717	19,536	22,965	3,429	21,601	4,470	4,233	(237)
9. Insurance, Employee & Welfare	2,305	11,334	2,000	(9,334)	3,303	2,431	400	(2,031)
10. Director's Fee & Mileage	53,090	24,565	21,240	(3,325)	8,212	3,513	3,998	485
11. Dues - Assoc. Organizations	57,630	58,860	58,900	40	11,526	11,772	11,780	8
12. Other Misc. General Expense	117,847	162,293	190,535	28,242	14,031	17,649	32,033	14,384
13. Depreciation Expense	958,031	988,671	1,003,801	15,130	193,030	197,109	202,309	5,200
14. Tax Expense - Property	120,125	124,625	124,625	0	24,025	24,925	24,925	0
15. Tax Expense - Other	8,499	8,615	9,042	427	1,733	1,845	2,004	159
16. Interest Expense on L-T Debt	529,231	502,248	511,451	9,203	107,543	102,018	104,124	2,106
17. Total Expense less Power	4,252,459	4,418,618	4,616,185	197,567	693,996	949,738	949,352	(386)
17a. Total Operating Cost	9,245,505	9,500,335	9,964,449	464,114	1,850,089	2,063,657	2,271,023	207,366
<b>18. Operating Margins</b>	<b>657,385</b>	<b>634,306</b>	<b>150,346</b>	<b>483,960</b>	<b>304,941</b>	<b>81,455</b>	<b>(3,149)</b>	<b>84,604</b>
19. Non-Operating Margins	42,456	18,899	26,600	(7,701)	7,144	2,842	5,100	(2,258)
20. G & T Capital Credits	1,116,929	1,092,798	1,000,000	92,798	0	0	0	0
21. Other Capital Credits	143,528	140,588	60,000	80,588	0	0	0	0
<b>22. Total Margins</b>	<b>1,960,298</b>	<b>1,886,591</b>	<b>1,236,946</b>	<b>649,645</b>	<b>312,085</b>	<b>84,297</b>	<b>1,951</b>	<b>82,346</b>

## Balance Sheet Analysis

Menard Electric Coop

05/31/20 - 05/31/21

17-Jun-21

	Prior Yr Balance 05/31/20	Current Yr Balance 05/31/21	End of Yr Balance 12/31/20	Change YTD
<b>ASSETS:</b>				
Utility Plant in Service	74,611,647	77,247,296	76,456,443	790,853
Construction Work in Process	1,419,114	1,571,078	1,335,167	235,911
Total Utility Plant in Service	76,030,761	78,818,374	77,791,610	1,026,764
Accumulated Depreciation	(23,653,649)	(24,399,479)	(23,732,676)	(666,803)
<b>Net Utility Plant</b>	<b>52,377,112</b>	<b>54,418,895</b>	<b>54,058,934</b>	<b>359,961</b>
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	12,123,715	13,260,420	12,112,828	1,147,592
Inv.in Assoc.Org.- General Funds				0
Inv.in Assoc.Org.-Non Gen Funds	704,432	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	251,893	303,252	(51,359)
<b>Total Other Prop. &amp; Investments</b>	<b>15,877,145</b>	<b>16,306,350</b>	<b>15,210,117</b>	<b>1,096,233</b>
Cash-General Funds	1,020,704	455,441	600,926	(145,485)
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	3,314	3,314	2,891	423
Temporary Investments	2,000,000	0	1,296,801	(1,296,801)
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	1,732,152	1,934,044	2,507,929	(573,885)
Accounts Receivable-Net-Other	47,544	84,410	23,025	61,385
Materials & Supplies	488,233	775,966	506,818	269,148
Prepayments	81,613	105,260	75,885	29,375
Other Current & Accrued Assets	5,411	5,294	8,651	(3,357)
<b>Total Current &amp; Accrued Assets</b>	<b>5,379,425</b>	<b>3,364,183</b>	<b>5,023,380</b>	<b>(1,659,197)</b>
Regulatory Assets	0	0	0	0
<b>Deferred Debits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS &amp; OTHER DEBITS</b>	<b>73,633,682</b>	<b>74,089,428</b>	<b>74,292,431</b>	<b>(203,003)</b>
<b>OWNER'S EQUITY:</b>				
Memberships	306,240	316,020	312,520	3,500
Patronage Capital	23,371,808	24,674,625	25,564,451	(889,826)
Operating Margins-Prior Years	2,269,313	1,744,439	0	1,744,439
Operating Margins-Current Year	1,960,303	1,886,594	1,744,439	142,155
Non-Operating Margins	0	0	0	0
Other Margins & Equities	2,749,776	2,918,195	2,789,759	128,436
<b>Total Margins &amp; Equities</b>	<b>30,657,440</b>	<b>31,539,873</b>	<b>30,411,169</b>	<b>1,128,704</b>
<b>LIABILITIES:</b>				
Long Term Debt-RUS	900,882	833,365	860,516	(27,151)
Long Term Debt Other - RUS Guar.	25,350,287	24,647,505	24,826,749	(179,244)
Long Term Debt - Other	13,551,603	12,166,679	12,810,678	(643,999)
Long Term Debt Other - Adv Payments	(251,770)	(263,270)	(260,699)	(2,571)
<b>Total Long Term Debt</b>	<b>39,551,002</b>	<b>37,384,279</b>	<b>38,237,244</b>	<b>(852,965)</b>
Accumulated Operating Provisions	936,370	1,021,695	1,050,650	(28,955)
<b>Total Other Noncurrent Liabilities</b>	<b>936,370</b>	<b>1,021,695</b>	<b>1,050,650</b>	<b>(28,955)</b>
Notes Payable	0	500,000	0	500,000
Accounts Payable	1,550,232	1,904,764	3,115,942	(1,211,178)
Deposits	162,315	160,056	161,330	(1,274)
Other Current & Accrued Liabilities	576,538	1,448,800	465,279	983,521
<b>Total Current &amp; Accrued Liabilities</b>	<b>2,289,085</b>	<b>4,013,620</b>	<b>3,742,551</b>	<b>271,069</b>
<b>Deferred Credits</b>	<b>199,786</b>	<b>129,964</b>	<b>850,817</b>	<b>(720,853)</b>
<b>Miscellaneous Operating Reserves</b>				<b>0</b>
<b>TOTAL LIAB.'S &amp; OTHER CREDITS</b>	<b>73,633,683</b>	<b>74,089,431</b>	<b>74,292,431</b>	<b>(203,000)</b>

<b>MENARD ELECTRIC COOPERATIVE</b>
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This Month

	May17	May18	May19	May20	May21
1. Operating Revenue	2,217,554	2,533,142	2,273,414	2,155,030	2,145,112
kWhr Sold	13,773,082	17,425,112	13,957,380	12,266,727	11,835,318
2. Cost of Power	1,161,315	1,542,253	1,171,893	1,156,093	1,113,919
kWhr Purchased	14,892,976	18,757,394	14,485,210	13,352,179	12,815,216
3. Operation Expense	60,515	69,373	137,568	64,954	151,498
4. Maintenance Expense	208,605	184,250	294,460	141,014	337,273
5. Consumer Accounts & Coll. Exp.	39,838	38,238	30,181	27,594	35,754
6. Member Service Expense	13,829	11,111	17,852	20,454	12,368
7. General Office Expense	70,770	82,598	43,518	54,976	47,113
8. Outside Professional Services	38,340	3,818	0	21,601	4,470
9. Insurance, Employee & Welfare	858	607	0	3,303	2,431
10. Director's Fee & Mileage	6,345	5,780	7,894	8,212	3,513
11. Dues - Assoc. Organizations	11,477	11,391	11,516	11,526	11,772
12. Other Misc. General Expense	19,933	34,729	27,009	14,031	17,649
13. Depreciation Expense	167,033	173,170	185,578	193,030	197,109
14. Tax Expense - Property	20,900	22,375	23,400	24,025	24,925
15. Tax Expense - Other	3,324	2,146	2,021	1,733	1,845
16. Interest Expense	107,687	109,175	117,093	107,543	102,018
17. Total Expense less Power	769,454	748,761	898,090	693,996	949,738
17a. Total Operating Cost	1,930,769	2,291,014	2,069,983	1,850,089	2,063,657
<b>18. Operating Margins</b>	286,785	242,128	203,431	304,941	81,455
19. Non-Operating Margins	4,246	4,717	9,823	7,144	2,842
20. G & T Capital Credits	0	0	0	0	
21. Other Capital Credits	0	0	0	0	
<b>22. Total Margins</b>	291,031	246,845	213,254	312,085	84,297