

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
DECEMBER 22, 2020

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 via Zoom: President D. Jay Frye, Directors Warren D. Goetsch, Gary Holloway, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan, Jodine Tate, and Steven L. Worner. Also present in person were Director of Member Services Trish Michels, 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 President Frye 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 Frye reviewed the Consensus Agenda. It was moved and seconded that the Consensus Agenda be approved. Motion carried.

President Frye introduced Nancy McDonald from AIEC, attending via Zoom. Nancy presented a review of the Member Satisfaction Survey for 2020.

Manager Anker presented a review of the inventory adjustment for 2020. She advised the inventory adjustment was -\$16,278.11. It was moved and seconded that the Inventory Adjustment be made. Motion carried.

Manager Anker reviewed a Consent and Crossing Agreement with Lincoln Land Wind, LLC. It was moved and seconded the Agreement be approved. Motion carried.

Manager Anker presented the Manager's Report for November, 2020. She reviewed the 2020 EOY Financial Summary forecast. Manager Anker reviewed the Operating Statement, Balance Sheet and Budget. She reviewed the Member Services Report and past due notices, generated cut-off tickets and write-offs for the month. Manager Anker reviewed the Operations Report and Reliability Report for the month. She reviewed 2021 fixed expense reimbursement amounts for employee block heater electricity and cell phones; no adjustments deemed necessary. She advised that there was no Safety Meeting due to coronavirus protocols. Manager Anker also reviewed information available with regard to the second phase of the PPP (Paycheck Protection Program). She advised that it did not appear that the Cooperative would qualify for the Program. Manager Anker reviewed the contents of the monthly Connect Newsletter and discussed industry news and happenings. She also discussed the Families First Coronavirus Response Act Policy adopted in April by the Board and a possible amendment to extend the Policy, given its end of year termination. It was moved and seconded that the Board adopt the

amendment to extend the Policy as presented, if the President signs the latest stimulus package into law. Motion carried. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Director Goetsch reported on AIEC activities. He reviewed Board highlights, AIEC Activity Report and AIEC Solar System Output Report.

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

Manager Anker reviewed the Capital Credit Estate Refunds Report.

President Frye advised that the next regular Board Meeting was scheduled for Tuesday, January 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,

Secretary

President

MENARD ELECTRIC COOPERATIVE
MONTHLY OPERATING REPORT

	Year to Date				November 2020		This Month	
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	27,864,115	26,631,294	27,569,908	(938,614)	2,276,104	1,981,618	2,054,970	(73,352)
kWhr Sold	192,888,361	184,440,364	192,142,364	(7,702,000)	15,947,546	13,298,897	14,622,853	(1,323,956)
2. Cost of Power	16,541,234	15,588,272	17,093,957	1,505,685	1,392,456	1,388,042	1,310,472	(77,570)
kWhr Purchased	208,468,766	199,011,591	207,756,000	8,744,409	17,152,386	13,891,795	15,531,000	1,639,205
3. Operation Expense	1,515,734	1,424,550	1,528,932	104,382	136,361	100,188	133,583	33,395
4. Maintenance Expense	2,791,162	2,493,361	3,049,434	556,073	199,801	264,316	221,972	(42,344)
5. Consumer Accounts & Coll. Exp.	416,359	381,866	469,825	87,959	43,400	31,795	38,271	6,476
6. Member Service Expense	176,773	202,124	250,085	47,961	14,696	17,211	21,368	4,157
7. General Office Expense	563,225	615,444	494,424	(121,020)	46,511	52,806	41,724	(11,082)
8. Outside Professional Services	45,171	76,091	89,100	13,009	0	9,308	5,500	(3,808)
9. Insurance, Employee & Welfare	5,324	16,176	4,400	(11,776)	328	422	400	(22)
10. Director's Fee & Mileage	108,186	82,989	116,625	33,636	4,669	3,529	6,075	2,546
11. Dues - Assoc. Organizations	126,726	128,016	134,215	6,199	11,526	11,772	12,557	785
12. Other Misc. General Expense	360,199	266,527	296,241	29,714	32,650	30,044	14,178	(15,866)
13. Depreciation Expense	2,051,322	2,131,859	2,202,958	71,099	189,558	196,484	207,049	10,565
14. Tax Expense - Property	257,400	261,568	264,275	2,707	23,400	21,318	24,025	2,707
15. Tax Expense - Other	23,222	23,883	24,146	263	1,844	1,660	1,834	174
16. Interest Expense on L-T Debt	1,203,926	1,156,347	1,166,325	9,978	100,951	101,765	102,200	435
17. Total Expense less Power	9,644,729	9,260,801	10,090,985	830,184	805,695	842,618	830,736	(11,882)
17a. Total Operating Cost	26,185,963	24,849,073	27,184,942	2,335,869	2,198,151	2,230,660	2,141,208	(89,452)
18. Operating Margins	1,678,152	1,782,221	384,966	1,397,255	77,953	(249,042)	(86,238)	(162,804)
19. Non-Operating Margins	125,966	63,764	67,275	(3,511)	7,881	4,264	4,175	89
20. G & T Capital Credits	1,139,473	1,116,929	1,000,000	116,929	0	0	0	0
21. Other Capital Credits	137,853	144,350	108,000	36,350	0	0	0	0
22. Total Margins	3,081,444	3,107,264	1,560,241	1,547,023	85,834	(244,778)	(82,063)	(162,715)

Balance Sheet Analysis

Menard Electric Coop

11/30/19 - 11/30/20

18-Dec-20

	Prior Yr Balance 11/30/19	Current Yr Balance 11/30/20	End of Yr Balance 12/31/19	Change YTD
ASSETS:				
Utility Plant in Service	72,807,225	76,122,411	73,188,302	2,934,109
Construction Work in Process	1,233,830	1,460,197	1,079,509	380,688
Total Utility Plant in Service	74,041,055	77,582,608	74,267,811	3,314,797
Accumulated Depreciation	(22,856,484)	(23,761,917)	(22,932,346)	(829,571)
Net Utility Plant	51,184,571	53,820,691	51,335,465	2,485,226
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	10,950,750	12,112,828	10,948,701	1,164,127
Inv.in Assoc.Org.- General Funds				0
Inv.in Assoc.Org.-Non Gen Funds	691,932	681,132	704,432	(23,300)
Investments in Economic Dev. Projects				0
Other Investments	2,817,205	2,112,905	2,817,205	(704,300)
Special Funds	241,714	235,793	285,652	(49,859)
Total Other Prop. & Investments	14,701,601	15,142,658	14,755,990	386,668
Cash-General Funds	298,109	1,539,000	1,274,558	264,442
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	4,542	2,814	5,004	(2,190)
Temporary Investments	919,343	1,158,272	2,830,408	(1,672,136)
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	2,482,380	2,184,048	2,572,954	(388,906)
Accounts Receivable-Net-Other	39,808	55,659	33,037	22,622
Materials & Supplies	545,423	477,639	497,770	(20,131)
Prepayments	100,256	98,632	184,520	(85,888)
Other Current & Accrued Assets	5,411	5,294	9,285	(3,991)
Total Current & Accrued Assets	4,395,726	5,521,812	7,407,990	(1,886,178)
Regulatory Assets	0	0	0	0
Deferred Debits	0	0	9,243	(9,243)
TOTAL ASSETS & OTHER DEBITS	70,281,898	74,485,161	73,508,688	976,473
OWNER'S EQUITY:				
Memberships	302,245	311,920	302,940	8,980
Patronage Capital	24,171,008	25,576,519	24,164,587	1,411,932
Operating Margins-Prior Years	0	0	0	0
Operating Margins-Current Year	3,081,444	3,107,273	2,269,313	837,960
Non-Operating Margins	0	0	0	0
Other Margins & Equities	2,645,417	2,784,019	2,631,209	152,810
Total Margins & Equities	30,200,114	31,779,731	29,368,049	2,411,682
LIABILITIES:				
Long Term Debt-RUS	935,845	865,918	930,569	(64,651)
Long Term Debt Other - RUS Guar.	22,671,475	25,001,787	25,519,967	(518,180)
Long Term Debt - Other	13,039,853	12,866,968	12,988,129	(121,161)
Long Term Debt Other - Adv Payments	(245,584)	(258,104)	(248,679)	(9,425)
Total Long Term Debt	36,401,589	38,476,569	39,189,986	(713,417)
Accumulated Operating Provisions	895,043	970,070	965,479	4,591
Total Other Noncurrent Liabilities	895,043	970,070	965,479	4,591
Notes Payable	0	0	0	0
Accounts Payable	1,822,379	2,316,046	2,715,860	(399,814)
Deposits	155,755	162,205	154,770	7,435
Other Current & Accrued Liabilities	594,394	584,927	454,009	130,918
Total Current & Accrued Liabilities	2,572,528	3,063,178	3,324,639	(261,461)
Deferred Credits	212,622	195,614	660,534	(464,920)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	70,281,896	74,485,162	73,508,687	976,475

MENARD ELECTRIC COOPERATIVE

This Month

	November16	November17	November18	November19	November20
1. Operating Revenue	1,780,130	2,088,309	2,173,483	2,276,104	1,981,618
kWhr Sold	12,914,194	14,826,807	15,303,039	15,947,546	13,298,897
2. Cost of Power	1,484,774	1,463,785	1,722,427	1,392,456	1,388,042
kWhr Purchased	14,118,666	16,049,372	16,547,335	17,152,386	13,844,251
3. Operation Expense	91,554	59,454	88,319	136,361	100,188
4. Maintenance Expense	214,614	305,682	132,538	199,801	264,316
5. Consumer Accounts & Coll. Exp.	37,589	42,753	26,302	43,400	31,795
6. Member Service Expense	3,029	7,417	16,777	14,696	17,211
7. General Office Expense	51,892	55,575	45,483	46,511	52,806
8. Outside Professional Services	9,021	6,533	6,835	0	9,308
9. Insurance, Employee & Welfare	500	296	576	328	422
10. Director's Fee & Mileage	4,985	5,195	4,200	4,669	3,529
11. Dues - Assoc. Organizations	11,477	11,391	11,516	11,526	11,772
12. Other Misc. General Expense	15,621	12,230	36,828	32,650	30,044
13. Depreciation Expense	166,435	169,910	284,003	189,558	196,484
14. Tax Expense - Property	20,000	20,900	20,380	23,400	21,318
15. Tax Expense - Other	2,340	2,384	1,700	1,844	1,660
16. Interest Expense	101,643	101,797	102,846	100,951	101,765
17. Total Expense less Power	730,700	801,517	778,303	805,695	842,618
17a. Total Operating Cost	2,215,474	2,265,302	2,500,730	2,198,151	2,230,660
18. Operating Margins	(435,344)	(176,993)	(327,247)	77,953	(249,042)
19. Non-Operating Margins	20,547	5,245	5,163	7,881	4,264
20. G & T Capital Credits	0	0	0	0	
21. Other Capital Credits	0	0	0	0	
22. Total Margins	(414,797)	(171,748)	(322,084)	85,834	(244,778)

MENARD ELECTRIC COOPERATIVE

Year to Date

	November16	November17	November18	November19	November20
1. Operating Revenue	25,954,223	26,271,358	28,024,579	27,864,115	26,631,294
kWhr Sold	187,387,175	188,485,156	198,034,636	192,888,361	184,440,364
2. Cost of Power	16,469,374	16,094,781	17,721,104	16,541,234	15,588,272
kWhr Purchased	203,575,789	205,605,002	215,192,180	208,468,766	198,964,047
3. Operation Expense	963,654	877,638	1,326,003	1,515,734	1,424,550
4. Maintenance Expense	2,516,870	2,954,443	2,666,346	2,791,162	2,493,361
5. Consumer Accounts & Coll. Exp.	197,742	452,779	453,640	416,359	381,866
6. Member Service Expense	100,639	97,183	122,957	176,773	202,124
7. General Office Expense	759,454	748,230	747,723	563,225	615,444
8. Outside Professional Services	49,970	77,016	39,352	45,171	76,091
9. Insurance, Employee & Welfare	4,823	3,999	4,773	5,324	16,176
10. Director's Fee & Mileage	83,533	106,448	103,872	108,186	82,989
11. Dues - Assoc. Organizations	125,563	125,817	137,353	126,726	128,016
12. Other Misc. General Expense	250,898	258,982	317,079	360,199	266,527
13. Depreciation Expense	1,807,599	1,841,630	2,009,734	2,051,322	2,131,859
14. Tax Expense - Property	220,000	229,900	244,130	257,400	261,568
15. Tax Expense - Other	34,085	33,612	22,984	23,222	23,883
16. Interest Expense	1,158,561	1,152,055	1,157,397	1,203,926	1,156,347
17. Total Expense less Power	8,273,391	8,959,732	9,353,343	9,644,729	9,260,801
17a. Total Operating Cost	24,742,765	25,054,513	27,074,447	26,185,963	24,849,073
18. Operating Margins	1,211,458	1,216,845	950,132	1,678,152	1,782,221
19. Non-Operating Margins	36,897	80,689	63,624	125,966	63,764
20. G & T Capital Credits	1,156,406	1,141,366	1,146,478	1,139,473	1,116,929
21. Other Capital Credits	213,965	192,551	213,542	137,853	144,350
22. Total Margins	2,618,726	2,631,451	2,373,776	3,081,444	3,107,264