

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
MENARD ELECTRIC COOPERATIVE  
PETERSBURG, ILLINOIS  
MAY 22, 2018

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: President D. Jay Frye, Warren D. Goetsch, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan, Roy H. Seaney, Jodine Tate, and Steven L. Worner. Also present was John Teimeyer, AIEC Vice-President of Regulatory Compliance, 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 introduced Guest Speaker, John Teimeyer, who is the Vice-President for Regulatory Compliance for the AIEC. He gave a presentation on what the AIEC has done as far as regulatory compliance.

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

Manager Anker reviewed the Series Part Two (2) of Three (3) of the NRECA 2018 National Director Survey Results.

Manager Anker presented the Manager's Report for April 2018. She reviewed the Balance Sheet and Budget. She did a review of the Capital Credit Retirements for 2018. Manager Anker reviewed the Rebate Summary and the Surge Protection Summary. Under the Safety Report, she advised that there was one (1) injury for the month, but it was not a lost time injury. She presented the Reliability Report, as well as the Operations Report and the Irrigation Report. Under the Irrigation Report, she reported on the status of construction. She reviewed the monthly IT Security Report and advised that the Cooperative was still in the visualizing process. She inquired if the Board was interested in participating in the NRECA International Program again. After discussion, no action was taken by the Board. She presented a Co-Bank Programs Update and advised that there were now four (4) Sharing Success Candidates, that being Theater in the Park, Village of Greenview, Logan County Fairgrounds, and Marbold Farmstead Historic Association. She reviewed the nature of the various requests from those entities. After discussion by the Board, it was moved and seconded that Cooperative contribute \$1,000.00 to Theater in the Park, \$2,000.00 to Logan County Fairgrounds and \$2,000.00 to Marbold Farmstead Historic Association, for a total contribution of \$5,000.00. Motion carried. Manager Anker reported on the Illinois Country Living center section and discussed what materials and articles would be in

the Magazine. She advised that there would be an ad for the Annual Meeting. She also reported on Strategic Planning and the qualifications of the Candidates. After further discussion, it was moved and seconded that the Cooperative engage the services of CFC for a Strategic Planning Moderator. Motion carried. Manager Anker advised that there would likely be two (2) individuals from CFC who would then direct and participate in the Strategic Planning Session. There was discussion about when to schedule the Session and the month of November was discussed. Board Members were to get back to Manager Anker with possible dates. It was moved and seconded the Manager's Report be approved. Motion carried.

Manager Anker presented the financial report for the month of April. Year to date margins were \$1,152,843 compared to \$1,302,355 last year. Equity at the end of April was 40.27%. Member accounts served was 10,888. Net utility plant was \$48,216,794 compared to \$46,297,316 last year. Co-op meets the requirements of RUS, FFB, NRCFC and CoBank.

Director Patrick reported on the status of plans for the upcoming Annual Meeting to be held on June 14, 2018 at Porta High School, Petersburg, Illinois. He advised that proxies were due on June 11, 2018. He also informed the Board that the Annual Meeting Committee would meet Monday, June 11, 2018 at 9:00 a.m. at Cooperative Headquarters.

Director Goetsch reported on AIEC Activities. It was moved and seconded the Board certify AIEC Annual Meeting Delegates as Director Goetsch and Director Worner. Motion carried.

Director Martin reported on Prairie Power, Inc.

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. It was moved and seconded that the Board confirm and ratify all action taken in the Executive Session. Motion carried.

President Frye reported that next month's Board Meeting was scheduled for June 26, 2018, at 6:00 p.m.

Under other business, President Frye reminded the Board that the Prairie Power Annual Meeting was scheduled for June 20, 2018, at the Crowne Plaza, Springfield, Illinois; the AIEC Annual Meeting was scheduled for July 26-27, 2018, at the Crowne Plaza, Springfield, Illinois; and on July 25, 2018, the Seminar entitled Equity Management & Boardroom Decision Making would be held at the Crowne Plaza, Springfield, Illinois.

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