

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
FEBRUARY 26, 2019

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, Directors Warren D. Goetsch, Gary L. Martin, Michael E. Patrick, Dennis Ryan, Roy H. Seaney, Jodine Tate and Steven L. Worner. Director Donald E. McMillan was absent. Also present was 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.

Manager Anker presented to the Board an Electric System Construction Contract with the L.E. Myers Co for 2019. She reviewed the terms of the Contract. It was moved and seconded the Contract be approved and adopted. Motion carried. She also reviewed the Power Line Right of Way Clearance and Vegetation Management Contract with Wright Tree Service for a one-year period of time. She reported there was no price change over the previous year's contract terms. After discussion, it was moved and seconded the Contract be approved and adopted. Motion carried.

Manager Anker presented the Manager's Report for January, 2019. She reviewed the Operating Statement, Balance Sheet, Budget and Member Services Report. Manager Anker discussed the Federated Safety and Loss Report, Reliability Report and Operations Report. She reviewed the Irrigation Report and the Monthly IT Security Report. She reviewed the Rebate Summary. Manager Anker discussed what items would be in the March Connect Newsletter. There was discussion relative to the Cooperative's Mission Statement. The Board determined to table such for further review at next month's Board Meeting. Manager Anker advised it was necessary to appoint a Delegate and Alternate Delegate for the CFC Annual Meeting. It was moved and seconded that Director Patrick be named the Delegate with Director McMillan as the Alternate Delegate. Motion carried. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Manager Anker presented the financial report for the month of January. Year to date margins were (\$94,615) compared to (\$37,800) last year. Equity at the end of January was 40.43%. Member accounts served was 10,909. Net utility plant was \$49,216,871 compared to

\$47,874,712 last year. The cooperative continues to meet the requirements of RUS, FFB, NRUCFC & CoBank.

President Frye introduced Eric Hobbie, President and CEO of Prairie Power, Inc.

It was moved and seconded that the Board enter into Executive Session to discuss the PPI Strategic Initiative. Motion carried.

It was moved and seconded that the Board reconvene the monthly Board Meeting. Motion carried.

Director Goetsch reported on AIEC activities. He discussed the materials for the 2019 ACRE dues.

Director Martin reported on Prairie Power, Inc.

Director Patrick reported on actions by the Annual Meeting Committee. There was discussion with regard to a program entitled "Operation RoundUp" and whether the Cooperative should create a program. A question was raised as to whether or not participation in the Program would require approval of the Directors only or approval by the Membership. After discussion, the Board agreed with the Committee's recommendation to not create a program. Manager Anker advised that Director Petitions were due April 29, 2019.

Manager Anker presented the monthly Capital Credit Estate Refunds Report.

It was moved and seconded that the Board again 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 advised that next month's Board Meeting was scheduled for Tuesday, March 26, 2019, at 6:00 p.m.

Under other business, President Frye reminded the Board of the NRECA Legislative Conference in Washington D.C. April 28-May1, 2019.

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