

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
SEPTEMBER 24, 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 Holloway, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, and Dennis Ryan. Directors Jodine Tate and Steven L. Worner were absent. Also present was Engineering Manager Brady Smith, Manager of Accounting & Information Systems Chris Hinton, Manager Alisha Anker and Attorney Charles K. Smith.

The Agenda of the meeting was read. There was one change to the addition, being that #6. Power Requirements Study Review was moved to #5 and #7 Net Metering Policy discussion was moved to #6 and #5 Form 990 Review was moved to #7. There were no other 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 a member who addressed the Board with a concern. After discussion a solution was offered and motion carried.

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

Engineering Manager Brady Smith presented a review of the Power Requirements Study. He advised that the purpose of the Study was to provide the basis for determining modifications and improvements required for the distribution system and develop a 15-year projection of total energy requirements for the co-op. He held an open discussion with the Board and answered questions. A motion was made to approve the Study as presented. Motion carried.

Manager Anker discussed the Cooperative Policy entitled Operating Rules for Cooperative Members, Net Metering and Cooperative Credit for Excess Member-Generated Electric Energy. She discussed the Base Rate concept within the Policy which is defined as the Cooperative's rate schedules exclusive and residential heating incentives. She advised that presently net metering was available exclusively to members under a Base Rate. There was discussion about whether the Cooperative should do away with the Base Rate entirely or whether such should be redefined in some manner. It was the consensus of the Board that the Manager would review this matter further and report back to the Board.

Chris Hinton presented the Federal IRS Form 990 review and discussed the information set forth therein, as well as the IRS Form 990-T and the State DOR Form 990-T. He reviewed

the rule 85-15 for Member Revenue and presented a review of the Parking Lot reporting rule and its applicability to the Cooperative parking lot.

Manager Anker presented the Manager's Report for August, 2019. She reviewed the Operating Statement, Balance Sheet and Budget. She discussed the Member Services Department Report and past due notices, generated cut-off tickets and write-offs for the Month. She discussed the Operations and Reliability Report. She reported that total incidents for the month were 98 and that the longest duration incident was 213 minutes. She discussed the contents of the monthly Connect Newsletter. She discussed a personnel update and advised that Pam Davis was now acting as the Accounts Payable Clerk and advised that the Cooperative is advertising for two part-time receptionists. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Manager Anker reviewed the Safety Report. She advised that there were no occupational injuries and illnesses for the time period. She reported on Education Courses attended by Cooperative Staff.

Director Goetsch reported on AIEC activities.

Director Martin reported on Prairie Power, Inc.

Those Board Members who attended the NRECA Region 5 Meeting gave a report on the Meeting.

Manager Anker reviewed the monthly Capital Credit Estates Report.

It was moved and seconded that the Board enter into Executive Session. Motion carried.

It was moved and seconded that the Board ratify items approved during Executive Session and reconvene the monthly Board Meeting. Motion carried.

President Frye advised that the next regular Board Meeting was scheduled for Tuesday, October 22, 2019 at 6:00 p.m.

Under other business, President Frye reminded the Board of upcoming Meetings and Classes.

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