

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
JULY 23, 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, Dennis Ryan, Jodine Tate, and Steven L. Worner. Also present was Manager of Accounting & Information Systems Chris Hinton, 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 Kevin Kelso and George Lynch, representing Jackson Thornton, who presented an overview of a draft of the 2018 Financial Audit. The Audit provided an Unmodified Opinion. The Board accepted the Audit and authorized Staff to provide a final copy to lenders once available.

Manager of Accounting & Information Systems Chris Hinton presented a review of the RUS Field Audit. He reviewed the various recommendations as a result of the Audit.

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

Manager Anker discussed the need for a Resolution to remove former Director Seaney as an authorized signatory on Cooperative accounts at Alliance Community Bank due to his retirement. After discussion, it was moved and seconded the following Resolution be adopted:

(See Exhibit A, attached hereto and incorporated herein by reference.)

Motion carried.

Manager Anker discussed the proposed IBEW Local 51 Collective Bargaining Agreement. She discussed the terms and provisions of the proposed Agreement. After recommendation from the Labor Committee and discussion by the Board, it was moved and seconded that the Agreement be approved. Motion carried.

Manager Anker presented the Manager's Report for June, 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. Manager Anker reviewed a breakdown of the Annual Meeting expenses. She discussed the IT Security Report and external vulnerabilities that were noted. Manager Anker also discussed the Operations and Reliability Report. She reported that total incidents for the month were 152, total number of outage minutes were 404,435.43. The longest duration of any outage was 433 minutes. She discussed the contents of the upcoming Connect Newsletter. Manager Anker discussed the Sharing Success Program and the applications that had been received from Theatre in the Park, Menard County Trails and Greenways, Friends of Sangamon Valley, Petersburg Elementary PTO, Town & Country Women's Club and Menard County CEO Program. By ballot vote, it was determined to donate \$1,000.00 to Menard County Trails and Greenways, \$1,500.00 to the Menard County CEO Program and \$3,750.00 to the Petersburg Elementary PTO Program. CoBank will match these funds. It was moved and seconded to make such contributions. Motion carried. It was noted that Dennis Ryan abstained from voting on this issue as a result of his involvement with the Menard County CEO Program. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Manager Anker reviewed the Safety Report and noted occupational injuries and illnesses for the month. She advised that year-to-date there have been three reportable incidents with no lost time.

Manager Anker discussed the Weekend Load Control results. It was determined to have a meeting of the Irrigation Committee to discuss issues of load control. No further action was taken at this time.

Director Goetsch reported on AIEC activities. He discussed the International Program Raffle.

Director Martin reported on Prairie Power, Inc.

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 reconvene the monthly Board Meeting. Motion carried.

President Frye advised that the next regular Board Meeting was scheduled for Tuesday, August 27, 2019 at 6:00 p.m.

Under other business, President Frye reminded the Board that the NRECA Course 918 was scheduled for the Crowne Plaza in Springfield, Illinois on July 31, 2019 and that the AIEC Annual Meeting was scheduled for the Crowne Plaza in Springfield, Illinois on August 1-2, 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