

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
MARCH 26, 2024

The monthly Board Meeting of the Board of Directors of Menard Electric Cooperative was called to order at 8:00 A.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 Warren D. Goetsch, Directors D. Jay Frye, Gary Holloway, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan, Jodine Tate, and Steve L. Worner. Also present were Engineering Manager Brady Smith, Director of Member Services Trish Michels, Director of Accounting & Finance Julie Atwater, General Manager Alisha Anker and Attorney Charles K. Smith.

The Agenda of the meeting was read. Thereafter, with President Goetsch 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 Goetsch reviewed the Consensus Agenda. It was moved and seconded the Consensus Agenda be approved. Motion carried.

General Manager Anker presented on the status of Strategic Planning Goal #1 (Improving rate structures to serve future needs). Director of Member Services Michels discussed actions taken to implement four (4) subgoals: to consolidate the number of rate schedules; to develop new rate structures for unbundled residential service or time-of-use; to consider possible loss of key accounts and confirm that future rates would appropriately mitigate the negative impacts; and, to simplify special invoicing treatments. Director of Accounting & Finance Atwater discussed the unique billing complications of several large power memberships and her vision for improving the cooperative's risks. Engineering Manager Smith discussed the need to incorporate improved metering structures prior to implementation of a few of these goals.

Michels and Atwater left the Board room.

General Manager Anker and Engineering Manager Smith reviewed the 2024 Electric Systems Construction Contract, as well as the 2024 Power Line Right of Way Clearance and Vegetation Management Contract. They advised that the L.E. Meyers Company had provided the low bid for the construction contract and that Wright Tree Service provided the low bid for the right-of-way clearance contract. It was moved and seconded that the Board adopt management's recommendations and approve the Electric Systems Construction Contract, as well as the Power Line Right of Way Clearance and Vegetation Management Contract, on the terms as discussed and set forth therein. Motion carried.

Brady Smith left the Board room.

General Manager Anker discussed the terms of authorizing an IEMA/OHS Single Audit Certification Form. After review, it was moved and seconded that the Certification form be approved. Motion carried.

General Manager Anker discussed revisions to the Corporate Authorization Resolution to Authorize Signatories at Petefish, Skiles and Co. Bank. She advised the primary purpose of the Corporate Authorization Resolution was to add Director of Accounting & Finance Julie Atwater as a signatory to the Cooperative's accounts. It was moved and seconded the Corporate Authorization Resolution be adopted. Motion carried.

General Manager Anker presented a Resolution to Authorize Users of the RUS' Rural Development (RD) Intake System. She advised the purpose of the Resolution was to add access for Director of Accounting & Finance Julie Atwater in place of retired employee Chris Hinton. It was moved and seconded the Resolution be adopted. Motion carried.

General Manager Anker presented the Manager's Report for February, 2024. She reviewed the Operating Statement, Balance Sheet and Budget. General Manager Anker presented the Member Services Report, past due notices, generated cut-off tickets and write-offs. She presented a Schedule showing the solar benefits factor to Menard setting forth the actual generation coming back to Menard during 2023. She reviewed the Operations Report and Reliability Report for the Month and advised there were 23 incidents, the longest duration of an outage was 181 minutes, and largest number of Members affected by a single outage was 123. She presented the Safety Report and advised that Director Patrick was the Guest Director. General Manager Anker reviewed the Irrigation Report and presented on the status of new and completed Irrigation construction. She discussed the contents of the Connect Newsletter. She discussed developments with regard to a proposed Solar Farm in Mason County. General Manager Anker presented a printout of the area and also reviewed the potential loss of irrigation revenue as a result of the project, including the economic effect on the Cooperative and a Financial Margin analysis. General Manager Anker reported on the first Coffee on the Co-op event and the schedule for future events. It was moved and seconded that the Manager's Report be approved as presented. Motion carried.

Director Frye reported on the status of plans for the 2024 Annual Meeting.

President Goetsch reported on AIEC Activities.

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

General Manager Anker presented the Capital Credit Estates Refund 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 Goetsch advised the next regular Board Meeting was scheduled for Tuesday, April 30, 2024 at 6:00 p.m.

Under Other Business, President Goetsch discussed the IL Electric Co-op Lobby Day scheduled for April 16, 2024 and the BLC 984 course on The Road to Resiliency scheduled for May 22, 2024.

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			February 2024		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	4,437,493	4,616,443	4,526,516	89,927	2,066,080	2,006,712	2,047,437	(40,725)
kWhr Sold	27,969,914	28,155,673	27,133,052	1,022,621	12,711,570	12,045,173	12,351,472	(306,299)
2. Cost of Power	1,625,204	449,653	795,883	346,230	1,497,574	449,180	784,037	334,857
kWhr Purchased	30,369,997	30,558,066	29,231,460	(1,326,606)	13,863,809	13,106,157	13,322,110	215,953
3. Operation Expense	287,263	420,149	397,265	(22,884)	149,699	185,416	193,099	7,683
4. Maintenance Expense	454,792	417,258	567,866	150,608	208,889	163,853	273,879	110,026
5. Consumer Accounts & Coll. Exp.	81,980	95,850	120,033	24,183	35,061	46,207	59,124	12,917
6. Member Service Expense	46,924	55,821	50,484	(5,337)	21,794	26,783	24,656	(2,127)
7. General Office Expense	76,746	101,234	91,264	(9,970)	30,323	45,692	44,319	(1,373)
8. Outside Professional Services	7,178	10,519	9,483	(1,036)	3,298	7,532	4,916	(2,616)
9. Insurance, Employee & Welfare	3,853	10,687	2,840	(7,847)	1,223	10,586	1,420	(9,166)
10. Director's Fee & Mileage	15,203	16,010	25,096	9,086	6,283	8,904	8,963	59
11. Dues - Assoc. Organizations	21,524	23,167	23,168	1	10,762	11,583	11,584	1
12. Other Misc. General Expense	74,060	62,578	70,926	8,348	16,888	32,129	27,086	(5,043)
13. Depreciation Expense	418,527	461,946	431,051	(30,895)	210,009	231,258	215,755	(15,503)
14. Tax Expense - Property	53,466	55,850	55,850	0	26,695	27,925	27,925	0
15. Tax Expense - Other	3,654	3,714	3,800	86	1,745	1,637	1,780	143
16. Interest Expense on L-T Debt	213,155	245,006	236,691	(8,315)	104,080	119,456	118,320	(1,136)
17. Total Expense less Power	1,758,325	1,979,789	2,085,817	106,028	826,750	918,961	1,012,826	93,865
17a. Total Operating Cost	3,383,529	2,429,442	2,881,700	452,258	2,324,324	1,368,141	1,796,863	428,722
18. Operating Margins	1,053,965	2,187,001	1,644,816	542,185	(258,244)	638,571	250,574	387,997
19. Non-Operating Margins	8,178	10,644	7,200	3,444	4,135	4,932	3,600	1,332
20. G & T Capital Credits	0	0	0	0	0	0	0	0
21. Other Capital Credits	0	0	0	0	0	0	0	0
22. Total Margins	1,062,142	2,197,645	1,652,016	545,629	(254,109)	643,503	254,174	389,329

REA Form 7
Balance Sheet Analysis
2/28/2023 - 2/29/2024

IL 21 Menard
Menard Electric Coop
02-Apr-24

	Prior Yr Balance 2/28/2023	Current Yr Balance 2/29/2024	End of Yr Balance 12/31/2023	Change YTD
ASSETS:				
Utility Plant in Service	84,448,729	88,942,847	88,570,600	372,247
Construction Work in Process	443,549	1,545,629	556,703	988,926
Total Utility Plant in Service	84,892,278	90,488,476	89,127,303	1,361,173
Accumulated Depreciation	(25,163,105)	(24,656,667)	(24,461,555)	(195,112)
Net Utility Plant	59,729,173	65,831,809	64,665,748	1,166,061
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	14,405,851	15,584,656	15,585,044	(388)
Inv.in Assoc.Org.- General Funds				0
Inv.in Assoc.Org.-Non Gen Funds	680,032	680,032	680,032	0
Investments in Economic Dev. Projects				0
Other Investments	704,305	0	0	0
Special Funds	141,820	165,904	221,564	(55,660)
Total Other Prop. & Investments	15,932,008	16,430,592	16,486,640	(56,048)
Cash-General Funds	1,300,503	1,181,372	714,205	467,167
Cash-Constr.Fund Trustee	454	454	454	0
Special Deposits	6,452	3,653	3,355	298
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	2,311,445	2,276,579	2,837,618	(561,039)
Accounts Receivable-Net-Other	1,608	2,708	(2,061)	4,769
Materials & Supplies	1,567,937	979,491	1,681,309	(701,818)
Prepayments	124,253	218,107	200,164	17,943
Other Current & Accrued Assets	13,106	13,193	9,163	4,030
Total Current & Accrued Assets	5,325,758	4,675,557	5,444,207	(768,650)
Regulatory Assets	0	149,076	154,217	(5,141)
Deferred Debits	0	1,128	0	1,128
TOTAL ASSETS & OTHER DEBITS	80,986,939	87,088,162	86,750,812	337,350
OWNER'S EQUITY:				
Memberships	331,295	338,620	337,870	750
Patronage Capital	27,820,453	28,596,284	28,635,881	(39,597)
Operating Margins-Prior Years	1,968,911	2,598,289	0	2,598,289
Operating Margins-Current Year	1,062,142	2,197,645	2,598,289	(400,644)
Non-Operating Margins	0	0	0	0
Other Margins & Equities	3,064,853	3,182,419	3,159,752	22,667
Total Margins & Equities	34,247,654	36,913,257	34,731,792	2,181,465
LIABILITIES:				
Long Term Debt-RUS	712,149	640,256	652,418	(12,162)
Long Term Debt Other - RUS Guar.	31,483,066	36,291,746	34,791,746	1,500,000
Long Term Debt - Other	9,399,069	8,811,696	9,014,640	(202,944)
Long Term Debt Other - Adv Payments	0	0	0	0
Total Long Term Debt	41,594,284	45,743,698	44,458,804	1,284,894
Accumulated Operating Provisions	752,733	862,377	911,816	(49,439)
Total Other Noncurrent Liabilities	752,733	862,377	911,816	(49,439)
Notes Payable	500,000	1,000,000	1,000,000	0
Accounts Payable	2,261,602	788,352	3,909,104	(3,120,752)
Deposits	202,635	230,842	231,292	(450)
Other Current & Accrued Liabilities	712,934	754,219	495,650	258,569
Total Current & Accrued Liabilities	3,677,171	2,773,413	5,636,046	(2,862,633)
Deferred Credits	715,097	795,417	1,012,354	(216,937)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	80,986,939	87,088,162	86,750,812	337,350

MENARD ELECTRIC COOPERATIVE

	This Month				
	February20	February21	February22	February23	February24
1. Operating Revenue	1,996,265	2,169,400	2,032,376	2,066,080	2,006,712
kWhr Sold	14,566,486	15,996,173	14,622,378	12,711,570	12,045,173
2. Cost of Power	1,269,599	1,418,588	956,259	1,497,574	449,180
kWhr Purchased	15,818,286	17,211,161	15,779,777	13,863,809	13,106,157
3. Operation Expense	174,468	120,112	165,833	149,699	185,416
4. Maintenance Expense	196,168	168,016	202,406	208,889	163,853
5. Consumer Accounts & Coll. Exp.	33,105	32,700	32,037	35,061	46,207
6. Member Service Expense	18,914	12,692	20,739	21,794	26,783
7. General Office Expense	59,246	57,620	63,481	30,323	45,692
8. Outside Professional Services	4,363	2,313	3,538	3,298	7,532
9. Insurance, Employee & Welfare	441	2,750	644	1,223	10,586
10. Director's Fee & Mileage	11,749	4,577	7,569	6,283	8,904
11. Dues - Assoc. Organizations	11,526	11,772	11,788	10,762	11,583
12. Other Misc. General Expense	27,143	26,492	29,153	16,889	32,129
13. Depreciation Expense	190,902	199,144	201,439	210,009	231,258
14. Tax Expense - Property	24,025	24,925	29,056	26,695	27,925
15. Tax Expense - Other	1,678	1,875	10,127	1,745	1,637
16. Interest Expense	101,068	94,006	90,072	104,080	119,456
17. Total Expense less Power	854,796	758,994	867,882	826,750	918,961
17a. Total Operating Cost	2,124,395	2,177,582	1,824,141	2,324,324	1,368,141
18. Operating Margins	(128,130)	(8,182)	208,235	(258,244)	638,571
19. Non-Operating Margins	6,700	2,571	16,253	4,135	4,932
20. G & T Capital Credits	0	0	0	0	0
21. Other Capital Credits	0	0	6,064	0	0
22. Total Margins	(121,430)	(5,611)	230,552	(254,109)	643,503