

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
AUGUST 22, 2017

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: Warren D. Goetsch, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan, Roy H. Seaney, Jodine Tate and Steven L. Worner. President D. Jay Frye was absent. 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 Vice-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).

Vice-President Goetsch reviewed the Consensus Agenda. It was moved and seconded that the Consensus Agenda be approved as presented. Motion carried.

Manager of Accounting & Information Systems Chris Hinton reviewed the IRS Form 990 and Illinois Form 990-T.

Manager Anker presented the Manager's Report for July, 2017. She reviewed the Balance Sheet, Budget, Rebate Summary, Outage Summary, and Safety Report. Manager Anker presented a Summary of Outages and the costs, as well as the status of work orders. She reviewed the Irrigation Report and advised that there were currently 3 orders for 2018. She reviewed the monthly Security Report. Manager Anker reviewed with the Board a Resolution for the Cooperative 401(K) Pension Plan and the Retirement Security Plans for 2018. She reviewed the RS Retirement Security Plan. It was moved and seconded that the following Resolution be adopted. See the Resolution marked Exhibit A, attached hereto and incorporated herein by reference. Motion carried. Manager Anker discussed the NRECA International Contribution Program. It was determined to contribute the sum of \$1,000.00 to NRECA 2018 Program. It was so moved and seconded. Motion carried. Manager Anker discussed the Co-Bank Sharing Success Program. She advised that there had been a request from Representatives of the Mason County Fair for a contribution to install lighting around the Equestrian Show Ring. She also advised that a request had recently been received for a contribution to support the purchase of additional playground equipment for the Porta Elementary School. After discussion, it was moved and seconded the Cooperative contribute the sum of \$4,000.00 towards the cost of lighting for the Equestrian Show Ring contingent upon there being adequate recognition of the Cooperative's contribution. Motion carried. It was the consensus of the Board that Manager Anker further investigate the issue of the contributions to Porta for playground equipment before they consider a contribution. Manager Anker discussed with the Board the Candidates vying for the Co-Bank Board Election. It was the consensus of the Board to

vote for Candidate Kelley. It was so moved and seconded. Motion carried. There was then discussion of the CFC District #5 Meeting Ballot for 2017. There were two (2) Candidates. It was determined to leave it to Director's Goetsch discretion as to who to vote for as the candidate. Manager Anker presented an update on OMS. She presented the Board with a comparison of the options for the Data Voice System, as well as Milsoft System. She advised that she had been successful in getting a price reduction from both Vendors. After further comparison of the two Systems, it was moved and seconded that the Cooperative proceed with the Data Voice Software. 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 July. Year to date margins were \$1,926,550 compared to \$2,172,063 last year. Equity at the end of July was 39.65%. Member accounts served was 10,880. Net utility plant was \$47,197,057 compared to \$45,125,329 last year. Co-op meets the requirements of RUS, FFB, NRUCFC & CoBank.

Director Goetsch reviewed with the Board the Executive Summary of the AIEC.

Director Martin and Manager Anker discussed Prairie Power, Inc. There was discussion of a Special Meeting Delegation.

Manager Anker and Director Goetsch presented a Report of Policy/ByLaw Committee. Director Goetsch advised that the Policies referred to as "Bundle One" had been previously provided to the Board for their review and consideration. After discussion, it was moved and seconded that the Policies of Bundle One be approved. Motion carried. Manager Anker then reviewed the Policies that are a part of "Bundle 2". She reviewed the terms and provisions of the changes to those Policies. It was the recommendation then that the Board review Bundle 2 Policies for adoption at next Month's Meeting.

Manager Anker reviewed the Capital Credit Estate Refunds Report.

It was moved and seconded that the Board convene an Executive Session. Motion carried. It was moved and seconded that the Board adjourn the Executive Session and reconvene the monthly Board Meeting. Motion carried.

Vice-President Goetsch advised that the next monthly Meeting was scheduled for September 26, 2017 at 6:00 p.m.

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