

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
JULY 28, 2015

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, Jerry W. Brooks, Gary L. Martin, Donald E. McMillan, Roy H. Seaney, and Steven L. Worner. Directors Warren D. Goetsch, Michael E. Patrick and Jodine Tate were absent. Also present was Manager of Accounting & Information Systems, Chris Hinton, Manager Eric Hobbie and Attorney Charles K. Smith.

It was moved and seconded that in the absence of Secretary Patrick, that Director Brooks be appointed Acting Secretary. Motion carried.

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 Acting Secretary Brooks, 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 as presented. Motion carried.

Manager Hobbie presented the Manager's Report for June, 2015. He reviewed the Balance Sheet, Budget, as well as the Outage Summary and Safety Report. Manager Hobbie reviewed the Key Ratio Trend Analysis Report. Chris Hinton, Manager of Accounting & Information Systems reviewed with the Board the Form 990. Under the Operations Report, Manager Hobbie reported on work done by Cooperative Crews for the month. There was discussion about who would attend the Region V Meeting. The "PPI Board Member Overview" was discussed, as well as the Farm Progress Show scheduled for September 1-3, 2015. It was moved and seconded that the Board affirm the action previously taken with regard to conforming Menard's 401(k) Plan to NRECA's 401(k) requirements. Motion carried. President Frye called the Board into Executive Session. President Frye reconvened the monthly Board Meeting. Manager Hobbie advised that he and Brady Smith met with Representatives from Weaver Popcorn. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Hobbie presented the financial report for the month of June. Year to date margins were \$1,286,421 compared to \$1,198,124 a year earlier. Equity as of the end of June was 37.39% and the number of member accounts served was 10,791 compared to 10,756 a year ago. Net Utility Plant at the end of June was \$43,401,866 compared to \$42,342,125 last year. The cooperative continues to meet the requirements of the RUS, FFB and NRUCFC.

In the absence of Director Goetsch, Director Brooks reported on plans for the AIEC Annual Meeting scheduled for July 30-31, 2015.

Director Martin reported on Prairie Power, Inc. He advised that there was no Meeting as Prairie Power had gone to Board Meetings every other month and their next Meeting would be in August.

Manager Hobbie reported on the Capital Credit Estate Refunds.

President Frye advised that the next regular Board Meeting was scheduled for August 25, 2015, 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.