

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
JULY 25, 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: President D. Jay Frye, Warren D. Goetsch, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Dennis Ryan, Roy H. Seaney, 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 reviewed the Consensus Agenda. It was moved and seconded that the Consensus Agenda be approved as presented. Motion carried.

Manager Anker and Chris Hinton presented a review of the CFC Key Ratio Trend Analysis Report.

Manager Anker presented the Manager's Report for June, 2017. She reviewed the Balance Sheet, Budget, Outage Summary and Safety Report. Manager Anker presented the monthly Security Report. She discussed the ATS-SEDC Consent to Assignment. It was moved and seconded that the Board approve the Assignment. Staff recommended that the Board become a Member of SEDC for the sum of \$100.00. It was moved and seconded that the Cooperative become a Member. Motion carried. Manager Anker did a review and comparison of OMS. She advised that she and the Staff were involved in a search for an Outage Management System and had obtained a proposal from Data Voice. After some negotiation there were changes in the terms of the agreement. She advised the Staff was reviewing the cost related to different vendors. It was the consensus of the Board to proceed with the investigation. 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 June. Year to date margins were \$1,895,601 compared to \$1,969,116 last year. Equity at the end of June was 39.42%. Member accounts served was 10,875. Net utility plant was \$46,776,298 compared to \$44,605,542 last year. Co-op meets the requirements of RUS, FFB, NRUCFC & CoBank.

Director Goetsch reported on AIEC Activities. He advised that there was no Meeting in July. He discussed the Credit Union Merger. It was moved and seconded that the Board approve the Merger. Motion carried. He reviewed the Annual Meeting Agenda for the AIEC Annual

Meeting.

Director Martin reported on Prairie Power, Inc.

Manager Anker and Director Goetsch of the Policy/ByLaw Committee presented a Report on suggested changes to various Policies as reviewed by the Committee. It was the consensus that the Board Members review the proposed Policy changes and that the Policies, as amended, be adopted at the next Board Meeting.

Director Worner reported on the Meeting of the Irrigation Committee. He reported on Rate 51 and how that would work for those Members who signed up for Rate 51. He advised that there would be a one time \$600.00 payment, plus \$20.00 a month for a six (6) month time period. The Board Members discussed Rate 51. After consideration, it was decided to discuss and review the provisions of Rate 51 at next month's Board 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.

President Frye advised that the next monthly Meeting was scheduled for August 22, 2017 at 6:00 p.m.

Under other business, President Frye discussed 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