MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
AUGUST 25, 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, Warren D. Goetsch, Gary L. Martin, Donald E. McMillan, Michael E. Patrick, Roy H. Seaney, Jodine Tate, and Steven L. Worner. Also present was Manager Eric Hobbie 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 Hobbie presented the Manager's Report for July, 2015. He reviewed the Balance Sheet, Budget, as well as the Outage Summary and Safety Report. Under the Operations Report, Manager Hobbie reported on work done by Cooperative Crews for the month. He advised that the Cooperative's rate for Worker's Compensation through Federated Insurance Company would go from a .81 to a .82 for next year. He advised that there should be little to no change in the premium. He reported that Health Insurance was probably going up by 4% for next year. Manager Hobbie reported on the Meeting with Joe Smith to discuss IT issues. He discussed the Region V Election. It was moved and seconded that Warren Goetsch be nominated as the Federated Delegate. Motion carried. President Frye advised that the Board needed to go into Executive Session. It was moved and seconded that the Board go into Executive Session to discuss personnel issues. Motion carried. President Frye reconvened the regular Board Meeting. It was moved and seconded the Manager's Report be approved as presented. Motion carried.

Hobbie presented the financial report for the month of July. Year to date margins were $1,422,428 compared to $954,938 a year earlier. Equity as of the end of July was 37.27% and the number of member accounts served was 10,796 compared to 10,757 a year ago. Net Utility Plant at the end of July was $43,561,957 compared to $42,548,867 last year. The cooperative continues to meet the requirements of the RUS, FFB and NRUCFC.

Director Goetsch reported on AIEC Activities and reviewed the Executive Summary. He also discussed the AIEC International Program and whether there was interest on the part of the Board to participate in some way.

Director Martin reported on Prairie Power, Inc. He also discussed the departure of Jay

Bartlett from Prairie Power.

Manager Hobbie reviewed the Capital Credit Estates Refunds Report.

President Frye reminded the Board the next regular Meeting was September 22, 2015 at 6:00 p.m.

Under other business, President Frye reminded the Board that the Farm Progress Show was scheduled for September 1-3, 2015 and the NRECA Region V Meeting was scheduled for September 16-17, 2015. There was discussion about the scheduling of the Menard Electric Christmas Party.

There being no further business to come before the Board, it was moved and seconded the Meeting be adjourned. Motion carried.