

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
JANUARY 30, 2026

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 in person: President Warren D. Goetsch, Rex Muir, Jodine Tate and Michael E. Patrick, additionally the following Directors were available via teleconference: Gary Holloway, Gary L. Martin, Dennis Ryan and Steve L. Worner. Director Jay Frye was not present. Also present were Attorney Kyle Barry and General Manager Alisha Anker.

The Agenda of the meeting was read and amended to remove item #4, a Legislative Update from AIEC. It was moved and seconded that the Board approve the amended agenda. Motion carried. 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 a proposed Resolution for 2026 Special Retirement of Capital Credits. It was moved and seconded to approve the proposed resolution. Motion carried. See Exhibit A, which is a copy of the Resolution, attached hereto and incorporated herein by reference.

General Manager Anker discussed adjustments applied to Equity to retain any remaining unclaimed Capital Credits retired in 2018, with the exception of adjustments to charitable and educational expenses required by laws of other states. General Manager Anker delivered the Capital Credit Estates Refund Report.

General Manager Anker provided an overview of a proposed Service Area Agreement with Ameren. It was moved and seconded that the Board approve the Service Area Agreement with Ameren. Motion carried.

General Manager Anker presented an overview of a proposed Consent and Crossing Agreement with Rockdale Solar LLC. After a discussion, it was moved and seconded that the Board approve the Agreement. Motion carried.

General Manager Anker presented a proposed Resolution of Corporate Authorization, necessary to modify the list of agents authorized to take certain actions for the Cooperative account held at Petefish Skiles & Co Bank. After a discussion, it was moved and seconded that the Board approve the proposed resolution. Motion carried. See Exhibit B, which is a copy of the Resolution, attached hereto and incorporated herein by reference.

General Manager Anker presented the Manager's Report for December, 2025. She provided an update on the Construction Work Plan and associated RUS loan application. She reviewed the Operating Statement, Balance Sheet and Budget. She discussed reports showing the LT Debt Maturity Schedule, the 2025 inventory adjustment, and the 2025 net metered banked usage credits returned to members. General Manager Anker presented the Member Services Report, past due notices, generated cut-off tickets and write-offs. She reviewed the Operations and Reliability Report for the month and advised there were 73 incidents, the longest duration of a single outage was 318 minutes (downed wire), and largest number of Members affected by a single outage was 519. General Manager Anker reviewed the outage causes. She reviewed the Irrigation Report, the Safety Report, and discussed the various topics discussed at the Safety Meeting. She advised that no accidents or injuries were reported for the month. General Manager Anker reviewed the contents of the Connect Newsletter.

In Miscellaneous matters, Manager Anker announced a key retirement at Federated Rural Electric Insurance Exchange, advised that the omnibus energy bill was signed by the Governor on January 8, 2026, and discussed a 5-year history of all-in average kilowatt-hour rates by class. It was moved and seconded the Manager's Report be approved. Motion carried.

President Goetsch reported on AIEC activities and delivered an NRECA report. The Board discussed certification of voting delegates for the NRECA Annual Meeting. It was moved and seconded to designate Director Holloway as the primary delegate and Director Patrick as the alternate delegate for the NRECA Annual Meeting. Motion carried. President Goetsch and General Manager Anker provided a report about the ICWCG/RSI Annual Meeting from January 2026.

Director Martin reported on Prairie Power, Inc., including a power supply update and an update on PPI's financials.

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. It was moved and seconded that the Board ratify actions taken during the Executive Session. Motion carried.

President Goetsch and Manager Anker provided a report from the Bylaw/Policy Committee meeting from January 2026 to advise the Committee had reviewed proposed changes to Policies and recommended that certain Policies be revised or terminated for reasons discussed by the

Committee. It was moved and seconded that the proposed changes to the Policies, as recommended by the Committee, be adopted and approved. Motion carried.

President Goetsch advised the next regular Board Meeting was scheduled for Thursday, February 26, 2026 at 8:00 a.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

Date

RESOLUTION FOR SPECIAL RETIREMENT OF CAPITAL CREDITS

WHEREAS, Menard Electric Cooperative's 2025 pre-audit Total Margins are approximately \$3,009,851.00, of which pre-audit Operating Margins are approximately \$1,672,356.00; and,

WHEREAS, Menard Electric Cooperative's Equity on December 31, 2025 is approximately 41.3%; and,

WHEREAS, The Cooperative's Board of Directors desire to perform a special retirement of Capital Credits for member estates up to \$250,000 in the calendar year 2026; and,

WHEREAS, Menard Electric Cooperative's equity will be approximately 41.1% after special retirements of up to \$250,000 in Capital Credits; and,

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of Menard Electric Cooperative now wish to declare the special retirement of capital credits to member estates not to exceed \$250,000 during the calendar year 2026.

Resolved this 30th day of January, 2026.

Michael Patrick
Board Secretary

RESOLUTION OF CORPORATE AUTHORIZATION

WHEREAS, Menard Electric Cooperative has designated the Petefish, Skiles & Co Bank financial institution as a depository for certain funds of the Cooperative; and,

WHEREAS, the Cooperative's Board of Directors has authorized Agents to exercise the powers of: (A) opening or closing any share or deposits account(s) in the name of the Cooperative; (B) entering into and executing any preauthorized electronic transfer agreements for auto-withdrawals, deposits or transfers initiated by various means; (C) entering into and executing commercial wire transfer agreements that authorize transfers by phone or other systems; (D) endorsing and depositing checks, drafts and orders for the payment of money; (E) signing checks or orders for the payment of money or withdrawing or transferring funds on deposit with the financial institution; (F) entering into and executing agreements for night depository, lock-box, safe deposit box or other similar cash management services; (G) conducting banking transactions on behalf of the Cooperative using electronic, online and/or mobile platforms, including reviewing account balances, transaction history and statements, withdrawing or transferring funds on deposit and making bill and loan payments on behalf of the Cooperative; (H) receiving and acknowledging receipt for fund, whether payable to the Cooperative, without additional certification as to the use of the proceeds; (I) periodically amending, restructuring, renewing, extending, modifying, substituting or terminating any agreements or arrangements with the financial institution that relates to this authorization; (J) entering into and executing other agreements that financial institution may require, and performing or causing to be performed any further action necessary to carry out the purposes of this authorization; and (K) appointing and authorizing additional agents to act on Agent's behalf in exercising other powers granted to the Agent; and,

WHEREAS, the Cooperative's Board of Directors desire to modify the authorized list of Agents to exercise such powers as described herein, as may be necessary from time to time in accordance with account agreement(s) and the requirement of two (2) signatures; and

WHEREAS, this resolution shall continue to have effect until express written notice of its rescission or modification has been submitted and recorded to the financial institution,

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of Menard Electric Cooperative, at a meeting duly and properly called and held on January 30, 2026, hereby modify the authorized list of Agents to exercise the respective powers, as follows, and shall reflect such action in the minutes of such meeting:

<u>Agent Name and Title/Position</u>	<u>Authorized Power(s)</u>
[REDACTED]	[REDACTED]

Resolved this 30th day of January, 2026.

Michael Patrick
Board Secretary

MENARD ELECTRIC COOPERATIVE
MONTHLY OPERATING REPORT

	Year to Date			December 2025		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	32,394,298	34,612,243	34,707,769	(95,526)	2,338,560	3,038,918	2,855,620	183,298
kWhr Sold	179,671,284	174,894,821	174,732,001	162,820	13,573,884	13,753,881	14,433,706	(679,825)
2. Cost of Power	17,606,279	19,213,658	18,814,374	(399,284)	2,409,713	3,020,264	1,658,410	(1,361,854)
kWhr Purchased	194,735,039	189,656,940	190,331,891	674,951	14,902,911	15,046,374	15,845,491	799,117
3. Operation Expense	2,547,925	2,956,093	2,679,131	(276,962)	193,350	233,326	230,954	(2,372)
4. Maintenance Expense	3,607,985	3,504,073	3,589,884	85,811	492,101	639,639	307,902	(331,737)
5. Consumer Accounts & Coll. Exp.	568,170	696,474	659,351	(37,123)	61,946	68,998	55,248	(13,750)
6. Member Service Expense	333,315	293,993	391,710	97,717	28,403	14,674	33,020	18,346
7. General Office Expense	659,940	929,846	862,458	(67,388)	103,724	127,789	73,364	(54,425)
8. Outside Professional Services	57,226	72,098	66,204	(5,894)	8,264	7,100	3,667	(3,433)
9. Insurance, Employee & Welfare	20,430	29,681	32,195	2,514	5,162	5,060	8,335	3,275
10. Director's Fee & Mileage	119,018	100,832	155,372	54,540	11,519	7,462	5,440	(2,022)
11. Dues - Assoc. Organizations	136,965	129,955	142,242	12,287	11,244	10,415	11,712	1,297
12. Other Misc. General Expense	382,461	340,651	386,056	45,405	64,470	83,652	28,467	(55,185)
13. Depreciation Expense	2,830,764	2,911,884	2,953,281	41,397	240,011	246,906	249,657	2,751
14. Tax Expense - Property	0	0	365,040	365,040	(309,915)	(364,620)	30,420	395,040
15. Tax Expense - Other	23,175	29,427	27,268	(2,159)	(1,438)	4,119	2,187	(1,932)
16. Interest Expense on L-T Debt	1,583,316	1,735,567	1,765,304	29,737	138,469	151,924	151,231	(693)
17. Total Expense less Power	12,870,689	13,730,573	14,075,496	344,923	1,047,310	1,236,444	1,191,604	(44,840)
17a. Total Operating Cost	30,476,967	32,944,231	32,889,870	(54,361)	3,457,023	4,256,708	2,850,014	(1,406,694)
18. Operating Margins	1,917,330	1,668,012	1,817,899	(149,887)	(1,118,463)	(1,217,790)	5,606	(1,223,396)
19. Non-Operating Margins	100,082	110,711	27,399	83,312	24,433	108,847	2,334	106,513
20. G & T Capital Credits	1,089,229	1,079,317	1,000,000	79,317	0	0	0	0
21. Other Capital Credits	173,342	147,467	155,200	(7,733)	723	1,396	0	1,396
22. Total Margins	3,279,983	3,005,507	3,000,498	5,008	(1,093,307)	(1,107,547)	7,940	(1,115,487)

Balance Sheet Analysis

Menard Electric Coop

12/31/2024 - 12/31/2025

03-Feb-26

	Prior Yr Balance 12/31/2024	Current Yr Balance 12/31/2025	End of Yr Balance 12/31/2024	Change YTD
ASSETS:				
Utility Plant in Service	91,761,758	95,923,158	91,761,758	4,161,400
Construction Work in Process	1,035,749	284,193	1,035,749	(751,556)
Total Utility Plant in Service	92,797,507	96,207,351	92,797,507	3,409,844
Accumulated Depreciation	(25,244,550)	(25,567,401)	(25,244,550)	(322,851)
Net Utility Plant	67,552,957	70,639,950	67,552,957	3,086,993
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	16,761,374	17,906,344	16,761,374	1,144,970
Inv.in Assoc.Org.- General Funds	0	0	0	0
Inv.in Assoc.Org.-Non Gen Funds	680,070	600,620	680,070	(79,450)
Investments in Economic Dev. Projects	0	0	0	0
Other Investments	0	0	0	0
Special Funds	233,275	257,410	233,275	24,135
Total Other Prop. & Investments	17,674,719	18,764,374	17,674,719	1,089,655
Cash-General Funds	659,147	806,535	659,147	147,388
Cash-Constr.Fund Trustee	454	0	454	(454)
Special Deposits	3,602	4,513	3,602	911
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	2,854,685	3,659,504	2,854,685	804,819
Accounts Receivable-Net-Other	3,561	324	3,561	(3,237)
Materials & Supplies	906,449	940,241	906,449	33,792
Prepayments	331,486	173,568	331,486	(157,918)
Other Current & Accrued Assets	9,784	8,693	9,784	(1,091)
Total Current & Accrued Assets	4,769,168	5,593,378	4,769,168	824,210
Regulatory Assets	259,573	194,680	259,573	(64,893)
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	90,256,417	95,192,382	90,256,417	4,935,965
OWNER'S EQUITY:				
Memberships	344,995	219,018	344,995	(125,977)
Patronage Capital	30,098,573	32,462,501	30,098,573	2,363,928
Operating Margins-Prior Years	3,279,984	3,005,507	0	3,005,507
Operating Margins-Current Year	0	0	3,279,984	(3,279,984)
Non-Operating Margins	0	0	0	0
Other Margins & Equities	3,296,082	3,599,307	3,296,082	303,225
Total Margins & Equities	37,019,634	39,286,333	37,019,634	2,266,699
LIABILITIES:				
Long Term Debt-RUS	579,574	394,019	579,574	(185,555)
Long Term Debt Other - RUS Guar.	38,779,923	41,907,237	38,779,923	3,127,314
Long Term Debt - Other	8,129,794	7,370,007	8,129,794	(759,787)
Long Term Debt Other - Adv Payments	0	0	0	0
Total Long Term Debt	47,489,291	49,671,263	47,489,291	2,181,972
Accumulated Operating Provisions	1,044,747	1,124,020	1,044,747	79,273
Total Other Noncurrent Liabilities	1,044,747	1,124,020	1,044,747	79,273
Notes Payable	0	0	0	0
Accounts Payable	2,857,909	3,221,850	2,857,909	363,941
Deposits	232,883	233,598	232,883	715
Other Current & Accrued Liabilities	522,831	661,444	522,831	138,613
Total Current & Accrued Liabilities	3,613,623	4,116,892	3,613,623	503,269
Deferred Credits	1,089,122	993,874	1,089,122	(95,248)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	90,256,417	95,192,382	90,256,417	4,935,965

MENARD ELECTRIC COOPERATIVE

	This Month				
	December21	December22	December23	December24	December25
1. Operating Revenue	2,091,975	2,378,190	2,373,272	2,338,560	3,038,918
kWhr Sold	14,174,449	16,312,298	13,607,316	13,573,884	13,753,881
2. Cost of Power	2,596,741	2,658,395	3,592,007	2,409,713	3,020,264
kWhr Purchased	15,406,005	17,610,996	14,876,014	14,902,911	15,046,374
3. Operation Expense	159,957	207,636	247,223	193,350	233,326
4. Maintenance Expense	232,815	445,121	562,097	492,101	639,639
5. Consumer Accounts & Coll. Exp.	12,687	40,053	57,399	61,946	68,998
6. Member Service Expense	19,744	21,983	28,267	28,403	14,674
7. General Office Expense	65,635	38,681	45,734	103,724	127,789
8. Outside Professional Services	5,948	22,520	11,424	8,264	7,100
9. Insurance, Employee & Welfare	4,518	6,845	9,155	5,162	5,060
10. Director's Fee & Mileage	6,587	6,949	10,593	11,519	7,462
11. Dues - Assoc. Organizations	11,788	10,762	11,583	11,244	10,415
12. Other Misc. General Expense	(474)	72,369	106,349	64,470	83,652
13. Depreciation Expense	200,739	211,176	229,458	240,011	246,906
14. Tax Expense - Property	22,410	(289,306)	(294,510)	(309,915)	(364,620)
15. Tax Expense - Other	1,695	2,606	2,422	(1,438)	4,119
16. Interest Expense	106,222	118,809	144,095	138,469	151,924
17. Total Expense less Power	850,271	916,204	1,171,289	1,047,310	1,236,444
17a. Total Operating Cost	3,447,012	3,574,599	4,763,296	3,457,023	4,256,708
18. Operating Margins	(1,355,037)	(1,196,409)	(2,390,024)	(1,118,463)	(1,217,790)
19. Non-Operating Margins	4,197	11,031	9,576	24,433	108,847
20. G & T Capital Credits	0	0	0	0	0
21. Other Capital Credits	0	333	2,983	723	1,396
22. Total Margins	(1,350,840)	(1,185,045)	(2,377,465)	(1,093,307)	(1,107,547)