

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
MENARD ELECTRIC COOPERATIVE
PETERSBURG, ILLINOIS
SEPTEMBER 29, 2026

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 in person: President Warren D. Goetsch, Jay Frye, Gary Holloway, Gary Martin, Michael E. Patrick and Dennis Ryan. Director Leo Arnold participated by telephone. Directors Rex Muir and Steve Worner were absent. Also present were General Manager Alisha Anker, Director of Accounting & Finance Julie Atwater, principal with the firm KelsoLynch, P.C. George Lynch (via telephone) and Attorney Kyle Barry.

The Agenda of the meeting was read. Director Holloway moved to approve the agenda and it was seconded. 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. Director Martin made a motion to approve the Consensus Agenda, and it was seconded. Motion carried.

George Lynch from KelsoLynch, P.C. delivered a presentation and provided a review of the IRS Form 990 for year-ending 2025.

Mr. Lynch exited the meeting.

Julie Atwater provided a report about potential auditors and proposals for consideration. The Board discussed options and proposals for an engagement with an auditor for the next fiscal years. Director Patrick made a motion to accept and approve a proposal and engagement letter with KelsoLynch, P.C. It was seconded. Motion carried.

Ms. Atwater exited the meeting.

General Manager Anker presented an overview of a proposed Consent and Crossing Agreement with CG Pike Creek LLC for a project in Logan County. After discussion, Director Holloway made a motion to approve the agreement, and it was seconded. Motion carried.

General Manager Anker presented a proposed Resolution to increase 2026 Capital Credit Special Retirements. Director Frye moved to approve the proposed resolution calling for an additional \$25,000 in the special retirement of capital credits to member estates. The motion was seconded. Motion carried. See Exhibit A, which is a copy of the Resolution, attached hereto and incorporated herein by reference.

General Manager Anker presented the Manager's Report for August 2026. She reviewed the Operating Statement, Balance Sheet and Budget. She 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 118 incidents, the longest duration of a single outage was 532 minutes (weather-related and downed tree). The largest number of Members affected by a single outage was 454. General Manager Anker reviewed the outage causes. She reviewed the Load Control Report and the Safety Report and discussed the various topics covered at the Safety Meeting. She advised that no accidents or injuries were reported during the month. Anker discussed the pending insurance claims. She discussed recent meter testing results, noting a 12% failure rate. General Manager Anker reviewed the contents of the October 2026 Connect Newsletter. Anker next discussed the results of a member survey. She also discussed the results of a rate survey conducted by the AIEC. Director Ryan moved to approve the Manager's Report, and it was seconded. Motion carried.

President Goetsch reported on AIEC activities. He reported about the NRECA Region 5 meeting in Minneapolis, MN, and he encouraged board members to sign up for NRECA courses BLC 951 and BLC 952 hosted at AIEC headquarters.

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

General Manager Anker delivered the Capital Credit Estates Refund Report.

Director Martin made a motion that the Board enter into Executive Session, and the motion received a second. Motion carried.

Director Patrick made a motion that the Board reconvene the monthly Board Meeting. It received a second. Motion carried.

President Goetsch advised the next regular Board Meeting was scheduled for Tuesday, October 27th at 6:00 p.m.

There being no further business to come before the Board, a motion to adjourn was made by Director Patrick and the motion received a second. Motion carried and the meeting was adjourned.

Respectfully submitted,

Secretary

President

Date

EXHIBIT A

RESOLUTION FOR SPECIAL RETIREMENT OF CAPITAL CREDITS

WHEREAS, on January 30, 2026 the Menard Electric Cooperative Board of Directors resolved to perform a special retirement of Capital Credits for member estates up to \$250,000 during calendar year 2026; and,

WHEREAS, as of September 22, 2026, the remaining balance available for special retirements of Capital Credits is approximately \$6,000; and,

WHEREAS, on August 31, 2026 the Menard Electric Cooperative year-to-date pre-audit Total Margins were in excess of approximately \$4,890,000, of which pre-audit Operating Margins were in excess of approximately \$3,600,000; and,

WHEREAS, Menard Electric Cooperative's year-to-date equity on August 31, 2026 was approximately 44.2%; and,

WHEREAS, the Menard Electric Cooperative Board of Directors desires to perform additional special retirements of Capital Credits for member estates not to exceed \$25,000, for a total special retirement up to \$275,000 during the calendar year 2026,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Menard Electric Cooperative has determined that the Cooperative's financial condition will not be impaired and hereby authorizes special retirements of Capital Credits for member estates totaling no more than \$275,000 during calendar year 2026.

Resolved this 29th day of September, 2026.

A handwritten signature in black ink, appearing to read "Michael Patrick", is written over a horizontal line.

Michael Patrick
Board Secretary

MENARD ELECTRIC COOPERATIVE

MONTHLY OPERATING REPORT

	Year to Date			August 2026		This Month		
	Last Year	This Year	Budget	Variance	Last Year	This Year	Budget	Variance
1. Operating Revenue	23,559,681	25,089,107	25,695,689	(606,582)	3,849,462	3,833,689	4,096,915	(263,226)
kWhr Sold	122,187,592	116,992,274	120,419,065	(3,426,791)	21,416,825	18,692,463	19,158,624	(466,161)
2. Cost of Power	11,602,263	11,741,664	11,918,912	177,248	2,096,764	1,955,918	1,958,260	2,342
kWhr Purchased	132,212,551	126,827,407	131,001,743	4,174,336	23,012,347	20,091,890	20,737,660	645,770
3. Operation Expense	2,035,568	1,649,172	1,988,461	339,289	379,547	219,546	229,386	9,840
4. Maintenance Expense	2,066,935	2,804,154	2,763,850	(40,304)	305,599	345,891	402,116	56,225
5. Consumer Accounts & Coll. Exp.	480,222	436,550	615,479	178,929	67,923	49,241	67,772	18,531
6. Member Service Expense	218,915	133,724	117,646	(16,078)	28,861	21,385	12,484	(8,901)
7. General Office Expense	562,263	519,990	525,963	5,973	87,064	62,140	58,323	(3,817)
8. Outside Professional Services	43,798	49,494	41,836	(7,658)	0	7,112	4,417	(2,695)
9. Insurance, Employee & Welfare	11,433	17,140	18,636	1,496	51	1,085	2,067	982
10. Director's Fee & Mileage	74,158	82,636	103,924	21,288	8,428	10,706	3,823	(6,883)
11. Dues - Assoc. Organizations	88,294	84,829	83,860	(969)	10,415	10,994	10,667	(327)
12. Other Misc. General Expense	202,372	421,631	428,214	6,583	16,873	25,076	50,156	25,080
13. Depreciation Expense	1,930,328	2,020,943	2,035,461	14,518	242,002	255,982	258,319	2,337
14. Tax Expense - Property	243,360	287,135	289,200	2,065	30,420	36,150	36,150	0
15. Tax Expense - Other	19,172	19,604	18,900	(704)	3,124	3,118	3,000	(118)
16. Interest Expense on L-T Debt	1,144,689	1,204,405	1,231,332	26,927	147,497	156,012	159,842	3,830
17. Total Expense less Power	9,121,506	9,731,406	10,262,762	531,356	1,327,804	1,204,438	1,298,522	94,084
17a. Total Operating Cost	20,723,768	21,473,070	22,181,674	708,604	3,424,568	3,160,356	3,256,782	96,426
18. Operating Margins	2,835,913	3,616,037	3,514,015	102,022	424,895	673,333	840,133	(166,800)
19. Non-Operating Margins	(14,369)	16,989	19,200	(2,211)	(11,069)	3,092	2,400	692
20. G & T Capital Credits	1,079,317	1,169,453	1,100,000	69,453	0	0	0	0
21. Other Capital Credits	97,100	87,798	97,000	(9,202)	0	0	0	0
22. Total Margins	3,997,961	4,890,277	4,730,215	160,062	413,825	676,425	842,533	(166,108)

Balance Sheet Analysis

Menard Electric Coop

8/31/2025 - 8/31/2026

17-Sep-26

	Prior Yr Balance 8/31/2025	Current Yr Balance 8/31/2026	End of Yr Balance 12/31/2025	Change YTD
ASSETS:				
Utility Plant in Service	93,518,378	98,193,494	95,923,158	2,270,336
Construction Work in Process	1,355,997	547,150	284,193	262,957
Total Utility Plant in Service	94,874,375	98,740,644	96,207,351	2,533,293
Accumulated Depreciation	(25,135,383)	(26,283,273)	(25,567,401)	(715,872)
Net Utility Plant	69,738,992	72,457,371	70,639,950	1,817,421
Nonutility Property - Net				0
Inv.in Assoc.Org.-Pat.Cap.	17,880,784	19,111,795	17,906,344	1,205,451
Inv.in Assoc.Org.- General Funds	0	0	0	0
Inv.in Assoc.Org.-Non Gen Funds	680,070	600,620	600,620	0
Investments in Economic Dev. Projects	0	0	0	0
Other Investments	0	0	0	0
Special Funds	207,721	293,458	257,410	36,048
Total Other Prop. & Investments	18,768,575	20,005,873	18,764,374	1,241,499
Cash-General Funds	1,468,488	1,583,626	806,535	777,091
Cash-Constr.Fund Trustee	0	0	0	0
Special Deposits	4,043	14,776	4,513	10,263
Temporary Investments	0	0	0	0
Notes Receivable - Net	0	0	0	0
Accounts Receivable-Net-Energy	4,690,393	4,593,031	3,659,504	933,527
Accounts Receivable-Net-Other	(4,615)	(65)	324	(389)
Materials & Supplies	834,563	1,000,539	940,241	60,298
Prepayments	250,670	233,493	173,568	59,925
Other Current & Accrued Assets	13,280	12,280	8,693	3,587
Total Current & Accrued Assets	7,256,822	7,437,680	5,593,378	1,844,302
Regulatory Assets	216,311	151,417	194,680	(43,263)
Deferred Debits	0	0	0	0
TOTAL ASSETS & OTHER DEBITS	95,980,700	100,052,341	95,192,382	4,859,959
OWNER'S EQUITY:				
Memberships	235,608	223,803	219,018	4,785
Patronage Capital	33,261,360	35,235,679	32,462,501	2,773,178
Operating Margins-Prior Years	0	0	3,005,507	(3,005,507)
Operating Margins-Current Year	3,997,961	4,873,287	0	4,873,287
Non-Operating Margins	0	0	0	0
Other Margins & Equities	3,544,173	3,842,653	3,599,307	243,346
Total Margins & Equities	41,039,102	44,175,422	39,286,333	4,889,089
LIABILITIES:				
Long Term Debt-RUS	413,445	355,019	394,019	(39,000)
Long Term Debt Other - RUS Guar.	41,465,709	43,314,453	41,907,237	1,407,216
Long Term Debt - Other	7,628,464	6,811,734	7,370,007	(558,273)
Long Term Debt Other - Adv Payments	0	0	0	0
Total Long Term Debt	49,507,618	50,481,206	49,671,263	809,943
Accumulated Operating Provisions	1,079,458	1,180,828	1,124,020	56,808
Total Other Noncurrent Liabilities	1,079,458	1,180,828	1,124,020	56,808
Notes Payable	0	0	0	0
Accounts Payable	2,595,017	2,253,524	3,221,850	(968,326)
Deposits	232,801	228,227	233,598	(5,371)
Other Current & Accrued Liabilities	738,046	925,130	661,444	263,686
Total Current & Accrued Liabilities	3,565,864	3,406,881	4,116,892	(710,011)
Deferred Credits	788,658	808,004	993,874	(185,870)
Miscellaneous Operating Reserves				0
TOTAL LIAB.'S & OTHER CREDITS	95,980,700	100,052,341	95,192,382	4,859,959

MENARD ELECTRIC COOPERATIVE

	This Month				
	August22	August23	August24	August25	August26
1. Operating Revenue	3,437,179	3,416,033	3,574,184	3,849,462	3,833,689
kWhr Sold	23,160,279	20,880,590	20,356,328	21,416,825	18,692,463
2. Cost of Power	2,206,614	2,247,126	1,951,264	2,096,764	1,955,918
kWhr Purchased	24,844,379	22,511,701	21,550,532	23,012,347	20,091,890
3. Operation Expense	171,462	(60,145)	209,390	379,547	219,546
4. Maintenance Expense	375,365	391,153	332,183	305,599	345,891
5. Consumer Accounts & Coll. Exp.	41,730	37,978	31,921	67,923	49,241
6. Member Service Expense	22,412	23,942	28,716	28,861	21,385
7. General Office Expense	43,335	44,553	55,708	87,064	62,140
8. Outside Professional Services	0	3,255	1,098	0	7,112
9. Insurance, Employee & Welfare	770	1,544	1,350	51	1,085
10. Director's Fee & Mileage	9,687	13,215	13,546	8,428	10,706
11. Dues - Assoc. Organizations	10,762	11,583	11,244	10,415	10,994
12. Other Misc. General Expense	42,752	35,044	15,604	16,873	25,076
13. Depreciation Expense	208,451	221,339	238,273	242,002	255,982
14. Tax Expense - Property	26,025	26,695	27,925	30,420	36,150
15. Tax Expense - Other	2,701	2,746	2,900	3,124	3,118
16. Interest Expense	119,167	123,459	142,682	147,497	156,012
17. Total Expense less Power	1,074,619	876,361	1,112,540	1,327,804	1,204,438
17a. Total Operating Cost	3,281,233	3,123,487	3,063,804	3,424,568	3,160,356
18. Operating Margins	155,946	292,546	510,380	424,894	673,333
19. Non-Operating Margins	4,320	(11,986)	5,027	(11,069)	3,092
20. G & T Capital Credits	0	0	0	0	0
21. Other Capital Credits	28,247	0	0	0	0
22. Total Margins	188,513	280,560	515,407	413,825	676,425