

*Lighting up
the holidays*

We believe the brightest lights of the season come from the kindness, cooperation and community spirit we share. Wishing you and your family joy and light this Christmas and throughout the New Year.

~ Menard Electric Cooperative Employees

Stronger together — Serving you and our communities



Alisha Anker
General Manager

As a member-owned electric cooperative, our greatest strength has always been you — our members and the communities we serve. Together, we've built something more than a reliable power distribution system; we've built a network of support, generosity and shared success.

This month, I'm proud to share several ways your cooperative has recently given back — through local service projects, community donations and scholarships that help shape the next generation of leaders. And, as part of that shared success, we're also returning a general retirement of capital credits to our members. These funds represent your investment in the cooperative over time and your role in helping to keep your cooperative financially strong and community-focused.



Employee Service Day

In honor of National Cooperative Month in October, our employees rolled up their sleeves for our annual Employee Service Day. The day is our chance to get out into the community, put our skills to work, and complete projects that make a lasting difference. This year, cooperative employees divided efforts between two locations: One team focused efforts at Mark Clark's Field of Dreams ball

diamond in Bath, where they tackled site repairs and provided a fresh coat of paint. Another team lent several hands at the Rock Creek Retreat Center in Tallula, where we installed stair rails and gutter tiles, cleared trails, and took care of some outdoor maintenance. It was a great day of teamwork and giving back to the communities we proudly serve.

Employee donations

Our employees serve the community every day through their work, but they also dig deep to give from the heart. Each year, a committee comprised of employees organizes small fundraising events; the money raised comes directly from employee contributions, and the committee determines where to focus that charitable giving. This year's donations included a school supplies program in Menard County, the Manito Raider's Closet, several public library summer programs, and local food pantries.

Sharing Success donations

This year we once again partnered with one of our financial lending organizations, CoBank, through their Sharing Success program to support local nonprofit organizations. Each year we invite 501(c)3 organizations throughout the communities we serve to apply for funds. Our board carefully reviews the applications to determine how and

to which organizations our donations will be distributed. We then apply to CoBank for a matching donation. We are thrilled that by working cooperatively with CoBank we can double our gifting impact in our communities.

Looking ahead, CoBank is expanding their program in 2026 to match up to \$15,000 from its borrowing members. In addition, they will open the application window earlier. To fully utilize their match, we will be increasing our donations to provide even more support to local organizations. Applications will be available on our website as early as January, so please share this information with your favorite local charitable organization. www.menard.com/sharingsuccess

Scholarship opportunities

Supporting youth in our communities is an investment in the future of our communities. I want to point out several scholarships we offer and promote to help local students kickstart their journey on the road to success. Open now, high school seniors can apply for the IEC Memorial Scholarship or the Lineworker's Scholarship, and beginning in January, we will open applications for our very own Menard Electric scholarship opportunity. Learn more at www.menard.com/scholarships.

Capital credits returned to members

I'm happy to announce that we are also giving back with the retirement of capital credits directly to you, our members. Your board of directors has assessed the cooperative's financial viability as healthy to support a general retirement of approximately \$750,000 to members who purchased electricity in 2004 and 2005. If you had electric service with us either of those years, look for your allocated portion of credits to be returned by a bill credit in December (for amounts \$75 or less) or a mailed check (for larger amounts).

As a reminder, when the co-op's revenues exceed expenses during a fiscal year, the difference, called margins, is allocated to you in the form of capital credits based upon the level of patronage (payments) you contributed during the year. These margins support the

equity levels required by our financial lenders and reduce our need to borrow additional funds to build and maintain our system. Your contributions help us maintain reliable service and stable rates — that's the cooperative way.


A strong and consistent equity level is one key aspect of financial strength. We are careful to maintain the delicate balance between retiring capital credits to members and retaining sufficient equity on our balance sheet. The board looks at our financial health each month, but once each year they determine if capital credits can be returned.

Historically, general retirements have been performed during the summer months earlier in the year. I want to reassure you that returning capital credits remains a high priority and is considered during the development of each annual budget. However, given the reduction in predictable electricity

sales throughout the year, we are shifting the assessment for a return of capital credits to later in the year. This will provide your board a clearer picture of our financial standing in the face of uncertain challenges that plague the nature of our business. By waiting until fall, we can ensure we're returning funds responsibly to our membership, while maintaining the strength and stability of your cooperative.


With this year's retirement we will have proudly paid out a total of approximately \$17.4 million in capital credits!

Whether it's lending a helping hand, supporting education or returning value directly to our members, we're reminded that when we work together, we all grow stronger. That's the cooperative difference — and it's something we can all take pride in.

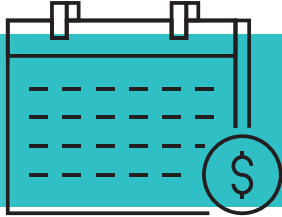


HOW CAPITAL CREDITS WORK

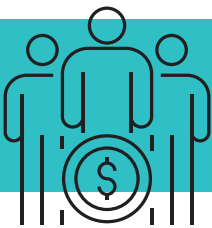
Electric co-ops are not-for-profit and operate at cost. Capital credits are a financial benefit of co-op membership.




1. Members pay their electric bills, and we track their business with us each month.



2. The co-op pays operating expenses throughout the year and allocates any leftover operating revenue as capital credits.



3. When financial conditions permit, the co-op board votes to retire (pay) capital credits to the members.



4. We send members their share of capital credits as a bill credit or check.

Apply now for college scholarships

DEADLINE: DEC. 31, 2025

\$3,000 scholarships through the Thomas H. Moore Illinois Electric Cooperative's Memorial Scholarship Program.

DEADLINE: APRIL 30, 2026

\$3,000 LLCC Lineworker Program scholarship.

Stay tuned for an additional opportunity available in early 2026 for Menard Electric's own scholarship program.

SCAN FOR MORE INFO



Three tips to stay warm

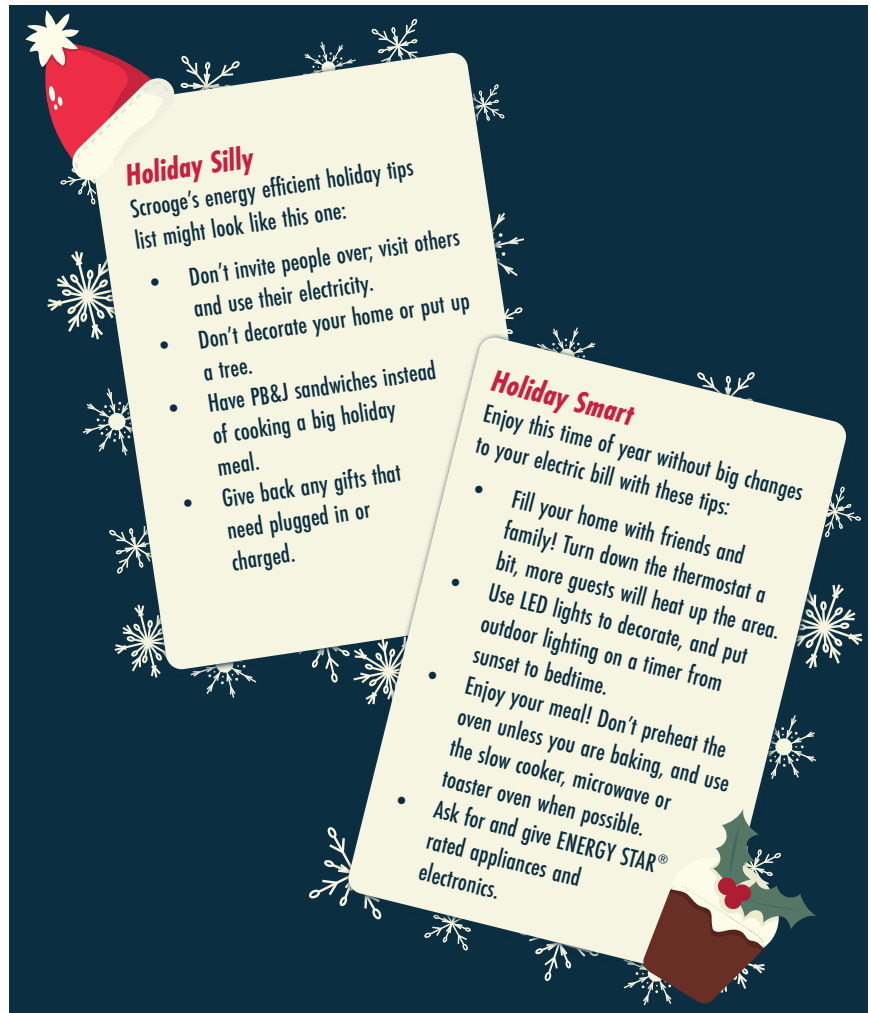
- 1. Help your HVAC system work better:** Change your filters regularly to keep your system running efficiently and reduce wear and tear.
- 2. Keep cold air out:** Use caulking or weatherstripping to seal out drafts around windows and doors.
- 3. Use space heaters wisely:** Place space heaters on a hard surface and make sure clothing, papers and other combustible items are at least 3 feet away. Keep in mind those little heaters use electricity; if used consistently, it can add up on your monthly bill.

Board highlights

Sept. 30, 2025

- All Directors present except Rex Muir; also present General Manager, Engineering Manager, Director of Accounting & Finance.
- Via zoom George Lynch, Kelso Lynch, P.C., P.A, reviewed 2024 IRS Form 990 tax filing.
- Engineering Mgr presented 2026-29 Work Plan & Director of Accounting & Finance financial forecast for Work Plan years; introduced draft Resolution to authorize increase in Maximum Debt Limit.
- Reviewed August monthly & YTD financial trends. Operating margins \$2,835,913 compared to \$2,750,392 last year; equity at 42.76%; 12-mo TIER 2.93 & DSC 2.10.
- Reviewed operations report: 76 outage incidents; longest duration of outage 429 minutes after wind storm & tree collision; largest # affected by single outage 1,181 due to substation outage.
- Reviewed load control & safety reports.
- Motion carried to approve Policy/ByLaw Committee recommendations of policies to be revised or terminated. [no revisions made to policies directly affecting members]
- Next mtg 10/28/25.

For full minutes visit menard.com or contact the office.



When the weather outside is frightful...

Prolonged power outages can be caused by winter winds, heavy snow and ice. Here are a few tips to prepare for and stay safe during inclement weather:

- * Take a moment now to prepare by updating the emergency kits in your home and car. Visit ready.gov/kit for information on what to include.
- * Our MyMEC App can keep you connected during an outage. Download it now to report outages and receive notifications.
- * Fallen electric lines can be electrically charged, even if your power is out nearby. Stay far away from downed lines and beware of lines that may be covered by snow.
- * Whole-house generators must be connected with a transfer switch to prevent power backfeeding onto our lines, putting our linemen and others at risk of electrocution. You or your installation contractor should also fill out a generator form on our website at www.menard.com/generators.
- * Portable generators should never be connected directly to your home's electric system without use of a transfer switch; they should be positioned outdoors in a dry area at least 25 feet from windows and doors.

