Illinois Municipal Electric Agency
3400 Conifer Drive, Springfield, IL 62711
217-789-4632 / Fax 217-789-4642

August 19, 2026

Re: **Executive Board Meeting: Wednesday, August 26 at 2:00 p.m.**
Board of Directors Meeting: Thursday, August 27 at 10:00 a.m.

Dear IMEA Board of Directors:

We look forward to having you with us this month for our upcoming meetings and have several action items on the agenda. Remote access to the meeting is available for listening purposes only using the Microsoft Teams webinar system and that information is on the bottom of the agenda.

Of interest this month, we will consider the approval of a new delivery point for the City of Peru along with the approval of committee vacancies. Along with our regular reports, we will also consider authorizing the commencement of work on the Integrated Resource Plan. Jodi Dobson from Baker Tilly will report in person on the recent annual financial audit results. The Audit Report is attached along with the Communication Letter and Chris Wise has hard copies of these documents available in his office.

Please feel free to contact me should you have questions and stay safe!

Sincerely,

Doug Brown

Doug Brown
President & CEO

Attachments

ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
Wednesday, August 26, 2026 @ 2:00 p.m.

Manner of Attendance: Participation in this meeting will be available in person only for both members and the general public. As an accommodation to Board members that cannot physically attend and the general public, a webinar broadcast of the meeting will be available live in listen-only mode.

AGENDA

Call to Order
Roll Call
Approval of Minutes – 6/24/2026
Opportunity for Public Comment

Old Business

1. Other old business

New Business

1. Consideration and Approval of Executive (Closed) Session Minutes
    a. December 3, 2025
2. Resolution #26-08-978 – Approving New Delivery Point for the City of Peru
3. Resolution #26-08-979 – Authorizing Commencement of Work on Integrated Resource Plan
4. Approval of Committee Vacancies
5. Other new business
6. Adjourn

Calling for a motion to go into Executive Session for one of the following reasons:

- Discussion of IMEA litigation
- Discussion of the purchase, sale or delivery of electricity
- Discussion of personnel matters

WEBINAR PARTICIPATION for Listen-Only Purposes - Please use the link below to register:

https://events.gcc.teams.microsoft.com/event/1952a95b-3081-46a5-bcd3-813cca78e842@244964f4-143f-41af-a3ee-b94b50296820

After registering, you will receive a link via email to join the meeting. Should you have any questions regarding this process, please reach out to Glenn Cunningham or Adam Baker at (217) 789-4632.

ILLINOIS MUNICIPAL ELECTRIC AGENCY
BOARD OF DIRECTORS MEETING
Thursday, August 27, 2026 @ 10:00 a.m.

Manner of Attendance: Participation in this meeting will be available in person only for both members and the general public. There will be an opportunity for public comment in person at the meeting. As an accommodation to Board members that cannot physically attend and the general public, a webinar broadcast of the meeting will be available live in listen-only mode.

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AGENDA

Call to Order
Pledge of Allegiance
Roll Call
Approval of Minutes – 6/25/26
Opportunity for Public Comment
Treasurer's Report
President & CEO Report
   a. Legislative update

Old Business

1. Consideration and Approval of Executive (Closed) Session Minutes
   a. November 6-7, 2019
   b. June 17, 2021
   c. November 9-10, 2022
   d. December 4, 2025
2. Update on Operations
3. Update on PJM/MISO Stakeholder Meetings
4. Update on Trimble County
5. Update on Prairie State
6. Update on Local Generation/Transmission
7. Update on Solar Projects
8. Update on Pilot Battery Projects
9. Update on Legal Matters
10. Other old business

New Business

1. Presentation & Approval of FY25/26 Fiscal Audit by Baker Tilly Virchow Krause, LLP
2. Resolution #26-08-978 – Approving New Delivery Point for the City of Peru
3. Resolution #26-08-979 – Authorizing Commencement of Work on Integrated Resource Plan
4. Approval of Committee Vacancies
5. Other new business
6. Adjourn

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ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF
EXECUTIVE BOARD MEETING

WEDNESDAY, JUNE 24, 2026

A regularly scheduled meeting of the Executive Board of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on June 24, 2026. Chairman Dan Cook called the meeting to order at 2:00 pm. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public, however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode.

The Report of April 22, 2026 was moved for approval by Pete Suhr and seconded by Cory Sheehy. The motion carried by unanimous roll call vote.

<u>Opportunity for Public Comment</u>: Chairman Dan Cook stated that pursuant to the Open Meetings Act, any person attending this meeting shall be permitted an opportunity to comment. Questions during the rest of the meeting are reserved for Board members. He then asked if anyone from the public would like to make a comment. Hearing none, Chairman Cook proceeded with the meeting.

<u>NEW BUSINESS</u>

<u>Appointment to Fill Executive Board and Officer Vacancy</u> – CEO Doug Brown reported that Raheel Arshed was appointed last week to become the IMEA Board member representing Naperville due to Brian Groth's accident. He explained that according to IMEA's bylaws, Raheel Arshed does not automatically assume the role of Vice Chairman on the Executive Board which Brian Groth previously held, but rather a replacement is appointed by the Chairman with the Board's approval. Chairman Cook's recommendations are as follows: David Coston, currently the Secretary/Treasurer, moves into the Vice Chairman position; J.R. Landeck moves into the Secretary/Treasurer position and Kevin Minnick becomes a Member-At-Large. Each member has agreed to assume these roles on the Executive Board. Larry Taylor moved to approve the filling of these Executive Board vacancies as described above, seconded by Mike Kirk. The roll call vote showed unanimous approval with the exception of the abstention by the representatives from Carmi and Waterloo.

<u>Mission Statement</u> – CEO Doug Brown discussed a proposed Mission Statement to be used as a marketing tool promoting the collective mission of the IMEA, IMUA and IPEA as follows:

> *The collective mission of the IMEA, IMUA and IPEA is to advance the value of local control by providing reliable, affordable, and sustainable utility services and advocacy that empower our member communities through collaboration and integrity-driven excellence.*

Cory Sheehy moved to approve the Mission Statement, seconded by J.R. Landeck. The roll call vote showed unanimous approval.

Resource Analyst Position – CEO Doug Brown reported that the newly created Resource Analyst position in the Engineering and Energy Markets Department would assist in long-term planning, evaluating energy resources, facilitate the development of the IRP and help IMEA balance cost, reliability and sustainability goals. He explained that this position would be posted online at the end of this week and interviews would be held late July/early August with an anticipated start date on September 1. He also stated that funds for this position have been approved by the Board as part of the FY27 budget in February. Pete Suhr moved to approve the Resource Analyst position, seconded by Cory Sheehy. The roll call vote showed unanimous approval.

Resolution #26-06-977 – Approving New Delivery Point for the City of Red Bud – Jon Wygant stated that The Material Works (TMW) in Red Bud requested to install a solar array which exceeds Red Bud's 25kW net metering ordinance and falls under PURPA guidelines for interconnection. After a load usage analysis, the solar array was sized at 1MW. He reported that the Interconnection Agreement has been executed and the PPA language is ready to be executed. IMEA staff will finalize the contract terms and operational plans/logistics to allow the customer to provide excess energy to the City distribution system when generation exceeds the customer load at the same meter location. Wygant stated that the monthly payment process will begin the first month after all the Agreements are signed. IMEA will analyze and provide an electronic payment directly to the customer's bank account and verify with the City. IMEA staff recommends approval of Resolution #26-06-977 authorizing the CEO to finalize and execute the agreement between IMEA, Red Bud and the retail customer and also to approve the interconnection point of solar output as a new City delivery point. Dan Cook moved to approve Resolution #26-06-977, seconded by J.R. Landeck. The motion carried by a unanimous roll call vote.

Conservation Voltage Reduction Study/Preferred Host Member – Hubert Murray reported that the City of Peru was Staff's recommendation as the preferred host member. He explained that Peru had been chosen due to its significant ongoing investment in distribution infrastructure, an existing SCADA upgrade that is underway and the City's Load Tap Changer capabilities are already being modernized. Murray stated that performing this study in Peru will provide an opportunity to evaluate Conservation Voltage Reduction measures on a system representative of other IMEA member utilities and the results could help develop a replicable framework for future member participation. He provided the evaluation criteria for the vendor recommendation including the cost and estimated study duration. IMEA Staff recommends Vendor #1 based on overall value, cost effectiveness and continuity with Peru's ongoing SCADA and distribution system modernization initiatives. Larry Taylor moved to approve Peru as the host utility for the Conservation Voltage Reduction Study and authorize staff to execute all necessary agreements, including a professional services agreement for the study in an amount not to exceed $40,000, seconded by Cory Sheehy. The roll call vote showed unanimous approval.

Update on Preferred Member Site for Battery Pilot Project – Shadi Ahanchi reported that as part of the Sustainability Plan, the IMEA Board had directed Staff to study the feasibility of utility-scale behind-the-meter battery energy storage systems (BESS) on member distribution systems. IMEA Staff conducted the study and found that developing small-scale BESS would be beneficial as part of future resource development and planning. She stated that the IMEA Board had authorized the development of a Request for Proposals (RFP) to solicit interested member sites to host BESS pilot projects in the February IMEA Board meeting. Ahanchi explained that IMEA would select one site in MISO and another one in PJM for a 1 to 5 MW BESS pilot project. IMEA Staff subsequently developed and issued a member RFP for host sites for the BESS pilot projects. She reported that four member proposals had been received: Breese, Highland, Naperville and St. Charles. Staff is reviewing these proposals. Ahanchi explained that St. Charles and Naperville's contract length limitations, should either member be selected as a BESS host, would require assignment provisions and guarantees if either municipality chooses not to extend power supply with IMEA beyond 2035. She stated that Staff will bring the top MISO and PJM site to the Board as a recommendation and will request authorization to perform the initial studies for the sites. Ahanchi explained that Staff is simultaneously working on a vendor RFP and will likely seek Board authorization to issue the vendor RFP at the August Board meeting. Larry Taylor expressed concern that members who do not have long-term commitments to IMEA not be selected for programs that have long-term benefits to the member and costs to IMEA. A discussion ensued. IMEA Staff explained the design of the protections for all other members.

<u>Authorization of a Vendor Request for Proposal (RFP) for the Integrated Resource Plan (IRP)</u> – Rakesh Kothakapu reported that the Clean and Reliable Grid Affordability Act (CRGA) requires municipalities and joint action agencies to conduct Integrated Resource Planning every 5 years. Members may adopt IMEA's IRP, but members will still be required to provide notice via their website and billing processes. He stated that IMEA Staff will help coordinate this effort with the municipalities. He reviewed the requirements of an IRP including a number of non-binding scenarios that were required to be reviewed. Kothakapu provided a tentative timeline for the IRP and noted that Staff will seek approval to negotiate and execute the chosen consultant contract from the Board at the August Board meeting which will initiate the IRP. Staff recommends authorization for the President & CEO to develop and issue an RFP for consultants that can assist IMEA with developing its IRP. Pete Suhr moved to authorize a vendor RFP for the IRP, seconded by Cory Sheehy. The motion carried by a unanimous roll call vote.

With there being no other new business, Chairman Cook made a motion to adjourn the meeting. Larry Taylor seconded the motion and it carried unanimously by voice vote. The meeting was adjourned at 2:34 p.m.

Respectfully submitted,

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Secretary/Treasurer

ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
WEDNESDAY, JUNE 24, 2026

MEMBERS PRESENT

Altamont	Larry Taylor
Chatham	Pat McCarthy
Carmi	David Coston
Highland	Dan Cook
Marshall	Cory Sheehy
St. Charles	Peter Suhr
Sullivan	Mike Kirk
Waterloo	J.R. Landeck

MEMBERS ABSENT

OTHERS PRESENT

Breese	Jason Deering
Greenup	John Knueppel
Naperville	Raheel Arshed
IMEA	Doug Brown
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Mandy Ripperda
IMEA	Staci Wilson
IMEA	Rakesh Kothakapu
IMEA	Eric Weinant
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Jaken Hicks
IMEA	Shadi Ahanchi
IMEA	Tia Horn
IMEA	Danny Chung
IMEA	Jonathon Wygant
IMEA	Hubert Murray
IMEA	Rodd Whelpley
IMEA	Ellen Woehrmann
IMEA	Tammy Hall
Guest	Giovanni McLean (St. Charles)

LISTEN ONLY VIA WEBINAR

Flora	Bob Coble
Freeburg	Matt Trout
Peru	Kevin Minnick
Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Guest	Greg Hubert

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF BOARD OF DIRECTORS MEETING

THURSDAY, JUNE 25, 2026

A regularly scheduled meeting of the Board of Directors of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on June 25, 2026. Chairman Dan Cook called the meeting to order at 10:00 a.m. and all attendees participated in the Pledge of Allegiance. Chairman Cook requested a moment of prayer for the recovery of Brian Groth from Naperville. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public; however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode.

Jason Deering, seconded by Mike Kirk, moved for approval of the minutes of April 23, 2026. The motion carried by unanimous roll call vote.

Opportunity for Public Comment – Chairman Cook stated that pursuant to the Open Meetings Act, any person attending this meeting in person shall be permitted an opportunity to comment. He then asked if anyone from the public would like to make a comment. Hearing none, Chairman Cook then proceeded with the meeting.

Treasurer's Report – Chris Wise reported on the April 2026 financials stating that actual member power costs are 0.6% under original budget, year to date, and the MWh sales to members is 1.7% above original budget year to date. Regarding the FY2026 year-end summary, he stated that IMEA has finished the last five years lower than the original approved budget. Wise explained that the average cost for FY2026 excluding transmission is 6.5% less than it was for FY2014. He reported that the May 2026 invoices had been sent out on June 9th with the average cost being 2.1% below budget. He explained that purchased power expenses were lower than anticipated due to a favorable energy market and reliable output from IMEA's baseload units. Wise also discussed the June 2026 preliminary invoice estimates stating that those invoices would be sent out on July 10th and due on July 20th. He reported that the projected average cost for June is 0.4% under budget, energy is projected to be 3.7% under budget and demand to be 6.9% over budget.

Wise reported that IMEA members had been billed for 12 months of FY2026 for the decommissioning fund and as of April 30, 2026, the cash balance in the fund is $2,023,687. Regarding a rating agency update, he reported that Moody's Credit Opinion was completed on April 30, 2026. They affirmed an A1 rating with stable outlook and commented positively on IMEA's ability to maintain solid, stable financial metrics over the last few years. Wise stated there were no updates with regard to Fitch and Standard & Poor's since the April Board meeting. With there being no questions, Matt Trout moved to approve the Treasurer's Report, seconded by Larry Hanrahan. The roll call vote showed all in favor.

President & CEO Report – CEO Doug Brown welcomed new IMEA Board member from Greenup, John Knueppel. He is replacing Jason Reisner who resigned from the Village. He also announced that Raheel Arshed had been appointed to be the IMEA Board member for Naperville due to Brian Groth's accident last month which he is still recovering from. Raheel has attended IMEA meetings for the past few years as a guest of Brian Groth. Brown discussed the 2026 IMEA/IMUA/IPEA Annual Conference stating that it was well attended and announced that next year's annual conference will be held on May 13-14, 2027 at the President Abraham Lincoln Hotel with the same format.

Regarding FERC updates, CEO Brown reported that Commissioner David LaCerte was confirmed for a second term. He stated that FERC is holding a conference on PJM's governance on July 23 and they approved PJM's fast track review for shovel-ready projects. Brown explained that PJM is launching efforts to rethink the future of wholesale markets to bring resources to the market faster and add certainty while reducing risk. He reported that NextEra Energy was buying Dominion which will create the largest regulated electric utility in the world. Brown stated that PJM had received emergency approval from DOE with 202c Orders to curtail large data centers and run backup generation as a last resort before rolling blackouts during a May event. There is no plan yet from PJM or ComEd on how to handle these events moving forward. He also noted that NERC issued voluntary guidance on large load and is concerned with customer-initiated load reduction and oscillation events in addition to resource adequacy.

CEO Brown presented diagrams showing MISO's progress on interconnecting queue processing for new resources despite contending with high withdrawal rates along with the increasing peak demand in 2025 amid tight capacity margins which is the most annual accredited capacity in MISO history. He noted that additional focus is needed on approved projects that have yet to be constructed and that MISO's Expedited Resource Addition Study process provides accelerated approvals for critically needed resources.

Legislative & Regulatory Update – Staci Wilson reported that the Energy Trailer bill (HB 1700) passed both chambers. It was narrow in scope and has no direct impacts on municipal electric utilities. She discussed the POWER Act (HB 5513) which would have put regulations on municipals and coops for data centers. That bill did not pass, although Governor Pritzker directed the Dept. of Commerce & Economic Opportunity (DCEO) to pause data center tax incentives and issued a framework on data center policy. Wilson stated that the BUILD Housing legislation (SB 643) provides for building code restrictions and would have impacted electrical interconnection processes, but did not make it out of session. She then stated that SB 3273, which changes the cap amounts that municipals utilities/coops can charge a public school for a solar application, passed both chambers.

OLD BUSINESS

Operations – Mandy Ripperda reviewed historical prices that the PJM auctions have cleared at recently. She stated that the Base Residual Auction for Delivery Year 28/29 will be held next week and the Base Residual Auction for Delivery Year 29/30 will be held in December. Ripperda reported that MISO's new Planning Year started on June 1 and reviewed the auction clearing prices for the last three years.

Ripperda stated that NERC recently posted their 2026 Summer Reliability Assessment. This report evaluates generation resources, transmission system adequacy along with energy sufficiency to meet projected summer peak demands. She explained that the summary found that demand is rising, there is significant generation growth, large loads are unpredictable, the importance of the timing of peak matters and concluded that both MISO and PJM were at normal risk for this summer.

Ripperda reported that Operations had conducted a summer readiness drill for BTM generation on June 10. She explained that the few generators and systems that experienced issues were all fixed quickly and there was excellent communication with the Operations team. Ripperda then thanked all the linemen and generating crews that have worked so hard over the last few weeks during all of the storms.

Trimble County (TC): Rakesh Kothakapu reported the following:

- There have not been any reportable safety incidents since the last Board meeting. Plant performance through May 2026 shows that the EAF was 61.48% and the EFOR was 10.97% both YTD. Unit 1 is currently offline due to a planned outage to replace the stack liner, turbine overhaul, boiler tube replacement and FDG work. This is an extended outage to complete the boiler work. Unit 2 had two unplanned outages in May due to leaks in the superheat section and lower slope tube. There is no planned outage until Spring 2027. The stack liner replacement is now complete for Unit 1 along with the final elbow installation. Prep work is underway for the stack liner replacement for Unit 2 in the spring.

Prairie State (PSGC): Rakesh Kothakapu reported the following:

- There have not been any reportable safety incidents since the last Board meeting. Plant performance through May 2026 shows that the EAF was 91.2% and the EFOR was 7.8% both YTD. Unit 1 is currently online for full load, although it had two short outages in May due to de-slagging and a HP bypass valve failure. Unit 2 is currently offline due to a tube leak in the economizer section, but anticipated to be online later today. The unit had an outage in May due to tube leak in the boiler back pass waterwall. The beneficial re-use CCR material sales, including the fly ash, gypsum and bottom ash, continue to grow and as of April 2026 is at 84.3%.

Local Transmission and Generation – Rakesh Kothakapu reported on the following:

- Waterloo Meter Upgrades and Export Testing – Ameren updated the relay and protection settings to the existing delivery point so Waterloo can push out excess generation to Ameren's system. Ameren also installed a new bi-directional meter to track the export energy. This was successfully tested earlier this month.
- Ameren Export Study – Staff is still waiting for Ameren to issue the export study results for Casey and is working with SIPC for Red Bud to establish an export limit. IMEA Staff is working with Ameren to draft WCA agreements for members with 138kV delivery points.
- IMEA-Flora – VI Power has completed upgrading the switchgear and controls and each engine was separately tested to confirm operations. Regarding the Flora fuel system upgrade, IMEA Staff is working with Bolin and Illinois Oil Marketing Equipment to determine the best path forward: refurbishment or replacement. IMEA Staff is finalizing the scope and costs for both options, but currently considering refurbishment to be completed in the fall.
- Oglesby – The City requested an additional 34.5kV delivery point near its Mallick Road sub. IMEA and Oglesby entered an agreement with Ameren in 2024 to allow this upgrade. Oglesby is responsible for all costs associated with this project. Final interconnection material has been ordered by Oglesby

for their portion of the facilities and Ameren's work has been completed and is ready to interconnect. IMEA meter technicians are working with the City's consultant on metering equipment for this interconnection and completion is expected by end of summer. Staff is also working with Ameren on a load study to assist the City for potential future growth opportunities. Oglesby is fully reimbursing IMEA for the cost of these studies.

- MISO Tranche 2.1 Transmission Project – IMEA Staff worked with Ameren and two other regional transmission owners to submit a joint development offer through the MISO long-term transmission planning process. Two project proposals were submitted for 765 kV lines from the Indiana border to the Peoria area and another line from the same Peoria area substation into Iowa MidAmerican Energy high voltage facilities. IMEA would be a 3% owner, Dairyland an 11% owner along with Ameren subsidiary and NextEra for a combined 86%. Ameren would be deemed as Project Leader and final development efforts would be led by subsidiaries of Ameren and NextEra. IMEA and Dairyland would be deemed as Proposal Participants and would not have the responsibility to design, develop, construct or energize the project. Once the facilities are energized, ownership would be similar to the Peru/Princeton 138 kV line as tenants in common that would be governed by the Joint Ownership Agreement.

  MISO announced in May that the joint-developer partnership of Ameren Transmission Company of Illinois, Gridliance Heartland, LLC, Dairyland Power Cooperative and IMEA have been chosen to develop both projects. Ameren and NextEra will sign the Selected Developer Agreement. They will be responsible for construction and posting collateral with MISO and the ability to recover 100% of project costs including a return during construction through the MISO rates. IMEA and Dairyland will sign the Proposal Participant Agreement with MISO. For IMEA and Dairyland, there is no financial obligation until the project comes online and no cost or recovery eligibility during the construction phase. IMEA will have the ability to recover project costs, including a return on the investment, once the project is energized and operational. These projects are at least 8-9 years away with an anticipated in-service date of 2034.

Status Update on Transmission Auction Revenue Rights (ARRs) – Rakesh Kothakapu reported on PJM's and MISO's Auction Revenue Rights (ARR) allocation highlights. He explained that ARRs are credits given to long-term network and Point-to-Point customers to compensate for a share of the congestion. The value of ARRs is derived from the Financial Transmission Rights (FTR) auction. Regarding PJM, the ARR allocation levels in the ComEd zone were higher compared to last year. He reported that due to higher annual transmission congestion, revenue increased by $3 million from last year. Regarding MISO, Kothakapu reported that the revenue from the ARR allocations was up over $2 million from last year. He explained that congestion continues to increase in MISO due to large load additions such as data centers and to an increasing proportion of intermittent generation resources. Between PJM and MISO, Kothakapu reported that IMEA's ARR revenue increased over $5 million. IMEA Staff will continue to monitor these assets and optimize the value of these rights in future auctions.

Update on Solar Projects – Eric Weinant reported that the first 2 rows of solar panels at the Princeton solar site had been damaged during a March storm. He stated that new panels and additional bracing were installed and software was reprogrammed to identify critical wind direction and speed. He explained that the repairs are complete and the system is fully functional. IMEA did not have to pay for repairs.

Weinant reported that Highland, Carmi, Metropolis and Chatham are still interested in pursuing the SolAmerica project, dependent upon uncertainty on the price and the regulatory environment to comply with the new IRS rule on tax grandfathering. He stated that if suitable pricing and contract language can be achieved, Staff will bring these considerations to the Board for approval.

Regarding the Bee Hollow Solar project, Weinant reported that the pile installation is 100% completed, the tracker installation is 73% complete and the module installation is at 61% completion. He stated that the project is scheduled to be synchronized to the grid in mid-July and commercial by November 2026.

Update on Legal Matters – General Counsel Troy Fodor reported on the following matters:

- ComEd Transmission Rate Update – Posted on May 15, 2026, the ComEd Transmission Revenue Requirement decreased $21 million largely due to a roll-off of the 2024 true-up amount. The Network Service Rate still increased $851/MW/year due to a lower general Network Service Peak Load in the ComEd Zone. Higher peak overall equals lower rate per unit and lower peak overall equals higher rate per unit. ComEd also cited higher training, plant maintenance, security and operational controls costs. The true up is due to a 4% reduction in peak load from 2024 to 2025. The new revenue requirement is effective June 1, 2026 through May 31, 2027. Rates will change again in January 2027 when peak loads are adjusted. IMEA's Coincident Peak in ComEd decreased 31.3 MW from last year. The total impact on IMEA is projected to be a 4.7% decrease in ComEd network transmission costs.
- Ameren Transmission Company of Illinois (ATXI) (ICC Docket No. 26-0081) – ATXI is seeking a Certificate of Public Convenience and Necessity for the Peru-Princeton project. There were data requests and testimony filed by landowners, ATXI and Peru. IMEA intervened and attended evidentiary hearings. All parties waived all live witness cross-examination and the Agreed Order is being prepared to present to the Judge. IMEA Staff is monitoring the proceeding.
- MISO Filing to Implement Agreements with External Transmission Owners (ER26-1538-000) – Filed on February 27, 2026, MISO seeks to implement Cost Recovery and Funding Agreements with certain PJM Transmission Owners. This will govern funding and ownership of MISO requested facilities in the PJM footprint, including connecting to the 765 kV line and substation IMEA will co-own. MISO funding of multi-value projects in PJM would affect rates paid by MISO customers. Protests have been filed by industrial customer, consumer advocates and some MISO Transmission Owners. FERC issued a Deficiency Letter against MISO on May 22 with concerns for double cost recovery; MISO responded on June 22. IMEA did not intervene, but is monitoring the proceeding.
- Louisville Gas and Electric Company et al. (EC98-2-007 et al.) – This was initially filed on October 9, 1997 and was consolidated matter from 2018 and later via Order on May 15, 2026. On May 15, 2026, FERC ordered Settlement judge procedures regarding LG&E/KU's tariff revisions that would remove merger mitigation de-pancaking under its Rate Schedule 402. IMEA intervened in the original anti-pancake proceedings on December 8, 1997. IMEA attended the initial settlement conference that was held on June 18, 2026 and is monitoring the settlement proceeding.
- MISO Filing to Revise Tariff to Expand Load Modifying Resource Penalties and Related Provisions (ER26-1882-000) – On March 20, 2026, MISO filed changes to its LMR nonperformance penalty construct which would impose unreasonably harsher penalties on IMEA BTMG. IMEA intervened and filed a protest to the MISO filing on April 10, 2026. IMEA argued that the penalties would be unjust and unreasonably harsh, unduly discriminate against BTMG and would not achieve MISO's antifraud and reliability objectives and challenged the proposed effective date. MISO answered

protests on April 28. IMEA filed its Answer to MISO's Answer on May 20 citing examples of unjust and unreasonable nature of penalties and undue discrimination against BTMG. An affidavit from Customized Energy Solutions was provided citing penalty impacts from hypothetical events. FERC issued a Deficiency Letter against MISO on May 22 addressing some points made by IMEA. MISO responded on June 22 which IMEA is reviewing and may file a reply.

- MISO Filing to Revise Tariff to Implement Demand Response and Emergency Resource Reforms (Docket No. ER25-1886) – Filed April 4, 2025, MISO proposed to accredit Demand Response and Emergency Resources based on availability during emergencies. IMEA protested on May 5, 2025, stating that the reforms would make it more difficult and expensive for its LMRs to run especially with the 30-minute notice requirements. FERC accepted MISO's proposed tariff revisions on June 18, 2026 with some conditions for changes to be made in a compliance filing. Given these changes, IMEA will have to reconsider how individual BTMG resources are used in MISO. IMEA's BTMG, as currently registered, will no longer have a planned outage exemption and would have performance penalties for those units if they fail to perform. Those units would have their accreditation for future years reduced.
- PJM Filing to Revise Tariff for Load Management Enhancements (ER26-2319-000) – Filed April 27, 2026, PJM wants to impose penalties on its market participants with demand resources and price responsive demand providers due to a recent pattern of underperformance. This may affect how IMEA uses its BTMG in PJM. IMEA intervened on May 5, 2026 and is monitoring the proceeding. No protests have been filed by any party.
- Midcontinent Independent System Operator, Inc. (EL26-70-000) – FERC said it would respond by the end of June to the Department of Energy's Advance Notice of Proposed Rulemaking. A rulemaking order was expected, but instead FERC entered a show cause order on June 18, 2026. FERC found all the RTOs' tariffs unjust and unreasonable because of their lack of large and co-located load interconnection frameworks and ordered each RTO to show cause as to why their tariffs are just and reasonable. This matter may affect how much IMEA pays for transmission costs in MISO and how IMEA can interconnect and serve large loads. MISO has 30 days from the June 18th Order to file an information report on how it will add new generation in response to data center growth and 60 days to show cause or revise its tariff. IMEA intends to intervene and will monitor the proceeding.
- PJM Interconnection, LLC et al. v. Constellation Energy Generation, LLC et al. (EL25-49-000 et al.) Filed on February 20, 2025, FERC ordered Section 206 proceedings so that PJM could show cause as to why its tariff was just and reasonable as to data center interconnection procedures. IMEA intervened on March 4, 2025. On December 18, 2025, FERC found PJM's then-current tariff language unjust and unreasonable and ordered changes so that the tariff had express language addressing how co-located load (data centers) can interconnect with the PJM system and how they pay costs associated with their use of PJM's transmission system. PJM submitted compliance filings revising its tariff addressing FERC's concerns. The first filing, filed on January 20, 2026 addressed co-located load and interconnection study procedure changes. FERC partially accepted this filing on April 16, 2026. The second filing, filed on February 23, 2026, addressed transmission service agreements for co-located load, interconnection and retail BTMG netting rules. On June 18, 2026, FERC issued an Order granting a partial rehearing to its December 18 Order setting aside and modifying it in accordance to the new Order; partially accepted PJM's second filing and ordered PJM transmission owners to submit compliance filings within 60 days of and based on the June 18 Order's directions.

- <u>New Section 206 Proceeding – PJM Interconnection LLC (EL26-67-000)</u> – In response to US Dept. of Energy's Advance Notice of Proposed Rulemaking, FERC directed PJM and its transmission ownership to address large load co-location issues. This matter may affect how much IMEA pays for transmission costs in PJM and how IMEA can interconnect and serve large loads. IMEA intends to intervene and will monitor the proceeding.

<u>NEW BUSINESS</u>

<u>Appointment to Fill Executive Board and Officer Vacancy</u> – CEO Doug Brown reported that Raheel Arshed was appointed last week to become the IMEA Board member representing Naperville due to Brian Groth's accident. He explained that according to IMEA's bylaws, Raheel Arshed does not automatically assume the role of Vice Chairman on the Executive Board which Brian Groth previously held, but rather a replacement is appointed by the Chairman with the Board's approval. Chairman Cook's recommendations are as follows: David Coston, currently the Secretary/Treasurer, moves into the Vice Chairman position; J.R. Landeck moves into the Secretary/Treasurer position and Kevin Minnick becomes a Member-At-Large. Each member has agreed to assume these roles on the Executive Board. Mike Kirk moved to approve the filling of these Executive Board vacancies as described above, seconded by Pete Suhr. The roll call vote showed unanimous approval with the exception of the abstention by the representatives from Peru and Waterloo.

<u>Mission Statement</u> – CEO Doug Brown discussed a proposed Mission Statement to be used as a marketing tool promoting the collective mission of the IMEA, IMUA and IPEA as follows:

> *The collective mission of the IMEA, IMUA and IPEA is to advance the value of local control by providing reliable, affordable, and sustainable utility services and advocacy that empower our member communities through collaboration and integrity-driven excellence.*

David Coston moved to approve the Mission Statement, seconded by Matt Trout. The roll call vote showed unanimous approval with the exception of the representative from Winnetka who briefly stepped out of the room at the time of the vote.

<u>Resource Analyst Position</u> – CEO Doug Brown reported that the newly created Resource Analyst position in the Engineering and Energy Markets Department would assist in long-term planning, evaluating energy resources, facilitate the development of the IRP and help IMEA balance cost, reliability and sustainability goals. He explained that this position would be posted online at the end of this week and interviews would be held late July/early August with an anticipated start date on September 1. He also stated that funds for this position have been approved by the Board as part of the FY27 budget in February. Larry Hanrahan moved to approve the Resource Analyst position, seconded by Jason Deering. The roll call vote showed unanimous approval.

<u>Resolution #26-06-977 – Approving New Delivery Point for the City of Red Bud</u> – Jon Wygant stated that The Material Works (TMW) in Red Bud has requested to install a solar array which exceeds Red Bud's 25kW net metering ordinance and falls under PURPA guidelines for interconnection. After a load usage analysis, the solar array was sized at 1MW.He reported that the Interconnection Agreement has been executed and the PPA language is ready to be executed. IMEA staff will finalize the contract terms and operational plans/logistics to allow the customer to provide excess energy to the City distribution

system when generation exceeds the customer load at the same meter location. Wygant stated that the monthly payment process will begin the first month after all the Agreements are signed. IMEA will analyze and provide an electronic payment directly to the customer's bank account and verify with the City. IMEA staff recommends approval of Resolution #26-06-977 authorizing the CEO to finalize and execute the agreement between IMEA, Red Bud and the retail customer and also to approve the interconnection point of solar output as a new City delivery point. J.R. Landeck moved to approve Resolution #26-06-977, seconded by John Knueppel. The motion carried by an unanimously weighted roll call vote with the exception of the abstention by the representative from Red Bud.

Conservation Voltage Reduction Study/Preferred Host Member – Hubert Murray reported that the City of Peru was Staff's recommendation as the preferred host member. He explained that Peru had been chosen due to its significant ongoing investment in distribution infrastructure, an existing SCADA upgrade that is underway and the City's Load Tap Changer capabilities are already being modernized. Murray stated that performing this study in Peru will provide an opportunity to evaluate Conservation Voltage Reduction measures on a system representative of other IMEA member utilities and the results could help develop a replicable framework for future member participation. He provided the evaluation criteria for the vendor recommendation including the cost and estimated study duration. IMEA Staff recommends Vendor #1 based on overall value, cost effectiveness and continuity with Peru's ongoing SCADA and distribution system modernization initiatives. Josh Eckart moved to approve Peru as the host utility for the Conservation Voltage Reduction Study and authorize staff to execute all necessary agreements, including a professional services agreement for the study in an amount not to exceed $40,000, seconded by Pete Suhr. The roll call vote showed unanimous approval with the exception of the abstention by the representative from Peru.

Update on Preferred Member Site for Battery Pilot Project – Shadi Ahanchi reported that as part of the Sustainability Plan, the IMEA Board had directed Staff to study the feasibility of utility-scale behind-the-meter battery energy storage systems (BESS) on member distribution systems. IMEA Staff conducted the study and found that developing small-scale BESS would be beneficial as part of future resource development and planning. She stated that the IMEA Board had authorized the development of a Request for Proposals (RFP) to solicit interested member sites to host BESS pilot projects in the February IMEA Board meeting. Ahanchi explained that IMEA would select one site in MISO and another one in PJM for a 1 to 5 MW BESS pilot project. IMEA Staff subsequently developed and issued a member RFP for host sites for the BESS pilot projects. She reported that four member proposals had been received: Breese, Highland, Naperville and St. Charles. Staff is reviewing these proposals. Ahanchi explained that St. Charles and Naperville's contract length limitations, should either member be selected as a BESS host, would require assignment provisions and guarantees if either municipality chooses not to extend power supply with IMEA beyond 2035. She stated that Staff will bring the top MISO and PJM site to the Board as a recommendation and will request authorization to perform the initial studies for the sites. Ahanchi explained that Staff is simultaneously working on a vendor RFP and will likely seek Board authorization to issue the vendor RFP at the August Board meeting.

Authorization of a Vendor Request for Proposal (RFP) for the Integrated Resource Plan (IRP) – Rakesh Kothakapu reported that the Clean and Reliable Grid Affordability Act (CRGA) requires municipalities and joint action agencies to conduct Integrated Resource Planning every 5 years. Members may adopt IMEA's IRP, but members will still be required to provide notice via their website and billing processes. He stated that IMEA Staff will help coordinate this effort with the municipalities. He reviewed the requirements of an IRP including a number of non-binding scenarios that were required to be reviewed. Kothakapu provided a tentative timeline for the IRP and noted that Staff will seek approval to negotiate and execute the chosen consultant contract from the Board at the August Board meeting which will initiate the IRP. Staff recommends authorization for the President & CEO to develop and issue an RFP for consultants that can assist IMEA with developing its IRP. David Coston moved to authorize a vendor RFP for the IRP, seconded by Ryan Staley. The motion carried by a unanimous roll call vote.

With there being no other new business, Chairman Cook asked for a motion to adjourn the meeting. The motion was made by Matt Trout, seconded by Larry Hanrahan and carried unanimously by voice vote. The meeting was adjourned at 12:00 p.m.

Respectfully submitted,

____

Secretary/Treasurer

ILLINOIS MUNICIPAL ELECTRIC AGENCY
BOARD OF DIRECTORS
THURSDAY, JUNE 25, 2026

MEMBERS PRESENT

Altamont	Larry Taylor
Bethany	Shannon Risley
Breese	Jason Deering
Carmi	David Coston
Casey	Ryan Staley
Chatham	Pat McCarthy
Farmer City	Adam Turpen
Freeburg	Matt Trout
Greenup	John Knueppel
Highland	Dan Cook
Metropolis	Michael Gentry
Naperville	Raheel Arshed
Peru	Kevin Minnick
Rantoul	Matt Caldwell
Red Bud	Josh Eckart
Riverton	Jim Mileham
Rock Falls	Larry Hanrahan
Roodhouse	Rich Wallis
St. Charles	Peter Suhr
Sullivan	Mike Kirk
Waterloo	J.R. Landeck
Winnetka	Nick Narhi

MEMBERS ABSENT

Bushnell	Joe Fosdyck
Cairo	Larry Klein
Carlyle	Brad Myers
Fairfield	Mayor Gary Moore
Flora	Bob Coble
Ladd	Pat Barry
Marshall	Cory Sheehy
Mascoutah	Cody Hawkins
Oglesby	Rich Baldridge
Princeton	Jeff Mangrich

OTHERS PRESENT

IMEA	Doug Brown
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Mandy Ripperda
IMEA	Eric Weinant
IMEA	Rakesh Kothakapu
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Jaken Hicks
IMEA	Staci Wilson
IMEA	Danny Chung
IMEA	Jonathon Wygant
IMEA	Rodd Whelpley
IMEA	Tia Horn
IMEA	Tammy Hall
IMEA	Ellen Woehrmann
IMEA	Hubert Murray
IMEA	Shadi Ahanchi
Guest	Giovanni McLean (St. Charles)

LISTEN ONLY VIA WEBINAR

Flora	Bob Coble
Princeton	Jeff Mangrich
Guest	Greg Hubert

RESOLUTION APPROVING NEW DELIVERY POINT
FOR THE CITY OF PERU

WHEREAS, the Illinois Municipal Electric Agency (“IMEA” or “Agency”) and the City of Peru (“Peru”) have heretofore entered into a Power Sales Contract, as amended, dated June 1, 1990, pursuant to which Peru purchases the full requirements of electric power and energy to serve the load of the customers in its service area through September 30, 2035, and a new Power Sales Contract, dated March 24, 2025 that has a term beginning on October 1, 2035; and

WHEREAS, Schedule A of the Power Sales Contract identifies, by location and voltage, the Delivery Points where the electric power and energy purchased under the Contract are delivered by IMEA and received by Peru; and

WHEREAS, the Public Utility Regulatory Policies Act (“PURPA”) requires utilities (including small utilities and public power utilities) to interconnect renewable generating facilities that meet the definition of Qualifying Facility (“QF”) with their electric distribution systems, to pay QFs for excess energy delivered to their distribution systems at a rate equal to avoided cost, and to provide supplemental and backup electric service to the utility's customers that own and operate the QF; and

WHEREAS, Peru has a waiver issued by the Federal Energy Regulatory Commission (“FERC”) in Docket IR-1535-000, on March 9, 2000, from the obligation to purchase the excess power delivered to Peru’s electric distribution system by QFs; as part of the FERC waiver IMEA has undertaken the obligation to purchase such excess power from QFs; and

WHEREAS, a customer of Peru that owns and operates a commercial business is proposing to install or has installed a photovoltaic solar facility (212 kV_{AC}) on a single building structure on its property; Peru has or will soon approve the interconnection and parallel operation of the solar facilities with its distribution system, and Peru and the customer have or will soon execute a Facilities Interconnection Agreement; it is anticipated that the electricity production from the solar facilities will exceed the customer's electricity requirements during a number of hours each day and that the excess energy will be delivered to the Peru electric distribution system on an “as available” basis; the customer has or will take such actions as are required to become properly certified as a QF, and has requested that IMEA purchase its excess energy; and

WHEREAS, IMEA Staff is preparing the form of an agreement with Peru and the customer pursuant to which the customer will deliver excess energy on an “as available” basis to the Peru electric distribution system; Peru will maintain its system, including the metering equipment at the customer's properties, administer the interconnections with the customer, and provide IMEA with appropriate metering information; and IMEA will pay the customer for such excess energy at a rate equal to IMEA's avoided cost, all in accordance with FERC's PURPA regulations; and

WHEREAS, the QF agreement with the Peru customer will become an additional resource in the IMEA resource portfolio and the interconnection and metering point of the customer's solar facilities with the Peru electric distribution system will be a new Delivery Point and Point of Measurement under the Power Sales Contract; and

WHEREAS, it is appropriate that the IMEA Board of Directors approve the new Delivery Point and Point of Measurement and authorize the President & CEO to complete the preparation, negotiation and finalization of the QF agreement and the implementation thereof, including the issuance of an updated Schedule A to the Power Sales Contracts to reflect the new Delivery Point and Point of Measurement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ILLINOIS MUNICIPAL ELECTRIC AGENCY:

Section 1. The Board of Directors of the Illinois Municipal Electric Agency hereby approves the new Delivery Point and Point of Measurement for the City of Peru under the Power Sales Contract at the point of interconnection and metering point of the QF customer's facilities with the Peru electric distribution system.

Section 2. The Board of Directors of the Illinois Municipal Electric Agency hereby authorizes the President & CEO to prepare, negotiate, and determine the final form of and execute the QF agreement described in the prefatory statements above. The President & CEO is further authorized to take all steps and execute any other agreements, amendments or other documents reasonably necessary or appropriate in the implementation, administration and enforcement of the QF agreement authorized herein. The execution by the President & CEO of all such agreements, amendments and other documents is hereby approved, ratified and confirmed.

Section 3. Upon completion of the interconnection of the QF customer's facilities with the Peru electric distribution system and execution of the QF agreement authorized herein, the President & CEO, or such other employee of IMEA as he shall designate, is authorized to and shall issue a revised Schedule A of the Power Sales Contract currently in effect between IMEA and the City of Peru and a Schedule A to the new Power Sales Contract between IMEA and the City of Peru that has a term beginning on October 1, 2035, each showing the new Delivery Point and Point of Measurement, and such revised Schedule As shall be effective as of the effective date of the QF agreement.

Section 4. This resolution shall take effect immediately upon its passage.

ADOPTED: ______________________, 2026 SIGNED: ______________________, 2026

BY: ______________________________
Chairman

ATTEST:__________________________
Secretary/Treasurer

RESOLUTION AUTHORIZING COMMENCEMENT OF WORK ON <u>INTEGRATED RESOURCE PLAN</u>

WHEREAS, the Illinois Municipal Electric Agency ("IMEA" or "Agency") is organized under the Illinois Joint Municipal Electric Power Act, 65 ILCS 5/11-119.1-1 et seq. (the "Act") as a municipal power agency, and it provides electric power and energy and related services to its member municipalities that own and operate their own municipal electric utility systems ("Members"); and

WHEREAS, by Public Act 104-0458, effective June 1, 2026, the Illinois General Assembly enacted the Municipal and Cooperative Electric Utility Transparent Planning Act which requires certain municipal power agencies, municipalities and electric cooperatives to initiate an integrated resource planning process on or before January 1, 2027, and every 5 years thereafter; the statute includes requirements for the integrated resource planning process and the content to be included in the Integrated Resource Plan; and

WHEREAS, at its June 25, 2026 meeting the IMEA Board of Directors authorized IMEA staff to issue a Request for Proposals from qualified bidders interested in performing the integrated resource planning process work; and

WHEREAS, IMEA staff has received and evaluated proposals from qualified bidders interested in performing the integrated resource planning process work, and staff has presented to the Board its analysis and recommendation for the selection of the bidder(s) offering the most favorable proposal(s) for IMEA; and

WHEREAS, it is appropriate at this time for the Board of Directors to: (1) formally authorize commencement of work on the first Integrated Resource Plan required by the Municipal and Cooperative Electric Utility Transparent Planning Act, (2) authorize the President & CEO to select the consultant(s) with whom to negotiate for the work, (3) authorize the President & CEO to take all steps reasonably necessary and appropriate to negotiate, finalize and execute the agreement(s) for the work, and (4) authorize the President & CEO to take all actions and execute other documents reasonably necessary or appropriate to implement the integrated resource planning process.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ILLINOIS MUNICIPAL ELECTRIC AGENCY:

Section 1. The Board of Directors of the Illinois Municipal Electric Agency hereby authorizes the commencement of work on the first Integrated Resource Plan for IMEA and the integrated resource planning process, as required by the Municipal and Cooperative Electric Utility Transparent Planning Act. The integrated resource planning process shall be deemed to have been initiated as of the date of this Resolution. The first integrated Resource Plan shall cover the 5-year period of January 1, 2029 through December 31, 2033, taking into account cost and benefits projections for at least the 20-year period ending December 31, 2048. The preliminary Integrated Resource Plan shall be posted on IMEA's website no later than January 1, 2028. The primary purpose of the IRP is to evaluate energy supply and demand in order to meet long-term energy and capacity needs while minimizing costs and complying with environmental laws. The IRP will meet the requirements of the Municipal and Cooperative Electric Utility Transparent Planning Act.

Section 2. The Board of Directors of the Illinois Municipal Electric Agency hereby authorizes and empowers the President & CEO to further solicit and select from the list of consultants who submitted bids to perform the work in connection with the development of the Integrated Resource Plan and the integrated resource planning process or otherwise select the final consultant or consultants with whom to negotiate final terms for the IRP project. The President & CEO is further authorized to proceed with, negotiate, accept, approve, finalize, execute, implement, administer and enforce one or more agreements with such consultant(s) as he shall determine. The President & CEO shall advise the Board on such selection when made and shall advise the Board regularly on the progress of the negotiations and execution of the agreement(s). The execution by the President & CEO of such agreement(s) is hereby approved, ratified and confirmed.

Section 3. The Board of Directors of the Illinois Municipal Electric Agency hereby further authorizes the President & CEO to take all steps and execute any and all agreements, amendments and other documents reasonably necessary or appropriate to manage and support the work on the development of the Integrated Resource Plan for IMEA and the integrated resource planning process, as required by the Municipal and Cooperative Electric Utility Transparent Planning Act, including but not limited to retaining the services of one or more independent contractors to work with IMEA staff and the selected consultant(s) in connection with the development of the Integrated Resource Plan and the public stakeholder processes to be conducted in connection therewith. The execution by the President & CEO of all such agreements and other documents is hereby approved, ratified and confirmed.

Section 4. This resolution shall take effect immediately upon its passage.

ADOPTED:________________________, 2026 SIGNED:______________________, 2026

BY:____________________________
Chairman

ATTEST:____________________________
Secretary/Treasurer

Illinois Municipal Electric Agency
3400 Conifer Drive, Springfield, IL 62711
217-789-4632 / Fax 217-789-4642

Illinois Municipal Electric Agency
Effective 8~~5~~/27~~1~~/26

GENERATION COMMITTEE (8)

Josh Eckart, Red Bud, Chair
Cory Sheehy, Marshall
Bob Coble, Flora
Joe Fosdyck, Bushnell
Rich Baldridge, Oglesby
Jeff Mangrich, Princeton
Brad Myers, Carlyle
Shannon Risley, Bethany

TRANSMISSION COMMITTEE (7)

Dan Cook, Highland, Chair
Peter Suhr, St. Charles
Michael Gentry, Metropolis
David Coston, Carmi
Jason Deering, Breese
Cody Hawkins, Mascoutah
Jim Mileham, Riverton

ENERGY EFFICIENCY & CONSERVATION COMMITTEE (6)

~~Brian Groth, Naperville~~Nick Narhi, Winnetka, Chair
Larry Taylor, Altamont
~~Nick Narhi, Winnetka~~Raheel Arshed, Naperville
J.R. Landeck, Waterloo
Larry Hanrahan, Rock Falls
Kevin Minnick, Peru

NOMINATIONS & AWARDS COMMITTEE (4)

Pat Barry, Ladd, Chair
Matt Trout, Freeburg
Pat McCarthy, Chatham
Mike Kirk, Sullivan

FOIA AND OMA OFFICERS

Troy Fodor
Staci Wilson

***The IMEA Chairman and President& CEO serve as ex-officio on all committees*.**

Illinois Municipal Electric Agency

Financial Statements and
Supplementary Information

April 30, 2026 and 2025

Independent Auditors' Report

To the Board of Directors of
Illinois Municipal Electric Agency

Opinion

We have audited the accompanying financial statements of Illinois Municipal Electric Agency (IMEA), as of and for the years ended April 30, 2026 and 2025, and the related notes to the financial statements, which collectively comprise IMEA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of IMEA as of April 30, 2026 and 2025, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of IMEA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about IMEA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of IMEA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about IMEA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly US, LLP

Madison, Wisconsin
July 24, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Illinois Municipal Electric Agency ("IMEA") offers all persons interested in the financial position of IMEA this narrative overview and analysis of IMEA's financial performance during the years ending April 30, 2026 and 2025. Please read this narrative in conjunction with the accompanying financial statements and the accompanying notes to financial statements.

Overview of the Financial Statements

The Illinois Municipal Electric Agency is a body politic and corporate, municipal corporation and unit of local government of the State of Illinois. IMEA was created in 1984 under the provisions of Division 119.1 of Article II of the Illinois Municipal Code by a group of municipalities. The purpose of IMEA is to jointly plan, finance, own and operate facilities for the generation and transmission of electrical power and energy-related facilities to provide for the current and projected energy needs of the purchasing members. IMEA has thirty-two (32) members, each of which is a municipal corporation in the State of Illinois and owns and operates a municipal electric system.

This annual report consists of two parts: Management's Discussion and Analysis (this section) and the financial statements. These statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. IMEA uses the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission.

The Statements of Revenues, Expenses and Changes in Net Position present information showing how IMEA's net position changed during the most recent year due to IMEA's business activity. The Statements of Net Position report year end assets, deferred outflows of resources, liabilities and net position balances based on the original cost adjusted for any depreciation, amortization or unrealized gains/losses as appropriate. Over time, increases or decreases in IMEA's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider include the Agency's wholesale electric rates and ability to maintain or exceed the debt coverage levels required by its bond resolution.

IMEA Financial Analysis

An analysis of IMEA's financial position begins with the review of the Statements of Net Position and the Statements of Revenues, Expenses and Changes in Net Position. A summary of IMEA's Statements of Net Position is presented in Table 1 and the Statements of Revenues, Expenses and Changes in Net Position are summarized in Table 2.

Table 1
Condensed Statements of Net Position

	2026	2025	2024
Utility plant	$873,573,772	$901,619,261	$926,862,215
Restricted assets	91,414,561	98,371,687	97,226,562
Current assets	200,393,155	184,828,670	166,660,820
Other assets	5,907,579	1,841,903	3,296,693
Deferred outflows of resources	1,150,390	12,657,477	15,033,344
Total Assets and Deferred Outflows of Resources	$1,172,439,457	$1,199,318,998	$1,209,079,634
Net Position:			
Invested in capital assets	$348,101,311	$324,392,192	$296,176,193
Restricted	12,789,825	12,045,331	11,511,814
Unrestricted	179,282,851	155,810,788	138,480,542
Total Net Position	540,173,987	492,248,311	446,168,549
Noncurrent liabilities	555,105,920	628,896,608	687,516,625
Current liabilities	77,159,550	78,174,079	75,394,460
Total Liabilities	632,265,470	707,070,687	762,911,085
Total Net Position and Liabilities	$1,172,439,457	$1,199,318,998	$1,209,079,634

Statements of Net Position

Year Ended April 30, 2026

IMEA's total utility plant decreased by $28,045,489 during the year ended April 30, 2026. The Agency made total payments of $10,608,929 toward the capital improvements associated with the Prairie State project, Trimble County Units 1 & 2 projects and other smaller capital acquisitions and improvements. Total current liabilities associated with these capital improvements were $2,266,993. These capital investments net of depreciation accounted for a large portion of the changes in utility plant, additionally Trimble County closed out its Coal Combustion Residuals (CCR) pond now that the landfill is in service. Depreciation expense of $32,072,708 was recorded during the year.

IMEA had an increase in the cash and short-term investments held in operating reserve accounts of $14,863,666 from the previous year. At the start of the fiscal year IMEA's Board of Directors authorized for the collection of a Decommissioning Fund to pay for future retirement costs of Prairie State and Trimble County, balance in the account at fiscal year-end was $2,023,687. Accounts receivable increased by $2,235,253 from the previous year. Bond interest subsidy receivable decreased by $977,992 from the previous year due to Series 2009C and Series 2010A (both being eligible for the subsidy) being partially refunded for savings in fiscal year 2026 and being replaced by Series 2025A. Prepayments decreased by $178,156 from the previous year. The value of renewable energy credits held at the end of the year decreased by $387,137. These changes along with an increase in collateral held for others at the end of the year represent much of the increase in current assets of $15,564,485.

Debt service accounts and debt service reserve accounts for outstanding revenue bonds make up restricted assets. The decrease in restricted assets of $6,957,126 was primarily caused by Series 2009C and Series 2010A being partially refunded and all of Series 2015A being refunded for savings in fiscal year 2026 and being replaced by Series 2025A.

Net position increased due to the current year's operations that resulted in net income of $47,925,676.

Principal repayments associated with the Agency's outstanding revenue bonds that were not directly related to the 2025A refunding transaction totaled $48,753,750. IMEA is scheduled to repay an additional $50,795,000 on the outstanding revenue bonds on February 1, 2027, which is included in current liabilities. The Agency also had no current year payments with no draws against a line of credit facility available to IMEA keeping the total outstanding draws on the line of credit to $0. The total undrawn portion of this line of credit was $50,000,000.

Year Ended April 30, 2025

IMEA's total utility plant decreased by $25,242,954 during the year ended April 30, 2025. The Agency made total payments of $12,651,846 toward the capital improvements associated with the Prairie State project, Trimble County Units 1 & 2 projects and other smaller capital acquisitions and improvements. Total current liabilities associated with these capital improvements were $925,060. These capital investments net of depreciation accounted for most of the changes in utility plant. Depreciation expense of $36,445,143 was recorded during the year.

IMEA had an increase in the cash and short-term investments held in operating reserve accounts of $14,580,558 from the previous year. Accounts receivable increased by $1,051,684 from the previous year. Prepayments increased by $2,950,644 from the previous year. The value of renewable energy credits held at the end of the year decreased by $302,826. These changes along with a decrease in the value of bond interest subsidy receivable and an increase in collateral held for others at the end of the year represent much of the increase in current assets of $18,167,850.

Proceeds of revenue bonds not yet expended are included in restricted assets. The increase in restricted assets of $1,145,125 was primarily caused by a rise in the market value of investments being held in restricted accounts.

Net position increased due to the current year's operations that resulted in net income of $46,079,762.

Principal repayments associated with the Agency's outstanding revenue bonds totaled $50,005,000. IMEA is scheduled to repay an additional $51,725,000 on the outstanding revenue bonds on February 1, 2026, which is included in current liabilities. The Agency also had no current year payments with no draws against a line of credit facility available to IMEA keeping the total outstanding draws on the line of credit to $0. The total undrawn portion of this line of credit was $50,000,000.

Table 2
Condensed Statements of Revenues, Expenses and Changes in Net Position

	2026	2025	2024
Operating revenues	$342,338,877	$328,817,328	$312,627,656
Depreciation expense	32,072,708	36,445,143	35,989,197
Other operating expenses	247,076,841	227,424,381	207,731,360
Total Operating Expenses	279,149,549	263,869,524	243,720,557
Operating Income	63,189,328	64,947,804	68,907,099
Investment income	8,673,751	10,500,747	9,814,135
Interest and amortization expense	(24,084,528)	(29,883,784)	(32,165,974)
Other income/(expense)	147,125	514,995	57,133
Total Non-Operating Expenses	(15,263,652)	(18,868,042)	(22,294,706)
Change in Net Position	47,925,676	46,079,762	46,612,393
Net Position, Beginning of Year	492,248,311	446,168,549	399,556,156
Net Position, End of Year	$540,173,987	$492,248,311	$446,168,549

Statements of Revenue, Expenses and Changes in Net Position

Year Ended April 30, 2026

Sales to participating members of $335,335,269 and 3,796,142,730 kilowatt hours ("kWh") were recorded during the fiscal year ended April 30, 2026. This represented an increase of $17,817,503 (5.6 percent) in revenue from sales to participating members and an increase of 68,068,493 kWh (1.8 percent) as compared with the previous year. Energy sales were higher this year as compared to the previous year due to warmer temperatures over the summer and colder temperatures over the winter across Illinois.

IMEA recorded a coincident peak demand of 886 MW, which was approximately 4.8 percent lower than the 931 MW experienced in the previous year. The total member non-coincident peak demand was 919 MW, which was approximately 2.8 percent lower than the 946 MW experienced in the previous year.

The average cost of power sold to the participating members with capacity credits of 8.60 cents per kWh was approximately 3.6 percent higher than the 8.30 cents per kWh from the previous year.

Total operating expenses increased by $15,280,025 (5.8 percent) from the previous year due primarily to higher transmission expenses. Purchased power expenses went down 4.3 percent from the previous year due to IMEA having more generation from IMEA owned assets in the current year and a more favorable position in the energy markets during the current fiscal year. Transmission expenses, which are outside of IMEA's control, went up 24.9 percent over fiscal year 2025. For fiscal year 2026, fuel at generating units went up 5.2 percent from the previous year due to higher generation. Operation and maintenance expenses at generating units went up 0.4 percent from the previous year mainly due to inflation. Member payments increased by 17.8 percent due to member generation being called to generate more than prior year and Board approving higher capacity payments for member generation. Other utility operations increased by $3,065,108 (140.3 percent) from the previous year due to the closing out of the Trimble County CCR pond. Non-operating expenses decreased by $3,604,390 (19.1 percent) from the previous year due primarily to lower interest expense. Interest expense decreased by 14.0 percent primarily due to payments made to reduce outstanding revenue bonds and the 2025A refunding. BABS revenue decreased by 41.6 percent due to less interest paid on IMEA's series 2009C and 2010A than the previous year and the 2025A refunding.

Year Ended April 30, 2025

Sales to participating members of $317,517,766 and 3,728,074,237 kilowatt hours ("kWh") were recorded during the fiscal year ended April 30, 2025. This represented an increase of $15,329,493 (5.1 percent) in revenue from sales to participating members and an increase of 67,971,145 kWh (1.9 percent) as compared with the previous year. Energy sales were higher this year as compared to the previous year due to warmer temperatures over the summer and colder temperatures over the winter across Illinois.

IMEA recorded a coincident peak demand of 931 MW, which was approximately 4.3 percent lower than the 973 MW experienced in the previous year. The total member non-coincident peak demand was 946 MW, which was approximately 4.2 percent lower than the 987 MW experienced in the previous year.

The average cost of power sold to the participating members with capacity credits of 8.30 cents per kWh was approximately 3.4 percent higher than the 8.03 cents per kWh from the previous year.

Total operating expenses increased by $20,148,967 (8.3 percent) from the previous year due primarily to higher transmission and purchased power expenses. Purchased power expenses went up 8.1 percent from the previous year due to IMEA having less generation from IMEA owned assets in the current year and a more favorable position in the energy markets during the previous fiscal year. Operation and maintenance expenses at generating units went up 3.7 percent from the previous year mainly due to inflation.

Transmission expenses, which are outside of IMEA's control, went up 30.1 percent over fiscal year 2024. In reaction to an industry trend of increasing transmission expenses over the last several years, in fiscal year 2024 IMEA made use of prior year excess revenues received from MISO in connection with IMEA's Auction Revenue Rights and Financial Transmission Rights to create a regulatory credit of $7,550,000. This regulatory credit was used evenly across all 12 months of fiscal year 2024 to offset increases in transmission expenses, part of the increase in fiscal year 2025 is attributed to the use of the regulatory credit in fiscal year 2024. For fiscal year 2025, fuel at generating units went down 2.8 percent from the previous year due to lower generation. Fuel reimbursements decreased by 4.0 percent due to member generation being called to generate less than prior year. Non-operating expenses decreased by $3,426,664 (15.4 percent) from the previous year due primarily to lower interest expense and higher interest income. Interest expense decreased by 7.0 percent primarily due to payments made to reduce outstanding revenue bonds. Interest income increased by 7.0 percent due to interest rates paid on IMEA's investments being higher than the previous year.

Debt Service Coverage

IMEA's bond resolution requires the Agency to maintain a debt service coverage ratio of 110 percent. Debt service coverage for the year ended April 30, 2026 was approximately 132.7 percent and approximately 134.1 percent for the year ended April 30, 2025. IMEA made no transfers during the year ended April 30, 2026 or during the year ended April 30, 2025 into the rate stabilization account, transfers would have reduced debt service coverage.

Significant Events

IMEA issued $473,245,000 in aggregate principal amount of Power Supply System Revenue Refunding Bonds, Series 2025A to refund a portion of the outstanding Power Supply System Revenue Bonds, Series 2009C (Build America Bonds - Direct Payment) and Series 2010A (Build America Bonds - Direct Payment); and to refund all the Power Supply System Revenue Refunding Bonds, Series 2015A. The Bonds were priced on August 6, 2025 and sold on September 9, 2025. IMEA called the 2015A Bonds for optional redemption, and the 2009C Bonds and the 2010A Bonds for extraordinary optional redemption. The 2025A Bonds were sold by an underwriting team senior managed by BofA Securities, Inc. The refunding transaction provided an overall savings of approximately $34 million over a 10-year span, without extending the term of the overall debt. The maturity date for the 2025A Bonds remains February 1, 2035.

IMEA Board of Directors passed an ordinance in October of 2024 to add language to the rate schedule to establish and begin the collection of a decommissioning fund. Due to Illinois passing SB 2408, the Climate and Equitable Jobs Act (CEJA), IMEA is planning for Prairie State potential retirement in 2045. High level engineering estimate of IMEA's share of decommissioning costs is $25.5 million in 2045 dollars. IMEA is planning for Trimble County Unit 1 potential retirement in 2045 and Unit 2 potential retirement in 2050. High level engineering estimate of IMEA's share of decommissioning costs is $10.9 million in 2050 dollars. Estimates over such a long period will not be exact and will be updated over time. The funds will be collected by October 1, 2035, this ensures that the IMEA members that invested into and benefit from the output of the generating resources pay the associated decommissioning costs; three members have yet to extend their IMEA membership to 2055. Collection for the Decommissioning Fund started on May 1, 2025 and will run through April 31, 2035. The initial estimate of the amount to be collected (assuming 3% interest on amounts held in the fund) is $21.7 million to have the necessary $36.4 million available at the respective planned retirement dates. Monthly amount to be collected is $180,849 or $2.2 million annually. The amount needed will be periodically reviewed and IMEA staff will advise the Board on changes required. The amounts collected will be deposited into the Decommissioning Fund and held for the purpose of funding decommissioning costs, not to be withdrawn without express authorization from the Board. Balance in the Decommissioning Fund at fiscal year-end was $2,023,687 with $180,849 included in current assets as part of accounts receivable.

To curb rising transmission costs, IMEA has sought to partner with established transmission owners to own a share of some upcoming projects in Illinois. Transmission ownership allows for IMEA to recover the cost associated with the Project and a return on equity through the MISO tariff. The first partnership with Ameren Transmission Company of Illinois (ATXI) will be the Illinois Valley Reliability Project that will improve energy reliability for communities in Bureau and LaSalle counties. The Project includes constructing a new, approximately 21-mile, 138-kV transmission line, upgrading the existing Princeton substation, and building a new switching station called Lima located near Peru. The new transmission line will connect the upgraded Princeton substation to the new Lima switching station. Project completion is expected in 2028-2029, with IMEA to fund its portion (estimated to be $20-25 million) of the Project 6 months before commercial operation. The second partnership is with Ameren Transmission Company of Illinois (ATXI) and Gridliance Heartland, LLC (a NextEra subsidiary) as the project developers with IMEA and Dairyland Power Cooperative as project participants. This partnership was awarded the bids for two projects that are a part of MISO Tranche 2.1, which will develop a 3,631-mile 765 kV backbone that ensures future reliability in Illinois while providing benefits that exceed costs. One of the projects is a 765kV line from the Indiana border to the Peoria area, while the other project will run from the same Peoria area substation to just into Iowa MidAmerican Energy's high voltage facilities.

The two MISO Tranche 2.1 projects are targeted to go in service in 2034. IMEA would own 3% (estimated to be $50-$70 million) of the total projects, again to be funded 6 months before commercial operation.

Renewable and Carbon-Free Energy Resources

IMEA has a contract to purchase 70 MW of wind energy from the Lee-Dekalb wind project owned by FPL Energy Illinois Wind, LLC and another contract to purchase 50 MW of wind from the Green River Wind Farm that was developed by Geronimo Energy, LLC. Two of IMEA's members own and operate run-of-the-river hydroelectric generation that totals nearly 10 MW of carbon-free energy for IMEA. IMEA also has contracts for the purchase of approximately 7.5 MW of solar energy located within eight of IMEA's member electric systems. In addition, IMEA has a contract to purchase 25 MW of solar energy from Big River Solar, this is a solar project located in Illinois that became operational in 2022. This contract had a June 2025 start date. For Fiscal Year 2026, these resources provided IMEA with nearly 11 percent of its energy requirements.

In 2024, IMEA entered into a 20-year power purchase agreement with Bee Hollow Solar, LLC, which represents a purchase of 150 MW of solar capacity, associated energy and RECs from the Bee Hollow Solar Project, a proposed 150 MW solar energy project located in St. Clair County, Illinois in the MISO market, currently expected to become operational by the end of 2026. In early 2026, IMEA entered into a contract amendment with Bee Hollow Solar, LLC, to extend the term of the agreement an additional 5 years to a 25-year term. The purchase of this solar energy represents approximately 9% of IMEA's Participating Members' energy requirements. IMEA is working with an experienced solar vendor, SolAmerica, to potentially add approximately 9 MW of solar to be located within the electric systems of IMEA members. IMEA continues to evaluate additional carbon-free resources and will seek and evaluate additional opportunities to increase the amount of energy it produces from renewable or carbon-free resources. Since May 31, 2023, IMEA no longer has any carbon-based purchase power agreements in place.

Contacting IMEA's Management

This financial report is designed to provide our members, investors and creditors with a general overview of IMEA's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Illinois Municipal Electric Agency, 3400 Conifer Drive, Springfield, IL 62711.

Illinois Municipal Electric Agency

Statements of Net Position
April 30, 2026 and 2025

	2026	2025
Assets and Deferred Outflows of Resources		
Utility Plant		
Utility plant in service	$ 1,330,939,628	$ 1,335,082,256
Accumulated depreciation	(501,996,235)	(474,543,742)
Construction work in progress	44,630,379	41,080,747
Total utility plant	873,573,772	901,619,261
Restricted Assets		
Cash and investments	91,414,561	98,371,687
Current Assets		
Cash	100,822,239	86,702,741
Investments	40,892,464	40,148,296
Accounts receivable	23,226,684	20,991,431
Bond interest subsidy receivable	558,385	1,536,377
Renewable energy credits	2,101,928	2,489,065
Prepayments	32,248,206	32,426,362
Collateral held for others	543,249	534,398
Total current assets	200,393,155	184,828,670
Other Assets		
Regulatory costs for future recovery	2,641,564	1,214,975
Unrealized (gain) loss on investments	422,135	(776,792)
Prairie State, other long term asset	2,843,880	1,403,720
Total other assets	5,907,579	1,841,903
Total assets	1,171,289,067	1,186,661,521
Deferred Outflows of Resources		
Unamortized loss on advance refunding	1,150,390	12,657,477
Total assets and deferred outflows of resources	$ 1,172,439,457	$ 1,199,318,998

See notes to financial statements

	2026	2025
Net Position and Liabilities		
Net Position		
Net investment in capital assets	$ 348,101,311	$ 324,392,192
Restricted	12,789,825	12,045,331
Unrestricted	179,282,851	155,810,788
Total net position	540,173,987	492,248,311
Noncurrent Liabilities		
Revenue bonds	505,660,000	591,875,000
Unamortized premium	41,501,510	23,792,717
Other liabilities	7,944,410	13,228,891
Total noncurrent liabilities	555,105,920	628,896,608
Current Liabilities		
Accounts payable and accrued expenses		
Accounts payable:		
Purchased power and transmission	8,739,402	7,756,942
Jointly-owned facilities	8,754,909	8,549,328
Other	434,729	114,959
Collateral due to others	543,918	535,238
Other current liabilities	600,515	674,427
Total accounts payable and accrued expenses	19,073,473	17,630,894
Current liabilities payable from restricted assets:		
Current maturities of revenue bonds	50,795,000	51,725,000
Interest accrued	7,291,077	8,818,185
Total current liabilities payable from restricted assets	58,086,077	60,543,185
Total current liabilities	77,159,550	78,174,079
Total liabilities	632,265,470	707,070,687
Total net position and liabilities	$ 1,172,439,457	$ 1,199,318,998

See notes to financial statements

Illinois Municipal Electric Agency

Statements of Revenues, Expenses and Changes in Net Position
Years Ended April 30, 2026 and 2025

	2026	2025
Operating Revenues		
Sales to participating members	$ 335,335,269	$ 317,517,766
Other income	7,003,608	11,299,562
Total operating revenues	342,338,877	328,817,328
Operating Expenses		
Purchased power	56,873,567	59,439,340
Transmission	77,140,224	61,766,274
Prairie State and Trimble County Units No. 1 and 2:		
Fuel	45,010,512	42,805,544
Operations and maintenance	42,089,582	41,915,642
Member payments:		
Fuel reimbursements	1,591,164	1,147,860
Capacity payments	9,452,867	8,229,607
Generation payments	15,625	13,252
Administration and general	9,653,123	9,921,793
Depreciation	32,072,708	36,445,143
Other utility operations	5,250,177	2,185,069
Total operating expenses	279,149,549	263,869,524
Operating income	63,189,328	64,947,804
Nonoperating Revenues (Expenses)		
Investment income	8,673,751	10,500,747
Bond interest subsidy revenue	3,624,040	6,209,538
Interest expense	(32,657,467)	(37,954,710)
Amortization expense	4,948,899	1,861,388
Other income (expense)	147,125	514,995
Total nonoperating revenues (expenses)	(15,263,652)	(18,868,042)
Change in net position	47,925,676	46,079,762
Net Position, Beginning	492,248,311	446,168,549
Net Position, Ending	$ 540,173,987	$ 492,248,311

See notes to financial statements

Illinois Municipal Electric Agency

Statements of Cash Flows
Years Ended April 30, 2026 and 2025

	2026	2025
Cash Flows From Operating Activities		
Received from power sales	$ 322,040,355	$ 307,075,359
Paid to suppliers for purchased power and transmission	(132,644,199)	(120,722,745)
Paid to suppliers and employees for other services	(94,520,940)	(88,382,708)
Net cash flows from operating activities	94,875,216	97,969,906
Cash Flows From Capital and Related Financing Activities		
Debt principal paid	(560,390,000)	(50,005,000)
Interest paid	(31,236,605)	(38,706,918)
Proceeds from debt issuance	473,245,000	-
Debt issuance costs	(2,635,971)	-
Payments to escrow during refunding	(13,884,076)	-
Bond interest subsidy received	4,602,033	6,333,895
Acquisition and construction of capital assets	(10,608,929)	(12,651,846)
Premium received on debt issuance	46,320,976	-
Asset retirement obligation costs incurred	-	(26,416)
Net cash flows from capital and related financing activities	(94,587,572)	(95,056,285)
Cash Flows From Investing Activities		
Investment income	8,673,754	10,500,751
Purchase of long-term investments	(111,690,814)	(150,649,618)
Maturity of long-term investments	116,062,318	148,984,000
Net cash flows from investing activities	13,045,258	8,835,133
Net change in cash and cash equivalents	13,332,902	11,748,754
Cash and Cash Equivalents, Beginning	88,515,351	76,766,597
Cash and Cash Equivalents, Ending	$ 101,848,253	$ 88,515,351
Noncash Capital and Related Financing Activities		
Change in asset retirement obligation liability	$ 7,563,584	$ 2,589,752
Accretion expense	$ 4,001,691	$ 741,767
Change in unrealized loss on investments	$ 1,198,927	$ (2,299,097)
Amortization expense	$ 4,948,899	$ 1,861,388
Credits given on billings	$ (11,059,656)	$ (9,390,719)
Net gain (loss) on sale of assets	$ (147,125)	$ (514,995)

See notes to financial statements

Illinois Municipal Electric Agency

Statements of Cash Flows
Years Ended April 30, 2026 and 2025

	2026	2025
Reconciliation of Operating Income to Net Cash Flows From Operating Activities		
Operating income	$ 63,189,328	$ 64,947,804
Noncash items included in operating income:		
Depreciation	32,072,708	36,445,143
Other noncash transactions	1,483,577	(1,403,978)
Changes in assets and liabilities:		
Accounts receivable	(2,235,251)	(1,051,685)
Prepayments	178,155	(2,950,644)
Renewable energy credits	387,137	302,826
Accounts payable	(198,036)	1,682,439
Other current liabilities	(2,402)	(1,999)
Net cash flows from operating activities	$ 94,875,216	$ 97,969,906
Reconciliation of Cash and Cash Equivalents to the Balance Sheets		
Restricted cash and investments	$ 91,414,561	$ 98,371,687
Cash	100,822,239	86,702,741
Investments	40,892,464	40,148,296
Total cash and investments	233,129,264	225,222,724
Less investments	(131,281,011)	(136,707,373)
Total cash and cash equivalents	$ 101,848,253	$ 88,515,351

See notes to financial statements

1. Summary of Significant Accounting Policies

The financial statements of the Illinois Municipal Electric Agency (IMEA) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The significant accounting principles and policies utilized by IMEA are described below.

Reporting Entity

IMEA is a body politic and corporate, municipal corporation and unit of local government of the State of Illinois. IMEA was created in May 1984 under the provisions of Division 119.1 of Article II of the Illinois Municipal Code (the Act) by a group of municipalities for the purpose of jointly planning, financing, owning and operating facilities for the generation and transmission of electrical power and energy-related facilities which are appropriate to the present and projected energy needs to such municipalities. IMEA is owned and its policies governed by its member municipalities.

IMEA has provided the power and energy requirements of certain members since 1986, primarily through the purchase of wholesale requirements service from power providers and through IMEA owned generation. The contracts with power providers, which obligate IMEA to purchase electric energy for concurrent resale to its members, are in effect through September 2035.

As of April 30, 2026, IMEA had 32 member municipalities, all of which have executed long-term power sales contracts for the purchase of full requirements power and energy from IMEA. The original termination date for all of the power sales contracts with participating members is September 30, 2035. These members participate in the IMEA owned generation facilities and pay rates sufficient to meet the obligations of IMEA's bond resolution. Per resolution 24-02-896, as of April 30, 2026, 29 members have signed new contracts to extend their termination dates to May 31, 2055.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when exchange takes place. IMEA uses the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission.

Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires that a government assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This standard was implemented July 1, 2025. There was no impact in the current year.

Assets, Deferred Outflows of Resources, Liabilities and Net Position

Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents have original maturities of three months or less from the date of acquisition.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at the amount billed to members. Allowance for doubtful accounts is not considered necessary as IMEA has not historically experienced delays in payments for service rendered.

Renewable Energy Credits

Energy credits consist of renewable energy credits (RECs) held for sale and are valued at current market value. The RECs are obtained through the purchase of renewable energy resources.

Prepayments

The amount in prepaid items represents amounts paid which will benefit future periods, IMEA's payment for collateral for operating activities in the MISO and PJM transmission markets and advance payments to Trimble County and Prairie State for working capital.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

Prairie State, Other Long-Term Asset

Other long-term assets are comprised of the assets related to the prepayments made on a long-term parts agreement and collateral paid toward a self-insurance fund.

Regulatory Costs for Future Recovery

Expenses incurred and paid in the current and prior periods in which the benefit of the expense will be recovered and realized in future periods in accordance with GASB Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.* See Note 9 for further discussion related to assets.

Unrealized Gains and Loss on Investments

Management has elected the use of regulatory accounting for its unrealized gains and losses on investments. Changing market gains and losses are not recognized as investment income until such time investments are sold or mature. Net unrealized gains and losses are reported as other assets on the Statement of Net Position.

Utility Plant

Utility plant is generally defined by IMEA as assets with an initial, individual cost of more than $1,000 and an estimated useful life in excess of one year, except for jointly owned assets. In these cases, utility plant is capitalized based on policies defined by Louisville Gas & Electric Company and Prairie State Generating Company.

Utility plant of IMEA is recorded at cost or the estimated acquisition value at the time of contribution to IMEA. Major outlays for utility plant are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the utility plant constructed, net of interest earned on the invested proceeds over the same period. Utility plant is depreciated using the straight-line method over the following useful lives:

	Years
Utility Plant:	
Electric plant, Trimble County Units No. 1 and 2	20-53
Electric plant, Prairie State Units No. 1 and 2	40
Mobile generation	30
Land	-
Land improvements	10
Office building	10-31.5
Office furniture and equipment	5
Supervisory control and data acquisition equipment	5
Winnetka 138 interconnect	30
Other equipment	5

Coal reserves are depleted as the commodity is consumed using a rate which is based upon the cost to IMEA divided by the total estimated coal to be mined.

Deferred Outflow of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources expense until that future time.

Loss on Refunding

The deferred change resulting from the refunding of debt is amortized over the shorter of the term of the refunding issue or the original term of the refunded debt.

Payables and Other Current Liabilities

Accounts payable represents current liabilities for power, jointly owned facilities and other payables. Other current liabilities represent accrued vacation benefits and accrued property taxes payable.

Other Liabilities

Other liabilities represent accrued sick leave, MISO ARR credit (Note 9) and asset retirement obligation (Note 7). Under terms of employment, employees are granted one day of sick leave per month. One-half of accumulated sick leave benefits are paid if the employee terminates service after at least 10 years of service. Accumulated sick leave and vacation benefits have been recorded in the financial statements.

Long-Term Obligations

Long-term debt and other obligations are reported as liabilities. Bond discounts and premiums are amortized over the life of the bonds using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. The balance at year-end for premiums and discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year-end for the loss on refunding is shown as a deferred outflow in the statement of net position.

Revenues and Expenses

IMEA distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with IMEA's principal ongoing operations. The principal operating revenues of IMEA are charges to members for sales and services. Operating expenses for IMEA include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

IMEA billings are rendered and recorded monthly based on month-end metered usage.

Bond Subsidy Revenue and Receivable

This amount represents the accrued amount receivable under the Build America Bond Program (BAB) which provides a 35% subsidy for interest expense on the Series 2009 and 2010 revenue bond issues. The interest expense reduction is classified as nonoperating revenue.

The United States Federal Government was subject to the process of sequestration for the budget year ending September 30, 2026 and 2025 whereby foreseeable spending reductions for many Federal programs, including issuers of the BAB's, may directly affect the recovery of the BAB's subsidy. See Note 6 for further details.

Taxes

IMEA is exempt from State and Federal income taxes.

Rates

Rates charged to members are approved by the Board of Directors and were increased January 1, 2026. The approved rate includes adjustment clauses which are calculated monthly based on cost to serve member load.

Effect of New Accounting Standards on Current Period Financial Statements

GASB has approved Statement No. 103, *Financial Reporting Model Improvements* and Statement No. 104, *Disclosure of Certain Capital Assets* and Statement No. 105, *Subsequent Events.* When they become effective, application of these standards may restate portions of these financial statements.

Comparative Data

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

2. Cash and Investments

IMEA's cash and investments consist of the following:

	Carrying Value as of April 30		
	2026	**2025**	**Associated Risk**
The Illinois Funds	$ 63,433,525	$ 58,928,228	Credit and interest rate
U.S. agency securities, implicitly guaranteed	9,903,806	14,548,330	Custodial credit, credit, concentration of credit and interest rate
U.S. treasuries	122,009,327	123,115,321	Custodial credit and interest rate
Money market fund	1,195,205	1,295,904	Custodial credit
Checking and savings	36,586,901	27,334,441	Custodial credit
Petty cash	500	500	Not applicable
Total	$ 233,129,264	$ 225,222,724	

IMEA's Trust Indenture authorizes IMEA to deposit funds only in banks insured by the Federal Deposit Insurance Corporation (FDIC). IMEA may also make investments in U.S. Government and federal agency obligations, investment grade bonds, commercial paper rated at the highest classification established by at least two standard rating services, money market mutual funds, repurchase agreements and The Illinois Funds.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in the fair value section of this note. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Fair values may have changed significantly after year-end.

Deposits in each local and area bank are insured by the FDIC in the amount of $250,000 for time and savings accounts and $250,000 for demand deposit accounts (interest and noninterest bearing). Investments in The Illinois Funds are covered under securities pledged for all pool participants. The difference between the bank balance and carrying value is due to outstanding checks, deposits in transit and/or market value adjustments.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, IMEA's deposits may not be returned to IMEA. IMEA's investment policy requires collateralization of deposits above the amount insured by the FDIC. IMEA does not have any deposits exposed to custodial credit risk as of April 30, 2026 and 2025.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, IMEA will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All investments held as of April 30, 2026 and 2025, were considered to be in risk category one (investments held in trust on behalf of IMEA), therefore, not subject to custodial credit risk. IMEA's investment policy requires all investment securities be held by its agent in IMEA's name.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of April 30, 2026 IMEA's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's	Fitch
U.S. agency securities	AA+	Aa1	-
The Illinois funds	-	-	AAAmmf

As of April 30, 2025 IMEA's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's	Fitch
U.S. agency securities	AA+	Aaa	-
The Illinois funds	-	-	AAAmmf

IMEA's investment policy requires that all investments be rated in highest or second highest categories by the national rating agencies.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of IMEA's investment in a single issuer.

As of April 30, 2026 and 2025, IMEA's investment portfolio was concentrated as follows:

Issuer	Investment Types	Percentage of Portfolio 2026	Percentage of Portfolio 2025
Federal Farm Credit Banks Funding Corporation	U.S. agency securities, implicitly guaranteed	8%	11%

IMEA's investment policy states that no more than 50% of the total portfolio may be invested in one type of investment with the exception of the U.S. government and its agencies.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

As of April 30, 2026 IMEA's investments were as follows:

		Maturity (in Years)		
	Fair Value	Less Than 1	1-5	Over 5
U.S. agency securities	$ 9,903,806	$ 9,903,806	$ -	$ -
U.S. treasuries	122,009,327	19,934,274	87,378,153	14,696,900
Total	$ 131,913,133	$ 29,838,080	$ 87,378,153	$ 14,696,900

IMEA also has $63,433,525 invested in The Illinois Funds, which are valued at amortized cost. The average maturity of The Illinois Funds is 120 days.

As of April 30, 2025 IMEA's investments were as follows:

		Maturity (in Years)		
	Fair Value	Less Than 1	1-5	Over 5
U.S. agency securities	$ 14,548,330	$ 5,379,016	$ 9,169,314	$ -
U.S. treasuries	123,115,321	52,540,245	63,580,546	6,994,530
Total	$ 137,663,651	$ 57,919,261	$ 72,749,860	$ 6,994,530

IMEA also has $58,928,228 invested in The Illinois Funds, which are valued at amortized cost. The average maturity of The Illinois Funds is 120 days.

IMEA's investment policy states that investment securities should not mature later than the monies will be needed for the respective use.

Fair Value

IMEA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements as of April 30, 2026 and 2025 are as follows:

- Market approach - matrix pricing or market collaborative pricing

As of April 30, 2026 IMEA's fair values were rated as follows:

Investment Type	Total	Level 1	Level 2
U.S. agency securities:	$ 9,903,806	$ -	$ 9,903,806
U.S. treasuries	122,009,327	122,009,327	-
Total	$ 131,913,133	$ 122,009,327	$ 9,903,806

As of April 30, 2025 IMEA's fair values were rated as follows:

Investment Type	Total	Level 1	Level 2
U.S. agency securities:	$ 14,548,330	$ -	$ 14,548,330
U.S. treasuries	123,115,321	123,115,321	-
Total	$ 137,663,651	$ 123,115,321	$ 14,548,330

3. Jointly-Owned Facilities

Trimble County Unit No. 1

Pursuant to an ownership agreement entered into in September 1990, IMEA acquired an undivided 12.12% ownership interest (approximately 62 MW), as tenant in common, in the Trimble County Unit No. 1 generating facility from Louisville Gas and Electric Company. Trimble County Unit 1 is a 514 MW subcritical pulverized coal fired unit.

Trimble County Unit No. 2

Trimble County Unit 2, which was placed into commercial operation in January 2011, is a pulverized-coal super-critical unit of 750 MW nominal net rating located adjacent to Trimble County Unit 1. IMEA owns a 12.12% (approximately 91 MW) undivided interest as tenant in common in the unit.

Prairie State Project

IMEA is part of the consortium known as the Prairie State Generating Company, LLC that developed the Prairie State Project. IMEA owns a 15.17% (approximately 240 MW) undivided interest in the project. The Prairie State Project is a nominal 1,600 MW plant, utilizing two supercritical steam units of approximately 800 MW in size. Prairie State includes contiguous coal reserves and the operation of a coal mine to supply coal to the power plant. The first unit was placed into commercial operation in June 2012 and the second unit was placed into commercial operation in November 2012.

IMEA's share of the operating costs associated with these joint owned facilities are included in the accompanying financial statements.

4. Funds

IMEA's Trust Indenture requires the segregation of bond proceeds, establishment of various funds and prescribes the application of IMEA's revenues. Also, it defines what type of securities that IMEA may invest in. Funds consist principally of cash, money market funds, federal securities and investments in The Illinois Funds. The fund's purposes and balances are summarized below.

Fund	Held By	Purpose
Revenue	IMEA	To initially receive revenues and to disburse them to other accounts.
Operations and Maintenance	IMEA	To pay operating and maintenance expenses.
Renewals and Replacements	IMEA	To provide funds to be applied to the payment of the costs of renewals, replacements and repairs.
General Reserve	IMEA	To receive surplus funds after all other accounts are funded.
Rate Stabilization	IMEA	To accumulate any revenues in excess of the 10% debt service coverage requirement which will be used to minimize rate fluctuations in the future.
Decommissioning	IMEA	To provide funds to be applied to payments of decommissioning costs.
Debt Service Account	Trustee	To accumulate principal and interest associated with each bond series.
Debt Service Reserve Account	Trustee	To establish a reserve to cover deficiencies in the Debt Service Account. Any excess may be used for other purposes.

The indenture requires that certain cash and investments be segregated. The following are accounts included in current and restricted assets at April 30, 2026 and 2025.

	2026	2025
Included in current assets:		
Operation and maintenance	$ 75,209,660	$ 64,396,430
Renewals and replacements	2,339,164	2,363,143
General reserve	16,641,692	14,590,964
Rate stabilization	45,500,000	45,500,000
Decommissioning (board restricted)	2,023,687	-
General cash (not restricted by indenture)	500	500
Total current cash and investments	$ 141,714,703	$ 126,851,037
Included in restricted investment accounts:		
Debt service	$ 20,080,902	$ 20,863,516
Debt service reserve	71,333,659	77,508,171
Total restricted cash and investments	$ 91,414,561	$ 98,371,687

5. Changes in Utility Plant

A summary of changes in utility plant for 2026 follows:

	Balance 5/1/25	Additions/ Reclassifications	Deletions/ Reclassifications	Balance 4/30/26
Utility plant being depreciated				
electric plant :				
Trimble County Unit No. 1	$ 133,175,467	$ (8,515,108)	$ (3,797,502)	$ 120,862,857
Trimble County Unit No. 2	248,036,593	3,969,188	-	252,005,781
Prairie State Unit No. 1	356,938,843	2,024,290	(435,462)	358,527,671
Prairie State Unit No. 2	328,865,102	226,620	(70,792)	329,020,930
Mobile generation	3,216,609	314,820	-	3,531,429
Prairie State, Common	151,682,394	344,290	-	152,026,684
Prairie State, Jordan Grove	1,304,424	-	(46,062)	1,258,362
Prairie State, Nearfield	15,507,222	-	-	15,507,222
Prairie State, Other	7,632,616	-	-	7,632,616
Prairie State, Mine	52,231,393	2,050,368	(296,778)	53,984,983
Prairie State, Coal Reserves	17,372,369	-	-	17,372,369
Land[1]	5,966,369	-	-	5,966,369
Office building	8,812,531	37,859	-	8,850,390
Office furniture and equipment	552,575	-	-	552,575
Supervisory control and data acquisition equipment	2,730,885	57,619	-	2,788,504
Winnetka 138 interconnect	500,000	-	-	500,000
Other equipment	556,864	27,470	(33,448)	550,886
Total utility plant in service	1,335,082,256	537,416	(4,680,044)	1,330,939,628
Construction work in progress[1]	41,080,747	3,649,281	(99,649)	44,630,379
Total utility plant	1,376,163,003	4,186,697	(4,779,693)	1,375,570,007
Less accumulated depreciation				
electric plant:				
Trimble County Unit No. 1	(81,074,589)	909,077	3,797,502	(76,368,010)
Trimble County Unit No. 2	(72,771,400)	(6,664,182)	-	(79,435,582)
Prairie State Unit No. 1	(111,691,938)	(8,931,417)	435,462	(120,187,893)
Prairie State Unit No. 2	(99,840,609)	(8,225,278)	70,792	(107,995,095)
Mobile generation	(2,394,719)	(107,231)	-	(2,501,950)
Prairie State, Common	(47,181,453)	(3,795,129)	-	(50,976,582)
Prairie State, Jordan Grove	(737,194)	-	46,062	(691,132)
Prairie State, Nearfield	(3,421,506)	(387,681)	-	(3,809,187)
Prairie State, Other	(4,792,941)	(381,631)	-	(5,174,572)
Prairie State, Mine	(35,426,931)	(3,576,558)	296,778	(38,706,711)
Prairie State, Coal Reserves	(6,522,873)	(512,520)	-	(7,035,393)
Office building	(4,724,561)	(314,678)	-	(5,039,239)
Office furniture and equipment	(504,426)	(14,518)	-	(518,944)
Supervisory control and data acquisition equipment	(2,589,452)	(51,657)	-	(2,641,109)
Winnetka 138 interconnect	(477,780)	(16,667)	-	(494,447)
Other equipment	(391,370)	(48,702)	19,683	(420,389)
Total accumulated depreciation	(474,543,742)	(32,118,772)	4,666,279	(501,996,235)
Net utility plant	$ 901,619,261			$ 873,573,772

[1] Utility plant that is not being depreciated.

A summary of changes in utility plant for 2025 follows:

	Balance 5/1/24	Additions/ Reclassifications	Deletions/ Reclassifications	Balance 4/30/25
Utility plant being depreciated				
electric plant :				
Trimble County Unit No. 1	$ 133,676,283	$ 748,148	$ (1,248,964)	$ 133,175,467
Trimble County Unit No. 2	245,816,695	2,219,898	-	248,036,593
Prairie State Unit No. 1	356,938,843	-	-	356,938,843
Prairie State Unit No. 2	328,705,858	476,174	(316,930)	328,865,102
Mobile generation	3,214,845	1,764	-	3,216,609
Prairie State, Common	151,521,315	161,079	-	151,682,394
Prairie State, Jordan Grove	1,259,038	55,340	(9,954)	1,304,424
Prairie State, Nearfield	14,402,086	1,105,136	-	15,507,222
Prairie State, Other	7,632,616	-	-	7,632,616
Prairie State, Mine	49,932,862	2,657,820	(359,289)	52,231,393
Prairie State, Coal Reserves	17,372,369	-	-	17,372,369
Land[1]	5,966,369	-	-	5,966,369
Office building	8,762,714	49,817	-	8,812,531
Office furniture and equipment	554,209	-	(1,634)	552,575
Supervisory control and data acquisition equipment	2,683,116	47,769	-	2,730,885
Winnetka 138 interconnect	500,000	-	-	500,000
Other equipment	510,362	120,483	(73,981)	556,864
Total utility plant in service	1,329,449,580	7,643,428	(2,010,752)	1,335,082,256
Construction work in progress[1]	37,891,445	10,547,603	(7,358,301)	41,080,747
Total utility plant	1,367,341,025	18,191,031	(9,369,053)	1,376,163,003
Less accumulated depreciation				
electric plant:				
Trimble County Unit No. 1	(78,628,831)	(3,694,722)	1,248,964	(81,074,589)
Trimble County Unit No. 2	(66,183,967)	(6,587,433)	-	(72,771,400)
Prairie State Unit No. 1	(102,768,467)	(8,923,471)	-	(111,691,938)
Prairie State Unit No. 2	(91,943,848)	(8,213,691)	316,930	(99,840,609)
Mobile generation	(2,287,504)	(107,215)	-	(2,394,719)
Prairie State, Common	(43,390,267)	(3,791,186)	-	(47,181,453)
Prairie State, Jordan Grove	(1,199,894)	-	462,700	(737,194)
Prairie State, Nearfield	(3,049,809)	(371,697)	-	(3,421,506)
Prairie State, Other	(4,411,310)	(381,631)	-	(4,792,941)
Prairie State, Mine	(32,338,805)	(3,447,415)	359,289	(35,426,931)
Prairie State, Coal Reserves	(5,975,904)	(546,969)	-	(6,522,873)
Office building	(4,409,596)	(314,965)	-	(4,724,561)
Office furniture and equipment	(489,261)	(16,799)	1,634	(504,426)
Supervisory control and data acquisition equipment	(2,532,514)	(56,938)	-	(2,589,452)
Winnetka 138 interconnect	(461,113)	(16,667)	-	(477,780)
Other equipment	(407,720)	(48,979)	65,329	(391,370)
Total accumulated depreciation	(440,478,810)	(36,519,778)	2,454,846	(474,543,742)
Net utility plant	$ 926,862,215			$ 901,619,261

[1] Utility plant that is not being depreciated.

6. Long-Term Obligations

IMEA has issued the following revenue bonds:

Date	Purpose	Final Maturity	Interest Rates	Original Issue	Outstanding Amount 4/30/26
July 15, 2009	Debt service and capital improvements *	Feb. 1, 2035	5.33-6.13%	$294,755,000	$65,240,000
Nov. 30, 2010	Debt service and capital improvements *	Feb. 1, 2035	2.47-7.29	140,290,000	27,880,000
April 1, 2015	Refunding 2006 and 2007A bonds	Feb. 1, 2035	4.00-5.00	594,685,000	-
August 6, 2025	Refunding 2009C, 2010A and 2015A bonds	Feb. 1, 2035	5.00	473,245,000	463,335,000

* The 2009C and 2010A revenue bonds are taxable Build America Bonds. IMEA receives a 35% interest subsidy from the federal government for these bonds. During Federal fiscal years 2026 and 2025, the U.S. federal government was subject to the process of sequestration reducing spending amounts for many programs including payments to the issuers of BAB's. A 5.7% reduction in payments for the federal budget year ended September 30, 2026 and 2025, was experienced. The subsidy payment is not taken into account in the debt service displayed below.

The annual debt service and sinking fund requirements of the remaining bonds to maturity are as follows:

Years Ending	Principal	Interest	Total
Years ending April 30:			
2027	$ 50,795,000	$ 29,655,841	$ 80,450,841
2028	53,215,000	26,687,922	79,902,922
2029	55,780,000	23,579,568	79,359,568
2030	58,450,000	20,322,520	78,772,520
2031	61,280,000	16,910,750	78,190,750
2032-2035	276,935,000	35,451,250	312,386,250
Total	$ 556,455,000	$ 152,607,851	$ 709,062,851

Repayment of the bonds is secured by a pledge of IMEA's revenues.

IMEA's outstanding revenue bonds contain event of default provisions with possible finance-related consequences. IMEA's management has evaluated the event of default provisions with possible finance-related consequences and in the opinion of IMEA's management; the likelihood is remote that these provisions will have a significant effect on IMEA's financial position or results of operations.

Committed Line of Credit

On October 29, 2010, IMEA entered into a $25 million Committed Line of Credit agreement (LOC Agreement) with PNC Bank. Under the LOC Agreement, IMEA may draw funds and/or post standby letters of credit. The LOC Agreement was increased to $50 million on September 1, 2012 and expires on October 31, 2027. IMEA had $0 outstanding under the LOC Agreement as of April 30, 2026 and April 30, 2025.

Long-term obligation activity for the year ended April 30, 2026 is as follows:

	Balance 5/1/25	Additions	Reductions	Balance 4/30/26	Due Within One Year
Revenue bonds	$ 643,600,000	$ 473,245,000	$ 560,390,000	$ 556,455,000	$ 50,795,000
Unamortized premium	23,792,717	46,320,976	28,612,183	41,501,510	-
Other liabilities	13,228,891	2,501,174	7,785,655	7,944,410	-
Total	$ 680,621,608	$ 522,067,150	$ 596,787,838	$ 605,900,920	$ 50,795,000

Long-term obligation activity for the year ended April 30, 2025 is as follows:

	Balance 5/1/24	Additions	Reductions	Balance 4/30/25	Due Within One Year
Revenue bonds	$ 693,605,000	$ -	$ 50,005,000	$ 643,600,000	$ 51,725,000
Unamortized premium	28,258,722	-	4,466,005	23,792,717	-
Other liabilities	15,657,903	248,014	2,677,026	13,228,891	-
Total	$ 737,521,625	$ 248,014	$ 57,148,031	$ 680,621,608	$ 51,725,000

7. Accounting for Asset Retirement Obligations

An asset retirement obligation represents a legal obligation associated with the retirement of a tangible, long-lived asset that is incurred upon the acquisition, construction, development or normal operation of that long-lived asset.

The asset retirement obligation includes the closure of ash ponds at the Trimble County plant site and mine closure and mine reclamation at the Prairie State Generating facility. Other asset retirement obligations are not significant to these financial statements. IMEA used estimated cash flows to determine the obligation.

The following table presents the details of IMEA's asset retirement obligations, which are included on the balance sheet in other noncurrent liabilities:

Balance 5/1/25	Liabilities Incurred (Adjustments)	Accretion	Costs Incurred	Balance 4/30/26
$ 12,291,713	$ (9,269,243)	$ 4,001,691	$ (2,296,032)	$ 4,728,129

Balance 5/1/24	Liabilities Incurred (Adjustments)	Accretion	Costs Incurred	Balance 4/30/25
$ 14,881,465	$ (683,642)	$ 741,767	$ (2,647,877)	$ 12,291,713

8. Net Position

GASB No. 34 requires the classification of net position into three components - net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted - This component of net position consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This component of net position consists of net positions that do not meet the definition of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is IMEA's policy to use restricted resources first, then unrestricted resources as they are needed.

The following calculation supports the net investment in capital assets:

	2026	2025
Utility plant in service	$ 1,330,939,628	$ 1,335,082,256
Accumulated depreciation	(501,996,235)	(474,543,742)
Construction work in progress	44,630,379	41,080,747
Subtotal	873,573,772	901,619,261
Less capital-related debt:		
Current portion of capital related long-term debt	50,795,000	51,725,000
Long-term portion of capital related long-term debt	505,660,000	591,875,000
Unamortized loss on advance refunding	(1,150,390)	(12,657,477)
Unamortized premium	41,501,510	23,792,717
Subtotal	596,806,120	654,735,240
Add unspent debt proceeds:		
Debt service reserve from borrowing	71,333,659	77,508,171
Total net investment in capital assets	$ 348,101,311	$ 324,392,192

The following calculation supports the amount of restricted net position:

	2026	2025
Restricted investments	$ 91,414,561	$ 98,371,687
Less restricted assets not funded by revenues:		
Debt service reserve account	(71,333,659)	(77,508,171)
Current liabilities payable from restricted assets	(7,291,077)	(8,818,185)
Subtotal	(78,624,736)	(86,326,356)
Total restricted net position as calculated	$ 12,789,825	$ 12,045,331

9. Regulatory Items

IMEA has chosen to use the application of GASB No. 62 to recover certain costs in customer rates in future periods. Regulatory costs for future recovery include unamortized debt issuance costs; unrealized loss (gain) on investments represents the difference between an investment's cost and the current fair value of the asset. The residual value of the impaired assets are reported in IMEA capital assets. The following summarizes activity for regulatory items:

	Balance 5/1/25	Additions	Reductions	Balance 4/30/26
Regulatory costs for future recovery	$ 1,214,975	$ 2,646,679	$ 1,220,090	$ 2,641,564
Unrealized (gain)/loss on investments	(776,792)	1,198,927	-	422,135
Total	$ 438,183	$ 3,845,606	$ 1,220,090	$ 3,063,699

	Balance 5/1/24	Additions	Reductions	Balance 4/30/25
Regulatory costs for future recovery	$ 1,443,722	$ -	$ 228,747	$ 1,214,975
Unrealized (gain)/loss on investments	1,522,305	-	2,299,097	(776,792)
Total	$ 2,966,027	$ -	$ 2,527,844	$ 438,183

10. Employee Retirement Plan

IMEA's employees are covered by the Illinois Municipal Electric Agency Pension Plan, a defined contribution pension plan with a 5-year vesting schedule. Benefit provisions and all other requirements are established by the board of IMEA. IMEA contributes 25% of eligible employee earnings on behalf of each employee. Employees that terminate service prior to being fully vested, forfeit the unvested portion of their account balance, which is applied to future contributions to the plan. Total pension expense was equal to total contributions to the plan made by IMEA, net of applied forfeitures. For the years ended April 30, 2026 and 2025 total contributions were $1,211,000 and $1,200,000, respectively.

11. Contracts and Commitments

IMEA has long-term and short-term contracts and commitments with various wholesale power suppliers to supply energy, capacity and transmission services to its members. These contracts vary in length and have flexible terms and cancellation provisions. These contracts may be material to the financial statements.

In the normal course of business, IMEA may be involved in various disputes with other parties. While management cannot predict the ultimate outcome of these disputes, total exposure is not material to IMEA's financial position or results of operation.

12. Illinois Senate Bill (SB) 2408

In 2021, Illinois passed SB 2408, the Climate and Equitable Jobs Act (CEJA). The CEJA requires a 45% reduction in existing publicly owned Illinois power plant carbon dioxide emissions by January 1, 2035. If such reduction is not met by December 31, 2035, then the plant must retire one or more units or otherwise reduce carbon dioxide emissions by 45% by June 30, 2038. The CEJA further requires all publicly owned coal-fired generating units to permanently reduce carbon dioxide emission to 0 by December 31, 2045.

The CEJA does, however, provide that if the reduction of output from or the closing of any plant creates a power grid supply or reliability shortfall in the State of Illinois the plant can continue to operate until the reliability can otherwise be addressed. In the past, Illinois has been a net capacity importer. With the announced and required retirements, there is potential that Illinois will need to import more capacity into the future.

The CEJA has a limited future impact on IMEA's ownership share of the Prairie State Generating Company, LLC (PSGC or Prairie State). The CEJA will not adversely affect IMEA's ability to pay bondholders due to all bonds maturing on February 1, 2035 or to reliably provide members with their power supply requirements. IMEA and the other owners of Prairie State have and continue to develop plans to manage the potential impacts of the CEJA. Potential impacts cannot be gauged with certainty at this time.

13. Sierra Club Lawsuit

IMEA holds a 15.17% undivided ownership interest in the Prairie State Energy Campus (PSEC) which is operated through the Prairie State Generating Company (PSGC). On October 20, 2022, the PSGC received a Notice of Intent (NOI) to file suit from the Sierra Club (SC) alleging violations of the Federal Clean Air Act. The NOI to PSGC allowed SC to file suit on or after December 19, 2022. On March 22, 2023, the SC filed a suit against PSGC. The SC alleges that PSEC is in violation of the Federal Clean Air Act because it does not have a Title V permit from the Illinois Environmental Protection Agency (IEPA). PSEC, however, does have and is believed to be operating legally under its Prevention of Significant Deterioration (PSD) permit from the IEPA. On April 16, 2025, Sierra Club and Prairie State filed a joint Stipulation of Dismissal with Prejudice. The U.S. District Court for Southern Illinois accepted the joint stipulation. Stipulation of dismissal is effective immediately upon filing and does not require judicial approval.

14. Emission Regulations

On May 9, 2024, the U.S. Environmental Protection Agency (USEPA) issued rules governing greenhouse gas emissions, effluent limitations from coal-fired power plants and ozone standards. These rules are facing many legal challenges, also numerous motions to stay the new rules have been filed. If these new rules survive legal challenge, then they may have an impact on IMEA's generation sources. IMEA continues to monitor these proceedings and will take appropriate action concerning the rules, as necessary.

15. Significant Customers

IMEA has two significant customers who were responsible for 47% and 48% of operating revenue in 2026 and 2025, respectively.

16. Risk Management

IMEA is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, workers compensation and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

bakertilly

Reporting and insights from the 2026 audit:

Illinois Municipal Electric Agency

Springfield, Illinois

April 30, 2026

Executive summary

July 24, 2026

Board of Directors
Illinois Municipal Electric Agency
3400 Conifer Drive
Springfield, IL 62711

We have completed our audit of the financial statements of Illinois Municipal Electric Agency (IMEA) for the year ended April 30, 2026 and have issued our report thereon dated July 24, 2026. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your IMEA's operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

Additionally, we have included information on key risk areas IMEA should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

- Jodi Dobson, Principal: jodi.dobson@bakertilly.com or +1 (608) 240 2469
- Jalissa Pier, Senior Manager: jalissa.pier@bakertilly.com or +1 (608) 240 2601

Sincerely,

Baker Tilly US, LLP

Jodi L. Dobson

Jodi Dobson, CPA, Principal

Jalissa Pier

Jalissa Pier, CPA, Senior Manager

Responsibilities

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of IMEA's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of the Board of Directors:
  - Are free from material misstatement
  - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Our audit does not relieve management or the Board of Directors of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of the Board of Directors, including:

- Internal control matters
- Qualitative aspects of IMEA's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

Audit status

Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.

Audit approach and results

Planned scope and timing

Audit focus

Based on our understanding of IMEA and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates
- Implementation of new accounting standards

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about IMEA's current year results.

Key areas of focus and significant findings

Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditor's professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion
Improper revenue recognition due to fraud	Confirmation or validation of certain revenues supplemented with detailed predictive analytics based on nonfinancial data and substantive testing of related receivables	Procedures identified provided sufficient evidence for our audit opinion

Other areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk but were determined to require specific awareness and a unique audit response.

Other areas of emphasis		
Cash and investments	Revenues and receivables	General disbursements
Payroll	Asset retirement obligations	Long-term debt
Capital assets including infrastructure	Net position calculations	Financial reporting and required disclosures
Regulatory assets and liabilities		

Internal control matters

We considered IMEA's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of IMEA's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

Required communications

Qualitative aspect of accounting practices

- Accounting policies: Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by IMEA are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing accounting policies was not changed during 2026. We noted no transactions entered into by IMEA during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.

- Accounting estimates: Accounting estimates, including fair value estimates, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness
Asset retirement obligation	Evaluation of information provided by Prairie State and Trimble County for IMEA's proportionate share of their Facilities and internal estimates from subject matter experts for other AROs	Reasonable in relation to the financial statements as a whole

  There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates noted above.

- Financial statement disclosures: The disclosures in the financial statements are neutral, consistent and clear.

Significant unusual transactions

There have been no significant transactions that are outside the normal course of business for IMEA or that otherwise appear to be unusual due to their timing, size or nature.

Significant difficulties encountered during the audit

We encountered no significant difficulties in dealing with management and completing our audit.

Disagreements with management

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Audit report

There have been no departures from the auditors' standard report.

Audit consultations outside the engagement team

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

Uncorrected misstatements and corrected misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial and communicate them to the appropriate level of management. There were no misstatements identified.

Other audit findings or issues

We encountered no other audit findings or issues that require communication at this time.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as IMEA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Management's consultations with other accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that and, to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Written communications between management and Baker Tilly

The attachments include copies of other material written communications, including a copy of the management representation letter.

Compliance with laws and regulations

We did not identify any noncompliance with laws and regulations during our audit.

Fraud

We did not identify any known or suspected fraud during our audit.

Going concern

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of IMEA's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the financial statements, including the effects on the financial statements and the adequacy of the related disclosures and the effects on the auditor's report. No such matters or conditions have come to our attention during our engagement.

Independence

We are not aware of any relationships between Baker Tilly and IMEA that, in our professional judgment, may reasonably be thought to bear on our independence.

Related parties

We did not have any significant findings or issues arise during the audit in connection with IMEA's related parties.

Other matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Nonattest services

The following nonattest services were provided by Baker Tilly:

- Financial statement preparation assistance

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

**Nonattest services are provided by Baker Tilly Advisory Group, LP.*

Audit committee resources

Our business is to know every aspect of yours and to maintain a constant lookout for what's next. We invite you to learn about some of the trending challenges and opportunities for public sector organizations like yours and how Baker Tilly can help.

To explore more trending topics and regulatory updates, visit our resource page at https://www.bakertilly.com/insights/audit-committee-resource-page.

Capital project oversight

Public sector capital projects face increasing pressure from cost escalation, supply chain disruption, regulatory complexity and heightened scrutiny around transparency and accountability. Strong planning, governance and controls are critical across the full project life cycle, from feasibility and funding strategy through execution and closeout.

Independent oversight helps chart a clear course from planning to delivery. Our teams work alongside leadership to strengthen governance, establish financial and contractual controls, align funding with project goals and monitor performance throughout execution, helping projects stay on schedule, within budget and aligned with community priorities.

Succession planning

An aging workforce, rising retirement rates and competition for specialized talent make succession planning a fiscal and operational a priority for public sector organizations.

By identifying critical roles, assessing workforce risk, building internal talent pipelines and integrating succession planning with broader workforce strategies, Baker Tilly helps organizations preserve institutional knowledge and maintain continuity, today and into the future.

Economic development

Successful economic development depends on disciplined planning, sound financial analysis and coordinated execution. Public sector leaders must balance incentives, infrastructure investment, funding opportunities and stakeholder priorities while maintaining fiscal responsibility.

Baker Tilly's supports local governments with strategic and financial planning, incentive structuring and negotiation, tax increment financing administration, project financing, grant strategy and economic and fiscal impact analysis. This integrated approach helps leaders move from vision to action, strengthening communities and advancing sustainable, long-term growth.

Management representation letter

Illinois Municipal Electric Agency
3400 Conifer Drive, Springfield, IL 62711
217-789-4632 / Fax 217-789-4642

July 24, 2026

Baker Tilly US, LLP
4807 Innovate Ln
P.O. Box 7398
Madison, WI 53707-7398

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the financial statements of the Illinois Municipal Electric Agency as of April 30, 2026 and 2025 and for the years then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the Illinois Municipal Electric Agency and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America (GAAP). We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 7, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.

2) The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all properly classified funds and other financial information of the utility required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.

3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) Significant assumptions we used in making accounting estimates, including those measured at fair value, if any, are reasonable in accordance with U.S. GAAP.

6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of accounting principles generally accepted in the United States of America.

7) All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

8) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

9) There are no known or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.

10) Guarantees, whether written or oral, under which the Agency is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11) We have provided you with:

    a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.

    b) Additional information that you have requested from us for the purpose of the audit.

    c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

    d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

12) We have disclosed to you results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

13) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:

    a) Management,

    b) Employees who have significant roles in internal control, or

    c) Others where the fraud could have a material effect on the financial statements.

14) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.

15) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

16) We have disclosed to you the names of our related parties and all the related party relationships and transactions, including side agreements, of which we are aware.

Other

17) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

18) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that you have reported to us.

19) We have a process to track the status of audit findings and recommendations.

20) We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

21) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for our report.

22) The Agency has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, or net position.

23) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

24) There are no:

    a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.

    b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.

    c) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.

    d) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.

25) We have made all management decisions and performed all management functions in relation to the nonattest services provided by Baker Tilly US, LLP or Baker Tilly Advisory Group, LP, as identified in the engagement letter or an addendum to the engagement letter. We have designated Chris Wise, VP and CFO, an employee with suitable skill, knowledge, and/or experience to oversee the services received. Furthermore, we have established and maintained internal controls, including monitoring activities related to the nonattest services provided by Baker Tilly US, LLP or Baker Tilly Advisory Group, LP, and we have evaluated and accept responsibility for the adequacy and results of the nonattest services received.

The nonattest services provided by Baker Tilly US, LLP or Baker Tilly Advisory Group, LP, are listed below

a) Financial statement preparation assistance

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

26) The Illinois Municipal Electric Agency has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

27) The Illinois Municipal Electric Agency has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.

28) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if any.

29) The financial statements properly classify all funds and activities.

30) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.

31) The Illinois Municipal Electric Agency has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.

32) Provisions for uncollectible receivables, if any, have been properly identified and recorded.

33) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).

34) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.

35) The operations and rate setting process meet the condition for application of accounting for regulated operations as outlined in GASB No. 62. All regulatory items included in the financial statements have been approved and are being accounted for in accordance with specific action taken by the regulatory body and as such the expectation of future recovery or refund is reasonable.

36) We have accounted for asset retirement obligations where we are a minority owner in accordance with FASB ASC 410, *Asset Retirement and Environmental Obligations* as allowed by GASB No. 83. All legal obligations, including those under the doctrine of promissory estoppels, associated with the retirement of tangible long-lived assets have been recognized. These obligations were recognized when incurred using management's best estimate of fair value. We believe the liability as presented is reasonable and fairly stated.

37) We have appropriately disclosed the Illinois Municipal Electric Agency's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy.

38) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

39) We assume responsibility for, and agree with, the findings of specialists in evaluating the arbitrage rebate calculations and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.

40) The auditing standards define an annual report as "a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity's operations and the financial results and financial position as set out in the financial statements." Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditors' report thereon. Our annual report is comprised of audited financial statements, comparative financial information and updates to members. We will provide you with the final version of the annual report once available, and prior to distribution to our stakeholders, such that you may complete your required procedures.

41) The Illinois Municipal Electric Agency is not aware of any subsequent events related to Prairie State Generating Company or the Trimble County Generating Facility that would affect the Agency's financial statements.

42) We have reviewed existing contracts and determined there are no items requiring accounting or reporting as leases.

43) We have reviewed existing contracts and determined there are no items requiring accounting or reporting as subscription-based information technology arrangements.

44) We have evaluated our ongoing operations and determined there are no concentrations or constraints meeting the requirements for disclosure under GASB Statement No. 102.

Sincerely,

Illinois Municipal Electric Agency

Signed: Christopher L. Wise, CFO

Signed: [signature], CEO

Client service team

Jodi Dobson, CPA
Principal

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Accounting changes relevant to Illinois Municipal Electric Agency

Future accounting standards update

GASB statement number	Description	Potentially impacts you	Effective date
103	Financial reporting model improvements	✓	4/30/26
104	Disclosure of certain capital assets	✓	4/30/26
105	Subsequent events	✓	4/30/27

Further information on upcoming GASB pronouncements.

Changes to the financial reporting model

GASB Statement 103, *Financial Reporting Model Improvements*, builds on Statement 34 by providing key targeted improvements to the financial reporting model. Its requirements are designed to:

- Enhance the effectiveness of governmental financial reports in providing information essential for decision making and assessing a government's accountability; and
- Address certain application issues.

The targeted improvements contained in Statement 103 establish or modify existing accounting and financial reporting requirements related to:

- Management's discussion and analysis: While the overall requirements do not substantially change management's discussion and analysis, the modifications are meant to improve the analysis included in this section and provide details about the items that should be discussed as currently known facts, decisions or conditions expected to have a significant financial effect in the subsequent period.

- Unusual or infrequent items (previously known as extraordinary and special items): The new statement simplifies GASB literature by eliminating the separate presentation of extraordinary and special items. Under the requirement of Statement 103, applicable items will either be identified as unusual or infrequent or both.

- Presentation of the proprietary fund statement of revenues, expenses and changes in fund net position: The changes are designed to improve consistency around the classification of items in these statements by better defining what should be included in operating revenues and expenses and nonoperating revenues and expenses including, for example, the addition of subsidies received or provided as a new category of nonoperating revenues and expenses.

- Major component unit information and budgetary comparison information: Statement 103 is designed to improve the consistency of the reporting of major component unit information and budgetary comparison information by specifying required placement of that information.

Revisions to disclosures for certain capital assets

Governments are required to provide information on capital assets in the footnotes to the financial statements as outlined in GASB Statement No. 34. Recent standards have impacted the accounting and reporting for capital assets and as a result GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* to provide enhanced disclosures for certain capital assets, including

(a) Lease assets reported under Statement No. 87, intangible right-to-use assets reported under Statement No. 94 and subscription assets reported under Statement No. 96 should all be disclosed separately and by major class of underlying asset. In addition, if there are any other intangible assets reported, they should also be disclosed separately.

(b) Capital assets that are held for sale should have the ending balance with separate disclosure for historical cost and related accumulated depreciation as well as any outstanding debt for which the asset is pledged as collateral disclosed by major class of asset. Assets held for sale are defined as those for which the government has decided to pursue the sale and it is probable that the sale will be finalized within one year of the financial statement date.

While these changes are focused on footnote disclosures, it is important to plan ahead to ensure the required information is available for implementation.

Updated guidance for the financial reporting of subsequent events

GASB Statement No. 105, *Subsequent Events, which supersedes GASB Statement No. 56*, is intended to enhance consistency in the application of requirements for subsequent events.

The Statement defines subsequent events as transactions or other events that occur after year end but before the date the financial statements are available to be issued. The date the financial statements are available to be issued is the date at which (a) the financial statements are complete in a form and format that complies with generally accepted accounting principles (GAAP) and (b) approvals necessary for issuance have been obtained or typically the opinion date. The definition of subsequent events in this Statement modifies the subsequent events time frame throughout the GASB literature.

The Statement also clarifies:

- The different types of subsequent events (recognized and nonrecognized events)
- When note disclosures are required
- The information that should be included in those note disclosures

Two-way audit communications

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.

b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:

    - Identify types of potential misstatements
    - Consider factors that affect the risks of material misstatement
    - Design tests of controls, when applicable and substantive procedures

c. We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs.

d. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America.

a. In connection with our audit, we intend to place reliance on the audit of the financial statements of Prairie State Generation Company, LLC, a power supply partner of IMEA, as of December 31, 2025 and for the year then ended completed by Forvis, LLP. All necessary conditions have been met to allow us to make reference to the component auditors.

b. In connection with our audit, we have requested that Forvis, LLP perform work on the financial information of Prairie State Generation Company, LLC, a power supply partner of IMEA, as of December 31, 2025 and for the year then ended. We intend to evaluate and, if considered necessary, use the work of Forvis, LLP for our audit of the group financial statements of IMEA and we may consider it necessary to be further involved in their work.

We are very interested in your views regarding certain matters. Those matters are listed here:

a. We typically will communicate with your top level of management unless you tell us otherwise.

b. We understand that the governing board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.

c. We need to know your views about your organization's objectives and strategies and the related business risks that may result in material misstatements.

d. We anticipate that IMEA will receive an unmodified opinion on its financial statements.

e. Which matters do you consider warrant particular attention during the audit and are there any areas where you request additional procedures to be undertaken?

f. Have you had any significant communications with regulators or grantor agencies?

g. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness and actions of the governing body concerning:

a. The entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?

b. The detection or the possibility of fraud?

We also need to know if you have taken action in response to developments in financial reporting, laws, accounting standards, governance practices or other related matters or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of April-May and sometimes early in June. Our final financial fieldwork is scheduled during June to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means or wish to provide other feedback. We welcome the opportunity to hear from you.

IMEA

Financial Statements as of May 31, 2026

Illinois Municipal Electric Agency

TABLE OF CONTENTS

Unaudited Financial Statements as of May 31, 2026

Illinois Municipal Electric Agency

STATEMENT OF NET POSITION

	May 31, 2026	May 31, 2025
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
UTILITY PLANT IN SERVICE		
Prairie State	$945,939,578.23	$936,957,525.58
Trimble County Units 1 & 2	373,316,295.74	381,289,126.13
Mobile Generation Equipment	3,531,429.10	3,216,609.02
Winnetka 138 Interconnect	500,000.00	500,000.00
Other Property and Equipment	13,442,786.41	13,344,055.57
Total Utility Plant in Services (at cost)	1,336,730,089.48	1,335,307,316.30
Less: Accumulated Depreciation	(504,083,003.78)	(477,424,012.62)
Net Utility Plant in Service	832,647,085.70	857,883,303.68
CONSTRUCTION WORK IN PROGRESS		
Prairie State	1,423,530.48	7,425,899.12
Trimble County Station	38,924,226.06	34,411,127.22
Transmission Project Development	6,599.25	0.00
Net Construction Work in Progress	40,354,355.79	41,837,026.34
RESTRICTED ASSETS	97,760,726.83	104,937,362.31
CURRENT ASSETS		
Cash	95,949,986.61	83,923,389.62
Short-term Investments	40,827,646.93	39,832,505.25
Decommissioning Fund	2,211,162.37	0.00
Accounts Receivable	25,914,680.92	25,844,558.86
Renewable Energy Credits	1,336,428.13	479,564.88
Collateral Held for Others	543,917.83	535,237.98
Prepayments	31,535,346.18	32,867,869.81
Total Current Assets	198,319,168.97	183,483,126.40
OTHER ASSETS		
Unamortized Debt Expense	2,596,861.23	1,196,962.56
Prairie State-Other LT Assets	2,965,553.27	1,521,910.39
Change in Market Value of Investments	929,904.09	46,462.13
Other Deferred Assets	0.00	0.00
Total Other Assets	6,492,318.59	2,765,335.08
DEFERRED OUTFLOWS OF RESOURCES		
Total Deferred Outflows of Resources	1,133,336.46	12,470,359.20
TOTAL ASSETS	$1,176,706,992.34	$1,203,376,513.01

Illinois Municipal Electric Agency

STATEMENT OF NET POSITION

	May 31, 2026	May 31, 2025
NET POSITION	$544,847,954.74	$494,913,830.29
NON-CURRENT LIABILITIES		
Revenue Bonds (excludes current maturities)	505,660,000.00	591,875,000.00
Unamortized Premium	40,886,290.62	23,440,985.77
Other Long-term Debt-PNC LOC	0.00	0.00
Other Liabilities	8,596,800.72	14,586,376.21
Other Deferred Liabilities	0.00	0.00
Total Non-Current Liabilities	555,143,091.34	629,902,361.98
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses		
Accounts Payable		
Purchased Power	8,051,954.08	7,579,614.13
Jointly-owned facilities	7,282,754.57	7,203,392.83
Other	42,013.32	96,674.23
Collateral Due to Others	544,566.06	536,051.83
Other Current Liabilities	168,992.62	470,099.12
Total Accounts Payable and Accrued Expenses	16,090,280.65	14,945,633.90
Current Liabilities Payable from Restricted Assets		
Current Maturities of Revenue Bonds	50,795,000.00	51,725,000.00
Interest Accrued	9,830,665.61	11,889,686.84
Total Current Liabilities	76,715,946.26	78,560,320.74
Total Liabilties	631,859,037.60	708,462,682.72
TOTAL NET POSITION AND LIABILITIES	$1,176,706,992.34	$1,203,376,513.01

Illinois Municipal Electric Agency

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

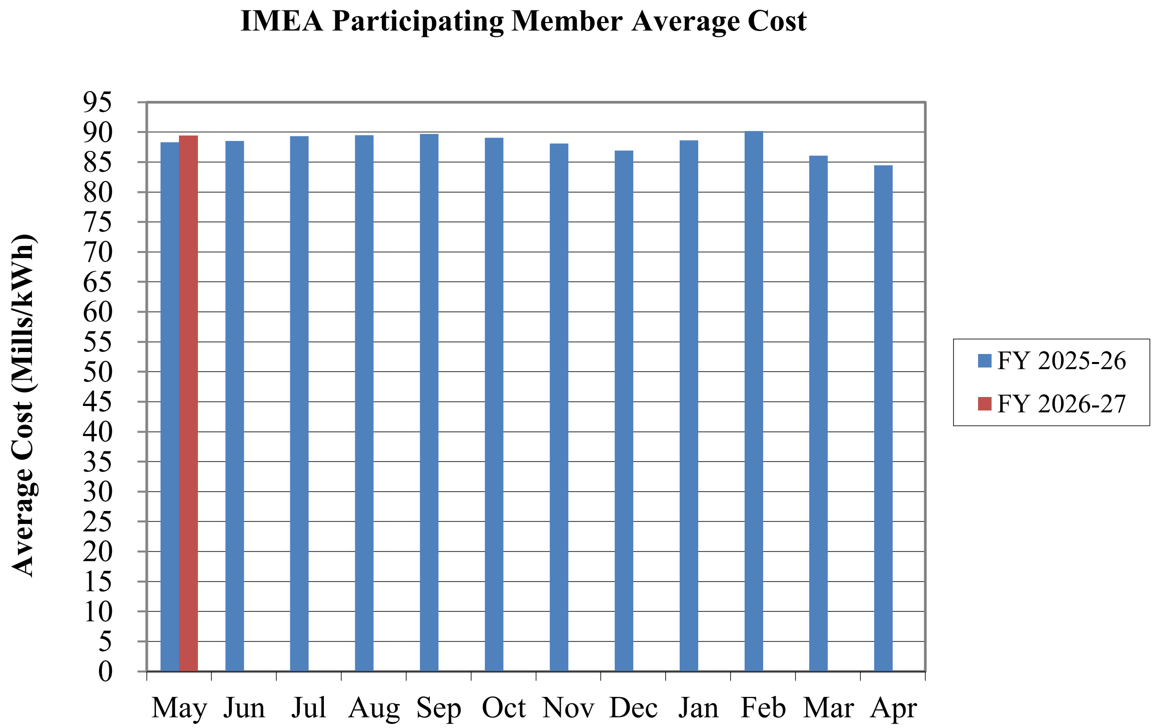
	One Month Ended May 31, 2026	One Month(s) Ended May 31, 2026	One Month(s) Ended May 31, 2025
OPERATING REVENUES			
Sales to Members	$25,397,090.50	$25,397,090.50	$24,375,719.71
Other Electric Revenue	0.00	0.00	0.00
Other income	(314,733.87)	(314,733.87)	(131,827.31)
Total Operating Revenues	25,082,356.63	25,082,356.63	24,243,892.40
OPERATING EXPENSES			
Purchased power	3,873,202.66	3,873,202.66	3,627,331.05
Transmission	4,954,118.48	4,954,118.48	5,482,004.00
Trimble County Units 1 & 2:			
Fuel	822,564.26	822,564.26	830,952.75
Operations and Maintenance	911,547.38	911,547.38	860,154.01
Prairie State Generating Company:			
Fuel	2,086,226.48	2,086,226.48	2,082,093.67
Operations and Maintenance	2,143,978.02	2,143,978.02	2,326,832.07
Member Payments:			
Fuel Reimbursements	42,013.28	42,013.28	76,883.92
Capacity Payments	897,140.80	897,140.80	779,649.00
Generation Payments	0.00	0.00	0.00
Other Utility Operations	182,577.61	182,577.61	117,814.41
Administration and General	921,652.55	921,652.55	822,097.79
Depreciation & Depletion Expense	2,474,996.72	2,474,996.72	2,931,623.84
Total Operating Expenses	19,310,018.24	19,310,018.24	19,937,436.51
Operating Income	5,772,338.39	5,772,338.39	4,306,455.89
NON-OPERATING REVENUE (EXPENSES)			
Interest Income	693,263.95	693,263.95	749,087.59
Interest Expense on Revenue Bonds	(2,539,588.62)	(2,539,588.62)	(3,071,502.43)
Interest Expense on PNC LOC	0.00	0.00	0.00
Federal BABS Revenue	194,493.48	194,493.48	535,142.44
Amortization Expense	553,463.77	553,463.77	146,602.28
Other Revenue	0.00	0.00	(264.00)
Total Non-Operating Expenses	(1,098,367.42)	(1,098,367.42)	(1,640,934.12)
CHANGE IN NET POSITION	4,673,970.97	4,673,970.97	2,665,521.77
Net Position - Beginning of Period	540,173,983.77	540,173,983.77	492,248,308.52
NET POSITION - END OF PERIOD	$544,847,954.74	$544,847,954.74	$494,913,830.29

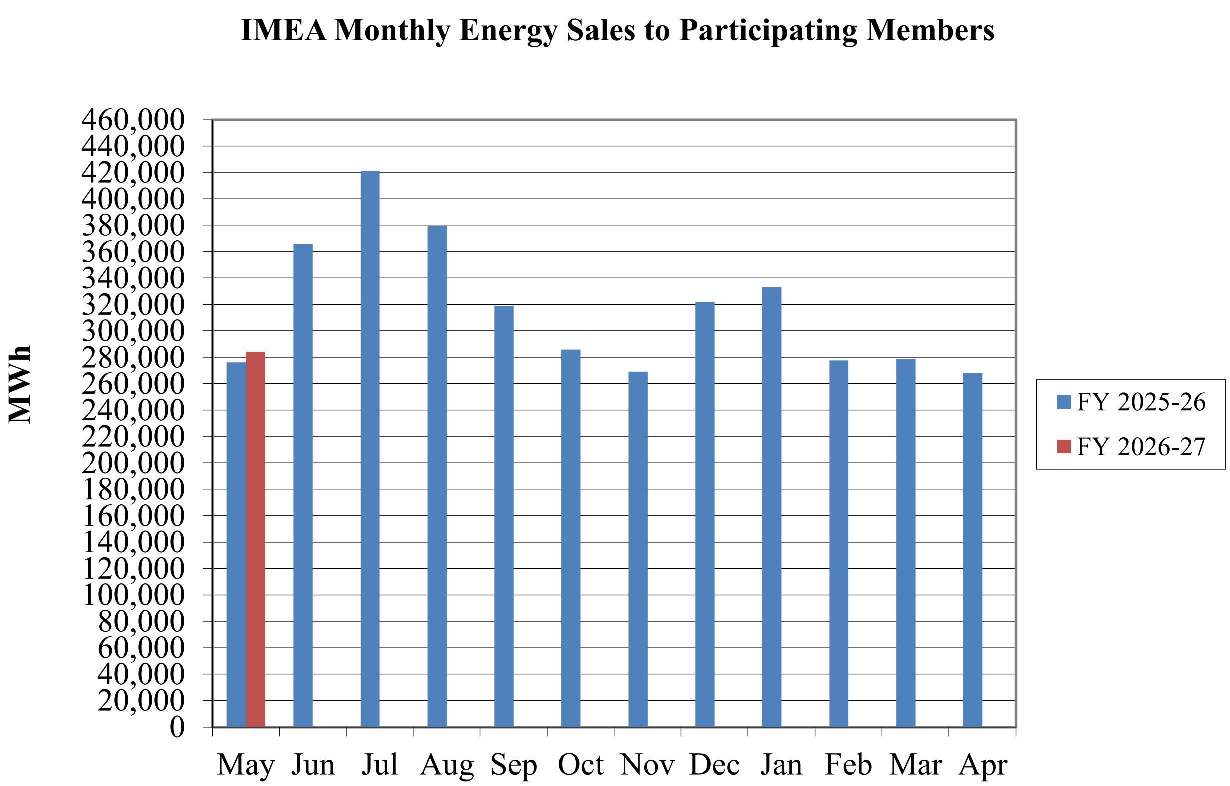
Illinois Municipal Electric Agency

STATEMENT OF CASH FLOW

	One Month Ended May 31, 2026	One Month(s) Ended May 31, 2026	One Month(s) Ended May 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Received from power sales	$22,522,815	$22,522,815	$20,737,578
Received from sale of RECs	765,500	765,500	2,009,500
Paid to suppliers for purchased power and transmission	(9,514,772)	(9,514,772)	(9,286,670)
Paid to suppliers and employees for other services	(7,773,656)	(7,773,656)	(9,048,933)
Cash Flows from Operating Activities	5,999,888	5,999,888	4,411,475
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Debt principal paid	$0	$0	$0
Interest paid	0	0	0
BABS Payment from Federal Government	0	0	0
State Grant Received(Paid)	0	0	0
Acquisition and construction of capital assets	(2,565,122)	(2,565,122)	(866,777)
Preliminary engineering and survey charges	0	0	0
Proceeds from issuance of debt	0	0	0
Payment/Proceeds from PNC LOC	0	0	0
Premium received on debt issuance	0	0	0
Payment of Bond Issuance Costs	0	0	0
Funds Used in Refunding	0	0	0
Loss on refunding	0	0	0
Payment of ARO Liability	0	0	0
Payment of Arbitrage Rebate Liability	0	0	0
Cash Flows from Capital and Related Financing Activities	(2,565,122)	(2,565,122)	(866,777)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	693,264	$693,264	749,088
Payments to Members for Capital Costs	0	0	0
Purchase of long term investment	(6,664,658)	(6,664,658)	(6,902,071)
Maturity of long term investment	0	0	0
Cash Flows from Investing Activities	(5,971,394)	(5,971,394)	(6,152,983)
Net Change in Cash and Cash Equivalents	(2,536,629)	(2,536,629)	(2,608,285)
Cash and Cash Equivalents - Beginning of Period	101,848,252	101,848,252	88,515,352
CASH AND CASH EQUIVALENTS - END OF PERIOD	$99,311,623	$99,311,623	$85,907,067
RECONCILE CASH AND CASH EQUIVALENTS TO THE BALANCE SHEET			
Restricted investments		$97,760,727	$104,937,362
Cash		95,949,987	83,923,390
Short-term investments		40,827,647	39,832,505
Decommissioning Fund		2,211,162	0
Total Cash and Investments		236,749,523	228,693,257
Less: Long-term investments		(137,437,900)	(142,786,190)
TOTAL CASH AND CASH EQUIVALENTS		$99,311,623	$85,907,067
RECONCILE OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income	$5,772,338	$5,772,338	$4,306,456
Noncash Items Included in Operating Income:			
Depreciation and Depletion	2,474,997	2,474,997	2,931,624
Other non-cash transactions	0	0	0
Changes in Current Assets and Liabilities:			
Accounts receivable	(1,935,121)	(1,935,121)	(2,781,609)
Renewable Energy Credits	765,500	765,500	2,009,500
Prepayments	712,860	712,860	(441,509)
Accounts payable:			
Purchased power	(687,451)	(687,451)	(177,335)
Jointly owned facilities	(1,472,155)	(1,472,155)	(1,345,935)
Other	335,527	335,527	(121,826)
Change in Regulatory Asset/Liability	0	0	0
Other current liabilities	33,393	33,393	32,109
NET CASH FLOWS FROM OPERATING ACTIVITIES	$5,999,888	$5,999,888	$4,411,475

Illinois Municipal Electric Agency





Illinois Municipal Electric Agency

SCHEDULE OF POWER SALES

	One Month Ended May 31, 2026	One Month Ended May 31, 2025	One Month(s) Ended May 31, 2026	One Month(s) Ended May 31, 2025
POWER SALES				
Altamont	$158,216.32	$157,505.27	$158,216.32	$157,505.27
Bethany	51,484.72	50,570.38	51,484.72	50,570.38
Breese	369,249.33	349,583.44	369,249.33	349,583.44
Bushnell	190,498.65	192,974.42	190,498.65	192,974.42
Cairo	245,741.78	341,792.71	245,741.78	341,792.71
Carlyle	231,466.55	213,317.17	231,466.55	213,317.17
Carmi	363,126.96	336,189.26	363,126.96	336,189.26
Casey	179,988.63	178,948.24	179,988.63	178,948.24
Chatham	631,927.85	587,691.05	631,927.85	587,691.05
Fairfield	370,890.13	350,762.61	370,890.13	350,762.61
Farmer City	112,290.82	110,531.26	112,290.82	110,531.26
Flora	768,959.22	724,683.92	768,959.22	724,683.92
Freeburg	276,852.84	255,994.21	276,852.84	255,994.21
Greenup	119,400.40	115,147.62	119,400.40	115,147.62
Highland	848,018.06	757,267.96	848,018.06	757,267.96
Ladd	77,333.08	69,828.21	77,333.08	69,828.21
Marshall	388,119.90	371,299.92	388,119.90	371,299.92
Mascoutah	485,272.91	459,038.65	485,272.91	459,038.65
Metropolis	520,492.61	457,052.33	520,492.61	457,052.33
Naperville	8,751,517.80	8,656,822.81	8,751,517.80	8,656,822.81
Oglesby	417,158.07	383,704.85	417,158.07	383,704.85
Peru	1,541,132.56	1,513,268.78	1,541,132.56	1,513,268.78
Princeton	685,318.20	640,772.75	685,318.20	640,772.75
Rantoul	1,191,628.61	1,073,945.02	1,191,628.61	1,073,945.02
Red Bud	318,228.40	302,231.86	318,228.40	302,231.86
Riverton	213,522.98	203,262.56	213,522.98	203,262.56
Rock Falls	493,631.13	457,467.51	493,631.13	457,467.51
Roodhouse	76,035.95	70,047.55	76,035.95	70,047.55
St. Charles	3,432,076.39	3,241,814.40	3,432,076.39	3,241,814.40
Sullivan	442,901.23	423,159.54	442,901.23	423,159.54
Waterloo	650,383.52	577,134.64	650,383.52	577,134.64
Winnetka	794,224.90	751,908.81	794,224.90	751,908.81
Total Power Sales to Participating Members	$25,397,090.50	$24,375,719.71	$25,397,090.50	$24,375,719.71
kWh Sales to Participating Members	284,139,269	276,006,021	284,139,269	276,006,021
Participating Member Average Cost (Mills/kWh)	$89.38	$88.32	$89.38	$88.32

Illinois Municipal Electric Agency

SCHEDULE OF OPERATING EXPENSES

	One Month Ended May 31, 2026	One Month(s) Ended May 31, 2026	Budget Year Ended April 30, 2027	Percent of Budget Expended as of May 31, 2026
PURCHASED POWER				
FPL Wind	$1,447,196.12	$1,447,196.12	$17,791,000.00	8.13%
Big River Solar	207,540.72	207,540.72	2,096,000.00	9.90%
Bee Hollow Solar	0.00	0.00	7,190,000.00	0.00%
Green River	310,428.14	310,428.14	4,058,000.00	7.65%
Constellation	85,000.00	85,000.00	85,000.00	100.00%
Louisville Gas and Electric	0.00	0.00	5,000.00	0.00%
PJM	(2,694,860.60)	(2,694,860.60)	(67,695,000.00)	3.98%
Midwest ISO	4,247,199.26	4,247,199.26	92,229,000.00	4.61%
Other Suppliers	270,699.02	270,699.02	9,538,000.00	2.84%
Total Purchased Power	3,873,202.66	3,873,202.66	65,297,000.00	5.93%
TRANSMISSION				
Ameren through MISO	2,188,549.69	2,188,549.69	34,445,000.00	6.35%
PJM	2,169,213.20	2,169,213.20	36,628,000.00	5.92%
Midwest ISO	593,295.00	593,295.00	4,725,000.00	12.56%
Other Suppliers	3,060.59	3,060.59	48,000.00	6.38%
Total Transmission	4,954,118.48	4,954,118.48	75,846,000.00	6.53%
TRIMBLE COUNTY AND PRAIRIE STATE				
Fuel-Trimble County	798,952.33	798,952.33	23,092,000.00	3.46%
Scrubber reactant-Trimble County	23,611.93	23,611.93	687,000.00	3.44%
Fuel-Prairie State	2,086,226.48	2,086,226.48	27,338,000.00	7.63%
Total Fuel-Trimble County and Prairie State	2,908,790.74	2,908,790.74	51,117,000.00	5.69%
Operations and maintenance:				
Operations and Maintenance expenses-Trimble County	911,547.38	911,547.38	11,066,000.00	8.24%
Operations and Maintenance expenses-Prairie State	2,143,978.02	2,143,978.02	28,946,000.00	7.41%
Total O&M-Trimble County and Prairie State	3,055,525.40	3,055,525.40	40,012,000.00	7.64%
MEMBER PAYMENTS				
Fuel reimbursements	42,013.28	42,013.28	1,800,000.00	2.33%
Capacity payments	897,140.80	897,140.80	11,156,000.00	8.04%
Generation payments	0.00	0.00	28,000.00	0.00%
Total Member Payments	939,154.08	939,154.08	12,984,000.00	7.23%
OTHER UTILITY OPERATIONS				
Energy Efficiency Program	145,612.76	145,612.76	1,482,000.00	9.83%
Telemetering charges	11,131.17	11,131.17	80,000.00	13.91%
Meter testing supplies	2,429.88	2,429.88	20,000.00	12.15%
Mobile Generation	23,403.80	23,403.80	170,000.00	13.77%
Other	0.00	0.00	900,000.00	0.00%
Total Other Utility Operations	182,577.61	182,577.61	2,652,000.00	6.88%
ADMINISTRATION AND GENERAL				
Professional salaries	405,145.06	405,145.06	4,903,000.00	8.26%
Telephone	1,821.99	1,821.99	25,000.00	7.29%
Postage	205.68	205.68	7,000.00	2.94%
Photocopying and fax	741.91	741.91	18,000.00	4.12%
Office supplies	1,806.84	1,806.84	25,000.00	7.23%
Computer service and supplies	13,394.41	13,394.41	296,000.00	4.53%
Automobile	3,975.39	3,975.39	32,000.00	12.42%
Utilities	3,315.51	3,315.51	50,000.00	6.63%
Membership dues	55,387.91	55,387.91	672,000.00	8.24%

Illinois Municipal Electric Agency

SCHEDULE OF OPERATING EXPENSES

	One Month Ended May 31, 2026	One Month(s) Ended May 31, 2026	Budget Year Ended April 30, 2027	Percent of Budget Expended as of May 31, 2026
ADMINISTRATION AND GENERAL CONTINUED				
Library	$595.45	$595.45	$8,000.00	7.44%
Travel	654.68	654.68	23,000.00	2.85%
Room rentals	2,976.83	2,976.83	34,000.00	8.76%
Meals	2,454.61	2,454.61	28,000.00	8.77%
Courses, programs and seminars	995.00	995.00	70,000.00	1.42%
Outside services				
Legal				
General Counsel-Litigation Support	0.00	0.00	0.00	0.00%
Special counsel	0.00	0.00	25,000.00	0.00%
Other	0.00	0.00	100,000.00	0.00%
Negotiations	0.00	0.00	250,000.00	0.00%
Engineering				
Outside engineering	40,571.82	40,571.82	1,091,000.00	3.72%
Other				
Financial services	8,133.34	8,133.34	260,000.00	3.13%
Legislative consultant	0.00	0.00	3,000.00	0.00%
Installation and repair	813.66	813.66	25,000.00	3.25%
Janitorial	1,700.00	1,700.00	26,000.00	6.54%
Building and grounds maintenance	28,366.56	28,366.56	65,000.00	43.64%
Other services employed	17,877.84	17,877.84	262,000.00	6.82%
Insurance				
Property	5,047.80	5,047.80	72,000.00	7.01%
Automobile	1,080.42	1,080.42	13,000.00	8.31%
Liability	22,224.32	22,224.32	280,000.00	7.94%
Pensions and benefits				
Life insurance	1,298.63	1,298.63	16,000.00	8.12%
Health insurance	86,700.89	86,700.89	1,087,000.00	7.98%
Retirement	101,061.30	101,061.30	1,226,000.00	8.24%
Unemployment	0.00	0.00	0.00	0.00%
FICA - Medicare portion	5,819.42	5,819.42	72,000.00	8.08%
Disability insurance	2,364.61	2,364.61	30,000.00	7.88%
Workers compensation insurance	1,065.33	1,065.33	15,000.00	7.10%
Accrued vacation and sick	0.00	0.00	125,000.00	0.00%
Miscellaneous general expenses				
General advertising	0.00	0.00	12,000.00	0.00%
Annual Report / Informational	0.00	0.00	8,000.00	0.00%
Member informational seminars	0.00	0.00	12,000.00	0.00%
B.O.D. Washington rally	0.00	0.00	85,000.00	0.00%
B.O.D. Regular meeting meals	148.77	148.77	13,000.00	1.14%
B.O.D. Generation Tour	0.00	0.00	5,000.00	0.00%
B.O.D. Annual meeting	54,807.86	54,807.86	52,000.00	105.40%
Sundry and bank service charges	300.00	300.00	1,000.00	30.00%
Property taxes	48,798.71	48,798.71	99,000.00	49.29%
Abandoned Project Costs	0.00	0.00	0.00	0.00%
Total Administrative and General	921,652.55	921,652.55	11,521,000.00	8.00%
DEPRECIATION AND DEPLETION EXPENSE	2,474,996.72	2,474,996.72	38,921,000.00	6.36%
TOTAL OPERATING EXPENSES	$19,310,018.24	$19,310,018.24	$298,350,000.00	6.47%

Illinois Municipal Electric Agency

SCHEDULE OF MONTHLY INVESTMENT ACTIVITY

	Revenue Fund	O & M Fund	Healthcare Account	Decommissioning Fund	Renewals & Replacements Fund	|---------General Reserve Fund-------| Gen. Reserve Account	Rate Stabil. Account	Common Bond Debt Service Reserve	Sub-Total Interest Rec.	Sub-Total Cash & Invest.
Balance at May 1, 2026:										
Cash	$0.00	$75,059,554.76	$150,104.51	$2,023,687.37	$129.07	$16,523,293.09	$7,064,970.25	$299,578.56		$101,121,317.61
US Treasury Notes & Bonds					2,323,529.89		38,435,029.75	42,741,761.24		83,500,320.88
US Government Agencies					0.00		0.00	9,271,684.38		9,271,684.38
Interest Earned					15,504.71	118,398.80		259,521.28		393,424.79
Interest Receivable	0.00	58,577.40	0.00	0.00					58,577.40	
Total Funds	0.00	75,118,132.16	150,104.51	2,023,687.37	2,339,163.67	16,641,691.89	45,500,000.00	52,572,545.46	58,577.40	194,286,747.66
Add (Deduct):										
Cash Receipts	23,976,456.17	(59,348.67)	0.00	0.00						23,917,107.50
Payments of Expenses	0.00	(20,524,048.23)	(15,600.09)	0.00						(20,539,648.32)
Transfers From/To Other Accts.	(23,976,456.17)	17,365,542.34	70,000.00	180,849.00	(129.07)	0.00	0.00	(276,698.30)		(6,636,892.20)
Interest Income	0.00	181,927.92	0.00	6,626.00	7,648.64	203,177.36		165,948.96		565,328.88
Gain/(Loss) on Sale of Investments										0.00
Interest Receivable	0.00	59,348.67	0.00	0.00					59,348.67	58,577.40
Unrealized Gain/(Loss) on Investments	0.00	0.00	0.00	0.00	(11,145.42)	(189,983.47)	0.00	(206,548.65)		(407,677.54)
Transfer to Refunding Escrow								0.00		0.00
Proceeds of Refunding		0.00								0.00
Payment of Principal & Interest										0.00
Balance at May 31, 2026	$0.00	$72,141,554.19	$204,504.42	$2,211,162.37	$2,335,537.82	$16,654,885.78	$45,500,000.00	$52,255,247.47	$59,348.67	$191,243,543.38
Composition of May 31, 2026 Balance:										
Cash	$0.00	$72,082,205.52	$204,504.42	$2,211,162.37	$31.38	$16,416,391.79	$7,246,353.50	$176,400.84		$98,337,049.82
US Treasury Notes & Bonds					2,312,296.25		38,253,646.50	42,538,885.56		83,104,828.31
US Government Agencies					0.00		0.00	9,274,868.82		9,274,868.82
Interest Earned					23,210.19	238,493.99		265,092.25		526,796.43
Interest Receivable	0.00	59,348.67	0.00	0.00					59,348.67	
Total Funds	$0.00	$72,141,554.19	$204,504.42	$2,211,162.37	$2,335,537.82	$16,654,885.78	$45,500,000.00	$52,255,247.47	$59,348.67	$191,243,543.38

Illinois Municipal Electric Agency

SCHEDULE OF MONTHLY INVESTMENT ACTIVITY

	Sub-Total Interest Receivable	Sub-Total Cash & Invest.	2009C Debt Service Fund Debt Service Account	2009C Debt Service Fund Debt Service Reserve	2010A Debt Service Fund Debt Service Account	2010A Debt Service Fund Debt Service Reserve	2025A Debt Service Account	Petty Cash	Total Interest Rec.	Total Cash & Invest.
Balance at May 1, 2026:										
Cash		$101,121,317.61	$66,193.47	$300.96	$25,711.85	$130.06	$1,976.86	$500.00		$101,216,130.81
US Treasury Notes & Bonds		$83,500,320.88	4,821,926.03	12,970,846.35	2,085,734.50	5,603,885.10	13,026,613.91			122,009,326.77
US Government Agencies		$9,271,684.38	0.00	0.00	0.00	0.00	0.00			9,271,684.38
Interest Earned		$393,424.79	26,888.48	129,851.18	11,092.52	56,100.48	14,764.14			632,121.59
Interest Receivable	58,577.40								58,577.40	0.00
Total Funds	$58,577.40	194,286,747.66	4,915,007.98	13,100,998.49	2,122,538.87	5,660,115.64	13,043,354.91	500.00	58,577.40	233,129,263.55
Add (Deduct):										
Cash Receipts		23,917,107.50								23,917,107.50
Payments of Expenses		(20,539,648.32)						0.00		(20,539,648.32)
Transfers From/To Other Accts.		(6,636,892.20)	1,610,423.90	(300.96)	696,759.58	(130.06)	4,330,139.74			(0.00)
Interest Income		565,328.88	16,757.58	40,315.77	7,240.96	17,417.90	44,930.77			691,991.86
Gain/(Loss) on Sale of Investments		0.00		0.00		0.00	0.00			0.00
Interest Receivable	59,348.67	58,577.40							59,348.67	58,577.40
Unrealized Gain/(Loss) on Investments		(407,677.54)	(2,204.66)	(65,073.54)	(932.67)	(28,114.18)	(3,766.66)			(507,769.25)
Transfer to Refunding Escrow		0.00	0.00	0.00	0.00	0.00	0.00			0.00
Proceeds of Refunding		0.00								0.00
Payment of Principal & Interest		0.00	0.00		0.00		0.00			0.00
Balance at May 31, 2026	$59,348.67	$191,243,543.38	$6,539,984.80	$13,075,939.76	$2,825,606.74	$5,649,289.30	$17,414,658.76	$500.00	$59,348.67	$236,749,522.74
Composition of May 31, 2026 Balance:										
Cash		$98,337,049.82	$66,950.59	$1.18	$25,963.23	$0.48	$2,230.19	$500.00		$98,432,695.49
US Treasury Notes & Bonds		83,104,828.31	6,429,003.99	12,902,804.95	2,781,312.24	5,574,488.70	17,370,592.78			128,163,030.97
US Government Agencies		9,274,868.82	0.00	0.00	0.00	0.00	0.00			9,274,868.82
Interest Earned		526,796.43	44,030.22	173,133.63	18,331.27	74,800.12	41,835.79			878,927.46
Interest Receivable	59,348.67	0.00							59,348.67	
Total Funds	$59,348.67	$191,243,543.38	$6,539,984.80	$13,075,939.76	$2,825,606.74	$5,649,289.30	$17,414,658.76	$500.00	$59,348.67	$236,749,522.74

Balance Sheet Classifications:

Restricted Investment Accounts	$97,760,726.83
Cash and Cash Equivalents	95,949,986.61
Temporary Investments	40,827,646.93
Decommissioning Fund	2,211,162.37
	$236,749,522.74

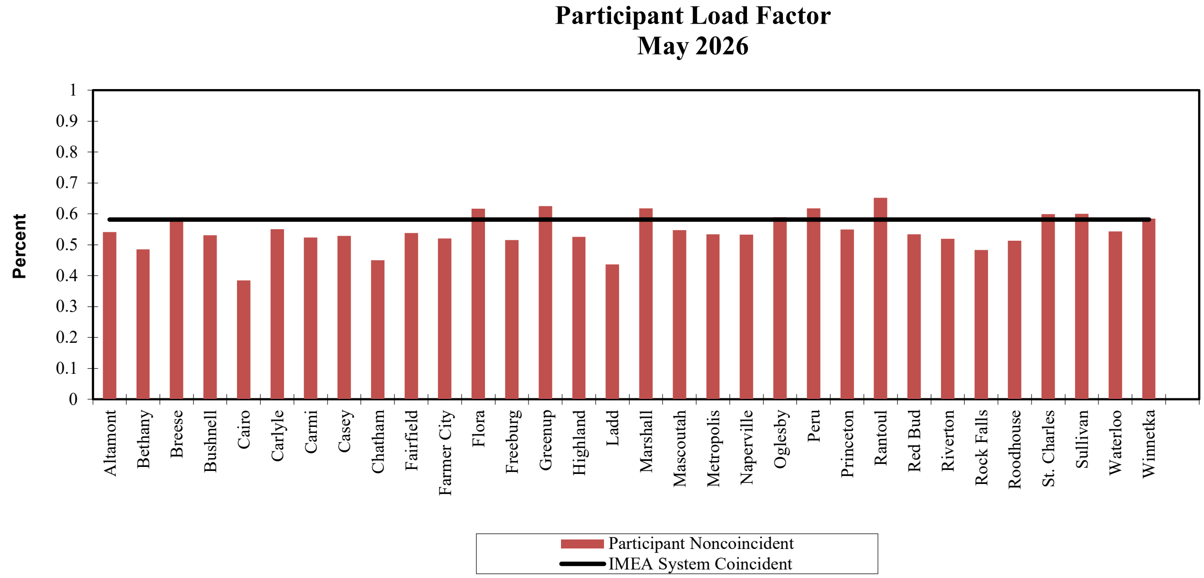
Interest Receivable	$ 59,348.67

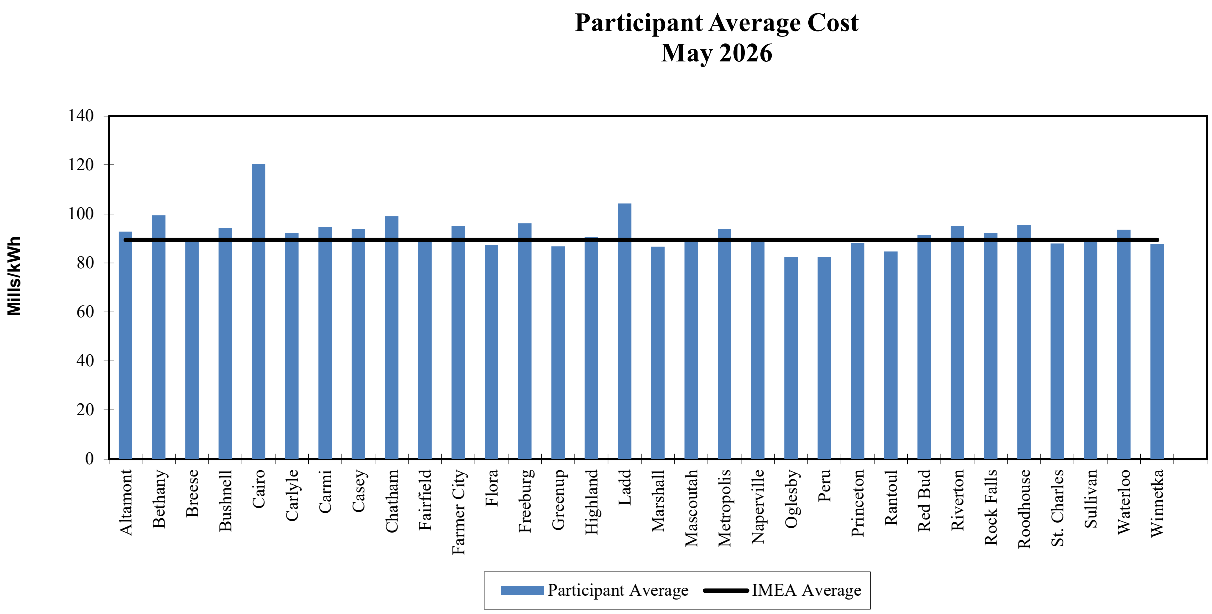
Illinois Municipal Electric Agency

SCHEDULE OF DEBT COVERAGE(110%)

	One Month Ended May 31, 2026	Total Last 12 Months
REVENUES		
Sales for resale	$25,397,091	$336,356,639
Membership assessments	0	0
Other utility operations	(314,734)	6,820,701
Other non-utility operations	0	147,389
Interest income	693,264	8,617,927
Interest income used for Debt Service		0
2006 Debt Service Reserve Fund	0	0
2007A Debt Service Reserve Fund	0	0
2009ABC Debt Service Reserve Fund	0	0
2010A Debt Service Reserve	0	0
Federal BABS Revenue	194,493	3,283,391
Rate stabilization transfer	0	0
Total Revenue	$25,970,114	$355,226,046
OPERATIONS AND MAINTENANCE EXPENSES		
Purchased power	$3,873,203	$57,119,439
Transmission	4,954,118	76,612,339
Trimble County Units 1 & 2:		0
Fuel	822,564	21,181,579
Operations and maintenance	911,547	9,979,052
Prairie State Generating Company:		0
Fuel	2,086,226	23,824,677
Operations and maintenance	2,143,978	31,979,072
Member Payments:		0
Fuel reimbursements	42,013	1,556,293
Capacity payments	897,141	9,570,359
Generation payments	0	15,625
Other utility operations	182,578	5,314,941
Administration and general	921,653	9,752,674
Other	0	0
Total Operations and Maintenance Expenses	$16,835,022	$246,906,049
NET REVENUES	$9,135,093	$108,319,997
DEBT SERVICE (See calculation below)	$6,704,238	$80,557,863
COVERAGE PERCENTAGE	136.26%	**134.46%**
CUMULATIVE COVERAGE PERCENTAGE (Fiscal Year 2026-2027)	136.26%	
DEBT SERVICE		
Accrued interest-2006 bonds	$0	$0
Principal installment-2006 bonds	0	0
Accrued interest-2007A bonds	0	0
Principal installment-2007A bonds	0	0
Accrued interest-2007C bonds	0	0
Principal installment-2007C bonds	0	0
Accrued interest-2009A bonds	0	0
Principal installment-2009A bonds	0	0
Accrued interest-2009C bonds	371,433	6,969,621
Principal installment-2009C bonds	1,271,667	14,826,668
Accrued interest-2010A bonds	169,325	3,185,342
Principal installment-2010A bonds	541,250	6,298,336
Accrued interest-2015A bonds	0	4,903,459
Principal installment-2015A bonds	0	7,728,750
Accrued interest-2025A bonds	1,930,563	17,055,687
Principal installment-2025A bonds	2,420,000	19,590,000
Debt Service	$6,704,238	$80,557,863

Illinois Municipal Electric Agency





Note: Actual peak demand and energy consumption is shown in the monthly operations report.
Average Cost does not reflect capacity credits to participants.

Financial Statements as of June 30, 2026

Illinois Municipal Electric Agency

TABLE OF CONTENTS

Unaudited Financial Statements as of June 30, 2026

Illinois Municipal Electric Agency

STATEMENT OF NET POSITION

	June 30, 2026	June 30, 2025
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
UTILITY PLANT IN SERVICE		
Prairie State	$946,145,645.03	$937,365,709.13
Trimble County Units 1 & 2	373,394,920.55	381,344,849.53
Mobile Generation Equipment	3,531,429.10	3,216,609.02
Winnetka 138 Interconnect	500,000.00	500,000.00
Other Property and Equipment	13,449,080.35	13,344,055.57
Total Utility Plant in Services (at cost)	1,337,021,075.03	1,335,771,223.25
Less: Accumulated Depreciation	(506,524,620.79)	(480,289,690.89)
Net Utility Plant in Service	830,496,454.24	855,481,532.36
CONSTRUCTION WORK IN PROGRESS		
Prairie State	1,710,175.01	7,230,702.71
Trimble County Station	40,713,426.09	34,777,843.64
Transmission Project Development	6,599.25	0.00
Net Construction Work in Progress	42,430,200.35	42,008,546.35
RESTRICTED ASSETS	104,455,650.50	111,916,427.27
CURRENT ASSETS		
Cash	95,726,854.01	86,176,179.16
Short-term Investments	40,885,383.53	40,280,681.83
Decommissioning Fund	2,399,018.06	0.00
Accounts Receivable	31,689,610.28	33,845,086.55
Renewable Energy Credits	1,336,428.13	0.00
Collateral Held for Others	544,566.06	536,051.83
Prepayments	32,526,636.95	32,879,118.49
Total Current Assets	205,108,497.02	193,717,117.86
OTHER ASSETS		
Unamortized Debt Expense	2,552,158.65	1,178,950.79
Prairie State-Other LT Assets	3,087,766.08	1,640,637.44
Change in Market Value of Investments	1,109,534.27	(671,319.57)
Other Deferred Assets	0.00	0.00
Total Other Assets	6,749,459.00	2,148,268.66
DEFERRED OUTFLOWS OF RESOURCES		
Total Deferred Outflows of Resources	1,116,283.04	12,283,241.69
TOTAL ASSETS	$1,190,356,544.15	$1,217,555,134.19

Illinois Municipal Electric Agency

STATEMENT OF NET POSITION

	June 30, 2026	June 30, 2025
NET POSITION	$547,196,035.76	$499,704,210.55
NON-CURRENT LIABILITIES		
Revenue Bonds (excludes current maturities)	505,660,000.00	591,875,000.00
Unamortized Premium	40,271,070.85	23,089,254.21
Other Long-term Debt-PNC LOC	0.00	0.00
Other Liabilities	8,764,612.85	14,127,016.71
Other Deferred Liabilities	0.00	0.00
Total Non-Current Liabilities	554,695,683.70	629,091,270.92
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses		
Accounts Payable		
Purchased Power	15,205,278.84	13,885,861.89
Jointly-owned facilities	9,385,160.89	7,433,415.08
Other	42,623.63	113,156.32
Collateral Due to Others	545,236.70	536,894.09
Other Current Liabilities	203,192.62	203,216.79
Total Accounts Payable and Accrued Expenses	25,381,492.68	22,172,544.17
Current Liabilities Payable from Restricted Assets		
Current Maturities of Revenue Bonds	50,795,000.00	51,725,000.00
Interest Accrued	12,288,332.01	14,862,108.55
Total Current Liabilities	88,464,824.69	88,759,652.72
Total Liabilties	643,160,508.39	717,850,923.64
TOTAL NET POSITION AND LIABILITIES	$1,190,356,544.15	$1,217,555,134.19

Illinois Municipal Electric Agency

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

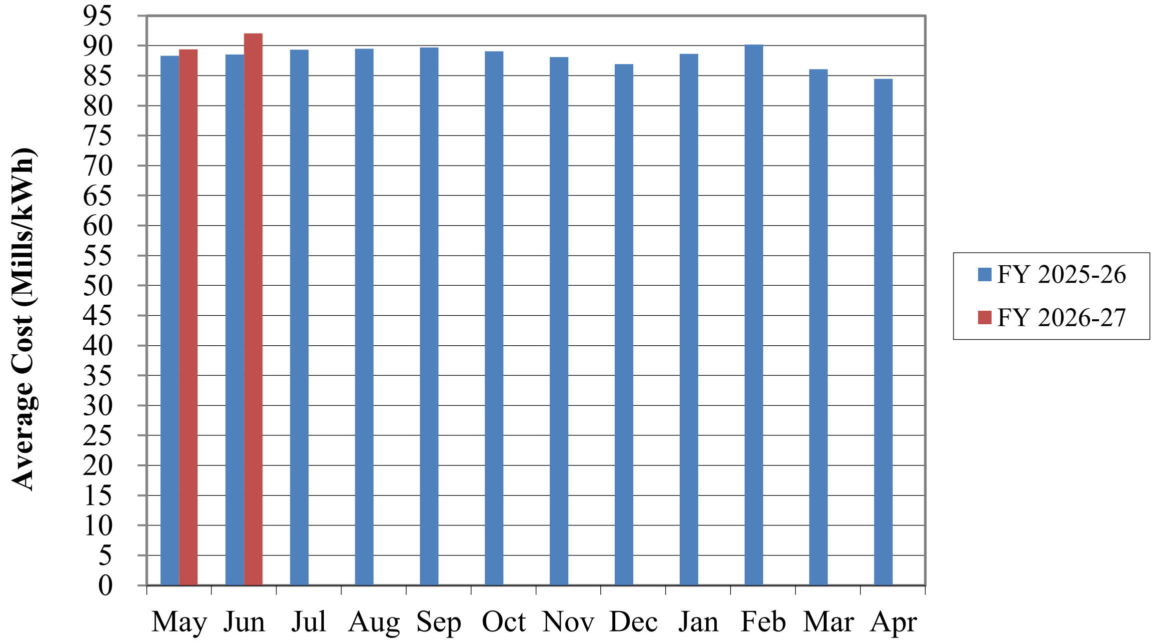
	One Month Ended June 30, 2026	Two Month(s) Ended June 30, 2026	Two Month(s) Ended June 30, 2025
OPERATING REVENUES			
Sales to Members	$31,505,148.99	$56,902,239.49	$56,766,887.65
Other Electric Revenue	0.00	0.00	0.00
Other income	(130,289.52)	(445,023.39)	656,678.97
Total Operating Revenues	31,374,859.47	56,457,216.10	57,423,566.62
OPERATING EXPENSES			
Purchased power	11,765,874.64	15,639,077.30	13,092,713.22
Transmission	5,341,422.49	10,295,540.97	10,954,859.80
Trimble County Units 1 & 2:			
Fuel	1,043,659.08	1,866,223.34	2,935,723.56
Operations and Maintenance	843,018.89	1,754,566.27	1,523,153.34
Prairie State Generating Company:			
Fuel	2,154,690.27	4,240,916.75	4,083,259.94
Operations and Maintenance	2,266,355.24	4,410,333.26	4,495,106.73
Member Payments:			
Fuel Reimbursements	287,058.41	329,071.69	479,245.74
Capacity Payments	895,702.16	1,792,842.96	1,584,976.36
Generation Payments	4,072.09	4,072.09	7,038.53
Other Utility Operations	122,893.36	305,470.97	163,249.34
Administration and General	855,215.01	1,776,867.56	1,667,970.92
Depreciation & Depletion Expense	2,473,007.53	4,948,004.25	5,850,058.51
Total Operating Expenses	28,052,969.17	47,362,987.41	46,837,355.99
Operating Income	3,321,890.30	9,094,228.69	10,586,210.63
NON-OPERATING REVENUE (EXPENSES)			
Interest Income	742,173.86	1,435,437.81	1,567,652.76
Interest Expense on Revenue Bonds	(2,457,666.40)	(4,997,255.02)	(6,043,924.14)
Interest Expense on PNC LOC	0.00	0.00	0.00
Federal BABS Revenue	188,219.49	382,712.97	1,053,022.22
Amortization Expense	553,463.77	1,106,927.54	293,204.56
Other Revenue	0.00	0.00	(264.00)
Total Non-Operating Expenses	(973,809.28)	(2,072,176.70)	(3,130,308.60)
CHANGE IN NET POSITION	2,348,081.02	7,022,051.99	7,455,902.03
Net Position - Beginning of Period	544,847,954.74	540,173,983.77	492,248,308.52
NET POSITION - END OF PERIOD	$547,196,035.76	$547,196,035.76	$499,704,210.55

Illinois Municipal Electric Agency

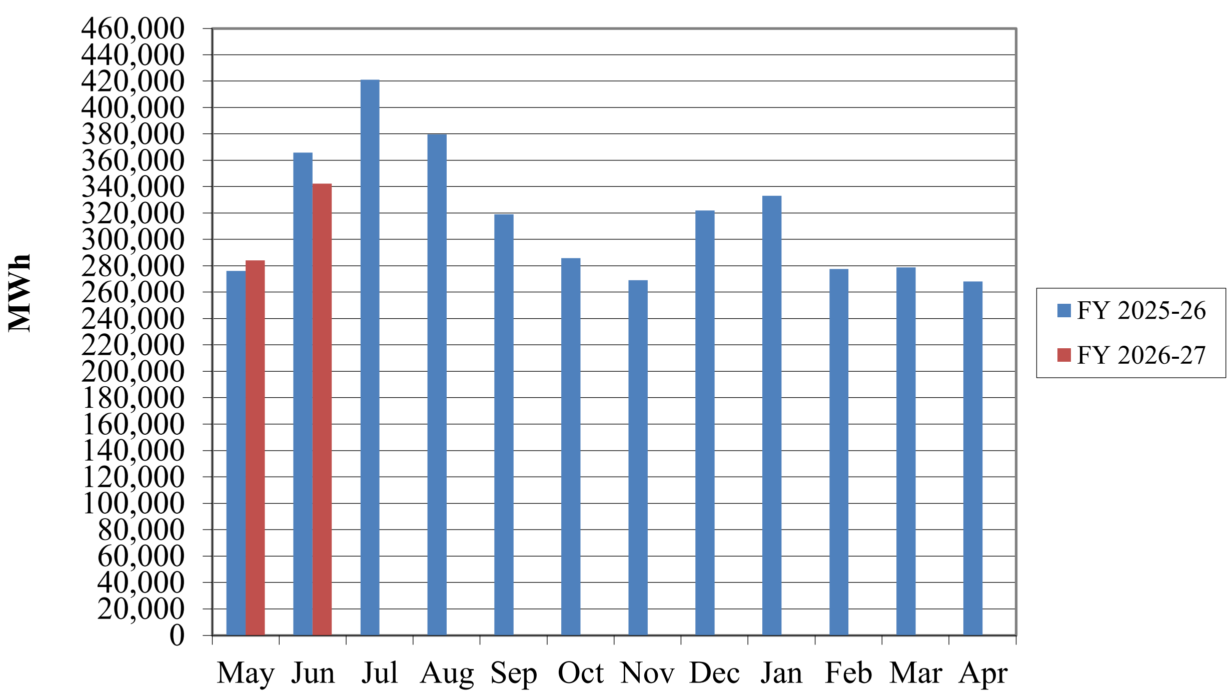
STATEMENT OF CASH FLOW

	One Month Ended June 30, 2026	Two Month(s) Ended June 30, 2026	Two Month(s) Ended June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Received from power sales	$24,731,607	$47,254,422	$44,431,371
Received from sale of RECs	0	765,500	2,489,065
Paid to suppliers for purchased power and transmission	(9,953,972)	(19,468,744)	(17,918,660)
Paid to suppliers and employees for other services	(6,779,505)	(14,553,160)	(15,480,161)
Cash Flows from Operating Activities	7,998,130	13,998,018	13,521,614
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Debt principal paid	$0	$0	$0
Interest paid	0	0	0
BABS Payment from Federal Government	0	0	0
State Grant Received(Paid)	0	0	0
Acquisition and construction of capital assets	(1,843,291)	(4,408,413)	(1,833,233)
Preliminary engineering and survey charges	0	0	0
Proceeds from issuance of debt	0	0	0
Payment/Proceeds from PNC LOC	0	0	0
Premium received on debt issuance	0	0	0
Payment of Bond Issuance Costs	0	0	0
Funds Used in Refunding	0	0	0
Loss on refunding	0	0	0
Payment of ARO Liability	0	0	0
Payment of Arbitrage Rebate Liability	0	0	0
Cash Flows from Capital and Related Financing Activities	(1,843,291)	(4,408,413)	(1,833,233)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	742,174	$1,435,437	1,567,653
Payments to Members for Capital Costs	0	0	0
Purchase of long term investment	(6,668,001)	(13,332,659)	(18,144,827)
Maturity of long term investment	0	0	4,432,000
Cash Flows from Investing Activities	(5,925,827)	(11,897,222)	(12,145,174)
Net Change in Cash and Cash Equivalents	229,012	(2,307,617)	(456,793)
Cash and Cash Equivalents - Beginning of Period	99,311,623	101,848,252	88,515,352
CASH AND CASH EQUIVALENTS - END OF PERIOD	$99,540,635	$99,540,635	$88,058,559
RECONCILE CASH AND CASH EQUIVALENTS TO THE BALANCE SHEET			
Restricted investments		$104,455,651	$111,916,427
Cash		95,726,854	86,176,179
Short-term investments		40,885,384	40,280,682
Decommissioning Fund		2,399,018	0
Total Cash and Investments		243,466,906	238,373,288
Less: Long-term investments		(143,926,271)	(150,314,729)
TOTAL CASH AND CASH EQUIVALENTS		$99,540,635	$88,058,559
RECONCILE OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income	$3,321,890	$9,094,229	$10,586,211
Noncash Items Included in Operating Income:			
Depreciation and Depletion	2,473,008	4,948,004	5,850,059
Other non-cash transactions	(20,044)	(20,044)	0
Changes in Current Assets and Liabilities:			
Accounts receivable	(5,586,709)	(7,521,830)	(10,264,256)
Renewable Energy Credits	0	765,500	2,489,065
Prepayments	(991,291)	(278,431)	(452,757)
Accounts payable:			
Purchased power	7,153,325	6,465,874	6,128,913
Jointly owned facilities	2,102,406	630,252	(1,115,912)
Other	(488,655)	(153,128)	235,079
Change in Regulatory Asset/Liability	0	0	0
Other current liabilities	34,200	67,593	65,214
NET CASH FLOWS FROM OPERATING ACTIVITIES	$7,998,130	$13,998,018	$13,521,614

IMEA Participating Member Average Cost



IMEA Monthly Energy Sales to Participating Members



Illinois Municipal Electric Agency

SCHEDULE OF POWER SALES

	One Month Ended June 30, 2026	One Month Ended June 30, 2025	Two Month(s) Ended June 30, 2026	Two Month(s) Ended June 30, 2025
POWER SALES				
Altamont	$210,108.41	$214,103.94	$368,324.73	$371,609.21
Bethany	73,052.73	74,879.19	124,537.45	125,449.57
Breese	475,834.26	475,305.02	845,083.59	824,888.46
Bushnell	222,462.35	260,657.06	412,961.00	453,631.48
Cairo	341,746.65	387,690.08	587,488.43	729,482.79
Carlyle	305,067.66	305,027.41	536,534.21	518,344.58
Carmi	473,092.78	476,255.47	836,219.74	812,444.73
Casey	238,359.06	253,143.10	418,347.69	432,091.34
Chatham	803,643.35	808,111.12	1,435,571.20	1,395,802.17
Fairfield	488,281.49	499,261.04	859,171.62	850,023.65
Farmer City	148,226.62	152,026.63	260,517.44	262,557.89
Flora	898,978.97	910,591.05	1,667,938.19	1,635,274.97
Freeburg	369,232.00	374,762.18	646,084.84	630,756.39
Greenup	151,819.80	164,297.75	271,220.20	279,445.37
Highland	1,119,311.02	1,103,671.71	1,967,329.08	1,860,939.67
Ladd	92,345.52	94,355.89	169,678.60	164,184.10
Marshall	470,718.02	494,817.63	858,837.92	866,117.55
Mascoutah	631,371.25	648,254.77	1,116,644.16	1,107,293.42
Metropolis	650,780.26	646,614.64	1,171,272.87	1,103,666.97
Naperville	10,825,742.40	11,403,608.79	19,577,260.20	20,060,431.60
Oglesby	506,059.23	485,966.96	923,217.30	869,671.81
Peru	1,796,863.20	1,854,401.07	3,337,995.76	3,367,669.85
Princeton	842,073.83	835,562.36	1,527,392.03	1,476,335.11
Rantoul	1,390,900.10	1,397,770.09	2,582,528.71	2,471,715.11
Red Bud	400,324.39	414,716.33	718,552.79	716,948.19
Riverton	260,893.67	267,372.93	474,416.65	470,635.49
Rock Falls	623,095.74	638,759.19	1,116,726.87	1,096,226.70
Roodhouse	102,279.82	100,132.51	178,315.77	170,180.06
St. Charles	4,061,638.06	4,107,766.30	7,493,714.45	7,349,580.70
Sullivan	543,142.85	542,690.96	986,044.08	965,850.50
Waterloo	858,031.67	837,013.17	1,508,415.19	1,414,147.81
Winnetka	1,129,671.83	1,161,581.60	1,923,896.73	1,913,490.41
Total Power Sales to Participating Members	$31,505,148.99	$32,391,167.94	$56,902,239.49	$56,766,887.65
kWh Sales to Participating Members	342,261,470	365,850,926	626,400,739	641,856,947
Participating Member Average Cost (Mills/kWh)	$92.05	$88.54	$90.84	$88.44

Illinois Municipal Electric Agency

SCHEDULE OF OPERATING EXPENSES

	One Month Ended June 30, 2026	Two Month(s) Ended June 30, 2026	Budget Year Ended April 30, 2027	Percent of Budget Expended as of June 30, 2026
PURCHASED POWER				
FPL Wind	$1,101,460.76	$2,548,656.88	$17,791,000.00	14.33%
Big River Solar	243,583.26	451,123.98	2,096,000.00	21.52%
Bee Hollow Solar	0.00	0.00	7,190,000.00	0.00%
Green River	267,127.54	577,555.68	4,058,000.00	14.23%
Constellation	0.00	85,000.00	85,000.00	100.00%
Louisville Gas and Electric	0.00	0.00	5,000.00	0.00%
PJM	(2,373,278.78)	(5,068,139.38)	(67,695,000.00)	7.49%
Midwest ISO	10,038,537.33	14,285,736.59	92,229,000.00	15.49%
Other Suppliers	2,488,444.53	2,759,143.55	9,538,000.00	28.93%
Total Purchased Power	11,765,874.64	15,639,077.30	65,297,000.00	23.95%
TRANSMISSION				
Ameren through MISO	3,009,561.54	5,198,111.23	34,445,000.00	15.09%
PJM	2,523,762.87	4,692,976.07	36,628,000.00	12.81%
Midwest ISO	(194,962.51)	398,332.49	4,725,000.00	8.43%
Other Suppliers	3,060.59	6,121.18	48,000.00	12.75%
Total Transmission	5,341,422.49	10,295,540.97	75,846,000.00	13.57%
TRIMBLE COUNTY AND PRAIRIE STATE				
Fuel-Trimble County	1,009,818.38	1,808,770.71	23,092,000.00	7.83%
Scrubber reactant-Trimble County	33,840.70	57,452.63	687,000.00	8.36%
Fuel-Prairie State	2,154,690.27	4,240,916.75	27,338,000.00	15.51%
Total Fuel-Trimble County and Prairie State	3,198,349.35	6,107,140.09	51,117,000.00	11.95%
Operations and maintenance:				
Operations and Maintenance expenses-Trimble County	843,018.89	1,754,566.27	11,066,000.00	15.86%
Operations and Maintenance expenses-Prairie State	2,266,355.24	4,410,333.26	28,946,000.00	15.24%
Total O&M-Trimble County and Prairie State	3,109,374.13	6,164,899.53	40,012,000.00	15.41%
MEMBER PAYMENTS				
Fuel reimbursements	287,058.41	329,071.69	1,800,000.00	18.28%
Capacity payments	895,702.16	1,792,842.96	11,156,000.00	16.07%
Generation payments	4,072.09	4,072.09	28,000.00	14.54%
Total Member Payments	1,186,832.66	2,125,986.74	12,984,000.00	16.37%
OTHER UTILITY OPERATIONS				
Energy Efficiency Program	70,946.57	216,559.33	1,482,000.00	14.61%
Telemetering charges	32,422.78	43,553.95	80,000.00	54.44%
Meter testing supplies	487.95	2,917.83	20,000.00	14.59%
Mobile Generation	19,036.06	42,439.86	170,000.00	24.96%
Other	0.00	0.00	900,000.00	0.00%
Total Other Utility Operations	122,893.36	305,470.97	2,652,000.00	11.52%
ADMINISTRATION AND GENERAL				
Professional salaries	416,465.35	821,610.41	4,903,000.00	16.76%
Telephone	1,772.10	3,594.09	25,000.00	14.38%
Postage	151.52	357.20	7,000.00	5.10%
Photocopying and fax	542.18	1,284.09	18,000.00	7.13%
Office supplies	2,985.84	4,792.68	25,000.00	19.17%
Computer service and supplies	15,357.64	28,752.05	296,000.00	9.71%
Automobile	4,353.69	8,329.08	32,000.00	26.03%
Utilities	4,796.43	8,111.94	50,000.00	16.22%
Membership dues	55,752.91	111,140.82	672,000.00	16.54%

Illinois Municipal Electric Agency

SCHEDULE OF OPERATING EXPENSES

	One Month Ended June 30, 2026	Two Month(s) Ended June 30, 2026	Budget Year Ended April 30, 2027	Percent of Budget Expended as of June 30, 2026
ADMINISTRATION AND GENERAL CONTINUED				
Library	$595.45	$1,190.90	$8,000.00	14.89%
Travel	606.25	1,260.93	23,000.00	5.48%
Room rentals	1,196.46	4,173.29	34,000.00	12.27%
Meals	1,974.89	4,429.50	28,000.00	15.82%
Courses, programs and seminars	0.00	995.00	70,000.00	1.42%
Outside services				
Legal				
General Counsel-Litigation Support	0.00	0.00	0.00	0.00%
Special counsel	0.00	0.00	25,000.00	0.00%
Other	0.00	0.00	100,000.00	0.00%
Negotiations	0.00	0.00	250,000.00	0.00%
Engineering				
Outside engineering	38,805.16	79,376.98	1,091,000.00	7.28%
Other				
Financial services	31,718.31	39,851.65	260,000.00	15.33%
Legislative consultant	0.00	0.00	3,000.00	0.00%
Installation and repair	1,517.96	2,331.62	25,000.00	9.33%
Janitorial	1,700.00	3,400.00	26,000.00	13.08%
Building and grounds maintenance	6,275.28	34,641.84	65,000.00	53.30%
Other services employed	14,177.84	32,055.68	262,000.00	12.23%
Insurance				
Property	3,446.00	8,493.80	72,000.00	11.80%
Automobile	1,080.42	2,160.84	13,000.00	16.62%
Liability	23,143.17	45,367.49	280,000.00	16.20%
Pensions and benefits				
Life insurance	1,256.23	2,554.86	16,000.00	15.97%
Health insurance	80,586.24	167,287.13	1,087,000.00	15.39%
Retirement	103,891.38	204,952.68	1,226,000.00	16.72%
Unemployment	0.00	0.00	0.00	0.00%
FICA - Medicare portion	5,986.06	11,805.48	72,000.00	16.40%
Disability insurance	2,234.77	4,599.38	30,000.00	15.33%
Workers compensation insurance	1,065.33	2,130.66	15,000.00	14.20%
Accrued vacation and sick	(20,043.56)	(20,043.56)	125,000.00	-16.03%
Miscellaneous general expenses				
General advertising	0.00	0.00	12,000.00	0.00%
Annual Report / Informational	0.00	0.00	8,000.00	0.00%
Member informational seminars	0.00	0.00	12,000.00	0.00%
B.O.D. Washington rally	0.00	0.00	85,000.00	0.00%
B.O.D. Regular meeting meals	1,275.00	1,423.77	13,000.00	10.95%
B.O.D. Generation Tour	0.00	0.00	5,000.00	0.00%
B.O.D. Annual meeting	1,750.00	56,557.86	52,000.00	108.77%
Sundry and bank service charges	0.00	300.00	1,000.00	30.00%
Property taxes	48,798.71	97,597.42	99,000.00	98.58%
Abandoned Project Costs	0.00	0.00	0.00	0.00%
Total Administrative and General	855,215.01	1,776,867.56	11,521,000.00	15.42%
DEPRECIATION AND DEPLETION EXPENSE	2,473,007.53	4,948,004.25	38,921,000.00	12.71%
TOTAL OPERATING EXPENSES	$28,052,969.17	$47,362,987.41	$298,350,000.00	15.87%

Illinois Municipal Electric Agency

SCHEDULE OF MONTHLY INVESTMENT ACTIVITY

	Revenue Fund	O & M Fund	Healthcare Account	Decommissioning Fund	Renewals & Replacements Fund	|---------General Reserve Fund-------| Gen. Reserve Account	Rate Stabil. Account	Debt Service Reserve	Sub-Total Interest Rec.
Balance at May 1, 2026:									
Cash	$0.00	$72,082,205.52	$204,504.42	$2,211,162.37	$31.38	$16,416,391.79	$7,246,353.50	$176,400.84	
US Treasury Notes & Bonds					2,312,296.25		38,253,646.50	42,538,885.56	
US Government Agencies					0.00		0.00	9,274,868.82	
Interest Earned					23,210.19	238,493.99		265,092.25	
Interest Receivable	0.00	59,348.67	0.00	0.00					59,348.67
Total Funds	0.00	72,141,554.19	204,504.42	2,211,162.37	2,335,537.82	16,654,885.78	45,500,000.00	52,255,247.47	59,348.67
Add (Deduct):									
Cash Receipts	25,732,680.57	(52,938.94)	0.00	0.00					
Payments of Expenses	0.00	(19,528,007.21)	(14,625.28)	0.00					
Transfers From/To Other Accts.	(25,732,680.57)	19,067,289.38	0.00	180,849.00	(31.38)	0.00	0.00	(153,520.58)	
Interest Income	0.00	172,763.44	0.00	7,006.69	7,651.31	201,207.91		165,348.65	
Gain/(Loss) on Sale of Investments									
Interest Receivable	0.00	52,938.94	0.00	0.00					52,938.94
Unrealized Gain/(Loss) on Investments	0.00	0.00	0.00	0.00	(3,999.59)	(74,054.31)	0.00	(57,883.16)	
Transfer to Refunding Escrow								0.00	
Proceeds of Refunding		0.00							
Payment of Principal & Interest									
Balance at May 31, 2026	$0.00	$71,853,599.80	$189,879.14	$2,399,018.06	$2,339,158.16	$16,782,039.38	$45,500,000.00	$52,209,192.38	$52,938.94
Composition of May 31, 2026 Balance:									
Cash	$0.00	$71,800,660.86	$189,879.14	$2,399,018.06	$0.19	$16,423,728.81	$7,312,085.01	$29,651.73	
US Treasury Notes & Bonds					2,308,211.29		38,187,914.99	42,493,621.58	
US Government Agencies					0.00		0.00	9,268,874.58	
Interest Earned					30,946.68	358,310.57		417,044.49	
Interest Receivable	0.00	52,938.94	0.00	0.00					52,938.94
Total Funds	$0.00	$71,853,599.80	$189,879.14	$2,399,018.06	$2,339,158.16	$16,782,039.38	$45,500,000.00	$52,209,192.38	$52,938.94

Illinois Municipal Electric Agency

SCHEDULE OF MONTHLY INVESTMENT ACTIVITY

	Sub-Total Interest Receivable	Sub-Total Cash & Invest.	2009C Debt Service Fund: Debt Service Account	2009C Debt Service Fund: Debt Service Reserve	2010A Debt Service Fund: Debt Service Account	2010A Debt Service Fund: Debt Service Reserve	2025A Debt Service Account	Petty Cash	Total Interest Rec.	Total Cash & Invest.
Balance at May 1, 2026:										
Cash		$98,337,049.82	$66,950.59	$1.18	$25,963.23	$0.48	$2,230.19	$500.00		$98,432,695.49
US Treasury Notes & Bonds		$83,104,828.31	6,429,003.99	12,902,804.95	2,781,312.24	5,574,488.70	17,370,592.78			128,163,030.97
US Government Agencies		$9,274,868.82	0.00	0.00	0.00	0.00	0.00			9,274,868.82
Interest Earned		$526,796.43	44,030.22	173,133.63	18,331.27	74,800.12	41,835.79			878,927.46
Interest Receivable	59,348.67								59,348.67	0.00
Total Funds	$59,348.67	191,243,543.38	6,539,984.80	13,075,939.76	2,825,606.74	5,649,289.30	17,414,658.76	500.00	59,348.67	236,749,522.74
Add (Deduct):										
Cash Receipts		25,679,741.63								25,679,741.63
Payments of Expenses		(19,542,632.49)						0.00		(19,542,632.49)
Transfers From/To Other Accts.		(6,638,094.15)	1,610,655.90	(1.18)	696,859.36	(0.48)	4,330,580.55			(0.00)
Interest Income		553,978.00	21,706.03	40,411.22	9,376.45	17,459.14	57,624.89			700,555.73
Gain/(Loss) on Sale of Investments		0.00		0.00		0.00	0.00			0.00
Interest Receivable	52,938.94	59,348.67							52,938.94	59,348.67
Unrealized Gain/(Loss) on Investments		(135,937.06)	(5,502.89)	(18,942.68)	(2,322.76)	(8,183.94)	(8,740.85)			(179,630.18)
Transfer to Refunding Escrow		0.00	0.00	0.00	0.00	0.00	0.00			0.00
Proceeds of Refunding		0.00								0.00
Payment of Principal & Interest		0.00	0.00		0.00		0.00			0.00
Balance at May 31, 2026	$52,938.94	$191,219,947.98	$8,166,843.84	$13,097,407.12	$3,529,519.79	$5,658,564.02	$21,794,123.35	$500.00	$52,938.94	$243,466,906.10
Composition of May 31, 2026 Balance:										
Cash		$98,155,023.80	$67,469.99	$0.30	$26,806.77	$0.12	$3,559.71	$500.00		$98,253,360.69
US Treasury Notes & Bonds		82,989,747.86	8,034,467.99	12,880,990.15	3,475,530.32	5,565,063.90	21,711,596.12			134,657,396.34
US Government Agencies		9,268,874.58	0.00	0.00	0.00	0.00	0.00			9,268,874.58
Interest Earned		806,301.74	64,905.86	216,416.67	27,182.70	93,500.00	78,967.52			1,287,274.49
Interest Receivable	52,938.94	0.00							52,938.94	
Total Funds	$52,938.94	$191,219,947.98	$8,166,843.84	$13,097,407.12	$3,529,519.79	$5,658,564.02	$21,794,123.35	$500.00	$52,938.94	$243,466,906.10

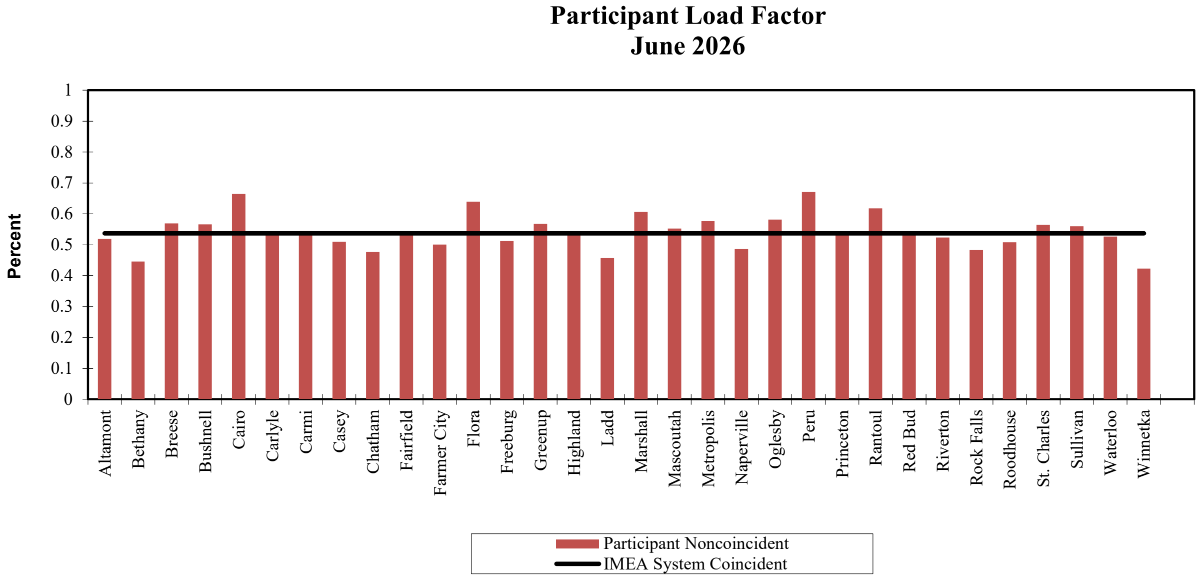
Balance Sheet Classifications:	
Restricted Investment Accounts	$104,455,650.50
Cash and Cash Equivalents	95,726,854.01
Temporary Investments	40,885,383.53
Decommissioning Fund	2,399,018.06
	$243,466,906.10
Interest Receivable	$ 52,938.94

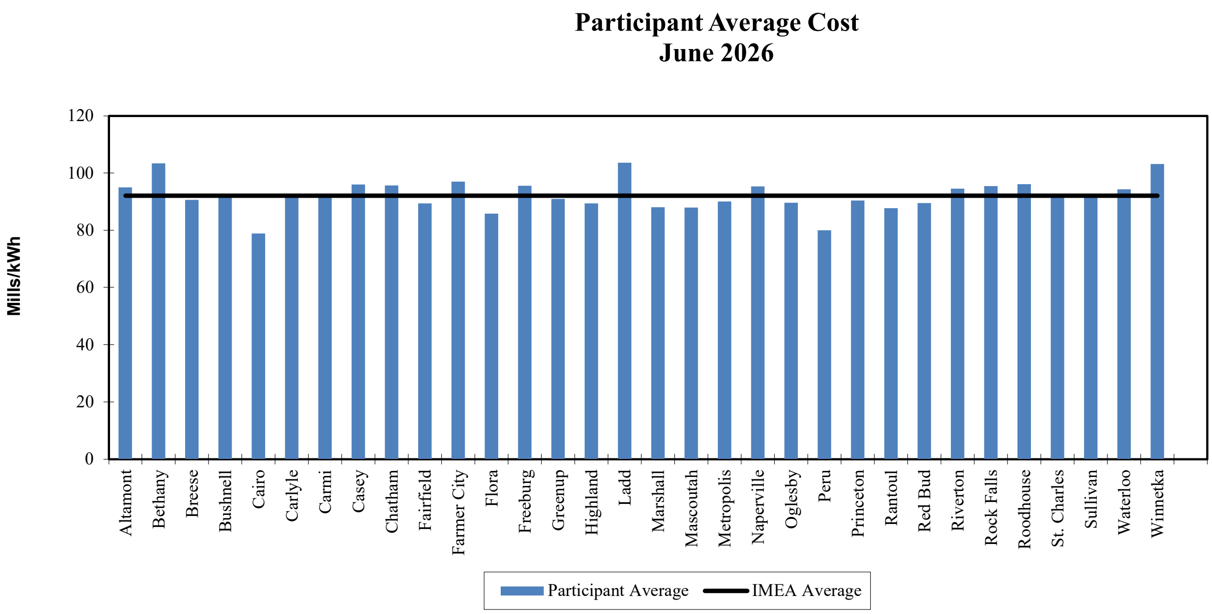
Illinois Municipal Electric Agency

SCHEDULE OF DEBT COVERAGE(110%)

	One Month Ended June 30, 2026	Total Last 12 Months
REVENUES		
Sales for resale	$31,505,149	$335,470,620
Membership assessments	0	0
Other utility operations	(130,290)	5,901,905
Other non-utility operations	0	147,389
Interest income	742,174	8,541,535
Interest income used for Debt Service		0
2006 Debt Service Reserve Fund	0	0
2007A Debt Service Reserve Fund	0	0
2009ABC Debt Service Reserve Fund	0	0
2010A Debt Service Reserve	0	0
Federal BABS Revenue	188,219	2,953,731
Rate stabilization transfer	0	0
Total Revenue	$32,305,253	$353,015,180
OPERATIONS AND MAINTENANCE EXPENSES		
Purchased power	$11,765,875	$59,419,932
Transmission	5,341,422	76,480,905
Trimble County Units 1 & 2:		0
Fuel	1,043,659	20,120,468
Operations and maintenance	843,019	10,159,072
Prairie State Generating Company:		0
Fuel	2,154,690	23,978,201
Operations and maintenance	2,266,355	32,077,152
Member Payments:		0
Fuel reimbursements	287,058	1,440,990
Capacity payments	895,702	9,660,734
Generation payments	4,072	12,659
Other utility operations	122,893	5,392,399
Administration and general	855,215	9,762,016
Other	0	0
Total Operations and Maintenance Expenses	$25,579,962	$248,504,526
NET REVENUES	$6,725,291	$104,510,654
DEBT SERVICE (See calculation below)	$6,704,238	$79,962,749
COVERAGE PERCENTAGE	100.31%	**130.70%**
CUMULATIVE COVERAGE PERCENTAGE (Fiscal Year 2026-2027)	118.29%	
DEBT SERVICE		
Accrued interest-2006 bonds	$0	$0
Principal installment-2006 bonds	0	0
Accrued interest-2007A bonds	0	0
Principal installment-2007A bonds	0	0
Accrued interest-2007C bonds	0	0
Principal installment-2007C bonds	0	0
Accrued interest-2009A bonds	0	0
Principal installment-2009A bonds	0	0
Accrued interest-2009C bonds	371,433	6,321,036
Principal installment-2009C bonds	1,271,667	14,880,835
Accrued interest-2010A bonds	169,325	2,886,808
Principal installment-2010A bonds	541,250	6,322,919
Accrued interest-2015A bonds	0	3,402,401
Principal installment-2015A bonds	0	5,152,500
Accrued interest-2025A bonds	1,930,563	18,986,250
Principal installment-2025A bonds	2,420,000	22,010,000
Debt Service	$6,704,238	$79,962,749

Illinois Municipal Electric Agency





Note: Actual peak demand and energy consumption is shown in the monthly operations report.
Average Cost does not reflect capacity credits to participants.