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|---|---|---|
| <p style="text-align: center;">Form 5500</p> <p style="font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="font-size: small;">Department of Labor Employee Benefits Security Administration</p> <hr/> <p style="font-size: x-small;">Pension Benefit Guaranty Corporation</p> | <p>Annual Return/Report of Employee Benefit Plan</p> <p style="font-size: x-small;">This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).</p> <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p> | <p style="font-size: x-small;">OMB Nos. 1210-0110 1210-0089</p> <hr/> <p style="font-size: large; font-weight: bold; text-align: center;">2024</p> <hr/> <p style="text-align: center; font-weight: bold;">This Form is Open to Public Inspection</p> |
|---|---|---|

Part I Annual Report Identification Information
 For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A This return/report is for: a multiemployer plan a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)

a single-employer plan a DFE (specify) _____

B This return/report is: the first return/report the final return/report

an amended return/report a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here.

D Check box if filing under: Form 5558 automatic extension the DFVC program

special extension (enter description)

E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.

Part II Basic Plan Information—enter all requested information

| | |
|---|--|
| <p>1a Name of plan <u>CARROLL ELECTRIC COOPERATIVE CORP RETIREE WELFARE</u></p> | <p>1b Three-digit plan number (PN) ▶ <u>526</u></p> |
| <p>2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>CARROLL ELECTRIC COOPERATIVE CORP</u></p> <p><u>920 HWY 2 SPUR</u> <u>PO BOX 4000</u> <u>BERRYVILLE, AR 72616</u></p> | <p>1c Effective date of plan <u>07/14/1997</u></p> <p>2b Employer Identification Number (EIN) <u>71-0027635</u></p> <p>2c Plan Sponsor's telephone number <u>870-423-2161</u></p> <p>2d Business code (see instructions) <u>221100</u></p> |

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|------------------|---|------------|--|
| SIGN HERE | Filed with authorized/valid electronic signature. | 09/25/2025 | ROB BOAZ |
| | Signature of plan administrator | Date | Enter name of individual signing as plan administrator |
| SIGN HERE | Filed with authorized/valid electronic signature. | 09/25/2025 | ROB BOAZ |
| | Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor |
| SIGN HERE | | | |
| | Signature of DFE | Date | Enter name of individual signing as DFE |

| | | |
|---|--|-----|
| 3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor | 3b Administrator's EIN | |
| | 3c Administrator's telephone number | |
| 4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name | 4b EIN | |
| | 4d PN | |
| 5 Total number of participants at the beginning of the plan year | 5 | 110 |
| 6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested..... | 6a(1) | |
| | 6a(2) | |
| | 6b | 115 |
| | 6c | |
| | 6d | 115 |
| | 6e | |
| | 6f | |
| | 6g(1) | |
| 6g(2) | | |
| 6h | | |
| 7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | 7 | |

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:
4A 4B 4D

| | |
|---|---|
| 9a Plan funding arrangement (check all that apply) | 9b Plan benefit arrangement (check all that apply) |
| (1) <input checked="" type="checkbox"/> Insurance | (1) <input checked="" type="checkbox"/> Insurance |
| (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts | (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts |
| (3) <input checked="" type="checkbox"/> Trust | (3) <input type="checkbox"/> Trust |
| (4) <input type="checkbox"/> General assets of the sponsor | (4) <input type="checkbox"/> General assets of the sponsor |

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

| | |
|--|---|
| a Pension Schedules | b General Schedules |
| (1) <input type="checkbox"/> R (Retirement Plan Information) | (1) <input checked="" type="checkbox"/> H (Financial Information) |
| (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary | (2) <input type="checkbox"/> I (Financial Information – Small Plan) |
| (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | (3) <input type="checkbox"/> A (Insurance Information) – Number Attached _____ |
| (4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____ | (4) <input checked="" type="checkbox"/> C (Service Provider Information) |
| (5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information) | (5) <input type="checkbox"/> D (DFE/Participating Plan Information) |
| | (6) <input type="checkbox"/> G (Financial Transaction Schedules) |

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) Yes No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) Yes No

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

| | | |
|--|--|---|
| SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small> | Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. | <small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection. |
|--|--|---|

For calendar plan year 2024 or fiscal plan year beginning **01/01/2024** and ending **12/31/2024**

| | | |
|---|--|------------|
| A Name of plan CARROLL ELECTRIC COOPERATIVE CORP RETIREE WELFARE | B Three-digit plan number (PN) ▶ | 526 |
| C Plan sponsor's name as shown on line 2a of Form 5500 CARROLL ELECTRIC COOPERATIVE CORP | D Employer Identification Number (EIN) 71-0027635 | |

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

BOLINGER, SEGARS, GILBERT AND MOSS

8215 NASHVILLE AVE
LUBBOCK, TX 79423

75-0882037

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 10 | AUDITOR | 10275 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| | | | Yes <input type="checkbox"/> No <input type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(a) Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| | | | Yes <input type="checkbox"/> No <input type="checkbox"/> | Yes <input type="checkbox"/> No <input type="checkbox"/> | | Yes <input type="checkbox"/> No <input type="checkbox"/> |

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| | | |
|--|---|--|
| (a) Enter service provider name as it appears on line 2 | (b) Service Codes (see instructions) | (c) Enter amount of indirect compensation |
| | | |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |
| (a) Enter service provider name as it appears on line 2 | (b) Service Codes (see instructions) | (c) Enter amount of indirect compensation |
| | | |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |
| (a) Enter service provider name as it appears on line 2 | (b) Service Codes (see instructions) | (c) Enter amount of indirect compensation |
| | | |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|--------------------------------------|--|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|--------------------------------------|--|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|--------------------------------------|--|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|--------------------------------------|--|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|--------------------------------------|--|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|--------------------------------------|--|
| | | |

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | |
|--------------------|---------------------|
| a Name: | b EIN: |
| c Position: | |
| d Address: | e Telephone: |

Explanation:

| | | |
|--|--|--|
| SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small> | Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500. | <small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection |
|--|--|--|

| | |
|---|--|
| For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024 | |
| A Name of plan CARROLL ELECTRIC COOPERATIVE CORP RETIREE WELFARE | B Three-digit plan number (PN) ▶ 526 |
| C Plan sponsor's name as shown on line 2a of Form 5500 CARROLL ELECTRIC COOPERATIVE CORP | D Employer Identification Number (EIN) 71-0027635 |

| | |
|---------------|--------------------------------------|
| Part I | Asset and Liability Statement |
|---------------|--------------------------------------|

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| | (a) Beginning of Year | (b) End of Year |
|--|-----------------------|-----------------|
| Assets | | |
| a Total noninterest-bearing cash | 1a | |
| b Receivables (less allowance for doubtful accounts): | | |
| (1) Employer contributions | 1b(1) | |
| (2) Participant contributions | 1b(2) | |
| (3) Other | 1b(3) | 8401 |
| c General investments: | | |
| (1) Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 747127 |
| (2) U.S. Government securities | 1c(2) | 1473482 |
| (3) Corporate debt instruments (other than employer securities): | | |
| (A) Preferred | 1c(3)(A) | |
| (B) All other | 1c(3)(B) | |
| (4) Corporate stocks (other than employer securities): | | |
| (A) Preferred | 1c(4)(A) | |
| (B) Common | 1c(4)(B) | |
| (5) Partnership/joint venture interests | 1c(5) | |
| (6) Real estate (other than employer real property) | 1c(6) | |
| (7) Loans (other than to participants) | 1c(7) | |
| (8) Participant loans | 1c(8) | |
| (9) Value of interest in common/collective trusts | 1c(9) | |
| (10) Value of interest in pooled separate accounts | 1c(10) | |
| (11) Value of interest in master trust investment accounts | 1c(11) | |
| (12) Value of interest in 103-12 investment entities | 1c(12) | |
| (13) Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | |
| (14) Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | |
| (15) Other | 1c(15) | |

| 1d Employer-related investments: | | (a) Beginning of Year | (b) End of Year |
|--|--------------|-----------------------|-----------------|
| (1) Employer securities..... | 1d(1) | | |
| (2) Employer real property..... | 1d(2) | | |
| e Buildings and other property used in plan operation..... | 1e | | |
| f Total assets (add all amounts in lines 1a through 1e)..... | 1f | 2625422 | 2229010 |
| Liabilities | | | |
| g Benefit claims payable..... | 1g | | |
| h Operating payables..... | 1h | 1015814 | 1059128 |
| i Acquisition indebtedness..... | 1i | | |
| j Other liabilities..... | 1j | | |
| k Total liabilities (add all amounts in lines 1g through 1j)..... | 1k | 1015814 | 1059128 |
| Net Assets | | | |
| l Net assets (subtract line 1k from line 1f)..... | 1l | 1609608 | 1169882 |

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| Income | | (a) Amount | (b) Total |
|--|-----------------|------------|-----------|
| a Contributions: | | | |
| (1) Received or receivable in cash from: (A) Employers..... | 2a(1)(A) | | |
| (B) Participants..... | 2a(1)(B) | 340636 | |
| (C) Others (including rollovers)..... | 2a(1)(C) | | |
| (2) Noncash contributions..... | 2a(2) | | |
| (3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2) | 2a(3) | | 340636 |
| b Earnings on investments: | | | |
| (1) Interest: | | | |
| (A) Interest-bearing cash (including money market accounts and certificates of deposit)..... | 2b(1)(A) | | |
| (B) U.S. Government securities..... | 2b(1)(B) | 60343 | |
| (C) Corporate debt instruments..... | 2b(1)(C) | | |
| (D) Loans (other than to participants)..... | 2b(1)(D) | | |
| (E) Participant loans..... | 2b(1)(E) | | |
| (F) Other..... | 2b(1)(F) | | |
| (G) Total interest. Add lines 2b(1)(A) through (F) | 2b(1)(G) | | 60343 |
| (2) Dividends: | | | |
| (A) Preferred stock..... | 2b(2)(A) | | |
| (B) Common stock..... | 2b(2)(B) | | |
| (C) Registered investment company shares (e.g. mutual funds)..... | 2b(2)(C) | | |
| (D) Total dividends. Add lines 2b(2)(A) , (B) , and (C) | 2b(2)(D) | | |
| (3) Rents..... | 2b(3) | | |
| (4) Net gain (loss) on sale of assets: | | | |
| (A) Aggregate proceeds..... | 2b(4)(A) | | |
| (B) Aggregate carrying amount (see instructions)..... | 2b(4)(B) | | |
| (C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result..... | 2b(4)(C) | | |
| (5) Unrealized appreciation (depreciation) of assets: | | | |
| (A) Real estate..... | 2b(5)(A) | | |
| (B) Other..... | 2b(5)(B) | 36748 | |
| (C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B) | 2b(5)(C) | | |

| | (a) Amount | (b) Total |
|---|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | |
| c Other income | 2c | |
| d Total income. Add all income amounts in column (b) and enter total..... | 2d | 437727 |

Expenses

| | | |
|--|--------|--------|
| e Benefit payment and payments to provide benefits: | | |
| (1) Directly to participants or beneficiaries, including direct rollovers..... | 2e(1) | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | 815278 |
| (3) Other..... | 2e(3) | 39900 |
| (4) Total benefit payments. Add lines 2e(1) through (3) | 2e(4) | 855178 |
| f Corrective distributions (see instructions) | 2f | |
| g Certain deemed distributions of participant loans (see instructions)..... | 2g | |
| h Interest expense..... | 2h | |
| i Administrative expenses: | | |
| (1) Salaries and allowances | 2i(1) | |
| (2) Contract administrator fees | 2i(2) | |
| (3) Recordkeeping fees | 2i(3) | |
| (4) IQPA audit fees | 2i(4) | |
| (5) Investment advisory and investment management fees | 2i(5) | |
| (6) Bank or trust company trustee/custodial fees | 2i(6) | |
| (7) Actuarial fees | 2i(7) | |
| (8) Legal fees | 2i(8) | |
| (9) Valuation/appraisal fees | 2i(9) | |
| (10) Other trustee fees and expenses | 2i(10) | |
| (11) Other expenses..... | 2i(11) | 22275 |
| (12) Total administrative expenses. Add lines 2i(1) through (11) | 2i(12) | 22275 |
| j Total expenses. Add all expense amounts in column (b) and enter total..... | 2j | 877453 |

Net Income and Reconciliation

| | | |
|--|-------|---------|
| k Net income (loss). Subtract line 2j from line 2d..... | 2k | -439726 |
| l Transfers of assets: | | |
| (1) To this plan..... | 2l(1) | |
| (2) From this plan | 2l(2) | |

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **BOLINGER, SEGARS, GILBERT & MOSS LL**

(2) EIN: **75-0882037**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) This form is filed for a CCT, PSA, DCG or MTIA. (2) It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

| | Yes | No | Amount |
|--|-----|----|---------|
| a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | | X | |
| b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | | X | |
| c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | | X | |
| d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | | X | |
| e Was this plan covered by a fidelity bond? | X | | 5000000 |
| f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | | X | |
| g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | | X | |
| h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | | X | |
| i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | X | | |
| j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.) | | X | |
| k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | | X | |
| l Has the plan failed to provide any benefit when due under the plan? | | X | |
| m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | | X | |
| n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | | X | |

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? Yes No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| 5b(1) Name of plan(s) | 5b(2) EIN(s) | 5b(3) PN(s) |
|------------------------------|---------------------|--------------------|
| | | |
| | | |
| | | |
| | | |

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

CARROLL ELECTRIC COOPERATIVE CORPORATION

RETIREE WELFARE BENEFIT PLAN

EIN: 71-0027635 PLAN NO.: 526

BERRYVILLE, AR

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

LUBBOCK, TEXAS

CARROLL ELECTRIC COOPERATIVE CORPORATION

RETIREE WELFARE BENEFIT PLAN

EIN: 71-0027635 PLAN NO.: 526

BERRYVILLE, AR

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

**FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

C E R T I F I E D P U B L I C A C C O U N T A N T S

P H O N E : (8 0 6) 7 4 7 - 3 8 0 6

F A X : (8 0 6) 7 4 7 - 3 8 1 5

8 2 1 5 N A S H V I L L E A V E N U E

L U B B O C K , T E X A S 7 9 4 2 3 - 1 9 5 4

Independent Auditor's Report

To the Trustees
Carroll Electric Cooperative Corporation
Retiree Welfare Benefit Plan
Berryville, Arkansas

Opinion

We have audited the accompanying financial statements of Carroll Electric Cooperative Corporation Retiree Welfare Benefit Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits and of benefit obligations as of December 31, 2024 and 2023, and the related statements of changes in net assets available for benefits and of changes in benefit obligations for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Carroll Electric Cooperative Corporation Retiree Welfare Benefit Plan as of December 31, 2024 and 2023, and the changes in its net assets available for benefits 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Carroll Electric Cooperative Corporation Retiree Welfare Benefit Plan (the Plan) 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 these 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 the Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become to such participants.

Auditor's Responsibility 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 auditor's report that includes our opinion. 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 judgement 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 misstatements 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 the Plan'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 the Plan'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.

Supplemental Schedules Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held for investment purposes is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the ERISA. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated in all material respects in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Bolinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

Lubbock, Texas

September 11, 2025

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2024 AND 2023**

| | December 31, | |
|--|----------------------------|----------------------------|
| | <u>2024</u> | <u>2023</u> |
| ASSETS | | |
| Cash and Cash Equivalents | \$ 747,127 | \$ 677,562 |
| Investments, at Fair Value | 1,473,482 | 1,936,735 |
| Accrued Interest Receivable | <u>8,401</u> | <u>11,125</u> |
| Total Assets | \$ <u>2,229,010</u> | \$ <u>2,625,422</u> |
| LIABILITIES | | |
| Employer Reimbursement Payable | \$ <u>1,059,128</u> | \$ <u>1,015,814</u> |
| Total Liabilities | \$ <u>1,059,128</u> | \$ <u>1,015,814</u> |
| NET ASSETS AVAILABLE FOR BENEFITS | \$ <u><u>1,169,882</u></u> | \$ <u><u>1,609,608</u></u> |

See accompanying notes to financial statements.

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

| | December 31, | |
|---|----------------------------|----------------------------|
| | 2024 | 2023 |
| ADDITIONS | | |
| Participant Contributions | \$ <u>340,636</u> | \$ <u>320,974</u> |
| INVESTMENT ACTIVITY | | |
| Interest | \$ 60,343 | \$ 79,595 |
| Net Appreciation in Fair Value of Investments | 38,307 | 29,862 |
| Other Investment Activity | <u>(1,559)</u> | <u>(4,641)</u> |
| | \$ <u>97,091</u> | \$ <u>104,816</u> |
| Total Additions and Investment Activity | \$ <u>437,727</u> | \$ <u>425,790</u> |
| DEDUCTIONS | | |
| Premiums Paid | \$ 815,278 | \$ 799,010 |
| HSA Contributions Paid | 39,900 | 34,500 |
| Audit and Actuary Fees | <u>22,275</u> | <u>9,775</u> |
| Total Deductions | \$ <u>877,453</u> | \$ <u>843,285</u> |
| NET CHANGE DURING YEAR | \$ (439,726) | \$ (417,495) |
| NET ASSETS AVAILABLE FOR BENEFITS | | |
| Beginning of Year | <u>1,609,608</u> | <u>2,027,103</u> |
| End of Year | \$ <u><u>1,169,882</u></u> | \$ <u><u>1,609,608</u></u> |

See accompanying notes to financial statements.

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

**STATEMENTS OF PLAN'S BENEFIT OBLIGATIONS
DECEMBER 31, 2024 AND 2023**

| | December 31, | |
|--|---------------------|---------------------|
| | <u>2024</u> | <u>2023</u> |
| POST-RETIREMENT BENEFIT OBLIGATIONS | | |
| Current Retirees | \$ 7,362,627 | \$ 6,938,937 |
| Other Participants Fully Eligible for Benefits | 569,460 | 679,103 |
| Other Participants Not Yet Fully Eligible for Benefits | <u>482,493</u> | <u>428,960</u> |
| PLAN'S TOTAL BENEFIT OBLIGATIONS | <u>\$ 8,414,580</u> | <u>\$ 8,047,000</u> |

See accompanying notes to financial statements.

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

**STATEMENTS OF CHANGES IN PLAN'S BENEFIT OBLIGATIONS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

| | December 31, | |
|---|---------------------|---------------------|
| | <u>2024</u> | <u>2023</u> |
| POST-RETIREMENT BENEFIT OBLIGATIONS | | |
| Balance at Beginning of Year | \$ 8,047,000 | \$ 8,202,039 |
| Changes During the Year Attributable to: | | |
| Service and Interest Costs | 439,055 | 460,177 |
| Premiums Paid | | (444,230) |
| Fees Paid | | (49,273) |
| Changes in Actuarial Assumptions | <u>(71,475)</u> | <u>(121,713)</u> |
| PLAN'S TOTAL BENEFIT OBLIGATIONS AT END OF YEAR | <u>\$ 8,414,580</u> | <u>\$ 8,047,000</u> |

See accompanying notes to financial statements.

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

NOTES TO FINANCIAL STATEMENTS

1. Description of the Plan

The following description of Carroll Electric Cooperative Corporation Retiree Welfare Benefit Plan (the Plan) provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General – The Plan was established July 24, 1997. The Plan provides health and other benefits covering employees and directors of Carroll Electric Cooperative Corporation (the Cooperative) upon retirement. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Benefits – The Plan provides health benefits (medical and pharmaceutical) to all participants who were hired or elected before October 1, 1993. In addition, the Plan provides life insurance and dental benefits to retired officers, directors, and attorneys. Employees who have 30 years of service, obtain age 62, or qualify for early pension at age 55 are eligible. Directors and attorneys are eligible at age 62 with 12 years of service or at any age after 20 years of service. The surviving spouse of a deceased retiree is covered in the same manner as long as the spouse remains unmarried.

The Plan pays an amount up to a percentage of the full family premium. The percentage is equal to 25 percent if under 25 years of service, 50 percent if 25-35 years of service, and 100 percent if more than 35 years of service and all directors and attorneys.

Contributions – The Cooperative contributes an amount as determined annually by the actuary. Employees and retirees may contribute specified amounts, determined periodically by the Plan's actuary, to extend coverage to eligible dependents. The Plan is fully insured and pays premium payments monthly for covered participants. In addition, retired participants may contribute additional premiums for optional health coverage beyond what the Plan provides.

Termination – In the event of the termination of the Plan, the trustee shall determine the value of any assets of the trust fund remaining after providing for a reserve to cover any expenses incident to such termination and claims in progress. Distribution of such net amount shall be made in accordance with the plan agreement and ERISA provisions.

Tax Status – The Plan has not obtained or requested a determination letter from the Internal Revenue Service (IRS) regarding the tax status of the Plan. However, the Plan administrator believes the Plan currently is designed and being operated in compliance with the applicable requirements of the Internal Revenue Code and that the Plan was qualified and the related trust was tax exempt as of the financial statement date.

Uncertain Tax Positions – The Plan has adopted the “uncertain tax positions” provisions of accounting principles generally accepted in the United States of America. The primary tax position of the Plan is its filing status as a tax exempt entity. The Plan determined that it is more likely than not that its tax positions would be sustained upon examination by the IRS, or other State taxing authority.

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

NOTES TO FINANCIAL STATEMENTS

There were no penalties or interest related to income taxes recognized during the years ended December 31, 2024 and 2023. The Plan is no longer subject to U.S. federal income tax examinations by tax authorities for years prior to 2021.

Administrative Expenses – Administrative expenses may be paid by the Cooperative or the Plan, at the Cooperative’s discretion.

2. Summary of Accounting Policies

Basis of Accounting – The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Valuation of Investments and Income Recognition – Investments are stated at fair value on the last business day of the periods reported. See Note 4 for information on fair value measurements. In accordance with the policy of stating investments at fair value, net unrealized appreciation or depreciation for the year is reflected in the statement of changes in assets available for plan benefits.

3. Investments

The Plan's investments are held by a broker-administered trust fund. The following table represents the fair values of investments.

| Investments at Fair Value: | December 31, | |
|--|---------------------|---------------------|
| | 2024 | 2023 |
| Certificates of Deposit maturing 2025-2027 Government and Government Sponsored Entity (GSE) Bonds: | \$ 1,243,292 | \$ 1,215,522 |
| FFCB, 0.940% due June 8, 2027 | 230,190 | 224,348 |
| FNMA, 3.300%, due May 1, 2024 | | 496,865 |
| Total Investments at Fair Value | \$ <u>1,473,482</u> | \$ <u>1,936,735</u> |

Interest recognized on the Plan’s investments for the years ended December 31, 2024 and 2023 was \$60,343 and \$79,595, respectively. Accrued interest related to these investments at December 31, 2024 and 2023 totaled \$8,401 and \$11,125, respectively.

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

NOTES TO FINANCIAL STATEMENTS

4. Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Certificates of Deposit: Calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

Government and Government Sponsored Entity (GSE) Bonds: Valued at quoted prices of similar bonds traded on the active market.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

NOTES TO FINANCIAL STATEMENTS

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2024 and 2023:

| | December 31, | | Level |
|---|---------------------|---------------------|-------|
| | 2024 | 2023 | |
| Investments at Fair Value: | | | |
| Certificates of Deposit | \$ 1,243,292 | \$ 1,215,522 | 2 |
| Government and Government Sponsored Entity (GSE) Bonds | 230,190 | 721,213 | 2 |
| Total Investments at Fair Value | <u>\$ 1,473,482</u> | <u>\$ 1,936,735</u> | |

The Plan's investments depreciated in fair value as determined by quoted market price as follows:

| | December 31, | |
|---|------------------|------------------|
| | 2024 | 2023 |
| Net Appreciation in Fair Value: | | |
| Certificates of Deposit | \$ 27,770 | \$ 11,226 |
| Government and Government Sponsored Entity (GSE) Bonds | 10,537 | 18,636 |
| | <u>\$ 38,307</u> | <u>\$ 29,862</u> |

Concentrations of credit risk exist if a number of investments are engaged in similar activities and have similar economic characteristics that could cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Plan has invested in a variety of financial instruments and investments involving diverse industries and geographic areas to mitigate exposure to credit risks.

5. Employer Reimbursement Payable

At December 31, 2024 and 2023, the Plan had amounts payable to the Cooperative of \$1,059,128 and \$1,015,814, respectively. These liabilities represent reimbursements payable for all employer premiums and administrative expenses paid by the Cooperative on behalf of the Plan, less participant contributions received by the Cooperative during those fiscal years.

6. Plan Benefit Obligations

The Plan's deficiency of net assets over benefit obligations at December 31, 2024 and 2023 relates primarily to the post-retirement benefit obligation, the funding of which is not covered by the current contribution rate. It is expected that the deficiency will be funded through future increases in the contribution rates.

**CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN**

NOTES TO FINANCIAL STATEMENTS

7. Post-Retirement Benefits

The post-retirement benefit obligation represents the actuarial present value of those estimated future benefits that are attributed to prior employee service. Post-retirement benefits include future benefits expected to be paid to or for (1) currently retired or terminated employees and their beneficiaries and dependents and (2) active employees and their beneficiaries and dependents after retirement. Prior to an active employee's full eligibility date, the post-retirement benefit obligation is the portion of the expected post-retirement benefit obligation that is attributed to that employee's service rendered to the valuation date.

The actuarial present value of the expected post-retirement benefit obligation is determined by an actuary and is the amount that results from applying actuarial assumptions to historical claims-cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The measurement date used for the current valuation is December 31, 2024.

The weighted-average discount rate used to develop the accumulated post-retirement benefit obligation was 5.00%. The assumed health care cost trend rate is 8.00% for 2025, declining to an ultimate level of 4.50% in 2028. If health care cost trend rate assumption were increased by 1.00%, the accumulated post-retirement benefit obligation would be increased by approximately \$1,049,901.

Various other actuarial assumptions, such as interest rates, inflation rates and employee demographics, were used in the valuations, all of which are subject to change. These assumptions were also based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining actuarial present value of post-retirement benefit obligations.

Expected Retiree Premiums for the next ten years are projected as follows:

| <u>Year</u> | <u>Estimated Payment</u> |
|-------------|--------------------------|
| 2025 | \$ 535,000 |
| 2026 | 557,000 |
| 2027 | 558,000 |
| 2028 | 552,000 |
| 2029 | 573,000 |
| 2030-2034 | 2,185,000 |

8. Subsequent Events

The Plan's management has evaluated subsequent events through September 11, 2025, the date which the financial statements were available for issue.

CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN
EIN: 71-0027635 PLAN NO.: 526
Schedule H, Line 4i - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
DECEMBER 31, 2024

| (a) | (b) | (d) | (c) | (e) |
|---|-----|--|---------------------|---------------------|
| Identity of Issuer, Borrower, Lessor, or Similar Party | | Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | Cost | Current Value |
| <u>Bank Deposits</u> | | | | |
| Morgan Stanley Bank | | Bank Deposits at 0.05% | \$ 747,127 | \$ 747,127 |
| | | | <u>\$ 747,127</u> | <u>\$ 747,127</u> |
| <u>Certificates of Deposit</u> | | | | |
| Sallie Mae | | \$500,000 at 3.25% due May 23, 2025 | \$ 500,000 | \$ 498,045 |
| MS Private Bank | | \$250,000 at 3.30% due February 18, 2026 | 250,000 | 247,755 |
| Ally Bank | | \$250,000 at 3.45% due August 11, 2026 | 250,000 | 247,557 |
| Morgan Stanley | | \$250,000 at 4.00% due September 16, 2027 | 250,000 | 249,935 |
| | | | <u>\$ 1,250,000</u> | <u>\$ 1,243,292</u> |
| <u>Government Securities</u> | | | | |
| FFCB | | \$250,000 at 0.94% due June 8, 2027 | \$ 226,550 | \$ 230,190 |
| | | | <u>\$ 226,550</u> | <u>\$ 230,190</u> |
| | | | <u>\$ 2,223,677</u> | <u>\$ 2,220,609</u> |

BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.

C E R T I F I E D P U B L I C A C C O U N T A N T S

PHONE: (806) 747-3806

FAX: (806) 747-3815

8215 NASHVILLE AVENUE

LUBBOCK, TEXAS 79423-1954

September 11, 2025

To the Trustees
Carroll Electric Cooperative Corporation
Retiree Welfare Benefit Plan
Berryville, Arkansas

We have audited the financial statements of Carroll Electric Cooperative Corporation Retiree Welfare Benefit Plan (the Plan) for the years ended December 31, 2024 and 2023, and have issued our report there on dated September 11, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated February 25, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2024. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions that have been recognized in the financial statements in the proper period.

Accounting 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 and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was the following:

Management's estimated value of the post-retirement benefit obligation: Management uses a professional actuary firm to assist them in determining their postretirement benefit obligation value. We feel these estimates are reasonable for the audit period.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

The disclosures in the financial statements are neutral, consistent, and clear.

Form 5500 Procedures

We are required to obtain and read a substantially complete draft of the Form 5500 prior to dating our auditor's report. The purpose of this procedure is to identify any material inconsistencies between the draft Form 5500 and the Plan's financial statements. We identified no material inconsistencies in performing and completing our audit.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no such misstatements noted in the year under audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 11, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Other Matters

With respect to the ERISA-required supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the ERISA-required supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Trustees and management of Carroll Electric Cooperative Corporation Retiree Welfare Benefit Plan and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Balinger, Segars, Gilbert & Moss LLP

Certified Public Accountants

CARROLL ELECTRIC COOPERATIVE CORPORATION
RETIREE WELFARE BENEFIT PLAN
EIN: 71-0027635 PLAN NO.: 526
Schedule H, Line 4i - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
DECEMBER 31, 2024

| (a) | (b) | (d) | (c) | (e) |
|---|-----|--|---------------------|---------------------|
| Identity of Issuer, Borrower, Lessor, or Similar Party | | Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | Cost | Current Value |
| <u>Bank Deposits</u> | | | | |
| Morgan Stanley Bank | | Bank Deposits at 0.05% | \$ 747,127 | \$ 747,127 |
| | | | <u>\$ 747,127</u> | <u>\$ 747,127</u> |
| <u>Certificates of Deposit</u> | | | | |
| Sallie Mae | | \$500,000 at 3.25% due May 23, 2025 | \$ 500,000 | \$ 498,045 |
| MS Private Bank | | \$250,000 at 3.30% due February 18, 2026 | 250,000 | 247,755 |
| Ally Bank | | \$250,000 at 3.45% due August 11, 2026 | 250,000 | 247,557 |
| Morgan Stanley | | \$250,000 at 4.00% due September 16, 2027 | 250,000 | 249,935 |
| | | | <u>\$ 1,250,000</u> | <u>\$ 1,243,292</u> |
| <u>Government Securities</u> | | | | |
| FFCB | | \$250,000 at 0.94% due June 8, 2027 | \$ 226,550 | \$ 230,190 |
| | | | <u>\$ 226,550</u> | <u>\$ 230,190</u> |
| | | | <u>\$ 2,223,677</u> | <u>\$ 2,220,609</u> |

Annual Return/Report of Employee Benefit Plan
 This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).
 ▶ Complete all entries in accordance with the instructions to the Form 5500.

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A This return/report is for: a multiemployer plan a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)

B This return/report is: a single-employer plan a DFE (specify) _____
 the first return/report the final return/report
 an amended return/report a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here

D Check box if filing under: Form 5558 automatic extension the DFVC program
 special extension (enter description) _____

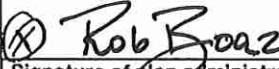
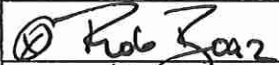
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here

Part II Basic Plan Information - enter all requested information

| | |
|--|---|
| 1a Name of plan CARROLL ELECTRIC COOPERATIVE CORP RETIREE WELFARE | 1b Three-digit plan number (PN) ▶ 526 |
| 2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) CARROLL ELECTRIC COOPERATIVE CORP 920 HWY 2 SPUR PO BOX 4000 BERRYVILLE AR 72616 | 1c Effective date of plan 07/14/1997 2b Employer Identification Number (EIN) **-***** 2c Plan Sponsor's telephone number 870-423-2161 2d Business code (see instructions) 221100 |

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | |
|--|------------|--|
| SIGN HERE  | 09/25/2025 | ROB BOAZ |
| Signature of plan administrator | Date | Enter name of individual signing as plan administrator |
| SIGN HERE  | 09/25/2025 | ROB BOAZ |
| Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor |
| SIGN HERE | | |
| Signature of DFE | Date | Enter name of individual signing as DFE |

| | |
|--|--|
| 3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor | 3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div> |
|--|--|

| | |
|--|-----------------------------------|
| 4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name | 4b EIN 4d PN |
|--|-----------------------------------|

| | | |
|--|--------------|-----|
| 5 Total number of participants at the beginning of the plan year | 5 | 110 |
| 6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). | | |
| a (1) Total number of active participants at the beginning of the plan year | 6a(1) | |
| a (2) Total number of active participants at the end of the plan year | 6a(2) | |
| b Retired or separated participants receiving benefits | 6b | 115 |
| c Other retired or separated participants entitled to future benefits | 6c | |
| d Subtotal. Add lines 6a(2) , 6b , and 6c | 6d | 115 |
| e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | 6e | |
| f Total. Add lines 6d and 6e | 6f | |
| g (1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) | 6g(1) | |
| (2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | 6g(2) | |
| h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | 6h | |
| 7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | 7 | |

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:
4A 4B 4D

| | |
|--|---|
| 9a Plan funding arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor | 9b Plan benefit arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor |
|--|---|

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

| | |
|---|---|
| a Pension Schedules (1) <input type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary (4) <input type="checkbox"/> DCG (Individual Plan Information) - Number Attached _____ (5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information) | b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information - Small Plan) (3) <input type="checkbox"/> A (Insurance Information) - Number Attached _____ (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules) |
|---|---|