

★ Illinois Electric Cooperative ★

Annual Meeting 2025

Treasurer's Report

I would like to personally invite all members to attend your cooperative's Annual Meeting on June 14th in Winchester. Your participation is important to us, and we look forward to seeing you there.

As your treasurer, one of my duties is reporting on the cooperative's financial health at our Annual Meeting. I am pleased to inform you that your cooperative is financially sound. Achieving and maintaining this position requires careful decision-making—balancing necessary improvements and service expansion with financial sustainability. Our efforts have led to a more reliable electric system and faster internet service while maintaining a solid financial position.

Delivering reliable service demands ongoing investment in infrastructure. As of December 31, 2024, our net utility plant was valued at \$128 million—an increase of \$5.5 million from the previous year. However, long-term debt increased by a lesser amount, \$1.7 million, thanks to a strategic approach that combined both borrowing and cash from operations to fund system improvements. Although long-term interest expenses have risen, borrowing from the USDA's Rural Utility Services Program ensures the lowest possible rates. While working with the federal government comes with additional administrative requirements, these lower rates help keep costs down and allow us to maintain and improve our distribution system efficiently.

Like any lender, the USDA requires us to maintain certain financial ratios. In 2024, we met all our lenders' financial requirements. Net operating margins totaled \$3.1 million, of

which approximately \$1 million was retired to current and former members. Our total equity stands at \$62.3 million, representing 38% of total assets. While this is consistent with equity in 2023, it remains below the national average for cooperatives.

Providing reliable service is not just about finances—it's about commitment to our members. We continue to invest in system improvements to ensure safety, reliability, and expanded services, all while maintaining a sound financial position.

The audited financial statements for the year ending December 31, 2024, are included in the annual meeting announcement and posted on our website. If you have any questions, please don't hesitate to contact our office.

For over 80 years, we have been committed to serving you with the high-quality service you expect and deserve. Your support is invaluable, and we hope to see you at the 2025 Annual Meeting.

*Jim Freeman,
Treasurer*

Join us for our 2025 Annual Meeting on Saturday, June 14th at the Winchester Grade School!
We'll be giving away four \$500 and twenty \$100 door prizes. You could also win one of eleven \$500 prizes for your favorite charity. Each member will receive a \$15 credit at our drive-through registration from 8:00-10:00 a.m.

Working to improve the quality of life in the communities we serve since 1936.

www.e-co-op.com

Audited, Condensed Balance Sheets, December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Utility Plant	\$163,700,335	\$155,728,515
Less Accumulated Depreciation	<u>(35,186,981)</u>	<u>(32,761,576)</u>
Net Utility Plant	128,513,354	122,966,939
Other Assets and Investments	<u>23,819,197</u>	<u>19,655,039</u>
Current Assets		
Cash and Cash Equivalents	1,059,360	3,236,710
Accounts and Notes Receivable	5,552,931	5,098,370
Current Portion of Notes Receivable	202,051	337,983
Inventory	2,987,459	3,104,156
Other	<u>503,177</u>	<u>310,880</u>
Total Current	10,304,978	12,088,099
Deferred Debits	<u>104,243</u>	<u>176,452</u>
Total Assets	<u><u>\$162,741,772</u></u>	<u><u>\$154,886,529</u></u>
Liabilities and Equities		
Patronage Capital	\$34,523,239	\$32,575,351
Other	<u>27,792,002</u>	<u>26,172,252</u>
Total Equities	62,315,241	58,747,603
Long-term Debt, Net of Current Maturities	84,106,274	81,907,565
Accumulated Provision for Post Retirement Benefit Obligation	3,441,564	2,920,904
Current Liabilities		
Current Maturities of Long-term Debt	4,530,937	3,543,024
Notes and Accounts Payable	6,765,631	6,301,537
Other	<u>1,373,910</u>	<u>1,287,739</u>
Total Current Liabilities	12,670,478	11,132,300
Deferred Credits	<u>208,215</u>	<u>178,157</u>
Total Equities and Liabilities	<u><u>\$162,741,772</u></u>	<u><u>\$154,886,529</u></u>

Audited, Consolidated Statement of Operations, Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating Revenues		
Total	\$43,929,273	\$42,738,948
Cost of Power	19,222,676	19,687,613
Operations and Maintenance	7,169,683	6,796,997
Consumer Accounts	761,820	750,624
Administrative and General	3,732,214	3,486,082
Depreciation	6,283,311	5,810,428
Other Interest	<u>279,459</u>	<u>294,758</u>
Total Operating Expenses	<u>37,449,163</u>	<u>36,826,502</u>
Operating Margin Before Fixed Charges	6,477,110	5,912,446
Interest on Long-Term Debt	<u>3,373,412</u>	<u>2,992,715</u>
Operating Margins After Fixed Charges	3,103,698	2,919,731
Capital Credits	<u>1,202,762</u>	<u>1,211,631</u>
Net Operating Margins	4,306,460	4,131,362
Non-Operating Margins	<u>663,853</u>	<u>399,329</u>
Total Margins	<u>\$4,970,313</u>	<u>\$4,530,691</u>



Journeyman Lineman Josh Davis

Proxy

I, _____, a member of Illinois Electric
(please print)
Cooperative, do hereby appoint _____ to be my Proxy
(please print)
for all matters to come before the membership at the Annual Meeting of
Members to be held June 14, 2025.

Signature

Date

This institution is an equal opportunity provider and employer.