

★ Illinois Electric Cooperative ★

Annual Meeting 2026

Treasurer's Report

I'd like to invite you to join us for your cooperative's Annual Meeting on June 13 in Winchester. The Annual Meeting is a great chance to hear what's going on, ask questions, and be part of the cooperative you own. We'd really like to see you there.

As Treasurer, part of my job is keeping an eye on the cooperative's finances. The good news is that your cooperative is in good financial shape. We work hard to strike the right balance, putting money back into the system while also being careful with member dollars.

Over the past year, we have continued investing in the electric and broadband systems to keep service reliable and up to date. That includes replacing equipment, upgrading our lines, and planning for future needs. Some of those projects required borrowing, but we also used cash from day-to-day operations to help limit the amount of debt we took on. That approach helps keep the cooperative financially steady over the long run.

We also benefit from low interest loans through the USDA's Rural Utilities Service. Those loans help us stretch members' dollars further than traditional financing. As part of that program, we're required to meet certain financial standards, and I'm happy to report that we met all of them again this year.

The cooperative finished the year with positive margins, which helps support

future improvements. A portion of those margins was returned to members through capital credit retirements, one of the ways cooperatives share their success with the people who own them.

If you'd like a look, the cooperative's audited financial statements are included with the Annual Meeting materials and posted on our website. And as always, if you have questions, please give us a call or stop by—we're happy to talk.

This cooperative has been serving our members for almost 90 years, and we take that responsibility seriously. Thank you for your continued support, and we hope to see you at the Annual Meeting.

*Jim Freeman,
Treasurer*

**Join us for our 2026 Annual Meeting
on Saturday, June 13th at the Cornerstone
Baptist Church in Winchester!**

**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, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Utility Plant	\$170,547,138	\$163,700,335
Less Accumulated Depreciation	<u>(36,580,344)</u>	<u>(35,186,981)</u>
Net Utility Plant	133,966,794	128,513,354
Other Assets and Investments	<u>25,878,726</u>	<u>23,819,197</u>
Current Assets		
Cash and Cash Equivalents	790,554	1,059,360
Accounts and Notes Receivable	5,807,946	5,552,931
Current Portion of Notes Receivable	17,056	202,051
Inventory	2,687,243	2,987,459
Other	<u>292,365</u>	<u>503,177</u>
Total Current	9,595,164	10,304,978
Deferred Debits	<u>141,539</u>	<u>104,243</u>
Total Assets	<u>\$169,582,223</u>	<u>\$162,741,772</u>
Liabilities and Equities		
Patronage Capital	\$36,780,727	\$34,523,239
Other	<u>30,191,914</u>	<u>27,792,002</u>
Total Equities	66,972,641	62,315,241
Long-term Debt, Net of Current Maturities	85,843,182	84,106,274
Accumulated Provision for Post Retirement Benefit Obligation	3,781,858	3,441,564
Current Liabilities		
Current Maturities of Long-term Debt	4,702,109	4,530,937
Notes and Accounts Payable	6,671,247	6,765,631
Other	<u>1,381,215</u>	<u>1,373,910</u>
Total Current Liabilities	12,754,571	12,670,478
Deferred Credits	<u>229,971</u>	<u>208,215</u>
Total Equities and Liabilities	<u>\$169,582,223</u>	<u>\$162,741,772</u>

Audited, Consolidated Statement of Operations, Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating Revenues		
Total	\$47,236,394	\$43,926,273
Cost of Power	21,605,118	19,222,676
Operations and Maintenance	7,605,007	7,169,683
Consumer Accounts	771,056	761,820
Administrative and General	3,517,676	3,732,214
Depreciation	6,550,911	6,283,311
Other Interest	<u>301,804</u>	<u>279,459</u>
Total Operating Expenses	<u>40,351,572</u>	<u>37,449,163</u>
Operating Margin Before Fixed Charges	6,884,822	6,477,110
Interest on Long-Term Debt	<u>3,314,581</u>	<u>3,373,412</u>
Operating Margins After Fixed Charges	3,570,241	3,103,698
Capital Credits	<u>1,319,898</u>	<u>1,202,762</u>
Net Operating Margins	4,890,139	4,306,460
Non-Operating Margins	<u>270,453</u>	<u>663,853</u>
Total Margins	<u>\$5,160,592</u>	<u>\$4,970,313</u>

Bylaw Change to Be Voted on at 2026 Annual Meeting

Proposed amendment to Article Fourteen of the Bylaws pertaining to the "Borrowing Authority." The following will be presented to the membership for consideration.

Proposed Language

Effective July 1, 2026, the borrowing authority of the Cooperative shall be \$175,000,000. Beginning January 1, 2027, and continuing on January 1 of each year thereafter, the borrowing authority shall be automatically increased by the U.S. Consumer Price Index for All Urban Consumers (CPI-U) as released by the U.S. Bureau of Labor Statistics in December of the immediately preceding year.

The co-op's complete bylaws can be found on our website at www.e-co-op.com.

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 13, 2026.

Signature

Date

This institution is an equal opportunity provider and employer.