

EASTERN ILLINI ELECTRIC COOPERATIVE

2026 Annual Report

SEVEN COOPERATIVE PRINCIPLES



AUTONOMY & INDEPENDENCE



Eastern Illini
Electric
Cooperative

800.824.5102
www.eiec.coop
330 W. Ottawa
Paxton, IL 60957

Providing our members with safe, reliable energy solutions and exceptional service.

Board Chairman & CEO Report

On behalf of Eastern Illini's Board of Directors and employees, we would like to welcome you to the 2026 Annual Meeting! We want to share with you a summary of our 2025 activities.

SAFETY

Our driving and continual focus for the cooperative is the safety of our employees, our members, and the public. The main portion of our safety goal each year is to experience zero lost time incidents. We had a great safety year and received two awards from the Association of Illinois Electric Cooperatives for Best Incident Rate and Best Lost Time Rate. A sincere thanks to our employees and directors for their dedication to safety.

RELIABILITY

Our overall reliability was 99.96% which means that the average member was without power for about 210 minutes (3.5 hours) in 2025. We did experience a few large weather events that caused extended outages in certain instances. This high level of reliability can be attributed to our prompt crew response time in restoring power along with effective vegetation management and on-going infrastructure maintenance practices.

MEMBER SATISFACTION

While we've always believed in the quality of our service, it's wonderful to see that our members feel the same. In 2025, we received the Customer Satisfaction Award for co-op utilities from the American Customer Satisfaction Index (ACSI®). Our score of 89/100 was among the top 25 percent of cooperatives across the country. Thank you members! We are always looking for ways to improve the service level our members deserve and expect.

FINANCIAL AND CAPITAL CREDIT UPDATE

Operating margins for 2025 totaled \$954,634, with total operating revenues of \$41.6 million. Those margins will be allocated as capital credits to be returned to members at a future date. This cash back over time is a tangible benefit of being a member of our cooperative. In 2025, we retired (paid back) about \$1 million in capital credits to members who received electric service in 2003 and 2004.

RATES

The cost of delivering reliable electric service to our members continues to increase. Inflationary pressures, accelerating wholesale power costs and critical infrastructure maintenance expenses are driving these increases. Our board and staff are regularly monitoring our expenses and are working diligently to control costs as much as we can. We do anticipate minor rate increases, at least every two years, as we strive to balance your electric rates with our rising expenses. Our goal is to continue to provide all of our members with reliable electricity, as economically as we can.

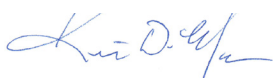
SYSTEM IMPROVEMENTS

We continue to focus on maintaining and improving both our local distribution system (the poles, wires, and equipment that deliver electricity directly to your home or business) and the larger transmission system that brings power into our area. In 2025, Prairie Power, Inc. (PPI, our wholesale energy provider) began rebuilding sections of our 69 kV transmission lines, starting in the Gifford area. That work was completed earlier this year. The project included converting 3.75 miles of underground line to overhead to improve reliability and ease of maintenance. As part of this work, we also upgraded the local distribution lines that run alongside these routes. Looking ahead, PPI plans to begin work on the Jamesburg 69 kV lines later this year and the Sidney 69 kV tap in 2027. At the same time, we will continue replacing aging underground distribution lines across our system to further strengthen day-to-day service reliability.

THANK YOU

We are in our 89th year operating a successful electric distribution cooperative, and we appreciate the confidence that you have placed in us and our employees to represent your interests. We hope you have enjoyed this brief recap of our 2025 performance. Thank you for the opportunity to serve you.

Kevin Moore
Board Chairman



Bradley W. Smith
President/CEO



Board of Directors Election

EIEC has nine co-op members who serve on the Board of Directors. Elected directors serve three-year terms. Directors advocate for the cooperative business model and establish the strategic direction of the co-op.

Eastern Illini wants to express our sincere gratitude to Mark Slagel as he concludes his time on the EIEC Board of Directors. Eastern Illini members have greatly benefited from his dedication, commitment, and expertise. We wish him all the best in his future endeavors. This year's election is uncontested for directors in Directorate Districts 2, 5, and 9. John Wilken, Chatsworth, is the candidate for District 2 Director. The directors being reelected are: Kevin Moore from Hoopeston, District 5 Director and Lauri Quick from Tolono, District 9 Director. The election will happen at the annual business meeting being held on June 8, 2026 at the First Christian Church, 3601 S. Staley Road, Champaign, IL.



Tyler Finegan

District 1
Ashkum
7 years of service



Mark Slagel

District 2
Strawn
3 years of service



Steve Meenen
Secretary/Treasurer
District 3
Melvin
20 years of service



Bruce Ristow
Vice Chairman
District 4
Cissna Park
20 years of service



Kevin Moore
Chairman
District 5
Hoopeston
12 years of service



Bradley J. Ludwig
District 6
Fithian
41 years of service



Steve Gordon

District 7
Rantoul
10 years of service



Chad Larimore
Assistant Secretary/Treasurer
District 8
Bement
10 years of service



Lauri Quick

District 9
Tolono
8 years of service

Financial Review

The enclosed financial information represents the Cooperative's operation for the fiscal years ended December 31, 2025, 2024, and 2023. These reports were taken directly from the Cooperative's books and records which have been audited by the auditing firm of LWG CPAs & Advisors. The American Institute of Certified Public Accountants sets the standards and scope of the audit.

BALANCE SHEET

| | 2025 | 2024 | 2023 |
|--|---------------|---------------|---------------|
| ASSETS | | | |
| Total Utility Plant | \$134,743,697 | \$130,724,828 | \$126,056,812 |
| Less: Accumulated Depreciation | 53,542,230 | 53,338,911 | 53,048,910 |
| Net Utility Plant | \$81,201,467 | \$77,385,918 | \$ 73,007,902 |
| CURRENT & OTHER ASSETS | | | |
| Cash-General | \$207,692 | \$481,187 | \$659,296 |
| Investments | 24,245,475 | 22,878,689 | 21,243,341 |
| Accounts Receivable, Net | 4,072,190 | 3,689,601 | 3,430,651 |
| Materials and Supplies | 1,736,210 | 2,003,036 | 2,516,894 |
| Prepaid and Other Assets | 855,337 | 660,776 | 702,787 |
| Total Assets | \$112,318,372 | \$107,099,207 | \$101,560,871 |
| MEMBERS' EQUITY AND LIABILITIES | | | |
| Membership Fees & Other Equities | \$7,849,374 | \$7,045,425 | \$6,643,853 |
| Patronage Capital | 41,803,955 | 40,176,923 | 38,416,078 |
| Operating Margins | 954,634 | 1,134,690 | 1,472,472 |
| Non-Operating Margins | 8,167,378 | 8,148,971 | 8,129,981 |
| Long-Term Debt | \$42,269,890 | \$38,518,221 | \$35,256,459 |
| CURRENT & OTHER LIABILITIES | | | |
| Accounts Payable & Accrued Expenses | \$3,878,956 | \$3,755,739 | \$3,614,199 |
| Notes Payable - Line of Credit | 2,922,622 | 3,412,431 | 3,088,181 |
| Consumers' Deposits & Prepayments | 557,035 | 507,760 | 521,220 |
| Other Non-Current Liabilities | 3,914,528 | 4,339,046 | 4,418,428 |
| Total Members' Equity and Liabilities | \$112,318,372 | \$107,099,207 | \$101,560,871 |

HOW YOUR ELECTRIC DOLLAR WAS SPENT

| | 2025 | 2024 | 2023 |
|----------------------|--------|--------|--------|
| Wholesale Power Cost | 60.00% | 57.97% | 60.38% |
| Operations | 24.12% | 25.28% | 22.87% |
| Depreciation & Other | 8.91% | 9.15% | 8.88% |
| Interest | 4.67% | 4.67% | 4.08% |
| Operating Margins | 2.29% | 2.92% | 3.79% |

Financial Review

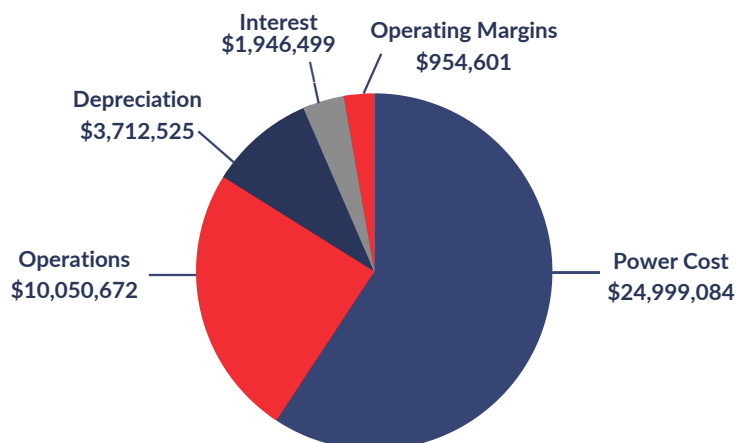
STATEMENT OF REVENUE AND EXPENSE

| | 2025 | 2024 | 2023 |
|--|--------------|--------------|--------------|
| Total Operating Revenue | \$41,663,381 | \$38,798,597 | \$38,899,925 |
| Operating Expenses: | | | |
| Cost of Power | \$24,999,084 | \$22,493,463 | \$23,489,366 |
| Operations and Maintenance Expenses | 5,422,071 | 5,440,979 | 5,095,556 |
| Consumer Accounts Expense | 820,476 | 775,895 | 519,758 |
| Customer Service and Information Expense | 547,420 | 525,255 | 487,681 |
| Administrative and General Expense | 2,990,445 | 2,810,308 | 2,623,588 |
| Depreciation | 3,712,525 | 3,549,974 | 3,455,170 |
| Interest Expense | 1,946,499 | 1,813,267 | 1,586,259 |
| Other Deductions | 270,261 | 254,765 | 170,075 |
| Total Operating Expense | \$40,708,781 | \$37,663,907 | \$37,427,453 |
| Operating Margins (Loss) | \$954,601 | \$ 1,134,690 | \$1,472,472 |
| Non-Operating Margins (Loss) | \$1,703,977 | \$1,676,329 | \$1,652,112 |
| Income or (Loss) from Equity Investments | (1,443) | 7,765 | 12,991 |
| Net Margins (Loss) for the Year | \$2,657,134 | \$2,818,784 | \$3,137,575 |

OPERATING STATISTICS

| | 2025 | 2024 | 2023 |
|---|-------------|-------------|-------------|
| Total KWH Purchased | 258,589,104 | 250,876,400 | 252,331,330 |
| Total KWH Sold | 241,998,203 | 236,026,595 | 236,736,495 |
| Average Number Consumers Served | 13,487 | 13,504 | 13,501 |
| Average kWh Usage per Month per Consumer | 1,495 | 1,457 | 1,461 |
| Average Revenue per kWh Sold to Consumers | \$0.172 | \$0.164 | \$0.164 |
| Average Cost per kWh Purchased | \$0.097 | \$0.090 | \$0.093 |

2025 EXPENSES



2025 Meeting Minutes

The Thirty-Eighth Annual Meeting of Members of Eastern Illini Electric Cooperative, Inc. (Cooperative) was held at the Gibson City Bible Church, Gibson City, Illinois on Thursday, June 5, 2025, with the member meeting called to order at 6:30 p.m.

CALL TO ORDER

The business portion of the meeting was called to order by the Chairman of the Board, Kevin Moore, who presided and acted as Chairman. Secretary of the Board, Steve Meenen, acted as Secretary of the meeting and kept the minutes thereof.

NATIONAL ANTHEM

The National Anthem was led by Jimm Wood.

PLEDGE OF ALLEGIANCE

The membership then recited the Pledge of Allegiance.

INVOCATION

Vice Chairman Bruce Ristow delivered the invocation.

QUORUM DETERMINATION

The Chairman announced that the registration was completed and a quorum of 290 members overall had been achieved. Attendance of at least 100 members as required by the bylaws is necessary to constitute a quorum.

INTRODUCTION AND RECOGNITION OF EMPLOYEES AND GUESTS

The Cooperative employees were acknowledged for their presence and helpful assistance with the meeting. Vice Chairman Ristow introduced those special guests in attendance including, Craig Sondgeroth, President/CEO of the Association of Illinois Electric Cooperatives, Eric Hobbie, President/CEO of Prairie Power, Inc., Crystal Riney, Vice President of Finance and Accounting of Prairie Power, Inc., Rachel Sexton, Human Resources Director at Prairie Power, Inc., Craig Hall of Nextlink and Morgan Caracci, Chief of Staff from Senator Chris Balkema's office. Youth to Washington awardees, Ella Rogers and her mother Laura Surprenant of Watseka, and Garrett Koester and his mother Tiffany of Milford, were also in attendance.

READING OF PROOF OF SERVICE OF NOTICE OF MEETING AND PROOF OF MAILING & DELIVERY

Vice Chairman Ristow indicated that Secretary Meenen had certified the Official Notice of the meeting and that delivery of the same through the proof of service that the Notice of Annual Meeting was promptly delivered to the U.S. Postal Service on April 29, 2025, otherwise mailed to members, or sent to them via electronic delivery in compliance with the Cooperative bylaw requirements. He directed the Secretary to annex to the minutes of this meeting a copy of the Notice together with the Affidavit of the Secretary.

APPROVAL OF MINUTES - 2024 ANNUAL MEETING

The minutes of the Thirty-Seventh Annual Meeting of Members held June 6, 2024, as printed in the 2025 Annual Report and distributed to all members, were presented for consideration. Member James Roach made a motion that the rules be suspended; that the reading of the minutes of the Annual Meeting of June 6, 2024, be waived; and that the minutes be approved as presented in the official Annual Report of this meeting. His motion was seconded by member Robert Apperson and unanimously approved.

REPORT OF TREASURER

Vice Chairman Ristow informed the membership that the Treasurer's Financial Review and Report was contained in the official Annual Report and that it was also posted on the Cooperative's website. He indicated there would be no oral report describing the amounts and matters set forth therein. The Treasurer's Financial Review and Report included operating statistics, the balance sheet for the years ending December 31, 2022, December 31, 2023, and December 31, 2024, respectively.

2025 Meeting Minutes

Consolidated statements of revenues and expenses of the Cooperative and its subsidiaries for those years, as well as other information were provided.

The balance sheet reflected the following information for 2024:

| | |
|-------------------------------------|---------------|
| Net Utility Plant | \$ 77,385,918 |
| Total Assets | \$107,009,207 |
| Long Term Debt | \$ 38,518,221 |
| Total Members' Equity & Liabilities | \$107,099,207 |

The Vice Chairman entertained questions from the membership. There were no questions. Thereafter, the financial reporting period was concluded, and Vice Chairman Ristow entertained a motion to accept the Treasurer's Financial Review and Report. A motion to accept the Treasurer's Financial Review and Report was made by member Dean Storm. The motion was seconded by member Gary Winkel and unanimously approved.

ELECTION OF DIRECTORS

Chairman Moore called on Attorney Hall to address this matter. There were no contested district director elections for the three (3) districts, 1, 7, and 8. The directors seeking reelection from those districts were Tyler Finegan, Steve Gordon, and Chad Larimore. Mr. Hall thanked the employees and staff who put in substantial effort to make sure that the election matters were able to be addressed at this meeting. He noted that the Credentials Committee, consisting of EIEC members, found that all of the directors standing for election met the necessary director qualifications and specifically thanked the committee chair, Marie Monk for her leadership. Since there were no other candidates other than those approved by the Credentials Committee, Mr. Hall entertained a motion to waive the written ballot and elect the nominated director candidates pursuant to Section 2.6 of the Cooperative bylaws. A motion was made by member Robert Apperson to elect all of the director candidates so nominated and qualified pursuant to Section 2.6 of the bylaws. That motion was seconded by member Jeremy Enos and unanimously approved by the members.

BOARD CHAIRMAN AND CEO REPORT

Chairman Moore thanked Gayle Ford for her significant assistance with the Annual Meeting. He then briefly indicated that the condition of the Cooperative for the prior year was noted in a written Board Chairman and CEO Report, included as part of the official Annual Report of the meeting. In addition, that report was delivered to all members. The executives were available to respond to further questions.

Chairman Moore then introduced Bradley W. Smith, the new President/CEO of the Cooperative. Information was provided to the members regarding Mr. Smith's history and background with the Cooperative. Mr. Smith then spoke about the matters upon which he intends to concentrate, including safety and reliability. He noted four (4) key points of his vision as he embarks on his new role as President/CEO: curiosity, innovation, collaboration, and commitment. Following his presentation, time was available for questions, but there were no questions from the membership.

UNFINISHED BUSINESS / NEW BUSINESS

Further business matters were available to be presented after the remarks. There was no unfinished business and no new business presented for consideration by the membership.

ADJOURNMENT

Chairman Moore indicated that he would entertain a motion to adjourn the meeting. Such motion was made by member James Roach and seconded by member Luke Ehmen. The motion was unanimously approved, and the meeting was adjourned at approximately 6:55 p.m.

2026 Annual Meeting

Eastern Illini is hosting the 2026 Annual Meeting on June 8, 2026.
Members are invited to enjoy a chicken dinner from 3:30 p.m. to 6:00 p.m.
The business meeting will follow at 6:00 p.m.

We invite members to come for the meal and stay for the meeting. The annual meeting provides an opportunity for you to become involved in the operation of EIEC by electing the directors that represent you. The annual meeting is an opportunity to inform you, our members, as to the changes and progress of the past, opportunities and challenges of the present, and the direction of the future. Our goal at Eastern Illini is to provide our members with safe and reliable energy solutions and exceptional service.

FIRST CHRISTIAN CHURCH, 3601 S. Staley Rd., Champaign, IL

| | |
|------------------------------------|-------------------------------------|
| Sit-down chicken dinner | Serving from 3:30 p.m. to 6:00 p.m. |
| Musical entertainment by Jimm Wood | 3:30 p.m. to 6:00 p.m. |
| Health and Home Expo | 3:30 p.m. to 6:00 p.m. |
| Eastern Illini Business Meeting | 6:00 p.m. |

We look forward to seeing you at the upcoming Annual Meeting!



Health and Home Expo

PROVIDING OUR MEMBERS WITH BENEFICIAL INFORMATION ON WAYS TO IMPROVE YOUR HEALTH AND HOME AND ALWAYS KEEP YOU SAFE!



- **Dippel Electric:** Briggs & Stratton Generators
- **Carle Health:** Community Wellness & Faith Community Health Services
- **Eastern Illini Electric Cooperative:** Capital Credits, Rates, Solar
- **NEXTLINK:** Internet Services
- **University of Illinois Extension:** Master Gardeners

EASTERN ILLINI ELECTRIC COOPERATIVE BUSINESS MEETING AGENDA

- Call to Order
 - National Anthem
 - Pledge of Allegiance
 - Invocation
 - Quorum Determination
 - Notice and Proof of Mailing
 - 2025 Meeting Minutes
 - Treasurer's Report
 - Chairman and CEO Report
 - Director Election
 - Unfinished Business
 - New Business
 - Adjournment
-