

REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS
SPOON RIVER ELECTRIC COOPERATIVE

The Regular Meeting of the Board of Directors of Spoon River Electric Cooperative was held at the Cooperative headquarters on August 31, 2026, at 7:00 p.m. Present were the following Directors: Bernard Marvel, JoDee Pedigo, Ty Putnam, Tom Shafer, John Disharoon, Dan Williams, Kurt Duncan, Wes Strode, and Chairman Joe Davis. Also present was President/CEO, Josh DeWees and Cooperative attorney Nicholas N. Tinsman.

The Chairman called the meeting to order, provided a prayer of blessing and led the Board in the Pledge of Allegiance. The Chairman also reported that Tom Shafer's birthday was today and that the Board should enjoy cake and ice cream provided. The Board wished Tom a happy birthday.

The Chairman then presented the Consent Agenda for discussion by the Board. The Minutes of the July 27, 2026 Board meeting were reviewed and discussed. No corrections were noted.

The Chairman called on JoDee to provide the Treasurer's Report. JoDee reported the beginning bank balance for July was \$297,000 for the month. Receipts totaled \$1.4M. Expenditures totaled \$1.57M for the month including a power bill of \$685,000. This caused an ending bank balance of \$121,000 for the month. JoDee also reviewed the check list and Form 7 with the Board. Checks were discussed including Audit True Up expenses.

The Chairman then called on Josh to provide the Statement of Operations for the month. Josh indicated that July was a hot month with lots of sales, but also lots of expenses, including the higher power bill. August has been a milder month but the forestry crews are still in McDonough Power's territory for August, that will help. July numbers were as follows:

- Revenue for the month was \$1.39M. Cost of Purchased Power was \$748,000 for the month. This created a Net Electric Revenue of \$647,000.
- Total Expenses for the month were \$534,000. Operating Margins were

\$112,000 for the month and Total Margins were \$113,000. Year to date numbers reflect Total Margins of \$112,000 versus \$13,000 this time last year.

- Distribution Expenses were \$15,000 for the month, and distribution Maintenance was slightly higher than this time last year. Admin and General expenses were \$4,000 greater than this time last year. Depreciation and Amortization expenses were roughly the same as this time last year. Interest on long-term debt was greater than last year and totaled \$81,000 for the month.
- In reviewing the Balance Sheet information, it was noted that Total Assets are now \$42.5M, which is up nearly \$2M from last year. Total Equity is now \$19.7M, a decrease of \$200,000 from last year. Long Term Debt stands at \$19.466M. Total Liabilities are now \$22.7M, which is up \$2M from last year.
- A review of Heating/Cooling Degree Days shows that HDD was right where it was expected to be, while CDD was above average by 37 CDD. The Cooperative's peak was 14,954 KW for the month. Ameren's peak occurred on July 2nd at 7pm and PPI's peak occurred on July 3rd at 6pm.
- Sales of kWh for the month was 7.1M which exceeded budget by 700,000 kWh. Purchased kWh for the month was 7.5M with a budget of 6.3M, a variance of 700,000.
- Other items of note included revenue up \$130,000 compared to last July. Cost of power was also up \$57,000 versus last year. All other expenses were marginally the same as last year; and Margins were up \$32,000 compared to last July.

The Board then engaged in a lengthy discussion about the Operations Report. Following the Operations Report, Josh also provided the Subsidiary Report, as follows:

- Mechanical had gross profit of \$126,000 for the month. Total expenses for the month were \$119,000. A net profit of \$7,119.04 was reflected. Mechanical has \$291,000 cash on hand at the end of the month. Total assets of Mechanical are \$985,000 and total Equity is \$870,000.
- Storage had a net profit of \$490.00 for the month and a year-to-date net profit of \$15,500.

Following a discussion on the subsidiaries, the following motion was properly made, duly seconded, and unanimously adopted by voice vote:

MOTION: To accept the Consent Agenda with the Minutes as presented.

The Chairman then called on Bernard Marvel to report on the Statewide Association meeting. Bernard indicated the AIEC met last Thursday. Status quo was reported on the financials. Tri-County announced a new manager for their cooperative and Corn Belt announced that Canton native Ryan Campbell would be their next CEO. Ryan's father, Greg Campbell, used to be the Manager at Spoon River.

Nick Reitz's government relations report stated that 398 bills passed through the legislature in the prior session. 380 were signed and only 1 was vetoed by the Governor. Nick also shared an article about data centers that has been a hot topic of discussion. John Teefey gave the General Counsel's report and a compliance review of the new Illinois requirements for posting things to a cooperative's website. He was pleased to announce that all cooperatives within the statewide are in compliance.

A report on the recent Youth Day in Springfield and Washington, DC was given. Illinois had 214 attendees in August. Twenty electric cooperatives and four telephone cooperatives sent youth to Washington.

East Peoria will be the site of next year's annual meeting for the AIEC. A 4.9 rating out of 5.0 was given by those in attendance at this year's annual meeting. \$19,255 was raised for the scholarship programs. The AIEC has increased the number of scholarships to 20, up from 17. Bernard has been assigned to the Governance and Annual Meeting Committees for the coming year. The NRECA annual meeting will be in February in San Diego. Bernard then asked for a round table discussion of the AIEC's most recent annual meeting held in East Peoria.

Following this discussion, the Chairman then called on Josh and Wes to provide the PPI report. Josh and Wes discussed the following items from PPI's June 9 and June 10 meeting:

- PPI's sales were up 6.5% compared to budget. Estimated power costs for July were above budget due to a higher sales for the month.

- Financials for June reflect average rates of \$103.16/MWh for members, which is \$1.61/MWh above budget.
- Equity for PPI is 17.78% versus a target of 18.50%, while liquidity is at 205 days with a 100 day minimum liquidity per policy.
- PPI recently sent crews to Corn Belt's central region to assist with storm damage, as Corn Belt had some transmission lines that were damaged. Corn Belt was very grateful for the assistance and gave glowing reports about the quality of the work and the individuals that provided the assistance.
- Alsey units 1-6 were used in July, as well as the Pearl peaker plant. These plants provided \$2.25M in net profit for the month due to their use.
- The next PPI meeting will be on September 15 & 16, and PPI strategic planning is scheduled in late October.

Following a discussion on the PPI report, the Chairman called on Josh DeWees to provide the CEO's report. Josh gave an update on the Cooperative Building Solutions (CBS) most recent communications. Josh provided the Board with digital renderings, or drawings, that were generated by CBS based on the Cooperative's responses to the most recent inquiries. Josh reviewed in detail the several options that had been sent over by CBS. The Board then engaged in a lengthy discussion about the renderings and various options provided by CBS. Josh has another meeting with CBS this week and will report back after that as well.

Josh also brought an issue to the Board's attention regarding a potential tiling solution at the Cooperative's storage facility south of town. A neighboring landowner is wanting to tile across the Cooperative's property to drain an adjacent parcel of land. The Cooperative will be allowed to connect to the tile system to help drain its own facilities if it desired. A lengthy discussion by the Board was had regarding these options. The Board also discussed various transmission line projects going through Fulton County at the moment. Some of those transmission lines include Prairie Power's project that is going to be benefiting the Cooperative.

The Board then engaged in a discussion with Josh regarding the CEO's report. After this,

a Motion was properly made, duly seconded, and unanimously adopted by voice vote:

MOTION: To enter executive session.

[THE BOARD ENTERS EXECUTIVE SESSION]

[THE BOARD RESUMES REGULAR SESSION]

The Chairman called on JoDee to provide an Operation Round-Up update. JoDee reported that We donated \$1500 to: Browning Senior Center, Browning Fire Department, HELP Center, The Place Daycare & Community Center, Red Brick School, Spoon River Pregnancy Center, and the VIT Welding Program. Next applications are due on October 5, with a next Meeting date of October 19 at 6 PM.

The Chairman then provided the Chairman's report. The Chairman had a thank you note from the Fulton County Queen's pageant and one from youth, David Wetterauer, for the purchase of beef at the Fulton County Fair.

The Chairman asked if there was any new or old business to come before the Board. There being none, the Chairman indicated that the next Board meetings will occur on September 28, 2026, October 26, 2026 and November 30, 2026. There being no other business to come before the Board, the Motion was properly made, duly seconded, and unanimously adopted by voice vote:

MOTION: To adjourn the meeting.

Secretary