

HI-LITES

2026 Annual Meeting Report

I would like to express my appreciation to all members, especially those who attended the 88th Annual Meeting of Members for the cooperative on July 11th. Coming out of retirement after a prior 43 years in the utility industry to serve as the interim General Manager has been a unique and rewarding experience. As the Board nears the end of its search for the cooperative's next General Manager, members can be assured that thoughtful consideration is being given to selecting a leader who will build on TCEC's strong foundation and help guide the cooperative through future opportunities and challenges.

Your cooperative is overseen by very loyal and dedicated Board members and employees, who carry out the tenets of the mission statement "to safely provide our member-owners with reliable electric service, superior customer service,

and practical energy solutions, all at reasonable prices." Daily decisions and activities ensure that both the short and long-term needs and well-being of TCEC are met. Note that the first portion of the mission statement relates to safety, which is the most important part of daily activity for our employees. Your cooperative has achieved nearly a year without a lost time accident. Safety for employees, members, and the general public is the first priority. Please keep safety in the forefront of everything you do as well.

Continued Page 2

Bob Hunzinger
**General Manager,
Interim**



Mt. Vernon Office
3906 Broadway
Mt. Vernon, IL 62864
Monday - Friday
7:30 a.m. - 4:30 p.m.

Salem Office
1631 E Main St.
Salem, IL 62881
Tuesday - Thursday
7:30 a.m. - 4:30 p.m.
Closed: 12:00 p.m. - 1:00 p.m.

BOARD OF DIRECTORS

President
Sam Phillips, Salem
Vice President
Jordan Brink, Richview
Secretary/Treasurer
Christopher Johnson, Belle Rive
Michelle Barbee, Salem
Tom Beyers, Odin
Keith Doehring, Nashville
Doug Knolhoff, Hoyleton
Donnie Laird, Waltonville
Kathy Withers, Mt. Vernon

Phone: (618) 244-5151
Toll-Free: (800) 244-5151
Pay-by-Phone: (844) 968-1991
www.tricountycoop.com

2026 Annual Meeting Report Continued

Listed below are just a few highlights of activities from 2025 and 2026:

- Tie-line between the Reserve and Marlow substations was completed in 2025, which will help increase the reliability and response time for these substations due to outages.
- Transmission and tie line between the Patoka and Kinmundy substations were completed during 2025, which will help increase the reliability and response time for these substations due to outages.
- Forestry and tree trimming work was completed as the cooperative is on a continuous 4-year cycle. This work provides increased reliability due to reduced tree related outages.
- 2025 financial results were slightly below budget, 2026 year-to-date financials are trending slightly ahead of budget.
- In 2026, approximately \$1 million of capital credits were returned to members that were receiving service in 2003.
- In 2026, TCEC received a customer satisfaction score from the member survey, which places the cooperative in the top 15% of cooperatives nationwide.
- TCEC is in the early stages of installing an Automated Metering Infrastructure (AMI) upgrade. This project will replace all meters, and provide enhanced operational, member information, and reliability improvements. The project will be completed in early 2028. Staff was successful in obtaining grants from the State of Illinois Grid Resilience Grant – which will pay for approximately 50% of the project. Another \$1 million no interest loan was obtained to help finance the project from the USDA.
- In conjunction with our power supplier, the Peak Power Rewards program was initiated in early 2026. This voluntary program allows participating members to help reduce demand and energy during peak usage times, which earns them credits toward their electric bill. Currently, there are nearly 1000 members participating in the program.
- Early in 2026, the Board and Staff participated in a strategic planning process (typically done every 3 to 4 years). Seven strategic goal areas were identified. Staff is working to develop action items and timelines to support the overarching objectives. The specific goal areas include Safety, Financial

Strength and Stability, Reliability, Member Engagement and Communications, Workforce Sustainability and Engagement, Service Territory Protection and Load Growth, and Digital Strategy and Security.

- Similar to virtually every other business in the current economic climate, TCEC has inflationary and electric market price issues to deal with. For 2027, for just the TCEC portion of the business, there likely will not be a rate adjustment necessary. However, there will likely be an adjustment necessary for 2028. Additionally, any increases from our power generation and transmission provider (Southern Illinois Power Cooperative (SIPC) in Marion) will need to be passed along in 2027 and for the years beyond. Any rate adjustments necessary for SIPC are typically not known until their budget process is completed in late fall each year.

On behalf of the employees and board members, a big thank you to our members for allowing us the opportunity to provide the level of service that you expect and deserve. May the road rise up to meet you and the wind always be at your back.

Thank you and God Bless,

Bob

Thank You to Our Amazing Volunteers!

We extend our heartfelt thanks to the incredible organizations who generously gave their time and talents at our Annual Meeting. Whether it was serving food, setting up, working in the kids' area, assisting with cleanup, being on hand for an emergency, or providing Child ID kits — your dedication made the day run smoothly. Your service and support help created a welcoming and memorable event for all our members!

MVTHS RoboRams
Waltonville Bulldogs 4-H
Little Paws Cat Rescue
Litton Ambulance Services
Mt. Vernon Police Department
Jefferson County Sheriff's Department
Woodlawn High School FFA

Secretary/Treasurer's Report



Kathy Withers, Secretary/Treasurer of the Cooperative, informed the membership that the Cooperative reported revenue of \$58,829,000 during the calendar year ending December 31, 2025.

Also for 2025, the Cooperative purchased 408,616,000 kilowatt hours.

The Cooperative's cost of purchased power for the year was \$37,210,000 and other expenses were \$17,677,000.

The Cooperative reported margins of \$3,942,000. Of that amount \$1,253,000 were patronage credits from Southern Illinois Power Cooperative. The patronage credits have been assigned as capital credits to the accounts of members receiving service during 2025.

Withers also reported that the Cooperative constructed 128 new services in 2025 for a total of 18,646 services in place. The Cooperative has 3,416 miles of line which includes 81 miles of transmission line.

Officers Selected

Officers selected during the board's reorganizational meeting for the 2026-2027 year are as follows:



President
Sam Phillips,
Marion County



Vice-President
Jordan Brink,
Washington County



Secretary/Treasurer
Christopher Johnson,
Jefferson County

Directors Elected

Directors elected by the membership to serve three-year terms are as follows:



Jefferson County
Donnie Laird



Marion County
Sam Phillips



Washington County
Jordan Brink



2026 Annual Meeting

As we look back on another wonderful Annual Meeting, we're reminded of what makes our cooperative so special. Thank you to every member who took the time to join us, visit with neighbors, ask questions, share a meal, and take part in the cooperative's democratic process. Your support, participation, and trust are what make Tri-County Electric Cooperative more than an electric provider—they make us a community. We also extend our sincere appreciation to our employees, volunteers, vendors, and community partners whose hard work made this year's event possible. We are grateful for the opportunity to serve you and look forward to gathering together again next year.

