

Southwestern Electric Cooperative, Inc.
Minutes of the Regular Meeting
February 26, 2026
Greenville, IL

The regular meeting of the Board of Directors of Southwestern Electric Cooperative, Inc. was held on Thursday, February 26, 2026, at 6:00 p.m. at the office of Southwestern Electric Cooperative headquarters in Greenville, IL pursuant to notice given. President Jerry Gaffner called the meeting to order and led in the Pledge of Allegiance to the flag.

The following directors were present constituting a quorum:

Jerry Gaffner
Sandy Grapperhaus
Annette Hartlieb
Bill Jennings
Brad Lurkins
Amy Marcoot
Ann Schwarm
Jared Stine
Marvin Warner

Staff members present were Chief Executive Officer Bobby Williams, Chief Operating Officer Vic Buehler, Chief Financial Officer Nathan Taylor, Manager of Engineering Travis Jones, and Executive Assistant Brooke Scott.

Introduction of New Manager of Engineering:

Buehler introduced Jones to the board. He joined SWECI in January. Jones gave a brief overview of his professional and personal life. The board welcomed Jones to SWECI, and he left the meeting at 6:06 p.m.

Executive Session:

At 6:07 p.m., Warner made a motion to enter into executive session to discuss legal, member, and personnel matters. Schwarm seconded; motion carried. Corporate Attorney Aaron Leonard joined the meeting via video conference at 6:09 p.m. and left the meeting at 6:24 p.m. At 7:29 p.m., Marcoot made a motion to leave executive session. Hartlieb seconded; motion carried.

Member Relations:

The board discussed recent conversations with members, topics included potential data center development, director contact information, service revisions, customer service, cost, building, and rates.

Approval of Minutes:

Minutes of the regular board meeting held on January 22, 2026, were considered. On a motion made by Warner, seconded by Schwarm and carried, the minutes were approved as amended.

Staff Reports & Presentations

Report of Operations and Construction:

CFO Nathan Taylor's report included:

- Preliminary revised budget.
- Financial Summary as of January 31, 2026
 - Revenue
 - Total Operation and Maintenance Expense
 - Total Cost of Electric Services
 - Net Operating Margins
 - Non-Operating Margins
 - DSCR
- Financial metrics
- Revenue by rate class
- Cost of Power
- Capital summary
- Write-offs through January
- Financial reporting calendar

January's list of membership applications and February's list of terminations were sent to the board prior to the meeting. A motion was made by Warner, seconded by Grapperhaus, and carried to accept 49 applications for membership for January 2026, in accordance with Section 2 of the bylaws,

and to formally acknowledge the termination of 20 memberships for February 2026, effective as of the date on which the cooperative ceased furnishing services, and the release of capital credits to members and members' estates totaling to \$49,204.69.

Warner made a motion to approve the Operating Report and Work Order Summary in the amount of \$522,227.62 for January 2026. Grapperhaus seconded; motion carried.

CEO's Report:

CEO Bobby Williams's report included:

- MISO MaxGen Alert and LMR call
- Educational campaigns
- Data Center updates
- Youth Day
- Rates
- Application for Rural Economic Development Loan (REDLG)
- Site Tour
- Special Meeting 3/9/26

A motion was made by Marcoot, seconded by Schwarm and carried to adopt the Board Resolution Authorizing Application for Rural Economic Development Loan for G.L. Beaumont Lumber Company as follows:

RESOLUTION AUTHORIZING APPLICATION FOR RURAL ECONOMIC DEVELOPMENT
LOAN

Whereas, Southwestern Electric Cooperative, Inc. has been actively involved in economic development in order to improve the economic well-being of its membership as well as that of the Southwestern Electric Cooperative, Inc. trade area as a whole; and

Whereas, G.L. Beaumont Lumber Company has proposed a modernization of their equipment for their rural manufacturing operation to continue producing essential materials for American construction and manufacturing; and

Whereas, the total project is estimated to be \$1,100,000 and the G.L. Beaumont Lumber is in need of an additional \$1,000,000 to fund the project over a term of 10 years with a no deferral period; and

Whereas, the Rural Business-Cooperative Service has available an economic development program of financial assistance to eligible electric and telephone cooperatives in the form of zero-interest loans to assist in business and community development; and

Whereas, Southwestern Electric Cooperative, Inc. will comply with provision of 7 CFR 4280; the project is not in violation of Section 4280.27, Ineligible Use of Zero-Interest Loans and/or Grants, and section 4280.30, Restrictions on Use of Zero-Interest Loan and/or Grant Funds; and

Whereas, the Board of Directors of Southwestern Electric Cooperative, Inc. has endorsed the proposed rural economic development project as described in the application.

Now therefore be it resolved, the Board of Directors of Southwestern Electric Cooperative, Inc. authorizes its CEO to submit an application of \$1,000,000 for a Rural Economic Development Loan; and

Be it further resolved, that the Board of Directors authorizes its CEO to compile, complete, and execute the information and forms necessary to support this application.

Furthermore, the Board of Directors authorizes its CEO to requisition the zero-interest loan funds

COO's Report:

COO Vic Buehler's report included:

- Pole inspections
- Work plan
- Pokey Feeder project
- Budget
- Smithboro Substation project
- AMI meters
- Right-of-way clearing

Committee Reports:

The Policy & Bylaws Committee plan to present their recommended revisions to the bylaws at April's board meeting.

The scholarship applications will be ready for distribution at March's board meeting.

The Member Engagement Committee will be scheduling a kickoff meeting.

Director Training Report:

Jennings attended NRECA's Director Conference virtually in January and provided both a verbal and written report. Topics discussed included highlights from keynote speakers, legislation, nuclear power, and strategic plans.

Jennings, Warner, Hartlieb, Marcoot, Stine, and Gaffner attended NextEra's Public Power & Cooperative Summit in February. They gave verbal reports. Topics discussed included tour of facility, MISO, energy market, and capacity.

Warner, Gaffner, Stine, and Hartlieb attended NRECA's BLC 976: Power Supply Decision Making course through AIEC and provided verbal reports. It was noted that some discussion was relevant; however, the course was primarily geared towards G&Ts.

AIEC Board Meeting Report:

Schwarm attended the AIEC Board Meeting in February. She gave a verbal report to the board. The topics of discussion included the Annual Meeting and a regulatory update. The board also received AIEC's written regulatory update report for review.

Unfinished Business:

The board agreed that the Strategic Plan update will be added as a separate line item on future Board meeting agendas. The vice president of the board will assume ownership of the Strategic Plan to make sure it remains central to the board's decision-making process. The CEO will provide regular updates on progress towards Strategic Plan goals. The executive committee will meet prior to the CEO's annual review to evaluate performance against established goals.

New Business:

The board agreed that the cooperative may proceed with negotiating potential agreements with Ameren related to community solar projects.

Adjournment:

With no further business to come before the board, the meeting adjourned at 9:50 p.m.


Annette Hartlieb, Secretary

Attest:


Jerry Gaffner, President