Southwestern Electric Cooperative, Inc.
Your Touchstone Energy® Cooperative

Southwestern Electric Cooperative, Inc.
Minutes of the Regular Meeting
June 25, 2026
Greenville, IL

The regular meeting of the Board of Directors of Southwestern Electric Cooperative, Inc. was held on Thursday, June 25, 2026, at 6:30 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
Bill Jennings
Brad Lurkins
Amy Marcoot
Ann Schwarm (via video conference)
Marvin Warner

Staff members present were Chief Executive Officer Bobby Williams, Chief Operating Officer Vic Buehler, Chief Financial Officer Nathan Taylor, and Executive Assistant Sarah McConnell. Vice President Jared Stine and Board Secretary Annette Hartlieb were absent. In the absence of Hartlieb, Gaffner appointed Jennings Secretary Pro-Tempore.

Member Relations:

The board discussed recent correspondence with members regarding demand related topics, data centers, and billing processes. They also discussed communication campaigns and measuring effectiveness.

Strategic Plan:

No Update was provided due to Stine's absence.

Approval of Minutes:

On a motion made by Marcoot, seconded by Schwarm, and carried, the minutes of the regular board meeting held on May 28, 2026, were approved as presented.

Executive Session:

At 6:50 p.m., Grapperhaus made a motion to enter executive session to discuss legal and personnel matters. Marcoot seconded; motion carried. At 7:15 p.m., Jennings made a motion to leave executive session. Lurkins seconded; motion carried.

AIEC Board Meeting Report:

Schwarm gave a report on the AIEC board meeting, which included updates on personnel changes, highlights in the current NRECA magazine, legislative updates, and continuing education opportunities. The Board discussed the voting delegates for the AIEC Annual Meeting. Schwarm advised that she has a scheduling conflict and will need to leave the meeting early this year.

Staff Reports & Presentations

Report of Operations and Construction:

CFO Nathan Taylor's report included:

- Financial metrics
- Financial Summary as of May 31, 2026
    - Revenue
    - Total Operation and Maintenance Expense
    - Total Cost of Electric Services
    - Net Operating Margins
    - Non-Operating Margins
    - DSCR
- Revenue by rate class
- Cost of Power
- YTD cashflow summary
- Capital summary
- Write-offs through May
- Rate Performance Graphs

- Residential Rates Update
- Financial reporting calendar
- Annual Meeting

Warner made a motion to approve the revisions to the residential rate fees as presented. Marcoot seconded; motion carried.

May's list of membership applications and June's list of terminations were sent to the board prior to the meeting. A motion was made by Grapperhaus, seconded by Marcoot, and carried to accept 89 applications for membership for May 2026, in accordance with Section 2 of the bylaws, and to formally acknowledge the termination of 7 memberships for June 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 $9907.37.

Grapperhaus made a motion to approve the Operating Report and Work Order Summary in the amount of $317,053.71 for May 2026. Marcoot seconded; motion carried.

CEO's Report:

CEO Bobby Williams's report included:

- Town Hall Meetings
- Building Update
- New website update
- Special Meeting for contract review
- Presentation of PAC pins

COO's Report:

COO Vic Buehler's report included:

- Billing for Pole Lights
- Meter Loop Policy

Warner made the motion to rescind the current Meter Loop Policy and direct management to present a revised Meter Loop Policy for board consideration this fall. The revised policy shall allow members to pay the cost of meter loop replacements in monthly installments when the replacement is required due to storm damage or at the Cooperative's request and shall include updated meter loop replacement costs that reflect current pricing. In the interim, management is directed to administer the meter loop program consistent with the intent of the proposed policy by offering members the option of an installment payment plan for eligible meter loop replacements. The motion was seconded by Marcoot and carried.

Committee Reports:

Jennings gave an update on the last Member Engagement Committee meeting. Topics discussed were the Capability Needs Assessment, member engagement exercises, the internal strategic communications committee, and the potential creation of a member focus group.

Unfinished Business:

There was no unfinished business discussed.

New Business:

There was no new business discussed.

Buehler, Taylor, and McConnell left at 8:55pm

Executive Session CEO Annual Progress Review:

A motion was made by Marcoot, seconded by Grapperhaus, and carried to enter into executive session at 9:02 p.m. for the annual progress review of the CEO. A motion was made by Warner, seconded by Lurkins, and carried to leave executive session at 10:09 p.m.

After further discussion, it was decided that the board would set a special meeting to finish the annual progress review of the CEO.

Adjournment:

With no further business to come before the board, the meeting adjourned at 10:45p.m.

Annette Hartlieb, Secretary

Attest:

Jerry Gaffner, President