

EnerStar Electric Cooperative Minutes of 2023 Annual Meeting of Members

EnerStar Power Corp, doing business as EnerStar Electric Cooperative, held its Annual Meeting at Paris, Illinois, beginning at 9:30 a.m. on June 3, 2023, at Crestwood School, Paris, Illinois. The Vice Chairman of the Board of Directors, Jeff Zimmerman, thanked Danette Pine and the Crestwood staff for allowing EnerStar to hold the meeting at Crestwood School. Vice Chairman Zimmerman then called the meeting to order. Justin Grimes, Pastor, of Antioch Baptist Church in Oakland, gave the invocation. Paris Cub Scout Pack 8 presented the Colors and led the meeting in the Pledge of Allegiance.

Vice Chairman Zimmerman introduced the Members of the EnerStar Board of Directors and all special guests. Special mention was given to Jeff Murphy, Dan Gard, Kevin Julian and Jeff Zimmerman, all of whom had achieved National Rural Electric Cooperative Association's Credentialed Cooperative Director certification. He also introduced special guests and other dignitaries in attendance, including, from our state wide organization the Association of Illinois Electric Cooperatives, Colton Bradford, Baylee Flowers and CEO Craig Sondgeroth; and also Wabash Valley Power, Lauren Schuettler and Dan Phillips.

Vice Chairman Zimmerman announced that there was a quorum present of the membership who had registered for the meeting. The Secretary-Treasurer Greg Robinson, read the Proof of Mailing of Notice and the Notice of Meeting. Upon a proper motion by the membership, with a second, the members approved a motion to dispense with the reading of the minutes of the last Annual Meeting of the members of the Cooperative, held on June 2, 2022, and to approve the minutes as published in the Annual Meeting program, provided to all members who had registered for the meeting. The membership voted to approve the minutes.

Secretary-Treasurer Greg Robinson, gave the Treasurer's Report. Upon a motion by the membership, with a second, the members approved the Treasurer's Report, as presented. Vice Chairman Zimmerman introduced the CEO of EnerStar, David Clinton. Mr. Clinton gave the CEO's report to the membership. Mr. Clinton mentioned that the strengths of EnerStar are its strong foundation and its bright future. He discussed the strong foundations of EnerStar, which included its ability to hold the line on controllable costs and to reduce long-term debt. He noted that there had been considerable effort to improve the reliability of EnerStar's distribution system of energy. He also noted the experience of EnerStar's staff and employees. As far as its bright future, he noted that EnerStar was staying current with technology and is wisely using and investing its assets. EnerStar has a long-range master financial plan. As evidence of the strengths of EnerStar, Mr. Clinton noted that EnerStar had been able to keep its rate increases lower than many of the other Coops in Illinois. After Mr. Clinton's report, he entertained questions from the members.

Mr. Clinton next recognized the employees of EnerStar. The "years of service" awards were reported as follows: Vice Chairman Zimmerman recognized David Clinton for 5 years of service. Mr. Clinton then recognized the following employees: Kayla Foos for 5 years of service; Kim Stewart for 5 years of service; Chase Graham for 10 years of service; Susan Watson for 25 years of service; Keith Borchers for 30 years of service; and Kent Milbourn for 35 years of service.

Vice Chairman Zimmerman then thanked co-op members Tom Phillips, Pat Macke, and Ray Young for serving as election judges again this year. Then, Vice Chairman Zimmerman then introduced Counsel, Rob Anderson, of Anderson Law Offices. Mr. Anderson announced the results of Director Elections as follows:

- District A-1, Jeff Zimmerman, with 181 votes, was reelected without opposition.
- District C-9, Danny Gard, with 166 votes, was reelected without opposition.
- District B-5, Thad Martin, with 130 votes, was reelected in a contested election, with Mike Clark having 123 votes.

Following this, there were drawings for door prize awards. There being on further business to come before the meeting, Vice Chairman, Zimmerman requested a motion to adjourn the meeting; the membership so moved and seconded, and the meeting adjourned.

Greg Robinson, Secretary-Treasurer



Welcome		Danny Gard, Board Chairman
Invocation		Kevin Levellie, Nevins Christian Church
Pledge of Allegiance		Paris Cub Scout Pack 8
Director Introductions		Gard
Announce Quorum		Gard
Call to Order		Gard
Mailing and Reading of Meeting Notice		Greg Robinson, Secretary-Treasurer
Close Registration		Gard
Reading of 2023 Annual Meeting Minutes		Robinson
Consideration of Approval of 2023 Minutes		Gard
Treasurer's Report for 2023		Robinson
Employee Introduction and Appreciation		Gard & Dave Clinton, EnerStar CEO
	5 Years	<i>Greg Robinson</i>
	5 Years	<i>Britta Baker</i>
	15 Years	<i>Russ Camp</i>
	25 years	<i>Chad Cornwell</i>
	35 years	<i>Angela Griffin</i>
CEO Presentation		Clinton
Results of Director Election		Rob Anderson, Anderson Law Office
Proposed Bylaw Considerations		Anderson
Door Awards Drawing		EnerStar Employees
Motion to Adjourn		Gard
Grand Awards Drawing		EnerStar Employees

Financial Statements - 2023 and 2022

Balance Sheet

Assets

	2023	2022
1 Property, Plant and Equipment <i>What we own, net of depreciation</i>	\$29,260,334	\$ 29,568,157
2 Ownership in Associated Organizations <i>Share of ownership in organization from which we buy whole-sale power, borrow money, purchase insurance, and other</i>	5,043,510	4,874,792
3 Notes Receivable & Other Investments <i>Investments to promote our future. Includes economic develop-ment loans, and securities to offset future financial rate de-mands</i>	2,818,311	2,895,725
4 Accts Receivable, Materials, & Other Current Assets <i>Routine items as described above</i>	3,150,345	2,119,741
5 Cash & Savings	1,397,951	1,749,466
6 TOTAL ASSETS	<u>\$ 41,670,451</u>	<u>\$ 41,207,881</u>

Members' Equity and Liabilities

	2023	2022
7 Members' Equity <i>That portion of EnerStar owned by those we serve</i>	\$ 22,633,940	\$ 21,684,161
8 Long & Short Term Debt, Capital Leases <i>Amounts EnerStar owes to others in long-term and short-term debt</i>	12,467,796	13,217,650
9 Provision for Future Retirements-Beyond One Year <i>Amount accrued for employee retirement obligations</i>	3,582,841	3,646,837
10 Accounts Payable & Other Current Liabilities <i>Routine liabilities and accruals to operate the co-op</i>	2,985,874	2,659,233
11 TOTAL MEMBERS' EQUITY & LIABILITIES	<u>\$ 41,670,451</u>	<u>\$ 41,207,881</u>

Income Statement

Revenues

	2023	2022
1 Operating Income	<u>\$ 13,451,829</u>	<u>\$ 13,329,805</u>

Expenses

	2023	2022
2 Cost of Purchased Power	\$ 7,290,392	\$ 7,318,896
3 Operations & Maintenance Expense	1,877,854	1,793,224
4 Customer Service & Information Expense	602,461	648,445
5 Administration & General Expense	1,244,636	1,020,104
6 Taxes, Interest & Depreciation Expense	1,890,469	1,866,389
7 Total Operating Expenses	<u>\$ 12,905,812</u>	<u>\$ 12,647,058</u>
8 Total Operating Margins	\$546,017	\$682,747
9 Non-Operating Margins and Other (Net)	662,999	204,284
11 TOTAL MARGINS	<u>\$ 1,209,016</u>	<u>\$ 887,031</u>

Per Audited Financial Statements

EnerStar By the Numbers

