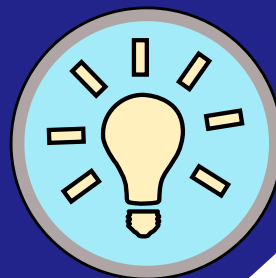
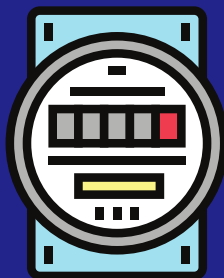


PROVIDING OUR MEMBERS WITH SAFE, RELIABLE
ENERGY SOLUTIONS AND EXCEPTIONAL SERVICE.

2022

EASTERN ILLINI
ELECTRIC COOPERATIVE

ANNUAL REPORT



www.eiec.coop
800.824.5102
330 W. Ottawa
Paxton, IL



Eastern Illini
Electric
Cooperative

A Touchstone Energy® Cooperative 

2022 Annual Meeting Events

Eastern Illini is hosting three Annual Meeting events in 2022. Members are invited to enjoy a chicken dinner from 3:30 p.m. to 6:00 p.m. The business meeting will follow at 6:15 p.m.

Thursday, June 2
Tuesday, June 7
Thursday, June 9

Tuscola Community Building, Tuscola
Gordyville Auction House, Gifford
Iroquois County Fairgrounds

We invite members to come for the meal and stay for the meeting. There will be musical entertainment at each event as well as ice cream from the Sidney Dairy Barn Moo Mobile. At registration, members may pick up and complete a ballot for the board of directors' election.

Sit-down chicken dinner	Serving from 3:30 p.m. - 6:00 p.m.
Musical entertainment	3:30 p.m. - 4:30 p.m. and 5:00 p.m. - 6:00 p.m.
Seminar: Is Solar Right for You?	4:30 p.m. - 5:00 p.m.
Sidney Dairy Barn Moo Mobile	Serving ice cream from 3:30 p.m. - 6:00 p.m.
EIEC Business Meeting	6:15 p.m.

The annual meeting is an opportunity for you to become involved in the operation of Eastern Illini Electric Cooperative by electing the directors that represent you. The annual meeting is an opportunity to inform you, our members, as to the changes and progress of the past, opportunities and challenges of the present, and the direction of the future. Our goal at Eastern Illini is to provide safe and reliable energy solutions and exceptional service.

We look forward to seeing you at one of the upcoming Annual Meeting events!

EASTERN ILLINI ELECTRIC COOPERATIVE BUSINESS MEETING AGENDA

- Call to Order
 - National Anthem
 - Pledge of Allegiance
 - Invocation
 - Quorum Determination (Iroquois Co. Fairgrounds)
 - Notice and Proof of Mailing (Iroquois Co. Fairgrounds)
 - 2021 Meeting Minutes (with approval, page 6-7)
(Iroquois Co. Fairgrounds)
 - Treasurer's Report (with approval, pages 4-5)
 - Chairman and CEO Report
 - Director Election (action required)
(Iroquois Co. Fairgrounds)
 - Unfinished Business (Iroquois Co. Fairgrounds)
 - New Business (Iroquois Co. Fairgrounds)
 - Adjournment
-

Board Chairman & CEO Report

On behalf of Eastern Illini's Board of Directors and employees, we would like to welcome you to the 2022 Annual Meeting events! We retained the multiple member engagement meeting format from last year, but the locations have been adjusted. We hope you enjoy this concise summary of 2021.

COVID-19

The continuation of COVID-19 made this another challenging year. Many employees performed their jobs remotely at times. We modified business and operations activities to accommodate increased COVID-19 safety requirements. Despite the unusual circumstances, our employees continued to provide reliable electricity supply while providing excellent service. With the lifting of the State of Illinois requirements in the first quarter of 2022, EIEC is nearly back to pre-pandemic business and operational conditions.

SAFETY

Our driving and continual focus for the cooperative is the safety of our employees, our members, and the public. The main portion of our safety goal each year is to experience zero lost time incidents. We had an excellent safety year and achieved this goal in 2021. A sincere thanks to our employees and their dedication to safety.

MEMBER SATISFACTION

Even with COVID-19 conditions, members rated our customer satisfaction scores as very good. The EIEC annual October survey received a score of 87%. EIEC employees and Directors take pride in providing the service level our members deserve and expect. We are proud of the level of service that we provide and are constantly looking for ways to improve.

FINANCIAL AND CAPITAL CREDIT UPDATE

Eastern Illini had a very good financial year in 2021. Operating margins totaled \$948,000, with total operating revenues of \$34.3 million. These margins are in addition to a \$1 million member margin rebate credited to members on the December bills. Positive margins are allocated as capital credits to be returned to members at a future date. In 2021, we retired nearly \$1.2 million in capital credits to members who received electric service in 1996, 1997, and 1998.

RELIABILITY

Our distribution system performed at nearly an average level this year, with overall reliability at 99.94%. There were two significant ice events in the first three months of the year, with miscellaneous storm events throughout the remainder of the year.

RATES

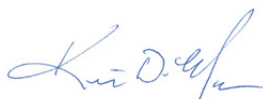
In 2021 effective with the March usage billing, a 1% rate increase (based on gross revenues) was implemented. We are in the process of updating our Cost of Service Study that will be followed by a rate study. After installation of a metering system upgrade expected to be completed in 2023, we plan to implement a demand billing component for all members during 2024.

STATE LEGISLATION - CEJA

In late 2021 the state of Illinois passed legislation known as the Climate and Equitable Jobs Act (CEJA). This expansive legislation has many components. There are some potential impacts relative to the availability of fossil fuel generation resources which may impact wholesale market pricing, primarily in the longer-term. CEJA also offers additional incentives for renewable energy (primarily solar), and EIEC continues to work with our members that are interested in exploring these options.

THANK YOU

We are in our 85th year operating a successful electric distribution cooperative, and we appreciate the confidence that you have placed in us and our employees to represent your interests. We hope you have enjoyed this brief recap of our 2021 performance. Thank you for the opportunity to serve you.



Kevin Moore
Board Chairman



Bob Hunzinger
President/CEO

Financial Review

The enclosed financial information represents the Cooperative's operation for the fiscal years ended December 31, 2021, 2020 and 2019. These reports were taken directly from the Cooperative's books and records which have been audited by the auditing firm of Kerber, Eck & Braeckel LLP. The American Institute of Certified Public Accountants sets the standards and scope of the audit.

BALANCE SHEET December 31, 2021

ASSETS	2021	2020	2019
UTILITY PLANT			
Cost of Electric Plant	\$116,214,748	\$112,246,734	\$109,358,353
Less: Accumulated depreciation	51,550,503	49,716,317	47,851,078
Net Utility Plant	\$64,664,245	\$62,530,417	\$61,507,275
CURRENT & OTHER ASSETS			
Cash-General	\$708,740	\$716,112	\$617,316
Investments	23,152,441	23,382,010	19,606,874
Accounts Receivable, net	1,951,035	1,930,140	3,142,926
Materials and supplies	964,194	676,503	631,152
Prepaid and Other Assets	780,894	853,277	851,502
Total Assets	\$92,221,549	\$90,088,459	\$86,357,045
MEMBERS' EQUITY AND LIABILITIES			
Membership Fees & Other Equities	\$4,857,468	\$4,573,011	\$4,516,643
Patronage Capital	35,950,189	34,642,961	32,934,207
Operating Margins	948,125	1,138,374	1,099,715
Non-Operating Margins	6,810,579	6,748,345	4,384,735
Long-Term Debt	\$34,096,325	\$34,152,220	\$34,050,280
CURRENT & OTHER LIABILITIES			
Accounts Payable & Accrued Expenses	\$3,539,022	\$2,877,701	\$3,526,407
Notes Payable - Line of Credit	-	-	-
Consumers' Deposits & Prepayments	482,145	482,332	470,220
Other Non-current liabilities	5,537,696	5,473,515	5,374,838
Total Members' Equity and Liabilities	\$92,221,549	\$90,088,459	\$86,357,045

HOW YOUR ELECTRIC DOLLAR WAS SPENT

	2021	2020	2019
Wholesale Power Cost	59.25%	59.21%	61.45%
Operations	24.65%	23.65%	22.54%
Depreciation & Other	9.58%	9.57%	8.71%
Interest	3.75%	4.17%	4.23%
Operating Margins	2.76%	3.41%	3.07%

Financial Review

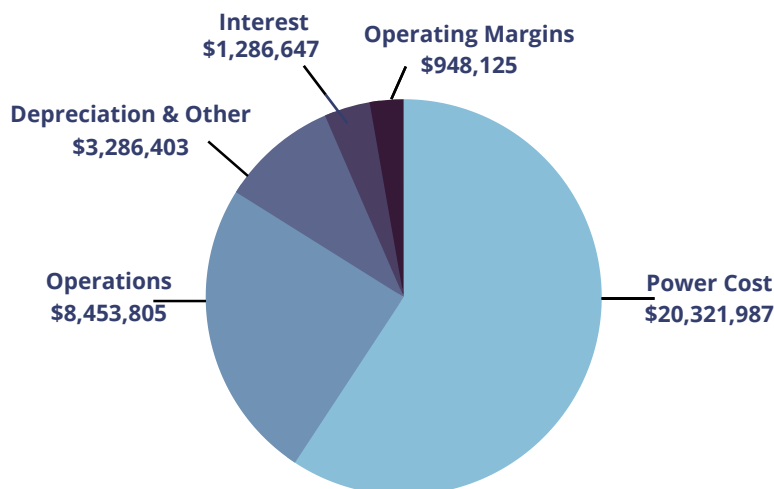
STATEMENT OF REVENUE AND EXPENSE for the year ended December 31, 2021

	2021	2020	2019
Total Operating Revenue	\$34,296,967	\$33,429,609	\$35,834,123
Operating expenses:			
Cost of power	\$20,321,987	\$19,792,844	\$22,020,805
Operations and maintenance expenses	4,938,262	4,190,948	4,436,434
Consumer accounts expense	770,741	703,857	686,202
Customer service and Information expense	458,620	524,784	616,370
Administrative and general expense	2,195,845	2,395,551	2,216,949
Depreciation	3,286,403	3,200,435	3,122,848
Interest Expense	1,286,647	1,392,666	1,515,381
Other Deductions	90,337	90,149	119,419
Total Operating expense	\$33,348,842	\$32,291,234	\$34,734,408
Operating margins (loss)	\$948,125	\$1,138,375	\$1,099,715
Non-operating margins (loss)	\$1,571,079	\$3,914,108	\$1,550,382
Income or (Loss) from Equity Investments	32,190	26,927	27,044
Net margins (loss) for the year	\$2,551,394	\$5,079,410	\$2,677,141

OPERATING STATISTICS

	2021	2020	2019
Total KWH purchased	260,015,105	260,409,842	267,551,710
Total KWH sold	241,649,371	240,147,990	247,708,315
Average number consumers served	13,532	13,506	13,455
Average KWH usage per month per consumer	1,488	1,482	1,534
Average Revenue per KWH Sold to consumers	\$0.1419	\$0.1392	\$0.145
Average Cost Per KWH Purchased	\$0.078	\$0.076	\$0.082

2021 EXPENSES



2021 Meeting Minutes

The Thirty-Fourth Annual Meeting of Members of Eastern Illini Electric Cooperative, Inc. was held at the Iroquois County Fair Grounds, 1390 E 2000 North Road, Watseka, Illinois on Thursday, June 10, 2021, with the member meeting called to order at 6:30 p.m.

CALL TO ORDER

The business portion of the meeting was called to order by the Chairman of the Board, Kevin D. Moore, who presided and acted as Chairman. Secretary of the Board, Bradley J. Ludwig, acted as Secretary of the meeting and kept the minutes thereof. Guidelines for the members in light of the COVID-19 pandemic with appropriate social distancing were in effect. The guidelines were noted.

NATIONAL ANTHEM

The National Anthem was lead by Morgan Connor, daughter of Cooperative employee Stacy Connor.

PLEDGE OF ALLEGIANCE

The membership then recited the Pledge of Allegiance.

INVOCATION

Director Tyler Finegan delivered the invocation.

QUORUM DETERMINATION

The Chairman announced that the registration was completed and a quorum of 227 members had been achieved. Attendance of at least 100 members as required by the bylaws is necessary to constitute a quorum.

RECOGNITION OF GUESTS

Director Bruce Ristow acknowledged the presence and helpful assistance of the Cooperative employees as a group. He also recognized the current Directors in attendance. Eric Hobbie, President/CEO of Prairie Power, Inc. (PPI) and Robert Reynolds of PPI were also recognized. Representative Tom Bennett was in attendance at the meeting and addressed the membership regarding energy legislation under consideration including, the subjects of nuclear power, solar, wind development and coal. Senator Jason Barickman was also in attendance and spoke about the path back towards normalcy in light of the COVID-19 pandemic. He addressed several legislative concerns. Finally, it was noted that Patrick Doggatt, an assistant to Representative Adam Kinzinger briefly attended, but was unable to remain for the entire meeting.

READING OF PROOF OF SERVICE OF NOTICE OF MEETING AND PROOF OF MAILING AND DELIVERY

Chairman Moore indicated that Secretary Bradley J. Ludwig had certified the Official Notice of the meeting and that delivery of the same through the proof of service that the Notice of Annual Meeting was promptly delivered to the U.S. Postal Service on or after April 29, 2021, otherwise mailed to members, or sent to them via electronic delivery in compliance with the Cooperative bylaw requirements. The Chairman directed the Secretary to annex to the minutes of this meeting a copy of the Notice together with the Affidavit of the Board Secretary.

APPROVAL OF MINUTES – 2020 ANNUAL MEETING

The minutes of the Thirty-Third Annual Meeting of Members held August 8, 2020, as printed in the 2021 Annual Report and distributed to all member/owners, were presented for consideration. Member/owner Samuel Ristow made a motion that the rules be suspended; that the reading of the minutes of the Annual Meeting of August 8, 2020 be waived; and that the minutes be approved as presented in the official Annual Report of this meeting. His motion was seconded by member/owner Rob Warmbir and unanimously approved.

REPORT OF TREASURER

Chairman Moore informed the membership that the Treasurer's Report was contained in the official Annual Report and that it was also posted on the Cooperative's website. He indicated there would be no oral report describing the amounts and matters set forth therein. A financial summary was also incorporated in the Annual Report and available online at the Cooperative's website. The Treasurer's Report included

2021 Meeting Minutes

operating statistics, the balance sheet for the years ending December 31, 2018, December 31, 2019, and December 31, 2020, respectively. Consolidated statements of revenues, and expenses of the Cooperative and its subsidiaries for those years, as well as other information were provided.

The balance sheet reflected the following information for 2020:

Net Utility Plant	\$62,530,417.00
Total Assets	\$90,088,459.00
Long Term Debt	\$34,152,220.00
Total Members' Equity & Liabilities	\$90,088,459.00

The Chairman entertained questions from the membership. There were no questions. Thereafter, the financial reporting period was concluded and Chairman Moore entertained a motion to accept the Treasurer's Report. A motion to accept the Treasurer's Report was made by member/owner Dean Storm. The motion was seconded by member/owner Linda Thompson and unanimously approved.

EXECUTIVE REPORT

Chairman Moore indicated that the condition of the Cooperative for the prior year was noted in a written Executive Report (Board Chairman and CEO Report), included as part of the official Annual Report of the Meeting. In addition, that report was delivered to all member/owners. It was indicated that the executives would respond to further questions after the conclusion of further meeting business. President/CEO Robert Hunzinger then addressed the member/owners regarding a number of matters of interest including, that 2020 was a good year for the Cooperative; there were nominal lost time incidents due to COVID-19; the system had good performance from a reliability standpoint; and the membership has favorably rated the Cooperative's overall performance.

ELECTION OF DIRECTORS/BYLAWS AMENDMENTS

It was then indicated that the next item of business would be the election of directors and bylaw amendment proposal. Attorney Hall was called upon to address these matters. This year, there were no contested district director elections. There were three (3) directorships up for election. The directors seeking reelection were Brad Ludwig, Steve Meenen, and Bruce Ristow. Mr. Hall thanked the employees and staff who put in substantial effort to make sure that the election and bylaw matters were able to be addressed at this meeting. He noted that the EIEC Credentials Committee, consisting of EIEC member/owners, found that all of the directors standing for election met the necessary director qualifications. Since there were no other candidates other than those approved by the Credentials Committee, Mr. Hall entertained a motion to waive the written ballot and elect the nominated director candidates pursuant to Section 2.6 of the Cooperative bylaws. A motion was made by Rob Warmbir to elect all of the director candidates so nominated and qualified pursuant to Section 2.6 of the bylaws. That motion was seconded by Gordon Thompson and unanimously approved by the member/owners. Mr. Hall noted that there were five hundred forty-seven (547) votes returned regarding the proposed amendments to Sections 2.4 and 2.6 of the bylaws with five hundred thirty (530) in favor and seventeen (17) opposed. Accordingly, the amendments were approved.

QUESTIONS FROM THE FLOOR / UNFINISHED BUSINESS

Chairman Moore indicated that he and President/CEO Hunzinger would entertain questions or any unfinished business to be presented. There was no unfinished business presented.

NEW BUSINESS

It was indicated that there was time to address any new business or further items. No new business was presented by any of the membership.

ADJOURNMENT

There being no further business to come before the meeting, upon a motion duly made by Director Tom Schlatter, seconded by Director Lauri Quick, and unanimously approved, the meeting was adjourned at 6:55 p.m.

Board of Directors

Eastern Illini has nine co-op members who serve on the board of directors. Each year three of the cooperative's nine board seats are up for election. This year, directors in Directorate Districts 1, 7, and 8 will be elected at the June 9, 2022 annual meeting at the Iroquois County Fairgrounds in the 4-H Building. The election of Tyler Finegan, District 1; Steve Gordon, District 7; and Chad Larimore, District 8; will take place during the business meeting.



Tyler Finegan

District 1
Ashkum
3 years of service



Tom Schlatter

District 2
Chatsworth
16 years of service



Steve Meenen
Secretary/Treasurer

District 3
Melvin
16 years of service



Bruce Ristow
Vice Chairman

District 4
Cissna Park
16 years of service



Kevin Moore
Chairman

District 5
Hoopeston
8 years of service



Brad Ludwig

District 6
Fithian
37 years of service



Steve Gordon

District 7
Rantoul
6 years of service



Chad Larimore
Assistant Secretary/Treasurer

District 8
Bement
6 years of service



Lauri Quick

District 9
Tolono
4 years of service