

EJ WATER COOPERATIVE, INC.

MINUTES OF ANNUAL MEETING

The 36th Annual Meeting of EJ Water Cooperative, Inc. was held in person on March 13, 2025 at 5:30 p.m. at the Effingham Event Center. President Jason Warfel called the meeting to order followed by the National Anthem sung by Annabelle Bruels and the invocation was then given by Jeff Wilson.

At this time, all veterans in attendance were recognized and a small gift was presented to each one. President Warfel called for a moment of silence to recognize past board members and employees who are no longer with us. President Warfel reviewed housekeeping items.

President Warfel introduced Vince Fisher as Sergeant in Arms for the evening.

President Warfel introduced Secretary Gail Garbe who reported that a total of 117 members were present in person, exceeding the bylaws requirement for a quorum.

President Warfel motion to amend 2025 meeting agenda to include a Member's section comments under old business and before new business. PB Finley, Jim Perry

President Warfel reviewed the Rules of the Day with the members.

President Warfel then read the Proof of Mailing Notice for the 36th Annual Meeting.

President Warfel then presided over the reading of the 2024 minutes. President Warfel requested a motion to dispense with the reading of the minutes. Upon a motion by Charles Bishop, seconded by Louis Ochs, the membership voted to dispense with reading the 2024 annual meeting minutes.

Presentation of Reports

Treasurer's Report

Treasurer Jeff Wilson presented the Treasurer's Report for the year ending September 30, 2024. Wilson noted that EJ now has the past financial audits on the new website. Wilson noted that revenue for the Co-op last year was \$17,748,430, expenses were \$15,272,233 making the net total \$2,476,198. Cash, Savings, and Certificates of Deposit as of September 30, 2024 totaled \$5,839,131.

President's Report

President Warfel then presented his president's report. President Warfel thanked everyone for being there and also thanked the staff that helped make the evening possible. He noted that the annual meeting theme this year was Reservoir of Progress, noting this describes something that holds potential for growth and development. He highlighted how the Co-op has shown it's ability to grow and develop

over the last 36 years, coming from humble beginnings and now providing service to 100,000 people in 19 counties. He ensured the board and employees are committed to providing quality drinking water in a reliable and dependable manner. He noted that EJ continues to test above the EPA standards within a certified water lab with qualified technicians to ensure quality. He pointed out that for reliability the Co-op built a 250-million-gallon reservoir at our Delbert Mundt Water Treatment Plant last year and that this coming year members will see more system improvements including expansion of the DMWTP. President Warfel noted that EJ provides quality water at an affordable price for its members and the rate is less than one penny per gallon for water consumed and that even with the rate increases that have been necessary, water bills are still well below the Consumer Price Index increases. He ended by mentioning that the Co-op is strong and thriving because of the members and dedicated employees who have dreamed, risked and worked to build the Co-op over the past 36 years and encouraged everyone to continue to be a Reservoir of Progress for years to come.

CEO Report

Bill Teichmiller began by welcoming everyone to the 36th Annual Meeting. He expressed his gratitude to the members for their faith in the Board of Directors and the Leadership Team. He then recognized the board members and the staff. He walked the membership through the history of EJ Water, providing some history on the Co-op, and that EJ stands for Effingham and Jasper counties which are the original counties EJ served. He noted that the Board has been working on purposeful growth and gave the example of why rural water is more expensive than municipal water and why rural water bills are more expensive because of the lack of density. He referenced a graph showing EJ's water bills compared to what the CPI Increase has been over the last 20 years, noting EJ's bills are approximately \$16 lower than CPI. He also mentioned another question he always gets is "do we have enough water?" He noted that EJ has water in numerous water sheds and is currently working on a project that will increase capacity at the Delbert Mundt Water Treatment Plant.

Bill then provided information on the various projects EJ has worked on since last year's meeting. They are:

- Elevated water tower in the Village of Coalton
- Upgrading water mains and meters in Owaneco
- Richland County water main improvements to complete the 3rd phase of RE Water
- DMWTP High Service Pump Room expansion

Bill noted that we secured \$2M in RIPI funding to help with the plant expansion project.

Bill thanked all the members, Board members and recognized the great partnerships EJ has with Milano & Grunloh, and Taylor Law Offices. He thanked all the participants of today's meeting including Annabelle Bruels, Jeff Wilson, Effingham Event Center, & Kirby Foods. He also recognized the relationship EJ has with local banks for taking a risk on EJ including Dieterich Bank, Peoples State Bank, Midland States Bank, Clay County Bank, and the First State Bank of Beecher City. He also recognized EJ's relationships with other municipalities and counties. He thanked his wife for her support and then concluded by stating it is an honor and a privilege to serve all the EJ Water members. Thank you for helping us to succeed.

Nominating Committee Report and Election of Directors

President Warfel presided over the election of directors. In lieu of reading the Nominating Committee minutes, President Warfel requested approval to dispense with the reading of the Nominating Committee meeting minutes. Upon a motion by Glen Huber, seconded by Jim Perry, the membership unanimously voted to dispense with the reading of the Nominating Committee minutes and approving them.

President Warfel stated the nominations designated by the Committee were District 1 Diane Aherin, District 2 Jason Warfel, District 3 Vacant. President Warfel then introduced the rest of the Board members, and the district they represent: Along with Diane Aherin in District 1 – Gail Garbe, Chris Hartke, District 2 – Mike Hall, Jeff Wilson and himself, District 3 – Chuck Smedley, Garry Morrison and Jimmy Ayers.

Old Business

There was no old business.

Member Comments

Cody Heer made member comments and thanked Bill stating maybe bills can come down because there are no loans. He thanked everyone for the water which is always running. He noted he came here two years ago regarding fluoride in the water. He noted the surgeon general of Florida has put out guidance saying fluoride should not be put in water. He noted there is no dosage control because people drink water at all volumes and that it also can get in your skin. He noted that EJ is paying \$600,000 for chemicals and questioned if a percentage that is used to buy fluoride could be used for a lawsuit. He plans to make a motion during the New Business portion of the meeting.

No other member comments.

New Business

Cody Heer stood up and said he would like to make a motion, noting that in 2019 the members voted to allow the Board to change the by-laws and not the members. He noted that the requirements have been changed to become a board member as well. President Warfel asked him to read the Motion – “To revert to the EJ Water By-laws before the members gave up the right to change the by-laws and no version of those by-laws would stand.” President Warfel noted that the Motion to amend the by-laws is out of order because it would violate Section 2., Article V of EJ’s Bylaws and provisions of the Illinois General Not for Profit Act which vests the authority to manage the affairs and exercise all of the powers of the corporation by or under the direction of the Board of Directors. Mr. Heer appealed based on Illinois Law. President Warfel ruled the appeal out of order Pursuant to Roberts Rules of Order, and noted the decision to rule the motion out of order is unappealable for the reasons just stated.

Presentation of Awards

Bill Teichmiller and President Warfel presented service awards to the following individuals:

- Jared Mayhaus – 10 years
- Jared Miller – 10 years
- Stephanie Westendorf – 20 years
- Chuck Smedley – Retiring Board member 13 years at EJ 6 at LP

Bill then thanked PB Finley and Monte VanDyke who were in attendance at the meeting for their past service on the Board and had the audience give them a round of applause.

Bill and Jason then awarded the free water for a year to 20 members, and they were:

- Anthony Stuckey
- Cathy Jo Waltz Gosnell
- Charles Bridges
- Donna Waitkus
- Hans Kollinger
- Jeff & Janet Schultz
- John and Donna Spannagel
- Arthur Hewing
- Leonard Kocher
- Lois Dietrich
- Stephen Wells
- Laquita Campbell
- Tom & Linda Lidy
- Ruth Ellen Hawn
- Benjamin Ochs
- William Webster
- Dale Stremming
- David & Darlene Burgener
- Marie Wagner
- Doug & Laura Kocher

President Warfel requested a motion to adjourn the meeting. Upon a motion by Lori Haack, seconded by Vicky Brumleve, the membership voted unanimously to adjourn the meeting at 6:29 p.m.