2025 ANNUAL REPORT

82ND ANNUAL MEMBERSHIP MEETING



Welcome to the 82nd Annual Membership Meeting of the Steuben Rural Electric Cooperative. We invite you to join us as we celebrate 82 years of serving our members and communities. We are pleased to present the Steuben Rural Electric Cooperative 2025 Annual Report, which provides an overview of the cooperative's operations, financial status, and accomplishments over the past year. The business meeting, which typically lasts about one hour, will follow the agenda located on the last page of this newsletter. During this year's meeting, directors representing Districts 3, 4, and 6 will be elected to serve three-year terms on the Board of Directors. Following the business meeting and raffle drawings, members who pre-ordered meals may pick up their pulled pork BBQ sandwich dinners. As a thank you for participating, each registered member who attends the meeting will receive a $30 credit on their November electric bill. We encourage you to take this opportunity to reconnect with fellow members, directors, and employees and share your favorite memories and stories from throughout the years.

Board President - James McCormick

STEUBEN RURAL ELECTRIC COOPERATIVE CELEBRATES 82 YEARS



President Franklin D. Roosevelt signed an executive order on May 11, 1935 creating the Rural Electric Administration (REA), a branch of the U.S. Department of Agriculture. The REA was formed to provide Federal loans for the construction of electrical distribution systems to serve isolated rural areas of the United States.

Steuben Electric Association, Inc. was formed under the Transportation Corporations Law in July of 1941 and converted to an electric distribution cooperative in May of 1942 with the filing of Articles of conversion under the Rural Electric Cooperative Laws of New York.

At the time the Articles of Conversion were filed, the Cooperative had 503 miles of line and 1,300 members. With the assistance of funds borrowed from the Rural Electrification Administration, now known as Rural Utilities Services (RUS), to build its electric lines, the first line was energized in 1944. Today, 82 years after energizing the first line, the Cooperative has 1,183 miles of line and serves over 6400 homes, farms, and small businesses.

Steuben Rural Electric Cooperative, Inc. and the Chautauqua-Cattaraugus Electric Cooperative, Inc. began discussing the possibility of merging in April of 1969 and the merger was completed in 1970, resulting in SREC becoming the largest of the four New York Cooperatives.

The directors and employees are proud to serve each Cooperative member, continue to practice the Seven Cooperative Principles and strive to achieve the mission statement.

MINUTES OF THE OCTOBER 18, 2025 ANNUAL MEETING

The 81st Annual Meeting of the Steuben Rural Electric Cooperative, Inc. was convened at the Campbell-Savona High School, 8455 County Route 125, Campbell, New York and was live streamed to the Pine Valley Central High School, 7755 NY-83, South Dayton, New York on Saturday, October 18, 2025, as designated by the Bylaws, Article III, Meeting of Members, Section 1, Annual Meeting.

Call to Order: President McCormick called the meeting to order at 10:58 a.m.

Invocation: Pastor George Coon, of the Lindley Community Church, delivered the invocation.

Quorum: Attorney Robert Tyson declared that a quorum was present. Two hundred and eighty-three members registered.

Introductions: President McCormick introduced the Board of Directors, Cooperative Attorney, and management employees: James McCormick, President, District 1; Janice Hoad, Secretary, District 2; Edward Borkowski, Director, District 3; Walter Longwell, Director, District 4; Gerald Chase Jr., Director, District 5; Gordon Foster, Treasurer, District 6; Robert Nichols, Vice-President, District 7; Randy Stankey, Director, District 8; William Moss, III, Director, District 9; Robert Tyson, Cooperative Attorney; Bryant Dillon, General Manager; and Kristen Cleveland, Executive Secretary.

Special Guests: President McCormick introduced the special guests in the audience: Nick Digati, Employee of Value Geo-Thermal; Ross Gill, Director of Delaware County Electric Cooperative; Dan Saulsgiver, Director at Oneida-Madison Electric Cooperative; Jerry McLoughlin, New York Power Authority; Joe Crimi, New York Power Authority; Ryan Grieco, New York Power Authority and William Moss, former Director of Steuben Rural Electric Cooperative.

Welcome: President McCormick welcomed the members and guests to the meeting and expressed how great it was to see all the members. He further stated this year we are live streaming the meeting to our Cherry Creek District Members at the Pine Valley Central High School in South Dayton.

Appreciation to Employees: President McCormick expressed his appreciation to the employees assisting at the meeting and appreciates everything they do to keep the Cooperative functioning smoothly and providing great service to our members.

Bill Credit Announcement: President McCormick announced the members who registered and attended today's meeting will receive a $30.00 credit towards their electric bills, which will appear on their November billing statement.

Meeting Notice and Proof of Publication: Pursuant to the Bylaws, Article III, Section 3, Secretary Janice Hoad declared that the notice of the meeting, stating the place, day and hour and the purpose or purposes for which the meeting was called was mailed to all members at the United States Post Office in O'Fallon, Missouri on September 16, 2025.

Minutes of the October 19, 2024 Meeting: A motion was made, seconded, and adopted to waive the readings of the October 19, 2024 meeting minutes and accept them as published.

President's Report: Mr. McCormick reflected on Steuben Rural Electric Cooperative's history after reviewing board meeting minutes from the 1940s through the early 2000s, describing the experience as both humbling and inspiring. He shared highlights from eight decades of progress, including the Cooperative's early efforts to bring electricity to rural communities in the 1940s, growth alongside members in the 1950s and 1960s, a major merger and expansion in the 1970s, modernization efforts in the 1980s and 1990s, and the Cooperative's steady maturity in the early 2000s. Mr. McCormick emphasized that while technology and times have changed, the Cooperative's mission has remained the same: improving rural quality of life through safe, reliable, and affordable power delivered with integrity and a spirit of neighbors helping neighbors. He noted that the Cooperative has evolved from hand-drawn maps and potbelly stove meetings to GIS systems and virtual meetings, while continuing to maintain strong local connections with members. Today, Steuben REC maintains more than 1,100 miles of line and serves over 6,400 meters across four counties, remaining locally owned and member focused

General Manager's Report: Mr. Dillon reaffirmed the Cooperative's mission to provide safe, reliable, and affordable power to local homes, farms, and businesses, noting that while rising energy mandates and wholesale costs have led to significant rate increases for investor-owned utilities across New York State, the Cooperative remains focused on protecting members through local decision-making and access to low-cost hydropower from the New York Power Authority, which supplies about 85% of its energy needs. During the 2025 Annual Meeting, Mr. Dillon highlighted several accomplishments from the past year, including the Bath Substation transformer upgrade, the Connor Hill 30-mile rebuild, FEMA hazard mitigation projects related to the August 2021 floods, drone inspections of all three-phase poles across both districts, and 130 miles of vegetation management work. He also emphasized the Cooperative's strong financial posi-

MINUTES OF THE OCTOBER 18, 2025 ANNUAL MEETING

tion, completion of the 2024 audit and IRS Form 990 review, and the retirement of capital credits. To date, the Cooperative has returned more than $10 million in patronage capital to members. Mr. Dillon also discussed ongoing collaboration with the New York Association of Public Power and the New York Power Authority on a proposed hydropower rate settlement aimed at balancing fiscal responsibility with affordable rates for rural communities, with resolution expected by the end of 2026. He concluded by expressing confidence in the Cooperative's future, citing improvements in reliability, technology, financial strength, and advocacy efforts, while thanking members for their continued support and ownership.

Secretary and Treasurer Reports: A motion was made, seconded, and adopted to accept the 2024 Secretary and Treasurer reports as published.

Nominating Committee Minutes June 25, 2025: Attorney Tyson read the Nominating Committee Report. The committee met on June 25, 2025, to select a slate of candidates for election to the Board of Directors in the districts scheduled for election.

Introduction of Candidates for Election to the Board of Directors: Attorney Tyson introduced the candidates who were nominated for a three-year term to the Board of Directors: District 1: Wayland, Cohocton, Fremont, Avoca, Hornellsville, Hartsville, Greenwood, West Union – James R. McCormick; District 2: Cameron, Howard – Janice Hoad; and District 9: Chautauqua County – William H. Moss III.

Nominations by Petition: Attorney Tyson stated there were no director candidates brought forth by way of petition.

Close Nominations & Call for Vote: Attorney Tyson called to close the nominations and called for a vote for Districts 1, 2, and 9.

Election Results: Attorney Tyson stated since there was no more than 1 candidate nominated in any 1 district, he called for a motion for the secretary to cast one ballot to elect the candidates for District 1,2, and 9 for a three-year term on the Cooperative's Board of Directors.

Attorney Tyson called for and received a motion, and second to approve the nominated candidates for Districts 1, 2, and 9. The motion was adopted.

Attorney Tyson declared James R. McCormick, Janice Hoad, and William H. Moss III. duly elected to the position of director for Districts 1, 2, and 9 respectively.

Attendance & Proxy Announcement: Attorney Tyson stated there were 283 members in attendance and zero proxies received. Attorney Tyson thanked all members for participating in this year's annual meeting and election of the current slate of directors.

Service Awards: Bryant Dillon, General Manager and James McCormick, Board President recognized the following employees for their years of service for 2025: James R. McCormick, Director, 45 years of service; Joshua Gauss, Operations Manager, 25 years of service; Michael Green, Utility Laborer, 25 years of service; Kristen Cleveland, Executive Secretary, 15 years of service; Kevin Hunt, Lineman 1st Class, 5 years of service; and Trenton LaBarr, Lineman 1st Class, 5 years of service.

Unfinished Business: President McCormick announced there was no unfinished business to bring before the membership.

New Business: President McCormick advised there was no new business to bring before the membership.

Adjournment: Mr. Dillon announced the pulled pork BBQ dinners will be distributed to those members who reserved dinners in the cafeteria following the adjournment of our meeting. In addition, he stated the drawings for the raffle and four mums will follow the adjournment of our meeting. Mr. Dillon called for and received a motion, and second to adjourn the meeting at 11:50 a.m. The motion was adopted.

Raffle Drawings: Kristen Cleveland announced the winners of the raffle drawings for the $500 Visa Gift Card, and the six mums in the Campbell-Savona location. Katie Smith announced the winners for the raffle drawings in the Pine Valley location.

Respectfully submitted,
Janice L. Hoad
Secretary

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Steuben Rural Electric Cooperative, Inc.
9 Wilson Avenue
Bath, New York

Opinion
We have audited the financial statements of Steuben Rural Electric Cooperative, Inc., which comprise the balance sheet as of December 31, 2025 and 2024, and the related statements of revenue and expenses, changes in members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Steuben Rural Electric Cooperative, Inc., as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Steuben Rural Electric Cooperative, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Steuben Rural Electric Cooperative, Inc.'s ability to continue as a going concern for twelve months beyond the financial statement date.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with *GAAS* and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with *GAAS* and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Steuben Rural Electric Cooperative, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Steuben Rural Electric Cooperative, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards,* we have also issued our report dated April 15, 2026, on our consideration of Steuben Rural Electric Cooperative, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Steuben Rural Electric Cooperative, Inc.'s internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cooperative's internal control over financial reporting and compliance.

Fiore, Fedeli, Snyder, Carothers, LLP
State College, Pennsylvania
April 15, 2026

STATEMENT OF NONDISCRIMINATION

Steuben Rural Electric Cooperative, Inc., is an equal opportunity provider and employer. In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, domestic violence victim status, family/parental status, salary history, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202)720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800)877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found on-line at: http://www.ascr.usda.gov/complaint_ filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.



DIRECTOR & EMPLOYEE SERVICE AWARDS 2026

Matthew Meyers, Chief Lineman - 25 Years of Service
Emily Murray, Staking Technican- 20 Years of Service
Evan Wightman, Lineman 1st Class - 10 Years of Service
Randy Stankey, Director - 10 Years of Service
Evan Green, Chief Lineman - 5 Years of Service
Scott Jones, Lineman 1st Class - 5 Years of Service
Edward Borkowski, Director - 5 Years of Service

STEUBEN RURAL ELECTRIC — COOPERATIVE, INC. —



ANNUAL REPORT 2025 | 2024

BALANCE SHEETS

December 31, 2025 and 2024

ASSETS

	2025	2024
ELECTRIC PLANT		
In Service - At Cost	$ 61,591,066	$ 57,732,170
Construction in Progress	2,767,481	2,396,444
Total Electric Plant	**64,358,547**	**60,128,614**
Less:		
Provision for Depreciation	21,802,183	21,556,943
Retirement Work in Progress	6,872	(208,847)
Subtotal	21,809,055	21,348,096
Total Electric Plant - Net	**42,549,492**	**38,780,518**
OTHER ASSETS		
Investments in Associated Organizations	2,429,605	2,106,154
Total Other Assets	**2,429,605**	**2,106,154**
CURRENT ASSETS		
Cash and Cash Equivalents	335,304	634,791
Accounts Receivable - Net	2,159,159	1,876,159
Other Accounts Receivable	920,338	653,082
Inventory	693,795	601,140
Prepaid Expenses	72,979	217,538
Total Current Assets	**4,181,575**	**3,982,710**
NONCURRENT ASSETS		
Other Regulatory Assets	538,687	670,610
Miscellaneous Deferred Debits	29,628	26,717
Total Noncurrent Assets	**568,315**	**697,327**
TOTAL ASSETS	**$ 49,728,987**	**$ 45,566,709**

STEUBEN RURAL ELECTRIC — COOPERATIVE, INC. —



ANNUAL REPORT 2025 | 2024

BALANCE SHEETS – CONTINUED

December 31, 2025 and 2024

LIABILITIES AND MEMBERS' EQUITY

	2025	2024
MEMBERS' EQUITY		
Memberships	$ 369,380	$ 362,980
Patronage Capital	17,308,145	16,606,744
Other Equities	2,533,104	2,391,218
Total Members' Equity	**20,210,629**	**19,360,942**
LONG-TERM DEBT – NET	**24,235,472**	**21,959,124**
CURRENT LIABILITIES		
Long-Term Debt - Current Maturities	1,287,639	1,171,813
Line of Credit	1,866,025	1,000,000
Accounts Payable	1,119,798	1,452,733
Customer Deposits	12,815	13,815
Other Liabilities	679,251	319,046
Total Current Liabilities	**4,965,528**	**3,957,407**
NONCURRENT LIABILITIES		
Other Postretirement Benefits	317,358	289,236
TOTAL LIABILITIES AND MEMBERS' EQUITY	**$ 49,728,987**	**$ 45,566,709**

STEUBEN RURAL ELECTRIC — COOPERATIVE, INC. —



ANNUAL REPORT 2025 | 2024

STATEMENTS OF REVENUE, EXPENSES AND PATRONAGE CAPITAL

For the Years Ended December 31, 2025 and 2024

	2025	2024
OPERATING REVENUES	$ 14,683,960	$ 12,672,704
OPERATION AND MAINTENANCE EXPENSES		
Cost of Purchased Power	4,206,280	2,947,221
Distribution Expense - Operation	1,900,110	1,855,795
Distribution Expense - Maintenance	2,750,089	2,959,907
Customer Accounts Expense	592,295	531,552
Customer Service and Information Expense	191,757	224,306
Administrative and General Expense	1,264,333	1,293,973
Total Operation and Maintenance Expenses	**10,904,864**	**9,812,754**
OTHER OPERATING EXPENSES		
Depreciation Expense	1,552,340	1,443,585
Interest Expense - Long-Term Debt	883,747	763,861
Interest Expense - Other	93,997	41,519
Miscellaneous Expenses	148,278	150,762
Total Other Operating Expenses	**2,678,362**	**2,399,727**
TOTAL COST OF ELECTRIC	**13,583,226**	**12,212,481**
NET OPERATING MARGINS	**1,100,734**	**460,223**
NON-OPERATING MARGINS		
Interest Income	68,258	70,590
Other Capital Credits and Patronage Dividends	72,168	69,582
Miscellaneous Non-Operating Income	13,799	190
Net Non-Operating Margins	**154,225**	**140,362**
NET MARGINS	**1,254,959**	**600,585**
Patronage Capital - Beginning	16,606,744	16,558,373
Less: Retirement of Patronage Capital	(553,558)	(552,214)
PATRONAGE CAPITAL - ENDING	**$ 17,308,145**	**$ 16,606,744**

DIRECTOR QUALIFICATIONS

In order to be elected to the Board as a Director, candidates must meet the following qualifications (see Bylaws, Article IV Directors, Section 2 Qualifications & Tenure): Directors shall be elected by ballot at each annual meeting of the members, by and from the members, to serve until the third succeeding annual meeting of the members or until their successor shall have been elected and shall have qualified. No person shall be eligible to become or remain a director or to hold any position of trust in the Cooperative who: (A) Is not a member and bona fide resident of the district within the Cooperative for which the director was elected to serve; (B) Is in any way employed by or financially interested in a competing enterprise or a business selling electric energy, equipment or supplies to the Cooperative; (C) Is an employee of the Cooperative or has been an employee of the Cooperative within five (5) years from the date of the annual meeting at which the nomination will come to a vote; (D) Is unable to read, write and speak in the English language; (E) Is not able to enter into a legally binding contract; (F) Is a convicted felon; (G) Has had bills owed to the Cooperative delinquent for more than ninety (90) days within the past two (2) years.

NOMINATIONS

It shall be the duty of the Board of Directors to appoint, not less than forty-five (45) days nor more than one hundred twenty (120) days before the date of the meeting of the members at which directors are to be elected, a committee on nominations consisting of not less than five (5) nor more than nine (9) members who shall be selected from different sections of the project area so as to insure equitable representation.

No member of the Board of Directors or any relative of a director may serve on such committee. The committee, to provide equitable representation, shall prepare and post at the principal office of the Cooperative, at least twenty (20) days before the meeting a list of nominations for directors. The committee shall make a prudent effort to nominate at least two (2) nominees from each district of the Cooperative scheduled for election. In the event that less than two (2) nominees are nominated by the committee, the committee shall certify to the Board of Directors that a diligent search was made for candidates and that less than two (2) persons were found who were willing to be nominated for the position of director from that district.

Any fifteen (15) or more members acting together may make nominations by petition not less than fifteen (15) days prior to the meetings, and the Cooperative shall post such nominations, under the direction of the Secretary of the Board of Directors, at the same place where the list of nominations made by the committee is posted. Under the direction of the Secretary of the Board of Directors, the Cooperative shall mail with the notice of the meeting or separately, but at least seven (7) days before the date of the meeting, a statement of the number of directors to be elected and the names and addresses of candidates specifying separately the nominations made by petition, if any. Additional nominations made by petition shall be for the respective districts scheduled for election. The nominee in each district receiving the highest number of votes cast shall be deemed elected to the Board of Directors.

REC STEUBEN
A Touchstone Energy® Cooperative

Improving the Quality of Rural Life
Low Cost Reliable Safe Service

NOMINATING COMMITTEE REPORT 2026

A meeting of the Nominating Committee of Steuben Rural Electric Cooperatve, Inc. was held at the Cooperative's main office, 9 Wilson Avenue, Bath, New York on Wednesday, June 24, 2026 at 5:15 p.m.

Committee members present were Curt R. Williamson, District 1; Robert Spears, District 2; Brian Elliott, District 3; Carl Albers, District 4; Melinda Morgan, District 5; Gena Bengamin, District 6; Mary Ellen Baker, District 7; Patricia Bromley, District 8; and Nicholas D. France, District 9. Also, in attendance were Janice Hoad, Director/Board Secretary and Bryant Dillon, General Manager.

Mr. Dillon called the meeting to order, welcomed those in attendance, and thanked the committee members for taking time from their schedules to serve on the Nominating Committee.

A motion was made by Curt R. Williamson and seconded by Patricia Bromley to elect Melinda Morgan as Chair of the Nominating Committee. The motion was adopted. A motion was made by Melinda Morgan and seconded by Curt R. Williamson to elect Mary Ellen Baker as Recording Secretary. The motion was adopted. Chair Melinda Morgan assumed leadership of the meeting and conducted the nomination process.

The following candidates were nominated for a three-year term on the Cooperative's Board of Directors:

District 3 Nominee(s): Edward Borkowski
District 4 Nominee(s): Walter Longwell
District 6 Nominee(s): Willard A. Caudill and Stephanie Cleveland

A motion was made by Nicholas D. France and seconded by Gena Benjamin to accept the nominations for the districts scheduled for election. The motion was adopted.

The names of the nominees will be submitted to the General Manager for verification of district eligibility.

The Nominating Committee certified to the Board of Directors, as required by the Cooperative's Bylaws, that they made a prudent effort to nominate at least two candidates from each district scheduled for election. The Committee reported that, despite conducting a diligent search in Districts3 and 4, only one qualified candidate in each district was willing to accept nomination for the position of Director.

There being no further business to come before the Committee, a motion to adjourn was made by Robert Spears and seconded by Curt R. Williamson. The motion was adopted, and the meeting adjourned at 5:25 p.m.

Respectfully submitted,

Mary Ellen Baker
Recording Secretary

Please be sure to thank the members of the Nominating Committee for a job well done again this year. A great deal of time is spent and effort made to present appropriate candidates for the position of Director to the Steuben Rural Electric Cooperative, Inc.

District 1 - Curt R. Williamson, Greenwood, NY
District 2 - Robert Spears, Cameron, NY
District 3 - Brian Elliott, Savona, NY
District 4 - Carl W. Albers, Bath, NY
District 5 - Melinda Morgan, Woodhull, NY
District 6 - Gena M. Benjamin, Cameron Mills, NY
District 7 - Mary Ellen Baker, Lindley, NY
District 8 - Patricia Bromley, South Dayton, NY
District 9 - Nicholas D. France, Forestville, NY



DIRECTOR ELECTIONS - MEET THE BOARD CANDIDATES



EDWARD BORKOWSKI - DISTRICT 3 (Urbana, Wayne, Bradford, Hornby, Orange)

Mr. Borkowski, a resident of the Town of Bradford, has been a valued Cooperative member for 33 years and has proudly served on the Board of Directors for the past five years. During his tenure, he has remained committed to continuing education and staying informed on issues affecting the electric utility industry. He earned the Credentialed Cooperative Director Certificate from the National Rural Electric Cooperative Association (NRECA) after successfully completing 40 hours of training through the Credentialed Cooperative Director Program. In addition, he has completed three additional advanced courses focused on electric supply and cooperative governance. A graduate of Bradford Central School and Cornell University, Mr. Borkowski earned a degree in Life Science and Agriculture. He dedicated his professional career to public service through the New York Department of Agriculture and Markets, where he worked until his retirement in 2017. Mr. Borkowski has also been deeply involved in his local community. He has served on the Bradford Town Board for 19 years and is a former Toastmaster. His community involvement includes membership in the Sons of the American Legion, as well as serving as a lector and usher at St. Stanislaus Church in Bradford. He also serves on the Board of Directors for the Shooters Committee on Political Education (S.C.O.P.E.).



WALTER LONGWELL - DISTRICT 4 (Bath)

Mr. Longwell and his wife, Laurie, reside in the Town of Bath and have been active members of the Cooperative community for many years. A Cooperative member for 48 years, Mr. Longwell has served on the Board of Directors for the past four years, bringing both business experience and community involvement to the position. Family has always been an important part of Mr. Longwell's life. He and Laurie are proud parents of three sons Greg, Nathan, and Brett — and grandparents to seven grandchildren. Mr. Longwell is the owner of Longwell Lumber Company in Bath. His experience as a business owner has provided him with valuable insight into the needs of local residents and businesses throughout the community. In addition to his professional responsibilities, Mr. Longwell has been actively involved in Cooperative and community-related initiatives. He previously served on the Steuben Rural Nominating Committee and also served as a Director of the Landfill Gas Project for ten years. With decades of Cooperative membership, business leadership experience, and community service, Mr. Longwell remains committed to supporting the Cooperative and serving its members with dedication and integrity.



WILLARD CAUDILL - DISTRICT 6 (Thurston, Campbell, Rathbone)

Mr. Caudill has been a member of Steuben Rural Electric Cooperative for more than 20 years, and has served as a member of the SREC Nominating Committee for several years. Bill has worked in public and not-for-profit employment for over 30 years. He currently serves as the Executive Director of CSS Workforce, the Workforce Development Board serving Steuben, Chemung, and Schuyler Counties. Prior to this position, he served as the Coordinator of the Steuben County Youth Burean for 14 years. Bill is committed to serving his community, having served for 10 years on the Campbell-Savona Central School District Board of Education and has held leadership roles in multiple churches and the Central Steuben Chamber of Commerce. In 2019-2020, Bill was selected to serve as a Fellow in the inaugural class of the Appalachian Leadership Institute by the Appalachian Regional Commission.



STEPHANIE CLEVELAND - DISTRICT 6 (Thurston, Campbell, Rathbone)

Mrs. Cleveland is a resident of the Town of Campbell, where she resides with her husband, Marvin. Together, they have been proud members of Steuben Rural Electric Cooperative since 1993. A graduate of Campbell Central School, Stephanie has spent most of her life in the Campbell community. After owning and operating a small business for several years, she dedicated her career to school bus transportation. Beginning as a school bus driver, she advanced to the role of Transportation Supervisor, serving both Campbell-Savona Central School District and Dundee Central School District for a combined 30 years. Throughout her career, Stephanie was committed to providing safe, dependable transportation while mentoring and supporting fellow transportation professionals. Although retired, Stephanie remains active in the school bus transportation industry by assisting nearby school districts as a School Bus Driver Instructor (SBDI) and a New York State 19-A Certified Examiner, where she teaches training classes and evaluates school bus drivers. Stephanie and Marvin, both retired, enjoy traveling, spending time at home, and making memories with their family. Their greatest joy is spending time with their daughter, son-in-law, and grandson.Stephanie would also like to make use of her free time, if elected, to give back to the Cooperative that has served her family for more than three decades. She is excited to help maintain the quality and reliability that Steuben Rural Cooperative provides to its members now and for the future.



Janice Hoad
Secretary

REPORT OF THE SECRETARY 2025

Last year's Annual Meeting was held at the Campbell-Savona High School in Campbell, New York, and live-streamed to the Cherry Creek members at the Pine Valley Central School in South Dayton, New York on October 19, 2025. Total attendance was 283 members. There were no proxies submitted. The directors elected to three-year terms were James R. McCormick, District 1 (Wayland, Cohocton, Freemont, Avoca, Hornellsville, Hartsville, Greenwood & West Union); Janice Hoad, District 2 (Cameron & Howard); and William H. Moss III., District 9 (Chautauqua County). The Board held regular, committee, and special meetings, according to the Bylaws of the Cooperative.

As of January 1, 2025, there were a total of 5,407 active members representing 6,445 active metering points. For the period January 1, 2025 through December 31, 2025, the Cooperative had 89 new connects and 42 service retirements/new idle services. The Board accepted 256 new memberships during 2025 and 264 memberships became inactive. The Cooperative ended 2025 with a total of 5,399 active members and 6,492 active meters. All membership records and minutes from all meetings are up-to-date and on file at the office. We welcome suggestions from the members on any item of Cooperative affairs.



Gordon Foster
Treasurer

REPORT OF THE TREASURER 2025

Steuben Rural Electric Cooperative continued its strong financial performance in 2025 while making significant investments to strengthen the reliability of the electric system for years to come. The Cooperative ended the year with $49.7 million in total assets, including $42.5 million in net electric plant, reflecting another year of substantial infrastructure improvements. Members' equity increased to $20.2 million, representing over 40% of total assets, a level that continues to exceed our Board's long-term financial target and provides the Cooperative with a strong financial foundation for future investments.

The Cooperative experienced a strong operating year in 2025, driven by increased energy sales, disciplined cost management, and continued growth across all member classes. Total energy sales increased by nearly 5 million kilowatt-hours (6%). This resulted in an increase in electric sales revenue, net of purchased power costs, of approximately $374,000. Additional positive impacts to revenues included higher pole attachment revenue, FEMA reimbursement related to 2024 storm response, and a NYSERDA technical assistance grant, while core operating expenses declined 2.4% despite contractual wage increases. Offsetting these gains were higher depreciation expense from continued investments in our electric system and increased interest expense associated with financing major infrastructure and FEMA projects in today's higher interest rate environment. Overall, the Cooperative generated another solid year of operating performance, reflecting continued load growth, sound financial management, and a commitment to investing in the long-term reliability of the electric system.



As a not-for-profit, member-owned cooperative, every financial decision is made with our members' long-term interests in mind. Our strong equity position, healthy balance sheet, and continued investment in the electric system place Steuben REC in an excellent position to meet future challenges while continuing to provide safe, reliable, and affordable electric service. We appreciate the trust our members place in us and remain committed to managing your Cooperative with the same financial discipline that has allowed us to remain one of the strongest rural electric cooperatives in New York.

BOARD OF DIRECTORS

OFFICERS



JAMES MCCORMICK
PRESIDENT
DISTRICT 1



ROBERT NICHOLS
VICE PRESIDENT
DISTRICT 7



JANICE HOAD
SECRETARY
DISTRICT 2



GORDON FOSTER
TREASURER
DISTRICT 6

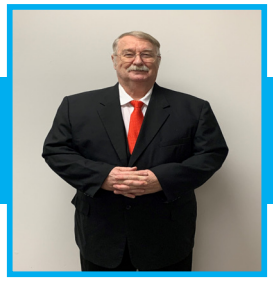
DIRECTORS



EDWARD BORKOWSKI
DISTRICT 3



WALTER LONGWELL
DISTRICT 4



GERALD CHASE JR
DISTRICT 5



RANDY STANKEY
DISTRICT 8



WILLIAM MOSS III
DISTRICT 9



ANNUAL MEETING AGENDA

1.	CALL MEETING TO ORDER AT 11:00 AM	JAMES MCCORMICK
2.	INVOCATION	PASTOR GEORGE COON
3.	PLEDGE OF ALLEGIANCE	JAMES MCCORMICK
4.	NO SMOKING ANNOUNCEMENT	JAMES MCCORMICK
5.	FIRE EMERGENCY ANNOUNCEMENT	JAMES MCCORMICK
6.	CELL PHONE REMINDER	JAMES MCCORMICK
7.	PROOF OF QUORUM	ROBERT TYSON, ESQ
8.	INTRODUCTIONS OF DIRECTORS/MANAGEMENT	JAMES MCCORMICK
9.	SPECIAL GUEST INTRODUCTIONS	JAMES MCCORMICK
10.	WELCOME MESSAGE	JAMES MCCORMICK
11.	APPRECIATION TO EMPLOYEES	JAMES MCCORMICK
12.	BILL CREDIT ANNOUNCEMENT	JAMES MCCORMICK
13.	MEETING NOTICE AND PUBLICATION	JANICE HOAD
14.	APPROVAL OF MINUTES OF 2025 MEMBERSHIP MEETING	JAMES MCCORMICK
15.	NOMINATING COMMITTEE REPORT	ROBERT TYSON, ESQ
16.	ELECTION OF DIRECTORS	ROBERT TYSON, ESQ
17.	NOMINATIONS BY PETITION	ROBERT TYSON, ESQ
18.	CLOSE NOMINATIONS	ROBERT TYSON, ESQ
19.	PRESIDENT'S REPORT	JAMES MCCORMICK
20.	GENERAL MANAGER'S REPORT	BRYANT DILLON
21.	SECRETARY AND TREASURER REPORTS	JAMES MCCORMICK
22.	UNFINISHED BUSINESS	JAMES MCCORMICK
23.	NEW BUSINESS	JAMES MCCORMICK
24.	EMPLOYEE SERVICE AWARDS	BRYANT DILLON/JAMES MCCORMICK
25.	ATTENDANCE AND PROXY ANNOUNCEMENT	ROBERT TYSON, ESQ
26.	ELECTION RESULTS	ROBERT TYSON, ESQ
27.	ADJOURNMENT	BRYANT DILLON
28.	RAFFLE DRAWING	BRYANT DILLON