Summary of Board Minutes
April 30, 2026

The regular meeting of the Board of Directors of Freeborn Mower Electric Cooperative ("FMEC") took place at FMEC's headquarters office, located at 3366 Bridge Avenue, Albert Lea, MN 56007, on Thursday, April 30, 2026. All board members were present at this meeting.

All board members were present for this meeting:

Dennis Anderson, Vice Chair	District 1
John Penkava	District 2
Steve Garbisch, Treasurer	District 3
Richard Schaufler	District 4
Frank Fryer, Secretary	District 5
Matt Maras	District 6
Jack Korman, Chair	District 7
Bill Trygstad	District 8
Larry Irvine	District 9

Also Present: Jim Krueger, President & CEO

Jessica Phelps, Executive Assistant

The Executive Team joined the meeting at 9:00 a.m.

Call To Order: Jack Korman, Chair of the FMEC Board, called the meeting to order at 7:57 a.m., followed by the pledge of allegiance.

Agenda Approval: Chair Korman asked if there were any suggestions or modifications to the proposed agenda. A motion was made to approve the agenda as presented and the motion was carried.

Board Reorganization: A motion was made and carried that nominations for the positions of Board Chair, President, Vice-President, Vice-Chair, Secretary, and Treasurer be closed, and that a unanimous ballot be cast to elect the following individuals to each respective position for a one-year term:

- Jack Korman Board Chair
- Dennis Anderson Vice Chair
- Jim Krueger President
- Al Stadheim Vice President
- Frank Fryer Secretary
- Steve Garbisch Treasurer

Dairyland Power Board and Alternate Directors: The motion to elect Bill Trygstad as the FMEC representative on the DPC Board of Directors for a one-year term was carried. A second motion was made to elect Larry Irvine as the DPC Alternate Director for a one-year term.

Safety Share: Bill Trygstad provided the group with the safety share on bee stings. He noted that individuals may have a different allergic reaction each time they are stung. Reactions of a bee sting include itching, swelling, and anaphylactic shock. It's important to carry an EPI pen if you've had a reaction before. Symptoms may appear up to one hour after sting, and the individual should watch for tongue swelling and/or trouble breathing. Preventative measures include avoiding drinking liquids with wide-open tops, wearing closed toe shoes, and avoiding wearing bright colored clothes. It's important to see a doctor for severe reactions.

Governance Discussion: FMEC Attorney Steve Hovey attended the meeting at 8:30 a.m. for the governance discussion. He reviewed the fiduciary responsibilities of cooperative board members. The attorney emphasized the duty of good faith, explaining that directors must act honestly and with integrity while making decisions in the best interest of the cooperative. Board members were reminded to exercise reasonable care by remaining informed and acting as ordinarily prudent individuals would under similar circumstances. The discussion also highlighted the importance of considering the impact of board decisions on the cooperative, its employees, customers, suppliers, the state economy, and the long-term future of the organization. The attorney noted that board actions generally carry the assumption that directors support the decisions of the board unless a formal objection or dissent is recorded. In addition, the attorney reviewed conflict-of-interest considerations, advising that when a situation raises concerns or "sets off alarm bells," it likely warrants further evaluation as a potential conflict. The importance of protecting confidential information and securing both electronic and paper records was also discussed.

The Board entered Executive Session at 9:04 a.m.

During the executive session, Jim Krueger, President and CEO, updated the board on litigation cases in which FMEC is involved. In addition to this discussion, Bill Trygstad provided a Dairyland update. A motion was made to approve the Executive Session minutes from March and the motion was carried.

The Board adjourned Executive Session at 9:17 a.m.

Redistricting: According to FMEC Bylaws, the cooperative is required to review and adjust district boundaries, if necessary, at least every ten years to provide generally equivalent representation to all members. A new map was presented; however, no decision was made at the April board meeting.

Approval of the Consent Agenda: The motion to approve the Consent Agenda as presented was passed. This approval includes the following items:

- Minutes from the previous monthly board meeting
- Approval of new members
- Authorization for payments to estates
- Acceptance of the Audit Committee and Treasurer's Reports
- Safety Committee Report
- Executive Team Report

The meeting was paused for a break at 10:15 a.m. and the group returned at 10:31 a.m.

Strategic Discussion: There was robust discussion regarding residential rates, during which several alternative rate options were presented and reviewed. The Board of Directors discussed the potential impacts of the various options, including their effectiveness in recovering revenue requirements and the effects on the cooperative and its members. Ultimately, a motion was made to move forward with one of the options presented and the motion carried.

Director Reports: Bill Trygstad, FMEC's representative on the DPC Board of Directors, provided an update. The group took time to review the summary proposal of bylaw changes of which voting will take place at the upcoming DPC Annual Meeting. A consensus was reached on voting direction at the upcoming DPC Annual Meeting.

Meetings and Events: Jim Krueger, President and CEO, provided an overview of upcoming events, which included:

- Dairyland Power Cooperative Annual Meeting, Tuesday, June 2
- 2026 Energy Issues Summit, Wednesday, August 5 -Thursday, August 6
- MREA District 6 Meeting, July 14 @ FMEC

FMEC Financials: Angie Kolker, Director of Finance, reviewed the FMEC financial reports for March 2026 and the C & I Usage report. In addition, Kolker reviewed the Quarterly Subsidiary Reports, including:

- Minnesota Three LLC
- SMEC
- Heartland Security Financials
- USDA RED L&G Loans and Grants

Operation Round Up®: First quarter disbursements and the treasury report were reviewed.

Policy Number: No policies were reviewed at the meeting.

Work Order(s) #1312 and Special Equipment #633 were presented to the Treasurer for his signature.

A motion was carried out to adjourn this meeting at 2:08 p.m.