



Freeborn
Mower
Electric
Cooperative

People. Power. Possibilities.



85th

2021

1936

Anniversary

2021

FREEBORN MOWER ELECTRIC COOPERATIVE

ANNUAL REPORT

85 years of people, power, and possibilities



YOU ARE INVITED!

85TH ANNUAL MEETING

Saturday, March 26, 2022

ALBERT LEA HIGH SCHOOL AND ONLINE

Please bring the registration portion from the back of this report to register at the meeting.
To view the meeting online, you may register at www.fmec.coop.

(See the back for more details.)

FREEBORN MOWER ELECTRIC COOPERATIVE

2021 HIGHLIGHTS

a letter to our members by cooperative leadership

There have been many changes in the 85 years since the cooperative was first formed, but one thing remains constant, and that is our commitment to serving our members.

Freeborn Mower Electric Cooperative (FMEC) is proud to:

- put the needs of our members first
- be an active entity within local communities
- be owned by the members we serve
- be operated by local management and employees
- have each member with an equal voice in the director election process, regardless of the amount of electricity used
- be a not-for-profit organization, returning excess revenues to our members as Capital Credits
- be guided by the Seven Cooperative Principles

At the start of 2021, we made an important four-part pledge to our members that embodies this sentiment and we delivered in each area:

1. **Focus on what is most important.** We made quality, member-driven service imperative while always focusing on safety.
2. **Continue to evolve.** The Covid-19 pandemic presented numerous challenges that we responded to by making use of improved technology as we learned to conduct daily business in new ways. For example, we held a virtual annual meeting and offered an electronic voting option for the first time.
3. **Support our local communities.** We strengthened our local communities by offering scholarships, distributing grants with our Operation Round Up® program, and various other activities that improve our community.
4. **Build for tomorrow.** Moving into our new headquarters facility was the most significant highlight of the year. The structure was completed ahead of schedule and below budget, quite an accomplishment during the pandemic. Our new headquarters provides additional space, improved site security, updated technology, and adds operational efficiencies. The spacious facility will meet the cooperative's needs for many decades to come. In addition to the new building, we continued implementing our power line construction plans, conducted line maintenance, and made progress on our vegetation management plan. Our focus continues to be on enhancing service reliability, safety, and updating the local power grid to meet growing demands for electricity.

MISSION

Committed to serving our members by providing power to their lives.

VISION

To be the trusted leader providing energy, services, and products.

TAGLINE

People. Power. Possibilities.

CORE VALUES

Integrity

Safety

Quality

Engagement

Collaboration

SEVEN COOPERATIVE PRINCIPLES

Open and Voluntary Membership

Democratic Member Control

Members' Economic Participation

Autonomy and Independence

Education, Training, and Information

Cooperation Among Cooperatives

Concern for Community

WWW.FMEC.COOP
INFO@FMEC.COOP

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2021 Workplan Highlights

Beyond our pledge for the year, FMEC worked hard to tackle a variety of projects in our work plan that will help our members enjoy the benefits of quality electric service and enhanced service reliability.

- Service to the cities of Alden, Grand Meadow, and LeRoy were converted to new underground feeds to enhance reliability.
- There were 378 poles changed out across the system. Sometimes poles are no longer sound and simply need to be replaced. In other instances, the existing pole needs to be replaced with a taller pole to provide needed clearance. Poles are also damaged in storms. When power lines are switched from overhead to underground, poles may be retired from service.
- We replaced 44 miles of overhead lines with new underground lines. Underground power lines are less susceptible to storm damage, as well as animal and tree outages.
- We changed out 431 old transformers. Electric distribution transformers are essential since their basic function is to modify high voltage to a lower voltage that can be used by the electric consumer. If a transformer were to malfunction, our crews would not only need to replace the equipment but first shut down the incoming electric line to prevent injury and damage. This could affect numerous accounts. It is to the membership's advantage that equipment maintenance and replacement are part of the annual work plan.
- Efficient LED lighting replaced 637 older security and street lights.

Resilience During the Pandemic

2021 presented its challenges among our many successes. As the pandemic ebbed and flowed, we faced continued challenges including holding virtual meetings and facilitating employees who were working remotely. We pivoted in ways that allowed us to navigate through the challenges, striving to remain consistent in the quality of service provided during these unprecedented times. We thank our members for the patience, understanding, and support they have shown to our employees.

Same Commitment, Refreshed

As we look to the future, we're making the same commitments to you - but with a whole new look.



Name Change: Among the many exciting changes made in 2021 was changing our name back to Freeborn Mower Electric Cooperative. This name best identifies our core business and reflects our long history of success as your local electricity provider.

New Logo: In addition to a name change, we launched a new logo in 2021 that intentionally clarifies the services we provide and honors our legacy. At the same time, our new logo revitalizes our image as a modern and adaptable power provider. Our redesigned logo represents the landscape in which we work, that we provide electricity by both overhead and underground lines, and the colors are a nod to our merged membership (legacy members and our 2015 acquired Alliant Energy members). The graphic also memorializes our former logo qualities and symbolizes our appreciation for our history with an arrow pointing down, and our hope for the future with an arrow pointing up.

We thank our members for their support and care throughout the highs and the lows of 2021. As we move into the new year and beyond, know that we strive to be a modern, adaptable, and forward-looking power provider— a reliable source for electricity and information. Now in our 85th year, we will continue to honor our cooperative's legacy with a continued focus on serving our member-owners.

Cooperatively,



Jim Krueger
Chief Executive Officer



Jack Korman
Board Chair



17,781
MEMBER
OWNERS



NINE
MEMBER-ELECTED
DIRECTORS

FOUNDED
1936

7.0
CONSUMERS
PER MILE
OF LINE



21,092
ACCOUNTS

17,810 Residential

2,836 Small Commercial

30 Large Commercial

45 Public Street Hwy Lighting

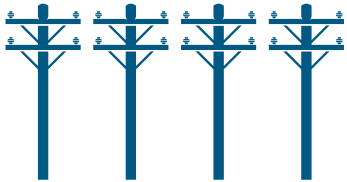
371 Public Authorities



1,235
SQUARE MILE
SERVICE AREA



SIXTY-THREE
DEDICATED EMPLOYEES



2,961 TOTAL MILES OF LINE
1,737 MILES OF OVERHEAD LINE
1,224 MILES OF UNDERGROUND LINE

ALBERT LEA, MN
HEADQUARTERS

TWENTY - SIX
SUBSTATIONS



135,392
TOTAL HOURS WORKED

**“These statistics capture the
scale and dynamic nature of the
electric distribution utility that
you own and control.”**

– Jim Krueger, President & CEO

RESIDENTIAL AND FARM
EFFICIENCY REBATES

353,767



KILLOWATT HOUR
SAVINGS

6,000,319



CONTROLLED
WATER HEATERS

1,407

2021 FINANCIAL HIGHLIGHTS

A defining feature of your co-op membership and a principle that guides us is your economic participation. The partnership we have with you, as members of Freeborn Mower Electric Cooperative (FMEC), rests on our commitment to prudently use the resources you provide.

We're proud to report that total assets are increasing steadily each year due to our continuous investment in utility plant as well as the construction of our new headquarters building. Our equity has also increased by over \$2.4 million and our net margins were nearly \$3.4 million for the year. In addition, our internal costs and wholesale power cost increases were minimal. Our financial position has remained strong in 2021.

As we look ahead into the future, we will continue to diligently manage our costs in order to mitigate rate impacts to our members.

Audited financial statements are available upon request for cooperative members.



TOTAL ASSETS \$136.3 MILLION

TOTAL EQUITY \$41.6 MILLION

TOTAL REVENUE \$54.5 MILLION



KILLOWATTS SOLD
482,216,089



ELECTRIC REVENUE
\$54,475,000



COST OF POWER
\$38,255,000

LOAD PROFILE

LARGE COMMERCIAL



SMALL COMMERCIAL



RESIDENTIAL



WHERE YOUR DOLLAR GOES

COST OF POWER



OPERATING EXPENSES



DEPRECIATION



OPERATING MARGINS



INTEREST



\$861,000 in Capital Credits Retired

Capital Credits represent members sharing in the financial success of the cooperative. The 2021 general retirement of Capital Credits of \$861,000 to members and former members injects money back into the local economies.

When you became a cooperative member, you were assigned a Capital Credit account. As you pay your electric bills, the cooperative tracks your electric consumption and the patronage revenue received from your account. If the cooperative has excess margins (known as profits in other business models), the money is allocated to your Capital Credit account based on the electric consumption.

Capital Credits are important to ensuring the financial health of FMEC. From the time the Capital Credits are allocated until they are retired to the members, the funds are used to strengthen the cooperative and reduce the need to borrow funds. Each year, the Board of Directors determines whether the cooperative's financial position will allow for the retirement of Capital Credits, the amount, and the method by which Capital Credits are retired.



OPERATING MARGINS
\$1,120,000



NET MARGINS
\$3,397,000



CAPITAL CREDITS
\$861,000



people.

Freeborn Mower Electric Cooperative (FMEC) is much more than a building. While our building provides work areas that support the various components of our operation, the actual foundation of a cooperative is its people. The member-owners, directors, leaders, employees, and affiliates are all integral to the cooperative's success.

The Principles of Cooperation — a set of guidelines that create its uniqueness and explain the relationship between the cooperative and its members — distinguish

a cooperative from another form of business. This is why FMEC strives for continuing member education through community events, monthly newsletters, and the use of conventional and social media. Keeping FMEC members informed and engaged about the industry, our programs, and our services is important because we depend on these for enlightened decision-making.

FMEC is operated as a member-owned, not-for-profit, and service-oriented cooperative.

Governance By Members

Freeborn Mower Electric Cooperative is a democratically controlled business. It is governed by local people that are elected by you and your fellow cooperative members. With members in charge, you can feel confident that Board decisions are made in the best interest of you and your community.



Dennis Anderson
District 1, Hartland / Vice Chair



Burton Magnuson
District 2, Austin / Secretary



Steve Garbisch
District 3, Brownsdale / Treasurer



Richard Schaufler
District 4, Grand Meadow



Frank Fryer
District 5, Lyle



Joe Pacovsky
District 6, Hayward



Jack Korman
District 7, Alden / Chair



William Trygstad
District 8, Albert Lea



Larry Irvine
District 9, Albert Lea

Freeborn Mower Electric Cooperative (FMEC) is governed by nine directors who have been elected by their fellow member-owners to represent their District.

Board members are elected to serve a three-year term.

The Board of Directors is responsible for setting policies, including rates, fiduciary responsibilities, and providing overall guidance for management's implementation.

These directors play a crucial role in determining the strategic direction and priorities of FMEC. From being legislatively active, to focusing on financial matters, cybersecurity, and technology advancements, the electric industry is incredibly complex and is changing rapidly. To effectively govern, electric cooperative directors need to have a thorough understanding of these issues.

Credentialed Cooperative Director (CCD) certification program provides electric cooperative directors with the foundation of knowledge needed to effectively provide leadership. The CCD program is offered through Minnesota Rural Electric Cooperative Association (MREA). Directors are expected to achieve CCD status, and each takes this challenge seriously.

WHAT IS MY DISTRICT NUMBER?

Your Director District number is shown on your billing statement, above the blue bar and to the right of your service address.

Focused on Serving You

IN-PERSON
3366 BRIDGE AVENUE
ALBERT LEA MN 56007

Please feel free to stop into our office with your bill payment, questions, or concerns. That’s why we’re here!

ON THE PHONE
(507) 373-6421 | (800) 734-6421

For your convenience, we utilize the Cooperative Response Center (CRC) for outage reporting. Just phone the regular FMEC number and your call will automatically be switched to the professionals at this call and dispatch center.

ONLINE
www.fmec.coop



We also serve you through technology. Visit our website or social media channels for 24-hour access to a broad range of information and forms.

You can also take advantage of 24-7 account access and all that SmartHub provides.

- Pay your bill
- Monitor your Kwh usage
- Set electric usage alerts
- Outage map
- and more

It’s easy to set up your free SmartHub log-in.



SIGN UP TODAY!
Enrolling in **SmartHub** is easy and free! Visit www.fmec.coop or scan the QR code to register.



MEMBER CALLS	40,912
SMARTHUB USERS	7,264
AUTOPAY ACCOUNTS	6,400
PAPERLESS USERS	4,768
WEBSITE VISITS	64,960
OUTAGE CENTER VISITS	5,743
FACEBOOK FOLLOWERS	3,541

Local and Friendly Faces

We are proud to power your lives.

Whether we're constructing a power line or recording your bill payment — and everything in between — we serve our members with professionalism, integrity, safety, and easy accessibility. It's our pleasure.



RETIREMENT WISHES TO DIRECTOR BURTON MAGNUSON

Burton Magnuson served as FMEC District 2 Director for 15 years, including acting as Board Secretary, and also as the Director Representative to the Dairyland Power Cooperative Board for 11 years. We applaud Burton Magnuson for his exceptional dedication and numerous contributions while being a leader in an ever-evolving industry. He steadfastly upheld key ideals and objectives — the cooperative business model, accountability to cooperative members, a focus on safety, and service reliability. We wish you all the best and express our sincere thanks for all you've done for, and on behalf of FMEC.

WORKING WITH OUR LEGISLATORS

Advocating for you and our community.

In 2007, Minnesota's Conservation Improvement Program (CIP) was established to create goals for all utilities, including electric cooperatives, to reduce their annual energy sales by 1.5% and spend at least 1.5% of revenues to achieve this goal. Freeborn Mower Electric Cooperative (FMEC) is proud to have consistently met or exceeded these goals.

The initial emphasis of CIP was to encourage the public to replace less efficient appliances and lighting with ENERGY STAR-rated appliances and LED lighting. At the time, many of these products were just making their entry into the marketplace. Thanks in part to the success of CIP, we have reached a saturation point for many of the energy efficiency incentives introduced more than a decade ago.

Over the last four years, Minnesota rural electric cooperatives worked with the state legislature to improve the state's energy efficiency standards. FMEC thanks our local state legislators for supporting significant and beneficial reform to these standards, a cornerstone of Minnesota's energy policy.

In 2021, the new Energy Conservation & Optimization (ECO) Act passed at the close of the legislature's regular session with strong bipartisan support and was signed into law by Governor Walz. The proactive provisions in the ECO Act, which replaces CIP, give electric cooperatives greater flexibility in recognizing and responding to emerging technologies, consumer behaviors, and electrical demand. The goal of the new legislation is to achieve a trifecta of (1) reducing the overall amount of energy used, (2) reducing greenhouse gas emissions, and (3) reducing consumer costs.



Senator Gene Dornink (l) and Representative Peggy Bennett (r) are pictured with FMEC President & CEO Jim Krueger as they visited the new headquarters on August 2.

Representative Patricia Mueller and FMEC President & CEO Jim Krueger.



Legislators were welcomed to the September 28th board meeting. Participating in the meeting were Representative Peggy Bennett, District 27A; Representative Patricia Mueller, District 27B; Senator Gene Dornink; Darrick Moe, President & CEO of Minnesota Rural Electric Association (MREA); Mike Bull, MREA Director of Policy & Regulatory Affairs; and Jennifer Shilling, Dairyland Power Cooperative's Government Relations Manager. The meeting touched on FMEC's participation in the CHARGE EV Initiative and support of electric vehicle infrastructure. FMEC and MREA expressed thanks to these legislators for their recent support of the Energy Conservation and Optimization Act (ECO). Other topics discussed were broadband infrastructure, electric grid modernization and security, beneficial electrification, and climate change initiatives.

FMEC RECOGNIZED AS A 5-STAR CO-OP

Freeborn Mower Electric Cooperative (FMEC) is proud to be a part of the Co-ops Vote 5-Star Program. A 5-Star Co-op encourages its member-owners to register to vote and to learn about federal, state, and local elections. They also empower their members to make educated decisions about voting for the future of their cooperative and community, and they engage their elected officials by advocating for issues on behalf of their electric co-op. FMEC is proud to have been designated by the National Rural Electric Association (NRECA) as a 5-Star Co-op in 2021.

"The effort you and your employees have put into the program is a stellar example of your Commitment to Community, to ensure that rural America's voices are heard. Co-ops Vote is about more than voting—it's about engaging in the political life of your community."

— Excerpt from the award announcement letter to Jim Krueger from Jim Matheson, CEO NRECA



CO-OPS VOTE
A PROGRAM OF AMERICA'S ELECTRIC COOPERATIVES
WWW.VOTE.COOP



power.

Electricity is a critical, 24/7 component of your everyday life. But chances are you don't give much thought to the power lines traversing your neighborhood, the equipment on the corner, or the fenced-off substations.

The reality is that Freeborn Mower Electric Cooperative's (FMEC) electric grid is made up of hundreds of thousands of parts and pieces - from tiny bolts to 4,000-pound

transformers. Part of our job is to keep all these parts and pieces in good working order so that you have reliable electricity.

How do we do that? Maintenance. A lot of maintenance. Every year, FMEC spends countless hours and millions of dollars working to maintain the grid that brings electricity to our local homes and businesses - all to ensure your power is flowing 24 hours a day, 365 days a year.

FMEC strives to provide its members with safe, reliable electric service, however, events do occur that are out of the control of the cooperative. Weather continues to be the leading cause of unplanned interruptions to our member-owners.

Each year, the co-op buries 30 - 40 miles of the electric lines which will help to reduce these weather-caused outages in the future. Planned outages are the leading cause of interruptions for members. These planned outages, although at times inconvenient, are necessary to make upgrades and repairs to existing distribution lines to improve reliability. FMEC makes every effort to contact members by phone prior to any planned outage, so please be sure to update your contact information with our office.

Every year, our cooperative spends considerable time and energy managing trees along the right of way. This work is necessary to help reduce tree-related outages and the dangerous conditions that can exist when a tree falls into a power line. Our cooperative maintains overall reliability of 99.98%, which equates to roughly 80 minutes/per year/per member of outage time.



2021 OUTAGE SUMMARY

MONTH	OUTAGES	MEMBERS	MINUTES
January	122	926	102,634
February	135	482	54,730
March	226	1605	128,681
April	200	1970	180,395
May	156	1589	153,080
June	215	3616	318,476
July	192	1067	110,602
August	266	880	91,405
September	204	958	112,945
October	153	655	80,568
November	188	956	90,179
December*	240	8519	1,833,965

* December Tornadoes and Disaster Declaration

Includes planned outages.

WHAT'S CAUSING OUTAGES?



PLANNED
70%



ANIMALS
6%



TREES
4%



WEATHER
8%



PUBLIC
3%



OTHER
3%



EQUIPMENT
6%

We're pleased to report that FMEC's overall reliability rate is 99.98%.

Delivering quality electric service to our members can only be done with significant investment, proper planning, and system maintenance.

Each year, maintaining a reliable system takes hundreds of hours of planning, maintenance, inspections, and system upgrades. Equally important is our commitment to balancing reliability and affordability with member expectations, which requires a mindset of continuous improvement and looking ahead to anticipate your future needs.

In addition to our efforts at the distribution level, our power suppliers are working every day to ensure power is there when you need it.



CONSTRUCTION

- 424 projects designed/staked/inspected
- 27 miles of line rebuilt single phase overhead
- 9 miles of line rebuilt overhead three phase
- 8 miles aging underground single phase replaced
- 69 new services installed
- 103 member system improvements



MAINTENANCE

- 650 miles of line patrolled for hazards
- 750 animal guards installed
- 3700 poles tested, 87 identified for replacement
- 195 tree clearing service orders completed
- 554 miles of right-of-way miles cleared
- 26 parcels mowed and sprayed
- 637 LED security lights installed



ENERGY MANAGEMENT

- 2,613 systems controlled under load management
- 25,122 kW total kW load controlled
- 62,959 energy efficiency incentives processed, an estimated 6,000,319 kWh in energy savings
- \$353,767 energy rebates paid for efficiency upgrades

RENEWABLES

- 10 member owned wind turbines
- 95 member owned solar arrays on our system
- Total renewable energy capacity of 2,765 kW



2022 Dairyland Report

Sustainability, Reliability, Safety, and Cost Management

Dairyland Power Cooperative's leadership team and the Board of Directors are focused on providing safe and reliable electricity for Dairyland's 24 member cooperatives while transitioning to a low-carbon future.

Dairyland's Sustainable Generation Plan provides a framework for Asset Reliability and Energy Diversification, considering the economic impact on members, technological feasibility, social implications, and environmental responsibility. Dairyland has a goal of 50 percent reduction in carbon dioxide intensity rate (over 2005 levels) by 2030.

In 2021:

- Dairyland retired and began to decommission the coal-fired Genoa Station #3 (G-3).
- Purchased the RockGen Energy Center, a 503 megawatt (MW) natural gas plant in Cambridge, Wis. This purchase supports the growth of wind and solar energy in the region and provides reliable electricity in all weather conditions.
- The Tatanka Ridge Wind Farm (Deuel County, S.D.) began operation. Dairyland has a power purchase agreement (PPA) from the 52 MW portion of the wind farm.
- Has a PPA with Ranger Solar for the 149 MW Badger State Solar facility (Jefferson, Wis.) scheduled to be operational in 2023.
- The regulatory approval process continues for the Nemadji Trail Energy Center, a proposed 525-625 MW natural gas generation facility in Superior, Wis.
- The 387 MW coal-fired John P. Madgett Station (Alma, Wis.) and 70 MW natural gas combustion Elk Mound Generation Station (Elk Mound, Wis.) both set power production records, reliably producing electricity during extreme temperatures.
- Dairyland also invested in regional transmission opportunities. By working with other utilities, regional transmission infrastructure has been strengthened to absorb changing generation sources while maintaining reliability and adding value for members. Transmission Construction crews work to safely rebuild, construct and upgrade approximately 50 miles of 69 kV transmission line each year. Each mile takes approximately two weeks to complete with roughly 17 poles per mile.
- Freeborn Mower Electric Cooperative (FMEC) and Dairyland were among 31 cooperatives to create CHARGE EV, LLC, in 2020, to build interest in the growth of electric vehicles (EV). The CHARGETM network of cooperative-powered EV chargers is growing in rural areas.

Financial and Competitive Strength are critical to sustainability. Dairyland balances building financial strength with ensuring competitive rates and sound operations within a culture of safety. The board approved a budget supporting Dairyland's strategic business plan, which resulted in an estimated 0.4% percent decrease in the average wholesale rate for Dairyland's member cooperatives

beginning Jan. 1, 2022. A new wholesale rate design was also implemented in May 2021 to provide additional flexibility for member cooperatives.

Dairyland's board and leadership team balance building financial strength with competitive rates and sound operations. Management of costs and risks, and modernizing processes to enhance efficiency are key areas of focus. Cost management and sound fiscal performance resulted in strong margins. Dairyland has credit ratings of "A3" with a stable outlook from Moody's and "A+" also with a stable outlook from Standard and Poor's.

Dairyland is committed to transparent governance and strong relationships with its member cooperatives. It has been my pleasure to represent FMEC on the Dairyland Board of Directors. I am confident that Dairyland will continue to provide our cooperative with safe, reliable, affordable, and sustainable power today and for future generations.

*- Burton Magnuson,
FMEC's Dairyland Director*

Freeborn Mower Electric Cooperative is one of 24 member distribution cooperatives that receive power from Dairyland Power Cooperative, which is headquartered in La Crosse, Wis. The Dairyland system serves more than 255,000 meters across our region providing the electricity to nearly 600,000 consumers.



possibilities.

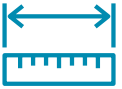
Freeborn Mower Electric Cooperative (FMEC) powers more than just your homes and businesses by providing electricity, we power possibilities. Possibilities for our community, for our members, and for the future.

We invest in the local area through charitable grants, scholarships, and active participation while doing all we can to ensure quality service that meets the demands of our ever-growing energy needs.

As we looked towards the possibilities of the future during the last few years, one thing became clear - we needed a new headquarters building to be able to continue serving our community in this way. The demand for a new facility

was driven by the need for additional space. Our existing office was built in 1950 and no one at that time could have foreseen our current membership level and staffing needs (primarily due to our acquisition of Alliant Energy service territory), none-the-less the changes in operations, safety protocols, and security needed in the modern era.

After several years of planning and twelve months of construction, the new FMEC headquarters became a reality in 2021. Our spacious new facility will meet FMEC's needs for many decades to come. It incorporates updated technology, improved security, and enhanced operational efficiencies.



97,800 SQUARE FEET

- 72,000 sq. feet of warehouse and garage space
- 25,800 sq. feet of lobby, office, and meeting space
- Our new office consolidates offices, meeting rooms, vehicle and equipment storage, and warehousing in one location



ENERGY EFFICIENT DESIGN

- Tight building envelope with spray foam insulation
- Energy efficient windows and doors
- A geothermal system with in-floor heat
- An energy efficient light control system
- Technology incorporated throughout



LOCATED ON 25.6 ACRES NORTH OF ALBERT LEA WITH QUICK ACCESS TO I-90



STURDY, PRE-CAST CONCRETE STRUCTURE

- Built by Market & Johnson
- Designed by River Valley Architects, Inc.
- 11 local contractors used
- 371 days from groundbreaking to move in
- Approximately \$200,000 under budget



Community Involvement

Freeborn Mower Electric Cooperative is a Touchstone Energy® Cooperative, part of a nationwide branding entity that celebrates and promotes the Cooperative Difference.

The Cooperative Difference is how we treat our members, how we collaborate, and how we build community. Whether it means providing financial and community resources or simply saving time and money for our members, we do our best to continually make our community a great place to be and a great place to do business.

In 2021, FMEC participated in several local events and hosted a Holiday Open House in celebration of our 85th Anniversary. In addition, we are actively engaged in supporting our community by being involved with organizations like United Way, the Salvation Army, and more. Many employees also represent the Co-op in several organization like Kiwanis, the Albert Lea Economic Development Agency, Workforce Development, the Local Chamber of Commerce, and others.



**ALBERT LEA
SAFETY NIGHT**



**ADAMS DAIRY
DAYS PARADE**



**ALBERT LEA 3RD
OF JULY PARADE**



**ALDEN MORIN
LAKE DAYS PARADE**



**LYLE 150TH
CELEBRATION**



**SANTA CRUISE IN
ALBERT LEA**



Members enjoyed a festive atmosphere during the 2021 Holiday Open House on December 8th at the FMEC headquarters, which marked the 85th anniversary of our co-op! Santa made an appearance to the delight of children and adults alike.

Marian Trytten greeted members with musical entertainment in the lobby, tours of the new building were offered, and donations of new toys and non-perishable food items were collected for the local Salvation Army.

Operation Round Up®

The Operation Round Up® (ORU) program epitomizes the idea of cooperative members helping their fellow members and community. The tax-deductible contributions made by our FMEC members are pooled together and the funds are used to support a wide variety of initiatives and improvements that strengthen our local communities. The monthly contribution is the difference between the billed amount of your electric bill and the amount when “rounded-up” to the next whole dollar amount. This typically amounts to about six dollars per year, per participating member. The ORU fund is held separately from FMEC finances. This is an opt-out program. Applications to the ORU fund are accepted and reviewed quarterly. Awards are determined by the program’s volunteer Board of Trustees.

IMPACT

In 2021, \$81,599.66 was awarded to 149 entities, which included a donation of \$5,000 to each of ten community food shelves across Freeborn and Mower Counties. Since 2003, the generosity of our members has provided more than \$908,000 to worthy local efforts and organizations.

THANK YOU TO OUR ORU BOARD OF TRUSTEES



Sandy Forstner
Chairperson



Darrell Ingvaldson
Vice-Chair



Brenda Wichmann
Secretary



Joni Osmundson
Treasurer



Rhonda Allison
Board Member

Local Scholarships

As part of our community involvement and outreach efforts, Freeborn Mower Electric Cooperative (FMEC) offers a variety of scholarship opportunities to our members. Our hope is that by supporting local students, we're making a long-term investment in the prosperity of the communities we serve.

Congratulations to our 2021 recipients:

2021 LUCK OF THE DRAW SCHOLARSHIPS

At the 2021 Annual Meeting, ten students were selected at random from a pool of applicants to receive a \$1,000 scholarship for the Fall Semester.

- Daniel Boe, Southland High School
- Nicholas Boe, Southland High School
- Anna Dahl, Albert Lea Senior High School
- Laura Flaherty, Albert Lea Senior High School
- Makayla Hillman, Albert Lea Senior High School
- McKenzie Marlow, LeRoy-Ostrander High School
- Kelsey Mensink, Southland High School
- Stephanie Redman, Albert Lea Senior High School
- Maxwell Schmitz, Southland High School
- Rece Voigt, Grand Meadow High School

RIVERLAND COMMUNITY COLLEGE SCHOLARSHIPS

FMEC is proud to offer scholarships to Riverland Community College. Scholarships are awarded to children of FMEC members and adult FMEC members who are returning to school to further their education.

Fall 2021:

- Hope Dion
- Blake Hendrick
- Lavonne Krueger
- Courtney Lammey

Spring 2022:

- Amanda Churchward
- Say Shee
- Jacob Allen

LINEWORKER SCHOLARSHIPS

Electrical lineworkers work for utility companies and electrical contractors to install, maintain, and restore electric lines both overhead and underground. Training includes knowledge of electrical theory, safety, and first aid. FMEC supports professional education in utility line work by awarding \$1,000 to students pursuing the trade.

- Andrew Lohuis, LeRoy-Ostrander High School
- William Ladlie, Albert Lea Senior High School
- Caden Stevens, Albert Lea Senior High School



LARGE BUSINESS OF THE YEAR

Freeborn Mower Electric Cooperative (FMEC) was recognized as the 2021 Large Business of the Year by the Albert Lea — Freeborn County Chamber of Commerce. FMEC was cited for being community-oriented, with pride and commitment to its employees. FMEC expresses this commitment through community involvement on several levels, providing assistance through its Operation Round Up® program, scholarship offerings, and by promoting energy efficiency to its members.

Registration Card

Please bring this card as admission for you and your family to the Annual Meeting of Freeborn Mower Electric Cooperative on Saturday, March 26, 2022 at Albert Lea High School. Registration and breakfast begin at 8:00 a.m. This card will also serve as registration for prize drawings.

Update Your Contact Information:

(Please complete this section only if any of your information has changed.)

Email: _____

Mailing Address: _____ City: _____ State: _____ Zip: _____

Property Address: _____ City: _____ State: _____ Zip: _____

Cell Phone: _____ Home Phone: _____

2021 ANNUAL MEETING MINUTES MARCH 20, 2021

The 84th Annual Meeting of the members of Freeborn-Mower Cooperative Services (FMCS) was held at the current headquarters facility in Albert Lea, Minnesota, on March 20, 2021. Due to COVID-19, this was held as a virtual meeting instead of the traditional "in person" meeting. Only those participating in the administration or implementation physically attended and followed all necessary safety guidelines and precautions. Members virtually attended via a livestreaming broadcast and could participate via the Live Chat feature or email.

Following the Pledge of Allegiance, District 7 Board Chair, Jack Korman called the meeting to order at 10:00 a.m. He welcomed the virtual audience to the FMCS 84th Annual Meeting. He then, introduced the following FMCS Board of Directors and acknowledged FMCS employees as well as Attorney Steve Hovey.

- Dennis Anderson, District 1
- Roger Weness, District 4
- Bill Trygstad, District 8
- Burt Magnuson, District 2
- Frank Fryer, District 5
- Larry Irvine, District 9
- Steve Garbisch, District 3
- Joe Pacovsky, District 6

Board Secretary Burt Magnuson indicated the 2020 Annual Report was mailed to every member of the cooperative on February 26, 2021. A copy of the Notice of Mailing was available for attendees to read. According to Article 2, Section 5 of our bylaws, the presence of 50 registered members constitutes

a quorum for a meeting of the members. At the start of the meeting, we had exceeded that number, therefore a quorum was present to conduct the general business of the cooperative.

The FMCS 82nd Annual Meeting was held on Saturday, March 30, 2019. Due to a lack of quorum at the 2020 Annual Meeting, the minutes from the 2019 meeting were provided for members to review. The 83rd Annual Meeting of the cooperative was held on Tuesday, September 29, 2020. A copy of the minutes from that meeting was also provided for members to review. A motion was made and seconded that the reading of the minutes from both meetings be dispensed with and approved as presented.

President & CEO Jim Krueger gave an update on a variety of topics including our 2020 financial status, an operations update, how FMCS participates in legislative activity, things the cooperative does to make a difference in our communities and an update on the construction of the new facility and rebranding efforts.

Krueger noted the member vote to change the Bylaws and Articles of Incorporation was approved in 2020 allowing for the cooperative to host member meetings virtually and authorize a change to the cooperative's name. He then unveiled the new logo design proudly displaying our new name, Freeborn Mower Electric Cooperative.

Due to the acquisition of Alliant Energy, our cooperative membership grew from approximately 6,000 members to over 20,000 on July 31, 2015. In addition, the number of cooperative employees nearly doubled on that date as well. After careful study and review, the space concerns resulting from our overnight growth led to the 2020 groundbreaking for a new headquarters facility located on the north side of Albert Lea. This new facility will provide greatly needed additional office

space, improved security, incorporate new technologies, and will increase operational efficiencies. The cooperative is currently on track for moving in and opening the facility in May 2021.

Chairman Korman then called for any old or new business. Hearing none, he moved forward to the seating of the directors.

Retiring Vice-Chairman Roger Weness thanked members of district 4 for their support during the past 15 years and then seated Jack Korman for a three-year term representing district 7.

Chairman Jack Korman then seated Dennis Anderson to a three-year term representing district 1 and Richard Schaufler to a three-year term representing district 4.

Prior to adjournment, members of the cooperative were encouraged to submit questions. Those questions that were not answered at this meeting will either be personally addressed or mentioned in upcoming publications of our monthly newsletter, County Lines.

In addition, the audience was thanked for their patience and understanding with today's event – held virtually in the interest of public health. It was reiterated that the membership's wellbeing was the highest priority as we made the decision to go virtual and the continued health of our board and employees is critical to keeping our system up and running.

Chairman Jack Korman entertained a motion to adjourn the 2020 Virtual Annual Meeting at 10:38 a.m. The motion was made, seconded, and approved by the members present.

Burt Magnuson, Secretary

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President: Jim Krueger, President & CEO
Telephone: (507) 373-6421

85TH ANNUAL MEETING

Saturday, March 26

ALBERT LEA HIGH SCHOOL AND ONLINE

Registration and Breakfast 8:00 a.m.
Business Meeting 10:00 a.m.

- **Visit with Cooperative Staff & Directors**
- **Visit Information Tables**
- **Games**

**Register in-person or
online at www.fmec.coop.**

**Register and attend the
Annual Meeting, or view online,
to receive the FMEC second annual
commemorative coin.**

