

2025 ANNUAL REPORT

THE POWER OF US

YOU'RE INVITED!

89TH ANNUAL MEETING

TUESDAY, APRIL 21
ALBERT LEA HIGH SCHOOL

REGISTRATION | MEAL 5:00 p.m. to 6:30 p.m.

BINGO 5:30 p.m. to 6:30 p.m.

BUSINESS MEETING 6:30 p.m.

Please bring your registration card from the back of this report to register at the meeting.

LEGAL NOTICE

89TH ANNUAL MEETING FREEBORN MOWER ELECTRIC COOPERATIVE

Notice is hereby given that the annual business meeting of Freeborn Mower Electric Cooperative will be held on Tuesday, April 21, 2026, at 6:30 p.m. at Albert Lea High School, 2000 Tiger Lane, Albert Lea, MN.

The purpose of the meeting will be to conduct regular annual meeting business. Registration is required. This meeting will be in person only.



Frank Fryer, Secretary

MISSION

Freeborn Mower Electric Cooperative is committed to serving our members by providing power to their lives.

VISION

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

CORE VALUES

Integrity
Safety
Quality
Engagement
Teamwork
Community
Service

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





2025 ANNUAL REPORT

At Freeborn Mower Electric Cooperative (FMEC), we often talk about the power we deliver to homes, farms, and businesses every day. But the true strength of our cooperative is not measured in kilowatts, it's measured in people. This past year reminded us once again that *The Power of Us* is what drives everything we do. 2025 was a milestone year for FMEC, one that truly reflects *The Power of Us* working together.

2025 marked the 10th anniversary of our significant acquisition of a portion of Alliant Energy's electric distribution assets, an achievement that nearly quadrupled our membership and doubled our electric load. Through this historic expansion, we powered thousands of new member-owners with safe, reliable electricity and strengthened the cooperative community that defines us.

It was also a landmark year as we transitioned from our longstanding wholesale power contract with Alliant to a new partnership with Dairyland Power Cooperative. This shift positions us to better serve our members through more stable rates, enhanced efficiency, and a more resilient power supply, demonstrating our ongoing commitment to building a brighter future together.

Last spring, our board of directors and executive team began developing a strategic plan to guide FMEC over the next three to five years. Created in collaboration with cooperative industry partners, this plan will serve as our "North Star," reflecting our collective vision and our commitment to continuous improvement.

Of course, our story extends far beyond infrastructure and strategic initiatives. We see *The Power of Us* every day in how we support and uplift the communities we serve, through programs such as Operation Round Up®, scholarships, Youth Tour, Cooperative Day of Service, and many more initiatives that directly impact local members and organizations. Every conversation, handshake, and shared experience energizes us and each interaction reminds us why we show up every day: to serve, support, and strengthen the communities we call home.

As a cooperative, we do not exist apart from our members. Every improvement we make, every mile of line we maintain, and every investment in reliability and safety is done with you in mind. Your trust, involvement, and partnership make our cooperative thrive. That is *The Power of Us*.

In the pages ahead, you will find highlights from 2025, moments of progress, partnership, and pride. Thank you for allowing us to power your lives and for being an essential part of the FMEC story. Together, we will continue to build a brighter, stronger, and more connected future.

With appreciation,

Jack Korman, Chair of the Board, District 7
Jim Krueger, President & CEO

YOUR BOARD OF DIRECTORS: MEMBERS ELECTED BY MEMBERS

Freeborn Mower Electric Cooperative is governed by a nine-member board of directors, with each director representing a different district within our service territory. This structure ensures that every community we serve has a dedicated voice at the table. Directors are elected by the cooperative members who reside in their district, and each director serves a three-year term.

This member-focused election process is at the heart of the cooperative model and reflects one of our most important principles: democratic member control.

The board of directors plays a crucial role in the cooperative's governance. Their responsibilities include setting the long-term strategy, establishing policies, overseeing financial health, and ensuring that Freeborn Mower Electric Cooperative remains focused on providing safe and reliable power. Board members work closely with the CEO and executive leadership team to assess needs, plan for the future, and make responsible decisions that serve the best interests of all members.

Their leadership helps ensure that our cooperative stays ahead of evolving technology, changing energy demands, and the needs of the communities we serve. Through the dedication of our board of directors, we continue to uphold the cooperative principles that have defined us for decades. Their leadership encompasses *The Power of Us*, that when we work together, we can accomplish our goals and fulfill our vision to be the trusted leader in providing quality energy, services and products to our members.



Dennis Anderson
District 1, Vice Chair



John Penkava
District 2



Steve Garbisch
District 3, Treasurer



Richard Schauffer
District 4



Frank Fryer
District 5, Secretary



Matt Maras
District 6



Jack Korman
District 7, Chair



Bill Trygstad
District 8



Larry Irvine
District 9

KEY STATS

Freeborn Mower Electric Cooperative's statistics for 2025 are a strong testament to *The Power of Us*. Together, we have achieved significant milestones, and it is thanks to the support of our board of directors, dedicated employees, and valued member-owners that we can collectively accomplish great things.



NUMBER OF
EMPLOYEES
63



TOTAL HOURS
WORKED
115,062



TRAINING
HOURS
2,523



SQUARE MILE
SERVICE AREA
1,234



BOARD
MEMBERS
9



MEMBER
OWNERS
17,943



ELECTRIC
ACCOUNTS
21,303



VOLUNTEER
HOURS
50



COMMUNITY
EVENTS
16

COMMUNITY
PROJECTS AND
INITIATIVES
SUPPORTED
145



DONATED THROUGH
OPERATION ROUND UP®
\$102,234

This is the POWER of collective generosity. In 2025, FMEC distributed \$102,234 in Operation Round Up® grants to 145 community projects and initiatives. Currently, there is 81% participation in Operation Round Up®, and since the program's inception, members have contributed \$1,366,795 to support local organizations across our communities.

ESTIMATED NUMBER OF
MEMBER TOUCHPOINTS

4,454



CONSUMERS
PER MILE
7.2



TOTAL MILES
OF LINE
2,953



MILES OF
UNDERGROUND
1,417



MILES OF
OVERHEAD
1,536



NUMBER OF
SUBSTATIONS
21

Throughout 2025, FMEC engaged in numerous events, reinforcing our commitment to community while strengthening our connections with the members we serve.

FINANCIAL REPORT

Freeborn Mower Electric Cooperative (FMEC) is proud to report a successful financial year marked by stability, strategic growth, and continued commitment to member-owners. Through prudent financial management and disciplined cost control, FMEC maintained strong fiscal health while continuing to invest in the distribution system to ensure reliable service.

Despite rising operational costs and ongoing industry challenges, the cooperative achieved positive margins, reinforcing the co-op's solid equity position, while positioning FMEC for long-term sustainability. Careful budgeting, improved system efficiency, and proactive planning allowed the organization to meet its financial obligations while minimizing the impact on members.

The cooperative's strong performance reflects a shared commitment to responsible stewardship across every department. From daily operations to long-term planning, employees worked together to ensure member resources were allocated in a way that balanced immediate needs with future system investments and financial stability.

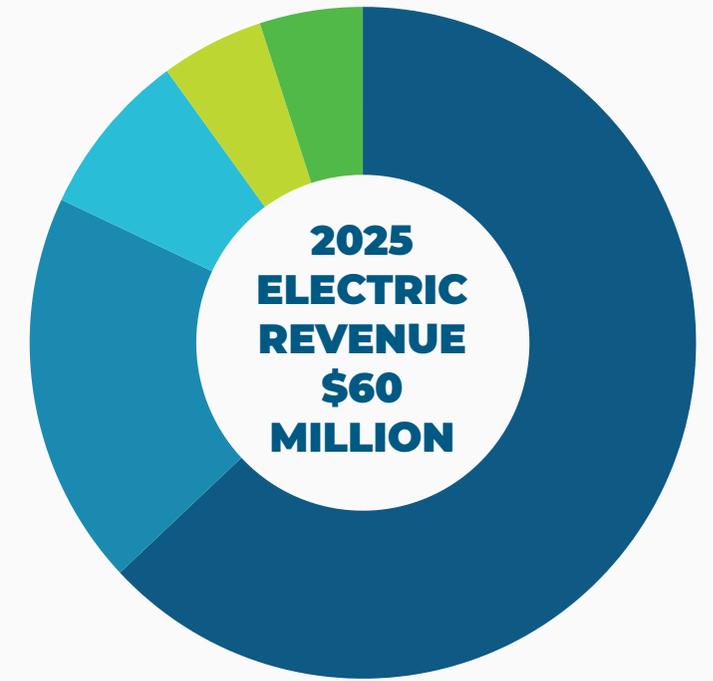
Capital investments during the year focused on system upgrades, infrastructure maintenance, and technology improvements designed to enhance reliability and prepare for future energy demands. Strong financial performance in 2025 also enabled FMEC to continue supporting meaningful community initiatives.



2025 HIGHLIGHTS:

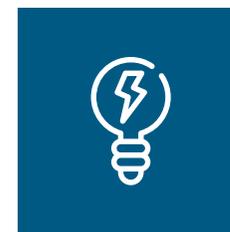
- FMEC's total assets continue to increase steadily year over year, driven by our ongoing investment in utility plant as part of our long-term infrastructure strategy.
- Equity increased by \$4.9 million compared to the prior year, reflecting continued progress on our strategic plan initiatives and overall financial strength.
- Revenue increased by \$2.0 million year over year, while operating expenses rose by only \$200,000. Other income decreased modestly by \$100,000. This strong revenue growth combined with disciplined expense management resulted in net margins of \$5.1 million for the year.
- Power costs were approximately \$478,000 lower than the prior year. This reduction, along with FMEC's ability to maintain other expenses close to budget, was instrumental in achieving year-end margins that were very close to budget projections.

Audited financial statements are available upon request.



WHERE YOUR DOLLAR GOES

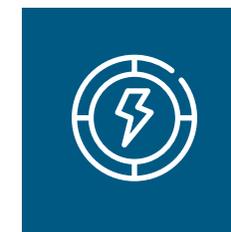
- Power Costs 63%
- Operating Expenses 19%
- Depreciation 8%
- Interest 5%
- Operating Margin 5%



KILLOWATT HOURS SOLD
488,463,000



ELECTRIC REVENUE
\$60,482,000



COST OF POWER
\$37,939,000



OPERATING MARGINS
\$3,156,000



NET MARGINS
\$5,081,000



CAPITAL CREDITS
\$837,000

ENERGY SOLUTIONS REPORT



At Freeborn Mower Electric Cooperative, the Energy Solutions Team is a tangible example of *The Power of Us*, as we recognize that meaningful progress occurs when people, technology, and community work together. Every day, we aim to support our members as they navigate an evolving energy landscape with confidence, clarity, and support. Whether we are guiding a family through energy-saving options, partnering with a local business on efficiency upgrades, or championing economic development opportunities, every effort is rooted in a deep desire to help our members find solutions that are smarter, stronger, and more sustainable.

As the demands on the electric grid grow more complex, our cooperative values matter more than ever. We believe innovation should be accessible, and reliable power should be paired with responsible stewardship of our environment. It's a delicate balance, and for us, our success isn't measured only in renewable energy kilowatts or new technologies; it's measured in relationships. Our team is comprised of skilled professionals who listen first, respond with care, and work closely alongside our members, who are at the heart of everything we do. We are here to support you today, prepare for tomorrow, and to strengthen the communities that we call home.

2025 HIGHLIGHTS:

- Total amount of residential energy rebates: \$223,868
- Total amount of commercial/industrial rebates: \$104,327
- Number of rebates submitted: 538
- Estimated kWh savings from energy efficiency rebates: 3,289,416 kWh
- Systems on load management programs: 2,300
- New systems installed on load management: 44
- Participants enrolled in the Dual Fuel Program: 481
- Rebate dollars paid to members in 2025 for energy efficiency upgrades: \$338,149

RENEWABLE HIGHLIGHTS:

- Number of member-owned wind turbines: 4
- Number of member-owned solar arrays: 214
- Two new solar energy power purchase contracts were signed in 2025:
 - Bancroft: 3000 kW ac
 - Grand Meadow: 3000 kW ac

“We take great pride in serving our members by helping them to discover energy-saving solutions tailored to their unique needs.”

- Carter Dahlum, Energy Solutions Specialist II



OPERATIONS REPORT



The Operations Team is unified under this one simple truth: reliable power is made possible through people. The operations department is comprised of a diverse group of lineworkers, dispatchers, engineers, technicians, and support staff who share one unwavering commitment: keeping the lights on for our members. Often, the operations team requires all-hands-on-deck, with each person uniquely contributing to ensure that safety is the number one priority and that every job is completed with precision, teamwork, and care.

In the field, our team faces challenges that require accuracy and trust. The necessary work, whether restoring service during a storm, upgrading infrastructure, or maintaining essential equipment, is not accomplished alone. This is *The Power of Us* in action. Each job requires careful coordination between field crews and the dedicated employees behind the scenes who plan, monitor, and execute complex jobs. Still, it's *The Power of Us* that keeps bringing our crews home safely every day. We work hard, look out for one another, and prioritize safety in everything we do.

You'll see that 2025 was a transformative year for the operations department, as we embraced innovation, committed to improving reliability, and achieved a remarkable accomplishment by bringing all of FMEC's purchased power under one roof. It was a ten-year process that we are proud to say was completed successfully as of August 1, 2025.

CONSTRUCTION HIGHLIGHTS:

- Completed the Southern Minnesota Energy Cooperative acquisition load cutover to Dairyland Power Cooperative on August 1, 2025, concluding a ten-year project. This transition enabled the retirement of five substations which allows FMEC to work directly with a single power provider, streamlining operations and improving efficiency.
- Rebuilt more than 30 miles of aging overhead line as underground infrastructure to enhance system reliability and reduce outage risk.
- Constructed a new tie line serving the City of Oakland and surrounding rural areas to strengthen reliability and improve service continuity.

MAINTENANCE HIGHLIGHTS:

As part of our routine maintenance program, our team completed the following work to ensure system reliability and safety:

- 3,700 poles were inspected for structural integrity.
- 292 poles were replaced to upgrade and strengthen the infrastructure.
- Nearly 3,000 miles of overhead and underground line were patrolled.
- 270 miles of vegetation were trimmed near power lines.
- 60 high-risk trees were addressed to improve reliability.
- 215 service orders were completed.

OUTAGE REPORT

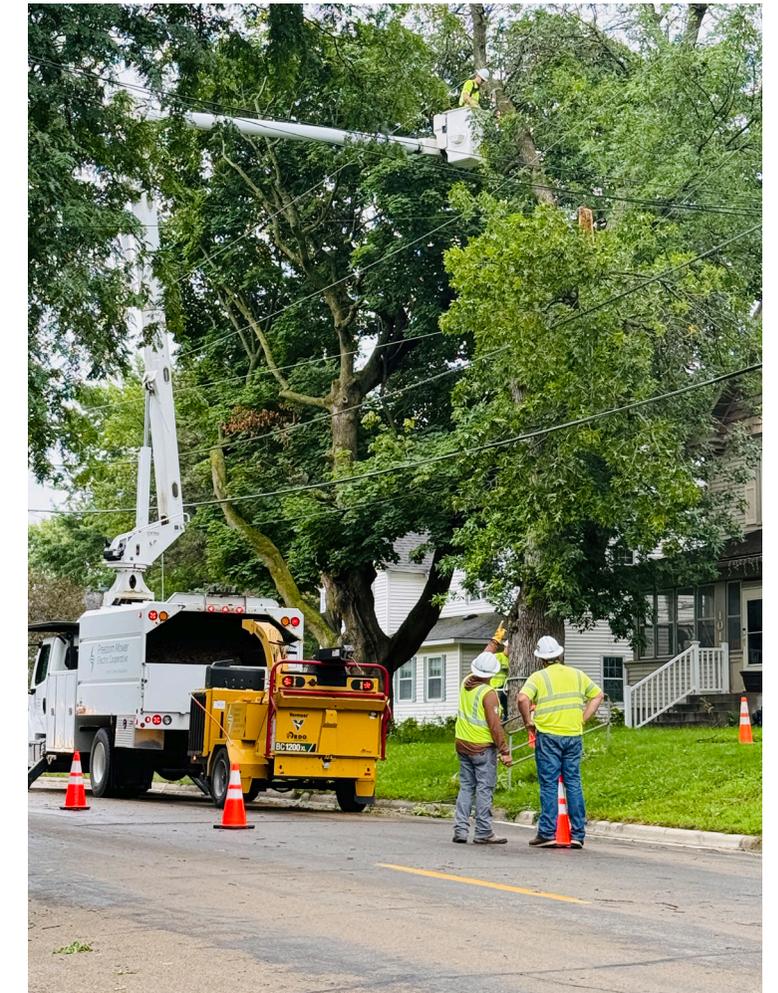
Reliable electric service is made possible through *The Power of Us*, the collective efforts of employees, members, and leadership working together to keep the lights on. Outage performance remains a critical measure of this shared commitment, reflecting how teamwork and preparation translate into dependable service for Freeborn Mower Electric Cooperative members.

Throughout the year, the cooperative faced weather-related challenges, including severe storms and high winds that tested the resilience of the electric system. When outages occurred, line crews, operations staff, and support teams worked together seamlessly to restore service safely and efficiently. Their coordinated response highlights the strength of teamwork and the importance of every role within the organization. Investments in infrastructure, vegetation management, and preventative maintenance further demonstrate the power of collective planning. The expertise of FMEC's operations department is a valuable asset as the team plans and executes critical system improvements.

While outages cannot always be prevented, Freeborn Mower Electric Cooperative remains committed to continuous improvement through shared responsibility and long-term planning. Together, through *The Power of Us*, the cooperative will continue to strengthen system reliability and deliver safe, dependable electric service for the communities it serves, today and in the years ahead.



In 2025, our crews responded to outages in an average of 25 minutes, working 83,000 hours to manage 38,383 outage hours across our system.



WHAT'S CAUSING OUTAGES?



PLANNED
75.2%



WEATHER
13.1%



ANIMALS
7.1%



EQUIPMENT
2%



PUBLIC
1.3%



TREES
1.2%



COOPERATIVE RELATIONS REPORT



At Freeborn Mower Electric Cooperative (FMEC), the Cooperative Relations team connects people to power—both literally and figuratively. As a member-owned, not-for-profit organization, every member is a stakeholder. The team bridges operations and members, building communication, trust, and engagement while reflecting the true meaning of *The Power of Us*.

Member communication is a primary focus. Through newsletters, social media, community events, and the cooperative's website, the team helps members understand not only what decisions are made, but why they matter.

Community engagement is another cornerstone of their work. The team organizes and promotes the annual meeting, youth programs, scholarships, and local sponsorships. In 2025, FMEC was a host site for its first Cooperative Day of Service, partnering with local organizations to demonstrate our commitment to community.

Safety education remains a top priority. In 2025, FMEC began a project to enhance our safety program to reach elementary-aged students, teaching them the importance of electrical safety. Engaging our community about the dangers of electricity is among some of the most meaningful work we do at the cooperative.

The Cooperative Relations team ensures that FMEC is more than just an electric provider; they are the critical relational touchpoint for members, supporting them through communication, education, and cooperative engagement.

2025 HIGHLIGHTS:

- Installed a new kiosk for members to pay their bill.
- Began to design a more user-friendly website to be launched in 2026.
- We hosted a Youth Scholarship Night to educate members on the many youth opportunities available.
- Our team handled 66,700 member calls, with an average call duration of 3 minutes.
- We have 9,845 SmartHub Users for 11,668 accounts.
- A total of 7,771 members are enrolled in autopay for convenience.
- 6,956 members are enrolled in electronic billing.
- We engaged with 4,417 Facebook followers, with our most viewed post having 30,188 views.

ACSI® SCORE:

An American Customer Satisfaction Index (ACSI®) score of 87 is an outstanding achievement for Freeborn Mower Electric Cooperative, reflecting exceptional member satisfaction and trust. This score demonstrates excellence in reliability, communication, and member service. Most importantly, it highlights *The Power of Us*, a shared commitment among employees, leadership, and board of directors to serve our community with integrity and excellence.

75 MUNICIPAL UTILITIES

87 FREEBORN MOWER ELECTRIC COOPERATIVE

74 INVESTOR-OWNED UTILITIES

THE POWER OF US IN YOUR COMMUNITY

The members we serve are at the heart of everything we do. That is why in 2025, we directed much of our efforts toward being where YOU are in the community, and inviting you to be where WE are.



ALBERT LEA HOMECOMING



CAREER FAIR



SCHOLARSHIPS:

Luck of the Draw

At the 2025 Annual Meeting, *The Power of Us* was on full display as fifteen students were randomly selected from a pool of applicants to receive \$1,000 scholarships for higher education. Together, through our shared commitment, we're investing in the next generation and demonstrating how collective support can positively impact lives.

Riverland Community College

Through our partnership with Riverland Community College, FMEC was thrilled to award 7 scholarships totaling \$5,200 to students and adult members in our service area pursuing their educational dreams. In addition, we also awarded 2 Work Force Development scholarships totaling \$2,500. Each scholarship represents more than financial support; it's an investment in the people and bright futures of our community members.

Lineworker

In addition to the scholarships awarded at the 2025 Annual Meeting, FMEC proudly awarded \$1,000 to a student pursuing a career as an electric lineworker. This scholarship does more than support one student's education; it helps strengthen our community and invests in the future of the energy industry. By supporting students who are building skills in critical fields, we're helping ensure a brighter, more connected tomorrow for everyone in our service area.



YOUTH TOUR:

Freeborn Mower Electric Cooperative (FMEC) was proud to sponsor two students from our service area, Benett Grove and Brynn Sathre, to attend the National Youth Tour in Washington, D.C., where they joined nearly 2,000 students from across the country. The students described the experience as the trip of a lifetime, participating in a week focused on leadership, government, community development, and the energy industry. The program offered hands-on opportunities to explore how policies are made and how cooperatives help build strong communities. Their participation reflects *The Power of Us* investing in the next generation and empowering young leaders who will help shape the future.

Trip highlights included exploring the nation's capital, meeting with local legislators, and touring iconic landmarks such as the Lincoln Memorial, the Washington Monument, and the U.S. Capitol. Students also participated in workshops, networking events, and educational sessions that expanded their understanding of civic engagement, teamwork, and public service. Both Benett and Brynn shared that the most meaningful part of the trip was the lifelong friendships they built with students from across the nation.

Freeborn Mower Electric Cooperative is proud to support the National Youth Tour, a program that reflects our cooperative values of community, education, and leadership.



ENERGY FORUM



FORE THE KIDS



LOCAL PARADES



TRUNK OR TREAT



HOLIDAY OPEN HOUSE



SANTA CRUISE

COOPERATIVE DAY OF SERVICE



Freeborn Mower Electric Cooperative (FMEC) proudly participated in the 3rd Annual Cooperative Day of Service on October 1, 2025, bringing this year's theme, *The Power of Us*, to life through hands-on service. Held during National Co-op Month and organized by Dairyland Power Cooperative, the event united cooperatives across Minnesota, Wisconsin, and Iowa in support of their communities.

FMEC employees partnered with volunteers from People's Energy Cooperative in Oronoco, MN to assist the United Way of Freeborn County and the Albert Lea Family YMCA. Volunteers staged pantry items, unloaded a food truck to support local food distribution, and organized winter gear for an upcoming drive to help families prepare for colder months. At the YMCA, employees painted the gymnasium and assisted with cleaning and organizing to enhance the space for youth programs and community events.

For FMEC, the Cooperative Day of Service was more than a single event, it was a reflection of who we are. *The Power of Us* spirit is found in our employees, our partnerships, and our commitment to the communities we proudly serve year-round.



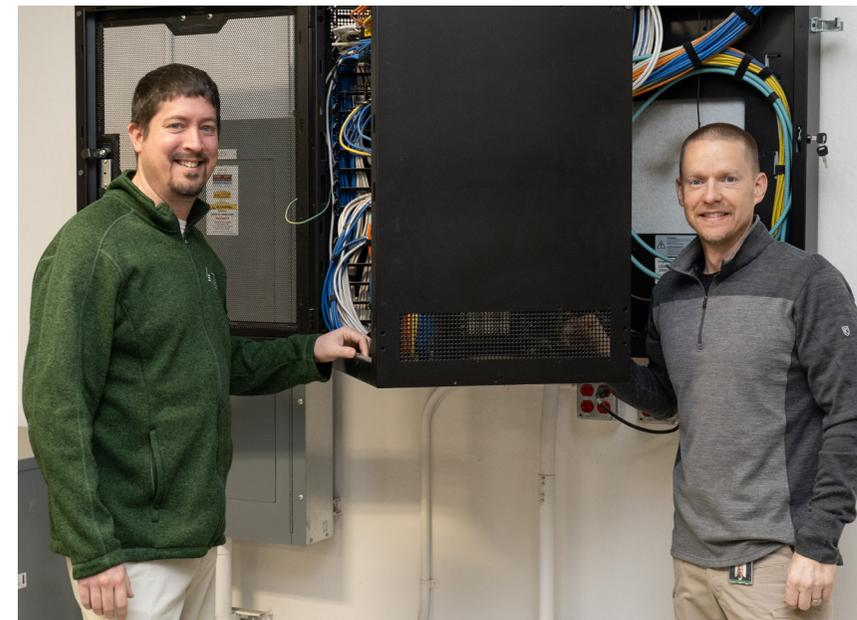
2025 HR HIGHLIGHTS:

- Launched a new Volipay program to encourage employees to volunteer their time in the community.
- Approximately 2,523 hours of training were completed.
- FMEC welcomed 4 new employees to the cooperative.
- 2 employees retired from the cooperative.
- The cooperative averaged 63 employees in 2025.
- Refreshed an employee recognition program to celebrate career milestones and years of service at FMEC.
- The average years of service at the cooperative is 9.88 years.
- The annual turnover rate was 6.25 percent.
- FMEC promoted 4 employees internally.



2025 IT HIGHLIGHTS:

- 976 malicious emails were reported by employees.
- Training on cybersecurity was completed with 100% employee participation.
- All nine board of directors participated in cybersecurity training.
- The IT team completed a server migration and consolidation project to enhance security.
- Completed an internal project with operations to install smart network devices to improve efficiency.



2025 DAIRYLAND REPORT

Freeborn Mower Electric Cooperative's (FMEC) wholesale power provider is Dairyland Power Cooperative. As a generation and transmission (G&T) cooperative, Dairyland is owned by the 24 distribution cooperative members it serves, including FMEC.

Dairyland supplies its members and power supply customers with safe, reliable, and cost-effective electricity to meet the needs of rural communities. Safety remains Dairyland's top priority. President and CEO Brent Ridge emphasizes that if cooperative employees do not work safely, nothing else matters.

Dairyland generates and purchases electricity from a diverse portfolio that includes solar, wind, natural gas, coal, hydroelectric, and biomass facilities. Participation in the Midcontinent Independent System Operator (MISO) ensures electricity is delivered at competitive rates through a balanced mix of renewable and traditional baseload resources.

In April 2025, Dairyland received confirmation from the Trump Administration that its \$595 million Empowering Rural America (New ERA) grant, announced in September 2024, would be funded. Dairyland plans to pursue 500 to 1,000 MW of power purchase agreements for clean energy projects.

Dairyland is also part of one of the largest transmission buildouts in history. MISO selected Dairyland as a developer for three projects in its Long Range Transmission Plan, Tranches 1 and 2.1.

Major projects include the Alma-Blair Transmission Project, a 345 kV line spanning 33 miles between Alma and Tremval substations in Wisconsin; the Wabasha Relocation Project, which relocates approximately 13 miles of 161 kV line in

Wabasha County, Minnesota; and the proposed MariBell Transmission Line, a 765 kV and 161 kV double-circuit line extending about 140 miles between Marion, MN, and Bell Center, WI, in partnership with GridLiance Heartland, LLC.

To support reliability, Dairyland acquired the Rocky Road Energy Center in East Dundee, IL, and the Elgin Energy Center in Elgin, IL, at the end of 2025. These natural gas-fired plants help maintain reliability as Dairyland transitions toward a lower-carbon future.

Dairyland continues exploring small modular nuclear reactors and hired Grover Hettel as Executive Vice President and Chief Nuclear Officer. Since 2012, Dairyland has overseen the Independent Spent Fuel Storage Installation site that stores fuel from the retired La Crosse Boiling Water Reactor. In 2025, it implemented a more efficient settlement process to recover federal reimbursement costs.

Moody's Ratings revised Dairyland's outlook to positive from stable in 2025 and affirmed its A3 rating.

Dairyland works with elected officials from both parties to advocate for cooperative-friendly policies, including cybersecurity. In January 2026, Vice President and Chief Information Officer Nate Melby testified before the U.S. House of Representatives on strengthening energy infrastructure security.

The Load Management Modernization project continues installing new receivers to reduce peak demand and limit exposure to high market prices.

In early 2026, extreme cold and severe winter weather affected Dairyland and the MISO and PJM grids. On January 24, MISO declared a Maximum Generation Event Step 2c/Energy Emergency Alert

Level 2, the first since 2009. Dairyland initiated several Full Load Control events to help stabilize the grid. Due to demand, operational, and market challenges during this period, a power cost adjustment charge will appear on monthly bills throughout the spring.

Through the Cooperative Contributions Program, Dairyland donates \$1,000 annually to a charitable organization selected by each member cooperative. In 2025, FMEC selected the Salvation Army of Austin, MN.

On October 1, about 200 volunteers from Dairyland and its member cooperatives participated in five Day of Service projects across WI, MN, and IA. FMEC was proud to be one of the site hosts and completed a variety of projects for the Albert Lea Family YMCA and United Way of Freeborn County.

Beginning this spring, Dairyland will provide an additional \$1,000 scholarship for FMEC's scholarship program.

In 2025, member cooperatives added more than 34 MW of load growth from 27 projects. Dairyland also supports economic development through access to the USDA Rural Economic Development Loan and Grant Program, a Revolving Loan Fund, and cost-share programs.

Every month, I represent FMEC at Dairyland's Board of Directors meetings. Electric cooperatives were founded 90 years ago on the belief that collaboration improves quality of life and I'm proud to be your representative at our G&T Cooperative.

*- Bill Trygstad,
FMEC's Dairyland Director*

WWW.DAIRYLANDPOWER.COM

DAIRYLAND POWER COOPERATIVE WAS CREATED IN 1941 TO BE THE WHOLESALE POWER PROVIDER TO ITS MEMBER ELECTRIC COOPERATIVES. TODAY, DAIRYLAND CONTINUES TO DELIVER POWER TO 24 MEMBER ELECTRIC COOPERATIVES, INCLUDING FREEBORN MOWER ELECTRIC COOPERATIVE, AND 27 MUNICIPAL UTILITIES THROUGHOUT ILLINOIS, IOWA, MINNESOTA, AND WISCONSIN.

REGISTRATION CARD

Please bring this card as admission for you and your family to the Annual Meeting of Freeborn Mower Electric Cooperative on Tuesday, April 21, 2026, at Albert Lea High School (2000 Tiger Lane, Albert Lea, MN). Registration and meal from 5:00 p.m. to 6:30 p.m.; bingo from 5:30 p.m. to 6:30 p.m., followed by the business meeting at 6:30 p.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: _____

2025 ANNUAL MEETING MINUTES APRIL 1, 2025

On the evening of April 1, the 88th annual meeting of Freeborn Mower Electric Cooperative was held at the Albert Lea High School in Albert Lea. Despite blizzard conditions, 437 attendees were present, including 240 voting members.

Prior to the business meeting, attendees had the opportunity to connect with employees and directors, explore educational exhibits, and visit with friends and neighbors. Many also participated in Bingo in the auditorium.

After the Albert Lea American Legion Honor Guard Post #56 posted the colors and the National Anthem was performed by Evie and Shanna Dawson, District 7 Board Chair Jack Korman called the meeting to order at 6:30 p.m. He welcomed those in attendance, introduced the FMEC Board of Directors, and acknowledged FMEC employees and the Cooperative's attorney, Steve Hovey.

Dennis Anderson, District 1 Frank Fryer, District 5
Jay Neitzell, District 2 Matt Maras, District 6
Steve Garbisch, District 3 Bill Trygstad, District 8
Richard Schaufler, District 4 Larry Irvine, District 9

Pastor Kristi Mitchell of Redeemer Lutheran Church delivered the invocation, and Jess Phelps, Communications and Marketing Specialist for FMEC, served as emcee, welcoming attendees and guiding the evening's program.

Board Secretary Frank Fryer informed the audience that the Legal Notice of the Meeting was included in the 2024 Annual Report, which was mailed to all members on March 4, 2025. In accordance with Article 2, Section 5 of the FMEC

Bylaws, at least 50 registered members are required to conduct an official meeting. With more than 50 members present, a quorum was established.

In February 2025, the director election process, administered by Survey & Ballot Systems, resulted in John Penkava's election as director for District 2. Frank Fryer of District 5 and William Trygstad of District 8 were re-elected. Following formal acceptance of the election results, Chair Jack Korman appointed all three directors to serve on the FMEC Board.

The next item of business was approval of the 2024 Annual Meeting minutes. A motion was made and seconded to approve the minutes as presented in the Annual Report without reading them aloud. The motion carried.

Brent Ridge, President and CEO of Dairyland Power Cooperative, then provided an update on the current status and future direction of the electric generation business. His presentation highlighted renewable energy initiatives, strategic partnerships, and investments focused on long-term reliability and sustainability. He also addressed industry trends and responded to questions from members.

President and CEO Jim Krueger followed with a recap of 2024 and remarks centered on the meeting theme, "Lighting Up Lives—One Connection at a Time." He emphasized the strong partnership between FMEC and Dairyland and expressed appreciation for Dairyland's commitment to safety, reliability, and innovation. Strategic investments being made today, he noted, will strengthen electric service across the region in the years ahead.

Krueger thanked member-owners for their continued engagement and support, recognizing their participation

in Operation Round Up® and other community initiatives. He also acknowledged the retirements of Lori Masters after 18 years and Loren Sprague after 38 years of service, thanking them for their leadership and dedication. Six new employees were welcomed to the cooperative.

Despite inflation, regulatory changes, and an unseasonably warm winter that reduced electricity demand, FMEC maintained financial stability. The cooperative reported total revenues of \$58.5 million, expenses of \$55.2 million, and net margins of \$3.3 million. Members received \$1.4 million in capital credits, and the equity-to-assets ratio remained strong at 31%.

Rising costs for poles, transformers, and underground cable were discussed, along with debt management strategies and necessary rate adjustments. The transition from Alliant Energy to Dairyland Power Cooperative for wholesale power supply was highlighted as a step toward stabilizing future rates.

Legislative challenges were also addressed, including Minnesota's 100% carbon-free energy goal by 2040, rural utility tax considerations, and net metering policies. FMEC reaffirmed its commitment to advocating for fair, practical energy policies that protect reliability and affordability for all members.

The evening concluded with the presentation of \$1,000 scholarships to 15 local high school seniors through the Luck of the Draw program. Two students will attend the NRECA National Youth Tour, and one received the Lineworker Scholarship. Prize drawings followed before the meeting adjourned at 7:45 p.m.

Frank Fryer, Secretary



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



89TH ANNUAL MEETING TUESDAY, APRIL 21

ALBERT LEA HIGH SCHOOL
2000 Tiger Lane, Albert Lea, MN

SCHEDULE:

Registration | Meal 5:00 p.m. – 6:30 p.m.
Bingo 5:30 p.m. – 6:30 p.m.
Business Meeting 6:30 p.m.

**AFTER THE MEETING
MUST BE PRESENT TO WIN:**

Luck of the Draw Scholarship Drawings
Prize Drawings

**Bring your registration card from the reverse
side of this page to register at the meeting.**