

A Legacy of
SERVICE

LYON-LINCOLN ELECTRIC COOPERATIVE, INC.
87TH ANNUAL MEETING



**Lyon-Lincoln Electric
Cooperative, Inc.**

Your Touchstone Energy Cooperative 

LYON & LINCOLN
ELECTRIC COOP.

9

A Legacy of **SERVICE**

OFFICIAL NOTICE OF ANNUAL MEETING LYON-LINCOLN ELECTRIC COOPERATIVE, INC.

The Annual Meeting of the Stockholders (hereinafter referred to as “Members”) of Lyon-Lincoln Electric Cooperative, Inc. (Cooperative) will be held at the Lyon-Lincoln Electric Headquarters Building in Tyler, Minnesota at 6:45 PM on Wednesday, June 3, 2026, to take action upon the following matters:

1. The Report of Officers, Directors, and Committees.
2. The election of Directors of the Cooperative.
3. All other business which may come before the meeting or any adjournments thereof.

In connection with the election of Directors scheduled for this meeting, the following members have been nominated for Directors by the membership within their respective voting districts. In accordance with the Bylaws of the Cooperative, the names have been arranged in order of preference indicated by the respective district vote.

Kathleen Schreurs
Secretary- Treasurer

DISTRICT	ELECTION	CANDIDATES
District I	For a 3-Year Term	Scott Johnson Neil Thooft
District II	For a 3-Year Term	John Wiese Glen Grant
District III	For a 3-Year Term	Dale Fier Darin Brink

ANNUAL MEETING AGENDA



LLEC 87TH ANNUAL MEETING

Headquarters Building | Tyler, Minnesota

Wednesday, June 3rd, 2026

5:00 – 6:30pm	Registration
5:30- 6:30pm	Dinner Served by: Lincoln County Pork Producers and Country House
6:45- 7:45pm	CALL TO ORDER, Dale Fier, President
	National Anthem
	Report of Quorum
	Reading of Notice of Annual Meeting.....Kathleen Schreurs
	Approval of Minutes of 2025 Meeting.....Kathleen Schreurs
	Election of Directors.....Mike Cable
	Introduction of Nominees
	Appointment of Tellers and Balloting
	Financial Report.....Kristi Jensen
	President and Manager’s Report.....Dale Fier & Tim O’Leary
	Operation RoundUp®.....Tim O’Leary
	Introduction of Operation RoundUp® & Basin Scholarship Winners
	Balloting- Election Results
	Adjournment

PRIZE DRAWING

**MUST BE PRESENT TO WIN*



LLEC EMPLOYEES



Timothy O'Leary
General Manager



Kristi Jensen
Finance Manager



Lyle Lamote
Line Superintendent



Brian Jeremiason
Manager of Marketing &
External Relations



Rochelle Borresen
Accountant



Lisa Hauswedell
Billing Clerk



Jessica Gums
Executive Assistant



Alan Fisher
Warehouse Coordinator/
Work Order Clerk



Wade Thooft
Operations Staff
Assistant



Ross Birath
Journeyman Lineman



Dan Tutt
Journeyman Lineman



Tyler Blomme
Journeyman Lineman



Tyler Sand
Journeyman Lineman



Nathan Pavek
Journeyman Lineman



Sam Rohde
Journeyman Lineman



Trent Skjefte
Journeyman Lineman

LLEC BOARD OF DIRECTORS



Dale Fier
President- District 3



Scott Johnson
Vice President- District 1



Kathleen Schreurs
Secretary/ Treasurer- District 1



Joel Buyck
Director- District 2



Galen Grant
Director- District 2



Jared Dritz
Director- District 3



Mike Cable
Board Attorney



Mary Gunnink
Director- District 1



Mike Longtin
Director- District 3



James Rokeh
Director- District 2

5

- Define the mission and long term objectives of the business
- Represent member-owners and serve as trustee of their interests
- Select and appraise the Chief Executive Officer (CEO)
- Determine Policy
- Evaluate the performance of the business

KEY DUTIES OF THE BOARD

2026 DIRECTOR CANDIDATES



SCOTT JOHNSON
DISTRICT 1

Scott Johnson is the incumbent Director Candidate representing **District 1**. Scott and his wife Rhonda have four grown children and reside just outside of Tyler.

Scott is Lead Compliance Advisor for NAU Country Insurance, covering primarily North and South Dakota and Minnesota. In addition to his work in the crop insurance industry, Scott is currently the cemetery committee chairman, cemetery sexton and a property committee member for Danebod Lutheran Church in Tyler. He is vice president of the Arco Sportsmen's Club and board member and president of New Vistas Inc. in Tyler. In his free time, Scott enjoys hunting, fishing, gardening, motorcycling and attending events his 10 grandchildren are involved in.

Scott believes that by being a good listener and engaging patrons on issues affecting the cooperative, he can strive to be a good director. His goal is to help the cooperative maintain reliable and affordable electricity which will help us to remain strong and viable.

Subjects of concern for the board are increasing costs for power and materials. Issues on the horizon for the co-op are building improvements and increasing costs overall. Keeping abreast of these and other issues will help him to make informed decisions to help our cooperative be the best. He embraces the opportunity to continue to show the patrons of LLEC that he can be open-minded, trustworthy and dedicated to being a good director and would appreciate your vote.



NEIL THOFT
DISTRICT 1

Neil Thooft is a Director Candidate representing **District 1**. Neil is a 1996 graduate of RTR high school and has been a district one member for the past 26 years.

As the owner of Thooft Built Construction LLC, a local cabinet shop, Neil has experience in day-to-day business operations and understands what it takes to provide reliable service and focus on customer satisfaction.

When asked why he would make a good cooperative director, Neil said "I have board experience at another local business, I enjoy meeting with others to discuss business. I am eager to learn about a variety of business types and practices. I hope to share my knowledge and experiences in another collaborative setting."

Neil would be grateful to join the board if elected. "I'd be excited to help direct a strong local business that shares similar values, while learning about the co-op and engaging with the surrounding community." He further added "I request the opportunity to work for the members of LLEC and their interests. Consistency, efficiency, and reliability are characteristics that I highly value and have demonstrated not only in my business but also my personal life." Neil

would kindly request your vote for District One director.



JOHN WEISE
DISTRICT 2

John Weise of Russell, MN is Director candidate representing **District 2**. He and his wife, Kristi, have four children. John serves as a Regional Agronomist for Hefty Seed Company and also farms corn and soybeans. His role spans multiple areas, including agronomy support, research, and seed production, where he works with data analysis, emerging technologies, and large-scale budgeting. These experiences have helped him develop strong skills in financial decision-making, leadership, and long-term strategic planning.

A lifelong resident of the area, John grew up on a farm in Island Lake Township, where he learned the value of dependable electric service. "Growing up on the farm, I saw firsthand how important reliable power is and the commitment it takes to provide that," he shares.

John is deeply involved in his community. He has been a member of the Russell Fire Department since 2009 and currently serves as Fire Chief. He also assists as a coach for the Lincoln County 4-H trap team and has served on his church council for over 20 years, including in his current role as council president. "The dedication of linemen responding in all conditions reminds me a lot of the fire department, being ready to serve at any hour, in any weather, when people need it most," he says.

Through his professional and community roles, John has gained valuable experience in budgeting, leadership, and problem-solving. "Whether it's managing farm decisions, working with multi-million-dollar budgets, or leading a team, I've learned how important it is to think both short-term and long-term," he explains.

John believes these experiences have prepared him to serve the cooperative effectively. "Throughout my life I have played a lot of different roles within both my career and work in other organizations and I believe these experiences in financial aspects as well as leadership and strategic thinking lend themselves to making a good director."

2026 DIRECTOR CANDIDATES



GLEN GRANT
DISTRICT 2

Glen Grant of Russell, MN is a Director Candidate representing **District 2**. He and his wife, Trisha, are proud parents of two children. Glen is employed as a Water Operator with Lincoln-Pipestone Rural Water, where he has developed a strong understanding of the challenges and responsibilities associated with maintaining essential public utilities.

His professional experience, combined with his service as a board director for Lincoln-Pipestone Rural Water, has given him valuable insight into funding opportunities at the federal, state, and local levels. Glen serves on the Russell City Council and is actively involved with the Russell Fire Department and Russell First Responders. He is also a member of the Russell Housing Commission and is a lifetime member of Pheasants Forever. In his free time, Glen enjoys hunting, fishing, and coaching youth athletics, staying closely connected to the community and its families.

Glen understands the diverse needs of cooperative members, from young families to retirees on fixed incomes, as well as those involved in agriculture and rural living. "I know the challenges people face at every stage of life, and I understand the importance of keeping services affordable and reliable," he says.

"As a director, my voice would be a voice for the entire co-op, and that is something I do not take for granted," Glen explains. "I look forward to the opportunity to help provide reliable, sustainable, and affordable energy for everyone in our area and to continue to serve my community."



DALE FIER
DISTRICT 3

Dale Fier is the incumbent Director Candidate representing **District 3**. He and his wife, Amy (Heidi), have two children: Megan and Jacob, and reside in rural Taunton. Dale and his wife have restored the original family farm site and opened an event center that they have named the Heritage Event Center. Dale and his wife enjoyed working with their previous and present church groups as well as veterans organizations. Dale's wife, Heidi, is a veteran and they firmly believe in doing whatever they can to support the veterans and the disabled.

In his free time, Dale enjoys all types of restoration projects ranging from buildings to historic farm equipment. He also enjoys golfing, snow skiing and many other outdoor activities. Dale returned to this area because this is home and he enjoys the family-oriented rural farming community. He feels that this is the perfect opportunity to leverage his corporate experience in emerging technology, security and cyber security, as well as his desire to give back to the community he grew up in.

Throughout his corporate career, he has been exposed to a vast amount of technology, processes, procedures and relationships that he can call upon to benefit our community as a Co-Op Director.



DARIN BRINK
DISTRICT 3

Darin Brink of rural Marshall is a District Candidate representing **District 3**. He and his wife are raising their two children in the area and have lived within the co-op's service territory for more than 20 years, building deep roots in the community he now seeks to serve.

Darin is a Systems Specialist with Vestas Wind Systems and holds degrees in Wind Energy Technology and Construction Electrician. With more than 30 years of experience in power generation, he brings a strong background in safety, reliability, and maintaining critical infrastructure. His work with complex electrical systems and modern grid technologies has reinforced the importance of long-term planning, sound decision-making, and risk management. Darin firmly believes that careful oversight and steady leadership are critical to protecting both member interests and the financial health of the cooperative.

Darin has also demonstrated a strong commitment to leadership and service outside of his professional career. He is an Eagle Scout and has served as a leader in Scouting over the years, experiences that shaped his belief in integrity, preparedness, and giving back to the community. He currently assists with coaching the Marshall High School trap and sporting clays teams, helping mentor young people and support local activities.

Family and community are central to Darin's life. He and his family enjoy spending time outdoors—camping near Lake Benton, boating, fishing, and participating in local traditions. Darin shares, "Our family believes strongly in making time together a priority. Whether it's camping, community events, or hunting deer and turkeys, those shared experiences matter to us and help keep us grounded."

Darin is committed to giving back. "I want to give back to the cooperative and the community that has given my family so much," he says. "I bring practical experience in power generation, equipment reliability, and renewable energy, and I want to use that knowledge to help the board make thoughtful, member-focused decisions." He recognizes the challenges cooperatives face, including evolving energy policy, grid security concerns, and advancing technology. If elected, Darin is committed to working collaboratively with fellow directors and management to ensure Lyon-Lincoln Electric Cooperative remains financially sound, operationally reliable, and focused on its members. He adds, "LLEC has a strong history of providing cost-effective, reliable power. I would be honored to help protect that legacy and support the cooperative's long-term success for current and future generations."

2025 LLEC ANNUAL MEETING MINUTES

The annual meeting of stockholders (hereinafter referred to as “members or member-owners”) of Lyon-Lincoln Electric Cooperative, Inc., was held at the Headquarters Building in Tyler, Minnesota, at 6:45 o’clock P.M., on Wednesday, June 4, 2025, pursuant to a notice mailed to each and every member personally not less than fifteen days prior to the date of the meeting and publication of said notice. President, Dale Fier, called the 86th Annual Meeting of Lyon-Lincoln Electric Cooperative, Inc. to order at 6:45 o’clock P.M. and designated Cooperative Attorney, Michael W. Cable, to keep the minutes thereof.

At that time President, Dale Fier, invited the veterans and military members to stand and be recognized by the members. President, Dale Fier, then asked that the members join him in standing for the National Anthem. President, Dale Fier, introduced himself to the members and indicated that he was a director and president of Lyon-Lincoln Electric Cooperative, Inc. Board of Directors. On behalf of the Board of Directors and employees of the Cooperative he welcomed the members to the Co-Op’s 86th Annual Meeting and thanked them for coming. He indicated that once a year there is an annual meeting to give the members the Cooperative’s financial position, to elect directors to the Board, and to conduct other Cooperative business.

At this time President, Dale Fier, introduced the rest of the Board and before introducing the Board he introduced his wife, Heidi. The directors were as follows: Vice-President, Mike Longtin and his wife Ann; Secretary-Treasurer, Kathy Schreurs, and her husband David; Director Galen Grant and his wife Marie; Director James Rokeh and his wife Helen; Director Mary Gunnink and her husband Tom; Director Scott Johnson and his wife Rhonda; Director Jared Dritz and his wife Amber; Director Joel Buyck and his wife Lynn, and President, Dale Fier, introduced the Cooperative Attorney Mike Cable

President, Dale Fier, also indicated that he would like to introduce the following special guests and thanked them for joining the Cooperative in conducting its Annual Meeting and said special guests were as follows: Mike Baune and Dean Fultz, Directors of Redwood Electric Cooperative; Steve Sell, Director of South Central Electric; Henning Hanson, former Director from Sioux Valley Energy; Glen Sorensen and Merv Anderson, former Directors of Lyon-Lincoln Electric Cooperative, Inc.; and Jeff May, CIO of East River Electric Power Cooperative, Inc..

President, Dale Fier, advised the membership that the registration list showed that 158 members were present and therefore declared there was a quorum.

Secretary-Treasurer, Kathy Schreurs, then read the Notice of the Annual Meeting, President, Dale Fier, asked for and received a motion to waive the roll call of members and to substitute the registration list in its place and said motion was seconded and carried.

President, Dale Fier, advised the membership that the minutes of the 2024 Annual Meeting were printed in the Annual Report on pages 6, 7 & 14.

President, Dale Fier, asked for a motion to waive the reading of the minutes and to approve the minutes as presented and said motion was made, seconded and carried approving said minutes and waiving the reading on the same. In accordance with the Bylaws, President, Dale Fier, advised the membership that the Board of Directors took action on December 23, 2024 to call

a separate meeting of the members of each district for the purpose of selecting two persons as candidates for director in each District where a current director’s term had expired. Those meetings were held on April 7th, April 8th and April 10th of 2025. At that time President, Dale Fier, ordered that the minutes of the District Meetings, as identified by the Secretary be attached to the minutes of the Annual Meeting.

President, Dale Fier, indicated that it was time to elect directors that will represent the membership on the Cooperative’s Board of Directors. The ballots were included in the material received when the member registered. President, Dale Fier, asked that the members remember to vote for a director to represent each of the Districts on the ballot so they will be voting for three individuals at the Annual Meeting with one from each of the three Districts. President, Dale Fier, indicated to the members that they can learn more about each of the candidates for directors by turning to pages 8 and 9 of the Annual Meeting Report.

President, Dale Fier, indicated that the Cooperative’s Attorney, Michael W. Cable, will handle the election process. President, Dale Fier, indicated that Attorney Cable has been the Cooperative’s Attorney for the last 28 years and will be handling the voting portion of the business meeting. At that time Attorney, Michael W. Cable, thanked President, Dale Fier, for introducing him and informed the members that District Meetings were held for District One, District Two, and District Three for the purpose of selecting candidates to be presented at the Annual Meeting to be elected to serve on the Board of Directors for a three year term.

The procedure for determining the candidates was for the Nominating Committee to present to each District candidates to serve on the Board of Directors. Attorney Cable indicated that there was also a petition proceeding to allow additional candidates to be presented at the District Meetings which would add additional candidates not presented by the Nominating Committee.

Because of this procedure, the Bylaws have been amended to prevent additional nomination for directors being made from the floor of the Annual Meeting.

The members were advised that the following individuals were nominated as candidates for the Board of Directors to serve for a three year term and to be elected at the Annual Meeting. Those individuals were introduced by attorney Cable and stood to be recognized as he read their name.

The individuals were as follows:

DISTRICTS CANDIDATES

DISTRICT ONE

For Three Year Term
Kathleen Schreurs; Neil Thoof

DISTRICT TWO

For Three Year Term
James Rokeh

DISTRICT THREE

For Three Year Term
Mike Longtin; Darin Brink

Attorney Cable asked that Secretary-Treasurer, Kathy Schreurs, place in nomination those persons as the official candidates for election as directors. Secretary-

Treasurer, Kathy Schreurs, placed in nomination those persons as official candidates for election as directors.

Attorney Cable advised the members that there had been printed ballots distributed to all of them and asked that the members complete the ballots indicating the Directors they are voting for. After the ballots were completed, he asked that they pass the ballots to the tellers who had been selected. Attorney Cable advised that the following tellers were selected: District One Diana Nielsen and Jean Kempe; District Two Mary Zimmerman and Bruce Pochardt; and District Three Val Downing and Tony Traen.

Attorney Cable then asked that the tellers meet with him in the Board Room for Lyon-Lincoln Electric Cooperative, Inc. to tally the votes for the directors. Attorney Cable thanked the members for their attention and participation in the election process.

President, Dale Fier, thanked Attorney Cable for his help with the 2025 election of directors. President, Dale Fier, indicated that it was time for the Financial Report and introduced Kristi Jensen, Finance Manager, who would be giving said report. President, Dale Fier, indicated that Kristi Jensen joined the Cooperative in 2021.

Kristi Jensen, Finance Manager, advised the members that she would be reviewing the 2024 Financial Statements starting on page 10 of the annual report contained in Cooperative Connections dated June of 2024. She indicated that the Cooperative’s Fiscal Year Audit covered the period from September 1, 2023 thru August 31, 2024.

The Audit was performed by Eide Bailly – Certified Public Accountants, from Sioux Falls, South Dakota and the auditors gave a favorable report to the Board regarding the financial position of the Cooperative. The total operating revenue for 2024 was \$11.2M. The Cooperative in the past year had a total of 92.9M in kWh sales. This was a decrease of 3.5M in kWh sales compared to the prior year. The decrease was reflected on the graphs on page 12 of the annual report. Further that the total margins in 2024 were \$841,175.00. Kristi Jensen, Finance Manager, pointed out that the net operating margins for 2024 were \$102,923.00. This is the amount that the Cooperative earned providing electric service to its membership.

Kristi Jensen, Finance Manager, indicated that the margins of \$503,151.00 were allocated from East River Electric Power Cooperative, Inc. This is an allocation on the books of Lyon-Lincoln Electric Cooperative, Inc. and it is not a cash payment received. When the Cooperative receives a cash payment from East River Electric Power Cooperative, Inc. those funds will be paid to the members.

Kristi Jensen, Finance Manager, then pointed out page 11 of the annual report and noted that the Cooperative has a Net Utility Plant of \$29.5M and the total assets and liabilities for the Cooperative were \$43.1M. The Cooperative has a total Margin and Equity balance of \$17.4M. This is the amount allocated, but not retired, to the membership and the balance appeared on the February Energy Bill that was mailed to the members in March of 2025. The total Capital Credits Retired in 2024 were \$728,800.00. Lyon-Lincoln Electric Cooperative, Inc.’s portion of this retirement was \$304,998.00; East River Electric Power Cooperative, Inc.’s portion was \$210,665.00 with the remaining \$213,126.00 being estate retirements. At that time,

2025 LLEC ANNUAL MEETING MINUTES

Kristi Jensen, Finance Manager, closed her financial report for 2024 and thanked the members for participating in the Annual Meeting.

President, Dale Fier, thanked Kristi Jensen, Finance Manager, for giving the financial report. At this time President, Dale Fier, introduced General Manager, Timothy O'Leary, and indicated that General Manager, Timothy O'Leary, started working with the Cooperative as General Manager in 2002 and General Manager, Timothy O'Leary, and himself would be giving a joint 2025 President and General Manager Report.

General Manager, Timothy O'Leary, thanked the members for joining in the Electric Cooperative's 86th Annual Meeting. He expressed gratitude to the members for spending the evening with the Cooperative.

President, Dale Fier, indicated that this year's Annual Meeting theme is "Cooperatives: Partners and Progress". President, Dale Fier, indicated that General Manager, Timothy O'Leary, and him will be using this year's report to highlight how the Cooperative's power supply partners, East River Electric Power Cooperative, Inc. and Basin Electric Power Cooperative, Inc. are working together with the Cooperative to enhance and power our local communities by providing safe, reliable, and affordable electric power to the member-owners today while also planning for the future. The Cooperative to enhance and power our local communities by providing safe, reliable, and affordable electric power to the member-owners today while also planning for the future. General Manager, Timothy O'Leary, indicated that before that conversation is started, he wanted to recognize the employees and directors of the electric cooperative. General Manager, Timothy O'Leary, indicated that the members could find pictures of all the Cooperative's employees on page 4 and Directors on page 5 of the Annual Meeting Booklet. He asked that all the members join with him in a round of applause thanking all of them for their service to the Cooperative and its members. President, Dale Fier, indicated that they would like to start each Annual Meeting with a safety message and this year is no different. Across the Country there has been an increase in public electrical contacts, and President, Dale Fier, indicated he wanted to share some tips on working around power lines. The first tip is to treat all downed power lines, and accidents involving pad mount transformers or other utility equipment as though they are energized. General Manager, Timothy O'Leary, indicated that in these situations the member/owner should call 911 to report any downed power lines or damaged electrical equipment. If the person is in a vehicle or farm equipment they should stay in the vehicle until an electric utility worker says it is safe to exit and warn others involved in the accident or who have arrived at the scene to stay put and alert others who might approach to stay back. Exiting a vehicle or equipment must be the last resort and should only be attempted if the vehicle or equipment is on fire or giving off smoke. If this is the case, the members should exit the vehicle by crossing their arms and jumping from the vehicle without touching it. Then the member should hop with both feet together as far as the member can. We ask you to share this information with your family and friends to help them know what to do in these situations, it could ultimately save a loved one's life. President, Dale Fier, indicated that the next tip is to call 811 to locate underground utilities before

the members start a project that involves digging. The last tip or request is to please slow down and move over when driving through a utility work zone. President, Dale Fier, indicated that it is the law and it could save a life. He stressed that safety must always be a top priority. General Manager, Timothy O'Leary, indicated that a topic that has received local and national attention over the past couple of years is power supply and whether there will be enough power generated to supply the grid with the electricity needed to power our daily lives. This is something that the Cooperative continually focuses on with its power supplier and delivery partners, Basin Electric Power Cooperative, Inc. and East River Electric Power Cooperative, Inc. Basin has indicated that it needs additional generation and has started planning for the Bison Generating Facility. The facility will be built in Williams County, North Dakota. It will consist of two 700MW combine cycle natural gas generators, at a cost of an estimated \$4B. Regulatory and permit work has started on the project and Basin is looking at a four-year construction timeline with commercial operation of the plant starting in the year 2030. The plant will help Basin meet member growth which is expected to be 3.2% per year over the next 10 years versus the national average of 0.7%. The growth comes from industrial, manufacturing, data centers, agriculture, and residential members. In addition to constructing the Bison Plant, Basin will be investing another \$8B in updating and constructing new transmission lines to serve this growth and its existing members.

President, Dale Fier, indicated that East River is also investing in their delivery system and has spent the last few years in Lyon-Lincoln Electric Cooperative, Inc.'s service territory building new transmission lines and a new Marble Substation. Work on improving transmission lines and substation reliability started in 2014 as East River replaced and moved the Tyler to Amiret substation line. Moving the line to the road rights-of-way allows quicker repair times in the future as linemen will be able to drive to the line more easily and repair the line from the road. In 2018, East River started a conversation with their membership about speeding up the system replacement process by identifying the oldest transmission lines and substations that would be up for replacement. The plan at the time was estimated to cost \$705M and the Board would review the plan yearly to make sure that the impact on rates would be kept to a minimum. East River has made several updates to the transmission lines that serve Lyon-Lincoln Electric Cooperative, Inc., and its members over the past 10 years. General Manager, Timothy O'Leary, indicated that in that time \$40.7M has been invested by East River to serve Lyon-Lincoln Electric Cooperative, Inc.'s membership. The work in our Cooperative's area will pause for the time being as East River looks to make investments across their transmission system, but the planning hasn't stopped for our Cooperative's area. Each year, Lyon-Lincoln Electric Cooperative, Inc.'s staff sits down with the engineers from East River to look at what is happening in our Cooperative's service territory and review future plans for the area. Future plans include new tie lines to allow for power to be brought into our Cooperative's area from multiple transmission substations and the replacement of the Dudley to Amiret line along with upgrades to the Ivanhoe transmission substation.

President, Dale Fier, indicated that in addition to advocating for safe, reliable, and affordable power, our

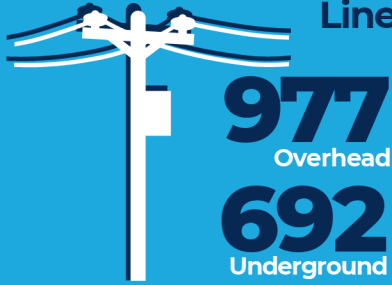
Cooperative works on its own distribution system by maintaining, replacing, and building new distribution lines across the Cooperative's service territory. Lyon-Lincoln Electric Cooperative, Inc.'s current work plan has Cooperative crews working to replace several miles of older underground lines to improve the reliability across the system. The Cooperative is investing nearly \$2M a year into the Cooperative's distribution system and these costs are up nearly 60% over the last several years as costs to purchase line construction materials have surged over that time. General Manager, Timothy O'Leary, indicated that in addition to higher material costs our Cooperative has experienced increases in its wholesale power costs, insurance, loan interest rates, and depreciation costs. This has all led to a rate increase that took place on May 1, 2025 and which will be seen in the electric bill that you receive in June. Up until last year's increase, Lyon-Lincoln Electric Cooperative, Inc. was able to hold rates steady for over 7 years. The Cooperative was fortunate to be able to hold rates for that long, but increased infrastructure investment at the local and power supplier levels and rising costs across all areas of the business will lead to more frequent changes in the future. General Manager, Timothy O'Leary, indicated that the Board and staff will continue to look at ways to keep increases to a minimum and make sure that communication is made to the members for any increases well in advance of when they will be implemented.

President, Dale Fier, indicated as the energy world changes the Cooperative wanted to assure the members that the Cooperative will continue to be the member's trusted energy advisor by focusing on education, training, and information, otherwise known as the Fifth Cooperative Principal. One example is when you consider purchasing an electrical vehicle. The Cooperative has two electric vehicles, and has been utilizing the same in its daily business, so information can be shared with the members concerning the good and the bad of what you can expect after purchasing or leasing an EV. The Cooperative also has a rebate and pilot rate schedule for EVs. The other example is when a member is looking at installing a small solar or wind project to offset the member's purchases from the Cooperative. There is an application process for these types of projects and staff can share the Cooperative's experiences with projects that have been installed on the Cooperative's system. President, Dale Fier, asked that the members reach out and ask questions when they are considering these types of purchases. The members can be provided with more information to hopefully make their decision process easier.

General Manager, Timothy O'Leary, indicated that the report was started by talking about "Cooperatives: Partners and Progress". With the members help the Cooperative will continue to prioritize reliable and affordable electricity for all consumers because that is what Cooperatives should do. On behalf of the Board of Directors and employees of the Cooperative, General Manager, Timothy O'Leary, thanked the members for their continued support, trust and confidence in the Cooperative business model. General Manager, Timothy O'Leary, indicated that they had a few minutes before the Operation RoundUp® Report was going to be given and asked if there any questions from the members concerning the 2025 President and General Manager's Report.

Continued on Page 10.....

Miles of Distribution Line



3,954

Average
Total
Consumers



2.37
Members
per Mile of
Line

Average KWH
Price Paid By
Member

12.5¢



Average Daily
Cost of
Electricity



\$5

2025 ANNUAL MEETING MINUTES

.....Continued from page 10

President, Dale Fier, then asked that General Manager, Timothy O'Leary, give the Operation RoundUp® and Scholarship report. General Manager, Timothy O'Leary, advised the members that Lyon-Lincoln Electric Cooperative, Inc.'s members have participated in the Operation RoundUp® Program since September, 1998. Cooperative members allow their electric bills to be rounded up to the next dollar each month with the odd cents going to help fund community projects and charities. The Operation RoundUp® Funds are controlled through the Lyon-Lincoln Electric Trust, Inc., a non-profit corporation governed by a nine-person Board of Trustees that is selected from the Cooperatives member-owners. The current Board of Trustees include: President, Heidi Fier; Vice-President, Michelle Williams; Secretary/Treasurer, Ann Longtin; Diana Nielsen; Katy Vos; Greg Kohler; Kayla Werkman; Deb Belaen; and Judy Hayes. The Trustees meet quarterly to review and approve qualifying grant applications. On Monday, Heidi, Judy, and Diana had their last meeting. General Manager, Timothy O'Leary, asked the members to join him in thanking Heidi, Judy and Diana for their 6 years of service on the Operation RoundUp® Board. General Manager, Timothy O'Leary, advised the members that at this time he would like to take the opportunity to recognize the 2025 Operation RoundUp® and Basin Electric Scholarship recipients. He advised the members that he first wanted to recognize the Operation RoundUp® recipients. He advised the members that each of these area students will receive a \$500.00 scholarship. He asked that the recipients come forward and receive their certificate and picture as their name is called.

The recipients were as follows:

- Abigail Chandler, Tracy Area High School- Parents are Thomas and Alecia Chandler
- Chase Christianson, RTR High School- Parents are Terry and Shawna Christianson
- Brayden Downing, Minneota High School- Parents are Dan and Cheryl Downing
- Noah Gorecki, Minneota High School- Parents are Adam and Sara Gorecki
- Hadli Krog, Minneota High School- Parents are Matt and Jeanene Krog
- Carter Prins, Marshall High School- Parents are Corey and Cindy Prins
- Gwendolyn Serreyn, RTR High School- Parents are Matthew and Adrianna Serreyn
- Lily Wiese, RTR High School- Parents are John and Kristi Wiese
- The winner of the \$750 Operation RoundUp Scholarship was Ethan Bly, Marshall High School- Parents are Jeffrey and Sonia Bly
- The recipient of the \$1,000 Basin Scholarship was Jack Gunn from Marshall High School- Parents are Michael and Julie Gunn

General Manager, Timothy O'Leary, congratulated the Scholarship winners and advised the members that they will be able to read more about these students in the upcoming newsletter article. General Manager, Timothy O'Leary, also advised the members that they can read more about the Operation RoundUp® Fund and find the 2023 grantees on page 13 of the Annual Meeting Booklet. On behalf of the Operation RoundUp® Board and the numerous grant and scholarship recipients General Manager,

Timothy O'Leary, wanted to thank the membership for their continued support of the Operation RoundUp® Program. President, Dale Fier, thanked General Manager, Timothy O'Leary, for giving the Operation RoundUp® and Scholarship Report.

President, Dale Fier, indicated that he wanted to give special thanks to the following groups and individuals for helping to make the 86th Annual Meeting a success:

- Lincoln County Pork Producers for preparing the pork chops for the meal.
- The Country House Supper Club of Lake Benton for preparing and serving the sides for tonight's meal.
- The Soil Conservation District for the use of its trailer for tonight's stage.
- East River Electric Power Cooperative, Inc. and Bob Gale for the Audio and Visual Equipment.
- The Cooperative Employees and Directors.
- And last but not least, all of the member-owners of Lyon-Lincoln Electric Cooperative, Inc.

President, Dale Fier, then asked if there was any Old Business to come before the meeting and there was none.

President, Dale Fier, asked if there was any New Business and there was none.

President, Dale Fier, asked for a report on the election of directors. At that time the membership was advised that Kathleen Schreurs was elected as Director for District No. 1 for a three year term having received 90 votes; James Rokeh was elected as Director for District No. 2 to serve a three year term having received 135 votes; and Mike Longtin was elected as Director for District No. 3 for a three year term having received 92 votes.

President, Dale Fier, congratulated Kathleen Schreurs, James Rokeh, and Mike Longtin on their election as directors to the Board of Lyon-Lincoln Electric Cooperative, Inc. for the terms designated. President, Dale Fier, then indicated that there would be an Organizational Meeting that would take place at the regular Board Meeting to be held on June 23, 2025.

There being no further business to come before the Annual Meeting a motion was made, seconded and carried to adjourn

Secretary/Treasurer

Approved:

President

1

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OPERATION ROUNDUP

Turning Coins into CHANGE



HOW OPERATION ROUNDUP WORKS

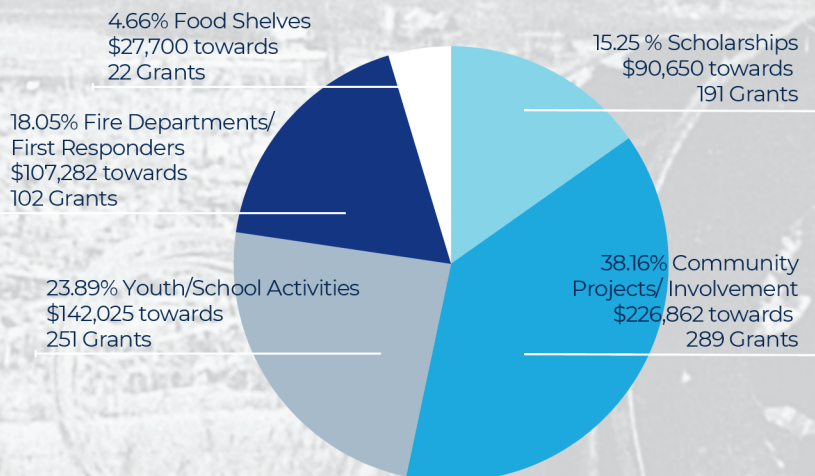
Lyon-Lincoln Electric Cooperative members have participated in the Operation RoundUp® program since September 1998. Cooperative members allow their electric bills to be rounded up to the next dollar each month with the odd cents going to help fund community projects and charities. Our member-owners have responded with open minds and hearts to the Operation RoundUp® program.

The Operation RoundUp® funds are controlled through the Lyon-Lincoln Electric Trust, Inc., a nonprofit corporation governed by a nine-person Board of Trustees that is selected from the cooperative's member-owners. The trustees meet quarterly to review and approve qualifying grant applications.

The generosity and community spirit of Lyon-Lincoln Electric Cooperative member-owners rounding up their bill each month makes this program work. For an average of 50 cents a month, or \$6.00 a year, participants are part of a very large community-wide program.

On behalf of the Operation RoundUp Board and the numerous grant recipients, thank you to the membership for their continued support of this program.

TOTAL DISTRIBUTION OF ORU GRANTS SINCE 2000



2025 ORU GRANTEES

- American Cancer Society
- Canby Fire Department
- City of Canby
- Junior Achievement North- Lincoln Co.
- Junior Achievement North- Lyon Co.
- Lincoln Co. Agricultural Society
- Lincoln County Horticultural Society
- Lutheran Social Services- Lyon County
- Lynd Fire Department
- Lyon Co. Fair
- Minneota FCCLA
- Minneota Post Prom Committee
- Porter Fire Department
- Prairie Five Community Action
- RTR After Prom Committee
- SWWC Foundation for Innovation in Ed.
- TeenPact Leadership Schools
- Tracy Area Medical Foundation
- Tracy Area Trap Team
- True Friends
- Tyler Fire Department
- United Way of SWMN
- University of Minnesota Foundation
- Wheels Across the Prairie
- WoMen's Rural Advocacy Programs

2025 SCHOLARSHIP RECIPIENTS

Scholar of the Week

Rylan Skorczewski - Hendricks HS

Basin Scholarship

Jack Gunn - Marshall HS

Operation RoundUp Scholarships

Ethan Bly - Marshall HS

Abigail Chandler - Tracy HS

Chase Christianson - RTR HS

Brayden Downing - Minneota HS

Noah Gorecki - Minneota HS

Hadli Krog - Minneota HS

Carter Prins - Marshall HS

Gwendolyn Serreyn - RTR HS

Lily Wiese - RTR HS

2025-2026 BOARD MEMBERS

- Michelle Williams, President
- Deb Belaen, Vice President
- Ann Longtin, Secretary/Treasurer
- Greg Kohler, Director
- Ken Schiller, Director
- Jane Steffes, Director
- Katy Vos, Director
- Glenda Werkman, Director
- Kayla Werkman, Director

REVENUE & EXPENSES

For Fiscal Years Ending Dec. 31, 2025 & 2024

REVENUE

2024

2025

OPERATING REVENUE

\$ 11,225,498

\$ 12,461,493

OPERATING EXPENSES

COST OF PURCHASED POWER	\$ 6,428,384	\$ 7,090,389
Operations Expense	\$ 393,797	\$ 474,366
Maintenance Expense	\$ 730,005	\$ 764,234
Customer Accounts Expense	\$ 155,621	\$ 183,673
Customer Service & Information	\$ 236,455	\$ 259,310
Administrative & General Expense	\$ 1,213,684	\$ 1,253,530
Depreciation Expense	\$ 1,194,588	\$ 1,255,045
Interest on Long-Term Debt	\$ 744,124	\$ 765,790
Other Deductions	\$ 25,917	\$ 22,217

TOTAL OPERATING EXPENSES

\$ 11,122,575

\$ 12,068,554

MARGINS

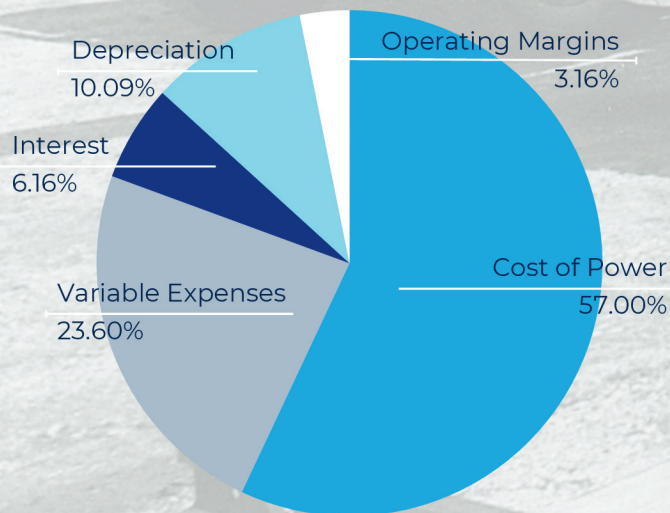
Net Operating Margins	\$ 102,923	\$ 392,939
Non-Operating Margins	\$ 163,031	\$ 95,862
East River Capital Credits	\$ 503,151	\$ 550,292
Other Capital Credits	\$ 72,070	\$ 68,052

TOTAL MARGINS

\$ 841,175

\$ 1,107,145

WHERE YOUR DOLLAR WAS SPENT:



CAPITAL CREDIT RETIREMENT:

In total, LLEC has retired

\$20.31 MILLION

IN CAPITAL CREDITS
to our members



- Capital credits refunded in 2025 equaled \$747,600
- Lyon-Lincoln is ranked #14 out of 698 Co-Ops nationwide
- 52.82% of all allocated capital credits have been retired
- National average is 29.99%

COMPARATIVE BALANCE SHEET

Dec. 31, 2025 (Unaudited)

ASSETS: What We Own

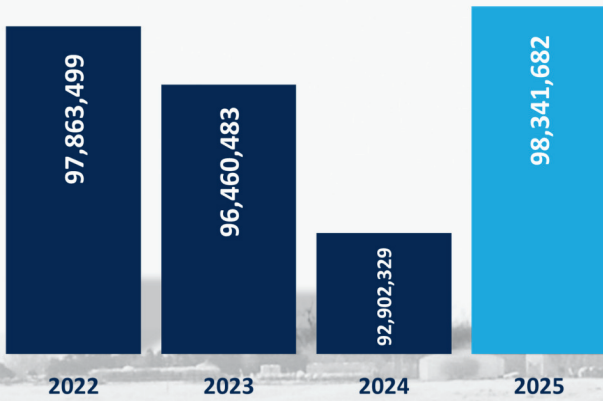
ASSETS	2024	2025
Utility Plant in Service	\$ 42,712,228	\$ 45,062,261
Less: Reserve for Depreciation	\$ 13,119,778	\$ 13,247,958
NET UTILITY PLANT	\$ 29,592,450	\$ 31,814,303
Investments in Subsidiary Companies	\$ -	\$ -
Investments in Assoc. Organizations	\$ 9,144,867	\$ 9,355,873
Investments in Eco. Develop. Projects	\$ 75,010	\$ 75,010
Other Investments	\$ 5,799	\$ 6,081
Special Funds	\$ 600,000	\$ 525,000
TOTAL OTHER PROPERTY/INVESTMENTS	\$ 9,825,676	\$ 9,961,964
Cash - General Funds	\$ (297,171)	\$ 792,303
Temporary Investments	\$ 1,851,169	\$ 685,235
Accounts Receivable - Energy	\$ 1,037,305	\$ 1,103,239
Accounts Receivable - Other	\$ 47,738	\$ 42,252
Materials & Supplies	\$ 995,801	\$ 881,092
Interest Receivable	\$ 4,590	\$ 4,590
TOTAL CURRENT & ACCRUED ASSETS	\$ 3,639,432	\$ 3,508,711
Deferred Debits	\$ 142,112	\$ 124,394
TOTAL ASSETS & OTHER DEBITS	\$ 43,199,670	\$ 45,409,372

LIABILITIES: What We Owe

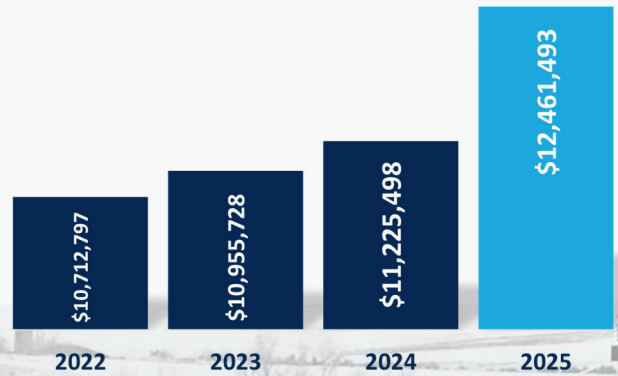
LIABILITIES	2024	2025
Membership Fees	\$ 19,885	\$ 19,915
Patronage Capital	\$ 16,317,189	\$ 16,672,613
Other Equities	\$ 1,135,295	\$ 1,252,264
TOTAL MARGINS & EQUITIES	\$ 17,472,369	\$ 17,944,792
Long Term Debt- RUS	\$ 20,427,963	\$ 22,375,802
Long Term Debt- CFC, CoBank, Other	\$ 3,430,540	\$ 3,072,568
Long Term Debt- RUS, Eco. Develop.	\$ -	\$ -
TOTAL LONG TERM DEBT	\$ 23,858,503	\$ 25,448,370
Accumulated Operating Provisions	\$ 82,908	\$ 28,675
TOTAL OTHER NONCONCURRENT LIABILITIES	\$ 82,908	\$ 28,675
Notes & Accounts Payable	\$ 653,977	\$ 714,958
Consumers Deposits	\$ 20,800	\$ 22,100
Other Current & Accrued Liabilities	\$ 511,113	\$ 725,477
TOTAL CURRENT & ACCRUED LIABILITIES	\$ 1,185,890	\$ 1,462,535
Deferred Credits	\$ 600,000	\$ 525,000
TOTAL LIABILITIES	\$ 43,199,670	\$ 45,409,372

OPERATING STATISTICS

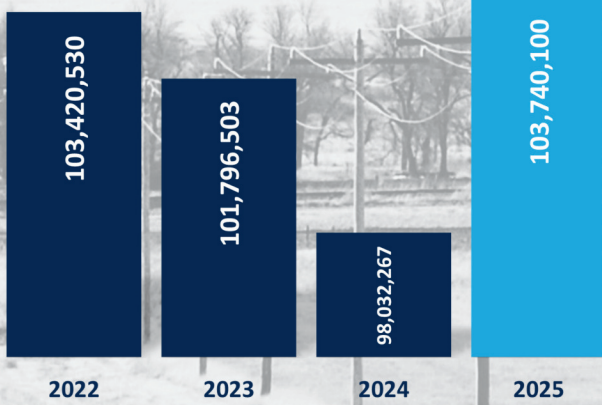
TOTAL KWH-HOURS SOLD



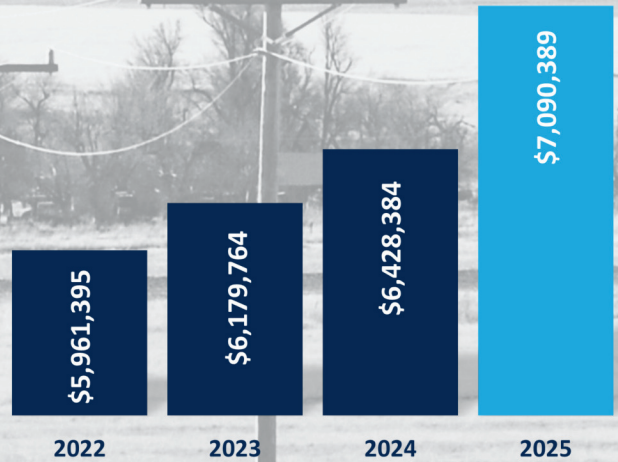
TOTAL KWH REVENUE



TOTAL KWH-HOURS PURCHASED

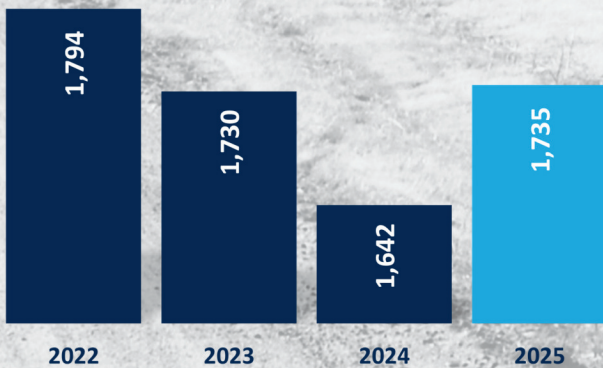


TOTAL PURCHASED POWER COSTS



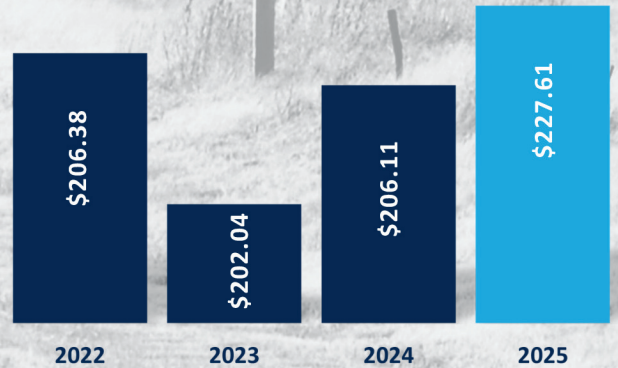
AVERAGE KWH USED

Per Residential Member Per Month



AVERAGE BILLING

Per Residential Member Per Month



COOPERATIVE PRINCIPLES

COOP PRINCIPLES


Cooperatives share a passion for serving our members and helping our communities thrive. In fact, all cooperatives adhere to the same set of seven principles that reflect our core values of honesty, transparency, equity, inclusiveness and service to the greater community good. Let's reflect on these principles that have not only stood the test of time but also provide a framework for the future.

1 VOLUNTARY & OPEN MEMBERSHIP 

Membership in a cooperative is open to all people who can reasonably use its services, and stand willing to accept the responsibilities of membership, regardless of race, religion, gender, or economic circumstances.

2 DEMOCRATIC MEMBER CONTROL 


Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Representatives (Directors) are elected among members and are accountable to them. In primary cooperatives, members have equal voting rights (one member, one vote); cooperatives at other levels are organized in a democratic manner.

3 MEMBERS ECONOMIC PARTICIPATION 

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital remains the common property of the cooperative. Members allocate surpluses for any or all of the following purposes: developing the cooperative; setting up reserves; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4 AUTONOMY AND INDEPENDENCE 

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control as well as their unique identity.

5 EDUCATION, TRAINING AND INFORMATION 

Education and training for members, elected representatives (directors), CEOs, and employees help them effectively contribute to the development of their cooperatives. Communications about the nature and benefits of cooperatives, particularly with the general public and opinion leaders, help boost cooperative understanding.

6 COOPERATION AMONG COOPERATIVES 

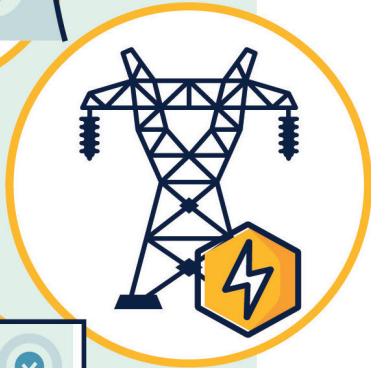
By working together through local, national, regional, and international structures, cooperatives improve services, bolster local economies, and deal more effectively with social and community needs.

7 CONCERN FOR COMMUNITY 

Cooperatives work for the sustainable development of their communities through policy supported by the membership.

Grid Power Players

Electricity is available with the flip of a switch, but it travels great distances and is coordinated among multiple entities before it reaches your home or business. Take a look at the grid power players that ensure you receive reliable electricity.



1. Generation Owners & Operators

Power plants can be owned and operated by electric utilities, government entities or other private companies. Power plants produce electricity by converting energy from various sources—like natural gas, coal, nuclear, or renewables—into electricity.

2. Transmission System Owners & Operators

The transmission grid moves large amounts of electricity over long distances using high-voltage transmission lines attached to large towers. Like power plants, these lines can be owned by a variety of public and private companies.

3. Organized Wholesale Markets

In many parts of the country, Regional Transmission Organizations (RTOs) & Independent System Operators (ISOs) coordinate the flow of electricity across regions by balancing supply and demand in real time and managing the dispatch of electric generation and transmission across large areas with the participation of generation and transmission owners.

4. Electric Utilities (That's Us!)

Electric distribution utilities take electricity from the transmission system and deliver it to homes and businesses through lower-voltage distribution lines. They also maintain local power lines, poles and other essential equipment.

5. End Users (That's You!)

End users consist of the homes, businesses and industries that consume electricity. Their demand drives how much electricity is generated and how the grid is managed in real time.

Other Key Players:

NERC: The regulatory authority that develops and enforces mandatory, reliability standards for the North American bulk electric grid. (Standards are developed through a stakeholder process.)

FERC: Independent federal agency that oversees interstate transmission and wholesale electricity sales, ensuring fair access to the grid.



**Lyon-Lincoln Electric
Cooperative, Inc.**

Your Touchstone Energy Cooperative 