



Communicate | Innovate | Participate

2025 Annual Report

Fleming-Mason Energy



Fleming-Mason Energy



This annual report highlights the work of Fleming-Mason Energy over the past year and how we serve our members every day. As a member-owned electric cooperative, we believe transparency matters—from how we deliver reliable electric service and manage costs to how we invest in our system and support our communities. This report offers a look at what we accomplished in 2025, the priorities guiding our decisions and how our work reflects the cooperative principles that put members first.

The theme of this year's report is **COMMUNICATE**, reflecting our duty to clearly convey to members how

Fleming-Mason Energy operates and what drives reliability and cost. For instance, we share timely updates in *Kentucky Living*, across our social channels and through www.fme.coop.

We're eager to answer questions—from understanding your bill to energy-saving tips—and we advocate with policymakers, so they understand how their decisions affect our ability to serve you. We're present in the community, supporting economic development, developing young leaders, interacting with local groups and boosting civic events.

Over the last year, our cooperative

has donated money to a variety of school teams and programs and sponsored community events like Farm and Family night at Maysville Community and Technical College. We also sponsored twelve \$1,000 scholarships for deserving high school seniors in our service territory. We also worked with the Morehead Rowan County Chamber of Commerce with their leadership program helping residents understand the unique role electric cooperatives play in their community. And, we continued our beloved Holiday Light Show in 2025, brightening the holiday season for many in the region.

SAFETY FIRST

Communication in the field

Clear and consistent communication with our valued employees is vital, and it especially supports our safety culture.

Our lineworkers follow a regimen of task briefings, tailboard talks, disciplined radio use and written switching/clearance procedures. We work with our fellow cooperatives across the commonwealth to control costs and access top-tier training. This reinforces practices that keep everyone safe.

During the severe weather we experienced in 2025, clear communications with restoration crews and with the mutual aid and media coordinators at our statewide co-op association helped us overcome outages safely and efficiently.

We are eager to answer questions and demonstrate electric safety in the communities we serve, and we encourage you to contact Fleming-Mason Energy if you are interested in organizing a presentation for civic groups or schools.



Jeremy Highfield, right-of-way technician, inspects a job site in Rowan County. Photo: Tim Webb

WHERE YOU HEAR FROM US

Connecting with our members is a top priority for Fleming-Mason Energy. Our cooperative was built by, belongs to and serves members just like you, so we want to meet you where you are. We have multiple channels of communication. From *Kentucky Living* to our social media pages to the front desks in our offices, we are here to serve you and keep you informed about timely updates, electrical safety, energy efficiency and cooperative business.

KENTUCKY LIVING

A recent survey shows that our consumer-members rely on *Kentucky Living* more than any other source for information about Fleming-Mason Energy. We are pleased to provide a subscription to the flagship magazine of Kentucky's electric cooperatives. It is not only a proven and cost-effective way to convey important updates about Fleming-Mason Energy but also a source of positive and forthright information. For less than the cost of a first-class stamp, we can effectively communicate with our members and support our overall mission, to improve the quality of life in the communities we serve.

WEBSITE AND APP

Our commitment to clearly communicate with you is demonstrated in our investment in innovative tools such as our website and mobile app where you can view usage, pay your bill, enroll in text alerts and check the outage map. When severe weather hits, we post real-time outage updates on our site/app and social feeds. Our outage map and social channels work together so you can check status and safety tips in one place.

SOCIAL MEDIA

Follow Fleming-Mason Energy on Facebook and Instagram for timely updates, outage restoration progress, planned work, scam alerts, right-of-way schedules, safety reminders and co-op news.

As Fleming-Mason Energy maintains our system, across eight counties and 3,689 miles of line, we post what's happening, where and why, so members can plan accordingly and know what to expect.

DIRECT HELP

Call, chat or visit us in person—we're here for billing options, payment assistance and to answer your questions on energy use, from your kitchen to your garage.

ANNUAL MEETING AND IN THE COMMUNITY

We report results, answer questions and invite feedback at schools, civic groups and fairs, and during our annual meeting and member appreciation day. Being present in the community is an important part of how we communicate.



Tonya Hamilton, member services clerk, works with members on payment and billing questions. Photo: Tim Webb

COMMUNICATION PRIORITIES

Reliable electricity powers all of our lives. At Fleming-Mason Energy, we work hard every day to make sure it's something you can count on without a second thought. We advocate on your behalf for reliable energy; we report on our financial health, so you can see how your cooperative performs; and we live and breathe the cooperative difference.



RELIABILITY

Reliable electric service remains a top priority, and we believe keeping members informed is part of that responsibility. Fleming-Mason Energy regularly communicates about grid reliability, system planning and the long-term challenges facing the electric industry, including growing demand and changes in how electricity is generated and delivered.

We also advocate for policies that support reliability, affordability and local decision-making—because dependable power is essential to daily life, economic development and public safety. By explaining these issues clearly and consistently, we aim to help members understand both the challenges ahead and the steps being taken to keep the lights on.



FINANCIAL HEALTH AND TRANSPARENCY

Like families and businesses across our communities, Fleming-Mason Energy has faced rising costs in recent years. Inflation has increased the cost of electricity we purchase on your behalf and the price of the materials, equipment and services required to operate and maintain the electric system. We believe it is important to be candid about these pressures and to explain what is driving them. As a not-for-profit cooperative, we work to manage these costs responsibly, plan carefully and communicate clearly—so members understand not only what they pay for electric service, but why.

Our annual independent audit affirms that our financial statements are accurate and fair, and we publish financials for member review.



COOPERATIVE PRINCIPLES

Cooperatives around the world operate according to the same set of seven core principles and values. These principles are a key reason that Fleming-Mason Energy operates differently from many other electric utilities. We put the needs of our members first and pledge to clearly communicate with you.

Clear communication invites participation: and participation makes Fleming-Mason Energy smarter, safer and stronger.

Top left, Scott Hamilton, trimmer B with FMUR, works to make sure right-of-way is clear. Photo: Tim Webb; center, Morehead Rowan County Chamber of Commerce CEO Jason Slone and Lori Ulrich, marketing and public relations manager, look over future business construction plans. Photo: Tim Webb; top right, Wes Applegate, Michael Fultz and Hannah Plank assist members at last year's annual meeting. Photo: Wade Harris

ANNUAL MEETING OF MEMBERS OF FLEMING-MASON ENERGY

Fleming-Mason Energy

1449 Elizaville Rd.

Flemingsburg KY 41041

Thursday, June 11

Registration: 7:30 a.m.-6 p.m.

Business meeting: 11 a.m.

AGENDA

The annual membership meeting of this co-op organizes to take action on the following matters:

1. Report on the number of members present in person in order to determine the existence of a quorum.
2. Report of the numbers of members represented by proxy and names of their respective proxies.
3. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
4. Reading of unapproved minutes of previous meeting of members and taking necessary action thereon.
5. Presentation and consideration of reports of officers, directors and committees.
6. Results of director elections.
7. Unfinished business.
8. New business.
9. Adjournment.



Brandon Hunt
President and CEO



Tom Saunders
Chairman



John Roe
Vice Chairman



Dina Gooding
Secretary-Treasurer



Timothy S. Eldridge
Director



Rick Hord
Director



Regina Rose
Director



Shane Smoot
Director



Earl Rogers III
Attorney

FLEMING-MASON ENERGY

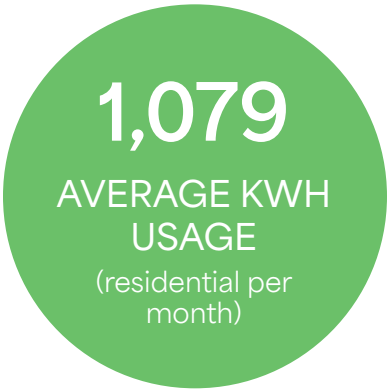
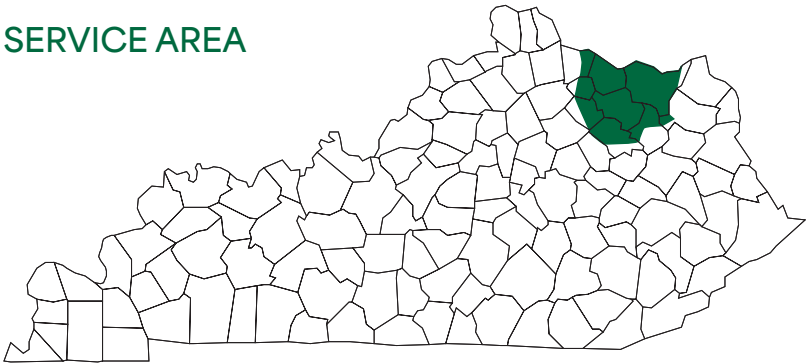
2025 by the numbers

ACTIVE ACCOUNTS

As of December 31, 2025

Bath County	2,903
Bracken County.....	863
Fleming County.....	7,399
Lewis County.....	5,221
Mason County.....	3,160
Nicholas County	936
Robertson County	996
Rowan County	4,908
Total.....	26,386

SERVICE AREA

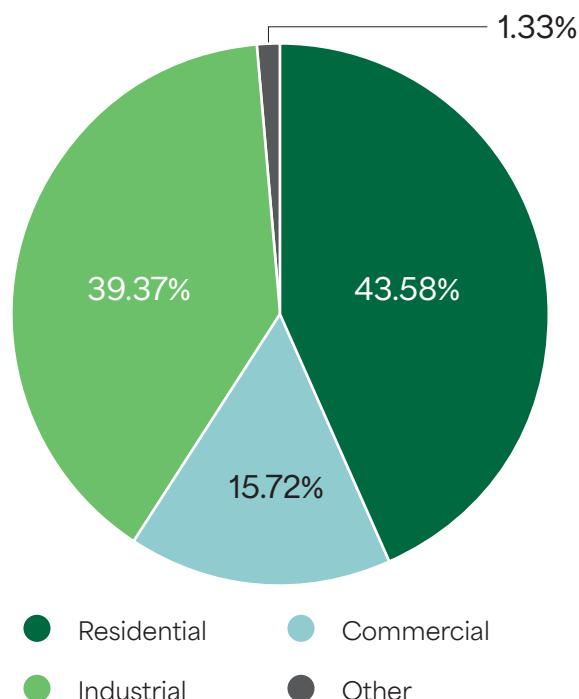


FOR INFORMATION AND INQUIRIES

1449 Elizaville Ave.
Flemingsburg, KY 41041
(800) 464-3144
www.fme.coop

2025 FINANCIAL OVERVIEW

REVENUE SOURCES



FM UTILITY RESOURCES, LLC

As of December 31, 2025

BALANCE SHEET

Current Assets	\$57,674
Property & Equipment.....	\$84,724
Total Assets.....	\$142,398
Current Liabilities	\$15,194
Long-Term Liabilities.....	\$132,238
Capital	(\$5,034)
Total Liabilities & Capital.....	\$142,398

INCOME STATEMENT

Revenue	\$316,476
Total Expenses	\$316,476
Net Income.....	\$0

STATEMENT OF OPERATIONS

As of December 31, 2025

Operating Revenue	\$92,208,753
OPERATING EXPENSE	
Purchased Power	\$74,757,896
Operating System	\$9,547,616
Depreciation	\$4,500,959
Taxes.....	\$82,928
Interest on Loans	\$2,137,693
Other Deductions.....	\$21,495
Total Cost of Electric Service.....	\$91,048,587
Operating Margins.....	\$1,160,166
Non-Operating Margins.....	\$61,504
G & T Capital Credits.....	\$2,586,229
Other Capital Credits	\$459,241
Patronage Capital and Margins	\$4,267,140

BALANCE SHEET

As of December 31, 2025

ASSETS

Total Utility Plant.....	\$136,688,257
Less Depreciation.....	\$54,237,477
Net Utility Plant	\$82,450,779
Investments in Associate Organization	\$61,038,537
Cash.....	\$2,744,702
Accounts and Notes Receivable	\$12,157,572
Inventory.....	\$930,221
Prepaid Expenses.....	\$317,864
Deferred Debits and Other Assets	\$872,928
Total Assets.....	\$160,512,603

LIABILITIES

Consumer Deposits	\$1,882,581
Membership and Other Equities.....	\$87,886,543
Long-Term Debt.....	\$50,685,695
Notes and Accounts Payable	\$15,755,585
Other Current Liabilities.....	\$4,302,199
Total Liabilities	\$160,512,603

Official Notice

2026 FLEMING-MASON ENERGY ANNUAL MEETING

THURSDAY, JUNE 11

Fleming-Mason Energy Headquarters

1449 Elizaville Road
Flemingsburg

Drive-thru registration: 7:30 a.m.-6 p.m.

Business meeting: 11 a.m.

- Held at the Fleming-Mason Energy Pavilion
- Special prize drawings at end of day



BUCKET AND BULBS

Members will receive a bucket with LED bulbs and gifts. Members must be present (in vehicle) to receive registration gift. **Registered members will be entered to win prizes and need not be present to win.** Drawings will be held at close of business.



WADE HARRIS