



Communicate | Innovate | Participate

2025 Annual Report

Farmers RECC



A Touchstone Energy® Cooperative 



WADE HARRIS

This annual report highlights the work of Farmers Rural Electric Cooperative Corporation 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 Farmers RECC operates and what drives reliability and cost. For instance, we share timely updates in *Kentucky Living*, on farmersrecc.com, across our social channels and on our podcast.

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. We participate in:

- Local Christmas parades,
- Assistance with public projects, such as athletic field lighting,
- Youth education (Washington Youth Tour, scholarships, Conservation Clubhouse programs, safety demonstrations),
- Economic development with East Kentucky Power Cooperative and our local chambers of commerce, and,
- Community engagement (Coffee with the Co-ops, civic organizations and local clubs).

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, tailgate meetings, 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 Farmers RECC if you are interested in organizing a presentation for civic groups or schools.



Apprentice lineman Taylor Ogles works on the Farmers RECC system to maintain and improve reliability. Photo: Abigail Nuetzman

WHERE YOU HEAR FROM US

Connecting with our members is a top priority for Farmers Rural Electric. 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 members rely on *Kentucky Living* more than any other source for information about Farmers RECC. 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 Farmers Rural Electric 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 by our investment in tools such as our website, farmersrecc.com, and the Farmers RECC mobile app where you can view usage, pay your bill, enroll in text alerts, report outages, and check the outage map. When severe weather hits, we post real-time outage updates on our website and social feeds. Our outage center, outage map and social channels work together so you can check status and safety tips in one place.

SOCIAL MEDIA

Follow Farmers Rural Electric on Facebook, Instagram, X and YouTube for timely updates, outage restoration progress, planned work, scam alerts, right-of-way schedules, safety reminders and co-op news.

As Farmers Rural Electric Cooperative Corporation maintains our system across 11 counties and 3,800 miles of line, we post what's happening, where and why, so members can plan accordingly and know what to expect.

DIRECT HELP

Call 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, our Coffee with the Co-op events and during our annual meeting. Being present in the community is an important part of how we communicate.



Member Services Supervisor Denise Poynter assists a member on the phone. Photo: Wade Harris

COMMUNICATION PRIORITIES

Reliable electricity powers all of our lives. At Farmers RECC, 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. Farmers Rural Electric 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.

In June, Randy Sexton, Farmers RECC director from district III was elected chairman of the Board for East Kentucky Power Cooperative, our generation and transmission cooperative.

FINANCIAL HEALTH AND TRANSPARENCY

Like families and businesses across our communities, Farmers RECC 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 Farmers Rural Electric 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 Farmers RECC smarter, safer and stronger. We are active in our communities and offer several opportunities for members to provide feedback to us. Watch our *Kentucky Living* magazine and our social media channels for more information.

Top left, Farmers RECC District III Director Randy Sexton and President & CEO Toby Moss attend the 2025 NRECA Legislative Conference in Washington D.C. Photo: Joe Arnold; center, Farmers RECC crews worked diligently to restore power after the windstorm in May 2025. Photo: Tim Brown; top right, Farmers RECC President & CEO Toby Moss and SCRTC General Manager Jeff Eaton pose outside The Hive Coffee and Bakehouse in Glasgow ahead of Coffee with the Co-ops. Photo: Abigail Nuetzman

ANNUAL MEETING OF MEMBERS OF FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION

Cave Area Conference Center
502 Mammoth Cave Street, Cave City, KY 42127

Thursday, July 9

Registration: 8 a.m.-4 p.m.

Business Meeting: 2 p.m. (in-person or livestreamed at farmersrecc.com/annualmeeting)

AGENDA

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

1. Call to order
2. Invocation
3. National Anthem and Pledge of Allegiance
4. Management Report
5. Notices and Proofs of Mailing
6. Approval of the Minutes
7. Treasurer's Report
8. Nominating Committee Report
9. Announcement of Board of Directors Election Results
10. Adjournment



Toby Moss
President and CEO



Randy London
Chairman



Cornelius Faulkner
Vice Chairman



Paul Hawkins
Secretary-Treasurer



Brandi Williams
District I Director



John "Daniel" Reynolds
District II Director



Randy Sexton
District III Director



James "Jamie" Moss II
District III Director



Woodford Gardner
Corporate Attorney

FARMERS RURAL ELECTRIC COOPERATIVE

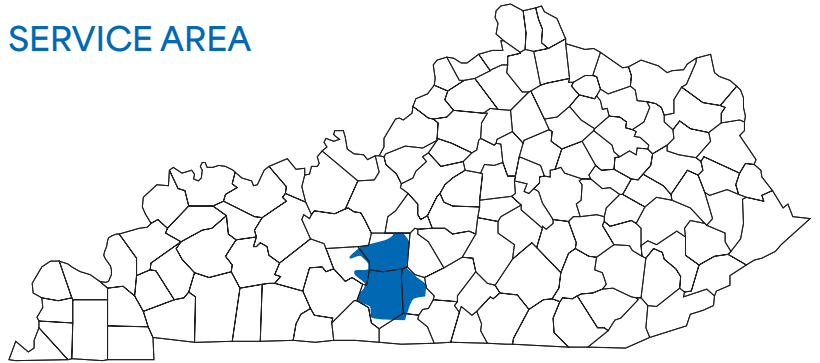
2025 by the numbers

ACTIVE ACCOUNTS

As of Dec. 31, 2025

Adair	146
Barren	15,098
Edmonson.....	160
Grayson.....	463
Green	192
Hardin	3
Hart	6,896
Larue.....	55
Monroe.....	16
Metcalfe.....	4,175
Warren	21
Total.....	27,225

SERVICE AREA



ACCOUNTS BILLED

2025	27,225
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AVERAGE KILOWATT-HOUR USE

(Residential per month)

2025	1,099
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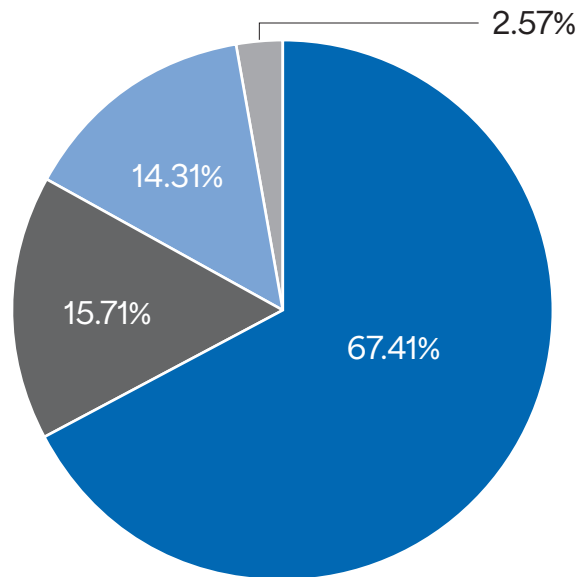
MILES OF LINE

2025	3,812
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CONSUMERS PER MILE

2025	7.1
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REVENUE SOURCES



- Residential and Commercial
- Commercial
- Industrial
- Other

FOR INFORMATION AND INQUIRIES

504 South Broadway St.
 Glasgow, KY, 42141
 270-651-2191
www.farmersrecc.com

2025 FINANCIAL OVERVIEW

Farmers RECC

STATEMENT OF OPERATIONS

As of Dec. 31, 2025

Operating Revenue	\$63,022,151
OPERATING EXPENSE	
Purchased Power	\$44,994,962
Operating System	9,935,358
Depreciation	4,184,912
Taxes	960,872
Interest on Loans	2,471,661
Other Deductions	88,108
Total Cost of Electric Service	\$62,635,873
Operating Margin	\$386,278
Non-Operating Margins	502,628
G & T Capital Credits	1,621,749
Other Capital Credits	289,484
Patronage Capital and Margins	\$2,800,139

Farmers RECC was audited by Campbell, Myers & Rutledge, PLLC

BALANCE SHEET

As of Dec. 31, 2025

ASSETS	
Net Utility Plant	\$89,387,939
Investments in Associate Organization	\$42,691,368
Cash	871,966
Accounts Receivable	2,490,205
Inventory	1,041,699
Expenses Paid in Advance	271,364
Deferred Debits and Other Assets	3,351,142
Total Assets	\$140,105,683
LIABILITIES & EQUITY	
Consumer Deposits	\$1,404,800
Membership and Other Equities	58,801,396
Long-Term Debt	69,501,622
Accounts Payable	7,108,293
Other Liabilities	3,289,672
Total Liabilities & Equity	\$140,105,683

Farmers Energy Propane Plus

STATEMENT OF OPERATIONS

As of Dec. 31, 2025

Operating Revenue	\$5,087,591
OPERATING EXPENSE	
Cost of Goods Sold	\$2,087,354
Operating Expense	2,185,965
Depreciation	283,660
Net Income	\$530,612

Farmers Propane Plus was audited by Campbell, Myers & Rutledge, PLLC

BALANCE SHEET

As of Dec. 31, 2025

ASSETS	
Cash	\$497,220
Accounts Receivable	447,373
Inventory	520,059
Prepayments	99,917
Utility Plant - Net	2,287,023
Other Assets	307,261
Total Assets	\$4,158,853
LIABILITIES & EQUITY	
Current Liabilities	\$122,963
Consumer Deposits	99,570
Equity	3,936,320
Total Liabilities & Equity	\$4,158,853

2026 FARMERS RECC ANNUAL MEETING

THURSDAY, JULY 9

Cave Area Conference Center

502 Mammoth Cave St.

Cave City, KY 42127

Drive-thru registration: 8 a.m.-4 p.m.

Business meeting: 2 p.m.

Free bucket and energy-saving LED lightbulb. Farmers RECC Washington Youth Tour and scholarship recognition. Come watch the business meeting in person or livestream online at farmersrecc.com/annualmeeting.



WADE HARRIS