



2025 AUSTIN UTILITIES ANNUAL REPORT

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A message from ...

Tom Dankert

General Manager

As I present my first Annual Report, I am pleased to highlight the core values that guide Austin Utilities: customer and community focus, operational excellence, safety, stewardship, and commitment.

Our customer and community focus is centered on delivering value to those we serve. In 2025, Austin Utilities helped customers reduce energy use and costs through rebates and energy audits, resulting in nearly \$200,000 in customer savings. We also remained actively engaged in the community through blood drives, United Way of Mower County initiatives, service at the Salvation Army, and our annual Drive Through Halloween Trick or Treating event.

Operational excellence remains a priority as we continue to invest in system reliability, proactive maintenance, and employee training to ensure dependable service. Safety is foundational to everything we do. “Safely Home, Everyone, Every Day” is a core principle, reflected in zero OSHA reportable injuries for our 76 full-time staff for the second consecutive year. In recognition of this achievement, Austin Utilities received the American Public Power Association’s Diamond Level Safety Award in 2025.

Through responsible stewardship, the Board of Commissioners approved a rate neutral adjustment for 2026, balancing rising costs with our commitment to affordability. This accomplishment reflects the dedication of our entire organization.

As Austin Utilities marked 125 years of service in 2025, our employees continue the strong tradition established by those before them. Our commitment remains steadfast—providing safe, reliable, affordable service to our customers 24 hours a day, 7 days a week, throughout the year.



Previous General Managers:

**Mark Nibaur • Jerry McCarthy • Kevin Maynard • Mike Enfield • Bryan Adams • George Davis
Norm Dietrich • Harold Lamon • Walter T. Meseck • Caroll L. Elliott • William Todd**

GUIDING THE MISSION

Board of Commissioners

Pictured Left to Right: Jay Lutz, Steve Greenman, Tyler Hulsebus, Geoff Baker, Kristin Johnson



“ Austin Utilities has been a key component in the success of the city of Austin, MN. With great vision and leadership AU has advanced through the past 125 years to provide very dependable and affordable electricity, gas & water.

The Austin Utilities Board of Commissioners consists of 5 members who are voted in by the community. Over the past 125 years the board members have put forth great effort to listen and learn from both leadership teams and rate payers to be the best we can be.

It has been an honor to serve on the Austin Utilities Board and to work with dedicated members who have contributed to AU's continued success.

With the ever-changing world demands there will be challenging years ahead for AU. I feel we are in very good hands with our 76 employees to meet and exceed these demands.

– Steve Greenman, 2025 Board of Commissioners President



PAST BOARD COMMISSIONERS:

John L. Gulden, J.D. Sheedy, Alex Campbell, A.M. Smith, George A. Hormel, C.A. Pooler, George E. Anderson, P.O. Beaulieu, O.J. Benton, C.F. Cook, C.E. Gilleece, Spencer, Jordan, John Jennings, R.A. Dunnette, H.J. Keck, R.T. Rahilly, A.G. Smith, G.W. Stubbe, C.A. Weseman, A.L. Miller, Lars Bondhus, Hollis Weber, Claude Moore, E.B. Grose, Ed E. Smith, H.V. Plunkett, Jr., Floyd Barton, Robert Babcock, Richard C. Baudler, L.W. Lacy, Alex Hirsh, C.D. Macy, Willard Block, Richard H. Schaefer, Roger L. Svejkovsky, Alex Hirsh, M.I. Simonson, Frank M. Brown, Norton Gilman, James Schulte, R.F. Conway, Edward R. Weseman, David E. Thomsen, Kenneth P. Regner, Donald R. Rysavy, Wayne G. Dorn, Gerry J. Young, Ruth Rasmussen, Vince M. Lynch, Jack Dunlop, Thomas C. Baudler, Larry Pfeil, Paul Johnson, Frank Lorenzen, Ron Felten, Jeanne Sheehan, Jim Schroeder, Geoff Baker, Tom Sherman, Tyler Hulsebus, Steve Greenman, Kristin Johnson, Jay Lutz, Tyler Hulsebus, Geoff Baker

LEADING TODAY, SHAPING TOMORROW

Our leadership team recognizes the importance of employees as vital contributors to AU's success. Simultaneously, they prioritize the interest of our customers by striving to deliver reliable electricity, natural gas, and water service, while creating experiences that meet expectations. Through communication, collaboration, and thoughtful decision-making, they are responsible for sustainable growth and prosperity for Austin Utilities.



Austin Utilities Leadership Team

- Kory Robinson – Finance and Customer Care Director
- Marc Oleson – IT Director
- Alex Bumgardner – Utility Operations Director
- Tom Dankert – General Manager
- Dan Ulland – Employee Relations Director

“ As a director at Austin Utilities, I am especially proud of contributing to the establishment of a Customer-Centric organizational priority and helping lead our transformation into a One Team focused organization dedicated to meeting the evolving needs of our customers. ”

– Alex Bumgardner, Utility Operations Director



2025 YEAR IN REVIEW



Administration:

In 2025, we passed a 2026 budget through the hard work of the Budget Committee of the Board of Commissioners and staff that included an overall rate freeze for our customers and added two additional staff to our company that will continue to strengthen our priority to customer service.

Employee Relations:

The major accomplishment in 2025 was in recruitment. We filled 17 positions throughout the year, including a new General Manager and an Engineering Supervisor.

Finance and Customer Care:

The Finance Department successfully navigated a year of significant legal and regulatory changes, including sales tax and payroll updates. All required adjustments were implemented accurately and on time. We also completed another annual audit with no findings, demonstrating strong compliance and consistent operational excellence. Also, insights from customer surveys guided improvements to both customer service practices and communication efforts to better support customer needs.

Information Technology:

In 2025, the IT Department delivered meaningful advancements that strengthened the organization's security posture. Key cybersecurity achievements included expanded organization wide security awareness training, enhanced threat monitoring capabilities, and updated policies that significantly reduced risk while improving compliance and resilience.

Utility Operations:

We are proud to have once again completed all planned electric, gas, and water infrastructure projects in 2025. Additionally, the successful procurement and integration of an in-house horizontal directional drilling crew to support our construction projects marked a significant achievement—one Austin Utilities has been working toward for several years.

OUR FINANCIAL FOOTPRINT

2025 Financial Highlights

The following graph depicts the percent of revenue spent for each major category of expense. Sixty-two percent of revenues are spent on purchased power costs and natural gas purchases. Operating expenses are the next highest expense at 21%. Contributions in Lieu of Taxes make up 2.5% with Depreciation at 5%.



As we look ahead to 2026, we will continue to diligently manage our costs in order to mitigate rate impacts to our customers.

- **62%** Purchased Power & Natural Gas Purchases
- **21%** Operating Expenses
- **2.5%** Contributions in Lieu of Taxes
- **5%** Depreciation
- **9.5%** Operating Income

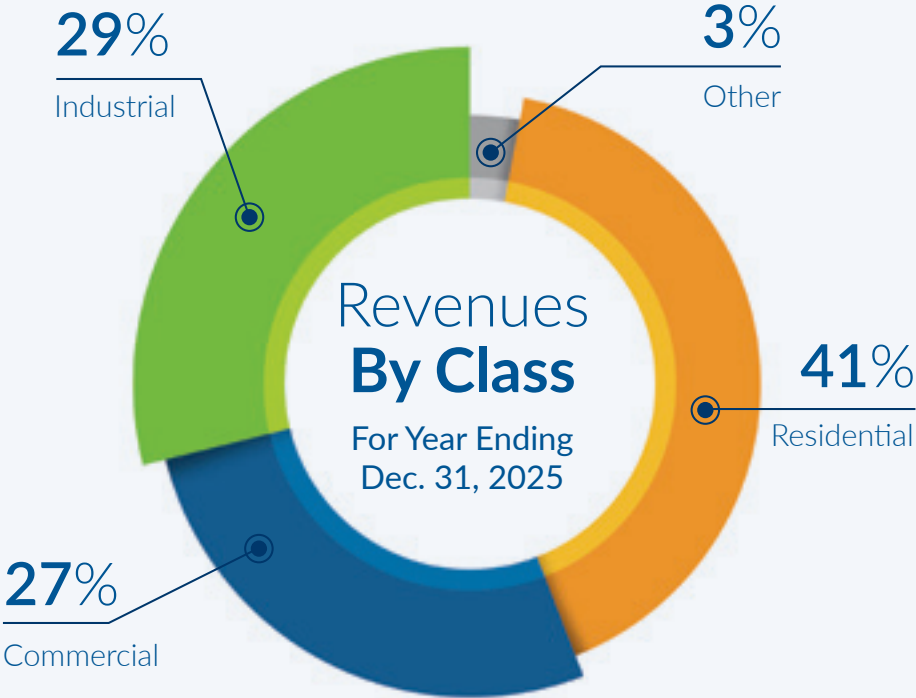
	2025 YTD	2024
Total Assets	\$ 117.7 Million	\$ 115.1 Million
Equity	\$ 76.2 Million	\$ 68.5 Million
Revenue	\$ 67.2 Million	\$ 62.6 Million
Operating & Fixed (Expenses)	(\$ 60.8) Million	(\$ 59.1) Million
Other Income (Expenses)	(\$ 1.3) Million	(\$ 1.4) Million
Margins	(\$ 7.7) Million	(\$ 4.9) Million

2025 Unaudited Financial Statements.

2025 REVENUES

by Class and Source

During 2025, AU auditors identified an adjustment to liability estimates that resulted in a \$1.9 million favorable adjustment, increasing reported financial margins for the period.





WHERE WE BEGAN

Celebrating 125 Years of Service

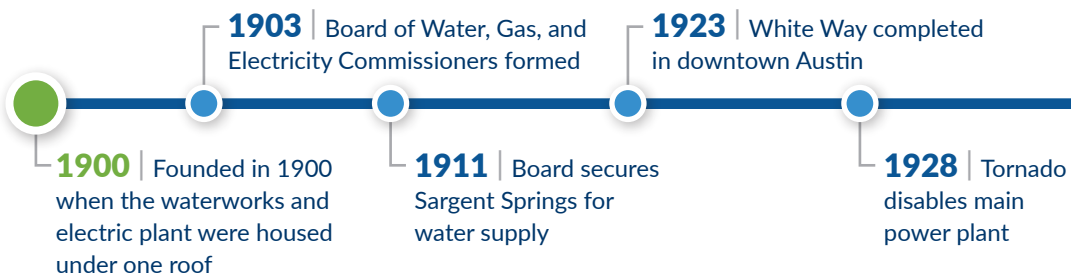
Celebrating 125 years of service means looking back at where we began. It is our honor to serve the Austin community with the same passion and dedication that shaped our earliest years. Over the past 125 years, Austin Utilities has grown through significant evolution, increasing demand, and major technological advances.

Our story began in 1900 with a community vote to purchase the electric company from its previous supplier. That decision set the stage for

what Austin Utilities would become—a reliable, public provider of electric, gas, and water. The new purchase brought the City Water and Light Plant under one roof, and in the years that followed, natural gas service was added, helping shape the official beginning of Austin Utilities.

Since then, progress has continued to light the way as we adapted to the unique and changing needs of the customers we proudly served.

AUSTIN UTILITIES TIMELINE





1932 | Natural gas service begins in Austin

1954 | We added two new water towers to Austin to support the water consumption from post-war growth

1971 | Completion of the Northeast power plant

1947 | Chlorination mandated by Department of Health

1961 | Austin Utilities funds and completes Municipal Building



1980 | Natural gas distribution system updating begins

1988 | Electric Distribution system conversion begins

1993 | Installation of Supervisory Control and Data Acquisition System (SCADA) to monitor utilities

1981 | Austin Utilities signed with SMMPA for all electric requirements

1991 | The Propane-Air Peak Shaving Plant was completed in 1991



THE PEOPLE WHO CARRIED THE TORCH

“ During my 30-year career at Austin Utilities, I knew I was part of a team where the work mattered because the community mattered. I’m proud to have played a small part in keeping our community powered and connected. ”

- **Kelly Lady**, Retired Marketing and Energy Services Manager



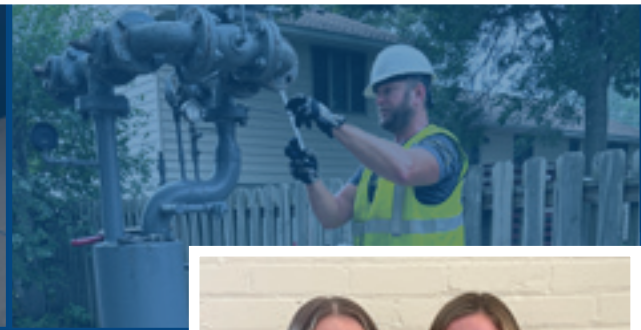
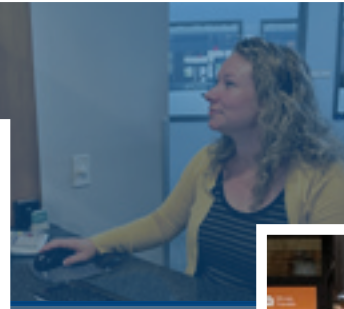
2015 | Installation of first public Electric Vehicle Charging Station in Austin

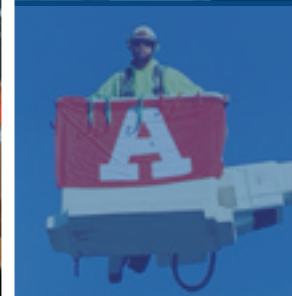
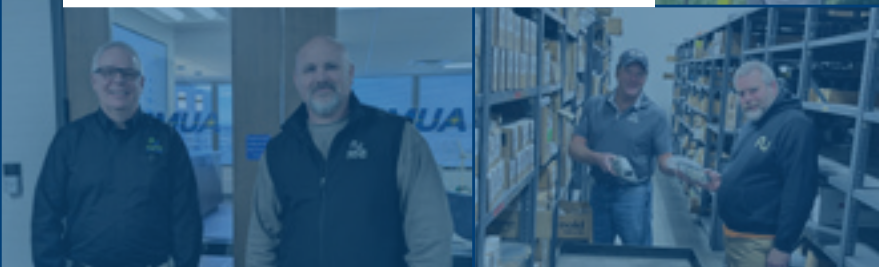
2022 | AMI systems were introduced
Demolition of the Northeast Plant

2011 | The Downtown Power Plant was set to be decommissioned. The process was completed in 2014 and the demolition occurred in 2018

2016 | Austin Utilities building was constructed, allowing all the departments to be in one centralized location

OUR TEAM TODAY





“ After being at Austin Utilities for 15 years, I can honestly say it’s been more than just a job. It has been a home. The people are incredible, the culture is second to none, and I’ve built friendships and relationships along the way that I truly cherish. ”

– **Marty Johnson**, Gas/Water Service Technician

OUR EMPLOYEES

Serving Customers Today and Every Day; Connections You Can Trust!

Administration – Tom Dankert (General Manager) (Retired: Mark Nibaur 2025)

Sarah Douty

Employee Relations – Dan Ulland (Director)

Finance and Customer Care – Kory Robinson (Director)

Accounting/Finance/Storeroom – Pete Klingfus, Joan Maxfield, Jamie Millam, Dana Steichen

Communications and Energy Services – Melissa Swenson (Manager), Taylor Arndt, Meredith Manahan

Customer Service – Michelle Orozco (Supervisor)

Heather Felten, Brooke Hostetler, Matias Martin, Audra Smalley, Ashley Stadheim, Wendy Whalen, Kara Wollschlager

Information Technology – Marc Oleson (Director)

Mike Majerus, Jonas Morehouse

Utility Operations – Alex Bumgardner (Director)

Jenny Loucks

Engineering Services – Joshua Hall (Supervisor) (Retired: Keven Maxa 2025)

Derek Berndt, Olivia Cunningham, Brandon Schaefer, Curtis Webb, Craig Weis

Gas & Water Construction – Jeff Majerus (Supervisor)

Matt Ball, Rob Cabeen, Garrett Gilster, Willie Granholm, Brian Gunderson, Wayne Guyette, Adam Heimer, John Maxfield, Codie Miller, Wade Nelson, Tyler Olson, Connor Sheehan, Jared Wiersma, Hunter Yocom

Gas & Water Services – Rob Gleason (Supervisor)

Samantha Bekaert, Ryan Bell, Jason Cummings, Jessie Dumais, Marty Johnson, Justin Peterson, Scott Wangen

Utility Operations – Jess Dunlap (Supervisor)

Steve Bissett, Nick Finholdt, Mike Johnson, Jay Kohnke, Corey Kreutzbender, Brad Sistik, Kevin Spinler, Dave White

Electric Department – Bill Bumgarner (Supervisor)

Pat Andera, Gilbert Ferguson, Jr., Alex Fiebelkorn, Trevor Herfindahl, Carson Hjelman, Garrett Lahann, Jeff Martinson, Kurt Regenscheid, Colin Roberts, Doug Rysavy, Dillon Sprague, Steve Tiegs, Tyler Underdahl, Ethan Walter, Garitt Wytaske (Retired: Mark Gerstner 2025)



LOOKING AHEAD

Towards the Future

Anniversaries offer a moment to reflect, to learn, and to appreciate how far we have come, but it is also a time to be excited for the future. As we turn toward the next 125 years, technology, customer focus, and operational efficiency will come together to shape an innovative future.

Technology will continue to propel us forward, and we are ready.



AUSTIN MUNICIPAL PLANT

THANK YOU FOR
125 YEARS
OF **SERVICE**



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