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Official notice of 79th annual meeting

The annual meeting of the members of McLean Electric Cooperative will be held at the McLean Electric Cooperative headquarters, located at 4031 Highway 37 Bypass NW, Garrison, at 6:30 p.m. on Tuesday, June 18, to take action upon the following matters:

1. Election of two directors for the cooperative
2. All other business which may come before the meeting, or any adjournments thereof

Pursuant to the bylaws, the following members have filed petitions for directorship of the cooperative:

- District 4 – Darcy Klain, incumbent, Ruso
- District 6 – Karen Hanson, incumbent, Turtle Lake

May 23, 2024

Rodney Stockdill, secretary ■

PROGRAM

5 p.m.

Registration and meal

6:30 p.m.

Call to order
 Determination of quorum
 Invocation
 Welcome
 Reading of notice and previous minutes
 President's report
 General manager's report
 Financial report
 Operation Round Up report
 Employee service awards
 Presentation of scholarships
 Election of directors
 Unfinished business
 New business
 Adjournment

McLean Electric Cooperative annual meeting minutes

June 20, 2023

The 78th annual meeting of the members of McLean Electric Cooperative Inc. was held at the company's headquarters in Garrison, N.D., on June 20, 2023. The meeting was called to order by President Larry Gessele at 6:30 p.m.

Dinner was prepared by Border States Electric and served by the Board of Directors and staff, and the Garrison American Legion Team, "The Titans."

Secretary Rod Stockdill informed President Gessele that a quorum was present and President Gessele informed the attendees that the Cooperative was open for business.

President Gessele introduced Pastor Rick Torkelson of Washburn Baptist Church, of Washburn, North Dakota, who gave the opening invocation.

President Gessele recognized present and past military service personnel and led the attendees in the Pledge of Allegiance followed by the playing of the National Anthem.

President Gessele introduced the dignitaries and guests who were in attendance and introduced Jessica Bell, Vice President of Government and Public Affairs of Rainbow Energy Center, to provide a keynote address. During her address, she reported that Rainbow is celebrating the first anniversary of taking ownership of the Coal Creek Station and the Nexus DC line. She spoke about the projects involving Coal Creek Station, the Nexus line, Discovery Wind Project, and carbon capture and sequestration.

President Gessele reported that the notice of the 78th Annual Meeting and the minutes of the 77th Annual Meeting were ready to be read for approval. It was moved that a reading of the notice and minutes be waived and that they be approved as presented. The motion was seconded and carried.

President Gessele provided his President's report, as follows:

- He thanked those that helped put together this year's Annual Meeting.
- The Cooperative is experiencing high growth and has been very busy with three crews working.
- Meter change over is ongoing.

- The cooperative is as financially sound as ever.
 - He recognized the cooperative staff and thanked them for their work and service to the cooperative.
- President Gessele introduced General Manager/CEO Mark Doyle to provide his address to the attendees.

Manager Doyle discussed the following:

2022 year review:

- The closing of the Coal Creek Station sale to Rainbow Energy.
- Ice storm experienced with many outages and downed poles.
- No lost time by any of the crews.
- Improving member communication. The continuation of the supply chain issues.
- The Cooperative is involved in community support, including the provision of scholarships to local school districts in the cooperative's territory, Kids' programs and community donations and sponsorships totaling \$23,795.
- 2022 was a financially strong year for the Cooperative. The Cooperative experienced a 5.4% plant growth and ended 2022 with an equity ratio of 36.1%. 2022 revenue was \$15,533,473.00 with a net margin of \$1,811,579.00. Total assets are \$54.1 million. KWH sales usage for 2022 was 136,848,099 KWH.

2023 year to date Cooperative happenings:

- The Cooperative experienced a major ice fog storm in January.
 - Continued growth of the Cooperative. "The Cooperative is busy."
 - A new construction work plan/RUS loan was approved in May.
- President Gessele introduced Troy Presser, MEC Director, as well as the Cooperative's Director to Central Power and the Central Power Director to Basin Electric who provided a Generation and Transmission Report.
- During his report, Director Presser thanked the attendees for the honor to serve them.
 - 2022 was a great year for Basin. Basin cut its rate by \$1 million and retired \$22 million of capital credits.

- Basin Electric experienced multiple all-time peaks in 2022 with the highest peak in September.
- Basin Electric has plans to build two transmission lines to Canada.
- DGC was approved for a CO₂ Storage Permit and Basin rejected its latest offer to sell DGC.
- He showed SPP maps of energy usage and expressed the need for more transmission in the Williston Basin.

General Manager/CEO Doyle provided an Operation Round Up report and explained how Operation Round Up works. He introduced the board members. In 2022, Operation Round Up received \$14,590.78 and awarded grants of \$6,000 to Fundraising Friends of Makoti, Mercer Community Center, Garrison Area Food Pantry, Turtle Lake Chamber of Progress “Bike Fest” and YMCA Triangle Y Camp.

He told the attendees that a maximum of \$11.80 can be given in any year.

President Gessele introduced Vice President Darcy Klain, who announced that the terms for directors in District 2 and District 7 were up for election. The incumbent directors for those districts, Clarence Behles for District 2 and Larry Gessele for District 7, were running unopposed. Vice President Klain asked for the casting of a unanimous ballot to reelect the two directors. Such a motion was made and seconded and the directors were reelected.

General Manager/CEO Doyle announced the following

employee service awards:

- Travis Voth, Line Foreman – 20 years
- Lucas Dusek, Lineman – 15 years
- Lucas Schaaf, Engineering Manager – 5 years
- Austin Dillard, Mapping & Computer Service Coordinator – 5 years

Manager Doyle presented the following scholarships: Basin Electric Scholarships of \$500 each to Coryssa Behles, of Garrison High School, daughter of Corey and Cynthia Behles of Garrison, and Cade Kjelstrup of Underwood High School, son of Christ and Taryn Kjelstrup, of Underwood. The McLean Electric Scholarship to Justin Volson of Surrey High School, son of Steve and Elaine Volson, of Surrey.

The 2023 Youth Tour Essay Contest Winner is Hannah Myers, of Garrison High School of Garrison.

President Gessele asked for any old business. There was none. President Gessele asked for any new business. There was none.

President Gessele thanked the attendees for attending the 78th Annual Meeting. The meeting upon a motion made, seconded and carried, was adjourned.

President Gessele announced that the 78th Annual Meeting grand prize of \$1,000 would be presented in two \$500 prizes to attendees who were present. The 2023 winners were Robyn Bauer, of Garrison, and Karen Hanson, of Turtle Lake. Other door prizes were presented as well. ■

COMMON CAUSES OF POWER OUTAGES

There is never a good time for the power to go out, but if it happens on a sunny day, you might be left wondering why. Here are the most common causes of a power outage.

WEATHER

High winds, snow and ice can cause tree limbs to fall on power lines. Other weather effects, like wildfires and lightning strikes, can cause major damage to equipment.

CRITTERS

Squirrels, birds, snakes and other animals can inadvertently contact power lines, causing short circuits and disruptions to electrical supply.

ACCIDENTS

Vehicles can crash into utility poles, bringing down power lines. Construction and excavation work can also result in disruptions to underground lines.

Scheduled MAINTENANCE

Occasionally, we plan outages to perform upgrades or repairs to parts of the local grid.

Meet the candidates



Hanson

Karen A. Hanson
Incumbent candidate, District 6

Karen Hanson has farmed with her husband, Richard, in the midst of the triangle between Turtle Lake, Washburn and Underwood for 34 years.

She has represented District 6 on the McLean Electric Cooperative (MEC) board of directors for the past five years. She is still excited about learning something from this ever-changing industry and contributing to the cooperative's success.

Karen has served on the MEC Operation Round Up board of directors and church council. She has volunteered her time as a Sunday school teacher, LYO leader, high school class advisor and substitute bus driver. She enjoys quilting, cooking and exploring new places.

Karen and Richard will have been married for 34 years this November and have children: Rachel and Trevor Thomas (Turtle Lake), Joshua and Sarah Hanson (Spearfish, S.D.) and Jacob Hanson (Denver, Colo.). Karen just became a grandmother to Callie Thomas this March!



Klain

Darcy Klain
Incumbent candidate, District 4

Darcy Klain is a farmer/rancher from Ruso. She first served on the MEC Operation Round Up board and has served on the MEC board of directors for six years. She has also worked for the South McLean Soil Conservation District and has been an ag loan officer for Dakota West Credit Union. She has an associate degree from Minot State University. She is married to

Durnell and they have three adult children: Tyler (Carrie), Dalyce (Adam) and Trey (Kadey). She also has two granddaughters, Finley and Skylar.

She has been active in the TL-M FFA Alumni, St. Olaf's Church, McLean County 4-H, the North Dakota Simmental Association, the North Dakota Junior Simmental Association and the McLean County Fair Board for 15 years. She enjoys gardening, traveling, and attending livestock shows and sporting events. ■

Year-end Comparison

	2023	2022
Active Services		
Residential	3,698	3,655
Irrigation	98	95
Small Commercial (1,000 KVA or Less)	425	408
Large Commercial (Over 1,000 KVA)	4	2
Public Street & Lighting	8	8
Other Sales to Public Authority	31	31
Submeters	1,551	1,552
Miles of Line		
Overhead	1,253	1,273
Underground	561	543
kWh sold	141,028,296	136,848,099
Sales of Energy	15,908,580	15,428,822
Average Member Cost	11.28 ¢	11.27 ¢
Employees	21	21

Balance sheet as of Dec. 31, 2023

ASSETS

ELECTRIC PLANT

In Service	49,432,894	47,639,450
Electric Plant Under Construction	<u>4,926,555</u>	<u>2,884,680</u>
Total Electric Plant	54,359,449	50,524,130
Less Accumulated Depreciation	<u>13,974,538</u>	<u>13,537,741</u>
Net Electric Plant	40,384,911	36,986,389

OTHER ASSETS AND INVESTMENTS

Investments in Associated Companies	9,691,364	8,888,543
Other Investments	<u>347,148</u>	<u>407,563</u>
Total Other Assets and Investments	10,038,512	9,296,106

CURRENT ASSETS

Cash	1,248,343	1,893,745
Accounts Receivable - Electric Bills	2,933,777	2,692,116
Current Portion Other Investments - Loans Rec.	74,500	74,500
Materials & Supplies	3,002,581	2,543,699
Other Current and Accrued Assets	<u>473,211</u>	<u>128,436</u>
Total Current Assets	7,732,412	7,332,496

DEFERRED DEBITS

	<u>465,734</u>	<u>559,146</u>
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TOTAL ASSETS

	58,621,569	54,174,137
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LIABILITIES

EQUITIES

Patronage Capital - Members	19,417,134	18,268,684
Other Margins & Equities	<u>1,089,601</u>	<u>1,070,985</u>
Total Equities	20,506,735	19,339,669

LONG-TERM DEBT

Total Long-Term Debt	33,902,836	30,309,153
Total Lease Obligations	507,078	477,803
Less Current Maturities	<u>1,585,018</u>	<u>1,507,403</u>
Total Long-Term Debt (Net)	32,824,896	29,279,553

OTHER NON-CURRENT LIABILITIES

Accumulated Provision for Pension & Benefits	<u>301,909</u>	<u>333,261</u>
Total Non-Current Liabilities	301,909	333,261

CURRENT LIABILITIES

Current Maturities - Long-Term Debt	1,454,202	1,401,911
Current Maturities - Lease Obligations	130,816	105,492
Line of Credit	1,500,000	2,000,000
Accounts Payable - Power Supplier	941,797	882,236
Accounts Payable - General	127,784	105,650
Member Deposits	167,484	44,497
Other Current and Accrued Liabilities	<u>454,064</u>	<u>448,604</u>
Total Current Liabilities	4,776,147	4,988,390

DEFERRED CREDITS

Advanced Payment for Electricity - Members	<u>211,882</u>	<u>233,264</u>
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TOTAL LIABILITIES

	58,621,569	54,174,137
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Statement of operations as of Dec. 31, 2023

OPERATING REVENUES

Electric Revenue	
Other	
Total Operating Revenue	

OPERATING EXPENSES

Cost of Power	
Operations & Maintenance	
Member Accounts	
Member Service	
Administrative and General	
Depreciation	
Taxes	
Other	
Sales Expense	
Total Operating Expenses	

OPERATING MARGINS

FIXED CHARGES

Interest on Long-Term Debt	
Total Fixed Charges	

MARGIN AFTER FIXED CHARGES

G&T AND OTHER CAPITAL CREDIT

NET OPERATING MARGINS

NONOPERATING MARGINS

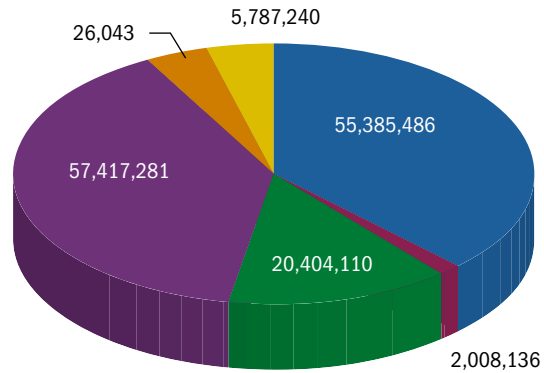
Merchandising	
Other Income	
Interest Income	
Gain (Loss) on Disposal Property	
Total nonoperating margins	

NET MARGIN

	2023	2022
Electric Revenue	15,908,580	15,428,823
Other	95,883	104,650
Total Operating Revenue	16,004,463	15,533,473
Cost of Power	9,297,485	8,989,609
Operations & Maintenance	2,082,530	1,734,602
Member Accounts	393,014	372,303
Member Service	58,044	65,818
Administrative and General	1,395,560	1,165,252
Depreciation	1,503,963	1,353,255
Taxes	105,482	103,207
Other	15,412	16,731
Sales Expense	90,355	82,662
Total Operating Expenses	14,941,845	13,883,439
OPERATING MARGINS	1,062,618	1,650,034
Interest on Long-Term Debt	1,096,596	1,005,125
Total Fixed Charges	1,096,596	1,005,125
MARGIN AFTER FIXED CHARGES	(33,978)	644,909
G&T AND OTHER CAPITAL CREDIT	1,065,111	1,112,202
NET OPERATING MARGINS	1,031,133	1,757,111
Merchandising	(30,394)	(10,301)
Other Income	452,073	2,076
Interest Income	35,829	3,071
Gain (Loss) on Disposal Property	24,605	59,622
Total nonoperating margins	482,113	54,468
NET MARGIN	1,513,246	1,811,579

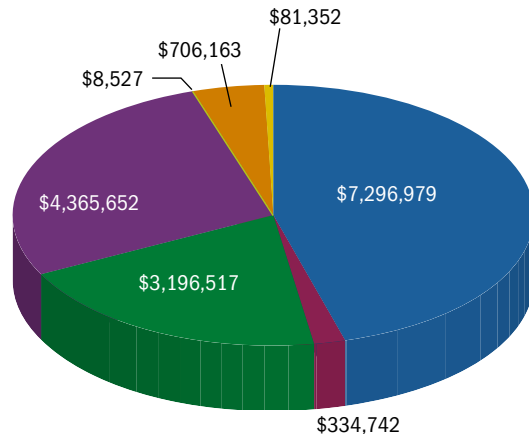
KWH Usage

Residential.....	55,385,486
Irrigation	2,008,136
Small Commercial (1,000 KVA or Less)	20,404,110
Large Commercial (Over 1,000 KVA)	57,417,281
Public Street and Highway Lighting.....	26,043
Other Sales to Public Authority	5,787,240
TOTAL.....	141,028,296



Revenue from sales of energy

Residential.....	\$7,296,979
Irrigation	\$334,742
Small Commercial (1,000 KVA or Less)	\$3,196,517
Large Commercial (Over 1,000 KVA)	\$4,365,652
Public Street and Highway Lighting.....	\$8,527
Other Sales to Public Authority	\$706,163
Wheeling (WAPA).....	\$81,352
TOTAL.....	\$15,989,932



ALWAYS ASSUME ALL DOWNED LINES ARE **LIVE**



Downed power lines can be **deadly**. Always assume a downed power line is **live** and avoid approaching them or anything near them.

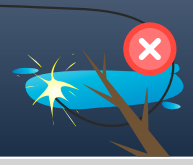
Use Precaution



Downed power lines can energize the ground up to **35 feet** away. Even more in wet conditions.



If you see a downed power line, **call 911**.



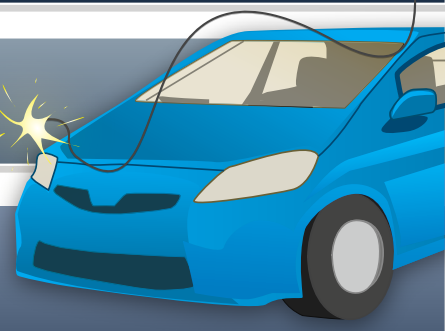
Never drive over downed power lines or anything in contact with them.



Never try to move a downed power line.

If a vehicle contacts a **power line** or **utility pole**...

STAY AWAY AND CALL 911



Consider **all lines** to be live and dangerous.



Stay in place or inside your vehicle unless you see **fire** or **smoke**.



Warn others to stay at least **35 feet** away.



Tell others not to approach vehicle, downed lines or anything that may be in contact with downed lines.



Call **911**.

In the Event of Fire or Smoke

Do not touch the ground and vehicle at the **same time**.

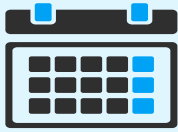


Jump from the vehicle with your **feet together**.



Shuffle away, avoid lifting your feet.





McLean County community calendar: Events and activities to see and do

McLean County area food pantry June distribution dates, times and locations:

- **Community Cupboard of Underwood food distribution:** 4-6 p.m. June 13 and June 27, 208 Lincoln Ave. Like us on Facebook, Community Cupboard of Underwood, for food pantry distributions, thrift store and other information.
- **Community Food Pantry serving Ryder, Makoti, Roseglen, Plaza, White Shield, Parshall and those in need:** 10 a.m.-1 p.m. June 22, 181 Ellsworth, Makoti.
- **Community Thrift Store serving the communities of Ryder, Makoti, Roseglen, Plaza, White Shield, Parshall and the region:** 181 Ellsworth, Makoti. Store hours: 3-6 p.m. Tuesday, 4-7 p.m. Thursday and 10 a.m.-1 p.m. Saturday, except holidays.
- **Free Community Clothing Share & Exchange Store:** Noon-6 p.m. every Thursday, 221 Main St., Turtle Lake.
- **Garrison Area Resource Center & Food Pantry, Garrison:** Noon-2 p.m. and 5-7 p.m. June 27, Garrison.
- **McLean Family Resource Center:** McLean County residents can contact the center, 701-462-8643, for an appointment to pick up baskets along with more information or assistance through the center's services, 205 Seventh St., Washburn.
- **McLean Family Resource Center Clothing Outlet:** 10 a.m.-5 p.m. Monday, Wednesday and Friday, and 10 a.m.-1 p.m. first Saturday of every month, 205 Seventh St., Washburn.
- **Our Savior Lord's Food Pantry, Max:** Noon-3 p.m. and 5-7 p.m. June 17, City Hall, 215 Main St., Max.
- **The Lord's Pantry, Turtle Lake:** 2-4 p.m. June 13, 10 a.m.-noon June 22, Trinity Lutheran Church, 515 Kundert St., Turtle Lake.
- **Wilton Food Pantry, Wilton:** "Mini" distributions every Friday, 11:30 a.m. until gone. Full food distribution, 4-6 p.m. June 20, Senior Citizens Center, 42 Dakota Ave., Wilton.

June events:

- **June 1:** National Trails Day Hike, 2 p.m.
- **June 3-4:** McLean Family Resource Center sidewalk sales, 9 a.m.-4 p.m., proceeds benefiting center programs, at the facility, Washburn.
- **June 8:** National Marina Day, 1 p.m., Fort Stevenson State Park, Garrison.
- **June 14-15:** Citywide rummage sales, Underwood.
- **June 14-16:** McLean County Fair, Underwood.
- **June 15:** Prairie Lake Festival, 11 a.m., quilt and craft auction, food and bake sale, Camp of the Cross, Douglas Bay on Lake Sakakawea.
- **June 16:** Garrison Fire Department Fly-in Father's Day Breakfast with freewill donation, 8:30 a.m.-12:30 p.m., Garrison Airport.
- **June 18:** McLean Electric Cooperative annual meeting, registration and meal 5-6:30 p.m., business meeting at 6:30 p.m., headquarters, Garrison.
- **June 20:** Blue Goose Day, registration begins at 5 p.m., free children's outdoor activities, Audubon National Wildlife Refuge.
- **June 22-23:** Frontier Military Days and Stick Horse Rodeo, noon, Fort Stevenson State Park, Garrison.
- **June 29:** Midsummer Car Classic, Underwood.

Nonprofit organizations and communities throughout McLean County are encouraged to contact Patricia Stockdill, stockdill.patricia@gmail.com, or telephone 701-337-5462, to submit community events. ■

BOARD OF DIRECTORS:

Larry Gessele, president
701-447-2461
District 7, Mercer

Darcy Klain, vice president
701-448-2408
District 4, Ruso

Rod Stockdill, secretary-treasurer
701-337-5462
District 3, Garrison

Clarence Behles, asst. secretary-treasurer
701-337-5362
District 2, Garrison

Troy Presser, director
701-447-2855
District 5, Turtle Lake

Karen Hanson, director
701-448-2636
District 6, Washburn

James Odermann, director
701-743-4415
District 1, Parshall

STAFF:

Mark Doyle, General Manager/CEO
Keith Thelen, Operations Manager
Lucas Schaaf, Engineering Manager
Wendy Kinn, Finance Manager

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