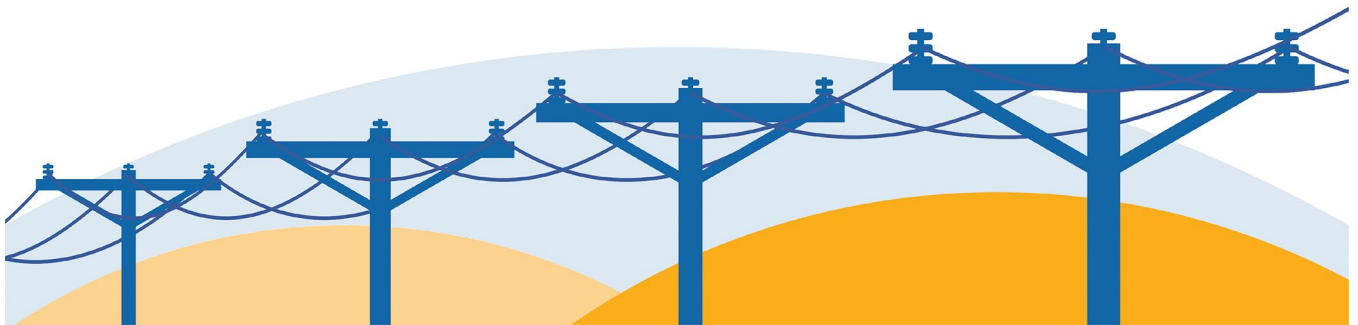


IN THIS ISSUE:

- Meet the candidates
- Financial report
- Scholarship winners



**Annual Meeting
June 17th, 2025**



**Official notice
of 80th 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 17, to take action upon the following matters:

1. Election of three 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 1– James Odermann, incumbent, Parshall
- District 3 - Rod Stockdill, incumbent, Garrison
- District 3 - Duane Hummel, candidate, Garrison
- District 5– Troy Presser, incumbent, Turtle Lake

May 22, 2025

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

MESSAGE TO OUR MEMBERS



Larry Gessele
Board President



Mark Doyle
General Manager/CEO

In 2025, McLean Electric Cooperative (MEC) has reached the 80-year milestone. The original board of directors would scarcely recognize MEC today. Through these 80 years, this co-op has served its members through many landmark events. The first was the completion of the Garrison Dam. Another was the blizzard of 1966. (All of us old-timers will always remember that one!) The building of the Coal Creek power plant and the opening of Falkirk Mine really gave McLean County an economic boost. The opening of the Blue Flint Ethanol plant was another economic boost, as the plant became an essential member of our cooperative.

Today we have a strong, diverse co-op, with a mix of residential, ag, oil, ethanol, production, lake development and the growth of MHA Nation.

As we start the march toward our 100-year milestone, MEC will continue to provide safe, reliable electricity at the lowest cost possible and continue to support the community through its various programs.

As mentioned, our priority is to deliver safe, reliable, affordable electric service to our members. With safety at the forefront, MEC was recognized again with several awards for 2024. The first was the Safety Excellence Award for 10 consecutive years with no lost-time

injuries. It is believed only one other cooperative has received this award in the past. We are very proud of the staff and our strong safety culture of looking out for one another, so everyone goes home each night. Thank you to the staff!

Our board of directors, management and staff are also dedicated to maintaining the reliability of our system, while keeping costs as low as possible. Along with other electric cooperatives in the state, we have had to raise our monthly base rate to try to cover our fixed costs. Much of the increase is due to the 50% to 100% or more increase in materials costs we need to maintain and upgrade our system, while trying to keep up with about 4% annual growth.

This increased our cash flow due to carrying a large inventory and supply chain issues that still exist. We have most of the inventory in the yard for the 2025 and 2026 projects, as lead times for delivery are improving, but are six months to two years out, depending on the material.

We also have a concern for community, which is another guiding principle. The MEC Operation Round Up trustee board consists of seven members appointed by the board of directors. These trustees review applications for grants with funds provided by you, the member. In 2024, Operation Round Up provided \$17,000 in projects around the county.

In addition, MEC is always proud to sponsor events and projects for organizations in our service territory.

Last year, we partnered with Basin Electric Power Cooperative, CoBank and the Rural Development Finance Corporation, supporting local schools, cultural festivals and community events. Our commitment to the community is an integral part of who we are as a cooperative, and we will continue to prioritize and support community development efforts in the future.

What the next 20 years will bring will be anybody's guess, but one thing is sure: MEC will be part of it.

We look forward to visiting with you at your annual meeting.

ANNUAL MEETING MINUTES - JUNE 18, 2024

The 79th Annual Meeting of the members of McLean Electric Cooperative, Inc., was held at the company's headquarters in Garrison, North Dakota, on the 18th day of June, 2024. The meeting was called by order by Vice-President Darcy Klain at 6:30 p.m.

Dinner was prepared and served by Board of Directors and staff, to the members.

Secretary Rod Stockdill informed Vice-President Klain that a quorum was present and Vice-President Klain

informed the attendees that the Cooperative was open for business.

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

Vice-President Klain recognized present and past military service personnel and led the attendees in the Pledge of Allegiance which was followed by the playing of the National Anthem.

Vice-President Klain introduced the dignitaries and guests who were in attendance and thanked them for attending.

Vice-President Klain reported that the notice of the 79th Annual Meeting and the minutes of the 78th 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.

Vice-President Klain provided a state of the Cooperative report, as follows:

- She thanked those that provided food for the meeting and those that helped put together the 79th Annual Meeting.
- She introduced the Board of Directors and the Member Advisory Committee to the attendees.
- She reported that 2023 was a good year for the Cooperative and that the employees earned many safety awards including the NDAREC Safety Excellence for five consecutive years. No other Cooperative had received this award.
- She mentioned that rates have risen for the first time since 2017 but the Cooperative is also experiencing growth.

Vice-President Klain introduced General Manager/CEO Mark Doyle to provide his address to the attendees.

Manager Doyle discussed the following:

2023 was a typical year.

- There was frost damage at the beginning of the year even with mild weather, and the year ended with a massive ice storm, all of which created significant damage to the Cooperative.
- The Cooperative is experiencing high growth, such as in Lake Sakakawea subdivisions, expansion of the White Shield community, Blue Flint Ethanol and Rainbow Energy Center.
- The supply chain problems continue, which is most likely the biggest issue for the Cooperative at this time.

Vice-President Klain introduced Business Manager Wendy Kinn to provide the Financial Report for the Cooperative. She reported that plant growth for 2023 was 3.76%, and the equity ratio was 35%. Revenue was \$16,004,463, which is up approximately 3% from 2022 and net margin was \$1,513,246. Year-end total assets were \$58,621,569. 2023 kWh usage was 141,028,296. Year-end active services were 4,264 and the Cooperative had 1,253 miles of overhead and 561 miles underground.

Vice-President Klain 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 stated that Basin has built a new line to connect substations within its territory to improve efficiency.
- Basin is investing in a new phase of the Pioneer Generation Station near Williston, North Dakota.
- The proposed 345 kV transmission line plan from the Leland Olds power station to the Tande Substation near Tioga is ongoing.

He thanked the attendees for attending and for their

support. General Manager/CEO Doyle introduced Mark Jennings, Chairman of the Cooperative's Operation Round Up Board who provided an Operation Round Up report. He explained how Operation Round Up operates and that the Operation Round Up Board is independent of the rest of MEC. Board members are members of the Member Advisory Committee and they were introduced to the attendees.

In 2023, Operation Round Up received income of \$14,114.24 and awarded grants of \$11,900.00 to Turtle Lake Trails Project, Our Savior's Lord Pantry, Guardian and Protective Services, Elks Camp Grassick, First Congregational Church for food pantry, Andrea Andrews for medical expenses, a house fire, and Turtle Lake Chamber of Progress Bike-Fest. He told the attendees that a maximum of \$11.88 can be given in any year with average distributions to Operation Round Up of about \$6 annually. Each month's bill is rounded up to the nearest dollar.

Vice-President Klain introduced Secretary Rod Stockdill who announced that the terms for directors in District 4 and District 6 were up for election. The incumbent directors for these Districts, Darcy Klain, District 4, and Karen Hanson, District 6, were running unopposed. Secretary Stockdill asked for the casting of a unanimous ballot to reelect the two directors. A motion was made and seconded and the directors were reelected.

General Manager/CEO Doyle announced the following employee service awards:

- Daryl Engel, Meter Tech – 50 years
- Tonya Graeber, Office Manager – 25 years
- Brian O'Shea, Lineman – 15 years
- Kelly Schmaltz, Warehouseman/Locator – 10 years
- Wendy Kinn, Business Manager – 10 years
- Julie Streich, Customer Service Representative – 10 years
- Loren Desjardins, Lineman – 5 years
- Karen Thompson, Accountant – 5 years

General Manager/CEO Doyle presented the following scholarships:

1. Basin Electric Scholarships of \$500 each to Alyssa Haakenson, daughter of Steven and Anita Haakenson, of Parshall High School, and Mara Krzmarzick, daughter of Jim and Karen Krzmarzick, of Garrison High School. The McLean Electric Scholarship to Justis Klabunde, son of Robyn and Sheila Klabunde, of Garrison High School.
2. The 2024 Youth Tour Essay Contest Winner is Neela Sand, daughter of Darrin and Serena Sand, of Garrison High School.

Vice-President Klain asked for any old business. There was none. Vice-President Klain asked for any new business. There was none.

Vice-President Klain asked for a motion to adjourn. Such motion was made and seconded and voted to adjourn.

Vice-President Klain announced that the 79th Annual Meeting grand prize of two \$500 prizes to attendees who were present. The 2024 winners were Verle Anderson, of Max, North Dakota, and Jimmy Ravnaas, of Ruso, North Dakota. Other door prizes were presented as well.

MEET THE CANDIDATES



ODERMANN

JAMES ODERMANN INCUMBENT CANDIDATE DISTRICT 1

James Odermann farms in northwestern McLean County near Parshall. Odermann currently represents District 1 for the past nine years on McLean Electric Cooperative's (MEC) board of directors. He is seeking reelection because he wants to be part of the direction MEC takes in the many challenging new and existing issues that confront the electric industry.

Odermann has served on the MEC Member Advisory Board as well as the Operation Round Up board. He is active in other community organizations, including the St. Bridget

Church council, as the township clerk for Cremerville Township and on the Parshall Area Community Foundation. He has also been on the school board and served on the local volunteer fire department and first responders.

He attended Dickinson State University and earned a Bachelor of Science in business administration. He is married to Leslie, who is retired after 30 years of teaching. They have four children: daughters, Jayma and Rayessa, who are both registered nurses in Bismarck; a son, Myles, who is an attorney in New York City; and a son, Tyson, who is a second-year economics major at Yale University. James and Leslie have also been blessed with seven grandchildren.

James enjoys hunting, working with his dogs, golf and reading. Most importantly, James enjoys spending time with his family.



PRESSER

TROY PRESSER INCUMBENT CANDIDATE DISTRICT 5

Troy Presser is a farmer/rancher in eastern McLean County. Presser represents District 5 on MEC's board of directors. He seeks reelection to continue improving power quality while controlling costs and treating all members fairly.

As a current MEC board director, Presser received the Director Gold Certificate from the National Rural Electric Cooperative

Association (NRECA). This is the highest director education certificate available. He also represents MEC on the Central Power Electric Cooperative board of directors. He represents Central Power on the Basin Electric Power Cooperative board of directors through that board.

Troy and his wife, Annette, live near Turtle Lake. They have three children: Megan, Tyler and Heather (deceased), and two granddaughters, Lillian and Chevelle. Troy is an active member of Trinity Lutheran Church, Turtle Lake Wildlife Club, Medicine Hill Township Supervisor and N.D. Red Angus Association. Troy enjoys hunting, fishing, golf and trapshooting.



HUMMEL

DUANE HUMMEL CANDIDATE DISTRICT 3

Duane Hummel's career began in the farm machinery industry as a parts person at a dealership in Garrison. Over the years, he held various roles within the dealership and eventually stepped into a management position. When the opportunity arose to purchase the dealership, he partnered with a few colleagues and together acquired the business, renaming it Lakeside Machinery. They successfully operated the dealership for many years until it became part of the Plains Ag Company. He is currently employed with Northern Plains Equipment in Garrison.

Hummel is running for District 3 director because he felt that it was time to do his part as a lifelong cooperative member. He is committed to representing the members of District 3, ensuring their voices are heard, and bringing their perspectives to the table as the board makes

decisions that can directly affect its members. He hopes to continue the cooperative tradition of providing safe, reliable, and affordable electricity for our members into the foreseeable future.

He graduated from Garrison High School in 1982 and went on to earn a diesel mechanics degree from North Dakota State College of Science. He is the proud parent of two children, Bryce and Jessi. Bryce and his wife, Dani, have three children, Jaxson, Harper and Jett, and live in Garrison. Jessi lives in Bismarck with her boyfriend, Zack.

Duane has served on several boards, both locally and statewide. These include the Garrison Rural Fire District Board, the Garrison school board, the North Dakota FFA Foundation board and the North Dakota FFA Alumni board. Much of his free time is spent traveling around the state to support his grandkids in their many activities, including football, basketball, dance, archery and more. He enjoys getting outdoors for goose and deer hunting. Above all, some of his favorite moments are simply spent with his kids and grandkids, making memories and having fun together.



STOCKDILL

ROD STOCKDILL INCUMBENT CANDIDATE DISTRICT 3

Rod Stockdill currently represents District 3 on MEC's board of directors. As a former MEC employee who was asked to run for the board several years after retirement, his cooperative knowledge and background can be beneficial in guiding the cooperative in the future.

As a MEC board director, Stockdill serves as MEC's representative for the North Dakota

Association of Rural Electric Cooperatives (NDAREC) board of directors. He has taken board leadership credentials and is an NRECA credentialed director. Stockdill served in the North Dakota National Guard. He came to MEC as a lineworker, advancing to line foreman and retired as operations manager in 2007. He also served as a technician for the West McLean Soil Conservation District.

Rod and his wife, Patricia, live near Garrison along Lake Sakakawea with their two Brittany hunting dogs. Rod is active in the American Legion Post 49 of Garrison and Sakakawea Pheasants Forever as a member/habitat chairman. Rod has a part-time taxidermy business, RPS Taxidermy. Rod enjoys hunting, fishing and golf.

OPERATION ROUND UP

Operation Round Up is a voluntary program in which McLean Electric Cooperative (MEC) consumers round up their monthly electric bills to the nearest dollar. The money goes into a trust fund, with grants awarded by a seven-member volunteer board. Operation Round Up funds support qualifying individuals, families or organizations in need of financial assistance. It assists with personal or family emergencies and community-based education, health, charitable, scientific or safety programs or projects. Recipients must live within MEC's service area, but don't have to be MEC members.

A total of \$17,000 was awarded in 2024. Eight organizations received grants when MEC consumers "rounded up" through the program in 2024:

- Ryder Community Food Pantry
- TL Trinity Lutheran Church Senior Citizens Exercise Program
- Baby Eliana Behles medical expenses
- Turtle Lake Ambulance
- N.D. 4-H Foundation
- Community Action Back Pack Kids Program
- Bio Girls - Empowerment & Preventive Mental Health Program
- Turtle Lake Chamber of Progress (Bike Fest)

The groundwork to establish Operation Round Up began in 2012. Since awarding its first grants in 2013, MEC members contributed \$169,594.71 to the program. Grants totaling \$150,882.46 have been granted to 96 recipients since the program's inception.

The most an MEC account could contribute annually is \$11.88. For most MEC consumers, contributions average about \$6 annually when each month's bill is rounded up to the nearest dollar.

Operation Round Up board of directors shall be elected and voted on by MEC's seven-member board of directors. Operation Round Up directors are President Mark Jennings, Washburn, Vice President Debbie Boe, Turtle Lake, Secretary-Treasurer Carla Landenberger, Underwood, Steven Haakenson, Parshall, Lena

Volochenko, Butte, Darci Behles, Garrison, and Shelly Schumacher, Garrison.

The Operation Round Up board focuses on the organization's goals and mission in its ranking process as it reviews applications. Serving on the Operation Round Up board of directors is a voluntary, non-paying position.

MEC employees or board of directors are not involved with the Operation Round Up board or its decision-making. The cooperative's role is advisory, and it helps administer the program and ensuring bylaws and IRS 501(c)(3) regulations are followed.

Recipients can apply more than one time and must be an Internal Revenue Service 501(c)(3) federal tax-exempt organization. Individuals with medical or emergency financial needs can receive grants through nonprofit organizations' grant requests.

More information is available on MEC's website, mcleanelectric.com, under "Community/Operation Round Up" or call the MEC office and visit with Sonja Moe at 701-463-6700 or toll-free 800-263-4922.

2024 Operation Round Up financial report

Beginning balance (Jan. 1, 2024)\$21,252.06

INCOME

Operation Round Up contributions YTD.....\$14,460.19

Total income YTD\$14,460.19

EXPENSES

Grants awarded in 2024\$17,000

Administrative expenses.....\$10

Total expenses\$17,010.00

Ending balance (Dec. 31, 2024)\$18,702.25

Balance sheet as of Dec. 31, 2024

ASSETS

ELECTRIC PLANT

In Service	51,372,579	49,432,894
Electric Plant Under Construction	4,735,411	4,926,555
Total Electric Plant	56,107,990	54,359,449
Less Accumulated Depreciation	14,334,299	13,974,538
Net Electric Plant	41,773,691	40,384,911

OTHER ASSETS AND INVESTMENTS

Investments in Associated Companies	10,473,214	9,691,364
Other Investments	340,713	347,148
Total Other Assets and Investments	10,813,927	10,038,512

CURRENT ASSETS

Cash	983,159	1,248,343
Accounts Receivable - Electric Bills	3,196,825	2,933,777
Current Portion Other Investments - Loans Rec.	33,000	74,500
Materials & Supplies	3,542,845	3,002,581
Other Current and Accrued Assets	614,502	473,211
Total Current Assets	8,370,331	7,732,412

DEFERRED DEBITS

	371,972	465,734
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TOTAL ASSETS

61,329,921

58,621,569

LIABILITIES

EQUITIES

Patronage Capital - Members	20,832,568	19,417,134
Other Margins & Equities	1,133,892	1,089,601
Total Equities	21,966,460	20,506,735

LONG-TERM DEBT

Total Long-Term Debt	35,688,537	33,902,836
Total Lease Obligations	376,264	507,078
Less Current Maturities	1,644,923	1,585,018
Total Long-Term Debt (Net)	34,419,878	32,824,896

OTHER NON-CURRENT LIABILITIES

Accumulated Provision for Pension & Benefits	323,243	301,909
Total Non-Current Liabilities	323,243	301,909

CURRENT LIABILITIES

Current Maturities - Long-Term Debt	1,540,615	1,454,202
Current Maturities - Lease Obligations	104,308	130,816
Line of Credit	900,000	1,500,000
Accounts Payable - Power Supplier	1,137,538	941,797
Accounts Payable - General	27,397	127,784
Member Deposits	170,080	167,484
Other Current and Accrued Liabilities	506,731	454,064
Total Current Liabilities	4,386,669	4,776,147

DEFERRED CREDITS

Advanced Payment for Electricity - Members	233,671	211,882
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TOTAL LIABILITIES

61,329,921

58,621,569

Statement of operations as of Dec. 31, 2024

OPERATING REVENUES

Electric Revenue	
Other	
Total Operating Revenue	

OPERATING EXPENSES

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

OPERATING MARGINS

FIXED CHARGES

Interest on Long-Term Debt	
Total Fixed Charges	

MARGIN AFTER FIXED CHARGES

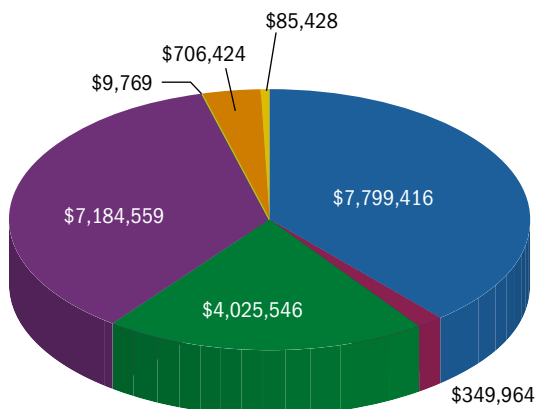
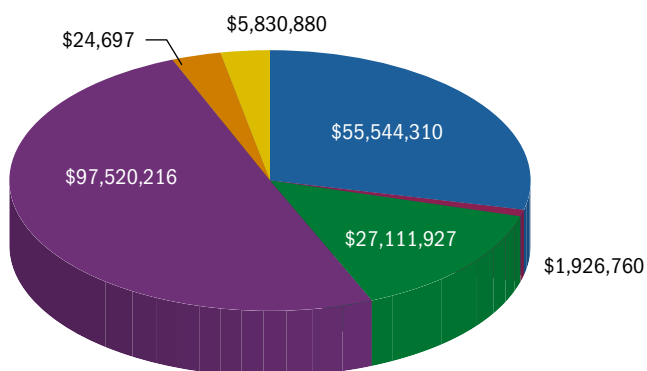
G&T AND OTHER CAPITAL CREDIT

NET OPERATING MARGINS

NONOPERATING MARGINS

Merchandising	
Other Income	
Interest Income	
Gain (Loss) on Disposal Property	
Total Nonoperating Margins	

NET MARGIN



KWH Usage

Residential	\$55,544,310
Irrigation	\$1,926,760
Small Commercial (1,000 KVA or Less)	\$27,111,927
Large Commercial (Over 1,000 KVA)	\$97,520,216
Public Street and Highway Lighting	\$24,697
Other Sales to Public Authority	\$5,830,880
TOTAL	\$187,958,790

Revenue from sales of energy

Residential	\$7,799,416
Irrigation	\$349,964
Small Commercial (1,000 KVA or Less)	\$4,025,546
Large Commercial (Over 1,000 KVA)	\$7,184,559
Public Street and Highway Lighting	\$9,769
Other Sales to Public Authority	\$706,424
Wheeling (WAPA)	\$85,428
TOTAL	\$15,989,932



Tavi Hirschert



Jack Retterath



Lucille Taylor



Analiese Kallberg

Scholarship winners

As part of our commitment to community and area youth, McLean Electric Cooperative (MEC) is pleased to announce the 2025-26 student scholarship winners, whose families are member-owners of MEC. This year, 17 applications were received. All applicants were rated favorably, which is an indication of the quality of students we have in MEC's service territory.

BASIN ELECTRIC POWER COOPERATIVE SCHOLARSHIPS

Basin Electric Power Cooperative provides two \$500 scholarships to MEC to be awarded as a scholarship to two qualified candidates. These scholarships were awarded based on academic excellence, which includes the following criteria: ACT scores, work experience and participation in school and community activities.

Tavi Hirschert

Tavi is a graduate from Wilton High School and is the daughter of Earl and Mary Hirschert of Wilton. She is attending North Dakota State University (NDSU) and majoring in pharmacy. Her goal is to become a pediatric pharmacist. She was the class valedictorian and active in golf, basketball, track, FFA, Family, Career and Community Leaders of America and National Honor Society.

Jack Retterath

Jack will graduate from Washburn High School and is the son of Justin and Rachel Retterath of Washburn. He will be attending NDSU pursuing a bachelor's degree in agriculture economics with a minor in business or finance. His plan is to take over the family farm and ranching operation. He is active in basketball, baseball, band, student government, National Honor Society and volunteering in his community.

MCLEAN ELECTRIC SCHOLARSHIP

Each entry had to include a short response to an essay question to be eligible for the \$500 scholarship. This year's essay question was: "How does the electricity provided by your electric cooperative improve the quality of life in your community?"

Lucille Taylor

Lucille will graduate from Garrison High School and is the daughter of Debra Taylor. She will be attending Minot State University and pursuing a career as speech-language pathologist in the school system. She is active in choir, dance, track, volleyball, honor society, volunteering with community events, church, 4-H and the food pantry.

YOUTH TOUR Analiese Kallberg

Analiese Kallberg is a junior at Garrison High School and is the daughter of John and Nicole Kallberg of Garrison. She has been selected to represent MEC on the all-expense-paid 2025 Electric Cooperative Youth Tour in Washington, D.C., this June. During the weeklong tour, Analiese and other students from across North Dakota will tour sites, monuments, attractions and congressional offices. They will learn about electric cooperatives and discuss issues facing their community and nation.