

# PRESIDENT AND CEO MESSAGE

As June 7th approaches, we understand that not all members are able to attend the annual meeting in person; therefore, we wanted to update you on the past year. We would also like to encourage you to follow our social media feeds and website to receive updates about the cooperative.

The board and staff are proud of the financial condition our cooperative is in. Our growth has forced us to be detailed in our budget and rates, which benefits the membership. Financially, the cost to operate and maintain the reliability of our electric grid has increased substantially. LYREC needs to be prepared for unforeseen events that are destructive to our electrical system and have the necessary finances available to act when LYREC's electric grid is damaged.

The operations department has been concentrating on the reliability of the distribution grid. After the last large weather event that tore through our system, it is apparent that our reliability and redundancy is especially important to the membership. LYREC has a rich history of ensuring the distribution grid is updated and taken care of, but we have made that even stronger. Our operations department has made an effort to upgrade lines, both overhead and underground, that have been giving us problems. We also started testing breakers and other devices that help protect our system and reduce outages. We have found that replacing these devices with new technology has increased the reliability and reduced the amount of outage time.

Our power suppliers, Upper Missouri Power Cooperative, Basin Electric Power Cooperative, and Western Area Power Administration, continue to play an exceptionally large role in our rate design and future decisions. Our power suppliers are experiencing a shift in the industry that affects how LYREC plans for the future. As part of the strategic discussion, we are looking

at all aspects of our business, and the adjustments that will need to be made due to the changes in the energy market. As cooperatives, we have seen these challenges before and moving forward with our membership's support, we are confident that we will make the right decisions and continue to supply safe, reliable power at an affordable cost.

This past year we have worked hard to ensure the safety and security of our employees, members, and our grid as a whole. Safety always comes first no matter what we do, and we will continue to hold safety events and promote safe practices on our social media and print publications. Safety education is vital in our field, but cybersecurity is imperative. In recent months, the security of all electric grids has been challenged. We have been asked by the federal and state governments to be on high alert for attacks toward any electric facility. We have been increasing our security measures in all areas of the cooperative to protect the grid that serves the membership from a destructive attack on the cyber side of the business.

On behalf of the Board of Directors, our management team and all the employees, we say thank you for your support, until we meet again, stay safe.



# OFFICIAL NOTICE OF ANNUAL MEETING

The annual membership meeting of Lower Yellowstone Rural Electric Cooperative will be a hybrid meeting this year. The in-person meeting will be held at the Richland County Fairgrounds Event Center in Sidney, Richland County, Montana, at 6:00 p.m. on Wednesday, the 7th day of June 2023. The meeting invite for the virtual meeting will be posted on LYREC's website and social media pages closer to the event. Each member account joining either in person or virtually, and staying through the business meeting, will receive a \$100 bill credit.

The following business will be transacted:

- The reports of officers, trustees, and committees.
- Report of trustee election
- All other business which may come before the meeting.

The following members have been nominated for trustee positions by the Nominating Committee.

- Dennis Nelson – District 5
- Greg Rauschendorfer – District 6
- Allen Thiessen – District 7

The Nominating Committee met on March 2nd, 2023. Following the committee's work, they nominated only one candidate per district; accordingly, the election of trustees will be by acclamation. Dennis Nelson will be reelected to represent District 5, Greg Rauschendorfer will be reelected to represent District 6, and Allen Thiessen will be reelected to represent District 7.

**LYREC**

**LOWER YELLOWSTONE  
RURAL ELECTRIC COOPERATIVE**

Your Touchstone Energy® Cooperative

**ANNUAL MEETING  
NOTICE & REPORT**

**JUNE 7**  
**REGISTRATION AND  
DINNER: 5 – 5:45PM**  
**BUSINESS MEETING: 6 PM**

# BALANCE SHEET

Equities and Liabilities	
Equities	
Patronage Capital	40,594,544
Net Margins	3,591,669
Non-operating Margins	72,061
Other equities	3,052,694
Total Equities	\$ 47,310,968

Long Term Debt	
Total Long Term Debt	\$ 37,149,583

Current Liabilities	
Notes Payable	\$ 246,144
Accounts Payable	2,597,291
Consumer Deposits	139,028
Current Maturities - Long Term Debt	977,532
Other Current Liabilities	1,115,004
Total Current Liabilities	\$ 5,074,999
Deferred Credits	384,051
Total Equities and Liabilities	\$ 89,919,601

Property Taxes Paid in 2021	
County	
Richland	\$ 731,041
Roosevelt	33,244
Dawson	15,829
Williams	4,410
State of North Dakota	65,419
Total 2022 Property Taxes Paid	\$ 849,943



Assets	
Utility Plant	
Electric Plant in Service	\$ 101,905,774
Construction Work in Progress	1,120,582
Total Utility Plant	103,026,356
Less Provision for Depreciation	-33,131,375
Net Utility Plant	\$ 69,894,981

Other Property	
Investments & Special Funds	
Non-Utility Property	\$ 7,600
Investments in Associated Utilities	11,798,733
Total Other Property and Investments	\$ 11,806,333

Current Assets	
Cash-General Fund	\$ 965,694
Temporary Investments	928,688
Accounts Receivable (Energy)	3,053,367
Accounts Receivable (Other)	156,019
Material & Supplies	3,114,519
Total Current Assets	8,218,287
<b>TOTAL ASSETS</b>	<b>\$ 89,919,601</b>

# SCHOLARSHIPS

LYREC will be awarding several college scholarships at the June 7 annual meeting. This year for a chance to win a scholarship, you will need to Create-A-Greeting Card. You are already taking beautiful shots for your Snapchat and Instagram pages, so why not put your skills to work and snag a \$1,000 college scholarship with your photo?

The eligibility criteria and guidelines will be posted on [www.lyrec.coop](http://www.lyrec.coop) and on LYREC's social media sites.

The application deadline is 5 p.m. on May 30.

The scholarship recipients will be announced during the June 7th annual meeting. Applicants are not required to attend, but encouraged.

\*\* An individual applicant can receive a maximum of two annual meeting scholarships.

## Operation Round Up

In 2022, the Operation Round Up Program donated \$4,900 to the following nonprofit and community organizations:

- Savage Public School – Juice bar
- Zion Lutheran Church -Monthly newsletters for parents
- Savage Sunrise Manor – Adequate seating for commons area
- Lambert Public School Music Department – Donation for trombone
- Richland County Health Department Injury Prevention - BOTB student led seatbelt competition.
- Bainville Public School Athletic Department – Funds for rebound basketball machine.
- ABATE of MT Chapter – Funds for annual toy drive for less fortunate children in Richland County.

On behalf of the Operation Round Up Board, thank you for helping make our community a better place to work and live.

Battle of the Belts caption: Richland County Health Department Injury Prevention received a grant for \$1000 to promote Battle of the Belts (BOTB). BOTB is a 6-week countywide student-led competition

for Richland County Schools. The schools participating are: Sidney, Fairview, Lambert, Savage, Liberty Christian, and Brorson. The goal of the BOTB is to reduce the number of motor vehicle related injuries and fatalities among Richland County students by increasing seat belt use. The project will reach up to 1872 Richland County students, their parents and caregivers.

Savage School pic: Operation Round up granted \$1,000 to Savage Public School to assist in the purchase of a juice bar. The juice bar provides a healthy option for students with allergies to dairy products.

**PLEASE BRING THIS PAMPHLET TO THE ANNUAL MEETING. THERE WILL BE NO REGISTRATION CARDS.**



# SMARTHUB

Manage your electric account right from your smart phone or tablet with SmartHub.

- » View and pay bills
- » Set up recurring & stored payments
- » Manage your account
- » Communicate directly with LYREC



## PLEASE UPDATE CONTACT INFORMATION

It is important that LYREC has your preferred phone number for emergency situations. To update your contact information, call our office at 406-488-1602 or send an email to [lyrec@lyrec.coop](mailto:lyrec@lyrec.coop).