

The Nodak Neighbor



MEMBER
-owned,

MEMBER
-focused

**ANNUAL
REPORT**

Official Publication of the
Nodak Electric Cooperative, Inc.

746-4461 or 800-732-4373

www.nodakelectric.com

*This institution is an equal opportunity
provider and employer.*

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**Volume 74, No. 2
March-April 2024
Officers and Directors**

Chairman of the Board Luther Meberg
Vice Chairman Les Windjue
Secretary/Treasurer David Brag
Directors Ryan Benson, David Hagert,
David Kent, Peter Naastad,
Cheryl Osowski and Steven Smaaladen
President & CEO Mylo Einarson
Editor Blaine Rekken

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Member-focused page 6
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ON THE COVER

Nodak Electric is proud to deliver safe, reliable and affordable electricity to all members, including farms, businesses and local neighborhoods like the one featured on this cover.

NOTICE OF ANNUAL MEETING



To the members of Nodak Electric Cooperative, Inc.:

You are hereby notified that the 84th annual meeting of Nodak Electric Cooperative will be held Wednesday, April 10, 2024, at the Alerus Center, 1200 42nd Street South in Grand Forks, beginning at 6 p.m., for the following purposes:

- To pass upon reports covering the previous fiscal year, including acting upon reports of directors.**
- To elect three directors:**

Listed below are candidates either nominated by petition or selected by the Committee on Nominations. The members of the Committee on Nominations are appointed by the board of directors.

DISTRICT 1	DISTRICT 2	DISTRICT 3
(one 3-year term)	(one 3-year term)	(one 3-year term)
Ryan Benson Arvilla	David Hagert Grand Forks	David Brag Finley

- To transact business that may come before the meeting.**

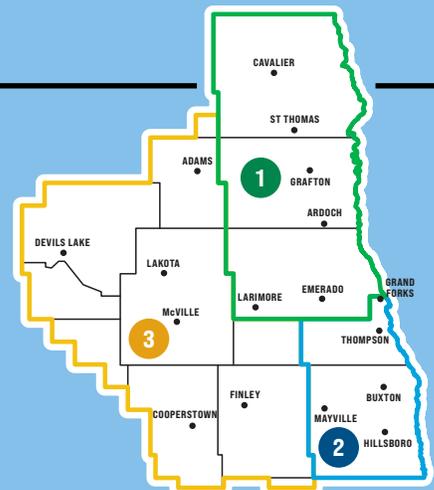
Voting by mail. For the election of directors, the board of directors has authorized the mailing of an absentee ballot to each member. Since the election this year is uncontested, we will not be mailing ballots and return envelopes for the election. However, if you still wish to vote, you are entitled to vote, and we will honor that right by sending you an absentee ballot. Please feel free to call our office at 1-800-732-4373 and request an absentee ballot, and one will be mailed to your address. If the completed ballot is received by 4:30 p.m. on April 9, 2024, it shall be counted as a vote of the absent member.

*David Brag, Secretary/Treasurer
March 4, 2024*

HOW TO VOTE



Members may vote in person at the Alerus Center on Wednesday, April 10, at 6 p.m., or by mail. Ballots will be mailed upon request prior to the meeting. Voting instructions will be included.



CANDIDATES FOR BOARD OF DIRECTORS



Ryan Benson

DISTRICT 1

Ryan Benson lives on his family farm near Arvilla, N.D. As a sixth-generation farmer, he currently farms near the Grand Forks AFB, growing crops of wheat, corn, soybeans, sunflowers and canola.

He has served on his township board for 15 years and has served a nine-year term on the Honeyford Elevator board – four of those years as president. Ryan also serves on the Gilby volunteer fire department board. Ryan has enjoyed everything that he has learned from his first term as a Nodak Electric director and would like the privilege of serving another term and continuing his learning and growth as a board member. Along with his wife Kristi and two children, the family has a couple dogs, cats, some chickens, and a few pigs on their farm.



David Hagert

DISTRICT 2

David Hagert has been a member of the board of directors for Nodak Electric Cooperative since 1991 and has held numerous offices, including chairman. He has completed the required courses to receive

the Credentialed Cooperative Director certificate. David owns and operates AgriData, Inc., a web-based mapping software company that serves farmers, ranchers, and agri-businesses on a national basis. He has served on the North Dakota Atmospheric Resource board, Emerado school board, the Emerado Arvilla Lions Club, the Northwood Jaycees, the Grand Forks County Crop Improvement Association, the Grand Forks County Farm Bureau, the Grand Forks County Planning and Zoning Commission and was past treasurer of Pleasant View Township. David and wife, Karen, have four grown daughters and two grandchildren.



David Brag

DISTRICT 3

David Brag is a lifelong resident of Finley, N.D. He has served in his community over the years as a church council board member and park board member and is currently farming part-time. He is a

Class B electrician and a retired crew foreman of Nodak Electric in Finley. He is a graduate of Finley Public High School and obtained his degree from North Dakota State College of Science in Wahpeton, N.D. Recently, David was elected to serve on the board of directors of the North Dakota Association of Rural Electric Cooperatives. His experience offers understanding of rural community needs, using a common-sense approach. David and wife, Kathy, have three daughters. He loves spending time with their seven grandchildren.

ATTENTION, CORPORATE MEMBERS



Corporate members must complete the form below and present it at or before the annual meeting to authorize a representative to vote in person.

If you are a member corporation, cooperative, school, church, or township (or other non-natural person) of Nodak Electric Cooperative, Inc., and want to be represented at the members' meeting(s), the Designation of Voting Representative form must be completed and signed by an authorized officer of the organization. This form must be completed annually.

In order for the member corporation, etc., to participate in business matters, this form must be received by the secretary of Nodak on or before the date of the members' meeting(s). This form needs to be received at Nodak's Grand Forks office prior to April 9, 2024.



DESIGNATION OF VOTING REPRESENTATIVE

_____ hereby authorizes
PRINT Name of Organization

_____ *PRINT Name of Designated Voting Representative*

to represent the organization in any and all business, including voting, that may be conducted at the members' meeting(s) of Nodak Electric Cooperative, Inc., held in 2024.

_____ *Signature and Title of Authorized Officer*

_____ *Date*



Mylo Einarson

PRESIDENT & CEO



Luther Meberg

CHAIRMAN

As we reflect on the past year, we are pleased to share with you that despite encountering a few challenges, Nodak Electric Cooperative had another great year. Our unwavering commitment to providing reliable and affordable electric service remains at the forefront, and we are proud to serve you, our valued member-owners.

Financial stability and investments

In 2023, Nodak Electric continued to maintain robust financial stability. Despite the hurdles posed by rising costs and supply chain complexities, we diligently managed our resources. We concluded the year with a healthy \$6.3 million margin, added 242 new metered services, installed 206 miles of new underground cable, and maintained our stable cash position. Our strategic investments in modernizing the distribution system, enhancing reliability, and fortifying cybersecurity have positioned us well for the future.

Community engagement

Our cooperative thrives because of our engaged and supportive members. Our commitment to community extends beyond providing

electricity; it's about building relationships and supporting local initiatives. Some of the highlights of our community involvement include providing scholarships for lineworker training in North Dakota, donating almost \$50,000 to community members and organizations through our Operation Round Up® program, providing grants to community projects, sponsoring a Youth Tour to Washington D.C., and much more.

Reliability and resilience

Our lineworkers and staff worked tirelessly to maintain reliable service, especially during extreme weather events. We invested in distribution system improvements, rigorous tree trimming, and efficient storm response protocols. Our goal is to minimize disruptions and keep the lights on for our members.

Rate outlook

Once again, we are pleased to report that our retail electric rates remained unchanged throughout 2023. Despite significant increases in wholesale material costs, we've successfully held our rates steady since 2017. Looking ahead, I'm thrilled to share that no general rate increase is planned

for 2024. This achievement is truly remarkable when you consider the dynamic landscape of our industry. We are not immune to the inflationary pressures of raw materials, fuel and equipment, but our steady growth has provided the revenue necessary to hold our rates flat for seven years. We're hard pressed to think of something else we buy today that costs the same as it did seven years ago.

Member participation

Thank you for participating in our annual meeting and exercising your cooperative voice. Your input shapes our decisions, and we appreciate your active involvement. Together, we ensure that Nodak Electric Cooperative remains member-driven.

Looking ahead

As we move forward, we remain committed to innovation, reliability, and serving our members. We will continue to explore new technologies, enhance our services, and adapt to the changing energy landscape.

Thank you for your trust and support. It is an honor to serve you and we look forward to another year of being part of the Nodak Electric Cooperative family.

BOARD OF DIRECTORS



**Back row,
left to right:**

- Steven Smaaladen
- David Brag
(Secretary/Treasurer)
- David Hagert
- Mylo Einarson
- Ryan Benson
- Luther Meberg
(Chairman)

**Front row,
left to right:**

- David Kent
- Cheryl Osowski
- Les Windjue
(Vice Chairman)
- Peter Naastad



STAFF



Cole Johnson
Engineering Manager



Tom Edwards
Accounting/
Finance Manager



Blaine Rekken
Member/Energy
Services Manager



Dan Schaefer
Line Superintendent



Kacie Tretter
Executive Assistant



Mylo Einarson
President & CEO

CO-OP FACTS

**COUNTIES SERVED
(ALL OR PARTIAL):**

Cavalier, Pembina, Walsh,
Benson, Ramsey, Nelson,
Grand Forks, Eddy, Griggs,
Steele, Traill, Barnes and Cass

Board meeting:

First Tuesday of each month

Date first energized:

Dec. 23, 1939

Power supplier:

Minnkota Power Cooperative

MEMBER -owned, MEMBER -focused

Being a member of Nodak Electric Cooperative, Inc., means different things to different people. For some, it means receiving reasonably priced electric energy to maintain a balanced family budget. For others, it's experiencing reliable electric service to keep their operation running, or even having a voice in how the business is run. Whatever the reason, Nodak's primary goal is to add value to your life in a consistent, cost-effective and safe way. Our business model puts you, the member, first and foremost in all we do. From the power generators in Center, N.D., to the electric meter in your yard, it's all owned by the members we serve.

Here are a few words from our members on the importance the cooperative has in their lives.



“As a member-owner of Nodak Electric Cooperative, **I have a voice** in the direction of our organization. I attend the annual meetings and have an opportunity to engage directly with the people who make decisions on the future of our electric service. As a long-time member, I'm even seeing my cooperative **return capital credits** to me on my bill. It's a great feeling knowing that we have a **people-first organization** providing an essential service to our region like electricity.”

Kerry Heid

Nodak Member-Owner

“When harvest season begins, we are very busy at Nokota, and we rely on consistent power for our growers to be able to bring their potatoes into our bins. Nodak has been a **very reliable service** for us through the years. And as the cost of things keep rising all of the time, they’ve been **able to maintain their rates**, and we’ve appreciated that very much.”



Carissa Olsen

President/CEO, Nokota Packers



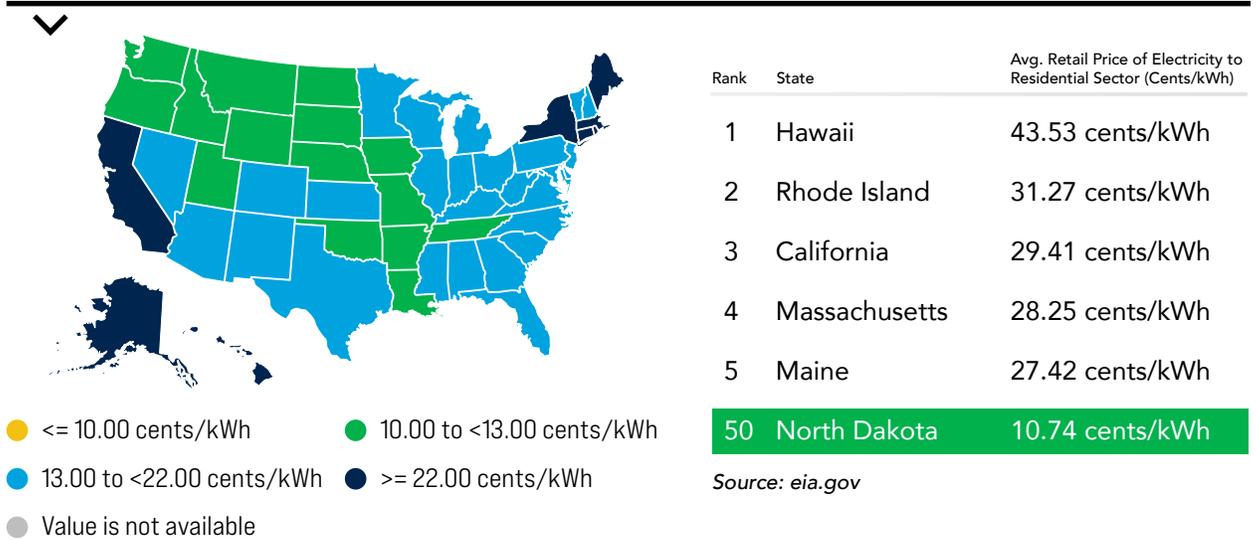
“As a fellow cooperative, we know the value of working together toward a common goal. From the field to our production factories, Nodak is there to power every step of the way. They’ve helped us **use energy more wisely** and have programs in place to help us **save money**. We know we can pick up the phone and they’ll be here to help when we need them. That’s the value of being served by an electric cooperative.”

Daniel Bernhardson

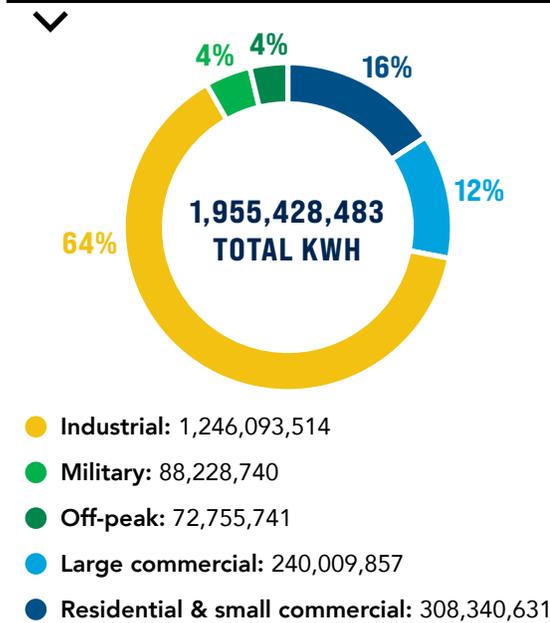
Director of Operations,
American Crystal Sugar Company

Support. Security. Savings. Safety. Service. It’s all yours when you’re a member-owner of Nodak Electric Cooperative. We would like to thank all our members – from residential to commercial – for your participation and support in 2023, and we look forward to serving you in 2024.

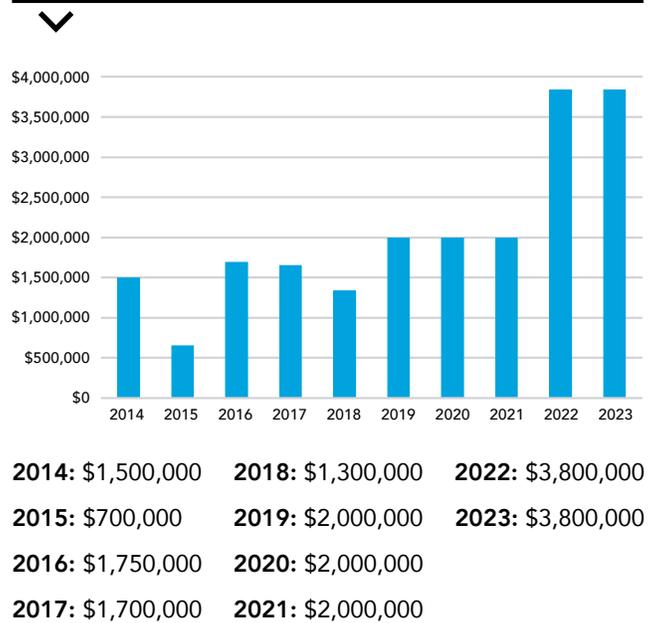
RANKINGS: AVERAGE RETAIL PRICE OF ELECTRICITY TO RESIDENTIAL SECTOR, NOVEMBER 2023 (CENTS/KWH)



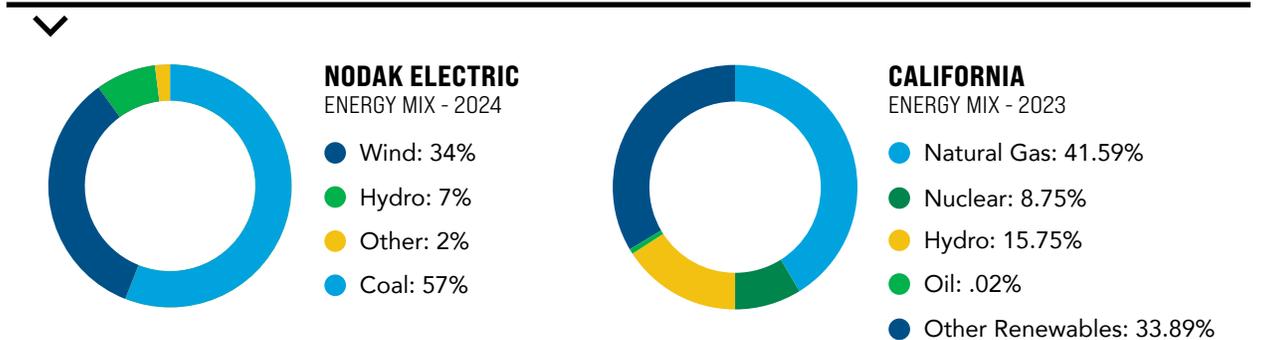
2023 ENERGY SOLD



CAPITAL CREDIT RETIREMENTS



HOW WE SERVE ENERGY (CALIFORNIA VS. NODAK ELECTRIC)



TREASURER'S REPORT



BALANCE SHEET

As of December 31, 2023 and 2022	2023	2022
ASSETS AND OTHER DEBITS		
Net Utility Plant	\$ 110,969,715	\$ 109,591,005
Cash	23,910,569	27,141,243
Receivables	10,194,750	10,893,426
Other Assets & Debits	23,762,321	20,244,822
Total Assets	<u>\$ 168,837,355</u>	<u>\$ 167,870,496</u>
LIABILITIES AND OTHER CREDITS		
Total Margins & Equities	\$ 69,717,872	\$ 67,149,179
Long-term Debt	75,567,948	76,374,254
Other Liabilities & Credits	23,551,535	24,347,063
Total Liabilities & Credits	<u>\$ 168,837,355</u>	<u>\$ 167,870,496</u>

INCOME STATEMENT

As of December 31, 2023 and 2022	2023	2022
Operating and Other Revenue	134,448,414	142,542,213
OPERATING EXPENSES		
Cost of Power	\$ 113,728,272	\$ 121,085,783
Operations & Maintenance Expense	5,861,031	5,469,602
Consumer Accounts & Consumer Services	1,069,899	1,136,823
Administrative & General	2,619,496	2,512,364
Depreciation	\$ 4,899,421	\$ 4,766,057
Taxes	846,630	888,205
Interest	2,295,790	2,130,810
Total Cost of Electric Service	<u>131,320,539</u>	<u>137,989,644</u>
Operating Margins	3,127,875	4,552,569
Non-operating Margins	1,432,908	263,400
G&T and Other Capital Credits	1,752,300	2,146,351
Net Margins	<u>6,313,083</u>	<u>6,962,320</u>

WHERE DOES YOUR DOLLAR GO?



5¢

Operations & maintenance

7¢

Depreciation, taxes & interest

82¢

Wholesale power costs

3¢

Margin

2¢

Administrative & general expense

1¢

Customer service expense



MISSION STATEMENT

Nodak Electric Cooperative is proud to serve as your local electric provider. We believe that working together toward a common vision is the cooperative difference. We do this by operating on a not-for-profit, cost-of-service basis. Margins are given back to the members in the form of capital credits to reduce their electric costs. Co-ops put members first. These core business principles that have supported your local cooperative and all cooperatives for years are still alive and very strong today. Nodak's mission is based on the following statement: "Nodak Electric Cooperative is dedicated to be an efficient provider of quality electric service with leadership that demonstrates the highest regard for its member-owners."

OPERATION ROUND UP®



Operation Round Up is a program that rounds up members' monthly electric bills to the next whole dollar amount. The resulting funds are put into a special account to assist others in need. The funds collected through Operation Round Up are used for a variety of projects, programs and items throughout the Nodak service area.

The Operation Round board meets quarterly and considers each application that has been received since the previous meeting. It awards funds to the applicants based on how well the application fits the original funding guidelines: 1) Individuals or families in crisis; 2) Services – ambulance and fire; 3) Community youth needs with emphasis on permanent benefit; 4) Scholarships with emphasis on reeducation of displaced agricultural people; 5) Senior needs with emphasis on permanent benefit; and 6) No requests for funding of utility and space heating energy will be accepted.

Operation Round Up is a voluntary program with roughly 51% of the 15,189 members participating. Since the program started, a total of \$1,120,941 has been distributed to individuals and organizations throughout the Nodak Electric service area.

ORU BOARD OF DIRECTORS



Pictured (left to right): Danny Carlson, Pam Montag, Corrine Berg, Margaret Estvold, Trish Schindele, Maureen Puppe and Wayne Reinhart.

2023 RECIPIENTS

Ajay Solberg (Medical Equipment)	\$789.00	Wyatt Martel (Therapeutic Outdoor Trampoline)	\$353.90
Alice Copeland (Indoor Trampoline)	\$99.78	Altru Ambulance Service	\$125.00
Anthony Solberg (Medical Equipment)	\$1,125.00	Aneta Ambulance Service	\$125.00
Brenda Touche (Adjustable Bed)	\$1,390.00	Binford Ambulance Service	\$125.00
Charles Girard (Sensory Equipment)	\$1,044.88	Cooperstown Ambulance Service	\$125.00
Colton Halgrimson (Sensory Equipment)	\$1,000.00	Drayton Ambulance Service	\$125.00
Dennis Denault (Vehicle Repairs)	\$948.00	Emerado Ambulance Service	\$125.00
Everly Peterson (Medical Bills)	\$1,106.00	Finley Ambulance Service	\$125.00
Georgia Toward (Stokke Tripp Trapp Highchair)	\$441.00	Fordville Ambulance Service	\$125.00
Grace Goebel (Communication Device)	\$310.00	Hillsboro Ambulance Service	\$125.00
Gwendolyn Young (Speech and Occupational Therapy Costs)	\$1,200.00	Hoople Ambulance Service	\$125.00
Herman Barta (Lift Chair)	\$1,348.00	Hope Ambulance Service	\$125.00
Hillsboro Backpack Program (Meals for Underprivileged Children)	\$1,000.00	Lake Region Ambulance Service	\$125.00
Jan Barta (Lift Chair)	\$1,748.00	Lakota Ambulance Service	\$125.00
Janelle Slama (Bed and Bed Frame)	\$1,000.00	Larimore Ambulance Service	\$125.00
Jimmy Westrom (Furniture)	\$750.00	McVile Ambulance Service	\$125.00
Joe Fortman (Wheelchair Ramp)	\$2,500.00	Michigan Ambulance Service	\$125.00
Judy Baxter (Power Chair)	\$300.00	Northwood Ambulance Service	\$125.00
Kelly and Michelle Sehart (Furnace)	\$1,200.00	Park River Ambulance Service	\$125.00
Kwynlee Roquet (Sensory Equipment)	\$728.00	Pembina Ambulance Service	\$125.00
Linda Carpenter (Wheelchair Ramp)	\$1,691.00	Valley Ambulance & Rescue Squad	\$125.00
Linda Reidhammer (Dental Work)	\$1,500.00	West Trail Ambulance Service	\$125.00
Linda King (Lift Chair)	\$813.00	Cavalier HS After Prom Party	\$50.00
Lois Nelson (Repair Hearing Aid)	\$450.00	Central Valley HS After Prom Party	\$50.00
Melinda Harder (Lift Chair)	\$1,200.00	Dakota Prairie HS After Prom Party	\$50.00
Michelle Bialke (Dental Work)	\$2,500.00	Devils Lake HS After Prom Party	\$50.00
Miranda DeGrave (Dental Work)	\$1,890.00	Drayton HS After Prom Party	\$50.00
Ollie Leake (Speech and Occupational Therapy Costs)	\$2,000.00	Grafton HS After Prom Party	\$50.00
Park Place Assisted Living (Exercise Equipment)	\$1,500.00	Grand Forks Central HS After Prom Party	\$50.00
Patrice Zeal (Medical Equipment)	\$797.00	Griggs County Central HS After Prom Party	\$50.00
Ray Helgoe (Lift Chair)	\$790.00	Hatton-Northwood HS After Prom Party	\$50.00
Raymond Lenoir (Lightweight Power Chair)	\$829.37	Hope-Page HS After Prom Party	\$50.00
Roman DeCoteau (OT/PT Therapy Costs)	\$2,000.00	Lakota HS After Prom Party	\$50.00
Roxanne Wedwick (Dental Work)	\$2,500.00	Larimore HS After Prom Party	\$50.00
Simon Knutson (Medical Equipment and Highchair)	\$782.00	Minto HS After Prom Party	\$50.00
Steven Ensrud (Sport Wheelchair)	\$255.00	North Border HS After Prom Party	\$50.00
Theodore Johnson (Medical Equipment)	\$300.00	Park River HS After Prom Party	\$50.00
Theresa Owlboy (Air Purifier)	\$150.00	Red River HS After Prom Party	\$50.00
Tom Severson (Lift Chair)	\$1,627.00	Thompson HS After Prom Party	\$50.00
Tom Wiedmeier (Roof Repairs)	\$1,000.00	Valley-Edinburg HS After Prom Party	\$50.00
Wendy Hackett (Bed and Recliner)	\$650.00	2023 Total Donations	\$49,130.93

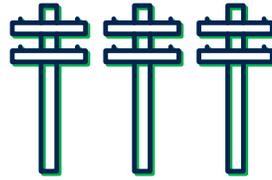
NODAK QUICK FACTS



\$134,448,414
total operating revenue

\$882,279
electric distribution tax

\$39,209
real estate taxes



7,887
total miles
of line

3,547
overhead

4,340
underground



582
commercial
services

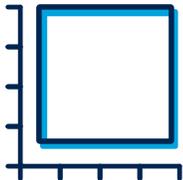


20,588
residential/farm services



57
employees
per Form 7 (full-time)

2
resale services



8,820
square miles

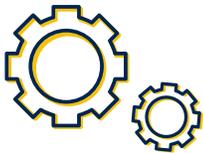


2023 YOUTH TOUR

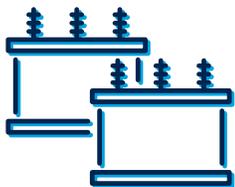
The North Dakota Electric Cooperative Youth Tour has brought high school students to the nation's capitol for a week in June every year since the late 1950s. Addyson Hefta won the 2023 Nodak Electric Cooperative essay contest and received an all-expense-paid trip to Washington, D.C., courtesy of the cooperative.



15,189
total members



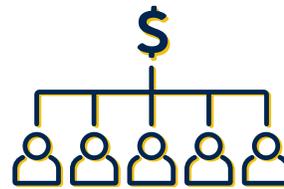
16
industrial
services



15,340
transformers



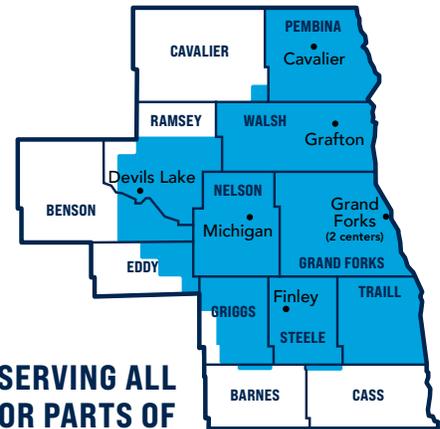
65
substations



\$3.8M
capital credits
retired to members



POWER MIX



**SERVING ALL
OR PARTS OF**

13
counties

7
service centers

ANNUAL MEETING

Agenda



5 P.M.

- Doors open and registration begins at the Alerus Center, Grand Forks
- Complimentary supper served from 5 p.m. to 6 p.m.

6 P.M.

- Call to order of the 84th annual meeting
Luther Meberg, chairman, presiding
- Reading of Notice
- Declaration of Quorum
- Nominating Committee Report
- Election
- Nodak Business Report
Luther Meberg, Mylo Einarson
- Question and answer period
- Old and new business
- Drawing for grand prize
- Adjournment

APRIL 10, 2024

GRAND PRIZE
\$750 Cash!

Registered members will receive a complimentary LED work light as a gift.

