

# 2026 President and CEO Message

As June 3rd approaches, we understand that not all members are able to attend the annual meeting; 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 focused on strengthening the distribution grid. LYREC has a rich history of ensuring the distribution grid is maintained and updated; these efforts have been further enhanced in recent years. Our operations department has prioritized upgrades to both overhead and underground lines, which have been causing us problems. In addition, right-of-way clearing and pole testing throughout the system allows us to stay ahead of problems that may cause an outage.

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. The shift they are seeing is an increase in power consumption and with this increase comes the challenge of building new and upgrading existing generation and transmission systems. As cooperatives, we have seen these challenges before and moving forward with our members' support, we are confident that we will make the right decisions and continue to supply safe, reliable power at an affordable cost.

Over the past 10 years, we have kept you informed about our partnership with Mid-Yellowstone Electric and Goldenwest Electric Cooperative. This shared service arrangement has allowed all three cooperatives to share ideas, develop strategies that benefit our memberships, share equipment, and leverage purchasing power. Most importantly, we have access to a talented group of employees across all three cooperatives.

As we look ahead, we recognize that the future presents significant challenges. Navigating today's energy market and the fast-paced business world is not easy to do alone. Without continued collaboration and thoughtful planning on our current success, each of our cooperatives would face even greater obstacles.

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 hybrid this year. The in-person meeting will be held in the new addition of the Richland County Fairgrounds Event Center in Sidney, Richland County, Montana, at 5:30 p.m. on Wednesday, the 3rd day of June 2026. The meeting invite for the virtual meeting will be posted on LYREC's website and social media pages prior to the event. Each member account who registers, either in person or virtually, and attends the entirety of the business meeting will receive a \$50 bill credit.

The following business will be transacted:

- The reports of officers, trustees, and committees.
- Report of trustee election
- All other business that 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 3rd 2026. 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 re-elected to represent District 5, Greg Rauschendorfer will be re-elected to represent District 6, and Allen Thiessen will be re-elected to represent District 7.

**June 3**

**Registration & Dinner • 4:30 PM**

**Business Meeting • 5:30 PM**

## Update Contact Information

LYREC must have your preferred phone number for emergencies. To update your contact information, call our office at 406-488-1602 or email [lyrec@lyrec.coop](mailto:lyrec@lyrec.coop).



# ANNUAL MEETING

NOTICE & REPORT 2026

# LYREC

**LOWER YELLOWSTONE RURAL ELECTRIC COOPERATIVE**

Your Touchstone Energy® Cooperative



# Balance Sheet

## Equities and Liabilities

### Equities

Patronage Capital	49,240,861
Net Margins	7,363,427
Non-Operating Margins	171,245
Other Equities	3,162,330
<b>Total Equities</b>	<b>\$ 59,937,863</b>

<b>Long Term Debt</b>	<b>47,173,068</b>
<b>Total Long Term Debt</b>	<b>\$ 47,173,068</b>

### Current Liabilities

Notes Payable	0
Accounts Payable	3,845,231
Consumer Deposits	511,075
Current Maturities - Long Term Debt	1,292,186
Other Current Liabilities	2,099,914
<b>Total Current Liabilities</b>	<b>\$ 7,748,406</b>
Deferred Credits	530,573

<b>Total Equities and Liabilities</b>	<b>\$ 115,389,910</b>
---------------------------------------	-----------------------

### Property Taxes Paid in 2025

<i>County</i>	
Richland	1,041,568
Roosevelt	51,301
Dawson	20,232
Williams	1,435
State of North Dakota	121,650
<b>Total 2025 Property Taxes Paid</b>	<b>\$ 1,236,186</b>

## Assets

### Utility Plant

Electric Plant in Service	124,298,131
Construction Work in Progress	3,148,387
<b>Total Utility Plant</b>	<b>127,446,518</b>
Less Provision for Depreciation	40,572,292
<b>Net Utility Plant</b>	<b>\$ 86,874,226</b>

### Other Property

#### Investment & Special Funds

Non-Utility Property	7,600
Investments in Associated Utilities	16,569,257
<b>Total Other Property and Investments</b>	<b>16,576,857</b>

### Current Assets

Cash-General Fund	1,721,081
Temporary Investments	726,075
Accounts Receivable (Energy)	4,846,455
Accounts Receivable (Other)	173,082
Material & Supplies	4,230,469
Prepayments	237,973
Deferred Debits	3,692
<b>Total Current Assets</b>	<b>11,938,827</b>

<b>Total Assets</b>	<b>\$ 115,389,910</b>
---------------------	-----------------------

# Operation Round Up

Operation Round Up (ORU) awarded \$9300 in 2025 to support meaningful causes throughout our communities. These contributions are made possible through the generosity of our members who choose to round up their monthly electric bills.

These are just a few examples of the organizations that received donations from ORU funding last year. Recipients include: Sidney Richland County Library - \$1,000 to support the summer reading program, Richland County Cancer Coalition - \$1500 to help bring the Sun Bus to Sidney for free skin cancer screenings, Adopt-A-Senior Richland Co. MT - \$1,000 to assist with Christmas gifts for local seniors, Lower Yellowstone A.B.A.T.E Chapter - \$500 to purchase toys for children in need across Richland County.



# 2026 Scholarship/Phone's Perspective

LYREC will announce the \$1,000 scholarship winners during the June 3 annual meeting. To enter for a chance to win, submit a journal entry from your "phone's perspective" during a power outage that captures:

- How the day unfolds
- What your "phone" observes during the outage
- What the experience teaches about the importance of dependable electricity.

Also submit one original photo that your "phone" would choose to take during the outage to enhance your story.

Eligibility criteria, guidelines, and scholarship applications are available at [www.lyrec.coop](http://www.lyrec.coop). The application deadline is May 29 at 5 p.m.

**Bonus Opportunity:** Any eligible student who submits an entry for the Annual Meeting Scholarship/Phone's Perspective will have a chance to be entered into a drawing for one of three (3) additional \$1,000 scholarships during the annual meeting.

To be eligible, students must:

- Attend the June 3 annual meeting with a parent or legal guardian
- Register at the meeting between 4:30 - 5:20 p.m.
- Be present for the drawing

*Note: A maximum of two annual meeting scholarships may be awarded to any one student.*

# Download SmartHub Today!

The SmartHub web portal and mobile app makes it easy to manage your account, save time and cuts cost.

- **Billing & Payments:** View your bill anytime, anywhere – no more waiting for the mail. Pay quickly with easy options to avoid late fees or service interruptions. Access current and historical billing and payment information
- **Alerts & Notifications:** Get monthly notifications when your bills have been generated. Receive important account updates by email or text, so you don't have to wait on hold for answers.
- **Paperless Billing:** Go green and save time by switching to paperless billing – your bill is available online instantly.
- **Usage Monitoring:** Monitor usage in hourly, daily, weekly, monthly, and yearly graphical formats
- **Outage Reporting:** Report outages directly through SmartHub.

With SmartHub, you get the right information at the right time, so you can make smart decisions about your account.

Getting started with SmartHub it's easy. If you need help getting it set up, call the office today!



# 2026 Youth Tour Winner



Avé Norby

Avé Norby, a 2026 Sidney High School graduate, represented LYREC on the Washington, D.C. Youth Tour in June 2025. The experience left a lasting impression on Avé, providing a week filled with learning, friendships, and unforgettable moments. Reflecting on the trip, she shared, "I loved the Youth Tour trip and all the people and places I saw."

Avé said the tour helped her gain a deeper understanding of how government works and how it connects to local communities. She also noted that the experience showed her that small towns truly matter and can have a voice in the nation's decision.

Join us on June 3 to hear Avé share more about her Youth Tour experience.