



Annual Report

Strong roots.
Bright future.
That's the
cooperative way.

2024

WWW.MCLEODCOOP.COM



2024 ANNUAL REPORT

Welcome to the 2024 McLeod Co-op Power Annual Report. We are proud to present the highlights of the past year and renew our commitment to serving you with dependable electricity to power your lives.

CEO MESSAGE

BY RON MEIER, CHIEF EXECUTIVE OFFICER

2024 marked the 89th year for McLeod Cooperative Power Association. It was a challenging year financially, and we faced some struggles keeping the lights on during a major storm around Halloween. However, aside from those challenges, the rest of the year went well.

A warmer winter and cooler summer than normal had a significant impact on the cooperative's financials. At the end of 2023, we set our 2024 budget based on expectations of typical weather patterns. We also planned to use the last of our deferred revenue to help maintain financial stability. We projected revenues of \$23,397,648, and by year-end, actual revenues totaled \$22,707,539. Our projected cost for purchased power was \$14,692,586, and it ultimately came in at \$14,155,649. You can get the gritty details in the financial section of this Annual Report.

As I reflect on the year's weather, I'm reminded of major events across the country that highlighted the strength of the cooperative family. When Hurricane Helene swept through the Carolinas, devastating communities with catastrophic flooding, a call went out for help. That morning, Emerson and I asked our team of linemen if anyone was willing to assist with the aftermath of the hurricane, and every single hand went up. Although we needed to keep a few linemen back to serve our members here at home, those who

deployed quickly made arrangements for their families and hit the road. Our crew spent a week in South Carolina, working long hours to help restore power and bring light — and hope — back to people's lives.

Closer to home, Mother Nature tested us on Halloween. As I drove into the office that morning, a light drizzle tapped against my windshield. After a quick stop for coffee, temperatures dropped sharply, and that drizzle turned to ice, coating our powerlines. Then came the heavy, wet snow, clinging to the already-iced wires. The weight caused widespread outages as wires bounced and tangled when the snow finally released its grip. Within a few short hours, much of our system was dark — and this time, we were the ones calling on neighboring cooperatives for assistance. It took a couple of days, and a lot of patience from our members, but we got the lights back on — and, most importantly, our line crews completed the work safely.

Throughout 2024, we continued investing in our system by burying overhead lines, upgrading equipment, trimming trees, replacing aging poles, and investing in our employees. As we roll into 2025 and celebrate McLeod Cooperative Power's 90th anniversary, we are proud to put 2024 behind us and look forward to a bright future ahead.



A LOOK BACK AT OUR EARLY YEARS!

As 2024 marks 89 years as a Cooperative, we thought it would be fun to share some history of our early years. Looking back at early records, it appears that the first known meeting to discuss rural electrification in McLeod County was at the Silver Lake Hall on August 19, 1935. At that meeting, the main topic was to evaluate the interest of the rural areas in bringing electricity to their farms and homes. About a month later, at the Glencoe courthouse, another meeting was held where even more interest was expressed that led to the association of McLeod Cooperative Power Association which was officially incorporated on October 3, 1935.

We were in business! Being among the first to form an electric cooperative in Minnesota, there was much to do and no playbook to follow. However, McLeod Co-op grew from day to day through a lot of determination and hard work.

Meetings were held in town and fire halls, schools, church basements, and homes throughout the

entire area to tell the people how they could obtain the advantages of electricity. As time went on, it was agreed upon by the membership to elect board members that would be comprised of one representative from each township. The membership gained momentum because of volunteers stepping up their efforts, seeking support for the fledgling cooperative. They knocked on the doors of every farm, hoping to educate their neighbors that electricity was not only possible, but it was a necessity. With that knowledge and understanding, the goal was to get more rural residents to become members of the cooperative.

The next step was determining the cost and location of lines to meet the needs of the initial members. Farmers had to pay for the cost of wiring their buildings and additionally had to contribute to the cost of the construction of line to get to their property.

On February 19, 1936, McLeod Co-op's first loan of \$600,000 had been approved by the REA. The search

for a wholesale power supplier was then navigated by the board of directors. Meetings were scheduled with representatives of Northern States Power Co. (NSP), but the two parties couldn't come to terms, and the decision was made to begin conversations with the City of Hutchinson as they were in the process of building a generating plant. Ultimately, Hutchinson agreed to supply power at a reasonable cost, and they even purchased an extra engine to ensure power for McLeod Co-op lines.

On July 27, 1936, E. S. Gaynor Construction Co., from Sioux City, Iowa was hired to start constructing lines for McLeod Co-op. The first pole set in the system was erected October 8, 1936, in Hassan Valley Township, about one and one-half miles south of Hutchinson. The first line was energized on May 29, 1937.

By this point, there were more and more believers in electricity. Each month more local area residents appeared at board meetings asking for electrical service to their areas as local farmers realized the potential for improved productivity with electricity. As you can imagine, farmers weren't the only ones seeing the benefits.

The ripple effect spread to appliance dealers and other industries that would impact almost every aspect of one's daily life as McLeod Co-op members purchased electric stoves, washing machines, refrigerators, radios, and smaller kitchen appliances. As time moved forward, telephones, televisions, computers, and other modern technologies would follow as people around the world benefited from electricity.

McLeod Cooperative Power Association continues to be committed to powering the lives of our members as consumers invest in more and more products and services that rely on electricity. These present technological advancements include cell phones, internet service, electric vehicles, water heaters, home heating and cooling equipment, medical equipment, data centers, and so much more. Truly electricity touches almost every aspect of our modern lives.

Cheers to our history and to the foundation it's built for our future as a cooperative! We look forward to the challenges and opportunities that await as we kick off 2025 which will be our 90th Anniversary serving our members.



OPERATIONS REPORT

POWERING TODAY. PREPARING FOR TOMORROW.

In 2024, McLeod Co-op Power’s operations team remained focused on delivering safe, reliable, and affordable electricity to our members. From routine maintenance and system upgrades to storm response and load control efforts, every action was guided by a commitment to service and safety. We continued investing in infrastructure and exploring technologies to meet current and future energy needs. As we plan ahead, our priority remains in maintaining a strong, efficient, and resilient system. The following report highlights key operational activities from the past year that help us power our communities and support the cooperative values that define McLeod Co-op Power.

Reliable power doesn’t happen by chance—it’s the result of ongoing construction, proactive maintenance, and strategic planning. Every mile of line we build or upgrade is an investment in the safety, stability, and strength of our electric system.



SAFETY

In 2024, our line crews and employees participated in several safety training courses covering a wide range of topics, from equipment handling and electrical hazard awareness to emergency response and situational preparedness. These trainings are essential to ensuring our team stays sharp, informed, and ready to work safely in all conditions.

Beyond internal training, we were proud to continue sharing our safety knowledge with the community. Lineworkers and staff visited local schools throughout the year to educate students about electrical safety in everyday life. These visits help build awareness from a young age and reflect our commitment to protecting not only our crews, but also the communities we serve.

CONSTRUCTION

In 2024, McLeod Co-op Power’s line crews were hard at work maintaining and improving the electric system across our service territory. Crews installed an impressive 83,236 feet of underground cable and 615 feet of overhead wire to support new service requests, system upgrades, and improved reliability. At the same time, they retired 64,907 feet of aging overhead wire and 7,895 feet of underground cable that no longer met today’s performance and safety standards.

MAINTENANCE

This year, McLeod Co-op Power crews replaced 174 utility poles, tested 96 transformers, and upgraded 64 outdated yard lights to energy-efficient LEDs. Routine system inspections continued as well, with overhead lines checked and repaired as needed. Equipment at the New Germany Substation and underground systems in Hector were also inspected, with repairs made based on findings. These efforts help keep the system safe, reliable, and ready to meet the needs of our members.



BELL SUBSTATION

McLeod Co-op Power’s 2nd largest substation, Bell Substation, was replaced this past year with the goal of improving reliability and accommodating increasing demands. The existing substation, originally built in 1955, was constructed of wood materials which no longer meet modern electric infrastructure standards, making an upgrade necessary. The new substation was built just to the east of the existing structure on a 3.8-acre neighboring site near Hwy 15 in Hassan Valley Township. The substation was constructed of steel – which for obvious reasons stands up to harsh weather and is less prone to electrical fires.

The size of the substation was increased to a 10 MVA Power Transformer and includes five circuits serving electricity to Acoma, Hassan, Lynn, Collins, and Sumter townships. Distribution from this substation serves approximately 1,181 members through 177 miles of line and across 4,425 power poles. The construction project was completed and energized in 2024.

The upgrade of the Bell Substation was a key infrastructure project designed to meet the needs of future growth and deliver reliable service for years to come. The project also demonstrates McLeod Co-op ‘s commitment to providing quality and dependable service to its members.

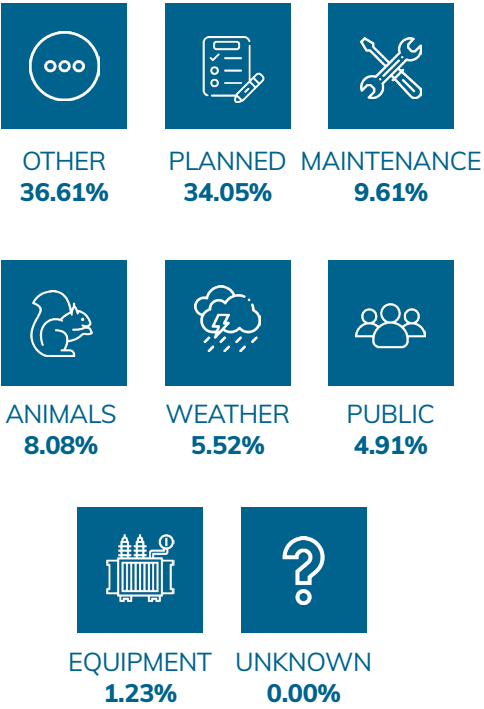
RELIABILITY

On average members experienced less than one outage in 2024 and the average length they were out of power was 223 minutes. The longest outage was for 27 ½ hours during the October storm which came through our territory. On average, members had power for 99.96 % of the time. Throughout the year, crews and contractors completed the required maintenance work and cleared vegetation within our right-of-way to proactively prevent outages and improve reliability.



MONTH	OUTAGES	MEMBERS	AVG.	LONGEST
January	38	109	55 min	145 min
February	31	122	39 min	195 min
March	50	58	60 min	307 min
April	75	412	79 min	241 min
May	68	415	74 min	234 min
June	77	519	111 min	253 min
July	53	507	103 min	259 min
August	87	1,049	137 min	1,135 min
September	66	152	79 min	360 min
October 1- 30	76	130	110 min	273 min
October 31 & November 1	During the two-day snow event from October 31 to November 1, 2,868 meters experienced outages, with the longest lasting approximately 27 hours. The average restoral time was 406 minutes.			
November 2-30	44	75	134 min	428 min
December	33	587	79 min	310 min

OUTAGE CAUSES



MCLEOD CO-OP AIDS IN HURRICANE HELENE RECOVERY

When Hurricane Helene devastated the Southeast, millions were left without power. McLeod Co-op Power joined 17 other Minnesota cooperatives to send 80 lineworkers to assist in the hardest-hit areas. McLeod’s crew was assigned to Blue Ridge Electric Cooperative in South Carolina, a region with steep, forested terrain similar to northern Minnesota, but the damage was unlike anything they’d seen, with over 800 poles down and 50,000 homes and businesses without power.

It took the team 31 hours to reach South Carolina, navigating road closures and washed-out bridges. Once there, they joined more than 700 linemen from across the country, working from two main outposts. Paired with Wright-Hennepin Cooperative and guided

by a local “birddog,” the crew tackled long, hot days, often 16 hours, in the humid 80-degree weather.

Despite the challenging conditions, the team stayed motivated by the camaraderie among linemen and the heartfelt gratitude of local residents. They slept in tents or bunk trailers and were supported with meals and mobile showers. Most of their work involved restringing power lines in cleared areas, helping to restore power quickly.

McLeod Co-op’s crew returned after nine days with pride and a renewed appreciation for the cooperative spirit that drives them to help when disaster strikes.



HALLOWEEN SNOW EVENT

On October 31, McLeod Co-op Power faced a two-day outage event caused by an intense Halloween snowstorm. Heavy, wet snow transitioned from rain early Thursday morning, weighing down power lines and causing widespread outages across the service area. Unlike typical winter storms, this one didn’t bring broken poles or downed trees—instead, the high-moisture snow twisted lines and caused them to slap together or snap back as snow melted, creating “blink outages” and further tangles.

Outages started around 8:00 AM Thursday and escalated quickly—from 130 outages mid-morning to over 1,700 by afternoon. McLeod Co-op brought in mutual aid from neighboring utilities, expanding from four to nine crews by Thursday evening. Their teams worked long shifts across multiple towns, including Hutchinson, Silver Lake, Glencoe, and Winsted.

Crews paused overnight for safety and resumed early Friday, eventually joined by two more crews. Thanks to strong coordination, effective communication with members, and a robust vegetation management program, power was restored to all 2,868 affected meters by the end of the event.

Operations Manager Emerson Brady expressed gratitude to members and support crews, noting that the storm highlighted the value of preparation, teamwork, and communication during unpredictable weather emergencies.

FINANCIAL REPORT

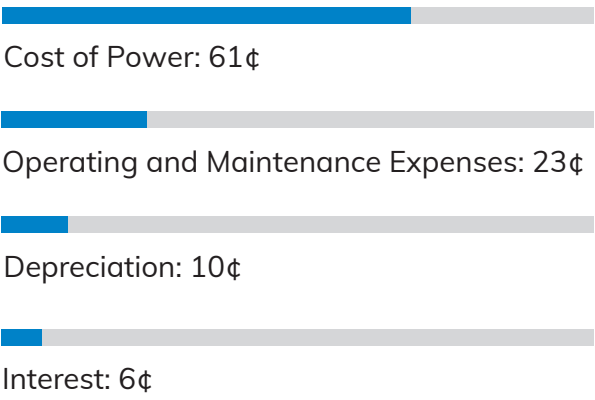
Delivering an affordable and reliable supply of electricity requires the foundation of financial strength to meet our members' needs both today, and well into the future. A defining feature of your Co-op membership, and a principle that guides us, is your economic participation. The partnership we have with you, as members of McLeod Co-op Power, rests on our commitment to wisely use the resources you provide.

ASSETS (THINGS WE OWN)	2024	2023
MCLEOD CO-OP PROPERTY		
Cost of System	\$68,051,970	\$63,618,979
Cost of our Office, Warehouse and Equipment	16,408,855	\$16,026,556
Construction Work In Progress	1,035,180	\$1,997,075
Depreciation	(21,747,207)	\$(20,375,416)
Book Value of our System	\$63,748,798	\$61,267,194
INVESTMENTS		
Great River Energy Capital Credits	\$11,013,974	\$10,865,154
Capital Credits from Other Cooperatives	\$1,293,934	\$1,338,488
Investments with National Rural Utilities Cooperative Finance Corporation	\$743,903	\$743,903
Investments with Associated Organizations and Other	\$795,910	\$663,603
Community Economic Development Loans	\$295,616	\$347,564
Total Other Property and Investments	\$14,143,337	\$13,958,712
CURRENT ASSETS		
Cash and Cash Equivalents	\$1,798,337	\$3,809,009
Great River Energy Temporary Investment Account	\$1,350,740	\$211,723
Members and Others Owe Us for Electricity	\$2,409,113	\$2,125,633
Members and Others Owe Us for Non-Electricity (generators, materials, rebates)	\$228,029	\$140,684
Materials and Supplies for Line Construction and Maintenance	\$1,409,540	\$1,885,354
Interest Receivable on Investments	\$7,296	\$8,856
Prepayments	\$33,658	\$22,838
Total Current Assets	\$7,236,714	\$8,204,097
Deferred Debits	\$743,503	\$735,364
TOTAL ASSETS WE OWN	\$85,872,351	\$84,165,367

LIABILITIES (WHAT WE OWE)	2024	2023
LONG TERM DEBT		
Rural Utilities Service (RUS)	\$11,464,422	\$7,070,400
Federal Financing Bank (FFB)	33,279,800	\$34,787,033
RUS Grant for Economic Development	300,000	\$300,000
National Rural Utilities Cooperative Finance Corporation	2,502,299	\$2,725,207
CoBank	1,178,569	\$1,256,503
Other	309,993	\$308,705
Total Long Term Debt	\$49,035,083	\$46,447,848
Power, Materials, Services, Taxes, etc.	\$4,034,248	\$4,107,050
Deferred Credits (revenue, construction, community solar, etc.)	\$1,086,284	\$1,785,106
TOTAL LIABILITIES WE OWE	\$54,155,615	\$52,340,004
NET WORTH		
Accumulated Patronage Capital	\$15,779,766	\$17,101,256
Other Equities (diversified services and others)	15,936,970	\$14,724,107
MEMBERS EQUITY IN THE COOPERATIVE	\$31,716,735	\$31,825,363
TOTAL COMMITMENTS	\$85,872,351	\$84,165,367

The accounts and records of McLeod Cooperative Power Association were audited by CliftonLarsonAllen LLP, Rochester, Minnesota, as of December 31, 2024. The completed audit report will be presented to the Cooperative’s Board of Directors and will be available for members to review at the Cooperative office.

HOW WAS THE MEMBER DOLLAR SPENT?



STATEMENT OF OPERATIONS	2024	2023
REVENUES		
Sale of Electric Energy to Members	\$21,832,086	\$21,019,888
Miscellaneous Electric Revenues	875,453	835,075
Total Revenues	\$22,707,539	\$21,854,963
EXPENSES		
Wholesale Power Paid to Great River Energy	\$14,155,649	\$13,685,967
Operating Expenses (distribution, administrative and customer service)	5,443,443	5,034,060
Depreciation of Utility Plant	2,419,729	2,336,013
Interest on Loans	1,393,563	1,220,117
Total Expenses	\$23,412,383	\$22,276,157
NET OPERATING MARGIN	\$(704,844)	\$(421,194)
NON OPERATING		
Non-operating and Other Income (interest income, generators, etc)	\$901,807	\$679,648
Non-operating Expenses	(585,737)	(361,342)
Patronage Capital from Great River Energy and Other Associated Cooperatives	586,165	901,755
TOTAL MARGINS (INCOME)	\$197,391	\$798,867

OPERATING REVENUE \$22.7 M	COST OF POWER \$14.1 M	TOTAL MARGINS \$197 K
KWH'S SOLD 168 M	MEMBERS BILLED 7 K	AVG. RESIDENTIAL MONTHLY KWH USE 1.3 K

CAPITAL CREDITS RETURNED IN 2024

\$275,000

McLeod Cooperative Power continued with its strong operational and financial standing by providing a capital credit refund on their energy bill in 2024. McLeod Cooperative Power’s board of directors had approved a capital credit return of \$275,000 to its members.

As a not-for-profit electric cooperative, McLeod Cooperative Power is not like other utilities— you, as a member and consumer, own a portion of the business. One benefit of that membership involves the allocation of excess revenue, called margins, in the form of Capital Credits. Electric co-ops operate at cost, collecting only enough revenue to run and expand the business, unlike investor-owned electric utilities, which are designed to make a profit for shareholders.

McLeod Cooperative Power assigns any money collected above the cost of operations to its members in the form of Capital Credits. When the Co-op’s financial position permits, the co-op retires, or pays, a portion of these Capital Credits back to its members.

UNCLAIMED CAPITAL CREDITS

WE NEED YOUR HELP IN LOCATING MEMBERS WITH UNCLAIMED CAPITAL CREDITS.

Each year, funds that were not claimed or returned by the Post Office are sent back to the Cooperative. We need your help locating the members that these unclaimed Capital Credits belong to. We now have a handy searchable database online at <https://www.mcleodcoop.com/about/capital-credits/>. Members can use this database to search for friends and family members that might be on this list. Often it happens to be people who have moved or a former member who has passed away. Any information you can provide regarding the location of these members, or a close family member, is greatly appreciated. Those with information can call our office at (800) 494-6272.

EASY WAYS TO PAY YOUR BILL

McLeod Co-op Power offers multiple convenient payment options. Be sure to pay by the due date to avoid late fees. For any billing questions, call (800) 494-6272.

AUTOPAY:
Automatically pay on the 28th of each month via checking or savings. The enrollment form is online at www.mcleodcoop.com/i-want-to/pay-options/.

SMARTHUB:
Manage your account and pay your bill through SmartHub online or via the app. You can also view usage, receive alerts, and more.

PAYNOW:
Make one-time payments online without a SmartHub account by clicking the “Pay Now” button on our website.

PHONE:
Pay securely 24/7 using our automated phone system.

PLEASE NOTE OUR NEW NUMBER:
Call (320) 864-3148 and choose option #2. Have your account number ready from the top right of your bill.



CONCERN FOR COMMUNITY

At McLeod Co-op Power, we believe in the power of community. Electricity is essential—but it's not our only connection to you. Caring is the cooperative way, and community involvement is one of our core principles.

Our responsibility goes beyond keeping the lights on. When we're out in the community, we're reminded of what matters most: people. We're here to serve, and that's what drives us.

Whether we're offering financial support, resources, or helping members save time and money, we're always working to make our community a great place to live and do business.

Community involvement isn't just a nice idea—it's essential. Listening to our neighbors helps us understand what they need, so we can serve them better.



SCHOLARSHIPS

McLeod Co-op Power was honored to award our \$500 Line Worker Scholarship to Parker Burdorf in 2024. Parker is a graduate from Sibley East High School and is currently attending Minnesota West Community & Technical College in Jackson, Minnesota. We wish Parker the best as he completes the Electrical Lineworker Technology program.

In addition, the Ridgewater College Foundation awarded two \$500 scholarships on behalf of McLeod Co-op Power to students Reina Martinez and Amanda McLain. Each year the co-op donates \$1,000 from its unclaimed capital credit fund to be used by the Ridgewater College Foundation to support local students furthering their education. Congratulations to our recipients!



TWINS CLINIC

More than 75 local youth took part in a fantastic Youth Baseball Clinic at Arlington Baseball Park, organized by McLeod Co-op Power and the Arlington Baseball Association. Held on July 20, the event aimed to cultivate young talent and promote a love for baseball among kids of all ages and skill levels.

The clinic offered a fun and educational experience, made possible in part by Great River Energy, McLeod Co-op Power's wholesale power provider.

Children from neighboring communities came together to embrace the sport, receiving expert coaching from experienced volunteers. McLeod Co-op Power is proud to support a program that brings communities together and fosters youth development through sports.



TOUCHSTONE ENERGY COMMUNITY AWARD

McLeod Cooperative Power Association awarded its 2024 Touchstone Energy Community Award to 2B Continued. This annual award recognizes a local non-profit or community group that had a positive impact within our service territory during the past year. 2B Continued was recognized for its efforts to promote awareness around suicide prevention and mental health offering resources for prevention and recovery. It focuses on advocacy, education, and outreach to foster wellness and reduce stigmas surrounding mental health challenges.

This past year 2B Continued trained educators, school staff and community members through their Mental Health First Aid and QRP (Question, Persuade, Refer) programs. The organization’s efforts also included working with high school students from 16 area high schools. Other training milestones training included hosting their second annual Training Day as well as their third annual Suicide Prevention Continuing Education Conference.



LOCAL HIGH SCHOOL FIELD DAY

McLeod Co-op hosted several high school groups including students from Glencoe-Silver Lake, Hutchinson, and Sibley East High School at our headquarters in 2024 providing an opportunity to learn more about the electrical industry and career possibilities as a line worker. In addition to highlighting aspects of working as a line worker, McLeod Co-op employees shared some important safety and electrical topics.

Our commitment to community goes beyond electricity—it’s about showing up, lending a hand, and investing in the people and places we call home.

RURAL ELECTRIC YOUTH TOUR

In June, Sawyer Guerrero of Glencoe joined 33 other Minnesota students on the Rural Electric Youth Tour, sponsored by McLeod Co-op Power and organized by the Minnesota Rural Electric Association. From June 18–23, the group took part in an all-expenses-paid trip to Washington, D.C., where they explored historic landmarks, visited museums, and learned about the role of electric cooperatives in the U.S.

A highlight for Sawyer was visiting the American History Museum, which he called “mind-blowing.” However, what left the deepest impression was discovering how widespread and vital electric cooperatives are to the country and their role in energy security.

Sawyer was also selected by his peers to represent Minnesota on the Youth Leadership Council (YLC). After the tour, he continued participating in virtual meetings with NRECA and other YLC delegates to grow his leadership skills. He applied what he learned in a service project with McLeod Co-op and will represent Minnesota at the NRECA Annual Meeting in Atlanta.

Grateful for the experience, Sawyer thanked McLeod Co-op’s member-owners and board. The Youth Tour broadened his understanding of cooperatives and government and inspired him to pursue leadership in the future—truly showcasing the impact of this unique program.



OPERATION
ROUND UP®

Through the Operation Round Up® program, McLeod Cooperative Power gives our members the opportunity to give back to the community. Each month the rounded-up funds (between 1¢ and 99¢) are placed in a trust fund and administered by the volunteer Trust Board.

In 2024, donations totaling \$52,100 were made to 25 local organizations. McLeod Co-op's Operation Round Up® program has awarded roughly \$282,000 thousand in donations to local nonprofit organizations and community service programs since the program's inception in 2004.

Through Operation Round Up®, small change truly makes a big difference—empowering local nonprofits, supporting neighbors in need, and strengthening the heart of our communities.



2024 GRANT RECIPIENTS

Buffalo Lake Ambulance	\$2,500
Buffalo Lake Fire Department	\$2,500
Ecumen RSVP	\$1,000
Gaylord Fire Department	\$2,500
GFW Dollars for Scholars	\$1,000
Green Isle Fire & Rescue	\$2,500
GSL Jr. High STEM Trip	\$1,000
Hector Ambulance Service	\$2,500
Hector Historical Center	\$2,000
Hector Volunteer Fire Department	\$2,500
Immanuel Grace Lutheran School	\$1,000
Lutheran Social Service of MN/LSS Meals Winsted Meal Site	\$1,600
Mayer Fire Department	\$2,500
McLeod County Sheriff's Office – K9 Unit	\$2,500
McLeod Food Shelf	\$2,500
New Germany Fire Department	\$2,500
New Germany Legion Post 601	\$2,500
Renville County Back the Pack Program	\$3,000
Sibley County FoodShare, Inc.	\$2,000
Sibley East Middle School/High School	\$1,500
Silver Lake Pools and Parks Organization	\$2,000
Southwest Carver County Food Shelf	\$2,000
Stewart Fire Department	\$2,500
SWWC Foundation for Innovation in Education	\$1,000
Westphal Retrievers K9 Helpers	\$3,000



OUR TEAM

Behind all the poles and wires are the great McLeod Co-op Power employees who serve our members. They are expected to make good decisions and provide service in a way that demonstrates and supports cooperative principles and values. Like you, they live here and have a dedicated and shared interest in helping our community prosper.

- Emerson Brady**, Operations Manager

Debbie Ebert, Operations Specialist/Safety Coordinator

Dan Ehrke, Member Service Manager

Deb Goettl, Billing Coordinator

Curt Hanson, Staking Technician

Kaylee Hansch, Billing Clerk

Brad Hundt, Lineman

Steph Jakel, Manager of Finance

Peyton Jasken, Lineman

Shannon Jerabek, Energy Management Specialist

Jordan Jungclaus, Executive Administrative Assistant and Human Resources Specialist

Jared Klein, Lineman

Justin Kohls, Energy Management Specialist
- Kevin LaCourse**, Lineman

Craig Marti, Foreman

Teri Martin, Accountant

Ronald Meier, Chief Executive Officer

Brady Miller, Lineman

Gregg Nistler, Assistant Engineering Manager

Becky Schiroo, Customer Service Representative

Ryan Schuette, Foreman

Eric Sell, Information Services Manager

Scott Schrupp, W.H./Materials Technician

Robert Thomes, Assistant Member Service Manager

Nicholas Tritz, Lineman

Terry Underdahl, Foreman

BOARD OF DIRECTORS

2024 ELECTION RESULTS

The Annual Meeting was held on July 16, 2024, which included the Nominating Committee announcing the election results.

Board of Director Election Results:
District 4 - Doug Kirtz
District 5 - Allan Duesterhoeft
District 6 - Gary Burdorf

We extend our gratitude to all the members who participated in this year's election and cast their votes for the Co-op's Board of Directors. We also wish to express our appreciation to the other candidates, Paul Rettmann, Karl Reinhard, and Michael Checketts, for their active involvement in the 2024 election and for their interest in serving the Co-op.



Left to Right: Keith Peterson, Jeff Kosek, Kirk Newman, Allan Duesterhoeft, Dave Resch, Susan Anderson, Gary Burdorf, Doug Kirtz, and Randy Hlavka.

BOARD APPOINTMENT

In October, the McLeod Co-op Power Board appointed Jeff Kosek to the vacant District 2 seat after Joe Griebie's resignation. Mr. Kosek will serve until the next election at the 2025 annual meeting. A resident of Sumter Township near Brownton, Kosek has been a McLeod Co-op member for over 40 years. His background includes farming and roles on the Northarvest Dry Bean Growers board, American Fertilizer Committee, and as Sumter Township Supervisor and Chairman. He has also served with the Brownton Co-op, FSA County Board, and McLeod County Corn Growers.

2024 ANNUAL MEETING MINUTES

MCLEOD COOPERATIVE POWER ASSOCIATION MINUTES OF THE 89TH ANNUAL MEETING

JULY 16, 2024 | CROW RIVER WINERY

The Meeting was called to order by President Doug Kirtz at 10:00 A.M.

President Kirtz welcomed members to the 89th Annual Meeting.

President Kirtz declared the balloting closed and instructed the tellers to count the ballots for the director election.

President Kirtz gave the invocation.

The Pledge of Allegiance was recited.

A quorum was established and verified by President Doug Kirtz and Secretary-Treasurer Susan Anderson.

Secretary-Treasurer Susan Anderson read the "Notice of the Cooperative's Annual Meeting" and declared that the notice had been properly published in an official newspaper in McLeod County.

A motion was made and seconded to bypass the reading of the 2023 Annual Meeting minutes. Motion carried.

President Kirtz called for a motion to approve the 2023 Annual Meeting minutes.

A motion was made and seconded to approve the Minutes of the 2023 Annual Meeting as printed in the Annual Report. Motion carried.

President Kirtz announced the Director Candidates in the following districts. District 4: Doug Kirtz and Paul Rettmann; District 5: Alan Duesterhoeft and Karl Reinhard; District 6: Gary Burdorf and Michael Checketts.

President Kirtz also introduced the Directors in Districts 1-3 and 7-9.

The Manager of Finance, Steph Jakel, presented the Financial Report, highlighting key points and comparisons to 2022. The report revealed that the operating margins for 2023 were intentionally lower than the previous year. This was strategically planned, with deferred revenue playing a significant role in determining the amount to be recognized for 2023 while still complying with loan covenants. A decision was made to recognize more revenue in the upcoming year to alleviate rate pressures.

Tree trimming emerged as the Co-op's largest expense, with an annual expenditure of approximately \$500,000. Additionally, the cooperative received employee retention tax

credits in 2023, which will be recognized in 2026, coinciding with the IRS audit deadline. Until then, these credits will remain as an asset.

Patronage capital, representing the current membership's equity in the Co-op, is returned over time through capital credits. In the reported year, approximately \$275,000 was returned to the membership.

Manager of Finance Steph Jakel also reminded members to visit the Co-op's website to help locate past members who may have unclaimed Capital Credits.

Operation Round Up Trust Board Member, Cheryl Bielke announced that since Operation Round Up began in 2004 the program has awarded nearly \$282,000 to local organizations. This year twenty-nine applications were received. Twenty-five projects received funds for a total of \$52,100.

President Kirtz introduced the 2024 Nominating Committee. District 4: Doug Toreen, Glen Kurth, Christine Rath District 5: Morris Rettmann, Lynn Mackedanz, Steve Wendorff District 6: Rachel Lueth, Shelia Henke, Don Mader

Nominating Committee Chairman Rachel Lueth read the results of the Director Election and declared Doug Kirtz elected from District 4, Alan Duesterhoeft elected from District 5, and Gary Burdorf elected from District 6. Each director elected will serve a three-year term.

President Kirtz stated there was no Unfinished Business. President Kirtz then asked for New Business with none being received.

Great River Energy's, Vice President and Chief Power Supply Officer, Jon Brekke was the guest speaker and discussed grid performance and an overview of the energy market.

CEO Meier also discussed outage performances, the rebate program offered by the Cooperative, challenges of the supply chain, work planning, and efforts around safety and education of the Cooperative's employees, membership, and youth.

CEO Meier discussed Smarthub, the online program that allows members to view their account information and pay their bill online.

With no further business, a motion was made, seconded, and carried to adjourn the meeting at 11:25 a.m.

Attendance prizes were awarded.

Following the meeting, Chef Craig served approximately 285 members with a meal.

Dated: July 16, 2024



MISSION:

To enhance the quality of life for our members through effective, safe, and innovative solutions.

VISION:

Exceed members' expectations for reliable energy and services.

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