

2025 Proposed Bylaw Amendments

The Bylaw revisions proposed in Article I, Section 2, regarding eliminating the joint waiver are due to LYREC not requiring a joint waiver to be signed any longer. Section 3a, we are hesitant to simply add another person to an account due to the payout of retired capital credits. For example, if a new person is added, they would automatically own 50% of all capital credits, even if they were not on the account for the first 15 years. This can create complications when distributing retired capital credits, as people often overlook them until the time comes to divide them, at which point fairness becomes a concern.

ARTICLE I MEMBERSHIP

SECTION 2. Joint Membership. Any two people who agree may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term “Member” as used in these Bylaws shall be deemed to include any two people holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect to the holders of a joint membership shall be as follows:

- a) The presence at a meeting of either or both shall be regarded as the presence of one member; ~~and shall constitute a joint waiver of notice of the meeting;~~
- b) The vote of either separately or both jointly shall constitute one joint vote;
- e) ~~A waiver of notice signed by either or both shall constitute a joint waiver;~~
- c) Notice to either shall constitute notice to both;
- d) Expulsion of either shall terminate the joint membership;
- e) Withdrawal of either shall terminate the joint membership;
- f) Either but not both may be elected or appointed as an officer or trustee, provided that both meet the qualifications for such office.

SECTION 3. Conversion of Membership.

- a) ~~A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and other person to comply with article of incorporation, bylaws and rules and regulations adopted by the board of trustees.~~
- a) If a single member seeks to add another person to an account, LYREC will close the single membership and create a new joint membership with both parties on the account.
- b) Upon the death of either person who is a party to the joint membership, such membership shall be held solely by the survivor. The estate of the deceased member shall not be released from any debt which is owed to the Cooperative.

The provisions in Sections 7a & b are to allow sufficient time for publishing candidate information in the monthly magazine and finalizing materials for distribution to members, LYREC is proposing to extend the deadline for candidate name submissions. LYREC aims to have all nominees' names finalized on the day of the nominating committee meeting to ensure a smooth process. In Section 7c the requirement for notifying members of the candidate

list before the meeting is already addressed in ARTICLE III, Section 3, in the Bylaws. Since voting occurs in advance, candidates do not give speeches at the annual meeting. In cases where three candidates are running for one district, the candidate with the most votes will be elected, eliminating the need for a runoff election. The election process is conducted and overseen by a third party.

ARTICLE III MEETING OF MEMBERS

SECTION 7. Nomination and Election of Trustees.

- a) Nomination by Committee. Not less than ~~ninety (90) one hundred twenty (120)~~ days before any meeting at which trustees are to be elected, the president shall appoint a nominating committee composed of two members from each district from which the trustees are to be elected. The committee shall nominate one or more candidates from each of those districts and certify the names of such candidates to the board of trustees at least ~~sixty (60) ninety (90)~~ days prior to the date of the meeting at which trustees are to be elected.
- b) Nomination by Petition. Nomination of a Candidate to the board of trustees may be made by petition signed by ten (10) members of the Cooperative. The petition must designate the district for which the candidate is to be elected. All members signing such petition must be residents of the district for which the candidate is to be elected. The petition must be submitted to the nominating committee not less than ninety (90) days before any meeting at which trustees are to be elected, and the nominating committee shall certify the names of such candidates nominated by petition to the board of trustees at least ~~sixty (60) ninety (90)~~ days prior to the date of the meeting at which trustees are to be elected.
- c) Election of Trustees. ~~Not less than ten (10) nor more than thirty (30) days before the date of the meeting at which trustees are to be elected, written notice shall be mailed or delivered by the direction of the secretary to each member containing the list of the candidates nominated by the nominating committee. The list may be included with the notice of meeting. The candidates nominated shall be limited to one two minute nominating speech. There shall be no seconding speech, and no speech by the person nominating. In the event more than three candidates are nominated for one District, there shall first be a run-off election conducted in which the two nominees receiving the highest number of votes shall be determined. The members of the Cooperative shall then cast a second ballot to decide which of those two nominees shall be elected as trustee. The candidate from each district receiving the highest number of votes shall be considered elected as trustee. If the trustee election results in a tie vote, a recount shall be conducted. If a recount confirms a tie remains after a recount, vote, a run-off election between the candidates receiving the same number of votes shall be held and decided within 45 days of the tie vote. If after a run-off, there is still a tie vote, the winner shall be determined by a game of chance by the Cooperative's attorney or designee. The candidate from each district receiving the highest number of votes shall be considered elected as trustee.~~

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 at the Richland County Fairgrounds Event Center in Sidney, Richland County, Montana, at 5:30 p.m. on Wednesday, the 4th day of June 2025. 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 \$50 bill credit.

The following business will be transacted:

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

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

- Tim Franzen – District 3
- Dennis Schmierer – District 4

The Nominating Committee met on March 4th, 2025. Following the committee's work, they nominated only one candidate per district; accordingly, the election of trustees will be by acclamation. Tim Franzen will be re-elected to represent District 3, and Dennis Schmierer will be re-elected to represent District 4.

June 4

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.



Annual Meeting

NOTICE & REPORT 2025



Balance Sheet

Equities and Liabilities

Equities

Patronage Capital	44,922,969
Net Margins	6,547,697
Non-Operating Margins	225,379
Other Equities	3,117,410
Total Equities	\$ 54,813,455

Long Term Debt	44,991,253
Total Long Term Debt	\$ 44,991,253

Current Liabilities

Notes Payable	0
Accounts Payable	3,050,618
Consumer Deposits	524,820
Current Maturities - Long Term Debt	1,177,644
Other Current Liabilities	1,544,521
Total Current Liabilities	\$ 6,297,603
Deferred Credits	269,754
Total Equities and Liabilities	\$ 106,372,065

Property Taxes Paid in 2024

County	
Richland	806,819
Roosevelt	49,646
Dawson	18,269
Williams	5,343
State of North Dakota	99,423
Total 2024 Property Taxes Paid	\$ 979,500

Assets

Utility Plant

Electric Plant in Service	117,628,221
Construction Work in Progress	1,330,690
Total Utility Plant	118,958,911
Less Provision for Depreciation	37,898,249
Net Utility Plant	\$ 81,060,662

Other Property

Investment & Special Funds	
Non-Utility Property	7,600
Investments in Associated Utilities	15,279,234
Total Other Property and Investments	15,286,834

Current Assets

Cash-General Fund	85,973
Temporary Investments	695,407
Accounts Receivable (Energy)	4,652,111
Accounts Receivable (Other)	93,790
Material & Supplies	4,397,076
Prepayments	100,212
Total Current Assets	10,024,569
Total Assets	\$ 106,372,065

Board of Trustees



Tim Franzen
District 3

Tim was born and raised in Sidney, MT where he graduated from high school. His passion for rodeo rewarded him with scholarships to attend Dawson Community College and later Dickinson State University where he received his bachelor's degree in business administration. Tim and his wife Rochelle have 2 children. They raise cattle on their ranch south of Sidney.

Tim currently represents District 3. He was elected to Lower Yellowstone Electric's board in 2022 and served as an interim board director in 2021.

Tim said, "Although my time on the board has been brief, it has been an enjoyable experience. We have an outstanding community and membership at Lower Yellowstone, and it has been an honor to represent them. I will continue to expand my knowledge of the industry and look forward to representing the membership in the future."



Dennis Schmierer
District 4

Dennis, a native of Savage, Montana, grew up in the community where he graduated from high school before attending the National College of Business in Rapid City, South Dakota. He and his wife, Karen, have four children and seven grandchildren. Alongside his brother, Dennis continues to farm near Savage.

Elected to the Lower Yellowstone Electric board in 2001, Dennis quickly became involved with the cooperative's Safety Committee, where he remains an active member. He currently serves as the board's secretary and is also a board member of the North Dakota Association of Rural Electric Cooperatives.

Reflecting on his role, Schmierer shares, "Serving on LYREC's board has presented many challenges, but it has also been incredibly rewarding. One of the most fulfilling aspects is continually working to enhance power quality for our members by upgrading LYREC's services, ensuring the cooperative's success for the future."

Guest Speaker



Brett Battenfeld

Brett Battenfeld, a Journeyman Lineman from Mid-Yellowstone Electric Cooperative in Hysham, MT, traveled to Guatemala in February as part of NRECA's International Program. Alongside a team of 13 linemen from across the state of Montana, he helped construct approximately two miles of power lines through dense jungle canopy, bringing electricity to the remote village of Cocalitos. Their efforts successfully powered 23 homes. Battenfeld will share his experiences-both the challenges and triumphs-at the annual meeting on June 4!

Scholarships

LYREC is awarding 30 scholarships of \$1,000 each at its annual meeting on June 4. To enter for a chance to win, submit an original photo showcasing the serenity and beauty of LYREC's service territory.

Eligibility criteria, guidelines, and scholarship applications are available at www.lyrec.coop. The application deadline is May 27.

Scholarship recipients will be announced at the June 4 annual meeting, and applicants are encouraged to attend.

Each applicant may receive a maximum of two annual meeting scholarships.

2025 Youth Tour Winner



Avè Norby

Avè Norby, a junior at Sidney High School, has been named the 2025 Youth Tour Winner.

Each year, LYREC selects one outstanding student for an all-expenses-paid trip to Washington, D.C., where they will experience the nation's capital firsthand, gain insight into the political process, and engage with their elected officials.

For her winning entry, Avè wrote an essay on the most impactful event of her lifetime – the COVID-19 pandemic—and its personal effects on her.

"I can't wait to learn more about how the federal government works and how that affects co-ops. I am also very excited to meet new people and socialize with other kids from around the state," said Avè.

A well-rounded student, Avè is actively involved in symphonic and pep band, has served as class president throughout high school, and participates in volleyball, basketball, and track and field, along with numerous other extracurricular activities.

She is the daughter of Lorilee and Jeremy.

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



Operation Round Up (ORU) awarded \$11,250 in 2024 to support meaningful causes across multiple communities, made possible by the generosity of our members who donate each month. Here are a few organizations that benefited from ORU last year: Burns Creek Inn received \$1,000 to renovate the Savage Basketball Court, Tendo Booster Club was granted \$2500 to host a free seminar with former Olympian Stephan Lambdin for all athletes, Richland County Coalition received \$1500 to fund a mobile clinic offering free skin checks and screenings, and Annie Oakley Animal Rescue was awarded \$2500 to help secure a shelter for rescued animals.

