

# Yearend Report 2025

## Sheridan Electric Cooperative

As we have in the past, we will use the very same format as we have for the last several years. We will update you on the goals and expectations set in 2024 for the 2025 period. Success and failures will be represented in this document as failures represent opportunities, and success will need to be celebrated.

I will report from my chair where we are going, and how we will get there, based on the vision from the board. Each department head will report on the expectations set, and how they will take their teams to success. My report will be an overview of this past year, but my final thoughts will be goals and the expectations I have for the group.

These folks will also report on their successes and failures, what went wrong and what went right. This will be in their own words, so the board gets a full picture of how these future leaders of the cooperative think. Also keep in mind that each department head leans on his/her employees to help them develop the best ways to meet the objectives. In other words, all employees help write this report.

### CEO/ Manager's report

- In 2025, we did have a recordable, lost time accident that interrupted a huge accomplishment of 3400+ days without an incident of this type. Still a tremendous safety program, we learned from the incident, to further the safety and well-being of our employee group.
- For every safe month without a recordable incident, we will continue to pass out \$2 bills to the employees. In August was the first interruption of this event, since we started the program.
- This year, exactly as budgeted, we have been low on cash and showing low margins. This is primarily due to coming off the KVA program for the transmission line. As a learning event, we are navigating this change in the financials step by step. Most of the cash we have is aid to construction from projects that are in the queue. Slowly correcting itself, we knew cash would be a problem until fourth quarter of this year.
- Basin and WAPA announced rate increase this year, with Bain's being the most aggressive. As we run through the budget process, we see the change in load for this year and next, thus are looking at a significant rate increase for 2026 (January). This rate increase has been analyzed by Russ Schnieder and Riley himself, so has been vetted. Also, on the docket of control metrics was an update of the 10-year financial forecast. The Russ Schnieder and Riley work is backed up with this financial forecast. They confirm each other.
- Load is strong and continues to get stronger as we navigate 2025. We met our 170M KWH for the year versus 140M we forecasted for 2024. 2026 load forecast is projected to land around 192M KWH. Load continues to be built with new requests every week.

Remember, load protects rates, and with this scale of growth, it gives us more options than being stagnant. The highlight is the staffing remains at 26 people even with the added load growth.

- There was much work on the facilities project this year. From architectural work to financing, this project left very little rock unturned as the board turned over every rock supporting strong due diligence for the project. We have started to wean ourselves from Kory to myself as the project lead. Kory has done a wonderful job with this topic. We are now looking at potential contractors for the project and are allowing EAPC to do what we are paying them to do.
- Employee training and development continue to be a highlight of this cooperative. Folks travelled to many different training courses, onsite and offsite, different meetings (operations conference ND and Montana) continue to be great training tools for perspective leadership in the future.
- The employees' control of their own departments and areas is in top notch control. They own their respective parts of the business, make improvements, make mistakes and try again, all in the name of the membership. We are in a good place with employees.
- Open positions at the cooperative are of great concern. One out on an accident, another moved to Billings, and another did not meet expectations within the one-year time frame. We will also face the retirement of Kory at the end of the year. On this topic alone, we interviewed five internal candidates for Kory's position and interviewed one internal and four external folks for Josh's position. This will create some shifting of duties, and the addition of one external candidate for Josh's position. We welcome Connie Anderson to the family. She started in November, and her focus is schools, schools and schools to start out with. We have much catching up to do in this area. In the meantime, while Josh prepares his team for the 2026 starting point as Operations Manager, I will take on what I can to cover the bases until we have Connie on board. Then Josh and I will spend some time with her on the expectations of the position. Our linemen and electrician scholarships have suffered due to lack of participation, and how Josh got so busy with Key accounts. We intend to correct that.
- As stated before, we have changed the operational structure of the cooperative. The Operations part of the business will also cover the electricians. This puts all operations under one umbrella. This change frees up the Member Service person to focus exclusively on member engagement and schools. We have many programs that will keep this position very busy. The change of operations will focus all activities into one streamlined process, with no breaks between departments. We have lost opportunities to serve the membership by lost communications between departments. We will serve better in a much better environment with the new one. Regarding the member service position, this position will not be a manager position but will still have a seat in my staff meetings, and at the board table. What is happening within the membership is critical for me to

know, and the board as well. We will still see reports from all departments, including this one.

- You have already seen or have yet to see a different approach to the budgeting process from the Operations department. Josh has taken hold of this process and while the process was good in the past, he has some ideas to be more targetter on the application of the funds for the construction work plan.
- In early October, we started a research project on the possibility of becoming a Transmission Owner through SPP (Southwest Power Pool). As you all know now, Basin facilitates/leases our qualifying transmission assets and takes care of all compliance and other activities. Through this lease, we make about 1.4M a year from Basin. As we see Upper Missouri, going through this process of becoming a transmission owner through SPP, they could earn three times the money from SPP, instead of leasing through Basin like we do. So, we explored the possibility of realizing these funds ourselves and cutting Basin out of the equation. This is a due diligence project with Rod and Staff looking at all of it for possibilities to offset some of the new facility costs, by making more on our qualifying transmission assets.  
This research project did not net seeing any change in what we are doing now, so will stay where we are. It was a great educational project though.
- We were extensively involved in the legislative process this year both with our local representatives, and the Tribal caucus in Helena. I attended the meeting with the Indian Caucus in Helena, as well as spent several hours with Mark Lambrecht, Gregg Hunter, and Val Moore to offer any assistance I could that would benefit this region and this cooperative. The Indian Caucus was instrumental in several points of legislation the MECA group was able to move forward, and we were right there with them. In addition, we did offer two letters to congress in support of important legislation that did pass.
- We continue to support the Big Sky warriors' program with Josh Marrotteck. As you are all aware, we do not charge Josh vacation time to help with these hunts. It has been a great help to the program and its success. We are very proud of Josh and his efforts to represent Sheridan Electric and make these a success.

Very busy year

Member Service, Electrician Department, Utility Department  
By Josh Johnson

Year in review- Member Service Department

Over the year, I have continued to visit with the key accounts from the past, as well as having open dialogue with potential future key accounts. I was a chaperone for the Washington, DC Youth again this past June. There are several youths from our area, as well as across the state, who have bright futures ahead of them. This has always been a rewarding part of my current

position. While key accounts did take up a good portion of my time, I still assisted the billing department with high bill complaints as well as with collections of past due accounts. I am excited to see where Connie can take the programs that we have had in place. We did lose one of our electricians in April and have yet to fill it, so our department is running short-handed. We will continue to search for another electrician.

This past March, we had the first-ever Operation Roundup board meeting. This program wouldn't be available without the support of the membership. This was a huge success and wouldn't have happened without the help of Jamie Ator Kleppen.

In October, we held our 78<sup>th</sup> annual meeting, which was a successful event that wouldn't have been possible without the help of all the employees.

### **Paperless vision**

In addition; With the implementation of the Outage Management module as well as the Work Management module we will begin our journey to becoming paperless in 2026. Outage Management is scheduled to go live sometime in January and Work Management will follow. This will be a learning curve, but I fully believe this is the path to our future. We will provide the proper training for everyone involved.

Linemen and electricians will be able to complete service orders in the field, fill out tailgate forms and even get membership applications signed as well as many other tasks. All the documents will be uploaded to the computer software, and the tasks are completed. This will put more responsibility on the crews, but will eliminate lost paperwork, illegible handwriting and get the paperwork to the guys while they are in the field.

As this is going to be a new process, we will take it slowly and work through the kinks before jumping in with both feet. Several of our neighboring cooperatives are using both modules, they will be a great resource if we have questions.

### **Failures for the Member Service Department in 2025-**

- Cooperative Education
- Member Safety Education

### **Goals for 2025-**

- Expand communication for member information as well as outages. (In progress)
- Educate the members on electrical safety! (In progress)
- Complete the safety demo trailer! (Complete)

### **Operations Department Goals and Expectations-**

In January of 2026, I will take over as the Operations Manager. With this, I will oversee all outside operations of the cooperative. This includes the electrician department, mechanic, and facilities upkeep. While this is relatively new ground for me, I still have key employees in place to help with the process. With Kory's retirement, there will be changes made to how things were done in the past. Safety is of utmost importance, and I will hold all employees to this standard. I am excited to see where we can take this group of employees.

As I write in this report, this year the construction work plan focused mainly on installing underground lines, replacing some old cables, and others were getting overhead lines out of farm fields. The beginning of the year saw one contracting crew strictly building power to oil well pads, which were paid for via Aid to Construction, while the other crew has been plowing in cable.

In 2026, with board approval, we will continue the construction work plan, which will include more underground power lines as well as rebuilding overhead infrastructure that is aging.

Our metering project is 97% complete, we have a few meters left to change out as well as some relays that need to be installed.

#### Goals for 2026-

- Complete metering project 100%
- Outage Management- Map on website to show outage bubbles
- Work towards paperless workflow
- Streamline daily processes- Work Management Software
- Identify position backups- Succession Planning
- Bainville Transmission and Substation project completed by the end of 2026
- Get the outpost connected to the server.
- Education and Training- Get key employees proper training

Office Manager report  
By Riley Tommerup

#### Office Manager-

CFC Loan-We took out a new \$15M loan facility with CFC in July 2024. This is available for 5 years and will be used for construction work plan projects as well as bucket and digger trucks. We have advanced \$5,050,000 of this facility for our construction work plan projects through November 2025. In addition, we completed the paperwork for a line of credit (construction loan) for a new headquarters facility for \$17.5M which is available through March 2028.

Financial Forecast-Once again, we used the resources through CFC to complete a 10-Year Financial Forecast. We have been doing this in the June-July timeframe, and it helps us for the upcoming budget year. We will continue to do this annually.

Banks-In 2024, Rocky Mountain Bank was sold to First Bank of Montana. As a Rocky customer, we transitioned to First Bank of Montana in July 2024. We were not happy with First Bank of Montana and we decided (and the board approved) to move to Stockman Bank. Changing banks is no small undertaking. Tasha and Lisa have the most work to do with this and as I talked to them about the possibility of changing a second time in about one year, they were

in total support. With their help, we made the correct decision, and I do not foresee us changing banks anytime soon.

Transmission Loans-We borrowed \$42.5M from CoBank in 2013, 2014, and 2015 to complete a transmission and substation build out. The loan terms were for 10 years. At the end of 2023 the first 42% of these loans was paid off, or about \$2.1M in annual payments. About 48% more was paid off at the end of 2024 (another \$2.4M in annual payments) taking care of the bulk of the loans. About \$500,000 was remaining in 2025 and all, except for \$19,336, will remain on the entire loan. This proved to be a very successful project for Sheridan Electric working in conjunction with the oil companies to come up with the plan to use a kVa charge to fund the project. Pending board approval, the kVa charge used to fund the transmission projects will go away in 2026.

Operation Round Up- Jamie took the lead in getting a "bill round up" program in place for our members to donate to beginning January 1, 2024. The Operation Roundup board held their first meeting in early 2025. During 2025, \$12,925 was donated to senior centers, rural fire departments, health care foundations, and pool projects.

RF Billing-The RF metering project is nearing its final stages of installation and has been incorporated into our billing system.

Other notes-Communications with the office staff has been increasingly improving with alerts/notes in NISC that can be viewed by everyone. Tasha and Lisa have continued to do a great job with members who are having trouble paying their bills yet working with them to come to a solution and sending very few to collections. Jamie is revamping the membership application/new member packet to make it easier to complete and become an active member in the co-op. Lisa is continually learning the electrician side and is able to help with member questions/materials while the guys are out in the field. Discussion is taking place to make some changes to the registration for the next Annual Meeting.

Overall, our office staff is doing very well.

## **Goals and Expectations 2025 (Results)**

### **Safety**

The continuance of an employee run safety program will stay at the top of the list. They are continuing to ask the right questions and make the appropriate moves.

This program has also shown me leadership skillsets from employees which we will develop.

The Board member (Jody Lagerquist) and his continued passion for this program is un-measurable and very credible. It lends vast amounts of credibility to the employee group when a board member is asking great questions.

This also assists the management group in determining equipment needed when the budget is reviewed.

This safety committee will most likely address everything that comes up, and most recently addressed the trend for rolling stock incidents to hand tool incidents.

They are on their “game” and it shows.

We will be looking to enhance the testing of trucks through ALTEC and change our current time frames for testing. We narrowly missed a problem with cracked frames and have spent some time addressing this statewide.

Several questions came up over this process, and to proactively look at the problem, we need to stay objective. (Complete successful year, 1 recordable incident for the year, but team has evaluated cause and placed safeguards/training in place to prevent further incidents)

### **Cooperative Education**

We will complete the three schools left over from last year, and then start the process all over again. This is a 10-year program for 6<sup>th</sup>, 7<sup>th</sup>, and 8<sup>th</sup> graders who will be our new membership in the 10 years. I really enjoy this program and am taking it on myself to keep it off Josh’s plate. (Incomplete, but with new operations structure will see this program flourish in 2026. 4 schools competed)

### **NEMEOF**

We will be looking hard at the next phases of this project, and mostly helping schools with teachers, and teacher retention.

Finding the kids who want to be teachers, and helping them through schooling, is a huge helping hand to our 10 schools.

We did look at the plumber topic for this region a few years ago, and with that work, an outfit out of Sidney has a couple of young folks in the Plentywood area under an apprenticeship program.

We will meet with this group to see what we can do to assist even further. (Incomplete but with new operational structure we will see movement in this area in 2026)

### **Financial Performance**

We saw a rate increase in 2024, and I will be monitoring Basin heavily to see what they do that could affect what we need to do in the next year. This action will match the 10-year forecast we completed early in 2024.

Riley shows us not having to do anything in 2025, but 2026 is a high probability. (Complete/ongoing)

### **Meter Project**

A goal I have for this topic is completion in 2025. It is a far-reaching goal, but if we address it safely, and productively, I believe it can be done.

Still, if something goes wrong and it affects billing or the engineering department, Jamie and Josh will have full authority to stop immediately. We will continue to monitor the meter week every month. (Completed project. Odds and ends to finish and right around 20 three phase meters to be installed)

### **Kory’s Retirement**

As much as I do not want to admit, it looks like we will lose Kory this next year sometime.

My hopes are that he decides to stay another year, but this is up to him.

His team is highly trained and if it does happen, we will have business continuity.

If, and when, this does happen, we will have a new operating scenario throughout the coop.

There will be some changes to smooth out how we conduct business and that was created by the superintendents.

Jamie Ator Kleppen will be a part of the process from the overall plan to the interviewing, to the selection of Kory's replacement. I have found Jamie a great partner to see things from a human side of the equation when I may get blinders on and miss some things.

This process will also be conducted in the very same format as it was for Josh Johnson's interview process for his job. Many folks learn from these exercises and take it into their careers in the future. (Complete)

### **Employee Training**

As we look over the manning chart and placement of people either preparing for the retirement of Kory, or at present, we will have some expectations to meet for some of the positions.

- 1) The staking Tech will need aggressive training to fill some of the Engineering duties currently filled by our Engineer.
- 2) The current engineer will need some training in inside wiring engineering as this position will start to assist the electrician group.
- 3) The pole testing program does not have a backup trained and ready to go. This position is a must to have a person ready to go so we preserve business continuity in this area.
- 4) Metering will need to have someone who is ready go in case we have a problem, or something happens to the current employee.

All of these positions are critical to the smooth operation of this cooperative. (In process)

### **Understanding Upper Missouri's Budget and Cost Structure.**

There are many things within the Upper Missouri cost structure that are hard to understand, and with the addition of employees and the Guernsey rate study, frankly confuse me.

I have had multiple discussions with Jeremy, and the understanding seems to get farther away.

These are the areas for study in 2025

- 1) Impacts (\$\$\$) of the new employees to the cost structure and their duties to the members.
- 2) The rate study shows increases to this cooperative, and in fact substantial increases that do not show up in any other cooperative. Yes, it is most likely based on our meter points, but not at these levels.
- 3) What is the goal of Upper Missouri on the following points
  - i. Rates
  - ii. Employees
  - iii. Cost to members
  - iv. Long term FERC plans
  - v. RUS and why?
  - vi. Cost structure that we pay for

(This will be an ongoing process, and not very comfortable with Upper Missouri G&T direction)

### **Fire Mitigation Policy, Procedure and Comprehensive Plan for Sheridan Electric**



As I sat through the Mandan Fire Mitigation conference including three states, I found our current plan and procedures completely inadequate.

We will all be doing a fire mitigation assessment and from that assessment we will build a plan that will take this cooperative well into the future with a stellar program.

Things to address will be the following

- 1) Patrolling will come in many forms, but a centralized point of information will be enacted.
- 2) We will create a form to be filled out per section of the system assessing our fire potential and mitigation efforts.
- 3) The pole inspection program will have a major impact on this new process.
- 4) Debris, pole condition, hardware on poles including crossarms will be looked at.
- 5) Red flag warnings and what we do, through procedures, will be enacted.

(Complete and in place as Policy)

### **LPR (License Plate Reader Project)**

We will continue to work with Jeff Berger on the License Plate reader project.

In 2024 we completed two of the cameras on Highway 2 and now have been asked, and tasked, with the North South cameras. This work will continue well into 2025.

As I have stated in the past, this project is the Tribe's project, but it assists the entire region in combating drug trafficking.

(Complete and now looking to help with further camera work)

### **In Conclusion**

We have a very strong bench of people running your cooperative, and the training continues well at the levels we would look at tomorrow if needed. This means we are working on the next level of young leadership, setting this cooperative up for the next 70+ years.

Young leaders are showing themselves, and once identified, are moved quickly into leadership training. This bench is deep.

We will lose Kory next year, and it will be felt by all, including myself. However, Kory has spent many hours developing and preparing these folks, and the entire coop, for his retirement of an exceptional career.

As always, I and all the employees are humbled to serve you and this cooperative in preparing it for the future.

(Our motto and directions for 2025)

## **Goals and Expectations for 2026**

### **Safety**

The safety program is on an even keel and doing well. Yes, we had an incident in 2025, but the program is strong. The goal to make it even stronger, with Jody and safety committee running the program for the employee group.

In essence, this entire program is run by the employee group already.

**Goal- zero recordable incidents in 2026.**

## **Employees**

This last year I learned of a few goals from a couple of the applicants for Kory's position.

Nick Oelkers is interested in the Key accounts side of the program as well as any legislative exposure he can get to learn more about this process. He has twice announced his interest in upper-level management and will work with him to the end.

I have let Mark Lambrecht know of Nick's interest in this part of the state process, and Marl is excited to have someone who is an expert on his team when needed.

**Goal- get Nick into areas that interest him far beyond what he is doing now, and as described above.**

**Measurable levels- Nick has an abundance of leadership skills yet to be developed.**

**Exposing him to the legislative world will be interesting to watch but expect huge things from this. The measurement will come in the form of outside conversations.**

Josh Ming is looking for involvement in all aspects of the business that he does not get now. We need to get him on the safety committee in a linemen place when that position is open first off. Next, we will start to expose Josh to more upper-level decision making, whether it is by zoom calls, or in person, but we will get him that exposure.

Josh's leadership style is unique, and it shows in the folks he has trained. He also is a good resource to look over new prospective employees when hiring positions in summer and has helped us make important decisions on who to keep and who to not.

**Goal- expose Josh Ming to different parts of the business as a prospective leader for the future.**

**Measurable levels- Josh will be exposed to different parts of the business developing his apparent leadership skills but also be able to articulate what he has learned from all aspects of the business.**

Nolen Drury is a new young leader with a very good talent/skillset to be developed. Leading now in his capacity as a journeymen lineman, he takes that position very seriously. Nolen as well will start to see some upper-level decision making exposure. Both Nolen and Josh M. Are under control of Shawn Sansaver's guidance, and Shawn's leadership also shows in these two young men.

**Goal- Continue to develop Nolen for larger positions for the future.**

**Measurable levels- showing leadership ability as a progression, versus something you can articulate.**

Victoria Waller continues to shine on the national stage, as well as in state. Her leadership in the procurement problems the nation faces as well as the state have been admired.

I get more comments about her style of communication at these events than I do about anyone else.

I see big things for Torie in the future, as well as these other applicants. Operations, sub stations, accounting etc... Torie has shown an interest in.

She was another applicant or Kory's position and showed great interview skills during that event.

**Goal- continue developing Torie for future endeavors including some financial exposure to the business.**

**Measurable levels- exposure and the ability to articulate what she has learned from all different projects.**

Jamie helped me with this event for Kory's position, but when we were completed with the interviews, she stood up and stated all were so good, she was glad she was not making the decision.

Jamie did an outstanding job during this process and used her as the human side of the equation on many different projects.

I value that frank personality that will correct me when I get too focused on the goal and miss some human steps.

The Member service position was next on our list to accomplish.

Josh and Tasha set their sights on helping me with that position interview schedule.

Five applicants from outside and one from the inside, was a very good show of interest.

We hired Connie Anderson for the position but learned quite a bit about Tasha after the process. She has a desire to help the member service position in any way she can which shows me she is ready to take on new roles outside of the one she is in now.

**Goal- Tasha Roness as a semi assistant to Connie for 2026.**

**Measurable levels will be how Connie and Tasha develop the Member Service position into something different and see how Tasha can assist Connie moving forward.**

### **Kraken Substation completion**

The goal of this cooperative will be to complete and energize the Kraken substation by October of 2026. Josh will have a substation project manager in place to assist in hitting this goal.

**Goal- Hit the stated timeline**

### **Facilities project start**

We will be starting the facilities project in early 2026. As the onsite project contact point, I will be asking for Brett Donat's expectations for the position. What does he want to see? What does he want in the forms of communications? What does he want?

These will be simple questions, and I need to keep in mind that they run the project, within the guidelines set by the board.

**Goal- Adhere to Brett's expectations, and they adhere to Sheridan Electrics. Timelines will be the measurable guide to satisfaction.**

### **School programs**

We have slipped on our school programs, and it shows with the lack of an electrician in the pipeline to hire for the open positions.

I have met with one young senior in Westby already, and Riley has stated he knows two to three who are interested.

Linemen will also need to be looked over for people in the pipeline.

We may need to divert money from unclaimed more to potential people to school versus donations to projects.

**Goal- have measurable steps towards getting this back on track. How do we measure this?**  
**Several young folks in the pipeline to supply the future.**

**Continue to shift Operational targets to have backups in place for Pole testing, meter program, engineering, and work study. Aggressive plans**

All of these topics will be covered in the report by Josh Johnson. All topics define the future, which have slipped during the past few years.

These will come in the form of goals and expectations of his department's targets for 2026.

**Goal- have a defined plan to cover all of these targets in 2026.**

**Annual meeting attendance increase**

We have seen an increase in attendance at the annual meetings over the years. In 2025, I saw fewer young families than in previous years. The goal for 2026 is to increase this and increase attendance to 300-500 voting members.

I will leave this to Connie to evaluate and formulate a plan to do so.

Yes, this is an aggressive goal, but achievable. And yes, it may come in increments to get it there (multiple years).

Young families are the key to this, so to structure the annual meeting around that is a clue to success.

**Goal- Increase young families to the meeting and hit 300-500 voting members for 2026.**

**Board redistricting**

We have not done much with the re-districting since Ricks resigned and have held off because of a comment by Harlan that he may retire, which we hope is not the case..

We intend to see what happens here before we go into a full-blown redistricting process after we see what happens here.

Harlan will dictate when we do this process and announce his intentions.

**Goal- have the redistricting completed in 2026 prior to the 2026 annual meeting.**

**Contract negotiations completed**

This year we will see contract negotiations for the outside employees. At this point I do not see any outstanding topics that need resolved other than two;

- a) Closing the gap on electrician pay with linemen pay to 95% of each other.
- b) Adding the Safety and Loss Coordinator position into the contract. Currently paying overtime to compensate for that work.

Other than that, we seem to be in a good place and have chatted with Tom and Shawn periodically on topics that are coming up.

**Goal- Have the negotiations, between board and shop stewards, addressed and wrapped up in spring of 2026.**

### **Fuel pricing project**

In late 2025, I turned Lisa loose on the fuel prices we pay at the local gas station. I gave her some parameters to work with as listed;

- a) Compare prices to the North and South of us to make sure we have a competitive price in fuel for the cooperative. It is apparent to me that this local gas station lags in price reductions while the areas to the North and South change.
- b) Use our volume of fuel as a strategic approach to a corporate rate for Sheridan Electric.
- c) Miller Oil has expressed concern for many years about not using them, and they are a member

**Goal, have a reduced pricing structure for Sheridan Electric concerning Fuel.**

### **In conclusion**

2025 has been a very busy year and has had many challenges. The safety program will continue to be our focus from the staffing, safety committee, Jody Lagerquist, and the rest of the employee group.

We are in a good place here.

The goals I have set are very aggressive, yet very doable.

The growth has been a challenge, but the employee group has hit every challenge head on with outstanding results.

Running through a process of replacing Kory, then Josh has been completed, but was very intense.

The timeline between end August to November first will also be a challenge as we wait for Connie's start date.

Much was learned from the group during this process as described above.

All the operational and people items discussed will be within the department head's reports and have been done with the very same number of employees.

No additions (yet).

There were several areas that needed attention, one being the Spike Bighorn retirement mistake I made during the year.

This mistake will cost the cooperative money, but we are doing the right thing by replacing the line.

I encourage the board to review this document and make known any adjustments you would like to see on topics and course, so we are all on the same page, pulling the oars in the same direction.

One thing I want to convey to the board is this:

"Good leaders come from winning all the time and have never faced a loss somewhere in their career"

"Exceptional leaders have seen loss somewhere in their career, learned from it, and went on to become exceptional. Not winning all the time teaches humility."

This is why we empower to fail within the group.

This being said,

We have many good leaders within the group now. Some are facing some losses/failures, and are quickly becoming exceptional, learning from the mistakes and moving on.

This is the goal of this cooperative that sends a powerful message well into the future.

Scott