



F E R G U S

FEATURES

Member Newsletter ♦ Fergus Electric Cooperative, Inc., Lewistown, MT ♦ www.ferguselectric.coop

PRESIDENT'S REPORT

Co-op is growing

By **PAUL DESCHEEMAEKER**

I am pleased to report that Fergus Electric Cooperative is growing, which has kept our financials strong through 2021 and into 2022. We had 142 new services and 19 retirements, for a net increase of 123 meters on our system in 2021. Our large loads (Signal Peak Coal Mine and Express Pipeline) have been strong power consumers this past year, increasing their energy consumption approximately 12 percent over 2020. In dollars, this increase added more than \$800,000 to our revenue. Simply stated, when our large loads do well, it helps our bottom line. The coal mine and the oil pumping stations are both carbon-based industries. As members, if reliable and affordable electricity is a priority for us, we must also support the carbon-based industries that are the backbone of dispatchable energy generation.

Fergus Electric members can be confident that your board of directors and employees continue to operate efficiently to deliver electricity to you. Customer service, accounting, fleet maintenance, engineering, system maintenance and construction are just some of the hats worn by Fergus Electric employees. Together, we have worked hard to maintain stable rates for 11 years,



and we strive to continue to do so.

Thus far in 2022, the co-op has already received six dozen requests for new services

or service upgrades in the Roundup and Lewistown areas. Supply chain issues are causing shipping delays of several material items the co-op uses, so our employees are working diligently with material vendors to locate and obtain inventory to keep pace with construction.

Our employees are central to the success of Fergus Electric. Everyone at Fergus Electric is professional and safety conscious. The safety culture at Fergus Electric has been, and continues to be, top notch. As a board, we are proud of our employees. Our number one priority is getting everyone home safely to their families at the end of each workday.

Please join the board and employees at the Fergus County Trade Center in Lewistown on Thursday, June 9th for our 84th Annual Meeting. Be an informed member. Enjoy a free lunch served by the Central Montana CattleWomen. We will award multiple door prizes and scholarships to co-op members and their families. Learn more on our website: ferguselectric.coop. RM

Scholarship drawing to be held at the annual meeting

Must be present to win

Fergus Electric Cooperative will offer 10 \$1,000 scholarships in a drawing at this year's annual meeting, when it is held.

Rules for the scholarship drawing are: 1) The applicant or applicant's parent/guardian must be a member of Fergus Electric Cooperative, 2) The applicant must have at least a "C" grade average, and 3) The scholarship may be used for undergraduate college, vo-tech or for graduate studies.

No support documentation is required. Winners are determined by the luck of the draw. Checks will be written to the college or school of the winners' choice.

Please complete the following application and return it to: Fergus Electric Scholarship Drawing, 84423 U.S. Highway 87, Lewistown, MT 59457. **JUNE 6 DEADLINE.**

FERGUS ELECTRIC SCHOLARSHIP APPLICATION

Name: _____

Address: _____

Phone: _____

College/Vo-Tech attending/will attend: _____

I maintain at least a "C" average: _____

Student Signature: _____

Parent/Guardian Signature: _____



MANAGER'S MESSAGE

From Carson Sweeney

New Roundup building proposed

FERGUS Electric Cooperative Inc.'s annual meeting is coming up on Thursday, June 9th, at the Fergus County Trade Center. I encourage you to join us for lunch prepared by the Central Montana CattleWomen and for the business meeting that follows, during which we will present the 2021 financials, the significant work completed within the year, and plans for our cooperative's future. We will be discussing the long-term partnership we have with Basin Electric Power Cooperative (Basin), our electric power supplier based in Bismarck, ND. Basin worked with us throughout 2021 to reduce our wholesale power costs going forward, and they forecast long-term stability in wholesale power rates. These types of relationships benefit our membership by helping maintain electric rates at existing levels.

During our 2021 annual meeting, I asked our membership to provide input on our plan to build a new facility on the 5.7 acres of land we own 1.6 miles east

84th Annual Meeting

THURSDAY, JUNE 9


Fergus County Trade Center
Lewistown, Montana

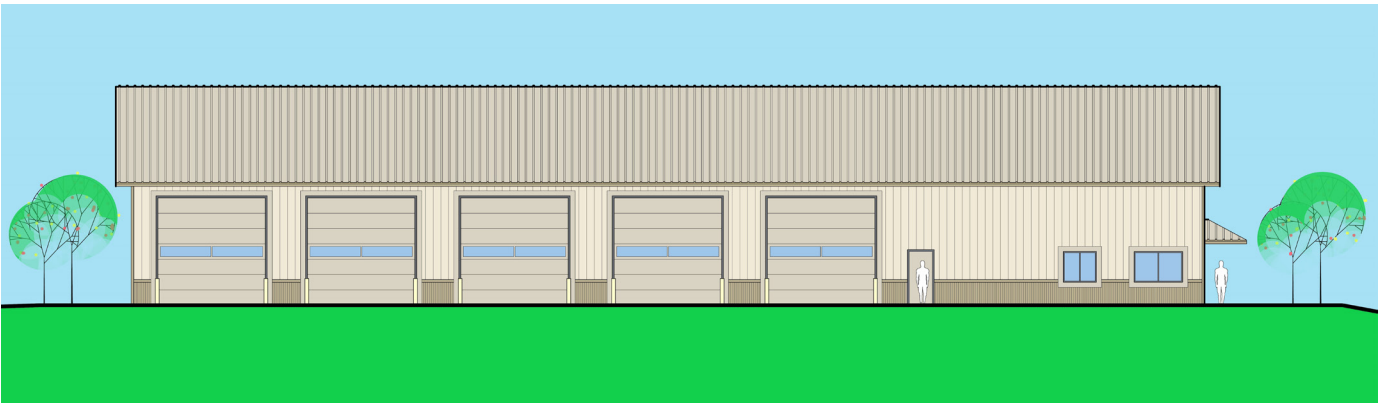
Registration: 11 a.m. – 2 p.m.
Lunch: Noon
Business Meeting: 1 p.m.

of Roundup on Highway 12. The project was strongly supported. Since then, we have been working with contractors to understand the costs and details associated with constructing a 140 foot by 100 foot metal building. We continue to see strong growth in the Roundup service territory and propose to invest in our employees and the community by providing a building that meets our current and future needs. Next month, at our 2022 annual meet-

ing, we will ask our membership to approve the construction of this new capital asset as required in our bylaws.

2021 was a dry and difficult year for all members throughout our wide 14 county service territory. We recognize the very real challenges 2022 may present to our membership if a lack of moisture sustains. As we plan for our cooperative's future, we continue to prioritize safe, reliable and affordable electric service for our membership. With the many challenges throughout 2021, Fergus Electric Cooperative, Inc., had reliable revenues, strong margins and consistent capital credit retirements. I expect similar financial results across the next few years.

The annual meeting is our opportunity to come together and work as a collective for the benefit of the cooperative. Please give me a call if you have questions or would like any additional information. I hope to see you June 9th in Lewistown. 



Architect drawing of the side elevation of the proposed building in Roundup. | COURTESY OF FERGUS ELECTRIC

MEET THE BOARD CANDIDATES

In accordance with Fergus Electric Cooperative Bylaws, Article IV, Section 4.3, the nominating committees met and nominated candidates for the Board of Trustees.

In addition to the procedure set forth above, any 15 or more members acting together from the district in which a trustee is to be elected may make other nominations by

petition not less than 30 days prior to the meeting, and the secretary shall post such nominations at the same place where the list of nominations made by the aforesaid committees are posted. No other method of nominating candidates for trustee shall be permitted. RM

Paul Descheemaeker

DISTRICT 1

I am Paul Descheemaeker and I farm and ranch east of Lewistown in the Cheadle area. My wife, Mary, is a high school social studies teacher in Billings. We have four adult children and four grandchildren. I have lived in the same home in Fergus County since 1990. In our spare time, Mary and I like to travel, visit friends and family, and see new places. We both enjoy outdoor activities and history.



I have been on the Fergus Electric Board for the past 10 years. My tenure has been a very rewarding experience. I feel Fergus Electric has a staff and management second to none. Our employees are the backbone of this co-op. As a board member, I am privileged to work with people who put the co-op first. The work ethic, atmosphere, and culture at Fergus Electric translates to safe, reliable and affordable energy services to the members.

I am currently serving as board president and seeking a fifth term. I would sincerely appreciate the opportunity to continue to serve as a trustee on the Fergus Electric Cooperative board of directors.

I encourage everyone to join us at the Fergus County Trade Center in Lewistown, Thursday, June 9th for the co-op's annual meeting.

Jason Swanz

DISTRICT 6

Dear fellow Fergus Electric members,

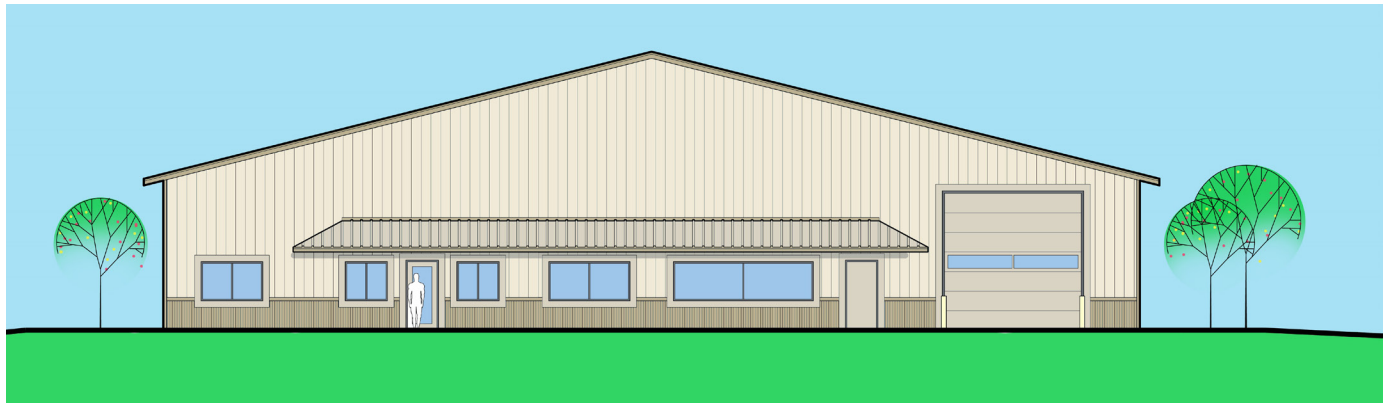
My name is Jason Swanz, and I am seeking re-election to the board as your District 6 trustee. Along with my wife Jody and our two boys, Jackson and Jacob, we operate our family ranch and feedlot east of Judith Gap. Jody and I spend our days on the ranch, and chase boys in the evenings and on the weekends attending their various sporting events. Jody also works part time at Hobson Insurance and enjoys her time there.

I thoroughly enjoy my time on the board at Fergus Electric, and would ask for your vote, so I can continue serving on the board.

During my 12 years on the board, I have seen some challenging times and some very rewarding times, and I have learned a lot through the process. It is a privilege to serve on the board of an electric co-op that has such a top-notch group of employees, management and board.

It has been an exciting few years at Fergus Electric. We have been able to keep our rates stable and have also been actively updating our equipment so that our linemen can safely and productively maintain and improve our system. The installation of our new metering project is coming to an end, and will offer several benefits to the co-op over the older meters.

I would like to thank all the employees at Fergus Electric for all that they do for us, as members. We have a very strong, well-run co-op. I am proud to be part of the team, and would appreciate the opportunity to continue as your District 6 board representative. Thank you.



Architect drawing of the front elevation of the proposed building in Roundup. | COURTESY OF FERGUS ELECTRIC

ANNUAL FINANCIAL REPORT

	2021	2020
ASSETS		
ELECTRIC PLANT:	65,636,220	64,525,627
Less: Accumulated Depreciation	27,223,105	27,782,114
Net Utility Plant	38,413,115	36,743,513
Investments in associated Organizations	5,423,341	4,498,493
CURRENT ASSETS	9,103,855	9,097,661
DEFERRED DEBITS	642,804	773,028
TOTAL ASSETS	53,583,115	51,112,695
LIABILITIES & MEMBERS' EQUITY		
TOTAL MARGINS AND EQUITY	36,374,886	30,958,842
TOTAL LONG-TERM DEBT	12,300,408	13,792,019
CURRENT LIABILITIES	4,165,081	4,556,557
DEFERRED CREDITS	742,740	1,805,277
TOTAL EQUITIES AND LIABILITIES	53,583,115	51,112,695

COMPARATIVE STATEMENT OF REVENUE AND EXPENSES DECEMBER 31

Operating Revenues	\$27,906,861	\$26,576,846
VARIABLE EXPENSES		
Power purchased for Members	18,157,189	17,708,488
Lines Cost	2,946,815	3,072,461
Administrative and Other	2,036,451	2,072,417
TOTAL VARIABLE EXPENSES	23,140,455	22,853,366
FIXED EXPENSES		
Depreciation	1,445,492	1,431,997
Interest on Long Term Debt	353,453	451,085
TOTAL COST OF ELECTRICAL SERVICES	1,798,945	1,883,082
Operating Margins	2,967,461	1,840,398
Non-operating Margins	3,548,725	2,447,695
NET MARGINS	6,516,186	4,288,093

SECRETARY/TREASURER'S STATEMENT

The balance sheet and comparative statement of revenue and expenses were taken from complete financial statements, which were audited by Smith, Lange & Halley, P.C., certified public accountants, of Sidney, Montana, who expressed their unqualified opinion

on the statements.

Copies of the complete financial statements, together with the auditor's report, may be examined at the cooperative headquarters in Lewistown.

— Jason Swanz, secretary/treasurer



IDENTIFY ACCOUNT NUMBER*

WIN A \$32.50 CREDIT

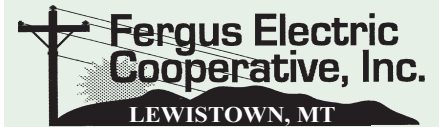
If one of the following account numbers is yours, call Fergus Electric (406-538-3465) and identify yourself and your account number and you will receive a \$32.50 credit on next month's statement.

**Account 321789, Account 396214
Account 52600, Account 396143
Account 396799, Account 394862**

CONGRATULATIONS!

Dwight Ayers of Lewistown and **Becky Cushing** of Grass Range were last month's winners!

*NUMBERS ARE DRAWN MONTHLY



EMPLOYEES

Carson Sweeney, General Manager

Dale Rikala, Line Superintendent

Bret Ophus, Assistant Line Superintendent

Bret Nellerhoe, Assistant Line Superintendent

Sally Horacek, Office Manager

Janine Rife Didier, Payroll Administrator

Susan Hinkley, Senior Billing Clerk

Erika Mattaliano, Billing Clerk

Bronya Willmore, Billing Clerk

Susan Werdin, Cashier

Louie Hould, Foreman

Tyson Ruff, Foreman

Owen Thatcher, Foreman

Ryan d'Autremont, Serviceman

Brian Godbey, Serviceman/Meter Tech

Mark Schwomeyer, Transformer Repairman

Darek Dygert, Journeyman Lineman

Jacob Grensten, Journeyman Lineman

Casey Kombol, Journeyman Lineman

Brock Pyrah, Journeyman Lineman

Andrew Reuterskiold, Journeyman Lineman

Dakota Wahl, Journeyman Lineman

Danyon Rice, Apprentice Lineman

Collin Sullivan, Apprentice Lineman

Daniel Balster, Staking Engineer, PE

Melanie Foran, Staking Engineer, PE

Scott Olson, Staking Engineer

Jason Deffinbaugh, Mechanic