

2025

ANNUAL REPORT



BOARD OF DIRECTORS

Jay Harstad, President

Jeff Braun, Director

Clinton (Boomer) Patterson, Director

Don Robinson, Vice President

Shawn Kaylor, Director

Owen Fiedler, Secretary/Treasurer

Darren Sletten, Director

LEADERSHIP TEAM

Ricky Aberle

CEO

Craig Giroux

Machinery Sales

Megan Awalt

CFO

Brooks Hoff

Service Manager

Lisa Jundt

Human Resource Manager

Shawna Chilcoat

C-Store Operations Manager

Kathy Gonzalez

Petroleum Manager

Eric Giroux

Agrabase Operations Manager

Sheri Endresen

Energy Sales

Brad MacClennan

Warehouse Mgr/Logistics

Justin Stevenson

Marketing Director

Jordan Mauro

Parts Manager

YEARS OF SERVICE AWARDS

Thank you for your dedication to this cooperative!

5
YEARS

Tanner Olson
Jamaal Smalls
Randy Haugen
Tammie Bowen

20
YEARS

Orris Brown Jr.

10
YEARS

Barbara Knotts

25
YEARS

Eric Giroux

15
YEARS

Tim Pietsch
Chandra Atkins

35
YEARS

Sheri McDonald Endresen

97th ANNUAL MEETING MINUTES

APRIL 1, 2025

The 97th Annual Meeting was called to order at 7:00 pm at the Clarion Hotel by Board President Darren Sletten. Board Secretary Owen Fiedler read the notice of the meeting and a quorum was declared with 175 ballots confirmed. A motion was made by Dallas Hager and seconded by Jay Harstad to accept the 2024 minutes. President Sletten appointed Lavon Wolf as the Recording Secretary and Matt Perdue, Government Relations Director with North Dakota Farmers Union, as the Parliamentarian.

Vice President Jay Harstad and CFO Megan Awalt presented the scholarship winners. Enerbase awarded eight \$1000.00 scholarships this year and four of the eight recipients were in attendance. The scholarship winners were: Alena Hall - Our Redeemer's Christian School, Ashlyn Vix - Our Redeemer's Christian School, Jack Retterrath - Washburn High School, Rose Schiele - Velva High School, Rylah Hager - Rugby High School, Zack Volson - Drake-Anamoose High School, Charlotte Hill - Minot High School, and Logan Vollmer - Surrey High School.

CFO Megan Awalt presented the 2024 Financial Report. Enerbase had sales of \$155,718,603 in 2024 compared to \$166,708,358 in 2023. Net Savings earned in 2024 was \$15,416,588 compared to \$13,237,110 in 2023. A motion was made by Jeff Braun and seconded by Owen Fiedler to accept the 2024 annual report.

CFO Megan Awalt also presented Dakota Agronomy Partner's Financial Report. DAP had sales of 176,468,451 in 2024 compared to 2023 sales of \$192,766,521. Net Savings for 2024 was \$9,479,359 compared to \$8,604,864 in 2023.

President Darren Sletten presented the Board Report. 2024 saw a smooth transition with Ricky Aberle moving into the CEO position and Megan Awalt taking on the CFO position. Darren spoke on how the 2023 CHS Bylaw change allowing equity holdback will affect Enerbase's local patronage payout in years going forward.

CEO Ricky Aberle presented his first manager's report. On August 26, 2024 Enerbase opened an Amazon-Go store at its 1809 S Broadway location with Just Walk out shopping technology and full service at the gas pumps. And on April 1, 2025 Prairie Pit BBQ opened at the same location serving brisket, pulled pork, ribs, and burnt ends. This line will roll out to the other locations later on. Starting in model year 2027, the emission standard for heavy-duty trucks will be 80% more stringent and manufacturers must demonstrate that engines are designed not to have the emissions deleted. He stated 2027 model semis will cost \$23,000 more than the 2026 model and weigh 1200 pounds more. Total cash paid out to our Patrons in 2024 was \$6,171,095 through retirement, Estate & Age 70 payouts, and cash portion of equity.

President Darren Sletten announced the Board of Directors election results. Owen Fiedler ran unopposed and was reelected to the SE District. Clinton "Boomer" Patterson won the At Large seat that was left vacant due to Robert Schmidt's 12-year term limit expiring. Darren Sletten will term out in April of 2026 and both Jeff Braun's NE District and Don Robinson's South of Lake Sakakawea's District will expire with both eligible to run.

A resolution amending Section 6.10 of Enerbase's Bylaws passed with 131 yes and 36 no. The previous Bylaw read that Enerbase would expend 5% of local net savings not to exceed \$35,000 per year to North Dakota Farmers Union for educational purposes. The new Bylaw raised the do not exceed amount to \$60,000.

Darren Sletten declared the meeting adjourned at 7:40pm.

BALANCE SHEET

December 31, 2025 and 2024

ASSETS	2025	2024
CURRENT ASSETS		
Cash & cash equivalents	\$429,495	\$1,387,737
Trade accounts receivable	5,769,826	5,288,640
Current portion of investment in sales-type leases	150,268	116,969
Other receivables	604,206	337,830
Inventories	19,248,653	17,317,378
Prepays	272,595	460,401
Prepaid income tax	845,168	—
Total current assets	<u>\$27,320,211</u>	<u>\$24,908,955</u>
FIXED ASSETS		
Property & equipment	\$74,847,085	\$72,263,570
Less accumulated depreciation	<u>(22,610,002)</u>	<u>(21,331,262)</u>
	\$52,237,083	\$50,932,308
Investment in sales-type leases, net of current	\$592,618	\$438,934
INVESTMENTS		
Cooperatives	\$57,557,656	\$58,954,885
Dakota Agronomy Partners, LLC	11,452,989	11,395,088
	<u>69,010,645</u>	<u>70,349,973</u>
	<u>\$149,160,557</u>	<u>\$146,630,170</u>
LIABILITIES & MEMBERS' EQUITY		
CURRENT LIABILITIES		
Short-term notes payable	\$2,447,061	\$1,692,090
Current portion of long-term debt	2,226,729	2,646,179
Trade accounts payable	4,746,993	5,386,669
Customer deposits	609,724	571,803
Other accrued expenses	1,868,632	1,837,718
Income taxes payable	—	498,538
Total current liabilities	<u>\$11,899,139</u>	<u>\$12,632,997</u>
DEFERRED INCOME TAXES	\$2,609,000	\$2,953,000
LONG-TERM DEBT, NET OF CURRENT PORTION	<u>2,937,460</u>	<u>3,922,083</u>
	\$5,546,460	\$6,875,083
MEMBERS' EQUITY		
Patronage equity & reinvested refunds	\$37,327,310	\$37,636,432
Allocated capital reserve	—	100,346
Unallocated capital reserve	94,387,648	89,385,312
Total members' equity	<u>\$131,714,958</u>	<u>\$127,122,090</u>
	<u>\$149,160,557</u>	<u>\$146,630,170</u>

STATEMENT OF OPERATIONS

December 31, 2025 and 2024

	2025	2024
Gross sales	\$155,340,350	\$155,718,603
Cost of sales	130,735,795	130,284,004
Gross profit	<u>24,604,555</u>	<u>25,434,599</u>
Operating expenses		
Other operating expenses	18,265,705	18,255,946
Local savings from operations	<u>6,338,850</u>	<u>7,178,653</u>
Other income (expenses)		
Other income (expenses)	(1,668,809)	(1,238,494)
Local savings	4,670,041	5,940,159
Net income from DAP, LLC	1,107,901	905,626
Cooperative dividends	4,420,300	10,820,430
Savings before income tax	<u>10,198,242</u>	<u>17,666,215</u>
Provisions for income tax	(652,980)	(2,249,627)
Net savings	<u>\$9,545,262</u>	<u>\$15,416,588</u>

STATEMENT OF MEMBERS' EQUITY

December 31, 2025 and 2024

	Qualified Members' Equity Credits	Nonqualified Members' Equity Credits	Patronage Ref. for Reinvest.	ALLOCATED CAPITAL RESERVE	Unallocated Capital Reserve	Total
Members' Equity January 1, 2024	\$23,167,125	\$8,056,123	\$5,458,712	\$100,346	\$81,103,331	\$117,885,637
2023 patronage distribution		3,895,492	(5,458,712)		(621,262)	\$(2,184,482)
Retirements:						
Estates & 70 and over	(1,432,030)	(465,601)				\$(1,897,631)
2010 Minot Stock ret.	(1,296,649)					\$(1,296,649)
1996-2008 Velva Stock ret.	(629,119)					\$(629,119)
2009-2010 Plaza Stock ret.	(172,566)					\$(172,566)
Equity to cover credit losses and accounts receivable	(3,326)	(88)				\$(3,414)
Adjustments	6,454	(2,728)				\$3,726
Net savings			6,513,345		8,903,243	\$15,416,588
Members' Equity Dec. 31, 2024	\$19,639,889	\$11,483,198	\$6,513,345	\$100,346	\$89,385,312	\$127,122,090
2024 patronage distribution		4,391,729	(6,513,345)		(326,198)	\$(2,447,814)
Retirement						
Estates & 70 and over	(626,431)	(345,087)				\$(971,518)
2011 Minot Stock ret.	(1,064,002)					\$(1,064,002)
2009 Velva Stock ret.	(336,115)					\$(336,115)
2011 Plaza Stock ret.	(98,080)					\$(98,080)
1982-2008 Plaza Stock ret.	(15,125)					\$(15,125)
2009-2011 Plaza Stock ret.	(64,965)					\$(64,965)
Equity to cover credit losses and accounts receivable	(329)	(4,346)				\$(4,675)
Removal of board designation				(100,346)	100,346	—
Adjustments	51,781	(1,881)				\$49,900
Net savings			4,317,074		5,228,188	\$9,545,262
Members' Equity Dec. 31, 2025	\$17,486,623	\$15,523,613	\$4,317,074	—	\$94,387,648	\$131,714,958

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

INVENTORIES

	2025	2024
Inventory costs at December 31 are		
New wholegoods	\$10,875,627	\$8,281,999
Parts	1,723,621	1,751,682
Petroleum products	2,900,888	2,933,700
Used wholegoods	1,074,092	932,288
Hardware products	296,484	391,711
Hopper bins	813,678	1,442,244
C-store inventories	1,306,231	1,355,623
Propane, LP, NH3 tanks and trailers	97,473	61,392
Miscellaneous inventories	70,855	62,000
Tires	45,115	47,052
Antifreeze	44,589	57,687
	\$19,248,653	\$17,317,378

PROPERTY & EQUIPMENT

Property & equipment costs at December 31 are		
Land & improvements	\$25,321,343	\$25,122,141
Buildings & improvements	23,361,978	23,710,161
Machinery & equipment	18,061,279	17,629,296
Vehicles	5,723,085	4,328,495
Construction in progress	905,923	—
	\$73,373,608	\$70,790,093

INVESTMENT IN COOPERATIVES

CHS Inc.	\$55,258,665	\$56,640,159
Land O' Lakes, Inc	1,517,925	1,539,039
Souris River Telephone	234,375	230,195
West River Mutual Telephone	133,517	135,805
Verendrye Electric	150,975	144,292
All others	262,199	265,395
	\$57,557,656	\$58,954,885

INVESTMENT IN DAKOTA AGRONOMY PARTNERS, LLC

Summary of the cooperative's 15% ownership activity for the years ended December 31, 2025 & 2024

	2025	2024
Beginning of year balance	\$11,395,088	\$11,389,462
Share of net income	1,107,901	905,626
Capital distributions	(1,050,000)	(900,000)
End of year balance	\$11,452,989	\$11,395,088

Condensed financial information of DAP, LLC as of/and for the periods ended August 31, 2025 & 2024

Current assets	\$58,700,260	\$58,737,186
Property and equipment, net	36,708,832	34,333,746
Investment in cooperatives	807,538	735,429
Other assets	12,187,040	12,187,040
Right-of-use finance lease assets	—	252,309
Right-of-use operating lease assets	164,231	192,978
	\$108,567,901	\$106,438,688

SCHEDULE OF OPERATING EXPENSES

December 31, 2025 and 2024

	2025	2024
DISTRIBUTION		
Salaries & wages	\$8,685,077	\$8,826,486
Delivery expenses	1,105,958	1,136,911
Employee insurance	1,474,239	1,257,330
Payroll taxes	635,425	625,222
Advertising & promotion	230,545	193,677
Pension contributions	220,983	233,087
Consulting	1,000	5,611
	<u>\$12,353,227</u>	<u>\$12,278,324</u>
GENERAL		
Repairs & supplies	\$1,527,839	\$1,647,062
Depreciation	2,070,216	2,075,710
Utilities	638,104	573,041
Insurance	501,689	456,183
Property taxes	409,349	414,316
Rent	14,040	21,920
Business Licenses	70,484	82,347
Recruitment & testing	30,954	22,062
Uniforms	30,056	41,017
	<u>\$5,292,731</u>	<u>\$5,333,658</u>
ADMINISTRATION		
Telephone	\$111,520	\$115,294
Professional services	75,233	83,285
Meetings, travel, and entertainment	37,983	91,879
Educational fund	60,000	43,000
Data processing	234,393	166,642
Postage	47,310	58,261
Director fees	35,621	32,102
Dues and donations	13,258	14,719
Credit losses	4,429	38,782
	<u>\$619,747</u>	<u>\$643,964</u>
	<u>\$18,265,705</u>	<u>\$18,255,946</u>

	2025	2024
Current liabilities	\$28,767,522	\$27,795,430
Long-term debt, net of current portion	4,106,250	5,531,250
Long-term operating lease liabilities, net	134,687	164,231
Members' equity	75,559,442	72,947,777
	<u>\$108,567,901</u>	<u>\$106,438,688</u>
Sales	<u>\$176,396,046</u>	<u>\$176,468,451</u>
Net income	<u>\$8,611,665</u>	<u>\$9,479,359</u>

For the years ended December 31, 2025 and 2024, the Cooperative had sales to Dakota Agronomy Partners, LLC totaling \$1,237,684 and \$870,224, respectively, of which \$27,337 and \$23,281, respectively, were trade accounts receivable. For the years ended December 31, 2025 and 2024, the Cooperative had purchases from Dakota Agronomy Partners, LLC of \$9,243 and \$12,576, respectively, of which \$668 and \$560, respectively, were trade accounts payable.

CORPORATE OFFICE

DRAWER F

205 46th Avenue NE

Minot, ND 58703

701-852-2501

WWW.ENERBASE.COOP



Cenex-Branded Locations:



6 IN MINOT
GLENBURN
MAXBASS
UNDERWOOD

WASHBURN
RYDER
DRAKE

VELVA
MAKOTI
PLAZA