

Since 1940

WISCONSIN ENERGY *Cooperative*

June 2026

NEWS

TAYLOR ELECTRIC
Cooperative



Here. Always.

Whatever the season, whatever the weather.
We are here. Always.

ANNUAL MEETING

Tuesday, June 23, 2026

4:30 PM Registration & Dinner

5:30 PM Meeting Starts

Centennial Community Center
412 E. Centennial Ave., Stetsonville, WI



Clip and bring this slip to the annual meeting to register, be eligible to receive door prizes, and get a \$10 electric bill credit.

NOTICE

of Annual Meeting of Taylor Electric Cooperative

The 2026 annual meeting of the members of Taylor Electric Cooperative will be held at Centennial Community Center in Stetsonville, WI, Taylor County on Tuesday, June 23, 2026, beginning at 5:30 p.m. Action will be taken on the following items of business:

1. Reports of the officers and directors.
2. The seats up for election are as follows:
 - ▶ Three-year term currently represented by Donald Everhard. He is eligible for re-election.
 - ▶ Three-year term currently represented by Paul Woods. He is eligible for re-election.
 - ▶ Three-year term currently represented by Charles Zenner. He is eligible for re-election.
3. Vote on Bylaw Amendments.
4. Any such other business as may come before said meeting and or adjournment thereof.

Dated May 26, 2026.



Cheri Klussendorf, Secretary

AGENDA

Taylor Electric Cooperative
Annual Meeting of the Members
Centennial Community Center
412 E. Centennial Ave., Stetsonville, WI

4:30 p.m.

Registration and Dinner

5:30 p.m.

Call to Order

Determination of Quorum

Pledge of Allegiance

Invocation

Rules of Order (back cover)

Notice of meeting and proof of mailing

Approval of 2025 minutes (Inside back cover)

Introduction of candidates and voting

Bylaw amendments and voting

Finance report

Operations report

President/CEO's Report

Board Chairman's Report + 2025 Election Review

Door prizes: one \$100 bill credit and four \$50 bill credits (MUST BE PRESENT TO WIN)

Question and answer session

Adjournment

Turn in tickets for butter and cheese.

Absentee ballots are available at the office or by mail. All ballots must be returned by noon on June 23. See page 17 for our director candidates.



ANNUAL MEETING REGISTRATION AND PRIZE ELIGIBILITY

Clip and bring this slip to the annual meeting to register, be eligible to receive door prizes, and get a \$10 electric bill credit.

Since 1940

WISCONSIN ENERGY *Cooperative* June 2026 NEWS

TAYLOR ELECTRIC
Cooperative
Your Touchstone Energy® Partner

SAVOR JUNE'S DAIRY DAYS

SHINE ON

LOW- TO NO-COST WAYS
TO SAVE ENERGY

KIDS AND CRITTERS





PRESIDENT/CEO REPORT

Kenneth Ceaglske, President/CEO

2025 proved to be a successful year both financially and operationally. Sales increased over 2024 and set a new record, just beating the

2014 sales mark. Dairyland Power Cooperative (DPC) rates saw a slight increase, and market power prices were a little above expected causing some power cost adjustment adders. Reliability improved significantly in 2025 vs. past years to a remarkably low average of around 20 minutes per member, if all outage time was spread equally.

The ownership transition of the cooperative continues as the margins created today are partially used to purchase the system from the older members. This is a core principle of electric cooperative history, dating back to the first capital credits returned in 1956.

The Bottom Line—Financial Performance

Kilowatt-hour (kWh) sales increased in 2025 by about 5.9% as compared to 2024, setting a new sales record, beating the 2014 record by about 1%.

More than 50% of our annual budget is spent on wholesale power. DPC had a slight increase in power cost, with the increase in sales removed, we saw a slight increase of about 1%.

Just under \$400,000 of capital credit refunds were made to members in 2025. With the 2024 capital credit retirement, the Cooperative has returned around \$10 million to the member-owners since the Co-op's inception. This figure includes discounted payments to estates following the death of a member.

New Construction & Operations

33 new service installations were completed in 2025. We continued to freshen up the headquarters. This year we updated office spaces with carpet and paint. On the equipment side, we added a directional boring machine to accurately cross under roads and lawn spaces with less risk of damage. Out in the field, we rebuilt many miles of line including replacing some aging underground near Clear Lake Road that had been causing many outages. We also replaced many aging poles that did not pass inspection, and had Charter Communications attach fiber to more poles on the system.

Reliability

It was a remarkably forgiving year for power outages, with our year-end numbers less than 1/3 of the previous year. When the outages did happen, it was either a stray tree from outside the right of way, or lighting and storms.

As with almost every year, we sent our crews off system to assist with outages and even a little normal construction to help a neighbor get caught up.

Looking ahead to 2026

The 2026 capital budget calls for us to continue replacing and upgrading lines and working on substation breaker conversions to more modern equipment. We are planning on purchasing a new skid steer to replace the aging one in the fleet, building a cold storage building to keep equipment out of the weather, and continuing with the paint and carpet inside the office.

We were able to delay any rate increases again for this year. We have solved most of the challenges with the metering and billing system and are getting closer to implementing the split of demand and energy. The new demand charge will offset some of the energy cost and be related to the highest demand reading for the month during times that drive the power bill up, 3-8 PM, Monday through Friday. With the addition of the demand charge, the per kWh charge will decrease, resulting in a net neutral adjustment for the average member, or possible savings if you are able to adjust your usage in that timeframe.

Dairyland Power has indicated stable to slightly rising rates for the next few years. The power generation business model is changing, and capacity has become a significant part of the cost. This may cause pressure on the rates in time. Fortunately, Dairyland Power has a broad portfolio of generation sources ranging from stable and reliable coal, natural gas, and hydro units to low-cost renewable energy to balance the risks and rewards of each type of generation. They continue to look to the future with possible options for nuclear power and energy storage options.

The employees and board here at Taylor Electric Cooperative are a committed group, dedicated to doing their part to accomplish what it takes to keep your power supply safe, reliable, and affordable. When you see them at the meeting, in the office, or out and about in the field, please take a minute to thank them for their efforts.

As we look forward to the remainder of 2026 and beyond, rest assured that whatever life throws at us, we will be here focused on keeping the lights on for you.

We look forward to seeing you at your annual meeting on June 23rd.

Thank you for the continued support you have given us during this past year.



CHAIRMAN'S REPORT

Brian Hallgren, Chairman

On behalf of the Board of Directors, I am pleased to report 2025 was a very good year for Taylor Electric Cooperative. The positive year upholds our commitment of maintaining a sound organization for you, our members. Further, it assures the distribution of capital credits.

Our staff and your board continued to face challenges in 2025. Those included continuing rising costs and expenses. We've made some difficult decisions regarding rates over the years to combat these escalating costs. Your board will continue to make the tough calls with our membership in mind to ensure our long-term viability.

Your board understands we are a small piece on the timeline of the cooperative. Taylor Electric Cooperative began in the 1930s, long before any of us on the board, and it will be here long after all of us are gone.

I am very proud of our board and our staff at the cooperative who continually ask the question: "What is best for our members?" Decision after decision is made with this in mind.

You will note elsewhere in this annual report, the board is proposing several minor changes to our bylaws. We are making an effort to clean up our language in the bylaws and this is the start. We expect to bring more minor language changes forward in the coming years.

Your board is looking forward to seeing many of you at our annual meeting in Stetsonville. We also welcome hearing from you throughout the year. Please note that we have added an agenda item to this year's annual meeting to discuss the 2025 director election.

Finally, to our directors, thank you for all you do in keeping the cooperative strong and allowing me to be your chairman. A great big THANK YOU to our employees. Your everyday efforts and hard work do not go unnoticed.

And most importantly, to our members, you are the reason our cooperative exists. Thanks to each of you for your support. It is an honor and privilege to serve you.

Thank you! — **Brian Hallgren**

BOARD OF DIRECTORS



BACK (l to r): **Bruce Gumz, David Makovsky, Donald Everhard, Paul Woods**. FRONT (l to r): **Charles Zenner**, Vice Chairman, **Brian Hallgren**, Chairman, **Cheri Klussendorf**, Secretary/Treasurer.

TAYLOR ELECTRIC COOPERATIVE 2026 PROPOSED BYLAW AMENDMENTS

The following are proposed bylaw amendments that will be presented to Taylor Electric Cooperative's membership for action at the annual meeting on June 23, 2026.

The Board of Directors and management recommend adoption of the following changes to the bylaws. Proposed deletions are shown in **red strike-through** and additions are shown in **blue underlining**. A copy of the Cooperative's complete bylaws showing the proposed changes in redline formatting is available on the Cooperative's website. Each of the following three proposals will be voted on separately.

PROPOSED BYLAW AMENDMENT NO. 1:

Summary: Current bylaw language regarding joint memberships is inconsistent in some respects regarding the treatment of joint memberships and membership interests when a joint member dies. The following amendment is proposed to clarify and confirm that all joint memberships will be treated as joint memberships with right of survivorship and not as joint memberships as tenants in common. This change will ensure that membership interests will remain with the surviving joint member(s) when a joint member dies. Relatedly, this change will facilitate the cooperative's tracking of membership interests and capital credits. Additional related

clean-up changes are also included in this proposal such as revisions recognizing that joint memberships may have more than two members.

Amendment:

1. **Delete the last two sentences of Article I, Section 1 in their entirety.**
2. **Add the following sentence to the beginning of Article I, Section 3:**
Two or more persons may hold a membership as joint tenants with right of survivorship in accordance with the terms of their application, these bylaws, and any policies, rules or regulations adopted by the board of directors applicable thereto.

3. Amend Article I, Section 3(a) as follows:

Any application for membership ~~in the Cooperative received after March 22, 1986,~~ from any person who is married shall be deemed and become an application for membership by husband and wife as joint tenant members with right of survivorship unless the person making such application ~~otherwise~~ designates in writing that such application shall be for a membership solely in the applicant's name.

4. The text of Article I, Section 3(b) in its entirety and replace the same with “Reserved”.

5. Amend the enumerated subsections of Article I, Section 3(c) as follows:

- (1) the presence at a meeting of ~~either or both~~ any party to the joint membership shall be regarded as the presence of ~~one the~~ member and shall constitute a joint waiver of notice of meeting;
- (2) the vote of ~~either any party to the joint membership separately or both jointly~~ shall constitute a joint vote;
- (3) a waiver of notice signed by ~~either or both~~ any party to the joint membership shall constitute a joint waiver;
- (4) notice to ~~either any party to the joint membership~~ shall constitute notice to ~~both the member;~~
- (5) expulsion of ~~either any party to the joint membership~~ shall terminate the joint membership;
- (6) withdrawal of ~~either any party to the joint membership~~ shall terminate the joint membership;
- (7) ~~either but not both~~ a party to the joint membership may be elected or appointed as an officer or board member, provided that ~~both meet the qualifications for such office such party is the only party to the joint membership elected or appointed to any such position.~~

6. Amend Article I, Section 3(d) as follows:

The records of the Cooperative shall properly show all joint memberships in the names of joint members. By writing signed by ~~both all~~ joint members and filed with the Cooperative any joint membership may be terminated and changed to a membership vested solely in one of the joint members.

7. Amend Article I, Section 3(e) as follows:

Upon the death of ~~either spouse, or other~~ any person, who is a party to a joint membership, such membership shall be held solely by the survivor(s) and the records of the Cooperative shall be changed to show membership solely in the survivor(s)'s name(s), provided however, that the estate of the deceased shall not be released from any debts due the Cooperative.

8. Amend the first sentence of Article I, Section 4 as follows:

A membership may be converted to a membership as joint tenants with right of survivorship upon the written request by the holder and the agreement by the holder and the persons becoming ~~tenants in common or~~ joint tenants with right of survivorship to comply with the articles of incorporation, ~~these~~ bylaws and policies, rules and regulations adopted by the board of directors applicable thereto.

9. Delete the second sentence of Article III, Section 4 in its entirety.

10. Delete the third sentence of Article III, Section 5 in its entirety.

11. Amend the last sentence of Article VII, Section 9 as follows:

The rights of the cooperative under the security interest hereby granted may be exercised in the event of the default in payment by the patron of the patron's obligations, or in the event of the bankruptcy of the patron, and such indebtedness of the patron shall be subtracted from the capital allocated and credited to the patron in any retirement thereof made hereunder to said patron or to his estate, heirs, or surviving joint member(s).

PROPOSED BYLAW AMENDMENT NO. 2:

Summary: Current bylaw language suggests that a member is required to vote in director elections and required to vote for as many candidates as there are open seats. Such interpretation is inconsistent with a typical democratic cooperative election practice, past practice at the Cooperative and the likely intent of the bylaws. As such, the following amendment is proposed to confirm that members are not required to vote in director elections and, where members choose to vote, they may limit their vote to any number of candidates up to the number of open seats.

Amendment:

1. Amend the first sentence of the second paragraph of Article IV, Section 3 as follows:

Election shall be by a singular ballot for all open seats, with each participating member casting votes for up to the same number of candidates as there are seats up for election.

PROPOSED BYLAW AMENDMENT NO. 3:

Summary: Several provisions of the bylaws are obsolete due to changes in law or modern practice. This proposed amendment 1) removes references to membership certificates which have been replaced by modern record-keeping, 2) removes a requirement that the Cooperative produce service area maps which can now be readily determined from a variety of sources, and 3) removes language requiring surety bonds for officers, which is no longer required by the Cooperative's insurer or otherwise necessary.

Amendment:

1. Delete the text of Article I, Section 2 in its entirety and replace the same with “Reserved”.

2. Delete the last sentence of Article I, Section 4.

3. Amend the first sentence of Article I, Section 7(b) as follows:

Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate, ~~and the membership certificate of such member shall be cancelled forthwith.~~

4. Delete the text of Article II, Section 2 in its entirety and replace the same with “Reserved”.

5. Amend Article VI, Section 4(b) as follows:

~~sign, with the Secretary, certificates of membership, the issue of which shall have been authorized by the board or the members, and may~~ sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board or by these bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and

6. Amend Article VI, Section 6(c) as follows:

overseeing the safekeeping of the corporate books and records and the seal of the Cooperative and affixing the seal of the Cooperative ~~to all certificates of membership prior to the issue thereof, and to~~ all documents, the execution of which on behalf of the Cooperative under its seal is authorized in accordance with the provisions of these bylaws;

7. Delete the text of Article VI, Section 6(e) in its entirety and replace the same with “reserved”.

8. Delete the text of Article VI, Section 9 in its entirety and replace the same with “Reserved”.

COMPARATIVE BALANCE SHEETS

ASSETS	December 31, 2024		December 31, 2025	
UTILITY PLANT	\$34,324,042		\$35,397,339	
Less Depreciation Reserve	<u>(13,582,507)</u>	20,741,535	<u>(14,157,970)</u>	21,239,369
CURRENT AND OTHER ASSETS				
Cash-General	52,304		55,022	
Cash-Loan Funds	0		0	
Investment in Assoc. Organizations	5,389,038		5,548,925	
Investments-Economic Development Loans	0		0	
Investments-Other	217,931		353,054	
Farm Wiring-Notes Receivable	0		0	
Accounts Receivable (Inc. Dec. Bills)	951,656		1,048,233	
Materials and Supplies	549,390		531,438	
Prepaid Deferred Charges	<u>794,413</u>		<u>710,698</u>	
Total Current and Other Assets		<u>7,954,732</u>		<u>8,247,370</u>
TOTAL ASSETS		<u>\$28,696,267</u>		<u>\$29,486,739</u>
LIABILITIES, CREDITS AND RESERVES				
LONG TERM DEBT			13,677,925	
CFC Loans	13,753,969		0	
Economic Development Loan	0		0	
Balance Due on Long Term Obligations		13,753,969		13,677,925
CURRENT AND OTHER OBLIGATIONS			1,299,592	
Current and Accrued Liabilities	1,208,343		0	
CFC Line of Credit	0		<u>284,543</u>	
Other Liabilities	<u>150,285</u>			<u>1,584,135</u>
Total Current and Other Obligations		<u>1,358,628</u>		<u>1,584,135</u>
TOTAL LIABILITIES		15,112,597		15,262,060
MARGINS AND MEMBER EQUITY			14,878,654	
Patronage Capital			<u>6,973,309</u>	
Taylor Electric Cooperative	14,132,821			21,851,963
Dairyland Power	<u>6,682,600</u>	20,815,421	7,234,848	
Capital Retired - Taylor	6,918,274		<u>2,880,469</u>	
Capital Retired - Dairyland	<u>2,790,468</u>	<u>(9,708,742)</u>		<u>(10,115,317)</u>
Net Patronage Assigned		11,106,679		11,736,646
Patronage for year	1,070,628		1,004,759	
Donated Capital	4,087		4,087	
Other Margins	<u>1,402,276</u>		<u>1,479,187</u>	
Total Member and Patron Equity		<u>2,476,991</u>		<u>2,488,033</u>
TOTAL LIABILITIES, CREDITS AND RESERVES		<u>\$28,696,267</u>		<u>\$29,486,739</u>

STATEMENT OF REVENUE AND EXPENSE

	YEAR ENDING 12/31/2024		YEAR ENDING 12/31/2025	
OPERATING REVENUE				
Electric Energy Revenue	\$10,560,658		\$11,033,289	
Misc Electric Revenue	<u>49,607</u>		<u>73,104</u>	
TOTAL REVENUE		10,610,265		11,106,393
OPERATING EXPENSES				
Cost of Purchased Power	5,529,719		5,976,430	
Operating Expense	673,501		642,601	
Maintenance Expense	725,610		737,004	
Consumer Accounts Expense	321,496		328,761	
Customer Service & Information	49,525		52,297	
Sales Expense - Power Use	59,174		61,275	
Administrative Expense	359,254		378,107	
Outside Services Employed	63,407		82,310	
Insurance, Safety & Benefits	159,959		175,799	
Misc. General Expense	64,297		60,841	
Directors Fees & Mileage	75,293		72,475	
Maintenance of General Property	86,253		111,516	
Depreciation Expense	1,002,539		1,022,824	
Taxes - Property	162,437		164,035	
TOTAL EXPENSES		<u>9,332,464</u>		<u>9,866,275</u>
OPERATING MARGINS BEFORE INTEREST		1,277,801		1,240,118
Interest on Long Term Debt	600,413		598,565	
Other	<u>13,065</u>		<u>11,864</u>	
TOTAL OTHER DEDUCTIONS		<u>613,478</u>		<u>610,429</u>
TOTAL OPERATING MARGINS		664,323		629,689
Other Interest Revenue	18,572		15,398	
Other Non Operating Margins	<u>97,024</u>		<u>84,287</u>	
TOTAL NON OPERATING MARGINS		<u>115,596</u>		<u>99,685</u>
TOTAL MARGINS - Taylor		779,919		729,374
TOTAL MARGINS - Dairyland		<u>290,709</u>		<u>275,385</u>
TOTAL MARGINS ASSIGNABLE AS CAPITAL CREDITS		<u>\$1,070,628</u>		<u>\$1,004,759</u>

2024-2025 STATISTICAL COMPARISON

	2024	2025
Underground Construction	1.98 Miles	3.92 Miles
Overhead Construction	(0.05) Miles	(0.71) Miles
Total Underground Miles	427.65 Miles	431.57 Miles
Total Overhead Miles	452.40 Miles	451.69 Miles
New Services	29	40
Total Services Billed	4,557	4,588
Total Kilowatts Purchased	71,271,594 kWh	75,495,573 kWh
Bright Horizons Kilowatts Generated	106,080 kWh	96,960 kWh
Total Kilowatts Sold	67,420,006 kWh	71,448,783 kWh
Total Kilowatts Unaccounted For	3,957,668 kWh	4,143,750 kWh
Percentage of Line Loss	5.55%	5.49%

CAPITAL CREDIT SUMMARY

12/31/25

YEAR	AMOUNT ASSIGNED	GENERAL & ESTATES RETIRED	BALANCE UNRETIRED
1997 & PRIOR	\$8,362,876.61	\$8,362,876.61	\$0.00
1998	258,541.17	225,937.46	32,603.71
1999	338,297.08	297,664.49	40,632.59
2000	193,534.53	139,345.58	54,188.95
2001	204,490.16	162,460.49	42,029.67
2002	183,971.17	143,650.27	40,320.90
2003	357,390.78	256,883.96	100,506.82
2004	261,348.87	28,389.98	232,958.89
2005	381,604.84	37,796.69	343,808.15
2006	284,189.98	26,385.46	257,804.52
2007	382,359.90	34,275.76	348,084.14
2008	391,535.30	33,314.80	358,220.50
2009	480,886.38	39,501.78	441,384.60
2010	317,526.86	24,874.02	292,652.84
2011	526,150.01	38,211.03	487,938.98
2012	371,401.55	25,984.61	345,416.94
2013	648,157.37	42,766.07	605,391.30
2014	569,129.38	34,400.24	534,729.14
2015	329,509.03	18,013.35	311,495.68
2016	576,587.04	27,682.80	548,904.24
2017	704,537.37	29,112.04	675,425.33
2018	662,057.95	23,914.74	638,143.21
2019	739,642.07	23,809.93	715,832.14
2020	757,759.45	14,135.82	743,623.63
2021	783,172.78	10,239.34	772,933.44
2022	873,216.29	8,033.79	865,182.50
2023	875,546.78	4,337.34	871,209.44
2024	1,036,541.94	1,318.01	1,035,223.93
	\$21,851,962.64	\$10,115,316.46	\$11,736,646.18

Capital credits are the margins or profits of the cooperative that are assigned annually to each member based on their purchases of electricity. The above chart shows the portion of each year's capital credits that have been paid back to the members of the cooperative. These funds go back into the hands of the members, not into some investors' pockets.

PRIVACY POLICY

PURPOSE

Taylor Electric Cooperative is committed to safeguarding confidential information for its member-consumers, within applicable federal and state legislation. Employees and directors are forbidden to disclose confidential or sensitive information gathered and maintained as part of their normal responsibilities. Employees are forbidden to acquire information of a confidential nature that is unnecessary to their jobs. This policy establishes fair information principles for the Cooperative in carrying out its responsibility to respect the privacy of personally identifiable information and to recognize the Cooperative's obligation to protect the confidentiality of business information.

POLICY CONTENT

A. Trust

The Cooperative maintains information about member-consumers suitable for its operations and for the benefit of its member-consumers. It collects personally identifiable information only by fair and lawful means and for appropriate purposes. It maintains the information in an accurate, complete and timely manner as necessary for the purpose for which the information is to be used. Member-consumers may examine service, billing and capital credit account information about themselves and may correct any inaccurate, incomplete or untimely information.

B. Security

The Cooperative maintains member-consumer information with reasonable and appropriate technical, administrative and physical safeguards to protect against foreseeable hazards such as loss, unauthorized access, destruction, misuse, modification and improper disclosure. No record or computer system can ever be fully protected against every possible hazard.

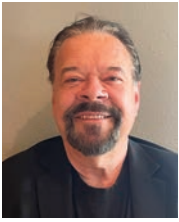
C. Use and Disclosure

The Cooperative uses and discloses personally identifiable information about member-consumers in defined and responsible ways in order to carry out its operations and to benefit its member-consumers. It does not sell, rent, loan, exchange or otherwise release mailing lists or telephone lists of member-consumers for marketing purposes.

RESPONSIBILITY

The President/CEO is responsible for approving detailed practices and procedures for governing the collection, maintenance, use and disclosure of personally identifiable information about member-consumers and for the administration of this policy.

DIRECTOR CANDIDATES (in alphabetical order by incumbent)



Donald Everhard

Why are you interested in serving on the TEC board at this time?

I am currently serving on the TEC board and I have found that I enjoy carrying out the duties of a board member. I appreciate interacting with co-op members and I specifically appreciate the opportunity to apply my fiscally conservative views while making decisions that affect our members.

Describe any past experience with boards or community service:

I currently serve on the Medford School Board and have done so for the last six years. In addition, I serve on the Taylor County

Human Services Administrative Board. I am under contract with Taylor County to provide crisis counseling/intervention services after hours and I am also a Pastor at the First Presbyterian Church of Abbotsford.

Describe your personal/work experience that will help you with fulfilling the responsibilities of a board member:

I am retired from the Medford School District where I was a guidance counselor for 13 years and vice-principal at the Medford Middle School for two years. In addition, I was the Stetsonville Elementary School Principal for 15 years. During this time, I also worked as a deputy with the Taylor County Sheriff's Department as well as the Abbotsford Police Department. I currently serve as the pastor for the First Presbyterian Church of Abbotsford.



Paul Woods

Why are you interested in serving on the TEC board at this time?

I am completing my first term as a director and seeking to serve another term. It has been a wonderful opportunity to serve you, the Taylor Electric Cooperative (TEC) membership, as well as investing in and serving the Taylor County area. I believe in the cooperative business model where the member-owners have a voice in the operations of the cooperative. Over the past three years, I have completed numerous training courses that have expanded my knowledge of the cooperative. These courses reflect TEC's investment to ensure that the directors are knowledgeable and capable of making sound decisions. My goal, on the board, is to ensure that TEC strives and exceeds its mission to be "our members most valuable resource for energy and related services."

Describe any past experience with boards or community service:

I currently serve as a supervisor on the Town of Holway Board and am the Vice Chairman for Unit 3 of the Wisconsin Town's Association. I am also a member of the Core Community Taylor County Advisory Board and a volunteer with Ruby's Pantry in Medford.

Describe your personal/work experience that will help you with fulfilling the responsibilities of a board member:

During my first three-year term on the board, I completed two Director Education Credentials: Certified Directors Certificate (CDC) and the Board Leadership Certificate (BLC). The knowledge gained through these two programs has given me insight to further my understanding of the electric utility industry as well as helped me to become a better-educated board member. I look forward to learning from other cooperatives and bringing new ideas back to our board and members. Thanks for the opportunity to serve your electric cooperative!



Charles Zenner

Why are you interested in serving on the TEC board at this time?

I've been on the Taylor Electric Board for 15 years and am eligible for one more term. I thoroughly enjoy being on the board. The knowledge and experience I have gained is very beneficial when making decisions and communicating with members. I always have the members in mind when I make a decision. I feel my experience gives me the ability to make a difference for Taylor Electric. I also serve on the Dairyland Power Board as Taylor Electric's representative which gives me more opportunities to make a difference for both Dairyland and Taylor Electric.

Describe any past experience with boards or community service:

My experience with boards includes the Taylor County Board of Supervisors and various committees within the board. I also serve on the Economic Development Committee as well as helping out at church. I am also currently the sexton for St. Mary's Cemetery, Medford.

Describe your personal/work experience that will help you with fulfilling the responsibilities of a board member:

I'm a retired dairy farmer and a lifelong member of Taylor Electric and lifelong resident of Taylor County. I believe this gives me the knowledge and insight into what our members are most concerned about. In conclusion, I would like to ask you for your support for the Taylor Electric Board of Directors. Thank you for your past support.



2026 DAIRYLAND DIRECTOR REPORT

Charles Zenner, Vice Chairman

Taylor Electric Cooperative's wholesale power provider is Dairyland Power Cooperative. As a generation & transmission (G&T) cooperative, Dairyland is a cooperative owned by the 24 distribution cooperative members it serves – including Taylor Electric Cooperative.

In April 2025, Dairyland received confirmation from the Trump Administration that its \$595 million Empowering Rural America (New ERA) grant from September 2024 would be funded. Dairyland will pursue 500 to 1,000 megawatts (MW) of power purchase agreements for clean energy projects. By being part of one of the largest transmission buildouts in history, Dairyland is supporting regional reliability to benefit our members. MISO has named Dairyland a developer for three projects in its Long Range Transmission Plan – Tranches 1 and 2.1.

The Alma-Blair Transmission Project will be a 345-kilovolt [kV] transmission line that will span 33 miles between the Alma Substation near the Mississippi River in western Wisconsin, and the Tremval Substation near Blair, Wis. In southeastern Minnesota, the Wabasha Relocation Project will relocate about 13 miles of 161 kV transmission lines in Wabasha County. Also, Dairyland and GridLiance Heartland, LLC, will jointly develop and co-own the MariBell Transmission Line. One segment of MISO's larger buildout, the proposed project is for a 765 kV/161 kV double-circuit line between Marion, Minn., and Bell Center, Wis. (about 140 miles).

At the end of 2025, Dairyland acquired the Rocky Road Energy Center (East Dundee) and Elgin Energy Center (Elgin) in Illinois. The purchase of existing natural gas-fired power plants supports the Cooperative's focus on sustainability and reliability for its members while transitioning to a lower-carbon future.

Dairyland works with elected officials, regardless of party affiliation, to advocate for policies benefitting electric cooperatives, including cybersecurity policies. In January 2026, Dairyland's Vice President & Chief Information Officer Nate Melby testified at a hearing before the U.S. House of Representatives focused on solutions for energy infrastructure that would help strengthen collaboration between the government and the private/independent sector, detect cybersecurity threats and increase physical security.

As we flipped the calendar to 2026, dangerously low temperatures and severe winter weather significantly impacted the Dairyland system, and the MISO and PJM (east coast) grid operators' footprints. In addition to the cold, forced generation outages resulted in MISO declaring a Maximum Generation Event Step 2c/Energy Emergency Alert (EEA) Level 2 on Saturday, Jan. 24, for the first time since 2009. Additionally, Dairyland declared several Full Load Control events the end of January and early February to help reduce members' electricity use during times of both peak demand and peak prices. These coordinated efforts help the grid remain stable.

Community

Through the Cooperative Contributions Program, Dairyland and its member cooperatives continuously strive to make a positive impact on our local communities. Annually, Dairyland donates \$1,000 to a charitable organization selected by each member cooperative. In 2025, Taylor Electric selected Huey's Hideaway Museum to be the recipient of the Cooperative Contributions donation. Taylor Electric joined Dairyland's \$1,000 for a \$2,000 impact.

Taylor Electric was also proud to participate in one of five Day of Service sites on Oct. 1. On that day, about 200 volunteers from Dairyland, its member cooperatives and the Wisconsin Electric Cooperative Association traveled to five sites to offer helping hands on a variety of projects. Taylor Electric employees and directors traveled to Camp Nawakwa | Cornell, WI where they helped with outdoor painting/staining, winterizing cabins/shower house, deep cleaning the lodges, wood splitting.

Beginning this spring, Dairyland is supporting an additional \$1,000 scholarship for Taylor Electric's scholarship program. This year the scholarship was awarded to Madilyn Mueller, Owen High School.

We live in dynamic times, and Dairyland's Board of Directors meets monthly to ensure our cooperatives' needs are heard, working together to achieve strong outcomes for our members. Ninety years ago, electric cooperatives were founded on the principle that collaboration improves quality of life—a value we proudly continue on your behalf.

Thank you for your membership!

—Charles Zenner

2025 YOUTH SCHOLARSHIP RECIPIENTS

Each year area high school students are awarded \$500 scholarships from Taylor Electric Cooperative to be used toward post-high school education. Funds for the scholarships are the unclaimed capital credits from former Taylor Electric Cooperative members.

Athens High School: Nathan Osborn

Colby High School: Landon Steinman

Medford High School: Lily Holmes, Grace Johnas, Owen Klussendorf

Rib Lake High School: Tyler Matyka



Kenneth Ceaglske, President/CEO

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Lainie Kellnhofer, Editor



Your Touchstone Energy® Partner 

ANNUAL MEETING MINUTES

The minutes of the 89th annual meeting of Taylor Electric Cooperative held on the 24th day of June, 2025 at the Centennial Community Center, Stetsonville, WI beginning at 5:30 pm.

1. Board Chairman Brian Hallgren called the meeting to order at 5:30 pm and announced John Clausnitzer from WKEB radio, 99.3 FM was doing a live broadcast.
2. Chairman Hallgren reported that 182 members had registered and declared a quorum was present, including those present and absentee ballots. Total registration for the day showed 210 members were present out of a possible 3,944.
3. Director Lisa Kohn led the membership in the National Anthem and Pledge of Allegiance.
4. Director Don Everhard gave the invocation.
5. Secretary/Treasurer Cheri Klussendorf asked for approval of the Rules of Order as printed in the annual report and on the overhead screen. A motion for approval was made by Richard Feldbrugge and seconded by Arnie Sova. Motion carried. She also read the Affidavit of Mailing and the Notice of Annual Meeting. Cheri asked for approval and dispensing of the reading of the 2023 annual meeting minutes as printed in the annual report. A motion was made by Rich Feldbrugge and seconded to approve the minutes. Motion carried.
6. Chairman Hallgren thanked the employees of the Centennial Community Center, John Clausnitzer, WKEB Radio and Carey Hartwig, who set up the sound for the annual meeting.
7. Chairman Hallgren introduced the board of directors.
8. Chairman Hallgren introduced guests including Clark Electric CEO Tim Stewart and his wife, Michele, Joe Mesec-WECA and also former employees and directors of the cooperative.
9. Vice-Chairman Zenner stated the rules of the bylaws with regards to the nominating committee and introduced the 2025 nominating committee including Chairman JoAnn Smith, Jack Johnson and Patricia Waldhart. He called for the director candidates to come up front and introduce themselves. They included challenger Bruce Gumz and incumbents Lisa Kohn and David Makovsky. Members were instructed to vote using the ballots given to them upon entering the meeting.
10. Board appointed tellers included: JoAnn Smith, Pat Waldhart, Marge Draeger, Mert Vaughn, Bill Elsner, Mary Schwarz and Cathy Bristol.
11. Youth Leadership Congress board member, Owen Klussendorf, gave a presentation regarding his time on the board over the past year. Highlights included attending a recent trip to Washington DC, WECA Education and Lobby Days and the State FFA Convention. Klussendorf thanked Taylor Electric for the opportunity and said it was a year of growth and unforgettable moments.
12. Chairman Hallgren began his report by stating that sales were down and wholesale power costs were up in 2024. He also stressed the importance of reliability and rates and reported that demand billing has been delayed.
13. CEO Kenny Ceaglske began his report by mentioning that the customer appreciation day will be held on Saturday, October 11th. He also mentioned the delay in demand billing. Last October, Taylor Electric participated in Co-op Day of Service at Sackett Lake Rec Area, Medford. Employees from Taylor Electric, Jump River Electric and Dairyland Power worked together to improve the buildings and grounds area as part of community service. Ceaglske thanked the members for their patronage.
14. Line Superintendent Wade Matyka reported on the new directional bore that was purchased allowing our crew to work more efficiently. The 2025 work plan includes projects on Clear Lake Rd and 1.5 miles of line in the Town of Bern, Gad area. Projects from 2024 included work on Highway E, Medford and Highway A, Dorchester. Wade also spoke about Taylor's line crew assisting in Aiken, South Carolina after Hurricane Helene caused extensive damage to the area.
15. Finance Manager Patti Nelson reported on the cooperative's finances from 2024. Member equity was 47% with cost of power 52% of dollars spent. Three-quarters of kwh sales were residential.
16. Vice-Chairman Chuck Zenner and Dairyland Director gave a short presentation highlighting Dairyland's transmission line projects, decarbonization goals and community projects.
17. Chairman Brian Hallgren announced the director election results were too close to call and would require a second count.
18. Questions from the members were addressed.
19. Directors Don Everhard and David Makovsky drew for prizes which included a \$100 electric bill credit, and 4-\$50 electric bill credits. \$100 winner: Catherine Scott, \$50 winners: Agnes Paul, Margaret Cypher, Jackie Robinson and Warren Behling.
20. Additional questions from the membership were addressed.
21. Results from the second ballot count showed David Makovsky-115 votes, Lisa Kohn-102 votes and Bruce Gumz-101 votes. Makovsky and Kohn were announced the winners.*
22. As there was no further business to come before the meeting, the meeting was adjourned at 6:55 pm.

Minutes to be approved at the 2026 Annual Meeting.

Cheri Klussendorf, Secretary/Treasurer

* For Information Only: After the adjournment of the annual meeting, an election teller discovered that 7 ballots remained in the teller's collection bag which had not been included in the vote count at the annual meeting. As set forth in the minutes of the Special Meeting of the Board of Directors on June 27, 2025, a recount was conducted including those ballots – the outcome was that Makovsky and Gumz received the most votes. This information is provided for context only and does not reflect discussion or action taken at the 89th annual meeting of the members.

EMPLOYEES OF TAYLOR ELECTRIC



Left to right: Patti Nelson, Finance and Administration Manager; Kenneth Ceaglske, President and CEO; Wade Matyka, Line Superintendent.



Left to right: Lainie Kellnoher, Marketing/Communications Specialist/CSR; Sheena Fuchs, Senior Billing/MDM Specialist/CSR; Dawn Clausnitzer, Billing/CSR; Sadie Kapusta, Staff Accountant.



Front row left to right: Mike Eloranta, Lineman; Tim Habermeyer, Meter Tech/Lineman; Back row left to right: Colten Cummings, Meter Tech/Lineman; Geoff Mueller, Lineman; Jessie Knoll, Lineman; Justin Fuchs, Leadman.

REVISED RULES OF ORDER FOR OFFICIAL BUSINESS MEETING

The following rules shall govern the conduct of the annual meeting and have been established by the Board of Directors ("Board") in accordance with Article III, Section 6 of the Restated Bylaws ("Bylaws") of Taylor Electric Cooperative ("Cooperative"). In accordance with the Bylaws, such rules shall remain in effect until superseded by other rules adopted by the Board or by the membership.

- Except as otherwise set forth in the Bylaws or in these rules, Roberts Rules of Order shall govern all other procedural questions pertaining to the meeting.
- Only members or authorized guests recognized by the chairperson may be allowed to speak. Members shall limit their comments to two minutes on each issue except that an additional two minutes may be granted by unanimous consent.
- A member wishing to speak is to give their name and the township in which they are a member.
- During election proceedings for director seats, candidates will be allowed to speak for up to two minutes.
- An advisory resolution submitted by a member may only be considered if a written copy is submitted to the Board for consideration at least 60 days in advance of the annual meeting.
- No signs or handouts will be permitted within the building of the place of meeting, except such handouts as required for the official conduct of the annual meeting or as related to the Cooperative's business services. No handouts made available outside of the building will use the name of the Cooperative, its letterhead, or logo to imply that the Cooperative supports or opposes any candidate for director, or resolution.
- No demonstrations shall be held within the building of the place of the meeting.
- **An outside party will be selected by the Board to act as the meeting Teller and shall be responsible for collecting and counting the ballots.**
- **If the ballot count for director elections at the meeting shows two or more candidates with a vote count margin of five percent or less of the total number of votes cast, then the result will be deemed "too close to call". If that occurs, the Teller will secure the collected ballots until the outcome can be determined and the Cooperative will work with the candidates and the Teller to schedule a mutually agreeable time, as soon as practicable following the annual meeting, where the Teller will audit the vote count to determine the winners, which process may be observed by the candidates. Following such audit the Cooperative will announce the results to the membership via a media release.**
- **If the ballot count for director elections at the meeting shows two or more candidates with a vote count margin greater than five percent or less than or equal to ten percent of the total number of votes cast, then any candidate will have the right to request a recount of the votes within 30 days following the meeting. Where a recount is so requested, the Cooperative will work with the candidates and the Teller to schedule a mutually agreeable time, as soon as practicable following the recount request, where the Teller will conduct a recount, which process may be observed by the candidates. If such recount changes the outcome of the election results declared at the meeting, the Cooperative will announce such changed results to the membership via a media release.**
- **Ballots will be retained and secured by the cooperative in a secure location for 30 days following the meeting or any vote audit or recount, whichever is longer.**

—Revised 10-30-2025 (in bold print)