

Our Purpose Our Members

2013 Annual Report



TAYLOR REPORT

Annual Report Issue

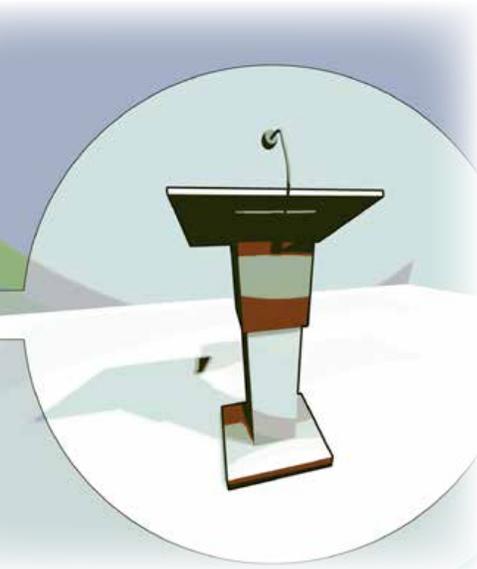
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TAYLOR ELECTRIC COOPERATIVE

2014 Annual Meeting Agenda

- 8:30 AM Registration (cookies, milk and coffee)
- 9:30 AM Call to order
Determination of quorum
Pledge of Allegiance
Invocation
Rules of Order (page 17)
Notice of meeting and proof of mailing
Approval of 2013 minutes
Introduction of board
Board Chairman's report
President/CEO's report
Election of 2 board members
Guest speaker - Phil Moilien, Dairyland Power Cooperative
Vice President and CFO
Question and answer period
Door prizes
- Noon Lunch served



TAYLOR ELECTRIC
Cooperative

Your Touchstone Energy® Partner



OFFICERS

Brian Kulas
Chairman
Dean Tesch
Vice Chairman
Patricia Waldhart
Secretary-Treasurer

DIRECTORS

JoAnn Smith, *Little Black*
James Smola, *Greenwood*
Charles Zenner, *Little Black*
Ray Henrichs, *Browning*

President & CEO Report

Even though we are a relatively small co-op, it never ceases to amaze me how much influence the weather has on our finances. When we put together our financial budget for 2013, we expected to have to increase rates about 5% mid-year. The first few months of winter in 2013 started out to be very cold, then dragged on with cooler than normal weather right into June. The additional sales during the colder weather, primarily from electric heat, caused the Board to step back and initially postpone the proposed rate increase, and shortly thereafter, rescind it entirely.

Financial results for 2013 were very good. Margins from operations were up nearly \$250,000 from 2012, thanks in large part to the increased sales volume, but also because expenses were held in check, fewer outages, and changes in the workforce. Higher margins by our wholesale provider, Dairyland Power Cooperative, also helped add to our bottom line, producing total 2013 margins of more than \$670,000, up nearly \$260,000 from 2012.

The Bottom Line

Kilowatt-hour (kWh) sales increased 5.9% in 2013. This was the most energy the Cooperative has ever sold, surpassing the previous high from 2008 by 3½%. Not all of this increase was due to the weather, as there were 38 new service installations in 2013, the greatest number we've had since 2009.

Financial Performance

Revenue of \$8.66 million in 2013 was \$354,000 more than in 2012. There were no Power Cost Adjustments added during any month. The largest cost increase was again wholesale power purchased from Dairyland which increased 1.5%, or

more than \$124,000 over 2012.

Local costs for doing business: maintenance, billing, administration, depreciation, interest, etc., decreased for the third year in a row, by \$58,300. The major driver of the local cost decrease was fewer storm-related outages, fewer underground outages, and two employee retirements early in the year.

In 2013, more than \$242,000 of capital credits were returned to members. With this retirement, the Cooperative has returned more than \$6.0 Million to the member-owners since the Co-op's inception. In addition to the annual capital credit retirement authorized by the Board, \$326,000 was refunded to members from 1999-2006 from a payment that the Co-op received from Dairyland Power Cooperative, for proceeds of a lawsuit against the federal government under the Nuclear Waste Policy Act.

New Construction & Operations

As stated above, applications for new home construction and new electric service installations were up. The Cooperative's line crews completed 38 new electric service installations in 2013, double the number installed in 2012. Nearly 1.4 miles of line were added to the electric distribution system, with a little more than \$1.0 Million in asset additions for new line construction, primarily upgrades and replacements. Another \$150,000 was spent for trucks, line, and office equipment.

One of the biggest successes of the year had to be our shop addition and improvements. The investment of nearly \$1 Million in the project yielded a much needed upgrade of the 1965-era facilities, something we've heard a lot of compliments on, and which both the employees



Michael Schaefer

and members can be proud of. The improved functions of equipment maintenance, material handling, safety, and the overall energy-efficiency of the improvements were well worth the investment in a structure that should serve the Cooperative very well for the next 40 years or more. We can thank those who came before us in establishing the home of the Co-op on the piece of land that we own, as it has allowed us to expand and grow without having to acquire new property and erect completely new, and much more costly facilities. (*Calculating the cost of this project over a 40-year life yields a cost of about 50¢ per month on a members' electric bill for using 1,000 kWhs.*)

Maintaining Reliability

Outage statistics are a major indicator of the reliability of the electric delivery system. We experienced outage times in 2013 with an average of just under 1.2 hours per member, well under the 5-year average of 1.9 hours. The annual \$1 Million capital budget approved by the Board of Directors continues an aggressive replacement of failing underground cable and aging steel overhead wire, to reduce the number and duration

more...

President & CEO Report (continued)

of controllable outages.

Once again in 2013, more than \$210,000 was spent on contracts for tree trimming, brush cutting, and herbicide treatments. Continuing an aggressive tree trimming and line maintenance program is very important to reducing outages. As always, we appreciate the cooperation of the members in allowing the contractors to cut back trees and brush to protect the powerlines and also help in power restoration when a problem does occur. Outage statistics continue to show improvement from the brushing program, and replacements of wire and cable in problem areas.

Looking ahead to 2014

The 2014 capital budget includes money to replace more than 14 miles of faulty underground cable, and about 11 miles of overhead line rebuilds and construction projects. We will look at prioritizing these projects, along with taking care of other problem areas that may crop up, and as time permits for our crews.

We've been telling you this for the last couple of years, but this time it's for real: prepaid metering is here! We've already begun training our personnel to read, format, and understand the immense volume of data that is available from the automatic meter reading (AMR) system, to better help members access, interpret, and understand their own data which will be available to each member via a system called SmartHub. Once SmartHub is up and running, a member can check their

monthly, daily, and even hourly usage information. We are currently having several employees and directors test the Prepaid Metering system at their homes. We expect to offer Prepaid Metering as an option to all members by early April. Prepaid Metering will give new members an option in lieu of paying large deposits for obtaining service, and for existing customers that want peace of mind to monitor daily electric usage, with flexible payment options.

One of the more exciting projects we're studying right now is community solar. Solar seems to be the one renewable energy source that is really gaining in popularity. Costs are coming down, and with larger installations, such as a community solar project, the cost is even more appealing. This is still developing, and we plan to have more information to discuss about this hot topic at the Annual Meeting.

In 2014 we also plan to have a cost of service study done. As a result of this study, we expect there will be some changes in rates, some to adjust for changes in the wholesale rate structure, and some to make sure the finances of your Cooperative remain solid. There was no rate increase in 2013 to offset the wholesale rate increase, and the good news as far as wholesale rates this year is a small rate decrease. The projections for wholesale rates for 2015 and 2016 however are not as promising. The Board has asked management to look at a combination of capital projects, patronage refunds, and electric

rates to ensure a stable equity plan for the Co-op going forward. They are sensitive to the impacts of all of these things, especially rates, on the members paying the bill at the end of the lines.

Political issues, such as dealing with climate change and carbon emissions, could have a serious impact on future energy costs. We ask you to continue to be vigilant and to voice your opinion to your legislators about making sensible, cost-effective economic and environmental policies. You can help now by registering at [Action.coop](#) to voice your opinion on these very important matters.

Thank you!

We appreciate the cooperation and involvement of all of our members in helping make Taylor Electric Cooperative a success during 2013. The Cooperative's Mission Statement states "Our mission is to be our members' most valuable resource for energy and related services." Our staff of competent and caring employees continues to seek opportunities to live the goals expressed in that Mission Statement. As the area's economic and social impacts change, look to your Cooperative to provide more value through the state and national networks we are a part of; the Touchstone Energy alliance, the wise use of resources and technology, and the local control and guidance of the members through the Board of Directors.

We look forward to seeing you at the Annual Meeting on March 22nd.



In 2011, Taylor Electric Cooperative joined Focus on Energy. Through this partnership, you are now able to get expert advice on saving energy as well as take advantage of cash-back rewards when purchasing appliances, making home improvements, choosing efficient lighting and much more. To learn about Focus on Energy go to www.focusonenergy.com or call 800-762-7077.

Chairman's Report

In 2013, Taylor Electric had another solid and interesting year of operations. A 4,950 sq. ft. shop addition to our headquarters was completed and our pole shed/building was updated. This has greatly enhanced our work area, vehicle storage, and storage facilities, plus added to the value of our plant.

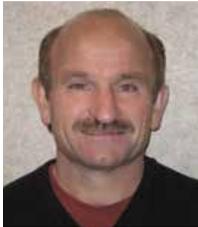
The line crew continues to provide reliable and safe service to our members and does an excellent job in response to interruptions of service. Our office staff remains committed to serving our member owners, and the Cooperative continues to function very effectively.

Our brushing and line maintenance continue to improve electric system reliability as shown by reduced outages and outage times.

Last year, members again received more than \$242,000 in capital credit refunds from the Cooperative. Again this year, we estimate returning approximately \$276,000 which includes anticipated refunds from Dairyland Power. Last year, persons who were members from 1999 thru 2006 received refunds from the Nuclear Waste Policy Act (NWPA). Dairyland is working to submit a 2nd claim in the near future. The LaCrosse Boiling Water Reactor (LACBWR) nuclear facility has had its fuel rods removed and placed in storage casks. Work is underway for the final decommissioning of the LACBWR nuclear plant.

All members of the Board of Directors are now receiving board packets, meeting materials, and cooperative messages via iPads. All Directors have been receiving training in iPad usage and functionality, and are becoming proficient in their use. Six of the seven directors have completed training in Director Duties and Responsibilities from the

THE TAYLOR ELECTRIC COOPERATIVE BOARD OF DIRECTORS

			
<i>Brian Kulas</i> Chairman	<i>Dean Tesch</i> Vice Chairman	<i>Patricia Waldhart</i> Secretary/Treasurer	
			
<i>Charles Zenner</i>	<i>Jim Smola</i>	<i>Ray Henrichs</i>	<i>JoAnn Smith</i>

NRECA and have been awarded Certified Credentialed Director Status. All directors have taken advanced classes; five now hold the Board Leadership Credential.

The 5th Grade Cooperative Education Class in the Medford Area Public Schools continues to receive Statewide and National recognition. Six other schools have adopted the program, four more are working to institute it this year, and we have made a presentation to Minnesota schools for their future use. The Taylor Electric Cooperative website has been updated and enhanced. It now provides videos and teaching materials which shows the classes in action, making it easier for us to provide responses to the numerous requests from co-ops throughout the nation wanting information on how to organize and present the materials.

Taylor Electric Cooperative will again be awarding six \$500 scholarships from our Federated Youth Foundation Funds to graduating seniors

from the schools in our area, plus another seven \$125 director-funded scholarships.

Many challenges still lie ahead for Taylor Electric and Dairyland Power. Both cooperatives are studying solar power and how it can be incorporated into the operations of each. Pressure continues for legislative and regulatory rules that will require a lot of additional expenditures to remain in compliance with EPA, DNR, and Sierra Club requests, mandates, and court decrees. We must continue to work together to meet those and still provide safe, reliable and reasonable service. We continue to need the help of every member to keep our legislators informed of the cost effects on our monthly power bills, of any proposed new rules and regulations.

As always, the Board of Directors remains committed to providing safe and reliable electricity to our members at the lowest price possible. We pledge to make every effort to continue to do so.

Co-op Connections® Program Offers Value to Members

Taylor Electric Cooperative is offering a program that provides further proof that being a member of an electric cooperative has its advantages. The Co-op Connections program, a card-based member benefit program for Touchstone Energy® cooperatives, is designed to deliver added value to cooperative members. Taylor Electric Cooperative has implemented this program in conjunction with the other Touchstone Energy co-ops serving 17 million member-owners nationwide.

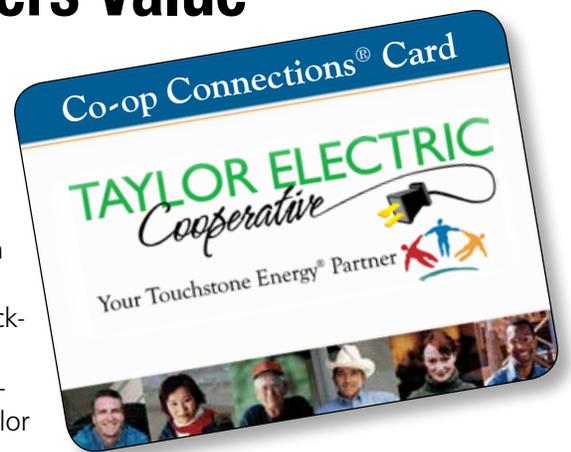
A free offering for co-op members and participating businesses, the program benefits cooperative members by offering valuable discounts at participating local and national businesses. At the same time, those businesses benefit from increased customer visits by co-op members participating in the program.

Co-op members can find which businesses are participating on page

18 of this report or by logging on to Taylor Electric's website: www.taylorelectric.org.

It will be easy to pick out which local businesses are participating. Look for the Co-op Connections stickers in their windows or at the cash register. Whenever a Co-op Connections customer — whether from Taylor Electric Cooperative or from one of the hundreds of Touchstone Energy electric co-ops across the country — shows their card at a participating business, they receive a discount.

"The Co-op Connections card is a valuable tool that creates an even greater sense of membership and reinforces Taylor Electric Cooperative's longstanding commitment to community," said Mike Schaefer. "It adds value and increases customer loyalty at participating businesses. Simply put, the Co-op Connections program is another way our members benefit from being a part of their electric



cooperative," added Schaefer.

Touchstone Energy is a national alliance of local, consumer-owned electric cooperatives providing high standards of service to customers large and small. More than 600 Touchstone Energy cooperatives in 44 states are delivering energy and energy solutions to approximately 17 million customers every day. Touchstone Energy cooperatives serve their members with integrity, accountability, innovation and a longstanding commitment to communities.

What is load management?

Load management is a program used to control the power to residential water heaters, central air conditioners and off-peak electric heat.

To help reduce electric demand and control costs to our members, controlling is done when market prices are extreme or when peak electric demands are at their highest. As the demand for electricity increases, the ability to control loads is becoming more valuable to our members. By controlling electric loads during peak times, we are able to avoid purchasing power on the open market, which is considerably more expensive during demand periods.

This in turn, helps Taylor Electric keep your rates lower. Members who have radio receivers on their water heaters, also receive a \$4.00 monthly credit.

A load management control is a small radio receiver (about 6" square) that is connected to a water heater, electric heat or central air conditioner. A radio signal is sent by Dairyland Power Cooperative, our wholesale power provider, only when there is a need to control peak demand. The status of the receiver is shown by lights in a small window on the receiver. A red light indicates that the power to your water heater has been temporarily interrupted. If the light is yellow, that indicates the power

is off to your electric heat or central air unit. If at any time power to the radio receiver is interrupted, power is delayed 7 ½ minutes after power is restored to the receiver.

To check your load management status (example link below), go to www.taylorelectric.org and click on the Load Management link on the home page.



If you are interested in Load Management, give us a call at 715-678-2411.

Please visit our website!

Check our website at www.taylorlectric.org to view and pay your bill, download incentive forms, and even perform your own energy audit. Go online today and take a look.



www.taylorlectric.org

TAYLOR ELECTRIC

Cooperative



N1831 State Highway 13
Medford, Wisconsin 54451
phone: 715-678-2411
taylorrec@taylorlectric.org



Your Touchstone Energy Partner in Taylor County, Wisconsin

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TIME-SAVING RESOLUTIONS IN 2014



ACH

Don't forget that we offer you the convenience and ease of having your monthly payment made automatically from your checking, savings account or credit card (ACH). And, you won't have to change your present banking relationship to take advantage of this service.

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Pay Your Bill Online

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LOAD MANAGEMENT

Check your load management status:
[Residential](#) | [Commercial](#)



Tell the EPA to work with America's electric cooperatives to keep electricity affordable. **CO-OP NATION NEEDS YOUR VOICE!** [>>](#)



Monthly Articles: Review the entire Taylor Report including monthly board meeting minutes online today! [VIEW TAYLOR REPORT >>](#)

TOGETHER WE SAVE

Identify simple energy-saving tasks and the real-dollar savings they produce, specific to your home and your area. [Click here to begin >>](#)

\$

IF THE POWER GOES OUT

TO REPORT AN OUTAGE, please call our outage line at 715-678-2411. Please don't wait until someone else reports the power is out. Your call will help us accurately assess the situation. TEC customers will be notified in the event of planned maintenance which would cause a lapse in power.

SAVE LOCALLY WITH YOUR



Co-op Connections is your source for exceptional discount offers from area businesses and national retailers, courtesy of Taylor Electric Cooperative.

- Meyer Lumber, Dorchester
- Stetsonville Lumber, Stetsonville
- Taylor Credit Union, Medford & Abbotsford
- Heartland Cooperative Services
- Broadway Theater, Medford

[Discover the list of local savings >>](#)

LOCAL WEATHER



STETSONVILLE
United States
7°
Fair
High: 7° Low: 2°
Wind: SSE 12 mph
Humidity: 48%

Tuesday

High: 7°
Low: 2°

Wednesday

High: 21°
Low: 8°

2014 ANNUAL MEETING

Saturday, March 22
MEDFORD AREA SENIOR HIGH
BEGINS AT 9:30AM
LUNCH & DOOR PRIZES FOR TEC MEMBERS

EARN CASH BACK JUST FOR SHOPPING ONLINE

ANNOUNCING: Taylor Electric Cooperative is thrilled to offer you cashback on virtually all your online shopping. This cashback is given directly to you. There is no limit to how much cashback you can earn! [LEARN MORE AND START EARNING TODAY >>](#)



Home
Products and Services
Energy Savings
Programs
Co-op Connections Card

Capital Credit Summary (12-31-13)

Year	Amount Assigned	General & Estates Retired	Balance Unretired
1985 & PRIOR	\$4,256,318.20	\$4,256,318.20	\$0.00
1986	230,725.96	191,554.30	39,171.66
1987	194,418.91	152,997.06	41,421.85
1988	257,893.31	170,667.69	87,225.62
1989	323,212.70	206,532.32	116,680.38
1990	333,021.14	226,386.38	106,634.76
1991	369,256.47	286,505.30	82,751.17
1992	236,034.08	166,828.13	69,205.95
1993	354,603.23	102,701.38	251,901.85
1994	481,457.29	59,318.80	422,138.49
1995	354,791.54	39,597.18	315,194.36
1996	534,890.46	53,074.27	481,816.19
1997	436,335.32	35,042.62	401,292.70
1998	258,541.17	17,607.86	240,933.31
1999	338,297.08	19,228.84	319,068.24
2000	193,534.53	9,811.12	183,723.41
2001	204,490.16	9,316.09	195,174.07
2002	183,971.17	7,079.20	176,891.97
2003	357,390.78	11,409.60	345,981.18
2004	261,348.87	5,753.58	255,595.29
2005	381,604.84	5,102.31	376,502.53
2006	284,189.98	3,152.18	281,037.80
2007	382,359.90	3,944.39	378,415.51
2008	391,535.30	3,284.42	388,250.88
2009	480,886.38	3,253.81	477,632.57
2010	317,526.86	1,880.55	315,646.31
2011	526,150.01	857.95	525,292.06
2012	371,401.06	316.58	371,084.48
	<u>\$13,296,186.70</u>	<u>\$6,049,522.11</u>	<u>\$7,246,664.59</u>

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.

AUDIT REPORTS

Each year the National Rural Utilities Cooperative Finance Corporation (N.R.U.C.F.C) requires an independent audit be made of the Cooperative's records. Our most recent audit was completed for the period ending December 31, 2013 by the auditing firm of Bauman Associates, P.O. Box 1225, Eau Claire, WI 54702

A complete audit of the past year's operations was performed. The audit included a complete examination of income and expense entries of the past year to determine if they had been

made in accordance with generally accepted auditing standards, and other tests made of accounting records and procedures considered necessary.

The auditing firm appears before the board of directors at a regularly scheduled board meeting to make recommendations, changes, auditing entries and methods to further enhance the cooperative. Copies of the completed audit are sent to N.R.U.C.F.C. and are available at the office of the Cooperative.

Comparative Balance Sheets as of 12/31/12 and 12/31/13

	December 31, 2012		December 31, 2013 (unaudited)	
ASSETS				
UTILITY PLANT	\$23,392,175		\$25,264,503	
Less Depreciation Reserve	<u>(8,277,794)</u>	15,114,381	<u>(8,732,380)</u>	16,532,123
CURRENT AND OTHER ASSETS				
Cash-General	208,770		72,008	
Cash-Loan Funds	0		0	
Investment in Assoc. Organizations	3,443,565		3,682,626	
Investments-Economic Development Loans	0		0	
Investments-Other	101,037		5,324	
Farm Wiring-Notes Receivable	0		11,979	
Accounts Receivable (Inc. Dec. Bills)	844,757		932,618	
Materials and Supplies	259,180		271,098	
Prepaid Deferred Charges	<u>101,375</u>		<u>576,055</u>	
TOTAL CURRENT AND OTHER ASSETS		<u>4,958,684</u>		<u>5,551,708</u>
TOTAL ASSETS		<u>\$20,073,065</u>		<u>\$22,083,831</u>
LIABILITIES, CREDITS AND RESERVES				
LONG TERM DEBT				
CFC Loans	10,869,546		12,258,468	
REA Economic Development Loan	0		0	
DPC Economic Development Loan	<u>0</u>		<u>0</u>	
Balance Due on Long Term Obligations		10,869,546		12,258,468
CURRENT AND OTHER OBLIGATIONS				
Current and Accrued Liabilities	1,127,667		1,249,888	
CFC Line of Credit	0		0	
Other Liabilities	<u>149,425</u>		<u>213,793</u>	
Total Current and Other Obligations		<u>1,277,092</u>		<u>1,463,681</u>
TOTAL LIABILITIES		12,146,638		13,722,149
MARGINS AND MEMBER EQUITY				
Patronage Capital				
Taylor Electric Cooperative	8,788,900		8,917,279	
Dairyland Power	<u>4,135,885</u>	12,924,785	<u>4,378,908</u>	13,296,187
Capital Retired - Taylor - General	3,582,284		3,769,863	
Capital Retired - Dairyland - General	1,685,154		1,725,545	
Capital Retired - Estates	539,849	<u>(5,807,287)</u>	554,115	<u>(6,049,523)</u>
Net Patronage Assigned		7,117,498		7,246,664
Patronage for year	411,447		670,834	
Donated Capital	4,087		4,087	
Other Margins	393,395	<u>808,929</u>	440,097	<u>1,115,018</u>
Total Member and Patron Equity		<u>7,926,427</u>		<u>8,361,682</u>
TOTAL LIABILITIES, CREDITS AND RESERVES		<u>\$20,073,065</u>		<u>\$22,083,831</u>

Statement of Revenue and Expense

	YEAR ENDING 12/31/12	(Unaudited) YEAR ENDING 12/31/13
OPERATING REVENUE		
Electric Energy Revenue	\$8,303,696	\$8,657,243
Misc Electric Revenue	<u>49,383</u>	<u>54,327</u>
TOTAL REVENUE	8,353,079	8,711,570
OPERATING EXPENSES		
Cost of Purchased Power	4,995,070	5,119,425
Operating Expense	493,611	471,192
Maintenance Expense	603,740	546,051
Consumer Accounts Expense	238,701	249,147
Customer Service & Information	84,373	55,460
Sales Expense - Power Use	41,173	42,312
Administrative Expense	221,665	229,781
Outside Services Employed	41,293	39,558
Insurance, Safety & Benefits	112,193	92,139
Misc. General Expense	51,051	52,410
Directors Fees & Mileage	29,960	27,587
Maintenance of General Property	27,033	46,466
Depreciation Expense	669,515	696,436
Taxes - Property	107,593	115,046
TOTAL EXPENSES	<u>7,716,971</u>	<u>7,783,010</u>
Operating Margins before Interest	636,108	928,560
Interest on Long Term Debt	570,268	618,526
Other	<u>6,625</u>	<u>4,331</u>
TOTAL OTHER DEDUCTIONS	<u>576,893</u>	<u>622,857</u>
TOTAL OPERATING MARGINS	59,215	305,703
Other Interest Revenue	12,047	12,270
Other Non Operating Margins	<u>97,162</u>	<u>98,192</u>
TOTAL NON OPERATING MARGINS	<u>109,209</u>	<u>110,462</u>
TOTAL MARGINS - Taylor	168,424	416,165
TOTAL MARGINS - Dairyland	<u>243,023</u>	<u>254,669</u>
TOTAL MARGINS ASSIGNABLE AS CAPITAL CREDITS	<u>\$411,447</u>	<u>\$670,834</u>

2013 Director Scholarship Winners

The Taylor Electric Cooperative Board of Directors approved a motion on July 26, 2001, that each director of the cooperative donate one day's per diem to be used to fund Director Scholarships. The following 2013 graduates were awarded \$125 scholarships:

Medford High School

*Paige Bernklau
Mandi Kalmon
Katie Kreklau
Cole Loertscher*

*Harley Neubauer
Kendra Socwell
Brook Wibben*

Congratulations!



2013 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

Austin Briese

Colby High School

Lydia Erickson

Medford Area Senior High

Gina Miller

Kyle Ziembo

Rib Lake High School

Matthew Wudi

Congratulations!



Here at Taylor Electric, you can count on Touchstone Energy® Values...

- 1. Integrity**— we provide a quality, well maintained system to serve the members' electricity needs.
- 2. Accountability**— we are controlled by the members and work to meet their needs.
- 3. Innovation**— we explore new ways to maintain energy efficiency and provide new and useful services for the membership.
- 4. Community Involvement**— we support economic growth and our employees give their time to improve the quality of life in the communities we serve.

Your Touchstone Energy® Cooperative



50 Years Strong— Youth Leadership Congress

Understanding the cooperative difference and identifying traits of leaders are just two of the topics that highlighted the 50th WECA Youth Leadership Congress (YLC).

Each year, the WECA Division of Cooperative Network offers the opportunity to participate in the YLC to high school students throughout the state. The conference, co-sponsored

issues and were given the opportunity to identify and explore their leadership potential. Top-notch professional speakers, teen peers, and exceptional cooperative employees provided participants with information and tools to deal with the weighty issues high school students face every day.

Dr. David Trechter, UW-River Falls opened the conference with an interactive session on “The Cooperative

Difference.” Also featured at this year’s YLC was nationally acclaimed speaker Craig Hillier. As a part of his dynamic presentation, Hillier enlightened students about being leaders, stretching their creativity and discovering the value of cooperation. On the last day of the conference, Chad Pregracke, Founder and President of Living Lands and Waters, gave a motivational presentation titled, “From the Bottom

Up.” This revolutionary program took students on a revolutionary journey where they discovered a world filled with lively characters, colorful places, and gripping adventures as part of Chad’s quest to clean America’s major rivers.

Other sessions focused on how



The YLC participant from Taylor Electric was Jared Hovde, son of Toby & Mary Hovde, Westboro.



by Wisconsin’s electric cooperatives and the University of Wisconsin-River Falls, was held July 10-12, 2013 on the UW-River Falls campus.

Through a mix of workshop sessions, hands-on activities, and team-building experiences, participants were exposed to a variety of real-life

“Top-notch professional speakers, teen peers, and exceptional cooperative employees provided participants with information and tools to deal with the weighty issues high school students face every day.”

and why co-ops operate and the benefits they provide members. Sessions on our energy future, careers in electric cooperatives, a day in the life of a lobbyist, and effective communications were also held.

The YLC is a fun, educational and unique event that is planned by and for teens. Six students are selected to serve on the WECA Youth Board. The Youth Board then plans and conducts the following year’s program. Youth Board members are eligible to attend the National Rural Electric Cooperative Association (NRECA) Youth Tour held in Washington, D.C. in June. Students are sponsored by the electric cooperative serving their area.

For 50 years, Wisconsin electric cooperatives and UW-River Falls have sponsored this event to demonstrate to high school students the basics of cooperatives and how they can apply the ideals and philosophies of cooperation directly to their lives.

Taylor Electric Cooperative 2014 Incentives

Effective January 1, 2014 - Incentives subject to change without notice

ENERGY STAR APPLIANCES

Clothes Washer	\$25 per unit
Refrigerator	\$25 per unit
Room A/C	\$25 per unit
Dehumidifier	\$25 per unit
Refrig/Freezer Recycling (Signed certification req'd)	\$25 per unit
Room A/C Recycling (Signed certification req'd)	\$25 per unit

CONSERVATION

Low-flow shower head (2.5 gal. per min. or less).....	\$5 per unit
Low-flow faucet aerator (1.5 gal. per min. or less).....	\$1 per unit
Touchstone Energy Home Program.....	\$500 each

ELECTRIC WATER HEATER***

80-99 gallon (Energy Factor .90+).....	\$125 per unit
100 gallon+ (Energy Factor .85+).....	\$200 per unit
Solar storage, w/electric auxillary tank	\$300 per unit
Heat pump water heater (Energy Factor 2.0 or greater).....	\$300 per unit

LIGHTING

CFL bulb (less than 800 lumens/60 watt)	\$1 per bulb
CFL, 60+ watts (Greater than or equal to 800 lumens/60 watt)	\$3 per bulb
Hard-wired Energy Star CFL or LED fixture	\$5 per fixture
LED Exit signs	\$5 per sign
LED bulb or fixture (min. 5 watts).....	\$3 per bulb or fixture
LED Yard lights (min. 15 watts per light)	\$15 per fixture
Occupancy Sensors.....	\$5 per switch
Pulse-start metal halide fixtures (retrofit only).....	\$15 per fixture
T-5 Fixtures	\$6 per lamp per fixture
T-8 Fixtures (Retrofit only).....	\$4 per lamp per fixture

A/C & HEATING****

Central & Split system A/C (14+ SEER or EER 11.5+).....	\$40 per ton
Central & Split system A/C (15+ SEER or EER 12.5+).....	\$60 per ton
Central & Split system A/C (16+ SEER or EER 13.5+).....	\$80 per ton
Commercial A/C & PTACS (11+ EER).....	\$40 per ton
Air-Source & MiniSplit Heat Pump (14+ SEER or EER 11+).....	\$150 per ton
Commercial Heat Pumps & PTHPs (EER 11 or greater)	\$150 per ton
Geothermal Heat Pump.....	\$300 per ton
Dual Fuel (8 KW min. - new installations).....	\$100 bill credit
ETS units	\$30 per KW
Electric hydronic or slab.....	\$20 per KW

AGRICULTURAL & C&I

Dairy Plate Cooler/Well Water Pre-cooler	\$500 per unit
Dairy Heat Recovery w/electric backup.....	\$300 per unit
Low/zero Energy Livestock Waterer (not to exceed 500W per unit).....	\$50 per unit
Scroll Refrigeration Compressor (Max. \$1,000).....	\$30 per HP
Variable Frequency Drive (Max. \$1,000/drive, min. 1 HP)	\$30 per HP
Ag Fan - Exhaust, less than 36" (18 CFM/Watt or more)	\$1 per inch diameter
Ag Fan - Exhaust, greater than 36" (21 CFM/Watt or more).....	\$1 per inch diameter
Ag Fan - Circulation, less than 36" (18 ft. lbs. thrust/KW or more)	\$1 per inch diameter
Ag Fan - Circulation, greater than 36" (21 ft. lbs. thrust/KW or more).....	\$1 per inch diameter
Ag Fan - Hi Velocity Lo Speed	\$1 per inch diameter



***Water heater rebates require installation of Co-op's Load Management (LM) control.

****A/C and Heat pumps require LM only when separately metered for off-peak rates.

****Dual Fuel, ETS, & Hydronic or slab systems require LM control to qualify for incentive.

(timeclock control when under the time of day rate is acceptable).

Maximum rebate = \$20,000 per member account per year.

Most rebates must be applied for within 6 months of purchase. ALSO, submitted no later than January 2, 2015.

MEMBERS ARE ENCOURAGED TO SUBMIT AS SOON AS POSSIBLE TO ENSURE REBATE!

Pay Your Bill Online with Ease

You can view your bill when you want, 24 hours a day, 7 days a week over the internet. View or print your payment history, review prior electric billings, and get graphs of monthly usage, average daily usage and average daily cost. You can view your bill and pay over the internet with your Mastercard or Visa credit cards or with your checking account using the e-check feature.

You may also view your bill online and then print out a mail-in stub to submit your payment to our office. Once you have selected to pay your bill over the Internet, you may save the payment information so next month it's even easier. There is no need to re-key your information. Simply log into www.taylorlectric.org and select the "Pay Your Bill Online" button. You will need your account number which can be found on your electric bill, in order to sign up for this service. If you have any questions, please contact our office and we will be glad to help you get started.

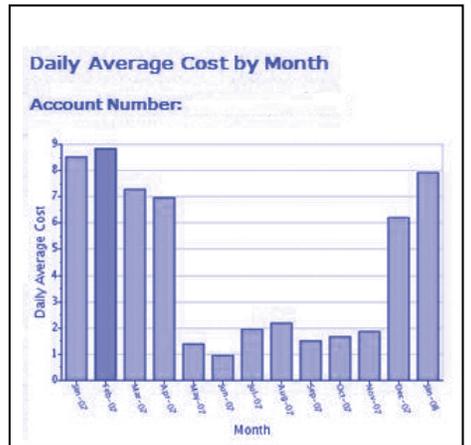
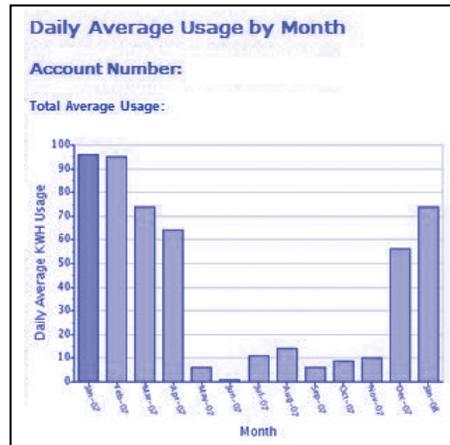
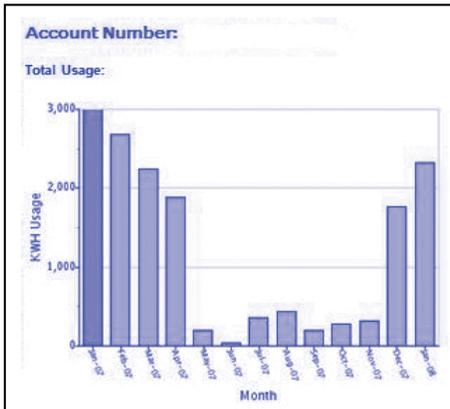
Billing Detail

Account Address Billing Date: February 4, 2008
 Account Number:
 Service Address:
 Service Description:
 Service: TEC
 Billing Cycle: 1

Member Number:

Account Number	Meter Number	Present Reading	Previous Reading	Meter Multiplier	Rate	KWH Used	Amount This Meter	\$ Amount
		1313	1255	40.0	CT RESIDENTIAL AMR	2320	\$246.24	
Service Address: Description: BALANCE FORWARD \$193.65 PAYMENTS RECEIVED SINCE LAST BILL (\$193.65) BASE CHARGE \$26.00 ENERGY CHARGE \$219.24 2320.0 KWH x 0.094500 = \$219.24 PUBLIC BENEFIT FEE \$1.33 TOTAL CURRENT BILL \$246.57								

Service From - To	Days	Due Date	Delinquent Date	Amount Due
01/1/2008 to 02/1/2008	31	02/15/2008	02/15/2008	\$246.57



www.taylorlectric.org

The Employees of Taylor Electric



Management Employees

(From left) Patti Nelson, Finance and Administration Manager; Michael Schaefer, President and CEO; and Kevin Comstock, Line Superintendent.

Line Crew

Front row (left to right): Ron Mayer, Justin Fuchs and Geoff Mueller.

Back row (left to right): Dan Fuchs, Wade Matyka and Brandon Ahrens.



Office Employees

(From left): Lainie Kellnhofer, Mary Lavin and Becky Rindt.

“Our mission is to be our members’ most valuable resource for energy and related services.”

-Taylor Electric Cooperative-

Your Touchstone Energy® Cooperative 

ACH– Recurring Payment Plan

Don't forget that we offer you the convenience and ease of having your monthly payment made automatically from your checking, savings or credit card account. And, you won't have to change your present banking relationship to take advantage of this service.

The ACH Plan will help you in several ways:

- ▲ It saves time—fewer checks to write
- ▲ Helps meet your commitment in a convenient and timely manner—even if you're on vacation or out of town

- ▲ No lost or misplaced statements, your payment is always on time—it helps maintain good credit
- ▲ It saves postage
- ▲ It's easy to sign up for, easy to cancel
- ▲ No late charges

Here's how the Recurring Payment Plan works:

You authorize regularly scheduled payments to be made from your checking or savings account on the 20th of the month. Or, you can authorize payments be

made by your credit card on the 15th of each month. Then, just sit back and relax. A statement will be mailed to you each month so you are aware of the amount being withdrawn from your account.

The automatic payment plan is dependable, flexible, convenient and easy. To take advantage of this service, go to our website at www.taylorelectric.org and choose the "Pay Your Bill Online" button. Then select the Financial Information tab and fill out the appropriate information.

Pay Stations

For the benefit of our members, we offer conveniently located pay stations that will accept electric payments. Customers can pay through the 15th of each month.

If you have questions regarding your payment, please call the office at 715-678-2411.

- Medford**..... Fidelity Bank
- Athens**..... Athens Credit Union
- Dorchester** Advantage Community Bank
- Medford**..... Medford Co-op (County Market)

2012-2013 Statistical Comparison

	2012	2013
Underground Construction	(4.58) Miles	(3.19) Miles
Overhead Construction	3.10 Miles	4.55 Miles
Total Underground Miles	409.83 Miles	406.64 Miles
Total Overhead Miles	445.52 Miles	450.07 Miles
New Services	19	38
Total Services Billed	4,356	4,357
Total Kilowatts Purchased	68,392,321 KWH	72,237,925 KWH
Total Kilowatts Sold	64,243,097 KWH	67,967,982 KWH
Total Kilowatts Unaccounted For	4,149,224 KWH	4,269,943 KWH
Percentage of Line Loss	6.07 %	5.91 %

Make Plans To Attend Your Annual Meeting

Saturday, March 22, 2014

9:30 AM

**Medford Area Senior High School
Registration begins at 8:30 AM**

Election of two directors to succeed Patricia Waldhart and Charles Zenner
They are eligible for re-election.

GUEST SPEAKER

Phil Moilien, Dairyland Power Cooperative

One pound of butter and one pound of cheese will be given to each registered member.

Also, a special attendance gift!



*We hope
to see you
there!*



Rules of Order for Official Business Meeting

(These rules are intended to be adopted at the start of the annual meeting)

1. The meeting will be conducted in accordance with Robert's Rules of Order, and under the following special rules of order:
2. A member wishing to speak is to give their name and the township in which they are a member.
3. During nomination and election proceedings for director seats, candidates will be allowed to speak for up to four minutes.
4. Resolutions must have been submitted to the Board of Directors for consideration at least 60 days in advance of the annual meeting, and mailed to all members for action at the annual meeting. This does not preclude members from making simple motions from the floor at the meeting.
5. Only members may be allowed to speak for two minutes on each issue and for one time only, except that an additional two minutes may be granted by unanimous consent.
6. 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.
7. No demonstrations shall be held within the building of the place of the meeting.

Co-op Connections

Participating Business List

A-Z Town & Country, Colby

Free suet cake with the purchase of any 20# or larger bag of bird seed.

Bearly Used Children & Maternity Consignment, Medford

\$1 off purchase of \$10 or more. Must present card at time of purchase. Not valid with any other discounts or promotions.

Broadway Theater, Medford

Purchase any size popcorn and get a matching size soda for free

Carquest Auto Parts, Medford

10% discount on purchases up to \$200

Creative Edge, Medford

15% off framing

Glass to Go, Inc., Medford

5% off in-shop windshield replacement. Buy 1 Rain-X Wiper Blade, get second blade 1/2 off.

Heartland Cooperative Services - Athens, Dorchester, Greenwood, Hamburg, Owen

10% discount on all dog and cat food

Hoffman's Fabric, Floral & Craft, Medford

10% off Tuesday's

Holmes Studio East, Medford

10% off on studio family portraits including sessions.

Jack's Auto Repair LLC, Stetsonville

10% off exhaust repairs over \$50, 10% off any brake related parts & labor.

McDonald's, Abbotsford, Medford, Stanley and Thorp

1 free muffin sandwich with the purchase of a medium or large size McCafe beverage

Medford Health Mart Pharmacy, Medford

20% off any Health Mart label

Mertens Chrysler Jeep Dodge, Medford

10% of all services

Meyer Auto Body, Medford

5% discount on any body repair over \$500. Up to a \$100 value.

Meyer Lumber, Dorchester

5% discount on discountable items, excluding all sale and clearance items (cash sales only). Cannot be used in conjunction with any other discounts/promotions. Card must be presented at each purchase.

Meyer Tire and Service, Medford

\$5 off any passenger or light truck tire-not good in conjunction with any other coupons or offers.

Mypride Kennel, Medford

10% off grooming or boarding services

Napa Auto Parts, Medford

10% discount on cash & carry items (excludes engines, engine kits, transmissions, oil labor & sale items)

Northwoods Embroidery, Medford

Free digitizing on embroidery. Free set up on first color of screen printing.

PC Doctors LLC, Medford

\$20 off your next service. \$20 off any Alltel phone with 2 year agreement.

Pernsteiner Carpets, Medford

Cost plus 10% on 10 yards per year of ordered in carpet or vinyl.

Ron's Auto Body Repair, Medford

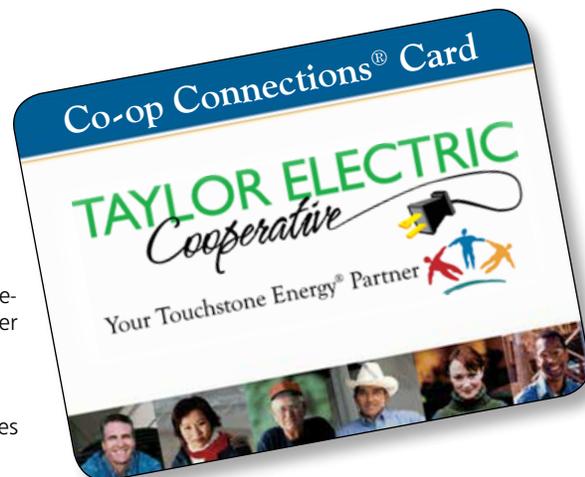
20% off for anyone over 55 or older on labor

Schierl Tire & Service Center, Medford

\$5 off an oil change. \$10 off parts for service repairs.

Stetsonville Lumber, Stetsonville

5% off single purchase over \$500 -not good in conjunction with other coupons or offers.



Stetsonville Oil Company, Stetsonville

\$5 off oil lube filter service.

Strama's Self-Serve, Medford

Buy one ice cream (cone or dish) and get the 2nd 1/2 price.

Subway, Medford & Colby

50¢ off any sub or salad

Taylor Credit Union, Medford and Abbotsford

Free rental for one year on 3"x5"x22 1/2" safe deposit box - new rentals only. Requires existing savings account or initial savings account with \$5 balance. Limit one per family.

Wanke Builders, Medford

Free foundation water proofing on your new home purchase

Willow Cottage Pet Grooming, Medford

\$5 off full groom service

(all offers not good in conjunction with any other discounts or promotions)

Another Benefit of Co-op Connections Cash Back Mall pays you to shop

A benefit from your Co-op Connections Card gives you cash back when online purchases are made from more than 5,000 of your favorite stores. **GO TO:** <http://taylor.foryourpeople.com/shopping> and register, then download the shopping assistant. A free shopping assistant tool bar will appear at the top of your internet browser. This will help you monitor the cash that you are earning. As you make purchases at various retailers: Best Buy, Walmart and Target just to name a few, the money will accumulate in your account.



Cash Back Mall

When you set up the account you will decide if you want the money directly deposited into your account or a printed check. You can receive the cash in the amount of \$15, \$25 and \$50.

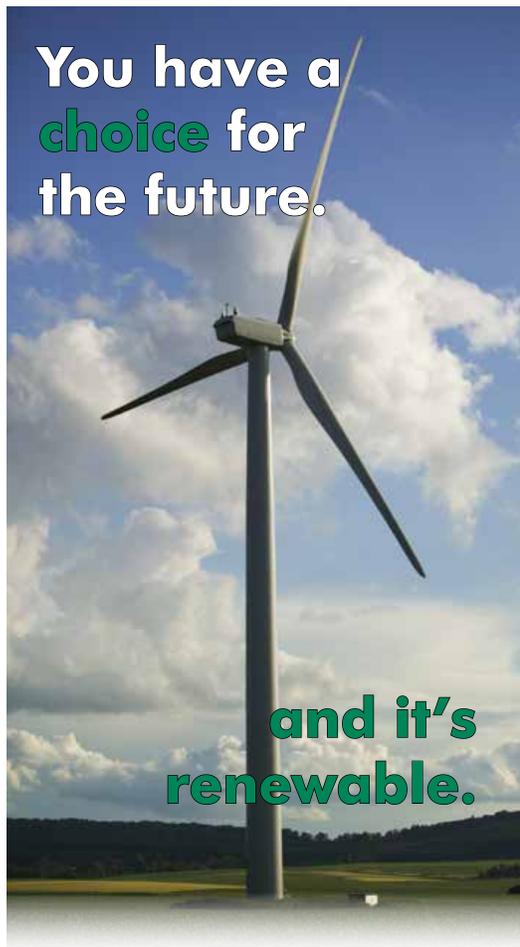
Membership Has Its Advantages

Taylor Electric Cooperative offers its members many “advantages” in the form of assistance through various service programs. If you would like more information on any of the items in the following list, please contact us. If you have a question about electricity or your electric service, we can give you the answer, or help you find it.

A lot of these programs offered are free of charge to our members. If there’s something here you’re not taking advantage of, we urge you to get more information on it today!

- ◆ Margins (profits) returned to members as capital credits

- ◆ Rental dusk to dawn lights
- ◆ Sale of dusk to dawn lights
- ◆ Repair of dusk to dawn lights
- ◆ Power quality monitoring
- ◆ Appliance energy use testers available for your use
- ◆ Electric heat recommendations
- ◆ Voltage monitoring (for example, blinking lights)
- ◆ Rebates and incentives
- ◆ Economic development loans
- ◆ Co-op Connections Card
- ◆ Electric heat systems
- ◆ Energy-efficient lighting program
- ◆ Off-peak electric heat rates
- ◆ Electric grills
- ◆ Tree trimming & cutting (if near powerlines)
- ◆ School/Community safety programs & ads
- ◆ Farm wiring grant and loan program
- ◆ Secure Home Surge Suppression
- ◆ Member Appreciation Day
- ◆ Credit card and ACH payments accepted
- ◆ Scholarships for high school seniors
- ◆ Focus on Energy Program
- ◆ Youth Leadership Congress
- ◆ E-bill Payments
- ◆ Energy Star Rebates



You have a
choice for
the future.

and it's
renewable.

Q. What is Evergreen?

A. *Evergreen* is a voluntary renewable energy (green power) program available to your home, farm or business through Taylor Electric Cooperative, a member-cooperative of the Dairyland Power system. *Evergreen* is for those who want to do more to support renewable energy generation.

Q. How does Evergreen work?

A. It's simple. In addition to your normal, monthly electric bill, you volunteer to pay a small, additional charge each month to offset the additional cost it takes to support renewable energy generation. There are no other requirements. There is nothing to hook up. And, you will continue to receive the same reliable electric service.

Q. How much does Evergreen cost?

A. *Evergreen* is affordable. In addition to your regular electric bill, you volunteer to pay only \$1.50 more for a block of 100 kilowatt hours (1.5¢ per kWh) each month. A block of 100 kWh represents about 10% of the average residential monthly electric usage (1,000 kWh). Buy more blocks and do even more to support renewable energy.

Q. How can I participate in the Evergreen program?

A. You can participate in *Evergreen* by contacting Taylor Electric Cooperative.



Renewable Energy from
Your Touchstone Energy® Cooperative 



Your Touchstone Energy® Partner



TAYLOR REPORT
Annual Report Issue

March 2014 • Vol. 42, Issue 3
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Postmaster: Send address corrections to:
Taylor Report, N1831 State Hwy 13, Medford, WI 54451.

Taylor Report is published monthly, except for the Annual Report edition issued in March. This monthly publication is designed to provide information about the cooperative to the member-owners of Taylor Electric Cooperative.

Michael Schaefer, *President & CEO*
Lainie Kellnhofer, *Editor*



Clip and use as Annual Meeting Registration and Prize Eligibility.



Bring this slip to the annual meeting to receive door prizes.

Notice of 2014 Annual Meeting Taylor Electric Cooperative

SATURDAY, MARCH 22, 2014 - 9:30 A.M.

The 2014 annual meeting of the members of Taylor Electric Cooperative will be held at the Medford Area Senior High School in the City of Medford, Taylor County on Saturday, March 22, 2014, beginning at 9:30 AM. Action will be taken on the following items of business:

1. Reports of officers, directors, committees and employees.
2. Nomination and election of two directors for three-year terms to succeed Patricia Waldhart and Charles Zenner. Patricia Waldhart has completed two, three-year terms, and is eligible for re-election. Charles Zenner has completed one three-year term and is eligible for re-election.
3. Any such other business as may come before said meeting and or adjournment thereof.

Dated this 6th day of March, 2014

Patricia Waldhart, Secretary