

2018
ANNUAL REPORT

TAYLOR ELECTRIC COOPERATIVE

ANNUAL MEETING

Saturday, March 30, 2019

9:30 AM

**Centennial Community Center
Stetsonville, WI**



**TRUST. ANOTHER
PRECIOUS
RESOURCE WE'RE
COMMITTED TO
PRESERVING.**



You must bring the registration form from the back cover of this report to the annual meeting to help speed up the electronic registration process.

2019 Annual Meeting Agenda

- 8:30 AM Registration (cookies, milk and coffee)
- 9:30 AM Call to order
On-time prize drawing for electric grill
Determination of quorum
Pledge of Allegiance
Invocation
Rules of Order (page 17)
Notice of meeting and proof of mailing
Approval of 2018 minutes
Introduction of board
Board Chairman's report
President/CEO's report
Election of 3 board members
Rob Palmberg, Dairyland Power Cooperative
Question and answer period
Attendance gifts
- Noon Lunch served



Your Touchstone Energy® Partner



OFFICERS

Dean Tesch
Chairman
Charles Zenner
Vice Chairman
Patricia Waldhart
Secretary-Treasurer

DIRECTORS

JoAnn Smith, *Little Black*
Brian Hallgren, *Medford*
Dennis Engel, *Mayville*
Ray Henrichs, *Browning*

President & CEO Report

Your cooperative had a very successful year in 2018, both financially and operationally. The Board's attention to maintaining financial health was bolstered with strong kilowatt-hour (kWh) sales, ahead of budget, primarily due to the cold winter and hotter summer weather, and lower outage numbers and costs. Member equity was 41% at year end, a benchmark that provides us an interest rate discount from our lender. Increased margins by our wholesale provider, Dairyland Power Cooperative helped bolster total 2018 margins, which ended the year \$44,800 less than 2017.

2018 was also successful in that strong margins allowed the Board of Directors to make some financial decisions to continue to build members' equity in the Co-op, and, refund capital credits to those who patronized the Cooperative in prior years, a tradition that has been maintained since 1956.

The Bottom Line - Financial Performance

Kilowatt-hour (kWh) sales increased 3.35% in 2018 from 2017 and were 3.55% above budget. The average revenue per kWh decreased 0.6% in part due to more members taking advantage of off-peak rates. The cost per kWh of wholesale power also decreased 1.2% (more kWhs spreads the fixed cost of generating plant ownership over a larger number).

Line loss improved yet again in 2018, the continued success a result of brushing, tree trimming, and the meter upgrade programs.

Wholesale power discussed above, was the largest contributor of cost increase for 2018 at \$98,000. Local costs for operations, system main-

tenance, billing, accounting, and administration increased \$51,000 for the year. Fixed cost for depreciation decreased slightly at \$41,000, and interest expense increased just over \$6,700.

Nearly \$313,000 of capital credit refunds were made to members in 2018. With the 2018 capital credit retirement, the Cooperative has returned more than \$7.4 Million to the member-owners since the Co-op's inception.

New Construction & Operations

25 new service installations were completed in 2018, a slight increase from the 17 installed in 2017. Power line construction and replacements/upgrades in 2018 continued at a pace of just under \$1.1 Million. Truck and equipment purchases in 2018 totaled \$193,000.

Maintaining Reliability

The 0.64 average hours per member of outage time in 2018 was well below the 5-year average of more than 2 hours. Lower outage numbers and costs show the importance of the ongoing tree trimming and maintenance programs. In 2018, more than \$371,000 was spent on the contract for tree trimming, brush cutting, and herbicide treatments. We've experienced great cooperation from the members allowing the contractors to clear the right-of-ways, and cut back trees and brush. This is paying dividends; Mother Nature has surely been kind to us as well!

Looking ahead to 2019

The 2019 capital budget calls for us to continue replacing and upgrading approximately 13 miles of the electric delivery system in areas where



Michael Schaefer

needed, at an approximate cost of \$650,000; a slight decrease from the 2018 amount. We also plan to replace a 2008 model bucket truck, and a 2010 ½-ton service truck, at a projected cost of \$325,000. An additional \$180,000 is budgeted for tools, security upgrades, meter upgrades, and power quality equipment, and, \$90,000 for computer and software upgrades.

Taylor Electric Bright Horizons community solar has been operational for more than 3½ years. We still have participation units to sell and look forward to talking with you if you are interested in being "green". Although not all shares are sold, the members are gaining benefits by the Cooperative owning this system. We estimate that the value of the peak savings and kWhs produced in 2018 was again more than \$11,000, with more than \$6,800 of that offsetting the electric bills of those members owning the 154 shares that have been sold.

Dairyland has announced that the wholesale rate will increase by an average of 0.99% to its members on May 1, 2018. Normally, Taylor is

more...

President & CEO Report (continued)

around the average for wholesale rate increases, but we must wait until the Dairyland Board approves the final May 1st rates before we will know for sure what that is, as it is passed onto our members' monthly electric bills.

Thank you!

I am very proud of our employees. It is their competency, attention to safety and detail, willingness to accept new challenges, and their

professionalism that provide the backbone of our organization. Their attention to safety has meant no lost-time accidents since June 12, 2011 – a feat few can rival - something that is reflected in our workers compensation insurance rate being one of the lowest offered in an injury-prone industry. Please join me in expressing gratitude for the efforts and hard work of the staff.

As we pause to reflect on 2018, let us continue to look towards a bright

future for Taylor Electric Cooperative and the citizens of our region. I look forward to your continued support of the Cooperative and I invite you to freely share your thoughts and suggestions with us. This is your business and your involvement is more than important; it is crucial.

We look forward to seeing you at your annual meeting on March 30th. Thank you for the continued support you have given us during this past year.

mobile The way to pay online!

SmartHub

Pay your energy bill online through Taylor Electric Cooperative. It's called SmartHub. And, here are some of the smart benefits:

- Pay your energy bill at Taylor Electric
- Available on your Apple or Android device
- View your billing history
- View and manage your electric usage
- Analyze and understand your electric usage
- Identify ways to lower your energy bill
- And, more

Questions?

Contact Taylor Electric Cooperative at (715) 678-2411 or (800) 862-2407, or go to www.taylorelectric.org.



Sign up for SmartHub -

SmartHub is Taylor Electric Cooperative's **FREE** online energy bill payment system that also allows you to monitor your daily energy usage. If you have already signed up for e-Bill, the co-op's former payment system, you can access SmartHub using the same e-Bill login and password.

1. From your computer or mobile Apple or Android device, go to www.taylorelectric.org or download the SmartHub app from the App Store.
2. Click on the SmartHub icon.
3. New to paying your Taylor Electric bill online? It's easy. And, it's mobile! Click on the signup link and follow the prompts to create your user name and password.
4. Already an e-Bill user? E-Bill users will be automatically redirected to the new SmartHub site. Log in with the same email and password. Due to increased security you will be asked to establish a new password.



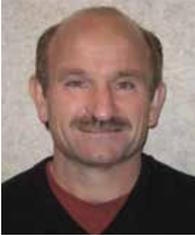
Chairman's Report

The accompanying report from Dairyland Power Cooperative opens with the renewed commitment the 24 members made to each other in 2018 in working through the extension of their Wholesale Power Contract. In a very similar way, there is a commitment that we all have to each other, as members of Taylor Electric Cooperative. Eighty-three years ago this cooperative was formed to bring life-changing electricity to our farms, homes and small businesses. And as electricity changed and improved the quality of our lives, our needs and wants for that electricity have changed as well.

For many of our members, their electricity usage seems little changed over many years. The commitment we make to these members is to provide safe and reliable energy at affordable and fair rates. Rebuilding and expanding our plant - the poles, conductors and the communications - is a costly commitment. It requires a highly skilled and educated staff. Our line crews receive almost constant training in safety and best practices. The line department plans the work, prioritizing projects for improved reliability and resiliency. And the office staff works very diligently to make sure the rates are as fair as possible, doing in depth cost of service studies. While this group of members' usage may show little change over the years, expectations of our system have increased.

There is another group of members who have seen their energy usage increase dramatically over the years. Maybe they decided to retire the wood heat in favor of an efficient air source heat pump. Or they may have wanted to temper the cold winter months with a heated garage or

**THE TAYLOR ELECTRIC COOPERATIVE
BOARD OF DIRECTORS**

			
<i>Dean Tesch Chairman</i>	<i>Charles Zenner Vice Chairman</i>	<i>Patricia Waldhart Secretary/Treasurer</i>	
			
<i>Brian Hallgren</i>	<i>Ray Henrichs</i>	<i>JoAnn Smith</i>	<i>Dennis Engel</i>

shop. I'm not aware of any yet, but maybe they've purchased an electric vehicle. In any case, this group of members is increasing not only their energy usage but also the demand on the system. Think of demand as being the high water mark for energy usage. The system has to be large enough to handle this maximum draw if and whenever it occurs. The commitment we make to these members is to have a highly educated staff to answer member questions, to ensure the proper equipment to serve these members, and again to ensure a fair rate structure for this usage.

Think of another group of members who have taken advantage of energy conservation. This group has likely reduced both energy usage and demand. Our commitment here is to provide information to conserve energy and to once again ensure fair rates. It is also to make sure our system is able to maximize and take advantage of the new energy saving

technologies. This calls for constant continuing education of our staff.

A fourth group of members have begun to generate some of their own electricity. And while they purchase less energy from the Cooperative, their demand has not changed. Taylor Electric makes a commitment to these members to serve their high

(continued on page 7)

“And as electricity changed and improved the quality of our lives, our needs and wants for that electricity have changed as well.”

Dairyland Director Report

Dairyland focused on safe, reliable and sustainable power

The 24 members of Dairyland Power Cooperative, including Taylor Electric Cooperative, renewed their commitment to each other in 2018 through an extension of their Wholesale Power Contract with Dairyland. This agreement among Dairyland's distribution cooperative members was created in 1941. Today, it ensures Dairyland will continue to provide the energy and flexibility needed by Taylor Electric Cooperative. Dairyland staff works to ensure its 24 members, including Taylor Electric Cooperative, **have safe, reliable and sustainable** electricity that remains **affordable**.

In 2019, several business initiatives will be implemented to achieve the Strategic Imperatives established by Dairyland's Board of Directors. Our industry is rapidly changing and Dairyland is positioned to be a dynamic cooperative leader into the future.

Wholesale Rate Study Task Force – The board of directors and managers of Dairyland's members are working together to assess Dairyland's current wholesale rate structure, along with potential new rate structures. The goal is to develop a rate design that is competitive, while providing long-term mutual success for Dairyland, its member cooperatives and members of Taylor Electric Cooperative.

Strategic Decision Excellence – The goal of this initiative is to enhance how Dairyland makes business decisions. This includes evaluating processes and systems used to make major capital, operational and strategic business decisions.

Sustainable Generation Plan – This plan will provide a framework for resource planning for the next 7-10 years. It will provide value to members through continued expansion of renewable energy, evaluating price volatility and determining the best project mix for Dairyland's members.

Planning for long-term success

In addition to these three 2019 initiatives, business plans continue in all areas of operations to fulfill the cooperative's Strategic Imperatives:

Cooperative Purpose – Exceeding members' expectations is Dairyland's vision. Dairyland staff are committed to living the seven Cooperative Principles and leveraging the cooperative advantage. They are focused on improving communities and the quality of life in Dairyland's four-state region.

Employee Development – Dairyland is focusing on attracting, developing and retaining talented leaders who are focused on serving co-op members. As employees retire, every open position is evaluated and often reshaped or redirected to ensure the future needs of members are met.

Resource Diversification – Dairyland staff have been diversifying resources intentionally and thoughtfully by using the best economic decisions for a sustainable resource mix.

Through power purchase agreements, renewable wind energy resources were added from the Barton Wind Project in Iowa, Quilt Block Wind Farm in southwest Wisconsin and Dodge Center Wind Farm in Minnesota. Since 2017, 18 large-scale

cooperative solar energy projects have been announced in the service areas of Dairyland members, like the one north of Medford on County Road Q.

The regulatory process for the Nemadji Trail Energy Center (Superior, Wis.) is moving forward in Wisconsin. Dairyland and ALLETE's Minnesota Power (Duluth, Minn.) announced the proposed natural gas facility in June 2017. The plant is an up to 625 MW combined-cycle natural gas facility scheduled to be in service by 2025, contingent on regulatory approvals.

This facility will help Dairyland add more renewable energy and reduce carbon intensity. It will also ensure reliability for our growing system.

Competitive Service – Ensuring rates and services are competitive is critical to the economic well-being of the region. Dairyland's Board approved an effective 1.55% increase on the wholesale rate to Taylor Electric Cooperative, effective May 1.

Efficiency improvements and management of costs and risks are priorities. Dairyland is also investing in transmission opportunities that improve reliability and add value for members.

Financial Strength – Maintaining financial strength and competitive access to capital are critical to delivering Dairyland's strategic plans. Standard and Poor's elevated Dairyland's rating to A+ with a stable outlook in early 2018. Dairyland's board and management work to balance building financial strength with competitive rates and sound operations.

Growth – Dairyland's system will grow by about 10 percent in the next few years with the addition of service territory acquired by member cooperatives, mostly in southern Minnesota. Additional energy resources, including renewables and the Nemadji Trail Energy Center, are needed to serve that growth.

Dairyland staff are working with members to support economic development opportunities that will help communities grow by adding businesses and jobs.

Safety Culture – The safety of employees, members and the public is the highest priority at Dairyland. Employees continue to educate, promote and maintain a safety focus as they strive for an operational goal of “zero incidents.”

Operational Excellence – Reliable performance of Dairyland’s power plants and transmission system are high priority. The men and women

who operate and maintain Dairyland’s facilities are focused on safety, while holding high standards for reliable operations.

Transmission construction crews work to safely rebuild, construct and upgrade approximately 50 miles of 69 kV transmission line each year. Each mile takes approximately two weeks to complete with roughly 17 poles per mile.

Dairyland’s transmission investments demonstrate a commitment to growth and reliability. By working with other utilities, infrastructure in the region is strengthened to absorb

changing generation sources.

Plant Decommissioning – Great progress was made to dismantle the La Crosse Boiling Water Reactor (LACBWR) and the Alma Station in 2018. Structures were removed from both sites, including LACBWR’s reactor building. The safe demolition of the Alma Station’s 700-foot stack was also popular in the media in October.

Strategic planning has provided direction for Dairyland’s business decisions. Dairyland continues to plan to reliably and sustainably meet our cooperative’s future energy needs.



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



Chairman’s Report (continued from page 5)

water mark usage even when their ability to generate (sun goes down or wind stops blowing) isn’t there. Even though vendors know their products’ selling points, the staff at Taylor Electric is a valuable resource to help make these distributed generation decisions. No matter what, it is important to work with the staff to ensure the distributed generator is properly and safely wired into our system.

Taylor Electric is also committed to being a legislative voice for the members. Without a doubt your voice is needed to be heard when legislators who

don’t understand the physics of electricity dream up models that aren’t cost effective, or simply don’t work.

My message last year discussed many of the things your cooperative does in community involvement – scholarships, grants, economic development loans, etc. – as another way of showing our commitment to our members. You also heard recently that Taylor Electric is very active in looking to bring broadband/fiber our area. Broadband/fiber is needed for the increased communication backbone of our system. Also, in some ways,

it’s like the decisions made 83 years ago to bring life-changing electricity to our farms, homes and small businesses – but now with broadband/fiber.

In conclusion, the staff and board of Taylor Electric Cooperative are committed to our almost 4,000 members. We are committed to open communication and the education of our membership. And finally, the board is committed to having the best leadership in place to keep your cooperative financially healthy and honor its commitment to you.

Capital Credit Summary (12-31-18)

Year	Amount Assigned	General & Estates Retired	Balance Unretired
1989 & PRIOR	\$5,262,487.08	\$5,262,487.08	\$0.00
1990	333,021.14	234,511.15	98,509.99
1991	369,256.47	289,781.89	79,474.58
1992	236,034.08	169,775.91	66,258.17
1993	354,603.23	310,691.64	43,911.59
1994	481,457.29	384,253.89	97,203.40
1995	354,791.54	303,966.08	50,825.46
1996	534,890.46	177,276.25	357,614.21
1997	436,335.32	46,918.47	389,416.85
1998	258,541.17	24,600.23	233,940.94
1999	338,297.08	28,287.32	310,009.76
2000	193,534.53	14,834.45	178,700.08
2001	204,490.16	14,639.22	189,850.94
2002	183,971.17	11,837.14	172,134.03
2003	357,390.78	20,541.28	336,849.50
2004	261,348.87	12,048.31	249,300.56
2005	381,604.84	13,899.97	367,704.87
2006	284,189.98	9,383.29	274,806.69
2007	382,359.90	11,883.43	370,476.47
2008	391,535.30	11,215.26	380,320.04
2009	480,886.38	12,493.19	468,393.19
2010	317,526.86	7,945.26	309,581.60
2011	526,150.01	10,141.36	516,008.65
2012	371,401.55	6,301.63	365,099.92
2013	648,157.37	9,252.93	638,904.44
2014	569,129.38	6,584.30	562,545.08
2015	329,509.03	2,852.94	326,656.09
2016	576,587.04	2,565.48	574,021.56
2017	704,537.37	1,525.69	703,011.68
	<u>\$16,124,025.38</u>	<u>\$7,412,495.04</u>	<u>\$8,711,530.34</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, 2018 by the auditing firm of Clifton, Larson, Allen LLP, P.O. Box 428, Marshfield, Wi 54449.

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 12/31/17 and 12/31/18)

	December 31, 2017		December 31, 2018 (unaudited)	
ASSETS				
UTILITY PLANT	\$28,294,701		\$28,949,775	
Less Depreciation Reserve	(10,345,328)	17,949,373	(10,736,411)	18,213,364
CURRENT AND OTHER ASSETS				
Cash-General	96,066		148,522	
Cash-Loan Funds	0		0	
Investment in Assoc. Organizations	4,469,768		4,521,440	
Investments-Economic Development Loans	0		0	
Investments-Other	156,351		189,047	
Farm Wiring-Notes Receivable	1,412		0	
Accounts Receivable (Inc. Dec. Bills)	964,244		850,963	
Materials and Supplies	215,684		226,504	
Prepaid Deferred Charges	366,773		321,619	
TOTAL CURRENT AND OTHER ASSETS		<u>6,270,298</u>		<u>6,258,095</u>
TOTAL ASSETS		<u>\$24,219,671</u>		<u>\$24,471,459</u>
LIABILITIES, CREDITS AND RESERVES				
LONG TERM DEBT				
CFC Loans	13,051,350		13,091,326	
REA Economic Development Loan	0		0	
DPC Economic Development Loan	0		0	
Balance Due on Long Term Obligations		13,051,350		13,091,326
CURRENT AND OTHER OBLIGATIONS				
Current and Accrued Liabilities	1,345,469		1,227,633	
CFC Line of Credit	0		0	
Other Liabilities	164,438		91,393	
Total Current and Other Obligations		<u>1,509,907</u>		<u>1,319,026</u>
TOTAL LIABILITIES		<u>14,561,257</u>		<u>14,410,352</u>
MARGINS AND MEMBER EQUITY				
Patronage Capital				
Taylor Electric Cooperative	10,152,985		10,605,251	
Dairyland Power	5,266,503	15,419,488	5,518,774	16,124,025
Capital Retired - Taylor	5,048,022		5,276,207	
Capital Retired - Dairyland	2,051,493	(7,099,515)	2,136,288	(7,412,495)
Net Patronage Assigned		<u>8,319,973</u>		<u>8,711,530</u>
Patronage for year	732,855		688,025	
Donated Capital	4,087		4,087	
Other Margins	601,499		657,465	
TOTAL MEMBER AND PATRON EQUITY		<u>1,338,441</u>		<u>1,349,577</u>
TOTAL LIABILITIES, CREDITS AND RESERVES		<u>\$24,219,671</u>		<u>\$24,471,459</u>

Statement of Revenue and Expense

	YEAR ENDING 12/31/17	(Unaudited) YEAR ENDING 12/31/18
OPERATING REVENUE		
Electric Energy Revenue	\$9,399,926	\$9,642,079
Misc Electric Revenue	<u>47,565</u>	<u>63,001</u>
TOTAL REVENUE	9,447,491	9,705,080
OPERATING EXPENSES		
Cost of Purchased Power	5,299,277	5,397,597
Operating Expense	508,428	496,709
Maintenance Expense	676,275	685,380
Consumer Accounts Expense	297,869	346,284
Customer Service & Information	41,037	40,275
Sales Expense - Power Use	38,243	44,965
Administrative Expense	243,287	258,938
Outside Services Employed	52,540	21,050
Insurance, Safety & Benefits	120,704	115,716
Misc. General Expense	57,865	58,649
Directors Fees & Mileage	42,416	43,647
Maintenance of General Property	42,263	60,169
Depreciation Expense	858,142	853,801
Taxes - Property	<u>132,809</u>	<u>137,862</u>
TOTAL EXPENSES	<u>8,411,155</u>	<u>8,561,042</u>
Operating Margins before Interest	1,036,336	1,144,038
Interest on Long Term Debt	654,147	662,503
Other	<u>7,616</u>	<u>5,934</u>
TOTAL OTHER DEDUCTIONS	<u>661,763</u>	<u>668,437</u>
TOTAL OPERATING MARGINS	374,573	475,601
Other Interest Revenue	12,963	13,234
Other Non Operating Margins	<u>93,048</u>	<u>101,277</u>
TOTAL NON OPERATING MARGINS	<u>106,011</u>	<u>114,511</u>
TOTAL MARGINS - Taylor	480,584	590,112
TOTAL MARGINS - Dairyland	<u>252,271</u>	<u>97,913</u>
TOTAL MARGINS ASSIGNABLE AS CAPITAL CREDITS	<u>\$732,855</u>	<u>\$688,025</u>

Shop locally and save money with your Co-op Connections® card

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.

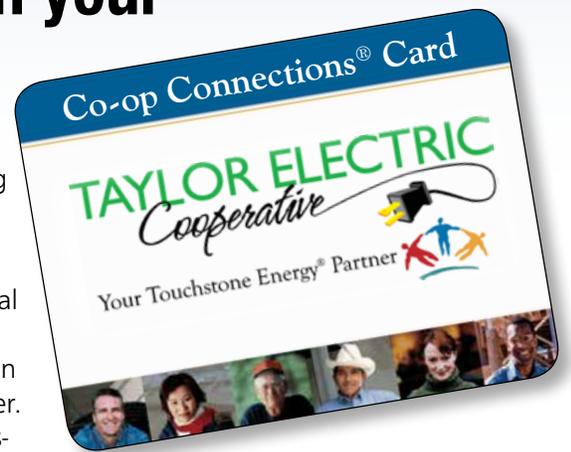
A free offering for co-op members and participating businesses, the program benefits cooperative members by offering valuable discounts at participating local and national businesses. At the same time, those businesses benefit from increased customer visits by co-op members participating in the program.

Co-op members can find which busi-

nesses are participating on page 18 of this report or by logging on to Taylor Electric's website: www.taylorlectric.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 long-standing 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 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.taylorlectric.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.

LOAD MANAGEMENT

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

2018 Director Scholarship Winners

The Taylor Electric Cooperative Board of Directors approved a motion on July 26, 2018, that each director of the cooperative donate one day's per diem to be used to fund Director Scholarships. The following 2018 graduates were awarded \$200 scholarships:

Congratulations!

Medford High School

Jacylyn Gajewski
Samuel Hallgren
Lainey Brunner
Katlyne Henrichs
Kayla Rausch
Brecca Miller

Colby High School

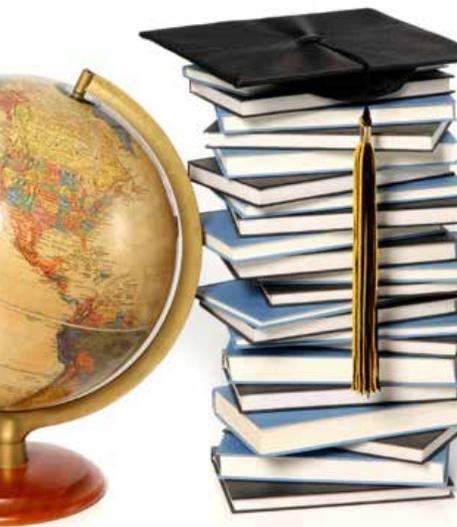
Alicia Viken

Rib Lake

Bryanne Brugger



2018 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.

Congratulations!

Medford Area Senior High

Selena Birkholz
Kierra Krause

Colby High School

Hailie Seubert

Athens High School

Brandon Seefeld

Rib Lake High School

Adam Dums

Abbotsford High School

Courtney Block

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

-Taylor Electric Cooperative-

Your Touchstone Energy® Cooperative 

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
Your Touchstone Energy® Partner

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Powering Human Connections »

BRIGHT HORIZONS COMMUNITY SOLAR

3-30-2019 @ STETSONVILLE CENTENNIAL CENTER

SAVE MONEY IN THE NEW YEAR WITH 2019 INCENTIVES

Taylor Electric Cooperative | Your Touchstone Energy Partner

Taylor Electric Cooperative is a rural electric distribution cooperative, established under the USDA Rural Electrification Act. Electric service is provided to more than 4,300 customers in rural areas of Taylor County, plus portions of Marathon, Clark, and Lincoln Counties. Other services offered to members and the community at-large include electric grills, electric fireplaces and heating products, long distance telephone service, and more.

Taylor Electric Cooperative is proud to be a member of the Dairyland Cooperative. Taylor Electric Cooperative is a partner with the nearly 600 Touchstone Energy Cooperatives nationwide, who serve more than 16 million customers in 44 states, and strive for service excellence through accountability, integrity, innovation, and commitment to community. If are unable to access any information on this website or have additional questions, please contact us at: tayelec@taylorlectric.org, 715.678.2411 or N1831 State Highway 13, Medford, WI 54451.

Medford, WI

MAR 4 - MON

2°F
haze

DAY	COND.	TEMP.
MON 03/04		2/3°F
TUE 03/05		9/3°F
WED 03/06		14/4°F
THU 03/07		9/-9°F
FRI 03/08		13/-4°F

Report Outages Call 715.678.2411 | View Outage Map>>

Together We Can Save >>

Home Energy Adventure >>

Know what's below, Call 811 Before You Dig >>

Privacy Policy

I. 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.

II. 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.

III. 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.

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 

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: (from left) Justin Fuchs and Mike Eloranta.

Back row (left to right): Brandon Ahrens, Geoff Mueller, Wade Matyka and Ron Mayer.



Office Employees

From left: Lainie Kellnhofer, Sheena Johnas, Becky Rindt and Sadie Kapusta.

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.taylorlectric.org and choose the SmartHub button. Then select the Billing and Payments tab and the Auto Pay Accounts tab to fill out the appropriate information.

2017-2018 Statistical Comparison

	2017	2018
Underground Construction	2.10 Miles	1.77 Miles
Overhead Construction	(1.03) Miles	(0.07) Miles
Total Underground Miles	405.82 Miles	407.59 Miles
Total Overhead Miles	457.46 Miles	457.39 Miles
New Services	17	25
Total Services Billed	4,377	4,389
Total Kilowatts Purchased	71,683,070 KWH	73,945,843 KWH
Bright Horizons Kilowatts Generated	111,073	114,392
Total Kilowatts Sold	67,664,197 KWH	69,927,018 KWH
Total Kilowatts Unaccounted For	4,129,946 KWH	4,133,217 KWH
Percentage of Line Loss	5.76 %	5.59 %



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.

Make Plans To Attend Your Annual Meeting

We hope to see you at the annual meeting!

Saturday, March 30, 2019

9:30 AM

**Stetsonville Centennial Center
Stetsonville, WI**

Registration begins at 8:30 AM

Election of three directors to succeed Dennis Engel, Ray Henrichs and JoAnn Smith. All are eligible for re-election, however, Ray has opted not to run for re-election.

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



You must bring the registration form from the back cover of this report to the annual meeting to help speed up the electronic registration process.

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 two 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

Advance Auto Parts, Medford

10% discount on purchases up to \$200.00

Broadway Theater, Medford

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

C&D Lumber, Rib Lake

5% off single purchase over \$500.00, not good in conjunction with other coupons or other offers

Computer TR, Abbotsford

10% off on labor

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

Jack's Auto Repair LLC, Stetsonville

10% off exhaust repairs over \$50.00, 10% off any brake related parts & labor.

Life's High Points Photography, Medford

15% discount

Medford Health Mart Pharmacy, Medford

20% off any Health Mart label

Meyer Auto Body, Medford

5% discount on any body repair over \$500.00. 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

\$5.00 off any passenger or light truck tire-not good in conjunction with any other coupons or offers.

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.

Ron's Auto Body Repair, Medford

10% off for anyone over 55 or older on labor

Schierl Tire & Service Center, Medford

\$5.00 off an oil change. \$10.00 off parts for service repairs.

Stetsonville Lumber, Stetsonville

5% off single purchase over \$500.00-not good in conjunction with other coupons or offers.

Stetsonville Oil Company, Stetsonville

\$5.00 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 \$5.00 balance. Limit one per family.

Wanke Builders, Medford

Free foundation water proofing on your new home purchase

Willow Cottage Pet Grooming, Medford

\$5.00 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> 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, sale and repair of dusk to dawn lights
- ◆ Power quality monitoring
- ◆ Appliance energy use testers available to rent
- ◆ 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
- ◆ Pre-paid Metering
- ◆ Bright Horizons Community Solar
- ◆ SmartHub



Invest in your future with Bright Horizons

Purchase a unit of solar and begin enjoying the benefits of the sun on your electric bill.

Price reduction, now only \$800 per unit!

Now available for you to purchase for your non-profit organizations.

Call us today at 715-678-2411

If there's something here you're not taking advantage of, we urge you to get more information from us today!



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N1831 State Highway 13
Medford, WI 54451



Clip and use as Annual Meeting Registration and Prize Eligibility.



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

Notice of 2019 Annual Meeting Taylor Electric Cooperative

Saturday, March 30, 2019 - 9:30 AM

The 2019 annual meeting of the members of Taylor Electric Cooperative will be held at the Stetsonville Centennial Center in Stetsonville, Taylor County on Saturday, March 30, 2019, 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 three directors for three-year terms to succeed JoAnn Smith, Dennis Engel and Ray Henrichs. Dennis has completed one three-year term and is eligible for re-election. Ray has opted to not run for re-election. JoAnn Smith has completed four three-year terms and is eligible for re-election.
3. Any such other business as may come before said meeting and or adjournment thereof.

Dated this 10th day of March, 2019


Patricia Waldhart, Secretary

**Scratch Off Tickets
– every member
wins a prize!**