

Concern for Community



TAYLOR ELECTRIC COOPERATIVE

ANNUAL MEETING

Saturday, April 7, 2018

9:30 AM ▲ Medford Area Senior High School

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

**NEW
This
Year!**

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

2017 Annual Report

2018 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 2017 minutes
Introduction of board
Board Chairman's report
President/CEO's report
Election of 2 board members
Jeff Springer, Dairyland Power Cooperative
Question and answer period
Attendance gifts
- Noon Lunch served



TAYLOR ELECTRIC
Cooperative

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

Taylor Electric Cooperative continues to report solid financial performance. Operating margins for 2017 were nearly \$375,000. Non-operating margins provided an additional \$358,000 to the bottom line from the capital credit allocations of Dairyland Power Cooperative, NRUCFC (our cooperative lender), interest income on investments, and sales of grills, heating supplies, and electric equipment.

Following the precedent set a few years ago, the Board once again in 2017 voted to approve sending more than \$730,000 back to the members from 2007-2012. These were funds received from Dairyland Power Cooperative which it had received as proceeds from a lawsuit against the federal government under the Nuclear Waste Policy Act. 2017 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 0.6% in 2017 from 2016 and were 0.8% above budget. Capturing and following the 2017 wholesale price increase and the rate surcharge, the average Revenue per kWh increased nearly 2.4% while the cost per kWh of Wholesale Power increased 2.1% (\$133,000 increase).

Line loss improved yet again in 2017, indicating the continued success of brushing, tree trimming, and meter upgrade programs.

Wholesale Power discussed above, was the largest contributor of cost increase for 2017. Local costs for Operations, System Maintenance, Billing, Accounting, and Administration increased only \$11,000 (½%) for the year. Fixed cost for Depreciation increased nearly \$41,000, but Interest Expense decreased slightly, just over \$1,000.

More than \$286,000 of capital credit refunds were made to members in 2017. With the 2017 capital credit retirement, the Cooperative has returned nearly \$7.1 Million to the member-owners since the Co-op's inception.

New Construction & Operations

Only 17 new service installations were completed in 2017, a decrease from the 22 installed in 2016. Power line construction and replacements/upgrades in 2017 continued at a pace of just under \$1.3 Million. Truck and equipment purchases in 2017 totaled \$256,000.

Maintaining Reliability

The 1.34 average hours per member of outage time in 2017 was below the 5-year average of more than 2 hours. A little over half an hour of the 2017 total was attributable to "extreme storms". This means that less than 1 hour of the 2017 average outage time would be deemed to be from controllable causes, which can be impacted by proper line maintenance, tree trimming and brushing, and, it stresses the importance of the ongoing tree trimming and maintenance programs. In 2017, nearly \$302,000 was spent on contracts for tree trimming, brush cutting, and herbicide treatments. We've experienced



Michael Schaefer

great cooperation of the members allowing the contractors to cut back trees and brush. This is paying dividends with reduced maintenance and fewer outages.

Looking ahead to 2018

The 2018 capital budget calls for us to continue replacing and upgrading the electric delivery system in areas where needed, at an approximate cost of \$800,000. We also plan to replace a 2006 model digger derrick truck, a 2001 flatbed dump truck, and a 1997 flatbed trailer at a total cost of \$300,000. An additional \$240,000 is budgeted for tools, security fencing, meter upgrades, and power quality equipment.

Taylor Electric Bright Horizons community solar has been operational for more than 2½ 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 2017 was \$11,408, with more than \$6,500 of that offsetting the electric bills of

more...

President & CEO Report (continued)

members owning the 150 shares that have been sold.

In December 2017 Dairyland announced that the wholesale rate would increase by an average of 1.58% to its members on May 1, 2018. Normally, Taylor is around average for wholesale rate increases, but it appears the actual increase to Taylor may be somewhat more than that this year. We must wait until the Dairyland Board approves the final May 1st rates before we will know for sure what that is. The final Dairyland Power approved rate is passed onto our members' bills in the

"wholesale charges" portion of their monthly electric bills. At this time however, we anticipate that there will be no increase in the "local" retail rate portion of your electric bill in 2017.

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. Please join me in expressing gratitude for their efforts and hard work.

As we pause to reflect on 2017, 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 April 7th. 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

Last summer I had the privilege of seeing our crew and equipment in action firsthand. The quarter mile of underground past my house needed to be rebuilt to handle the increased load. It was also part of that shrinking percentage of original underground your cooperative has been aggressively replacing.

Your board of directors approves the capital budget each year as presented by our Line Superintendent, Kevin Comstock. And while that number is very large, seeing what is all involved with replacing just a quarter mile of underground up close and personal, I got a better understanding of what goes into that huge capital budget number.

That personal perspective is why you have a board of directors. Capital and Operating budgets are important, likewise the Strategic Planning sessions conducted each fall. But there needs to be a balance, adding that personal perspective.

One of the Strategic Planning discussions your board of directors is working on relates directly to my opening paragraph. ***"Analyze, recommend and deliver a pace of distribution plant replacement that meets both service reliability and financial goals."*** The reliability of our system has improved dramatically as measured by the number and severity of outages. Much of that is due to the aggressive pace of replacing the faulty original underground conduc-

"All of you know that your cooperative is about more than just equipment, technology and strong financials. People. Your cooperative was formed by people like you."

THE TAYLOR ELECTRIC COOPERATIVE BOARD OF DIRECTORS



Dean Tesch
Chairman



Charles Zenner
Vice Chairman



Patricia Waldhart
Secretary/Treasurer



Brian Hallgren



Ray Henrichs



JoAnn Smith



Dennis Engel

tor. As the amount of that original conductor dwindles, this Strategic Goal asks if our current pace of line replacement is appropriate?

It seems all decisions that come before your board have financial implications. A second Strategic Planning discussion is: ***"Create and execute a balanced long-range financial plan using distribution equity as the driver, with a focus driver on stable/equitable rates, appropriate margins, and an approved patronage capital retirement approach."*** There's a lot in this discussion. The board doesn't want to be where it was a few years ago with net operating margins for your cooperative of barely over \$1,000 for

the year. At that same time, maintaining equity was a struggle. So a new rate structure was put in place to ensure the health of your cooperative. The personal perspective of your board of directors comes into play once again in balancing all of these financial goals.

As I watched the line rebuild past my house, I saw the specialized equipment needed. Keeping the equipment current for the demands placed upon it is another aspect of the Line Superintendent's capital budget. But not all of the tools and equipment of your cooperative are as tangible as what I saw in front of my house. Your cooperative invests a lot in technology to provide quality member service. And that's another goal of the Strategic Planning: ***"Craft and implement a technology plan that fully utilizes existing technology solutions and seeks users' input when new technology decisions are contemplated."*** Some of that

(continued on page 7)

Dairyland Director Report

Highlights from Dairyland Power Cooperative

Dairyland Power Cooperative, our wholesale power provider, continues to implement a long-term plan that includes diversified generation resources and that aligns with the strategic guidance of the board and member cooperatives.

Diversifying resources

- As announced in 2016, 15 solar projects came online in 2017 throughout the Dairyland system. This includes the 2MW installation next to our Medford substation on the corner of Hwy Q and Center Avenue. Together, these facilities total 20 megawatts (MW) and can produce enough renewable energy to power over 3,000 homes. Each site hosts native habitat to attract and sustain bees, butterflies and other pollinator species.
- Wind continues to be cost effective as Dairyland entered power purchase agreements with EDP Renewables for the output of the Quilt Block 98 MW wind power project near Platteville, WI and 80 MW of renewable energy from the Barton Wind Farm in Kensett, Iowa. These two resources are able to power more than 44,000 households.
- Dairyland's involvement in Quilt Block earned regional recognition recently as RENEW Wisconsin's *2017 Renewable Energy Project of the Year*.
- In June, Dairyland and Minnesota Power/ALLETE (Duluth, Minn.) announced plans for a 525-550 MW combined cycle natural gas facility near Superior, Wis. We consider the Nemadji Trail Energy Center to be renewable-enabling by providing power when the sun

doesn't shine or the wind doesn't blow. It will be an economic and efficient long-term resource and compliments the renewable resources described above.

- Dairyland continues to evaluate a number of other generation options, including additional wind and solar resources.

Member Committed and Financially Strong

- The Dairyland board and management are committed to exceeding members' expectations by providing safe, reliable, sustainable and affordable electricity today and in the future. This includes maintaining a financially and operationally sound organization. Net margins in 2017 were \$27 million, compared to 2016 margins of \$23.1 million.
- In a proactive approach, Dairyland member cooperative directors, management and staff gathered together in early 2018 to discuss the extension of the Wholesale Power Contract (WPC). It is a long-term commitment among Dairyland's 24 member cooperatives to meet mutual energy needs at affordable rates.
- Efficiency improvements and wise management of controllable costs and risks are priorities. Dairyland is also investing in prudent transmission opportunities that improve reliability and add value for members. Dairyland is working jointly with other utilities in regional transmission projects. Dairyland is an 11 percent owner of the CapX2020 Hampton-Rochester-La Crosse 345 kV line, which was completed in 2016.

Dairyland is also participating in two additional regional 345 kV transmission projects. One is 5 percent ownership in a portion of the Badger-Coulee Project (La Crosse to Madison), scheduled to be in service in 2018. The other is 9 percent ownership in the Cardinal-Hickory Creek project (Madison, Wis. to Dubuque, Iowa), which is going through the permitting process, with anticipated decisions from regulators in 2019-2020.

- Dairyland is working with members to support economic development opportunities that will help communities grow by adding businesses and jobs that benefit the entire system. The Dairyland system will grow by nearly 10% in 2018 with the addition of Jo-Carroll Energy members. Jo-Carroll worked with Dairyland to develop a win-win agreement and bring members from another power supplier to the Dairyland system.
- Bringing that growth to the Dairyland system is expensive. Although the Dairyland Board approved a 1.58% increase in the average wholesale rate, initially this would have meant a 5.9% wholesale rate increase to Taylor Cooperative members. As this is being printed alternatives are being sought to reduce the impact to Taylor.
- The safety of employees, members and the public is a foundational value in all operations. Dairyland continues to educate, promote and maintain a safety focus as they strive for a goal of "zero incidents." These efforts are resulting in improved safety metrics.
- Decommissioning of the La Crosse Boiling Water Reactor (LACBWR), Alma Station and Seven Mile Creek landfill gas-to-energy

facility is underway in a manner that ensures public safety and compliance with all regulatory requirements, while minimizing the cost impact on Dairyland's members and reducing future liabilities.

In Conclusion

- Learn more about Dairyland Power at www.DairylandPower.com. Here you will find information about Dairyland's generating facilities,

transmission system, renewable energy sources, project updates, energy efficiency, cooperative history, career opportunities and more. Also, follow Dairyland on Facebook, Twitter and YouTube.

- Taylor Electric is one of 24 member distribution cooperatives that receive all of our power from Dairyland Power Cooperative, which is headquartered in La Crosse, WI. The Dairyland

system serves over 255,000 meters across our region providing the benefits of electricity to nearly 600,000 consumers. I've had the privilege of being a director of Taylor Electric Cooperative for 12 years and have been honored to serve as your representative on the Dairyland Board for nearly three years. Thank you for the privilege to represent you, the members of our cooperative.

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



Chairman's Report (continued from page 5)

technology is what drove the decision to replace that quarter mile of underground ahead of my house.

All of you know that your cooperative is about more than just equipment, technology and strong financials. People. Your cooperative was formed by people like you. And people were responsible for rebuilding that quarter mile of line. The Line Superintendent used technology to see the overload condition and worked the rebuild into the budget. The CEO and office staff made sure the finances and accounting were proper. And ob-

viously, the linemen were at my door to communicate what was happening and then to do the physical work of the rebuild. People. So obviously when your board discusses Strategic Goals, people are part of that discussion: ***“Develop and implement a plan for succession.”*** We would like to think that people would never leave. But that's not the case. This year we saw the retirement of Dan Fuchs, an employee of 39 years! We are happy for Dan and thankful for the years he'd given the Cooperative. But we also saw the need to plan

for succession. That's true for every position.

As a board member and chairman, seeing the Cooperative from the Governance perspective is a tremendous privilege for which I thank you the members. And seeing the Cooperative from the personal perspective of right out my front window was another privilege. Together with all the board members, we look forward to another safe and successful year ahead.

–Dean R. Tesch, Board Chairman

Capital Credit Summary (12-31-17)

Year	Amount Assigned	General & Estates Retired	Balance Unretired
1988 & PRIOR	\$4,939,274.38	\$4,939,274.38	\$0.00
1989	323,212.70	260,939.09	62,273.61
1990	333,021.14	229,538.66	103,482.48
1991	369,256.47	289,071.13	80,185.34
1992	236,034.08	169,141.25	66,892.83
1993	354,603.23	310,282.11	44,321.12
1994	481,457.29	383,343.20	98,114.09
1995	354,791.54	214,535.77	140,255.77
1996	534,890.46	63,951.45	470,939.01
1997	436,335.32	44,148.07	392,187.25
1998	258,541.17	22,925.25	235,615.92
1999	338,297.08	26,027.62	312,269.46
2000	193,534.53	13,644.39	179,890.14
2001	204,490.16	13,340.23	191,149.93
2002	183,971.17	10,701.18	173,269.99
2003	357,390.78	18,392.97	338,997.81
2004	261,348.87	10,507.79	250,841.08
2005	381,604.84	11,611.00	369,993.84
2006	284,189.98	7,705.29	276,484.69
2007	382,359.90	9,675.57	372,684.33
2008	391,535.30	9,027.64	382,507.66
2009	480,886.38	9,964.78	470,921.60
2010	317,526.86	6,312.96	311,213.90
2011	526,150.01	7,653.71	518,496.30
2012	371,401.55	4,589.21	366,812.34
2013	648,157.37	6,376.67	641,780.70
2014	569,129.38	4,239.15	564,890.23
2015	329,509.03	1,509.14	327,999.89
2016	576,587.04	1,085.70	575,501.34
	<u>\$15,419,488.01</u>	<u>\$7,099,515.36</u>	<u>\$8,319,972.65</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, 2017 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 12/31/16 and 12/31/17)

	December 31, 2016		December 31, 2017	
			(unaudited)	
ASSETS				
UTILITY PLANT	\$27,110,510		\$28,294,701	
Less Depreciation Reserve	<u>(9,996,829)</u>	17,113,681	<u>(10,345,328)</u>	17,949,373
CURRENT AND OTHER ASSETS				
Cash-General	256,122		96,066	
Cash-Loan Funds			0	
Investment in Assoc. Organizations	4,274,422		4,469,768	
Investments-Economic Development Loans	0		0	
Investments-Other	161,197		156,351	
Farm Wiring-Notes Receivable	4,173		1,412	
Accounts Receivable (Inc. Dec. Bills)	900,507		964,244	
Materials and Supplies	205,471		215,684	
Prepaid Deferred Charges	538,266		<u>366,773</u>	
TOTAL CURRENT AND OTHER ASSETS		<u>6,340,158</u>		<u>6,270,298</u>
TOTAL ASSETS		<u>\$23,453,839</u>		<u>\$24,219,671</u>
LIABILITIES, CREDITS AND RESERVES				
LONG TERM DEBT				
CFC Loans	12,934,534		13,051,350	
REA Economic Development Loan	0		0	
DPC Economic Development Loan	<u>0</u>		<u>0</u>	
Balance Due on Long Term Obligations		12,934,534		13,051,350
CURRENT AND OTHER OBLIGATIONS				
Current and Accrued Liabilities	1,232,601		1,345,469	
CFC Line of Credit	0		0	
Other Liabilities	<u>95,381</u>		<u>164,438</u>	
Total Current and Other Obligations		<u>1,327,982</u>		<u>1,509,907</u>
TOTAL LIABILITIES		<u>14,262,516</u>		<u>14,561,257</u>
MARGINS AND MEMBER EQUITY				
Patronage Capital				
Taylor Electric Cooperative	9,781,260		10,152,985	
Dairyland Power	<u>5,061,642</u>	14,842,902	<u>5,266,503</u>	15,419,488
Capital Retired - Taylor	4,835,819		5,048,022	
Capital Retired - Dairyland	<u>1,977,160</u>	<u>(6,812,979)</u>	<u>2,051,493</u>	<u>(7,099,515)</u>
Net Patronage Assigned		8,029,923		8,319,973
Patronage for year	594,520		732,855	
Donated Capital	4,087		4,087	
Other Margins	<u>562,793</u>		<u>601,499</u>	
TOTAL MEMBER AND PATRON EQUITY		<u>1,161,400</u>		<u>1,338,441</u>
TOTAL LIABILITIES, CREDITS AND RESERVES		<u>\$23,453,839</u>		<u>\$24,219,671</u>

Statement of Revenue and Expense

	YEAR ENDING 12/31/16	(Unaudited) YEAR ENDING 12/31/17
OPERATING REVENUE		
Electric Energy Revenue	\$9,120,944	\$9,399,926
Misc Electric Revenue	52,472	47,565
TOTAL REVENUE	9,173,416	9,447,491
OPERATING EXPENSES		
Cost of Purchased Power	5,165,785	5,299,277
Operating Expense	525,453	508,428
Maintenance Expense	623,784	678,275
Consumer Accounts Expense	331,683	297,869
Customer Service & Information	36,027	41,037
Sales Expense - Power Use	41,485	38,243
Administrative Expense	243,155	243,287
Outside Services Employed	56,322	52,540
Insurance, Safety & Benefits	117,345	120,704
Misc. General Expense	51,734	57,865
Directors Fees & Mileage	40,641	42,416
Maintenance of General Property	42,196	42,263
Depreciation Expense	817,150	858,142
Taxes - Property	128,333	132,809
TOTAL EXPENSES	8,221,093	8,413,155
Operating Margins before Interest	952,323	1,034,336
Interest on Long Term Debt	656,105	654,147
Other	6,774	7,616
TOTAL OTHER DEDUCTIONS	662,879	661,763
TOTAL OPERATING MARGINS	289,444	372,573
Other Interest Revenue	11,937	12,963
Other Non Operating Margins	88,278	93,048
TOTAL NON OPERATING MARGINS	100,215	106,011
TOTAL MARGINS - Taylor	389,659	478,584
TOTAL MARGINS - Dairyland	204,861	252,271
TOTAL MARGINS ASSIGNABLE AS CAPITAL CREDITS	<u>\$594,520</u>	<u>\$730,855</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](#)

2017 Director Scholarship Winners

The Taylor Electric Cooperative Board of Directors approved a motion on July 26, 2017, that each director of the cooperative donate one day's per diem to be used to fund Director Scholarships. The following 2017 graduates were awarded \$200 scholarships:

Congratulations!

Medford High School

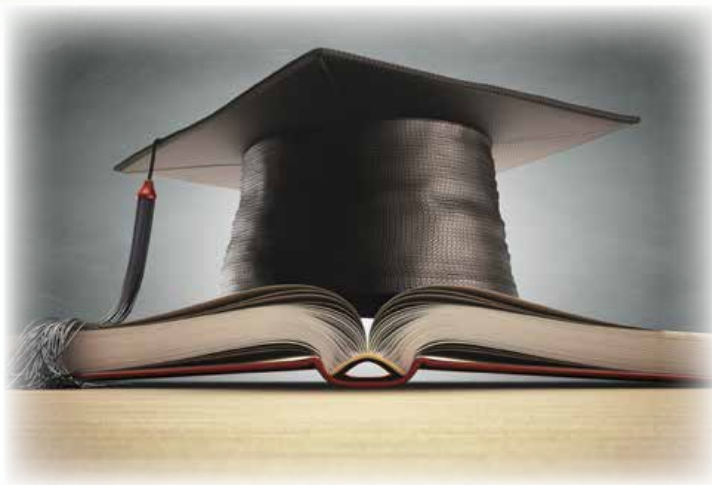
*Bailey Brandner
Rebecca Held
Jenna Klemm
Vanessa Laher
Colin Porten*

Colby High School

Kolby Jensen

Northland Lutheran

Caleb Jeppesen



2017 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

*Michael Gustum
Joshua Thiede*

Colby High School

Kwinton Denzine

Athens High School

Josh Langteau

Rib Lake High School

Donald Dums



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 

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

Log in
to my
account



Products and Services ▾ Incentive and Programs ▾ Energy Savings ▾ My Co-op News ▾ About Us ▾ Outages Contact Us

Powering Human Connections »

Photo courtesy of Jolana Naisius, Dunn Energy Cooperative, Menomonie, WI

BRIGHT HORIZONS - COMMUNITY SOLAR



ANNUAL MEETING SAT APRIL 7TH, 9:30 AM AT MASH



SAVE MONEY IN THE NEW YEAR WITH 2018 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: taylorrec@taylorlectric.org, 715.678.2411 or N1831 State Highway 13, Medford, WI 54451.



Report Outages Call 715.678.2411 | View Outage Map>>



Together We Can Save >>



Medford, WI

MAR 7 - WED



15°F
light snow

DAY	COND.	TEMP.
WED 03/07		24/6°F
THU 03/08		24/7°F
FRI 03/09		27/3°F
SAT 03/10		31/27°F
SUN 03/11		31/12°F

Hurricane Disaster Relief

Wisconsin electric cooperative linemen were among many throughout the country to aid in electric restoration in Florida after Irma caused extensive damage. Taylor Electric employees, Geoff Mueller and Mike Eloranta, left Monday, September 11, 2017 with a convoy of volunteer line crews from 18 Wisconsin electric cooperatives.

Cooperatives in 23 states dispatched some 5,000 workers to areas damaged by Hurricane Irma in South Carolina, Georgia, and Florida. Damage was less widespread as the storm tracked northwest, and crews assigned to those areas redeployed to Florida where more intense destruction occurred.

Working 16-hour days beginning Thursday, September 14th, the Wisconsin crews finished restoring power to all members in their assigned portion of Clay Electric's 14-county service area by 5 p.m. Sunday, September 17th. Using data from the Florida Division of Emergency Management and NOAA's National Hurricane Center, the U.S. Energy Information Admin-

istration (EIA) said Irma's winds declined to 50-100 miles per hour passing through northern Florida Monday morning, September 11, at about the same time the Wisconsin crews were forming their relief convoys.

But the weakening storm—after land falling in the Keys as a category 3 hurricane—still held enough violence to disable an estimated three-fourths of the Clay Electric distribution system. According to the EIA, as many as 6.7 million Florida electricity customers—almost two-thirds of all statewide accounts—lost power. When Wisconsin crews began work on the 14th, about 60,000 Clay Electric members lacked electricity.

In a Saturday morning, September 16th, email update, Oconto Electric Line Superintendent Jack Parady, leading the relief contingent, described the daily routine: "We have breakfast at our staging area then a tailgate for any issues or concerns. I remind them priority number one is their and crew safety. We all came here together, we go home together. Head on a swivel, gloves and grounds!" The return



trip to Wisconsin began early Monday morning, September 18th. The remaining crews had all but a handful of Clay Electric's 170,000 members receiving service, and the Florida State Emergency Response Team indicated that 99.7 percent of all accounts statewide had power restored by Thursday, September 21st. Geoff and Mike also returned to work at Taylor Electric on Thursday, September 21st. We again thank them for displaying two of the seven cooperative principles: Cooperation Among Cooperatives and Concern for Community.



The Employees of Taylor Electric



Management Employees

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

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.

2016-2017 Statistical Comparison

	2016	2017
Underground Construction	(0.91) Miles	2.10 Miles
Overhead Construction	1.41 Miles	(1.03) Miles
Total Underground Miles	403.72 Miles	405.82 Miles
Total Overhead Miles	458.49 Miles	457.46 Miles
New Services	22	17
Total Services Billed	4,369	4,371
Total Kilowatts Purchased	71,340,043 KWH	71,683,070 KWH
Bright Horizons Kilowatts Generated	114,048	111,073
Total Kilowatts Sold	67,262,878 KWH	67,664,197 KWH
Total Kilowatts Unaccounted For	4,191,213 KWH	4,129,946 KWH
Percentage of Line Loss	5.87%	5.76%



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, April 7, 2018

9:30 AM

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

Election of two directors to succeed Dean Tesch and Brian Hallgren. Both are eligible 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 due to 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

McDonald's, Abbotsford, Medford, Stanley and Thorp

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

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 \$842 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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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 2018 Annual Meeting Taylor Electric Cooperative

Saturday, April 7, 2018 - 9:30 AM

The 2018 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, April 7, 2018, 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 Dean Tesch and Brian Hallgren. Dean has completed four three-year terms and is eligible for re-election. Brian 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 20th day of March, 2018


Patricia Waldhart, Secretary



**NEW
This
Year!**

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