

Taylor Report



September 2018

N1831 State Highway 13, Medford, WI 54451 • 715-678-2411 • www.taylorselectric.org

Join us for Breakfast!

HELP US CELEBRATE MEMBER APPRECIATION DAY

& OCTOBER CO-OP MONTH

Thursday, October 4th at the Stetsonville Centennial

Center from 6:30 AM—9:30 AM



Pick up your Green Bay Packer Calendar and more!



Don't forget to watch for your capital credit checks coming at the end of September!!

Board Report – July 2018

- Approved June disbursements totaling \$687,182.01, accepted 16 new member applications, reviewed credit card expenses, and April construction in the amount of \$65,738.72.
- Reviewed financial results through June 30, 2018 with total YTD margins of \$237,230 and projected year-end margins of \$467,000.
- Reviewed 46 delinquent accounts owing just short of \$17,000 that were processed for collection in July.
- Early retirement of capital credits to five estates was approved for the net present value of \$3,069.46 for accounts with a total book value of \$7,047.17.
- Approved an update of Policy 2.18, Right-of-way Clearing to clarify language on the 15-ft. clearing around primary lines.
- Approved updates to Policy No. 2.52.1, Prepaid Metering, adding responsibility of the member to notify the Co-op of address, email, and phone number changes for contact about their prepaid account, and clarifying fees that may be charged for returned check, reconnection, and other fees.
- Accepted a proposal by Dairyland Power Cooperative to provide a Siemens Level 2 electric vehicle charger to the Co-op at no cost. Taylor Electric has to do the installation.
- A proposal was considered to complete the upgrading of the single-phase meters at an estimated net cost of \$150,000 (will be reconsidered at the August meeting due to revised cost).
- Dairyland Power Cooperative's June financial report was reviewed with \$3.7 Million margin for the month (which was \$1.9 Million more than budget), 22% member equity, and kWh sales 19% more than June 2017 again, mainly due to a major addition of new member territory at a Dairyland member co-op in Illinois which began in April (Taylor EC purchased 5% more than in 2017).
- Director Tesch reported on the following from Dairyland's

board meeting: a presentation on governance issues; establishment of a wholesale rate study committee; a facilities study underway for space considerations of Dairyland's Publications Department; and, an update on the plans for a new natural gas generating plant.

- There was a report on the July 11, 2018 safety meeting that included a review of close calls at other utilities, safety manual review of emergency communications with dispatch center personnel, and review of pole-top, basket, and self-rescue, followed by all linemen successfully performing hands-on practice of pole-top and basket rescue techniques.
- The Member Appreciation event was set for Thursday October 4, 2018 at the Stetsonville Centennial Community Center.

Board Report – August 2018

- Approved July disbursements totaling \$589,953.66, reviewed credit card charges, accepted 10 new member applications, and June construction in the amount of \$52,353.55.
- Reviewed financial results through July 31, 2018 with year-to-date showing a margin of \$328,644. There were 19 outages in July, with a total of 65 for the year (30 less than the same period in 2017), totaling 0.22 hours per member of outage time.
- The Board reviewed Dairyland Power Cooperative financial data: Margins for July 2018 were \$4.8 Million which was \$100,000 under budget; year to date Margins are \$11 Million which is slightly ahead of budget. Director Zenner, who had attended the Dairyland board meeting reported: an emphasis on marketing items like heat pumps, community solar shares, electric water heating options, etc. to try to increase sales; use of on-bill financing to support marketing efforts; wholesale rate impacts of accelerated depreciation of the remaining G3 generating station capital costs; a discussion of fixed cost allocation impacts for new loads (i.e. one-year lag); electric vehicles; and, A Day With

Your G&T to allow directors to get a better look at the operations of Dairyland – Zenner, Waldhart and Hallgren may attend.

- Early retirement payment to four estates was approved with total capital credits of \$17,550 to be paid out at the net present value of \$7,154.03.
- The Board approved a capital credit general retirement based on 3.36% of all allocated capital credits as per the Co-op's Strategic Financial Policy, projecting a \$279,551 total payout. The retirement will consist of all remaining 1989 Dairyland allocations, 3.7% of 1990 Dairyland allocations, 100% of remaining 1995 Taylor allocations, and 25.4% of 1996 Taylor allocated credits, and inactive accounts under \$30, resulting in a projected \$266,171 net retirement, after reduction for estates retired to date.
- The Board reconsidered and approved the purchase of 2,000 upgraded meters in a 5-year purchase and delivery package, 3 years of manufacturer support at no cost (approximate \$14,500 annual savings), for a total estimated 5-year cost of \$266,796, a projected cost of \$116 per meter compared to \$136 per meter paid in 2017. It was noted that most of the new meters will include a remote disconnect function which was a \$165 add-on to the meters purchased in prior years.
- Board Policy No. 2.02, Membership, Deposit, and Connection Fees was amended to add an additional page to list the costs covered by the \$500 non-refundable, new service fee.
- The Board discussed and suggested asking for members at the Annual meeting to volunteer to serve on the nominating committee for the next year's board election.
- The member complaint log, delinquent accounts, and 2002-2017 loans were reviewed. A loss control audit by the Co-op's insurance company found no issues of concern. The cost of accepting credit card payments was discussed with no action taken to limit the amount or assess any "convenience fee" for using a credit card. Ideas for the 2019 renewal of the labor agreement with the IBEW were discussed.
- Director Zenner reported on the August safety meeting which included: a video and review of close calls reported by other utilities, the need to do circle check of truck before backing or moving, safety testing of tools with some needing to be cleaned or failing tests (suggest they be replaced), and a review of the last safety meeting's field visit.
- The Member Appreciation breakfast event is set for October 4, 2018 to be held at the Stetsonville Centennial Community Center, with breakfast again served from 6:30-9:30 a.m.
- The 2019 pension and health Insurance rates were presented. Comparison of higher deductible and co-pay rates for the health insurance plan indicate that the current plan is the least costly, due to the Co-op's contribution to an HRA Plan.
- The Board completed the CEO appraisal.
- A preliminary discussion was held to gather topics for the October Strategic Planning session that is scheduled.

Director Gold Certificate



Raymond Henrichs, a director on the Taylor Electric Board since 2007, recently received a Director Gold certificate from the National Rural Electric Cooperative Association (NRECA).

The Director Gold credential recognizes directors committed to continuing their education beyond the Cooperative Credentialed Director (CCD) and Board Leadership Certificate (BLC) programs, and who desire a tangible credential that

demonstrates their ongoing commitment to advancing their knowledge and performing their fiduciary duty to the best of their ability.

To earn this advanced certificate, directors must complete a core set of five courses (CCD) followed by a variety of elective courses in topics ranging from finance to technology (BLC), and then commit to a continuing education requirement throughout their service on the co-op board. The Director Gold certificate recognizes directors who are committed to continuing their education throughout their service on the board by earning three continuing education credits over a two-year period.

Tips for a Safe Harvest

Harvest season brings hard work and can be an exhausting, but rushing the job to save time can be extremely dangerous (even deadly!) when working near overhead power lines. We urge farm operators and workers to keep the following safety tips in mind:



-  **Use care when operating large machinery near power lines.**
-  **Inspect the height of equipment to determine clearance.**
-  **Always keep equipment at least 10 feet away (in all directions) from power lines.**
-  **Remember to lower extensions when moving loads.**
-  **If a power line is sagging or looks to be dangerously low, please call us immediately.**