

Since 1940

WISCONSIN ENERGY

Cooperative

August 2020 NEWS



VIRTUAL ANNUAL MEETING



Central Wisconsin
Electric Cooperative
Your Touchstone Energy® Partner

Thursday, August 13, 2020, 6 p.m.

Register at

www.cwecoop.com/annual-meeting-2020

VIRTUAL ANNUAL MEETING TO BE HELD AUGUST 13

Central Wisconsin Electric Cooperative will be hosting a virtual annual meeting on Thursday, Aug. 13, 2020, at 6 p.m.

When the original annual meeting that was scheduled for April 21 was postponed due to the COVID-19 pandemic it was hoped that it could be rescheduled for a future date and still be held in-person. Due to the continued impact of COVID-19, the CWEC Board of Directors opted to pursue hosting a virtual meeting for the safety of our members and employees.

You should have received the director election mailing from CWEC, which contained information about the virtual annual meeting, including how to register for the meeting and how to log in. That information is also listed below.

The annual meeting is open to CWEC members only. Members can now register online at www.cwecoop.com/annual-meeting-2020 to receive their invitation to the meeting. Your billing account number is required when you register.

Once you register, the following will happen:

- Prior to the annual meeting you will receive an email that contains a link to the meeting scheduled for August 13, 2020.
- You will use the link emailed to you to log into the meeting at 6 p.m. on Thursday, August 13. We recommend logging in a few minutes before 6 p.m. so that you don't miss the opening remarks.
- Find meeting information in the August 2020 *Wisconsin Energy Cooperative News* or on our website at www.cwecoop.com.

BOARD OF DIRECTORS ELECTION

Three CWEC Board of Directors elections were scheduled to take place when the original annual meeting was scheduled in April. Because we were unable to host that meeting, the current directors have continued to fill those roles until the annual meeting could be rescheduled and held. The results for the three elections will be announced at the

virtual annual meeting on August 13.

Election ballots were mailed with the same mailing that contained the information card about the virtual annual meeting. All ballots must be delivered to CliftonLarsonAllen LLP in Marshfield by the close of business on Wednesday, August 12, 2020.

DOOR PRIZES

As in years past, members who attend the annual meeting will receive a bill credit toward their electric bill. To receive a \$10 bill credit, members must attend the virtual annual meeting by logging into the meeting via a computer, tablet, or smartphone.

Even though the annual meeting will be a virtual meeting, members who attend virtually will have an opportunity to win door prizes. One \$100 bill credit will be given away, as well as three \$50 bill credits, and 10 \$25 bill credits. To be eligible to win a door prize, members must be logged into the virtual meeting for the entire meeting. Members who win door prizes will be notified by CWEC. A list of door prize winners will be published in the next available issue of *Wisconsin Energy Cooperative News* after the meeting.

If you have a question regarding the co-op, email the question to: askyourCEO@cwecoop.com.

NOTICE OF VIRTUAL ANNUAL MEETING CENTRAL WISCONSIN ELECTRIC COOPERATIVE

Thursday, August 13, 2020 • 6 p.m.

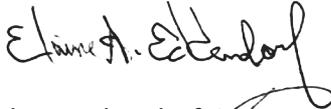
Virtual at:

www.cwecoop.com/annual-meeting-2020

The 82nd Annual Meeting of the members of Central Wisconsin Electric Cooperative will be held on Thursday, the 13th day of August, 2020, to take action upon the following matters.

1. Determination of quorum.
2. Approval of minutes of 2019 annual meeting.
3. Election of three (3) directors to represent Districts 1, 3, and Director at Large.
4. Unfinished business.
5. New business.
6. Adjournment

Dated this 17th day of July, 2020.


Elaine Eckendorf, Secretary



Mike Wade,
President & CEO

ANNUAL MEETING WILL BE HELD VIRTUALLY ON AUGUST 13



Central Wisconsin
Electric Cooperative
Your Touchstone Energy® Cooperative

Summer is a busy time for our members, but it is also a busy time for your cooperative. Our line crews and contractors are performing line maintenance and upgrades, and extending new electric service to our members.

Our tree trimming contractor is clearing the rights-of-way so that our line workers can perform needed maintenance and access the lines during storms and inclement weather. In many cases, they are performing work along roadways and you will often see our vehicles while you are traveling to and from your home. If you see our crews working along the roadside, be sure to slow down or move over. Do your part to help keep our employees safe as they sometimes need to perform difficult and dangerous work along our county and town roads.

I am very pleased to announce that the Board of Directors has scheduled our 2020 annual meeting for Thursday, August 13 at 6 p.m. Unlike in years past, this year's annual meeting will

be held virtually, or online. Given the COVID-19 world we are now living in and our desire to keep our members and employees safe, the board decided that an in-person meeting created too many risks. With the help of modern-day technology, you will be able to participate in the meeting while sitting in your home with your computer, laptop, or tablet. Please refer to the inside cover of this month's magazine for more information about this year's virtual annual meeting.

With the date of the annual meeting set, we can begin this year's director election. I want to thank the candidates for their patience and understanding with the delay in the election. By now, you should have received the directors' biographies and election ballot in the mail. I encourage you to participate in this year's election and let your voice be heard. Please cast your ballot and mail it in the return envelope included with your election material.

You will notice that some of the material in this month's magazine is a repeat of material we sent you earlier in the year. With the delay in the annual

meeting, we wanted you to have the material again so that it would be at your fingertips when you participate in the virtual annual meeting on August 13.

Be safe this summer as you travel around the state and spend time with your friends and family. Be conscious of the heat, drink plenty of water, and be safe with your outdoor fun. And I hope you will take the time to join us for our first virtual annual meeting. See you soon.

Energy Efficiency Tip of the Month

Installing a smart power strip is a quick and easy way to start saving money while making your home more energy efficient. Smart power strips can actually cut power off to save energy since they are able to detect when a device is in standby mode.

Source: energy.gov



BOARD MEETING SUMMARY

A regular meeting of the Board of Directors of Central Wisconsin Electric Cooperative was held via teleconference call at 8:05 a.m. on May 28, 2020. The following is a summary of the meeting activities. The agenda, minutes of the April 30, 2020 meeting, new and terminated memberships, and the monthly safety and compliance report were approved.

Action Items

- Monthly Financial Statements and Reports were approved. Finance Committee reviewed checks written and the board and CEO expenses.
 - The Governance Committee approved changes presented by the Governance Committee to Board Policy 101 concerning eligibility of relatives of a director to serve on the board.
 - Jim Halvorsen of CliftonLarsonAllen, LLP presented the results of the 2019 Financial Audit via teleconference call.
 - Following a brief discussion on the previous three biennial results of the board's self-evaluations from 2014, 2016, and 2018, the board agreed to proceed with the 2020 self-evaluation which will be sent out in June.
 - The board approved holding the Member Appreciation Breakfast on Saturday, October 31, 2020, pending the safety of employees and members due to COVID-19.
- Discussion was held regarding when and how to hold the 2020 Annual Meeting. Additional information was requested and will be presented for further review at the June meeting.
 - Operations and Engineering – Mr. Kurtzweil reported the crews are working on new connects. PUSH Inc. has finished pole replacements found during last year's inspection. Linda Power of River Valley Architects will be planning an onsite visit and provide us with an estimate for securing the front counter/lobby area. Mr. Kurtzweil is working with PGA Plumbing, Heating and Cooling on our heating and cooling issues.
 - Accounting and Finance – Financial reports were reviewed. Ms. Shower reported due to COVID-19, we did not do disconnects in April and May. 538 letters were sent out to the past-due members asking them to contact us to discuss payment arrangements.
 - Member Services – Ms. Mazemke reported her department has been posting social media updates with changes and notifications. The Economic Emergency Relief Loan Program will be ending June 1. The Executive Committee of the board will be reviewing and approving those loan applications.

President and CEO – Mike Wade, CEO, reported on his submitted report.

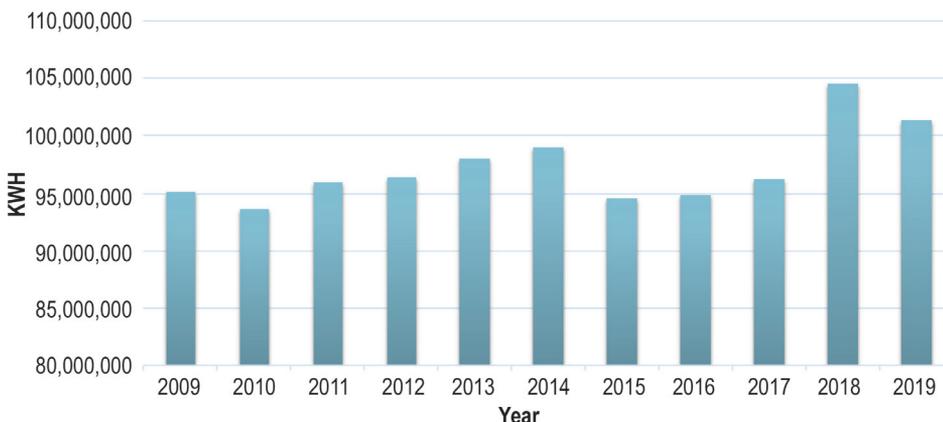


STATEMENT OF REVENUE AND PATRONAGE CAPITAL

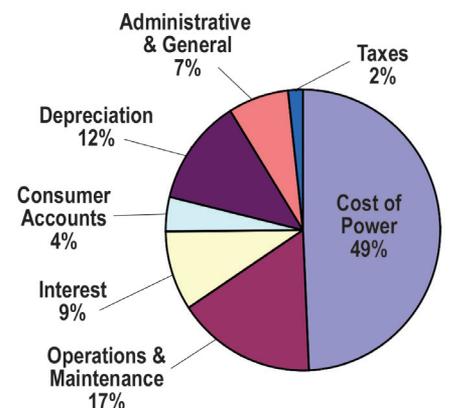
Years Ended December 31, 2019 and 2018

	Audited 2019	Audited 2018
OPERATING REVENUES	\$16,642,930	\$16,162,036
OPERATING EXPENSES		
Cost of Power	6,484,739	6,572,778
Transmission Expense – Operations	1,422,820	1,256,871
Distribution Expense – Operations	907,425	1,012,975
Distribution Expense – Maintenance	1,716,373	1,242,649
Consumer Accounts	552,921	456,555
Customer Service and Informational	204,963	171,728
Sales Expense	82,529	60,689
Administrative and General	1,144,195	1,232,324
Depreciation	1,976,106	2,032,420
Taxes	278,658	273,810
Other Deductions	55,118	53,992
Total Operating Expenses	14,825,847	14,366,791
OPERATING MARGINS BEFORE FIXED CHARGES	1,817,083	1,795,245
INTEREST ON LONG-TERM DEBT AND LINE OF CREDIT	1,546,279	1,585,333
OPERATING MARGINS AFTER FIXED CHARGES	270,804	209,912
OTHER CAPITAL CREDITS	154,967	181,223
NET OPERATING MARGINS	425,771	391,135
NONOPERATING MARGINS		
Interest and Dividend Income	190,337	202,879
Other Nonoperating Income (Loss)	255,218	186,658
Total Nonoperating Margins	445,555	389,537
NET MARGINS	\$871,326	\$780,672
PATRONAGE CAPITAL – BEGINNING OF YEAR	\$16,834,517	\$16,547,980
Net Margins less Other Nonoperating Income (Loss)	616,108	594,014
Capital Credit Retirement	(324,726)	(356,392)
Other Equity Changes	87,186	48,915
PATRONAGE CAPITAL – END OF YEAR	\$17,213,085	\$16,834,517

ELECTRIC KWH SALES



2019 EXPENSES



BALANCE SHEETS

December 31, 2019 and 2018

	Audited 2019	Audited 2018
ASSETS		
UTILITY PLANT		
Plant in Service	\$59,625,693	\$58,789,384
Construction Work in Progress	1,175,339	243,560
Total	60,801,032	59,032,944
Accumulated Provision for Depreciation	(18,896,733)	(17,485,917)
Net Utility Plant	41,904,299	41,547,027
OTHER ASSETS AND INVESTMENTS		
Investment in Associated Organizations	8,125,838	8,757,754
Other Investments	2,473	9,264
Notes Receivable, Net	963,585	992,620
Nonutility Property, Net	429,912	477,770
Total Other Assets and Investments	9,521,808	10,237,408
CURRENT ASSETS		
Cash and Cash Equivalents	993,818	1,269,594
Accounts Receivable, Net	2,122,286	2,040,906
Current Portion of Notes Receivable	206,133	191,718
Materials and Supplies Inventory	324,693	369,621
Other Current and Accrued Assets	164,389	188,310
Total Current Assets	3,811,319	4,060,149
DEFERRED DEBITS	5,024,166	4,304,250
Total Assets	\$60,261,592	\$60,148,834
	Audited 2019	Audited 2018
EQUITIES AND LIABILITIES		
EQUITIES		
Memberships	\$-	\$35,660
Patronage Capital	17,213,085	16,834,517
Other Equities	2,664,592	2,495,942
Total Equities	19,877,677	19,366,119
LONG-TERM DEBT (Less Current Maturities)	36,051,496	37,410,579
OTHER NONCURRENT LIABILITIES		
Accumulated Employee Benefits	69,357	66,027
Total Other Non-Current Liabilities	69,357	66,027
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	1,342,000	1,288,000
Notes Payable – Line of Credit	1,245,000	-
Accounts Payable	824,203	901,433
Consumer Deposits	51,063	55,118
Other Current and Accrued Liabilities	700,164	746,409
Total Current Liabilities	4,162,430	2,990,960
DEFERRED CREDITS	100,632	315,149
Total Equities and Liabilities	\$60,261,592	\$60,148,834



CENTRAL WISCONSIN ELECTRIC COOPERATIVE ROSHOLT, WISCONSIN

Annual Meeting Minutes • April 23, 2019

Vice Chairman Tom Smith welcomed the membership to the 81st Annual Meeting of Central Wisconsin Electric Cooperative at 6:00 p.m.

Vice Chairman Smith recognized all veterans and thanked them for their service before leading the membership in the reciting of the Pledge of Allegiance.

Vice President of Operations Kevin Kurtzweil gave a safety message to the membership.

Board Chairman Anthony Buss, Jr. introduced the directors and special guests in attendance.

The 81st Annual Meeting of Central Wisconsin Electric Cooperative was called to order by Chairman Buss. Elaine Eckendorf, Secretary/Treasurer of the Cooperative, kept the minutes thereof.

Director Eckendorf announced that in accordance with the Cooperative bylaws, sufficient members had registered to constitute a quorum. Official registration counts totaled 189 members and 70 guests for a total of 259 in attendance. Motion was made and seconded to dispense with the reading of the Official Notice of Meeting and Proof of Mailing. Motion carried. Motion was made and seconded to close balloting for the director election. Motion carried. Motion was made and seconded to dispense with the reading of the 2018 Annual Meeting Minutes and approve as presented in the April 2019 *Wisconsin Energy Cooperative News* magazine. Motion carried.

Cooperative Attorney Drew Parrish of the law firm of Wheeler, Van Sickle and Anderson reported on the proposed bylaw amendments. Those amendments included a title change to "Amended and Restated" and changes to Article III - Meetings of Members - Section 5, Article IV - Directors - Sections 2, 3, 4, 5 and 7. Motion was made and seconded to approve said Bylaw amendments as proposed. Motion carried. Attorney Parrish then explained that Article I - Membership - Sections 1, 2, 4 and 7 of the Bylaws was amended and approved by the board at their December board meeting. Copies of proposed bylaw amendments and Board approved bylaw amendments were provided to the members present.

Vice President of Operations Kevin Kurtzweil, Manager of Member Relations Brenda Mazemke, and Vice President of Accounting and Finance Lila Shower each gave their department reports for the year 2018.

Chairman Buss noted that 2018 was another successful year for the Cooperative, allowing a return of investments back to the members in the form of capital credits. Commitment to Community is a cooperative principle that we are very proud of. In addition to CoBank Sharing Success donations, the Cooperative participates in Toys for Tots, scholarships, donations to local charitable organizations and economic development loans. Safety is the highest priority of CWEC. Employees have worked over 350,000 hours without a lost-time accident and driven over 800,000 miles without a vehicle accident. CWEC was recently honored by the Wisconsin Safety Council as one of 13 recipients statewide to receive a corporate safety award.

David Wozniak of the accounting firm of CliftonLarsonAllen gave the results of the 2018 Director Election as follows:

District 1 Anthony Buss, Jr. three-year term

District 2 Leonard Oppor three-year term

President and CEO Mike Wade thanked the employees for their service to the membership and discussed the Cooperative's partial ownership in the West Riverside Energy Center. In addition, CEO Wade answered questions from the audience.

At this time, there being no unfinished or new business, a motion was duly made and seconded to adjourn the business portion of the meeting at 7:09 p.m. Motion carried.

Door Prize and grand prize drawings were completed.

This concluded the 81st meeting of the membership of Central Wisconsin Electric Cooperative.

Elaine Eckendorf, SECRETARY/TREASURER

APPROVED:

Anthony Buss, Jr., CHAIRMAN



Central Wisconsin
Electric Cooperative
Your Touchstone Energy® Cooperative

10401 Lystul Rd., P.O. Box 100,
Rosholt, WI 54473
715-677-2211 • 800-377-2932

www.cwecoop.com

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and Facebook

Mike Wade, President & CEO
Bert Lehman, Editor

Board of Directors

District 1

Anthony Buss, Jr.
Chairman
715-701-1358

Tom Smith
715-701-2051

Ronald Onesti
(At Large)
715-701-2283

District 2

Lee Lehrer
920-851-4545
715-677-3850

Leonard Oppor
715-701-2042

District 3

Sue Rombalski
715-701-2053

Elaine Eckendorf
Secretary-Treasurer
715-701-2052

Our Mission

We are your trusted energy
partner and provider of valued
community support.



THE IMPORTANCE OF A VEGETATION MANAGEMENT PROGRAM

There are many things that Central Wisconsin Electric Cooperative does to ensure that electricity keeps flowing to all our members. One of those is vegetation management. You may be asking yourself, what is vegetation management and what does it have to do with electricity?

The vegetation management program that CWEC follows is the process of clearing trees and vegetation to keep our rights-of-way clear. We use many pieces of equipment to accomplish this goal, including chainsaws, bucket trucks, tree climbers, and mowers.

Now you may be asking yourself, what are rights-of-way?

A right-of-way is a corridor or pathway of land that CWEC's electric lines follow. The right-of-way provides CWEC an operation safety zone between wires and trees, buildings, or other objects. When these corridors are kept clear they also provide safe access for line crews to maintain, repair, or improve the power lines and poles. The CWEC vegetation management program helps keep the rights-of-way clear of undesirable vegetation.

It is important to keep undesirable vegetation out of rights-of-way because it helps maintain electricity reliability, and shortens the length of outages when storms roll through the area. A successful vegetation program also helps provide

public safety, as well as safety to all the workers who need to work on the utility lines.

The tree contractors who work to accomplish the goals of CWEC's vegetation management program are qualified and insured to do this work. CWEC is in the second year of contracting with Zielies, which is located in Bruce, Wisconsin. We are also currently on a scheduled six-year substation/circuit vegetation management program.

In 2019, a total of 150 miles of brushing pertaining to four substations/circuits was completed. In 2020, 157 miles of brushing pertaining to four different substations/circuits is scheduled to be completed.

In addition to clearing rights-of-way of vegetation, CWEC may integrate selective herbicide application to rights-of-way. The third year after cutting and trimming is when a herbicide application might take place. Not all areas that are cut are appropriate for herbicide application. We use herbicides to control the amount of brush that sprouts from hardwood species that were cut. Once a single stem has been cut, it may sprout into as many as 15 new stems that grow rapidly. The selective herbicide application targets only these species.

In 2019, herbicide spraying took place in the areas of four CWEC substations/circuits. Four additional areas pertaining to CWEC substations/circuits are scheduled for herbicide application in 2020.

While we work hard to manage the vegetation in rights-of-ways, CWEC also understands that there may be trees outside the 30-foot right-of-way area that pose a threat to power lines. The right-of-way for utility poles with crossarms is 20 feet on either side of the line. Using a Hazard Tree Program, CWEC identifies trees outside the right-of-way corridor (15 feet on either side of the line) and removes them if they are deemed a threat to fall on power lines.

By taking these proactive steps to remove vegetation near utility lines, it increases our ability to keep the lights on before a storm rolls through the area.

"CWEC is obligated to all our members to maintain safe and reliable electric service," said Kevin Kurtzweil, vice president of operations at CWEC. "Vegetation management is an important component of that work."



Properly cleared rights-of-way provide plenty of space for CWEC vehicles, employees, and contractors to access the lines.

CONGRATULATIONS TO OUR 2020 SCHOLARSHIP RECIPIENTS

With donations from the Central Wisconsin Electric Cooperative's members through the Operation Round Up program, \$12,350 has been awarded to students pursuing a post-high school education. Of that total, \$10,150 has been approved by the Operation Round Up Trust Board, to be awarded to first-time scholarship applicants who will be attending a technical college or a university. The 29 students who will be receiving a \$350 scholarship are listed below.

CWEC also awarded \$100 Operation Round-Up Scholarships to 23 repeat scholarship applicants.

We thank our members who participated in the Operation Round Up program; more than \$531,508 of Operation Round Up funds have been paid to worthwhile charitable and educational purposes.



Brooke Allred



Adam Charnecke



Megan Gauderman



Alyse Gruna



Brock Gullixon



Anastacia Holder



Austin Hoffmann



Reanne Kietlinski



Emma Kluck



Megan Konkol



Bethany Kreklow



Connor Kurki



Rheanne Kurszewski



Holly Lashua



Brandon Linke



Anna Lorbiecki



Dale Mortenson



Thomas Obremski



Kristi Parker



Kendra Robinson



Samuel Russ



Henry Sims



Alyssa Strassburg



Allen Uttecht



Nicole Wierzba



Alex Wojtalewicz



Mackenzie Yaeger

Brooke Allred, Iola, daughter of Steven Allred, UW-Stevens Point, elementary school art teacher

Jaclyn Barden, Stevens Point, MSTC, probation/parole officer (*photo unavailable*)

Adam Charnecke, Rosholt, son of Ken and Linetta Charnecke, Northcentral Technical College, architecture and design

Megan Gauderman, Wittenberg, daughter of Tony and Melissa Gauderman, Northcentral Technical College, nursing program

Alyse Gruna, Rosholt, daughter of Andrew and Annette Gruna, St. Norbert College, English with a secondary education certification

Brock Gullixon, Iola, son of Ryan and Gena Gullixon, University of Montevallo, business or marketing

Anastacia Holder, Iola, daughter of Nathaniel and Sarah Holder, UW-River Falls, animal science

Austin Hoffmann, Tigerton, son of John and Jennifer Hoffmann, Northcentral Technical College, certified master technician

Reanne Kietlinski, Birnamwood, daughter of Ted and Carla Kietlinski, Oakland City University, public relations and sports management

Emma Kluck, Rosholt, daughter of Kevin and Lori Kluck, UW-Oshkosh, pediatric nurse

Megan Konkol, Eland, daughter of Chadwick and Michelle Konkol, UW-Stevens Point, dietetics

Bethany Kreklow, Tigerton, daughter of Lee and Linda Kreklow, St. Norbert College, English

Connor Kurki, Iola, son of Joy and Darin Kurki, Coastal Carolina University, business administration

Rheanne Kurszewski, Custer, daughter of Dennis Kurszewski, Northcentral Technical College, crop and soil science

Holly Lashua, Iola, daughter of Dean and Dawn Lashua, UW-River Falls, agricultural business

Brandon Linke, Eland, Jeffrey and Tetyana Linke, Northcentral Technical College, medical field

Anna Lorbiecki, Rosholt, daughter of Craig and Melanie Lorbiecki, Northcentral Technical College, veterinary science

Dale Mortenson, Ogdensburg, son of Daniel and Shana Mortenson, Fox Valley Technical College, computer technology or programming

Thomas Obremski, Mosinee, son of Todd and Sandra Obremski, Michigan Technological University, mechanical engineering

Kristi Parker, Bowler, Purdue Global University, accounting

Kendra Robinson, Amherst, daughter of Mark and Tammy Robinson, UW-Madison, marketing

Jade Romatowski, Kronenwetter, daughter of Sue and Jay Romatowski, UW-Steven Point, dietitian (*photo unavailable*)

Samuel Russ, Kronenwetter, son of Guy and Michelle Russ, Michigan Technological University, computer science

Henry Sims, Steven Point, son of Kurt and Melissa Sims, UW-Stevens Point, physics and computer science

Alyssa Strassburg, Wittenberg, daughter of Jeff and Jeni Strassburg, Fox Valley Technical College, agribusiness/science technology-animal science

Allen Uttecht, Eland, son of Bob and Paula Uttecht, UW-Stevens Point, education

Nicole Wierzba, Rosholt, daughter of Brian and Carol Wierzba, Saint Mary's University of Minnesota, human services, business management, business finance

Alex Wojtalewicz, Rosholt, son of John and Alicia Wojtalewicz, Mid State Technical College, welding

Mackenzie Yaeger, Rosholt, daughter of Jim and Lynn Yaeger, UW-Oshkosh, medical field