

GENERAL MANAGER & CHAIRMAN REPORT

JOHN WEST & AARON HOERNKE



Scan for Annual Meeting details

WEST RIVERSIDE ENERGY CENTER

Alliant Energy's West Riverside Energy Center (WREC) in Beloit, WI started producing energy last year. Since we buy our power from Alliant, we decided to invest 4% in WREC to help offset future rate increases and provide cleaner energy to our members. The WREC 4-megawatt solar array is expected to begin production of energy later this year.

FIBER PARTNERSHIP

Fiber was installed to our Cambria and Friesland substations last year, thanks to our partnership with Marquette-Adams Telephone Cooperative (MATC). MATC was able to offer their fiber services to our members that were along their route to our substations. This year, our goal is to co-apply for a grant with MATC to have fiber installed to our Wautoma substation.

REDISTRICTING

Late last year the board decided to redraw our districts and reduce the size of our board of directors from nine to seven. Each director will represent close to the same number of members in each district. To see the new district map, visit our website.

EXCESS MARGINS FOR ACEC MEMBERS

Our board of directors is planning a special patronage retirement (refund) for members that had service with us in 2020. Read more about this in the following pages of this newsletter.

IMPACTS OF COVID-19

Our pandemic experience was slightly different than we thought it would be. Due to the stay-at-home order Governor Evers issued last spring, that drove a lot of our seasonal members to go to their seasonal properties, which increased our electric sales. Students weren't in school which also increased electric usage. At the co-op, we decided to close our lobby temporarily for the safety of our members and employees.

CALENDAR OF EVENTS

APRIL 1

New lobby hours for our Friendship office go into effect.
Monday - Friday, 8:00 a.m. - 3:30 p.m.

APRIL 14

Stop by our Pardeeville office from 8:00 – 11:00 a.m. or our Wautoma office from 1:00 – 4:00 p.m. to chat with our general manager, John.

MAY 1

Deadline to turn in STEM Grant applications.

MAY 12

Voting via absentee ballot or online through SmartHub closes at 12:00 p.m.

MAY 13

Annual Meeting will be at 5:00 p.m. via Facebook Live.

NOTE: The Board of Directors has reviewed the Cooperative's Articles of Incorporation and Bylaws, in a continuing effort to meet the members' needs today and into the future. Based on that review, the following Bylaw changes are recommended. (Changes are highlighted in red, with deletions shown by ~~strikeout~~ - e.g., ~~delete these words~~; blocks of text that are unchanged are shown by "...")

PROPOSED BYLAW AMENDMENTS

MEMBERS WILL VOTE
ON THESE BYLAW
AMENDMENTS

1

EXPLANATION: The following amendment to Article III, Section 6(e) will clarify that in director elections, absentee ballots may only be requested in contested races. This will provide consistency and avoid any conflict with the provision on elections in Article IV, Section 3(b).

Amend Article III ("Meetings of Members"), Section 6 ("Voting by Absentee Signed or Electronic Ballot"), sub. (e) of the Bylaws as follows:

Any member who is unable to attend a meeting of the members may vote on any motion to be considered at the meeting only as follows: ...

(e) If ballots for use in voting for a director are not provided to members along with the notice of the meeting, in any race in which there is more than one qualified nominee a member may request a ballot from the Cooperative in such manner as the Board of Directors may specify, and use the same for voting for director in accordance with the provisions of this

2

EXPLANATION: The following amendment to Article III, Section 7(c) will provide a procedure for review and approval of annual meeting minutes closer to when each meeting is held, instead of necessarily having to wait until the next meeting a year later.

Amend Article III ("Meetings of Members"), Section 7 ("Order of Business"), sub. (c) of the Bylaws as follows:

The order of business at the annual meeting of the members, and so far as possible at all other meetings of the members, shall be essentially as set forth in the notice of the meeting and shall include the following: ...

(c) Taking action on unapproved minutes of previous meetings of members that have been distributed to the members, however, such minutes may also be approved by the Board of Directors provided they have first published the proposed minutes in the Cooperative's monthly newsletter, notified members that they have not less than 30 days to request corrections to the minutes as published and the Board has then considered any proposed corrections and taken any action that in the Board's reasonable judgment is appropriate.

3

EXPLANATION: The following amendment to Article IV, Section 2(b) will establish term limits for directors. A director who has served four consecutive full terms beginning this year will not be eligible for election or appointment to the Board until s/he has been off the Board for at least a year. The amendment also updates the number of terms that expire each year, since the Board has been reduced to seven directors.

Amend Article IV ("Directors"), Section 2 ("Director Districts, Tenure and Qualifications"), sub. (b) of the Bylaws as follows:

(b) Tenure. Directors shall be elected for three-year terms on a staggered basis so that no more than ~~four~~three of such terms shall expire at each annual meeting. Each director elected shall serve until the annual meeting when the term expires, or until the successor is elected and qualified, subject to the provisions of these bylaws with respect to the removal of directors. A director who has served four consecutive three-year terms starting with the 2021 annual meeting shall not be eligible for election or appointment to the Board until the annual meeting in the year following the year in which the director's fourth term expired.

4

EXPLANATION: The following amendment deleting Article VI, Section 11 will eliminate the provision on an Executive Committee. The Board believes the provision is unnecessary since most matters merit the attention of the full Board and the Board may create a committee at any time and delegate specific responsibilities to it should the need arise.

Amend Article VI of the Bylaws ("Officers") by deleting in its entirety Section 11 of that Article ("Executive Committee").

5

EXPLANATION: The following amendments will restore the earlier term of "general manager" to all references in the Bylaws to the Cooperative's chief executive officer. This does not limit the Board's ability to assign any other title to the position that the Board deems appropriate, as provided in Article VI, Section 8.

Amend Article III ("Meetings of Members"), Sections 1 ("Annual Meeting") and 9 ("Rules of Meeting"); Article VI ("Officers"), Section 8 ("Chief Executive Officer"); Article XI ("Miscellaneous"), Section 2 ("Membership in Other Organizations"); and wherever else the term "chief executive officer" may appear in the Bylaws by replacing "chief executive officer" with "general manager".

e✓vote



Log in to your SmartHub account and click "Vote Now". A new page will launch. Once at the new page, click "Continue" to proceed to voting.



Vote for director candidates, bylaw amendments, and previous years' meeting minutes. After your selections are made, click "Continue". You don't have to make a selection for every ballot, only what **YOU** want to vote for.



Confirm your selection choices. Check the box to electronically sign and click "Cast Vote". Your confirmation page will show that your vote has been submitted.

ABSENTEE BALLOT

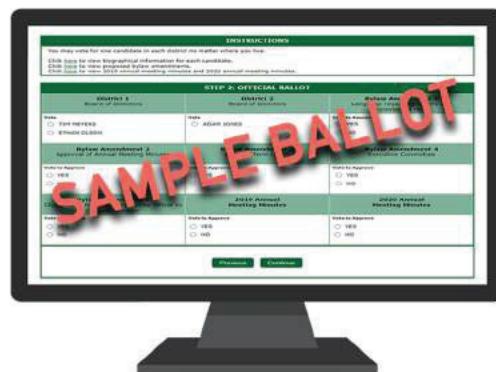
To request an absentee ballot, contact our office at (800) 831-8629 during business hours or fill out the request ballot form on our website by visiting www.acecwi.com/absentee-ballot-request-form.

WHY IS IT IMPORTANT FOR MEMBERS TO VOTE?

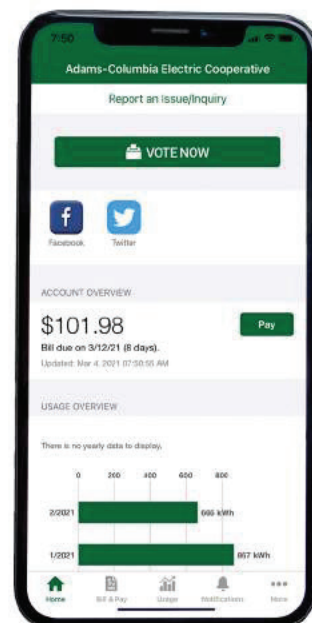
Director Candidates - Members choose who they want to represent them on the board of directors. The board makes important decisions that impact the operation of the co-op. Director candidate information is provided in this newsletter.

Bylaw Amendments - The cooperative bylaws are our backbone. These rules outline the purpose of the co-op. Proposed bylaw amendments are provided in this newsletter.

Meeting Minutes - We keep a record of meeting minutes to show what actions took place at meetings. We provide the minutes to members for review and approval. Meeting minutes are available on our website.



Voting online is easier than ever! Cast your vote beginning Monday, April 5.



VOTE THROUGH THE APP!

No need to log in through a web browser if you already have the app downloaded.

The steps to vote are the same, click the "Vote Now" button to begin.



DIRECTOR CANDIDATES

YOU WILL BE VOTING ON WHICH CANDIDATES YOU WANT TO REPRESENT YOU ON THE BOARD OF DIRECTORS



DISTRICT 1

Tim Meyers

Cell Phone: (608) 547-3118

Email: tpmeyers@solarus.net

I have been married to my wife, Patti, for 37 years. We have six adult children and five grandchildren. I served six years active duty in the US Navy as an electronics technician. Returning to Wisconsin, I worked in the electronic calibration, wire & cable and power conditioning industries. I switched careers 18 years ago moving to financial services and currently operate the Edward Jones office in the town of Rome. In my "free" time, I enjoy camping, fishing, hunting, woodworking, helping out at church and time on the water. We moved to Adams County in 2010 and absolutely love it. Having lived in bigger cities and smaller towns throughout our marriage, we could not be happier to call the town of Rome our home.

I have been blessed in so many ways and want to do my part to give back. While there are countless organizations and opportunities to volunteer, I want to use my experience to make the biggest impact possible. Having run my own business, an understanding of electricity and power as well as knowledge in finance, I feel my background is perfectly suited to serve on the board for Adams Columbia Electric Cooperative.

While I am sure that the issues will present themselves as time goes on, I believe keeping up with the increasing demand on the power grid while keeping costs equitable to all of the members is of paramount importance.



DISTRICT 1

Ethan Olson

Cell Phone: (715) 935-0923

Email: eolson@acecwi.com

Hello everyone! My name is Ethan Olson and I would like to continue to represent you on the Adams-Columbia Electric Cooperative Board. During the past two years of being on the Board, I have learned a great deal. I want to continue the Board's progress in finding cost savings for you...one being reducing the number of board members from nine to seven. Over the next three years, if elected, I want to focus on also reducing your cost of power. Renewables, Demand Shaving, and Battery Storage are just some of the ways we could be saving money. These areas need to be researched as we plan for our ever-changing the future. I also want to dive deeper into looking at returning equity to our members faster. I grew up in Arkdale, Wisconsin, and agriculture has always been a large part of my life. I had the opportunity to attend UW-Platteville where I graduated with a Bachelor's Degree in Agriculture Business and a Minor in Soil and Crop Science. My wife Bridget and I live in Plainfield where I enjoy working as a Sales Agronomist for TH Agri-Chemicals. Agriculture needs a strong voice on the Board, and I would like to continue being your voice for agriculture. I thank you, in advance, for considering me as your representative.

All director candidates were asked the questions below. No editing has been done on our end and we have used the exact information we were provided. If you'd like to learn more about the candidates, feel free to contact them via the contact information they have provided for themselves.

- Please share information about yourself including what experience or abilities you would bring to the ACEC board.
- What interests you most about serving on the board?
- What are some of the important issues you believe the board needs to focus on in the next few years?



DISTRICT 2

Adam Jones

Cell Phone: (920) 295-9323

Email: adamjonesconstruction@gmail.com

Hello ACEC members, I'm Adam Jones and I am very excited for the opportunity to serve you on the ACEC Board of Directors.

I have been a lifelong resident of Waushara County and a 4th generation ACEC member. Since an early age, I was involved in 4-H and learned the importance of community service and being an advocate for your local area. As an adult I have always strived to keep the best interests of the community.

I grew up in Wild Rose on my family's vegetable and beef farm. After attending college, I started my own construction company and built custom homes and light commercial projects for 14 years. This gave me the opportunity to work well with many different types of people while solving problems efficiently and keeping my job tasks organized and profitable. It also gave me the skills to know how to effectively invest money to better my small business.

I had the opportunity to go back into farming with my family six years ago. With a struggling agriculture economy, I needed to make very important decisions about the future of the farm and determine the best ways to keep the farm profitable. I am also employed at Yeska Brothers farm in Wild Rose. I am Vice President of Waushara County Farm Bureau and have completed a year-long leadership institute training. My attention to detail, education and determination will make me a great director for members in District 2.

I am excited to serve on the ACEC board to learn more about current operations and how to make improvements to best serve our community. I would like to fully explore all of the facets of how ACEC currently provides service within our local areas. I would like to use this information and focus on having more input from members to best meet their needs.

An important issue that I would like to see addressed is the growing need for power and what can be done to provide more cost effective solutions. As a board member I would like to help shape how can we continue to maintain this electrical resource, which is vital to our rural communities, while continue to grow and be profitable.

STATEMENT OF OPERATIONS & BALANCE SHEET

WHAT WE TOOK IN

Operating Revenue

2020

70,809,171

2019

69,781,269

WHAT WE PAID OUT

Power Production Expense (Riverside)

(3,036,217)

0

Cost of Purchased Power

37,916,164

38,133,342

Distribution Expense

6,682,088

6,517,401

Customer Service & Sales Expense

2,312,178

2,941,043

Administrative & General Expense

3,114,924

2,877,631

Depreciation Expense

9,330,217

8,608,216

Taxes

1,178,261

1,009,295

Interest on Long-Term Debt

4,785,026

4,092,580

Total Operating Expenses

62,282,641

64,179,508

WHAT WE HAVE LEFT

Net Operating Margins

8,526,530

5,601,761

Interest Income

327,108

365,176

Non-Operating Income

1,064,608

1,218,057

Patronage Capital

643,890

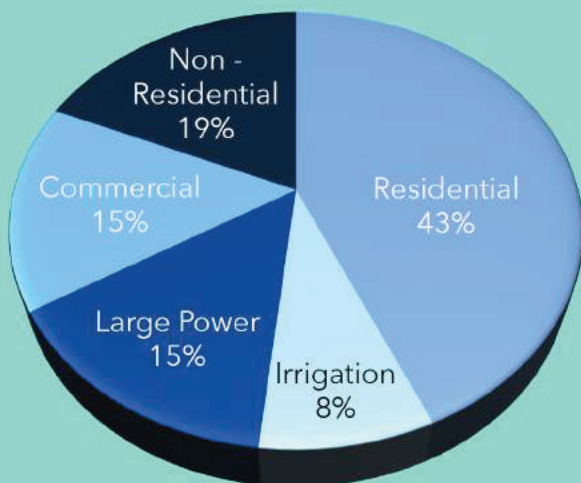
668,185

Net Margins

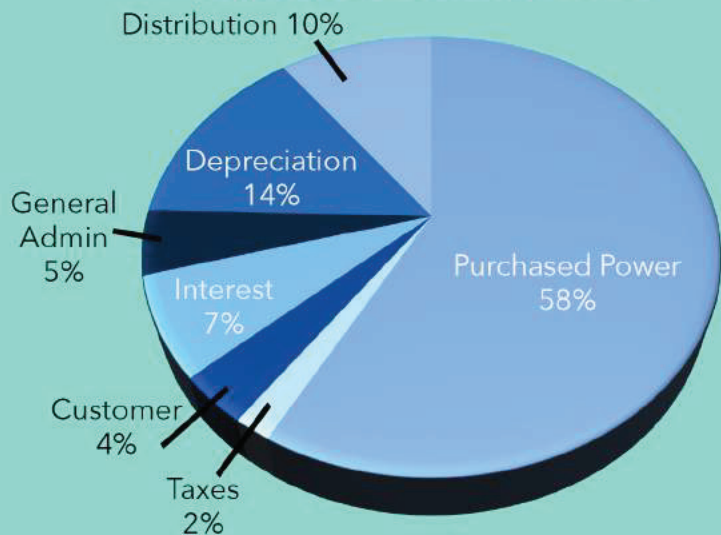
10,562,136

7,853,179

REVENUE DOLLAR 2020



EXPENSE DOLLAR 2020



ASSETS

	2020	2019
Total Utility Plant	273,687,569	237,417,022
Less Accumulated Depreciation	75,531,923	76,364,238
<i>Net Utility Plant</i>	198,155,646	161,052,784
Investments in Associated Organizations	25,608,177	25,225,552
Investments in Economic Development Projects	1,784,092	1,801,640
Other Investments	535,844	1,196,425
<i>Total Other Property & Investments</i>	27,928,113	28,223,617
Cash & Short-Term Investments	891,872	1,104,634
Accounts Receivable-Net	6,540,901	7,165,953
Materials & Supplies	1,417,500	1,679,820
Interest Receivable	87,432	64,471
Other Current & Accrued Assets	8,799,965	5,538,469
<i>Total Current & Accrued Assets</i>	17,737,670	15,553,347
<i>Deferred Debits</i>	1,143,168	31,269,547
<i>Total Assets & Other Debits</i>	244,964,597	236,099,295

LIABILITIES

Long-Term Debt Economic Development	1,011,772	1,068,218
Series 2010A Bond	0	12,478,061
Long-Term Debt	129,216,772	120,822,975
<i>Total Long-Term Debt</i>	130,228,544	134,369,254
Accounts Payable	5,679,005	824,853
Consumer Deposits	1,548,688	1,468,115
Other Current & Accrued Liability	3,620,387	3,490,982
<i>Total Current & Accrued Liabilities</i>	10,848,080	5,783,950
<i>Deferred Credits</i>	1,983,070	1,961,755
Membership Fees	0	0
Patronage Capital	75,220,357	69,424,159
Other Equities	26,684,546	24,560,177
<i>Total Margins & Other Equities</i>	101,904,903	93,984,336
<i>Total Liabilities & Other Credits</i>	244,964,597	236,099,295

YEARLY COMPARISON

	2020	2019		2020	2019
Kilowatt Hours Sold to Members	531,779,218	515,264,958	Number of Employees	78	85
Average Residential Use Per Month	925	933	Miles of Overhead Line	1,812	1,874
Overall Consumer Use Per Month	1,166	1,142	Miles of Underground Line	3,540	3,479
Number of Members	32,114	31,788	Patronage Capital		
Number of Services	37,990	37,609	Retirements to Date	\$54,231,632	\$51,354,674

Lets talk about **PATRONAGE CAPITAL ALLOCATIONS**

On your April bill, your bill message includes information about how much you were allocated in 2020 for patronage capital. If you have questions, please give us a call at (800) 831-8629.

WHAT ARE ALLOCATIONS?

Another perk to being a member of a co-op is that we allocate our margins back to members! Patronage capital allocations are your ownership in the cooperative.

Your ownership in the co-op starts the day you start service with us and ends the day you move off of our lines. Patronage allocations are accrued every year you have service with us.

HOW ARE ALLOCATIONS CALCULATED?

Allocations are calculated by how much you are billed in a calendar year. For example, if you are a business, you may have a higher energy bill than someone who has a cabin on our lines. The business would receive a much larger allocation than the member with a cabin. Both members would still have patronage capital allocated to them, but the amount would be different based on how much their energy bills were in a year.

HOW DO ALLOCATIONS PLAY INTO RETIREMENTS (REFUNDS)?

Every year our board of directors determines how much we can retire (refund) to members. Last year we retired \$2.2 million in patronage capital from the years 2001, 2002, and 2003.

We are working on giving patronage back to our members who have been on our lines the longest. Our board of directors will determine how much we can retire (refund) back to members in our general retirement process this fall.



Scan this QR code
to watch a video
that explains
patronage capital.



SPECIAL PATRONAGE RETIREMENT (REFUND)

IF YOU HAD SERVICE WITH US IN 2020, THIS IS FOR YOU!

Last year, our margins were larger than budgeted and our board of directors has decided to do a one-time special retirement (refund) to members who had service with us in 2020. Margins have grown due to cost-savings we have implemented, the West Riverside Energy Center investment, and high energy sales in 2020 due to COVID.

Seasonal members make up 49% of our entire service area, so when COVID hit hard in highly populated areas in 2020, many members came to their seasonal property on our lines, using electricity in times they typically wouldn't. Plus, the stay-at-home order drove energy usage as well with kids not being in school, people working from home, and everyone staying home when they typically would've been attending events or visiting businesses.

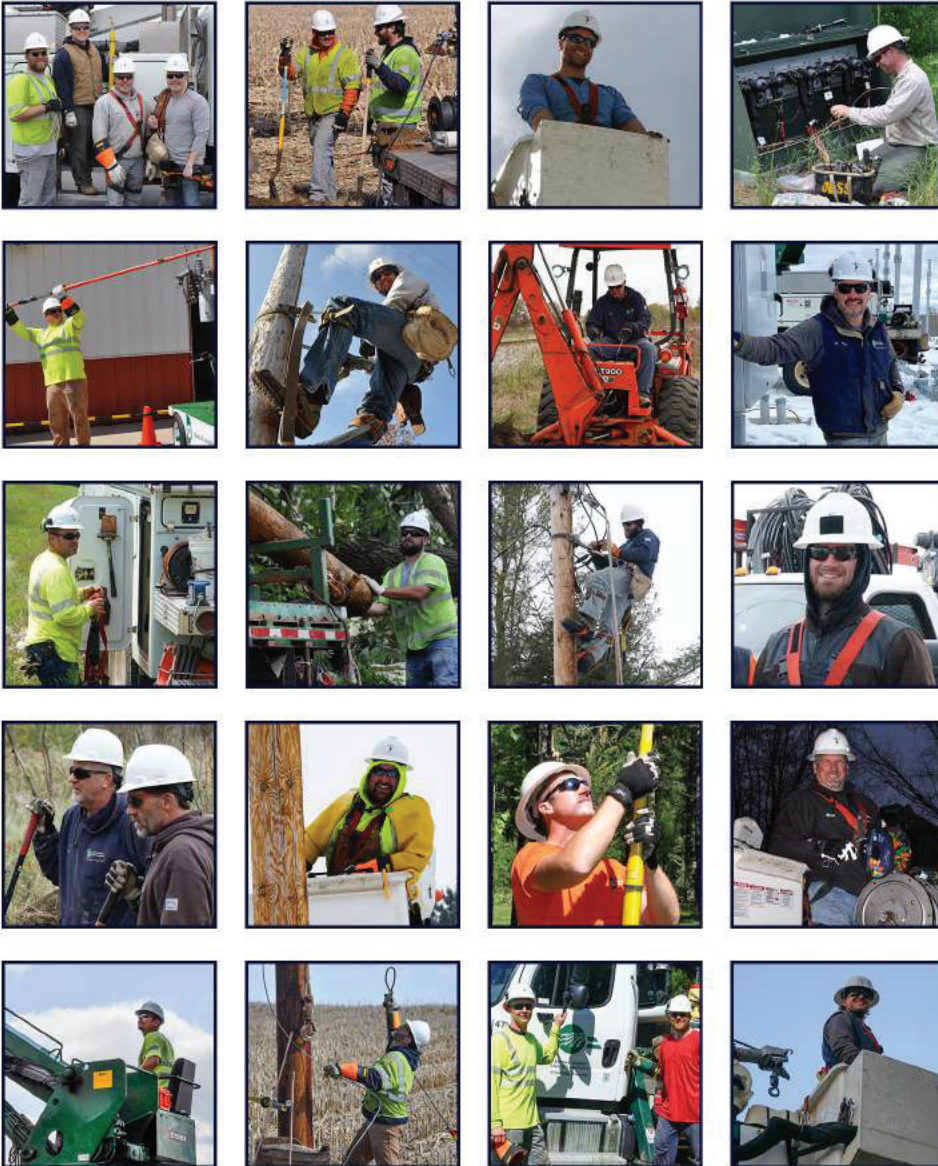
Giving back to our members is what we do. It's a part of our cooperative principles that make us who we are.

LINEMAN APPRECIATION DAY

APRIL 18, 2021

Every year we recognize the linemen of ACEC. Their commitment to keeping the lights on 24/7/365 is something we're proud of. Thank you for your hard work, sacrificing your personal time, braving all weather types, and caring about powering the communities we serve.

meet the linemen of your co-op



Adams-Columbia
Electric Cooperative

CONTACT US

Customer Service & Billing
(800) 831-8629

IVR Payment
1(844) 219-1223

Power Outages
(888) 928-2232

Diggers Hotline
(800) 242-8511 or 811

Email
acec@acecwi.com

Website
www.acecwi.com

Follow us on social media
@ACECWI

Business Hours
Monday - Friday
7:30 a.m. – 4:00 p.m.

Lobby Hours
Monday - Friday
8:00 a.m. – 3:30 p.m.

Friendship Office
P.O. Box 70
401 East Lake Street
Friendship, WI 53934

Pardeeville Office (Drop Box Only)
W6290 State Road 33
Pardeeville, WI 53954

Wautoma Office (Drop Box Only)
N1519 State Road 22
Wautoma, WI 54982



GIVEAWAY!

We will be giving away **FIVE** smart thermostats to members that enroll in paperless billing by April 30.

Log in to your SmartHub account to enroll today!



Did you know you
are able to view
your daily electric
usage in the
SmartHub app?



SAFETY MESSAGE

Working on an outdoor project? Careless digging poses a threat to people, pipelines, and underground facilities. Always call 811 first. Here are five easy steps for safe digging:

1. NOTIFY

Call 811 or make a request online two to three days before your work begins.

2. WAIT

Wait two or three days for affected utilities to respond to your request.

3. CONFIRM

Confirm that all affected utilities have responded to your request.

4. RESPECT

Respect the markers provided by the affected utilities.

5. DIG SAFELY

If you can't avoid digging near the markers, consider moving your project.

Briefing of the Board Meeting

January 26, 2021

Board Action Items:

- Approved changing the annual meeting quorum from 35 to 50, and to hold the annual meeting virtually.
- Approved setting term limits to 4 terms.
- Approved the request for funds to be allocated for the early retirement of inactive members patronage capital.

The full board meeting summary can be found on our website at www.acecwi.com/news-information/meeting-mins



Employee Spotlight

*Heather Smith
Staff Assistant*

Heather is in charge of anything related to assisting employees of the co-op and she works closely with our board of directors. From ordering supplies to trainings and education, she makes sure it's all taken care of.

"My favorite part of my job is being able to help my co-workers and make their jobs easier."

Thanks for all you do Heather!

AUNT MOE'S REUBEN CASSEROLE

PREP TIME - 15 MINS

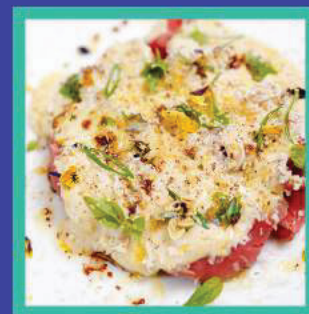
COOK TIME - 35 MINS

INGREDIENTS

- 2 cups shredded swiss cheese
- 6 slices rye bread, cubed
- 1 teaspoon garlic powder
- 1/2 cup butter, melted
- 1/4 cup minced onion
- 16 oz can sauerkraut with fennel seed, drained
- 8 oz corned beef, cut into bite-size pieces
- 8 oz thousand island dressing

INSTRUCTIONS

1. Preheat oven to 350 degrees. Lightly grease a 2 qt or 3 qt baking dish.
2. Mix sauerkraut & onion together in separate bowl, put half in bottom of baking dish, half the shredded swiss cheese, half the thousand island dressing then all of the corned beef. Layer with second half sauerkraut & onion, thousand island dressing, and shredded swiss cheese.
3. Melt butter in large frying pan, add 1 teaspoon of garlic powder and roll bread cubes in butter. Add buttered bread cubes on top of corned beef.
4. Cover, and bake 20 minutes in the preheated oven. Uncover, and continue baking 15 minutes, or until bubbly and lightly browned...Enjoy!



Recipe from Maureen Shymanske of Bristol, WI.