

April 2022



**Adams-Columbia
Electric Cooperative**

Est. 1937

^{years}
85

**GENERAL MANAGER &
BOARD CHAIR REPORT** | **PAGE 2**

Read about current topics and
issues impacting the co-op.



DIRECTOR CANDIDATES | **PAGE 3**

Learn who the two director
candidates are that will serve
our membership.



COOPERATIVE FINANCIALS | **PAGES 4-5**

Take a deeper dive into the
assets, liabilities, and equities
for the co-op.



THE WIRE ANNUAL MEETING *issue*

We invite all members to join us at our
35th Annual Meeting next month. This
is your opportunity to learn about
who your board of directors are and
to learn more about your co-op.

Wednesday, May 18, 2022
Pardeeville High School
Registration @ 5:00 p.m.
Meeting @ 5:30 p.m.



For more details on the annual meeting, visit our website or scan the QR code.
www.acecwi.com/annual-meeting

» AGENDA FOR MEETING «

MEETING BEGINS AT 5:30 P.M.

- Call Meeting to Order
- National Anthem
- Pledge of Allegiance
- Invocation
- Safety Message
- Report of Registration
- Notice of Meeting
& Proof of Mailing
- Advisory Resolution
- Rules Committee
- Director Introductions
- Year in Review for 2021
- Adjournment



GENERAL MANAGER & BOARD CHAIR REPORT

John West & Aaron Hoernke



As we reflect on this past year, it's safe to say it's one we won't forget. The COVID-19 pandemic impacted the cooperative in a variety of ways we didn't anticipate.

Thanks to our leadership team and the fellow board of directors, we were able to navigate situations that were out of our control to keep the co-op running smoothly.

WEST RIVERSIDE ENERGY CENTER (WREC) - BELOIT, WI

We invested in WREC to help reduce future rate pressures, but we had no idea we would be seeing that rate pressure so soon. With the state of the economy, we have already experienced an increase in our power bill from Alliant Energy. We've been able to stabilize rates and forego rate increases for our members because of the investment we made in WREC. In addition, we were able to pass along a credit we received from WREC in 2021 through the PCA line item on your bill. It's clear that our membership is benefitting from this investment.

COST OF SERVICE STUDY

A cost of service study evaluates our revenue and expenses. This study analyzes how much we're charging our members in each rate class. With our new meter installation in 2019, we have usage data that we haven't had before. This data will help us ensure that costs are being allocated appropriately across all rate classes. In previous publications, we've mentioned our cost savings over the years. By conducting this study, we can determine where the best place is to allocate those cost-saving dollars. Our goal is to ensure everyone is paying their fair share for the services they have and that rate classes aren't subsidizing for other rate classes. We'll keep you updated with the outcome of this study and whether or not it leads to a rate adjustment in 2023.

SUPPLY CHAIN CONSTRAINTS

Another economic impact the co-op is experiencing includes the shortage of industry materials. It's becoming a challenge for our members and employees to plan jobs as we cannot guarantee when or if materials will be available. Jobs are planned on a first-come, first-serve basis. If you're planning to install an electric service or relocate an existing service, please contact us to discuss your options and understand this is out of our control. We truly appreciate your patience as we overcome this hurdle.

MONEY BACK TO MEMBERS

Last year, the board of directors approved a one-time refund for members that had service with us in 2020, totaling \$2.5 million dollars. We also refunded \$2.3 million in the general patronage retirement for members who had service with us in 2003 and 2004, totaling \$4.8 million given back to members in 2021. Patronage capital allocations and retirement details will be in upcoming issues of *The Wire*.

MEMBER ENGAGEMENT

After what seemed like a lifetime, we were able to host a member appreciation event in October celebrating Co-op Month. Our Community 5K & Fun Day event brought families, members, and furry friends to Adams-Friendship High School for a 5K, food trucks, live music, and fun. This year, we're celebrating the 85th anniversary of the co-op by hosting two member events. Back by popular demand is our electronic recycling event in June and we'll be hosting an open house in October. Flip to page seven to read more details about the electronic recycling event.

DIRECTOR CANDIDATES

Per the cooperative bylaws, "In the event there is only one nominee who is qualified and willing to run for election for any position, election for that position may be by unanimous consent, by voice vote, by show of hands, or by voting cards at the meeting." Since the two director candidates below are running for a board seat unopposed, voting will take place at the annual meeting only, by voice vote or show of voting cards.

Candidates running for director seats have each been asked to submit a short biography. Candidates have provided their contact information if you would like to reach out with additional questions. *Note that no edits have been made to the candidate's submissions.*



DISTRICT 3

Aaron Hoernke
ahoernke@acecwi.com
(920) 379-9553

I appreciated the honor to serve on the ACEC Board of Directors and look forward to my 2nd term. My position as a Financial Advisor has added value to the board room discussions as we have a diverse board with the purpose to continue to successfully lead ACEC into the future. We will continue to keep our members' interests our first priority as we provide reliable and affordable energy.

As things continue to change we will look to adapt to the issues that arise from things like increased use of EVs and renewables. With the wonderful staff we have at ACEC, I am sure our future will be bright.



DISTRICT 5

Jon Ebert
jjebert54@centurylink.net
(920) 295-2766

My name is Jon Ebert and I would like to represent our membership on the board of directors for another three year term. I was employed by ACEC for 36 years, retired for nine years, and have been a board of director now for three years. Jan and I still reside in Marquette county where we have been all of our lives. During my tenure on the board we have made strides with many changes. The board now has term limits, and changed the bylaws regarding authority of an executive committee. The board lowered meeting per diems. The board evaluates agendas in determining the number of attendees to state and national meetings as to whether they are of value to our cooperative. The districts were also reduced from nine to seven, all in reducing costs to our membership.

We have a totally new board now from what we had three years ago. Experience is obviously missed, education is always beneficial and needed. I feel we have a young diversified board that is totally dedicated in representing you our members to make fair decisions in all rate classes with the best interest of the cooperative.

Of great importance at this time for our cooperative is to hire a new General Manager this coming year. Some of the other upcoming issues on the table is our cost of service study on rates and where they are classified. We all know more renewable energy sources, electric vehicle charging stations, and enhanced battery storage, is now and will be on the horizon for the next several years. Also, cybersecurity, and rising natural gas base load demand rates are of concern on our power bill from our wholesale provider at present.

I would appreciate the opportunity to represent you our members for another term, and will do my best making decisions in the best interest of our membership.





STATEMENT OF OPERATIONS

WHAT WE TOOK IN

	2021	2020
Operating Revenue	73,322,588	70,809,171

WHAT WE PAID OUT

Power Production Expense (Riverside)	(6,159,534)	(3,036,217)
Cost of Purchased Power	42,525,033	37,916,164
Distribution Expense	6,165,902	6,682,088
Customer Service & Sales Expense	1,844,894	2,312,178
Administrative & General Expense	2,967,672	3,114,924
Depreciation Expense	9,284,337	9,330,217
Taxes	1,262,043	1,178,261
Interest on Long-Term Debt	<u>5,148,149</u>	<u>4,785,026</u>

Total Operating Expenses

63,038,496 62,282,641

WHAT WE HAVE LEFT

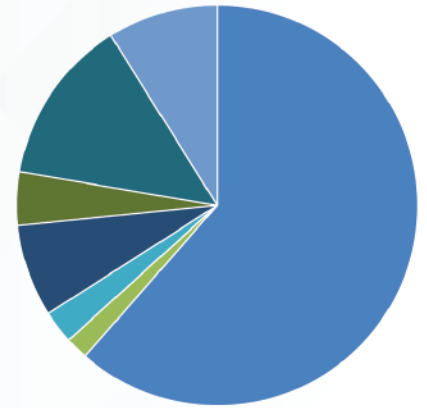
Net Operating Margins	10,284,092	8,526,530
Interest Income	327,112	327,108
Non-Operating Income	3,000,931	1,064,608
Patronage Capital	<u>761,490</u>	<u>643,890</u>

Net Margins

14,373,625 10,562,136

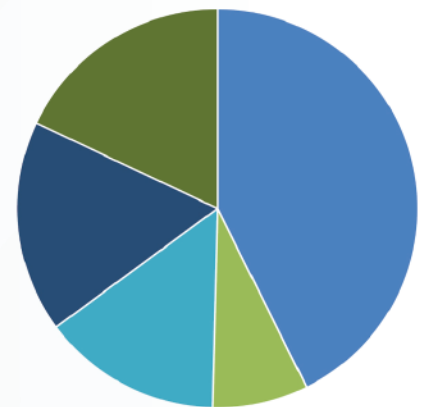
YEARLY COMPARISON

	2021	2020
Kilowatt Hours Sold to Members	556,612,107	531,779,218
Average Residential Use Per Month	925	925
Overall Consumer Use Per Month	1,208	1,166
Number of Members	32,420	32,114
Number of Services	38,385	37,990
Number of Employees	72	78
Miles of Overhead Line	1,783	1,812
Miles of Underground Line	3,596	3,540
Patronage Capital Retirements to Date	\$60,231,221	\$54,231,632



EXPENSE DOLLAR 2021

- 62% Purchased Power
- 2% Taxes
- 3% Customer
- 7% Interest
- 4% General Admin
- 13% Depreciation
- 9% Distribution



REVENUE DOLLAR 2021

- 43% Residential
- 8% Irrigation
- 14% Large Power
- 17% Commercial
- 18% Non-Residential



BALANCE SHEET

ASSETS

	2021	2020
Total Utility Plant	280,236,758	273,687,569
Less Accumulated Depreciation	<u>80,145,724</u>	<u>75,531,923</u>
Net Utility Plant	200,091,034	198,155,646
Investments in Associated Organizations	26,198,013	25,608,177
Investments in Economic Development Projects	1,411,113	1,784,092
Other Investments	<u>561,800</u>	<u>535,844</u>
Total Other Property & Investments	28,170,926	27,928,113
Cash & Short-Term Investments	2,774,757	891,872
Accounts Receivable-Net	7,651,995	6,540,901
Materials & Supplies	1,978,847	1,417,500
Interest Receivable	118,993	87,432
Other Current & Accrued Assets	<u>5,766,345</u>	<u>8,799,965</u>
Total Current & Accrued Assets	18,290,937	17,737,670
Deferred Debits	693,894	1,143,168
Total Assets & Other Debits	247,246,791	244,964,597

LIABILITIES

Long-Term Debt Economic Development	954,762	1,011,772
Long-Term Debt	<u>124,548,851</u>	<u>129,216,772</u>
Total Long-Term Debt	125,503,613	130,228,544
Accounts Payable	4,661,675	5,679,005
Consumer Deposits	1,524,714	1,548,688
Other Current & Accrued Liability	<u>3,251,610</u>	<u>3,620,387</u>
Total Current & Accrued Liabilities	9,437,999	10,848,080
Deferred Credits	1,795,004	1,983,070
Patronage Capital	76,351,514	75,220,357
Other Equities	<u>34,158,661</u>	<u>26,684,546</u>
Total Margins & Other Equities	110,510,175	101,904,903
Total Liabilities & Other Credits	247,246,791	244,964,597



YOUTH LEADERSHIP CONGRESS

JULY 12-14 | UW-STOUT

Youth Leadership Congress (YLC) is a by-teens, for-teens cooperative leadership camp that is planned and developed by the youth board elected at the previous year's event. Attending YLC will give you real-world skills to use in everyday life, is an unforgettable experience, a great resume builder, and looks fantastic on your college application.

Students that attend YLC have the opportunity to run for the youth board to plan the following year's event, and the opportunity to attend Youth Tour in Washington D.C.!

WHY STUDENTS SHOULD ATTEND YLC

- Participate in fun and challenging activities
- Unleash your leadership potential
- Meet students from other co-ops
- Learn about the cooperative business model
- Experience what life is like on a college campus
- Explore co-op careers with industry professionals
- Practice your interviewing skills
- Listen to relatable motivational speakers
- And most of all, have fun!

WHO SHOULD ATTEND

High school sophomores, juniors, and seniors.

IS THERE A COST

Adams-Columbia Electric Cooperative (ACEC) sponsors students to **attend for FREE!** ACEC provides round-trip transportation from the co-op to YLC. A chaperone from the co-op will also attend YLC.

HOW TO APPLY

Visit www.acecwi.com/ylc or scan the QR code to learn more about YLC and to apply. The deadline to apply is May 31.



Questions? Call Haley Melby at (800) 831-8629, or email hmelby@acecwi.com.



ELECTRONIC



RECYCLING

JUNE 1 FRIENDSHIP
401 E LAKE ST

JUNE 2 PARDEEVILLE
W6290 HWY 33

JUNE 3 WAUTOMA
N1519 HWY 22

BACK BY POPULAR DEMAND

Load up the vehicle with your old electronics and visit one of our offices for our electronic recycling event. Celebrate our 85th anniversary with us by coming to one of our events at the dates and locations above from 10 a.m. to 2 p.m. each day. **Members may bring up to five electronics per membership, including one TV or monitor.** We'll do the heavy lifting to remove electronics from your vehicle and take them to the dumpster for you.

ELECTRONICS WE'LL ACCEPT AT OUR EVENT

- | | | | |
|-------------------------------|-------------------------------|--------------------------------|-----------------------|
| • Cable Boxes | • Docking Stations | • Laptops | • Stereos & Speakers |
| • Cables & Cords | • DVD/VHS/Blu-Ray Players | • Landline Phones | • Toasters |
| • Cameras & Camcorders | • External Drives (All types) | • Monitors | • TV's |
| • Cell Phones/PDAs & Chargers | • Fans | • Projectors | • UPS & Jump Starters |
| • Clocks | • Fax Machines | • Satellite Dishes & Receivers | • Vacuum Cleaners |
| • Coffee Makers | • Hair Dryers | • Scanners | • Video Game Consoles |
| • Copiers & Printers | • Holiday Lights | • Servers | |

SAFETY POSTER CONTEST

HEY THIRD GRADERS!

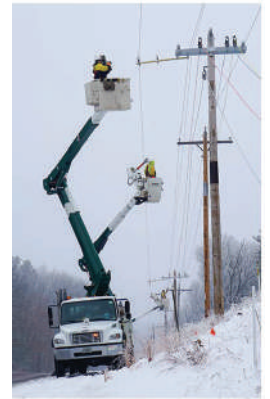
May is Electrical Safety Month and we're asking third graders in our service area to submit posters of what electrical safety means to them. Students who submit posters have the chance to win a prize from the co-op. The top three posters will be submitted to WECA, the state association for electric cooperatives, for judging as well.

The poster must be themed around electrical safety. No computer-generated images will be accepted. The poster should be at least 8.5" x 11", but no larger than 11" x 14". The student's name must be written on the back of the poster if mailed in. The registration and rules form must be completed when submitting. This form is available on our website at www.acecwi.com/safety-poster-contest.

HOW TO ENTER

Posters and registration and rules forms may be mailed to **ACEC, Attn: Marketing, P.O. Box 70, Friendship, WI 53934** or uploaded on the webpage listed above. The deadline to make a submission is May 31.

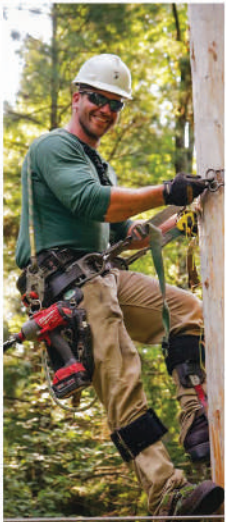




LINEMAN APPRECIATION DAY

Our linemen are at the heart of what we do. Electricity wouldn't be able to make its way to your home or business without their skills, knowledge, hard work, and dedication.

On April 18, we recognize our linemen to show our appreciation for all they do for our community and membership.



OPERATION ROUND-UP

For those of you who already participate in our Operation Round-Up program, thank you. Your spare change makes an incredible impact on local organizations like the two shown below. Recipients of this grant are truly grateful that members of our co-op come together to donate their spare change. These donations make a big difference for many people in our communities.

If you'd like to participate in Operation Round-Up to donate your spare change, log in to your SmartHub account to enroll, give us a call at (800) 831-8629, or email us at acec@acecwi.com.



Treehouse of Central Wisconsin was awarded \$675 to purchase sports equipment for teens that attend the support and faith-based connect programs.

Pictured is Haley Melby and Brigitte Henschel, Area Director at Treehouse.

Waushara-Wautoma Senior Citizens, Inc. received \$1,000 to upgrade their lighting to LEDs in the building. They're also taking advantage of rebates from Focus On Energy!

Pictured is Haley Melby and Deb Konczal, Program Director.



CALENDAR OF EVENTS

● April 13 & May 18

Visit our Wautoma office from 8-11 a.m. or our Pardeeville office from 1-4 p.m. to chat with our general manager, John.

● May 1

The on-peak period for our time-of-day rate changes from 7-11 a.m. to 12-6 p.m.

● May 1

Deadline to turn in applications for our STEM Grant.

● May 18

Join us for our 35th Annual Meeting at Pardeeville High School. Registration at 5:00 p.m., meeting begins at 5:30 p.m.



CONTACT US

Customer Service & Billing
(800) 831-8629

IVR Payment
(1844) 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.

Friendship 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

Check out your energy usage
compared to the previous month
and last year at this time in the app!



SAFETY MESSAGE

Electric utility vehicles and workers often share streets and roadways with motorists in order to access overhead power lines and other electrical equipment. This can be dangerous for workers and motorists. We urge you to go slowly and be especially careful when you see crews at work. Typically, hundreds of workers are killed in work zones each year. Fatal work zone crashes occur most often in the summer and fall. More than twice as many work zone crashes happen on weekdays compared to weekends, so be extra cautious while on the road.

Briefing of the Board Meeting

January 26, 2022

Board Action Items:

- Approved to close Large Power Economic Development Rate
- Approved Directors Ebert and Jones to attend the NRECA Annual Meeting
- Approved December expense vouchers
- Director Ebert attended the Operation Round-Up meeting on January 24 at 2 p.m.
- Approved the 2022 proposed amended capital budget
- Approved funding for the early certificate retirement of inactive member's patronage capital balances in 2021

View the full meeting summary on our website:
www.acecwi.com/news-information/meeting-mins



Employee Spotlight

Becky Pink
Purchasing Agent

Becky has worked for the co-op for nearly two and a half years. She oversees the purchasing of supplies and materials for the jobs our line crews install.

"Three months after I started, COVID hit and our team has been working hard reacting to the supply chain roller coaster ever since. This year is expected to be even more challenging!

Our team works hard to coordinate and communicate work schedules to provide the best service possible for our members."

We're thankful for all you do, Becky!

ALMOND PASTRY PUFF

PREP TIME - 20 MINS
COOK TIME - 35-40 MINS

INGREDIENTS

CRUST

- 8 Tbsp butter, softened
- 3 Tbsp water
- 1 c flour

TOPPING

- 8 Tbsp butter,
- 1 c water
- 1 tsp almond extract
- 1 c flour
- 3 eggs

ICING

- 3 c powdered sugar
- 1 Tbsp butter, very soft
- 3 drops of vanilla
- Milk as needed



INSTRUCTIONS

1. Mix crust ingredients together. Spread onto ungreased cookie sheet into two strips or oval approximately 3-4" wide; set aside.
2. For the topping, add water and butter to a saucepan and bring to a boil. Remove from heat and add extract and flour until combined. Add eggs one at a time until blended well. Spread topping over crust evenly on cookie sheet.
3. Bake at 400 degrees for 35-40 minutes, until golden brown on top. Mix icing ingredient together in separate bowl. Frost while warm. Optional: Add sliced almonds on top of frosting while still wet.

Recipe from Kari Juedes of Nekoosa, WI