

Since 1940

# WISCONSIN ENERGY

Cooperative

March 2021 NEWS



## CVEC ANNUAL MEETING

March 27, 2021

Chippewa Valley Electric Cooperative headquarters  
317 South 8th Street – Cornell, WI

### *The 84th Annual Meeting of CVEC Members*

9:30 – Doors will open for registration, coffee, and doughnuts prior to the 84th Annual Meeting of members of the Chippewa Valley Electric Cooperative.

10:00 – Business meeting begins

Prizes will be drawn throughout the meeting.

No lunch will be served.

Action will be taken on the following matters:

1. Reports of officers and managers
2. Election of two directors: One from District 1 and 6
3. Unfinished business
4. New business and other business to come before this meeting

In accordance with the bylaws, any member unable to attend the meeting may vote by mail. Only members who reside in a voting district will receive a director candidate ballot included with their bill. A return envelope will also be provided for your convenience. When mailing your ballot, please allow sufficient time to ensure your ballot reaches the CVEC office before the date of the annual meeting in order for your ballot to be counted.

**Early Bird Prize: 4K Ultra HD LED Smart TV**

**End of Meeting Prize: Apple iPad**

*Must be present to win.*



## THIS IS YOUR PRIZE STUB!

Please detach this mailing label along the dotted line and bring it with you to the annual meeting. This is your ticket to receive a FREE cooler and for registration and door prize drawings!

*\*One cooler per member household*

**PLEASE REMEMBER: You MUST bring this prize stub to receive your free gift!**



# VOTING INSTRUCTIONS

Only members who reside in a district whose director is up for election at this annual meeting will receive a ballot in the same envelope as the electric bill mailed to them in March. They will receive one Director Voting Ballot and one Ballot Reply envelope for return of the ballot. Please vote and return the completed ballot to CVEC to be received prior to March 27 or you may bring it to the annual meeting. Ballots received after March 27 will not be counted.



## Annual Meeting Program Saturday, March 27, 2021

- 9:30 Doors open for Registration  
Coffee and Doughnuts Served
  
- 10:00 Meeting Called to Order ..... John Petska, Chairman  
National Anthem  
Invocation ..... Rev. Dr. James J. Brandli  
Early Bird Prize Drawing ..... John Petska, Chairman  
Notice of Meeting ..... Clyde Shipman, Secretary-Treasurer  
Approval of 2020 Minutes ..... Clyde Shipman, Secretary-Treasurer  
Chairman's Report ..... John Petska, Chairman  
Ballot Box Closed ..... John Petska, Chairman  
Cooperative Updates ..... Dean Ortmann, President/CEO;  
including Financial Report June Bach, Office Manager; Russ  
Falkenberg, Director of IT &  
Member Services; Nic Alberson,  
Operations Manager  
Open Forum ..... John Behling, Attorney  
Report of Tellers Committee  
Drawing for Apple iPad ..... John Petska, Chairman  
Adjournment ..... John Petska, Chairman

Prizes will be drawn throughout the meeting.

*No lunch will be served.*

# IMPORTANT

Only the members in Districts 1 and 6 will receive a ballot to vote for a director within those districts.

Bring this registration stub with you to the annual meeting on Saturday, March 27, 2021. You must bring this stub to receive a FREE cooler and to enter the prize drawings.

*\*One free cooler per member household.*

Please come to CVEC's 84th Annual Meeting on March 27, 2021 at the cooperative headquarters located at 317 South 8th Street – Cornell, WI

Please look inside this magazine for additional annual meeting information.





This year Chippewa Valley Electric Cooperative holds its 84th Annual Membership meeting on Saturday, March 27. It will be our 84th year of providing electricity to members in Chippewa, Rusk, Barron, Taylor, and Dunn counties and we are proud to have been a part of the community for so many years.

The members of Chippewa Valley Electric are a resilient, hardworking, and a prepared group of people who have weathered many storms and difficulties over the past 84 years—but then again, who really saw 2020 coming? A year when toilet paper became a viable monetary currency and properly covered sneezing in public felt like a crime. When local businesses were shut down, schools shuttered, and public meetings prohibited—many of you experienced some very trying times. Knowing this, your board and staff at the co-op were determined to be as much help as possible.

Our first focus is, as always, safe reliable power to your homes and businesses. We have increased our safety promotion expense and have worked with local schools to provide virtual safety demonstrations, with more outreach in the planning. The key to low outage times is a good maintenance program. Despite some financially rocky times for the first five months of 2020, the co-op maintained its line inspections/repair, pole replacement, right-of-way tree trimming, and spraying programs. This year's outage times per account were the third lowest CVEC has ever recorded, in large part due to more than a two decades' long commitment to these programs.

Due to retirements, since 2018 we have had to replace six (about half) of our most experienced line crew and operations management staff. These positions take years of training/education and are expensive to maintain. Through a shared services program with area municipalities over the past few years, we have been able to train, educate, and maintain the needed crew size, and reduce costs.

Due to these reductions, other significant cost-saving measures, higher than expected sales, and a lower than budgeted wholesale rate from Dairyland Power Cooperative, the board was able to pass a temporary rate credit to all active members for the month of December 2020, which was billed at the beginning of January. The average credit was around \$30 per residential account.

#### Me being prepared for 2020:



2020:



**The key to being helpful is to be there when help is needed.** Along with the bill credit, the board significantly increased the capital credit payout this year to almost \$800,000 and included capital credit payouts to members even from last year's allocation. **With these two disbursements the co-op was able to pump more than a million dollars back to our members and into the local community in 2020.** While this is obviously unsustainable, we wanted to do as much as possible when the chips were down.

Other actions CVEC has taken to help our members in 2020 include: We matched grants from the co-op and CoBank of \$6,000 donated to local food banks on top of the normal donations our members make through

the Operation Round Up program. We have added to and enhanced our rebate programs. We continue to work hard to close the rural broadband gap in the area through Ntera, a joint venture of Chippewa Valley Electric Co-op and Citizens Connected. This last year magnified the need for high-speed fiber and we feel your cooperative is the best chance to accomplish this through Ntera.

As always, we are very thankful for the support our members have for their local cooperative. We look forward to providing dependable electricity for years to come and continuing to invest in the future and communities we serve.

Respectfully,

John Petska

# STATEMENT OF REVENUE AND EXPENSES

For Year Ending December 31, 2020  
(Unaudited)

<b>WHAT WE TOOK IN</b>		<b>2019</b>	<b>2020</b>
1	OPERATING REVENUE	\$14,728,652	\$14,493,974
<b>WHAT WE PAID OUT</b>			
2	COST OF PURCHASED POWER	\$8,278,493	\$8,024,907
3	OPERATIONS EXPENSE	\$817,407	\$862,201
4	MAINTENANCE EXPENSE	\$875,669	\$850,290
5	CUSTOMER ACCOUNTS EXPENSE	\$367,818	\$401,016
6	CUSTOMER SRVC & INFORMATION EXP.	\$283,316	\$284,705
7	ADMINISTRATIVE & GENERAL EXP.	\$882,826	\$773,526
8	DEPRECIATION EXPENSE	\$1,499,516	\$1,558,222
9	TAXES	\$201,932	\$206,363
10	INTEREST ON LONG-TERM DEBT	\$872,044	\$827,331
11	OTHER DEDUCTIONS	\$1,870	\$5,200
<b>12</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>\$14,080,891</b>	<b>\$13,793,761</b>
<b>WHAT WE HAVE LEFT</b>			
13	NET OPERATING MARGINS	\$647,761	\$700,213
14	NON-OPERATING MARGINS-INTEREST/DIVIDENDS	\$307,244	\$253,419
15	INCOME (LOSS) FROM EQUITY INVESTMENTS	\$551,210	\$339,636
16	NON-OPERATING MARGINS-OTHER	\$12,418	\$23,554
17	DAIRYLAND POWER CO-OP(G&T): CAPITAL CREDITS	\$297,812	\$292,722
18	ASSOCIATED CAPITAL CREDITS & DIVIDENDS	\$113,346	\$107,775
	EXTRAORDINARY INCOME		
<b>19</b>	<b>TOTAL NON-OPERATING MARGINS</b>	<b>\$1,282,030</b>	<b>\$1,017,106</b>
<b>20</b>	<b>TOTAL MARGINS</b>	<b>\$1,929,791</b>	<b>\$1,717,319</b>
<b>PRINCIPAL PAYMENTS MADE DURING THE YEAR</b>			
21	NATIONAL RURAL UTILITIES CO-OP FINANCE CORP. (CFC)	\$203,121	\$168,651
22	R.U.S.	\$358,783	\$442,567
23	CO-BANK	\$908,752	\$912,802

## Notes:

- A) The Subsidiary's (CVS) margins/loss and investment gain/loss are now displayed on the "Income (loss) from Equity Investments" line above. Allocations are generally based on Chippewa Valley Electric's Operating Margins, G&T Capital Credits, and Associated Capital Credits from the previous year.

# COOPERATIVE BALANCE SHEET

December 31, 2020

(Unaudited)

<b>ASSETS</b>		<b>2019</b>	<b>2020</b>
1	TOTAL UTILITY PLANT	\$45,988,466	\$47,327,995
2	LESS: RESERVE FOR DEPRECIATION & AMORTIZATION	\$13,294,832	\$14,512,861
<b>3</b>	<b>NET UTILITY PLANT</b>	<b>\$32,693,634</b>	<b>\$32,815,134</b>
4	NONUTILITY PROPERTY NET	\$0	\$0
5	INVESTMENTS SUBSIDIARY COMPANIES	\$4,965,779	\$5,305,415
6	INVESTMENT & PATRONAGE-ASSOCIATED ORG.	\$6,598,198	\$6,614,210
7	OTHER INVESTMENTS	\$7,009	\$7,009
<b>8</b>	<b>TOTAL OTHER PROPERTY &amp; INVESTMENTS</b>	<b>\$11,570,986</b>	<b>\$11,926,634</b>
9	CASH – REA LOAN FUNDS	\$780	\$770
10	CASH – GENERAL	\$179,936	\$353,504
11	TEMPORARY INVESTMENTS	\$351,238	\$218,067
12	NOTES RECEIVABLE-NET	\$3,350,000	\$4,500,000
13	ACCOUNTS RECEIVABLE-NET	\$1,438,570	\$1,215,907
14	MATERIAL & SUPPLIES	\$312,768	\$294,965
15	PREPAYMENTS	\$77,606	\$83,516
16	OTHER CURRENT AND ACCRUED ASSETS	\$4,448	\$4,294
17	TOTAL CURRENT & ACCRUED ASSETS	\$5,715,346	\$6,671,023
18	DEFERRED DEBITS	\$308,539	\$362,604
<b>19</b>	<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$50,288,505</b>	<b>\$51,775,395</b>
<b>LIABILITIES</b>			
20	LONG-TERM DEBT R.U.S.	\$13,081,630	\$15,419,044
21	LONG-TERM DEBT OTHER	\$6,981,364	\$5,530,331
<b>22</b>	<b>TOTAL LONG-TERM DEBT</b>	<b>\$20,062,994</b>	<b>\$20,949,375</b>
23	NOTES PAYABLE	\$0	\$0
24	ACCOUNTS PAYABLE	\$1,021,878	\$790,747
25	CONSUMER DEPOSITS	\$101,975	\$101,105
26	CURRENT MATURITIES-LONG TERM DEBT	\$1,470,656	\$1,524,020
27	OTHER CURRENT & ACCRUED LIABILITIES	\$672,222	\$685,247
<b>28</b>	<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<b>\$3,266,731</b>	<b>\$3,101,119</b>
<b>DEFERRED CREDITS</b>		<b>\$486,111</b>	<b>\$265,855</b>
29	MEMBERSHIP FEES	\$0	\$0
30	PATRONAGE CAPITAL	\$13,667,074	\$13,954,723
31	OPERATING MARGINS – CURRENT YEAR	\$647,761	\$700,213
32	OTHER MARGINS & EQUITIES	\$12,157,834	\$12,804,110
<b>33</b>	<b>TOTAL MARGINS &amp; OTHER EQUITIES</b>	<b>\$26,472,669</b>	<b>\$27,459,046</b>
<b>34</b>	<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	<b>\$50,288,505</b>	<b>\$51,775,395</b>



# ANNUAL MEETING MINUTES 2020

The 83rd annual meeting of the members of Chippewa Valley Electric Cooperative was called to order by Board Chairman, John Petska, at 9:58 a.m. in the Cooperative Office in the City of Cornell, Wisconsin, on Friday, July 10, 2020.

## Recognition

All military veterans were asked to stand and were thanked for their service.

## Invocation

Clyde Shipman prayed for the country, state, membership, and employees of CVEC.

## Early Bird Prize

The Early Bird prize of a 55" Samsung 4K UHD 4K Smart TV was won by Robert Peterson.

## Introduction

John Petska introduced the board. Mary Hoel, CVEC attorney of 13 years, was recognized and presented with flowers for her retirement. Clyde Shipman and Deone Goettl were introduced as the director candidates. Henry Shakal and Mary Colbenson were introduced as the tellers counting the ballots.

## Quorum

The board chairman declared a quorum was present and opened the meeting for business.

## Notice and Affidavit of Mailing

The Secretary-Treasurer, Clyde Shipman, read the Notice of Meeting and Affidavit of Mailing.

## Minutes

The minutes of the 2019 meeting were mailed to the members prior to the meeting. The motion was made and seconded to approve the minutes as written. The motion carried.

## Chairman's Report

John Petska gave a tribute to the 2019 loss of Operations Manager, Jim Hodowanic. John mentioned the article in the *Wisconsin Energy Cooperative News* magazine and said the co-op was doing its best to keep costs down and delayed the rate increase.

## Round Table

**President's Report:** President and CEO, Dean Ortmann, discussed cooperative principles.

**Financial Report:** June Bach, office manager, discussed net operating margins, equity, and capital credit returns. The motion was made and seconded to approve the financial report. The motion carried.

**Member Services Report:** Russ Falkenberg, director of IT & member services, discussed Ntera, Ntera grants and expanding Ntera to Sheldon.

**Operations Dept. Report:** Robert Wruck, operations manager, introduced the new linemen, Tyler Jones, Ben Modl, Greg Olmstead, and Zach Sonntag. Due to the retirement of Mike Sedlacek and Dennis Harm in the past year it was necessary to hire four. Our biggest purchase was a new digger truck with remote operation.

## Prize Drawings

Prizes were given to many members throughout the meeting.

## Questions

Dean Ortmann, president and CEO, and Mary Hoel, legal counsel, addressed questions from the member audience.

## Director Election Results

### District #3

Clyde Shipman – 60  
Invalid – 2

### District #5

Deone Goettl – 101

## Adjournment

Chairman, John Petska, asked for any other business. There was no other business and the meeting was adjourned by John Petska at 11:00 a.m.



Chippewa Valley Electric Cooperative

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Office Hours: Monday–Friday, 7:30–4 p.m.

*This institution is an equal opportunity provider.*

## Board of Directors

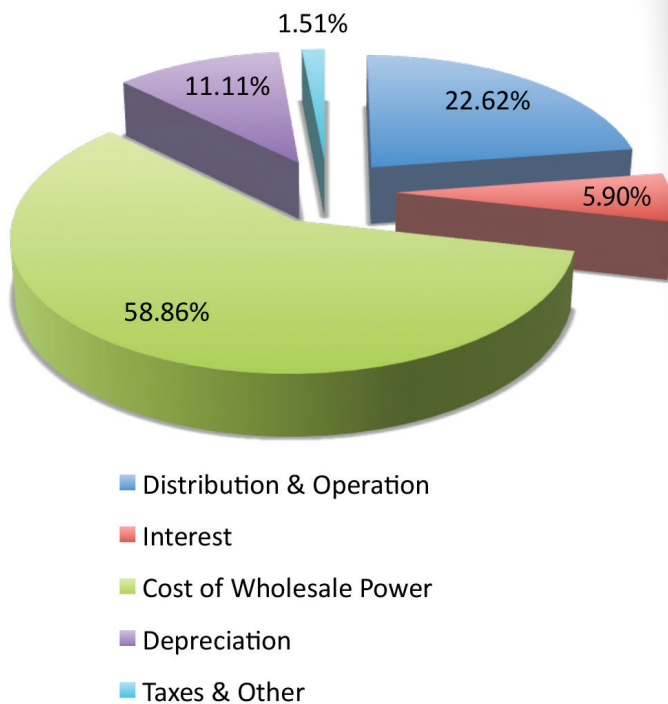
District 1 – Sue Frei  
District 2 – Steve Johnson  
District 3 – Clyde Shipman  
District 4 – Kevin Meistad  
District 5 – Deone Goettl  
District 6 – Candis Homme  
District 7 – John Petska

**Dean Ortmann, President/CEO**

**Nicole Whipp Sime, Editor**



## HOW YOUR DOLLAR WAS SPENT



## 2020 OUTAGE INFORMATION

2020 Outage Information	Number of Outages	Average Consumer	Consumer Hours
Power supplier	0	0.000	0.00
Trees	33	0.292	2220.59
Animals	11	0.096	728.40
Broken poles	5	0.008	61.63
Insulator	2	0.036	271.95
Overhead wire break	0	0.000	0.00
Underground fault	22	0.071	540.41
Lightning	14	0.014	108.82
OCR/Fuse	1	0.002	13.53
Vehicles	7	0.246	1873.55
Transformers	41	0.022	166.02
Fires	3	0.000	3.51
Other/unkown	69	0.170	1295.40
Subtotal	208	0.957	7283.81
Planned outage	237	0.090	685.76
Extreme storms	15	0.039	293.01
<b>Totals &amp; Avg/Consumer</b>	<b>460</b>	<b>1.086</b>	<b>8262.58</b>

## COMPARATIVE STATISTICS REPORT

	2018	2019	2020
Total miles of line in operation	1241.79	1246.30	1253.64
Total miles of overhead line	743.50	736.30	732.33
Total miles of underground line	498.29	510.00	521.31
Consumers connected during year	81	80	98
Consumers connected – year end	7533	7582	7664
Avg. Consumers per mile – year end	6.07	6.08	6.11
Total water heaters controlled	3208	3202	3196
Total dual fuel accounts	1,471	1,473	1,468
Total kwh purchased	110,074,865	107,845,640	107,726,378
Total kwh sold	104,671,244	102,558,308	102,481,232
Total kwh used	331,200	308,100	297,000
Total cost of electricity	8,320,324	8,278,493	8,220,498
Total revenue from electricity sales	14,756,217	14,565,735	14,465,331
Avg cost per kwh purchased	0.0756	0.0768	0.0763
Avg revenue per mile/month	990.25	973.93	961.56
Avg revenue per member/month	163.24	160.09	157.29
Avg kwh sold per member/month	1158	1127	1114
Avg revenue per kwh sold	0.1410	0.1420	0.1412
Avg outage time per member	0.987	4.4115	1.086
Total number of employees	22	22	22

# 2020 – A YEAR IN REVIEW

## Chippewa Valley Electric Gives Back to the Community



**Operation Round Up - \$9,914** was given to help those in need in our community.



**Rate Credit –** CVEC board passed a temporary rate credit to all active members for the month of December 2020. The average credit was around \$30 per residential account.



**\$60,000**

**Rebates –** Over \$60,000 was given to our members for the purchase of eligible energy efficient items.



**Capital Credits –** Nearly \$800,000 was given back to our members.

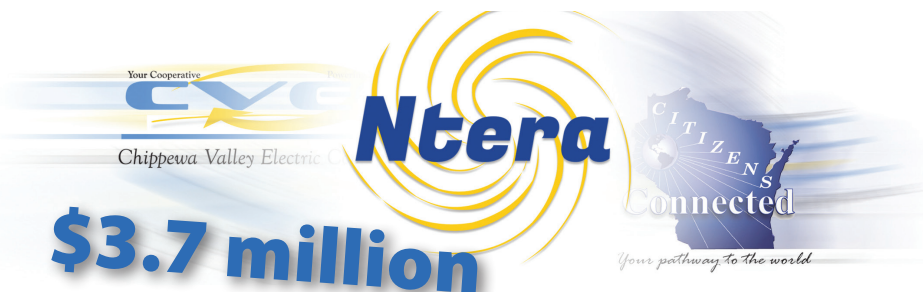


**Safety Demo –** CVEC continued to share safety messages via virtual safety demonstrations.



**COVID-19 Test Site –** CVEC's warehouse was used as drive-through test site with Wisconsin National Guard assistance.

**Ntera –** USDA Awarded Broadband Grant of \$3 million for the expansion of fiber-fast services to local community. In addition, nearly \$700,000 in grants were awarded to Ntera from the PSC. Ntera was formed in 2017 when two local cooperatives, Chippewa Valley Electric and Citizens Connected, joined forces with the goal of bringing fiber-fast services to underserved areas throughout Chippewa Valley.



**Congressman Tom Tiffany** participates in USDA ReConnect grant presentation.