

RELIABLE & RESPONSIBLE

# 2017

## ANNUAL REPORT



SAFE & SUSTAINABLE

**ANNUAL MEETING**  
**Saturday, March 24, 2018**



**Oakdale Electric  
Cooperative**

Your Touchstone Energy® Cooperative 

# 2017 NOTICE OF ANNUAL MEETING

**The Annual Meeting of Members of Oakdale Electric Cooperative will be held at 10:00 a.m., Saturday, March 24, 2018 at the Tomah High School Auditorium in Tomah, Wisconsin, with registration beginning at 9:00 a.m.**

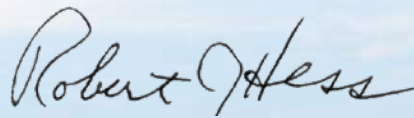
**Action will be taken on the following:**

**ANNUAL MEETING OF MEMBERS  
SATURDAY, March 24, 2018 ■ 10:00 A.M. CALL TO ORDER**

1. Reading of the notice of the Meeting and proof of the due publication of mailing thereof.
2. Reading of the unapproved minutes of last years meeting of the members and taking of necessary action thereon.
3. Presentation and consideration of, acting upon reports of officers, directors and committees.
4. Election of a Director from District #2, (Comprised of the Townships of Bear Bluff, Knapp, Lincoln, Scott, LaGrange and Byron) for a three-year term to fill the vacancy caused by the expiration of the term of James Van Wychen, 3365 Auger Road, Warrens, WI 54666.
5. Election of a Director from District #4, (Comprised of the Townships of Oakdale, Orange, Clearfield, Fountain and Lisbon) for a three-year term to fill the vacancy caused by the expiration of the term of Richard Barrett, W8376 Orange Road, New Lisbon, WI 53950.
6. Election of a Director from District #5, (Comprised of the Townships of Kingston, Cutler, Necedah, Germantown and Marion) for a three-year term to fill the vacancy caused by the expiration of the term of Martin Potter, N11569 County Road H, Camp Douglas, WI 54618.
7. Such other business, regular or special, which may come before said meeting.
8. Adjournment.

**COPIES OF THE MINUTES  
OF OUR 2017 ANNUAL  
MEETING ARE AVAILABLE  
AT THE OAKDALE ELECTRIC  
HEADQUARTERS BUILDING.**

Dated this 8th day of March, 2018  
Oakdale Electric Cooperative



Signed: Robert Hess, Board President





# ANNUAL MEETING PROGRAM

**Saturday, March 24, 2018**  
**Tomah High School, Tomah, WI**

- 9:00 a.m.** Registration of Members  
**10:00 a.m.** Business Session  
Meeting Called to Order - Robert Hess, Board President  
Invocation  
Certification of Quorum Present  
Approval of Program Agenda  
Notice of Meeting and Proof of Mailing - Jonathan Williams, Secretary  
Approval of Minutes of Prior Meeting - Jonathan Williams, Secretary  
Treasurer's Report - Richard Barrett, Treasurer  
President's Report - Robert Hess  
General Manager's Report - Bruce Ardelt  
Director Election Process - Attorney Thomas Zarembo  
District #2  
District #4  
District #5  
Guest Speaker - Brian Rude, Vice President, External & Member Relations at Dairyland Power Cooperative  
Any Other Business  
Prize Drawings - \$100.00 credit applied to electric bill - 5 drawn  
*(Must be present to win)*  
Adjournment

Lunch  
immediately  
following  
the meeting.



# MESSAGE FROM YOUR GENERAL MANAGER & BOARD PRESIDENT

## Oakdale delivers reliable, responsible, safe and sustainable power

Every morning you flip a switch in your home to turn on the lights. If you think about it, there are a lot of people working behind that switch to bring you safe, reliable power at competitive rates. Oakdale Electric Cooperative has 44 employees and seven directors who are part of the process. Our commitment to service excellence has not wavered in 83 years, and it will continue to stand mission driven as we forge ahead. Members can trust in our efforts to dutifully evaluate all aspects of the cooperative, and strive for improvements in efficiency, reliability, sustainability and safety. We are your local electric cooperative and pride ourselves on being your go-to for information, insight, and guidance.

The cooperative is conservative in its resource management; however, the spending of funds cannot always be avoided, whether it is planned or unplanned. This includes the purchasing of equipment upgrades. All equipment at the cooperative does have a shelf life, no matter if it is used outdoors by operations employees, or indoors by office personnel. We plan ahead extensively for major equipment purchases, which included the change out of all standard electric meters to more advanced smart meters this past year. An Advanced Meter Infrastructure (AMI) was implemented, which combines two-way communication with smart meters allowing for real-time electrical usage tracking. Smart meters improve accuracy, reliability, and efficiency, as well as provide members a better understanding of energy usage, by showing how habits and lifestyle can directly impact an electric bill.

The deployment project is currently halfway through the 3-year frame with 10,500 meters installed, and an additional 7,000 meters are scheduled for installation in 2018. Oakdale Electric opted to install all meters in-house, primarily in the off-peak construction period, with an average of 50-100 meters installed per day.

2017 was a busy construction year for your cooperative. We invested more than \$4.9 million in new construction, replacement of electric lines, 193 new service extensions, and member service upgrades. The 2018 capital budget calls for us to invest another \$5.1 million to improve our system.

A software conversion for the operations, accounting, and billing departments kept co-op employees exceptionally busy. Members saw the change firsthand when a new type of bill arrived in June, as well the implementation of SmartHub, the free online payment system. SmartHub provides members the options to set up recurring payments, view billing history, monitor usage, go paperless, and communicate directly with the co-op. Visit [oakdalerec.com](http://oakdalerec.com) to sign up for SmartHub today.

The installation of a solar project was a major highlight for the cooperative. The SunnyOak Community Solar Garden officially came online in June, adjacent to a 1.5 MW utility-scale facility, located just south of the Whistling Wings substation on Highway 80 in Necedah. Oakdale Electric's partnership with Dairyland Power and SoCore Energy, a solar developer, allowed for the development of this local, clean energy producing facility.

SoCore Energy held a grand opening ceremony, which included small group tours, for members that purchased a solar subscription. Additional units are still available for purchase, and interested members are advised to contact the cooperative to learn more.

Maintaining financial strength and security is critical to Oakdale Electric's long-term success and member satisfaction. We are proud

to report that our co-op's annual kWh sales continue to increase, due to commercial sales. These climbing kWh sales directly impact the co-op's rate structures and have allowed for rates to remain steady.



Bruce Ardelt

Robert Hess

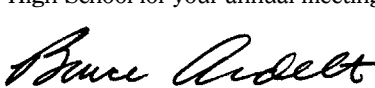
As a member-owned cooperative, we can offer something no other utility can – capital credit retirement. Each year, as financial conditions allow, we retire to our members capital credits. Oakdale Electric retired more than \$1.2 million to our membership last year.

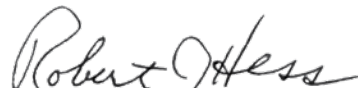
Workplace safety is a priority each and every day at Oakdale Electric Cooperative. Our employees are not only linemen, engineers, or office personnel; they are also someone's spouse, parent, and/or child and it is our duty to ensure they return home safe each and every night. We achieve safety success at the co-op through monthly trainings, specialized seminars, vehicle and building inspections, an employee based safety committee, and finally a safety approach titled, "Speak Up, Listen Up." Simply stated, this approach means we have each other's backs.

At Oakdale Electric, not only are we committed to keeping our employees safe, but the community as well. Last year alone, over 1,500 individuals were educated on electrical safety through annual hotline demonstrations at local schools and businesses. Our linemen attended Monroe County's National Safety Night Out to host an educational booth. New last year, they also participated in the mock crash which demonstrated safety procedures taken to assist passengers in safely exiting the vehicle while avoiding electric shock. It was a sight not long to be forgotten.

Operation Round Up continues to grow in member participation allowing for a larger community impact to be made. Since the program's inception in 2002, over \$63,000 has been donated back out into the community to individuals, organizations, and groups in need. When members opt to participate in Operation Round Up, they agree to allow Oakdale Electric to round up their electric bill to the next highest dollar with the spare change going into a fund overseen by a member appointed board. It's simple to sign up. A call into our office is all that is needed for your change to start making a difference.

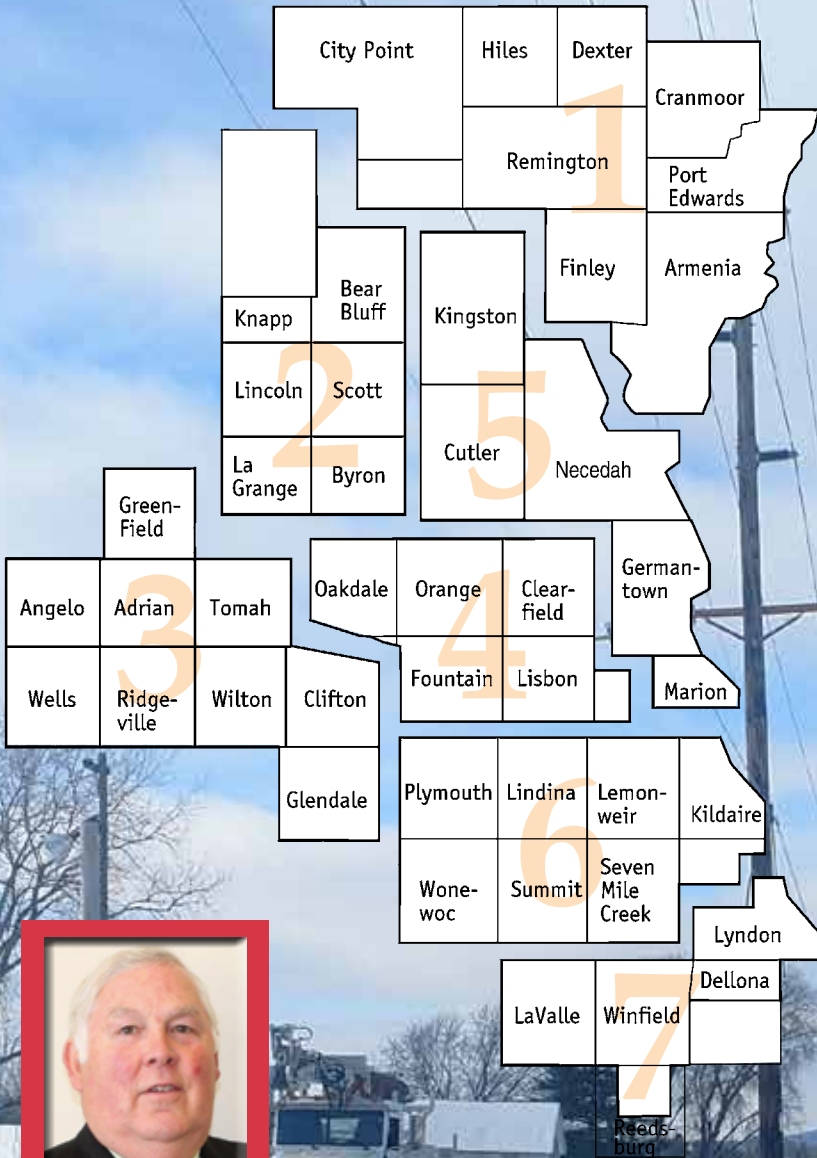
Oakdale Electric took on a great challenge 83 years ago. Pioneers committed not just to the business of electricity, but to the greater purpose of making lives and communities better. This success is powered by board members and employees who understand and implement the membership structure and vision that electric utility cooperatives exist wholly to serve their members. This mission and structure is the essence and lifeblood of the electric cooperative business model and community. We are your friends and neighbors, and your local energy partner, and we look forward to seeing you on Saturday, March 24<sup>th</sup> at the Tomah High School for your annual meeting.

  
Bruce Ardelt  
General Manager

  
Robert Hess  
Board President



# BOARD OF DIRECTORS



**Robert Hess (1)**



**James Van Wychen (2)**



**Greg Eirschele (3)**



**Rick Barrett (4)**



**Martin Potter (5)**



**Jonathan Williams (6)**



**Ronald Churchill (7)**



# 2017 FINANCIAL REPORT

Our 2017 financial records and the reports contained herein have been audited by Bauman Associates, Ltd., Eau Claire, WI.

## MISSION

Oakdale Electric Cooperative is dedicated to providing our members with safe, reliable electric service, superior customer service, and innovative energy solutions at competitive prices.

## VISION

Oakdale Electric Cooperative strives to enhance the quality of life for our members, while providing the highest level of quality service.

## VALUES

- ◆ Safety
- ◆ Integrity
- ◆ Innovation
- ◆ Environmental stewardship
- ◆ Accountability
- ◆ Open, honest communication
- ◆ Commitment to members, community, and employees

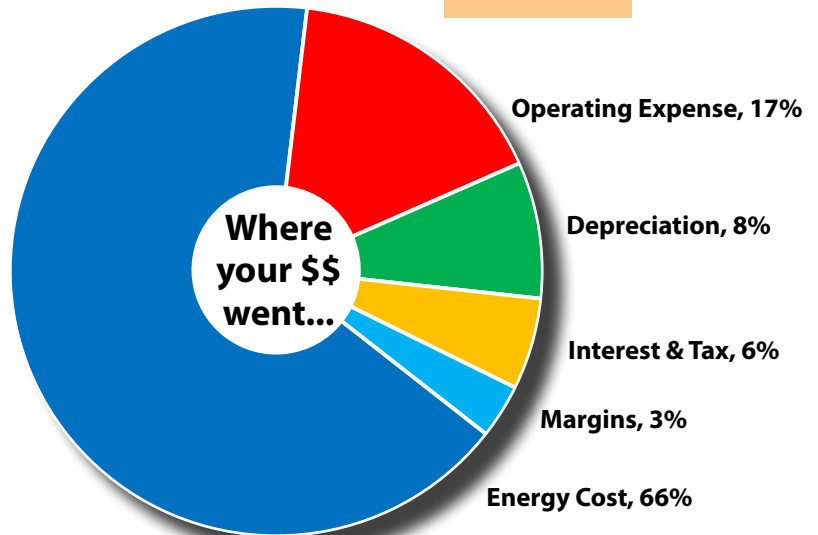
## STATEMENT OF OPERATIONS

	Dec. 31, 2017	Dec. 31, 2016
OPERATING REVENUE		
ELECTRIC SALES REVENUE	\$ 36,412,181	\$35,478,399
OTHER ELECTRIC REVENUE	94,664	113,907
TOTAL OPERATING REVENUE	36,506,845	35,592,306
OPERATING EXPENSES		
COST OF POWER	24,212,330	23,680,199
DISTRIBUTION EXP-OPERATIONS	1,265,703	1,409,276
DISTRIBUTION EXP-MAINTENANCE	2,004,746	1,962,867
ADMINISTRATIVE & GENERAL EXPENSE	2,771,096	2,349,804
DEPRECIATION EXP	3,028,152	2,991,708
TAX EXPENSE	376,179	379,994
INTEREST ON LONG TERM DEBT (CFC)	1,619,334	1,543,458
OTHER	34,221	71,715
TOTAL COST OF ELECTRIC SERVICE	35,311,761	34,389,020
OPERATING MARGINS	1,195,084	1,203,286
NON-OPERATING MARGINS	273,621	271,445
DPC CAPITAL CREDITS	1,182,518	937,841
NET MARGINS	<u>\$ 2,651,223</u>	<u>\$ 2,412,572</u>

## BALANCE SHEET

	Dec. 31, 2017	Dec. 31, 2016
ASSETS		
NET UTILITY PLANT	\$65,185,294	\$62,446,043
NON UTILITY PLANT	21,953	-
LONG-TERM INVESTMENT	16,163,574	15,081,381
CASH & TEMPORARY INVESTMENTS	481,009	595,616
ACCTS RECEIVABLE	3,165,639	2,653,820
MATERIALS & PREPAYMENTS	763,743	656,929
OTHER ASSETS & DEFERRED DEBITS	1,822,093	1,919,741
TOTAL ASSETS	<u>87,603,305</u>	<u>83,353,531</u>
LIABILITIES & EQUITY		
PATRONAGE CAPITAL	39,003,295	37,520,158
CONSUMER DEPOSITS	238,067	233,224
LONG TERM DEBT	38,552,464	36,946,140
ACCOUNTS PAYABLE	2,823,590	2,489,995
OTHER CURRENT LIABILITIES	6,985,889	6,164,013
TOTAL LIABILITIES & EQUITY	<u>\$87,603,305</u>	<u>\$83,353,531</u>

## 2017 EXPENSES





# YOUTH LEADERSHIP CONGRESS

Oakdale Electric Cooperative's Federated Youth Foundation Scholarship program was started in 1988. Since then, over \$387,000 has been awarded to deserving students throughout the cooperative service area. Awards are funded from the unclaimed capital credits of former cooperative members.



OEC's 2017 Youth Leadership Congress Participants

## 2017 SCHOLARSHIP RECIPIENTS

**Brookwood High School**  
Kaylee Hanson

**Necedah High School**  
Tyler Reichel  
Kayden Yoss

**Reedsburg Area High School**  
Allison Colwell  
Cheyanne Grundahl  
Ben Horzewski  
Logan Judd

**Sparta High School**  
Brandon Scholl

**Wonewoc High School**  
Kimberly Rhinehart  
Lexi Wohlrab

**Mauston High School**  
Nolan Buss  
Erich Heath  
Preston Shields

**Nekoosa High School**  
Conor O'Donnell

**Royall High School**  
Tristan Welchin  
Lea Britzman  
Zack Trepes  
Nicholas Murray

**Tomah High School**  
Abbey Larsen  
Mallory Pierce  
Ariel Rezin  
Trey Gnewikow

## Congratulations!

Oakdale Electric Cooperative (OEC) sponsors high school students to attend the annual Youth Leadership Congress at the University of Wisconsin - River Falls (UW-RF). For three days, over 150 students from Wisconsin learn their leadership potential through interactive seminars, team building exercises, and presentations from nationally known speakers. The 2018 Youth Leadership Congress will be held July 25-27 at UW-RF. In order to qualify to attend, youth must be the dependent of an OEC member and completing their junior year at one of our 12 area high schools. Oakdale Electric Cooperative covers all of the expenses, and best of all, youth have the opportunity to earn a scholarship for post-secondary education.



2017-2018 Youth Board

*Oakdale Electric Cooperative delegates, (left to right) Conor O'Donnell and Sam Peterson, were two of six YLC participants elected to the statewide Youth Board. Congratulations, Conor and Sam!*

**Interested? An opportunity of a lifetime for students in their junior year of high school!** Informational packets containing application information and forms are available from your school's guidance counselor in April, or contact Deana Protz at [dprotz@oakdalerec.com](mailto:dprotz@oakdalerec.com).

**The three day on-campus conference is created by and for teenagers, while intended to:**

- Introduce students to the business of cooperatives.
- Encourage the examination of today's issues.
- Help students learn about and practice leadership skills.
- Offer an opportunity for high school students to experience life on a college campus.



# EMPLOYEES

## MANAGEMENT



Bruce Ardelt



Cherlyn Moseley



Todd O'Neil



Glenn Pampuch



Linda Pierce



Shane Rowan

## MEMBER SERVICES



Sherry Anderson



Heather Linenberg



Dale Ludeking



Maribeth O'Dell



Deana Protz



Chad Schauf



Kurt Spolum



Tina Von Haden



Rachel Winrich

## ENGINEERING DEPARTMENT



Cheri Ness



Roy Boyles



Travis Champlin



Todd Duncan



Matt Riggs

## ENERGY SERVICES



Jim Suzda



Al Taylor



**OPERATIONS DEPARTMENT**



Lori Larsen



Ethan Benson



Brock Brown



Pat Eirschele



Joe Engel



Eric Flock



Cory Johnson



Dan Kallies



Tommy Liddane



Dalton Linzmeier



Dan McGarry



Sam Moseley



Travis Moser



John Ollendick



Dane Pasch



Quinten Reuterskiold



Kurt Starkey



Andy Steele



Dave Stelter



Bob Thompson



Ethan Thorson



Josh Von Haden



Stew Walters

**RELIABLE & RESPONSIBLE**

**SAFE & SUSTAINABLE**





*Member Appreciation Day debuted a new kid's activity – giant corn pool!*



*A one-mile line rebuild was completed on Grain Avenue, Tomah, to provide service to Mill Haven Foods.*



*Solar Sally made her debut at Winnebago Park, Tomah as part of June Dairy Month celebrations.*



*Directors presented donations to 16 local libraries.*

# 2017 YEAR IN REVIEW



*Construction crews rebuilt the lines that feed into the Tunnel City Circuit 3.*



*Linda Pierce was promoted to Manager of Finance.*



*Maribeth O'Dell oversaw the baking of the holiday pie donation to a local community dinner.*



*30 students attended Youth Leadership Congress at UW-River Falls. Chaperones included Kurt Spolum and Deana Protz.*



*Scott Brookman retired after 43 years of service.*





*Dane Pasch, Andy Steele, Stew Walters and Josh Von Haden traveled to Florida to assist with power restoration following the destruction of Hurricane Irma.*



*Dale Ludeking installed the first Caretaker Sentry medical alert system.*



*SunnyOak Community Solar Garden went live June 2017.*



*Oakdale Electric participated in the mock crash at Monroe County's National Night Out.*



*(L-R) Ethan Benson and Tommy Liddane received their Journeyman Lineman certification.*



*Electrical safety demonstrations were presented to 1,800 students in the Tomah and Sparta School Districts.*



*Rachel Winrich was hired as the Accountant.*




*Roy Boyles was promoted to Project Supervisor.*



*Cherlyn Moseley promoted Operation Round Up at Member Appreciation Day, which now has over 1,500 members in participation.*



**Oakdale Electric  
Cooperative**

Your Touchstone Energy® Cooperative 

P.O. Box 40 • Oakdale, WI 54649-0040

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(03-24-18)

**IMPORTANT REGISTRATION CARD** 

Tear off here and bring this card to register at the annual meeting.

**Oakdale Electric Cooperative**  
**ANNUAL MEETING**  
**Saturday, March 24, 2018**  
**Tomah High School, Tomah, WI**

**9:00 a.m.**  
**Registration begins**

**10:00 a.m.**  
**Business Meeting**

**Lunch  
served  
following  
the  
meeting.**

**Drawing for  
Five FREE \$100 Electric  
Bill Credits**

**Attending members will receive a gift**

*Must be a registered voting member  
in attendance at the annual meeting.*