

A NEW TWIST

on our 85th
Annual Meeting

NEW MEAL • NEW TIMES

NEW MEETING LENGTH

And meet our
NEW GENERAL MANAGER

Saturday, March 21
Tomah High School

7:30 – 9:30 a.m.

Registration & Breakfast. Register for Annual Meeting then enjoy a meal of pancakes, sausages, eggs, coffee, milk, juice, and sweet treat.

Bill Credit Gift. Receive a \$10, \$20, \$50, or \$100 bill credit on electric account. One per member number. Member must stay for the duration of the Annual Meeting for the bill credit to be valid.

9:30 – 10:30 a.m.

Annual Meeting & Director Elections. Learn about co-op business, vote on a bylaw amendment, and elect two directors by a ballot vote.

Meeting Length. The Annual Meeting will be kept to 60 minutes.



**Oakdale Electric
Cooperative**

Your Touchstone Energy® Partner 

2020 ANNUAL MEETING NOTICE

The Annual Meeting of Members of Oakdale Electric Cooperative will be held at 9:30 a.m., Saturday, March 21, 2020 at the Tomah High School Auditorium in Tomah, Wisconsin, with registration beginning at 7:30 a.m.

Action will be taken on the following:

ANNUAL MEETING OF MEMBERS Saturday, March 21, 2020 — 9:30 A.M. Call to Order

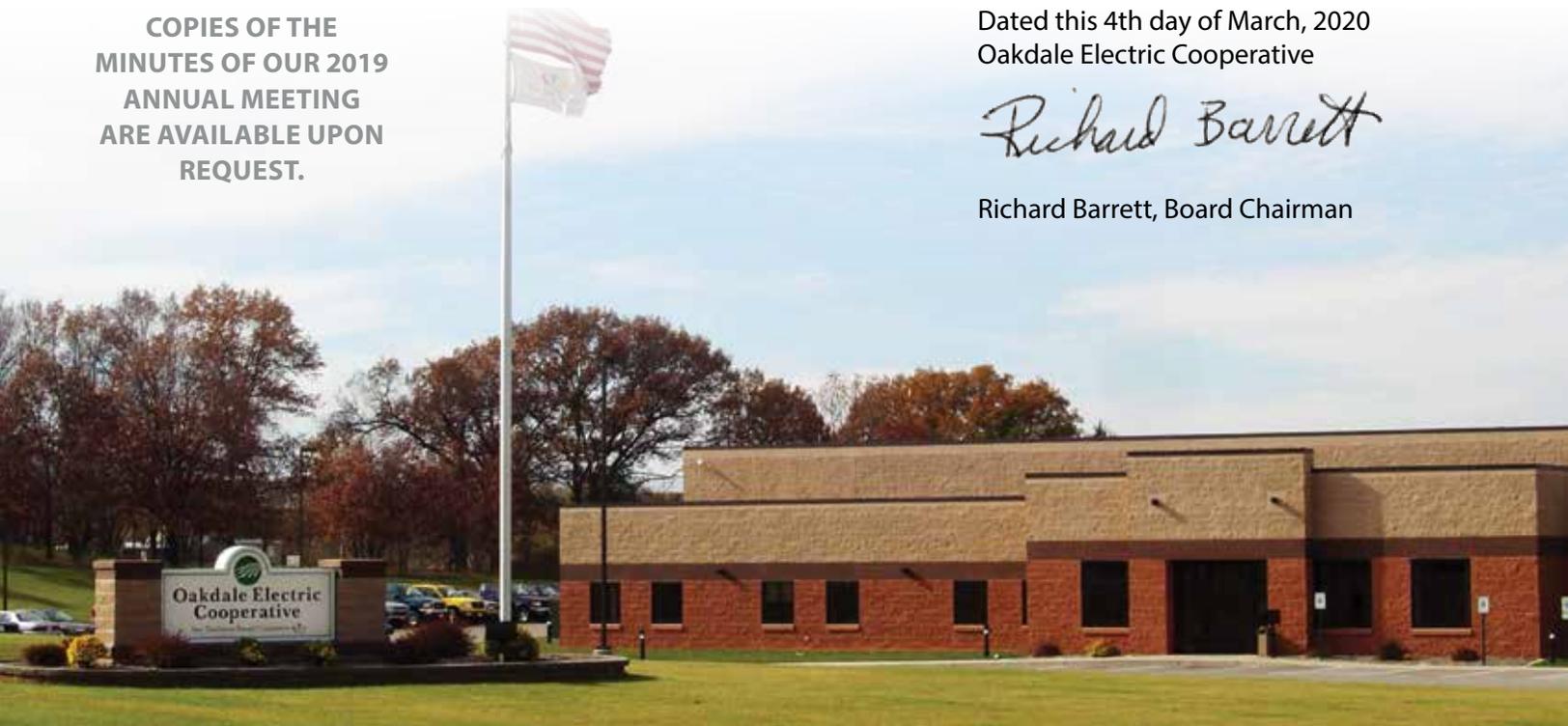
1. Reading of the notice of the Meeting and proof of the due publication of mailing thereof.
2. Reading of the unapproved minutes of last year's meeting of the members and taking of necessary action thereon.
3. Election of a Director from District #1 (Comprised of the Townships of City Point, Hiles, Dexter, Cranmoor, Remington, Port Edwards, Finley, Armenia) for a three-year term to fill the vacancy caused by the expiration of the term of Robert Hess, 9748 Hoffman Road, Pittsville, WI 54466.
4. Election of a Director from District #7 (Comprised of the townships of Lyndon, Dellona, La Valle, Winfield, and Reedsburg) for a three-year term to fill the vacancy caused by the expiration of the term of Ronald Churchill, E6089 County Road F, Reedsburg, WI 53959. (Incumbent director not seeking re-election.)
5. Presentation and consideration of, acting upon reports of officers, directors and committees.
6. Consideration of the adoption of amendment to the Cooperative Bylaws.
7. Such other business, regular or special, which may come before said meeting.
8. Adjournment

**COPIES OF THE
MINUTES OF OUR 2019
ANNUAL MEETING
ARE AVAILABLE UPON
REQUEST.**

Dated this 4th day of March, 2020
Oakdale Electric Cooperative



Richard Barrett, Board Chairman



Saturday, March 21, 2020 Tomah High School, Tomah, WI

ANNUAL MEETING PROGRAM

- 7:30 a.m.** Registration of Members
- 9:30 a.m.** Business Session
 - Meeting Called to Order – Richard Barrett, Board Chairman
 - 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
 - Director Election Process – Attorney Andrew Parrish
 - District #1
 - District #7
 - Treasurer’s Report – James Van Wychen, Treasurer
 - Chairman’s Report – Richard Barrett
 - General Manager’s Report – Christopher Tackmann
 - Proposed Bylaw Amendments – Attorney Andrew Parrish
 - Any Other Business
 - Adjournment

Breakfast served prior to Annual Meeting.



MESSAGE FROM YOUR GENERAL MANAGER & BOARD CHAIRMAN

We are entering a new decade with many chapters in Oakdale Electric's history ending and the beginning of many others. As many of you know, Bruce Ardelt retired as General Manager of Oakdale Electric Cooperative in January 2020. We are proud to have had Bruce on our team and in our Co-op family. We thank Bruce for his years of commitment and service to Oakdale Electric.

Looking back on the challenges and opportunities of this past year, we have worked hard to offer innovation and integrity across all levels of service, programs and community outreach.

2019 was another strong year for the sale of electricity to the members of Oakdale Electric. The co-op's annual kWh sales surpassed more than 359 million kilowatts. These climbing kWh sales directly impact the co-op's rate structures and have allowed for rates to remain steady.

Weather proved to be challenging to our community this past year. Severe storms in July caused widespread damage to the northern part of our system in Wood and Juneau counties. Our crews then worked alongside crews at two other cooperatives to restore service to members, a perfect example of teamwork and cooperation among cooperatives. In all instances, we thank our members for their patience, the community for its support, and especially our line workers and office personnel who worked so hard to restore power.

New technology aids in how fast we identify problems to repair. New mapping and communication tools along with OEC's new AMI meters give crews a more in-depth view of our infrastructure in the field. The new technology also improves our crews' safety, work flow and production levels. The AMI infrastructure enables us to better manage the system day to day by providing power quality data and other important information.

It also provides members with more detailed information about their energy use through our SmartHub member access portal. Additionally, in an effort to improve communications with our members, Oakdale Electric is excited to launch an outage notification system. You are now able to have a text message notification when you lose power and when our system shows power is restored. We are also able to share up-to-date information on our outage map on our website.

When Oakdale Electric line crews are dispatched to remote locations or outage areas, they need to be able to talk to each other and to system operators so they can identify where faults are located and fix problems. To do that, we rely on a two-way radio system. This past year Oakdale

Electric's analog mobile radio system was upgraded to digital technology in October, greatly improving communication and connectivity in our service area.



Chris Tackmann *Rick Barrett*

2019 was a busy construction year for your cooperative. We invested almost \$5 million in new construction, upgrades of electric lines and 245 new services. The 2020 capital budget calls for us to invest another \$4.3 million to improve our system.

We continue to have an aggressive capital credit retirement schedule. During 2019 Oakdale Electric returned almost \$1.3 million in Capital Credits to our members. Additionally, external auditors gave Oakdale another clean report regarding our financial systems and controls.

Safety has always been a priority at Oakdale Electric Cooperative, that is why it was important for us to join in the nationwide Commitment to Zero Contacts initiative. Having a strong culture of safety at the co-op helps reduce accidents and ensures that all of our employees get home safely.

While there were many changes in 2019 and in early 2020, our commitment to you, our members, has not and will not change. It is obvious that working together is key to our success as a cooperative – and that's why you are an important part of the cooperative business model. Without your support, your feedback, and your appreciation, Oakdale's success would not be possible.

In this report you will find a summary of the proposed changes to Oakdale Electric's bylaws. The proposed amendment would change the means to obtain nominees for the Board of Directors. The first few paragraphs on page 5 will give you an overview of the changes being proposed.

We hope to see you at our 85th Annual Meeting on Saturday, March 21. The business meeting starts at 9:30 a.m., but please come early for a pancake breakfast starting at 7:30 a.m.

Christopher Tackmann
General Manager

Richard Barrett
Board Chairman

BOARD OF DIRECTORS



Robert Hess (1)



James Van Wychen (2)



Greg Eirschele (3)



Rick Barrett (4)



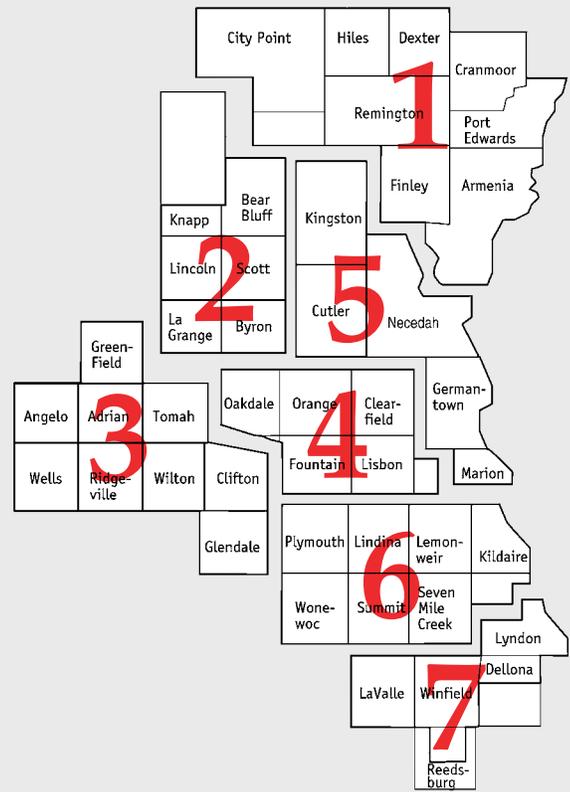
Martin Potter (5)



Jonathan Williams (6)



Ronald Churchill (7)



OAKDALE ELECTRIC COOPERATIVE 2020 PROPOSED BYLAW AMENDMENTS

This amendment proposes to amend Article III, Section 4(b) of the bylaws to change the means to obtain nominees for the Board of Directors. It will end the requirement that the Board of Directors appoint a nominating committee for each district for which a director is to be elected at a membership meeting. Under this amendment, nominations would only be made by petition signed by at least 15 members of the district that the director would represent on the Board. The explanation is provided below the language of the amendment.

Note: New material is underlined and bolded - e.g., add these words - and deletions are indicated by ~~delete these words~~. Explanation of the reasons for this amendment is included after the proposed amended language.

Amend Article III, Directors, Section 4, Districts, Nominations and Elections, to read as follows:

ARTICLE III DIRECTORS

Section 4. Districts, Nominations and Elections.

(a) Territorial Districts. The territory served by the cooperative shall be divided into a number of territorial districts equal in number to the number of directors of the cooperative. Each such district shall be composed of one or more continuous townships and each district shall contain as near as may be practicable the same number of members as each other territorial district. The territorial limits of such division shall originally be determined and may be changed from time to time by the board of directors but shall be subject to revision by the members at any membership meeting.

(b) Nominations. Nominations of candidates for director shall be by petition. To be valid, a petition shall be in a form designated by the Cooperative, shall designate the district the candidate resides in and is being nominated for, shall be signed by not less than fifteen (15) members residing in that district (with the signature of either or both joint or tenancy in common members counting as one signature), and shall be delivered to the Cooperative's principal office at least 90 days prior to the annual meeting. In the event no valid petitions have been filed by that date, the Board shall appoint a Nominating Committee from the members in the director districts for which directors are to be elected at the following annual meeting. In that event, the Nominating Committee shall use its best efforts to nominate one (1) or more qualified candidates for each director position up for election. The names of all nominees shall be set forth in the notice of the annual meeting. Not less than thirty nor more than one hundred twenty days prior to the date of the meeting at which directors are to be elected, the board of directors of the cooperative shall appoint a three-member nominating committee in each of the districts for which a director is to be elected at said meeting. The members of each of the nominating committees shall be members of the cooperative residing in the district for which a director is to be elected, and no director, officer or employee of the cooperative may be a member of such nominating committees.

The committee shall choose at least one director nominee from their respective district, such nominee to be a member of the cooperative residing in the district from which a director is to be chosen. Each of the committees on nominations shall prepare and file with the Secretary of the cooperative not less than 45 days prior to the meeting called for the purpose of electing directors, a list of the nominations so made as herein provided:

(c) Additional Nominations by Signature. Additional nominations to fill a director vacancy may be made over the signatures of fifteen or more members of the cooperative residing in a district for which a director is to be elected by filing such nomination over the signatures of such members with the Secretary of the cooperative not less than 45 days prior to the date of the meeting called for the purpose of electing directors. At the annual meeting the Secretary shall report the director nominees made as provided herein. Nominations for directors shall not be made from the floor at the time of the annual meeting.

(dc) The winner of the election for a director vacancy shall be the nominee receiving a plurality of the votes of the members voting thereon at such meeting. In the event of a tie, the tie shall be resolved, and the result determined, by the flip of a coin.

Explanation: This amendment would eliminate the requirement that the Board of Directors establish a Nominating Committee for every director election. Instead, all nominations will now be by petition, unless no valid petition for a district election is delivered to the Cooperative by the deadline. The Board of Directors proposes this change because there is an administrative burden to organizing nominating committees, and the Board has experienced difficulty finding members from each district willing to serve on the committee. Requiring all nominations to be made by petition should also empower members to be more involved in the election process.

In the event that no valid nominating petition for any district election is delivered to the Cooperative by the deadline, the Board will appoint a nominating committee to nominate one or more candidates for such district director position. This fallback measure is intended to ensure that there will always be a nominee for an open director position.

The amendment also changes the requirement that nominating petitions be delivered to the Cooperative's Secretary. The Board of Directors felt that it would be easier for members if they are directed to deliver nominating petitions to the Cooperative's principal office instead of directly to the Secretary.

The amendment also establishes a new deadline for nominating petitions to be delivered to the Cooperative. Currently, all petitions must be on file with the Cooperative at least 45 days prior to the annual meeting. However, it is necessary to increase the time for delivering nominating petitions to at least 90 days before the annual meeting to ensure that the Board has sufficient time to appoint a nominating committee if that becomes necessary and that the Cooperative can publish the nominees in the notice of annual meeting.

2019 YEAR IN REVIEW



Dan Kallies retired after 24 years, and mechanic, Dave Stelter, retired after 35 years of service.



Mechanic, Paul Gerke, was hired.



A certified monarch waystation, containing 96 native flowers and grasses, was planted at the co-op.

Scholarships totaling \$25,250 were awarded to local students, including Carter Hoag, to apply to their post-secondary education.



Dan McGarry accepted a promotion to Field Engineer.



Rachel Winrich and Heather Linenberg hosted a safety booth at Monroe County's National Night Out.



Ryan Betthausser was promoted to an Apprentice Lineman.



Operation Round Up® has awarded \$80,000, from member's spare change, since 2002.



General Manager, Bruce Ardelt, retired after 30 years of cooperative service. Ardelt is pictured with grandson, Cooper, and wife, Kim.



Todd Duncan retired after 33 years of employment.



Crews traveled to assist with power restoration at fellow cooperatives, Freeborn-Mower, Central Wisconsin, Alger Delta, following significant storm damage.





Deana Protz and Maribeth O'Dell volunteered at the Tomah VA Medical Center's Hero Games.



Community trees were planted to meet Tree Line USA Utility certification requirements.



Chris Tackmann became the 5th General Manager in Oakdale Electric Cooperative's 85 year history.



An 8 mile three-phase tie line, and total line re-build, between Clifton to Plymouth was completed.



Dalton Linzmeier and Quinten Reuterskiold, pictured with Operations Manager, Glenn Pampuch, received their Journeymen Linemen Certifications.



Journeyman Lineman, Ethan Benson, provided bucket rides at a community safety event.



A four mile three-phase line tie between Ocean Spray and Mather was built.



Donations were presented to 3 local community parks to assist with repairs from flood damage.



27 high school students attended the 56th Annual Youth Leadership Congress at UW-River Falls.



Electrical safety demonstrations were presented to 900 students in the Reedsburg and Wonevoc-Union Center School Districts.



Tomah Lions Club members served 1,100 pancake breakfast plates at Member Appreciation Day.





Top (Left to Right): Eric Flock, Tom Liddane, Jim Suzda, Matt Riggs, Quinten Reuterskiold, Bob Thompson, Dane Pasch, Ethan Benson, Kurt Starkey, Joe Engel, Stew Walters, Cory Johnson, Ryan Betthausser, Brock Brown, Josh Von Haden, Travis Moser, Andy Steele.

EMPLOYEES



Bottom (Left to Right): Paul Gerke, Mark Mercer, Dale Ludeking, John Ollendick, Roy Boyles, Todd O'Neil, Al Taylor, Shane Rowan, Cheri Ness, Travis Champlin, Kurt Spolum, Dalton Linzmeier, Heather Linenberg, Chris Tackmann, Tina Von Haden, Linda Pierce, Sherry Anderson, Lori Larsen, Maribeth O'Dell, Rachel Winrich, Deana Protz, Glenn Pampuch, Pat Eirschele, Dan McGarry, Ethan Thorson, Cherlyn Moseley, Sam Moseley. Not pictured: Chad Schauf, Ben Bella.

2019 FINANCIAL REPORT

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

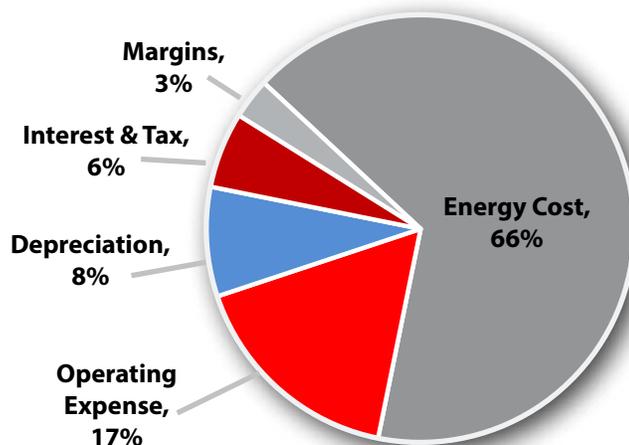
	<u>Dec. 31, 2019</u>	<u>Dec. 31, 2018</u>
OPERATING REVENUE		
ELECTRIC SALES REVENUE	\$ 39,817,268	\$ 39,395,463
OTHER ELECTRIC REVENUE	148,808	130,931
TOTAL OPERATING REVENUE	<u>39,966,076</u>	<u>39,526,394</u>
OPERATING EXPENSES		
COST OF POWER	26,478,379	25,512,841
DISTRIBUTION EXP-OPERATIONS	1,761,902	1,555,608
DISTRIBUTION EXP-MAINTENANCE	2,060,895	2,406,862
ADMINISTRATIVE & GENERAL EXPENSE	2,852,259	2,722,085
DEPRECIATION EXP	3,301,835	3,055,179
TAX EXPENSE	420,712	456,602
INTEREST ON LONG TERM DEBT (CFC)	1,830,474	1,729,368
OTHER	40,843	29,167
TOTAL COST OF ELECTRIC SERVICE	<u>38,747,299</u>	<u>37,467,712</u>
OPERATING MARGINS	1,218,777	2,058,682
NON-OPERATING MARGINS	331,248	271,465
DPC CAPITAL CREDITS	950,690	474,074
NET MARGINS	<u>2,500,715</u>	<u>2,804,221</u>

BALANCE SHEET

ASSETS		
NET UTILITY PLANT	\$ 72,478,846	\$ 69,176,673
NON UTILITY PLANT	20,796	26,389
LONG-TERM INVESTMENT	17,379,802	16,515,568
CASH & TEMPORARY INVESTMENTS	532,393	358,915
ACCTS RECEIVABLE	2,933,046	3,219,557
MATERIALS & PREPAYMENTS	828,543	824,093
OTHER ASSETS & DEFERRED DEBITS	1,286,811	1,497,903
TOTAL ASSETS	<u>95,460,237</u>	<u>91,619,098</u>
LIABILITIES & EQUITY		
PATRONAGE CAPITAL	41,796,702	40,611,416
CONSUMER DEPOSITS	244,522	237,110
LONG TERM DEBT	43,513,293	41,159,717
ACCOUNTS PAYABLE	3,001,163	2,881,181
OTHER CURRENT LIABILITIES	6,904,557	6,729,674
TOTAL LIABILITIES & EQUITY	<u>\$ 95,460,237</u>	<u>\$ 91,619,098</u>

2019 EXPENSES

Where your \$\$ went...



Our 2019 financial records and the reports contained herein have been audited by Bauman Associates, Ltd., Eau Claire, WI.

Dairyland Power Cooperative: #FutureReady for 2020 and Beyond

The energy industry is transforming rapidly, and in many ways. For 2020, Dairyland Power Cooperative, our wholesale power cooperative, has adopted a #FutureReady initiative that focuses on strengthening safety programs, further diversifying energy resources, modernizing internal systems and ensuring competitive rates.

Several business initiatives to be implemented in 2020 will help achieve Strategic Imperatives that were established previously by the Board. The top *Future Ready* priorities focus on enhancing efficiency today and positioning Dairyland for future success.

Sustainable Generation Plan – The Sustainable Generation Plan is a key broad strategic effort to ensure that Dairyland is best positioned to serve our members for generations to come. Dairyland is preparing for the transformation of energy resources by strategically developing power supply plans, determining future energy mixes and anticipating members’ long-term needs.

A major component of the Sustainable Generation Plan has been evaluating how long Dairyland should continue to operate existing assets. In January, the difficult decision was made to retire the 345 MW coal-fired Genoa Station #3. After over 50 years of safe operation, the G-3 generation station will be closed when the contracted fuel supply is depleted sometime between June and December of 2021. Meanwhile, the Dairyland team will focus on the continued safe operation of G-3, and the impacts of the closure on employees and their communities. Human Resources programs are in place to help ensure a smooth, safe and economical transition to plant retirement.

Oakdale Electric Cooperative is one of 24-member distribution cooperatives that receive power from Dairyland Power Cooperative, which is headquartered in La Crosse, WI. The Dairyland system serves over 255,000 meters across our region providing the benefits of electricity to nearly 600,000 consumers. I’ve had the privilege of being a director of Oakdale Electric Cooperative for eighteen years and have been honored to serve as your representative on the Dairyland Board for four years.

Dairyland announced two major renewable energy investments in 2019: a power purchase agreement (PPA) with Ranger Power for the 149 MW Badger State Solar facility (Wisconsin) and a PPA with Avangrid Renewables for the proposed 52 MW Tatanka Ridge Wind energy facility (South Dakota). The Badger State Solar facility received approval from the Public Service Commission of Wisconsin in January.

Other recent additions to Dairyland’s renewable energy portfolio include the 98 MW Quilt Block Wind Farm (PPA with EDP Renewables) and 80 MW Barton Wind Farm (PPA with Avangrid Renewables). In addition, 18 new solar energy facilities are online in the Dairyland system (PPAs with ENGIE and groSolar).

DAIRYLAND POWER COOPERATIVE DIRECTOR REPORT

As Dairyland transitions to a low-carbon future, safety, reliability and competitiveness will remain at the forefront. The proposed Nemadji Trail Energy Center in Superior, WI is integral to the Sustainable Generation Plan. It will serve as the “power behind the power”, supporting our renewable energy investments. It will provide reliable and competitively-priced power when the wind isn’t blowing and the sun isn’t shining. The 625 MW combined-cycle natural gas facility is scheduled to be in service by 2025.

Competitive Service – Ensuring that rates and services are competitive is critical to the economic well-being of the region. The wholesale power rate is what Dairyland charges our cooperative to generate and deliver power to our local substations. In December, the Board approved a new wholesale rate design, which will go into effect in May 2021. The Task Force developed a *Future Ready* rate to allow all of Dairyland’s members, including Oakdale Electric Cooperative, to reliably and innovatively serve our consumer-members.

Financial Strength – Maintaining financial strength and competitive access to capital are critical elements in delivering on Dairyland’s strategic plans. Dairyland’s Board and management constantly work to balance building financial strength with competitive rates and sound operations.

Growth – Dairyland staff are working with its members to support economic development opportunities that will help communities grow by adding businesses and jobs. Innovative beneficial electrification strategies, including electric vehicle charging stations, are also a focus.

Safety Culture – Safety of employees, members and the public are the highest priority at Dairyland. Employees continue to educate, promote and maintain a culture of safety as they strive for an operational goal of “zero incidents.”

Operational Excellence – The reliable performance of Dairyland’s power plants and transmission system is a 24/7 priority. The men and women who operate and maintain Dairyland’s facilities are focused on safety, while holding high standards for reliable operations. Dairyland owns and operates about 3200 miles of transmission lines. Transmission construction crews work to safely rebuild, construct and upgrade approximately 50 miles of 69 kV transmission line each year.

Dairyland will have a significant transition in mid-2020 with the retirement of Barb Nick, President and CEO. As the Board seeks Dairyland’s next leader, thoughtful strategic planning will guide Dairyland to be *Future Ready* and provide **safe, reliable** and **sustainable** electricity that remains **affordable** for members of Oakdale Electric Cooperative.

Robert Hess



**Oakdale Electric
Cooperative**

Your Touchstone Energy® Cooperative 

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**LOOKING FOR A SIMPLE
WAY TO GIVE BACK TO
YOUR COMMUNITY?**



**Yes, sign me up for
Operation Round Up®!**

(03-21-20)

IMPORTANT REGISTRATION CARD ↑

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

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on our 85th
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**Oakdale Electric
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**ANNUAL
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Registration &
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**9:30 a.m.
Business
Meeting**

**Receive a \$10, \$20, \$50, or \$100 bill credit.
One per member number.**

***Member must stay for the duration of the
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