

Since 1940

WISCONSIN ENERGY *Cooperative* NEWS

March 2022

85th ANNUAL MEETING

Saturday, April 9 • Youth & Ag Building, Lancaster



CENIC RIVERS ENERGY COOPERATIVE

Your Touchstone Energy® Cooperative 

NOTICE OF ANNUAL MEETING

Scenic Rivers Energy Cooperative

April 9, 2022

GRANT COUNTY YOUTH AND AGRICULTURE BUILDING LANCASTER, WISCONSIN

The 85th Annual Meeting of the members of the Scenic Rivers Energy Cooperative will be held at the Grant County Youth & Agriculture Building in the City of Lancaster, Wisconsin, beginning at 9:30 o'clock a.m. on Saturday, the 9th of April 2022, to take action upon the following matters:

1. Determination of quorum.
2. Approval of minutes of 2021 annual meeting.
3. Election of three (3) directors, they being the directors to represent Districts 2, 6 and 7.
4. Unfinished business.
5. New business.
6. Adjournment.

Dated this 10th day of March, 2022.



Chuck Simmons, Chairman

Cover photo taken by SREC member
Maureen Prestbroten, Blanchardville.

TWO WAYS TO TAKE PART IN SREC'S ANNUAL MEETING

Pursuant to our bylaws, we are required to hold our Annual Meeting during the first six months of each calendar year.

This year, we will provide members with two options in which to attend the 85th Annual Meeting.

- **Members may attend in person.**

The in-person site will be at the Youth and Ag Building, located at the Grant County Fairgrounds. Registration on site will begin at 9:00 a.m. and the meeting will begin promptly at 9:30 a.m. Students applying for a scholarship must attend the meeting in person to ensure uniformity and consistency in the awarding of these scholarships. Masks are required to attend the meeting in person.



- **Members may attend virtually.**

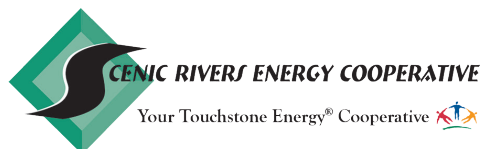
Using the same technology as last years' virtual meetings, members will need to pre-register at www.sre.coop/annualmeeting2022. Be sure to have your billing account number handy when you register. Upon registering, you will receive an email with a link to the April 9th meeting. Save your email with the link! On the morning of April 9th, log in to attend the meeting using the link provided. Documents, visual presentations, and all meeting information will be available to the members attending our meeting virtually.



Please note that voting for directors and the Bylaw Amendments will only be by absentee signed (mail) ballots or ballots cast in person at the meeting. Voting on other matters will only be in person at the meeting; and no online voting option will be provided. Please also note that scholarship applicants cannot attend the meeting virtually, but must attend in person.

Our Annual Meeting will include elections of Board Members; the Audit Committee and Treasurer's report; addresses from our CEO and Chairman; the awarding of scholarships; and drawing of door prizes. Students who have applied for our annual scholarships will need to attend the Annual Meeting in person. Upon registering in person at the meeting site, students will be entered into the scholarship drawing.

We hope that you will join us for our 85th Annual Meeting. Give us a call at 800-236-2141 x554 to speak with Judy Mims regarding the Annual Meeting. If you have questions about Scholarships, please contact Carrie Olmstead at x556.



RULES OF ORDER FOR OFFICIAL BUSINESS MEETING

1. The meeting will be conducted in accordance with the current edition of Robert's Rules of Order Newly Revised and under the following special Rules of Order.
2. Members wishing to speak are to give their names and the districts or towns in which they are members and will be recognized by raising their hands.
3. Only members will be allowed to speak for two minutes on each issue and for one time only, except that an additional two minutes may be granted with the approval of the membership present.
4. Voting for directors and bylaw amendments shall only be by absentee signed ballots or ballots cast in person at the meeting. Voting to approve other motions or resolutions and on any parliamentary procedural matters shall only be in person at the meeting and shall be by unanimous consent or by majority vote, (unless otherwise required by law or Robert's Rules of Order), with a show of voting cards. An online voting option will not be provided.
5. In the interest of time, the Board-appointed, disinterested persons may begin counting the absentee signed ballots prior to when balloting is closed.
6. Any member wishing to reserve the right to present an advisory resolution at the Annual Meeting on matters relating to the business of the Cooperative shall deliver a copy of the proposed resolution to the Cooperative at least five (5) business days prior to the meeting, that is, not later than close of business on April 1, 2022, so as to allow consideration of the proposed advisory resolution and determination of what information should be presented to the membership for an informed decision on the issue.
7. No signs or handouts will be permitted within the place of the meeting, except such handouts as required for the official conduct of the Annual Meeting. No handouts or advertisements made available outside of the meeting location will use the name of the Cooperative, its letterhead or logo to imply that the Cooperative supports or opposes any candidate for director or any resolution or any position on any issue.
8. No demonstrations shall be held within the place of the meeting.
9. The Cooperative reserves the right to limit in person attendance if and to the extent it is necessary to comply with any state or local regulations or orders governing large meetings.

Everyone who attends the
annual meeting in person will
be required to wear masks.



ANNUAL MEETING PROGRAM

April 9, 2022

9:00 a.m.

- Registration Begins

9:30 a.m.

- Meeting called to order
- Invocation
- Introduction of Directors and Guests
- Determination of Quorum
- Minutes of the last Annual Meeting
- Election of Directors
- Audit Committee Report
- Treasurer's Report
- DPC Report
- CEO Report
- Unfinished Business
- New Business
- Prize Drawings
- Scholarship Winners
- Election Results
- Adjournment
- Lunch as a to go box

We will be drawing the scholarship and prize winners at the end of the meeting.

- Scholarship Drawing

Winners must be present to win.

- Prize Drawing

This is for members who mailed in their ballots. They do not need to be present either on site or virtually to win. The winners will have their certificate applied directly to their electric bill.

- Six (6) \$50.00 certificates

- Prize Drawing

To enter, members must be present to win either on site or virtually. The winners will have their certificate applied directly to their electric bill.

- One (1) \$100.00 certificate
- Three (3) \$50.00 certificates
- Ten (10) \$25.00 certificates

- All members who attend either in person or virtually will receive a \$5 bill credit on their next monthly statement.



**Chuck Simmons,
Chairman**

CHAIRMAN'S REPORT

Protecting our rural interests through ACRE

As chairman of the board of directors of Scenic Rivers Energy Cooperative, I'd like to extend to you all a warm welcome to the cooperative's annual meeting on April 9. And I do mean warm—as you recall, last year's annual meeting was held

outdoors due to COVID, and although it was wonderful to see everyone after months spent mostly apart, it was, unfortunately, a bit chilly.

This year, however, we'll be back inside the Youth and Ag Building, with proper precautions observed, of course. We're also offering a way for members to follow the meeting electronically, so you can choose whichever option you're most comfortable with.

We've come a long way since last year, when the pandemic had upended life as we know it, but there was a silver lining. In order to keep the power flowing uninterrupted through all the challenges, we were forced to think outside the box and find new ways of doing things. We did so successfully. Thanks to our employees' willingness and ability to adapt, your electric service remained certain, even in very uncertain times.

I'd like to say all of the pandemic-related challenges have now passed, but of course we know that's not true. The kinks in the supply chain that have been wreaking havoc all over have hit us at the cooperative too; you can read more about that in CEO Steve Lucas' message on the facing page.

Also, with every administration turnover, there are shifts on the legislative and regulatory front. The issues that turn up in both our state and national Capitol may sometimes seem very far away and, especially in today's politically divided climate, not something anyone really wants to think about. But decisions made in Madison and Washington, D.C., have a huge impact on our cooperative

and, ultimately, on your rates.

That's why we've always put a lot of effort into building strong relationships with our legislative representatives at both the state and national level. It's important to help our lawmakers understand how their decisions will affect us here in rural Wisconsin. We communicate regularly with our representatives, whether it's through larger, cooperative efforts organized by our national and state service organizations or by simply picking up the phone and calling our representatives when we want to talk.

It's also important to elect and re-elect people who understand the concerns of electric cooperatives and the rural Americans they serve. We have a vehicle in place that allows us to participate in that effort. The Action Committee for Rural Electrification (ACRE) is the federal political action committee of the nation's electric co-ops. It's a grassroots initiative voluntarily supported by more than 35,000 individuals nationwide, including me and other directors and leaders from SREC.

While the money raised through individual ACRE contributions and fundraising events such as our statewide association's annual ACRE auction—an event I enjoy helping out with each year—is distributed to individuals, ACRE is really supporting issues. There are a lot of issues that divide us right now, but when it comes to rural America there are also a lot of issues we can all agree on. Rural communities need affordable, reliable energy; a robust economy with good-paying jobs; dependable broadband service.

Our engagement with our legislative representatives helps ensure that those leaders who make decisions about where funds will go understand not only the issues that are important to us, but also the most effective ways to tackle them. Our participation in ACRE helps ensure those are the leaders who stay in office.

*It's important to
help our lawmakers
understand how
their decisions will
affect us here in
rural Wisconsin.*



Steve Lucas, CEO

CEO'S REPORT

Dealing with disruptions in the supply chain

It's 2022, but in some ways it feels like it's 2020, II. We've been living with this pandemic for over two years now, and while some of the challenges it brought in the beginning have subsided somewhat, they've also given way

to new challenges. I'm very pleased to report that Scenic Rivers Energy Cooperative had a very good year in 2021, but we've had to be nimble in adjusting to the pandemic-related issues that continue to emerge.

Chief among those issues today is that of supply chain disruptions. As the virus first took hold in this country and then later mutated into two very contagious variants, it led to labor shortages in manufacturing as well as areas that are key to moving materials along smoothly, including warehousing and trucking. At the same time, the pandemic caused changes in Americans' purchasing habits that put an added burden on production of certain goods. The resulting imbalance of supply and demand is affecting product availability and driving up prices.

We've all seen and experienced this. All you have to do is go to the grocery store to see how the cost of food keeps going up, or attempt to undergo a home project that gets stalled as you wait...and wait...and wait some more for all the necessary materials to arrive.

It's no different for us at Scenic Rivers. We depend on a lot of different materials to keep the lights on in your homes, farms, and businesses. To ensure we always have what we need to keep the power flowing, we've always ordered a regular supply of necessary equipment and goods, enough to last us an entire year.

Take transformers, for example. Those are the cannister-like apparatuses mounted on electric poles, or, in the case of underground transformers, the equipment kept safely inside those big green boxes. Transformers play an important role in the safe distribution of electricity by stepping down the voltage used in the distribution line to the level used by the consumer. When properly maintained, they last a very long time, but factors including lightning strikes, moisture, and corrosion all take their toll.

Through regular inspection and careful evaluation of our building plans, we determine how many new transformers we are likely to need and typically order them in October so we have them on hand at the start of the new year. Today, however, thanks to the same factors that are causing the

backlog of your home project supplies and other goods, there's about a 60-week gap of time between order and receipt.

This means we've had to rethink how we keep ourselves supplied with what we need to provide safe, reliable electric service. In the case of transformers, we've already placed our order for 2023.

Utility trucks are another example. We maintain our own trucks to help keep costs down, but eventually a truck simply needs to be replaced. However, an order for a new truck now comes with a lead time of up to a year and a half. Even the parts needed to maintain our trucks can be hard to come by.

Fortunately, for SREC, rising costs have been mitigated somewhat by all the cost-cutting measures we took before these pandemic-caused challenges hit.

Not only that, they're coming at increasingly higher prices, just as pretty much everything else is, from a gallon of milk to a gallon of gas.

Fortunately, for SREC, the pinch of rising costs has been mitigated somewhat by all the cost-cutting measures we took before these pandemic-caused challenges hit.

Those measures included refinancing our debt in the years before the pandemic, when interest rates were at historic lows. This move significantly lowered our debt portfolio.

We've also benefited from good timing when it comes to major projects like our new headquarters building. This project got underway before interest rates went up and material availability went down. Because of this and other cost-control measures, I am happy to report that we will not be experiencing a rate increase this year despite the rising costs in other sectors.

However, these pandemic-related issues aren't going away any time soon, and keeping them in check becomes more and more challenging.

These are uncertain times for sure, but keep in mind that they won't last forever. We will continue to do all we can to control costs and keep the impact of supply-chain blocks, inflation, rising interest rates, and any other challenges that turn up as low as possible. Together, we will—finally—get through this.

SCENIC RIVERS ENERGY COOPERATIVE

2021 FINANCIAL STATEMENTS

Unaudited COMPARATIVE BALANCE SHEET

	12-31-20	12-31-21
Total Utility Plant	\$ 83,923,140	\$ 90,393,354
Less Reserve for Depreciation	21,930,633	23,424,855
Utility Plant—Less Reserve	\$ 61,992,507	\$ 66,968,499
Inv. In Associated Organizations	\$ 14,259,993	\$ 15,620,918
Other Investments	8,390,131	4,391,233
Total Investments	\$ 22,650,124	\$ 20,012,151
Account Receivables	\$ 2,389,373	\$ 2,628,742
Materials & Supplies	452,235	536,887
Other Current Assets	417,657	391,220
Total Current Assets	\$ 3,259,265	\$ 3,556,849
TOTAL ASSETS	\$ 87,901,896	\$ 90,537,499
Long Term Debt-RUS	\$ 37,759,401	37,028,767
Long Term Debt-CFC & Co Bank	2,210,527	1,046,132
Current & Accrued Liabilities	3,436,866	4,297,056
Consumer Deposits	234,976	227,534
	\$ 43,641,770	\$ 42,599,489
Patrons Capital & Oper. Margins	\$ 40,673,377	\$ 43,326,042
Other Margins & Equities	3,586,749	4,611,968
	\$ 44,260,126	\$ 47,938,010
TOTAL LIABILITIES & EQUITY	\$ 87,901,896	\$ 90,537,499

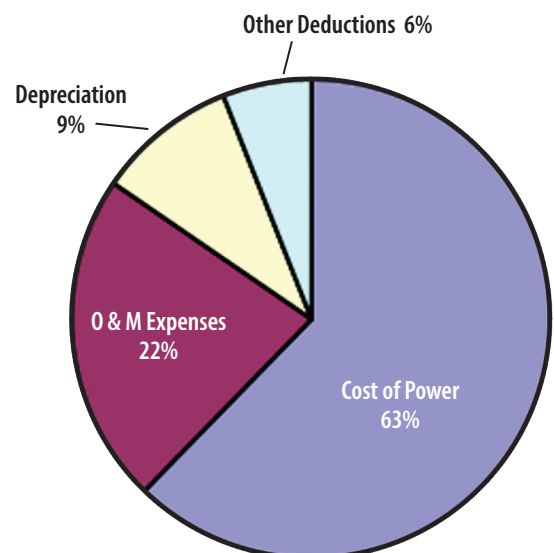
Unaudited COMPARATIVE OPERATING STATEMENT

	12-31-20	12-31-21
Operating Revenues	\$ 29,873,727	\$ 29,845,201
Cost of Power	\$ 18,353,108	\$ 17,918,689
Operations and Maintenance	3,915,680	4,089,394
Consumer Accounts	295,429	267,283
Consumer Service & Information	261,667	257,977
Sales Expense	68,455	76,122
General & Administrative	1,722,598	1,714,326
Total Operations & Maintenance Expense	\$ 24,616,937	\$ 24,323,791
Depreciation	\$ 2,646,653	\$ 2,714,823
Taxes	367,147	412,961
Interest	1,359,051	1,308,742
Other Deductions	2,566	1,388
Total Cost of Electric Service	\$ 28,992,354	\$ 28,761,705
Operating Margins	\$ 881,373	1,083,496
Non-operating Margins	508,853	1,663,492
Income from Equity Investments	(937)	(1,653)
Dairyland & Other Capital Credits	1,254,178	921,878
Total Margins	\$ 2,643,467	\$ 3,667,213

HIGHLIGHTS

	2019	2020	2021
Members Served	11,509	11,597	11,648
Miles of distribution line	3,512	3,528	3,523
Number of Substations	23	23	23
Connected meters	14,274	14,329	14,405
Density - meters per mile of line	4.05	4.06	4.09
kWh sold	227,164,846	222,661,228	225,983,518
Total energy sales	30,053,887	29,731,734	30,682,459
Ave. kWh usage per member, per month	1,645	1,600	1,617
Avg bill per member, per month	217.61	213.65	219.51
Full-time employees	36	36	35
Capital Credits returned to date (including estate settlements)	35,490,570	36,817,729	37,942,376
Service area	Grant, Lafayette and Crawford counties; part of Green, Iowa, Richland, Vernon in Wisconsin; Jo Davies and Stephenson in Illinois		
Board meeting day	Usually the last Thursday of the month		
Number of director districts	Nine		

2021 EXPENSES





Sandra Davidson

DAIRYLAND POWER

Dairyland Priorities: Safety, Reliability and Cost Management

With an overarching goal of sustainability, Dairyland Power Cooperative's leadership team and the board of Directors are focused on providing safe and reliable electricity for

Dairyland's 24 member cooperatives, including Scenic Rivers, while transitioning to a low-carbon future.

Dairyland's Sustainable Generation Plan provides a framework for **Asset Reliability and Energy Diversification**, considering the economic impact on members, technological feasibility, social implications, and environmental responsibility.

On June 1, 2021, Dairyland safely retired the coal-fired Genoa Station #3 (G-3). Decommissioning of the facility is in progress, with a focus on reuse and donations of materials that benefit the community. A study is also underway to find a positive future site plan for both Dairyland and the Genoa community.

Following the closing of G-3, Dairyland's purchase of the RockGen Energy Center, a 503 megawatt (MW) natural gas plant in Cambridge, was a strategic fit for its power supply portfolio. RockGen supports the growth of wind and solar energy in the region and provides reliable electricity in all weather conditions.

Renewable additions include the Tatanka Ridge Wind Farm (Deuel County, S.D.) which began operation in 2021. Dairyland has a power purchase agreement (PPA) to receive energy from a 52 MW portion of the wind farm. Dairyland also has a PPA with Ranger Solar for the 149 MW Badger State Solar facility (Jefferson), which is scheduled to be operational in 2023.

The regulatory approval process continues for the Nemadji Trail Energy Center. Basin Electric Power Cooperative has joined Dairyland and Minnesota Power as a project partner for the proposed 525-625 MW natural gas generation facility (Superior) which is planned to be operational in 2025.

Dedicated facility maintenance strengthens power plant reliability. In 2021, the John P. Madgett Station and Elk Mound Generation Station both set power production records, reliably serving Dairyland's members during extreme temperatures.

Nothing is sustainable without a culture of **Safety**, which remains the highest priority at Dairyland. In 2021, Dairyland achieved 245+ days without a lost-time injury as they strive for an operational goal of "zero incidents."

Financial and Competitive Strength are critical to sustainability. Dairyland balances building financial strength with ensuring competitive rates and sound operations.

The board approved a budget supporting Dairyland's strategic business plan, which resulted in an estimated 0.4%

percent decrease in the average wholesale rate for Dairyland's member cooperatives beginning Jan. 1, 2022. A new wholesale rate design was also implemented in May 2021 to provide additional flexibility for member cooperatives.

Cost management actions and sound 2021 fiscal performance resulted in strong margins. As a result, Dairyland provided \$4 million of rate credits to members in 2021, reduced future expenses, and is investing in business development opportunities. In addition, Dairyland maintained its cash retirement of capital credits of 2 percent resulting in 2021 cash retirements of \$4.7 million and had four power cost adjustments (PCA) credits totaling \$3.7 million. As part of its new rate design, Dairyland also instituted the revenue volatility adjustment (RVA). All told, the RVA returned an additional \$9.2 million to the members.

Dairyland has credit ratings of "A3" with a stable outlook from Moody's and "A+" also with a stable outlook from Standard and Poor's.

Dairyland is also investing in regional transmission opportunities. By working with other utilities, regional transmission infrastructure has been strengthened to absorb changing generation sources while maintaining reliability and adding value for members.

Transmission construction crews work to safely rebuild, construct, and upgrade approximately 50 miles of 69 kV transmission line each year.

The board supported accelerating the build-out plan for middle-mile fiber optic communications on Dairyland's transmission infrastructure, primarily for communication. As the program progresses, fiber optic communication capacity could support rural broadband service providers in the communities Dairyland and the other member co-ops serve.

Growth and Innovation foster sustainable business and long-term competitive rates for members. Dairyland has expanded shared services for members in information technology, human resources and publication services, and established a Business Development Fund to seek new revenue opportunities.

SREC and Dairyland were among 31 cooperatives to create CHARGE EV, LLC, in 2020, to build interest in the growth of electric vehicles (EV). The CHARGE™ network of cooperative-powered EV chargers is growing in rural areas. Additionally, Dairyland is working with local businesses to help them learn more about adding EVs to their fleets.

While Dairyland evolves, our **Cooperative Principles** and member satisfaction remain at the forefront. Dairyland is committed to transparent governance and strong relationships with members. As a Touchstone Energy® cooperative,

MEET YOUR DIRECTOR CANDIDATES

DISTRICT 2



Sandra Davidson

**10118 Skrede Road
Readstown, WI 54652**

Sandy and her husband, Ken, own a 200-acre organic farm and raise grass-fed beef in Clayton and Kickapoo townships. They have

been members of Scenic Rivers Energy Cooperative since 1978. They have two daughters, Heidi and Heather (Chad) Christianson, and two grandsons, Alden and Olen.

Sandy recently retired as a dietary manager. She is a member and pianist at the Soldiers Grove United Methodist Church, which is part of the BMZ (Boscobel/Mt Zion)

campus. She serves as the church secretary/treasurer and she is also active in the UMW (United Methodist Women).

Sandy has been a director of Scenic Rivers Energy Cooperative since the merger in 1999 with Crawford Electric, where she was elected as a director in 1984. Currently, she serves as the secretary/treasurer and also represents Scenic Rivers on the Dairyland Power Board. She is also active with the “Operation Round-Up” program at the cooperative and attends educational courses for directors through the NRECA.

Sandy stated, “I continue to be committed to providing reliable power at the lowest possible cost for you, the members. I will base my decisions on what is best for the members. I would appreciate your vote. Thank you.”



Al Buss

**S8293 Prestegard Rd
Readstown, WI 54652**

My name is Al Buss and I am asking for your vote in the upcoming director election.

I have over a decade of experience in municipal government as clerk for the Town of Kickapoo and have served on the Readstown Library Board since 2003.

My professional background includes over 20 years of web-based software development for clients ranging from dairy industry manufacturers, local businesses, and municipal governments. Before that I spent 19 years at a large printing company, working my way up from an entry level position. When I left that job, I was responsible for education and training in a department of over 700 employees.

I am a founding member and president of the Vernon County Energy District, a non-profit organization that is working to keep our energy dollars local.

I am currently working on a load management system to maximize the use of solar energy as it is generated. This system controls our EV charger (amperage, on/off), freezer, refrigerator, washer, water heater, and water trough heater. The impact of intelligently controlling these loads is already proving quite significant.

In my spare time I enjoy cycling and have done some extensive bicycle touring including circumnavigating all five of the Great Lakes.

My wife, Laura, and I live in Kickapoo Township in Vernon County and have been members of the Scenic Rivers Energy Co-op since 1998.

There are some massive shifts occurring in the energy business. Solar panels and battery storage are making it easier and cheaper for members to generate their own electricity. Wind and solar power are now much less expensive than coal and natural gas generation. Every car maker has committed to electric vehicles. Our co-op needs directors that are committed to meeting these changes thoughtfully and must be well informed while always remembering that they work for us, the co-op members.

By providing meaningful information and good policy our co-op can help members move from energy dependence to energy independence.



**Everyone who attends the
annual meeting in person will
be required to wear masks.**



DISTRICT 6

**Don Schaefer****5777 Stanton Road
Platteville, WI 53818**

Don has served on the board since April of 2010. During his tenure, Don has served as a board member and is currently the vice chairman. He

has taken his position very seriously and has participated in several continuing education classes to expand his knowledge. In 2014, he received his Credentialed Cooperative Director Certificate and in 2018, he received his Board Leadership Certificate. Don believes it is essential to learn as much as possible in order to make informed decisions to serve the Scenic Rivers Energy Cooperative members in an effective manner.

Don is a graduate of Potosi High School as well as Southwest Tech in the Farm Business Management Short Course. He served in the U.S. Navy during the Vietnam War. Don was raised on a dairy farm in Potosi and continues his passion for farming by raising Holstein steers. For the past 32 years (five as manager), Don has worked as an insurance agent at The Insurance Center in Platteville. He specializes in life, health, accident, cancer/critical illness and Medicare Supplement.

Don and his wife, Linda, reside in the Harrison Township in Grant County. They have three children and four grandchildren. In his free time, Don enjoys golfing, boating, and traveling. If re-elected, Don states that “I will continue to put forth extra effort to help the cooperative grow and be cost effective. It has been a pleasure to serve the community as a member of this board, and I welcome the opportunity to continue in this position.”

DISTRICT 7

**Lily Long****7939 County Road D
Platteville, WI 53818**

Life seems to always present new challenges and opportunities, and serving on an electric cooperative’s board of directors is certainly both of

those things for me. I am pleased to announce my candidacy for District 7 Scenic Rivers Energy Cooperative board. I am grateful to the members who signed my nomination form for their support to run as their representative. It was a great opportunity to get out and talk with friends and neighbors, to catch up on what’s been happening for them personally, and to hear their power concerns for the future.

I grew up in rural Platteville, not far from where I live now. My parents, Donald and Loretta Austin, owned a 200-acre farm. I along with my three siblings grew up milking cows, helping bale hay, and doing other farm chores. I graduated from Platteville High School and got my degree in accounting from the University of Wisconsin-Platteville. I worked for a private business for a few years and then the opportunity to teach accounting at Southwest Tech became available. I taught accounting classes there for 28 years and really loved my job. The students were wonderful and there were always new experiences. I retired from teaching in the summer of 2013.

I lived in Montfort for many years and my three children all attended and graduated from Iowa Grant. I had the privilege of serving on the Iowa Grant School Board for six

years. It was a learning experience that was both demanding and rewarding.

My husband, Kerry, and I put up a new home in Lima Township in 2009. We love our place in the country and living close to where we both grew up. We have wonderful neighbors, which is part of the reason I am running for this position. One of those wonderful neighbors, Larry Butson, served on the Scenic Rivers Energy Cooperative board for many years but felt he needed to resign his position to devote more time to his family. I agreed to an interview and this past summer was offered the position for the remainder of his term. Larry supports my candidacy and said, “I am very pleased to support Lily as our director in District 7. She is a farm girl with a strong working knowledge of financial reports. She is a very caring, dedicated, and accessible candidate that will represent us extremely well.”

My time on the board has been both challenging and enjoyable. My accounting background helps me understand the numbers, but I also have a lot to learn about cooperatives in general, and Scenic Rivers in particular. My experience of being on a school board has proven to be beneficial in understanding how board members need to work as part of a team, ask the right questions, and speak up when there are concerns.

I am running for a new term on the board because I care about my neighbors, and I want them to have a reliable and affordable source of power. I am also very concerned about the environment and the kind of world we will pass on to our children and grandchildren. If I am elected, I hope to find the right balance between those things. I would appreciate your vote.

PROPOSED BYLAW AMENDMENTS

Notes:

- [Blue and underlined](#) texts is proposed language to be added to the bylaws.
- ~~Red and struckthrough~~ texts is proposed language which would be deleted from the bylaws.

The Board of Directors unanimously recommends and is presenting these proposed bylaw amendments for the membership to consider at the 2022 annual meeting. The changes are summarized as follows:

- Language proposed in Article IV, Sections 1 through 4 would enable the Board of Directors to hold meetings remotely, as needed, either in conjunction with an in-person meeting, or exclusively as allowed by law.
- Language proposed in Article IV, Sections 5 and 6 address the use of the term absentee rather than mail-in ballots. The proposal further enables the Board of Directors to establish the means of voting as long as authentication procedures are met and all previous requirements are met.
- Language proposed in Article IV, Sections 7 and 8 address the Board of Director's responsibility in establishing the rules used to govern member meetings.
- Language proposed in Article V, Section 3 clarify voting and maintain continuity within the Bylaws regarding the voting procedures.
- Language proposed in the title of Article VI, Section 5 and Article X are grammatical only and do not substantially change the bylaws.

ARTICLE IV MEETINGS OF MEMBERS

Section 1. Annual Meeting

The annual meeting of the members shall be held during the first six months of each year, on a date and at such place within or conveniently adjacent to the general service area of the Cooperative, in the State of Wisconsin, [or by means of remote participation \(as an optional or the exclusive means of participating\) to the extent allowed by law](#), as shall be designated by the board of directors in the notice thereof, for the purpose of electing directors, passing upon reports covering the previous fiscal year, and transacting such other business as may come before the meeting. In the event the election of directors is not held at such annual meeting or adjournment thereof, the board of directors shall call a special meeting of the members for such purpose, to be held as soon thereafter as may be convenient. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

Section 2. Special Meetings

Special meetings of the members may be called by the Chairman, by resolution of the board of directors, or upon a written request signed by at least twenty percent (20%) of the members and it shall thereupon be the duty of the Secretary to give notice of such a meeting. Special meetings of the members may be held at any place within or conveniently adjacent to the general service area of the Cooperative, in the State of Wisconsin, [or by means of remote participation \(as an optional or the exclusive means of participating\) to the extent allowed by law](#), as specified in the notice of the special meeting.

Section 3. Notice of Member Meetings

Written or printed notice, stating the place [or means of remote participation, day](#), and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than seven (7) days nor more than thirty (30) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon default by the Secretary, by the persons calling the meeting, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at this address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

Section 4. Quorum

The number of members to constitute a quorum at a meeting of the members shall be fifty (50). If less than a quorum is present at any meeting, a majority of those present may adjourn the meeting, provided a new notice is mailed to each member, specifying the time and place [or means of remote participation of](#) such adjourned meeting.

Section 5. Voting

Each member shall be entitled to one (1) vote and no more upon each matter submitted to a vote at a meeting of the members. At all meetings of the members at which a quorum is present, all questions shall be decided by a vote of a majority of the members voting thereon at such meeting, except as otherwise provided by law, the articles of incorporation of the Cooperative, or these bylaws. Any member which is a cooperative, corporation, partnership, government body, church or voluntary association may, acting through its governing body, designate in writing its representative to act for it at membership meetings. Such written designation shall be filed with the Secretary before such representative votes at any such meeting, except that the chairman of any such corporation, association, board



or body politic may cast its vote at such meeting if no such written designation for any other representative is so filed. Such representative or officer may also vote as an individual if he is a member. A court appointed guardian of any member may vote on behalf of such member. Voting by ~~absentee~~ signed mail-in or electronic ballot shall be only as specifically authorized by the board of directors.

Section 6. Voting by ~~Absentee~~ Signed Mail-In or Electronic Ballot

The board of directors may require voting to be conducted in-person, by signed mail-in ballot, or by electronic means, or any combination of these procedures, subject to the following: 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:

- (a) If the Cooperative provides ballots for the vote on the motion to the members together with notice of the meeting at which the vote will be taken and exact copies of the motion and any resolution to which it pertains, an absent member may vote on the motion by submitting a signed ballot. If a signed ballot has been submitted on a motion under this paragraph, neither the motion nor any resolution to which it pertains may be amended.
- (b) If the Cooperative does not provide ballots and an exact copy of the motion or resolution to which it pertains to the members along with the notice of meeting, but makes available ballots for the vote along with exact copies of the motion or resolution to which it pertains, then a member may request a ballot and exact copy of the motion and may vote by submitting a signed ballot. However, if the board of directors authorizes in-person voting at the meeting, the motion and any resolution to which it pertains may be amended at the meeting and, if the motion or resolution is amended, the ballot is void. The ballot may not be counted on any motion to amend or adopt as amended the motion or resolution.
- (c) A sealed envelope bearing the signature of the member and enclosing a marked but unsigned ballot shall constitute a signed ~~absentee~~ ballot for purpose of this section.
- (d) ~~Absentee~~ Signed mail-in ballots shall be mailed or delivered to the Cooperative office so as to be received at the office not later than the close of business on the last business day before the day of the membership meeting.
- (e) If the board of directors authorizes in-person voting, ~~Should and~~ a member who has voted by ~~absentee~~ signed mail-in ballot attends such meeting in person, such member's ~~absentee~~ signed mail-in ballot shall be retained as his vote ~~unless he shall withdraw the same and elect to cast his ballot at the meeting~~.
- (f) Ballots for use in voting for directors shall be provided members along with the notice of meeting. Members may

vote by ~~absentee~~ signed mail-in ballot in accordance with the provisions of this section.

- (g) ~~Where absentee signed ballots are permitted, the~~ The board of directors may ~~similarly~~ permit electronic voting, either prior to or during the meeting or both, provided it has first adopted authentication procedures to govern such voting that in the board's judgment will reasonably ensure that it is the member who is casting the vote ~~and provided the vote is received by the Cooperative by the time set forth in (d), above. As with signed mail-in ballots, if the~~ board has authorized electronic voting to be conducted prior to the meeting and a member has cast an electronic ballot prior to the meeting and then attends the meeting in person, that electronic ballot shall be retained as his or her vote.
- (h) The failure of any member to receive a copy of any motion or ballot shall not invalidate any action which may be taken by the members at such meeting.

Section 7. Order of Business

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 follows:

- (a) Determination of quorum.
- (b) Approval of the minutes of the previous meeting or meetings of the members.
- (c) Election.
- (d) Presentation, consideration of, and acting upon, reports of officers, directors, and committees.
- (e) Unfinished business.
- (f) New business.
- (g) Adjournment.

The foregoing order of business may be changed by a two-thirds (2/3) vote of the members in attendance and voting at any such meeting. Unless the members by a two-thirds (2/3) vote of those in attendance and voting determine otherwise, and subject to such meeting rules as the Board may establish pursuant to Section 8, below, Roberts Rules of Order shall govern all other procedural matters.

Section 8. Annual and Special Meeting Rules.

The Board of Directors shall establish rules to govern the conduct of member meetings. The rules may include a deadline for members to submit any advisory resolutions relating to the affairs of the Cooperative that they plan to present at the next annual meeting, which deadline shall be communicated to the membership. Except as may be modified by the bylaws or by rules established by the board of directors, Robert's Rules of Order shall govern all procedural questions pertaining to member meetings.

ARTICLE V DIRECTORS

Section 3. Director Nominations and Election

- (d) Voting shall be by signed paper ballot or authenticated electronic ballot, if electronic voting is permitted. The board of directors may require that voting be conducted in-person, by mail-in ballot, by electronic means, or any combination of these procedures. Each member in the district where an election is to be conducted shall be provided with a ballot. If voting by mail-in ballot only is required, Ballots shall be signed and returned prior to the annual meeting to the election committee or such other disinterested third party as the board may designate. If voting is permitted to be conducted during the meeting in-person or electronically, or-ballots may be submitted at the annual meeting by those who have not voted prior to the meeting by mail-in ballot or electronically. Such designee shall accurately and faithfully count and tally the ballots received, and report the results of the election to the members in writing at the annual meeting. Each member entitled to vote may vote for one candidate. The ballot shall contain a space for the member to vote by inserting the name of one write-in candidate of the member's choice. The candidate receiving the most votes shall be the director of the district. In the case of a tie, the winner shall be decided by lot. The minutes of the annual meeting shall set forth, among other matters, the name of each person nominated, the number of votes received by each nominee, and the name of the person and the district to which the person has been elected for the ensuing term.

ARTICLE VI MEETINGS OF DIRECTORS

Section 5. Meetings Conducted through the Use of Communication Technology

ARTICLE X DISPOSITION OF PROPERTY

The Cooperative may not sell, mortgage, lease or otherwise dispose of or encumber all or any substantial portion of its property unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a meeting of the members thereof by the affirmative vote of not less than two thirds (2/3) of all of the members of the Cooperative ...

VOTING INSTRUCTIONS

For Districts 2, 6, and 7:

As a member of Scenic Rivers Energy Cooperative, you have the opportunity to elect a director for your district to represent your interests on the Board of Directors and vote on the proposed Bylaw amendments. Ballots are sent to your billing address with the names of all candidates in your district. For the ballot to be counted, please follow the step-by-step instructions below. If you mail in your ballots, you will automatically be entered in a drawing to win a \$50 credit on your energy bill! The drawing will take place during our annual meeting and you do not have to be present to win.

Or

For Districts 1, 3, 4, 5, 8 and 9:

The director seats in these districts are not up for election this year, so director ballots are not being provided to members in these districts. However, as a member of Scenic Rivers Energy Cooperative, you have the opportunity to vote on the proposed Bylaw amendments. The ballot is sent to your billing address. or the ballot to be counted, please follow the step-by-step instructions below. If you mail in your ballot, you will automatically be entered in a drawing to win a \$50 credit on your energy bill! The drawing will take place during our annual meeting and you do not have to be present to win.

And

Mail-in Ballot Instructions:

- 1) Mark how you wish to vote on the proposed Bylaws, and, if you are in Districts 2, 6, or 7, please also mark which candidate you want to represent your district.
- 2) Place the ballot inside the "Mail Ballot Envelope". (Please do not include your electric bill payment in this envelope since it will not be opened immediately.)
- 3) Seal the envelope.
- 4) Then insert that small envelope inside the return envelope with the co-op's address.
- 5) Seal the return envelope.
- 6) On the outside of the envelope, SIGN your name on the line stating "Member Signature" located at the upper left-hand corner of the envelope.

Ballots are only counted if you SIGN your outer envelope!

- 7) All ballots must be mailed or delivered so that the Cooperative office in Lancaster has received them by 4 p.m. on Friday, April 8, 2022.

Non-individual members of the Cooperative, such as churches, schools, cooperatives, governmental bodies or corporations, each must authorize a representative to vote at the Annual Meeting. Please contact our office if you did not receive/return an authorization notice.

Thank you for taking interest in the activities of your Cooperative.



2021 RETIREMENT



Larry Butson,
Director
11 years

YEARS OF SERVICE RECOGNITION

Jeff Roesch – 20 years
Eric Van Natta – 25 years
Jay Gardner – 25 years

NONDISCRIMINATION STATEMENT

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <https://www.usda.gov/oascr/how-to-file-a-program-discrimination-complaint> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for
Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov

Scenic Rivers Energy Cooperative is an equal opportunity provider and employer.

MINUTES OF THE ANNUAL MEETING

Scenic Rivers Energy Cooperative • Held on April 10, 2021

The 84th annual meeting of the Scenic Rivers Energy Cooperative (SREC) was held on Saturday, April 10th in person at 1625 Hwy 61 in Lancaster and via the internet due to the Covid-19 pandemic. Chairman Simmons called the meeting to order at 10:30 a.m.

Attorney Mary Beth Peranteau from Wheeler, Van Sickel & Anderson, S.C. proceeded with the business portion of the meeting. It was determined that there was a quorum, as 85 members were registered and present on site at the time the meeting was called to order. 37 members had registered in advance for the virtual presentation. 817 signed absentee ballots were cast in each of the 3 districts, as well.

Attorney Peranteau stated the Notice of Annual Meeting was printed in the annual report and posted at each SREC office. We received notarized proof of mailing from *Wisconsin Energy Cooperative News (WECN)* that the March 2021 issue of the *WECN* magazine contained a printed notice of the annual meeting.

The 2021 meeting rules of order were posted. Attorney Peranteau allowed members time to read and review the proposed rules of order. The members were asked to vote to approve the meeting rules of order, and the rules of order were approved unanimously.

Attorney Peranteau asked the membership to approve the previous annual meeting minutes held on May 23, 2020, as printed in the annual report on page 18 and posted during the meeting. The membership unanimously approved the minutes as printed and posted.

On behalf of the Audit Committee, Chairman Simmons reported on the fiscal year 2020 Audit Committee Meeting held on March 25, 2021.

Chief Financial Officer, Dawn Meade presented the

financial report that highlighted key points of interest in 2020 for SREC.

CEO Lucas presented his annual report on the state of the cooperative.

Attorney Peranteau explained that there was no unfinished business from the previous annual meeting. There was also no new business other than the election.

Attorney Peranteau then announced the results of the director elections, indicating that incumbents Chuck Simmons (District 3), Ellen Conley (District 4), and Steve Carpenter (District 8) were re-elected, by the following votes:

District 3

Chuck Simmons received 281 votes.
Chuck Fisher received 1 vote.

District 4

Ellen Conley received 226 votes.
Peggy Schmitt received 103 votes.
John Gander received 1 vote.

District 8

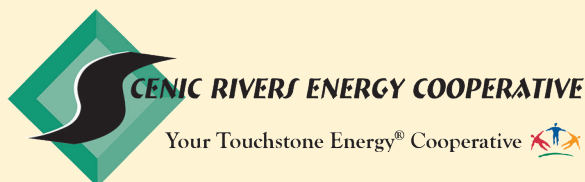
Steve Carpenter received 196 votes.
Jim Kautz received 1 vote.

Chairman Chuck Simmons announced the winners of the \$100, \$50, and \$25 door prizes.

Chairman Chuck Simmons announced the 52 recipients of the \$1,000.00 scholarships.

All registered members who were present at the Annual Meeting will receive a \$5.00 credit on their May statement.

Chairman Simmons asked for any further business— hearing none, the meeting was adjourned at 11:06 a.m.



Steve Lucas, CEO

231 N. Sheridan St.
Lancaster, WI 53813
lancaster@srec.net

300 Barth Drive
P.O. Box 127
Darlington, WI 53530
darlington@srec.net

15985 St. Hwy. 131
Gays Mills, WI 54631
gaysmills@srec.net

608-723-2121 • 800-236-2141 • www.sre.coop

Board of Directors

Chuck Simmons, Chairman
Donald Schaefer, Vice Chairman
Sandra Davidson, Secretary-Treasurer
Ellen Conley, Asst. Secretary-Treasurer
Lily Long, Director
Steve Carpenter, Director
Delbert Reuter, Director
Jack Larson, Director
Marcus Saegrove, Director



SREC OFFERS COLLEGE SCHOLARSHIPS

The Scenic Rivers Energy Cooperative Board of Directors will award 52 eligible students with \$1,000 scholarships at our 2022 Annual Meeting. Scholarships will be awarded via a drawing at the meeting held on Saturday, April 9, 2022, in person at the Grant County Youth & Ag Building in Lancaster. At the time of the meeting, applicants will be eligible to receive a scholarship by being either:

- A senior in high school; or
- A senior in a home-schooled program; or
- A non-traditional student entering their freshmen year in a post-secondary accredited program.

Qualifications:

1. Only dependents of active members or active members of Scenic Rivers Energy Cooperative will be eligible to receive scholarship money. (Dependents of employees and directors are eligible so long as they are active members of SREC.)
2. The application can be mailed or emailed to the addresses listed below and must be received on or before Monday, April 4, 2022, to qualify:

Mailing Address: Scenic Rivers Energy Cooperative
Attn: 2022 Scholarships
231 N. Sheridan St.
Lancaster, WI 53813

Email Address: csolmstead@srec.net

SREC will mail or email a confirmation receipt to each student who applies. If you do not hear from SREC by April 4, 2022, please call us to verify receipt of your application.

3. The student must be present at the Grant County Youth and Ag building for the SREC Annual Meeting on Saturday, April 9, 2022.
4. After successful completion of their first semester (Fall 2022) of post-secondary education AND receiving at least 12 college credits at a minimum "C" average for that semester, a \$1,000 check will be made out to the school and the student for their second semester tuition. If the student fails to meet these qualifications, the scholarship will be awarded to the alternate, provided they have met the same requirements.
5. Simply fill out the application form below and return it to the address stated earlier. Applications can also be picked up at our Lancaster or Darlington offices and are available online at www.sre.coop

If you have questions regarding the 2022 Scenic Rivers Energy Cooperative Scholarship, please contact Carrie Olmstead at 608-723-2121 or 800-236-2141 ext. 556.

SCHOLARSHIP APPLICATION

Name _____ Phone No. _____

Address _____

City _____ State _____ ZIP Code _____

Parent Name (or legal guardian) _____

Address _____

(if different from student)

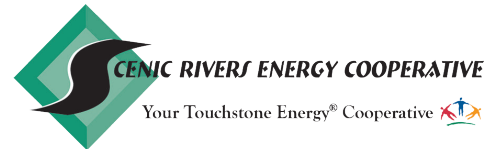
Cooperative Billing Account Number _____

Name of High School _____

Email Address _____

**Deadline:
April 4,
2022**

DIRECTOR DISTRICTS



Marcus Saegrove
District 1



Chuck Simmons,
Chairman
District 3



Delbert Reuter
District 5



Don Schaefer,
Vice Chairman
District 6



Sandra Davidson,
Secretary-Treasurer
District 2



Ellen Conley,
Asst. Secretary-
Treasurer
District 4



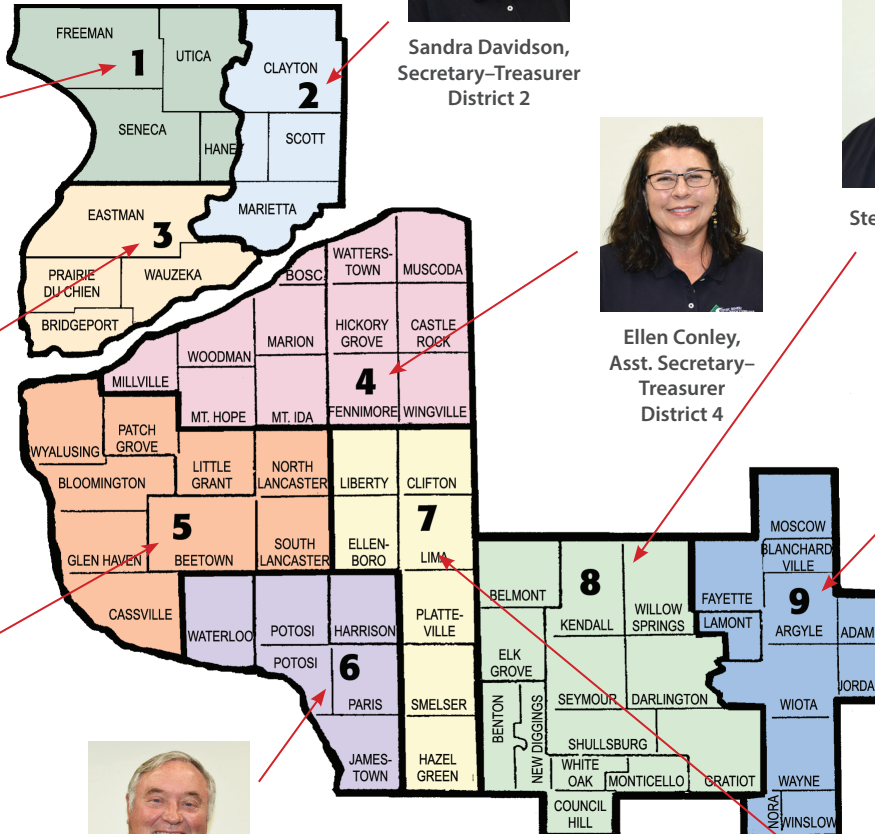
Steve Carpenter
District 8



Jack Larson
District 9



Lily Long
District 7



VISION STATEMENT

Scenic Rivers Energy Cooperative is committed to being the area's most reliable provider of energy and related services. Our cooperative will strive to identify ways to improve the quality of life for our community.

MISSION STATEMENT

Scenic Rivers Energy Cooperative strives to be a reliable and innovative provider of energy and related services. Our cooperative will proudly serve our customers by:

- Encouraging member involvement.
- Promoting appropriate growth for our cooperative and community.
- Serving as a strong advocate for effective policy at all levels of government.
- Educating the community, especially youth, about cooperatives.