





88<sup>th</sup> ANNUAL MEETING
Saturday, April 12, 2025
More details inside.



# NOTICE OF ANNUAL MEETING

SCENIC RIVERS ENERGY COOPERATIVE

**APRIL 12, 2025** 

# GRANT COUNTY YOUTH AND AGRICULTURE BUILDING LANCASTER, WISCONSIN

The 88<sup>th</sup> 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 12<sup>th</sup> of April 2025, to take action upon the following matters:

- 1. Determination of quorum.
- 2. Approval of minutes of 2024 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 13th day of March 2025.

Charles Simmons, Chairman

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# 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.
- 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.
- 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.
- 4. Voting for directors 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, tellers 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 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 3, 2025**, so as to allow consideration of the proposed 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 made available outside of the building 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.



### A FORMAL INVITE FROM YOUR BOARD CHAIRMAN

#### **Charles Simmons, Chairman**



'd like to formally welcome you, our members, to join us at our 88th **Annual Meeting set** for April 12, 2025, at the Grant County Youth and Ag Building in Lancaster, WI. Registration will begin at 9:00 a.m. with the business

meeting starting at 9:30 a.m.

As a member-owned cooperative, this meeting is our time to provide our members with an overview of what's been happening at the cooperative and a sneak peek at what is ahead. Members in attendance will hear from the CEO, receive a financial report from both the Board Secretary-Treasurer and a member of the Audit Committee, and hear the results of the election of directors in districts 2, 6, and 7.

Beyond the formal business, we will also award thirty-five (35) scholarships valued at \$1,000 each to area students. If you or someone you know is interested in applying, there's still time! Applications are being accepted until April 7, 2025. Learn more at www.sre.coop or give the office a call at 800-236-2141.

As we look forward, I am incredibly proud of our cooperative and the dedicated efforts of our employees and directors. Their hard work and commitment have been instrumental in achieving our goals and serving our members this past year and I have no doubt that their hard work will continue this year. It is through their dedication and your support that we continue to keep the lights on for our members.

On behalf of myself and the entire Scenic Rivers Energy Cooperative Board of Directors, we hope to see you at this year's annual meeting.

#### 88TH ANNUAL MEETING PROGRAM April 12, 2025

9:00 a.m. Registration Begins **Focus on Energy Booth** 

9:30 a.m. Call Meeting 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 Dairyland Power Cooperative 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.
- Additional information on the scholarship is inside.

#### **Ballot Prize Drawing**

Members who mailed in their ballots will be entered to win one of the following certificates that will be applied directly to their electric bill. Members do not need to be present to win.

• Six (6) \$50.00 certificates

#### **Prize Drawing**

Members who attend our annual meeting will be entered to win one of the following certificates that will be applied directly to their electric bill. Must be present to win.

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

All members who attend will receive a \$5.00 bill credit on their next monthly statement.

### **CEO REPORT**

Steve Lucas, CEO

s I reflect on another year here at Scenic Rivers Energy Cooperative (SREC), I am pleased to report that our rates have remained stable,

and our members will not see a rate increase this year. Even amidst inflation, it's reassuring to know that the cost of electricity continues to remain as one of the most affordable commodities, and we are proud to be able to deliver

this vital service to you, our members.

Electricity provides value every day—from powering televisions and tablets to keeping our homes comfortable. Have you ever thought about how many times electricity impacts your daily routine?

When it comes to value, electricity is a clear winner, and we're always looking for ways to work with you to make it even better.

I consider my daily routine,

which involves traveling to various meetings. Before I hit the road, I'll stop by the local Kwik Trip for a morning coffee and maybe a donut or breakfast sandwich. After the meetings have concluded for the day, I'll grab a quick supper at a fastfood restaurant on my way home.

I can't help but wonder, are these expenses providing me the best value for my dollar? Although I enjoy my morning coffee and find it essential when starting the workday or keeping up with my growing grandson, what value am I getting for the \$2.00 per cup I'm spending? What value am I getting for the \$10.00 meal at Burger King?

The national average daily cost of electricity is about \$4.57. For SREC residential members, the average monthly electric bill is \$133.55 or \$4.39 per day. To put that into perspective, you can power your entire home for about the same price as a couple of cups of coffee and a donut or less than a meal from Burger King. That's a great deal when you think about it.

Electricity offers benefits that we often take for granted. It goes well beyond short-term satisfaction by allowing us to charge electronics, run medical devices, keep food cold, and have hot water.

As a member-owned cooperative, SREC does everything in our power to ensure costs stay reasonable and that electricity remains a great value for our members. This isn't always easy, as there are several factors beyond inflation that impact the price of electricity—some within our control but most beyond it.

The cost of electricity can change due to supply and demand, infrastructure investment, maintenance, and oper-

ational expenses. Weather patterns also contribute, affecting both demand and generation capabilities, with extreme conditions leading to heightened energy use or disruptions, such as those experienced on peak alert days. These are just some of the factors we consider when adjusting rates, and because we're a cooperative, we always consider the impact on our members.

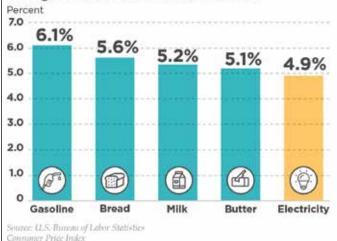
When it comes to value, electricity is a clear winner, and we're always looking for ways to work with you to make it even better. That's why SREC encourages energy efficiency, suggests looking for ENERGY STAR® appliances, and promotes technology that is designed to give members more control over their electricity use. Additionally, we recommend shifting or spreading out your electric usage to offpeak hours to reduce demand on the grid. By adjusting your usage patterns, you can help reduce strain on the electrical system during peak times, ultimately contributing to a more stable and reliable power supply for everyone.

Living in a time of rising inflation, we understand the financial pressures our members face. We will continue to strive to ease that burden by maintaining consistent rates. This stability shows our commitment to providing reliable and affordable electricity. You can be assured, SREC always puts you first and works every day to ensure electricity remains the best value for your money.

#### **ELECTRICITY REMAINS** A GOOD VALUE

Although inflation has led to increasing costs in many areas of our lives, the cost of powering your home rises slowly when compared to other common goods. Looking at price increases over the last five years, electricity remains a good value.

#### Average Annual Price Increase 2018-2023







#### MEMBER PHOTO OF THE MONTH



"Squirrel in Bird Feeder" is this month's featured photo from Valerie Wachuta, a member in Platteville, WI.

#### NONDISCRIMINATION STATEMENT

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Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, 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 http://www.ascr.usda.gov/complaint\_filing\_cust.html 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

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## **SCENIC RIVERS ENERGY COOPERATIVE 2024 FINANCIAL STATEMENTS**

### Unaudited Comparative Ralance Sheet

Comparative datafice Sheet						
Total Utility Plant Less Reserve for Depreciation Utility Plant - Less Reserve	12-31-2023 \$104,230,945 25,909,642 \$ 78,321,303	12-31-2024 \$108,977,174 27,848,608 \$ 81,128,566				
Inv. In Associated Organizations Other Investments Total Investments	\$ 15,818,364 12,443,845 \$ 28,262,209	\$ 16,532,996 8,788,555 \$ 25,321,551				
Accounts Receivables Materials & Supplies Other Current Assets Total Current Assets	\$ 2,728,729 892,144 228,673 \$ 3,849,546	\$ 3,123,591 1,126,720 169,113 \$ 4,419,424				
TOTAL ASSETS	\$ 110,433,058	\$110,869,540				
Long Term Debt-RUS Long Term Debt-CFC & CoBank Current & Accrued Liabilities Consumer Deposits	\$ 53,257,632 732,004 4,860,364 209,783 \$ 59,059,783	\$ 51,251,080 670,549 5,162,607 208,640 \$ 57,292,876				
Patrons Capital & Oper. Margins Other Margins & Equities	\$ 47,531,048 3,842,227 \$ 51,373,275	\$ 51,339,115 2,237,549 \$ 53,576,664				
TOTAL LIABILITIES & EQUITY	\$110,433,058	\$110,869,540				

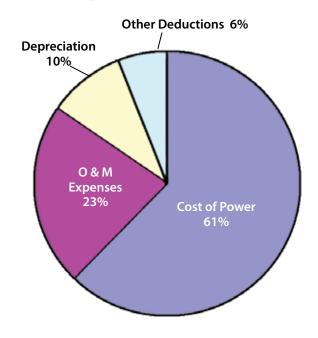
## Unaudited **Comparative Operating Statement**

	•			
	12-31-2023	12-31-2024		
Operating Revenues	\$ 32,449,720	\$ 33,073,067		
Cost of Power	\$ 18,849,610	\$ 19,170,193		
Operations and Maintenance	4,702,656	4,689,478		
Consumer Accounts	269,396	294,447		
Consumer Service & Information	221,975	249,388		
Sales Expense	64,424	53,174		
General & Administrative	1,842,018	2,074,152		
Total Operations				
& Maintenance Expense	\$ 25,950,079	\$26,530,832		
Depreciation	\$ 3,083,927	\$ 3,199,666		
Taxes	442,313	481,766		
Interest	1,573,196	1,518,060		
Other Deductions	2,636	2,359		
Total Cost of Electric Service	ć 21.0F2.1F1	ć 21 722 602		
Total Cost of Electric Service	\$ 31,052,151	\$ 31,732,683		
Operating Margins	\$ 1,397,569	\$ 1,340,384		
Non-Operating Margins	659,197	719,700		
Income from Equity Investments	(119)	1,864		
Dairyland & Other Capital Credits	1,034,768	1,217,344		
Total Margins	\$ 3,091,415	\$ 3,279,292		

## Highlights

3 3	<u>2022</u>	<u>2023</u>	<u>2024</u>	
Members Served	11,704	11,775	11,836	
Miles of distribution line	3,532	3,543	3,546	
Number of Substations	23	23	23	
Connected meters	14,482	14,593	14,667	
Density- meters per mile of line	4.10	4.12	4.14	
kWh sold	230,400,378	223,909,526	226,236,728	
Total energy sales	32,106,083	31,950,033	33,175,086	
Ave. kWh usage per member, per montl	h 1,640	1,585	1,593	
Avg bill per member, per month	228.60	226.11	233.57	
Full-time employees	37	35	37	
Capital Credits returned to date (including estate settlements)	38,885,089	40,036,665	41,033,708	
Service area Gr	ant, Lafayette and Crawford counties; part of			
Gr	Green, Iowa, Richland, Vernon in Wisconsin;			
Jo	Jo Davies and Stephenson in Illinois			
Board meeting day Us	Jsually the last Thursday of the month			
Number of director districts Ni	ne			

## 2024 Expenses





#### MINUTES OF THE ANNUAL MEETING

#### Scenic Rivers Energy Cooperative | Held on April 13, 2024

The 87<sup>th</sup> annual meeting of the Scenic Rivers Energy Cooperative (SREC) was held on Saturday, April 13, 2024, at the Youth & Ag Building in Lancaster, WI. Attorney Jessica Shrestha of Fredrikson & Byron P.A., called the meeting to order at 9:31 a.m. The 2024 meeting rules of order were posted. Attorney Shrestha allowed members time to read and review the rules of order.

Attorney Shrestha proceeded with the business portion of the meeting. It was determined that there was a quorum, as 155 members were registered and present onsite at the time the meeting was called to order.

Attorney Shrestha stated the Notice of Annual Meeting was printed in the annual report and posted at each SREC office. Notarized proof of mailing from *Wisconsin Energy Cooperative News* (WECN) was received indicating that the March 2024 issue of the WECN magazine contained a printed notice of the annual meeting.

Attorney Shrestha asked the membership to approve the previous annual meeting minutes held on April 15, 2023, as printed in the annual report on page 16c and posted during the meeting. The membership unanimously approved the minutes as printed and posted.

Attorney Shrestha handled the election process. A call for any further in-person ballots was made and those ballots were collected and included with the mail-in ballots. The staff proceeded with tallying the ballots for Director Districts 3, 4, and 8 elections.

On behalf of the Audit Committee, Mary Butson reported on the fiscal year 2023 Audit Committee Meeting held on March 26, 2024.

Secretary-Treasurer Steve Carpenter presented the financial report highlighting key points of interest in 2023 for SREC.

Dairyland Power Cooperative President and CEO Brent Ridge gave a presentation on navigating a sustainable future. His presentation focused on providing safe, reliable energy, while also being good for the environment. Ridge discussed the problems they are currently facing as well as their plans for the future.

CEO Lucas presented his annual report on the state of the cooperative and the addition of demand charges to members' bills. He then addressed questions from the members.

Attorney Shrestha explained that there was no unfinished business from the previous annual meeting. She advised that there was no new business.

Staff member Lynn Gilkes announced the winners of the \$100, \$50, and \$25 prize drawings. All registered members who were present at the Annual Meeting will receive a \$5.00 credit on their May statement.

Staff member Lynn Gilkes announced the 27 recipients of the \$1,000 scholarships.

Attorney Shrestha 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 270 votes.

District 4

Ellen Conley received 231 votes.

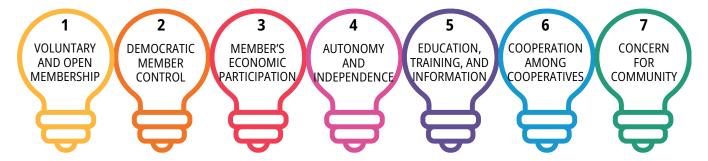
Peggy Schmitt received 114 votes.

District 8

Steve Carpenter received 210 votes.

Attorney Shrestha asked for any further business—hearing none, the meeting was adjourned at 10:32 a.m.

#### 7 COOPERATIVE PRINCIPLES



# **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. The ballot will be sent to your billing address with the names of all candidates. For 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 \$50.00 credit on your energy bill! The drawing will take place during our annual meeting and you do not have to be present to win.

#### **Mail-in Ballot Instructions:**

- Mark which candidate you want to represent your district.
- Place the ballot inside the return envelope with the co-op's address.
   (Please do not include your electric bill payment in this envelope since it may not be opened until April 12.)
- 3) Seal the envelope.
- 4) 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 <u>SIGN</u> your outer envelope!

5) All ballots must be mailed or delivered so that the cooperative office has received them by 4:00 p.m. on Friday, April 11, 2025.

Advance authorization must be given for nonindividual members of the cooperative, such as churches, schools, cooperatives, governmental bodies or corporations, to vote at the Annual Meeting. Please contact our office if you did not receive/return an authorization notice.

Thank you for taking an interest in the activities of your cooperative.

#### **MEET YOUR DIRECTOR CANDIDATES**

## DISTRICT 2 SANDRA DAVIDSON



Sandy and her husband, Ken, own a 200acre farm and raise organic grass-fed beef in Clayton and Kickapoo townships. They have been members of Scenic Rivers Energy Cooperative/Crawford Electric since 1978. They have two daughters, Heidi and Heather (Chad) Christianson, and two grandsons, Alden and Olen.

Prior to retirement, Sandy was a Certified Dietary Manager in long-term care. She is a

member of the Soldiers Grove Methodist Church (part of the Back Roads Church), where she serves as the church secretary/ treasurer and is active with the Methodist Ladies group. She also enjoys volunteering and attending her grandsons' sports and robotics events.

Sandy has served as a director of Crawford Electric Cooperative since 1984 and has continued serving as a director of Scenic Rivers Energy Cooperative since the merger with Crawford Electric Cooperative in 1999. Currently, she serves as Vice Chair and is active with the committee that oversees the Operation Round Up donations at the co-op. Additionally, she represents SREC on the Dairyland Power Cooperative Board, where she chairs the Finance Committee.

As a candidate for the board, Sandy stated, "I will continue working for safe, reliable, cost-effective, and environmentally friendly ways to produce alternative electricity. I would appreciate your vote. Thank you."



## **DISTRICT 6**DONALD SCHAEFER



Don has been a dedicated member of the Scenic Rivers Energy Cooperative (SREC) Board since April 2010, currently serving as the Assistant Secretary/Treasurer. His commitment to the Cooperative and its members is evident through his active participation in continuing education to enhance his knowledge and effectiveness. Don earned his Credentialed Cooperative Director Certificate in 2014 and his Board Leadership Certificate in 2018, reflecting his belief in the importance of informed decision-making to better serve the Cooperative's members.

Under the leadership of SREC CEO Steve Lucas, along with the collaboration of board members and employees, he is proud of the notable achievements that have happened during his board tenure, including:

- Ensuring reliable service to members.
- Overseeing the construction of a new headquarters and the successful sale of the previous facility.
- Distributing capital credits (dividends) to members.
- Maintaining stable rates for the past four years, despite high inflation.
- Increasing the Cooperative's equity to nearly 50%.

#### **Background and Experience**

A graduate of Potosi High School and Southwest Tech's Farm Business Management Short Course, Don also served honorably in the U.S. Navy during the Vietnam War. In 2023, he was privileged to participate in the Honor Flight program, traveling to Washington, D.C., to visit monuments honoring veterans.

Farming has always been a central part of Don's life. He grew up on a dairy farm in Potosi, and then raised Holstein steers on his farm in Platteville. Beyond farming, Don's professional career spanned 35 years in the insurance industry, including five years as a manager and many years as an agent specializing in life, health, accident, critical illness, and Medicare supplement policies. His work focused on helping individuals and families protect their financial well-being. In 2023, he retired from both farming and insurance.

#### **Personal Life and Commitment**

Don and his wife, Linda, have been proud residents of Harrison Township in Grant County for 52 years. Together, they have raised three children and enjoy spending time with their four grandchildren. In his free time, Don enjoys traveling, meeting new people, and staying informed on current events.

If re-elected, Don pledges to continue his efforts to help the Cooperative grow and operate cost-effectively. He states, "It has been a pleasure to serve the community as a member of this Board, and I welcome the opportunity to continue contributing to the success of Scenic Rivers Energy Cooperative."

#### **DISTRICT 7** LILY LONG



Lily and her husband Kerry live on County Road D north of Platteville. They have been residents of Lima Township and members of Scenic Rivers Energy Cooperative since 2009. They have a blended family with a son in Massachusetts, a son in Idaho, a daughter in Madison, and a daughter in Delafield. In addition, they have seven grandchildren ranging in age from six to twelve, a golden retriever, and two cats.

Lily was raised on a dairy farm in Lima Township and spent those early years helping to milk cows, mow hay, take care of chickens, and other fun farm chores. Lily has a degree in Accounting from the University of Wisconsin, Platteville. She initially worked in the private industry and then began a teaching career at Southwest Wisconsin Technical College that lasted for 28 years. She loved teaching and having the opportunity to get to know and work with her many students over the years. Before moving to Lima Township, she lived in Montfort, and her children attended the lowa Grant School District. She was elected to and served two terms on the Iowa Grant School Board. Now that she is retired, Lily enjoys spending time gardening, reading, taking water aerobics classes, and volunteering at the Platteville Thrift Shop.

Lily has been privileged to serve for the last four years on the Scenic Rivers Energy Cooperative Board of Directors for District 7, and she is running for another term. She believes serving on the board is a wonderful experience with new things to learn and great people to get to know and work with. This position also comes with the responsibility to make decisions that best serve the Cooperative members as well as keep the Cooperative strong and sustainable. In these challenging energy times, rural cooperatives are an important part of the electrical and environmental future. Lily would like to be able to represent District 7 for another term and would appreciate your vote.

#### **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; and
- Educating the community, especially youth, about cooperatives.



Steve Lucas, CEO

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# **2024 YEAR IN REVIEW**





37
FULL-TIME
EMPLOYEES

\$963,596.37

**CAPITAL CREDITS RETURNED TO MEMBERS** 



## COMMITMENT TO COMMUNITY

**OPERATION ROUND UP** 

\$43,300

**SCHOLARSHIPS** 

\$52,000

OTHER DONATIONS

\$8,410.92

# SCHOLARSHIPS AVAILABLE TO SREC STUDENTS!



# **APPLICATIONS DUE APRIL 7, 2025**

Thirty-five scholarships, each worth \$1,000, will be awarded through random drawings at our 88th Annual Meeting on Saturday, April 12, 2025, at the Grant County Youth and Ag Building in Lancaster, WI. These scholarships are available to seniors in high school, seniors in a homeschooled program, and non-traditional students entering their freshman year in a post-secondary accredited program.

To be eligible to receive a scholarship, the applicant's parent(s), legal guardian, or applicants themselves must have an active membership (primary residence) with SREC. The applicant must also be present at the SREC Annual Meeting.

For more information or to apply, please visit www.sre.coop, or call 800-236-2141, ext. 556.