

Since 1940

WISCONSIN ENERGY *Cooperative* NEWS

March 2020

Riverland Energy Cooperative

ANNUAL MEETING

Saturday, March 28, 2020


Pancake Breakfast 8 a.m. - Meeting 10:15 a.m.

**Bring in the slip below for registration and be entered
for a chance to win door prizes!**



RIVERLAND
Energy Cooperative

®

Your Touchstone Energy® Cooperative 

NOTICE

2020 Annual Membership Meeting of Riverland Energy Cooperative on Saturday, March 28, 2020

The 2020 Annual Meeting of the members of Riverland Energy Cooperative will be held on Saturday, March 28, 2020, at the Arcadia High School in the City of Arcadia, Wisconsin. Breakfast and registration will begin at 8 a.m. The business meeting will be called to order at 10:15 a.m.

Agenda

1. Approval of the 2019 Annual Meeting minutes
2. Reports of the officers and directors
3. Any old or new business to be brought before the membership
4. Adjourn

Dennis Frame, Secretary

PROGRAM

Saturday, March 28, 2020 Arcadia High School, Arcadia, WI

8:00 - 10:00 a.m.

- Pancake Breakfast/Registration

10:15 a.m.

- Call to Order
- Pledge of Allegiance
- Invocation
- Notice of Meeting
- Due Proof of Mailing
- Announcement of Quorum
- Approval of 2019 Annual Meeting Minutes
- Introduction of Guests
- Manager's Report
- Financial Report
- New Business
- Drawing for Scholarships
- Drawing for Door Prizes
- Adjourn

PRIZES!

Riverland Energy Cooperative will offer its members who attend the annual meeting a chance to win prizes! Prizes include (30) \$50 electric bill credits, (3) electric grills, and (1) tv. For kids ages 14 and under, we will be drawing for (2) bikes and an iPad for kids in grades 9-12. Must be present to win.

THIS IS YOUR ANNUAL MEETING DOOR PRIZE DRAWING STUB

Cut out and bring with you to the annual meeting!



RIVERLAND ENERGY COOPERATIVE BOARD OF DIRECTORS



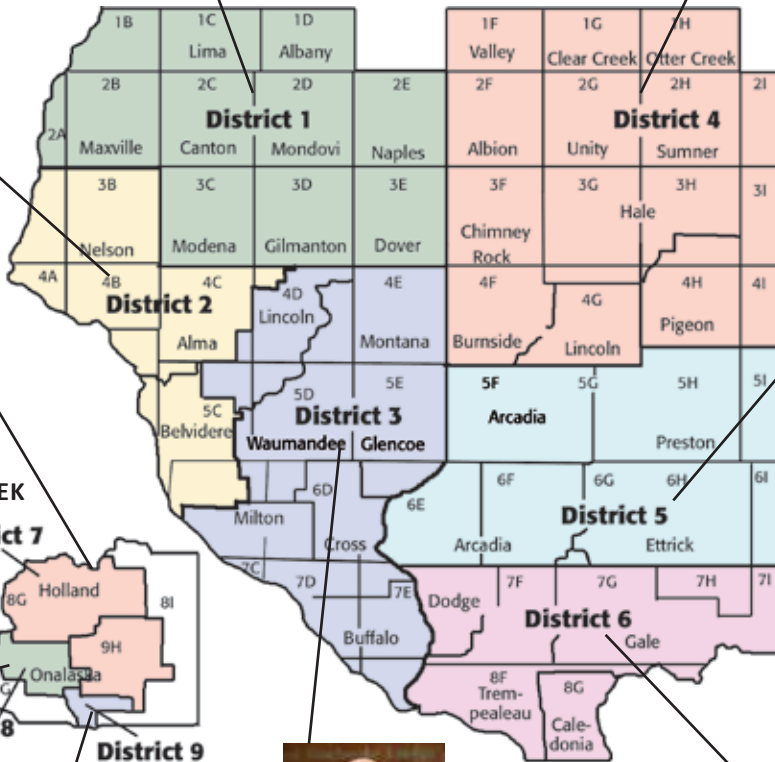
DISTRICT 1
FRAN FEDIE



DISTRICT 4
DENNIS FRAME
Secretary/Treasurer



DISTRICT 2
BETH EDE



DISTRICT 7
GARY DVORACEK



DISTRICT 5
DAN FILLA
Vice President



DISTRICT 8
DAVID PAUDLER
President



DISTRICT 9
BEA ZINGSHEIM



DISTRICT 3
DAVID ERNST



DISTRICT 6
DAVID ANDERSON



Jerry Sorenson,
REC General
Manager

GENERAL MANAGER'S MESSAGE

The energy industry is nowhere near as generic as it once was. It's diverse, progressive, and shifting its focus towards convenience with tools and services that will power us all into a brighter future. One thing for certain is that technology and convenience are directly related when it comes to your electricity and your needs. If there's an outage, you want information immediately. If there's a sudden spike in your usage, you want to know as soon as possible. And if you're on the go and need to pay a bill or access your account, you need the convenience to do it whenever you want from wherever you are. In a world of ever-changing expectations, we're committed to providing the very best service possible. That means giving cooperative members tools to manage energy in ways that fit their lifestyles.

We use advanced technology to bring our members reliable electric service, metering, billing, and member information management. One way is by installing a new automated metering system to improve the reliability and efficiency of the existing system. The roll-out of our Advanced Metering Infrastructure (AMI) began in 2018. At the time of this report, we currently have 13,193 meters out of 20,462 meters installed and are on target to be completed this year.

New technology also aids in how fast we identify problems to repair during an outage. New mapping and communication tools along with the new AMI meters give crews a more in-depth view of our infrastructure in the field. This allows Riverland Energy to share up-to-date information on our outage map online. This technology also improves our crews' safety, work flow, and production levels.

Another technology that we implemented, and would like all members to utilize, is SmartHub. SmartHub serves as a web portal into your electric account with Riverland Energy, allowing you to monitor your electric usage daily, view your monthly bill in an electronic format, and pay your electric bill in a convenient and timely manner. Utilizing this technology is essential to maximizing efficiencies and opportunities for improvement and we are happy to be on the forefront of these opportunities.

We are also passionate about our members and our communities in other ways, more than just technology. We are able to make a positive impact in the community through programs such as Community

Cares, safety presentations, scholarships, and other donations, giving back to the communities we serve.

We are also avid for providing mutual aid. This year, Riverland Energy crews assisted other co-ops in Wisconsin and Minnesota in April when their systems were hit with a spring snowstorm. Our line crew stepped up again in July and assisted Polk-Burnet Electric Cooperative when a tornado and straight-line winds hit their service area, knocking out power to thousands of their members. We, in turn, received help from neighboring co-ops when the Thanksgiving snow and ice storm caused power outages throughout our system.

Riverland Energy also has a practice of returning revenue to you after paying expenses, in the form of capital credits. Our margins from selling electricity are allocated to you based on how much electricity you purchased during the year. We return our margins to you in the form of capital credits. This year, the Board of Directors authorized the distribution of \$1,036,384 million in total capital credit retirements, which is based on how much electricity a member purchased in 1998–2016. That's us delivering integrity and cash back to you.

Every year Riverland Energy continues to grow and add more load and new members, with a little over 200 services added in 2019, along with an increase in commercial and multi-family accounts. We also built a new co-op district office in Holmen. We broke ground in June, and became fully operational in December. We are happy to be a part of this new growth and happy to have a presence in the Holmen community.

At Riverland Energy Cooperative, we have a history of hard-working members, directors, and employees who understand the purpose of our organization. Major improvements made to our system will keep the distribution grid in good working condition, and when it makes sense for us to do so, Riverland Energy will utilize technology to provide better service and greater efficiency. Riverland Energy Cooperative is well prepared for the changes and challenges ahead. Rest assured, future members will enjoy an electric cooperative that is solid, secure, and able to power the advancements that define our modern quality of life.

I hope to see you at the annual meeting!



**David Paudler,
President**

PRESIDENT'S MESSAGE

On behalf of the Riverland Energy Cooperative board, I would like to thank you for supporting Riverland Energy for another successful year.

The board's responsibility is to give the cooperative the guidance it needs to ensure that Riverland Energy best serves you, our members. We work very closely with co-op staff to provide planning and policy oversight, evaluate the results of cooperative initiatives, and promote ideas and programs that can deliver the best possible service to our members. As board members, we are looking out for your best interests as we work toward being your ideal utility. To this end, the board meets regularly to review the cooperative's progress and make strategic decisions. Each board member is also a member of this co-op and is elected by the membership. This local control ensures that your best interest is always close to home.

We also feel passionate about one of the cooperative's core principles of "Concern for the Community." We view our role in the community as a catalyst for good, and fully support the cooperative in providing support throughout our community through donations, sponsorships, grants, and education.

One community focus is our youth. Each year, high school juniors join the Riverland Energy Cooperative Youth Ambassador Program to learn about the cooperative business model, the electric industry and renewable energy, career success, and experience with leadership. This program also provides

a scholarship opportunity and a chance to win an all-expense-paid trip to Washington, D.C.

Riverland Energy Cooperative recognizes the importance of education and helps high school seniors achieve their educational goals through scholarships. Last year, the co-op gave away more than \$32,000 in scholarships to students interested in furthering their education.

The co-op is also purposeful in working with the local schools to provide safety demonstrations. This year, Riverland Energy employees gave electrical safety presentations to over 1,500 students at 32 schools. These demonstrations are also presented to local fire departments and other community groups.

The Community Cares Foundation is one way you, as members, help the cooperative give back to the community. By rounding your bill up to the nearest dollar, the extra change goes into a fund to be distributed back into the community. The Foundation distributed just over \$2,000 to 12 charities in 2019. The funds helped literacy and hunger needs, educational camps and programs, the arts, and more. Thank you to all members who participate in this program.

As your board president, I appreciate the dedication of the board of directors and employees for their efforts in meeting the cooperative's core principle of "Concern for the Community". I also thank each of our members; it is an honor to serve you.



2019 Annual Meeting Minutes

Minutes of the Riverland Energy Cooperative 2019 Annual Meeting Saturday, March 30, 2019

The 2019 annual membership meeting of the Riverland Energy Cooperative was held on Saturday, March 30, at the Arcadia High School in Arcadia, Wisconsin.

Prior to the meeting, a pancake breakfast was served to approximately 700 people by Pogy's Catering.

President David Paudler called the meeting to order at 10:15 a.m. and led the membership in the Pledge of Allegiance. President Paudler then welcomed guests and recognized Attorney Niles Berman, past directors, and employees. He then introduced Pastor Mark Stauffacher for the invocation.

Attorney Niles Berman was introduced to preside over the meeting as acting chairman. He proceeded to cover the annual meeting rules and voting procedures adopted by the District Committee Conference, emphasized the use of voting cards, and stated we will follow Roberts Rules, Newly Revised, latest edition (11th) to cover other procedural questions. On a motion duly made, seconded, and carried, the membership adopted the meeting rules and voting procedures as presented.

David Anderson, secretary, was introduced to read the Notice of Meeting and Due Proof of Mailing. He then announced a quorum of 441 registered members in attendance at the start of the meeting.

Mr. Berman announced a correction to the minutes deleting sentence 3 in paragraph 7 on page 16c and asked for any further corrections of the 2018 annual meeting, which were printed in the annual report. A motion was made and seconded to dispense with the reading of the minutes, and to approve them as amended. Motion carried.

Mr. Berman read the proposed amendment to Article III, Section 5 of the Bylaws as recommended by the Board of Directors and District Committee. A motion was made and seconded to approve the amendments to the Bylaws as presented. Motion carried.

Following the explanation of voting procedures, Mr. Berman asked for nominations from the floor in each of the districts up for election. Following three calls for nominations in each district, nominations were declared closed in districts 1, 6 and 7. Mr. Berman then announced that candidates in Director Districts 1 and 6 having one incumbent nominated would not address the membership. Candidates for Director District 7 were called to address the membership. The membership in each of these voting districts was then asked to cast their ballots. Mr. Berman recognized the tellers announcing all ballots to be handed to tellers. Mr. Berman also announced all "Ask Willie" forms to be handed to tellers also. Ballots were gathered, after three calls ballot voting was declared closed, and tellers reported to the ballot counting room.

Manager Jerald Sorenson was introduced and started with a welcome to members and a thank you to employees. It was announced that additional "Ask Willie" forms should be handed to any employee and

would be answered in Cooperative publications. He presented an operations and financial update, discussed community involvement by the Cooperative, addressed political issues and future for Riverland Energy Cooperative. Manager Sorenson then described the Cooperative's commitment to community including SmartHub, scholarships, donation programs, and the youth ambassador program. Manager Sorenson thanked retired employees Joyce Woychik and Mike Burkart for their service. Riverland Community Cares recipients included Boy Scouts of America Camp Decorah Waterfront, La Crosse YMCA Arts & Humanity Dept., Scenic Valley Emergency Medical Service, Fountain City Medical Emergency Team, St. John's United Church of Christ Food Shelf, Trempealeau Youth Sports Club, Hope Academy, Friends of Perrot State Park, Trempealeau County Humane Society, Mondovi Youth Baseball, G-E-T Community Food Pantry, Coulee Region Children's Internet Protection Task Force, Friend of Merrick State Park, and Holmen's Hope.

Manager Sorenson answered an Ask Willie question regarding closing the Onalaska office once the new Holmen office opens and the Cooperative's position on climate change.

Manager Sorenson explained how scholarship dollars are made available through the Federated Youth Foundation for educational purposes. He called upon Aaron Torud and Tim Holtan to help conduct the random drawings for two \$1,000 scholarships in each of 14 area schools, two at-large scholarships, and two lineworker scholarships. Any high school student in attendance and that did not win a scholarship could register for a drawing of an iPad mini, which was won by Kaylee McMahon.

Director Greg Sacia was recognized for his years of service on the Riverland Energy Board of Directors.

Mr. Berman announced the results of the election and thanked the tellers. Incumbents Fran Fedie of District 1 and David Anderson of District 6 remain in their positions. District 7 elected Gary Dvoracek.

President Paudler thanked all who helped with the meeting and then called upon Mr. Berman to close the meeting. Berman asked for any unfinished business and any new business. There being none, a motion was made and seconded to adjourn the business session at 11:50 a.m.

Kid's door prizes were awarded as follows: Trinity Gunderson won the girl and Diesel Klink won the boy prize of a bike for each of them. Barbara Bradshaw won the flat-screen TV, Lawrence Traun won the \$100 Walmart gift card, and the three grill winners were Suchla's Towing, Robert Blencoe, Burt Schaftner. Thirty names were drawn for the \$50 electric bill credits, with members indicating their presence in order to claim their prize.

Respectfully submitted,

Dennis Frame, Secretary

RIVERLAND ENERGY COOPERATIVE 2019 ANNUAL REPORT

INCOME STATEMENT

As of December 31, 2019

	2019	2018
OPERATING REVENUES:	\$38,080,531	\$37,667,272
OPERATING EXPENSES:		
Cost of Providing Services	\$23,526,933	\$23,249,107
Distribution - Operations	1,604,144	2,113,675
Distribution - Maintenance	3,005,938	2,581,143
Consumer Accounts	284,025	312,288
Consumer Services & Information	686,675	699,666
Administrative & General	1,560,426	1,686,492
Depreciation	4,076,245	3,698,565
Taxes	461,059	455,967
Other Deductions	10,815	10,249
Total	\$35,216,261	\$34,807,153
OPERATING MARGINS BEFORE FIXED CHARGES:	\$2,864,270	\$2,860,119
FIXED CHARGES:		
Interest on Long-term Liabilities	\$2,178,568	\$1,983,786
Other Interest	\$81,774	\$57,531
Total	\$2,260,342	\$2,041,316
OPERATING MARGINS AFTER FIXED CHARGES:	\$603,928	\$818,802
G&T AND OTHER CAPITAL CREDITS:	\$1,108,075	\$693,812
NET OPERATING MARGINS	\$1,712,002	\$1,512,614
NON OPERATING MARGINS		
Interest Income	\$70,269	\$33,094
Other Non Operating Margins	\$571,179	\$68,816
Total	\$641,448	\$101,910
Margins before income taxes	\$2,353,450	\$1,614,525
Income taxes	0	0
NET MARGINS FOR PERIOD	\$2,353,450	\$1,614,525

RIVERLAND ENERGY COOPERATIVE 2019 ANNUAL REPORT

BALANCE SHEET

As of December 31, 2019

	2019	2018
ASSETS:		
UTILITY PLANT, at cost		
Electric Plant in Service	\$121,379,340	\$112,930,533
Construction Work in Progress	491,671	151,628
Total Utility Plant	\$121,871,011	\$113,082,161
Less: Accumulated Depreciation	(39,939,435)	(37,953,716)
NET UTILITY PLANT	\$81,931,576	\$75,128,445
INVESTMENTS, at cost		
Investments in Associated Org.	\$19,497,563	\$18,876,924
Investments in Economic Dev.	1,538,253	1,583,000
Other Investments	3,740	3,484
Total	\$21,039,556	\$20,463,408
CURRENT ASSETS		
Cash and Cash Equivalents	\$3,649,227	\$1,574,154
Notes Receivable - net	3,815	4,756
Accounts Receivable - net	4,374,230	3,996,841
Materials and Supplies	774,605	793,763
Other Current Assets	54,755	125,866
Total	\$8,856,631	\$6,495,380
DEFERRED DEBITS	\$1,319,342	\$1,532,769
TOTAL ASSETS	\$113,147,106	\$103,620,003
EQUITIES AND LIABILITIES:		
EQUITIES		
Patronage Capital	\$38,797,234	\$38,151,349
Operating Margins - Current year	605,263	1,512,615
Non-Operating Margins	1,748,187	109,692
Other Margins and Equities	6,873,486	7,021,407
Total	\$48,024,170	\$46,795,063
LONG-TERM DEBT	\$57,987,321	\$48,210,916
CURRENT LIABILITIES		
Notes Payable	\$2,000,000.00	\$3,800,000.00
Accounts Payable	3,416,684	2,324,271
Consumer Deposits	261,218	279,414
Other Accrued Liabilities	1,351,274	1,225,608
Total	\$7,029,176	\$7,629,293
DEFERRED CREDITS	\$106,439	\$984,732
TOTAL EQUITIES AND LIABILITIES	\$113,147,106	\$103,620,003

RIVERLAND'S MEMBERSHIP

Riverland Energy Cooperative is proud to serve approximately 15,840 members. Our service territory maintains over 3400 miles of line in 6 counties (Buffalo, Eau Claire, Jackson, Pepin, La Crosse, and Trempealeau) and distributes over 27,000,000 kWh to more than 18,000 service locations on our lines.



1

Residential

Residential services account for 82% of Riverland's total services and 60% of the system's energy distribution.

Farm

Farm services (Farm, Irrigation, Broiler houses, and Crop Dryers) account for 12% of Riverland's total services and 22% of the system's energy distribution.

2



3

Commercial

Commercial services account for 6% of Riverland's total services and 13% of the system's energy distribution.



4

Industrial

Industrial services account for less than 1% of total services, but 5% of the system's energy distribution.



5

Street Lights

Street Light services also account for less than 1% of total services and less than 1% of the system's energy distribution.



RIVERLAND ENERGY COOPERATIVE 2019 ANNUAL REPORT

15,840
Members

Riverland Energy Cooperative

\$2,700

Donated to Members from
Community Cares

(Rounding up your bill)

61%

Purchased Power
Portion of
Budgeted Expenses

\$16,150

Donated to Members Through
Riverland Programs

18,480
Services

2,049

Miles of
Overhead Line

20,733 Meters

1,363

Miles of
Underground Line

12,075

NEW RF Meters
Installed

8,658

TS2 Meters to be
Replaced

Services per Mile of
Line

5.42

3.9%

Line Loss

\$34,250

Given in
Scholarships

kWh Purchased
292,574,051

kWh Sold
281,568,249

42

Full-Time
Employees
Working in:
Alma, Arcadia,
& Holmen

Average Residential
Bill

\$155.91

\$1,265,387.18

Retired in Capital Credits

ANNUAL REPORT

RIVERLAND ENERGY COOPERATIVE 2019 ANNUAL REPORT

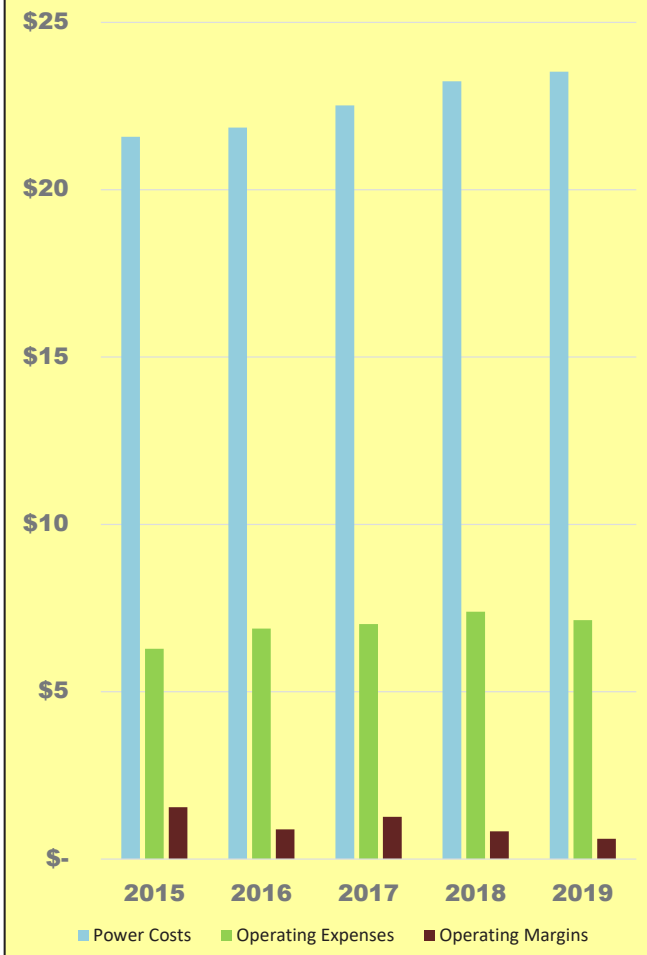
Financial Data & Growth Comparison

	1939	1949	1959	1969	1979	1989	1999	2009	2019
Total Utility Plant	\$ 616,037	\$ 1,303,474	\$ 1,981,541	\$ 3,306,675	\$ 7,563,813	\$ 15,913,271	\$ 45,234,540	\$ 55,444,691	\$ 121,871,011
Total Revenue	\$ 59,206	\$ 268,588	\$ 615,957	\$ 1,067,257	\$ 4,659,375	\$ 8,136,227	\$ 16,054,910	\$ 30,629,064	\$ 38,081,612
Cost of Purchased Power	\$ 14,631	\$ 123,333	\$ 306,828	\$ 600,894	\$ 3,152,018	\$ 4,971,255	\$ 8,526,698	\$ 19,267,089	\$ 23,526,933
Cost of Power as % of Revenue	24.7%	45.9%	49.8%	56.3%	67.6%	61.1%	53.1%	62.9%	61.8%
Total Margins	\$ 4,510	\$ 19,229	\$ 89,982	\$ 128,943	\$ 503,572	\$ 685,696	\$ 832,846	\$ 1,658,315	\$ 2,353,195
Equity Ratio (Equity/Total Assets)	7.7%	8.7%	31.1%	65.1%	48.4%	38.9%	39.0%	41.7%	41.7%
Full-Time Employees	9	19		27	35	33	48	44	42
Number of Services	1,026	2,869	3,406	4,301	6,581	7,762	14,417	16,922	18,480
Total Miles of Line	635	1070	1187	1243	1505	1683	2938	3224	3412
kWH Sold	85,640	6,832,029	23,758,122	6,106,908	10,996,435	114,142,534	207,189,790	262,270,506	281,568,249
Line Loss	32.0%	13.5%	7.9%	5.9%	4.2%	1.1%	9.7%	4.9%	3.9%
Average Residential Bill	\$ 3.75	\$ 8.00	\$ 14.97	\$ 27.13	\$ 53.01	\$ 78.16	\$ 87.67	\$ 140.73	\$ 155.91

* On June 1, 1999, Buffalo Electric and Trempealeau Electric merged to create Riverland Energy Cooperative. The substantial growth in the statistics above reflect the merger.

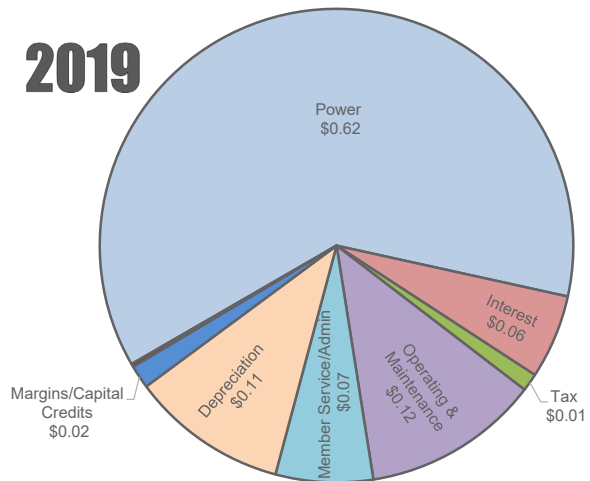
Operating Trends

(In Millions)

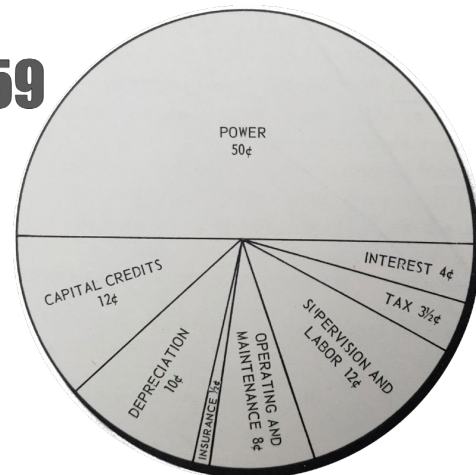


How Each Dollar of Revenue is Spent

2019



1959



2019 District Committee Meeting Minutes

Minutes of the Riverland Energy Cooperative 2019 District Committee Meeting
Saturday, February 16, 2019

The District Committee Meeting was held at the Arcadia High School in Arcadia, Wisconsin on Saturday, February 16, 2019. President David Paudler, who served as chairperson, called the meeting to order at 10:10 a.m. President Paudler appointed David Anderson as recording secretary.

President David Paudler introduced the Riverland Energy Cooperative Board of Directors and General Manager Jerry Sorenson. Manager Sorenson introduced Riverland Energy Cooperative's staff, reviewed the agenda, and explained the responsibilities of the District Committee members. President Paudler introduced a proposed bylaw change regarding how the Cooperative would handle a "tie-breaker" in the case of a tie vote. A motion was made to approve the bylaw change with a second, motion carried.

General Manager Sorenson provided a Manager's report titled "The future is here and why we are here today". He explained the purpose of the district committee and their responsibilities, provided updates on Federal and State legislative issues as well as explained recent election results and its effect on Riverland Energy Cooperative. He also explained opportunities to pursue with newly elected legislature on issues affecting cooperatives, and shared information regarding the recent Farm Bill and RUS borrowing, the Endangered Species Act modernization, FEMA, grid security, and the Public Utility Regulatory Policy Act. State issues included newly elected officials and their impact on Riverland Energy Cooperative, Emergency Recovery Funding and its importance to electrical co-ops, territorial disputes, and informed the District Committee members that he and the directors will be attending Lobby Days at the State Capitol coming up in March. Other information provided by Sorenson included the importance of rural voting; he explained Riverland Energy Cooperative's need for a recently approved new facility to better serve our members in the Holmen and Onalaska area. He also announced that due to the 2019 wholesale power cost increase there would be a need for a 2 percent rate increase. He then fielded several questions from the floor.

President Paudler covered annual meeting rules used to govern the conduct of the annual meeting. A motion was made with a second to approve the rules as presented, motion carried.

Following a short break, Rob Sosalla, operations line superin-

tendent, gave the operations report. Riverland Energy Cooperative added 224 new services in 2018 and continued system improvements with line rebuilds and underground cable replacement. Other maintenance projects included tree trimming, right-of-way spraying, pole testing, underground cabinet inspections, and the new metering.

Aaron Torud provided a member services report. He shared an explanation of the new meters and NISC, a new customer information billing system, and how it provides better service to our members. He demonstrated how members could utilize this system.

Kristina Marsolek presented the financial report including revenues versus cost of power, operation costs, revenue, average residential use, long-term debt and equity, equity ratio, total services and services per mile, outage time per member, and line loss. She also spoke about the advantages of the new meter system in comparison to the old.

Manager Sorenson answered several more questions from the floor and explained the importance of members' involvement in the ACRE program.

District committee members from District 1, District 6, and District 7 were dismissed and went into caucus for director candidate nominations. Other committee members were dismissed for lunch at 11:42 a.m.

At 12:35 p.m., the meeting reconvened. President David Paudler called the meeting back to order. Jerry Sorenson was called on for a few final items. He announced the candidate nomination: District 1 – Fran Fedie, District 6 – David Anderson, District 7 – Stan Hauser and Gary Dvoracek.

General Manager Sorenson extended a thank you to Betty Klopotek for the lunch and reminded all attendees of the per diem and mileage reports and thanked all for coming.

Meeting adjourned at 12:40 p.m.

Respectfully submitted,

David L. Anderson, Secretary/Treasurer



David Anderson,
Dairyland Director

DAIRYLAND POWER COOPERATIVE REPORT

The energy industry continues to transform in many ways. Dairyland Power Cooperative, our wholesale power cooperative, continues to focus on strengthening its safety programs, further diversifying energy resources, modernizing systems, and ensuring competitive rates.

Some of the changes Dairyland is preparing for are these “Four Ds”: Decarbonization, Deregulation, Digitalization, and Decentralization.

Several business initiatives will be implemented in 2020 to achieve the Strategic Imperatives established by the board. The three top 2020 #FutureReady priorities focus on enhancing efficiency today and positioning Dairyland for future success.

- **Sustainable Generation Plan** – The Sustainable Generation Plan is a broad strategic effort to ensure 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 mix, and anticipating members’ long-term needs.
- **Dairyland Systems Modernization** – Dairyland is enhancing efficiency with a multi-year implementation of a comprehensive Enterprise Resource Planning program. A series of projects will ensure financial, business, and technical environments are optimal for long-term success.
- **Strategic Workforce Planning** – This cooperative-wide initiative includes analyzing, forecasting and planning workforce supply and demand, assessing gaps, and determining talent management activities. The goal is to ensure Dairyland has the right people with the right skills, in the right places to achieve the cooperative mission.

In addition to these top priorities, business plans

continue in all areas of operations to fulfill Dairyland’s Strategic Imperatives:

Cooperative Purpose – Dairyland reorganized in late 2019, focused on exceeding member expectations and reducing overall cost. The new structure supports Dairyland’s mission to be responsive to members and to efficiently achieve sustainability goals.

Employee Development – Dairyland is concentrating on attracting, developing, and retaining talented leaders who are focused on serving cop members. The new organizational structure enhances opportunities for employee development and skill growth.

Resource Diversification – The board has set goals to continue to diversify Dairyland’s energy portfolio, reduce its carbon footprint and be even more sustainable. As resource decisions are made, four criteria for sustainability are balanced: Economics, Environment, Social, and Technical considerations.

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 when the contracted fuel supply is depleted. The estimated retirement is June–December 2021.

Genoa Station #3’s over 50 years of safe operation is a testament to the dedication of highly skilled staff, thoughtful planning, and maintenance.

Now that the decision has been made, the Dairyland team is focused on the continued safe operation of the plant, the impacts on employees and the communities. Human Resources programs will help ensure a smooth, safe, and economical transition to plant retirement.

Dairyland announced two major renewable en-

RIVERLAND ENERGY COOPERATIVE 2019 ANNUAL REPORT

ergy 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.

As Dairyland transitions to a low-carbon future, safety, reliability, and competitiveness will remain at the forefront. The proposed Nemadji Trail Energy Center 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 approval for the Nemadji Trail Energy Center in January by the Public Service Commission of Wisconsin is a positive step in the project timeline.

Competitive Service – Ensuring rates and services are competitive is critical to the economic well-being of the region. A task force comprised of Dairyland board members and managers from Dairyland member cooperatives—supported by Dairyland staff and a rate consultant—spent most of 2019 reviewing the current wholesale rate, which is nearly 10 years old. The wholesale 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 was assigned to develop a Future Ready rate that would allow Riverland Energy Cooperative and the rest of Dairyland’s members to reliably and innovatively serve our consumer-members.

The board approved Dairyland’s 2020 budget that will result in an average estimated rate year decrease of 1.8 percent on May 1. The 2020 budget supports the initiatives outlined in Dairyland’s strategic business plan to serve Riverland Energy.

By working with other utilities, regional transmission infrastructure has been strengthened to absorb changing generation sources and strengthen reliability.

Financial Strength – Maintaining financial strength and competitive access to capital are critical to delivering Dairyland’s strategic plans. 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’s board and management 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.

Dairyland’s system will grow by about 10 percent in the next few years with the addition of service territory acquired by member cooperatives, mostly in southern Minnesota.

Safety Culture – Safety of employees, members, and the public is 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.

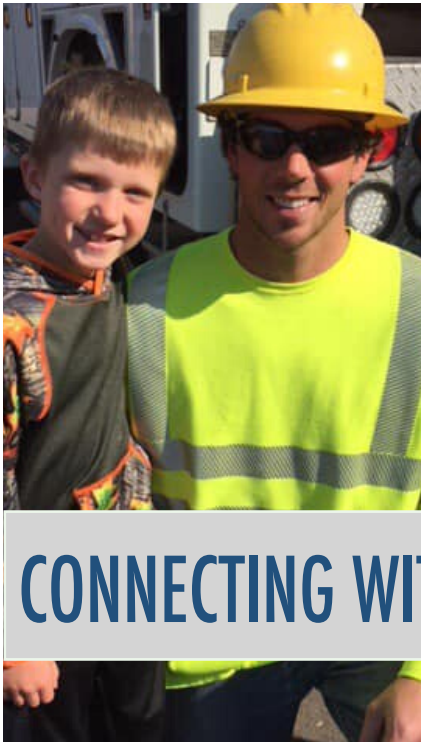
Transmission construction crews work to safely rebuild, construct, and upgrade approximately 50 miles of 69 kV transmission line each year. Each mile takes approximately two weeks to complete with roughly 17 poles per mile.

In 2020, Dairyland will begin a programmatic approach for adding middle-mile fiber optic communications to its existing transmission infrastructure primarily for electric operation communication purposes. As the program progresses, excess fiber optic communication capacity may then be available to enable rural broadband service providers for access to the communities Dairyland serves.

The Dairyland Board of Directors has a goal to be more flexible, agile, and Future Ready for Dairyland’s 24 member cooperatives, including Riverland Energy.

Dairyland will have a significant transition in mid-2020 with the retirement of Barb Nick, President and CEO. Over the past five years, Barb has developed a strong management team and continues to work closely with the board to ensure Dairyland is in a solid financial position to maintain future success. 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 Riverland Energy.

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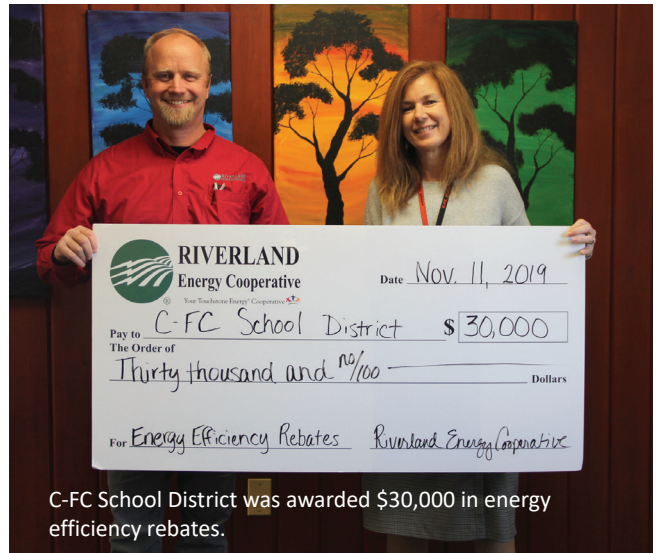


CONNECTING WITH COMMUNITIES

Riverland Energy has been shaped over time by the communities we serve. REC continues to educate its members on energy safety, efficiency, and conservation. The co-op also supports education, economic development, and community-minded organizations in their efforts to improve the quality of life for everyone.



Three youth ambassadors had the opportunity to attend the NRECA Youth Tour in Washington, D.C. in June.



C-FC School District was awarded \$30,000 in energy efficiency rebates.



Co-op employees gave safety demonstrations to over 1,500 students at area elementary schools this year.

COMMUNITY CARES – ROUND UP PROGRAM

2019 marked the sixth year the co-op was able to award grants to members and organizations in our community. Through Community Cares, members can choose to round up their monthly electric bills to the next dollar amount and donate the extra cents to assist non-profit organizations throughout Riverland Energy’s service area.

The 2019 Summary:

- Applications Reviewed:** 38
- Applications Approved:** 12
- Amount Awarded:** \$2,700
- Membership Participation:** 628
- Program Income (Jan 2019 – Dec 2019):** \$2,785.87

2019 Recipients:

- Arcadia Community Food Pantry
- Eleva-Strum Community Support
- La Crosse County 4-H Dog Project
- Mondovi Area Food Pantry
- Salute to RhubarbFest
- St. Patrick’s Quilting Group
- New Horizons Shelter & Outreach Center
- Ettrick Eagles 4-H Club
- G-E-T Food Pantry
- Wisconsin Vietnam Veterans Memorial Moving Wall
- Abilities in Harmony
- Mondovi Public Library



The Wisconsin Vietnam Veterans Memorial Moving Wall was on display at the Holmen High School in June.



Spare change for community needs.

To sign up for the program, visit our Community Cares page on our website at www.riverlanenergy.com.

We received hundreds of items to donate to local food pantries. Thanks to our members for bringing a non-perishable food item to the annual meeting.



We recycled nine semi-loads of appliances and electronics this year at our annual recycle drive held in May.

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Six Riverland Energy linemen volunteered to assist Polk-Burnett Electric Cooperative in July to restore power to thousands after a tornado, torrential rain, and straight-line winds caused widespread damage and power outages throughout their service territory.

2019 SCHOLARSHIP RECIPIENTS

Thirty-two high school seniors whose families are served by Riverland Energy Cooperative were awarded scholarships in a random drawing of \$1,000 each during the meeting. If the recipient(s) were not present from a school, all names were put in a bucket and new names were drawn. The funds for these scholarships are made available by unclaimed capital credits from former members.

- Alma High School: Katrina Danzinger
- Alma High School: Lauren Look
- Arcadia High School: Alexander Boehm
- Arcadia High School: Victoria Severson
- Blair-Taylor High School: Zoe Kraemer
- Blair-Taylor High School: Abigail Omernick
- C-FC High School: Jacob Bjorge
- C-FC High School: Joseph White
- C-FC High School: Austin Klein
- Durand High School: Seth Prissel
- Durand High School: Katelyn Schlosser
- Eleva-Strum High School: Anna Higley
- Eleva-Strum High School: Isaac Larrabee
- G-E-T High School: Allison Ganz
- G-E-T High School: Blake Johnson
- Gilmanton High School: Kaitlyn Johnson
- Gilmanton High School: Reghan Rud
- Holmen High School: Liberty Bryant
- Holmen High School: Alyson Johnson
- Holmen High School: Forest Thoreson
- Independence High School: Nicole Filla
- Independence High School: Matthew Pyka
- Mondovi High School: Ben Halverson
- Mondovi High School: Logan Uschan
- Onalaska High School: McKenzie Quillin
- Onalaska High School: Jade Rasmussen
- Whitehall High School: Jacob Fremstad
- Whitehall High School: Halle Geiger
- At Large, Aquinas: Giselle Fisher
- At Large, Onalaska Luther: Bennett Loersch
- Line Worker Scholarship, Alma: Wyatt Johnson
- Line Worker Scholarship, Whitehall: Michael Poulos

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RIVERLAND ENERGY COOPERATIVE EMPLOYEES

Abramczak, Josh, Project Manager
Alesch, Beth, Communications Manager
Anibas, Todd, Lineman
Boos, Pete, Lineman
Coenen, Reed, Lineman
Curran, Jenny, Load Management Tech.
Christ, Sue, Member Services
Dunn, Niki, Executive Assistant/HR
Foss, Brandon, Load Management Tech.
Glass, Brian, Lineman
Goldbeck, Carrie, Consumer Accounts
Harm, Stella, Engineer Rep./Mapping
Hayes, Scott, Load Management Tech.
Helgeson, Kevin, Line Foreman
Hilmanowski, Tammy, Admin/Payroll
Holtan, Tim, Manager of Operations
Hong, Todd, Lineman
Huffman, Jim, IT Coordinator
Kennebeck, Dale, Operations/Mapping
Kircher, Dale, Lineman
Kosik, Royce, Lineman
Madden, Tammy, Consumer Accounts

Marc Mades, Lineman
Marsolek, Kristina, Accounting Supervisor
Marten, Dillon, Lineman
Mathson, Barb, Accountant/Bookkeeper
Mason, Bill, Project Manager
Nicksic, Willy, Lineman
Palmer, Brett, Lineman
Paulson, Steve, Lineman
Pronschinske, Adam, Lineman
Ravnum, Ted, Mechanic
Schamaun, Mark, Line Foreman
Siebenaler, Adam, Lineman
Sluga, Sharon, Operations Coordinator
Sonsalla, Dean, Inventory & Facilities Coordinator
Sosalla, Rob, Line Superintendent
Stuhr, Laurie, Member Services
Tidquist, Tom, Line Foreman (retired Feb. 14, 2020)
Torud, Aaron, Manager of Member Services
Vitse, Tyler, Lineman

Co-op Owners for Political Action (COPA) gives you, the member-owner, the opportunity to use your voice on behalf of your cooperative. State and federal government officials make policy decisions that affect your local cooperative and your way of life. This program is an easy way for you to help determine who gets elected to make those decisions.

The Action Committee for Rural Electrification® (ACRE)® is the political action committee (PAC) of the nation's electric cooperatives. Founded in 1966 by the approximately 1,000 cooperatives of the National Rural Electric Cooperative Association (NRECA), it supports candidates for state and federal office – those in office now and running for office – who will speak for and protect the interests of cooperatives and their member-owners.

Maintaining a strong grassroots presence in the political process is instrumental to the long-term success of the cooperative program and the communities they serve in these unpredictable times.

To join our ACRE-COPA program, contact our office or sign up at the annual meeting.



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#ThankALineworker



Lineworker Appreciation Day

April 13, 2020

Need a way to manage your account?

**Create an account
on SmartHub!**

- Pay your bill
- Check your electric usage
- Set up recurring payments
- Change account information
- Report an outage



Download the **FREE** mobile app in the *Apple App Store*
or *Google Play Store*

www.riverlandenergy.com

YOUTH AMBASSADOR PROGRAM



Twenty-three high school juniors took part in Riverland Energy’s Youth Ambassador Program last year. The students toured the JPM power plant, Dairyland Power Cooperative Headquarters, and learned about cooperatives, careers, and the electric industry. They also had the opportunity to attend youth conferences and co-op events.



Youth ambassador awards and scholarship recipients, l-r: McClane Noffke, Emily Olson, Karissa O’Connell, and Ty Schlessler.

2019 Youth Ambassadors

Alma

- Danielle Klein
- Thomas Milton
- Jordan Fluekiger

Arcadia

- Chase Patzner
- Linzy Sendelbach
- Noah Schank
- James Ziegweid
- Ty Schlessler

C-FC

- Emily Strom
- Barbara Dittrich
- Jordan Anderson

G-E-T

- Matthew Siegler

Gilmanton

- Grace Branger
- Grace Serum
- Marli Evans
- Taylor Hovey

Killbuck

- Raven Killian
- Carissa Lisowski
- Elizabeth Maier
- Emily Olson
- Karissa O’Connell

Holmen

- McClane Noffke

Onalaska

- Brennan Mason

SAVE THE DATE

Recycle Drive



One event at each Riverland Energy Cooperative location in Arcadia, Alma and Holmen.

MAY 27, 28, & 29

DETAILS COMING SOON!

5 STEPS FOR SAFE DIGGING

Working on an outdoor project? Always call 8-1-1 first, because you never know what's below.
Here are five easy steps for safe digging:

Source: call811.com

1. NOTIFY

Call 8-1-1 or make a request online two to three days before you start.



2. WAIT

Wait two to three days for a response to your request. Affected utilities will send a locator to mark any underground utility lines.



3. CONFIRM

Confirm that all affected utilities have responded by comparing the markers to the list of utilities the 8-1-1 call center notified.



4. RESPECT

Respect the markers provided by the affected utilities. They are your guide for the duration of your project.



5. DIG CAREFULLY

If you can't avoid digging near the markers (within 18-24 inches on all sides, depending on state laws), consider moving your project.





Seven Cooperative Principles

VOLUNTARY AND OPEN MEMBERSHIP
 Cooperatives are voluntary organizations open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

DEMOCRATIC MEMBER CONTROL
 Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

MEMBERS' ECONOMIC PARTICIPATION
 Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefitting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

AUTONOMY AND INDEPENDENCE
 Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

EDUCATION, TRAINING AND INFORMATION
 Cooperatives provide education and training for their members, elected representatives, managers, and employees so that they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

COOPERATION AMONG COOPERATIVES
 Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

CONCERN FOR COMMUNITY
 While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.



Jerry Sorenson, General Manager

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www.riverlandenergy.com

Beth Alesch, Editor



Riverland Energy Cooperative

Your Touchstone Energy® Partner

District Office

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Holmen, WI 54636
608-323-3381 • 1-800-411-9115

Outages & Emergencies

Call 1-800-927-6206
24 hours a day

Office Hours

Arcadia: 7:30 a.m.–4:00 p.m.
Holmen: 7:30 a.m.–4:00 p.m.

Officers of the Board of Directors:

David Paudler, Onalaska, President
Dan Filla, Arcadia, Vice-President
Dennis Frame, Osseo, Secretary/Treasurer

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