

Seasons Greetings

Well, 2002 just zipped by and here we are looking to begin a new year. As we review 2002, your cooperative was busy again building new facilities, rebuilding old ones, and of course maintenance. Pole testing, tree trimming, right-of-way management, transformers, oil circuit reclosures—the list goes on. Storms wreaked havoc on us this past summer, with tremendous amounts of rain. All of these activities add to the cost of providing service.

Our electric rate base stayed the same; however, the power cost adjustment rose dramatically with the higher cost of coal that Dairyland Power Cooperative needs to fuel its generators. About \$1 million was added to our cost for the 12-month period beginning last May 1st. We sure didn't need this added cost when the economy is suffering and agriculture prices are at 1970s level. There was no way for us to absorb these higher fuel costs with total budgeted operating margins at only \$340,000. That is the reason for the fuel cost adjustment—added when prices are higher and lowered when costs decline.

We have mentioned in the past the need for a rate increase for our own use, and late 2002 or mid-2003 was the target. As of this writing, we do not know what Dairyland Power's wholesale rate will be doing for next year. Forestalling our own rate increase cannot go on forever because we have to have adequate margins to cover our mortgage payments.

Over the years we have been proud of the equity we were able to build in our finances. However, this year our margin percentage will be the lowest in at least 20 years, and we have a new \$2 million loan waiting to come in 2003. We were fortunate to receive a \$150,000 cash dividend from our subsidiary, Clark Electric Appliance & Satellite, and it looks good that another substantial amount will probably come in 2003.

Your board of directors has already approved the January 2003 capital credit refund of the balance of 1983 earnings in the amount of \$722,000. These checks will be mailed on January 2, 2003.

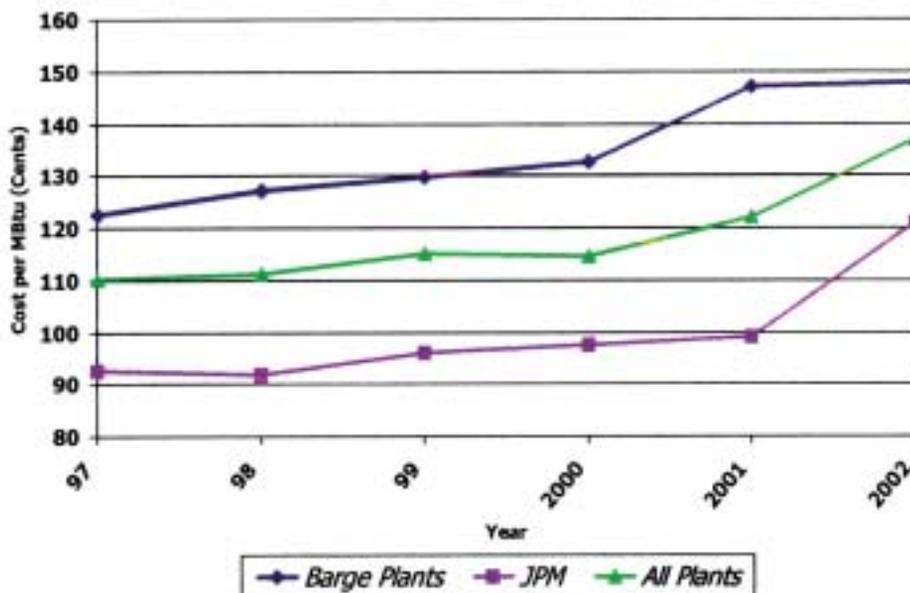
All in all, we are in good financial condition, and our electric rates are still some of the lowest of any of the electric cooperatives in Wisconsin. We continue to look for cost savings to hold the rates down.

As we begin 2003, we want to extend seasons greetings and best wishes to all and let you know we appreciate the support of your cooperative and our subsidiary.

Dick Adler

CEO/General Manager

DELIVERED COST OF COAL COST PER MBtu



More...
Clark Electric Cooperative
News on Pages
16 a, b, c, d and 28 & 29



CHALLENGING POSITIONS

Being a Director Can be Rewarding

Picture yourself below, with your name on that certificate. It's possible; the only thing you need to do is dedicate yourself to being a member of the Clark Electric Cooperative Board of Directors. Your current directors recently all completed the Cooperative Director Program. This program educated them in the operations of an electric cooperative as to what the responsibilities are and what a director needs to know to help guide the cooperative in the right direction for the membership. Being a successful director for a successful cooperative can be very rewarding.

This is the first time that all the directors have been certified all at one time. This is a big accomplishment and

shows the dedication that your directors have for the cooperative. Part of the responsibilities of a director are to be educated in the cooperative form of business and to continue to develop him or herself in this endeavor. At the annual meeting, which will be on Wednesday, March 26, 2003, Clark Electric Cooperative will be holding elections for directors.

Board President Tony Jarocki is eligible for re-election to the board of directors. Director Jarocki represents the areas of Delmar, Edson, Longwood, Reseburg, Roosevelt, Taft, Thorp, Withee, and Wordon. Director

(Continued on Page 28 ►)



All directors have obtained the distinction of being certified. This is a major accomplishment by your Board of Directors and the first time all board members have been certified at the same time.

YEARS OF EXPERIENCE



Greg Shaw

Dan Michler

Clark Electric Appliance & Satellite, Inc. Hires Two New Geothermal And Appliance Technicians

Experience says it all. At Clark Electric Appliance & Satellite, Inc., we strive to bring you the very best. Our line of GE appliances, Econar ground source heat pumps, ETS heating systems, First Call emergency monitoring phone system, and of course DirecTV and DirectWay satellite services are some of the best products around. But the products we sell are only as good as the service that is provided. Clark Electric Appliance & Satellite, Inc., strives to provide the best possible service with some of the best people.

With the addition of two new employees, our service department has the talent and experience to provide for all our members' needs. Greg Shaw of Greenwood started working for the Appliance and Satellite Department on December 2, 2002. Greg has worked in the heating and cooling and commercial refrigeration business for the last 18 years. These years of experience will provide for our members' geothermal heating and cooling needs. With installation and service a priority, Greg will be there to ensure your service expectations are met.

Dan Michler also joined the staff at Clark Electric Appliance & Satellite, Inc., on December 2, 2002. Dan

brings with him 23 years of appliance and heating and cooling experience. Dan and his family are from the Medford area and will be relocating to Greenwood in the near future. Dan brings an extensive background of appliance knowledge with him that will guarantee that your appliance needs are taken care of.

But let's not forget Ryan Nielsen, who has been with the Appliance & Satellite Department for the last two years. Ryan is a tremendous asset and takes care of the members' needs in delivering or repairing appliances. Our team has the experience and knowledge to bring you the dependable and reliable service that you always expect from the best.

Our service does not start at your home, but in the showroom and on the phones with the rest of the Appliance & Satellite staff. Rita Sladich, executive vice president of Clark Electric Appliance and Satellite, Inc., has a great team; Michelle, Sarah, Shannon, Amanda, Stephanie, and Kyle are all dedicated to helping our members with any of their questions regarding any of the products we offer. Stop in anytime and see why hometown service and dependability go a long way. Before, during, and after the sale, Clark Electric Appliance & Satellite is the place to go. ■

SCHOLARSHIP APPLICATIONS AVAILABLE

Graduating Seniors, and Now Graduating Home-Schooled Students, are Eligible to Receive the 2003–2004 Scholarships

Are you a graduating senior, or are you a graduating home-schooled student? Will you be going on to a post-secondary school? If you answer yes to any of these questions, you are eligible to be considered for a Clark Electric scholarship.

Scholarships have normally been available to students who are enrolled in the local schools throughout our system. This year your board of directors has determined that there is the opportunity to be able to offer this scholarship to home-schooled members. Scholarships will be available to students in the amount of \$750. Applications will be in the school counselor's office after the first of the year. If you are a home-schooled student who will be applying, please contact our office and ask for Tracy, the administrative assistant.

Clark Electric scholarships are made possible by the unclaimed capital credits from former members.

These unclaimed capital credits are held and the interest is used to provide educational opportunities to our younger members. Other cooperatives throughout the state also participate and give their young members scholarships.

Because of these available funds, we encourage all students in the participating schools to apply for these scholarships. If your school counselor does not have the forms, please contact our office immediately.

We also ask all parents and grandparents to encourage their graduating students to apply. This is another way that Clark Electric is showing concern for its community—by providing an educational opportunity for our youth.

Education is so important, and this scholarship is a great tool to help young students achieve the goal of continuing their education ■



The 2002–2003 winners at the Scholarship Banquet held in the honor of those students who received a scholarship.

SAFETY FIRST

New Grant & Loan Program Available Statewide

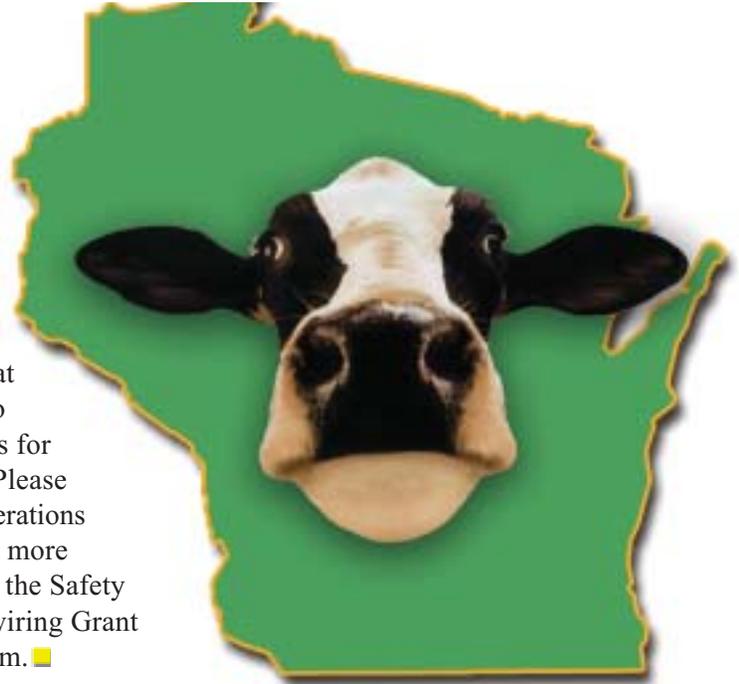
Farm wiring is a hot topic to a lot of area farmers and farmers across the state. Clark Electric Cooperative was one of the first electric cooperatives to develop a farm wiring program for its member farmers. Because of our success and how our program was set up, the Wisconsin Electric Cooperative Association has refined our program and made it available to all of the electric cooperatives in the state.

The first part of the new program is a grant made available to qualifying farms. The grant will be for 20 percent or up to \$4,000 of the maximum loan amount of \$16,000, for a total of \$20,000. The interest rate is 5 percent, and you can take up to 5 years to pay the loan off.

The cooperative will pay for the initial electrical inspection by a certified electrical inspector. The inspector will provide both the member and the cooperative a detailed report of what must be done to bring everything up to code. The owner then needs to get bids from a master electrician to perform the work. The owner then applies for the grant and loan from the cooperative. Clark Electric Cooperative then will check the application over, such as credit history with the cooperative.

The program is a great program for farmers—even if you don't want the grant or the loan, you can still get your farm checked over to make sure that it is safe, and Clark

Electric Cooperative will pick up that cost, as we also want safe farms for our members. Please contact the Operations Department for more information on the Safety First Farm Rewiring Grant & Loan Program. ■



Wisconsin electric cooperatives have developed a uniform statewide farm wiring program entitled, "Safety First!" The purpose is to assist dairy farmers with the cost of rewiring projects and to promote safety.

Loans and Grants

- A loan/grant combination is available up to \$20,000.
- Grants are available for 20 percent or up to \$4,000 from the Wisconsin Electric Cooperative Association.
- Loans are available for 80 percent or up to \$16,000 from your electric cooperative.
- Take up to 5 years to repay.
- 5 percent interest applies.

Requirements

- Dairy farms only
- Existing farmstead
- Pre-program inspection
- Electrician's estimate
- Service agreement for length of loan
- Credit eligibility requirements



Paying Those High Gas Bills

Now is the Time to Start Getting Ready for a Geothermal Heating & Cooling System



Are you planning on building a new house or a remodeling project this spring?

Or, are you tired of those high gas prices, which seem to always go up just before winter?

Then, now is the time to get a geothermal heating & cooling system from the Geothermal Experts at Clark Electric Appliance & Satellite, Inc. They will provide you with the most efficient heating & cooling system a house can have, allowing you to save your energy dollars for more important things.

Our professional staff of installers and technicians offer years of service and training so that you know you can count on us.

Cold Climate Technology at its Best!

Clark Electric Appliance & Satellite, Inc.

111 E. Miller St. Greenwood, WI

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MORE LOCAL NEWS

Rewarding Postion

(Continued from page 4)

Smith, who represents members from the Dewhurst, Levis, Mentor, Pine Valley, Seif, Washburn, and Weston areas, along with Director Henry Janezich, who represents members from the Butler, Eaton, Foster, Hendren, Mead, and Warner areas, are not eligible for re-election as they have fulfilled their term limits.

Because of these two vacancies, we will need members from these

areas to step up and be a leader and be a director for their cooperative. Being a director is an important job that does require a time investment. Such duties include attending the monthly board meetings, committee meetings, special educational training, and various other meetings during the year that pertain to cooperative business.

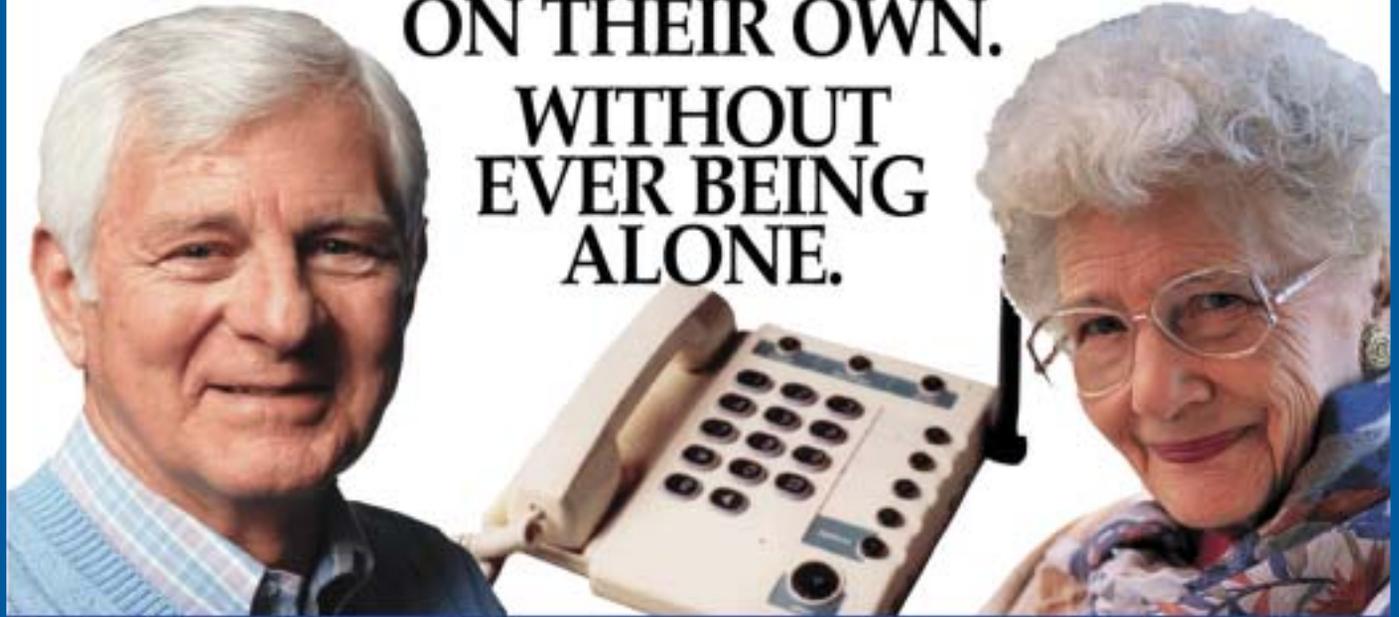
A nomination committee will help in the process of nominating the new directors. If you think you're the

person to fill the position as a director of Clark Electric Cooperative for the mentioned areas, please contact Dick Adler, general manager, or John Knox, director of member services. They will be able to provide information regarding the director positions and getting your information to the nomination committee, which is due by February 26, 2003. Rewards come in many different forms—run for a director's position at this coming annual meeting. ■

Annual Meeting—Wednesday, March 26, 2003

NOW MOM OR DAD CAN LIVE ON THEIR OWN.

WITHOUT EVER BEING ALONE.



And you can rest easy knowing help is just a phone call away.

If a medical emergency arises, mom or dad simply touches a button on their phone or a wireless transmitter and they are instantly put in voice contact with our Cooperative Response Center. If necessary, help will be sent immediately. So call today for details on how quickly and easily your parents can enjoy the security that comes with First Call.

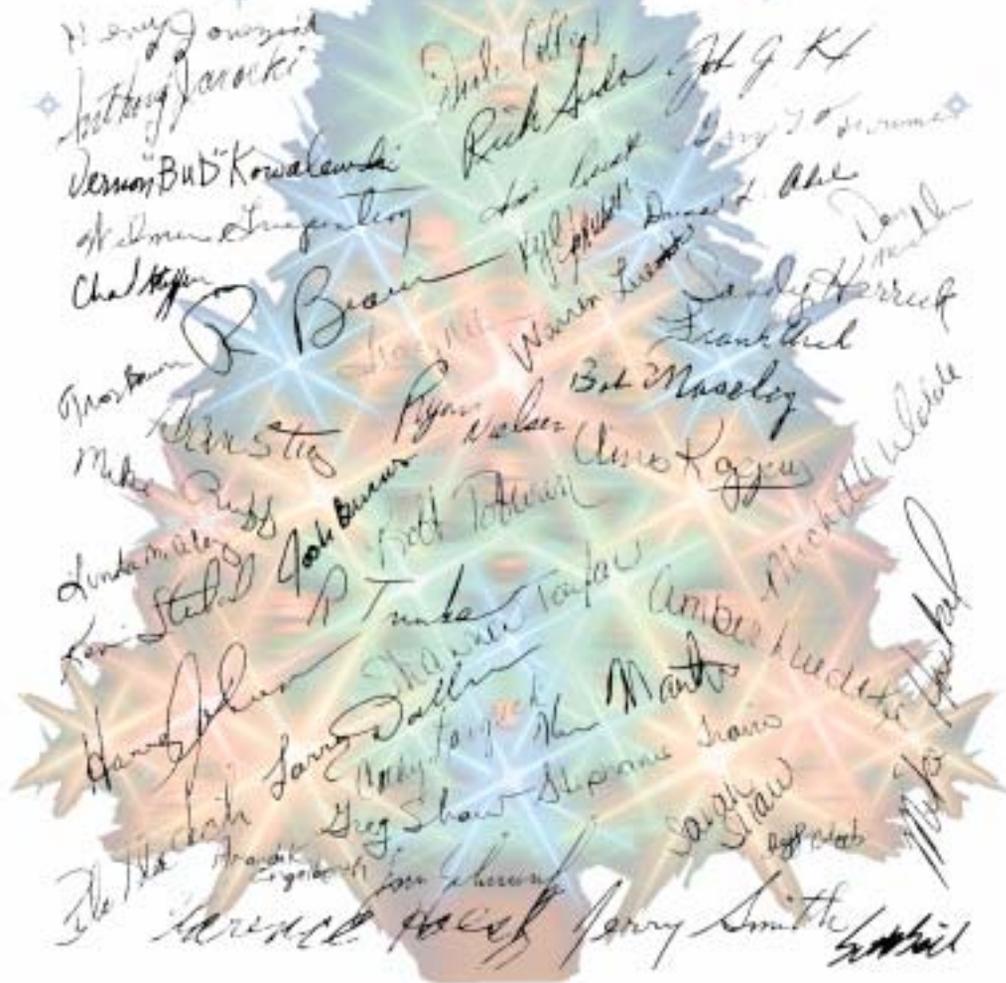


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Happy Holidays



Important Notice To Members

Clark Electric Cooperative and Alltel (formerly Cellulink) have dissolved their partnership. Members will no longer be able to obtain discounts on new service by declaring membership. If you have questions regarding your cell phone, billing, or other technical questions, please refer to phone numbers on your cellular bill or call Alltel at 800-848-4577.



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John J. Knox, Editor

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