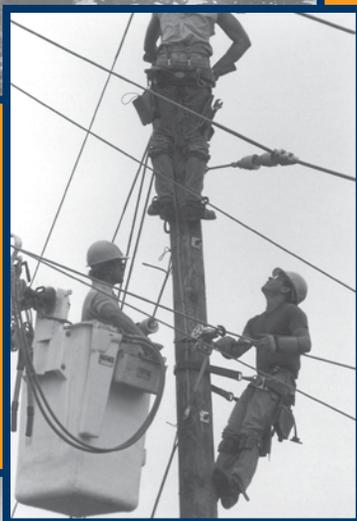
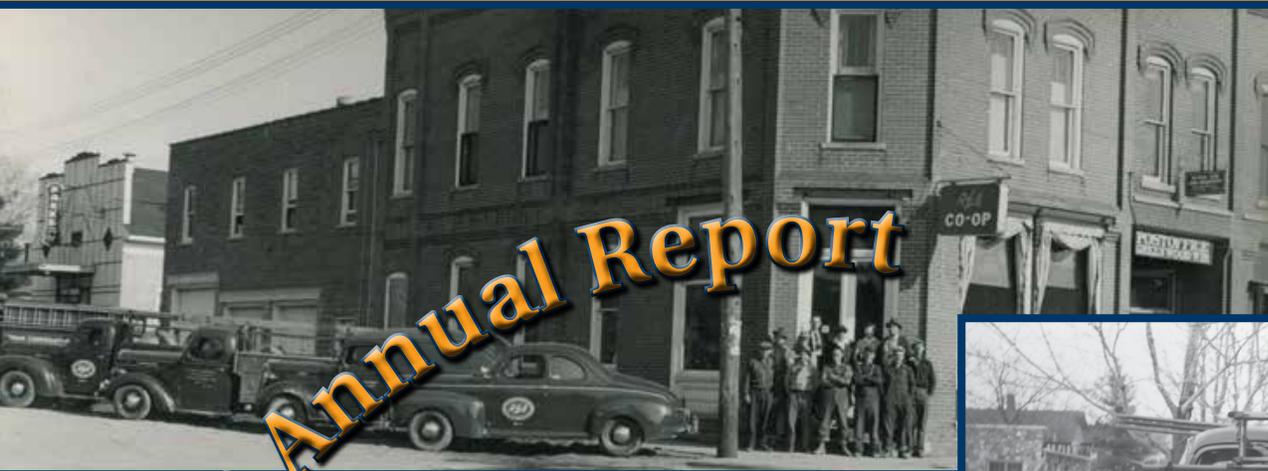
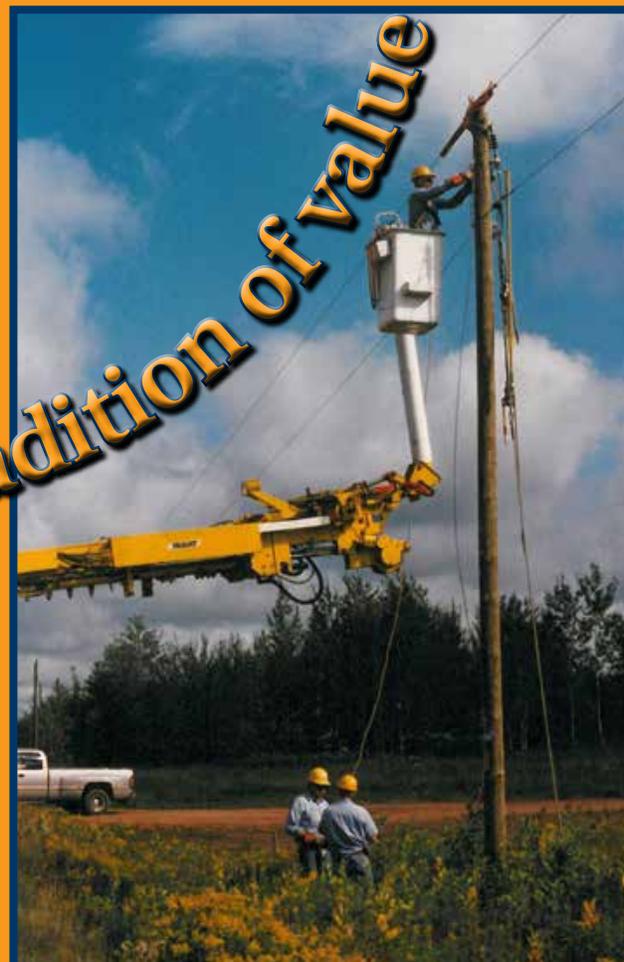


2012 Annual Report



Clark Electric Cooperative
Annual Meeting
Loyal American Legion Hall
Thursday April 11, 2013
Starting at 9:30 a.m.

A tradition of value



Notice of the Annual Meeting of the Membership of Clark Electric Cooperative

Thursday, April 11, 2013

The 76th annual meeting of the members of Clark Electric Cooperative will be held at the American Legion Hall in the city of Loyal, Clark County, Wisconsin on **Thursday, April 11, 2013 beginning at 9:30 a.m.**

Action will be taken on the following items of business:

1. Report of Officers, Directors, Employees and Guests.
2. Election of two (2) board members, Ron Schmidt whose term will be expiring and the late Clarence Hoesly.
3. The selection of delegates to Dairyland Power Cooperative Annual Meeting.
4. Such other business that may come before the meeting

Dated this 20th day of March, 2013.


/S/ Wilmer Griepentrog

President

Note: Nominations and Election

Nominations will be received from the floor at the annual meeting of members. If there is more than one nominee, election shall be by ballot and majority vote. In the event no candidate receives a majority of the votes cast on the first ballot, then all but the two persons receiving the greatest number of votes cast shall be dropped from the ballot on the second and succeeding ballots.

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 and under the following special Rules of Order.
2. Members wishing to speak are to give their name(s) and Town location in which they are members.
3. During nomination and election proceedings for director, candidates will be allowed to speak for four minutes; and one member supporting his/her candidacy will also be allowed to speak for four minutes.
4. Resolutions must have been submitted to the Board of Directors prior to the Annual Meeting to give the Board an opportunity to make a recommendation to the membership.
5. Other than individuals on the Annual Meeting program, only members will be allowed to speak for four minutes on each issue and for one time only except that an additional two minutes may be granted by $\frac{2}{3}$ majority of the vote at the meeting.
6. No signs or handouts will be permitted within the building of the place of the meeting, except such handouts as required for the official conduct of the Annual Meeting.
7. No demonstrations shall be held within the building of the place of the meeting.

Vision, Mission & Value Statement

Our Vision

Members are the reason for our existence. We strive to be recognized and respected by our membership as providing the highest level of quality service and value through accountability, innovation, integrity, and commitment to community.

Our Mission

To provide reliable, competitively priced energy and related services to our customers and maximum value to our members consistent with the wise use of resources and technology. We will work with our members to improve the social and economic well being of the region.

Our Organizational Values

- ▲ We will strive to provide services that exceed our member's expectations, emphasizing honesty, quality, and sound business principles.
- ▲ Encourage the wise use of our energy resources.
- ▲ As we conduct our business, we will be responsible members of our community, good stewards of the environment, and follow safety practices while focusing on continuous improvement of our processes and services.
- ▲ Reference the Seven Cooperative Principles as our guide to our business platform.
- ▲ Practice fiscal responsibility.
- ▲ Working together, we have the power to make a difference.

A Good Friend and Strong Leader...

Goodbye to Director Clarence Hoesly

Our sympathy to Sandy Hoesly and family on the loss of Clarence Hoesly, who passed away on February 6, 2013. Clarence served the members of Clark Electric Cooperative for 15 years as a director, nine years as secretary-treasurer. Clarence joined the Dairyland Board of Directors as Clark Electric's delegate in June 2003. While at Dairyland, he served on the Executive Committee from 2006-2011 and served as treasurer for three terms. He also served on the following committees: Resolution & Bylaws, Labor, Finance, and Policy, Procedures and System Operations. Clarence's leadership, dedication, guidance and friendship have left an everlasting impression on our organization. He will be truly missed.



Abbreviated Minutes of The 2012 Annual Meeting

The 75th Annual Meeting was held on April 12, 2012, and was called to order at 9:30 a.m. by President, Wilmer Griepentrog.

Ronald Schmidt gave the invocation.

National Anthem was presented.

Ronald Schmidt gave the Pledge of Allegiance.

The roll call was dispensed with as members registered at the door and a quorum to conduct business was present.

The Rules of Order for Official Business Meeting were adopted.

It was moved and seconded to approve the Agenda as printed in the 2011 Annual Report.

The Notice of Annual Meeting and Proof of Due Mailing were read.

Minutes of the 2011 annual meeting were approved as mailed.

The Board of Directors, former directors, and guests were introduced.

Letter of Congratulation was presented to the Cooperative for 75 years of service from Senator Kohl's Office.

A plaque with a Proclamation in Celebration of the Cooperative's 75th Anniversary was presented from Senator Moulton's and Representative Suder's office.

The President's report was approved as printed.

The Financial Report and General Manager's Report were accepted as given.

Nominations were open for a director to succeed Charles Bena (Mead) whose term was expiring. It was moved and seconded to cast a unanimous ballot for Charles Bena. Motion carried.

Nominations were open for a director to succeed Anthony Jarocki (Hixon) whose term was expiring. Director Jarocki is not eligible for re-election due to term limits. It was moved and seconded to cast a unanimous ballot for Marvin Verkuilen. Motion carried.

Anthony Jarocki was presented with a plaque thanking him for his 32 years of service on the Cooperative Board of Directors.

A Plaque was read recognizing Howard Schultz for his 9 years of service on the Cooperative Board of Directors.

Nominations were open for a director to succeed Howard Schultz (Weston) whose term was expiring. Director Schultz is not eligible for re-election due to re-location. Paul Olinski, Larry Beyer, Herman Seebandt and Frank Oldham were nominated. Following Ballot #1 Vote - Paul Olinski and Herman Seebandt received the majority of the votes. Ballot #2 Vote was taken, resulting in a majority

vote for Herman Seebandt. Herman Seebandt was elected. Motion carried.

Mr. Bill Berg, President and CEO of Dairyland Power Cooperative, reported on the operations and projects at Dairyland Power Cooperative.

Beata Kalies, Wisconsin Electric Cooperative Association presented Tracy Nelson, administrative assistant, with an Honorable Mention Photography category award for the local pages in the Wisconsin Energy Newsletter.

It was moved and seconded to compensate the member delegates the same per diem as last year and to use the IRS standard rate for mileage.

It was moved and seconded to leave the number of member delegates to the Dairyland Power Cooperative Annual Meeting the same.

It was moved and seconded to approve the member delegates as nominated and that the Board of Directors appoint the remaining delegates to attend the Dairyland Annual Meeting, if needed, at the next scheduled board meeting. Motion carried.

There was no unfinished business.

There was no new business.

Moved and seconded to adjourn at 12:06 p.m.

President and General Manager's Report

It is our privilege, on behalf of the Board of Directors, Management, and Employees of Clark Electric Cooperative to provide this annual report for year ended December 31, 2012. The Cooperative's financial report for year-end 2012 & 2011 is contained in this booklet. Please take a few minutes to review the information contained herein.

Clark Electric Cooperative continues to report solid financial performance. The Board of Directors is committed to maintaining Clark Electric Cooperative in a strong financial position. The positive performance for 2012 continues the trend of maintaining a progressive, yet sound organization. Clark Electric Cooperative's equity position remains one of the strongest in Wisconsin while electric rates remain among the most competitive in the Cooperative segment of the Wisconsin electric industry. The result of this sound financial positioning has allowed the Cooperative to once again retire allocated capital credits to our membership. During 2012, the Board of Directors approved total retirements of \$865,187. This brings the total dividends retired to our members to over \$19,158,044.

"In 2004, Clark Electric Appliance and Satellite, Inc. established the Adler – Clark Electric Community Commitment Foundation. The purpose of the Foundation is to strengthen local communities by helping not-for-profit and community organizations fund projects that will enhance the quality of life of local residents of this area."

Financial Statistics

Total electric energy sales decreased slightly, 0.80%, from the 2011 level to 173,502,750 kWh sold. By way of comparison, the 2012 level is still 3.68% below kWh sales in 2008. However, as a result of taking significant steps to address our challenges in 2012 combined with a continued aggressive cost containment program, the Cooperative helped to offset ever increasing cost which resulted in a positive operating margins of \$969,222 compared to \$805,119 in 2011. The Operating Times Interest Earned Ratio (OTIER) increased to 4.24 from 3.64 in 2011. Our Equity Ratio increased moderately from last year's level of 74.89% of total assets to the 2012 year end level of 75.86% of total assets.

The Cooperative utilized our short term line of credit to supplement our capital needs throughout the year. The continued amortization of Debt Service of Long Term Debt resulted with a year end Long Term Debt to Total Assets Ratio of 16.98% as compared to 17.99% in 2011.

Finally, it is important to note that Clark Electric Cooperative has met or exceeded vital statistical

tests as required by our lenders, the Rural Utilities Service and the National Rural Utilities Cooperative Finance Corporation. In addition, our financial condition is audited every year by an independent auditing firm. The audit confirms and reports on the financial condition, controls, and procedures used by Clark Electric Cooperative.



Operations

Each year the Cooperative performs a host of maintenance programs designed to help maintain our continuity of service and keep the electric system operating efficiently. Major maintenance programs include pole testing, reclosure maintenance, regulator maintenance, vegetation management, tree trimming, and overhead/underground line inspection. The year 2012 was marked by a number of summer storms that once again drove outage hours. However, the System Average Interruption Duration Index (SAIDI), a system reliability index, decreased from 4.50 to 2.59. This is the lowest outage level in five years. The 2012 index is below the RUS established threshold while the 5 year average is well below the Rural Utilities Service established threshold.

The Cooperative invested approximately \$1,677,012 in new distribution plant during 2012. This represents new construction / replacement of electric lines, new

(continued on page 6...)

service extensions, and member service upgrades. In addition, a total of 82 new services were added as compared to 72 new services during 2011.

Commitment to Community

One of Clark Electric Cooperative's core values is commitment to community. During this past year Cooperative personnel visited schools, area fire departments, and other community events to discuss electrical education and safety. Our youth programs continue with our scholarship program and our youth leadership program. The scholarship program, a program designed for graduating seniors located throughout our service area, is funded with unclaimed capital credits. The Youth Leadership program focuses on leadership training and education about Cooperatives. These outreach programs continue to be well received and are tangible examples of our commitment to our area young people.

In 2004, Clark Electric Appliance and Satellite, Inc. established the Adler - Clark Electric Community Commitment Foundation. The purpose of the Foundation is to strengthen local communities by helping not-for-profit and community organizations fund projects that will enhance the quality of life of local residents of this area. In eight years of operation, the Foundation has awarded \$ 248,375 for community enrichment projects in our local communities throughout our service area. The Foundation will continue to be a strong community resource for many years to come.

Adapting to the "New Normal"

As you are all aware, we have experienced significant increases in wholesale power costs since 2006. In 2011, we experienced a 2.81 percent increase in rate from the 2010 level. In 2012, we again experienced an increase in the wholesale charges that Clark Electric Cooperative pays for power of approximately 4.14 percent. Fortunately, in 2013, we are expecting just a slight increase in wholesale power costs. Wholesale power costs accounts for approximately 73 percent of the total cost of providing your electrical service and is a major cost driver of your bill. The new wholesale rate received from Dairyland Power Cooperative (DPC) not only showed a price adjustment, but also had a new restructured format that mirrors the energy use patterns in the regional power grid. It takes into account the added financial burden of meeting summer time peak demands for electricity.

Clark Electric Cooperative's source of power generation, Dairyland Power Cooperative, joined the Midwest Independent Transmission System Operator (MISO) in June 2010. A Regional Transmission Organization, the MISO ensures safe, cost-effective, reliable power and equal access to electric generation and transmission across 12 U.S. states and Manitoba. As a member of the MISO, Dairyland is able to provide Clark Electric Cooperative and all of its other member distribution cooperatives the benefits of regional grid reliability and flexibility. However, there are some

changes. The cooperative owners of Dairyland Power Cooperative used to share a winter energy demand peak. Our greatest energy demand was required for winter home heating, water heating and rural lifestyle needs. Now that our energy comes through the MISO system, collectively we experience the greatest demand for electricity from 11 a.m. to 7:00 p.m. in the summer, especially on weekdays. In an effort to curb the impact of peak demand periods and future capacity costs on Clark Electric Cooperative, the Board of Directors approved a rate change that became effective March 1, 2013 that will restructure our retail rates to more closely align with DPC's wholesale rate while addressing increasing cost pressures.

Milestone Project Complete at LACBWR

More than 25 years following shut down of the La Crosse Boiling Water Reactor (LACBWR), the project to safely and efficiently transfer used nuclear fuel to the Independent Spent Fuel Storage Installation (ISFSI) on the south end of the Genoa Site (Genoa, Wis.) was completed in September 2012. Dairyland prepared for several years to remove LACBWR's used fuel from the fuel pool and place it into a dry cask storage system on the south end of Dairyland's Genoa Site. The fuel is monitored around the clock at the ISFSI in accordance with NRC regulations.

LACBWR has been shut down since 1987; however, the used fuel had remained in the fuel pool in the reactor building. The ongoing

costs for storing the fuel in the pool had been about \$6 million per year. This project is good news in that storage costs at the ISFSI is expected to reduce that to approximately \$2 million annually. Final decommissioning of the facility, which will include demobilizing equipment, shutting down and removing or decontaminating systems is expected to take a number of years.

Additional good news is that Dairyland was successful in recovering \$ 37.6 million in costs previously incurred at LACBWR due to the federal government's breach of contract. In January, Clark Electric received a cash refund from DPC in the amount of \$837,894.11. The Clark Board of Directors took action at the January 2013 board meeting to authorize a "special refund" directly to our members. The refund is the result of a recent damage award received by DPC. Dairyland returned funds to Clark Electric Cooperative and its 24 other member cooperatives based on costs incurred from 1999-2006. Therefore, the refund returned to Clark members will be based on 1999-2006 patronage.

Energy and Capacity Markets

For a variety of reasons, including a record warm winter for 2011-12 and low natural gas prices, wholesale spot market prices for electric energy continue to be very low - often times less than the variable cost to produce power at Dairyland's plants. When this occurs, it is often economical for Dairyland to reduce generation as much as possible, and increase

the utilization of lower cost market purchases in the MISO market to meet members' energy needs.

Wholesale spot electricity and capacity prices, although currently historically low, will remain prone to significant unpredictability and risk in both the short and long term. In light of the changes in the energy market and foreseeable regulatory impacts on operational costs, Dairyland continues to analyze the cost-effectiveness of its older coal fired generating facilities. While natural gas availability is economically impractical at the Genoa and Alma sites, other options are being considered. Dairyland is also analyzing how the "flight to gas" in the utility industry will impact market prices and volatility over the next 10 years.

In 2012, approximately 12 percent of Dairyland's sales came from renewable energy resources. During the past few years, Dairyland's member cooperatives have also seen a considerable increase in consumer-owned distributed renewable generation installations. While renewable energy requirements vary in the states Dairyland serves, Dairyland's Board has supported the acquisition of fairly priced renewable resources. Our supply of renewable energy is now ahead of all current state mandates.

As we look to the future, we note continued cost pressures in the wholesale rate. The largest contributing costs are associated with planned environmental improvements in our generating

stations, the cost of fuel and transmission costs from others. Fuel to operate our generating facilities continues to be Dairyland's largest annual expense, with barge and rail transportation of coal constituting a significant portion of that cost. Fortunately, this cost has stabilized somewhat and are expected to remain stable, or perhaps even decline

In closing, be assured that the Board of Directors, Management and Employees of your Cooperative will continue to pursue and improve methods to bring you safe, dependable power and other related services. Clark Electric Cooperative is your organization, and we are dedicated to serving our membership in the most practical, cost effective manner. We approach the future with confidence and the knowledge that the commitment and dedication to service, membership owned, and not-for-profit operation will enable us to focus on you, our customer and owner. It is an honor and a privilege to be of service to you.


Wilmer Griepentrog
President


Timothy E. Stewart
CEO/GM

Clark Electric Board of Directors



Wilmer Griepentrog
President
1999 - Present
Town of Sherman



Ronald Schmidt
Vice President
1996 - Present
Town of Brighton



Charles Bena
Secretary/Treasurer
2003 - Present
Town of Mead



Herman Seebandt
Director
2012 - Present
Town of Weston



Marvin Verkuilen
Director
2012 - Present
Town of Worden



Jeremy Baxter
Director
2005 - Present
Town of Holway

Statement of Cash Flows

Increase (Decrease) in Cash and Equivalents

Cash Flows From Operating Activities

	2012	2011
Net Margins	\$ 1,615,266	\$ 1,708,460
Adjustments to reconcile net margin to net cash provided by operating activities		
Depreciation and Amortization	1,004,954	959,036
G&T Capital Credits	(708,747)	(686,045)
Gain on Equity in Subsidiary/Sale of Investments	58,734	(158,308)
Changes in Operating Assets and Liabilities:		
Accounts Receivable	51,354	86,447
Notes Receivable	55,711	48,094
Materials and Supplies	(32,003)	(54,178)
Other Current and Accrued Assets	(925)	(12,207)
Accounts Payable	(190,795)	106,503
Other Current and Accrued Liabilities	14,191	(6,261)
Net Cash Provided by Operating Activities	1,867,740	1,991,541

Cash Flows From Investing Activities

Capital Expenditures	(1,891,899)	(1,862,057)
Investments in Associated Organizations and Other Assets	147,636	137,771
Dividend Received	50,000	0
Net Cash Provided by (used in) Investing Activities	(1,694,263)	(1,724,286)

Cash Flows From Financing Activities

Long-term Borrowing	0	1,400,000
Payments on Long-term Debt	(274,560)	(432,529)
Advance Payments on Long Term Debt	(16,314)	(310,623)
Notes Payable	250,000	0
Capital Credits Retired	(786,429)	(697,104)
Changes in Other Equities and Consumer Deposits	(43,713)	(9,908)
Net Cash Provided by (used in) Financing Activities	(871,016)	(50,164)

NET INCREASES IN CASH AND CASH EQUIVALENTS

(697,539) **217,091**

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR

1,028,984 **811,893**

CASH AND CASH EQUIVALENTS, END OF YEAR

\$ 331,445 **\$1,028,984**



Balance Sheet - December 31, 2012

Assets and Other Debits

	Dec 2012	Dec 2011
Total Plant in Service	\$ 32,925,802	\$ 31,329,560
Construction Work in Progress	20,409	25,140
Total Utility Plant	32,946,211	31,354,700
Accumulated Depreciation & Amortization	8,673,946	7,969,377
Net Utility Plant	24,272,265	23,385,323
Investments in Subsidiary Companies	4,640,526	4,693,180
Investments Associated Organizations - Patronage Capital	6,958,819	6,408,888
Investments Associated Organizations - Other General Funds	493,378	493,378
Other Funds	174,775	168,131
Special Funds	-	-
Total - Other Property and Investments	12,267,498	11,763,577
Cash - General Funds	324,768	467,143
Temporary Investments	199,151	748,750
Notes Receivable - Net	22,874	78,585
Accounts Receivable - Net Sales of Energy	1,876,291	1,928,345
Accounts Receivable - Net Other	37,747	37,048
Materials and Supplies Electric and Other	344,371	312,368
Prepayments	170,512	169,574
Interest & Dividends Recievable	5,082	5,097
Total Current and Accrued Assets	2,980,796	3,746,910
Other Deferred Debits	19,113	19,151
Accumulated Deferred Income Taxes		
Total Assets	\$39,539,672	\$38,914,961

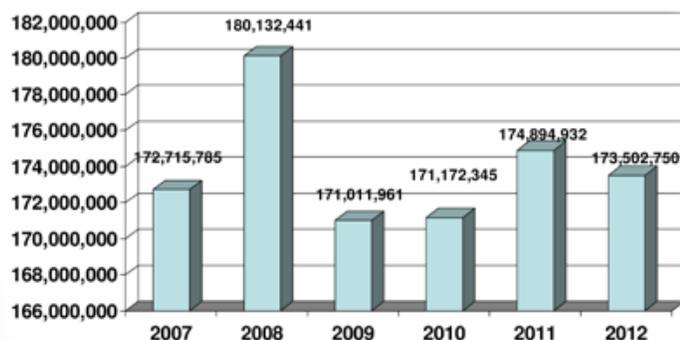
Liabilities and Other Credits

	Dec 2012	Dec 2011
Patronage Capital	\$ 20,033,032	\$ 19,453,247
Patronage Capital - Non Assignable	3,100,197	2,772,269
Operating Margins - Current Year	1,625,500	1,438,197
Non-Operating Margins	(10,234)	270,263
Other Margins and Equities	5,246,530	5,209,264
Total Margins and Equities	\$29,995,025	\$29,143,240
Long Term Debt - REA (net)	3,988,030	4,099,604
Long Term Debt - Economic Development	-	37,500
Long Term Debt - (NRUCFC)	2,491,855	2,601,593
Total Long Term Debt	\$ 6,479,885	\$ 6,738,697
Notes Payable	250,000	-
Accounts Payable	1,377,720	1,568,516
Consumers Deposits	93,749	96,525
Other Current and Accrued Liabilities	1,110,985	1,103,614
Current Maturities-Long Term Debt	232,308	264,369
Total Current and Accrued Liabilities	\$ 3,064,762	\$ 3,033,024
Deferred Credits	-	-
Total Liabilities and Other Credits	\$39,539,672	\$38,914,961

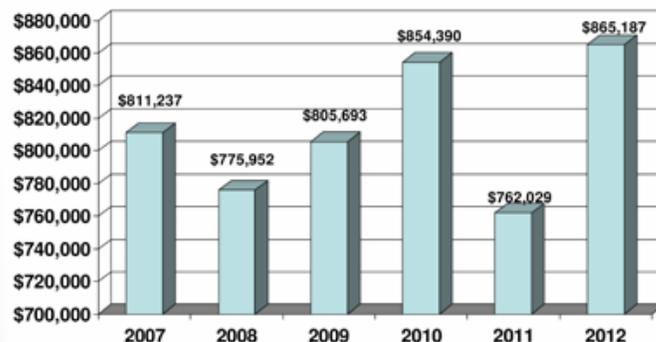
Statement of Operations

Item	Dec 2012	Dec 2011
Operating Revenue	\$ 19,454,440	\$ 19,000,652
Cost of Power	13,489,072	13,041,984
Transmission Expense		
Distribution Expense-Operation	1,034,263	1,142,001
Distribution Expense-Maintenance	1,127,165	1,288,979
Consumer Account Expense	476,618	444,026
Consumer Service & Info Expense	130,050	127,143
Sales Expense	40,204	36,373
Administrative and General Expense	683,124	656,019
Total Operations Expense	\$ 3,491,424	\$ 3,694,541
Total Operation & Maintenance Expense	\$ 16,980,496	\$ 16,736,525
Depreciation & Amortization Expense	1,004,954	959,036
Tax Expense - Property	190,295	190,082
Tax Expense Other	1,592	434
Interest Long Term Debt	298,764	304,488
Interest Expense- Other	5,680	1,127
Other Deductions	3,437	3,841
Total Fixed Expenses	1,504,722	1,459,008
Total Cost of Electric Service	\$ 18,485,218	\$ 18,195,533
Patronage Capital & Margins	\$ 969,222	\$ 805,119
Non-Operating Margins		
Interest Income	49,067	52,261
Non-Operating Margins - Other	(111,770)	165,035
Generation & Transmission Capital Credits	656,278	633,078
Other Capital Credits	52,469	52,967
Total Non-Operating Margins	646,044	903,341
Patronage Capital - Margins	\$ 1,615,266	\$ 1,708,460

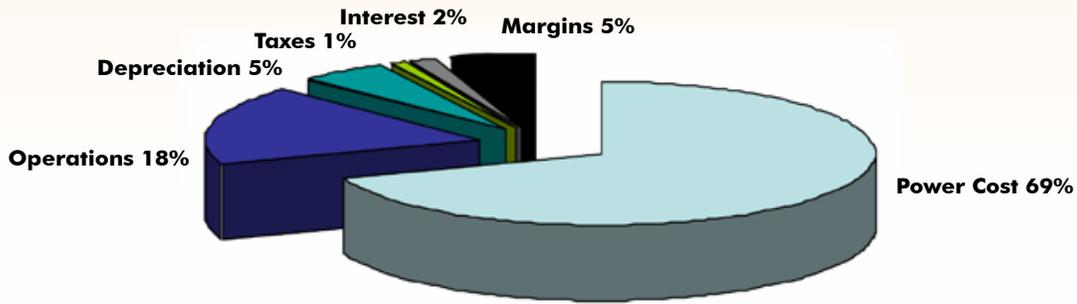
kWh Sales



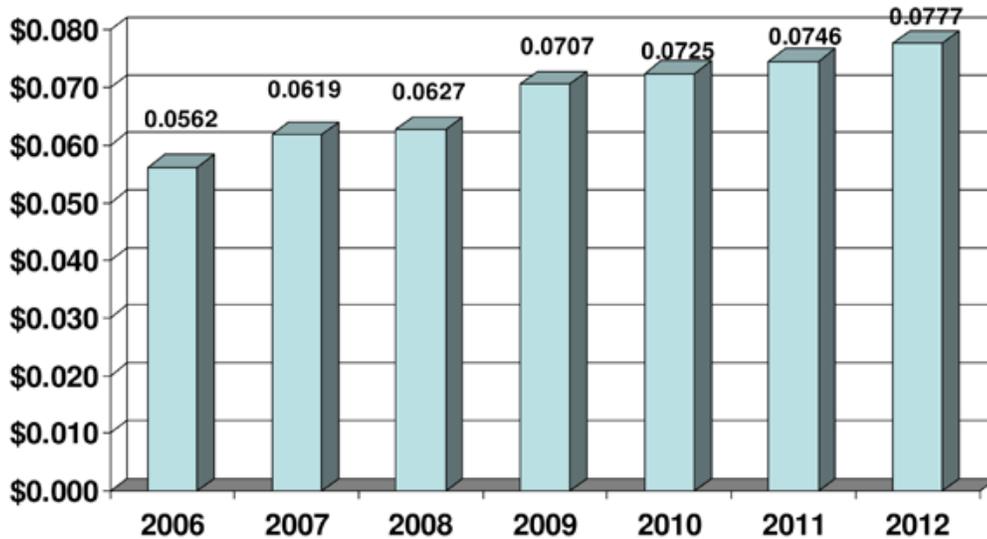
Capital Credits Retired



How The Dollar Was Spent In 2012



Power Cost/kWh Sold



Comparative Operating Statistics

	2012	2011
Miles of Line	1,977	1,974
Number of Meters Served	8,966	8,919
Electric Services per Mile of Line	4.54	4.52
Total KWH Purchased from Dairyland Power Cooperative	184,404,597	185,681,697
Total KWH Sold by Clark Electric Cooperative	173,502,750	174,894,932
Percent Increase (decrease) In Purchases	-0.688%	2.267%
Percent Increase (decrease) In Sales	-0.796%	2.175%
Average Line Loss	5.912%	5.809%
Cost per KWH Purchased (Cents per KWH)	7.315	7.024
Revenue per KWH Sold (Cents per KWH)	11.213	10.864
Number of KWH's Used per Meter per Year	19,351	19,609
Revenue per Mile of Line per Month	\$ 820	\$ 802
Average Bill per Meter per Month	\$ 181	\$ 178
Total Capital Credits Refunded this Year	\$ 865,187	\$ 762,029
Total Capital Credits Refunded to Date	\$ 19,158,044	\$ 18,292,857

Employees

Management

Years of Service

Tim Stewart, CEO/General Manager.....	8 years
Donna L. Abel, Office Manager	51 years
Mike Ruff, Director of Operations.....	20 years

Office Staff

Linda McAley, Accounting/Data Processing Supervisor.....	39 years
Sandy Herrick, Operations Aide.....	34 years
Tracy Nelson, Administrative Assistant	26 years
Pat Krause, Member Accounts Representative.....	21 years
Bobbi Toburen, Member Accounts Representative.....	19 years
Amber Reddy, Member Accounts Representative	16 years
Cathy Langreck, Member Accounts Representative	14 years

Operations Staff

Rick Suda, Line Superintendent.....	31 years
Kevin Sterland, Ass't. Line Superintendent	20 years
Gary French, Metering.....	33 years
Dan Sturz, Metering.....	27 years
Jeff Block, Lineman	26 years
Warren Luedtke, Lineman.....	23 years
Mike Hackel, Lineman.....	19 years
Josh Burns, Lineman.....	10 years
Chad Steffen, Lineman	10 years
Scott Bailen, Lineman.....	10 years
Jim Mertens, Master Electrician.....	8 years
Matt Wiese, Lineman.....	7 years
Pat Susa, Warehouse Utility Man.....	7 years
Jarred Martens, Lineman	6 years
Kent Weigel, Lineman	6 years

Appliance and Satellite, Inc. Staff

Rita Sladich, Executive Vice President of Operations.....	35 years
Michelle Walde, Appliance Assistant Manager, Sales.....	17 years
Ryan Nielsen, Appliance/Geothermal Technician	12 years
Greg Shaw, Appliance/Geothermal Technician	10 years

Chairman of The Board Report

Clark Electric Appliance & Satellite, Inc.

Clark Electric Appliance & Satellite Inc. completed its 18th year as a subsidiary of Clark Electric Cooperative. By most measurers, 2012 was a very challenging year. Total year end assets were \$5,166,749 and total earnings were a negative \$61,410.

2012 marked the start of a new era for us at Clark Electric Appliance and Satellite Inc., an era without the DirecTV product line but with the introduction of a new product line. It is hard to believe that after offering DirecTV services for over 17 years we are no longer offering this service. Many of you may recall that prior to the launch of DirecTV the majority of the rural area used rabbit ears and had to accept just our local channels. Today, it is rare to see a home in rural America that does not have the little dish mounted to it. We are extremely proud to have been a part of "history in the making" when we helped bring satellite TV to our area. As indicated

year full of new challenges as DirecTV was a significant product line in our portfolio of services.

Wildblue (a high speed internet access via satellite system) was first introduced to the marketplace in 2005. Since the initial offering, response has been good. Now, in 2012 we introduced the next generation of high speed internet. It's called EXEDE, powered by ViaSat. This is true high speed satellite internet that offers up to 12 MBPS download speed, 3 MBPS upload speed. This represents a significant capacity leap in satellite technology. Response to EXEDE has been strong. We are excited about this new product and are confident that EXEDE will continue to grow our subscriber base.

Our First Call Medical Monitoring System is another one of our core products. The First Call program has promoted independent living among our senior citizens and homebound customers. With 24-hour monitoring,

technologies heating and cooling solutions. Geothermal heating and cooling, air source heat pumps, storage heat systems and mini-boiler systems remain positive as consumers strive to eliminate a dependency on fossil fuel heating. However, we note that many new competitors are now starting to offer geothermal systems as well. Clark Electric Appliance and Satellite Inc. have been installing heat pump systems for over 21 years. Homeowners continue to turn to safe, energy efficient sources of electric heat, coupled with off peak heat rates, to provide an economic solution to high heating costs.

Appliance sales and repairs have experienced a negative trend for several years. Increasing competition, a slowing economy, and ever increasing costs will continue to put pressure on this product line.

Clark Electric Appliance & Satellite Inc. exists today because of our customers. We pride ourselves in being local with the ability to provide personal service. We thank you for your support in the past and look forward to continuing to provide service to you in the future. If you have not visited our showroom at 111 East Miller in Greenwood, we invite you to do so. For a small company, we have a lot to offer you for your home.

Cooperatively Yours,



Wilmer Griepentrog
Chairman of the Board



"We are excited about this new product and are confident that EXEDE will continue to grow our subscriber base."

in last year's report, DirecTV elected to expire the Servicer Agreement that allowed Clark Electric Appliance & Satellite Inc. to service your DirecTV account. Our relationship formally ended with DirecTV in August of 2011. With the expiration of DirecTV, we anticipated that 2012 would be a

family members have peace of mind that the First Call provides. The total number of monitoring systems grew 6.95% over the 2011 level and a 47.57% increase in the last 5 years

Clark Electric Appliance and Satellite Inc. continues to offer electro-

Clark Electric Appliance & Satellite, Inc.

Board of Directors



*Wilmer
Griepentrog
Chairman*



*Tim Stewart
President*



*John Zuelke
Vice President*



*Charles Bena
Secretary /
Treasurer*



*Henry Janezich
Director*



*Patricia Nelson
Director*



*Dr. John Scaletta
Director*

Subsidiary Operations

Operations

Income

	2012	2011
Income	\$ 1,298,691	\$ 1,817,147
Cost of Sales	815,891	939,062
Gross Margins	482,800	878,085
Overhead Expense	544,210	722,016
Margins	(61,410)	156,069
Assets		
Building/Equipment	1,430,614	1,485,017
Franchise/NRTC Capital	1,941,769	2,012,092
Current & Accrued Assets	1,794,366	1,741,737
Total Assets	5,166,749	5,238,846
Liabilities & Equity		
Equity	4,640,525	4,693,181
Debt	-	100,000
Current Liabilities	526,224	445,665
Total Liabilities & Equity	\$ 5,166,749	\$ 5,238,846

Cost of Sales

Gross Margins

Overhead Expense

Margins

Assets

Building/Equipment

Franchise/NRTC Capital

Current & Accrued Assets

Total Assets

Liabilities & Equity

Equity

Debt

Current Liabilities

Total Liabilities & Equity



124 N. Main St., PO Box 190
Greenwood, WI 54437-0190

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Please Bring This Book With You To The Annual Meeting

**This Book Contains the Official Notice of
Annual Meeting, Financial Report and Statistics.**

Clark Electric Cooperative

2013 Annual Meeting

Wednesday, April 11, 2013 • 9:30 a.m.

American Legion Hall • Loyal, WI

Agenda

Reports from Officers, Directors, Manager, and Guests

Election of Directors to the Board of Directors

**Selection of Delegates to Dairyland Power Cooperative
Annual Meeting**

Such other business that may come before the meeting.

3 early bird winners will be drawn before the
start of the meeting at 9:30a.m.

**Winners announced following adjournment
(You must be present to win!)**

Drawing for other prizes following adjournment