

member connection

Limited time Air Source Heat Pump promotion

Steele-Waseca Cooperative Electric (SWCE) is pleased to announce a limited time Air Source Heat Pump (ASHP) promotion that can double or triple the co-op's typical rebate.

ASHPs really are the best of both worlds. They provide home cooling and supplemental heating with 72 percent less electricity than conventional air conditioners and furnaces. You can switch between cooling and heating directly from the thermostat, putting you in complete control.

The rebate qualifications/considerations include:

- If installing the ASHP in a service territory other than SWCE, please check with that cooperative to ensure they are participating in the ASHP promotion.
- The unit must be installed by a qualified installer to receive the promotional rebate. A qualified installers list may be found on Steele-Waseca's website, swce.coop, under REBATES/PROGRAMS.
- The unit can be combined with the furnace EC (Electronically Commutated) motor rebate.
- Ask about Off-Peak program electric rates.
- The promotion is in effect until funds for the enhanced ASHP rebates have been exhausted. Call SWCE before you purchase your ASHP sys-

ASHP	Regular QI Rebate	Promotional QI Rebate
14.5 SEER	\$200	\$800
15 SEER	\$300	\$1000
16 + SEER	\$400	\$1650

tem to ensure the designated rebate funds are still available. ASHPs are super-efficient and they cut down on the depletion of limited natural resources, and their extended equipment life means less pollution associated with discarding old units or parts and manufacturing their replacements.

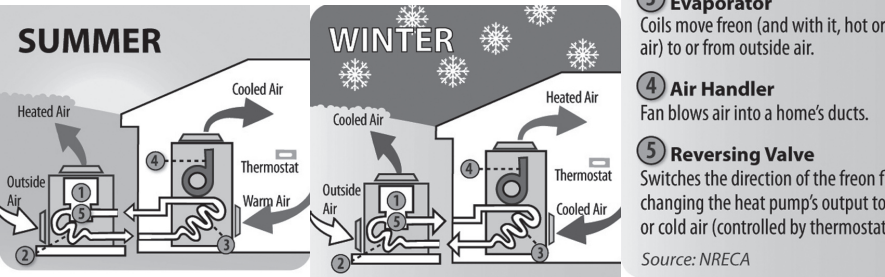
Since ASHPs operate without using an open flame, they don't create any products of combustion such as carbon monoxide and other emissions. No need for venting—or worrying.

The heat provided by an ASHP is more moderate in temperature than air from conventional furnaces. As a result, the air rises more slowly, distributes more evenly, and holds its moisture better. This makes for a better, more natural warmth for you and your family to enjoy.

An ASHP works in tandem with your conventional gas furnace for home heating. The pump automatically selects the most ideal balance between the two heating sources to constantly maintain the most efficient ideal heating combination based on your desired indoor temperature.

How Do Air-Source Heat Pumps Work?

By transferring heat between a house and outside air, these devices trim electricity use by as much as 30 percent to 40 percent in moderate climates.



annual meeting

Plan to arrive at SWCE early enough (doors open at 9 a.m.) to be registered by the time the meeting begins. As noted on the agenda, registration ends at 10:30 a.m. You must be registered by that time to be eligible to vote for director candidates. 27767

There will be two Early Bird prize drawings this year. There will also be Grand Prize drawings for gift cards and flowers.

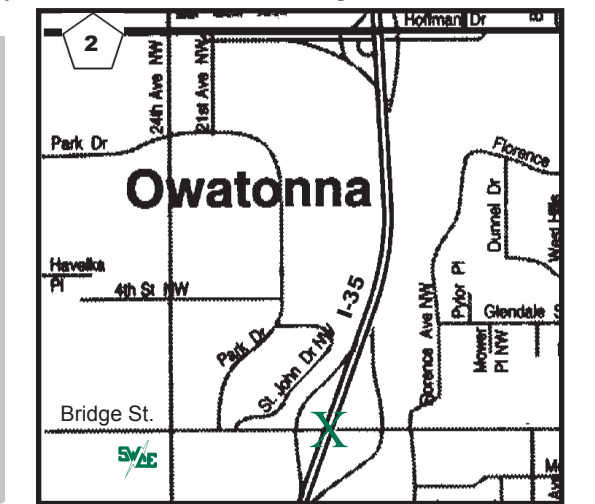
Steele-Waseca will be collecting donations for an area county food shelf. Please bring non-perishable food items or monetary donations with you to the annual meeting at the SWCE booth and receive (1) free LED bulb.

If you are new to Steele-Waseca or have never attended an annual meeting, please pick up a complimentary copy of the co-op's 75th anniversary book and DVD entitled, "Making the Connection," at the SWCE booth. Additional copies and/or purchases during regular business hours are available for \$7/each.

Lunch will be served after the annual meeting. The menu will include: smoked pork chops, vegetables, potatoes, salad, dinner rolls, coffee, white and chocolate milk, water, soda and Dairy Queen Dilly® Bars.

The green X on the map below marks the exit (#41) you'll need to take if you're arriving via Interstate 35. The green SWCE logo marks the location of Steele-Waseca Cooperative Electric's headquarters at 2411 W. Bridge St., in Owatonna.

Parking will be available on the property surrounding the building. Miner's Outdoor & Rec, located at Highway 218 South, Blooming Prairie, will be supplying several golf cars to shuttle you to and from the meeting.





the power of human connections

sparks

Your Touchstone Energy® Cooperative

a monthly newsletter from Steele-Waseca Cooperative Electric June 2018



2017 Annual Report

82 Years Lighting The Way

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calendar of events	
June	
1-3	Morristown Dam Days
5	SWCE Annual Meeting SWCE office is closed
12-14	SWCE Coal Creek Tour
14	Flag Day
14-16	Mdfd Straight River Days
17	Father's Day
21	First day of summer
21-24	Ellendale Days
National Dairy Month	

SWCE's 82nd Annual Meeting Agenda

Tuesday, June 5, 2018 – 9 a.m. to 12:15 p.m.
Steele-Waseca Cooperative Electric
2411 West Bridge Street, Owatonna, Minnesota

9 a.m.-10:30 a.m.	Registration for director voting and prizes
9 a.m.-10:30 a.m.	Popcorn and co-op display booths
10:25 a.m.	Early Bird Prize Drawings: (2) \$250 travel certificates from 4-Seasons Vacations, Inc., Albert Lea
10:30 a.m.	Registration ends, business meeting begins
Presentation of Colors Color Guard, Civil Air Patrol, and Faribault Middle School	
Pledge of Allegiance.....Everyone	
National Anthem Caroline Nelson	
Invocation Duane Edwardson, Board Chaplain	
Welcome Syd Briggs, General Manager	
Call to Order.....Gary Wilson, Board President	
Establish Quorum, Adopt Agenda Gary Wilson, Board President	
Notice of Meeting, Proof of Mailing Renee Malecha, Board Secretary/Treasurer	
Acceptance of 2017 Reports as printed in Sparks..... Gary Wilson, Board President	
Board of Directors Introduction Gary Wilson, Board President	
Election of Directors	
Nominating Committee Report....Diane Stenzel, Committee Chair	
Director Candidate Introduction..Diane Stenzel, Committee Chair	
Call for Nominations from the floor..Eric Mattison, SWCE Attorney	
Nominations Closed, Tellers Appointed, Director Voting	
Presentation by 2017 Youth Tour Delegates Brant Wieber & Hannah Singh	
Introduction of 2018 Youth Tour Delegates Malloree McCarthy & Jessica Pieper	
ACRE Presentation	
Guest Introductions Syd Briggs, General Manager	
SWCE Report..... Syd Briggs, General Manager	
Announcement of Election Results...Eric Mattison, SWCE Attorney	
Unfinished and New Business Gary Wilson, Board President	
Adjournment	
Grand Prizes.....Gift cards and flowers	
11:45 a.m.	Lunch catered by HyVee, Owatonna

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Owatonna MN 55060-0485

Website: www.swce.coop
Email: swce@swce.coop
Fax: 507-446-4242



Find us on
Facebook

Board of Directors

PJ Duchene District 1
Geraldine Lienke District 2
Duane Edwardson, *Chaplain* . District 3
Dennis Ringhofer District 4
Rodney Krell District 5
Gary Wilson District 6
President, GRE Director
John Beal, *Vice President* District 7
Ronald Sommers District 8
Assistant Secretary/Treasurer
Renee Malecha District 9
Secretary/Treasurer

Management

Syd Briggs *General Manager*

Division Managers

Darla DeVries *Office*
David Lundberg *Finance*
Kim Huxford *Operations*

Office Hours

8:00 a.m.–4:30 p.m., Monday–Friday

Operations Office Hours

8:00 a.m.–3:30 p.m., Monday–Friday

For Customer Service, Billing Questions and Power Outages Phone:

507-451-7340 or 800-526-3514

Before calling to report an outage

1. Check fuses and circuit breakers in your home and on meter pole.
2. Check with your neighbors to see if they have power.
3. Look for possible causes such as a tree branch on wires, a broken pole, twisted wires, etc.

To leave a non-emergency message whenever SWCE's Office is closed:

Phone 507-451-7340 or 800-526-3514
Press “2” and leave message including name, account #, and phone # you can be reached at the following business day.

Call *Before* You Dig
Gopher State One Call
811 or 800-252-1166

48-hour notice required for **ALL**
underground cable locations

message to our owners



By Syd Briggs,
General Manager

On June 5, we perform one of the main functions of an electric cooperative; we have our annual meeting for the purpose of reporting to our members our activities, and we elect three of our nine directors for a three-year term.

It is also great to get together and have a relaxed time with our members, directors, employees, and retired personnel. We also have guests from around the area such as personnel from some of our vendors, employees from neighboring cooperatives, and elected representatives that serve us locally and in St. Paul.

As always, we will have a great meal provided by our friends at HyVee followed by the always popular Dairy Queen Dilly® Bars. Please remember to bring non-perishable food items for our annual drive for the county “food shelves,” and this year everyone who donates will receive a LED bulb. This is a chance to not only help many people in the immediate area with food, but to also continue personal conservation and efficiency efforts.

We also get to hear from our Youth Tour delegates; always one of the highlights of the meeting for myself and the membership. The co-op's 2017 delegates, Hannah Singh and Brant Wieber, will present highlights of their experience last year in Washington, D.C. This year we continued our support for two of our youth to attend the tour in Washington, D.C. It will be great to hear from both Malloree McCarthy and Jessica Pieper. 32084

Financially, we are proud to say we experienced another increase in kWh sales of 3 percent over 2016. Any increase in energy sales helps to minimize the effect rising costs have on our cost of service and benefits everyone on our system. Our average number of meters grew from 11,334 in 2016 to 11,434 in 2016. This resulted in a growth rate of nearly 0.9 percent.

With that limited growth, our cost of power increased 5.7 percent, while our operating expenses (less the power cost) increased \$621,000 or 5.8 percent.

Mainly due to an increase in the cost of power, there was a 75.9 percent decrease in operating margins. The actual decrease in operating margins was \$1,208,151.

Our continued growth in meters and

quality of plant had the electric plant increase nearly \$2.45 million, with an increase in long-term debt of \$744,816. Together, this caused equity to increase by over \$1.63 million to \$37,214,163; which now stands at 46.1 percent of assets, an increase of 0.1 percent over last year. As equity continues to grow, the cooperative will be in a good position to continue the excellent practice of retiring, or paying, capital credits at the end of each year. In 2017, we paid \$1.1 million to our member-owners, which is \$100,000 more than the previous year. Our total retirement of capital credits now stands at nearly \$16.1 million.

Steele-Waseca has always been blessed with member interest in many areas of planning and direction. Last year we continued having town hall meetings across our territory. We had a total of four meetings throughout our service territory informing over 500 members on a variety of information including co-op principles and history, economic development through the USDA Rural Development program, conservation, renewable programs, and political action.

The Coal Creek Tour in 2017 was again attended by nearly 50 members as attendees traveled to Great River Energy's largest coal generating facility for an extensive and highly informative tour. This year's tour will be taking place June 12-14.

Steele-Waseca is very grateful to our members who take time to serve on our advisory and nominating committees performing an immensely vital function of our cooperative purpose. Many members were contacted and given the opportunity to be a part of the leadership of the cooperative.

We also continue to see strong member involvement in ACRE (Action Committee for Rural Electrification). This is our political action committee whose purpose is to support members of Congress that support rural electric issues. This year we have 395 members, directors, and employees in our political action committee. ACRE works to ensure your electric cooperative has a voice in legislative matters.

It is indeed a pleasure to continue to be a part of Steele-Waseca Cooperative Electric and the community we share. Our goals of safety, reliability and communication are considered vital in the service we provide to you, our member-owners.

ad connection

(For Sale ads continued from Page 14)

2002 FORD F-450 w/13' flatbed & lift gate, 7.3 diesel, auto, gd runner, gd tires, DOT'd, 270,000 mi., \$7500/obo. 456-8521/leave message.

USED ALKOTA 2162 HOT WATER PRESSURE WASHER, 2 gpm@1600 psi, 115V, single phase, \$2495. 583-2703.

MINN KOTA TRANSOM MOUNT TROLLING MOTOR, Endura Max digital maximizer, variable speed, battery meter, telescoping handle. 339-1190.

2011 H-D ELECTRA GLIDE CLASSIC, 16,000 mi., 103 c.i. engine, extra chrome & luggage. 838-5705.

M.F.T. PAINT MARE, 11-yr-old, 14'3 hands, gaited, loads, trims, great disposition, ridden in Mo., S. Dak., & MN, has its shots, \$1500. 952-200-2280/Sandi.

2005 H-D ROAD KING, dark red, 27,825 mi., Stage-2 engine, 95" motor, 16" high rise chrome bars, vry nice bike, \$7500. 491-4565.

7' SICKLE MOWER w/hyd. cyl., pull type, \$100; **LP VENTLESS HEATER**, like new, \$80. 451-6695.

2006 H-D SPORTSTER 883, 11,000 mi., lots of up-grades, \$4500. 402-1796.

NORTHSTAR 30-TON LOG SPLITTER, hydraulic log lifter height 41", 1 7/8 ball hitch, chains, log length 24", any diameter. 451-9594.

SHIPPING CONTAINERS, store your stuff on your property, moisture & rodent proof, 20' or 40' containers. 612-418-4375.

ELEC. TORO LEAF BLOWER, \$30; **BATTERY TORO TRIMMER**, \$30; **BLK TV STAND** w/glass door & (2) shelves, gd cond., \$20. 451-2687.

FORD DANA 60 FRONT AXLE from hvy Ford Super Duty. 451-7091.

JD 640 HAY RAKE, exc. shape; **BETTER BUILT VAC PUMP**, \$300; **KG JOHNSON FARROWING CRATES** w/feeders & waterers. 380-9580.

RECORD ALBUMS; WOOD SHELVING; BORDER COLLIE PUPS, 9-wks-old on 4/24, b & w males. 612-827-6575.

2012 FORD F-150 STX, 4x4, ext. cab, 83,000 mi., vry clean, auto window & locks, \$18,000. 649-1024.

2010 ALLIANCE AGRI-STAR TIRES, 900/60R32, load 176A8, fair cond. 327-3615.

USED ENGINES, TRANSMISSIONS, AUTO & TRUCK PARTS, 30-day warranty. 332-2300.

SKID STEER BUCKETS; TRAILERS; FIREWOOD; (2) CHEVY 2500HD, (1) w/service body; **2002 PKUP CAMPER**, loaded, \$5200. 402-7679.

2009 VW PASSAT, leather seats, 2.0L, turbo, FWD, traction control, clean title, info. details, \$10,400. 835-2814/Kevin/leave message.

2013 H-D SWITCHBACK, exc. cond., 8xxx mi., red, 103, 6-spd, SE pipes, quick disconnect windshield, many extras. 838-5620.

ACCEPTING LEAVES/GRASS/BRUSH, CLEAN CEMENT/ASPHALT, 1478 NW 26th St., Owat., M-F 8-4:30 & Sat. 8-12, smccompost.com. 455-1851.

OLIVER 374 CULTIVATOR, 3-pt w/rolling shields, gd shovels, \$100. 456-7614.

EXCAVATING WORK: digging, grading, clearing, demo, driveways; **TRUCKING**: rock, blk dirt, gravel, etc. 332-8826.

Steele-Waseca Cooperative Electric (SWCE) assumes no liability for the content of, or reply to, any item posted. The party posting any advertisement assumes complete liability for the content of, and all replies to, any advertisement and for any claims against SWCE as a result thereof, and agrees to indemnify and hold SWCE harmless from all costs, expenses, liabilities and damages resulting from, or caused by, any advertisement or reply thereto.

'03 FORD F-150, 100K mi., blk w/toppr, Westrn 7'6" snowplw, \$9500/for both; **4-TRUCK TIRES**, LT275/70R18, \$100; **'51 JD A (PARTS); JD 14T BALER**, \$750; **CASE GRAIN DRL** w/grass (prts). 334-6334.

PRONTO PWR WHEELCHAIR, exc. cond., best offer. 475-2322.

MEDICINE CABINET, white, 3-glass, gd cond., 48x36 w/(6) base lights, \$65. 334-0105.

COMML CHAR-BROIL QUANTUM GAS GRILL, 20#tank, like new, \$300/obo; **'54" GLASS-TOP TBL**, octagon w/(4) swivl/rockr cush. chairs, umbr. & stand, plas. bin for cush., gd cond., \$400/obo. 334-5961.

2017 KEYSTONE SPRINGDALE MINI TRAVEL TRAILER, 22', air, heater, fridge, microwave, stove, shower & tub, sleeps (4). 721-0416.

12.5' JD GRAIN DRILL, 6" dbl disc; **(2) 8' GRASS SEED BOXES** removed off cultipacker; **1986 FORD BRONCO**, full size w/8' poly moldboard snowplow, 3-trip-spring. 676-0969.

KATAHDIN HAIR SHEEP, never shear sheep again, great mothers, calm disposition, great for organic, beginners, pasture-based farms. 451-2722.

(2) TIRES, 235/70R16; **MOTOBECANE MOPED; COMPUTER DESK**. 334-7756.

ROOF SHINGLING, trusted since 2000, licensed & insured; **LAWN CARE** also avail. 271-9129.

1975 HONDA C1360 MOTORCYCLE; '78 SUZUKI GS550 MOTORCYCLE. 688-9410 after 3 p.m.

5TH WHEEL CAMPER, 21.5', great cond., sleeps (5), all ext inc truck bed & power pack, best offer. 332-7294.

A-C B TRACTOR w/mtd woods 42" mower, vry gd cond., \$1300/obo. 952-652-2239.

MIXED FIREWOOD, mostly 1" to 4" logs, \$75 for short-bed pickup load. 676-1141.

MINI STORAGE UNITS FOR RENT in Ellendale. 456-1460.

CABIN, Lake Mazaska, cozy, furnished, open floor plan w/bathroom, sm. shed, double lot, leased land, remodeled, \$69,000. 438-6947.

MEC 2558HT SCISSOR LIFT, 25' platform height, gd wrking order, \$4000/obo. 456-8689.

STANDING FANS, (3) large, (1) medium, 50"-24". 210-2392.

INT 990 HAYBINE; NH SUPER HAYLINER 67 SQ. BALER. 491-6958.

1983 INT 234 w/rear mower, 1900 hrs; **1984 HONDA 3-WHEELER**. 323-0082.

30 X 21 GRAIN BIN w/drying floor, fan & heater. 339-1700.

21 CU. FT REFRIG., freezer on top, cools well, \$50. 330-5670.

GARDEN TILLING; POST-HOLE DIGGING; FOOD PLOTS (Fbo area), free estimates. 330-5113.

A-C 7020 TRACTOR. 583-2026.

PLAS. BARRELS; 2-WHL TRAILERS; USED LUMBER; LADDERS; TROLLING MOTORS. 664-9426.

TREK 700 MULTITRACK, 700x35c, 21-spd, men's, \$100; **RALEIGH M20**, 18-spd, 26x175, boy's, \$50. 330-3178.

1989 WELLCRAFT BOAT, \$2500/obo. 475-4501.

HALLICRAFTERS SX-140 RECEIVER, antique collector's item, last series made, tubes all light up, best offer. 446-8866/Joe.

2008 DODGE GRAND CARAVAN; 2011 NISSAN VERSA; 2006 KIA SPECTRA; USED MOWERS, TILLERS & MOTORCYCLE TRAILER. 213-7978 or 475-1311.

LIFT, holds 2-paddleboats, Frnch Lk. 641-229-9069.

1997 SPORTSMEN CAMPER, slide out, sleeps (4), 26', gd cond., always shedded. 455-1502.

20' LEISURE KRAFT ALUM. PONTOON w/25-hp Johnson & tilt trailer, \$2500; **30' TRAVEL TRAILER** w/slide out, \$5000 or rent for \$50/day. 210-4252.

POTTED HOSTA PLANTS, many sizes & varieties, \$5/each. 451-4274.

CENTURY WIRE FEED WELDER, 110V, \$200; **4-TON HYD. PORTA-PWR KIT**, \$100; **JD 3020** w/148 loader, \$9000 (may separate); **JD 37 HAY MOWER**. 330-3945.

1924 MODEL T COUPE, runs, extra motors, fenders, front windows, transmissions, radiators, etc., \$5500. 339-2339.

HORSE BOARDING, (1) opening at sm. facility in Claremont, horse must be docile & preference to a gelding over 10-yr-old, \$180/mth. 456-9192.

PASTURE FOR RENT, 3.5 acres, Forest Twsp, Rice Co., partially shaded, water provided, gd fence, vry reasonable. 581-3018.

WOOD SPLITTER, \$400. 461-1865.

CABIN, French Lk, leased land, 80' shoreline, great neighbors, \$65,000. 334-6362.

1999 LEXUS RX 300, loaded, vry clean, new tires, \$2950. 649-0019.

ALUMACRAFT BOAT, 14' deep & wide w/seats, anchor, Lowrance colored depth finder, battery on a vry gd trailer w/12" tires, lights, tilt. 451-0996.

BOAT LIFT, older, on French Lk (Fbo), \$100/obo. 651-895-7049/Jim.

1997 CHEVY TAHOE, dark green, runs gd, some rust. 451-1505.

METAL WEIGHTS, aprpx. 110 lbs.; **OLD SNAPPER RIDER** w/Bag N-Wagon, runs gd, \$415. 332-7925.

FULL-SIZE BED, BOOKSHELF & FOOTBOARD, real wood, metal sides, gd shape, other things, \$100. 583-6679.

REGISTERED AUSTRALIAN SHEP. MALE PUPS, Merle's & Tri's, dewes removed, wormed & 1st shots, farm & family raised, intelligent dogs. 475-2509.

IH 720 PLOW, 4-18. 456-1597.

CLIMATE-CONTROLLED UNITS for rent, 11'x9' to 16'x10'. 332-4623.

HOUSE CLEANING SERVICES: will dust, vacuum, sweep, mop floors, some windows, etc. 461-9422.

PARTING OUT A-C WD TRACTORS, wide front, nice tin, 16.9x28 tires on rims; **BOBCAT 722 SKID-LOADER** w/forks, \$8000. 612-272-1311.

1991 LARSON 20' SPEEDBOAT, 5.7 Mercruiser w/trlr, vry gd cond., \$6500; **1700-GAL. WHITE POLY DOME TOP WATER TANK**, \$350. 612-910-0041.

ad connection

give away

KINDLING WOOD, clean. 612-703-1316/Duane.

HOME HEATNG FUEL BARRL, 250-gal. 383-7873.

FREE ONLINE CLASSIFIEDS, you place & remove your own ad on SWCE's website, swce.coop, these are separate from Sparks & will not appear in Sparks unless mailed, delivered, faxd or emaild to SWCE.

FREE HOME VALUATION & NEIGHBORHOOD ANALYSIS. 413-7043/Lindsay.

wanted

2005-12 TOWN & COUNTRY VAN; SMALLER FISHING BOAT; 3-DISC CD/CASSETTE PLAYER. 869-3191.

DOCK in gd cond., any length; **STORAGE** for our fish house. 456-1630.

CREEP FEEDER for baby calves. 612-703-1316.

RAY STUART ORIGINAL PAINTING. 451-1900.

ESTATES, COLLECTIONS, FISHING OR HUNTING EQUIP., METAL SIGNS, willing to purchase your collection/estate, shed or barn full of stuff. 279-0431/Mark.

CHEVY OR DODGE DANA 60 FRONT AXLE & A CHEVY 454 BIG BLOCK. 451-7091.

JUNK & UNWANTED APPLIANCES, no TVs or computers, free drop-off. 210-6728/Dan/lv. msg.

250-GAL. OIL BARRELS. 279-2407.

OLD OR ANTIQUE COLTS & SMITHS. 301-9053.

JUNKERS OR REPAIRABLES: trucks, cars, pickups, most constr. & farm equip., top \$ pd. 332-2300.

WILL DO: tiller, plow, blade & bucket work w/compact tractor. 451-6046.

BARN, GRANARY &/OR OUTBUILDINGS, to repurpose the lumber; **OLD TIN, BARN SIDING OR LUMBER**. 330-0258/Tim.

ROOFING; LIGHT CONSTRUCTION & REMODEL WORK. 715-558-6691.

CRAFTERS for 19th Ann. Christmas for Veterans Homemade Craft & Bake Sale, Nov. 3, 8:30 a.m.-3:30 p.m. at Trinity Luth. Church, Owat. Donations welcome anytime. 455-2755 or 271-3596.

All area codes are 507 unless otherwise noted

USED/WASTE OIL, 200-gal. min. 420-7429.

UNWANTED BIKES & LAWN MOWERS, \$ paid on delivered. 330-3178.

for sale

2004 BUICK PARK AVE., fully loaded, 135,000 mi., color ivory/cream w/gray leather seats, gd tires, gd cond., no problems, \$3995; **(2) HORSE SADDLES**, size 15-18. 527-2909.

FARMALL (IH) 400 TRACTOR w/6' Artsway belly mower, (2) hyd. outlets, new belts on mower deck, gd cond., \$2975; **CASE SC TRACTOR** w/7' Vaughn loader, new front tires, gd cond., \$2750. 317-2910.

GRIZZLY OSCILLATING SPINDLE SANDER; 2005 S&H DURANEAL 2-HORSE TRAILER/PULL. 685-2443.

TREE TRIMMING, REMOVL & STUMP GRINDING, pro climber & aerial lift to U of M guidelines; **FRONT CHROME BUMPER** for an F-650, new. 456-1609.

14' ALUMACRAFT BOAT; 20-HP EVINRUDE MOTOR; BOAT COVER; 1978 TRAILER SPRS, \$995; **BOAT LIFT**, best offer. 451-2236.

FORTUNE CREEK TRL LOTS, the covenant allows for a pole shed, starting at \$75,000. 838-5033/John.

(2) UPRIGHT FREEZERS: med. size/\$35/obo, small/\$20. 869-3191.

WOULD LIKE TO TRADE SMALL PONTOON LIFT FOR BIG PONTOON LIFT. 271-0024.

RENTAL, Izaak Walton League Building, 4 mi. south of Owat., seats 100, full kitchen, grill, Wi-Fi, \$100. 451-7946.

INT 45 VIBRA SHANK DIGGER, 28', best offer. 381-6865.

LARGE PET PORTER, composite w/metal door, \$35; **ELEC. HD MEAT GRINDER**, new, \$55; **FLARE BOX**, \$600; **TV CONVERTER**, new, \$40. 455-3881.

'07 KEYSTONE SPRINGDALE 38' TRVL TRLR w/(2) slide outs, sleeps 10, washr, dryr, full-sz fridge, kitchn area has a dbl sink & large counter area, big bathroom area w/full-sz shower, \$14,000. 451-9445.

SHINGLING; LIGHT CONSTRUCTION; TREE REMOVAL. 456-0296/free estimates.

MINI STORAGE UNITS, Blmg Prairie. 456-2957.

CULVERTS, most are 30"x15", 18", & 24", cut to length avail. 455-3524.

BEACHFRONT VACATION CONDOS FOR RENT in Fort Myers Beach, South Padre Island & Mexico, visit www.sandysbeachfrontcondo.com for details & photos. 612-865-9604/Sandy.

NANCY ANN ANTIQUE DOLL COLLECTION w/original doll display cabinet, exc. cond. 451-5097.

15.5-TON CAPACITY DUMP TRUCK AVAIL. for all your hauling needs: rock, gravel, dirt, etc. 456-7774.

SOFA & LOVE SEAT, exc. cond., no stains, must see, \$200. 210-1826.

SONY HT-CT780 TV SOUND BAR w/wireless subwoofer, \$225. 456-2060.

WALL TENT, 12"x14', \$300; **CAST IRON BOX STOVE**, 12"x24", \$75; **H.D. TARP**, 14'x14', \$75 (or \$400 for all). 334-2860.

2006 REDBALL 570 SPRAYER, 80', 1200-gal., 46" tires, excellent cond., \$12,500. 381-8079.

AQUA MATE MACH II PADDLE BOAT, holds 825 lbs. 451-1946.

GOLD'S GYM TRAINER 430i TREADMILL, only used for a couple of hours, \$300/firm. 451-4071.

SOCCER REFEREE GEAR, used 1-seas.; **2-ELEC. GUITARS** w/1-case, a stand & 1-amplifier; **FULL-SIZE CANOE** w/new paddles. 332-0294/after 5 pm.

KEMMER FEIST HYBRID PUPS, born 3/31/18, \$300; **HERITAGE RASPBERRY PLANTS**, \$20/dozen; **HORSES**, hobby farm; **CATTLE**, dual purpose. 465-8593/Brad.

MM D CORN SHELLER w/drag. 744-2871.

(For Sale ads continued on Page 15)

travel

MINNESOTA'S MAJESTIC NORTH SHORE, June 10-14. Deluxe motor coach, 7 meals, scenic byways & lighthouses, Summit Express Gondola, Apostle Islands Cruise & more! \$859 pp dbl occ.

NEW YORK CITY YOUR WAY, June 26-30. Round trip air from Mpls to NYC, 4 nights at Millennum Broadway Hotel, trip geared for those who have been to New York before. \$1,899 pp dbl occ.

HEART OF ALASKA, July 12-19. Round trip air from Mpls to Anchorage, 13 meals incl. Alaskan Salmon Bake, Riverboat Discovery Cruise, Chena Indian Village & more! \$3,379 pp dbl occupancy.

ALASKA TOUR & CRUISE, Aug. 3-15 (2018 passports required). Round trip Delta Airlines, Riverboat Discovery, Denali, Alaska Railroad, 7-night cruise on Coral Princess. \$4,499 pp dbl occ.

For more information on this month's travel options, phone 800-328-4298, or stop by and visit Larry at the 4-Seasons booth on June 5, at Steele-Waseca's annual meeting to learn more about upcoming trips.



great river energy — 2017 in review

Partners in power: Great River Energy and its members

A modern generation portfolio

Cooperatives formed Great River Energy (GRE) to supply the energy they need to power their members' lives. Great River Energy does that by remaining financially sound, keeping rates stable and competitive, and continually evaluating its generation and transmission system to make sure it meets members' needs.

In 2017, Great River Energy served its members well and positioned itself for more strong performances in the years ahead.

Sharing financial success

Great River Energy recorded impressive finances in 2017, so the cooperative decided to share its success with its members. At the end of the year, GRE issued a refund of \$6 million to its member-owners, which include Steele-Waseca Cooperative Electric and 27 other electric co-ops in Minnesota.

Although 2017 was successful, Great River Energy's member cooperatives continue to see flat or declining energy sales. GRE has positioned its generation portfolio and deployed other cost-saving measures to ensure stable wholesale electricity rates and a strong financial position.

GRE estimates rates will increase by approximately 1.5 percent annually over the next 10 years, slower than the anticipated pace of inflation.

The Midwest's most efficient coal and nuclear power plants remain critical to reliable energy, but several new types of power generation have emerged.

"The rise of renewable energy has added up over time and now represents a significant portion of the energy serving our membership," said GRE Chief Power Supply Officer Jon Brekke. "In fact, Great River Energy met the state of Minnesota's renewable energy standard of 25 percent renewable energy in 2017—eight years ahead of the requirement." 1053685

After 50 years serving Minnesota cooperatives, GRE retired the Stanton Station power plant in central North Dakota in May. The coal-based power plant was no longer economical to operate in the Midwest energy market, but its closure opened several opportunities for Great River Energy to give back to the local communities.

Schools, nonprofits and community organizations received office furniture and equipment from the plant during the decommissioning process. The local American Legion even lowered the flag for the final time on closing day.

Putting energy to good use

Technology advancements are continually making appliances and other electric devices more efficient, while power



plant retirements and renewable energy development are reducing the environmental effect of the electric system.

These two converging trends make it clear that electricity is a smart choice, and there is growing support for using electricity efficiently in new ways.

Great River Energy's member cooperatives continued its offering of the Revolt program, which allows members to charge their electric cars with 100 percent wind energy at no extra cost. Together, the cooperatives sponsored the Electric Room at the Twin Cities Auto Show to promote the adoption of electric vehicles in Minnesota as well.

The cooperative also worked with its member cooperatives to improve electric vehicle charging options between the Twin Cities and North Shore, making it easier to take a classic Minnesota road trip with an electric car.

Great River Energy's member cooperatives also incentivize homeowners to make efficient electric investments, such as heat pumps and storage water heaters. Similar programs are available for commercial and industrial members

(GRE continued on Page 4)



The Steele-Waseca Cooperative Electric board of directors and corporate services include (seated, left to right): Renee Malecha, secretary/treasurer, District 9; John Beal, vice president, District 7; Gary Wilson, president, GRE director, District 6; Ronald Sommers, assistant secretary/treasurer, District 8; and Duane Edwardson, chaplain, District 3. Back row (L-R): Syd Briggs, general manager; Jenifer Shimpach, executive assistant; Dennis Ringhofer, District 4; Rodney Krell, District 5; Geraldine Lienke, District 2; PJ Duchene, District 1; and Eric Mattison, SWCE attorney.

Sparks Free Classified Ad Form for all SWCE Members

Ads need to be received in our office by **June 5** to ensure being printed in the July Sparks. Please print neatly or type your ad of **20 words or less** on this form. We reserve the right to edit ad copy to allow space for more ads. Ads received after the 5th will be printed in the August issue.

☐ For Sale ☐ Wanted ☐ Give Away

Phone # _____ Account # _____

Name _____

Clip and mail to: SWCE, PO Box 485, Owatonna MN 55060-0485, or fax to: (507) 446-4242 or email your ad to: sparks@swce.coop.

member connection

Steele-Waseca conducts town hall meetings in Owatonna and Waldorf

Nearly 300 members, spouses, family and/or friends were in attendance for Steele-Waseca Cooperative Electric town hall meetings conducted in Owatonna and Waldorf.

Attendance was at 222 for the meeting, April 19, at the Holiday Inn Hotel & Suites in Owatonna for members in eastern District 3, most of District 4, all of Districts 5 and 6, and southwestern District 7. The meeting, May 1, at the Waldorf Community Center brought out 74 members in District 2, the remainder of District 3, and southwestern District 4.

The moderator for both meetings was Steele-Waseca General Manager Syd Briggs. He presented information on cooperatives' seven principles, and the differences between co-ops, investor-owned utilities, and municipal utilities.

Briggs detailed Steele-Waseca's finances, how the co-op's rates have been unchanged since 2013, and explained nearly 70 cents of every dollar on your bill is for purchasing power. In addition, he detailed the co-op's return of equity to its members.

Attendees learned more about ACRE (Action Committee for Rural Electrification) and how participation provides support to elected officials who support legislation keeping electricity reliable and affordable for rural electric cooperatives.

Briggs cited the efforts of elected officials in helping keep loan rates affordable for rural electric co-ops to continue borrowing from the Rural Utilities Service (the former REA). Briggs also noted how USDA's Rural Development loans have been used for economic de-



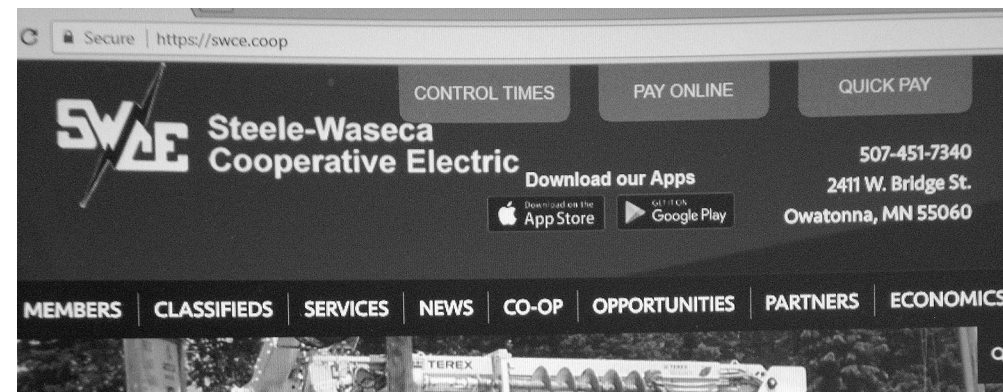
Steele-Waseca Line Supervisor Dan Meier (standing above) detailed, April 19, how the co-op utilizes Geographic Information System (GIS) technology for greater efficiencies in serving members.

velopment purposes for commercial, industrial, and agricultural members.

In addition, Briggs shared how 395 of the 748 ACRE members in Minnesota are from Steele-Waseca. The latest to join ACRE include: Michael Noble, Kenyon, and James Wencil, Owatonna.

Briggs introduced a free app (see adjacent photo) available to members who register their account through the co-op's website. The app is available at swce.coop through the App Store or Google Play for your smart mobile devices. Among the services available, you can make payments, view your cur-

(Town hall meetings continued on Page 13)



(GRE continued from Page 3)

for major installations, such as efficient motors and lighting.

Doing right by employees

On Oct. 4, the state of Minnesota, on behalf of Gov. Mark Dayton, proclaimed Great River Energy as Minnesota's 57th Yellow Ribbon Company. The Minnesota Department of Military Affairs awards the Yellow Ribbon to organizations that unite all key areas within a company structure to proactively support service members, military families and veterans.

Great River Energy was certified as a great workplace by the independent analysts at Great Place to Work®. The cooperative was also designated as the 18th healthiest workplace in America from Healthiest Employers. The program honors the "best of the best" in corporate wellness and population health, and GRE is proud to be honored as a leader in corporate wellness.

Nelson selected to sing national anthem at co-op's 82nd annual meeting

Caroline Nelson, 17, of rural Ellendale has been selected to sing, "The Star-Spangled Banner" at Steele-Waseca Cooperative Electric's 82nd Annual Meeting, June 5, at the co-op's headquarters in Owatonna.



Caroline Nelson

A panel of judges at the co-op evaluated three auditions on vocal perfor-

mance, stage presence, and personality. Members and/or their dependents were eligible to audition.

The singing of the national anthem will occur at the beginning of this year's annual meeting. Caroline, the daughter of Steve and Peggy Nelson, will receive \$100 following her performance.

Steele-Waseca wishes to thank all who auditioned, and will announce when auditions will be conducted for the 83rd annual meeting in 2019. **SWCE**

Please inform Steele-Waseca Cooperative Electric if you have changed your phone number. There are times your co-op needs to reach you, whether it is to inform you about a planned outage, to learn if your power has been restored following a storm, or if it is regarding your account. You may update your phone number by calling 507-451-7340 or toll-free 800-526-3514, or by email at swce@swce.coop.

youth tour connection

McCarthy, Pieper selected Steele-Waseca delegates for 2018 Washington D.C. Youth Tour

Mallorie McCarthy of Minnesota Lake, and Jessica Pieper of Owatonna were selected Steele-Waseca Cooperative Electric delegates for this year's Washington, D.C. Youth Tour, June 9-14.



Mallorie McCarthy

Mallorie, the daughter of Quentin and Sarah McCarthy; and Jessica, the daughter of William and Stephanie Pieper, were selected by a panel of judges who evaluated four entries.

The judges evaluated two essay questions on why the applicant wished to be Steele-Waseca's delegate for the Youth Tour, and what commitment to community meant to them. The applications were also evaluated for completeness, composition, neatness, ability to communicate, and participation in school and community activities.

Mallorie is completing her junior year at Maple River High School in Mapleton. She has lettered in academic excellence and cheerleading. Mallorie serves on the student council, prom committee, and as volleyball manager. She was selected to serve as a Minnesota page at the Capitol during the week of March 19-23, 2018.

Her volunteer activities include Relay for Life team captain for five years, and helping at the Festag celebration in Minnesota Lake where she was Miss Festag second runnerup last year.

Mallorie's church activities include serving as a Vacation Bible School teacher, and Celebrate Me Week church camp worker.

She has been working at the Maple Mart convenience store for over a year, does babysitting, and has donated blood

(Town hall meetings continued from Page 4)

rent billing, and view billing and payment history.

Steele-Waseca Line Supervisor Dan Meier and Field Technician Jeff Daley presented information regarding the co-op's Geographic Information System technology that allows the co-op to have quicker response to outages, and determine overhead or underground services set up at a particular location, which allows for more efficiency for Operations

twice.

When asked why she would like to represent Steele-Waseca as their Youth Tour delegate, Mallorie responded, "I hope to gain from this experience knowledge that'll take me far in life. Learning about why our government functions as it does and learning why politicians do and say what they do is important to me. I also hope to gain information about the many historical sites in Washington D.C., and what those historical sites mean. The Youth Tour would be a great way to meet government officials and make friends with the same interests as me."

Jessica is completing her junior year at Owatonna High School. She has lettered in academics, is a member of the speech team, and school's Spanish Club. Jessica is also a past recipient of the Jerry Kent Spirit of St. Mary's Award.

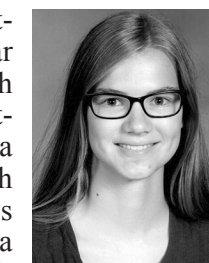
Her volunteer activities include working at Knights of Columbus events like their Friday night suppers, breakfasts, and Halloween Party. Jessica has participated in bell ringing for the Salvation Army, has served as a volunteer camp counselor at the Minnesota National Guard Youth Camp, and a youth activities leader for Military Yellow Ribbon events.

In addition to assisting at her church's

and line technicians. Among questions asked by those in attendance was how equity was returned to members, where Steele-Waseca's electricity comes from, the co-op's involvement with solar energy, the efficiency of solar vs. wind, the safety of the grid from terrorists, the lifespan of wind turbines, why the co-op no longer has sodium security lights available. In addition, a request was to include heat-

ing and/or cooling degree days in the Sparks newsletter. 1057034

The next round of town hall meetings are tentatively scheduled for late this fall, but specific dates and locations have yet to be finalized. Members are notified by a postcard mailed to their billing address, and a phone call through Steele-Waseca's automated phone messaging system to the number listed on the member's account. **SWCE**



Jessica Pieper

Sunday services, Jessica's work experiences include Elwood Star Cleaners, Monsanto summer crew, and the Owatonna Gymnastics Club.

As for why she would like to represent the co-op as their Youth Tour delegate, Jessica shared, "The opportunity to be the 2018 Steele-Waseca Youth Tour delegate would both broaden my understanding of the importance of cooperatives and government and widen my experience connecting with other delegates from Minnesota and all over the nation." Adding, "It would be an amazing experience to tour Washington D.C. and meet officials from the government and other cooperatives. The new friendships I would make would connect me to the rest of the nation helping me see the world through others' eyes and helping me understand new points of view."

Steele-Waseca wishes to congratulate Mallorie and Jessica for being selected the co-op's delegates for 2018. The co-op is proud to have them representing Steele-Waseca in Washington, D.C. **SWCE**

cookin' connection

Easy Slow Cooker Chicken Tacos

Diane Ristau

Medford

2 lbs. chicken breasts
1 jar salsa
1 pkg. taco seasoning
2 Tbsp. butter

Place in Crock-Pot on low for six hours. Shred chicken. Enjoy with shredded cheese and sour cream on a tortilla.

Please use a 3 x 5 card when submitting your recipe. The member whose recipe is published will receive a \$7 energy credit.



Steele-Waseca Cooperative Electric's solar subscribers will see a 49 kWh credit per panel on this month's statement for energy generated during April 2018. Learn more about community solar and The Sunna Project by visiting Steele-Waseca's website, swce.coop.

Was your account number in Sparks?

Each month five account numbers are printed in *Sparks* and a total of \$35 in energy credits is divided among however many of those numbers are found. For example, if all numbers are found, a credit of \$7 will be applied to the members' following month's electric bills; or, if only one number is found, that member receives the full \$35 credit. Members finding their numbers who have a load management receiver on their dual fuel, electric water heater, air conditioner, or genset will receive an additional \$7 credit. When you find your number, phone our office no later than the 7th of the month following receipt of the Sparks, or the amount will be forfeited.

May issue of Sparks



Numbers found:

Richard/Colleen Soukup
Brian J. Dobberstein
Eric J. Martin

Numbers not found:

Dr. Allan Huang & Lydia C. Yeh
Thomas/Cathy Zimmerman



sparks • june 2018

Sparks in brief . . .

• **Want easy energy payments?** Sign up for **EnergyPay Plus**, our automatic payment plan, or **Energy Prepay**, our discounted advance payment plan. Contact our office for details. You may also pay your bill online at www.swce.coop. By entering your Steele-Waseca account number and password you can also view a 13-month history of your account.

• **If you have changed or added phone numbers**, please contact SWCE to update your contact information.

• **Need a new water heater?** For information about our Westinghouse Electric Water Heater Program, phone Cindy Butterfield at SWCE between 8 a.m. and 3:30 p.m., 446-4204 / 800-526-3514.

• **April temps** – The average high temperature for April was 45° F, while the average low was 24° F. This resulted in 915 Heating Degree Days for April. They compare to last year's average high of 58° F and average low of 40° F, which resulted in 480 HDD.

• **ENERGY STAR® Rebates** – In 2018, all ENERGY STAR refrigerators/freezers (with recycling), electric clothes dryers, dehumidifiers, central air conditioners, air and ground source heat pumps, light emitting diode (LED) bulbs purchased (limit 5) are eligible to receive rebates (may not be combined with special promotions). Rebate request forms must be submitted within 90 days of purchase. Rebate forms are available at swce.coop. For more information or to receive a rebate form, phone Cindy Butterfield at 446-4204 or 800-526-3514.

• **Steele-Waseca's tree service contractor** – Carr's Tree Service, Inc., is contracted to do SWCE's tree trimming. To report a tree concern, phone:

507-451-7340 / 800-526-3514

STEELE COUNTY TIP LINE

866-878-7964

TO BE USED TO REPORT ANY CRIME OR
SUSPICIOUS ACTIVITY ANONYMOUSLY

COVERS ALL OF STEELE COUNTY
INCLUDING THE CITIES OF:

OWATONNA ELLENDALE
BLOOMING PRAIRIE MEDFORD

swce 2017 annual meeting minutes

The annual meeting of the members of Steele-Waseca Cooperative Electric (SWCE) was held at SWCE in Owatonna, Minnesota, on Tuesday, June 6, 2017. The meeting was called to order by President Gary Wilson (hereinafter referred to as Chairman) who presided.

At an early bird drawing, two members each won a \$250 certificate toward a vacation with 4 Seasons Travel. Everyone in attendance received a \$30 Member Perks certificate and a \$50 Energy Star gift certificate.

The Color Guard, Civil Air Patrol and Faribault Middle School presented the colors, followed by the Pledge of Allegiance, and the national anthem sung by Lisa Quimby. Board Chaplain Duane Edwardson gave the invocation.

There were more than 50 members present (their attendance having been verified), the number needed to constitute a quorum within the meaning of the bylaws of the cooperative. President Wilson declared there was a quorum and instructed the secretary to file the list of members in attendance, establishing a quorum.

The Chairman asked for a motion to adopt the agenda as printed. A motion was made, seconded, and carried.

Geraldine Lienke, secretary-treasurer of the board, read the Proof of Mailing of Notice of the Annual Meeting. A motion was made, seconded, and carried, to accept the Proof of Mailing as read, and to waive the reading of the minutes and accept them as printed.

The Chairman asked the membership to read the general manager's report, the financial report for the year ending Dec. 31, 2016, the Great River Energy report, and the minutes printed in the annual report. The membership was asked if they had any questions pertaining to the reports. There being no questions, a motion was made, seconded, and carried.

Attorney Eric Mattison presided over the election of the directors. Mattison stated there were three districts in which directors were to be elected. Nominating Committee Chairperson Melissa Bauer reviewed the bylaws concerning director election, and summarized the minutes of the nominating committee meetings held Nov. 8, 2016,

and Jan. 20, 2017. Bauer introduced the candidates by name and district, and presented a biographical summary of each. Attorney Mattison then called for nominations from the floor.

Additional nominations for District 7 were called, there being none; nominations were declared closed.

Additional nominations for District 8 were called, there being none; nominations were declared closed.

Additional nominations for District 9 were called, there being none; nominations were declared closed.

SWCE General Manager Syd Briggs introduced visiting guests and welcomed them and the membership to the annual meeting. He also acknowledged retired directors and retired employees who were present.

The 2016 Youth Tour delegates, Abigail Hansen and Karsten Singh, reported on their Washington, D.C., experiences.

SWCE Communications Specialist Randy Sobrack introduced the two 2017 Washington, D.C., Youth Tour Delegates, Hannah Singh and Brant Wieber. Hannah and Brant were unable to attend the meeting due to finals

at school. Their respective parents, Kristin Moorhead, and David Wieber, accepted the certificates and gifts for Hannah and Brant.

General Manager Briggs updated the membership on current issues pertaining to the cooperative.

Attorney Mattison reported the voting results:

District 7: John Beal was declared elected by acclamation.

District 8: Dennis Schahn 102 votes; Ronald Sommers 218 votes.

District 9: Renee Malecha was declared elected by acclamation.

Chairman Wilson called for any unfinished business, there being none. He called for any new business, there being none. He then asked for any questions the membership might have.

There being no further business to be conducted, the Chairman asked for a motion to adjourn the meeting. A motion was made, seconded, and carried that the meeting be adjourned.

Steele-Waseca Cooperative Electric 2018 Annual Meeting Letter of Voting Authorization

Member corporations, churches, clubs and organizations are encouraged to use this form as proof of designation.

Name of corporation, church, club or organization SWCE Account #

Address of above

Name of officer or agent authorized to vote Office title

is the person authorized to represent the organization as its voting delegate at Steele-Waseca Cooperative Electric's Annual Meeting on June 5, 2018.

Secretary of organization or other designated official

NOTE: Only officers of an organization are generally authorized to vote on behalf of the organization. For any agent of the organization other than an officer to cast the organization's vote, this form must be accompanied by a certified copy of a resolution of its governing body appointing such person to vote for the organization.

sparks • june 2018

swce 2018 board of director nominees

June 5

The 2018 Nominating Committee has selected the following nominees for the Steele-Waseca Cooperative Electric board of directors. Committee members include: Wayne/Mae Maas, Faribault; Jerome/Diane Stenzel, New Richland; Peter Rohe, Faribault; Bert Wiersma, Ellendale; Pete/Melissa Bauer, Nerstrand; Kendall/Laura Strawmatt, Owatonna; Ben Sunde, Blooming Prairie; Jane Middlestadt, Owatonna; and Guy/Barb Jarvi, Webster. The election of directors will take place during Steele-Waseca’s 82nd annual meeting on Tuesday, June 5, 2018, at the co-op’s headquarters located at 2411 West Bridge Street in Owatonna.

District 1

Patrick J. (PJ) Duchene, incumbent, resides and operates the family farm in Wells Township, west of Faribault, with his wife, Randi. The couple has a son, Patrick, and daughter, Sumer. PJ also works as the shop foreman with the Rice County Highway Department. As for why he wishes to represent District 1 on the Steele-Waseca board of directors, PJ stated, “I feel I can be a very good voice for the member-owners of the co-op. I also enjoy learning new things. The last three years have went by so fast.” He is a Credentialed Cooperative Director and is presently working on his board leadership training. As for the qualities he brings to the board, PJ said, “I’m young and outgoing. I enjoy being involved in my community.”

District 3

Duane R. Edwardson, incumbent and chaplain of Steele-Waseca board of directors. He has been a director since being elected in 2003. Duane, and his wife, Mary, are semi-retired farmers residing in Lemond Township in Steele County. They have two daughters, Sheryl and Karen; a son, Alan, and six grandchildren. Duane and Mary are members of LeSueur River Church in Waseca County. Duane has previously served as Lemond Township treasurer, on the FSA and FMHA boards, Steele County Board of Adjustments, and Steele-Waseca Advisory Committee. “Being on the Steele-Waseca board has been a learning experience,” stated Duane. “It is my belief the SWCE is a well managed quality cooperative. I would like to use the knowledge and experience that I have gained to meet the many challenges that we are about to face.” As for the qualities he brings to the board, Duane stated, “The ability to listen and make good common sense decisions to help our cooperative grow successfully into the future.”

District 5

Rodney D. Krell, incumbent, and his wife, Michelle, reside in Blooming Prairie Township. Rodney is a fourth generation farmer to operate the Krell family farm. Their diversified crop farm raises corn, soybeans, sweet corn, and peas. The couple has two adult children, son, Justin, and daughter, Jenna. Rodney currently is a member of the Blooming Prairie school board, Blooming Prairie Education Foundation board, Blooming Prairie FFA Alumni Association, Knights of Columbus, Lions Club, and Steele County Agricultural Society. Rodney serves as Eucharistic Minister at his church. Honors include the 1996 Steele County Soil and Water Conservation Farmers of the Year, and the 2012 Steele County Farm Family of the Year.



Electric co-op ambassadors visit Washington, D.C.

Minnesota Rural Electric Association (MREA) hosted a briefing and lunch for 55 Minnesota electric cooperative ambassadors in Washington, D.C., April 10-11, to kickoff nine visits with Minnesota Congressional members and staffers. Along with the Minnesota group, National Rural Electric Cooperative Association (NRECA) reported 2,050 co-op members from across the country were in attendance at the NRECA Legislative Conference. Issues discussed covered support of the Farm Bill, Investment of Rural Broadband, Protection of the PMAs (Power Marketing Administrations), Section 48A Tax Credits (wind production tax credits), and PBGC (Pension Benefit Guaranty Corporation). Several members lead the conversations with the Congressional delegation. The Minnesota delegates pictured with U.S. Senator Tina Smith (seated center) included Steele-Waseca Cooperative Electric’s delegation of Safety Coordinator/Member Service Representative Jack Schwab (far left), Customer Service Representative Kim Wilson (far left, middle row), General Manager Syd Briggs (far left, front row), Finance Division Manager Dave Lundberg (back row, fourth from left), Executive Assistant Jenifer Shimpach (front row, third from left), Board Director PJ Duchene (front row, third from right), and Board Director Rodney Krell (front row, second from right).

financial report for year 2017

STATEMENTS OF PATRONAGE CAPITAL AND OTHER EQUITIES
YEARS ENDED DECEMBER 31, 2017 AND 2016

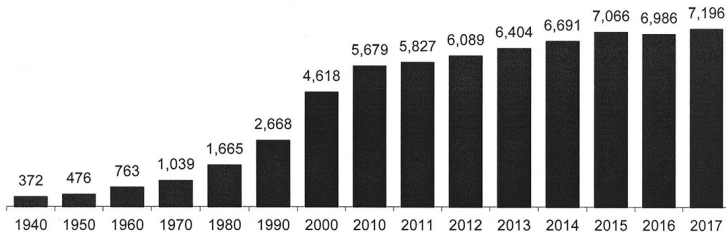
	Memberships	Patronage Capital	Other Equities	Total
BALANCE, DECEMBER 31, 2015	\$17,198	\$31,644,127	\$1,038,743	\$32,700,068
Unassigned Current Year Margins	-	3,853,599	-	3,853,599
Sales Tax Refund on Margins	-	-	-	-
Adjustment	-	-	-	-
Retirement of Capital Credits	-	(898,249)	-	(898,249)
Estate Settlements	-	(108,554)	34,538	(74,016)
Membership Changes - Net	54	-	-	54
BALANCE, DECEMBER 31, 2016	17,252	34,490,923	1,073,281	35,581,456
Unassigned Current Year Margins	-	2,675,844	-	2,675,844
Retirement of Capital Credits	-	(917,611)	-	(917,611)
Estate Settlements	-	(190,668)	65,182	(125,486)
Membership Changes - Net	(40)	-	-	(40)
BALANCE, DECEMBER 31, 2017	\$17,212	\$36,058,488	\$1,138,463	\$37,214,163

INDEPENDENT AUDITORS’ REPORT

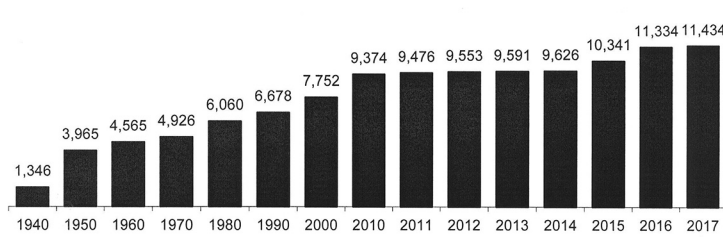
The balance sheets, statements of operations, patronage capital and other equities, and cash flows were taken from complete financial statements which were audited by CliftonLarsonAllen LLP, Certified Public Accountants, who expressed their unmodified opinion on those statements.

Copies of the complete financial statements together with the independent auditors’ report may be examined at the office of Steele-Waseca Cooperative Electric.

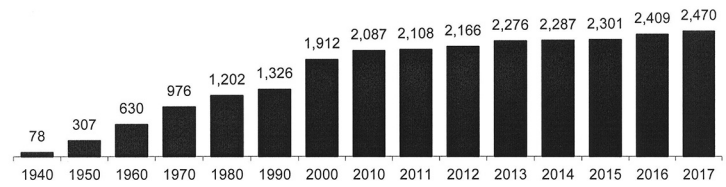
PLANT \$ INVESTMENT PER CONSUMER



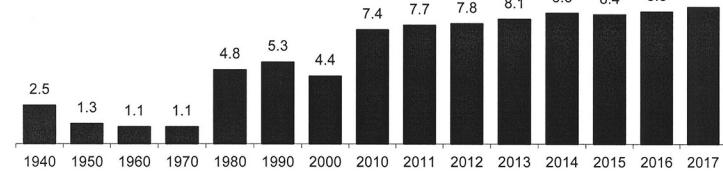
AVERAGE NUMBER OF CONSUMERS



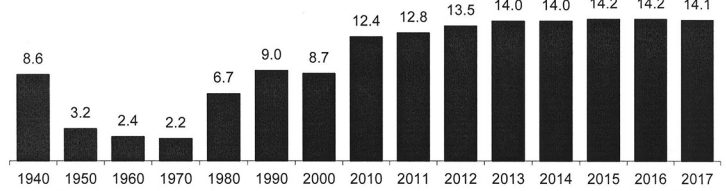
AVERAGE KWH USED PER CONSUMER (PER MONTH)



AVERAGE WHOLESALE POWER COST FOR RESIDENTIAL CONSUMERS (CENTS PER KWH)



AVERAGE ELECTRIC RATE TO RESIDENTIAL CONSUMERS (CENTS PER KWH)



financial report for year 2017

Nature of Operations

Steele-Waseca Cooperative Electric's (SWCE) principal line of business is providing electric service primarily to local residential and business customers residing in the nine-county rural area surrounding Owatonna, MN. Rates charged to customers are established by the board of directors.

Financial Statement Presentation

SWCE prepares its financial statements in conformity with accounting principles generally accepted in the United States. These principles require management to make informed judgments, best estimates, and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could vary from those estimates.

Patronage Capital

SWCE operates as a cooperative. Amounts received from the furnishing of electric energy in excess of operating costs and expenses are assigned to patrons on a patronage basis. All other amounts received by the cooperative from its operations in excess of costs and expenses are allocated to its patrons on a patronage basis to the extent they are not needed to offset current or prior deficits.

Income Taxes

SWCE has been granted tax exempt status by the Internal Revenue Service and the State of Minnesota. Therefore, the financial statements do not include a provision for income taxes.

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Margins	\$ 2,675,844	\$ 3,853,599
Adjustments to Reconcile Net Margins to Net Cash Provided by Operating Activities:		
Depreciation	3,151,953	3,011,339
G & T and Other Capital Credits	(1,212,752)	(1,273,137)
(Increase) Decrease in Unamortized Gain (Loss) on Sale/Disposal of Assets	(16,289)	22,012
Interest Income Credited to Cushion of Credit	(980,363)	(975,234)
Interest Expense Paid by Cushion of Credit	726,095	694,501
Changes in Assets and Liabilities - Decrease (Increase) in:		
Accounts Receivable	130,957	47,590
Materials and Supplies Inventory	147,714	(179,532)
Deferred Debits	106,056	(114,430)
Other Current and Accrued Assets	(20)	2,863
Increase (Decrease) in:		
Accounts Payable	235,025	319,294
Deferred Credits	191,089	(101,935)
Other Current and Accrued Liabilities	46,738	215,166
Net Cash Provided by Operating Activities	5,202,047	5,522,096
CASH FLOWS FROM INVESTING ACTIVITIES		
Construction and Acquisition of Plant	(4,265,871)	(4,327,604)
Cash Received from Retirement of Patronage	191,189	198,567
Cash Paid for Investments in Associated Organizations	-	(12,500)
Cash Paid for Investments in Related Companies	88,888	(800,000)
Payments Received on Notes Receivable	248,016	248,016
Issuance of Notes Receivable	(586,000)	-
Net Cash Used by Investing Activities	(4,323,778)	(4,693,521)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in Memberships	(40)	54
Retirement of Capital Credits	(1,043,097)	(972,265)
Change in Customer Deposits	(24,010)	(6,880)
Proceeds from Issuance of Long-Term Debt	7,803,000	-
Advance Payments on Long-Term Debt	(3,800,000)	-
Principal Payments on Long-Term Debt	(2,455,697)	(2,243,842)
Net Cash Provided (Used) by Financing Activities	480,156	(3,222,933)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,358,425	(2,394,358)
Cash and Cash Equivalents - Beginning of Year	1,774,164	4,168,522
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,132,589	\$ 1,774,164
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest Paid	\$ 1,051,131	\$ 921,548
NON-CASH FINANCING ACTIVITY		
Principal Payments on Long-Term Debt Paid by Cushion of Credit	\$ 410,874	\$ 411,494

swce director districts

District 1: Kilkenny Township in LeSueur County, Shieldsville and Morristown Townships and the Southeast one quarter (SE 1/4) of Erin Township, Southwest one quarter (SW 1/4) of Wells Township, and the Northwest one quarter (NW 1/4) of Warsaw Township in Rice County. (Represented by [PJ Duchene](#))

District 2: Dunbar, Lura and Minnesota Lake Townships in Faribault County; Mapleton, Danville, Medo, McPherson and LeRay Townships in Blue Earth County; Freeborn Township in Freeborn County; Alton, Byron, Freedom, Janesville, St. Mary, Vivian and Wilton Townships in Waseca County. (Represented by [Geraldine Lienke](#))

District 3: Hartland Township in Freeborn County; New Richland, Otisco, Woodville, Blooming Grove and Iosco Townships in Waseca County; Lemond Township, the Northwest one quarter (NW 1/4) and the Northeast one quarter (NE 1/4) of Berlin Township, and the Northwest one quarter (NW 1/4) and the Southwest one quarter (SW 1/4) of Somerset Township in Steele County. (Represented by [Duane Edwardson](#))

District 4: Bath and Geneva Townships in Freeborn County; the Southwest one quarter (SW 1/4) and the Southeast one quarter (SE 1/4) of Berlin Township; Deerfield, Owatonna and Meriden Townships; the Northeast one quarter (NE 1/4) and the Southeast one quarter (SE 1/4) of Somerset Township, and Summit Township in Steele County; the Southwest one quarter (SW 1/4) of Warsaw Township in Rice County. (Represented by [Dennis Ringhofer](#))

District 5: Newry Township in Freeborn County; Aurora and Blooming Prairie Townships, and the Southwest one quarter (SW 1/4) of Havana Township in Steele County, and Westfield, Ripley, Ashland and Hayfield Townships in Dodge County. (Represented by [Rodney Krell](#))

District 6: Medford, Clinton Falls and Merton Townships; and the Northwest, Northeast and Southeast one quarters (NW, NE & SE 1/4's) of Havana Township in Steele County, and Ellington, Concord, Claremont and Wasioja Townships in Dodge County. (Represented by [Gary Wilson](#))

District 7: The Northeast and Southeast one quarters (NE & SE 1/4's) of Warsaw Township; the Northwest and Southwest one quarters (NW & SW 1/4's) of Walcott Township; the Northwest, Northeast and Southeast one quarters (NW, NE & SE 1/4's) of Wells Township in Rice County. (Represented by [John Beal](#))

District 8: Kenyon Township in Goodhue County; Richland, Wheeling, Cannon City, Bridgewater, Upper Bridgewater and Northfield Townships, and the Northeast and Southeast one quarters (NE & SE 1/4's) of Walcott Township in Rice County. (Represented by [Ronald Sommers](#))

District 9: Forest, Webster, Wheatland Townships, and the Southwest, Northwest and Northeast one quarters (SW, NW & NE 1/4's) of Erin Township in Rice County. (Represented by [Renee Malecha](#))

Nominating Committee responsible for selecting nominees for director seats



The 2018 Nominating Committee included the following Steele-Waseca members (front row, left to right): Mae Maas, Faribault; Laura Strawmatt, Owatonna; Melissa Bauer, Nerstrand; and Diane Stenzel, New Richland. Back row (L-R): Wayne Maas, Faribault; Jane Middlestadt, Owatonna; Kendall Strawmatt, Owatonna; Ben Sunde, Blooming Prairie; Jerome Stenzel, New Richland; and Bert Wiersma, Ellendale. Not pictured is Peter Rohe, Faribault; Pete Bauer, Nerstrand; and Guy and Barb Jarvi, Webster.

Steele-Waseca's bylaws require the board of directors to appoint a Nominating Committee consisting of no less than five cooperative members. Each year's committee is responsible for an important part of the cooperative process—to select nominees for the board seats up for election.

The 2018 Nominating Committee members include: District 1—Wayne/Mae Maas, Faribault; Jerome/Diane Stenzel, New Richland; and Peter Rohe, Faribault; District 3—Bert Wiersma, Ellendale; Pete/Melissa Bauer, Nerstrand; and Kendall/Laura Strawmatt, Owatonna; District 5—Ben Sunde, Blooming Prairie; Jane Middlestadt, Owatonna; and Guy/Barb Jarvi, Webster.

The committee met twice at the cooperative's office in Owatonna to select director nominees for the expiring terms of Patrick J. Duchene, Duane R. Edwardson, and Rodney Krell.

The committee's first meeting was on Nov. 16, 2017. Steele-Waseca General Manager Syd Briggs reviewed the duties of the Nominating Committee as stated in the bylaws. He also detailed policies regarding the activities and conduct of individual board members, and the qualifications for eligibility for service on the board.

Committee member Diane Stenzel was nominated and approved by the committee to serve as nominating committee chairperson and report to the Steele-Waseca members in attendance for the annual meeting.

The committee's second meeting was on Jan. 23, 2018. Cooperative Attorney Eric Mattison reviewed the director duties, Standard of Conduct Policy, and the Qualifications for Eligibility for Service on the Board of Directors Policy. The Nominating Committee announced the following candidates will be on the election ballot for Steele-Waseca's 82nd annual meeting, June 5, 2018, at the cooperative's headquarters located at 2411 West Bridge Street in Owatonna:

District 1 Patrick J. Duchene

District 3 Duane R. Edwardson

District 5 Rodney D. Krell

Additional nominations will be accepted from the floor during the business portion of the annual meeting until the nominations officially close and the election is held.

Steele-Waseca wishes to thank all of the committee members for their time and service.

financial report for year 2017

On Oct. 10, 1936, when Steele County Cooperative and Waseca Cooperative Electric voted to consolidate, there were 860 members. By the end of 2017, Steele-Waseca Cooperative Electric (SWCE) service locations had grown to 11,466.

SWCE’s first office was located in Waseca. After Rice County joined with Steele-Waseca in 1937, the office was moved to Owatonna to provide a more central location. The office was located on West Bridge Street and then on Cedar Avenue until 1954, when a new building was constructed on East Rose Street. That building served as the headquarters until 1994 when the present facility on West Bridge Street was built.

The first part of SWCE’s line was energized in February 1938. When completed, the initial project consisted of 350 miles of line. By 1950, that number had grown to 1,562. Today, SWCE has a total of 2,208 miles of line, 19 substations in service, and 900 square miles of service area.

In 1950, SWCE had 2.6 members per mile of line. Currently, SWCE has 5.2 members per mile of line. In comparison, according to the U.S. Department of Energy’s 2013 data, investor-owned electric utilities on average serve 34 customers per mile of line while municipal electric utilities average 48 customers per mile of line.

BALANCE SHEETS
DECEMBER 31, 2017 AND 2016

ASSETS	2017	2016
UTILITY PLANT		
Electric Plant in Service	\$82,281,194	\$79,180,714
Construction Work in Progress	355,604	1,008,422
Total	82,636,798	80,189,136
Less: Accumulated Provision for Depreciation	(29,296,496)	(27,979,041)
Net Utility Plant	53,340,302	52,210,095
OTHER ASSETS AND INVESTMENTS		
Investments in Associated Organizations	14,138,789	13,117,225
Investments in Related Companies	711,111	800,000
Notes Receivable - Net of Current Portion	1,456,234	1,118,250
Total Other Assets and Investments	16,306,134	15,035,475
CURRENT ASSETS		
Cash and Cash Equivalents	3,132,589	1,774,164
Accounts Receivable, Net	5,337,857	5,468,814
Materials and Supplies Inventory	706,926	854,640
Interest Receivable	6,784	6,765
Prepayments	5,370	5,369
Current Portion of Notes Receivable	248,016	248,016
Total Current Assets	9,437,542	8,357,768
DEFERRED DEBITS	1,599,581	1,705,637
TOTAL ASSETS	\$80,683,559	\$77,308,975
EQUITIES AND LIABILITIES		
EQUITIES		
Patronage Capital	\$36,058,488	\$34,490,923
Memberships	17,212	17,252
Other Equities	1,138,463	1,073,281
Total Equities	37,214,163	35,581,456
LONG-TERM DEBT, Less Current Maturities		
RUS Mortgage Notes	13,550,069	10,658,853
CFC Mortgage Notes	1,102,426	1,341,314
CoBank Notes Payable	15,142,243	17,049,755
Total Long-Term Debt	29,794,738	29,049,922
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	3,413,835	2,865,616
Accounts Payable	4,452,079	4,217,054
Consumer Deposits	262,840	286,850
Other Current and Accrued Liabilities	1,196,014	1,149,276
Total Current Liabilities	9,324,768	8,518,796
DEFERRED CREDITS	4,349,890	4,158,801
TOTAL EQUITIES AND LIABILITIES	\$80,683,559	\$77,308,975

financial report for year 2017

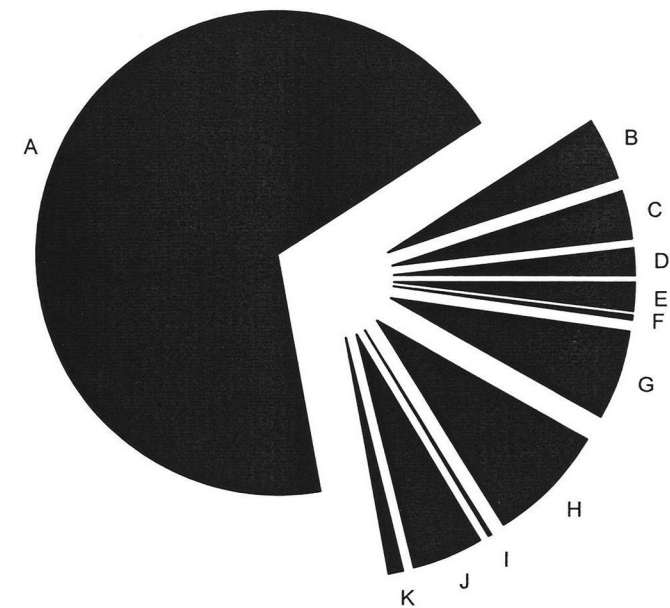
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
OPERATING REVENUES	\$37,243,405	\$36,459,951
OPERATING EXPENSES		
Cost of Power	25,598,294	24,227,669
Distribution Expense - Operation	1,517,624	1,456,185
Distribution Expense - Maintenance	1,189,011	1,174,679
Customer Accounts Expense	655,301	673,130
Customer Service & Informational Expense	713,463	561,136
Sales Expense	126,443	126,813
Administrative and General Expense	2,221,087	1,914,303
Depreciation	2,983,224	2,846,524
Other	67,491	55,154
Total Operating Expenses	35,071,938	33,035,593
OPERATING MARGINS BEFORE FIXED CHARGES	2,171,467	3,424,358
INTEREST ON LONG-TERM DEBT	1,788,473	1,833,213
OPERATING MARGINS AFTER FIXED CHARGES	382,994	1,591,145
GENERATION AND TRANSMISSION & OTHER CAPITAL CREDITS	1,212,752	1,273,137
NET OPERATING MARGINS	1,595,746	2,864,282
NON-OPERATING MARGINS	1,080,098	989,317
NET MARGINS	\$2,675,844	\$3,853,599

The mission of SWCE is to provide every member with dependable, reliable, high quality electricity. We work daily to accomplish this mission by striving for excellence through continual improvement, applying prudent leadership, partnering and following cooperative principles.

During the year 2017, the average SWCE member had power for 8,758.72 hours out of a possible 8,760 hours. That’s a reliability record of 99.99 percent!

For each dollar received from consumers, 1 cent goes into operating margins. These margins are used to help finance construction and improvements, pay capital credits, and make payments on our debt. Since 1 cent per dollar is not enough to do all of this, we borrow money to finance the shortage of funds needed for these purposes.



WHAT YOUR 2017 CONSUMER DOLLAR PAID FOR

A.	68.7%	Purchased Power
B.	4.1%	Operations
C.	3.2%	Maintenance
D.	1.8%	Billing & Collection
E.	1.9%	Customer Information
F.	0.3%	Sales
G.	6.0%	Administrative & General
H.	8.0%	Depreciation
I.	0.2%	Other Income Deductions
J.	4.8%	Interest on Long-Term Debt
K.	1.0%	Margins