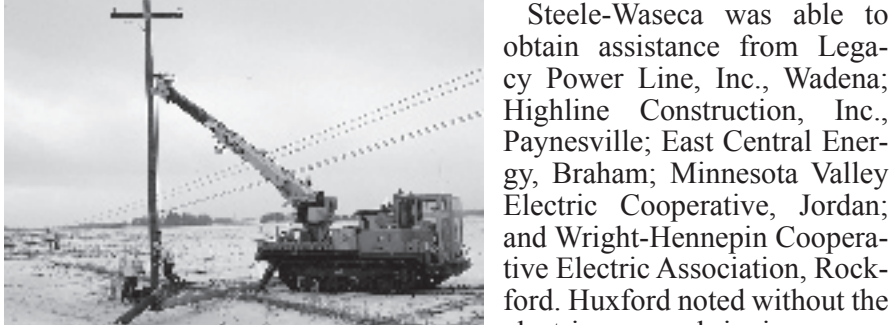


member connection

Steele-Waseca has 1,700 meter locations impacted with April snow/ice storm

Steele-Waseca Cooperative Electric implemented its emergency response plan and utilized outside assistance to restore outages caused by a snow/ice storm April 10-11.

According to Operations Division Manager Kim Huxford, outages from the storm started late Wednesday, April 10. With the strong winds accompanying the storm, 140 power poles broke in the co-op's southern service territory (a photo of the damage to one pole is pictured above) extending mainly in Waseca, Steele, and Dodge counties.



poles with them, Steele-Waseca would have run out of poles that required replacement.

Huxford reported the final outages from the storm were re-energized Sunday evening, April 14. Debris removal was handled by Carr's Tree Service.

Steele-Waseca wishes to thank the Waseca County Sheriff's Office and Highway Department for their assistance in closing roads so line crew and construction trucks could more efficiently work to restore power. Thanks goes out to the Owatonna Police Department for their additional security as co-op trucks and supplies were entering and departing from the co-op's headquarters. A big thank you to Steele-Waseca members who exercised patience as their service locations were without power, with some also taking time to serve refreshments to the crews in the field. And an appreciative thank you to Gov. Tim Walz, who signed off for co-op and construction vehicles to operate on roads with spring weight restrictions.

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. 32230

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.

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

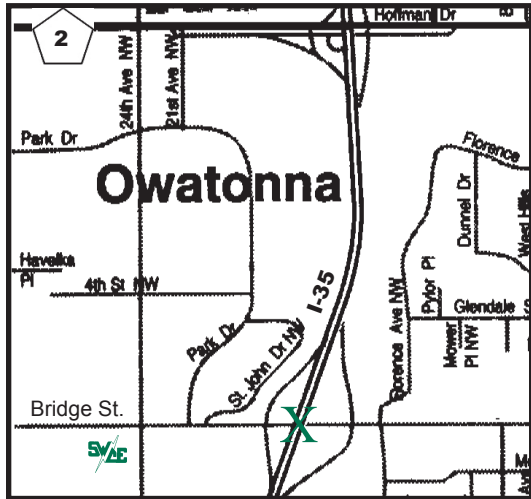
Steele-Waseca will be collecting donations for an area county food shelf. Please bring non-perishable food items or monetary donations with you to the annual meeting at the SWCE booth and receive (1) free LED bulb.

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.

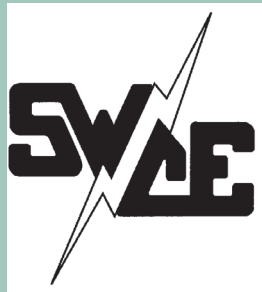
Lunch will be served after the annual meeting. The menu will include: smoked pork chops, vegetables, potatoes, salad, dinner rolls, coffee, white and chocolate milk, water, soda and Dairy Queen Dilly® Bars.

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.



83 Years
Lighting The Way



the power of human connections

sparks

Your Touchstone Energy® Cooperative

a monthly newsletter from Steele-Waseca Cooperative Electric

June 2019



2018
Annual
Report
83 Years
Lighting The Way

inside connections

- 2 General Manager's report
- 3 GRE 2018 year in review
- 4 Town hall meetings report
Christ the King choirs selected to perform nat'l anthem
- 5 2018 annual mtg minutes
Voting authorization form
- 6 2019 director nominees
- 7 SWCE director districts
Nominating Cmte report
- 8-11 Financial report for 2018
- 12 Cookin' Connection
SWCE community solar
- 13 Transburg, Drentlaw named
Youth Tour delegates
- 14 Ad Connection
4-Seasons Vacations
- 15 Ad Connection
- 16 Annual meeting information
Outage report due to April storm

calendar of events

- June
- 1-2 Morristwn Dam Days cont.
- 4 SWCE Annual Meeting
SWCE office is closed
- 10-16 Hay Daze in Janesville
- 12-14 SWCE Coal Creek Tour
- 12-15 Mdfd Straight River Days
Heritage Days in Fbo
- 14 Flag Day 15910
- 16 Father's Day
- 21 First day of summer

National Dairy Month

SWCE's 83nd Annual Meeting Agenda

Tuesday, June 4, 2019 – 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 ColorsColor Guard, Civil Air Patrol, and Faribault Middle School

Pledge of Allegiance.....Everyone

National AnthemChrist the King Full and Handbell Choirs

InvocationDuane Edwardson, Board Chaplain

WelcomeSyd Briggs, General Manager

Call to Order.....Gary Wilson, Board President

Establish Quorum, Adopt AgendaGary Wilson, Board President

Notice of Meeting, Proof of MailingRenee Malecha, Board Secretary/Treasurer

Acceptance of 2018 Reports as printed in Sparks.....Gary Wilson, Board President

Board of Directors IntroductionGary Wilson, Board President

Election of Directors

Nominating Committee Report.....Jane Middlestadt, Cmte Chair

Director Candidate Introduction.....Jane Middlestadt, Cmte Chair

Call for Nominations from the floor..Eric Mattison, SWCE Attorney

Nominations Closed, Tellers Appointed, Director Voting

Presentation by 2018 Youth Tour Delegate Malloree McCarthy

Introduction of 2019 Youth Tour Delegates Leah Transburg &

Dawson Drentlaw

ACRE Presentation

Guest IntroductionsSyd Briggs, General Manager

SWCE Report.....Syd Briggs, General Manager

Announcement of Election Results...Eric Mattison, SWCE Attorney

Unfinished and New BusinessGary Wilson, Board President

Adjournment

Grand Prizes.....Gift cards and flowers

11:45 a.m.Lunch catered by HyVee, Owatonna

Published monthly by
Steele-Waseca Cooperative Electric
2411 W Bridge Street, PO Box 485
Owatonna MN 55060-0485

Website: www.swce.coop Find us on Facebook
Email: swce@swce.coop
Fax: 507-446-4242

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 and listen to the prompts. Please have your account number, phone number, and name on the account available.

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 Tuesday, June 4, Steele-Waseca performs 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 a non-perishable food item for our annual drive for the county “food shelves,” and everyone who donates will receive an 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 2018 delegate, Malloree McCarthy, will present highlights of her experience last year in Washington, D.C. Unfortunately, our other delegate, Jessica Pieper, has a prior commitment and will not be able to attend. 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 Leah Transburg and Dawson Drentlaw.

Financially, we had another good year. Our average number of meters grew from 11,434 in 2017 to 11,480 in 2018, resulting in about the same percentage of growth we experienced the previous year of 0.4%. We experienced a slight decrease in kilowatt hour (kWh) sales overall, however, there was an increase in the residential segment which helped increase our margins and therefore capital credits.

There was a 173.7 percent increase in operating margins resulting in the actual increase of \$665,148. Our cost of power decreased \$378,000 or 1.5 percent, and operating expenses (less the power cost) increased \$800,000 or 7.1 percent due to some increases in operation expenses, and a major storm in September 2018.

Our continued growth in meters and qual-

ity of plant had the electric plant increase nearly \$1.95 million, with a decrease in long-term debt of \$199,536. Together, this caused equity to increase by over \$2.17 million to \$39,388,494; which now stands at 48.2 percent of assets, an increase of 2.1 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 2018, we paid \$1.1 million to our member-owners, which is \$354,710 more than the 10-year average. Our total retirement of capital credits now stands at nearly \$17.2 million. 1028391

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 520 members on a variety of information including co-op principles, Steele-Waseca's finances and returning capital credit equity to members and past members, demonstration of the co-op's app for those with a smartphone or similar devices, a presentation of how Steele-Waseca utilizes Geographic Information System technology in serving its members, and information regarding the co-op's POWRE (Power Optimized With Renewable Energy) program.

The Coal Creek Tour in 2018 was attended by 37 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 407 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)

'08 CHEVY 2500 HD, well-maintained truck may be viewed at Steele SWCD office, 235 Cedardale Dr. SE, Owa., sealed bids accepted until 5 p.m., 6/11/19, sold as is, right to reject any/all bids. 451-6730 ext. 3.

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

2013 JD Z930M ZERO-TURN LAWN MOWER, 60", approx. 1100 hrs, well maintained, \$3500. 319-3794.

PUREBRED GERMAN SHORTHAIK PUPS, blk & liver, parents on-site, ready June 1, 1st shot & dewormed. 456-3086.

AJAY DELUXE 'X' FRAME EXERCISE CYCLE w/ speedometer & time w/parts book; TRIPLE STEP DOCK STEPS topped w/non-slip pad for boarding & cleaning your boat, 300-lb. capacity. 333-5724.

VARIETY OF MEN'S & WOMEN'S OLD WEST/ FRONTIER CLOTHING incl. hats, skirts, vests, frocks, shirts, trousers & accessories. 952-451-4821.

1980 HONDA CX500 CUSTOM, 11,533 mi., new battery, \$950/obo. 317-2824.

1975 CHEVY C65 TANDEM DIESEL TRUCK, reliable; 1938 FORD PICKUP, custom restored in gray primer; 2008 FORD TAURUS TRANSMISSION; GRASSHOPPER 718, 52". 327-3626.

2004 EXISS 3-HORSE TRAILER, used vry little w/ ramp, \$14,000/obo; STARCRAFT BOAT & MOTOR, loaded, 25-hp Johnson w/trailer, \$2500/obo. 612-245-2728.

CLIMATE-CONTROLLED UNITS FOR RENT, 11'x9' to 16'x10'. 332-4623.

TRAILER, 7x10, hvy built; BASKETBALL HOOP PIPE & BACKBOARD, \$10; LOT OF ANTIQUES. 664-9426.

RUG LOOM, \$150; VENDING MACHINE, \$50; WOOD WORKBENCH, \$300; MID. CENT. MOD. COUCH/FOLD-DOWN BED, \$150; BEER SIGNS & GLASSES. 612-827-6575.

ON-SITE GRAIN BIN AERATION DYNAMIC FAN BALANCING & VIBRATION TROUBLESHOOTING, www.cmttechnicalservices.com. 634-3409/Chuck.

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

BLOCK WOOD SAW POWERED JD 2 CYL ENGINE, hook up & go, needs gas tank, \$3750. 583-2386 or 363-2015.

2003 RK POLICE MODEL, approx. 35K mi., blk w/ chrome, \$5000; DUAL EXHAUST PIPES, prebent/ welded '81 El Camino, \$200. 456-7677.

CUB CADET Z-TURN MOWER, 54" cut, 24-hp Kawasaki motor, 295-hrs, \$2500/obo. 612-240-9999.

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.

Do you pay your Steele-Waseca bill online through your bank's bill pay or through a bill pay company?

If you answered, "Yes," please change the "mail to" address to: PO Box 485, Owatonna, MN 55060-0485. This will ensure your payment is processed in the quickest way possible to reduce your risk of receiving late charges.

For those paying their bill through Steele-Waseca's website, or if you participate in the co-op's auto pay program, you are NOT affected by this announcement.

If you already mail your payment and stub with the envelope provided, please continue to do so, as you also are NOT affected by this announcement.

HVY DUTY TRAILER, 8'x16', (2) 7500-lb. axles, new tires, \$1700; JD 345 LAWN TRACTOR, 52" 25-hp mower, new battery, \$800. 456-9145.

BIRDHOUSE GOURDS, various sizes & shapes, some w/holes, some painted, prices start at \$10. 696-5820.

PONTOON LIFT on French Lake. 440-7668.

ALUM. BOAT LIFT, 3500-lbs, 20' ShoreStation® canopy w/wheels, adjustable legs, Mylar bunks, new cables installed 2018, \$3200. 612-227-1061/Dave.

BLK ANGUS BEEF: qtrs, halves, or whole avail., semi-organically & locally raised. 330-2452/Matt.

(2) JD B TRACTORS, \$1200/each; FARMALL M, \$1200; DONKEYS: (1) male, castrated, 22-yrs-old; (1) female, 15-yrs-old. 451-0653.

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

CEDAR MAILBOX POST, new, \$15. 334-3804.

BOSS V-PLOW, 8'6", \$3800. 334-7177.

6 X 10 FISH HOUSE w/running gear/heater, \$750. 612-221-1408.

CATTLE GATES: (1) 12' & (1) 20'; 8 X 12 WOOD SHED in fair shape. 334-7756.

7' X 9' UNINSUL OH GARAGE DOOR w/opener; PALOMINO POP-UP PICKUP CAMPER, great shape. 363-2593.

2006 LINCOLN NAVIGATOR, 178K mi., new tires, new shocks, exc. cond., \$6000/obo. 380-3958.

BLACKSMITHS FORGE, brick top, table style w/var. spd fan & 3'x3' vent hood, \$150. 952-652-2933.

CAR DOLLY w/tilt bed, auto locking, auto steer, brakes; 2007 MOTOR SCOOTER, 150cc, windshield, 1000-mi., exc. cond. 456-1133.

SHOREMASTER BOAT LIFT on whls, 3600# cap., 22' canopy, 12V elec. winch, \$3500/obo. 456-6549.

YARD CART for riding mower, 34x42, stored inside, great shape, \$125. 451-8498/leave message.

OLIVER 374 CULTIVATOR, gd shovels, gd shape, \$100. 456-7614.

WOMEN'S GOLF SET: (4) irons, (2) woods, (1) putter, \$50. 451-5456 after 5 p.m.

JD 6300 MFW TRACTOR w/loader, \$20,000; BOB-CAT 610 SKID LOADER, \$4000; 2016 FORD FOCUS, \$8000. 330-3945.

JD 3010G w/146 loader, all restored like new, \$8500; 29' TRAVEL TRLR w/slide-out, \$5000. 384-7553.

1958 JD 730; 1949 JD G GOLDEN JULI-FORD; 1956 CHEV., 2-ton w/5200 actual mi.; JD 4020, complete overhaul. 451-2583.

14' ALUMACRAFT F9 BOAT, includes Lowrance depth finder, oars, anchor, new lic. & lights on both; '84 CUTLASS CIERA, diesel, rust free. 451-0996.

TENN. WALKER MARE, well trained. 320-8225.

KING-SIZED WATERBED, complete w/base & heater, \$50. 475-0546.

1947 DODGE 2-DOOR COUPE, all orig., runs, drives, blk, \$5500. 334-5245.

(4) GOLF CART TIRES ON RIMS, tires sized 18x8.5-8, 4-bolt rims, standard size, more than 50% tread left, \$120/cash. 491-4565.

750-GAL. WATER TANK & TRANSFER PUMP. 766-1583.

2011 9.9-HP OUTBOARD MOTOR, low hrs, \$1250. 334-3207.

AGRI-FAB MOW-N-VAC GAS-POWERED TOW VACUUM, 32-cu.-ft, 163cc. 838-8958/Andrew.

GRANDPARENTS FOR EDUCATION GARAGE SALE & SILENT AUCTION, Fri., June 14, 3 p.m.–7 p.m. & Sat., June 15, 8 a.m.–12 p.m., Morehouse Park, 350 W. School St., Owat.

2002 HONDA GOLDWING TRIKE MOTORCYCLE, 1800cc, vry nice cond., 39,130 mi. 213-6427/bxt.

PULL-BEHIND LAWN RAKE in gd shape, \$135. 475-4584.

1974 FORD F-600 GRAIN TRUCK, 14' box w/roll tarp, 87,273 mi.; ALLIED 28' BALE CONVEYOR & 31' BALE CONVEYOR. 461-2754.

1984 E-150 CARGO VAN, runs great, PS, PB, 6-cyl., 4-spd manual, gd rubber, insulated, great hauler, gd around farm truck, \$1395. 213-8823.

REGISTERED AUSTRALIAN SHEPHERD PUPS, vry obedient farm/family dogs, Merle's and tri's, 1st shots, wormed, dewes removed & docked tails. 475-2509.

SPECIALIZED HARDROCK MTB, 21-spd, F.S. Fork, \$100; CANNONDALE H300, 21-spd, men's, 700x35c, \$150. 330-3178.

WHEEL HORSE C140 LAWN TRACTOR, automatic, 42" deck, self-contained leaf vac incl. 676-5771.

2005 GMC SLT 3500, ext. cab, long box, 165,000 mi., leather, buckets, bed cover, 5th wheel hitch, air bags, \$11,000. 332-8826.

SET OF (4) HANKOOK DYNAPRO HT TIRES, 255/70R16 w/1000-mi. on them. 583-2507.



ad connection

give away

WHIRLPOOL GAS STOVE, older, hardly used, clock does not work, already disconnected. 455-3468.

8' LANDSCAPE TIMBERS, used (but solid); **CREO-SOTE FENCE POSTS**. 390-8394.

KITTENS, 2-mths-old, blk, cream, calico, litter-box trained. 583-2173.

INTERIOR WINDOW GRIDS (LATTICE), plastic, oak color, various sizes. 213-0059.

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 emailed to SWCE.

wanted

PINBALL MACHINES, no slots or poker machines, paying \$, will pick up. 920-723-4969.

3-BEDROOM HOME w/2-stall garage, everything on main floor in Owat. 363-6622.

HUNTING & FISH. EQUIP.; GUNS; METAL SIGNS; ESTATES; COLLECTIONS. 279-0431/Mark.

CRAFTERS for 20th Ann. Christmas for Veterans Homemade Craft & Bake Sale, Nov. 2, 8:30 a.m.-3:30 p.m. at Trinity Luth. Church, Owat. Donations welcome anytime. 271-3596.

NH RAKE, "needed" gd working cond. or old one for parts. 612-703-1316.

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

CARPORT, used. 465-8244/Tom.

PAINTING JOBS, indoor or outdoor. 320-8225.

BALES OF STRAW. 213-0352.

WILL DO COMPACT TRACTOR WORK: tilling, plowing, bucket work, & blade work. 451-6046.

SHOW CATTLE STALL DIVIDERS &/OR FAN CAGE, alum. preferred. 213-0059.

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

All area codes are 507 unless otherwise noted

for sale

WINTER THYME BARNWOOD BENCH w/boy & girl life-size skaters w/"real" ice skates, \$25; **CLUSTER OF (3) WOODLAND BOTTLE BRUSH-TYPE TREES**, 6' tall, \$15. 304-0903.

16' HORSE OR CATTLE TRAILER, vry gd shape, always in the shed, also has dividers to pen off animals. 475-0486 after 1:30 p.m.

FARM SITE, 5.5-acres, 4-bdrm house w/new septic system & furnace, shop, storage sheds, woods, 2.5-mi. west of Blmg Pr. 363-6622.

'07 KEYSTONE SPRINGDALE 38' TRVL TRLR w/(2) slide outs, sleeps 10, gd cond., \$11,000; **(4) 8' BANQUET TABLES**, \$5/each; **(40) METAL FOLDING CHAIRS**, \$2/ea. 451-9445.

TROY-BILT REAR-TINE TILLER, 5-hp, manual, 22", \$275. 451-5121.

ORGANIC ASPARAGUS. 323-8446.

LILLISTON 6-ROW CULTIVATOR; IH 18' DISC (both nice). 456-7633.

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

AC 12' DIGGER; 8' TANDEM DISC. 676-3855.

SHOREMASTER BOAT LIFT, 2500-lb. winch motor, new canopy, French Lk #2900. 334-6362.

JD 3950 CHOPPER; 7' HAY HEAD; 2-ROW CORN HEAD; 14' MACDON HAYBINE; JD 567 ROUND BALER; 8-WHEEL RAKE. 210-0316.

SPLIT-LEVEL HOUSE, 4-bdrm, 2100 sq. ft., 3-stall garage, Roch. (SE in the country), 0.89-acres, \$299,000. 923-8901.

PADDLEBOAT, \$175/obo; **WEIGHT SET**, \$30/obo; **6-QT ROASTER; BOBBER COOLER**, best offer. 332-7925.

JD 1570 TerrainCut™, front-deck mower w/rear discharge, 86.6 hrs, Fastback™ deck, 2-yrs-old, exc. cond., \$16,500; **SHED FOR LEASE**, cold storage, 100x60, no heat, leak free. 259-3309.

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

MINI STORAGE UNITS, Blmg Prairie. 456-2957.

FRONT-END LOADER for a Ford 8N tractor; **PORT. WORTHINGTON 160 AIR COMPRESSR**. 491-4019.

HORSE-DRAWN CART, exc. wheels & spokes, steel tires, \$500/obo; **PORT. HORSE STOCKS**, \$150/obo. 475-0309.

SEARS CRAFTSMAN AIR COMPRESSOR, 5-hp, 30-gal., 220V, Morristwn, \$170. 685-4126.

TRI-AXLE DUMP TRUCK AVAIL. for all your hauling needs: rock, gravel, dirt, etc., 15.5-ton capacity. 456-7774.

RV BUNK BEDDING, fits 30"x74" bunks, like new, (2) sets: mattress pad, sheet set & pillowcase. 339-7306.

LOT on Beaver Lk, 72' of lakeshore. 383-7890.

STORAGE UNITS FOR RENT in Ellendale. 456-1460.

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

WHEEL HORSE 418A GARDEN TRACTOR, 18-hp Kohler engine (810 hrs of use), incl. 42" mower deck, hydraulic equipment lift & all orig. manuals, \$900. 952-836-6782/Bill.

CUT WOOD, (1) cord, \$75. 451-6695.

LAWN MOWING med. to large areas incl. farms, city or county; **GARDEN TILLING** med. to large areas; **LAWN MOWER & CHAIN SAW BLADE SHARPENING**. 213-0829/Jerry.

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

VALMETAL SM. SQ. BALE CHOPPER, Honda engine, starts on 1st pull, exc. cond. 451-0628.

(For Sale ads continued on Page 15)

travel

MACKINAC ISLAND & DOOR COUNTY, July 8-15. By motor coach, 7 nights, 13 meals, tour Mackinac City & Island, Door County & Washington Isl. & more! \$1,599 per person w/2 per room.

SUMMER ON THE MISSISSIPPI, July 24-27. By motor coach, 7 meals, daylong Mississippi cruise on the Celebration Belle, John Deere Pavilion, dinner theater, & more! \$679 pp w/2 per room.

LAKE SUPERIOR CIRCLE TOUR, Sept. 8-13. By motor coach, 6 nights, 8 meals, Thunder Bay, Sault Ste Marie, Pictured Rocks Cruise, Soo Locks Dinner Cruise & more! \$949 pp w/2 per room.

WILD WEST TOUR, Sept. 15-23. By motor coach, 8 nights hotel, 13 meals, Buffalo Bill State Park, Cowboy cookout, Bison Ranch & Train tour, Little Bighorn, & more! \$1,899 pp w/2 per room.

Please stop by and visit Larry at the 4-Seasons booth, June 4, at Steele-Waseca's annual meeting to learn more about their upcoming trips.



great river energy — 2018 in review

Competitive rates and growing renewables

Steele-Waseca Cooperative Electric is one of 28 electric cooperatives that collectively own a wholesale electric cooperative called Great River Energy (GRE).

For 20 years, GRE has provided electricity to Steele-Waseca while pursuing its mission to generate and transmit reliable and affordable electricity in harmony with a sustainable environment.

Great River Energy receives electricity from power plants, wind farms, solar installations and hydroelectric facilities. The cooperative also operates and maintains thousands of miles of high-voltage transmission lines.

Like all cooperatives, GRE serves its members best when it maintains strong financial results; 2018 was one of the best financial years in company history.

Strong sales and cost controls propelled Great River Energy's 2018 margins well in excess of budget. As a result, GRE reached 20 percent equity, accomplishing a goal it established more than 15 years ago. GRE is delivering on its cooperative promise to members and began returning cash to member-owned cooperatives like Steele-Waseca in 2019.

Ambitious plans for renewable energy

Nearly 15 years of experience with renewable energy has given Great River Energy a deep understanding of the

economics and operations of wind energy. After accomplishing Minnesota's 25 percent renewable energy goal in 2017—eight years ahead of the state's requirement—the cooperative decided to push itself even further.

Great River Energy will provide 50 percent renewable energy to its all-requirements member-owner cooperatives by 2030. The cooperative decided to ramp up renewables because members are increasingly interested in electricity with a lower environmental effect, as long as it remains affordable and reliable. Increasing renewables can present advantages to cooperatives for attracting and retaining businesses as well as meeting the expectations of members who value green energy.

GRE has spent more than a decade positioning its portfolio, lowering costs and reducing dependence on coal as a fuel source, while improving the overall flexibility of its generation portfolio. Great River Energy has exited two contracts for coal-based electricity in recent years and retired a coal power plant in 2017.

These and other environmental measures are having a positive effect. GRE emitted 38 percent less carbon dioxide in 2018 than it did in 2005.

Keeping rates competitive

While Great River Energy strives to improve how it generates and delivers



energy, it also makes certain the cost of electricity remains competitive. GRE's wholesale electric rates remain well below the weighted regional average.

Perhaps more importantly, rates are stable. Great River Energy projects rate increases significantly below the anticipated rate of inflation for a decade. For 2019, GRE's wholesale rates have declined.

Reinvesting in a critical asset

Great River Energy has spent seven years laying the groundwork for an upgrade of its high-voltage, direct-current transmission system between North Dakota and Minnesota. In the spring of 2019, conversion equipment—the equipment that converts alternating-current power to direct-current power and vice versa—is being replaced with today's technology.

The upgrade is one of the biggest capital projects GRE has undertaken in recent years. It is expected to produce returns for the cooperative by extending the life of the system, maintaining reli-

(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; P.J. Duchene, District 1; and Eric Mattison, SWCE attorney.

member connection

Steele-Waseca town hall meetings well attended in Waldorf and Owatonna

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

Attendance was at 102 for the meeting, April 16, at the Waldorf Community Center. Steele-Waseca members in District 2; Otisco, Lemond, Berlin, and Hartland townships in District 3, and Bath Township in District 4 were invited by postcard to attend. The meeting at Torey's Restaurant & Bar had 194 in attendance which included invited members from Somerset Township in District 3; Owatonna, Meriden, Somerset, Summit, and Geneva townships in District 4; District 5; and Merton, Ellington, Concord, Wasioja, Claremont, and Havana townships in District 6.

The moderator for both meetings was Steele-Waseca General Manager Syd Briggs.

He presented information on cooperatives' seven principles, early history of Steele-Waseca, use of the co-op's app available through the App Store or Google Play for those with smart mobile devices, the rebate for Steele-Waseca's POWRE (Power Optimized With Renewable Energy) program, and the National Rural Electric Cooperative Association's (NRECA's) International program bringing power to parts of the world living without electricity.

Steele-Waseca Operations Division Manager Kim Huxford presented information regarding how air source heat pumps (ASHPs) work and the enhanced promotional rebates available at the co-op through June 30, 2019. 1033903

Attendees learned more about ACRE (Action Committee for Rural Electrification) and how participation provides support to elec-



Steele-Waseca General Manager Syd Briggs (standing center) shared details of the co-op's history during the town hall meeting, April 23, at Torey's Restaurant & Bar in Owatonna.

ted officials who support legislation keeping electricity reliable and affordable for rural electric cooperatives. Those in attendance signing up to join ACRE included: Nick/Barbara Dacloush, Dodge Center; Robert Panuska, New Richland; and Mary/Joel Xavier, Ellendale.

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. *by*

Co-op Owners
ACRE
for Political Action



Steele-Waseca Operations Division Manager Kim Huxford (standing far right) detailed how air source heat pumps (ASHPs) work during the town hall meeting, April 16, in Waldorf.

(GRE continued from Page 3)
ability and improving efficiency.

Honoring members' investment

Great River Energy employees are challenged to discover better ways to do their jobs. In 2018, implementing new processes resulted in savings of \$33 million—the second highest annual savings total through GRE's business improvement culture. Business improvements have resulted in more than \$300 million in savings for Great River Energy's member-owner cooperatives since 2002.

Together with its member-owner cooperatives, GRE is advancing new technologies and capabilities on the electric grid to improve service, reduce costs and enable new efficient uses of electricity.

Great River Energy is well positioned to serve members with reliable, affordable and environmentally responsible energy long into the future.

Christ the King Full and Handbell Choirs to perform national anthem at co-op's 83rd annual meeting

Christ the King Full and Handbell Choirs of Medford (pictured right) were awarded the opportunity to perform and sing, "The Star-Spangled Banner" at Steele-Waseca Cooperative Electric's 83rd Annual Meeting, Tuesday, June 4, at the co-op's headquarters in Owatonna.

A panel of judges at the co-op evaluated the choirs on their vocal and musical performance, stage presence, and personality. Steele-Waseca members and/or their dependents were eligible to audition. The Christ the King choirs were the only group or individual to audition.

The singing of the national anthem will occur at the beginning of this year's annual meeting. The group will receive \$100 following their performance.



Members of the choirs include (top row, left to right): Cartier Oatway, Krista Gillen, Billy Chester, Mia Amberg, Braxton Skalicky, Jenny Jones, Alex Oatway, Annette Janousek, and Jesse Oatway; bottom row (L-R): Chuck Wencil, Lillian Stockwell, Sherry Keller, and Melodie Morris. Not pictured is: Vicki Oatway, Simone Hellevik, Mary Stell, and Jerrie Wencil.

Steele-Waseca will announce when auditions will be conducted for the 84th annual meeting in 2020. *by*

youth tour connection

Transburg, Drentlaw representing Steele-Waseca during 2019 Washington D.C. Youth Tour

Leah Transburg of Northfield, and Dawson Drentlaw of Faribault will be representing Steele-Waseca Cooperative Electric as their delegates for this year's Washington, D.C. Youth Tour, June 15-20.



Leah Transburg

Leah, the daughter of Foster and Lisa Transburg; and Dawson, the son of Dale and Laura Drentlaw, were awarded the Youth Tour opportunity as the co-op received two applications.

Application requirements included responses to 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 applicants were required to list their participation in school and community activities, and submitting letters of recommendation from an instructor, counselor, or administrator; and from a church or community leader.

Leah is completing her junior year at Northfield High School. Her school activities include tennis where she has participated since 6th grade, and lettered during her junior year; lacrosse where she was co-captain for the junior varsity team; National Honor Society, which has included 20 volunteer hours; serving on the prom committee; and a member of the Fellowship of Christian Athletes.

Her community activities include FFA where she is a current two-year member, and has been involved with livestock judging, FFA State Choir, and other volunteer opportunities; Defeat of Jesse James Days where she volunteers as a towns person in the reenactments, and volunteers at the rodeo and other community events.

In addition, Leah is with the Emmaus Youth Group and volunteers when other people of the community come to the church. Her work experience includes Dairy Queen and Northfield YMCA.

When asked why she would like to represent Steele-Waseca as their Youth Tour delegate, Leah replied, "Going to Washington D.C. would help me understand what our country is made of and, how democracy, and agriculture has shaped it."

When asked what commitment to community meant to her, Leah reflected on last year's Sept. 20 storm that impacted many in southern Minnesota, "My father and I went to the Northfield Township Town Hall and we encountered even more devastation. The roof of the town hall was ripped apart and barns around the community were torn to pieces. Many people had gathered together to get supplies to help, even though the sun was already down. My father and I had helped our neighbors get the tractor out of the town hall shed, being that the power was out. By the time we got the tractor out of the shed, many people had gathered to share their stories of that night and to seek out others that needed help. As the sun began to rise for a new day, we drove around and saw all of the community members picking up the mess that had been left. Even if they did not have power or other necessities, they still helped out others that needed more help than they did. I was helping my grandpa and neighbors pick up trees and branches so that they could get access to the road." Adding, "In my community it does not matter who you are or what you do for a living because when it comes to hard times, the community will always be there for everyone and anyone."

Dawson is completing his sophomore year at Tri-City United High School in Montgomery. He has lettered as a team member of the TCU Robotics Team Gear Train since 2017, and has held driver and marketer positions. He has also lettered as a member of the TCU Concert Band, Pep Band, and Marching



Dawson Drentlaw

"This year we have 37 students and five chaperones making the trip from Minnesota. We'll join over 1,900 other students from across the country to mark the 2019 tour."

Gayle Karol, MREA Marketing & Event Coordinator & Youth Tour Director



Band as a trombone player since 2017.

His community involvement includes serving as an usher, lector, youth group member, server, and festival volunteer at the Church of St. Patrick in Shieldsville; clearing trails, installing and removing trail signage, helping with youth safety training, and volunteering at events since 2010 as a member of the Faribo Sno-Go Club; volunteer for Infants Remembered in Silence in Faribault since 2015, helping older adults with mowing grass, raking, snow shoveling, and yard work; and is an avid drone pilot and computer builder.

Dawson's work experience includes operating equipment and moving trailers for Dale Drentlaw Contracting, and a laborer for Jeff Winter Construction, Jeremy Baines Carpets, Cory LaCanne's dock service, and Petricka Farms.

As for why he would like to represent the co-op as their Youth Tour delegate, Dawson shared, "The opportunity to represent my electrical cooperative as a youth delegate is exciting," as he is eager to learn more about rural cooperatives. "I also have a personal passion for American history and have never had the opportunity to visit our nation's capital, yet," wrote Dawson.

As for what commitment to community means for him, "I am a firm believer that we also become better individuals by being involved in our community," wrote Dawson. "We appreciate the values we are taught by others and learn so much more than someone who never gets involved." Adding, "I often have greater feelings of accomplishment in community events than I do with school events."

Steele-Waseca wishes to congratulate Leah and Dawson as the co-op's delegates for 2019. The co-op is proud to have them representing Steele-Waseca in Washington, D.C. *by*

cookin' connection
Rhubarb Custard Cake

Rose Koktavy Northfield

- (1) yellow cake mix (mix as it is directed)
- 4-5 c. chopped rhubarb
- 1 c. sugar
- 1 pt. whipping cream

Pour rhubarb over mixed up cake. Pour sugar and whipping cream on top. Bake at 350° for 50 to 60 minutes in 9x13 pan (It is better to use Pyrex® for this as it needs to be refrigerated. I wouldn't use metal.). If using frozen rhubarb, squeeze out some of the juice. Also, I use a French vanilla cake mix, it is just better tasting. The cream becomes pudding - delicious - yum-yum!!

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 38 kWh credit per panel on this month's statement for energy generated during April 2019. 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 6th of the month following receipt of the Sparks, or the amount will be forfeited.

May issue of Sparks



- Numbers found: Ronald LaCanne, Steve Wagaman
- Numbers not found: James/Carol Gare, Bruce/Angela Quast, Timmy Capranos



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 54° F, while the average low was 37° F. This resulted in 587.5 Heating Degree Days (HDDs) and 4 Cooling Degrees (CDDs) for April. They compare to last year's average high of 45° F and average low of 24° F, which resulted in 910 HDDs and 4 CDDs.
- ENERGY STAR® Rebates - In 2019, 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 2018 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 5, 2018. 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 Vacations. 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 Caroline Nelson. 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. Renee Malecha, 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, 2017, 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 Diane Stenzel reviewed the bylaws concerning director election, and summarized the minutes of the nominating committee meetings held Nov. 16, 2017, and Jan. 23, 2018. Stenzel 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 1 were called, there being none; nominations were declared closed. Additional nominations for District 3 were called, there being none; nominations were declared closed. Additional nominations for District 5 were called, there being none; nominations were declared closed. There being no other candidates in opposition, Attorney Mattison declared the following: District 1: PJ Duchene was declared elected by acclamation. District 3: Duane Edwardson was declared elected by acclamation. District 5: Rodney Krell was declared elected by acclamation. 2017 Youth Tour delegates, Brant Wieber and Hannah Singh, reported on their experiences in Washington, D.C. SWCE Communications Specialist Randy Sobrack introduced the 2018 Youth Tour delegates, Malloree McCarthy and Jessica Pieper. ACRE Chairperson and SWCE District 2 Director Gerri Lienke informed the membership about the role of ACRE

(Action Committee for Rural Electrification). 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. General Manager Briggs updated the membership on current issues pertaining to the cooperative, and introduced POWRE, the new SWCE Renewable Distributed Generation Rebate Program. House Representative Pat Garofalo, chair of the Job Growth and Energy Affordability Policy, addressed the membership on some key issues. General Manager Briggs introduced current employees and staff, along with their years of service. 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 2019 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 4, 2019.

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.

swce 2019 board of director nominees

The 2019 Nominating Committee has selected the following nominees for the Steele-Waseca Cooperative Electric board of directors. Committee members include: Lester/Jane Kroeger, Waseca; Peter Rohe, Faribault; Wayne/Mae Maas, Faribault; Doug/Cindy Finch, Owatonna; Bert Wiersma, Ellendale; Pete/Melissa Bauer, Nerstrand; Jane Middlestadt, Owatonna; and Guy/Barb Jarvi, Webster. The election of directors will take place during Steele-Waseca's 83rd annual meeting Tuesday, June 4, 2019, at the co-op's headquarters located at 2411 West Bridge Street in Owatonna.

Jerome A. Haley, and his wife, Marcia, farm in Wilton Township in Waseca County. The couple have been Steele-Waseca Cooperative Electric members since 1992, and have one son, Andy. When asked why he wishes to represent his district on the co-op's board of directors, Jerome stated he was contacted by the Nominating Committee and was asked to consider running. "As a long time member it seemed like I should look into it," wrote Jerome. "My son also received a scholarship from SWCE." When asked about the qualities and abilities he could bring to the board, Jerome wrote, "Common sense," and the "Willingness to listen."

Geraldine G. Lienke, incumbent, has been a board director since 2004. Gerri and her husband, David, have lived in Waseca County their entire lives. They have four grown children and 10 grandchildren. Gerri recently retired from Crystal Valley Co-op in Waldorf after a 25-year career as an administrative assistant. She presently serves as a clerk on their township board. Gerri previously served on the Region 9 board along with other leadership positions. "Because I have resided in the same area for many years, I understand concerns of people in rural areas and I will strive to maintain affordable and dependable electricity to the best of my ability," wrote Gerri. "I have completed the educational classes to receive a Director Gold Certificate and continue taking classes to stay well informed. I have an open door for anyone with concerns and I will be your voice at the board table. Thanks for your support."


Dennis C. Ringhofer, incumbent, has been a board director since 2004. "I live with my better half, Becca, in Somerset Township, Steele County, on my family farm," wrote Dennis. They raise corn and soybeans. Between Becca and Dennis, they have four children and 10 grandchildren. He has also been an independent insurance agent for Ringhofer Insurance Agency for 31 years. Dennis is currently on the Owatonna Mutual Fire Insurance Company board and serves as vice president. He has completed the Credentialed Cooperative Director Program and holds a Board Leadership Program Certificate. "I have attended many meetings and seminars to further my education in the co-op and electric industry," wrote Dennis. "I consider it an honor to be on the Board of Directors for SWCE to see that the needs are met for the farms, residential and industrial alike. With the many changes in the future of the electric industry, I would like to see that it is maintained as professional as possible."

Gary W. Wilson, incumbent, has been a board director since 1992. Gary and his wife, Diane, have lived on their farm in Havana Township of Steele County for the past 48 years. They have retired from active farming, and are renting their land. The couple has two married sons and seven grandchildren, all living in the area. They enjoy hunting for antiques and traveling. Gary currently serves as president on the Steele-Waseca Cooperative Electric board of directors, and had previously served as secretary/treasurer for several years. Additional board responsibilities include representing the co-op on the Great River Energy board of directors. He has successfully completed the Credentialed Cooperative Director Program, and holds the Board Leadership Program Certificate. Gary recently received the Directors Gold Certificate to signify advanced training in cooperative leadership. He is a former supervisor on the Steele County Soil and Water Conservation District board, served on the Havana Township board, and the Steele County Planning and Zoning Commission. Gary was also a Pioneer Seed representative for 19 years. "It is a privilege to serve on the SWCE Board of Directors," wrote Gary. "I look forward to continuing to work with the rest of the board to make Steele-Waseca cooperative the best that it can be for all the membership."

BEWARE of dangers above.
Your LIFE depends on it.



Look up and look out for power lines.



Our electric co-op is small enough—and local enough—to know and serve the needs of every member. The co-op knows its members, because they are the owners.



Know what's below.
Call before you dig.

financial report for year 2018

STATEMENTS OF PATRONAGE CAPITAL AND OTHER EQUITIES
YEARS ENDED DECEMBER 31, 2018 AND 2017

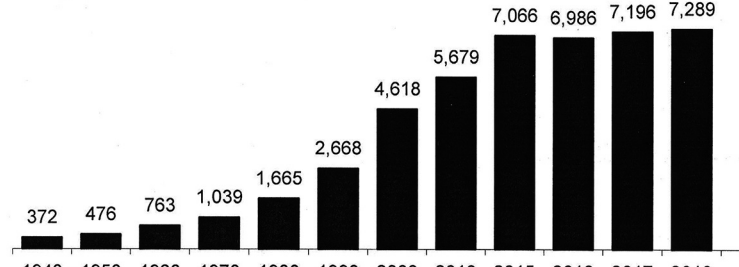
	Memberships	Patronage Capital	Other Equities	Total
BALANCE, DECEMBER 31, 2016	\$17,252	\$34,490,923	\$1,073,281	\$35,581,456
Unassigned Current Year Margins	-	2,675,844	-	2,675,844
Retirement of Capital Credits	-	(917,611)	-	(917,611)
Estate Settlements	-	(190,688)	65,182	(125,486)
Membership Changes - Net	(40)	-	-	(40)
BALANCE, DECEMBER 31, 2017	17,212	36,058,488	1,138,463	37,214,163
Unassigned Current Year Margins	-	3,242,764	-	3,242,764
Retirement of Capital Credits	-	(999,067)	-	(999,067)
Estate Settlements	-	(117,680)	48,278	(69,402)
Membership Changes - Net	36	-	-	36
BALANCE, DECEMBER 31, 2018	\$17,248	\$38,184,505	\$1,186,741	\$39,388,494

INDEPENDENT AUDITORS' REPORT

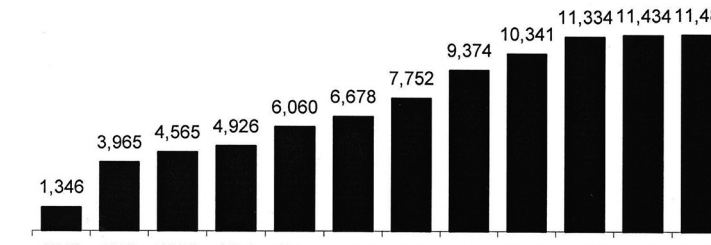
The balance sheets, statements of operations, patronage capital and other equities, and cash flows were taken from complete financial statements which were audited by CliftonLarsonAllen LLP, Certified Public Accountants, who expressed their unmodified opinion on those statements.

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

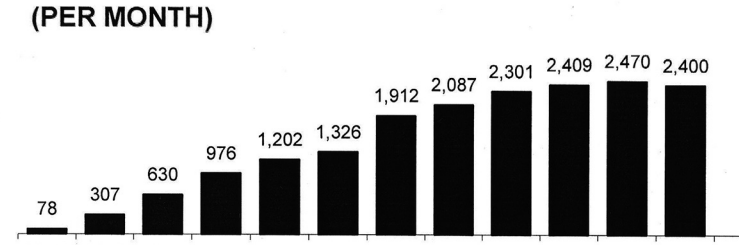
PLANT \$ INVESTMENT PER CONSUMER



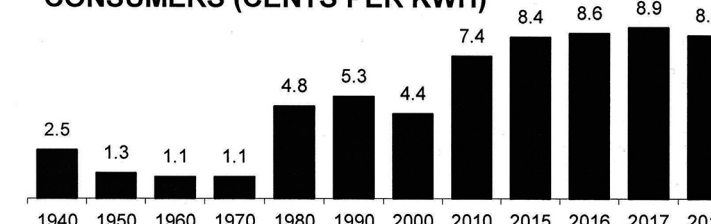
AVERAGE NUMBER OF CONSUMERS



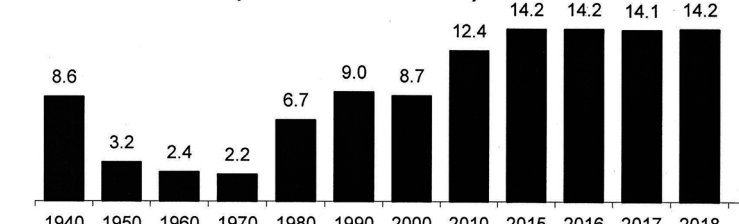
AVERAGE KWH USED PER CONSUMER (PER MONTH)



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



AVERAGE ELECTRIC RATE TO RESIDENTIAL CONSUMERS (CENTS PER KWH)



financial report for year 2018

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, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Margins	\$ 3,242,764	\$ 2,675,844
Adjustments to Reconcile Net Margins to Net Cash Provided by Operating Activities:		
Depreciation	3,225,950	3,151,953
G & T and Other Capital Credits	(937,112)	(1,212,752)
(Increase) Decrease in Unamortized Gain (Loss) on Sale/Disposal of Assets	(2,424)	(16,289)
Interest Income Credited to Cushion of Credit	(1,147,385)	(980,363)
Interest Expense Paid by Cushion of Credit	830,312	726,095
Changes in Assets and Liabilities - Decrease (Increase) in:		
Accounts Receivable	958,852	130,957
Materials and Supplies Inventory	(271,993)	147,714
Deferred Debits	869,694	106,056
Other Current and Accrued Assets	5,370	(20)
Increase (Decrease) in:		
Accounts Payable	(683,430)	235,025
Deferred Credits	179,472	191,089
Other Current and Accrued Liabilities	(260,758)	46,738
Net Cash Provided by Operating Activities	6,009,312	5,202,047
CASH FLOWS FROM INVESTING ACTIVITIES		
Construction and Acquisition of Plant	(4,274,643)	(4,265,871)
Cash Received from Retirement of Patronage	215,375	191,189
Cash Paid for Investments in Related Companies	-	88,888
Payments Received on Notes Receivable	248,016	248,016
Issuance of Notes Receivable	-	(586,000)
Net Cash Used by Investing Activities	(3,811,252)	(4,323,778)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in Memberships	36	(40)
Retirement of Capital Credits	(1,068,469)	(1,043,097)
Change in Customer Deposits	(18,865)	(24,010)
Proceeds from Issuance of Long-Term Debt	3,800,000	7,803,000
Advance Payments on Long-Term Debt	-	(3,800,000)
Principal Payments on Long-Term Debt	(3,896,066)	(2,455,697)
Net Cash Provided (Used) by Financing Activities	(1,183,364)	480,156
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,014,696	1,358,425
Cash and Cash Equivalents - Beginning of Year	3,132,589	1,774,164
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 4,147,285	\$ 3,132,589
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest Paid	\$ 1,300,209	\$ 1,051,131

swce director districts

District 1: Kilkenney 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's role is selecting nominees for director seats



The 2019 Nominating Committee included the following Steele-Waseca members (front row, left to right): Jane Middlestadt, Wayne Maas, Melissa Bauer, and Cindy Finch. Back row (L-R): Doug Finch, Jane Kroeger, Lester Kroeger, and Bert Wiersma. Not pictured: Peter Rohe, Pete Bauer, Guy and Barb Jarvi, and Mae Maas.

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 2019 Nominating Committee members include: District 2—Lester/Jane Kroeger, Waseca; Peter Rohe, Faribault; and Wayne/Mae Maas, Faribault; District 4—Doug/Cindy Finch, Owatonna; Bert Wiersma, Ellendale; and Pete/Melissa Bauer, Nerstrand; District 6—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 Geraldine G. Lienke, Dennis C. Ringhofer, and Gary W. Wilson.

The committee's first meeting was on Nov. 14, 2018. Steele-Waseca's Cooperative Attorney Eric Mattison reviewed the duties of the Nominating Committee as stated in the bylaws. He also discussed in detail policies regarding the activities and conduct of individual board members, qualifications for eligibility for service on the board, the director election filing form and affirmation of director qualifications, and questions concerning qualifications for director.

Committee member Jane Middlestadt 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, 2019. Cooperative Attorney Eric Mattison reviewed the director duties, standard of conduct policy, and qualifications for eligibility for service on the board policy. The Nominating Committee announced the following candidates will be on the election ballot for Steele-Waseca's 83rd annual meeting, June 4, 2019, at the cooperative's headquarters located at 2411 West Bridge Street in Owatonna:

District 2 Jerome A. Haley
Geraldine G. Lienke

District 4 Dennis C. Ringhofer

District 6 Gary W. Wilson

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 2018

On Oct. 10, 1936, when Steele County Cooperative and Waseca Cooperative Electric voted to consolidate, there were 860 members. By the end of 2018, Steele-Waseca Cooperative Electric (SWCE) service locations had grown to 11,498.

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 2,212 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, 2018 AND 2017

ASSETS	2018	2017
UTILITY PLANT		
Electric Plant in Service	\$83,676,784	\$82,281,194
Construction Work in Progress	910,180	355,604
Total	84,586,964	82,636,798
Less: Accumulated Provision for Depreciation	(30,195,545)	(29,296,496)
Net Utility Plant	54,391,419	53,340,302
OTHER ASSETS AND INVESTMENTS		
Investments in Associated Organizations	14,860,526	14,138,789
Investments in Related Companies	711,111	711,111
Notes Receivable - Net of Current Portion	1,192,759	1,456,234
Total Other Assets and Investments	16,764,396	16,306,134
CURRENT ASSETS		
Cash and Cash Equivalents	4,147,285	3,132,589
Accounts Receivable, Net	4,379,005	5,337,857
Materials and Supplies Inventory	978,919	706,926
Interest Receivable	6,784	6,784
Prepayments	-	5,370
Current Portion of Notes Receivable	263,475	248,016
Total Current Assets	9,775,468	9,437,542
DEFERRED DEBITS	729,887	1,599,581
TOTAL ASSETS	\$81,661,170	\$80,683,559
EQUITIES AND LIABILITIES		
EQUITIES		
Patronage Capital	\$38,184,505	\$36,058,488
Memberships	17,248	17,212
Other Equities	1,186,741	1,138,463
Total Equities	39,388,494	37,214,163
LONG-TERM DEBT, Less Current Maturities		
RUS Mortgage Notes	16,442,942	13,550,069
CFC Mortgage Notes	-	1,102,426
CoBank Notes Payable	13,152,260	15,142,243
Total Long-Term Debt	29,595,202	29,794,738
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	3,200,232	3,413,835
Accounts Payable	3,768,649	4,452,079
Consumer Deposits	243,975	262,840
Other Current and Accrued Liabilities	935,256	1,196,014
Total Current Liabilities	8,148,112	9,324,768
DEFERRED CREDITS	4,529,362	4,349,890
TOTAL EQUITIES AND LIABILITIES	\$81,661,170	\$80,683,559

financial report for year 2018

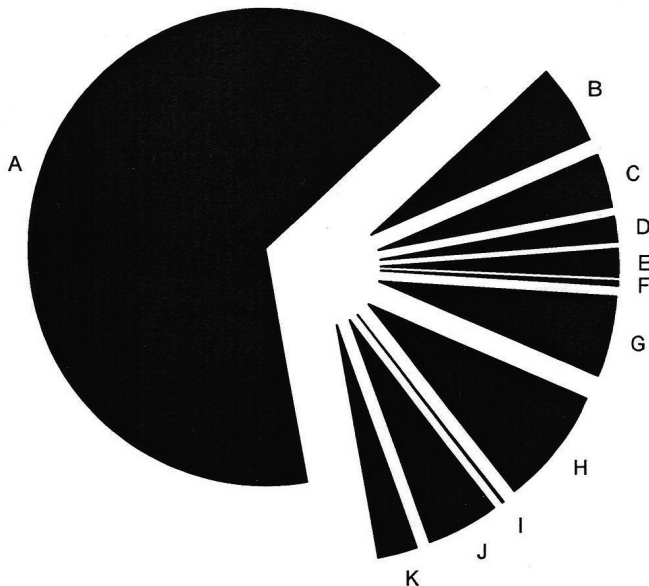
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
OPERATING REVENUES	\$38,329,854	\$37,243,405
OPERATING EXPENSES		
Cost of Power	25,220,293	25,598,294
Distribution Expense - Operation	2,059,125	1,517,624
Distribution Expense - Maintenance	1,380,293	1,189,011
Customer Accounts Expense	664,590	655,301
Customer Service & Informational Expense	737,036	713,463
Sales Expense	129,285	126,443
Administrative and General Expense	2,108,407	2,221,087
Depreciation	3,053,989	2,983,224
Other	59,549	67,491
Total Operating Expenses	35,412,567	35,071,938
OPERATING MARGINS BEFORE FIXED CHARGES	2,917,287	2,171,467
INTEREST ON LONG-TERM DEBT	1,869,145	1,788,473
OPERATING MARGINS AFTER FIXED CHARGES	1,048,142	382,994
GENERATION AND TRANSMISSION & OTHER CAPITAL CREDITS	937,112	1,212,752
NET OPERATING MARGINS	1,985,254	1,595,746
NONOPERATING MARGINS	1,257,510	1,080,098
NET MARGINS	\$3,242,764	\$2,675,844

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 2018, the average SWCE member had power for 8,749.49 hours out of a possible 8,760 hours. That’s a reliability record of 99.88 percent! 1059965

For each dollar received from consumers, 2.7 cents goes into operating margins. These margins are used to help finance construction and improvements, pay capital credits, and make payments on our debt. Since 2.7 cents 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 2018 CONSUMER DOLLAR PAID FOR

A.	65.9%	Purchased Power
B.	5.4%	Operations
C.	3.6%	Maintenance
D.	1.7%	Billing & Collection
E.	1.9%	Customer Information
F.	0.3%	Sales
G.	5.5%	Administrative & General
H.	8.0%	Depreciation
I.	0.1%	Other Income Deductions
J.	4.9%	Interest on Long-Term Debt
K.	2.7%	Margins