



March 2008

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Conservation Tips

- Turn down the thermostat 10 degrees at night. For each degree you lower your thermostat, you can save up to 5% on your energy bill.
- Reduce heating and cooling costs by as much as 20% through proper insulation and air sealing techniques.
- Don't preheat your oven except for baking.
- Wash clothes on cold cycle. You could save as much as \$60 a year in water heating costs! Also make sure you're only running full loads to maximize efficiency.
- Install a programmable thermostat. Inexpensive and easy to install, these units automatically adjust the temperature for you, saving you about \$100 a year.

Trico is CLOSED on the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Day after Thanksgiving, Christmas Day.

Trico Electric Cooperative, Inc., is an equal opportunity provider and employer.

The Livewire

Trico Electric Cooperative, Inc. • 8600 W. Tangerine Rd. • Marana, AZ 85658
(520) 744-2944 • www.trico.coop

2007 Annual Report: Working Together

Many of us work with co-ops everyday—you do, every time you turn on your lights.

A co-op's mission is different from that of for-profit companies.. It's simply to meet its members' needs for goods or services. This is exactly how Trico operates. Our rates cover the cost of doing business and are not marked up to generate a profit. When our revenues exceed our costs, we give money back to you.

A cooperative, however, is still going to see its operating costs rise when the price of doing business goes up. There's no better example of this than right now when the cost of fuel to run power plants is at a record high.

Here at Trico we work hard to ensure we're operating in the leanest, most efficient way possible. We provide the highest level of service while trying to keep energy rates reasonable. We also try to work with you, the Member, to make sure you have the information you need to use energy wisely. We will be talking more about this in coming issues of the Livewire.

Why do we do this? Because we're an electric cooperative. Because we're locally owned—*by you*. Because, as a co-op, our job is looking out for you. We believe it is important to share information about Trico with you so you can help us make informed decisions about your future power supply.

I invite you to come out to Trico's Annual Meeting on March 29. We'll be discussing the issues facing Trico, but more importantly, I'd like to hear from you. What are your concerns? What direction would you like to see Trico go? We'll also be holding "Town Hall" meetings throughout Trico's service area to ask these same questions.

The meeting is at Marana High School. See below for more details or go to www.trico.coop. I hope to see you there! •

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Mark Schwirtz,
General Manager and
CEO of Trico

"Our rates cover the cost of doing business and are not marked up to generate a profit. When our revenues exceed our costs, we give money back to you."

Come to the Annual Meeting!

When: Saturday, March 29
9:30 a.m. - Registration (*Bring your bill for quick check-in!*)
10 - 11 a.m. - Annual Meeting
11 a.m. - Truck and gift card giveaways!
11:15 a.m. - Refreshments
11:30 a.m. - Renewable energy & conservation workshops

Where: Marana High School (Auditorium) - 12000 W. Emigh Road

We have hidden three account numbers in this newsletter. Find yours and we'll deduct \$20 from your electric bill. You must match your complete account number. If your number is an exact match, call 744-2944, ext. 1303, for verification and we'll take care of the \$20 credit. Good luck!

Changes in 2007

Last year brought 1,614 new services to Trico's system. Nearly 121 miles of line were added to the system. The cooperative serves approximately 2,700 square miles of territory. During the past 10 years, the number of Trico services has grown by 85.7 percent, averaging 1,759 new services a year.

Total plant in-service (all the transformers, circuits, poles, etc.) has experienced similar growth during the past decade. In 1997, Trico closed the year with 20,527 active services and just over \$66,479,558 of plant in-service. Trico finished out 2007 with 38,119 active services and \$184,431,148 total utility plant.

The following table illustrates a comparison between various classes of consumers receiving electric service for the past two years and for 1997. Following that is a chart comparing the miles of energized line for the same time frame. •

Trico Year-End Stats

Total Miles of Energized Line

Type	2007	2006	1997
Overhead	1,581	1,582	1,389
Underground	1,882	1,760	780
Transmission	<u>31</u>	<u>31</u>	<u>22</u>
Total	3,494	3,373	2,191

Customer Breakdown

Type	2007	2006	1997
Residential	36,302	34,871	19,513
Irrigation	30	30	19
Sm. Commercial	1,742	1,562	984
Lg. Commercial	11	10	4
Industrial	2	1	1
Misc/AVIDD/SIDD/ St Lts	<u>32</u>	<u>31</u>	<u>6</u>
Ttl Active Svcs	38,119	36,505	20,527

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MINUTES OF THE 2007 ANNUAL MEETING OF THE MEMBERSHIP OF TRICO ELECTRIC COOPERATIVE, INC.

The Annual Meeting of the Members of Trico Electric Cooperative, Inc. was held at Sahuarita High School, 350 Sahuarita Road, in Sahuarita, Ariz., on Saturday, April 28, 2007, pursuant to a notice of said meeting regularly and duly given. Present were Directors L. Nick Buckelew, George P. Davies, C. Brad DeSpain, Jon Post, John R. Reesy, Barbara Stockwell, and Marsha Thompson.

Call to Order - President Davies called the meeting to order at 10:00 a.m., and welcomed those in attendance to the 61st Annual Membership Meeting and stated that reports and updates would be made at this time.

Welcome - President George P. Davies began the meeting by introducing Trico's new CEO/General Manager, Mark W. Schwirtz. Mr. Davies then welcomed the Membership and presented the Trico Board of Directors.

Introductions - Mr. Schwirtz reported briefly on the Cooperative; Romi Carrell Wittman informed the Membership of Trico's commitment to community and introduced the 2007 Washington Youth Tour winner, Bethany Nay. Trico Charitable Trust President Chuck Jones gave an overview of the Trust; and Trico Foundation President John Reesy provided an overview of the Foundation and announced its 2007-2008 scholarship recipients.

Business Meeting - President Davies called the business meeting to order at 10:50 a.m. Quorum - President Davies declared that there was a quorum present; there being 163 registered Members present. Invocation and Pledge of Allegiance - Vice President C. Brad DeSpain gave the Invocation and led the Pledge of Allegiance.

2006 Annual Meeting Minutes - For purposes of officially recording the facts in these minutes, envelopes containing the Notice of this annual meeting of the Members addressed to all Members of record were sent by first class mail placed in the U.S. Mail within the time prescribed by the Bylaws. It was moved, seconded and carried to waive the reading of the Official Notice of the Annual Membership Meeting, and accept as mailed the 2006 Annual Meeting Minutes. These minutes were printed in the 2006 Annual Report that was sent to all Members of record. Director Elections - CEO/General Manager Schwirtz announced that there were two director candidates running unopposed. He then introduced the following director candidates by district and gave them an opportunity to address the Members present: District #4 - Marsha Thompson (incumbent); and District #7 - George P. Davies (incumbent). Each candidate made a short statement to the Members. Mr. Schwirtz announced that due to an unusual situation this year in that only incumbent Directors Thompson-District #4; and Davies-District #7 submitted petitions as per our By-Laws and are, therefore, the only candidates for these districts. Trico's By-Laws do not allow for nominations from the floor; and they call for a ballot election at its annual meeting. Upon previously discussing this with Trico's Corporate Attorney, it was determined that if the Members at this annual meeting unanimously approved a motion to elect Marsha Thompson and George P. Davies, we could dispense with the ballot vote. A motion was duly made, seconded and carried unanimously approving the re-election of Marsha Thompson-District #4; and George P. Davies-District #7, to the Trico Board of Directors. 2006 Financial Report - Director and Treasurer L. Nick Buckelew presented the 2006 Financial Report for review. The Membership posed various questions that were answered to its satisfaction.

President's Comments - President Davies commented on growth in the Trico service area and presented a dvd on electricity. Old Business - President Davies inquired if there was any Old or New Business. There were no responses. Door Prizes - Door prizes consisting of \$50 gift certificates were awarded by lot by President Davies. The grand prize, a 2001 Chevy Lumina, was drawn and awarded to Member Rosita Valles.

Adjournment - The President asked if there was any other business. There being none, the meeting was duly adjourned at 11:07 p.m.

2007 Financial Report

Treasurer's Report to the Membership — Audited

Income Statement

Income	2007	2006
Income from sale of electricity	\$74,056,482	\$63,338,256
Gain on Sale of Property	\$0	\$0
Other Capital Credits	\$2,058,437	\$107,112
Other Income	\$457,636	\$405,692
TOTAL INCOME	\$76,572,555	\$63,851,060

Expenses

Wholesale Cost of Power	\$48,361,836	\$39,340,028
Operations & Maintenance	\$4,911,755	\$3,909,142
Property Taxes	\$2,524,904	\$2,176,888
Interest Paid to the Government	\$5,909,101	\$4,957,877
Depreciation of Plant	\$5,287,127	\$4,450,736
Cost of Consumer Billing	\$2,945,500	\$2,727,588
Other Expenses (including legal, administrative and auditing)	\$4,077,017	\$3,575,233
Total Expenses	\$74,017,240	\$61,137,492

Net Margins

Income was spent per dollar as follows:		
Cost of Purchased Power	63.16%	61.61%
Operations and Maintenance	15.59%	15.99%
Depreciation of Plant	6.90%	6.97%
Taxes Paid	3.30%	3.41%
Debt Interest	7.72%	7.76%
Margins or Capital Credits	3.34%	4.25%
Total	100.00%	100.00%

Debt Service

Total Principal Paid to RUS and CFC Through 2007	\$47,451,970	\$44,933,466
Total Interest Paid to RUS and CFC Through 2007	\$56,120,701	\$50,211,770
Grand Total of Principal and Interest Paid by Trico since 1948	\$103,572,671	\$95,145,236
Number of Active Services	38,119	36,505
Kilowatt Hours Sold	605,300,210	538,849,762
Cost of Purchased Power	\$48,361,836	\$39,340,028

Balance Sheet

Assets for the year ending December 31, 2007

Utility Plant	2007	2006
Lines, buildings, equipment	\$192,579,775	\$172,876,585
LESS: Accumulated Provision for depreciation	\$35,593,925	\$33,442,012
Net Value of Plant	\$156,985,850	\$139,434,573

Current Assets

Cash in Bank & Temp Investments	\$3,926,618	\$2,461,568
Owed to us for Electric Services	\$4,297,096	\$3,733,956
Underbilled Fuel Cost Recovery	\$0	\$0
Stock Material and Supplies	\$4,612,661	\$4,319,697
Prepayments	\$566,280	\$537,995
Other Current and Accrued Assets	\$116,165	\$104,460
Total Current Assets	\$13,518,820	\$11,157,676

Investments

Investments in Associated Organizations	\$7,865,265	\$6,095,663
Other Investments	\$142,444	\$150,602
Non Utility Property-Internet	\$0	\$0
Total Investments	\$8,007,709	\$6,246,265
Deferred Debits	\$526,612	\$421,045
Total Assets	\$179,038,991	\$157,259,559

LIABILITIES

Consumer's deposits	\$1,171,452	\$1,049,400
Accounts Payable	\$4,605,264	\$4,783,754
Owed for Taxes and Interest	\$1,425,859	\$1,223,991
Long Term Debt to RUS & CFC	\$123,006,494	\$105,024,999
Deferred Credits	\$7,445,475	\$5,573,124
Accrued Liability-Employee Comp	\$1,323,584	\$1,320,041
Accumulated Operating Provisions	\$121,944	\$121,944
Overbilled Fuel Cost Recovery	\$166,261	\$288,479
Total Liabilities	\$139,266,333	\$119,385,732

EQUITY

Patronage Capital or Margins	\$39,772,658	\$37,873,827
Total Equity	\$39,772,658	\$37,873,827
TOTAL LIABILITIES AND EQUITY	\$179,038,991	\$157,259,559

The Trico Trading Post

To place ads, call 744-2944, ext. 1336. One ad per member per month. We'll accept ads for the following month until the issue is full.

Retired Collector: Paying \$5-\$500 for old pocket/wrist watches, Masonic/lodge items, coins, pocket/hunt knives, gold class rings, wedding bands, broken jewelry. 888-1109.

For Sale: 2 box fans. Late 1800's chest of drawers. Bosch Food Mixer III w/manual. Magic Mill grain grinder. Call 744-4375.

FSBO: Distress sale, 50% below appraisal, huge 2,700 square foot, 3/2 on 5 fenced view Arivaca acres, only \$155K. Also 20 acres \$92,500 w/lake. Call 398-3107.

For Sale: 1978 Silverado Chevy 3/4 ton service truck, new tires, mags, no motor, no transmission, parts truck, only \$500. Call 682-6481.

Free: Beautiful Baldwin Bravura Electronic Organ, walnut wood, music and instruction books, base pedals need work. We need the space. You pay to move. Call 648-2541.

For Sale: 1985, 14'x66' mobile home, 2BR/2BA, excellent condition. Call 207-2565.

For Sale: Classic 1957 Kenworth, 35' motorhome RV w/orig. manual, \$1,350. Also antique Singer treadle spinning wheel, \$200. Also related items for sale. Call 883-8637.

Will pay cash for vehicles 1928-1969, running or not ok. Call 682-8446.

For Sale: Rowe AMI juke box, 200 selections, coin operated, plus lots of extras, 45 records included, \$500. Call 883-6922.

Wanted: Beta video cassette player. Call 818-1316.

For Sale: Complete Wild Blue satellite internet receiver system, has a pedestal mount so it does not have to be attached to the house, works perfectly, \$300. Call 682-3854.

For Sale: '91 Ford Escort, runs, needs transmission, 35 mpg, many new parts. Call 409-2895.

For Sale: Oak bedroom set. 37" TV. Microwave. Large window A/C unit. Best offer or yard work. Call 682-5511.

Want to Buy: Used lineman's belt and gaffs for tree climbing. Call Roland at 360-6084.

For Sale: 1BR/1BA beautifully decorated furnished house, Sahuarita gated community, 55+, clubhouse, pool, tennis, exercise fac., many amenities, \$83,500. Call 648-0115.

For Sale: 2007, 40' Heritage 5th wheel, 2BR, washer/dryer, too much to list, all like new, asking \$39,900. Call 625-9307.

For Sale: Piano, Samick upright, black lacquer with bench, immaculate, \$650, OBO. Call 682-5007.

For Sale: 36 bottle wine cooler, never used, dual compartments, dual controls, originally \$499 asking \$350. Call Jim at 248-2225.

For Sale: Membership in Sedona Pines timeshare in Sedona, AZ, all fees paid \$750. Call 393-1979.

For Sale: Lazyboy sofa, 2 occasional chairs, round table, rectangular table w/shelf & drawer, dark wood & fabric, new was: \$4,300, sell for: \$1,995, OBO. Call 682-8988.

Wanted: Corrugated metal sheets, any size. Wanted: mobile home wheels. For Sale: '82 Ford EXP hatch back, new tires/trans., runs good, great gas mileage, \$850. 682-8134.

For Sale: Drexel sofa and matching chair, excellent cond. Also small coffee table. 2 area rugs. Metal patio furniture includes table, 4 chairs. 2 chaises. Call 825-1819.

For Sale: Kirkland by Whirlpool super capacity washer & dryer, like new, \$250/pair or \$150 each. Also new white steel bunk, single on top, double on bottom. Call 818-2732.

For Sale: Bow Flex Power Pro, like new, \$375, cash only. Call 578-0307.

For Sale: 2001 Ford Windstar, 122K miles, \$3,400, OBO. Call 648-2297.

For Sale: Handmade Quilts and quilt pieces. Also For Sale: 12'x60' mobile home, fix'r upper, \$2,000, you move. Call 682-4098.

For Sale: Ariz. Highways, 1946-1980. Also 1986 Dodge camper van, xlnt. cond. Also Bandanas, assorted designs. Wanted to Buy: Roll-a-Way bed, any size. Call 578-0094.

For Sale: '64 Comet wagon, not running good body, project car, \$950. 1962 MG Midget, needs work, \$2,800. 883-4377.

Tennis Anyone? Intermediate tennis group plays singles/doubles at Marana high school, Mondays and Thursdays, 4:00-6:00, just show up. Questions? Call Beth, 991-3762.

For Sale: '02 Olds Intrigue, loaded, V6, pwr sun roof, alloy wheels, spoiler, only 54K mi., auto climate dual zones, ABS, sticker: \$26,352, like new \$7,975, OBO. 818-6375.

Help Our Community through Operation Round-Up: Trico will round up your bill to the next dollar. The extra cents help those in need. Call 744-2944.

The Livewire, the official monthly publication of Trico Electric Cooperative, Inc., provides news, info and energy safety tips to its members.

Board of Directors

President: George Davies, (520) 327-8807
Vice President: Brad DeSpain, (520) 682-3914
Secretary: Barbara Stockwell, (520) 398-9400
Treasurer: L. Nick Buckelew, (520) 822-2277
Asst. Sec./Treas: Marsha Thompson, (520) 648-0419
Director: Jack Reesy, (520) 625-8381
Director: Jon Post, (520) 404-2006

CEO/General Manager: Mark Schwirtz

Editor: Mimi Villafane

Copies of Trico's rules, regulations, bylaws and line extension policies are available upon request.

Trico Electric Cooperative

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www.trico.coop

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NOTICE: The Trico Trading Post is a free service offered to Trico's members. Ads are placed on a month-to-month basis and are subject to space availability. Ads must be 25 words or less. Trico reserves the right to edit ads. A single ad may run no more than three times in a calendar year. Ads are not repeated unless requested via telephone. We do not print ads for business, rentals or services for which a fee is charged or a profit earned. Trico is not responsible for the quality of services or merchandise offered. Any problems with items advertised here is between the buyer and the seller.

MARCH 2008