

SAVE THE DATE

79TH ANNUAL CO-OP MEETING • OCT 1

PRIZES & GIVEAWAYS

GRAND PRIZE
2006 CHEVY
MALIBU



SAVE THE DATE ROCKWALL ISD

PERFORMING ARTS CENTER
1201 T L TOWNSEND DRIVE, ROCKWALL

REGISTRATION OPENS @ 8AM
MEETING BEGINS @ 10AM

Members should check their mailboxes in September for their ballots to vote in the election of representatives for the co-op's board of directors. Attendees also will have the chance to win prizes, including the grand prize—a vehicle from the Farmers Electric Co-op fleet. There will also be information booths, goodie bags and refreshments. See you there.



A Touchstone Energy® Cooperative 

2016 PRESIDENT AND GENERAL MANAGER'S REPORT

Co-op Membership: Our Power Is Your Power

It's that time of year again – annual meeting time! On behalf of the Board of Directors, the management, and the staff of our cooperative, Farmers Electric Cooperative, we'd like to personally invite you to join us on Oct. 1, at the Rockwall ISD Performing Arts Center at 1201 T.L. Townsend Drive, Rockwall, TX.

We look forward to gathering with you – members of our co-op community – to catch up, hear what you have to say and enjoy some good food and fellowship.

This event is not only a chance to visit with members of our co-op community – it's also a great opportunity to learn more about your cooperative, its programs, and get to know your co-op staff face-to-face.

Member Care team members will be available before the meeting starts to answer questions on a number of different topics. These are the people to ask if you have questions about anything related to paying your energy bill.

If you've ever wanted to learn more about monitoring your energy usage and comparing it to the previous year, be sure to ask a Member Care team member about SmartHub. SmartHub is our online account management tool that allows members to pay their energy bill online, but it also gives members the ability to see how much energy they use on a daily basis.

You may also want to ask a Member Care team member about Budget Billing. If you want to keep your energy bill consistent, even when the weather isn't, this is the way to do it. Budget Billing takes the "uh-oh" out of seasonal spikes in energy usage. Unlike other plans, there are no annual fees and no catch-up month. With Budget Billing, payment amounts are based on an average of the last 11 months plus your current month so the amount due stays consistent throughout the year. There are some variances because monthly

temperatures also vary from year to year – and payments reflect that. But even though temperatures aren't consistent every month, your energy bill will be.

Our energy efficiency staff will be available before the meeting too. As a member of Farmers Electric Cooperative, you are eligible for a FREE in home energy audit. This is a great starting point if you want to become more energy efficient.

If you choose to schedule an energy audit, an energy efficiency staffer will check your home for air leaks, look at your ductwork and insulation, and determine the temperature of the air coming out of the vents, among other things. Best of all, the energy efficiency staffer will make recommendations on how to improve your home's energy efficiency.

The cooperative's energy efficiency staff is also the best source of information on our energy efficiency rebate program. Farmers Electric Cooperative is committed to helping its members save money on the things that save energy. We believe we have the most robust energy efficiency program of any utility around.

We offer nine energy efficiency rebates for 2016 including a rebate of up to \$300 on the purchase of water heaters with an energy factor of 2.0 or greater. For most homes, heating water is generally the second largest utility expense. Upgrading to a water heater with a 2.0 energy factor or greater can cut the cost of heating water in half according to Energy.gov.

If you have questions about solar energy, metering, right-of-way, or you want to visit with some of our highly-skilled linemen, then make plans to attend our 79th Annual Meeting.

At the conclusion of the annual meeting, the highly anticipated prize drawing will begin. The grand prize this year is a retired vehicle from the

Farmers EC cooperative fleet. It's a 2006 Chevrolet Malibu.

Your cooperative remains dedicated to providing you with safe, reliable and affordable electric service, but we encourage you to take part in helping us improve how we deliver that service. So make it a point to join us on Oct. 1 at the Rockwall ISD Performing Arts Center at 1201 T.L. Townsend Drive for our 79th Annual Meeting.

We look forward to seeing you!



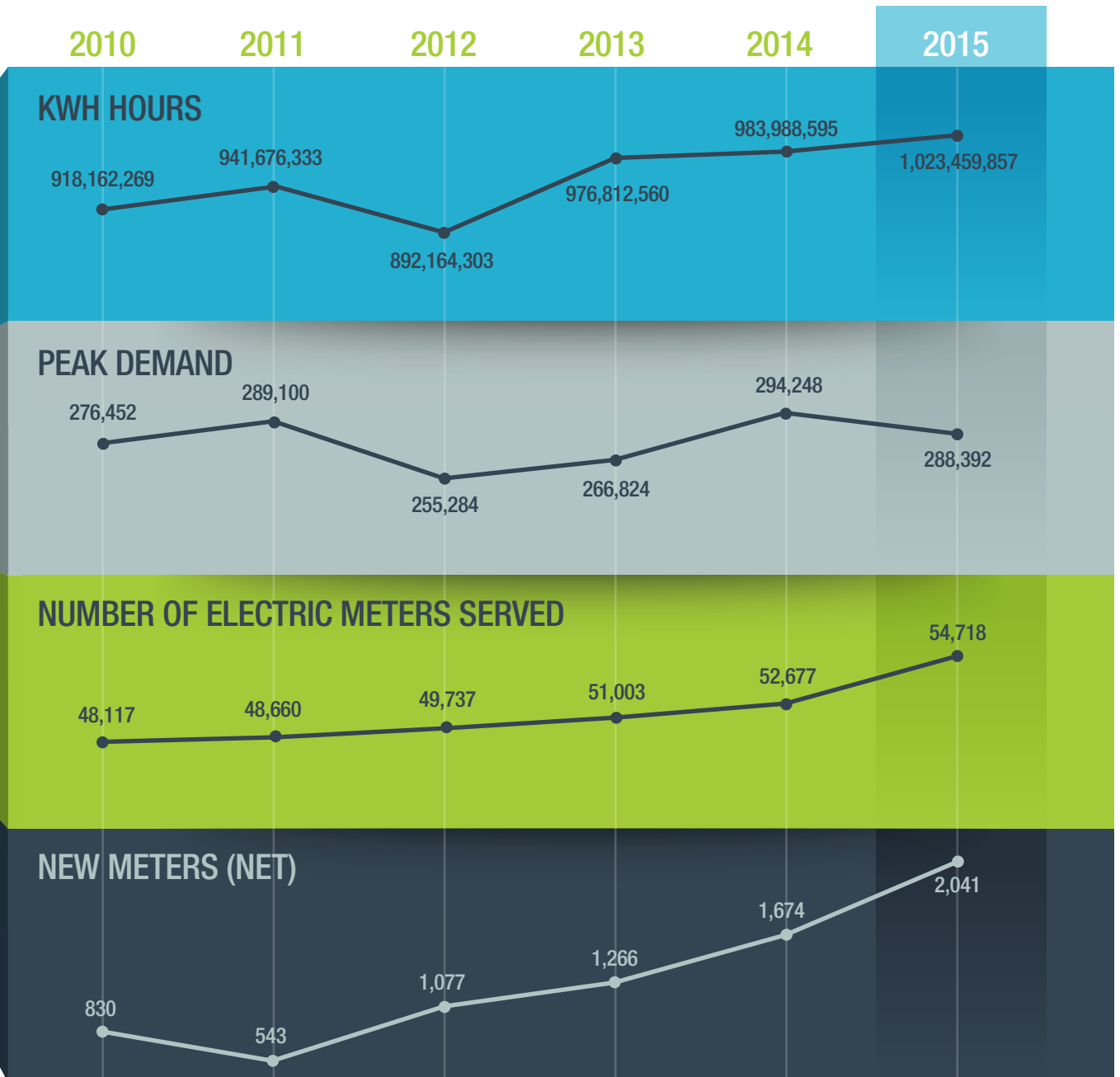
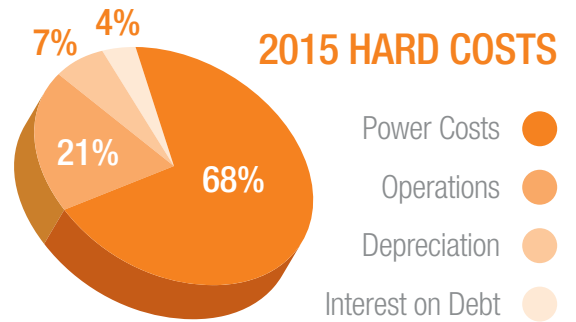
DAVID MAGNESS
Board President



MARK STUBBS
General Manager

2016 PRESIDENT AND GENERAL MANAGER'S REPORT

How your dollars were spent in 2015



2015 Balance Sheet

ASSETS:	<u>2015</u>	<u>2014</u>
Current and Other Assets		
Total Cost of Electric System	\$282,332,976	\$265,825,519
Less Accumulated Depreciation	<u>68,565,700</u>	<u>63,618,014</u>
Net Value of System	213,767,276	202,207,505
Investments in Associated Organizations	30,510,654	25,665,852
Cash, Investments & Cash Related Items	1,692,512	2,143,498
Accounts and Notes Receivable	13,857,514	15,351,584
Construction Materials & Related Items	108,236	61,041
Prepaid - Insurance, Office Supplies, etc.	589,737	647,207
Deferred Costs	<u>11,404,937</u>	<u>3,587,500</u>
TOTAL ASSETS	<u>\$271,930,866</u>	<u>\$249,664,187</u>
LIABILITIES AND EQUITY:		
Liabilities		
Mortgage Notes	\$132,379,309	\$115,559,057
Notes Payable - Line of Credit	0	3,250,000
Purchased Power Payable	6,414,623	7,006,091
Taxes, Interest, Other Payables	10,028,720	8,605,160
Deferred Credits	1,803,526	1,443,439
Equity		
Membership Fees	825,338	788,828
Patronage Capital	<u>120,479,350</u>	<u>113,011,612</u>
TOTAL LIABILITIES AND EQUITY	<u>\$271,930,866</u>	<u>\$249,664,187</u>

2015 Income and Expense Report

INCOME:	<u>2015</u>	<u>2014</u>
Sale of Electric Service	\$122,002,454	\$121,762,337
Power Cost Recovery Write-off	0	(5,000,000)
Other Income (Interest & Miscellaneous)	207,421	200,600
Patronage Capital Credit Income	5,528,994	6,420,347
TOTAL INCOME	<u>\$127,738,869</u>	<u>\$123,383,284</u>
EXPENSES:		
Electric Power Purchased	78,570,087	80,213,323
Operations	23,651,612	22,984,188
Depreciation	8,338,741	7,815,988
Taxes	159	3,414
Interest on Debt	5,211,160	5,201,947
TOTAL EXPENSES	<u>115,771,759</u>	<u>116,218,860</u>
NET MARGINS - INCOME	<u>\$11,967,110</u>	<u>\$7,164,424</u>
Capital Credit Refund Paid to Members	<u>\$4,499,372</u>	<u>\$4,867,498</u>



YOU'RE IN POWER.

OPERATING IN THE FOLLOWING COUNTIES:

Collin, Dallas, Delta, Fannin, Franklin, Hopkins, Hunt, Kaufman, Rains, Rockwall, Van Zandt, and Wood

FARMERS EC OFFICES:

Greenville Main Office M-F 8AM to 5PM

Farmers Electric Cooperative
2000 East I-30, Greenville, TX 75402

Sulphur Springs M-F 8AM to 5PM

Farmers Electric Cooperative
301 N. Hillcrest, Sulphur Springs, TX 75482

Wylie M-F 8AM to 5PM

Farmers Electric Cooperative
108 West Marble, Wylie, TX 75098

PAYMENT OPTIONS:

Online at farmerselectric.coop

By telephone

Bank Draft and Credit Card

MoneyGram

Fidelity Express

In person at any Farmers EC office

COOPERATIVE SERVICES:

Budget Billing

Home Energy Audits

Energy-Efficiency Rebates

Scholarships and Youth Programs

Co-op Connections Card Discounts

PowerUP Prepaid Program

Operation Round Up

CONTACT:

903 455 1715 local

800 541 2662 toll-free

farmerselectric.coop