



TRINITY VALLEY ELECTRIC COOPERATIVE

2018
ANNUAL
MEMBERSHIP
MEETING

October 11, 2018

Canton Civic Center
Canton, Texas

TRINITY VALLEY ELECTRIC COOPERATIVE, INC.

ANNUAL MEMBERSHIP MEETING PROGRAM

October 11, 2018

CANTON CIVIC CENTER – CANTON, TEXAS

Registration of Members6:00 PM

Business Meeting7:00 PM

Welcome

Invocation

Posting of Colors and Pledge of Allegiance

Determination of a Required Quorum

Reading of Notice of Annual Meeting

Call to Order

Reading of Unapproved Minutes

General Manager/CEO Report

Auditor’s Report

Report of Nominating Committee

Election Results

Unfinished Business

New Business

Meeting Adjournment

Drawing of Door Prizes

MESSAGE FROM THE GENERAL MANAGER/CEO

On behalf of the Board of Directors and employees, I want to take this opportunity to thank you for attending this year's Annual Membership Meeting. Each year, we look forward to meeting many of the cooperative members who are attending for the first time, along with visiting with those members who attend each year. For the past few years we have seen a rise in attendance and we hope this trend continues.

The year 2017 was a successful year for your cooperative. We have included for your review the year-end financial statements, along with other statistical information. At this meeting you will hear reports and updates regarding the operations of the cooperative and what can be expected in the future.

Annual membership meetings are held by electric cooperatives all over the country each year. Today there are more than 900 electric cooperatives providing reliable, affordable and technologically advanced service to 42 million Americans across the country.

As an electric cooperative member, you are part of a very special group that is rich in history and started with a dream, and that dream was to electrify rural America.

I hope you enjoy this year's Annual Meeting.

Yours truly,

Jerry Boze

General Manager/CEO

MISSION STATEMENT: At Trinity Valley Electric Cooperative, we are committed to our member-owners to deliver safe and reliable electric power at a competitive price, with a strong emphasis on member service, community and sound business practices.

The 7 Cooperative Principles

Voluntary and Open Membership — Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Democratic Member Control — Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

Members' Economic Participation — Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Autonomy and Independence — Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Education, Training and Information — Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

Cooperation Among Cooperatives — Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

Concern for Community — While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

TRINITY VALLEY ELECTRIC COOPERATIVE, INC.

BOARD OF DIRECTORS & ATTORNEY

Carolyn Minor, Vice-Chairwoman.....District 1

Jerry Priest.....District 2

Paul Weatherford.....District 3

Jo Ann Hanstrom, Secretary.....District 4

Ed Reeve.....District 5

Howard Tillison, Chairman.....District 6

David Lang.....District 7

John Mosley.....Attorney

Nominating Committee Report

In accordance with the bylaws of Trinity Valley Electric Cooperative, Inc., the nominating committee, duly appointed by the board of directors of the cooperative, met at the cooperative's Athens office on Tuesday, July 31, 2018.

The nominating committee consisted of Dave Bigley, Bonny Draper, Chuck Cade, Tommy Raymond, Maxie Turner, Peggy Yancey, Derrick Hoelscher, Linda Hacker, David Cadden, Ben Childress, James McGehee, Jennifer Burns, Jerry Kelley, Gary Douglas and Jean Riggs.

Committee members appointed and not present at the meeting were Derrick Hoelscher.

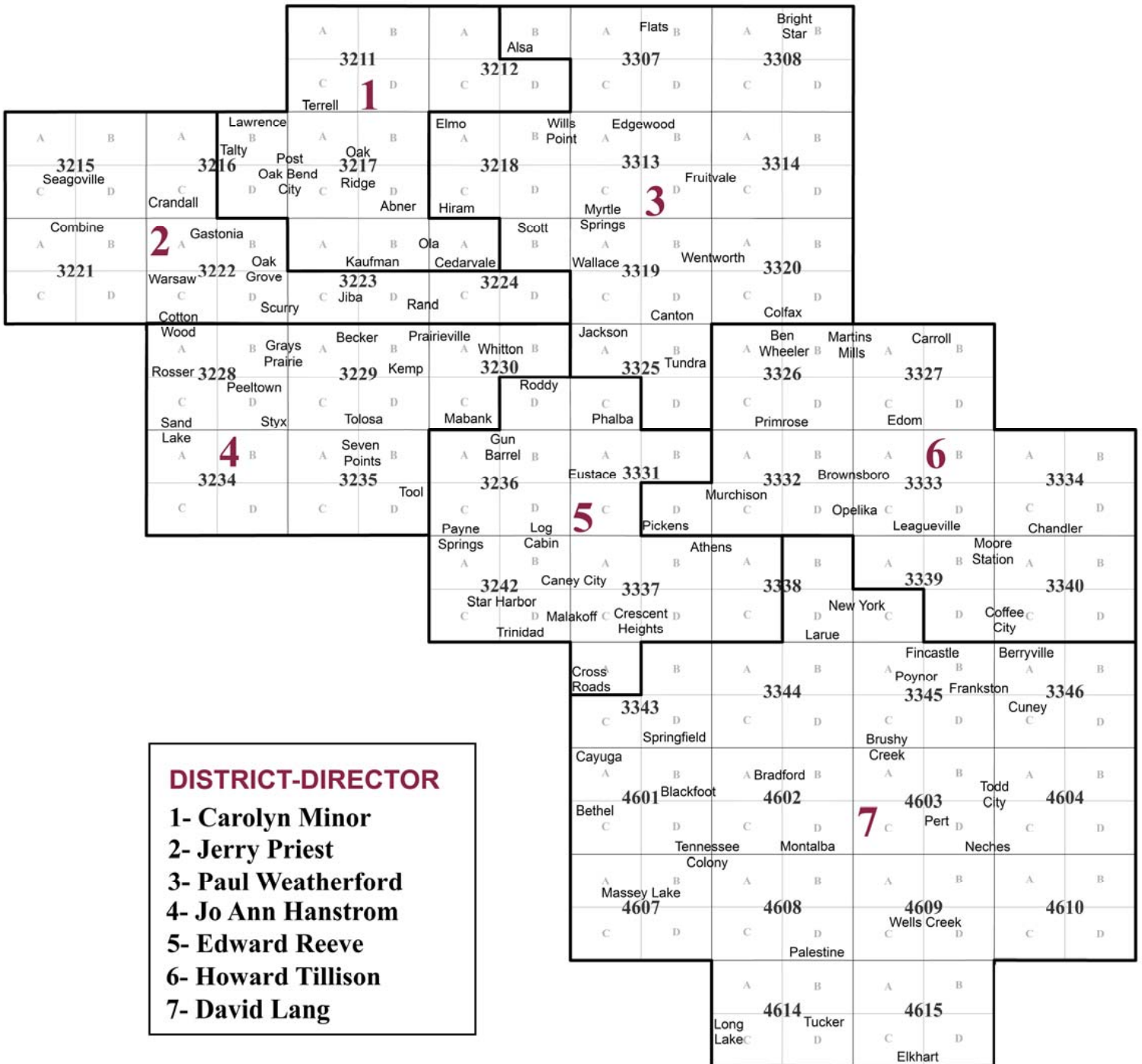
The nominating committee submitted the following name as candidate for the board of directors.

District 3
Paul Weatherford



TRINITY VALLEY ELECTRIC COOPERATIVE

BOARD DISTRICT MAPS



BALANCE SHEET
December 31, 2017

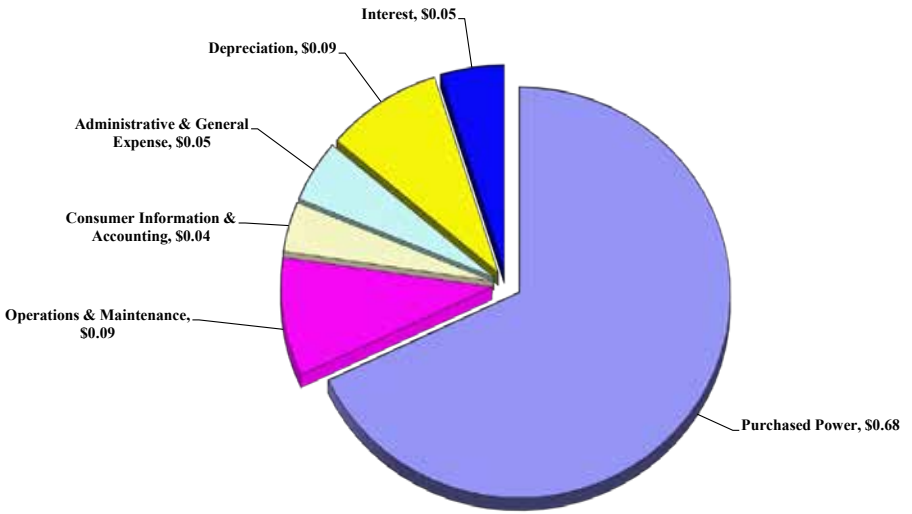
Net Utility Plant.....	\$286,349,086
Other Investments.....	44,465,812
Cash and Temporary Investments.....	3,173,415
Accounts Receivable and Accrued Utility Revenues.....	10,072,640
Materials and Supply.....	1,140,195
Other Current and Accrued Assets.....	839,169
Deferred Charges.....	2,125,241
Total Assets.....	<u>\$348,165,558</u>

Membership Fees.....	\$592,840
Patronage Capital and Other Equity.....	146,879,018
Accumulated Comprehensive Loss (FASB 158).....	(7,213,485)
Long-Term Debt.....	145,067,407
Accumulated Provisions for Pension Benefits.....	30,725,380
Accounts and Notes Payable.....	24,371,568
Consumer Advance Deposits.....	3,461,663
Other Current and Accrued Liabilities.....	2,575,726
Deferred Credits.....	1,705,441
Total Liabilities and Equities.....	<u>\$348,165,558</u>

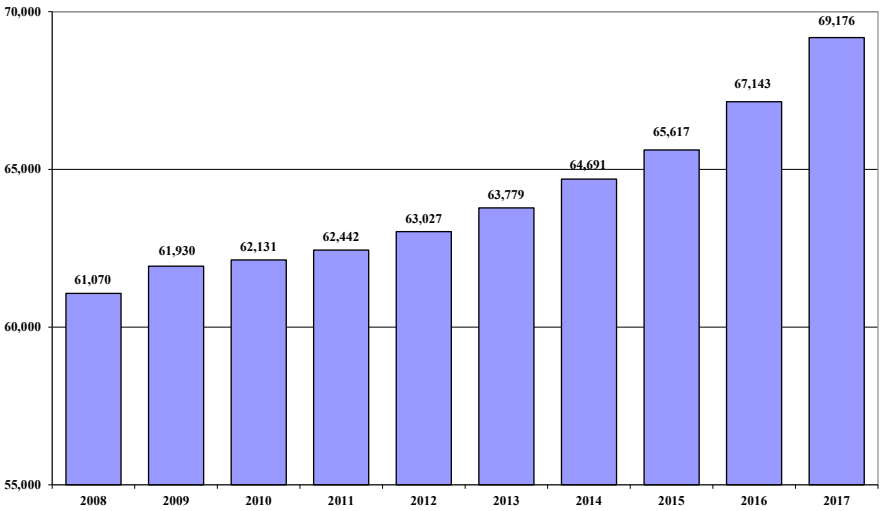
INCOME STATEMENT
For The Year Ended December 31, 2017

Sales of Electric Power and Other Operating Revenue.....	\$141,784,590
Purchased Power.....	93,643,277
Operations and Maintenance.....	12,880,078
Consumer Information and Accounting.....	5,427,338
Administration and General Expense.....	6,736,931
Depreciation.....	12,369,227
Interest.....	6,745,680
Other Deductions.....	37,411
Total Cost of Electrical Service.....	<u>\$137,839,942</u>
Operating Margins.....	\$3,944,648
Non-Operating Margins (Interest, etc.).....	268,444
Capital Credits.....	1,187,044
Net Margins.....	\$5,400,136
Other Comprehensive Income (Loss)	
Application of FASB 158.....	(3,672,851)
Comprehensive Income.....	<u>\$1,727,285</u>
Add Patronage Capital - Beginning of Period.....	152,166,245
Adjustment for Application of FASB 158.....	3,672,851
Transfer Non-Operating Margins to Other Equities.....	(268,444)
Patronage Capital Retired.....	(4,020,394)
Total Patronage Capital—End of Period.....	<u>\$153,277,543</u>

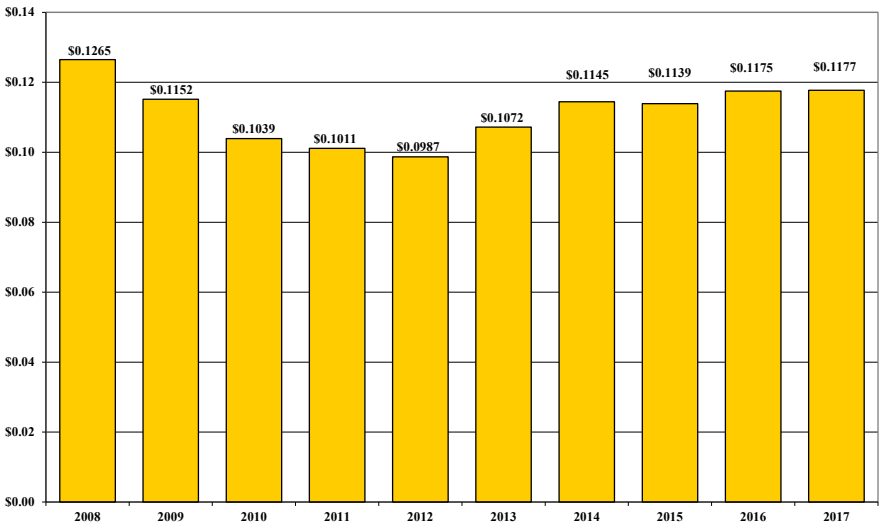
Where Your Dollar Goes



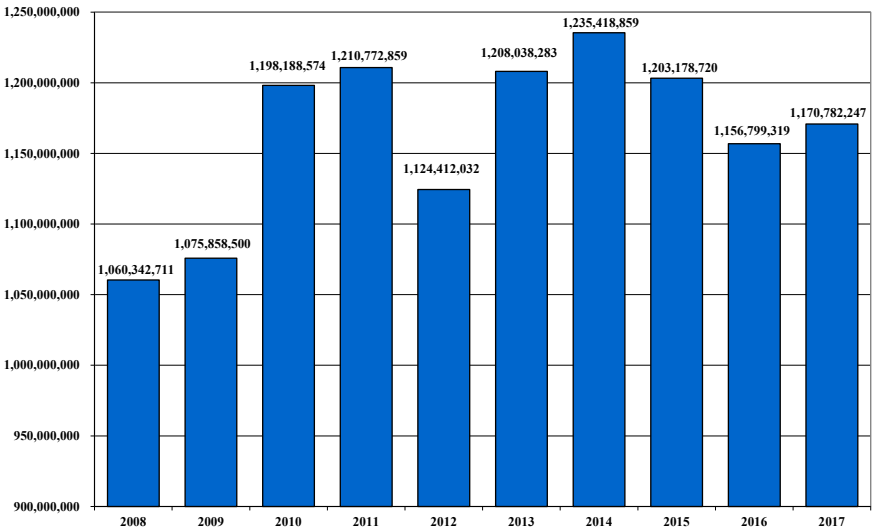
Total Meters



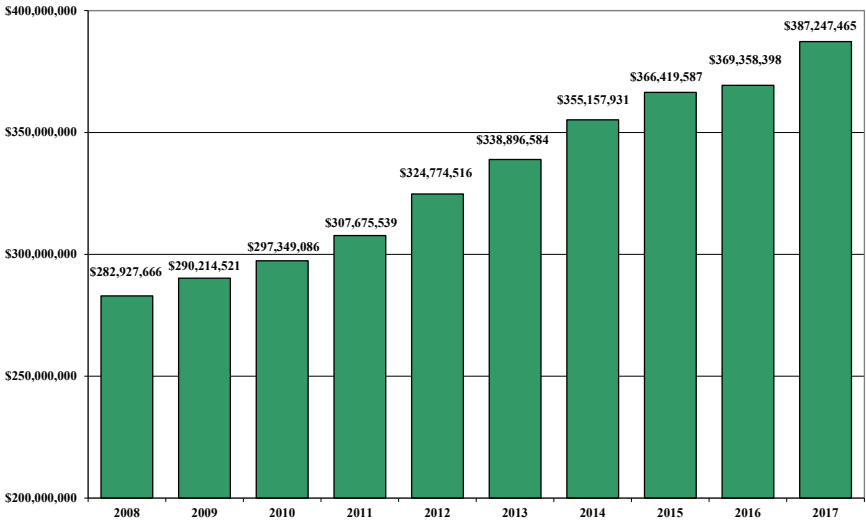
Total Cost Per KWh Sold



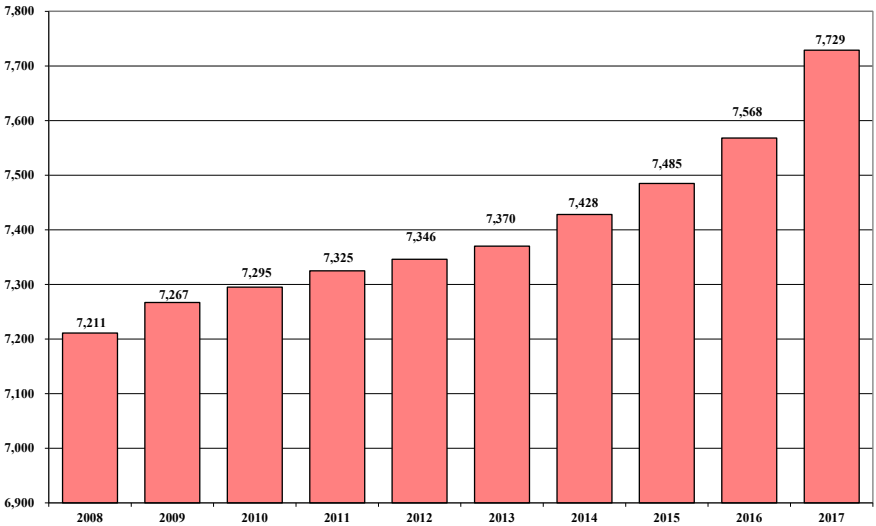
Total KWh Sales



Total Utility Plant in Dollars



Total Miles of Line



FOR YOUR INFORMATION

Trinity Valley Electric Cooperative, Inc.
Office Locations:

HEADQUARTERS & KAUFMAN DISTRICT OFFICE

1800 East Highway 243, P. O. Box 888
Kaufman, Texas 75142
(972) 932-2214 or 1-800-766-9576
Member Service Fax
(972) 932-6876
Hours: 8:15 AM to 4:45 PM
Monday - Friday

ATHENS DISTRICT OFFICE

909 W. Larkin Street (Hwy. 175W)
Athens, Texas 75751
Hours: 8:15 AM to 4:45 PM
Monday - Friday

CEDAR CREEK DISTRICT OFFICE

1012 West Main Street, Suite 102
Gun Barrel Village Shopping Center
Gun Barrel City, Texas 75156
Hours: 8:15 AM to 4:45 PM
Monday - Friday

WILLS POINT DISTRICT OFFICE

582 N. 4th Street
Wills Point, Texas 75169
Hours: 8:15 AM to 4:45 PM
Monday - Friday