

**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  
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  
Hours: 8:15 AM to 4:45 PM  
Monday - Friday

**WILLS POINT DISTRICT OFFICE**

582 North Fourth Street  
Wills Point, Texas  
Hours: 8:15 AM to 4:45 PM  
Monday - Friday



TRINITY VALLEY ELECTRIC COOPERATIVE

**2015  
ANNUAL  
MEMBERSHIP  
MEETING**

November 5, 2015

Canton Civic Center  
Canton, Texas

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Trinity Valley Electric Cooperative, Inc. as of December 31, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Balinger, Segars, Gilbert & Moss LLP*

Certified Public Accountants

Lubbock, Texas

March 23, 2015

**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

CERTIFIED PUBLIC ACCOUNTANTS

PHONE: (806) 747-3806

FAX: (806) 747-3815

8215 Nashville Avenue

LUBBOCK, TEXAS 79423-1954

**TRINITY VALLEY ELECTRIC COOPERATIVE, INC.**

**ANNUAL MEMBERSHIP MEETING  
PROGRAM**

**November 5, 2015**

**CANTON CIVIC CENTER – CANTON, TEXAS**

Registration of Members ..... 6:00 PM

Business Meeting..... 7:00 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

**Independent Auditor's Report**

Board of Directors  
Trinity Valley Electric Cooperative, Inc.  
Kaufman, Texas

We have audited the accompanying financial statements of Trinity Valley Electric Cooperative, Inc. (the Cooperative), which comprise the balance sheets as of December 31, 2014 and 2013, and the related statements of income and patronage capital and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the of the entity's internal control.

**MESSAGE FROM THE GENERAL MANAGER/CEO**

I want to thank you for attending this year’s Annual Membership Meeting. This meeting gives the board of directors and employees of TVEC the opportunity to meet many of the cooperative members for the first time and renew acquaintances with those who attend each year.

This past year was a successful year for your cooperative. We have included for your review the 2014 year-end financial statements, along with the independent auditors’ report. We have also provided 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.

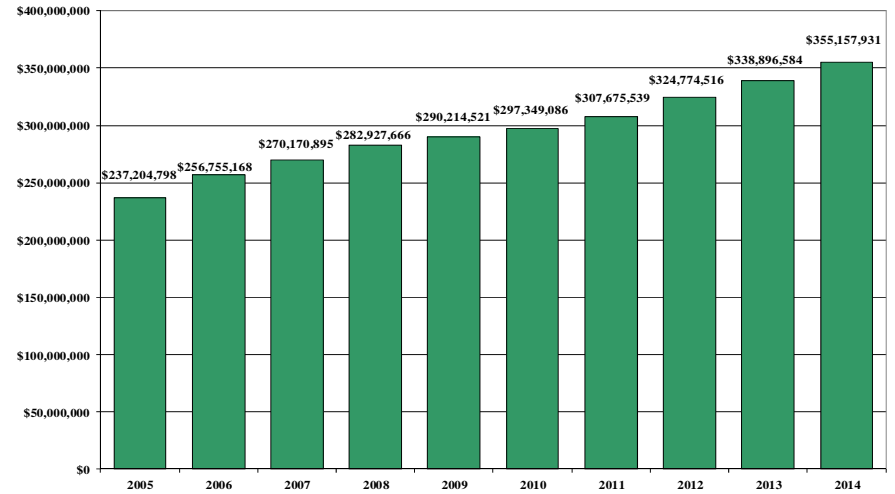
Yours truly,

**Jerry Boze**

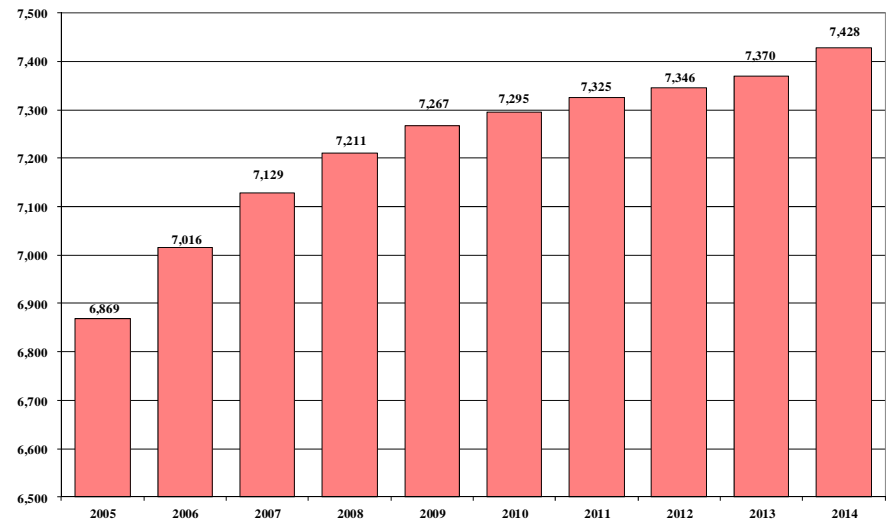
General Manager/CEO

*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.*

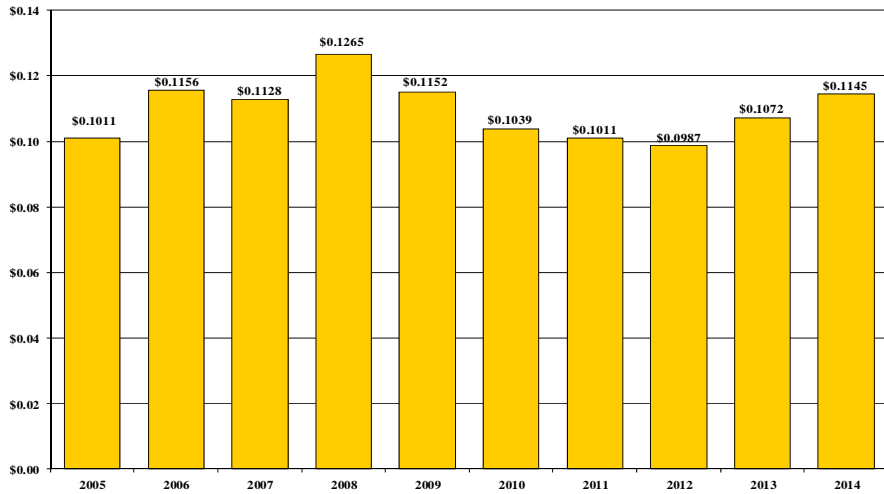
Total Utility Plant in Dollars



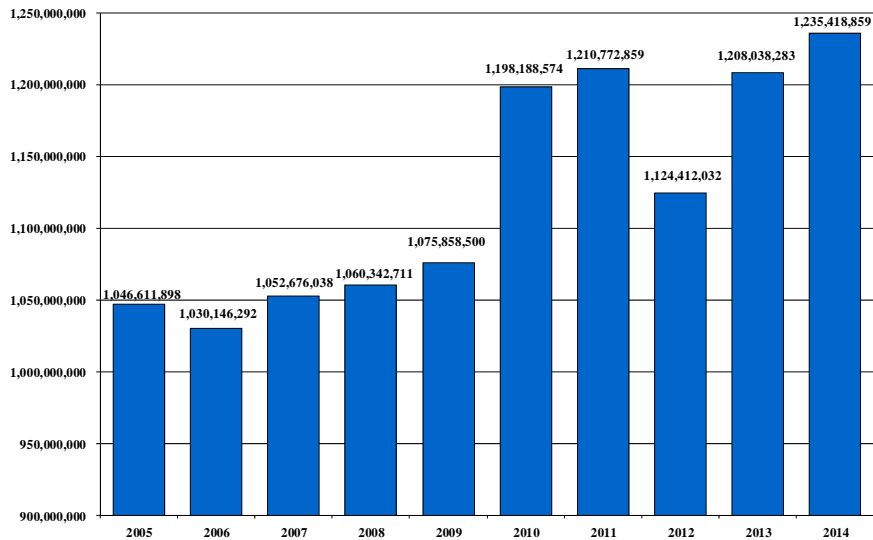
Total Miles of Line



**Total Cost Per KWh**



**Total KWh Sales**



**SEVEN GUIDING 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.

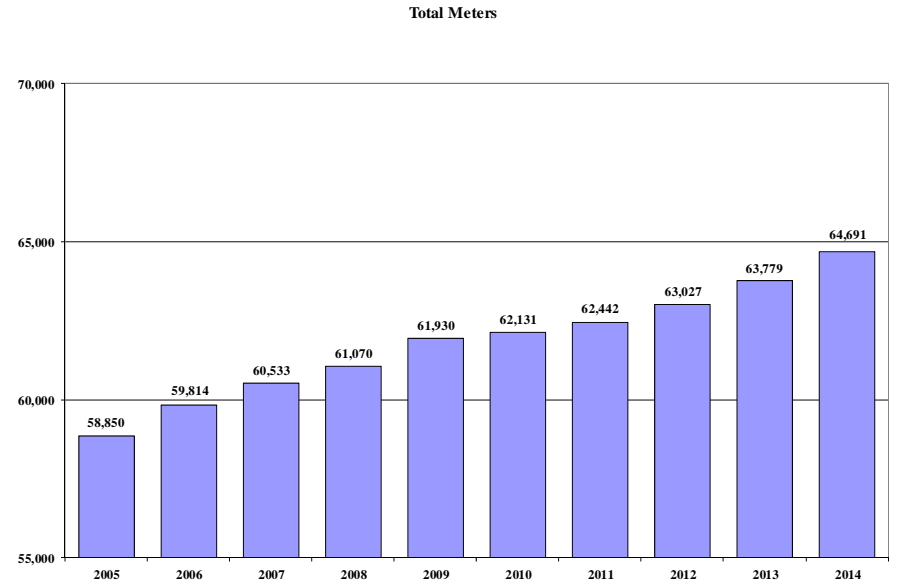
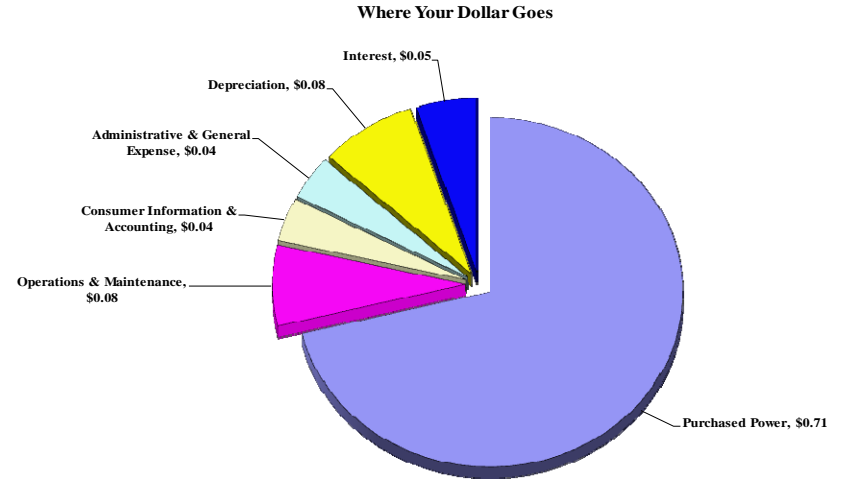
**Cooperation Among Cooperatives** — Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

**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



**BALANCE SHEET**  
**December 31, 2014**

Net Utility Plant.....	\$269,677,638
Other Investments.....	34,154,228
Cash and Temporary Investments.....	3,240,934
Accounts Receivable and Accrued Utility Revenues.....	15,614,502
Materials and Supply.....	1,242,978
Other Current and Accrued Assets.....	758,377
Deferred Charges.....	3,560,972
<b>Total Assets.....</b>	<b><u>\$328,249,629</u></b>

Membership Fees.....	\$570,135
Patronage Capital and Other Equity.....	131,100,585
Accumulated Comprehensive Loss (FASB 158).....	(2,985,972)
Long-Term Debt.....	146,555,972
Accumulated Provisions for Pension Benefits.....	21,666,020
Accounts and Notes Payable.....	23,119,054
Consumer Advance Deposits.....	3,469,614
Other Current and Accrued Liabilities.....	2,226,272
Deferred Credits.....	2,527,949
<b>Total Liabilities and Equities.....</b>	<b><u>\$328,249,629</u></b>

**INCOME STATEMENT**  
**For The Year Ended December 31, 2014**

<b>Sales of Electric Power and Other Operating Income .....</b>	<b>\$144,007,169</b>
Purchased Power .....	100,576,864
Operations and Maintenance.....	10,608,158
Consumer Information and Accounting.....	5,719,399
Administration and General Expense.....	5,754,708
Depreciation.....	11,446,456
Interest .....	7,268,974
Other Deductions.....	23,416
<b>Total Cost of Electrical Service .....</b>	<b><u>\$141,397,975</u></b>
<b>Operating Margins .....</b>	<b><u>\$2,609,194</u></b>
Non-Operating Margins (Interest, etc.).....	534,082
Capital Credits.....	7,575,181
<b>Total Net Margins.....</b>	<b><u>\$10,718,457</u></b>
<b>Other Comprehensive Income (Loss)</b>	
Adjustment for Application of FASB 158.....	(4,802,915)
<b>Comprehensive Income.....</b>	<b><u>\$5,915,542</u></b>
Add Patronage Capital - Beginning of Period .....	130,074,685
Adjustment for Application of FASB 158 .....	4,802,915
Transfer Non-Operating Margins to Other Equities .....	(534,082)
Patronage Capital Retired.....	(2,116,035)
<b>Total Patronage Capital – End of Period.....</b>	<b><u>\$138,143,025</u></b>

**NOMINATING COMMITTEE REPORT 2015**

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, August 25, 2015.

The nominating committee consisted of Dave Bigley, Ken Roberts, Chuck Cade, Maxie Turner, Foy Kirkland, Dorene Watts, Ralph Fortner, David Cadden, Ben Childress, James McGehee, Jennifer Burns and Marvin Holcomb.

The nominating committee nominated one candidate for a director of District 3 of Trinity Valley Electric Cooperative, Inc. to be voted at the Annual Meeting.

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

DISTRICT 3  
Paul Weatherford

*Maxie Turner*  
Nominating Committee Chairman



TRINITY VALLEY ELECTRIC COOPERATIVE

## BOARD DISTRICT MAPS

3215 Seagoville A B C D	3216 Oak Bend City A B C D	3217 Ridge A B C D	3218 Abner A B C D	3219 Wentworth A B C D	3220 Wentworth A B C D	3221 Ola A B C D	3222 Cedarvale A B C D	3223 Jiba A B C D	3224 Rand A B C D	3225 Tundra A B C D	3226 Wentworth A B C D	3227 Wentworth A B C D	3228 Cotton Wood A B C D	3229 Kemp A B C D	3230 Whitton A B C D	3231 Eustace A B C D	3232 Brownsboro A B C D	3233 Brownsboro A B C D	3234 Sand Lake A B C D	3235 Seven Points A B C D	3236 Gun Barrel A B C D	3237 Caney City A B C D	3238 Athens A B C D	3239 New York A B C D	3240 Coffee City A B C D	3241 Berryville A B C D	3242 Star Harbor A B C D	3243 Trinidad A B C D	3244 Poynor A B C D	3245 Frankston A B C D	3246 Cuney A B C D	3247 Bradford A B C D	3248 Todd City A B C D	3249 Neches A B C D	3250 Wells Creek A B C D	3251 Palestine A B C D	3252 Tucker A B C D	3253 Elkhart A B C D				
3211 Terrell A B C D	3212 Alsa A B C D	3213 Edgewood A B C D	3214 Fruitvale A B C D	3215 Wallace A B C D	3216 Canton A B C D	3217 Myrtle Springs A B C D	3218 Jackson A B C D	3219 Phalba A B C D	3220 Roddy A B C D	3221 Mabank A B C D	3222 Payne Springs A B C D	3223 Log Cabin A B C D	3224 Cross Roads A B C D	3225 Springfield A B C D	3226 Brushy Creek A B C D	3227 Fincastle A B C D	3228 Berryville A B C D	3229 Murchison A B C D	3230 Opelika A B C D	3231 Leaguelville A B C D	3232 Leaguelville A B C D	3233 Leaguelville A B C D	3234 Leaguelville A B C D	3235 Leaguelville A B C D	3236 Leaguelville A B C D	3237 Leaguelville A B C D	3238 Leaguelville A B C D	3239 Leaguelville A B C D	3240 Leaguelville A B C D	3241 Leaguelville A B C D	3242 Leaguelville A B C D	3243 Leaguelville A B C D	3244 Leaguelville A B C D	3245 Leaguelville A B C D	3246 Leaguelville A B C D	3247 Leaguelville A B C D	3248 Leaguelville A B C D	3249 Leaguelville A B C D	3250 Leaguelville A B C D	3251 Leaguelville A B C D	3252 Leaguelville A B C D	3253 Leaguelville A B C D

### DISTRICT-DIRECTOR

- 1- Carolyn Minor
- 2- Jerry Priest
- 3- Paul Weatherford
- 4- Jo Ann Hanstrom
- 5- Edward Reeve
- 6- Howard Tillison
- 7- David Lang