



TRINITY VALLEY ELECTRIC COOPERATIVE

2019
ANNUAL
MEMBERSHIP
MEETING

October 10, 2019

Canton Civic Center
Canton, Texas

TRINITY VALLEY ELECTRIC COOPERATIVE, INC.

ANNUAL MEMBERSHIP MEETING PROGRAM

October 10, 2019

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

Welcome to the 2019 TVEC Annual Membership Meeting. I really appreciate that you have made the time to come and be an active and informed member of our co-op.

For those who don't know, this is my first annual meeting as General Manager and CEO, and I consider it a great honor that the board selected me for this role. My career at TVEC started more than 30 years ago as an entry-level helper in the engineering department, and I've worked in just about every department since then.

In that time we have seen rapid growth in our service area and major changes within the electric industry. One constant through three decades has been solid leadership and direction by the TVEC Board of Directors. They have prioritized a culture of service among co-op employees, and provided important planning and oversight that has made TVEC successful as a utility and as an asset to the communities we serve.

We are not a small business, but our local presence means that many of our employees and board members have deep roots here. When you speak to someone in member services or see a service truck on the road, that employee is most likely a neighbor, a fellow TVEC member, and an active member of the community.

In this booklet you will find important information regarding the co-op's leadership, financial performance, the cost of providing service and the principles that guide our business decision making.

Throughout the meeting you will hear from your co-op leadership on the co-op, and the initiatives and projects that are underway throughout the service area. If you have any questions, please seek me or any other employee out and we will provide an answer as quickly as possible.

Thank you again for coming out, I hope you enjoy the meeting.

Sincerely,

Jeff Lane

General Manager/CEO

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

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.

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 Thursday, August 1, 2019.

The nominating committee consisted of Bonny Draper, Dave Bigley, Chuck Cade, Tommy Raymond, Ann Webster, Jennifer Burns, Maxie Turner, Peggy Yancey, Derrick Hoelscher, Ralph Fortner, David Cadden, Gwenn Moffeit, Jerry Kelley.

The nominating committee submitted the following names as candidates for the board of directors.

District 2

Jerry Priest

Gerald Don Becker

District 6

Howard O. Tillison

Kelli Krieg

District 7

David Lang

Robert L. Bass

Jean Riggs

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

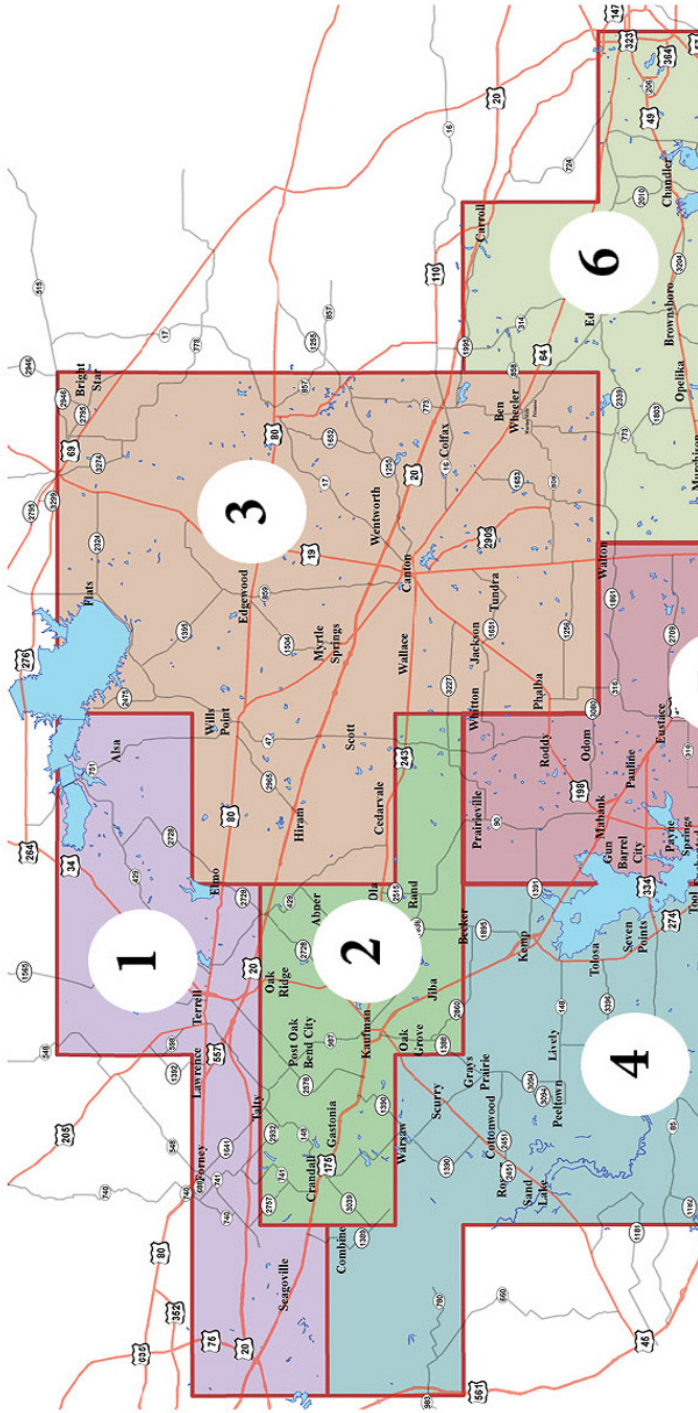
CEDAR CREEK DISTRICT OFFICE

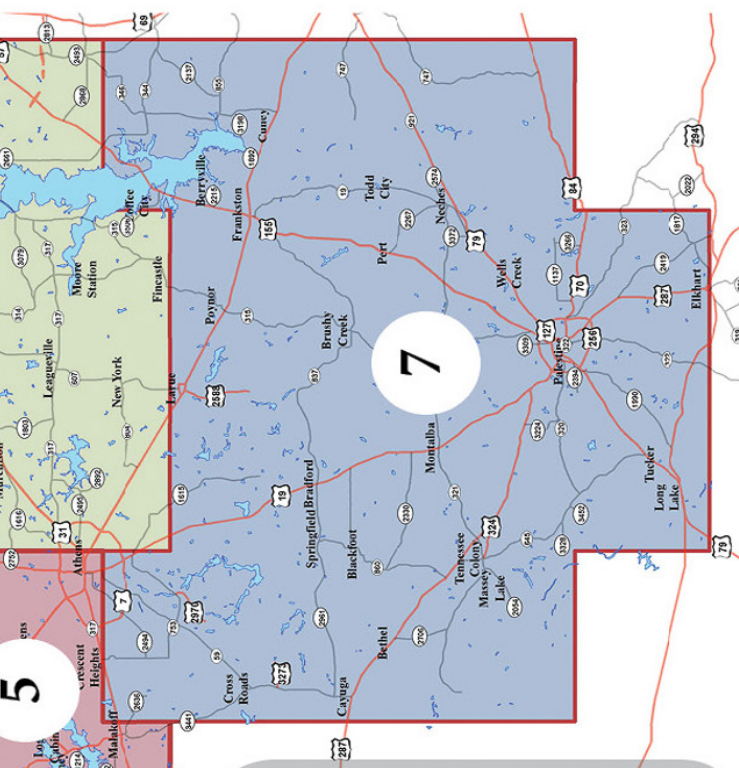
1012 West Main Street, Suite 102
Gun Barrel Village Shopping Center
Gun Barrel City, Texas 75156
Hours: 8:15 AM to 4:45 PM
Monday - Friday

WILLS POINT DISTRICT OFFICE

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

TVEC Board Districts





District	Director	Member Count
1	Carolyn Minor	7,742
2	Jerry Priest	8,451
3	Paul Weatherford	7,753
4	Jo Ann Hanstrom	8,047
5	Edward Reeve	7,294
6	Howard Tillison	7,294
7	David Lang	7,311

BALANCE SHEET
December 31, 2018

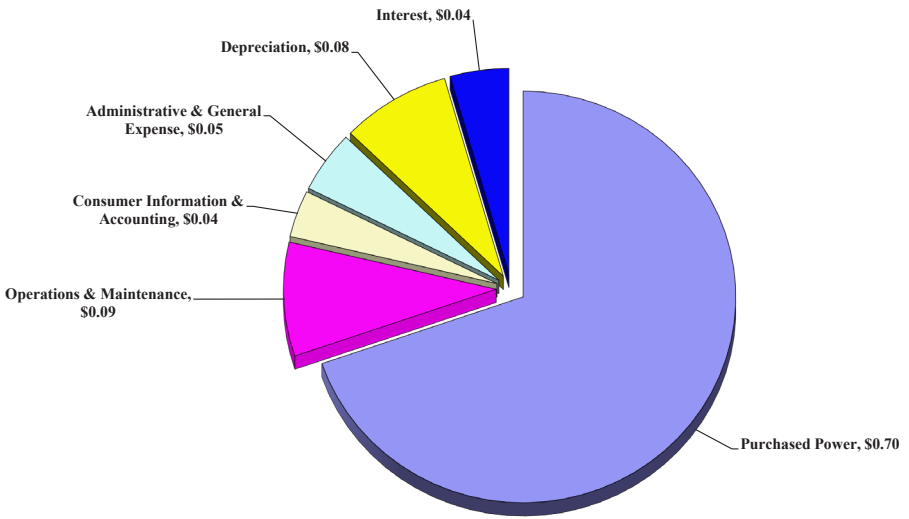
Net Utility Plant.....	\$279,722,367
Other Investments.....	45,571,859
Cash and Temporary Investments.....	3,995,726
Accounts Receivable and Accrued Utility Revenues.....	10,941,347
Materials and Supply.....	1,180,056
Other Current and Accrued Assets.....	873,496
Deferred Charges.....	1,717,373
Total Assets.....	<u>\$344,002,224</u>

Membership Fees.....	\$606,040
Patronage Capital and Other Equity.....	152,490,383
Accumulated Comprehensive Loss (FASB 158).....	(3,113,661)
Long-Term Debt.....	135,154,477
Accumulated Provisions for Pension Benefits.....	28,823,024
Accounts and Notes Payable.....	22,136,019
Consumer Advance Deposits.....	3,386,496
Other Current and Accrued Liabilities.....	2,859,622
Deferred Credits.....	1,659,824
Total Liabilities and Equities.....	<u>\$344,002,224</u>

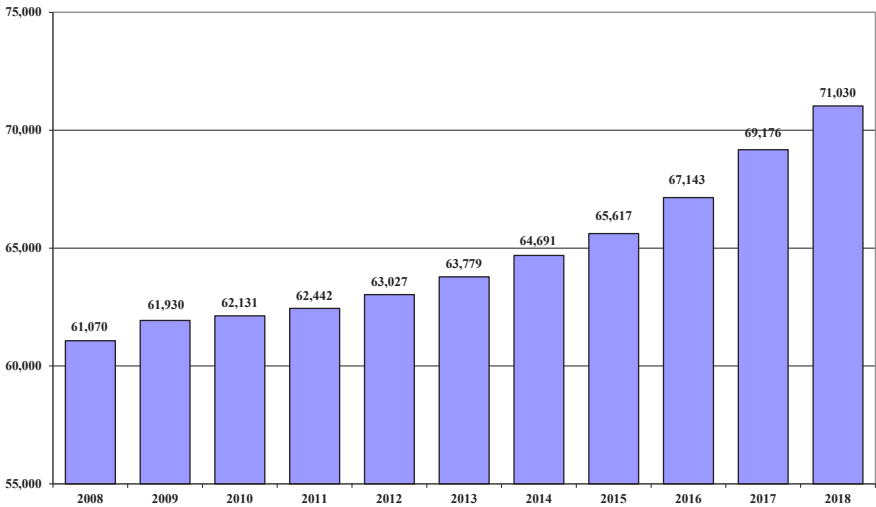
INCOME STATEMENT
For The Year Ended December 31, 2018

Sales of Electric Power and Other Operating Revenue.....	\$158,685,680
Purchased Power.....	105,457,710
Operations and Maintenance.....	13,517,313
Consumer Information and Accounting.....	5,558,281
Administration and General Expense.....	7,352,207
Depreciation.....	12,572,682
Interest.....	6,748,833
Other Deductions.....	17,713
Total Cost of Electrical Service.....	<u>\$151,224,739</u>
Operating Margins.....	\$7,460,941
Non-Operating Margins (Interest, etc.).....	271,194
Capital Credits.....	2,774,296
Net Margins.....	\$10,506,431
Other Comprehensive Income (Loss)	
Application of FASB 158.....	4,099,824
Comprehensive Income.....	<u>\$14,606,255</u>
Add Patronage Capital - Beginning of Period.....	153,277,543
Adjustment for Application of FASB 158.....	(4,099,824)
Transfer Non-Operating Margins to Other Equities.....	(271,194)
Patronage Capital Retired.....	(4,895,066)
Total Patronage Capital—End of Period.....	<u>\$158,617,714</u>

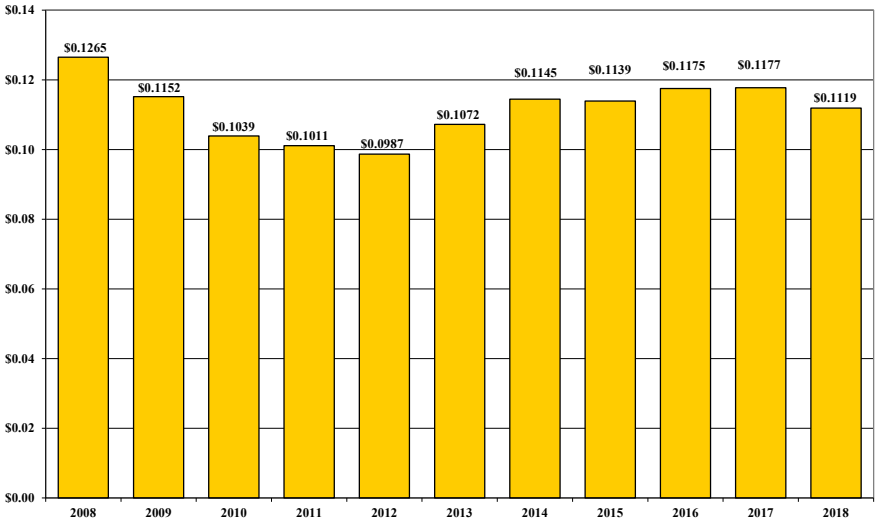
Where Your Dollar Goes



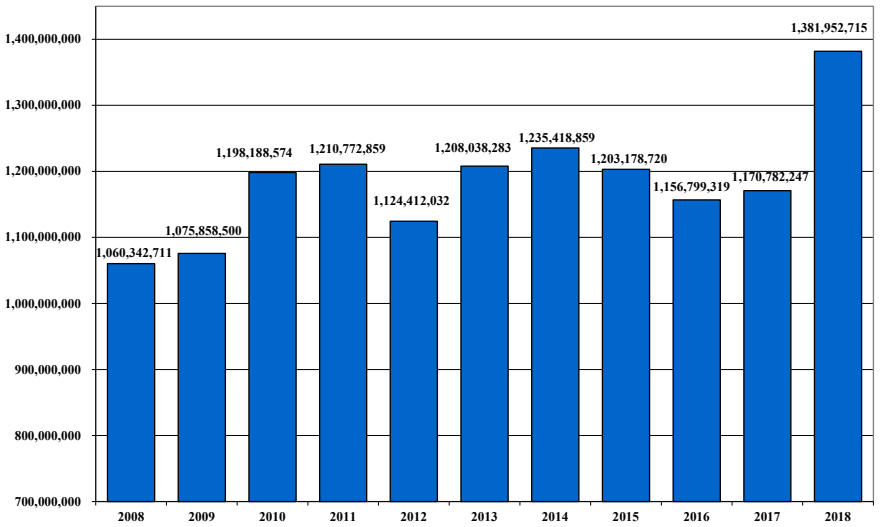
Total Meters



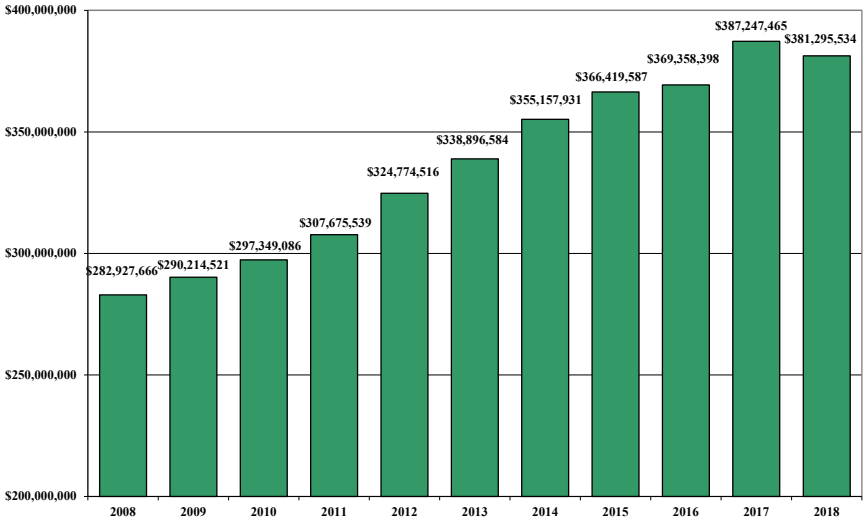
Total Cost Per kWh Sold



Total kWh Sales



Total Utility Plant in Dollars



Total Miles of Line

