

Dear Member,

Arkansas Valley Electric Cooperative (AVECC) continued its commitment to member service in a financially responsible manner. In 2015, AVECC earned margins of \$9,078,597. Member equity in the system was 37.59 percent at the end of the year. Total 2015 patronage retirements to members were more than \$3.7 million. The retirements bring the total historical retirements of capital credits to members to more than \$53.7 million.

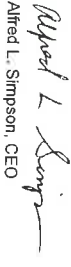
The CPA firm of BKD, LLP audited our 2015 financial records. AVECC received a positive, unqualified opinion on the integrity of the 2015 financial statements.

In 2015, AVECC served 57,781 meters, a net increase of 533 meters. AVECC has more than 8,200 miles of power lines. Members used more than 1.2 billion kWh, down 50.3 million from the previous year. A system peak demand of 322,742 kilowatts was recorded in the month of August. The net utility plant was more than \$199 million.

Additional financial data and operations information is available in this annual report. If you have any questions concerning your electric cooperative, please contact us.


Jerry Gadbury, President


Sean Holland, Secretary-Treasurer


Alfred L. Simpson, CEO

Annual Meeting Official Notice

Notice is hereby given that the Annual Membership Meeting of Arkansas Valley Electric Cooperative Corporation will be held on Friday, June 17, 2016, at the headquarters in Ozark, Arkansas, beginning at 1:00 p.m. for the following purposes:

1. To pass on reports for the previous fiscal year.
2. To elect three directors for the cooperative, to serve a term of three years each; and,
3. To transact such other business as may properly come before the meeting.


Sean Holland, Secretary-Treasurer

Dated at Ozark, Arkansas, this 31st day of May 2016.

Program

Registration: 12:00 p.m.
Business Session: 1:00 p.m.

This will be a business session only.
No attendance prizes will be awarded
and there will be no entertainment.

Board of Directors

Jerry Gadbury
President

Brandon Haberer
Vice President

Sean Holland
Secretary-Treasurer

Benny Brigance, Jr

Paula Caswell

Sam W. Davis

Belinda Etfurd

Phillip M. King

John F. Pendergrass

Phillip Taylor

Arkansas Valley
Electric Cooperative

Arkansas Valley
Electric Cooperative
Corporation



2015
Annual Report
A Toolstone
Cooperative



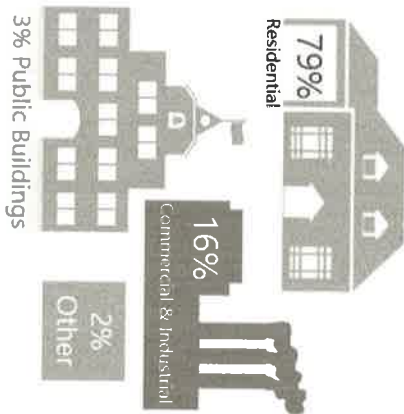
Condensed Balance Sheet

	2015	2014
ASSETS		
Electric Plant	\$303,222,237	\$290,712,889
Less Accumulated Depr.	103,494,055	96,405,058
Net Utility Plant	199,728,182	194,307,831
Other Assets	28,122,617	29,050,010
Current Assets	16,047,409	20,409,123
Total Assets	<u>\$243,898,208</u>	<u>\$243,766,964</u>
LIABILITIES & MEMBERS' EQUITY		
Members' Equity	\$91,671,011	\$84,354,031
Long-Term Debt	107,540,678	113,922,247
Current Liabilities	19,609,840	20,108,202
Other Liabilities	25,076,679	25,382,484
Total Liabilities and Members' Equity	<u>\$243,898,208</u>	<u>\$243,766,964</u>

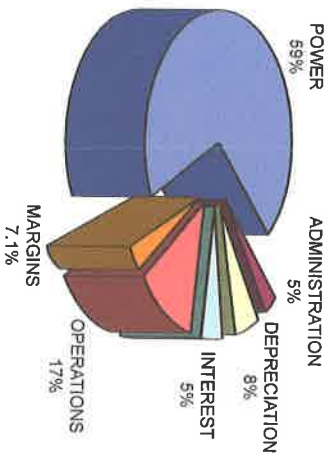
Condensed Operating Statement

	2015	2014
OPERATING REVENUES		
	113,053,812	118,794,938
OPERATING EXPENSES		
Power Cost	66,770,846	71,834,920
Operations and Maintenance	25,348,413	24,651,507
Depreciation	8,739,511	8,496,888
Interest	5,268,314	5,409,963
Total Operating Expenses	<u>106,127,084</u>	<u>110,393,278</u>
MARGINS		
Margins from Operations	6,926,728	8,401,660
Non-Operating Margins	2,151,869	1,616,668
Net Margins	<u>9,078,597</u>	<u>10,018,328</u>

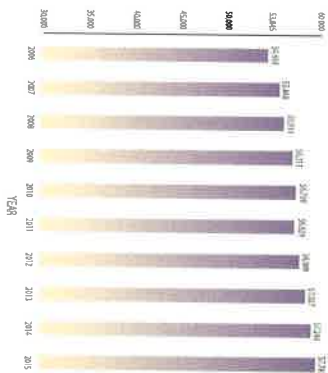
Where the Dollar Comes From



Where Your Dollar Goes



Member Accounts



Average Residential Revenue Per KWH Sold

