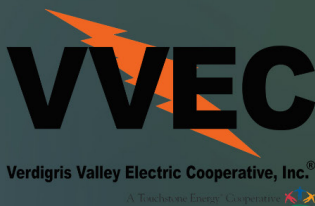




2025

ANNUAL REPORT



VERDIGRIS VALLEY ELECTRIC COOP.
8901 E 146TH ST N
PO BOX 219
COLLINSVILLE, OK 74021



District 1
JIM BRACKETT
918-720-4531



District 2
JACK BOGART
918-371-9587



District 3
JOHN BROGAN
918-810-7131



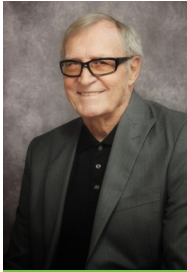
District 4
JOHN HIBDON
918-847-2320



District 5
JIMMY LAMBERT
918-760-7029



District 6
DENNIS LENOX
918-289-5961



District 7
CHUCK HUARTER
918-914-1498



District 8
KEN HOWARD
918-724-9965



District 9
BUDDY MCCARTY
918-272-5364



General Manager
ALICE HOUSTON



Corporate Counsel
STEVE RILEY

OFFICIAL NOTICE

2026 Annual Meeting of Members Verdigris Valley Electric Cooperative, Inc.

The Annual Meeting of Members of Verdigris Valley Electric Cooperative, Incorporated will be held Thursday, October 1, 2026, at the Tulsa Tech - Owasso Campus 10800 N 137th E Ave, Owasso, OK 74055. If a quorum is present, action will be taken on the following matters:

- Reading of the minutes
- Reports of Officers, Trustees, and Committees
- All other business which may properly come before the meeting or any adjournment thereof.

Dated this 10th day of August 2026

Buddy McCarty
Secretary
VVEC Board of Trustees

MINUTES

VVEC 2025 Annual Meeting of Members Thursday, October 23, 2025

The 87th Annual Meeting of Members of Verdigris Valley Electric Cooperative, Incorporated was held at the Tulsa Tech - Owasso Campus, Owasso, Oklahoma, on the 23 day of October, 2025, at 7:00 p.m. after due and proper notice to the members as required by the bylaws of the Cooperative.

Ken Howard, Trustee, announced there was not a quorum of members registered for the meeting and no official business could be conducted. The number of members required for a quorum was 1,582. There were 264 members present.

Approved:

Dennis Lenox
President
VVEC Board of Trustees

Buddy McCarty
Secretary
VVEC Board of Trustees

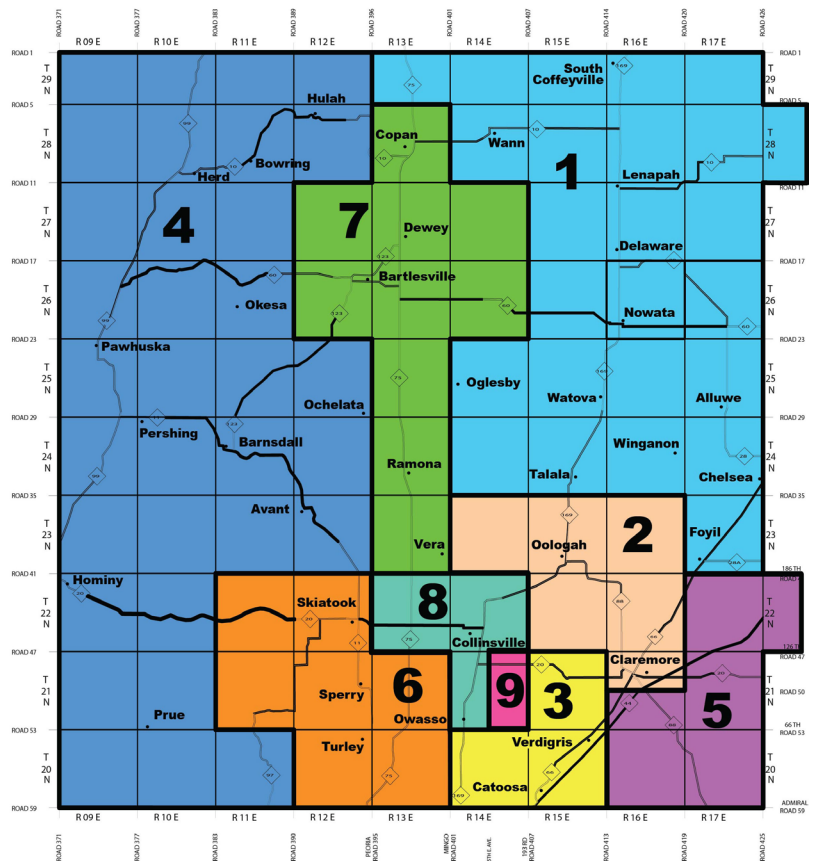
DISTRICTS 1, 3 & 5 TO ELECT REPRESENTATIVES

Trustee elections will be held at district meetings in November for Districts 1, 3, and 5, as shown on the map below. Any member residing in these districts who meets the qualifications outlined in the bylaws is eligible to seek election to the board.

VVEC members in Districts 1, 3, and 5 will soon gather to elect their board representatives. Registration will take place from 6 to 7 p.m., with the business session beginning at 7 p.m. A 5% quorum of members in each district is required to conduct official business.

If you're voting for an organization, such as a church or business, you'll need to present a completed Organization Certificate at the time of registration. The form is available below.

Not sure which district you're in? Check your monthly bill, view the district map, or call 918-371-2584 to speak with our Office Services team. All members will also receive a notice by mail with the specific details for their district's meeting.



ORGANIZATION CERTIFICATE

RESOLVED THAT _____
 (Person's name typed or written in ink)
 who is a member or officer of said organization, is hereby designated official
 representative by _____
 (Name of Organization)

to vote at the District Meeting of Members which said organization holds a
 membership in the Verdigris Valley Electric Cooperative, Inc., to be held during
 October 2026, for Districts 1, 3, and 5, on all matters which at said meeting of
 Members may properly come before them; the action of said representative
 and all that he or she may do in this behalf is hereby ratified and confirmed as
 the act of

 (Name of Organization) (President)

(Corporate Seal)

ATTEST: _____
 (Secretary)

Complete this form and present it when registering in attendance at district meeting.

DISTRICT MEETINGS

DISTRICT 1 MEETING

Thursday, October 22, 2026
 Hillside Christian Church
 1348 W Davis Drive
 Nowata, OK 74048

DISTRICT 3 MEETING

Thursday, October 15, 2026
 Catoosa Chamber of Commerce
 1801 N HWY 66
 Catoosa, OK 74015

DISTRICT 5 MEETING

Friday, October 23, 2026
 Justus-Tiawah South Campus
 15011 E 523 Road
 Claremore, OK 74019

MEMBERSHIP HAS ITS PRIVILEGES!

**\$535,860.00 IN CAPITAL CREDIT REFUNDS
RETURNING TO MEMBERS IN OCTOBER!**



Cooperatives like Verdigris Valley Electric are unique in that they are a not-for profit business. What this means to our member owners is that they have a stake in the finances of Cooperative. The Cooperative answers to the members not unrelated stockholders. To this end, the Cooperative distributes its revenue in excess of expenses back to the members through margins or capital credits.

This year after carefully reviewing the financial matters of the Cooperative, your Board of Trustees approved the return of \$535,860 in capital credit or patronage refunds. This is the 33rd consecutive year capital credits have been returned to the members. A total of \$22,288,064 has been returned to the members since the Cooperative started business in 1938.

Capital Credits and Patronage refunds will be returned to members and former members that received power from the Cooperative in 1986.



For all active members a credit will appear as a "patronage refund" on their October 2026 bills. Members that have multiple accounts will receive one credit on the membership account; that one credit will reflect the total accumulated capital refunds from all of their accounts.

Former members that had service in 1986 will receive a check if the refund is greater than \$5.00; lesser amounts will be held in the account awaiting the time that accumulated capital credits reach the \$5.00 threshold.

If you have questions regarding your capital credit refund, please call one of our Office Services Representatives at (918) 371-2584 between 7:30 a.m. and 4:00 p.m. Monday through Friday.

ANNUAL MEETING

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THURSDAY, OCTOBER 1, 2026
TULSA TECH - OWASSO CAMPUS
10800 N 137TH E AVE, OWASSO, OK 74055



Make plans to join us for an evening of good food, live entertainment and time spent with your cooperative community! Enjoy dinner, listen to live music by the Thomas Martinez Band and be sure to stop by for a photo with everyone's favorite co-op mascot, Willie Wiredhand.

Don't forget to bring your electric bill when you register. This year, every member who registers will receive a one-time \$30 bill credit that will be automatically applied to the October bill of your membership account. The official business meeting begins at 7 p.m., and a quorum of 5% of VVEC members is required to conduct business.

After the meeting, stick around for door prizes and the grand prize drawing for a \$500 bill credit. We hope you'll join us for a fun evening and look forward to seeing you there!

5:00 - 7:00 PM
 Get registered and enjoy a mouthwatering meal, catered just for our members!

5:00 - 6:45 PM
 Kick back and listen to some live music by the Thomas Martinez Band!

5:00 - 6:45 PM
 Snap a pic with our iconic co-op mascot, Willie Wiredhand!

7:00 PM
 A quorum of 5% of members is required to conduct official co-op business.



ORGANIZATION CERTIFICATE

ORGANIZATIONS MUST PRESENT OFFICIAL REGISTRATION FORM

In order to be included in the Annual Meeting quorum count and to eligible to vote, all commercial accounts, schools, churches, public buildings, and towns holding a membership with Verdigris Valley Electric Cooperative, must present an Organization Certificate. Such organizations are encouraged to use the accompanying registration form.

This form indicates the bearer to be the official voting representative of the organization. The form must be completed in full and presented by the bearer at the time of registration at Annual Meeting.

BE IT RESOLVED THAT _____ who is a member or officer of said organization, is hereby designated official representative by _____ to vote at the Annual Meeting of Members of Verdigris Valley Electric Cooperative, Inc., to be held on October 1, 2026, and any adjournments thereof held within thirty (30) days of said date, on all matters which at said meeting of members may properly come before them; the action of said representative and all that he or she may do in this behalf is hereby ratified and confirmed as the act of

 (Name of Organization)

 (President)

 (Secretary)

 (Corporate Seal)

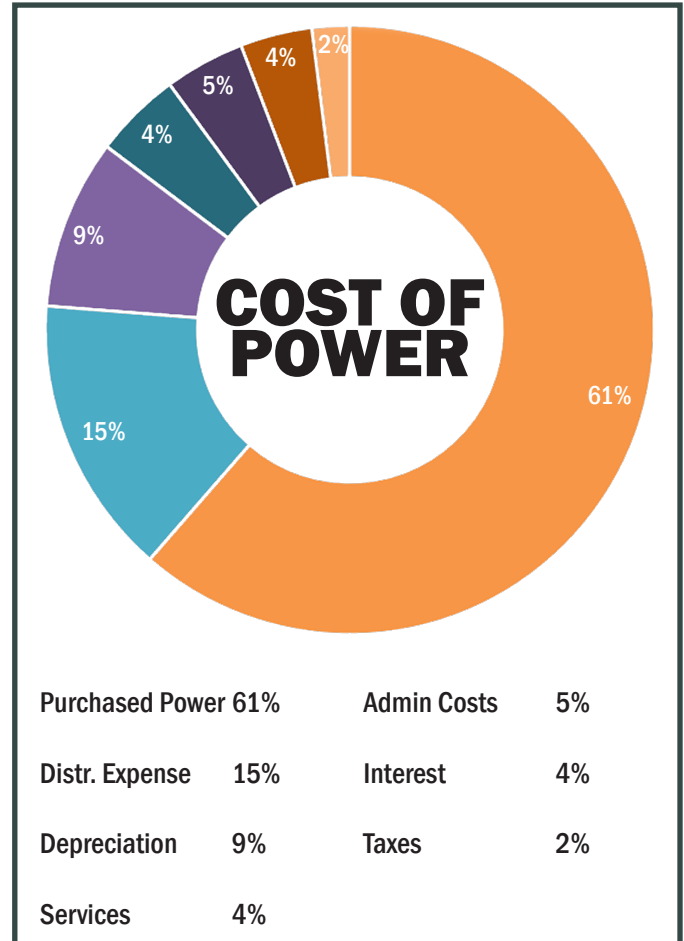
CONSOLIDATED BALANCE SHEET

WHAT WE OWN (ASSETS)

Electric Plant	\$248,103,750
Less Depreciation	<u>\$(70,721,459)</u>
	\$177,382,291
Cash & Cash Equivalents	\$4,693,333
Investment	\$58,343,530
Accounts Receivable	\$9,367,008
Materials & Supplies	\$1,722,989
Prepayment,	\$236,629
(Other Accrued Assets & Deferred Debits)	<u>\$251,745,780</u>

WHAT WE OWE (LIABILITIES)

Long Term Debt	\$124,544,602
Consumer Deposits	\$3,820,754
Accounts Payable	\$6,435,454
Deferred Credits	\$866,871
Other Liabilities	\$4,208,420
Membership Fees	\$969,470
Patronage Capital,	\$110,900,209
(Other Equities)	<u>\$251,745,780</u>



GIVING BACK TO THE COMMUNITY

VVEC provides financial support to school systems in our service territory through the payment of gross receipts tax. The 2 percent gross receipts tax is collected from members' monthly electric bills at the instruction of the Oklahoma Tax Commission. The amount of tax is distributed by the miles of electric line the co-op has in each school district.

In 2025, VVEC paid over **\$1.7 MILLION** in taxes to area school systems.

CONSOLIDATED OPERATING STATEMENT

WHAT WE RECEIVED:

Operating Revenue & Patronage Capital \$90,687,109

HOW IT WAS SPENT:

Operating expenses:

Cost of Power	\$55,292,743
Distribution expense - operation	\$3,807,342
Distribution expense - maintenance	\$10,084,082
Consumer accounts	\$2,428,799
Customer service and Information	\$710,632
Administration and general	\$4,385,693
Depreciation and amortization	\$7,932,494
Taxes	\$1,760,784
Interest on LTD	\$3,722,504

Total Cost of Electric Service \$90,125,073

WHAT WE HAVE LEFT:

Operating Margins & Pat Cap	\$562,036
Non-Operating Margins	\$521,428
Other Capital Credits & Patronage Dividends	\$6,185,101

Total Operating & Non-Operating Margins \$7,268,565

*VVEC encourages the safe, efficient use of electricity
and actively supports community initiatives that
benefit our members and the public.*

POWER USE BY ACCOUNT TYPE



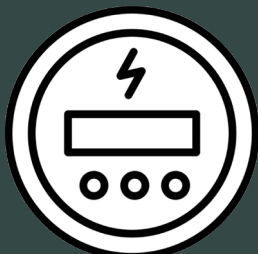
RESIDENTIAL 80%



INDUSTRIAL 13%



COMMERCIAL 7%



**39,641
METERS**



**92
EMPLOYEES**



**OVER \$535K CAPITAL
CREDITS RETIRED**

CORPORATE PROFILE



In October 1938, the Collinsville Chamber of Commerce promised to support the efforts of local merchant Roy Wilson in bringing rural electrification to the farmers in the area. On October 24, 1938, a Certificate of Incorporation was granted and shortly thereafter, a five member Board of Trustees was formed to lead the new rural electric cooperative.

VVEC has grown dramatically since it was founded in 1938. Today, we provide electric service to more than 39,600 meters for residential, commercial and industrial consumers in portions of Nowata, Osage, Rogers, Tulsa and Washington counties. VVEC maintains more than 4,900 miles of electric line, over 109,000 power poles, 22 substations and is the third largest electric cooperative in Oklahoma.

Our primary goal is to provide safe, reliable electric to all members in the cooperative's service area at the lowest possible cost consistent with sound business principles. Our mission is to serve you with integrity, accountability, innovation and commitment.

WE ARE PROUD TO POWER YOUR LIVES.



Line Life is published monthly by Verdigris Valley Electric Cooperative, Collinsville, Oklahoma (ISSN 10884378) for its members in Tulsa, Rogers, Washington, Nowata and Osage counties.

Line Life Editor:
Megan Jackson

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