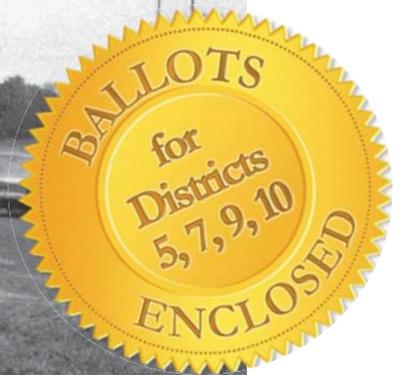
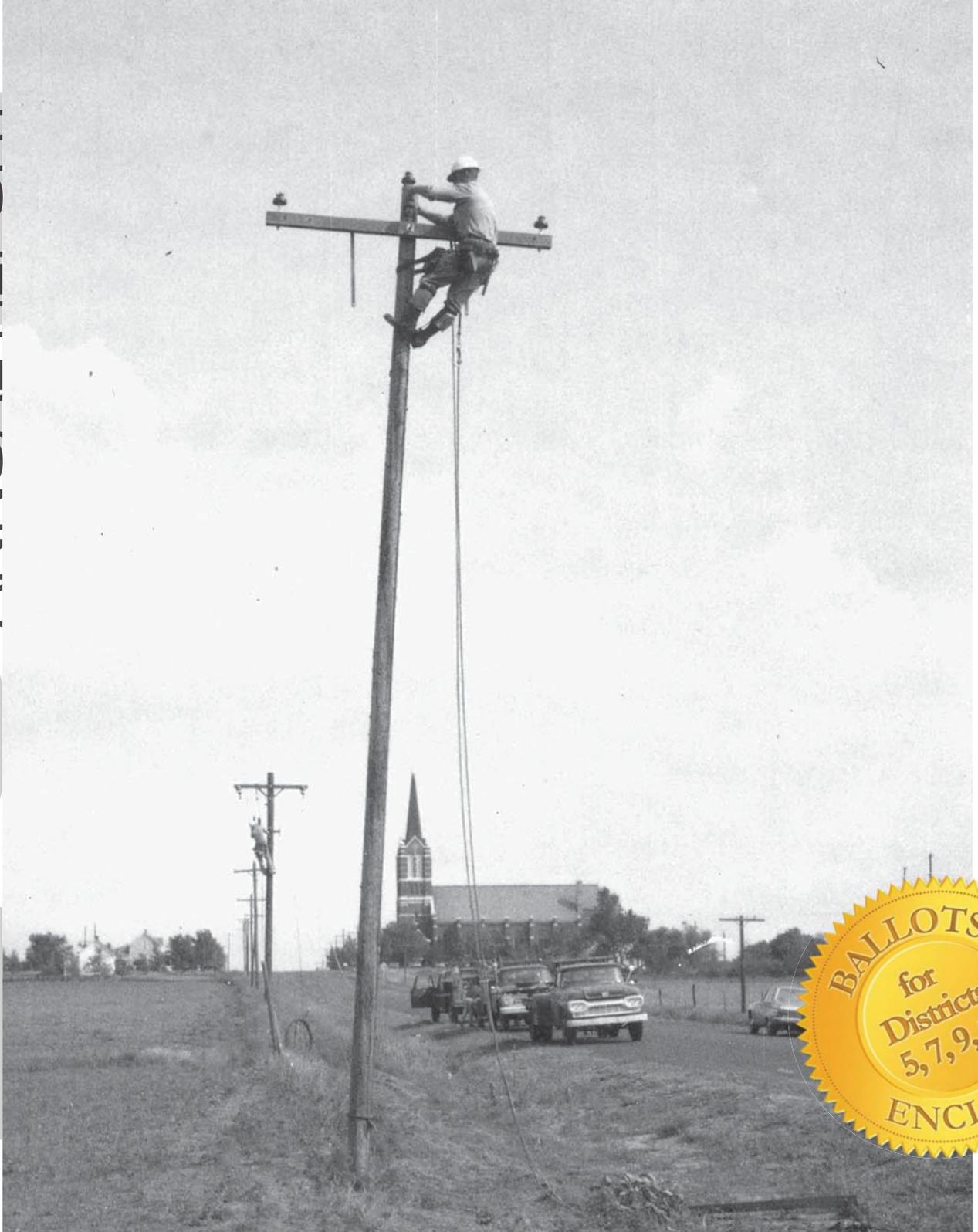


2012

THE VICTORY ELECTRIC COOPERATIVE ASSN., INC.
ANNUAL REPORT



ANNUAL

We Welcome You to Come to Our



MEETING

Schedule of Events

- 5:30 p.m. Registration begins**
- 6 p.m. Dinner served (meals served to the first 1,000 people)
Menu: steak, baked potato, green beans, roll and dessert
- 7 p.m.
 - Business meeting
 - Announce results of trustee elections
 - Brief cooperative reports
 - Adjourn the meeting

**A registration gift will be given to the first 600 residential members who register at the annual meeting. Bring the card on the back of this book to redeem your gift. Limit one gift per residential member.

The cover photo was taken near Windhorst in 1966. The graphic above is from Victory Electric's REA Facts newsletter on April 15, 1950.

Here at The Victory Electric Cooperative Association, Inc., we are constantly moving full-steam ahead into the future. Installing a state-of-the-art automated metering infrastructure and incorporating distribution automation technology to increase energy delivery efficiency are just two of the newest technologies Victory has embraced to increase efficiency and save our members money.

This year, we decided to take a healthy look into our past and appreciate what our ancestors accomplished through the Rural Electrification Administration (REA). In 1935, President Franklin Roosevelt's New Deal created the REA to bring electricity to farmsteads and rural areas. Today, because of the hard work and determination of the early REA pioneers, electric cooperatives around the world are thriving and providing their members with safe and reliable electricity.

Victory Electric has a long history in Dodge City, Ford County and southwest Kansas. We were chartered in 1945 and continue to serve not only the rural areas, but also many urban communities.

Please join us in celebrating our past and future at this year's annual meeting. The board of trustees, CEO and employees of Victory Electric invite you to come out, eat and have a good time at the Annual Meeting of Members on Tuesday, April 9, 2013, at the Western State Bank Expo Center (located at 11333 US Highway 283, Dodge City).

Who We Are

The Victory Electric Cooperative is your local electric cooperative. We pride ourselves in the service we provide to our members. Purchasing electric power from Victory Electric gives you membership in the cooperative and as a member, you have a voting membership.

We invite you to exercise your membership rights and come to our Annual Meeting on April 9, eat a steak dinner, and participate in the meeting.

Victory Electric was chartered June 1, 1945, and the first lines were energized in August 1947. Our cooperative's name comes from the recognition of the U.S. and Allied forces' victory at the end of World War II.

In the early days, the cooperative served parts of nine counties with just over 300 miles of transmission and distribution line.

Today, Victory Electric is headquartered in Dodge City in Ford County. We have 92 employees and provide service to 19,506 meters with

2,769.31 miles of transmission and distribution line in southwest Kansas. The majority of our service area is within the three counties of Ford, Gray and Hodgeman. The other counties partially served are Clark, Edwards, Finney, Haskell, Kiowa and Meade.

Victory Electric purchases electricity from three generation and transmission cooperatives (G&T's): Sunflower Electric Power Corporation and Mid-Kansas Electric Company, LLC, both based in Hays, and Kansas Electric Power Cooperative of Topeka.

Our energy comes from a variety of resources including wind, coal, natural gas, hydroelectric, nuclear, black-start natural gas generators, and diesel peaking units. In addition, new coal, nuclear and wind generation projects are currently being considered. We are committed to developing generation capabilities in an environmentally responsible manner, while ensuring a reliable energy supply at a reasonable cost.

Culture Statement

Victory Electric's employees and board of trustees culture is based upon integrity, honesty, loyalty and accountability, with benevolence to each other and our members. In respect for ethnic diversity and a moral obligation, our goals are to cultivate and educate our fellow employees and board of trustees to better serve ourselves and our members with intellectual wisdom. Our creed of fundamental beliefs guides us to accomplish our mission statement.

1945

The Victory Electric Cooperative Assn., Inc. was chartered by Bert Anderson, Roy Marler, Roy Ely, Chet Ross, Lester Durr, Frank Kittle and L.L. White.



1946

Members of Victory's first board of trustees were (front row) Lester Durr, Perry Miller, Roy Ely-president, Roy Marler-general manager, and Chet Ross. Back row: Bert Anderson, Frank Kittle, Earl Owston, Paul Mages, L.L. White and EC Minner-attorney.

1947

After two years of hard work and dedication, Victory's first lines were energized in August 1947.

1949

On March 24, Victory was the first to install a two-way radio system and tower in western Kansas. Attending the dedication were (front row),



Buck Colgin, Robert Brittin, Roy Marler-Victory general manager, Perry Miller, Paul Mages and L.L. White. On the back row are Carl Zink, Howard Norman, Roy Ely, Frank Kittle, Bert Anderson, Chet Ross, Frank Rapsilber, Lester Durr and Donald Patrick.

1955

Victory linemen received a safety plaque for completing 50,000 hours (2.5 years) without a lost-time accident. Pictured are Jim Mooney, Roscoe Bargsdale, Ike Kirkland, Bill Wagner, the Employers Mutual representative, and Bob Pyle.



1957

In March, linemen Ike Kirkland and Max Ames were dispatched to restore power when a blizzard overpowered them and their pickup stalled near Cimarron. They spent 41 hours stranded with only a candy bar to share. They finally made it to a nearby home where a helicopter from Fort Riley picked them up. They then covered more than 1,000 miles in the helicopter hunting for damaged line, dropping down each time to repair the line.



1966
The family of Marvin Eichman was one of the first homes on Victory Electric lines to be "all electric."

1967
Crews repair damage after a tornado took down 11 poles north of the Wright substation.



1970
At 95 years old, Victory member Ed Brown was the oldest member attending the annual meeting and actively engaged in farming.

1970
Perry Miller, a Mullinville native and a trustee on Victory's first board in 1945, went on to accomplish great things. In 1956, he resigned from Victory's board to become Executive Secretary of Kansas Electric Cooperatives, Inc. He is pictured on the left with Ralph Sherer at his retirement from KEC on February 28, 1970.



Official Notice of the Annual Meeting of the Members

Notice is hereby given that the Annual Meeting of the Members of The Victory Electric Cooperative Association, Inc., for the year of 2012, will be held at the Western State Bank Expo Center, Dodge City, Kansas, on Tuesday, April 9, 2013, at 7 p.m. for the following purposes:

1. To hear, review and discuss the reports of officers and trustees.
2. To receive the report of the election results for trustees, one each from districts 5, 7, 9, and 10 for a three-year term.
3. To take action upon any and all other matters that may properly come before the meeting.

In connection with the election of the trustees, the following members have been nominated by the nomination committee appointed by the board pursuant to the bylaws:

- District 5: Gary Gillespie, PO Box 63, Copeland, KS 67837
- District 7: James (Jim) Ochs, 17609 SW H RD, Jetmore, KS 67854
- District 7: Brad Ochs, 14302 SW I RD, Jetmore, KS 67854
- District 9: Richard Lightner, 5175 E Plymell RD, Garden City, KS 67846
- District 10: Pat Morse, 2003 Circle Lake Dr., Dodge City, KS 67801
- District 10: Scott Gurtner, 403 Runyan, Dodge City, KS 67801
- District 10: Susie Faulds, 1402 Highland Terrace, Dodge City, KS 67801

Members serving on the nominating committee are: Ron Jantz, Joan Unruh, Ronnie Cohoon, Brit Hayes, Mark Parr, Clinton Mott, Bob Carlson and Kent Wineinger.

Dated this 26th day of February, 2013
THE VICTORY ELECTRIC COOPERATIVE ASSN., INC.

Pat Morse, Secretary-Treasurer

Minutes of the Nominating Committee

The meeting of the nominating committee of The Victory Electric Cooperative Association, Inc., was held on Tuesday, February 5, 2013, beginning at 1 p.m. at the office of the cooperative on North 14th Avenue, Dodge City, Kansas.

The following members of the nominating committee were present: Ron Jantz, Joan Unruh, Ronnie Cohoon, Brit Hayes, Mark Parr, Clinton Mott, Bob Carlson and Kent Wineinger.

Terry Janson, CEO; Dave Snapp, attorney for Victory Electric; and Rae Jean Amy, who recorded the minutes, were also present. Dave Snapp called the meeting to order at 1:03 p.m.

Thereupon, Dave Snapp went over qualifications and eligibility requirements for election as a trustee, as set forth in the bylaws of the cooperative, to determine if each potential nominee was eligible for election based upon the information available and the bylaws of the cooperative.

Thereupon, motions duly made, voted on and carried, Bob Carlson was elected as chairman of the nominating committee and inspector of elections. Chairman Carlson then took over the meeting and asked for nominations from districts 5, 7, 9, and 10.

Thereupon, motions duly made, seconded and adopted, the following persons were nominated to stand election as candidates for trustee of the cooperative for a three-year term:

Gary Gillespie, District 5; Brad Ochs and James (Jim) Ochs, District 7; Richard Lightner, District 9; and Pat Morse, Scott Gurtner and Susie Faulds, District 10.

There being no further business to come before the meeting of the nominating committee, the meeting was adjourned at 1:25 p.m.

Bob Carlson, Chairman

ATTEST: Pat Morse, Board Secretary

Mission Statement

The mission of Victory Electric is to provide a safe, reliable service at a competitive rate, provide economic development opportunities and services for our members, and to ensure the financial stability of the cooperative through the use of prudent business practices and the latest technology.



the issues of maintaining right-of-way when building power lines to serve our entire membership at an affordable cost. We will continue to work on the problem and come up with a solution that works for both our members as a whole and the oil companies.

Several apartment complexes were completed in 2012. This will help to alleviate some of the housing problems in Dodge City and the region. Housing continues to be a problem and has never been more important than it is right now. It will continue to be a major issue for attracting quality help for the employers in the region. Victory Electric continues to develop infrastructure to accommodate growth throughout our service territory. We will continue to support the communities in our area by adding the infrastructure needed to provide the power for their continued growth and development.

We are in the process of building a new generation resource called Rubart Station. This station is a natural gas generation resource with a capacity of 110 MW. The unit is a black-start unit and can go from zero output to maximum output in about six minutes. The units are powered with Caterpillar engines. We are very concerned with the regulations being placed on energy resources today by agencies like the Environmental Protection Agency (EPA). It has become very difficult to build generation facilities, and we continue the hope of building the Holcomb coal-fired project, but time is not on our side. Bringing a new coal-fired power plant to western Kansas, or anywhere in the U.S., may be nearly impossible in today's environment. However, we must continue to work to develop new generation resources so we will have the power to keep the region economically vibrant

and growing.

Our goal at Victory Electric is to continue providing the very best service that can be offered. Even though we are a small company, we believe we still have a responsibility to our members and ourselves to create an environment of principle and integrity. We will always adhere to the very highest standards of service, and we will always hold ourselves accountable to achieving that goal. Victory Electric and everything we do revolves around you and the service we can provide you, our member. Our service will continue far into the future.

Victory continues to invest in technology, including an on-line bill pay site that gives members the ability to manage their account and an automated distribution system. This automated distribution system will be invaluable in helping to operate our outage management program by providing instantaneous outage information, which will lead to shorter outage periods.

In 2014, new wholesale day-two markets will go into effect across America. We feel this system will be a benefit to the membership because it allows utilities to commit to the next day's energy use in advance, and energy will be dispatched to Victory and all other utilities based upon their needs. Throughout the day, energy will be dispatched and closed out every five minutes, then billed accordingly. We believe day-two markets will prove useful because of the ability to gather load information quickly.

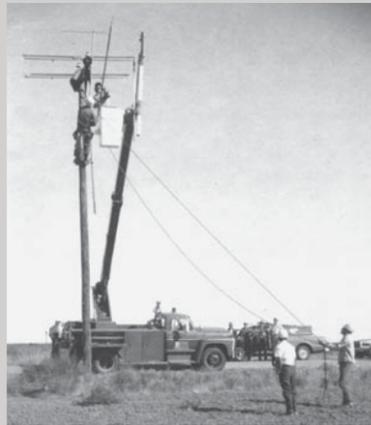
We look forward to seeing you at our Annual Meeting on April 9. Please plan on attending and eat a steak dinner as a special thank you for being the best members.

Have a great 2013!



1970
Chet Ross, a founding member of Victory Electric, retired from the board of trustees after 25 years.

1971
Training and safety has been a priority since the beginning of the Rural Electrification Administration. Victory crews attended a hotline "basket" school to learn the proper way to remove an armor rod.



1976
After being at several locations, Victory Electric constructed an office north of Dodge City. The office is still used today. The first location was on West Chestnut St. (Chestnut is now Wyatt Earp Blvd) in Dodge City. In May 1947, representatives from the national REA movement took a tour of southwest Kansas, starting in Dodge City. Pictured are Lester Durr, Victory trustee; Arthur Gerth, chief of A&L Division in Washington, D.C.; Bob Kinney, field specialist for REA; Roy Marler, Victory general manager; and Henry Liles, Frank Horton Engineers.



The President & CEO's Report

The Victory Electric Cooperative would like to invite you to our 68th Annual Meeting of the cooperative. This year's meeting will be held on April 9, at the Western State Bank Expo at 11333 Highway 283 in Dodge City.

Registration will start at 5:30 p.m., dinner at 6 p.m., and the business meeting at 7 p.m. We will give a nice kitchen knife set to the first 600 residential members who register at the annual meeting. There will also be drawings for other great prizes at the meeting.

We saw an increase in growth of 0.1 percent in kWh sales and a growth of 3.2 percent in revenues for the year. Victory Electric continues to experience positive



Terry Janson
CEO



Kenny Wehkamp
Board President

growth, which can be attributed to a strong economy in western Kansas and a strong agricultural base. We believe we will continue to see a strong growth spurt in 2013. Much of the growth will come from oil drilling, both

horizontal and vertical, and well development. We must continue to promote new businesses in our region to help promote jobs to keep our economy vibrant and healthy. We believe the area will continue to prosper and grow for years to come.

We are faced with a situation in which we have never encountered. With the oil boom looming, we are dealing with oil companies wanting to build and operate their own substations and power lines in our service territory. This infrastructure would be to serve their own loads with no thought to our other members' needs. We are concerned with easement availability and how to address



board of trustees and their spouses: Kenny Wehkamp and Ivy, vice-president; Carl Hubbell and Jane, secretary/treasurer; Loren Ochs and Kay; Jim Imel and Cindy; Max Jantz; John Leis and Jill; Randy Quint and Lynne; Pat Morse and Shannon; Daryl Tieben and Carol; Cedric Drewes and Diane; Gary Gillespie and Kelly; CEO Terry Janson and Christine; David Snapp, Victory Electric attorney; and himself, Richard Lightner, president.

Terry Janson introduced the guests present at the meeting. Lightner asked for a report from the nominating committee. Jim Kerschen, chairman of the nominating committee, gave the report of the nominating committee. He reported the committee met on February 2, 2012, and nominated the following persons: Daryl Tieben, Dodge City, District 1; Ken Schulte and Robert Peintner, both from Spearville, District 3; Cedric Drewes, Dodge City, District 8; and Max Jantz, Dodge City, District 10. Lightner introduced the teller committee consisting of Jim Kerschen, inspector of elections, Karla Durrant, Sandra Long, Dennis Brauer and Jennifer Gaut.

Lightner gave the president's report. He discussed the ice storms of 2006 and

2007 and FEMA. He showed slides of the damage and talked about the manpower and supplies needed to get the work done. He also showed a slide of what you can get for \$1 worth of electricity.

Janson gave the manager's report. He talked about "SmartHub" and the impact of technology now and into the future.

Lightner gave the results of the election. Winners were: District 1 - Daryl Tieben; District 3 - Ken Schulte; District 8 - Cedric Drewes; and District 10 - Terri

Larson. Lightner asked if there was any old business. There was none. Lightner then asked for any new business.

David Snapp, Victory Electric's attorney, explained the proposed bylaw changes. With no questions, Lightner entertained a motion. It was moved and seconded to accept the bylaw changes as proposed. Motion carried.

Numerous prizes from Victory Electric and vendors were given at the meeting.

Lightner thanked everyone for their attendance and participation at the annual meeting. He adjourned the 67th Annual Meeting at 8:25 p.m.

Plant worth	\$133,907,343
Total operating revenue in 2012	\$60,170,760
kWh sold in 2012	680,353,257
System kW demand	154,947
Miles of line	2,769.31
Number of meters	19,506
Number of full-time employees	85
Number of part-time employees	7

2012 Annual Meeting Minutes

The 67th Annual Meeting of the Members of The Victory Electric Cooperative Assn., Inc., was held on Tuesday, April 10, 2012, at the Civic Center in Dodge City, beginning at 7 p.m. The meeting followed a steak dinner served to 532 members and guests for a total of 850 meals served.

The meeting began with the National Anthem, sung by Rachel Trombley, and the invocation by Lance Carrithers.

President Richard Lightner called the 67th Annual Meeting to order at 7 p.m., pursuant to a notice to all members that was mailed in accordance with the bylaws

of the cooperative and declared a quorum. Lightner asked for a motion to approve the minutes of last year's meeting, and a motion was made and seconded to approve the minutes as mailed. The motion carried. Secretary-Treasurer Carl Hubbell came to the podium and asked for a motion to waive the reading of the official notice and affidavit of mailing. A motion was made and seconded to waive the reading of the official notice and affidavit of mailing. He asked if there were any questions on the financials posted in the annual report. There were none.

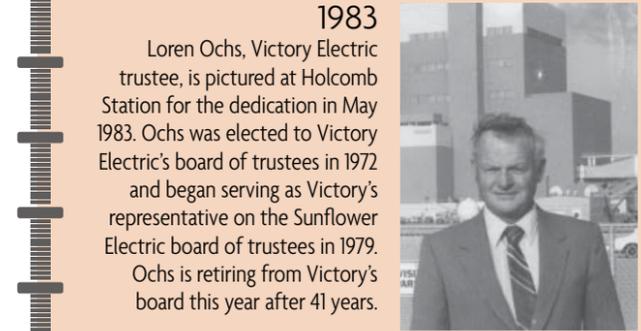
Jerry King, director of marketing and

communications, introduced the 2011 youth tour winners: Evan Kisner, South Gray; Jessica Lampe, Spearville; Claire Leis, Minneola; and Norma Avalos, Dodge City. Lampe gave a brief presentation on the Washington, D.C., tour, and Leis spoke of the Steamboat Springs leadership camp. King introduced the 2012 winners of the Washington, D.C., trip; Lindy Bilberry, Garden City; and Jennifer Delzeit, Dodge City. Winning the Steamboat Springs trip were Josie Hayes, Hodgeman County; Katy Hibbert, South Gray; and Jaden Butcher, Dodge City.

Lightner introduced Victory Electric's



1982
George Lightner retired from the board of trustees in 1982 after serving 31 years. George was one of the early adopters of electricity on his farm near Garden City. He is pictured here in the 1950s at his farm shop that was fully-equipped with electricity. His son, Richard, took his board position and has also served for 31 years this year.

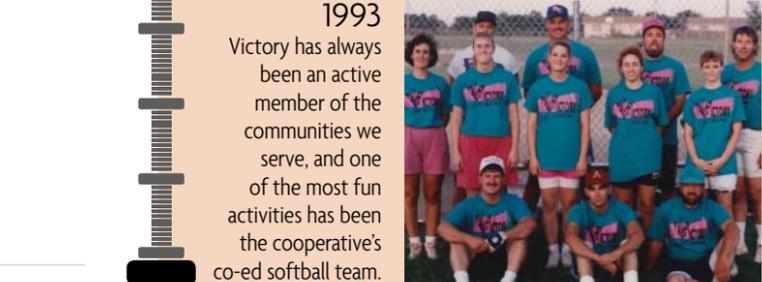


1983
Loren Ochs, Victory Electric trustee, is pictured at Holcomb Station for the dedication in May 1983. Ochs was elected to Victory Electric's board of trustees in 1972 and began serving as Victory's representative on the Sunflower Electric board of trustees in 1979. Ochs is retiring from Victory's board this year after 41 years.

1985
As a cooperative, Victory Electric has always retired capital credits, but it wasn't until 1985 that the first capital credit checks were issued and mailed. The capital credit money was for the years prior to 1965.



1986
Terry Janson and Maurita Leonard show off a new electric heater display at the office. Janson has been with Victory Electric for 42 years and has held many positions including the purchasing agent, member services and manager of finance and administration, before becoming CEO in 2000.



1993
Victory has always been an active member of the communities we serve, and one of the most fun activities has been the cooperative's co-ed softball team.

Candidates for the Victory Electric Board of Trustees

District 5



Gary Gillespie
Copeland, KS
Incumbent

My wife Kelly and I have lived in the Copeland community since

1988 and raised our two children there. I have served as mayor of our city for 17 years and also serve as an elder for the Copeland Christian Church.

My prior business experience was as a division manager for Archer Daniels Midland and currently as a small business owner-partner. I know the value of working as a team and believe everyone must do their part to help improve their community.

As a member of the board of trustees, I understand the great responsibility to make wise decisions that represent the interests of you, the members of Victory Electric. I consider it a privilege to serve and will do my best to stay informed and ensure that Victory Electric continues to provide safe, reliable service at a reasonable cost. I would appreciate your vote.

District 7



Brad Ochs
Jetmore, KS

My name is Brad Ochs, and I am submitting my name

as a candidate to be a board member in District 7 of Victory Electric. I have been a life-long resident of Hodgeman County and the surrounding areas.

I believe this community and our way of life has great value, and it has given much to me. I would welcome the opportunity to give something back through service in this organization.

I believe my experiences as a farmer and a rancher, my time working with Victory Electric and other utility companies, and my relationships with people in the industry have given me the skills and knowledge that will be beneficial to Victory Electric and its members. I would very much appreciate your vote.



James (Jim) Ochs
Jetmore, KS

As a farmer and rancher, I am thankful for the opportunities rural electrification has provided for our

families, homes, businesses and farms. I am interested in learning more about our electric cooperative as well as representing the members in my district. I believe we can work together to provide safe, reliable and affordable electricity now and for future generations.

I am a fifth generation farmer who has farmed with my family in Hodgeman County since I was old enough to drive a tractor. I also attended college in Dodge City, earning certification in diesel mechanics, and worked for a farm implement dealership for six years. More recently, I served on the Hodgeman County Conservation Board.

Currently, I work with my brothers on our family farm. I am married to Deb, my wife of 22 years. We have four children who live and work on the farm. I would use the knowledge and skills I have gained from my experiences to serve Victory members. Thank you for this opportunity to work for you.

District 9



Richard Lightner
Garden City, KS
Incumbent

I am seeking re-election

to the board of trustees of the Victory Electric Cooperative.

I bring commitment, some education and a lot of experience to the trustee position from District 9. I feel that I am qualified and have the desire to do the job fully and effectively. I am very thankful for the input and member support from my district.



Pat Morse
Dodge City, KS
Incumbent

Thank you for your consideration and support as I run for another term on the

Victory Electric Board of Trustees!

I currently serve as the secretary-treasurer for Victory and as Victory's alternate delegate to the Kansas Electric Cooperatives (KEC) Board of Trustees. I have earned my Credentialed Co-op Director (CCD) certificate and my Board Leadership Certificate (BLC). My five years of board service and my cooperative education and experience allow me to continue representing Victory Electric's Dodge City members at the highest level.

My position as Senior Vice-President of Governmental Affairs for FairPoint Communications (the seventh-largest wireline telephone company in the US) also allows me to share actual industry experience with the Victory board in the areas of state and federal regulation and legislation. I would appreciate your vote for the position of trustee – District 10.

District 10



Susie Faulds
Dodge City, KS

It would be my privilege to serve as trustee on the Victory

Electric Board to assist with the recommendations of the Victory Electric staff with maintaining profits for the members and continue to have a safe and reliable source of power. The future is bright with a wide variety of resources including wind, coal, natural gas and nuclear.

I look forward to being a part of a great organization in Dodge City and the surrounding area.

A native of Dodge City, I have worked in Dodge City financial institutions for the past 35 years. I have a Japanese Chin (Saki) and Maltese (Dusty), five siblings residing in Kansas, and have completed five half-marathons.

I would appreciate your vote for trustee for District 10.



Scott Gurtner
Dodge City, KS

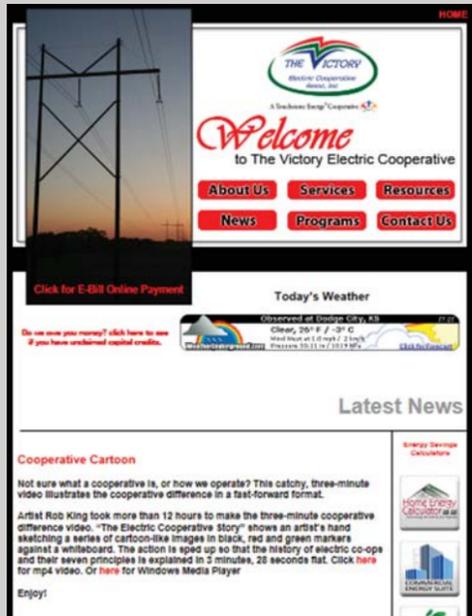
As both a resident of Dodge City and a rural community

in my lifetime, I understand the value and importance of a strong and stable electric cooperative. In sustaining southwest Kansas's future, it is important that Victory Electric be positioned for that growth. Having built over 1,000 miles of new lines and with numerous upgrades in the last several years, the cooperative is positioned to lead the growth of southwest Kansas. As a board member I will be committed to ensuring the continued future growth by providing for the electrical needs of all our communities in a safe, affordable and reliable manner. I would appreciate your vote.

Visit Our Website

Visit our website at
www.victoryelectric.net

On our website you will find bill pay options, energy efficiency information, energy calculators, services offered by Victory Electric, and much more.



Scan the QR code with your mobile device to go directly to Victory Electric's website.

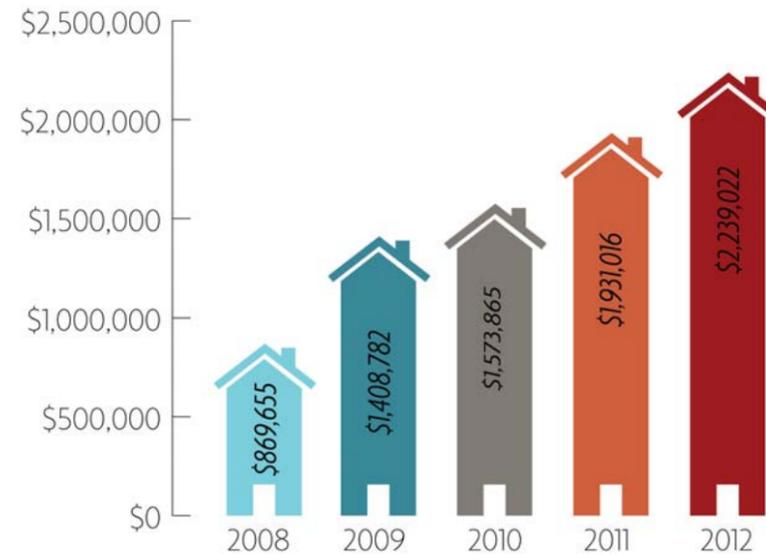


Industrial	\$18,851,642
Large commercial	\$17,738,524
Residential	\$15,576,093
Irrigation	\$4,722,822
Small commercial	\$2,472,638
Other	\$809,041
Total	\$60,170,760

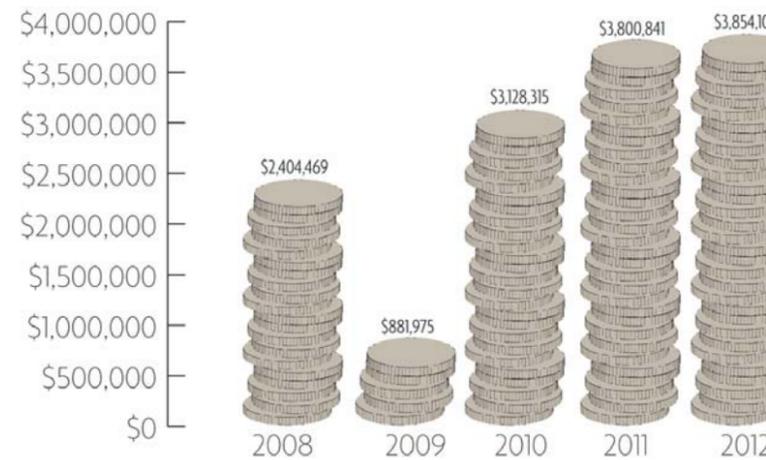


Cost of power	\$43,713,275
Operating & Maintenance	\$3,599,342
Depreciation	\$3,556,105
Margins	\$3,854,101
Interest expense	\$3,208,915
Taxes	\$2,239,022
Total	\$60,170,760

Property Taxes - Paid in the Last Five Years



Capital Credits - Allocated in the Last Five Years



Treasurer's Report

Assets

Total Cost of Plant	\$133,907,343
Less Accum. Depreciation	\$44,796,695
Total Net Value of Plant	\$89,110,648
Temporary Cash Investment	\$2,418,861
Investments in Assoc. Organizations	\$9,662,056
CFC Capital Term Certificates	\$310,486
Cash	\$818,071
Other Fund Investments	\$139,333
Accounts Receivable - Net Sales of Energy	\$3,778,049
Accounts Receivable - Net Other	\$1,143,901
Other Current & Accrued Assets	\$7,138
Materials and Supplies	\$1,635,343
Prepaid Insurance	\$56,024
Deferred Debits	\$355
Notes Receivable	\$346,170
TOTAL ASSETS	\$109,426,435

Liabilities

Amount Borrowed - RUS & CFC	\$81,194,403
Less Repayments (Principal)	\$1,867,046
Total Long Term Debt (RUS & CFC)	\$79,327,357
Line of Credit - CFC/CoBank	\$300,000
TOTAL DEBT	\$79,627,357
Property Tax Paid	\$2,239,022
Accrued Vacation	\$323,781
Accrued Interest	\$18,862
Accounts Payable	\$2,291,349
Deferred Credits	\$41,342
TOTAL PAYABLE	\$4,914,356
Consumer Deposits	\$580,021
Patronage Capital & Other Equities	\$23,085,064
TOTAL MEMBER'S EQUITY	\$23,665,085
OTHER CURRENT & ACCRUED LIABILITIES	\$1,219,637
TOTAL LIABILITIES & MEMBER'S EQUITY	\$109,426,435



1995
Accountant Dennis Brauer has been with Victory Electric since 1990. He retired in 2012 after 22 years of service but continues to work part-time in the accounting department.

2002

Victory Electric started an electrical contracting division based on a member survey indicating a need for an electrical contracting service for farmers and the rural areas. Victory bought a local family-owned business, DS&D Electric, and it started with just one electrician, Steve Day. Today, the business has grown to 12 electricians who perform residential, industrial, commercial and irrigation work.



2006

In December 2006 and again in March 2007, two major ice storms damaged large parts of Victory's electrical infrastructure. The storms combined caused \$35,097,422 in damage and took a total of five years and 101,495.5 man hours to repair the system. 18,953 poles over 902 miles were replaced, and the repair work was finally completed in July 2012.



2007

On April 1, Victory Electric, along with four other cooperatives and one wholly-owned subsidiary, finalized the purchase of the Kansas electric network properties owned by Aquila, Inc.. The process, which started in April 2005, launched an 18-month endeavor that resulted in the successful conversion of all Aquila electric customers to members of the newly formed Mid-Kansas Electric Company in April 2007. Victory increased from 4,000 to more than 19,000 meters. Pictured reviewing the transfer of vehicle titles are Earl Watkins, Sunflower CEO; Terry Janson; and Jayne Clarke, Sunflower executive manager of financial services.



2007

Nola Ochs, longtime Victory Electric member and mother of a Victory Electric board member, received a bachelor's degree from Fort Hays State University at the age of 95 and is pictured being honored in the Kansas House of Representatives for her accomplishments. Ochs was named the 2007 Kansas Woman Leader of the Year and was given her diploma by former Governor Sebelius. Ochs earned a Master's degree in 2010 at the age of 98.



2009

With the purchase of Aquila and expansion of employees and equipment, Victory quickly outgrew the current office space.



An addition to the existing office structure was completed and dedicated in May.



2013

Victory Electric has a rich history and deep roots in Dodge City and southwest Kansas, and while we

will keep moving forward into the future, we will continue to honor our past and those who inspired the REA movement and the advancement of cooperatives across the nation.

Electrical Contracting Division Continues to Serve Southwest Kansas

Victory Electric's electrical contracting service started in 2002 with a need in the community for licensed electricians on farms and in rural areas.

Over the years, we have become the go-to contractor for residential, commercial, industrial and irrigation electrical work, not only on farms and in the rural areas but also across southwest Kansas.

We continue to strive every day to provide our members with a dependable, affordable service with highly trained electricians that will treat you, your family, and your property with the respect and attention to safety you deserve.

"Victory Electric's electrical contractors have been serving Dodge City and southwest Kansas for more than 10 years now," said Jim Meis, manager of electrician services. "We have grown from a single electrician to more than 12 experienced electricians and have both journeyman and master electricians on staff."

Combined, the electricians at Victory Electric have more than 103 years of experience. Jim Meis has been with Victory Electric since 2011 but brings with him 25 years of experience, including owning his own electrical contracting business in Cimarron. He earned his master's electrician license in 1997.

Steve Day, the original electrician hired at Victory Electric, also has his master's license. Both Curtis Smith and Jeremy Pruitt

worked and earned their journeyman electrician license.

Our dedicated employees at Victory Electric have acquired the reputation for integrity, high-quality work, positive attitudes, reliability and good qualifications.

"Whether it is hanging a ceiling fan, irrigation work, or starting from scratch on a commercial structure, we do a little of everything," Meis said. "Great work and great service is what we are all about."

If you need the services of the Victory Electric electricians, Meis is readily available to answer questions, submit estimates or bids, and provide our members with high-quality work at affordable prices.



Electrician Steve Day making repairs at a local business.

Victory Electric Using New Metering Technology to Increase Efficiency and Empower Members

For the past several years, Victory Electric has been progressively moving forward installing new, more efficient digital meters in our service territory.

These new meters will allow Victory Electric to bring a new technology to our members' homes through a new Advanced Meter Infrastructure (AMI) system. These meters are automated and report use information back to our office by radio frequency on a regular basis.

There were several reasons Victory chose to begin installing digital meters. Lower operating costs, efficiency, improved reliability and improved accuracy are all advantages to the AMI system. With this technology, Victory Electric will receive instantaneous meter reads and will know within seconds when a power outage occurs. The system can tell Victory the location, the extent of a power outage, and many other details that save the line crews time. This will result in quicker power restoration.

Some other advantages of the new AMI system are reduced meter reading expenses, load management options, alerts of tampering or theft, and remote reconnects and disconnects. The two-way communication system allows the meter to send readings to Victory's office, and it also gives the office the ability to remotely shut off or turn on the meter in the event of non-pay, disconnect or reconnect.

"As of the end of February, we have

87 percent of the meters installed in our service area," said Harold Flax, Victory Electric systems analyst. "We have approximately 2,570 meters left to install, most of which are commercial and three-phase meters, and we hope our AMI system is fully deployed by the end of 2013."

The introduction of the AMI system brings many advantages for members. The additional data allows for members to pinpoint problems and get an accurate look at use history. They can catch things like a forgotten space heater or a failing compressor on a freezer.

"We are working to make this information readily accessible to members," said Flax. "Soon, Victory Electric will launch an application called SmartHub. With SmartHub, members will be able to take full advantage of all the information provided by the meters. For example, an electric bill is unusually high that month and he doesn't know why, he takes a look at the use charts on SmartHub and sees on the 14th of the month was when use started increasing. Doing some investigating, he remembers he bought a space heater around that time. SmartHub will give members the information they need to have more control over their energy use."

SmartHub will be available in both mobile applications and a Web version to give members secure access to maintain account information, view bills, see payment history, make payments on one or more accounts,



Service representative Dave Masden installing a new meter.

set-up recurring payments, and report outages. Both versions use graphics, charts and use markers that allow members to monitor and manage use.

"We want our members to have the ability to know the best ways to save money and be more energy efficient," said Terry Janson, Victory Electric CEO. "By installing these new digital meters and providing the information and data directly through the SmartHub website and phone application, members will have the knowledge and power to control their energy consumption."



Name	Job Title
Harold Flax	System Analyst
Francisco Frias	Apprentice Electrician
Jennifer Gaut	Accountant
David Gechter	Journeyman Lineman
Tanner Gemaehlich	4 th Class Lineman
Mikey Goddard	Crew Chief
Jason Guillen	Warehouse Clerk
Metissa Hampton	Part-Time Customer Service Representative
Roy Hampton	Service Representative
David Haskins	Custodian & Building Maintenance
Rob Henry	Substation/Transmission Design Engineer
Corey Houser	Journeyman Lineman
Phil Huffman	Crew Chief
Mary Hurley	Meter Reader
Jerri Imgarten	Communications Specialist
Terry Janson	CEO
Steve Jimmerson	Tree Trimmer Foreman
Jerry King	Director of Marketing & Communications
Heith Konecny	Manager of Metering Technology
Chris Konrade	Journeyman Lineman
Kirk Konrade	Journeyman Lineman
Justin Kraft	Journeyman Lineman
Monica Lampe	Human Resource Administrator
Jacob Ledford	Apprentice Electrician
Sandy Long	Billing Supervisor
Dave Lowery	Journeyman Lineman
Tom Lowery	Manager of Operations
Jason Lutz	Apprentice Electrician
Jeff Martinez	3 rd Class Lineman
Dave Masden	Crew Chief
Jessica Mashak	Customer Service Representative
Ted McAtee	Journeyman Lineman
Sterling McPhaul	Meter Reader
Jim Meis	Manager of Electrician Services

Name	Job Title
Ryan Miller	Supervisor of Operations
Magaly Morales	Part-time Office Help
Micaela Morales	Member Services
Sharon Nolan	Part-time Office Help
Daniel Pogue	Staking/Field Engineering Technician
Jeremy Pruitt	Journeyman Electrician
Craig Renick	Journeyman Meterman
Nick Rennaker	2 nd Class Lineman
Shea Ricke	2 nd Class Lineman
Cary Robinson	Part-time Apprentice Electrician
Alma Robison	Billing Clerk
Jason Rohr	Crew Chief
Jesus Ruiz	3 rd Class Lineman
Martha Ruiz	Customer Service Representative
Melissa Ruiz	Payroll Specialist
Jarod Scheve	Warehouse Clerk
Josh Schmidt	Manager of Member Services
Paul Schmidt	Journeyman Lineman
Larry Schneweis	Warehouse Clerk
Mike Shewey	Crew Chief
Curtis Smith	Journeyman Electrician
Eric Speer	Crew Chief
Kevin Sprott	Mechanic
Steve Stecklein	Plant Accountant
Ed Stegman	Construction Coordinator
Clayton Stein	4 th Class Lineman
Nate Stormont	Journeyman Lineman
Justin Straight	Journeyman Lineman
Richard Torres	Apprentice Electrician
Greg Underwood	Manager of Engineering
Lenette Varnell	Part-Time Custodian
Lee Vierthaler	2 nd Class Lineman
Rod Webster	Mechanic
Leroy Woods	Crew Chief

Name	Job Title
Rubi Carbajal	Customer Service Representative
Helen Cecil	Customer Service Representative
Armando Ceja	Tree Trimmer Apprentice
Michael Clark	Manager of Purchasing/Stores/Special Projects
Keith Connelly	2 nd Class Lineman
Joel Daniels	Crew Chief
Steve Day	Master Electrician
Pat Deaver	Crew Chief
Jerry Dick	Supervisor of Technology, Apparatus & Training
Karla Durrant	CFO/Manager of Finance & Administration
Jeremy Elling	Tree Trimmer Foreman
Alexa Erives	Customer Service Representative

Name	Job Title
Brad Ackerman	Supervisor of Technology & System Information
Cory Ackerman	Crew Chief
Ross Ackerman	Tree Trimmer Apprentice
Ross Adams	Apprentice Electrician
Rae Jean Amy	Executive Administrative Assistant
John Austin	Apprentice Electrician
Miguel Barriga	Journeyman Lineman
Derek Baxa	Part-time Warehouse Clerk
Mark Bennett	Engineer
Dania Blatnick	Customer Service Representative
Harold Bogner	Apprentice Electrician
Dennis Brauer	Part-time Accountant

Victory Electric Board of Trustees

The business and affairs of the cooperative are directed by the board of trustees, which exercise the powers of the cooperative. The cooperative territory is divided into districts, all of which are represented by a trustee. Trustees are elected at the annual meeting for three-year terms of office.



Kenny Wehkamp President
16 yrs. of service

John Leis Vice President
8 yrs. of service

Pat Morse Secretary/Treasurer
6 yrs. of service

Loren Ochs Trustee
41 yrs. of service



Richard Lightner Trustee
31 yrs. of service

Jim Imel Trustee
26 yrs. of service

Cedric Drewes Trustee
4 yrs. of service

Ken Schulte Trustee
6 yrs. of service



Daryl Tieben Trustee
4 yrs. of service

Randy Quint Trustee
2 yrs. of service

Gary Gillespie Trustee
1 yr. of service

Terri Larson Trustee
1 yr. of service



Victory Electric
is on



For the latest news and updates from Victory Electric, become a fan of Victory Electric on Facebook!

Check our page for:

- Co-op updates
- Energy efficiency tips
- Photos and videos
- Outage information
- Electrical safety tips
- Industry news
- Community news and events
- And much more



For Facebook-savvy members, the Victory Electric page can be found by using the search or by accessing Facebook through the link [facebook.com/victoryelectric](https://www.facebook.com/victoryelectric).

A Facebook user can become a "fan" of Victory Electric and elect to receive status updates on their news feed.

Victory Electric's Facebook page is a public site, so if you have not yet joined the Facebook world, you are still able to visit the page at [facebook.com/victoryelectric](https://www.facebook.com/victoryelectric).



Scan the QR code with your mobile device to go directly to Victory Electric Co-op's Facebook page.

Annual Meeting Registration Card

- Victory Electric's Annual Meeting is on April 9, 2013, at the Western State Bank Expo Center, located at 11333 US Highway 283.
- Be sure to bring this registration card to the annual meeting and register at the door. Registration starts at 5:30 p.m.
- The meal is at 6 p.m. Dinner will be served to the first 1,000 people.
- The business meeting starts at 7 p.m.

We look forward to seeing you there!

Quick Tips:

- If the service you are paying is not in your name, please call us to request a transfer prior to the meeting. Remember, capital credits are being accrued in the name on the account.
- A registration gift will be given to the first 600 residential members who register at the annual meeting. Bring this card to redeem your gift. Limit of one gift per residential member.

2012 Youth Tour Winners

Victory Electric sponsors high school juniors to attend youth tour trips and learn about electric cooperatives and leadership opportunities. The 2012 winners will be at the annual meeting to share their experiences in the program with you. The program is now in its 49th year, and we look forward to introducing you to the 2013 winners at the annual meeting.

During Government-In-Action Youth Tour, students join 1,500 youth from across the nation in Washington, D.C. Participants visit monuments and other attractions, as well as visit Capitol Hill to learn more about how our government works.

At Cooperative Youth Leadership Camp, students join youth from Colorado, Wyoming, Oklahoma and Kansas. Campers form a mock cooperative, participate in leadership activities, and learn about the cooperative industry.

Pictured above at Cooperative Youth Leadership Camp are Josie Hayes, Hodgeman County, Jaden Butcher, Dodge City, and Katy Hibbert, South Gray.



Lindy Bilberry, Garden City, and Jennifer Delzeit, Dodge City, attended the Government-In-Action Youth Tour in Washington, D.C.



A Touchstone Energy® Cooperative 

3230 North 14th, Dodge City, Kansas 67801
Phone 800-279-7915 or 620-227-2139

PRSR STD
U.S. POSTAGE PAID
DODGE CITY, KS
PERMIT NO. 502

This is your registration card.
Please bring to the annual meeting on April 9.

