



## 65<sup>TH</sup> annual meeting!

EMC HEADQUARTERS

807 COLLINSWORTH ROAD, PALMETTO

It's our 65th Annual Meeting and Member Appreciation Day! As always, we're looking forward to hosting all the members who join us each fall for a morning of fun, food, gifts, games, prizes and co-op business. Mark your calendars now for this exciting event.



## ANNUAL MEETING AGENDA

**Saturday, October 13**

**8:30 - 11:00 am**

Registration - Free Gifts

**9:00 - 11:30 am**

Midway Games  
Children's Activities  
Health Fair  
Showcase of Services

**9:00 - 9:45 am**

Bingo

**9:45 am**

Entertainment from  
Alvarado Road Show

**10:00 am**

Prize Drawings  
Annual Meeting  
Business Session

**11:05 am**

Election of Directors  
Prize Drawings  
More Music

**Grand Prize Drawing!**  
You must be present to win.

## FUN AND INFORMATION FOR ALL

Plenty of popcorn, cotton candy and soft drinks will be available all morning. For adults, there will be bingo, gift drawings and booths full of valuable EMC information. For kids, there will be games, a photo booth, arts and crafts, and prizes.

Activities will include skeeball, a shooting gallery, the double frog launcher, magna fish, tabletop carnival games, sports challenges and much, much more!

## HEALTH FAIR

This year, the healthcare professionals from Piedmont will be providing adult health screenings once again. Health information will be available on sleep disorders, fitness/



rehabilitation, nutrition, diabetes, smoking cessation/lung health, cardiovascular services/imaging/rehabilitation, maternity/women's services, vein care, heartburn, wound care, cancer, stroke and breast health/women's imaging. Be sure to come early – this is always a popular event!

## grand prize



There will be prize drawings during the business meeting for both adults and children, sponsored by your EMC, Relyco Security and Coweta-Fayette EMC Natural Gas. Each registered

Member will have his/her name in the grand prize drawing for a chance to win a \$1,000 electric bill credit. You must be present to win, registration closes at 11 am.



## Entertainment

Before and during our business meeting, we'll all be entertained by Alvarado Road Show, an exciting band making a return appearance this year.

# The Executive Report



*Anthony H. Sinclair*  
President and CEO



*James W. Fulton, III*  
Chairman

## Annual Report to the Members

Our Directors, Management Staff and outstanding team of employees are looking forward to seeing you at this year's 65th Coweta-Fayette EMC Annual Meeting and Member Appreciation Day. The meeting will be held at our Palmetto headquarters on October 13, and we have created a unique gift for our attending Members to commemorate this very special occasion.

At Coweta-Fayette EMC, we have a proven history of exceeding our Members' expectations since 1945 – a fact we are extremely proud of. What makes your cooperative such a great organization is that we build upon our successes knowing there is always room for improvement.

For our employees to consistently provide exceptional service, they must show dedication, skill, professionalism and a resolve to always work as a team toward continual advancement. Whether it is operations and engineering employees restoring power quickly during adverse weather, Member services representatives providing friendly and excellent customer care or our technology and marketing teams developing cutting-edge solutions to make your life better, our unwavering goal is to give you our 100% best!

We take great pride in serving you, and following the "Golden Rule" is always foremost in our minds in everything we do.

The economy has been and continues to be the number one issue of concern for Members in our service areas and the nation as a whole. There has been very little building construction activity during the last year, and we only experienced a slight .51% increase in cooperative Member accounts in 2011.

Your Coweta-Fayette EMC team works very closely with economic development authorities, Chambers of Commerce and others. We assist these great organizations in leadership positions and promote unique opportunities available in our service area and the region.

Our Operating Revenue and Patronage Capital decreased by 1.98% in 2011 compared to 2010 as a result of a 4.35% decrease in the kilowatt hours sold that was primarily weather driven. Our Cost of Power decreased by 5.42% in 2011 as a combined result of purchasing less energy and reduced purchase power costs due to low natural gas prices. The "Non-Cost of Power" related costs of providing electric service in 2011 were 7.57% higher than in 2010. This is because several needed maintenance and operations expense activities were increased and fewer new construction "capital projects" were initiated. The cooperative's total 2011 and 2010 Patronage Capital or Margins were nearly identical, with only a \$9,290 difference.

In 2011, the cooperative retired over \$2 million in capital credits by sending checks to our Members. After careful analysis of the cooperative's financial situation at midyear 2012, the cooperative has already taken steps to retire a little over \$2.1 million in capital credits tentatively during the first week of October 2012. All Members who had capital credits allocated for patronage in the years 1985 and 1986 will be sent a check or receive a credit on their bill if the amount to be retired is less than \$2.

During late 2011, we refinanced 13 existing Coweta-Fayette EMC Rural Utility Service (RUS) loans totaling \$21 million, which had interest rates of 5%. The loan refinancing was accomplished by the cooperative securing a \$21 million loan from the Federal Financing Bank (FFB), with an interest rate of just 2.779% (an interest savings of over 2.2%). In early 2012, we also refinanced two other existing RUS loans totaling \$6.3 million with Cooperative Finance Corporation (CFC), saving almost 1% off previously existing interest rates. In the years ahead, our Members will save millions in interest costs as a result of the refinancing and sound financial stewardship exhibited by co-op Directors and Management.

No matter what challenges we may confront as we serve you in the future, your team stands ready and willing to meet them head-on, with confidence, determination and professionalism.

We hope you all enjoy this year's Annual Meeting and Member Appreciation Day. Chairman Fulton and I look forward to seeing you there!

For the Team,

*Anthony H. Sinclair "Tony"*

Anthony H. Sinclair "Tony"  
President and CEO

*James W. Fulton III*

James W. Fulton, III  
Chairman

## Capital Credit Factor

Since Coweta-Fayette EMC is a member-owned organization, any margins that remain after expenses are assigned to our member-owners annually. **The percentage allocated for 2011 is 5.63%.** These funds become part of our equity until they are returned to you as approved by our Board of Directors.

# Balance Sheet

## WHAT WE OWN

Lines, Office Building and Operations Equipment  
Less: Reserve for Depreciation

General Account — Cash  
Commercial Paper  
Investments  
Receivables  
Materials and Supplies  
Prepaid Expenses and Other Accrued Assets  
Deferred Debits

2011  
\$289,430,169  
\$80,208,519  
\$209,221,650

\$671,873  
\$10,700,000  
\$51,669,526  
\$10,597,702  
\$1,636,973  
\$282,815  
\$3,661

## TOTAL OF WHAT WE OWN

**\$284,784,200**

## WHAT WE OWE

To the Government and CFC  
Less: Payments on Principal and Deferred Interest

To Consumers Extra Deposits  
To Material Suppliers (Notes & Accounts Payable)  
To Accrued Taxes & Interest  
Deferred Credits and Non Current Liabilities

\$231,428,360  
\$66,454,438  
\$164,973,922

\$3,771,095  
\$11,478,473  
\$3,739,098  
\$880,670

## OUR EQUITY IN ABOVE ASSETS

Membership Fees  
Patronage Capital & Other Equities

\$1,552,615  
\$98,388,327

## TOTAL OF WHAT WE OWE

**\$284,784,200**

# Statistics of Operation

## WHAT WE TOOK IN

Operating Revenue and Patronage Capital

2010  
\$158,170,734

2011  
\$155,034,928

## WHAT WE PAID OUT

Operating Revenue Deductions

Operations Expense:

Cost of Power

Distribution Expenses

Consumer Accounts Expense

Customer Service and Information Expense

Sales Expense

Administrative & General Expense

Maintenance Expense:

Distribution System

General Plant

Depreciation and Amortization

Interest On Outstanding Debt

Total Cost of Electric Services

\$114,614,876  
\$7,059,246  
\$4,099,080  
\$715,283  
\$487,533  
\$3,735,826  
\$5,416,894  
\$647,896  
\$8,299,268  
\$8,239,204  
\$153,315,106

\$108,405,665  
\$7,528,202  
\$4,473,551  
\$777,125  
\$528,520  
\$4,000,402  
\$6,917,031  
\$1,020,494  
\$8,564,757  
\$7,818,884  
\$150,034,631

## WHAT WE HAD LEFT

Operating Margins and Patronage Capital

Non-Operating Margins - Other

Total Operating and Non-Operating Margins

OEMC and OTHER Patronage Capital (CFC & GRESO)

\$4,855,628  
\$2,656,214  
\$7,511,842  
\$2,960,784

\$5,000,297  
\$2,148,505  
\$7,148,802  
\$3,314,534

Total Operating and Non-Operating Margins

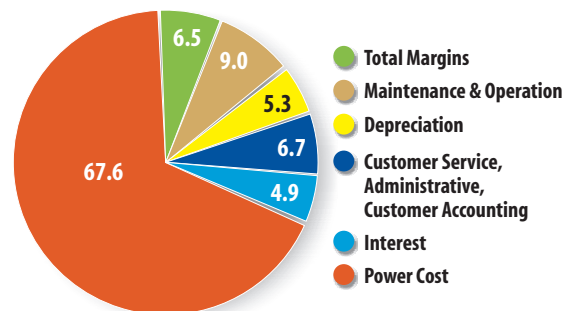
Including OEMC and Other Patronage

Capitals (CFC & GRESO)

\$10,472,626

\$10,463,336

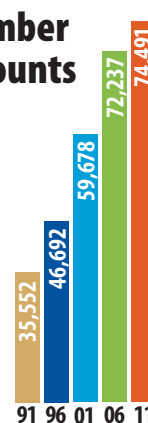
# How Your Dollar Was Spent



## Average KWH Used Per Member Per Month



## Member Accounts



## Miles of Line



## Membership

Coweta-Fayette Electric

Membership Corporation

Financial statements for the calendar year ending December 31, 2011 in the 2012 Official Annual Meeting Notice reflect the sound status of Coweta-Fayette Electric Membership Corporation. The figures presented are from our annual financial report to RUS.

We retained the services of McNair, McLemore, Middlebrooks & Company, LLP, Certified Public Accountants, to perform an audit of the corporation's accounting records for the fiscal year ending May 31, 2012.

This audit includes an examination of the cooperative's balance sheets, related statements of revenue and expenses and appropriate remarks concerning each.

Copies of audits are filed at the cooperative's office for your review.

J. Neal Shepard, Jr., Secretary-Treasurer  
Coweta-Fayette Electric Membership Corporation  
Board of Directors



# DON'T FORGET YOUR GIFT FOR ATTENDING!



Each registered member family will receive a barbecue tool set with case just for registering.

Please bring the address panel of this news-

letter with you to claim your member gift.

Come and join the fun early – registration closes at 11 a.m.

## PARKING



To provide easy access and more capacity, our main lot will be at **Northgate High School**,

3220 Fischer Road, Newnan. For **disabled members**, spaces are

located at the front EMC entrance on Collinsworth Road. Limited parking may also be available at the EMC on Weldon Road.

Just follow the signs to EMC Annual Meeting parking lots. Our employees will be available at each location to assist you with a continuous shuttle service to and from the meeting.



### Attention: Disabled Members

Our annual meeting facilities are accessible to people with disabilities. However, if special requirements are needed, let us know, and we will be happy to provide them.



*We regret we cannot accommodate any pets other than service animals. In consideration of your fellow members, please leave them at home. Thank You.*

# PROXY

I, \_\_\_\_\_,  
*a member of the Coweta-Fayette Electric  
Membership Corporation, do hereby appoint*  
\_\_\_\_\_*(who is*  
*himself/herself a co-op member and a natural per-*  
*son), as my proxy to vote in my place, and for me, at*  
*the Annual Meeting of the Coweta-Fayette Electric*  
*Membership Corporation to be held on October 13,*  
*2012.*

*Proxies must be filed with the Secretary of the Board  
of Directors or his duly-designated registrar(s) before  
or on the day of the meeting. No member may vote  
as proxy for more than one (1) member at any  
meeting.*

*The presence of a member at a meeting of the  
members shall revoke this proxy.*

*This the \_\_\_\_\_ day of \_\_\_\_\_ 2012.*  
*Signature \_\_\_\_\_*

## STATEMENT OF NONDISCRIMINATION

Coweta-Fayette Electric Membership Corporation has filed with the Federal Government a Compliance Assurance in which it assures the Rural Electrification Administration that it will comply fully with all requirements of Title VI of the Civil Rights Act of 1964, all requirements of Section 504 of the Rehabilitation Act of 1973, as amended, all requirements of the Age Discrimination Act of 1975, as amended, and all requirements of the rules and regulations of the U.S. Department of Agriculture to the end that no person in the United States shall, on the ground of race, color or national origin, or solely by reason of such person's handicap, or on the basis of age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the conduct of its programs or the operation of its facilities. Under this assurance, this organization is committed not to discriminate against any person on the ground of race, color or national origin, solely by reason of such person's handicap, or on the basis of age, in its policies and practices relating to applications for service or any other policies and practices relating to treatment of beneficiaries and participants including employment, rates, conditions and extension of service, admission or access to or use of any of its facilities, attendance at and participation in any meetings of beneficiaries and participants or the exercise of any rights of such beneficiaries and participants in the conduct of the operations of this organization. The person in this organization responsible for coordinating the nondiscrimination compliance efforts of this organization is Anthony H. Sinclair.

Any individual, or any specific class of individuals, who feels subjected by this organization to discrimination prohibited by Title VI of the Civil Rights Act, by Section 504 of the Rehabilitation Act, by the Age Discrimination Act or by the rules and regulations of the U.S. Department of Agriculture may personally, or through a representative, file with the office of the Secretary, U.S. Department of Agriculture, Washington, D.C. 20250; the Office of the Administrator, Rural Electrification Administration, Washington, D.C. 20250; the Office of Advocacy and Enterprise, U.S. Department of Agriculture, Washington, D.C. 20250; or this organization, or all, a written complaint. Such complaint must be filed not later than 180 days after the alleged discrimination or by such later date to which the Secretary of Agriculture or the Administrator of the Rural Electrification Administration extends the time for filing. Identity of complaints will be kept confidential except to the extent necessary to carry out the purpose of the rules and regulations of the U.S. Department of Agriculture.



**Coweta-Fayette**

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## OFFICIAL ANNUAL MEETING NOTICE

*Please bring this notice with you to be eligible for your member gift.*

### Important!

Bring this to the Annual Members' Meeting on Saturday, October 13, 2012, and present it at the registration desk.

This newsletter will be your means of participating in the registration process. Only the name appearing to the right of this message will be allowed to participate in the drawing of prizes.

Door prizes will be awarded, and you must be present to win.



### Official Notice

#### Annual Members' Meeting of Coweta-Fayette Electric Membership Corporation Palmetto, Georgia. October 13, 2012

YOU ARE HEREBY notified that the Annual Meeting of the Members of the Coweta-Fayette Electric Membership Corporation will be held on Saturday, October 13, at the Coweta-Fayette EMC office near Palmetto. Action will be taken on the following:

1. The report of Officers, Directors, and Committees.
2. All other business which may come before the meeting or any adjournment thereof.
3. The election of three Directors of the Cooperative for a term of three (3) years. The three Directors nominated by the Committee on Nominations appointed by the Board of the Cooperative pursuant to the bylaws are:

**Seat 3**  
Coweta County  
**Mildred Winkles**

**Seat 4**  
Coweta County  
**W.L. Clements**

**Seat 4**  
Fayette County  
**Alice Mallory**

Also, pursuant to the bylaws, the following member has been nominated for Director by petition of members. The election of Directors will take place at the Annual Meeting on October 13, 2012.

**Seat 3**  
Coweta County  
**James W. "Jimmy" Beavers**

Registration for voting will begin at 8:30 am and **end at 11:00 am.**

*J. Neal Shepard, Jr., Secretary-Treasurer,  
Coweta-Fayette Electric Membership Corporation*

Anthony H. Sinclair, President and CEO  
C. Bradford Sears, Jr., Attorney  
Douglas B. Warner, Attorney

**BOARD OF DIRECTORS**  
James W. Fulton, Chairman  
Therol Brown, Vice Chairman  
J. Neal Shepard, Jr., Secretary-Treasurer  
W. L. Clements  
Ross Henry  
Alice J. Mallory  
K. M. Spaller  
Elwood Thompson  
Mildred A. Winkles

#### POWERlines

Editor: Mary Ann Bell  
807 Collinsworth Rd., Palmetto, GA 30268  
(770) 502-0226  
Coweta-Fayette EMC is an Equal Opportunity  
Affirmative Action Employer/M/F/V/H



**Coweta-Fayette**

**770-502-0226**  
**www.utility.org**

