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Coweta-Fayette





Annual Report 2020

This is the time of year when Coweta-Fayette EMC celebrates who we are, and more importantly, the members we serve. And this year is even more special. It's our 75th Anniversary! CFEMC was built by a group of members who came together in 1945 to bring reliable electricity to our community.



Chris Stephens CFO

CFEMC is locally governed. Our leadership team and employees live right here in the community. Your board of directors, who help set long-term goals for the co-op, live locally on co-op lines. This close connection to our communities gives us firsthand knowledge of local priorities and initiatives.

We're extremely proud of our community solar project. The Michael C. Whiteside Solar Plant came online in April. This project was made possible through a partnership with our subsidiary, True Natural Gas. Located on 10 acres in Heard County, the 5,472 panels produce up to 1.68 Megawatts of energy. To date, our members have purchased over 760 of these panels through our Smart Choice Solar program and are receiving credits on their monthly electric bill based on the kWh output.

Last year we launched our Drive Free for a Year electric vehicle program. More and more members are taking advantage of this program. We are committed to embracing and encouraging our members to utilize green technologies when it fits their lifestyle.

Along with innovative uses of green technology, reliability is another factor we monitor closely. We know you depend on electricity for everything from your household activities to your business operations.

We utilize SCADA (Supervisory Control and Data Acquisition) to provide our system operators information about the grid to help us recognize problems. This technology is basically invisible to most since it incorporates chips, sensors, and fiber. We monitor over 15,000 devices or points throughout our system every second. When an outage occurs, the system makes a series of super-fast calculations to determine how



James W. Fulton, III Chairman

we can redirect electricity from one area to another. This allows more customers to be restored quickly while crews continue to make repairs on the damaged portions.

A communications network makes all this possible. Our goal is to expand this network by completing a fiber backbone that

connects all 28 of our substations within the next three years. We will always explore implementing new technology to continue to provide you with the service you have grown to expect.

We'd be remiss to talk about this year without mentioning COVID-19 and the affects it's had on you, our member, and how we do business. Our employees have stepped up, and, with the help of technology, have been able to find new ways to safely meet your needs. From working from home to new safety protocols and scheduling, we've answered your call throughout this trying time. In addition, we increased the number of services you can sign up for online. We know this pandemic created a financial struggle for many of you. That's why we suspended disconnections for several months and the board approved a special retirement of capital credits totaling \$5 million.

Our employees also tackled one of the worst storms our system has experienced. In just over 20 minutes, 36,000 of you lost power. Due to transmission outages, we had 8 substations de-energized and over 70 broken poles. Our employees, with the help of sister EMC's and contract crews, safely restored power to all of our members in less than 40 hours.

At the end of the day, our success is based on our people. It's not just those who work in all conditions to restore your power, but it is also the men and women who provide friendly member service when you call in. It takes a team of professionals who work to keep your lights shining bright. Our promise today and for the future is to provide you with reliable, affordable electricity.

We look forward to seeing what the next 75 years have in store.

This year's **Member Appreciation Day** and Annual Meeting will look a lot different. Due to COVID-19 concerns, your Board approved changes to the meeting format. Knowing the annual meeting is a vital part of the cooperative structure, the board weighed their decision with the concerns for the health and safety of you and our employees. This year, CFEMC will host a drive-thru businessonly event on Saturday, October 10, from 9:00 - 11:00 AM at the EMC headquarters located at 807 Collinsworth Road, Palmetto.

We regret there will be no kids rides, bingo, health fair, community demonstrations or vendors at the event.

Your participation is still important! You'll receive a registration packet in the mail around Sept. 16. Inside you'll find information on how you can vote and participate in this year's board elections.

You can cast your ballot by mail, online or when you drive-thru the day of the meeting. You'll also have the opportunity to register early at any of our office locations during the week of Oct. 5-9. Every registered member will receive a 75th

Anniversary Bucket just for registering.

We'll draw from all registered members - whether you drive-thru or register early at one of our offices - for the grand prize of \$1,000 electric bill credit

This year, you can listen to speeches from the CEO, Board Chairman, True Natural Gas and Operation Round Up by visiting our 2020 Annual Meeting page on our website (www.utility.org/ about-us/2020-annual-meeting/).

The Grand Prize Winner and Election results will be announced at 11 AM on Facebook Live, on October 10. The results will also be posted on our website.

For more information visit www. utility.org.

STATEMENT OF NONDISCRIMINATION

Coweta Fayette EMC is an equal opportunity provider and employer. If you wish to file a Civil Rights program complaint of discrimination, complete the ÚSDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Balance Sheet

WHAT WE OWN	2019
Lines, Office Building and Operation Equipment	\$378,761,564
Less: Reserve for Depreciation	\$127,532,597
	\$251,228,967
General - Cash	\$7,509,912
Commerical Paper	\$10,700,000
Investments in Associated Organizations - Patronage Capital	\$85,879,038
Receivables	\$12,073,238
Materials and Supplies	\$2,573,067
Prepaid Expenses and Other Accrued Assets	\$7,245,840
Deferred Debits	\$21,675
TOTAL OF WHAT WE OWN	\$377,231,737
WHAT WE OWE To the Government - RUS/FFB Other Cooperative Lenders - CFC	\$145,439,075 <u>\$11,124,102</u> \$156,563,177
	ψ130,303,1 <i>11</i>
To Consumers - Deposits	\$3,738,744
To Material Suppliers (Notes & Accounts Payable)	\$22,417,252
To Accrued Taxes & Interest	\$5,592,314
Deferred Credits and Non Current Liabilities	\$14,150,663
OUR EQUITY IN ABOVE ASSETS	
Membership Fees	\$1,752,910
Patronage Capital & Other Equities	\$173,016,677
TOTAL OF WHAT WE OWE	\$377,231,737

Statistics of Operation

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WHAT WE TOOK IN	2018	2019
WHAT WE TOOK IN	0100 050 010	****
Operating Revenue and Patronage Capital	\$169,958,219	\$177,023,200
WHAT WE PAID OUT		
Operating Revenue Deductions		
Operation expense:		
Cost of Power	\$119,297,035	\$116,971,336
Distribution expenses	\$8,706,649	\$8,488,270
Consumer accounts expense	\$4,937,705	\$5,060,681
Customer service & informational expense	\$1,442,234	\$1,416,035
Sales expense	\$753,231	\$803,328
Administrative & general expense	\$6,044,522	\$6,525,470
Maintenance expense:		
Distribution system	\$6,841,415	
General plant	\$1,312,687	
Depreciation and amortization	\$10,596,793	\$11,012,348
Interest on outstanding debt	\$6,926,129	
Total cost of Electric Services	\$166,858,400	\$166,037,855
WHAT WE HAD LEFT		
Operating Margins and Patronage Capital	\$3,099,819	\$10,985,345
Non-Operating Margins-Other	\$4,092,700	\$4,315,922
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Total Operating and Non-Operating Margins	\$7,192,519	\$15,301,267
OEMC AND OTHER Patronage capital (CFC&GRESCO)	\$3,703,261	\$4,012,552
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Total Operating and Non-Operating Margns Including		
OEMC and Other Patronage Capitals (CFC & GRESCO)	\$10,895,780	\$19,313,819

BOARD OF DIRECTORS

James W. Fulton, III, Chairman • Therol Brown, Vice Chairman • J. Neal Shepard, Jr., Secretary-Treasurer Donald Harris • Ross Henry • James Lee Hunter • Daniel C. Langford, Jr. • Alice J. Mallory Mildred A. Winkles

POWERlines • Editor: Chellie Phillips • 807 Collinsworth Road, Palmetto, GA 30268



Coweta-Fayette

2020

COVID-19 Didn't Stop Us! Take a Closer Look at What Your EMC Has Accomplished This Year

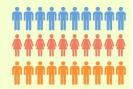




The Michael C. Whiteside Solar Plant went online in April. Since then, the **5,472 panels** have produced **1,935,600 kWh** in **144 days**.

72,242

CFEMC has 72,242 members and serves 81,862 accounts each month with reliable electricity.





1,100

This is the average number of kilowatt hours each member uses per month.

31,625

Members participate in Operation Round Up which puts money back into charitable organizations in our community. The average member contributes around \$6 per year.





\$54,000

Operation Round Up awarded 24 scholarships to local students enabling them to pursue their dreams.

www.utility.org

CAPITAL CREDIT FACTOR

Since Coweta-Fayette EMC is a member-owned organization, any margins remaining after expenses are assigned to our member-owners annually. *The percentage allocated for 2019 is 11.52*%. These funds become part of our equity until they are returned to you as approved by our Board of Directors.