

powerlines



Coweta-Fayette



Annual Report 2021

You may think of Coweta-Fayette EMC as poles and wire strung across the countryside delivering power to your homes and businesses. But, we've come to realize that your electric cooperative is much more than a set of boundary lines. It's a community.

In a community, neighbors watch out for neighbors, families take care of families, and we all work together toward the common good. That's not so different from an electric cooperative. We're community-focused, and our goal is to efficiently deliver affordable, reliable, and safe energy to the people who count on us.

That means we choose to do what's right and watch out for your best interest. If anything, 2020 and 2021 have shown us how to be adaptable and still meet the needs of our members while focusing on the safety of our employees. Normally, in our business, safety means watching for exposure to live lines, vehicles accidents, and heat-related incidents. Now it's taken on a whole new look. But one thing we've learned is that when you focus on the people, you'll make the right choices every time.

Speaking of community, around midnight on Friday, March 26, an EF4 tornado, with winds estimated to be over 170 mph, tore through Heard, Coweta and Fayette Counties, leaving a path of devastation. But as the sun rose that morning, we saw the strength of this community come together and immediately began picking up the pieces.

The EMC restoration efforts were aided by over 200 linemen and contractors who worked side by side to replace over 130 broken poles and help rebuild the electric system to restore power to over 6,000 EMC members who were impacted.

We know not everyone has fully recovered from this traumatic event and we continue to sympathize with those of you who experienced damage to, or the loss of your home. We live and work here too. You're our friends and neighbors and we'll continue to be beside you throughout the rebuilding process.

It's easy to focus on the past. But at Coweta-Fayette EMC, we keep looking and working



Chris Stephens
CEO



James W. Fulton, III
Chairman

toward the future as well.

We're working on new technologies and on strengthening our infrastructure so we can meet your needs not only today, but in the future as well.

We're extremely proud of our community solar project. The Michael C. Whiteside Solar Plant was made possible through

a partnership with our subsidiary, True Natural Gas and is now fully operational and producing approximately 297,000 kWh of energy each month. It's located on 10 acres in Heard County, and has 5,472 panels. Our members can purchase a portion of the energy produced which will show up as Smart Choice Solar credits on their monthly electric bill. To date, over 1,034 of the panels have been leased by our members. It's a great way for you to participate in renewable energy without the hassle or expense of adding equipment to your home or business.

We continue to utilize SCADA (Supervisory Control and Data Acquisition) to provide our system operators information about the grid to help us recognize problems before they occur on our system. This invisible technology incorporates chips, sensors, and a network of fiber that connects our system to our office. To date, 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 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.

All of us at CFEMC are glad to be a part of your community, doing our part to help it thrive: from securing 24/7 energy sources to building a smarter community grid and more.

We didn't set out to create a community when our electric cooperative began. But we like to think, as we've grown and served you and your neighbors over the years, we've helped to create one along the way. For that opportunity and so many others, we are truly grateful.

This year's **Member Appreciation Day and Annual Meeting** will once again look 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 once again host a drive-thru business-only event on **Saturday, October 9, from 9a.m. - 11a.m.** 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. 15. Inside you'll find information on how you can vote electronically and participate in this year's meeting. If needed, you will also be able to vote **when you drive-thru the day of the meeting.**

We're providing you the opportunity to register early at any of our office locations during the week of Oct. 4-8.

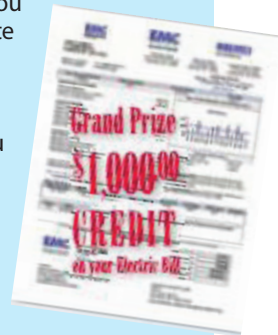
Every registered member will receive a **Magic Strip Power Cube** just for registering.

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**

You can **listen to speeches** from the CFECM CEO Chris Stephens, Board Chairman Jim Fulton, True Natural Gas and Operation Round Up by visiting our 2021 Annual Meeting page on our website (www.utility.org/about-us/2021-annual-meeting/).

The **Grand Prize Winner and other results will be announced at 11 AM on Facebook Live, on October 9.** 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 USDA 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.

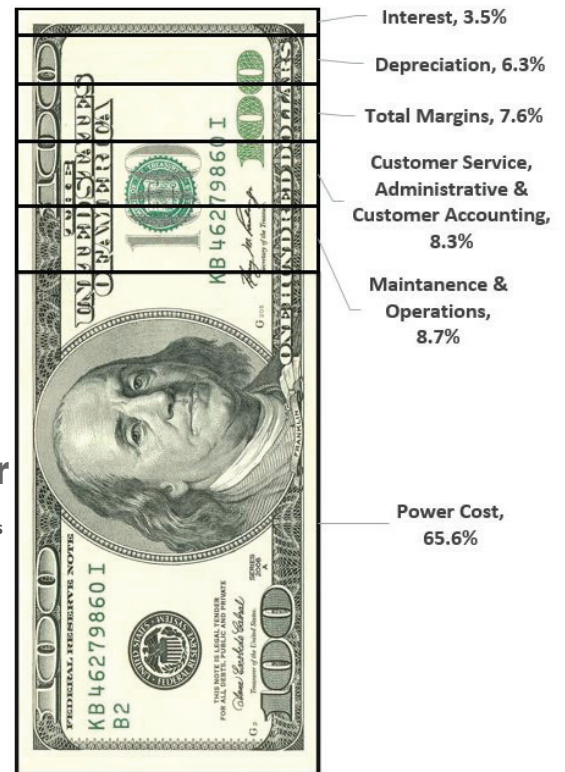
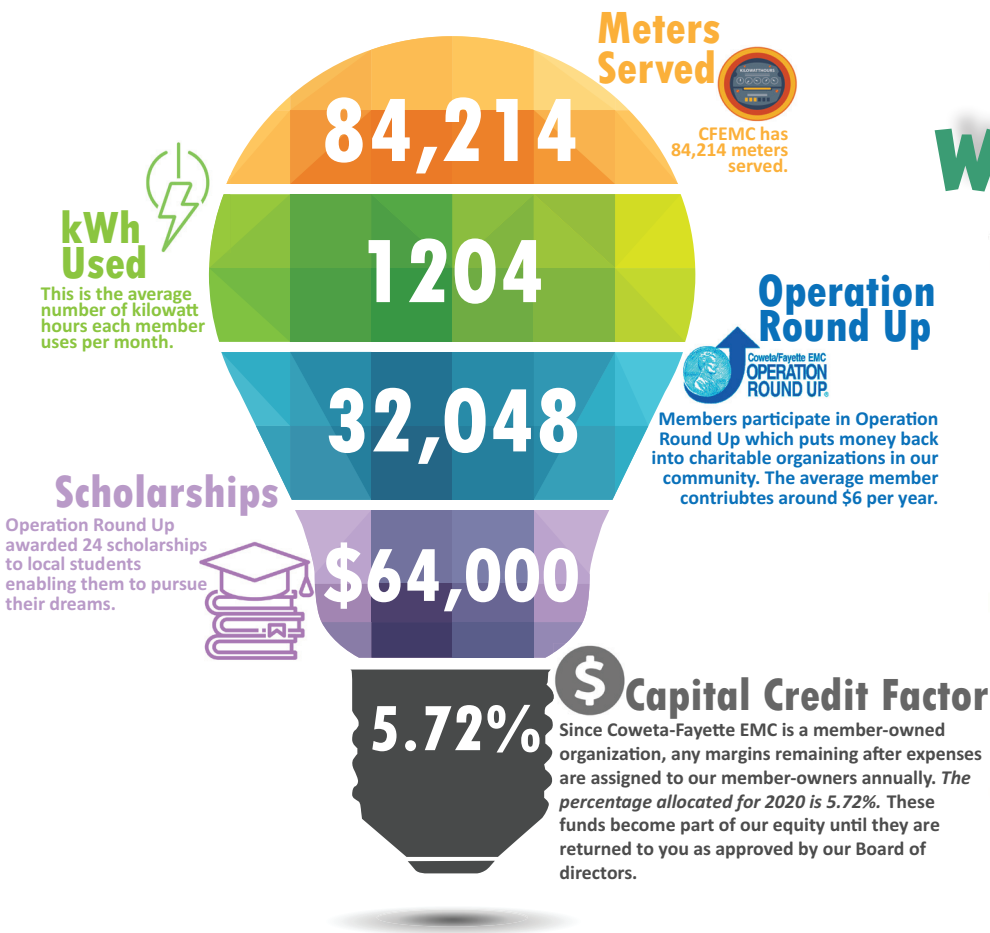
Balance Sheet

WHAT WE OWN	2020
Lines, Office Building and Operation Equipment	\$393,509,331
Less: Reserve for Depreciation	<u>\$132,504,549</u>
	<u>\$261,004,782</u>
General - Cash	\$5,179,934
Investments in Associated Organizations - Patronage Capital	\$107,681,580
Receivables	\$11,933,736
Materials and Supplies	\$3,121,018
Prepaid Expenses and Other Accrued Assets	\$8,853,225
Deferred Debits	\$9,295
TOTAL OF WHAT WE OWN	<u>\$397,783,570</u>
WHAT WE OWE	
To the Government - RUS/FFB	\$138,596,519
Other Cooperative Lenders - CFC	<u>\$9,972,894</u>
	<u>\$148,569,413</u>
To Consumers - Deposits	\$3,798,499
To Material Suppliers (Notes & Accounts Payable)	\$44,878,385
Other Current and Accrued Liabilities	\$5,119,355
Deferred Credits and Non Current Liabilities	\$14,080,993
OUR EQUITY IN ABOVE ASSETS	
Membership Fees	\$1,797,890
Patronage Capital & Other Equities	<u>\$179,539,035</u>
TOTAL OF WHAT WE OWE	<u>\$397,783,570</u>

Statistics of Operation

	2019	2020
WHAT WE TOOK IN		
Operating Revenue and Patronage Capital	\$177,023,200	\$172,849,844
WHAT WE PAID OUT		
Operating Revenue Deductions		
Operation expense:		
Cost of Power	\$116,971,336	\$119,886,390
Distribution expenses	\$8,488,270	\$8,015,311
Consumer accounts expense	\$5,060,681	\$5,167,218
Customer service & informational expense	\$1,416,035	\$1,311,610
Sales expense	\$803,328	\$873,222
Administrative & general expense	\$6,525,470	\$6,691,371
Maintenance expense:		
Distribution system	\$7,520,090	\$7,966,092
General plant	\$1,170,426	\$1,169,738
Depreciation and amortization	\$11,012,348	\$11,581,685
Interest on outstanding debt	<u>\$7,069,871</u>	<u>\$6,308,784</u>
Total cost of Electric Services	<u>\$166,037,855</u>	<u>\$168,971,421</u>
WHAT WE HAD LEFT		
Operating Margins and Patronage Capital	\$10,985,345	\$3,878,423
Non-Operating Margins-Other	<u>\$4,315,922</u>	<u>\$5,688,369</u>
	<u>\$15,301,267</u>	<u>\$9,566,792</u>
Total Operating and Non-Operating Margins	<u>\$15,301,267</u>	<u>\$9,566,792</u>
OEMC AND OTHER Patronage capital (CFC & GRESKO)	<u>\$4,012,552</u>	<u>\$4,357,241</u>
	<u>\$19,313,819</u>	<u>\$13,924,033</u>
Total Operating and Non-Operating Margins Including OEMC and Other Patronage Capitals (CFC & GRESKO)	<u>\$19,313,819</u>	<u>\$13,924,033</u>

HOW YOUR DOLLARS WERE SPENT!



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