

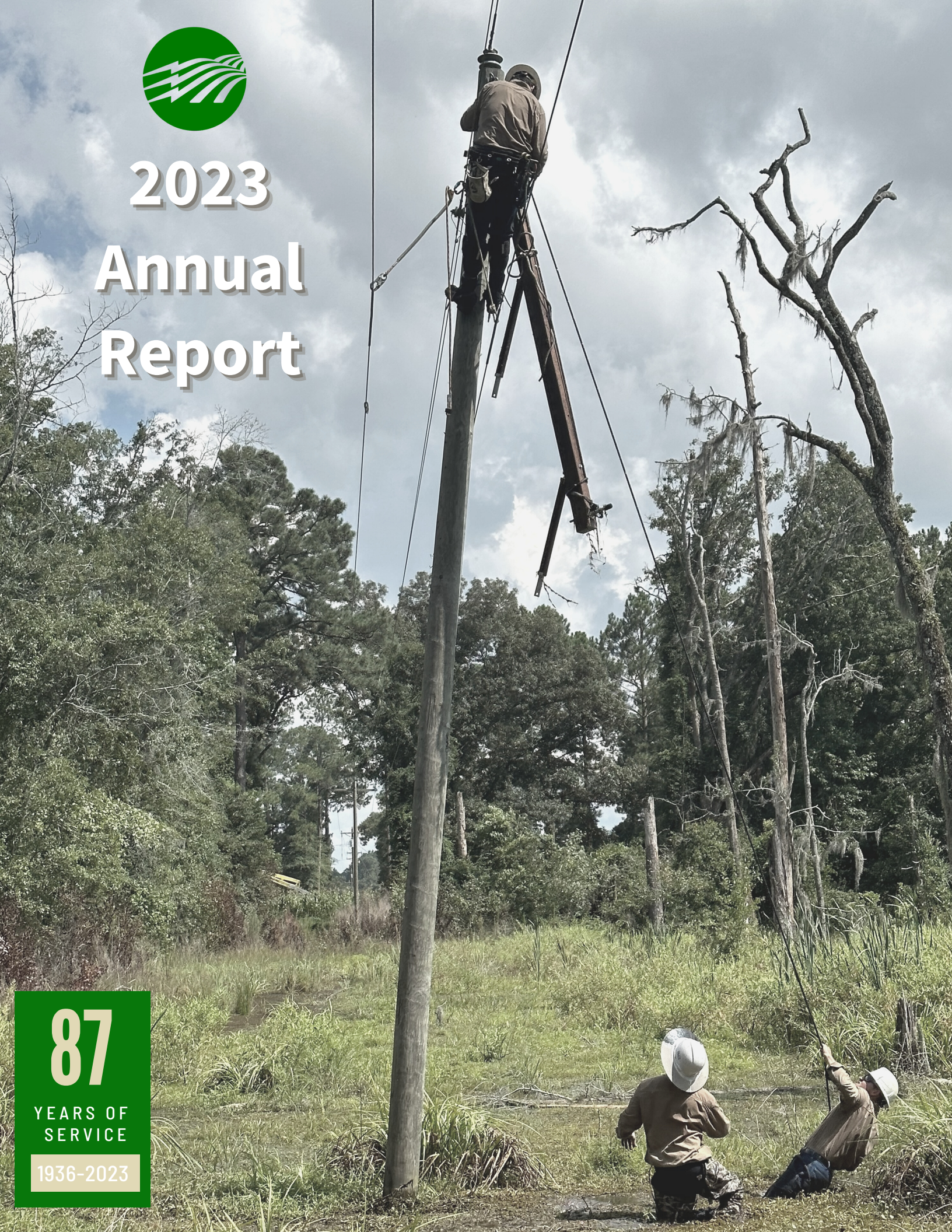


2023 Annual Report

87

YEARS OF
SERVICE

1936-2023



Board of Directors

Burke District:

Jon Crockett
Stan Hillis
Linda Josey

Jenkins District:

Don Burke
Rayburn Johnson
Horace Weathersby

Screven District:

Todd Bazemore
Mary Robbins
Ainsworth Zeagler

Attorney

R. Hubert Reeves III

Staff

General Manager

Matt Brinson

Assistant General Manager/

Manager of Engineering

Norman Williams

Manager of

Administrative Services

Paula Adams

Manager of

Consumer Accounts

Rose Small

Manager of

Information Services

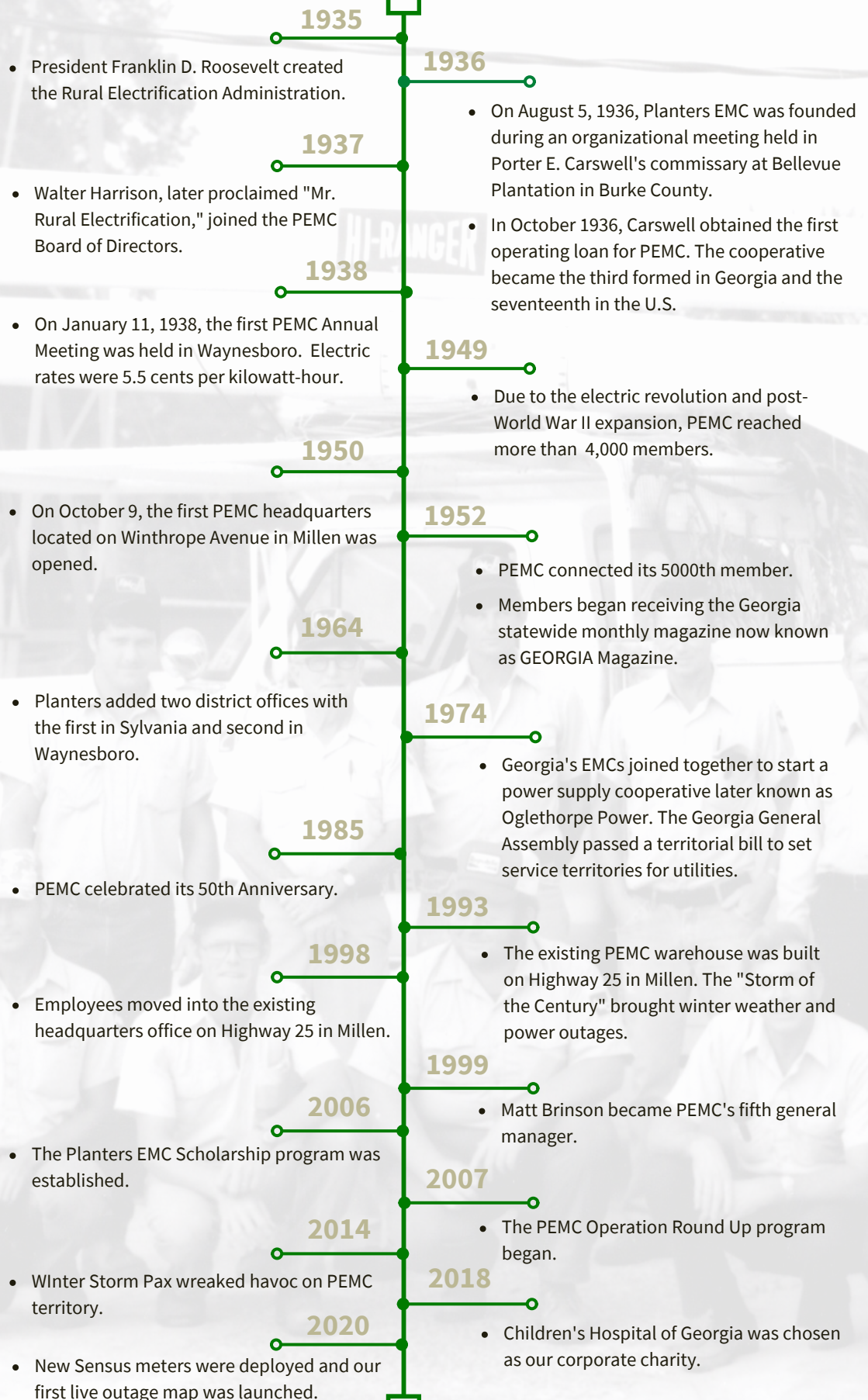
Joey McBride

Manager of Member Services

Randy Hill

Manager of Operations

Chris Drake



2022 Annual Meeting Minutes

The 86th Annual Meeting of Members for Planters Electric Membership Corporation was held on Thursday evening, October 20, 2022 with registration beginning at 4:00 p.m. This year's meeting was held as a drive-thru event. The meeting was held at the Jenkins County Schools' parking lot. Upon entering, members were welcomed by employees then were registered with iPads and each was given ballots and Annual Reports. 822 members were in attendance.

Credentials Committee members were on hand to answer any questions. Members present were Bickle Thomas, Jr., Jeff Pye, Cynthia McManus, Tom Rider, Duane Barger, Karlson Bell, Ricky Saxon, Kelly Boswell and Marty Orvin.

Candidates up for re-election this year were Incumbent Burke District– Stan Hillis and Screven District– Mary Robbins. With the retirement of Jenkins District Incumbent, Elbert Burke, nominee Rayburn Johnson ran for that seat.

Once ballots were cast, members received a gift bag with a set of knives and LED light bulbs. Registration ended promptly at 7:30 p.m.

In the Annual Report, Chairman Stanton Hillis discussed the sound financial condition of the cooperative. He also reported that approximately \$1.56 million in capital credits was refunded to members in August 2022. In the 86 years of our existence, we have given out over \$24.9 million in refunds.

Manager Matt Brinson announced in his section of the Annual Report that each member that registered at this meeting will receive a \$25.00 credit on their next electric bill. He also reminded everyone of the importance of our Operation Round Up program. Over the program's 16-year history, \$1,321,343.41 in grants have been awarded for local projects. He also noted that \$843,600.00 has been awarded in scholarships to our local high school seniors since 2006. This is funded by unclaimed capital credits. This year those students were awarded scholarships in the amount of \$1,600.00!

Hillis and Brinson also recognized the dedication and commitment of the cooperative's employees. This year the following received service awards: 45 Years – Attorney, R. Hubert Reeves, 35 Years - Director Linda Josey and Russell Collins, 30 Years – Rose Small, 25 Years – Chris Drake and DeWayne Purvis, 20 Years – Willie Mingle, 15 Years – Kevin Edenfield, Richard Gay, and Jemal McCollum, 10 Years– Tamia Lovett, 5 Years– Director Todd Bazemore, A.J. Jenkins and Whitney Zeagler.

Attorney Reeves declared at 7:30 p.m. that the meeting was adjourned.

Manager Brinson also took time to thank our local school system for allowing us the use of their facilities, our local law enforcement for helping us with traffic control and our local Extension office for the use of their parking lot.

Respectfully Submitted,



Horace H. Weathersby, III
Secretary

Financial Report

Balance Sheet

(For the Year Ended December 31)

	2021	2022
ASSETS		
Plant		
Net Utility Plant	\$ 63,893,641	\$ 66,834,611
Current and Other Assets	\$ 6,560,445	\$ 3,095,907
Cash and Temporary Investments	\$ 2,713,990	\$ 3,319,126
Accounts Receivable	\$ 893,738	\$ 1,107,230
Materials and Supplies	\$ 16,313,457	\$ 17,577,835
Other Investments	\$ 15,582,412	\$ 19,526,857
Other Assets and Prepayments	\$ 42,064,042	\$ 44,626,955
Total Assets	<u>\$105,957,683</u>	<u>\$111,461,566</u>
LIABILITIES AND MEMBER EQUITIES		
Members' Equity	\$ 125,742	\$ 127,117
Membership	\$ 50,326,414	\$ 51,699,524
Patronage Capital and Equities	\$ 50,452,156	\$ 51,826,641
Liabilities	\$ 38,439,516	\$ 43,344,788
Long-term Debt - RUS CFC	\$ 1,539,899	\$ 1,541,825
Consumer Deposits	\$ 3,133,984	\$ 3,380,988
Accounts Payable	\$ 1,752,525	\$ 1,492,070
Deferred Credits	\$ 10,639,603	\$ 9,875,254
Other Liabilities	\$ 55,505,527	\$ 59,634,925
Total Liabilities and Equities	<u>\$105,957,683</u>	<u>\$111,461,566</u>

Income Statement

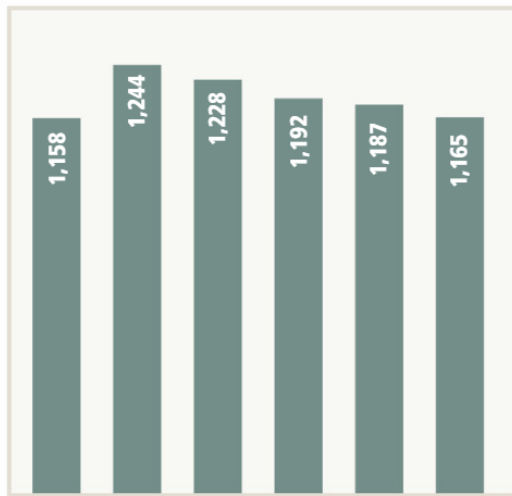
2021

2022

Revenue	\$ 35,056,828	\$ 40,266,887
Operating Revenue		
Expenses	\$ 21,377,276	\$ 25,339,666
Purchased Power	\$ 1,963,539	\$ 2,109,486
Operations	\$ 3,078,005	\$ 3,497,712
Maintenance	\$ 1,243,643	\$ 1,331,189
Consumer Accounts	\$ 498,087	\$ 540,949
Consumer Information	\$ 1,811,702	\$ 2,017,607
Administrative and General	\$ 2,703,177	\$ 2,804,453
Depreciation	\$ 1,068,320	\$ 1,108,029
Interest- Long Term	\$ 33,743,749	\$ 38,749,091
Total Operating Expenses	<u>\$ 33,743,749</u>	<u>\$ 38,749,091</u>
Margins	\$ 1,313,079	\$ 1,517,796
Operating Margins	\$ 764,903	\$ 854,113
Associated Organizations	\$ 1,289,003	\$ 716,653
Non-operating Income	\$ 3,366,985	\$ 3,088,562

Statistics of Growth

Average Kilowatts Used
(residential per month)



2017 2018 2019 2020 2021 2022

Miles of Power Line



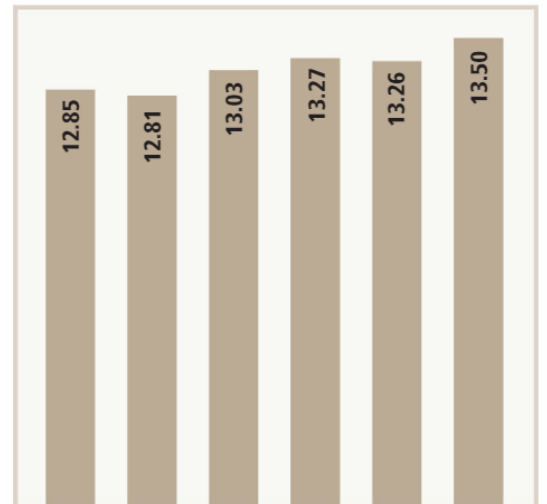
2017 2018 2019 2020 2021 2022

Number of Meters
(at year end)



2017 2018 2019 2020 2021 2022

Residential Retail Power Cost
(per kwh in cents)



2017 2018 2019 2020 2021 2022

How Your Dollar Was Used

Purchased Power
62.93%

Administrative & General
5.01%

Operations & Maintenance
13.93%

Consumer Accounting
4.65%

Depreciation
6.96%

Interest
2.75%

Members' Margins
3.77%

Chairman's Remarks

On behalf of the Board of Directors, I am pleased to report that 2022 was a successful financial year for Planters EMC (PEMC). The graphs below demonstrate that the cooperative is in good financial standing. The times interest earned ratio (TIER) graph displays the ability of the cooperative to pay off its debts while the equity graph portrays the members' percentage of ownership in the cooperative relative to its debt. The board strives to make sound financial decisions that will ensure the co-op thrives in the future.

Earlier this year, the board approved the general retirement of capital credits in August 2023, totaling approximately \$1.6 million, for all members who received electric service from the co-op in 1997, 1998, 1999 and/or 2021. PEMC will continue the current retirement schedule in August 2024. It is important to note that if you were served by an investor-owned utility such as Georgia Power, this money would be returned to stockholders.

Capital credits are the money or margins that is left over after all expenses associated with operations have been paid. Members are entitled to a share of the refund based on the amount they paid PEMC for electric service in a specific year(s). The cumulative patronage graph below shows the co-op has cumulatively paid out a larger percentage of capital credits than most cooperatives in the state and nation. PEMC hopes to continue excelling in this area in 2024. The co-op has refunded approximately \$27 million in capital credit refunds over its 86 years of existence.

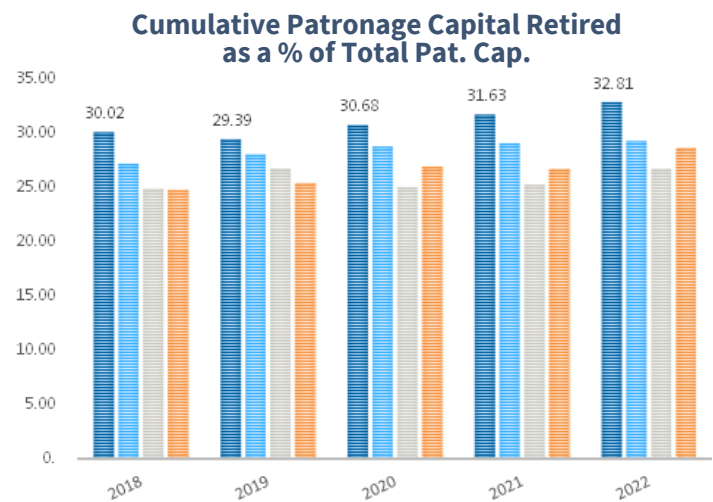
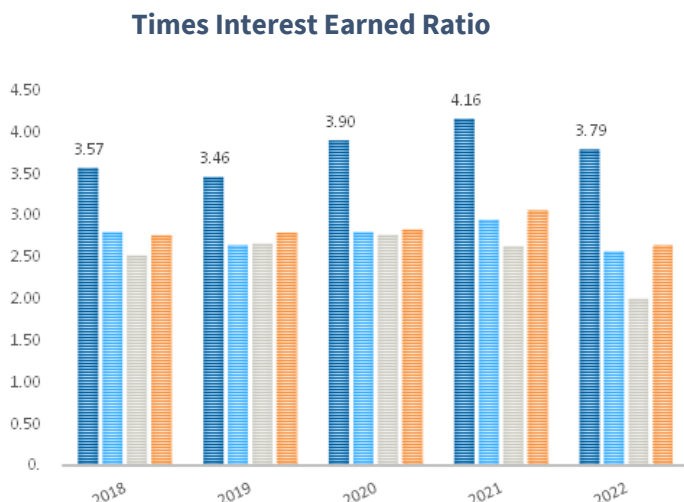
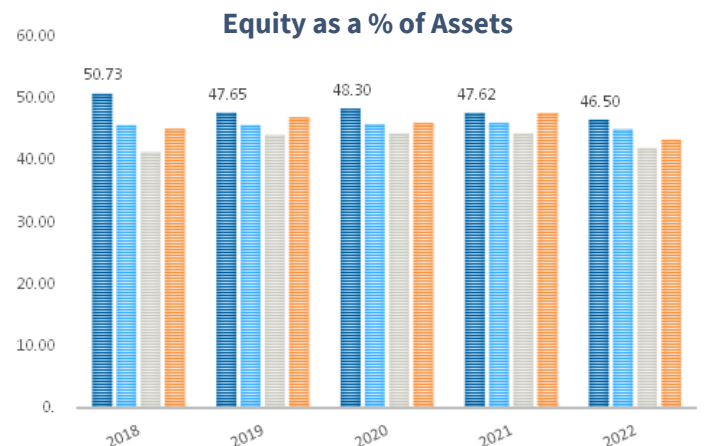
Due to federal environmental regulations, we are currently experiencing uncertainty in power generation costs. As a not-for-profit electric cooperative, we do our very best to deliver affordable power at the lowest possible cost to our members. When wholesale power costs increase, the price of power for our members also increases. We expect electric rates in 2024 to be comparable to 2023. If/when increases are necessary, it will be reflected in the wholesale power cost adjustment on your monthly electric bill.

As always, we appreciate the opportunity to serve you and look forward to a prosperous future for PEMC. Please make plans to join us at next year's meeting on Thursday, October 17, 2024.

Regards,



Horace H. Weathersby III
Board Chairman



General Manager's Remarks

As we mark the 87th anniversary of Planters EMC, it is evident that energy costs are rising across the state and nation, due to federal energy policy and rate pressure from Plant Vogtle Unit 3 coming online. Planters EMC is not immune to these challenges. Wholesale power costs and the prices of essential supplies and equipment have seen substantial increases. As the economic uncertainty persists, we want to assure you that we are diligently working to mitigate the financial impact on our members. We are closely monitoring the situation, with the sincere hope that prices will eventually stabilize. In the meantime, these increased costs will be reflected in the wholesale power cost adjustment on your monthly electric bill. We appreciate your understanding as we remain committed to delivering safe, reliable, and affordable electricity to those we serve.

In following one of the Seven Cooperative Principles (Concern for Community), we strive to give back to the communities we serve in various ways throughout the year. Operation Round Up (ORU) is one of the ways we do this. This program is funded by members who round up their power bill each month to the nearest dollar. This spare change adds up to make a powerful impact. In 2022, the ORU Board awarded \$105,780.28 to local non-profit organizations. Since the program's inception, grants awarded totaled over \$1.4 million. We appreciate those who round up and want to thank the following who serve on our ORU Board: Bill Lively, Burke County; John Roy Clifton, Jenkins County; and Eddie Reddick, Screven County.

Students are our future, and I believe they are one of the best investments we can make in our community. Each year, the Planters EMC Scholarship provides funds to dozens of local students for higher education. These scholarships are made possible by a 2005 Georgia law allowing electric co-ops to use capital credits left unclaimed by members after five years to fund education, economic development, or charitable organizations. Until 2006, this money was returned to the state as unclaimed property. In July 2023, PEMC awarded \$2,625 scholarships to 60 local high school seniors. PEMC has awarded a total of \$1,008,975 in scholarships since 2006.

The Washington Youth Tour is another excellent opportunity for the youth in the communities we serve. After a hiatus due to the pandemic, the tour made a successful return this year. This all-expense-paid, week-long leadership experience allows three local students to explore U.S. government and history firsthand in Washington, D.C. while networking and developing leadership skills. The following three delegates were selected to represent PEMC in 2023: Caleb Asbury, Bryan Lanier Jr., and Autumn Dailey, all of Jenkins County High School. We are proud to power the futures of these bright local students!

We are also proud to support the Children's Hospital of Georgia (CHOG) as our corporate charity. Many of our employees, members, and their families have been helped by the hospital, and it is a blessing to have such a valuable resource near our service territory. In 2022, PEMC raised \$26,001.06 for CHOG through the Chickenque, grill raffle, employee contributions, and snack sales. Thank you to everyone who contributed to this worthy cause! We are grateful for this partnership and look forward to supporting CHOG again this year!

Finally, I would like to thank our Board of Directors and employees for making this a successful year, and I congratulate the following on their years of service at the co-op:

- 40 years: Jet Wilson
- 30 years: Paula Adams
- 25 years: Janet Collier, Will Wade, and Ross Zittouer
- 15 years: Ashlee Creech
- 10 years: Director Jon Crockett, Hudson Johnson, and Bobby Jones III
- 5 years: Dontavous Young, Kyle Beach, Jason Wilson, Cindy Harper, and Drew Newton

As a token of our appreciation, each member who participated today will receive a gift and a credit of \$25 on his/her electric account. Thank you for participating in Planters EMC's Annual Meeting, and we hope to see you next year.

Sincerely,



Matt Brinson
General Manager



Thank you for coming!