

# **EXCELSIOR ELECTRIC MEMBERSHIP CORPORATION**

## **ANNUAL REPORT NEWSLETTER**



**The 85th Excelsior EMC Annual Members' Meeting  
will be held on Friday, May 12, 2023,  
at the Bulloch County Agricultural Complex  
in Statesboro, Georgia.**

# Line Items

Bronson Bragdon  
*Editor*

## BOARD OF DIRECTORS

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*This institution is an equal opportunity provider and employer.*

**When Your Power is Off – Call  
(912) 685-2115 or (912) 764-2123**

When your power goes off, don't stay in the dark longer than you have to. To restore your power as quickly as possible, we need your correct phone number. Your phone number is the quickest way for us to locate your home or business when you call to report an outage.

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# EXECUTIVE REPORT

BY Mike Anderson, Chairman  
Greg Proctor, President/CEO



Since 1938, Excelsior EMC has been a part of the local community proudly serving our members by providing safe, reliable, and cost-effective service. A big part of our commitment to our member-owners is keeping you informed about the continued progress at your cooperative. The information contained in this Annual Report Newsletter provides a recap of the past year and highlights many of the key activities taking place at Excelsior EMC.

During the last three years, your cooperative continued to experience impressive growth by adding over 1,300 meters. During 2022 alone, we've added 458 meters to our distribution system. Over the past five years, we've grown by 8.1% and now serve 24,766 total meters.

Wholesale power costs were extremely volatile last year. The cooperative's cost of purchased power increased by 42% over 2021. The supply of materials used in construction and maintenance was inconsistent and unpredictable, therefore we increased inventory levels to ensure the reliability you expect. On top of those challenges, the price of everything we purchased increased, further adding to our costs.

The growth that we are seeing in our community requires us to continue improving and expanding our distribution network. During 2022 we added over 35 miles of power lines and invested over \$8.2 million in our system to serve members better.

We completed a field inventory of the electric system in 2022. This project provided GPS coordinates and a list of construction units for every pole, transformer and meter on our system and allowed us to implement an electronic mapping system. This system is beginning to provide efficiencies that will serve us well into the future.

This last year brought a multitude of new industry announcements. These employers will create almost 1,000 new jobs. Those jobs will bring new residents. New residents will need homes. New residents purchase food, groceries, and services that create new businesses. All of these will need electrical service that we provide. We've spent a lot of time preparing for the upcoming growth challenges by making changes to our organizational structure so that we can respond to the changes that will be needed.

Looking ahead, our four-year workplan calls for the conversion of the Jimps Substation near the Wal-Mart Distribution Center south of Statesboro. This work will provide additional capacity and improve reliability by creating ties to nearby substations. Look for this work to begin later this fall in preparation for the November cutover date.

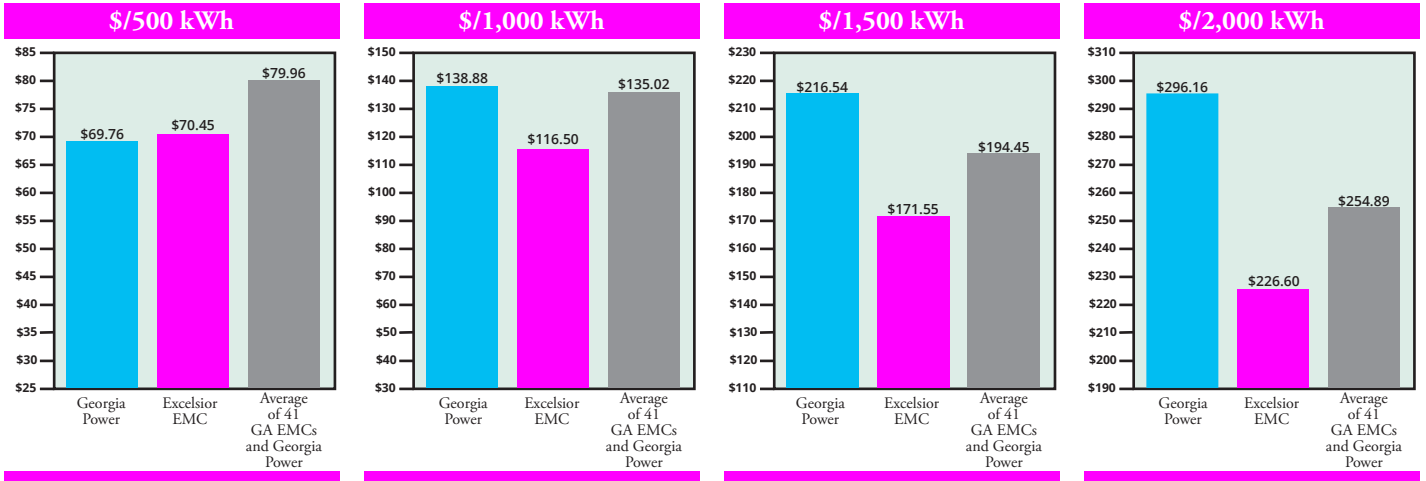
As a not-for-profit cooperative, our mission is to provide the best in safe, reliable, and cost-effective service to you, our member owner. We're honored to be part of a cooperative that's been serving members for 85 years. We look forward to seeing you at this year's Annual Meeting, and we're excited about the opportunities to serve members today, tomorrow, and beyond.



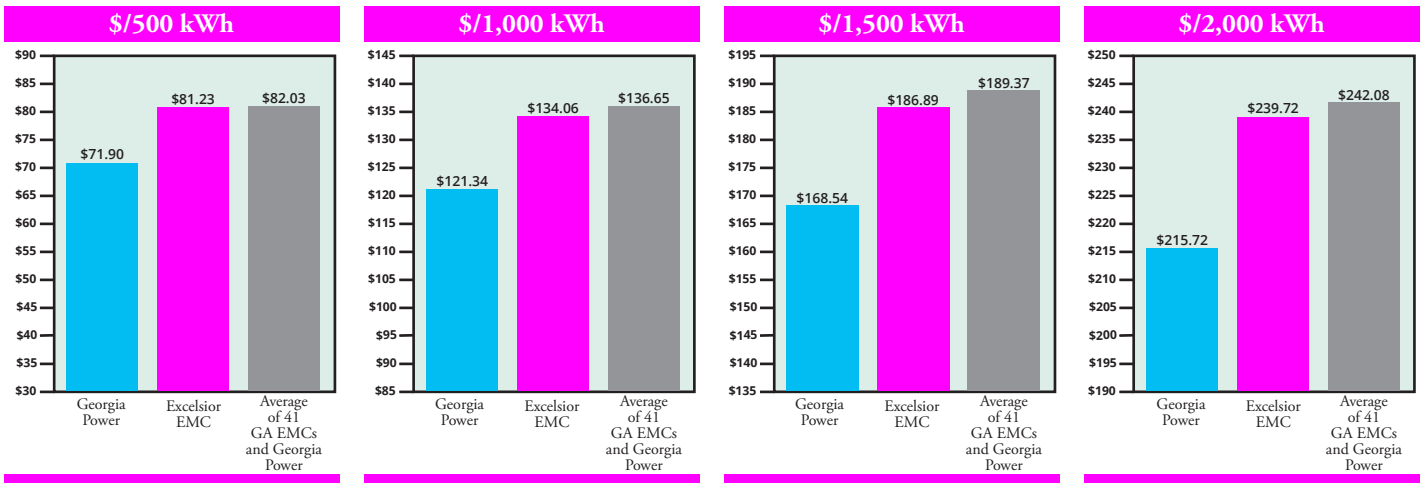
EVERY MEMBER COUNTS

# RATE COMPARISON

## SUMMER 2022



## WINTER 2023



NOTE: The average size home with 1,500-1,800 square feet of living area will use approximately 1,500-2,000 kWhs per month when heating and cooling is required.

**Excelsior EMC's mission is to provide the best in safe, reliable, and cost-effective service for its members.**

## METERS PER MILE OF LINE

Average of Investor Owned Utilities..... 34 meters per mile of line

Average of GA EMCs ..... 11.2 meters per mile of line

**Excelsior EMC.....7.12 meters per mile of line**

# BALANCE SHEET DATA

As of December 31, 2022

## WHAT WE OWN (ASSETS)

We have cash on deposit	\$ 941,831
We have funds invested	9,559,383
We have other property & investments	22,954,613
We have accounts, notes & interest receivable	5,516,152
We have inventories of material	2,218,765
We have prepayments	5,643,209
We have deferred debits	1,327,920
We have capital plant	77,019,534

**WE HAVE TOTAL ASSETS \$ 125,181,407**

## WHAT WE OWE AND MEMBERS' EQUITY (LIABILITIES)

We owe CFC	\$ 8,480,843
We owe FFB	27,304,566
We have other current & accrued liabilities	8,030,519
We have other noncurrent liabilities	691,267
We have deferred credits	14,827,881
We have membership fees	415,712
We have consumer deposits	781,215
We have margins & equities	64,649,404

**WE HAVE TOTAL LIABILITIES & MEMBERS' EQUITY \$ 125,181,407**

# OPERATING STATISTICS

As of December 31, 2022

## INCOME

	2022	2021	2020	2019
Operating Revenue	\$ 57,505,363	\$ 43,102,448	\$ 38,720,416	\$ 39,752,431
Non-operating Revenue	434,480	489,377	431,437	714,994
<b>Total Income</b>	<b>\$ 57,939,843</b>	<b>\$ 43,591,825</b>	<b>\$ 39,151,853</b>	<b>\$ 40,467,425</b>

## OPERATING EXPENSES

Cost of Power	\$ 41,846,006	\$ 29,418,286	\$ 25,170,893	\$ 26,679,911
Distribution Operations	3,246,929	2,618,977	2,307,227	2,225,532
Distribution Maintenance	3,864,928	3,371,385	3,416,753	3,344,263
Consumer Accounts	1,684,401	1,496,316	1,375,895	1,267,304
Consumer Information & Sales	117,919	179,004	181,877	160,990
Administrative & General	2,041,594	1,744,141	1,796,587	1,639,178
Depreciation & Amortization	3,270,383	3,097,051	2,991,389	2,872,212
	<b>\$ 56,072,160</b>	<b>\$ 41,925,160</b>	<b>\$ 37,240,621</b>	<b>\$ 38,189,390</b>

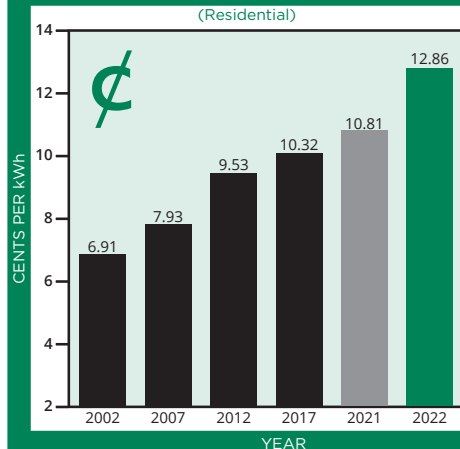
Margins Before Interest Expense	\$ 1,867,683	\$ 1,666,665	\$ 1,911,232	\$ 2,278,035
Interest Expense	1,048,979	1,000,159	1,043,309	1,291,067
<b>Margins After Interest Expense</b>	<b>\$ 818,704</b>	<b>\$ 666,506</b>	<b>\$ 867,923</b>	<b>\$ 986,968</b>
Power Supply Cooperative Capital Credits	977,348	857,221	852,870	855,045
Capital Credits - Associated Organizations	313,249	219,052	131,017	298,780

**NET MARGINS \$ 2,109,301 \$ 1,742,779 \$ 1,851,810 \$ 2,140,793**

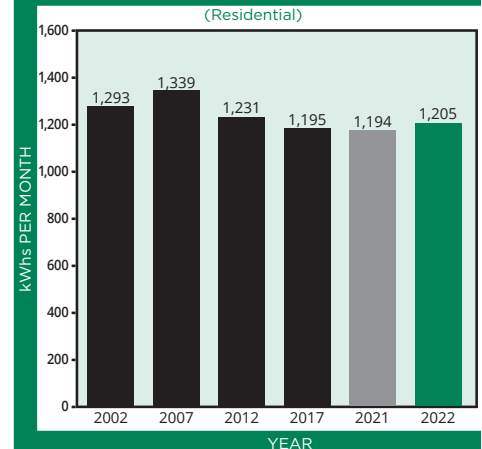
## COST OF PURCHASED POWER

Year	\$ Cost of Power	kWhs Purchased	Cents per kWh
2002	15,115,433	362,161,593	4.17
2007	24,585,147	408,201,593	6.02
2012	25,523,978	395,964,585	6.45
2017	25,895,394	396,991,263	6.52
2021	29,418,286	412,932,620	7.12
2022	41,846,006	427,784,854	9.78

## AVERAGE COST PER kWhs SOLD



## AVERAGE kWhs PER MONTH




EVERY MEMBER COUNTS

# SECRETARY-TREASURER'S REPORT

by G.W. Johnson, Jr.





**MCNAIR MCLEMORE  
MIDDLEBROOKS & CO**  
CERTIFIED PUBLIC ACCOUNTANTS

389 Mulberry Street | Macon, Georgia 31201  
Post Office Box One | Macon, Georgia 31202  
478-746-6277 | mmmcpa.com

March 31, 2023

The Board of Directors  
Excelsior Electric Membership Corporation  
Metter, Georgia

As reported February 9, 2023, we have audited the financial statements of **Excelsior Electric Membership Corporation**, which comprise the balance sheet as of December 31, 2022, and the related statements of operations and comprehensive income, changes in members' equity, and cash flows for the year then ended, and the related notes to the financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

In our opinion, the previously submitted financial statements present fairly, in all material respects, the financial position of Excelsior Electric Membership Corporation as of December 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The accompanying balance sheet data as of December 31, 2022 was reconciled to the audited financial statements. The operating statistics presented for the year ended December 31, 2022 were reconciled to the audited financial statements.

*McNair, McLeMore, Middlebrooks & Co., LLC*  
MCNAIR, MCLEMORE, MIDDLEBROOKS & CO., LLC

To keep our members informed of the Cooperative's financial condition, we use the May issue of *Line Items* to provide an in-depth report. Once again, I am pleased to report that the Cooperative had a financially stable year in 2022.

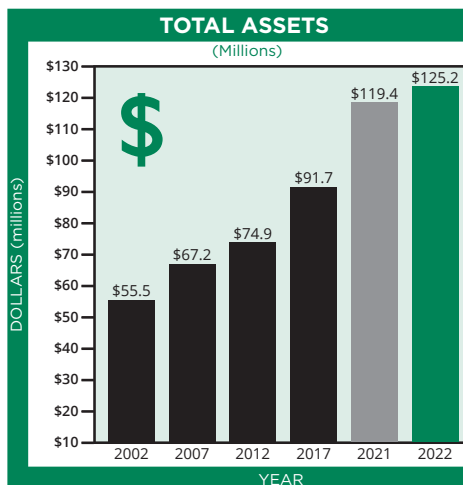
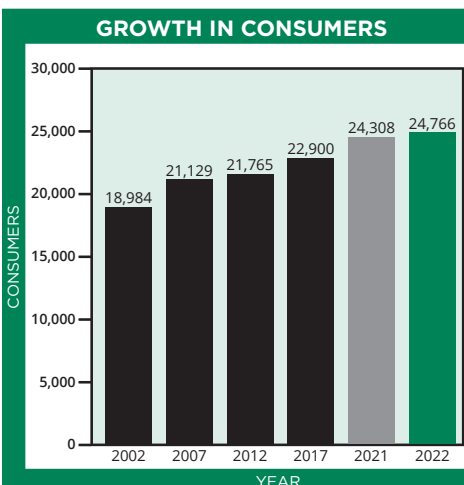
At the end of 2022, the Cooperative's total assets were in excess of \$125.2 million. Also at the end of 2022, the Cooperative had a total of 24,766 consumers as compared to 24,308 at the end of 2021. The average energy cost for residential members increased from 10.81¢ in 2021 to 12.86¢ at the end of 2022. A comparison of Excelsior EMC's rates with its competitors is detailed on page three of this newsletter.

Our auditors, McNair, McLeMore, Middlebrooks & Co., Certified Public Accountants, completed an audit of the Cooperative's accounting records. The financial information presented represents only a summary of your auditor's report. Copies of the audit are on file at the Cooperative's headquarters office

in Metter. Should you have any questions, please feel free to contact the staff for a full explanation.

All financial decisions are made with you, the member-owner, in mind. The overall goal of the Cooperative remains the same each year: to provide our member-owners with safe, dependable electric service at the lowest possible cost.

The Cooperative's Board of Directors and our employees are dedicated to serving each of you. We appreciate the cooperation and understanding you continue to provide.



### Where Your 2021 & 2022 Dollar Went...

	2022	2021
Purchased Power	72.2	67.5
Maintenance	6.7	7.7
Depreciation & Amortization	5.6	7.1
Operations	5.6	6.0
Administration	3.5	4.0
Consumer Accounting & Info. Expense	3.1	3.8
Interest	1.8	2.3
Margins	1.4	1.5



# GROWTH OF YOUR COOPERATIVE

2022 proved to be another year of growth for Excelsior EMC. An accelerating economy contributed to the increase in Excelsior's membership through the year. There were 635 new electric services connected and more than 35 miles of new power line constructed in 2022. Additional infrastructure is an indicator of consumer growth. At the end of 2022, Excelsior EMC was serving 24,766 consumers in eight southeast Georgia counties over 3,471 miles of line. Annual kWh sales increased from 2021 by 3.65% to 405.7 million kWhs in 2022. The Cooperative's non-coincident peak demand of 147.6 megawatts occurred in December 2022 and was 33.21% more than the 2021 system peak demand.

In 2012, the Cooperative was serving 21,765 consumers. Since then, it has seen an average growth rate of 1.30% per year. Over the last five years, the average growth in consumers has increased to 1.58% per year. Last year, growth in consumers was 1.88%.

In 2022, the average residential consumer used approximately 1,205 kWhs per month, which is down from 1,231 per month in 2012. The Residential Service Rate is applicable to farms, homes, churches, schools, and community halls whose load requirements do not exceed 50 kVA of installed transformer capacity. For households on this rate with approximately 1,500-1,800 square feet of living area, the average energy usage

would be approximately 1,000-1,200 kWhs per month when heating and cooling is not required, and approximately 1,500-2,000 kWhs per month when heating and cooling is required.

The average residential cost per kWh sold in 2022 was 12.86¢ per kWh, as compared to 10.81¢ in 2021. Please refer to the Georgia Public Service Commission's Summer 2022 and Winter 2023 Residential Electric Rate comparison information on page three in this newsletter for the most current information.

Construction of homes and apartments steadily increased throughout the year. Georgia Southern University and Ogeechee Technical College continue to draw students to the area, where housing markets are working to keep up with the influx of people. Upon graduation from these post-secondary schools, many folks settle in the surrounding areas. Custom home construction has increased as people inhabit the area to enjoy the beautiful countryside.

Our members can rest assured that we are making every effort to deliver the highest quality power, improve service reliability and keep power costs affordable. Safe, reliable power at the lowest cost possible has been the driving force behind your Cooperative for 85 years now and will remain our primary objective as we continue to meet the needs of our members.

## SERVICE AWARDS

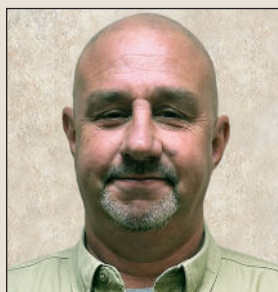
*Thank you for your service and dedication!*



**GAVIN EDENFIELD**  
*Apprentice Lineman*  
5 Years



**JONATHAN HANSEN**  
*Lineman*  
5 Years



**SCOTT HEBDEN**  
*Purchasing Agent*  
5 Years



**JOSH HOLLAND**  
*Director of Operations*  
5 Years



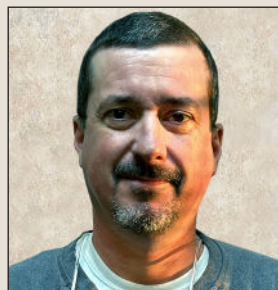
**CARSON McLAMB**  
*Apprentice Lineman*  
5 Years



**KENT WILSON**  
*Lineman*  
10 Years



**ASHLEY DONALDSON**  
*Dispatcher*  
20 Years



**MARK TRAPNELL**  
*Metering and Apparatus Technician*  
20 Years



**TAMIE WELLS**  
*Accountant 1*  
25 Years

# SOME RULES PERTAINING TO REGISTRATION AT EXCELSIOR EMC'S 2023 ANNUAL MEETING

## NEW MEMBERS

Subject to rules of general application, new members will be allowed to register at the annual meeting if such member has, on or before Monday, April 24, 2023, (1) made a written application for membership, (2) agreed to purchase electric energy as specified in the bylaws and other rules, (3) agreed to be bound by the articles of incorporation and bylaws, and (4) paid their membership fee.

## SPOUSAL REGISTRATION

In keeping with Excelsior EMC's longstanding practice, a member's spouse may register and receive prizes at the annual meeting. However, the ability of a spouse to register expressly depends upon that person's ability to provide the Cooperative with adequate proof of their identity as a member's spouse. Furthermore, as each membership is entitled to only one vote, measures will be taken to prevent the registration of both a member and his or her spouse.

## POLICY CONCERNING THE REGISTRATION OF ORGANIZATIONAL MEMBERSHIPS

All organizations (for example, corporations, clubs, churches, schools, governmental bodies and other firms) which are members of Excelsior EMC and wish to register at the annual meeting of members will be required to complete a Letter of Authorization, a copy of which has been included in this newsletter. The Letter of Authorization shall be signed by a duly appointed officer or agent of the organization and shall be proof that the organization has authorized the individual named on the Letter of Authorization to represent the organization at the annual meeting.

Any individual who seeks to represent an organization at the annual meeting will be required to present at the meeting both (1) a Letter of Authorization (copy enclosed), duly signed by an authorized officer or agent of that organization, authorizing that individual to represent the organization, and (2) an annual meeting registration card.

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# LETTER OF AUTHORIZATION

FOR THE USE OF CORPORATIONS, CLUBS, CHURCHES, SCHOOLS,  
GOVERNMENTAL BODIES AND OTHER FIRMS ("ORGANIZATIONS")

\_\_\_\_\_ has been appointed to represent \_\_\_\_\_

*(Print name of person authorized to vote  
on behalf of the Organization.)*

*(Print name of the Organization  
as it appears on the bill.)*

**as its voting delegate and to receive prizes for the Organization at the annual meeting of the members of Excelsior Electric Membership Corporation on Friday, May 12, 2023.**

\_\_\_\_\_  
*(Date)*

\_\_\_\_\_  
*(Signature of officer or agent of the Organization. Must be the Organization's Chairman of the Board, President, Vice-President, Secretary, Treasurer or other officer or agent of the Organization, or if the Organization is a church, its pastor or a member of the church's official Board.)*

\_\_\_\_\_  
*(Print the title of the officer or agent who has signed the authorization.)*



# OFFICIAL NOTICE OF ANNUAL MEETING

The 85th Annual Meeting of the Members of Excelsior Electric Membership Corporation will be held at the Bulloch County Agricultural Complex in Statesboro, Georgia on Friday, May 12, 2023. Registration will be from 10:00 a.m. to 1:00 p.m. using the same drive-through approach as last year. An in-person business meeting will be held in the Main Arena at 1:10 p.m.

Please enter the facility from Highway 301. You will then be directed through the complex where you will register, receive a registration gift, and be entered for a chance to win one of ten \$100 gift cards. You will then park in the designated parking area and enter the Main Arena for the business meeting. If you do not wish to stay for the business meeting, you will exit the meeting onto Langston Chapel Road once you have completed the registration process. A map of the facility will be included with your registration card.

Your registration card will be mailed one week prior to the meeting. Be sure to bring it with you in order to receive your registration gift. For questions regarding the 2023 Annual Meeting, call our Member Services Department at (912) 685-2115 or (912) 764-2123.

The Nominating Committee met at the Cooperative's office in Metter on April 5,

2023, with the following members present: Speer Brannen, Preston Brinson, Clark Dixon, Jay McCranie, Gary Mosley, Ricky Nevil, Stephen Taylor, and Matt Wood. The purpose of the meeting was to nominate a director for a three-year term in Districts 1, 2, and 3 to be offered for election at the 2023 Annual Meeting. The following members were nominated for the following districts:

**District 1     David Cromley**  
200 Rushing Road  
Brooklet, GA 30415-6303

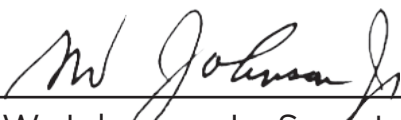
**District 2     Mike Anderson**  
1654 Old Register Road  
Statesboro, GA 30458-5607

**District 3     Solly Trapnell**  
2325 Aden Lanier Road  
Statesboro, GA 30458-4083

No nominations were made by petition.

To approve the reelection of the above listed directors, please cast your vote at the annual meeting on May 12th. You will receive your ballot in the mail the week of the meeting.

Dated this 28th Day of April, 2023

  
\_\_\_\_\_  
G.W. Johnson, Jr., Secretary