



celebrating 75 years
TRI-COUNTY EMC
2 0 1 4 A N N U A L R E P O R T

On October 26, 1939, a group of farmers and homeowners from Jones, Putnam and Baldwin counties gathered to discuss organizing an electric cooperative. Only about 12 percent of American farms were electrified then, leaving 6.3 million in the dark. On the outside looking in, rural Americans saw the glow on the horizon as a distant, unreachable dream. But in rural middle-Georgia, sixty-nine farmers choose to take power into their own hands—to build their own, member-owned utility. And in that first fledgling meeting, Tri-County EMC was born.

President Roosevelt signed the Rural Electrification Act in 1935, creating a loan mechanism for rural electrification. The business model was to be the cooperative. So for newly formed Tri-County EMC, one of the first steps was the election of a board of directors from the members. Within weeks, a general manager was hired and steps were put in motion to secure a \$161,000 REA loan to finance power line construction. On September 12, 1940, 40 miles of line were energized and 273 Tri-County EMC members experienced electric service for the first time. The glow on the horizon now represented the hope and promise of coming power lines.

“It was such a good feeling.”
-Sam McElroy

Farmers and homeowners alike quickly learned to use “the electric”. Sam McElroy was one of eleven children raised on a cotton farm in southern Putnam County. He served in the 11th Bombing Group during World War II. When he left home, the farm didn’t have electric service. When he returned, it was to a farm with newly built power lines. “It was such a good feeling,” remarked McElroy. “You felt like you’d been freed from something. We found a secondhand electric stove and bought it. We didn’t have to go cut and split stove wood anymore. It just meant so much.”

“I was thirteen years old when we got electricity,” said Eatonton’s Billy Waller, one of many rural residents who consider it one of the most significant events of their lives. “I came home from school one day, and the lights were on. We used Aladdin lanterns in the house and the dairy barn. We didn’t know how bright the lights could actually be until we saw those electric lights.” Electricity revolutionized the dairy farm. “We bought milking machines and a refrigerator,” recalled Waller. “Electric milking pumps cut the time it took to milk the herd in half.” Productivity quickly rose, easing the drudgery of farm life while bringing an economic boost.

How families received news, communicated, and found entertainment changed dramatically with electric service. But one of the most striking changes was for the rural housewife. Kitchens were a hot, smoky place.

Wood fires were used for most chores, and there was no refrigeration. Very quickly, electric stoves, well pumps, and refrigerators followed electric lights in transforming the lives of women in rural America.

“We didn’t know how bright the lights could actually be.”
-Billy Waller

The days of darkened farms and rural homes are long past. The glory years of rural electrification—extending lines by hand and bringing “the electric”—are over. But the one thing that made rural electrification work was the cooperative business model. And it is still alive and thriving today.

Just as when the first member signed up in 1939, \$5.00 still buys a refundable membership. The cooperative’s board of directors is still elected by and from the membership. Seventy-five years later, Tri-County EMC, a modern, innovative utility with about 21,000 meters, 2,724 miles of line, and 60 employees, still brings a promise of great things to come. Thousands of Tri-County members can take pride that this is our cooperative. And that glow from rural electrification brings comfort, security, and hope for a brighter tomorrow. After all, it’s the power of you.



Tri-County
EMC

1939

Tri-County EMC Est.

1940s

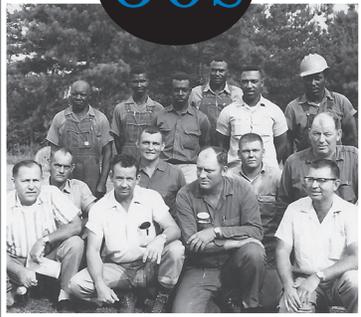
The cooperative grew to 662 miles of line and 1,650 members by the end of the decade. All pole holes were dug by hand, and all lines were strung without the use of a bucket truck. With members eager to use electricity, the average bill grew from \$3.75 per to \$5.94 per month.

1950s

An increasing number of homes and farms were going total electric. Tri-County's Annual Meetings were used to showcase new electric appliances to make members' lives easier.



60s



By 1960, 96 percent of farms, homes, schools and businesses outside the city limits had electric service.

In 1971, the wholesale power cost rate for electricity increased by 37 percent, leading to the first rate increase in the history of the coop. Members who had been encouraged to use electricity since 1939 were asked for the first time to conserve energy.

1970s



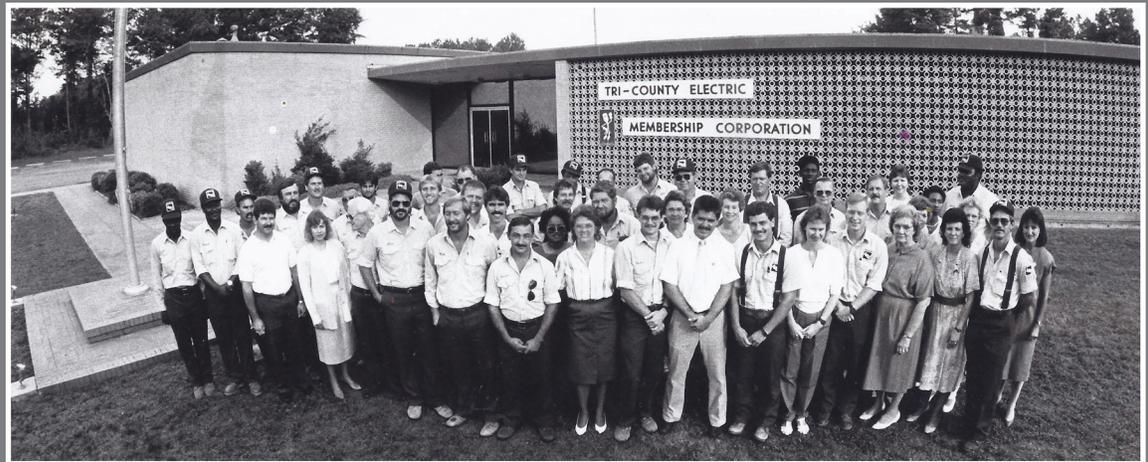
1990s

The cooperative grew quickly in the 90s, reaching 2,160 miles of line and 7,285 members by the end of the decade.

The coop's 24-hour response center opened in 1993, allowing Tri-County to monitor outages and dispatch personnel at any time of day.

Scholarship and leadership programs awarded students in the service area the opportunity to continue their education and learn about cooperatives.

1980s



Energy conservation was imperative, as wholesale power costs continued to rise. Plant Vogtle, a nuclear plant in Waynesboro, GA, began operation in 1987. Electric utilities adding nuclear energy in the fuel mix accounted for 40 percent of America's total reduction in oil consumption between from 1973-1983. Technology was improving the cooperative, with the first digitized mapping project of the Tri-County system reaching completion in 1988.

2000-today

Increased growth, technological advances and increased service to members have brought many changes to Tri-County over the years, but the goal remains the same as it did in 1939 - to provide reliable electric service at the lowest possible cost.



financial statement

For The Years Ended April 30

Tri-County EMC is audited by the independent accounting firm of McNair, McLemore, Middlebrooks & Co., LLC. A complete financial statement may be obtained by calling Tri-County EMC at (478) 986-8108 or 1-866-254-8100, ext. 8108.

STATEMENT OF OPERATIONS

(for the years ended April 30)

	2014	2013
Operating Revenue and Capital	\$ 43,413,994	\$ 41,404,869
Operating Expense		
Cost of Power Purchased	29,669,562	26,273,917
Operating the Electric System	7,268,143	6,595,830
Depreciation	3,439,517	3,292,570
Interest on Loans	3,290,048	3,177,490
Total Cost of Electric Service	43,697,270	39,339,807
Patronage Capital and Operating Margins	(283,276)	2,065,062
Non-Operating Margins	518,998	335,501
G&T Capital Credits	599,339	589,164
Other Capital Credits	141,435	125,166
Total Patronage Capital or Margins	\$ 976,496	\$ 3,114,893

BALANCE SHEET

(as of April 30)

	2014	2013
Assets		
Total Utility Plant	\$ 110,749,820	\$ 107,029,487
Less Depreciation	22,277,956	20,892,920
Net Utility Plant Book Value	88,471,864	86,136,567
Investments in Associated Organizations	12,649,890	12,006,627
Cash and Reserves	455,313	312,336
Owed to EMC on Account and Notes	2,243,754	1,686,487
Material in Inventory	225,431	308,266
Expenses Paid in Advance	1,029,412	1,030,798
Deferred Debits and Other Assets	1,872,492	1,844,644
Total Assets	\$ 106,948,156	\$ 103,325,725
Equities and Liabilities		
Consumer Deposits	\$ 792,725	\$ 827,615
Membership, Patronage Capital, Other Equities	37,452,555	36,936,988
Long-term Debt	62,754,639	59,829,170
Notes and Accounts Payable	4,654,667	4,311,727
Other Current and Accrued Liabilities	1,293,570	1,420,225
Total Equities and Liabilities	\$ 106,948,156	\$103,325,725

Board of Directors (L to R):

Cecil Patterson; Brenda P. Green, *Vice-Chairman*; Chester Mercer; Tommy Noles, *Secretary/Treasurer*; Marion Nelson; Mike Rainey; Tom Thompson, Jr., *Chairman*; Dan Greene; Sammy Hall



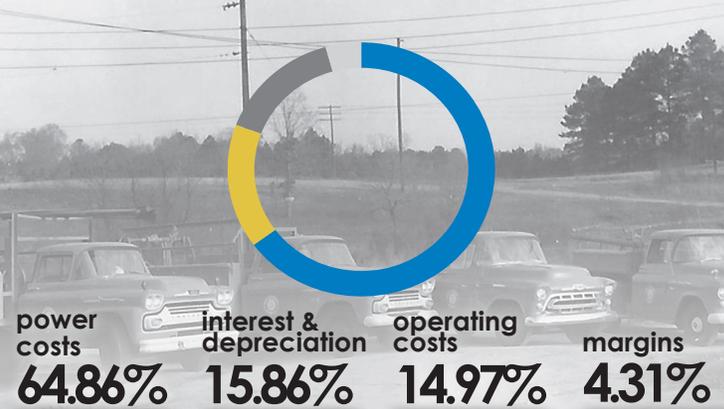
statistical snapshot

1960 - today

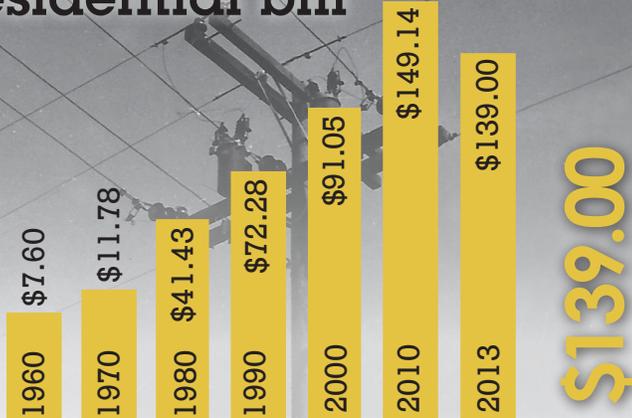
total number of accounts



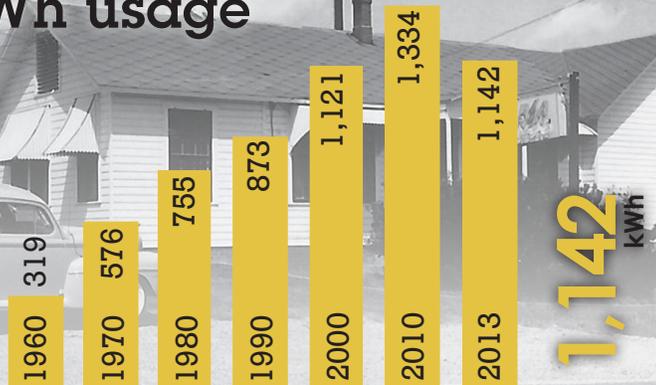
where your dollar goes



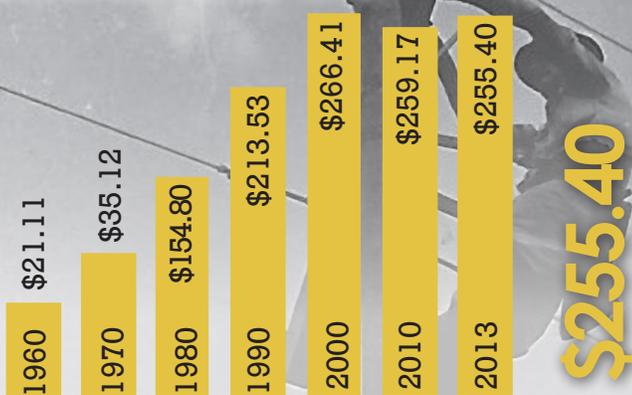
avg. monthly residential bill



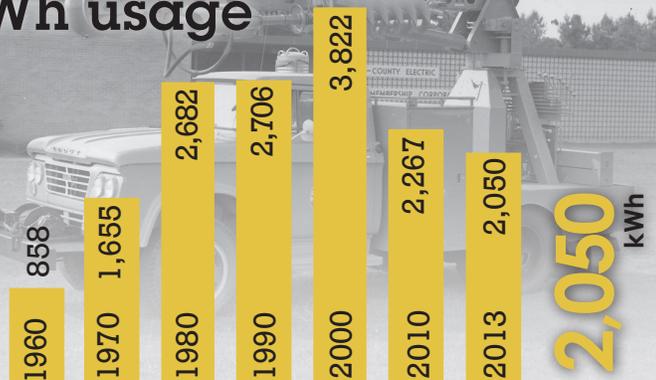
avg. monthly residential kWh usage



avg. monthly commercial bill



avg. monthly commercial kWh usage



senior staff

Donald Appling - VP of Construction Services
 Keith Brooks - Manager of Safety & Training
 Sarah Curry - Admin. Assistant/HR Coordinator

Dawn Haskins - Senior Executive VP/CFO
 Lee Marsh - VP of Distribution Services
 Greg Mullis - Senior VP of Energy Services

C. Hill Bentley - CEO

