



Albemarle EMC Annual Report

September 2024

Annual Meeting Official Notice

You are hereby notified that the 2024 Annual Meeting of members of Albemarle Electric Membership Corporation will be held Saturday, Sept. 21, 2024 at the **Perquimans County Recreation Department**, located at **310 Granby St., Hertford**. The registration start time will be **10:30 a.m.**, and the Annual Meeting will begin at noon. The following is an agenda of scheduled business:

1. Reports of officers and general manager.
2. Election of three directors to each serve a three-year term.
3. For the transaction of such other and further business as may come before said meeting or any adjournments thereof.

The following individuals have been nominated as candidates for directorships on the Albemarle EMC Board of Directors:

District 1 (Camden)
Lee Powell
Michael Whitehurst

District 3 (Pasquotank)
John Spence

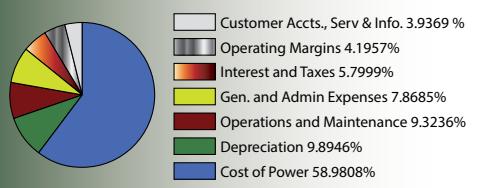
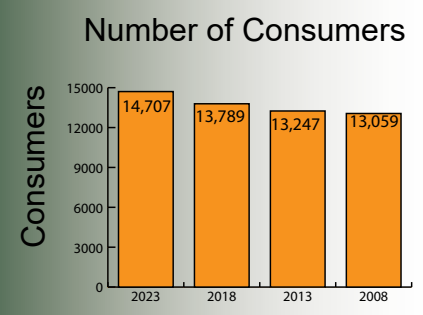
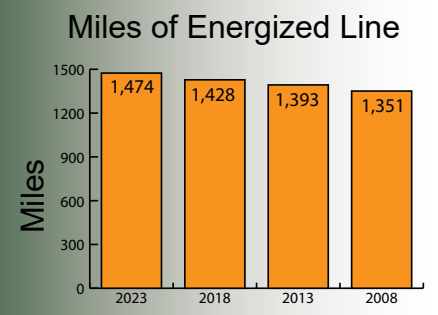
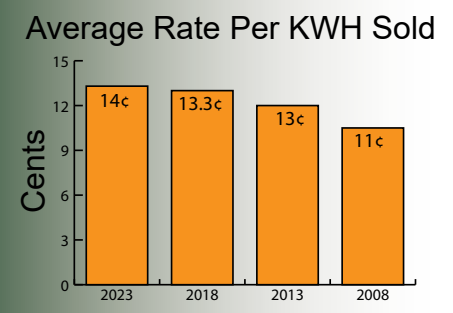
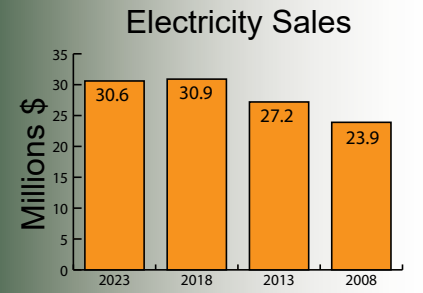
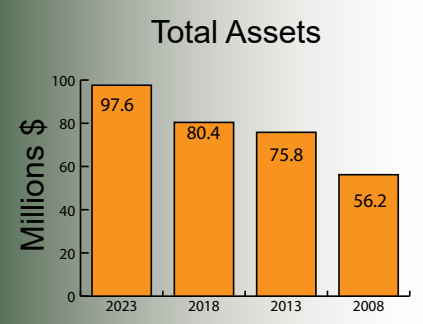
District 5 (All Counties)
Linda Felton



This is Your Registration Card

Tear off this registration card and bring it with you to the Annual Meeting, which will be held at the Perquimans County Recreation Dept. on Sept. 21, 2024. **Registration begins at 10:30 a.m.**, and the meeting starts at noon. Door prizes will be drawn from registration cards.

In the event that you or your spouse cannot attend the 2024 Annual Meeting on Sept. 21, you may authorize another member to vote as your proxy by completing the proxy form on the reverse side of this card. No member may vote more than one proxy. **In order to be valid, the proxy must be received at the cooperative's office by Sept. 18. (P.O. Box 69, Hertford, N.C. 27944)**



Balance Sheet - Assets

	2023	2022
Utility Plant		
Electric plant in service	\$ 110,411,359	\$ 105,890,086
Construction work in progress	4,079,581	2,395,130
Gross Utility Plant	114,490,940	108,285,216
Less Accumulated Provision for Depreciation	(34,008,470)	(31,982,365)
Net Utility Plant	80,482,470	76,302,851
Other Property and Investments		
Investments in associated organizations	8,352,098	7,736,510
Note receivable	-	-
Other	305,347	305,808
Total Other Property and Investments	8,657,445	8,042,318
Current Assets		
Cash and cash equivalents	2,825,722	3,769,553
Accounts receivable, (net of Allowance for Credit Losses of \$9,157 and \$5,617 in 2023 and 2022, Respectively)	1,960,597	1,313,981
Accrued utility revenues	2,035,517	2,236,645
Materials and supplies	1,494,690	2,779,124
Other current assets	195,315	178,679
Total Current Assets	8,511,841	10,277,982
Deferred Debits	89,246	380,461
Total Assets	\$ 97,741,002	\$ 95,003,612

Balance Sheet - Equities and Liabilities

Equities		
Membership fees	\$ 25,580	\$ 26,805
Patronage capital	40,629,018	38,896,387
Accumulated Other Comprehensive Income	1,458,906	1,596,577
Other equities	3,358,795	3,083,972
Total Equities	45,472,299	43,603,741
Long-Term Debt	43,775,356	42,349,044
Post retirement Healthcare Benefits	1,775,447	1,655,777
Current Liabilities		
Note Payable	-	-
Current portion of long-term debt and post retirement benefits	1,960,008	1,846,956
Line-of-credit	62,328	73,111
Accounts payable	1,887,558	2,620,765
Accounts payable - Members	268,791	260,937
Consumer deposits	1,109,230	1,106,390
Accrued & withheld taxes	94,666	76,901
Other current liabilities	727,085	815,525
Total Current Liabilities	6,109,666	6,800,585
Deferred Credits	608,234	594,465
Total Equities and Liabilities	\$ 97,741,002	\$ 95,003,612

Statement of Operations and Patronage Capital

	2023	2022
Operating Revenues	\$ 30,632,055	\$ 30,913,571
Operating Expenses		
Cost of power	18,067,045	18,680,547
Transmission	226	89
Distribution-operation	1,718,503	1,343,219
Distribution-maintenance	1,137,280	1,144,652
Consumer accounts	1,081,305	1,045,087
Customer service, information and sales	124,648	111,005
Administrative and general	2,410,835	2,423,865
Depreciation	3,030,906	2,931,597
Taxes	14,726	11,097
Interest on long-term debt	1,724,917	1,662,344
Other	36,974	50,155
Total Operating Expenses	29,347,365	29,403,657
Operating Margins	1,284,690	1,509,918
Non-Operating Margins	756,234	664,246
Generation & Transmission and Other Patronage Allocations	695,158	757,536
Net Margins	2,736,082	2,931,700
Patronage Capital-Beginning of Year	38,896,387	36,927,704
Retirement of Capital Credits	(1,003,451)	(963,017)
Operating Margins Allocated	2,188,649	2,360,411
Patronage Capital-End of Year	\$ 40,629,018	\$ 38,896,387

Executive Report



Kevin Heath is executive vice president and general manager of Albemarle EMC.

The past year has been one of change and achievement for Albemarle EMC. Former General Manager Gary Ray resigned his position at the cooperative to assume the position of chief executive officer for Jones-Onslow Electric Membership Corporation. After interviewing several highly qualified candidates, the Albemarle EMC Board of Directors chose myself to be the new general manager. I am both appreciative and humble to receive this opportunity.

Unfortunately, I have to report that former board director Glenn Carey Sr. passed away in January, after faithfully representing Camden County on the board of directors for 35 years. Glenn was a deep well of knowledge and experience, and we miss him dearly. The open Camden County seat will be filled at the co-op's Annual Meeting, on Sept. 21, and we look forward to welcoming the new board director.

We recently contracted with an independent consulting firm to conduct a cost-of-service study to determine if our rates need to be adjusted. We should know the results of that study by the Annual Meeting.

For the 17th time in a row, Albemarle EMC earned its safety accreditation. Every three years, Albemarle EMC receives a surprise, comprehensive Rural Electric Safety Achievement Program inspection. The co-op earned high marks in every category.

Our charity golf tournament raised significant funds to purchase toys for about 500 children. The Albemarle Community Trust, voluntarily funded by members through their power bills, granted close to \$60,000 to local nonprofits that benefit our community. The co-op also was able to grant more than \$16,000 in Bright Ideas grants to local educators. These grants make innovative classroom projects possible that, otherwise, would lack funding. We were able to send two high school students to our Washington, D.C. Youth Tour as well as two middle school students to summer basketball camps. Co-op employees also participated in several school career days.

Albemarle EMC remained active in political advocacy on members' behalf. Meetings were held with state and federal legislators to stress the importance of affordable, reliable power.

In April, members received a total of \$648,287.04 in capital credits that were credited to members' bills. Capital credits are the year-end margins earned by your cooperative. They are allocated to each member based on their electricity usage for that particular year. Albemarle EMC is fortunate to have been able to make annual refunds to its members for as far back as records go.

Since being hired, I and senior management have prioritized optimizing our organizational structure to position the co-op for continued success. You have a talented, committed team working for you. It has been an honor and a privilege to serve you, and I look forward to another good year ahead.

Proxy Instructions

The name of the person on the registration card is the person entitled to vote. If this person (the member) or his or her spouse cannot attend the Annual Meeting, the member, by properly completing the proxy card on the right, may authorize another member to vote for him or her. The proxy card must be received at the cooperative's office by close of business on Sept. 18. (P.O. Box 69, Hertford, N.C. 27944).

If you wish to assign your proxy to another member:

1. Fill in the name of the member you wish to appoint as your proxy.
2. Fill in the day and month you execute the proxy.
3. Sign the proxy. Unless properly executed, your proxy will be null and void. Proxy cards are not eligible for prizes.
4. Mail or bring the proxy to Albemarle EMC.

Member Proxy

If you cannot attend your 2024 Annual Member Meeting on Sept. 21 at the **Perquimans County Recreation Department**, you may vote by proxy. Your spouse does not need a proxy to vote for you because, in your absence, your spouse has the same voting rights you would have if you were present. A proxy becomes null and void if you attend this meeting.

As a member of Albemarle EMC, I, the undersigned, hereby constitute and appoint:

Name: _____
(Note: The person appointed as a proxy must be identified on this printed line for the proxy to be valid.)

Your appointee must meet one of the following two criteria. Please check the appropriate box below:

An adult, close relative (18 years or older) living in my household. Close relative is parent, child, brother, sister, grandparent, grandchild, half brother or half sister (including step and in-law).

Another member of Albemarle EMC as my proxy, to vote in my absence at the Annual Meeting of members to be held Sept. 21, 2024 at the **Perquimans County Recreation Department**, in Hertford, or at any adjournment thereof.

I understand that this proxy is given in accordance with the provisions of section 3.09 of Albemarle EMC's bylaws and that my proxy can vote in my absence on all matters that may come before such meeting, including the election of directors.

Date: _____ Member's signature: _____

Member's printed name: _____

NOTE: NO PERSON SHALL VOTE AS PROXY FOR MORE THAN ONE MEMBER.

Candidates Nominated by Committee

District 1 (Camden County)

Lee Powell



- Vice President and Manager, First Citizens Bank, Elizabeth City.
- Graduated from Campbell University in 2003 with a Bachelor of Business Administration degree
- Board member on the Elizabeth City Foundation
- President Elect for the Elizabeth City Morning Rotary
- Member of the Camden County Planning Board and Board of Adjustment
- Native of Camden County

District 1 (Camden County)

Michael Whitehurst



- Acute Care Nurse Practitioner at Sentara Albemarle Medical Center
- Graduate of the College of the Albemarle's Associate Degree Nursing program. Bachelor's degrees in Emergency Medical Care (2009) and Nursing (2012) from Western Carolina University. Master's degree in Nursing from South Alabama University, in Mobile
- Twenty Seven years of volunteer service with the South Mills Volunteer Fire Department. Currently serving as Assistant Chief
- Native of Camden County

District 3 (Pasquotank County)

John Spence



- AEMC board member since 1991
- Current AEMC board president
- Graduate, UNC at Chapel Hill, Credentialed Cooperative, Director, Board Leadership Certificate, Director Gold Certificate
- Charter Member of the Pasquotank-Newland Volunteer Fire Department, Fire chief for nine years, retired
- Tarheel Electric Membership Association, Inc. Executive Committee President
- Current secretary of Newland Water Management District Advisory Board
- Board member First Citizens Bank (Elizabeth City) retired

District 5 (All Counties)

Linda Felton



- AEMC board member since 2023
- Employed at AFLAC as a licensed benefits advisor.
- B.A. in Business Administration from Elizabeth City State University.

Why You Should Attend Your Annual Meeting

- Vote for Candidates!
- Learn About Your Co-op!
- Cash Prizes!
- Lunch!
- Participation Gifts!



Albemarle EMC's Annual Meeting will be Saturday, Sept. 21 at the Perquimans County Recreation Department, located at 310 Granby St., Hertford.

Registration begins at 10:30 a.m., and the meeting begins at noon.

Members will be able to utilize drive-through registration or attend the in-person meeting inside the building. Those who attend the in-person meeting will hear reports from Executive Vice President Kevin Heath and President John Spence.

All participating members will be eligible for the prize drawings and will receive a bag lunch and a participation gift. Entertainment will be provided inside the building.