

Cumberland Electric Membership Corporation

ANNUAL REPORT 2024



CONNECTING YOU TO YOUR BEST LIFE!

Connecting communities...it's what we do. Over the past 86 years, we have built an electric infrastructure that delivers safe, reliable and affordable electric service to more than 114,000 homes and businesses in rural Stewart, Montgomery, Cheatham, Robertson and Sumner counties.

Since 2019, our broadband subsidiary, Cumberland Connect, has been working diligently to build a fiber-to-the-home network that will provide our rural members with the same reliable, high-speed internet, phone and video services enjoyed by our nation's largest cities. We recognize that in today's connected world, broadband services have become as vital as any other utility. As of Fiscal Year 2024, Cumberland Connect has made fiber services available to more than 96,000 homes and businesses in our area.

CEMC works hard every day to connect members to their best lives by providing the services upon which our communities rely – electricity and broadband. From our morning alarms to the ways we work, educate, entertain and care for ourselves throughout the day, access to these services is essential to our modern way of life.

Through it all, CEMC will always work to help fulfill our mission of connecting you, our members, to your best life.

CEMC linemen in Ashland City pose for a team photo after completing Hurtman Rescue training and practice in April 2024.



COST-EFFICIENT, SAFE, RELIABLE ELECTRIC SERVICE

CEMC is focused on providing cost-efficient, safe and reliable electricity to our members as we spent a busy year making improvements throughout our five-county system. Here's a look at some of the most important activity in Fiscal Year 2024.

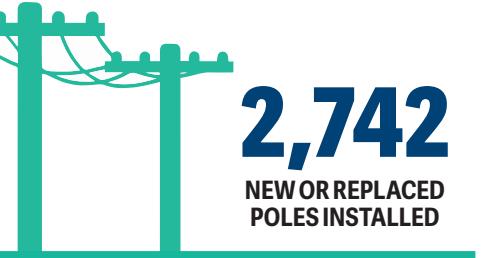
Crews installed more than 16 miles of new overhead lines as well as 100 miles of new underground lines.

In Fiscal Year 2024, CEMC made system updates throughout our service territory. Crews inspected 13,213 utility poles and replaced aging poles when needed. This ongoing inspection process of the more than 140,000 poles we maintain is important for safety and reliability.

Our ongoing vegetation management efforts are essential to providing reliable electric and broadband service. In Fiscal Year 2024, CEMC spent more than \$8 million clearing rights-of-way through tree trimming and herbicide management. Maintained rights-of-way play a key role in providing safe and reliable power and high speed internet to our members.



To better serve our growing membership, a new Clarksville Annex building is currently under construction. The building will offer additional working spaces for CEMC/Cumberland Connect staff starting in 2025.





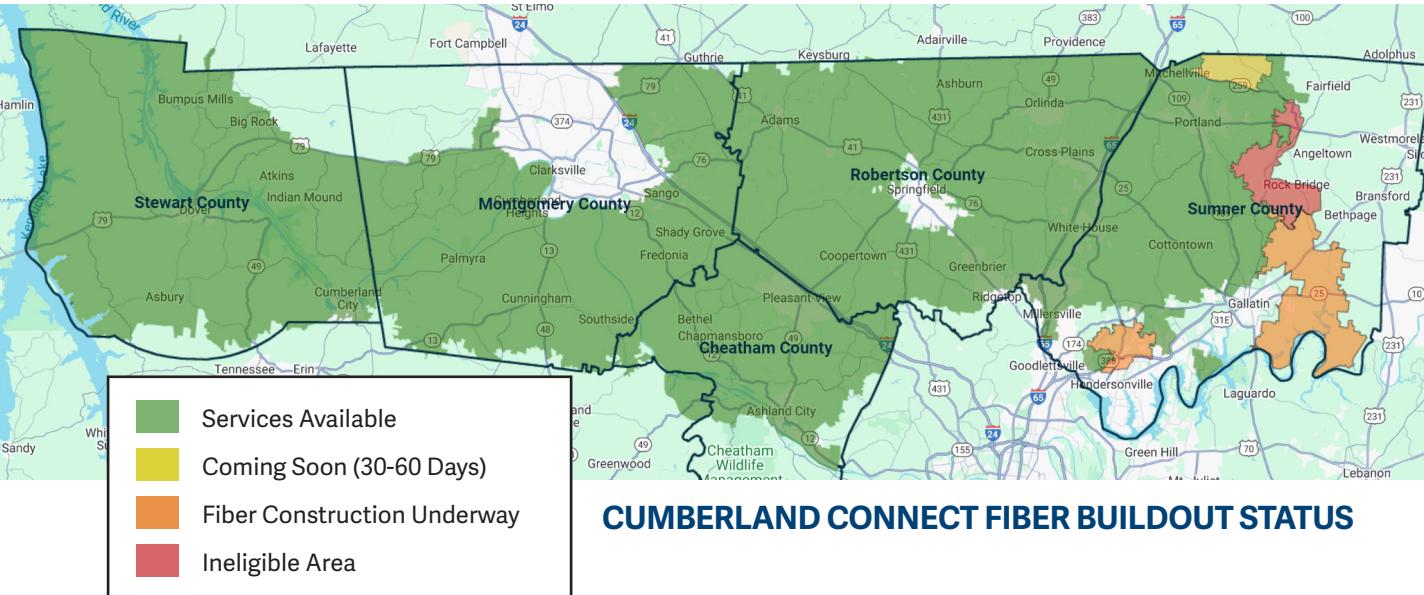
CUMBERLAND CONNECT CONTINUES TO GROW

35k+

CCFIBER SUBSCRIBERS
AS OF AUGUST 2024

Access to gigabit-speed, fiber Internet services continues to be a reality for CEMC members as we finished an exciting fourth year in the build out of a 100% fiber network in our five-county service area.

CEMC/Cumberland Connect employees and contractors have constructed 5,058 miles



of mainline fiber to date, making our fiber services available to more than 96,000 homes and businesses in the area.

As of August 2024, more than 35,000 members have signed up for the high-speed, fiber Internet service.

Cumberland Connect continues expanding CCFiber network services availability across our area and recently celebrated its four year launch anniversary.

Residential and business subscribers have access to a variety of tools to help control their network, such as the CCFiber SmartIQ app and Peace of Mind package.

To learn more or sign up for CCFiber services, visit [Cumberland Connect online](http://CumberlandConnect.org) at CumberlandConnect.org.



“
Less than half the cost of the local cable provider. Saving almost \$1500 every single year!
- DAVID, GOODLETSVILLE

“
Start to finish, this is some of the very best service we've ever received from any company. On a scale of 1-10, I would give it a 20!
- JONAH, SPRINGFIELD

CEMC and Cumberland Connect employees show their community support during the 2023 TECA Day of Service.

REACHING OUT TO HELP OUR COMMUNITIES

Cost-efficient, reliable electric service and high-speed, dependable internet are important to our members, but our mission doesn't stop there. It is also important to be active in our communities to have strong schools, develop leaders and provide assistance to those who need it.

The Washington Youth Tour, sponsored by CEMC and the Tennessee Electric Cooperative Association, provides 12 high school juniors from our service area with an opportunity to explore Washington, D.C., and learn about government.



Other youth programs that CEMC participates in include the annual 4-H Electric Camp, Student Calendar Art Contest, Youth Leadership Summit, student scholarships and Read Across America.

The Tennessee Electric Co-op Day of Service is an annual opportunity for CEMC employees to use their time, skills and expertise to have a positive impact on the communities we serve.

CEMC, once again, partnered with the Tennessee Valley Authority in Fiscal Year 2024 to award more than \$112,000 in Community Care Fund grants to 16 organizations in our service area.

Staff from CEMC/Cumberland Connect and TVA build playground equipment during the 2023 TECA Day of Service at Judy's Hope in Clarksville.



CEMC student delegates stop for a photo at the Lincoln Memorial during the 2024 Washington Youth Tour



CEMC employees welcomed students on the first day of classes at our partner in education, Cumberland Heights Elementary School

Students work on experiments related to energy at the annual 4-H Electric Camp in Knoxville





AD VALOREM & PROPERTY TAX PAYMENTS

Each year CEMC pays ad valorem and property taxes to the cities and counties in which we have infrastructure. The amount of taxes paid is based on the assessed value of the infrastructure, including buildings, substations, transformers, poles and lines.

The ad valorem and property taxes paid for the last three years are in the table, at right.

	2022	2023	2024
	Counties		
Cheatham	\$ 347,353.00	\$ 398,132.00	\$ 365,097.00
Dickson	4,539.00	5,063.00	3,722.00
Montgomery	1,432,894.00	1,731,188.00	1,331,281.00
Robertson	930,196.00	840,410.00	1,043,562.00
Stewart	464,072.00	459,423.00	308,978.00
Sumner	805,749.00	896,302.00	670,997.00
County Total	\$ 3,984,803.00	\$ 4,330,518.00	\$ 3,723,637.00
	Cities		
Adams	\$ 6,718.00	\$ 5,608.00	\$ 5,280.00
Ashland City	16,281.00	23,810.00	16,556.00
Cedar Hill	1,822.21	1,548.91	1,352.11
Clarksville	140,157.00	150,641.00	123,161.00
Coopertown	6,302.00	5,647.00	8,625.00
Cumberland City	3,545.45	3,353.58	2,177.77
Dover	52,646.00	55,950.00	38,159.00
Gallatin	21,805.00	22,703.00	17,699.00
Greenbrier	59,100.00	65,580.00	69,945.00
Hendersonville	23,054.00	19,110.00	14,136.00
Millersville	10,869.00	11,665.00	10,720.00
Mitchellville	4,820.38	4,976.89	3,537.00
Portland	79,553.00	81,372.00	67,493.00
Ridgetop	8,896.00	10,484.00	8,823.00
Springfield	17,325.00	14,472.00	16,580.00
White House	55,189.00	51,732.00	59,866.00
City Total	\$ 508,083.04	\$ 528,653.38	\$ 464,109.88
Grand Total	\$ 4,492,886.04	\$ 4,859,171.38	\$ 4,187,746.88

CUMBERLAND ELECTRIC MEMBERSHIP CORPORATION BOARD OF DIRECTORS



Chris A. Davis
General Manager



Charles R. Hancock
North Stewart County



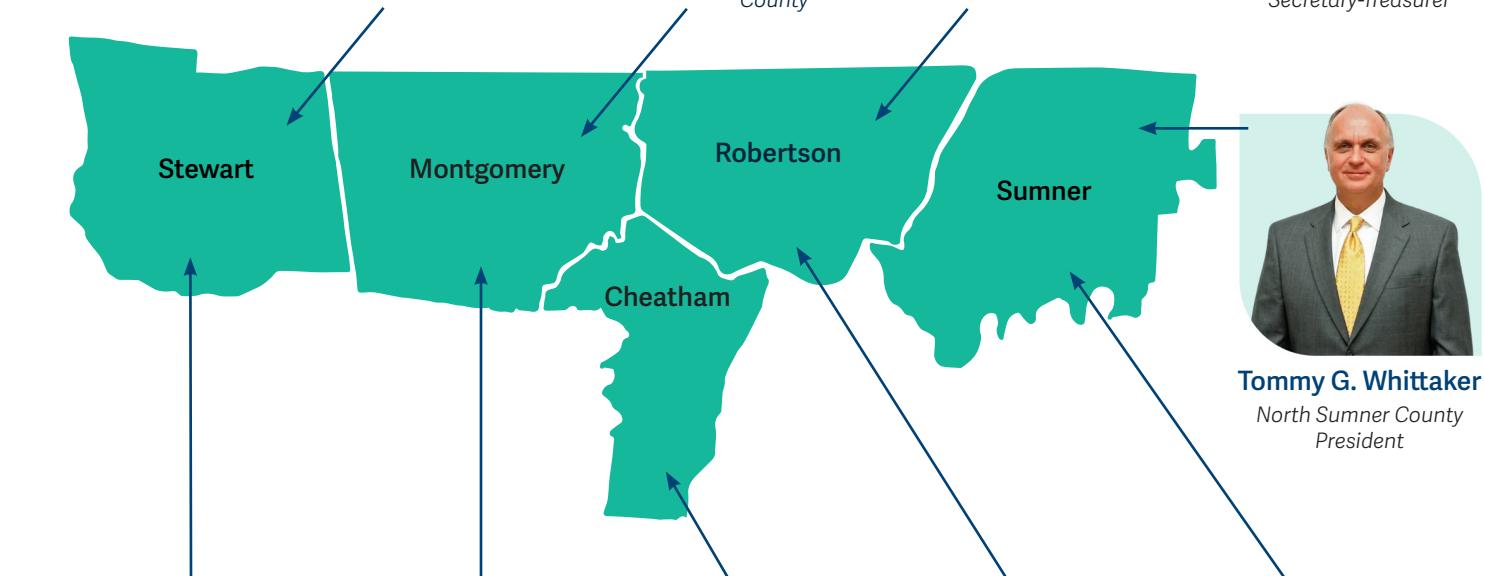
Edward L. Oliver
North Montgomery County



Rodney Swearingen
North Robertson County



Sheila K. Williams
Director at Large
Secretary-Treasurer



James B. Watson
South Stewart County



C. David Morgan
South Montgomery County
Vice President



Wesley H. Aymett
Cheatham County
Vice President



K. Jean Beauchamp
South Robertson County
Assistant Secretary-Treasurer



Edgar E. Swan
South Sumner County

THE CONSOLIDATED FINANCIAL STATEMENTS

(The Consolidated Financial Statements include the operations of CEMC and Cumberland Connect.)

ASSETS

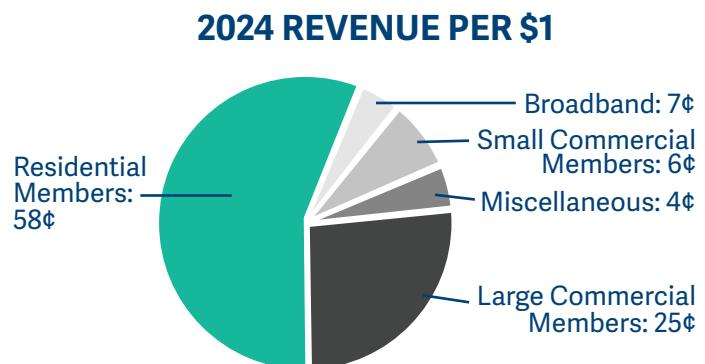
Electric Plant	\$ 743,877,900
Depreciation	(220,631,100)
Net Plant	523,246,800
Reserve & Cash Fund	36,894,900
Current & Accrued Assets	92,853,500
Deferred Debits	9,636,000
Total Assets	\$ 662,631,200

EQUITIES AND LIABILITIES

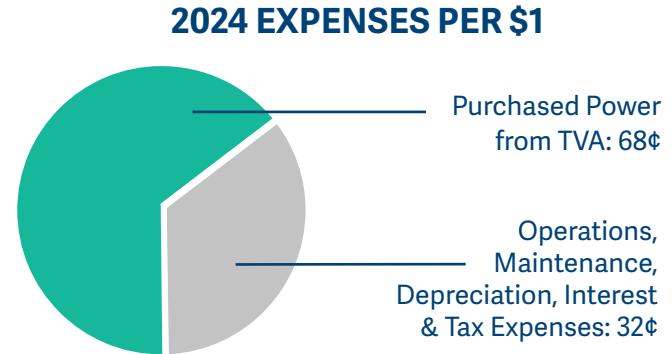
Current & Accrued Liabilities	\$ 50,187,400
Deferred Credits	21,528,100
Membership Investment	1,078,700
Long-term Debt	326,059,100
Earnings Reinvested in System Assets	263,777,900
Total Equities & Liabilities	\$ 662,631,200

REVENUE AND EXPENSE STATEMENT

Electric Sales Revenue	\$ 320,238,900
Cost of Services	(232,664,900)
Operations Expense	(38,786,300)
Maintenance Expense	(27,134,900)
Depreciation Expense	(22,428,600)
Debt Expense	(9,166,700)
Net Margin from Electric Sales	\$ (9,942,500)
Connect Operating Income	11,092,200
Rent	5,568,000
Forfeited Discounts	1,850,300
Miscellaneous Services	1,786,700
Other Income	9,817,300
Net Margin	\$ 20,172,000



CEMC received \$320,238,900 in revenues in the fiscal year that ended June 30, 2024. Our revenues came from several sources: Residential Members; Large and Small Commercial Members; Broadband; and Miscellaneous Income, which includes Rent, Forfeited Discounts and Street and Outdoor Lights.



CEMC buys power from the Tennessee Valley Authority. In the fiscal year that ended June 30, 2024, we spent 68% of our annual expenses to pay our TVA power bill. The other 32% was used for operations, maintenance, depreciation, interest and tax expenses.

STATISTICAL INFORMATION

	2022	2023	2024
Member Count	109,017	111,227	114,077
Long-Term Debt	249,917,709	281,041,539	336,727,883
Interest Paid	5,870,201	7,625,881	9,166,722
Total Kilowatt-Hours Sold	2,833,968,391	2,778,936,562	2,833,923,343
Average Monthly Residential Kilowatt-hour Consumption	1,435	1,357	1,345
Members per Mile	13.1	13.2	13.4
Miles of Line	8,323	8,420	8,537
Plant Investment per Meter	5,638	6,107	6,521
Wholesale Power Cost as % of Electric Sales Revenue	71.5%	74.7%	72.6%

AUDITOR'S STATEMENT

Cumberland Electric Membership Corporation's financial statements are audited by the firm of Stone, Rudolph & Henry, PLC. Copies are available online at www.cemc.org.



CONNECTING YOU TO YOUR BEST LIFE!

DISTRICT OFFICES

Ashland City

315 N. Main St.

Portland

207 S. Broadway

Clarksville

1940 Madison St.

Springfield

1201 5th Ave. W

Dover

404 Spring St.

White House

2285 Highway 31 W

Gallatin

(kiosk-only)

745 Blythe Ave.

800-987-CEMC (2362)

CEMC.org

