



Powerful Connections

2022
Annual
Report



Surry-Yadkin Electric
Membership Corporation

A Touchstone Energy Cooperative 

Presenting the 82nd Annual Report

A message from SYEMC Board President Karoline Overby



It is with great pleasure that we bring you the 82nd Annual Report of Surry-Yadkin Electric Membership Corporation. In addition, I would like to invite you to virtually attend our 82nd Annual Business Meeting being held via YouTube Live on the Surry-Yadkin EMC channel on Oct. 24, 2023, at 7 p.m.

This 82nd year of service has continued to provide us with the opportunity to serve our members based on cooperative values that make us unique and relevant to the rural communities we are so fortunate to serve.

In spite of challenges like material cost increases and extended lengths of time for materials to arrive, 2022 saw the cooperative come out of the COVID-19 pandemic and begin returning to business as normal. We have maintained an impeccable safety record and continued to upgrade and improve our infrastructure so we can uphold our pledge “to provide outstanding service that powers our rural communities.”

In 2022, we invested \$6.6 million in our infrastructure, bringing the value of our system less depreciation to \$129,072,227. This year, we are happy to report that we will be retiring approximately \$3 million in capital credits to our members. Our members who had service in 1998 and 1999 should have received a refund on their electric bills prior to the Oct. 24 Annual

Meeting. We were able to retire 100% of 1998 and 50% of 1999. Former members who had service in 1998 and 1999 will be mailed a check for those percentages at their last known address.

This year’s Annual Report is a chance to provide our members with updates and key information about the cooperative and our business operations. We look forward to sharing this with you, and we hope you will join us for our virtual Annual Business Meeting on Oct. 24 via YouTube Live or take time to watch the meeting the following day on our website, syemc.com.

We encourage our members to vote in this year’s elections for members of the Board of Directors. Those voting via mail-in or digital ballot will be entered in a drawing for a chance to win one of several bill credits. Ballots, being handled by third-party vendor Survey and Ballot Systems, must be returned by 5 p.m. Oct. 23, 2023.

Results of the election and winners of the drawing will be announced during the Annual Meeting.

We appreciate the support of you—our member-owners.

Paying your SYEMC bill with cash just got easier!

Follow the instructions below to see how you can pay your SYEMC bill, by using cash payments, with InComm VanillaDirect Pay™ and SmartHub at participating InComm VanillaDirect Pay™ retailers.

1 GET YOUR BARCODE.
Get your barcode through the Pay by Cash™ option on the SmartHub app or website.



2 TAKE YOUR BARCODE AND CASH TO ANY PARTICIPATING VANILLADIRECT PAY™ RETAIL LOCATION.



Take your barcode to any participating VanillaDirect Pay™ retail location. See a complete list below.

3 YOUR BARCODE WILL BE SCANNED AND PAYMENT WILL BE APPLIED.



The cashier will scan your barcode, collect your cash, and a payment will be applied to your SYEMC account immediately.

PARTICIPATING RETAILERS:

- Dollar General
- Family Dollar
- CVS Pharmacy
- 7-Eleven
- Speedway
- Kum & Go
- Stripes
- Walmart



** Please note that Walmart can take an InComm VanillaDirect™ payment at the Customer Service Desk, but it cannot accept payments at the cash registers. When paying at Walmart, please select “cash payment” first, and then scan your barcode.



Your Board of Directors



District 1
Karoline Overby
President



District 2
Stephen Hutson



District 3
Willard Swift



District 4
Brenda Hardy
Secretary



District 5
Alvin Reid Jr.



District 6
Stephen Joyce



District 7
Lee Von "Toby"
Speaks



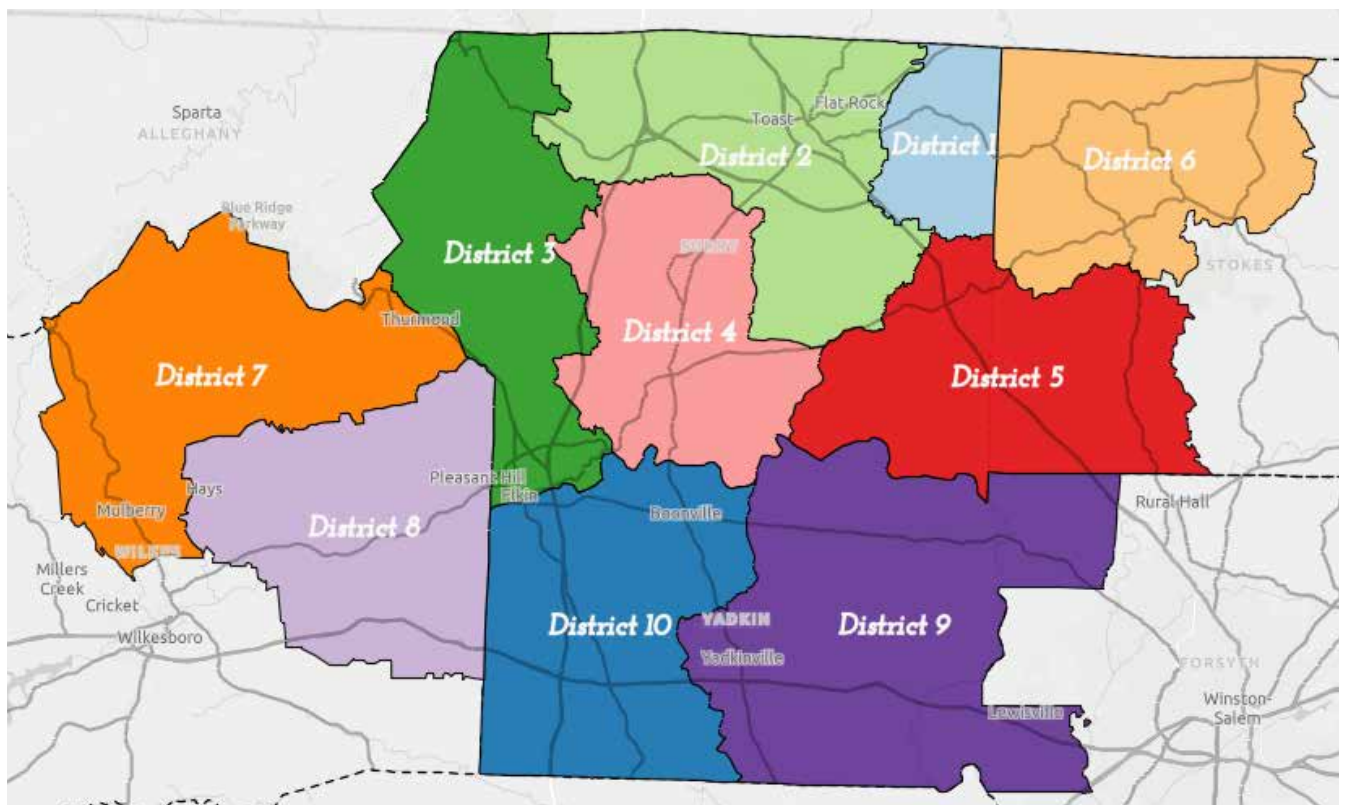
District 8
David Miller
Treasurer



District 9
David Pendry



District 10
Eddie Campbell
Vice President



2022

Year in Review

Surry-Yadkin Electric members and employees help make our community a better place. Check out the highlights of what we have accomplished in 2022. Thank you so much for another great year!



27,873
member-accounts



\$40,379.46
donated to the community



389
new meters installed



Est. \$3 million
returned to members in
capital credits



578
new services designed
and built



139
home energy audits
performed

16
blower door tests
performed

Trees trimmed and removed along rights-of-way:

23 miles, transmission lines

565 miles, distribution lines



Herbicide sprayed along ROWs:

36 miles, transmission lines

887 miles, distribution lines



378,158,389
kilowatt-hours (kWh) sold



38,652
calls taken by Member
Services



292.78
MegaWatt-hours (MWh)
produced by SYEMC
Fairview solar farm



160
homes with solar arrays

42
homes with battery
storage



12
member-accounts on EV
(electric vehicle) rate

Members making a difference



Operation Round Up, 2022 report

Member Contributions.....	\$56,046
Donated to 23 charities	\$48,000
7 community members assisted.....	\$2,500
Donations since 2001.....	\$1,709,274

To round your bill to the next dollar and contribute to Operation Round Up, contact a Member Services Representative.

Agencies funded by Operation Round Up

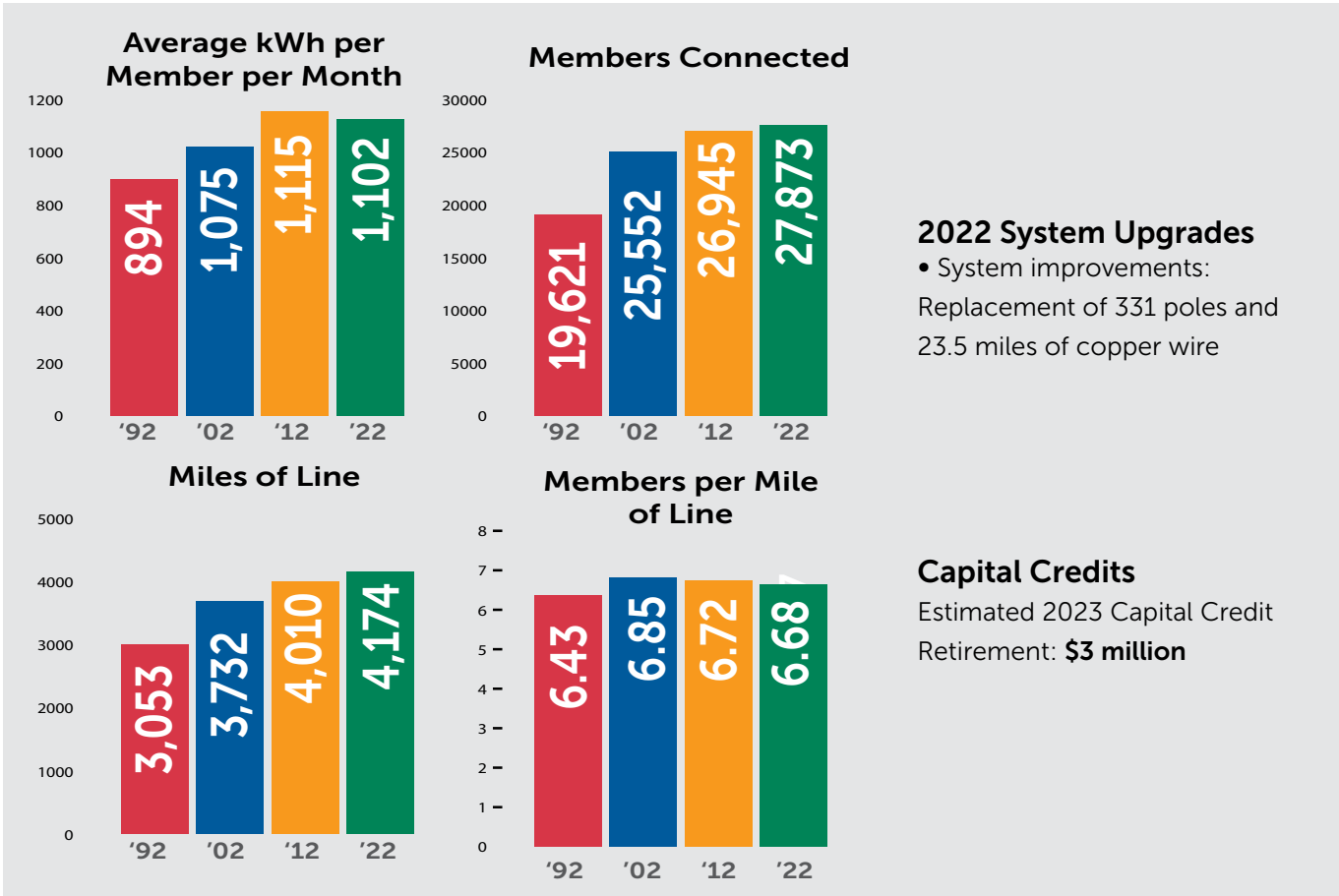
- Surry County social workers
- Yadkin County social workers
- Foothills Food Pantry
- Mountain Valley Hospice
- Children’s Center of NW NC
- Grace Clinic of Yadkin Valley
- Pilot Mountain Outreach Center
- The Shepherd’s House
- Helping Hands Foundation
- Yadkin Christian Ministries
- The Legacy Center

- YVEDDI Meals on Wheels
- Tri-County Christian Crisis Ministry
- Yokefellow Ministries
- Wilkes Ministry of HOPE
- Surry County Foster Parent Association
- Nichols for Kids Wilkes County
- Ebenezer Children’s Home
- Surry County backpack program
- King Outreach Ministries
- Solus Christus East Bend
- The ARK, Elkin
- In My Neighbor’s Shoes

Statement of Operations

	2021	2022
Revenues		
Sale of Electric Energy	\$52,520,777	\$58,855,095
Non-Operating Revenue	133,712	476,897
Capital Credits from Associated Organizations	1,261,538	1,056,849
Total Revenue	\$53,916,027	\$60,388,841
Expenses		
Purchased Power	\$26,321,333	\$30,446,706
Operations of Lines	4,735,888	4,796,091
Maintenance of Lines and Property	5,891,069	6,853,234
Consumers Accounting and Collecting	1,447,959	1,670,188
Consumer Services and Information Expenses	404,273	320,116
Administrative and General Expenses	4,659,206	4,855,069
Depreciation	4,480,319	4,662,107
Interest on Long-Term Debt and Other	2,094,478	2,176,485
Other Operations Deductions	2,500	11,800
Total Expenses	\$50,037,025	\$55,791,796
Net Margins for the Year (Patronage Capital)	\$3,879,002	\$4,597,045

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Balance Sheet

What We Own

Utility Plant

	2021	2022
Electric Plant in Service.....	\$163,793,302	\$170,483,818
Less Accumulated Depreciation	38,479,062	41,411,591
Present Value of Our System	125,314,240	129,072,227

Investments	\$21,181,010	\$21,877,745
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Current Assets

Cash on Hand and in Bank.....	\$2,959,936	\$2,503,938
Accounts and Notes Receivable	8,880,080	9,953,571
Materials and Supplies.....	981,495	930,290
Prepayments and other assets	150,139	204,284

Deferred Assets	\$614,271	\$675,965
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Total Assets and Other Debits	\$160,081,171	\$165,218,020
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What We Owe

Membership Equity

Patronage Capital and Unallocated Margins.....	\$57,742,637	\$63,205,735
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Long-Term Debt

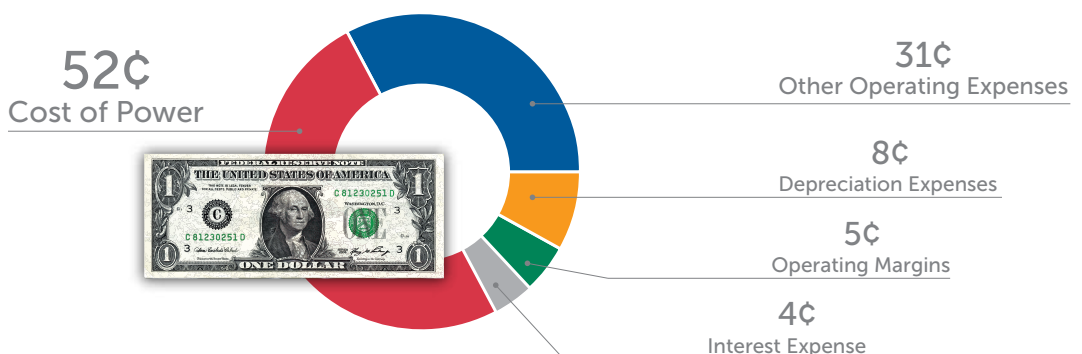
Long-Term Debt.....	\$72,855,262	\$75,387,060
Deferred Credits and Other Liabilities	19,693,444	15,562,669
Notes Payable	233,333	1,633,333

Current Liabilities

Current Maturities of Long-Term Debt.....	3,168,690	3,287,431
Accounts Payable.....	3,480,508	4,511,397
Consumer Deposits	551,423	887,177
Other Current & Accrued Liabilities	2,355,874	743,218

Total Liabilities and Other Credits	\$160,081,171	\$165,218,020
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How
your
dollar
is spent



SYEMC pursues grant funding to aid members

Surry-Yadkin EMC is taking advantage of opportunities presented by the Department of Energy to apply for grants made available through the Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL).

SYEMC saw a chance to implement needed infrastructure updates and maintenance while also saving its member-owners millions of dollars in upgrade costs if funding can be secured through the Department of Energy (DOE) grant funding opportunities. These are projects on the cooperative's short- and long-term work plans that will continue to increase the reliability and sustainability of its power grid.

The grant proposal for DOE's Grid Resilience and Innovation Partnerships (GRIP) program made it through the first phase of the application process. The second phase was a full grant document submitted to DOE. Energy project proposals encouraged to continue the application process, like SYEMC, are still awaiting news on who will receive the matching grant funding through GRIP.

In addition to GRIP, SYEMC continues to explore other grant funding sources and apply for those for which Surry-Yadkin projects could qualify.

The construction and upgrade of the Yadkin County transmission lines between Yadkin, Baltimore and East Bend substations, which began in March 2021, was completed in 2022 as

well. The construction was contracted to Lee Electric Construction.

The project included construction and upgrading of the transmission lines in Yadkin County, replacing lines that were installed 53 years ago and wooden poles averaging 30 years or older with steel poles to avoid woodpecker damage. It also raised the height of the conductor to help avoid trees falling from outside of the right-of-way and making contact with the conductor. The smaller 2/0 conductor, rated for 275 amps, also was replaced by a new 795 conductor, rated for 905 amps.

The construction was built to allow for future growth and many years of service by using specifications for the future conversion from 44 kilovolts (kV) to 100 kilovolts as growth requires. The increase to 100 kV decreases line loss and makes the system more efficient.

Also, upgrades to the system have included continued installation of Conservation Voltage Reduction (CVR) devices, which allow the cooperative's engineering team to reduce voltage on the system during peak-use hours. This CVR program saved the cooperative \$125,915 in wholesale power costs in 2022. Wholesale energy costs are based on the highest use by the system during its peak-use times, so projects like CVR and members on the Time-of-Day rate who use less power during peak times help keep costs down for the cooperative as a whole and its members.



Storms in July 2022 caused damage such as this broken pole. Line crews always work as quickly and safely as possible to restore power for member-owners. Outages also may be caused by animals, equipment failure/damage and vehicle accidents. To sign up for outage text alerts, visit the SmartHub portal or app and opt in.



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POWERFUL CONNECTIONS