

# 2023 ANNUAL REPORT



SUPPORT | **ADVOCATE** | EDUCATE





## ADVOCATE

**T**he word “advocate” carries a rich and profound meaning, and it’s what Fleming-Mason Energy is all about.

The Latin root words of “advocate” mean “to call to one’s aid.” At the heart of our member-owned cooperative is the mission to improve the quality of life for the people we serve.

For new members of Fleming-Mason Energy, this concept may be difficult to grasp. Why should a power company care about me? Isn’t it just some corporation that says things like that to sound good to its shareholders?

Fleming-Mason Energy advocates for our members because we belong to our members. As a cooperative, there are no out-of-town shareholders or parent companies profiting off our members. Fleming-Mason Energy is a not-for-profit utility that, from the very beginning in 1938 to this day, has always been led by and owned by the people we serve.

It means being your consumer-advocate and standing up for your rights, interests and needs. Here are some key ways we advocate for you:

### AFFORDABLE RATES

Fleming-Mason Energy works with East Kentucky Power Cooperative to keep electric rates as low as possible. We advocate for fair, just and reasonable rate structures, and our cooperative team is also accountable to members to manage our operations efficiently. This ensures that we can offer some of the most competitive electricity rates in the country.

### RELIABILITY

We understand the essential role electricity plays in your daily life. Our cooperative invests in maintaining and upgrading our infrastructure to ensure a reliable power supply. We advocate for robust and resilient systems to minimize outages, and when they do occur, we strive to restore power quickly.

▲ Above, Pam Ishmael, engineering and operations administrator, communicates with crews throughout the day and monitors our delivery system.

Above right, Marc Masters, staking engineer; Heath Burnett, joint use and GIS tech; Newell Pollitt, first class lineman; Jason Smalley, warehouseman; and Dustin Skaggs, safety coordinator, go over plans for the day.

► Marketing and Public Relations Manager Lori Ulrich, right, talks to a member about the all-electric Chevrolet Bolt on display at the cooperative. Photos: Tim Webb

On the cover, President and CEO Brandon Hunt, left, takes a moment to talk to linemen Kent Stanfield and Jamie Hawkins. Photo: Tim Webb



## MEMBER EDUCATION

An informed member is an empowered member. We advocate for your right to understand your energy consumption and how to use electricity efficiently. Through workshops, *Kentucky Living* and online resources, Fleming-Mason Energy provides our consumer-members with the knowledge to make informed decisions about energy use.

## COMMUNITY ENGAGEMENT

We believe in the power of community, and we advocate for the well-being of the communities we serve. Our cooperative actively supports local initiatives, charitable organizations and economic development efforts. Together, we strengthen our communities and advocate for their growth and prosperity.

## TRANSPARENCY AND ACCOUNTABILITY

Advocacy is also about being transparent and accountable in our actions. Fleming-Mason Energy shares our financial reports, operational updates and important decisions with you, our members.

Your input and participation in the cooperative's governance are crucial, and we advocate for and promote your right to elect the cooperative board. No matter the size of your home or your business, each member of Fleming-Mason Energy gets one vote.



Your democratically elected board members represent you and protect your interests.

In addition to updates and engagement at the co-op annual meeting, Fleming-Mason Energy regularly updates our membership in the pages of *Kentucky Living*, on our website, on social media and at local civic functions and events, such as the Rotary Club, Chamber of Commerce and church groups.

## RESILIENCE AND INNOVATION

We advocate for innovation and adaptability in a changing world. The energy landscape is evolving, and Fleming-Mason Energy is committed to staying at the forefront. By investing in smart technologies and exploring new ways to generate and distribute electricity, we ensure that you have access to the best services and the most cutting-edge solutions.

## SPEAKING UP

Working with the 25 other electric cooperatives in Kentucky and more than 900 nationwide, Fleming-Mason Energy has a voice in Frankfort and Washington, D.C., speaking up on your behalf so policymakers understand the far-reaching consequences of their decisions.

Our advocacy also means speaking up before a crisis rears its head and making sure that elected leaders know Fleming-Mason Energy is paying attention to their votes.

We not only encourage our members to cast their ballots to decide who represents them on the Fleming-Mason Energy board, but we also participate in the nonpartisan Co-ops Vote initiative, reminding members to register and vote in elections.

## CHALLENGES AND TRIUMPHS

The past year brought challenges that tested our resolve. From extreme weather to a regulatory environment that threatens the reliability of the electric grid, Fleming-Mason Energy is always focused on solutions and safety.

We celebrate triumphs in our daily advocacy for the safety and wellbeing of our employees and members, speaking up for your interests and adapting to new realities. Our commitment to you and your communities remains unwavering.

## LOOKING AHEAD

As we reflect on the past year, we acknowledge that advocacy for our consumer-members is not a one-time effort but an ongoing journey. We are excited about the path ahead as we continue to advocate for your best interests, ensuring that Fleming-Mason Energy remains a trusted partner in your lives.

Thank you for your ongoing support and trust. It is your belief in the cooperative spirit that drives us to advocate for you each day. Together, we light up our communities, empower our members and embrace a brighter future.

Engineering and Operations Work Order Administrator Ellen Darnall posts inspections for construction jobs to be scheduled for completion.

Bob McGinnis, a resident of Flemingsburg, participated in the 2023 Honor Flight, sponsored by Touchstone Energy Cooperatives and Fleming-Mason Energy. Photos: Tim Webb



# AGENDA

## Annual Meeting of Members of Fleming-Mason Energy

**Fleming-Mason Energy Pavilion**  
**1449 Elizaville Rd., Flemingsburg, KY**

**Thursday, June 27**

**Registration:** 7:30 a.m.–6 p.m.

**Business Meeting:** 11 a.m.

The annual membership meeting of this co-op organizes to take action on the following matters:

1. Report on the number of members present in person in order to determine the existence of a quorum.
2. Report of the numbers of members represented by proxy and names of their respective proxies.
3. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
4. Reading of unapproved minutes of previous meeting of members and taking necessary action thereon.
5. Presentation and consideration of reports of officers, directors, and committees.
6. Election of directors.
7. Unfinished business.
8. New business.
9. Adjournment.

## REPORT OF NOMINATING COMMITTEE

April 25, 2024

Having been appointed as a nominating committee to nominate candidates for directors of Fleming-Mason Energy Cooperative, Inc. to be voted on at the 86th Annual Meeting to be held June 27, 2024, we the undersigned nominate the following candidates:

<b>District #2</b>	<b>District #5</b>	<b>District #7</b>
Rick Hord	Regina Rose	Tim Eldridge

**Nominating committee:** Kenny Meadows, Jane Mers Shindlebower, Robbie Vice, William Thompson, Jeff Fannin and William Lee Pennington Jr.



**Brandon Hunt**  
President and CEO



**Tom Saunders**  
Chairman



**John Roe**  
Vice Chairman



**Dina Gooding**  
Secretary-Treasurer



**Timothy S. Eldridge**  
Director



**Rick Hord**  
Director



**Regina Rose**  
Director



**Shane Smoot**  
Director



**Earl Rogers III**  
Attorney

# 2023 Fleming-Mason Energy YEAR IN REVIEW

## ACTIVE ACCOUNTS

As of December 31, 2023

Bath.....	2,850
Bracken .....	851
Fleming .....	7,199
Lewis .....	5,155
Mason .....	3,059
Nicholas .....	922
Robertson.....	970
Rowan .....	4,793
Total.....	25,799

## ACCOUNTS BILLED

2023..... 25,799

## AVERAGE KWH USAGE

(residential per month)

2023.....1,070

## MILES OF LINE

2023.....3,678

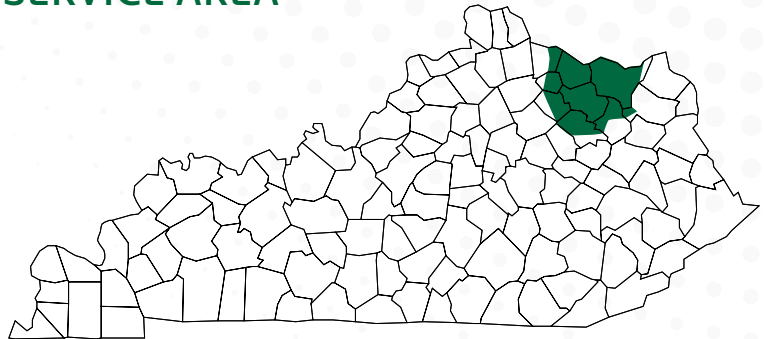
## CONSUMERS PER MILE

2023.....7.01

## FOR INFORMATION AND INQUIRIES

1449 Elizaville Ave.  
Flemingsburg, KY 41041  
(606) 845-2661 or  
(800) 464-3144  
[www.fme.coop](http://www.fme.coop)

## SERVICE AREA

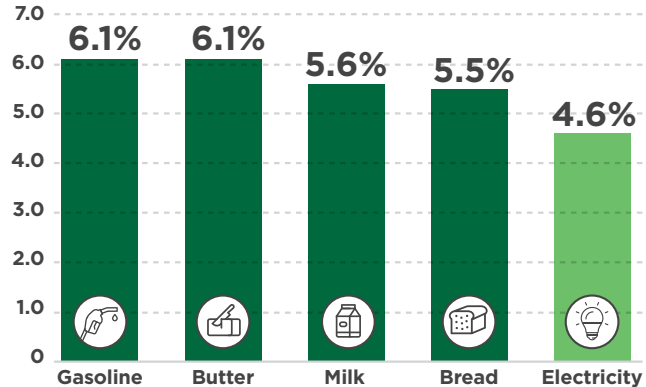


## ELECTRICITY REMAINS A GOOD VALUE

Although inflation has led to increasing costs in many areas of our lives, the cost of powering your home rises slowly when compared to other common goods. Looking at price increases over the last five years, electricity remains a good value.

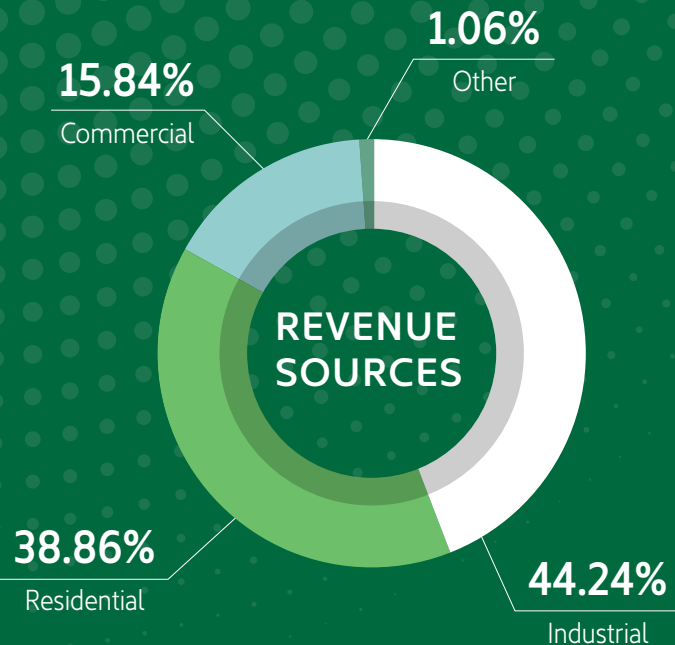
### Average Annual Price Increase 2017-2022

Percent



Source: U.S. Bureau of Labor Statistics  
Consumer Price Index

# FINANCIALS



## FM UTILITY RESOURCES

a subsidiary of Fleming-Mason Energy

As of December 31, 2023

### BALANCE SHEET

Current Assets .....	\$69,174
Property & Equipment .....	\$142,750
<b>Total Assets .....</b>	<b>\$211,924</b>

### LIABILITIES

Current Liabilities .....	\$28,512
Long-Term Liabilities .....	\$188,446
Capital .....	(\$5,034)
<b>Total Liabilities &amp; Capital .....</b>	<b>\$211,924</b>

### INCOME STATEMENT

Revenue .....	\$338,624
Total Expenses .....	\$338,624
<b>Net Income .....</b>	<b>\$0</b>

## STATEMENT OF OPERATIONS

As of December 31, 2023

Operating Revenue .....	\$89,145,058
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### OPERATING EXPENSE

Purchased Power .....	\$74,100,617
Operating System .....	9,558,627
Depreciation .....	4,300,200
Taxes .....	69,655
Interest on Loans .....	2,117,486
Other Deductions .....	21,613
<b>Total Cost of Electric Service .....</b>	<b>\$90,168,198</b>

Operating Margins .....	(\$1,023,140)
Non-Operating Margins .....	206,821
G & T Capital Credits .....	1,136,936
Other Capital Credits .....	320,139
<b>Patronage Capital and Margins .....</b>	<b>\$640,756</b>

## BALANCE SHEET

As of December 31, 2023

### ASSETS

Total Utility Plant .....	\$129,341,207
Less Depreciation .....	50,497,427
Net Utility Plant .....	\$78,843,780
Investments in Associate Organization .....	\$57,593,881
Cash .....	2,533,018
Accounts and Notes Receivable .....	10,137,846
Inventory .....	758,650
Prepaid Expenses .....	120,012
Deferred Debits and Other Assets .....	1,104,560

<b>Total Assets .....</b>	<b>\$151,091,747</b>
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### LIABILITIES

Consumer Deposits .....	\$1,820,676
Membership and Other Equities .....	78,872,700
Long-Term Debt .....	50,291,730
Notes and Accounts Payable .....	12,488,436
Other Current Liabilities .....	7,618,205

<b>Total Liabilities .....</b>	<b>\$151,091,747</b>
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Official Notice

2024

# Fleming-Mason Energy Annual Meeting and Member Appreciation Day

**THURSDAY, JUNE 27**

## Fleming-Mason Energy Headquarters

1449 Elizaville Road  
Flemingsburg, KY

**Registration: 7:30 a.m.–6 p.m.**

**Business Meeting: 11 a.m.**



- Held at the Fleming-Mason Energy Pavilion.
- Special prize drawing for those in attendance at the business meeting.

Members will receive a bucket with LED bulbs and gifts. Members must be present (in vehicle) to receive registration gift. **Registered members will be entered to win prizes and need not be present to win. Drawings will be held at close of business.**



Fleming-Mason Energy