

**COBB ELECTRIC MEMBERSHIP CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31**

**ASSETS**

	<b>2020</b>	2019
<b>Utility Plant</b>		
Utility Plant in Service, at Cost	\$ 959,158,457	\$ 925,717,207
Construction Work in Progress	<u>6,177,180</u>	<u>8,741,117</u>
Gross Utility Plant	965,335,637	934,458,324
Accumulated Provision for Depreciation	<u>(280,856,942)</u>	<u>(266,727,737)</u>
	<u>684,478,695</u>	<u>667,730,587</u>
 <b>Other Property and Investments</b>		
Investments in Associated Organizations	220,699,792	214,929,730
Notes Receivable	2,348,284	2,783,718
Nonutility Property, Net	15,200,271	7,316,541
Restricted Funds	6,394,455	6,045,280
Other Investments	<u>2,000,000</u>	<u>2,647,679</u>
	<u>246,642,802</u>	<u>233,722,948</u>
 <b>Current Assets</b>		
Cash and Cash Equivalents	2,407,716	9,484,218
Restricted Cash	28,058,908	5,045,601
Accounts Receivable (Net of Accumulated Provision for Uncollectibles of \$8,324,993 and \$5,579,650 in 2020 and 2019, Respectively)	191,954,204	114,610,803
Gas Inventory	21,090,769	12,487,079
Materials and Supplies	3,751,140	4,241,219
Other Current Assets	<u>14,876,793</u>	<u>8,855,111</u>
	<u>262,139,530</u>	<u>154,724,031</u>
 <b>Deferred Tax Assets</b>	<u>6,310,000</u>	<u>2,836,000</u>
 <b>Other Assets</b>	<u>145,879,479</u>	<u>17,950,262</u>
 <b>Total Assets</b>	<u><u>\$ 1,345,450,506</u></u>	<u><u>\$ 1,076,963,828</u></u>

**COBB ELECTRIC MEMBERSHIP CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31**

**EQUITIES AND LIABILITIES**

	<b>2020</b>	2019
<b>Equities</b>		
Membership Fees	\$ 418,850	\$ 436,165
Patronage Capital - Unrestricted	26,297,358	-
Patronage Capital - Restricted	304,686,066	304,688,279
Donated Capital	325,978	349,463
Other Equities	167,846,309	144,903,474
Accumulated Other Comprehensive Loss	(57,931,104)	(43,307,013)
	<b>441,643,457</b>	407,070,368
 <b>Long-Term Liabilities</b>		
Long-Term Debt	504,784,371	378,703,656
Defined Benefit Pension Plan	105,698,329	98,963,446
Deferred Compensation Plans	7,939,969	6,541,624
	<b>618,422,669</b>	484,208,726
 <b>Current Liabilities</b>		
Lines-of-Credit	25,300,000	34,826,386
Note Payable	4,431,500	-
Current Portion of Long-Term Debt	22,899,192	21,588,131
Accounts Payable	129,499,490	54,095,045
Consumer Deposits	16,861,274	16,215,320
Accrued and Withheld Taxes	14,456,991	9,891,612
Other Current and Accrued Liabilities	40,135,008	21,844,996
	<b>253,583,455</b>	158,461,490
 <b>Deferred Credits</b>	<b>31,800,925</b>	27,223,244
 <b>Total Equities and Liabilities</b>	<b>\$ 1,345,450,506</b>	<b>\$ 1,076,963,828</b>

**COBB ELECTRIC MEMBERSHIP CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE YEARS ENDED DECEMBER 31**

	<u>2020</u>	<u>2019</u>
<b>Operating Revenues</b>	<b>\$ 802,432,007</b>	<b>\$ 775,563,910</b>
<b>Operating Expenses</b>		
Cost of Revenues	548,401,802	545,582,431
Distribution Operations	10,266,461	9,684,287
Distribution Maintenance	23,971,038	22,616,419
Consumer Accounts	13,639,427	13,322,652
Consumer Service and Information	1,168,166	1,292,109
Administrative, Selling, and General	96,980,841	80,066,628
Depreciation and Amortization	38,414,899	37,102,772
Operating Taxes	4,371,110	4,284,261
<b>Total Operating Expenses</b>	<b>737,213,744</b>	<b>713,951,559</b>
<b>Operating Margins Before Interest Expense</b>	<b>65,218,263</b>	<b>61,612,351</b>
<b>Interest Expense</b>	<b>20,119,733</b>	<b>21,586,331</b>
<b>Operating Margins After Interest Expense</b>	<b>45,098,530</b>	<b>40,026,020</b>
<b>Nonoperating Margins</b>	<b>1,933,885</b>	<b>1,290,693</b>
<b>Generation and Transmission Patronage Allocations</b>	<b>6,057,099</b>	<b>5,786,879</b>
<b>Other Capital Credits and Patronage Allocations</b>	<b>2,201,679</b>	<b>2,436,286</b>
<b>Net Income Before Income Taxes</b>	<b>55,291,193</b>	<b>49,539,878</b>
<b>Income Tax Expense</b>	<b>6,051,000</b>	<b>6,641,000</b>
<b>Net Income</b>	<b>\$ 49,240,193</b>	<b>\$ 42,898,878</b>

**COBB ELECTRIC MEMBERSHIP CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31**

	<u>2020</u>	<u>2019</u>
<b>Net Income</b>	<b>\$ 49,240,193</b>	<b>\$ 42,898,878</b>
<b>Other Comprehensive Income</b>		
Change in Fair Value of Net Risk Management Asset/Liability, Net of Deferred Tax of \$908,997 and \$1,152,727 for the Years Ended 2020 and 2019, Respectively	<b>2,733,806</b>	(3,470,876)
Change in Fair Value of Costs Related to Defined Benefit Pension Plan	<b>(16,643,184)</b>	(17,262,864)
Change in Fair Value of Costs Related to Death Benefit Obligations	<u><b>(714,713)</b></u>	<u>(834,135)</u>
Other Comprehensive Income	<u><b>(14,624,091)</b></u>	<u>(21,567,875)</u>
<b>Comprehensive Income</b>	<u><b>\$ 34,616,102</b></u>	<u><b>\$ 21,331,003</b></u>

**COBB ELECTRIC MEMBERSHIP CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<b>Membership Fees</b>	<b>Patronage Capital - Unrestricted</b>	<b>Patronage Capital - Restricted</b>	<b>Donated Capital</b>	<b>Other Equities</b>	<b>Accumulated Other Comprehensive Loss</b>	<b>Total</b>
<b>Balance, December 31, 2018</b>	\$ 455,825	\$ -	\$ 304,898,680	\$ 301,755	\$ 102,004,596	\$ (21,739,138)	\$ 385,921,718
Net Income	-	-	-	-	42,898,878	-	42,898,878
Other Comprehensive Income	-	-	-	-	-	(21,567,875)	(21,567,875)
Other	(19,660)	-	(210,401)	47,708	-	-	(182,353)
<b>Balance, December 31, 2019</b>	436,165	-	304,688,279	349,463	144,903,474	(43,307,013)	407,070,368
Net Income	-	26,297,358	-	-	22,942,835	-	49,240,193
Other Comprehensive Income	-	-	-	-	-	(14,624,091)	(14,624,091)
Other	(17,315)	-	(2,213)	(23,485)	-	-	(43,013)
<b>Balance, December 31, 2020</b>	<b>\$ 418,850</b>	<b>\$ 26,297,358</b>	<b>\$ 304,686,066</b>	<b>\$ 325,978</b>	<b>\$ 167,846,309</b>	<b>\$ (57,931,104)</b>	<b>\$ 441,643,457</b>

**COBB ELECTRIC MEMBERSHIP CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31**

	<u>2020</u>	<u>2019</u>
<b>Cash Flows from Operating Activities</b>		
Net Income	\$ 49,240,193	\$ 42,898,878
Adjustments to Reconcile Net Income to Net Cash		
Provided by Operating Activities		
Depreciation and Amortization	38,265,545	37,126,402
Electric Revenue Deferred (Recognized) Under <i>ASC 980</i>	-	15,000,000
Bad Debt Provision	9,313,653	7,547,278
Patronage Capital from Associated Organizations	(8,258,778)	(8,223,165)
Net Periodic Benefit Cost	6,475,296	6,549,437
Net Postretirement Benefit Cost	163,011	147,988
Deferred Income Tax Expense	6,339,000	(590,000)
Pension Plan Contributions	(16,383,597)	(11,416,549)
Inventory Adjustment to Net Realizable Value	-	2,697,471
Change In		
Accounts Receivable	(2,997,054)	(12,767,439)
Gas Inventory	2,087,310	(3,664,919)
Other Current Assets	171,578	4,820,650
Other Assets	(851,548)	206,650
Risk Management Assets and Liabilities	(328,989)	(1,106,051)
Accounts Payable	(36,091,555)	(13,494,303)
Consumer Deposits	645,954	2,611,425
Other Current and Accrued Liabilities	6,829,787	(601,157)
Deferred Credits	(273,648)	(282,435)
	<u>54,346,158</u>	<u>67,460,161</u>
<b>Cash Flows from Investing Activities</b>		
Extensions and Replacements of Utility Plant, Net	(50,505,700)	(56,291,616)
Nonutility Plant	(10,519,816)	(4,253,878)
Cash Paid for Business Acquisition	(87,303,000)	-
Cash Paid to Solar Project Partnership Investments	(11,874,000)	-
Materials and Supplies	490,079	(1,621,453)
Return of Equity from Associated Organizations	2,488,716	2,752,285
Cash Paid for Acquisition of Natural Gas Customer List	-	(11,972,551)
Other	1,083,113	231,850
	<u>(156,140,608)</u>	<u>(71,155,363)</u>
<b>Balance - Carried Forward</b>	<u>\$ (101,794,450)</u>	<u>\$ (3,695,202)</u>

**COBB ELECTRIC MEMBERSHIP CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31**

	<u>2020</u>	<u>2019</u>
<b>Balance - Brought Forward</b>	<b>\$ (101,794,450)</b>	<b>\$ (3,695,202)</b>
<b>Cash Flows from Financing Activities</b>		
Advances of Long-Term Debt	150,498,025	10,000,000
Principal Repayment of Long-Term Debt	(21,675,335)	(20,807,916)
Borrowings on Lines-of-Credit	375,789,975	428,978,000
Principal Repayments on Lines-of-Credit	(385,744,975)	(415,673,000)
Other	(1,136,435)	(618,232)
	<u>117,731,255</u>	<u>1,878,852</u>
<b>Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash</b>	<b>15,936,805</b>	<b>(1,816,350)</b>
<b>Cash, Cash Equivalents, and Restricted Cash - Beginning</b>	<b>14,529,819</b>	<b>16,346,169</b>
<b>Cash, Cash Equivalents, and Restricted Cash - Ending</b>	<b><u>\$ 30,466,624</u></b>	<b><u>\$ 14,529,819</u></b>
<b>Balance Sheet Reconciliation:</b>		
Cash and Cash Equivalents	\$ 2,407,716	\$ 9,484,218
Restricted Cash	28,058,908	5,045,601
	<u>\$ 30,466,624</u>	<u>\$ 14,529,819</u>
<b>Supplemental Disclosures of Cash Flow Information</b>		
Cash Paid for Interest	<u>\$ 20,308,741</u>	<u>\$ 21,766,366</u>
Cash Paid for Income Taxes	<u>\$ 572,489</u>	<u>\$ 3,846,500</u>