

SECRETARY-TREASURER'S REPORT

Danny Wilks

The Association's records and accounts were audited by Topp, McWhorter, Harvey, PLLC, Certified Public Accountants. The report was complimentary of your General Manager and staff. It also showed the records and accounts in excellent condition and that the Association is in a financially strong condition.

The following is from the annual audit dated December 31, 2017:

- Total electric plant increased \$1,185,402, bringing the total to \$165,876,154.
- Assets total \$236,164,926, which reflects an increase of \$2,505,988 for the year.
- The member-owners of Pearl River Valley Electric Power Association have equity of 39.8% in the system.

REGULAR PATRONAGE REFUND

Your Board of Directors is dedicated to the principal of returning patronage capital to our member-owners—in fact, we were the first electric power association in Mississippi to start paying regular patronage refunds.

This year we refunded \$2,200,000 to our members. In addition, Cooperative Energy, our wholesale power provider which is a cooperative owned by PRVEPA and 10 other electric power associations, began returning capital credits in 2015. Those credits, totaling \$460,614 for 2017, will be returned to applicable PRVEPA members, increasing the total amount returned to \$2,660,614.

We have now made patronage refunds to our member-owners for 55 years, totaling more than \$48 million. Very few electric cooperatives in the nation can surpass our record of paying patronage refunds to their members.

PATRONAGE REFUNDS TO DECEASED AND FORMER MEMBERS

In 1988, your Board of Directors started a program where we return the accumulated patronage capital to the estates of deceased members. In addition, a program for offering discounted capital credit refunds to former members was initiated in 2016. We have returned more than \$13 million through these programs, including \$741,000 in 2017.