

JONES & JONES
CERTIFIED PUBLIC ACCOUNTANTS
OF BOONEVILLE PA

Kermit V Jones Jr., C.P.A. Christopher D. Jones, C.P.A. Jeremy D. Jones, C.P.A. David W. Jones, C.P.A.

INDEPENDENT ACCOUNTANT'S REPORT

To Management and the Board of Directors
Prentiss County Electric Power Association
Booneville, Mississippi

We have examined Prentiss County Electric Power Association's compliance with the Mississippi State Statutes governing electric power associations during the year ended June 30, 2022. Management of Prentiss County Electric Power Association is responsible for Prentiss County Electric Power Association's compliance with the specified requirements. Our responsibility is to express an opinion on Prentiss County Electric Power Association's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Prentiss County Electric Power Association complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Prentiss County Electric Power Association complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

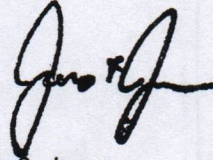
Our examination does not provide a legal determination on Prentiss County Electric Power Association's compliance with specified requirements.

Our examination disclosed the following material noncompliance with 501(c)(12) requirements for adding broadband activities applicable to Prentiss County Electric Power Association during the year ended June 30, 2022.

During the year ended June 30, 2020, Prentiss County Electric Power Association formed a wholly owned subsidiary entitled Prentiss Electric Broadband LLC to operate its broadband activities. Since Prentiss Electric Broadband LLC is a single member LLC and is considered a disregarded entity for income tax purposes, the activities of Prentiss County Electric Power Association were reported on Schedule R of form 990. In order to expand Prentiss County Electric Power Association's exempt purposes, it is required to modify its "Non-profit Operation" article of its bylaws to ensure there is a pre-existing obligation to allocate patronage capital with respect to the broadband activities. Other sections of the bylaws are required to be modified depending on how "patron" is defined and whether membership is expanded. Prentiss County Electric Power Association did not amend its bylaws to reflect the changes required for broadband activity until December 1, 2022.

In our opinion, except for the material noncompliance described in the preceding paragraph, Prentiss County Electric Power Association complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2022.

This report is intended solely for the information and use of the Board of Directors of Prentiss County Electric Power Association, others within the organization and the Mississippi Public Service Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jones & Jones", with a stylized flourish at the end.

Jones & Jones
Certified Public Accountants
of Booneville, P.A.
Booneville, Mississippi

February 21, 2023