

JEMCOnews

A PUBLICATION FOR JACKSON EMC MEMBERS



SEPTEMBER 2016 | ANNUAL MEETING

2016 REPORT TO MEMBERS

KIDS CARNIVAL, HEALTH FAIR, BARBECUE, MUSIC & MORE

PRIZES ALL NIGHT & A \$2,500 GRAND PRIZE!

JOIN THE
FUN
AT THIS YEAR'S
ANNUAL MEETING



YOUR POWER. YOUR COMMUNITY.

MEMBER-FOCUSED

If your electricity comes from Jackson EMC, you're a member of this cooperative and that's a big deal to us. It's our mission to exceed member expectations with reliable, courteous and personalized service. To do that, we stay member-focused.

WE THINK ABOUT RELIABILITY FOR OUR MEMBERS WHEN WE INVEST IN OUR INFRASTRUCTURE. THIS YEAR, WE'VE INVESTED \$39 MILLION IN THE DISTRIBUTION NETWORK THAT SERVES YOU.

We've continued to invest in technology to keep the power on for members. This year we installed an additional 48 automated reclosers, bringing the total on our system to 180. This improves our ability to respond to outages by replacing manually-operated switches with reclosers that can operate independently, as well as remotely by our System Control Center, to keep the power on. Once installed, they help keep more members from losing power in the first place, and restore power more quickly when outages do occur. Next year, we'll add 48 more and so on until we've added 350 of these switches. In the meantime, we'll continue looking for cutting-edge technology that improves reliability.

GROWTH

Today, we're providing service to more members than ever before. We have more than 221,000 meters using 5.17 billion kilowatt hours of electricity annually. Residential growth is picking up. Last year, we added 3,447 meters. For the first time since the recession began in 2008, we added more than a hundred miles of new wire. These are signs of the building boom we're experiencing in Hall, Jackson and Barrow counties. We put twice as many new meters in Jackson County in 2015 than we did in 2014. Hall County's Mundy Mill and Cresswind are selling new homes faster than any other developments in the state, and we're proud they're Jackson EMC Right Choice Homes.

We added 25 megawatts of competitive load from large businesses who chose Jackson EMC. Commercial businesses make up 10 percent of our membership, but use 40 percent of the electricity, making them key players in keeping costs low. The businesses added this year also brought thousands of jobs to the area.



COURTEOUS, PERSONALIZED SERVICE

To ensure we are providing the courteous, personalized service we want to deliver, we ask for your feedback. Ranked by our members, and according to the most recent J.D. Power and Associates awards, Jackson EMC is second in the nation in Residential Customer Satisfaction.

The results of our member satisfaction survey echo these high marks. Ninety-three percent of members who responded gave a high rating of satisfaction noting strengths such as Jackson EMC is a good citizen in the community (94%) well-managed (93%) and concerned about its member's needs (92%). We are happy to hear we are meeting your expectations. But, we strive to be the best so we are always working to improve. With the feedback provided through these research results, we work to continuously address the areas important to our members, such as providing timely information on outages (88%).

TO BE THE BEST

To help us achieve our vision of being the best, we've reorganized the way we do things to better serve the needs of our members. We've restructured to align all functions that provide services to members under a Chief Operating Officer, Roy Stowe, and all functions that provide essential support

services under a Chief Financial Officer, Greg Keith. This realignment will harness the teamwork of the functions that directly provide service to our members, and do the same for the functions that provide internal support required to make that service possible.

In October we'll open our new Lawrenceville facility to meet the needs of our growing membership. We're also serving our members by researching new water heater technology. New regulations from the U.S. Department of Energy require any new water heater larger than 55 gallons be connected to a load management system. Jackson EMC's been using load management technology for 20 years to reduce peak demand and save members money, but these water heaters are different because they communicate wirelessly and could open the door for additional wireless technology down the road. We have 50 people testing this system now.

SOLAR-POWER

Jackson EMC's also responding to growing interest in solar energy. We signed on for a portion of the power from several solar installations across the state. System-wide, Jackson EMC members receive nearly 17 million kWh of solar-generated electricity each year; that's enough to power 1,100 homes. We've signed up for a third project in Jeff Davis County that will generate an additional million kWh for our members every month beginning in 2018. And, we continue to support a residential solar program to provide interested members with solar site surveys, financing and rebates.

COMMUNITY IMPACT

Seventy-eight years ago a group of people came together to form this cooperative to bring electricity to their homes and farms to make life better and easier. They improved life for their neighbors, too. Over the past ten years Jackson EMC members have given more than \$11 million back to the community through the Operation Round Up program. These monthly contributions are awarded to organizations and individuals in need through grants from the Jackson EMC Foundation and make our community stronger.



Last October, Jackson EMC funded \$50,608 in Bright Ideas innovation grants to provide necessary tools and technology for classroom teachers so they could bring their ideas to life. This money went into 36 classrooms across our service territory. Next month, we'll award another \$50,000 in grants for innovative learning.

MARGIN REFUNDS

Today, our cooperative and our community is very strong. As a not-for-profit cooperative, a portion of revenues left over after all the bills are paid each year—we call them "margin refunds"—is returned to members at the end of the year. Last December, eligible Jackson EMC members received \$6.5 million in margin refunds. This December, we will mail \$7.5 million in refunds to more than 220,000 members who received service in 1990 and/or 2015. With this refund, Jackson EMC has returned \$115.5 million to our members since its founding in 1938.

Chip Jakins, President/CEO

2016

— BY THE —
NUMBERS

\$7.5 MILLION
IN 2016 MARGIN REFUNDS

3,447
NEW METERS

220,959
TOTAL METERS

\$39 MILLION
INVESTED IN OUR
DISTRIBUTION NETWORK
THAT SERVES YOU

13,777
MILES OF WIRE

5.17 BILLION
kWh USED

\$969 MILLION
IN PLANT ASSETS



PROGRAM & DIRECTIONS



ANNUAL MEETING ACTIVITIES

There's something for everyone at Annual Meeting. Children will enjoy inflatables, candy art and clowns, while adults learn about the cooperative's current operations and plans for the future. Everyone in attendance will receive one meal ticket for a barbecue chicken supper to be enjoyed onsite and ice cream for dessert. Throughout the evening, The Kingsmen Quartet will perform. Plus, everyone has the chance to win a door prize!

A Health Fair area offers free and low-cost services. A Member Services area features products and services dedicated to energy efficiency, finance and security.

HEALTH FAIR SERVICES AND INFORMATION BOOTHS

Several health agencies from across our service area will offer basic health testing for members. Healthcare professionals will be onsite to:

- Check blood pressure and pulse rate;
- Test glucose levels;
- Perform cholesterol screenings;
- Test vision and eye health;
- Measure height and weight for BMI;
- Conduct hearing screenings;
- Members may also have Child ID kits made, along with a variety of other free services, evaluations and information.

KIDS CARNIVAL

Kids will enjoy attractions from 5:30 to 8:30 p.m. at the Kids Carnival, including:

- 22-foot Slide
- Kids' Zone
- Lil' Tykes Village
- Inflatables
- Obstacle Course
- Candy Art Station
- Clowns
- Games



MEMBER APPRECIATION

Learn more about the benefits of being a Jackson EMC member in the member appreciation area:

- Spin the prize wheel and win with energy efficiency;
- Preview the latest Energy Star® appliances and learn about available rebates;
- See how easily air can escape in our demonstration house;
- Grab your free popcorn, enter to win free movie tickets and preview coming attractions;
- Learn the facts about Sun Power;
- Preview home automation available from EMC Security.

GRAND PRIZE AND OTHER GIFTS AND PRIZES

THIS YEAR'S GRAND PRIZE IS \$2,500 WORTH OF ENERGY EFFICIENT APPLIANCES OF YOUR CHOICE!

As our custom has been for decades, Jackson EMC will provide an attendance gift as a token of our appreciation for your attendance at Annual Meeting. Each registered account member receives a gift, along with chances to win a variety of door prizes. Prize numbers are called throughout the evening during the business meeting.



**REGISTER TODAY AT
JACKSONEMC.COM OR MAIL THE
ENCLOSED RESERVATION CARD
BY FRIDAY, SEPTEMBER 9.**

ANNUAL MEETING PROGRAM

THURSDAY, SEPTEMBER 15
(ALL TIMES APPROXIMATE)

5:30 - 7:30 PM

- Registration
- Boxed Barbecue Dinner
- Member Services Area
- Health & Wellness Fair
- Prize Tickets

5:30 - 8:30 PM

- Kids Carnival

6:15 - 7:20 PM

- Early Prize Drawing
- Entertainment by
The Kingsmen Quartet

7:20 PM UNTIL ADJOURNMENT

- Invocation
- National Anthem
- Service Awards Recognition
- Meeting Called to Order
- Report of Quorum Present
- Official Notice of Mailing and Proof of Mailing
- Minutes of Last Meeting
- Board Chair's Report
- President/CEO's Report
- Election of Directors
- New Business
- Prize Drawings
- *The Kingsmen Quartet*
- Grand Prize Drawing





To park at
**JACKSON COUNTY
 COMPREHENSIVE HIGH SCHOOL**
 1668 WINDER HIGHWAY, JEFFERSON, GA

From Athens

- Take Hwy. 129 North.
- At Arcade, go straight to take Jefferson Bypass (Damon Gause Bypass).
- Travel approximately three miles to the Hwy. 11 intersection.
- Turn left on Hwy. 11.
- The main entrance to the school is immediately on the right.

From Atlanta

- Travel I-85 North.
- Take Exit 137 (Hwy. 129/Jefferson) and turn right (South) onto Hwy.129/Hwy.11 (Bypass).
- Travel south until reaching the Hwy. 11 intersection.
- Turn right onto Hwy. 11.
- The main entrance to the school is immediately on the right.

To park at
JACKSON COUNTY COURTHOUSE
 5000 JACKSON PARKWAY, JEFFERSON, GA

From I-85 North

- Exit I-85 at Dry Pond Road (Exit 140)
- Turn right onto Hwy. 82
- Drive 2 miles to dead end, turn right to continue on Hwy. 82
- Drive 3 miles, turn left onto General Jackson Parkway.
- Courthouse is on the left, about half a mile down Jackson Pkwy.

To park at
JACKSON EMC
 850 COMMERCE HIGHWAY, JEFFERSON, GA

Traveling I-85 North

- Take exit 137 and turn right onto Hwy.129/Hwy.11 (Bypass).
- Drive one mile and turn left onto Hwy.129 (Bus.).
- At the second traffic light into downtown Jefferson, turn left onto Hwy.15 (Alt.) which becomes 82/15 (Alt.).
- Follow detour signs to travel on Hwy.15 N (Alt.) toward Commerce.
- Jackson EMC is located at 850 Commerce Hwy., on the right at the top of the hill.

From Athens

- Travel north on Hwy. 129.
- At Arcade, turn right onto Hwy. 129 (Bus.).
- At traffic light, turn right onto Hwy. 82/15.
- Follow detour signs to travel on Hwy.15 N (Alt.) toward Commerce.
- Jackson EMC is located at 850 Commerce Hwy., on the right at the top of the hill.

DRIVING & PARKING DIRECTIONS

For the best experience, we encourage members to park in our off-site parking areas. Shuttles run to two parking areas every 30 minutes and drop members off at the entrance to the meeting.

TO OFF-SITE PARKING

SHUTTLE BUSES RUN EVERY 30 MINUTES TO DROP YOU OFF AT THE ANNUAL MEETING ENTRANCE.



 ANNUAL MEETING UPDATES AVAILABLE AT JACKSONEMC.COM

ASSETS

BALANCE SHEETS	MAY 31, 2016	MAY 31, 2015
UTILITY PLANT		
Electric Plant in Service - At Cost	\$ 951,497,514	\$ 913,235,862
Construction Work in Progress	19,366,353	18,951,769
Gross Utility Plant	970,863,867	932,187,631
Accumulated Provision for Depreciation	(290,814,433)	(278,652,560)
	680,049,434	653,535,071
INVESTMENTS IN ASSOCIATED ORGANIZATIONS		
	146,184,675	136,015,825
CURRENT ASSETS		
Cash and Cash Equivalents	24,131,313	29,105,905
Accounts Receivable (Net of Accumulated Provision for Uncollectibles of \$4,799,220 in 2016 and \$4,378,997 in 2015)	21,673,919	29,595,985
Materials and Supplies	9,898,849	9,608,558
Prepaid Power Cost	75,468,268	57,805,360
Other	2,107,322	1,690,510
	133,279,671	127,806,318
DEFERRED DEBITS		
	11,537,189	13,182,405
TOTAL ASSETS	\$ 971,050,969	\$ 930,539,619

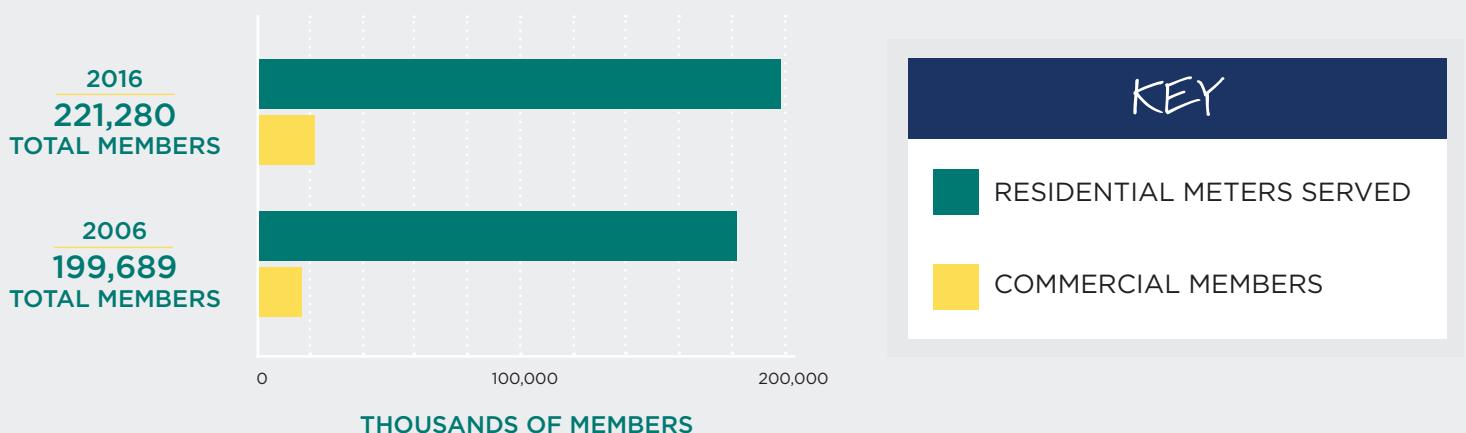
MEMBERS' EQUITY AND LIABILITIES

BALANCE SHEETS		
MEMBERS' EQUITY		
Membership Fees	\$ 3,307,490	\$ 3,201,710
Patronage Capital	383,471,331	362,393,439
Other Equities	624,357	608,475
	387,403,178	366,203,624
LONG-TERM DEBT		
	452,944,793	446,208,566
OTHER LONG-TERM LIABILITIES		
Accumulated Provision for Postretirement Benefits - Noncurrent	45,573,164	34,936,051
CURRENT LIABILITIES		
Long-Term Debt - Current Portion	15,350,000	13,802,000
Accumulated Provision for Postretirement Benefits - Current Portion	1,862,000	1,667,000
Accounts Payable	32,659,038	33,764,144
Consumers' Deposits	11,452,826	10,588,591
Other	16,422,369	15,938,196
	77,746,233	75,759,931
DEFERRED CREDITS		
	7,383,601	7,431,447
TOTAL MEMBERS' EQUITY AND LIABILITIES	\$ 971,050,969	\$ 930,539,619

STATEMENTS OF OPERATIONS

STATEMENTS	MAY 31, 2016	MAY 31, 2015
OPERATING REVENUES	\$ 517,305,283	\$ 514,976,926
OPERATING EXPENSES		
Cost of Power	384,629,061	386,666,245
Distribution Operations	13,436,026	12,163,796
Distribution Maintenance	18,272,122	16,874,339
Consumer Accounts	15,485,536	14,166,074
Consumer Information and Sales	8,840,946	7,802,033
Administrative and General	14,051,109	12,025,543
Depreciation	31,455,194	30,508,508
	486,169,994	480,206,538
OPERATING MARGINS BEFORE INTEREST EXPENSE	31,135,289	34,770,388
INTEREST EXPENSE	22,693,272	21,332,480
OPERATING MARGINS AFTER INTEREST EXPENSE	8,442,017	13,437,908
NONOPERATING MARGINS	8,442,733	7,121,628
GENERATION AND TRANSMISSION COOPERATIVE CAPITAL CREDITS	10,108,968	9,795,585
OTHER CAPITAL CREDITS AND PATRONAGE CAPITAL ALLOCATIONS	608,667	595,520
NET MARGINS	\$ 27,602,385	\$ 30,950,641
PATRONAGE CAPITAL - BEGINNING	362,393,439	337,666,690
RETIREMENT OF PATRONAGE CAPITAL	(6,524,493)	(6,223,892)
PATRONAGE CAPITAL - ENDING	\$ 383,471,331	\$ 362,393,439

MEMBERSHIP GROWTH IN THE PAST DECADE



**YOUR POWER.
YOUR COMMUNITY.**

A PUBLICATION FOR
JACKSON EMC MEMBERS

JACKSON EMC OFFICES

1000 Dawsonville Highway
Gainesville, GA
(770) 536-2415

85 Spratlin Mill Road
Hull, GA
(706) 548-5362

850 Commerce Road
Jefferson, GA
(706) 367-5281

461 Swanson Drive
Lawrenceville, GA
(770) 963-6166

EMC SECURITY

55 Satellite Blvd., NW
Suwanee, GA
(770) 963-0305 or
(706) 543-4009



jacksonemc.com | @JacksonEMC | jacksonemc | JEMCTV1 | jackson_emc

PERIODICALS
POSTAGE PAID

MEMBERS MAKE IT DELICIOUS

Armadillo Eggs



“ Known for their egg-like appearance, these sweet and savory treats are sure to wow your guests in look and flavor. The cheese forms the yolk, while the sausage and jalapeno form the shell. ”
- ADAM PACE, COMMERCE, GA

INGREDIENTS:

- 2 Pounds Ground Breakfast Sausage
- 10-12 Large Jalapeño Peppers
- 5 Individual String Cheese Sticks (Cheddar Preferred)
- Barbecue Seasoning
- Honey

DIRECTIONS:

Prepare peppers by cutting off the top and removing stems and seeds. Place string cheese inside the cored pepper and slice the cheese flush with the top of the pepper.
Form sausage into 2.5-3-inch balls.
Flatten each ball of sausage to around 1/4-inch thickness and wrap the sausage around the stuffed pepper, completely covering them and forming an egg-shape.
Once finished, season with your favorite barbecue rub and heat your grill to medium heat (350°F).
Place the eggs on the grill and cook for 30 minutes, or until sausage is browned, turning them halfway through the cook time.
When all the eggs are cooked through, remove to a plate and drizzle with honey on top.

Chef's Note: If jalapeños are too hot, char them prior to cooking to help remove some heat, or replace with sweet mini peppers. For an additional wow-factor, after the eggs are covered in sausage, wrap them in bacon for a real treat.



**SEND YOUR BEST THANKSGIVING SIDES: ASORROW@JACKSONEMC.COM OR MAIL TO:
COOPERATIVE COOKING | JACKSON EMC | PO BOX 38 | JEFFERSON, GA 30549**