

JEMCOnews

A PUBLICATION FOR JACKSON EMC MEMBERS

SERVING OUR

MEMBERS & COMMUNITY



SEPTEMBER 2020 | ANNUAL REPORT

2020 REPORT TO MEMBERS
ANNUAL MEETING VIDEO REPORTS & VOTING INFORMATION
SELF-SERVICE PAYMENT KIOSKS NOW AVAILABLE



SERVING OUR MEMBERS & COMMUNITY

MEMBER-FOCUSED

For more than 80 years, Jackson Electric Membership Corporation has provided safe, reliable and affordable electricity to members. During that time, our area has experienced extraordinary residential and commercial growth, along with advances in technology. And through it all, our mission remains the same: To exceed your expectations with reliable, courteous and personalized service.



At the heart of what we do, we serve. We serve our members. We serve our community. As a not-for-profit electric cooperative, the response to the COVID-19 pandemic has called us to serve like never before. Your cooperative has continued to provide reliable electricity and courteous service during this extraordinary time.

Jackson EMC isn't just a utility business – we're a cooperative. And as a member of a cooperative, it's essential we keep you informed of our achievements and plans for the year ahead.

CONTINUED GROWTH

During the past 12 months, we've added more than 4,600 meters to our distribution system – bringing the total meters we serve to more than 237,054. That's the most meters we've added in a single year since before the Great Recession started in 2007. During the past decade, the number of meters we serve has grown by 16%. Based on meters served, Jackson EMC is the third largest electric cooperative in the U.S.

That extraordinary growth is evident throughout our community, as we provide electricity for homes and businesses. Our commercial and industrial members are key players in keeping costs low for all members by enabling us to purchase electricity at a more competitive price. Commercial businesses make up 10% of our membership, but use 40% of the electricity. During the past 12 months, we've added 396 new commercial and industrial members, including Fox Factory in Hall County and SELIT North America's new manufacturing facility in Banks County. We've added an impressive 45 million kilowatt-hours of competitive commercial and industrial load from companies that chose Jackson EMC as their electric provider.

PREPARING FOR THE FUTURE

With the growth we've experienced in our area, we continue to improve strategically and expand our distribution network. In the last 12 months, we've invested almost \$57 million in the distribution network to better serve members. Those investments include adding energized lines to our system and installing state-of-the-art technology that helps restore power quicker in the event of an outage.

In the past year, we've added 39 more automated switches to help get power restored faster when outages occur. We currently have 335 of

these installed on our system as we work toward installing more than 500. Over the next three years, we plan to invest \$141 million in our distribution system to upgrade lines and equipment, improve reliability, and serve our growing membership.

TECHNOLOGY IMPROVEMENTS

In 2019, we completed a major technology project that included a new website and mobile application – called MyJacksonEMC – that makes it easier for members to pay their bills, view their energy use, report outages and sign up for services. To date, more than 104,000 members have signed up for a MyJacksonEMC account, including 40,000 members who chose paperless billing – which provides a convenient option to receive bills in your email inbox instead of your mailbox.

Our local offices now have new payment kiosks, which gives members 24/7 access to pay their bill with cash, check, or credit/debit card. For members who pay with cash, these self-service kiosks provide real-time payments to their accounts. They also help lay the foundation for additional enhancements in the future.



RENEWABLE ENERGY

Along with investing in the reliability of our system, we're also investing in new energy sources, like solar power. In 2019, Jackson EMC members received 69 million kilowatt hours of renewable electricity through our partnership with Green Power EMC. A third of that was generated by solar power – which was enough to totally power 1,488 of your homes last year. Through several new projects under construction, we'll add more solar power in the coming years to serve members. In 2022, we anticipate receiving 47 million kilowatt hours of solar power.

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ENSURING RELIABLE, COURTEOUS SERVICE

When a national emergency was declared because of the COVID-19 pandemic in March, most Jackson EMC employees started working remotely to minimize their exposure to the virus. They quickly uprooted their offices and made significant changes to their work processes – all without service disruptions to our members. Technology improvements we made in 2019 made it possible for the cooperative to transition almost seamlessly to working remotely – practically overnight.

We also strategically staffed our linemen to limit their potential exposure to the virus to ensure members had reliable electric service. We limited access to our local offices to drive-thru service only. We also launched a redundant system control to ensure reliable electric service in the event of our primary system control became unavailable during the pandemic.

We recognize the pandemic impacted many members' ability to pay their bills. So, we temporarily suspended service disconnections for nonpayment of bills. Our member services representatives have done an incredible job listening to our members' concerns about paying bills and being supportive of their individual situations, including offering extended payment plans.

RESPONDING TO COMMUNITY NEEDS

The Jackson EMC Foundation has been an outstanding partner to support organizations providing relief efforts during the pandemic. To date, the Foundation has awarded \$270,757 in emergency grants to organizations responding to the effects of COVID-19 in our community. The majority of those funds have helped provide food and housing assistance for families in need during the pandemic.



In an innovative effort, the Jackson EMC Foundation also awarded grants to several local school systems to equip school buses with Wi-Fi, so students lacking adequate internet service could access their online class assignments at designated spots in our community. That incredible support is possible thanks to members making small donations each month through the Operation Round Up program.

Since the Operation Round Up program started in 2005, the Jackson EMC Foundation has distributed more than \$16 million in our community. Last year, our members helped give back \$1,240,076 in grants to nonprofit organizations providing local services, such as housing, food, medical services and counseling.

YOUR POWER. YOUR COMMUNITY.

At Jackson EMC, our vision is to be the best, forward-thinking, innovative energy supplier providing a friendly and fulfilling work environment. Our cooperative and our community remain strong – thanks to the support of our members and employees.

Chip Jakins, President/CEO



2020

BY THE NUMBERS

237,054
TOTAL METERS

4,631
NEW METERS

14,353
MILES OF ENERGIZED WIRE

5.45 BILLION
KWH USED IN PAST 12 MONTHS

\$1.1 BILLION
IN PLANT ASSETS

\$1,240,076
GIVEN TO CHARITABLE ORGANIZATIONS BY JACKSON EMC MEMBERS

ANNUAL MEETING INFORMATION

for members

In response to the COVID-19 pandemic and for the health and safety of our members and employees, Jackson EMC will hold an alternative Annual Meeting this year.

Members may view video reports from the board chairman and CEO, as well as a financial performance report, on our website – jacksonemc.com – beginning September 17.

Voting for this year’s uncontested board election will take place Tuesday through Thursday, September 15-17, from 8 a.m. to 5 p.m. at each of the cooperative’s local offices. The purpose will be to elect three directors and approve the minutes of the 2019 Annual Meeting.

VOTE AT OUR OFFICES

1000 Dawsonville Highway, Gainesville

850 Commerce Road, Jefferson

825 Buford Drive, Lawrenceville

85 Spratlin Mill Road, Hull



VOTING INFORMATION

Members are asked to bring a photo ID or a recent Jackson EMC bill statement to register to vote at one of the local offices. Jackson EMC’s local offices are located in Gainesville, Lawrenceville, Jefferson and Hull. Jackson EMC members may vote at any of the local offices. Signs at local offices will direct members where to park and where to vote.

Jackson EMC will provide a private space for members to vote and follow guidelines by the Centers for Disease Control and Prevention to reduce exposure to the virus that causes COVID-19. To protect the confidentiality of voters, submitted ballots will remain secure until Annual Meeting concludes and ballots are counted by the Election & Credentials Committee. Results will be announced in the October issue of *JEMCO News*.

Members who register at local offices during Annual Meeting will receive a small gift, and will be entered in drawings for door prizes and the grand prize of \$3,000 in energy efficient appliances. Winners will be announced in the October issue of *JEMCO News*.



JACKSON EMC EMPLOYEES WITH 35 YEARS OF SERVICE HONORED

During each Annual Meeting, Jackson EMC honors its employees who have served the cooperative for 35 years. To honor those employees this year, we're sharing their photos in this issue of *JEMCO News*. Please join us in thanking these employees for their service to the cooperative.



MITCHELL BRIDGES

General Warehouse
Supervisor, Jefferson



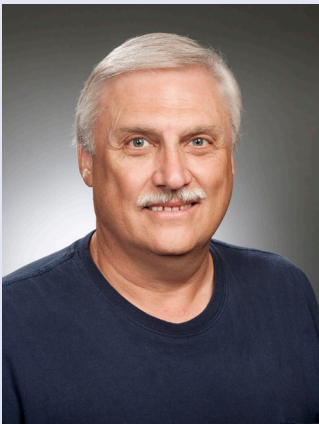
RANDALL BROWN

Senior Field Service
Representative, Gainesville



CHARLES BOYD

Line Foreman,
Gwinnett



DOUG CONWELL

Apparatus Technician II,
Jefferson



KEITH HARDY

Line Foreman,
Jefferson



TERRY HARRISON

Journeyman Lineman,
Gwinnett



GREG KEITH

Chief Financial Officer,
Jefferson



KERRY LLOYD

Electronics Specialist,
Jefferson



PAUL POE

Journeyman Lineman,
Jefferson



JOEY THOMPSON

Line Foreman,
Gwinnett



CHARLIE WATSON

District Operations
Superintendent, Jefferson

ASSETS

	2020	2019
UTILITY PLANT		
Electric Plant in Service - At Cost	\$ 1,115,063,868	\$ 1,074,477,086
Construction Work in Progress	19,350,804	23,795,866
Gross Utility Plant	1,134,414,672	1,098,272,952
Accumulated Provision for Depreciation	(363,583,756)	(346,049,003)
	770,830,916	752,223,949
OTHER PROPERTY AND INVESTMENTS		
Investments in Associated Organizations	194,549,429	183,310,352
Restricted Funds	1,787,380	1,725,025
	196,336,809	185,035,377
CURRENT ASSETS		
Cash and Cash Equivalents	81,166,153	16,769,103
Accounts Receivable (Net of Accumulated Provision for Uncollectibles of \$3,513,347 in 2020 and \$3,115,915 in 2019)	30,055,299	30,540,608
Accrued Utility Revenue	28,141,526	30,536,000
Materials and Supplies	15,520,449	12,727,229
Prepaid Power Cost	44,983,265	72,220,381
Other	2,969,304	3,672,858
	202,835,996	166,466,179
DEFERRED DEBITS	132,835	3,081,431
TOTAL ASSETS	\$ 1,170,136,556	\$ 1,106,806,936

MEMBERS' EQUITY AND LIABILITIES

MEMBERS' EQUITY		
Membership Fees	\$ 3,733,140	\$ 3,626,050
Patronage Capital	481,998,015	456,704,165
Other Equities	27,022,626	27,115,922
	512,753,781	487,446,137
LONG-TERM DEBT	491,121,741	450,576,557
OTHER LONG-TERM LIABILITIES		
Accumulated Provision for Postretirement Benefits - Noncurrent	54,858,783	59,470,821
CURRENT LIABILITIES		
Long-Term Debt - Current Portion	15,600,000	20,300,000
Accumulated Provision for Postretirement Benefits - Current Portion	3,582,000	3,976,000
Accounts Payable	45,349,980	41,414,881
Consumers' Deposits	12,797,122	12,708,870
Other	16,769,288	16,544,534
	94,098,390	94,944,285
DEFERRED CREDITS	17,303,861	14,369,136
TOTAL MEMBERS' EQUITY AND LIABILITIES	\$ 1,170,136,556	\$ 1,106,806,936

STATEMENTS OF OPERATIONS

	2020	2019
OPERATING REVENUES	\$ 585,569,009	\$ 573,356,606
OPERATING EXPENSES		
Cost of Power	429,389,367	420,131,867
Distribution Operations	14,110,738	13,039,142
Distribution Maintenance	19,321,864	17,933,438
Consumer Accounts	15,678,903	13,273,620
Consumer Information and Sales	11,147,487	10,830,270
Administrative and General	21,026,414	19,882,415
Depreciation	37,643,020	35,996,695
	548,317,793	531,087,447
OPERATING MARGINS BEFORE INTEREST EXPENSE	37,251,216	42,269,159
INTEREST EXPENSE	19,655,498	22,569,003
OPERATING MARGINS AFTER INTEREST EXPENSE	17,595,718	19,700,156
NONOPERATING MARGINS	6,202,255	(624,814)
GENERATION AND TRANSMISSION COOPERATIVE CAPITAL CREDITS	12,679,921	11,412,380
OTHER CAPITAL CREDITS AND PATRONAGE CAPITAL ALLOCATIONS	817,098	743,536
NET MARGINS	\$ 37,294,992	\$ 31,231,258
PATRONAGE CAPITAL - BEGINNING	456,704,165	435,239,299
RETIREMENT OF PATRONAGE CAPITAL	(12,001,142)	(9,766,392)
PATRONAGE CAPITAL - ENDING	\$ 481,998,015	\$ 456,704,165



JACKSON EMC OFFICES

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

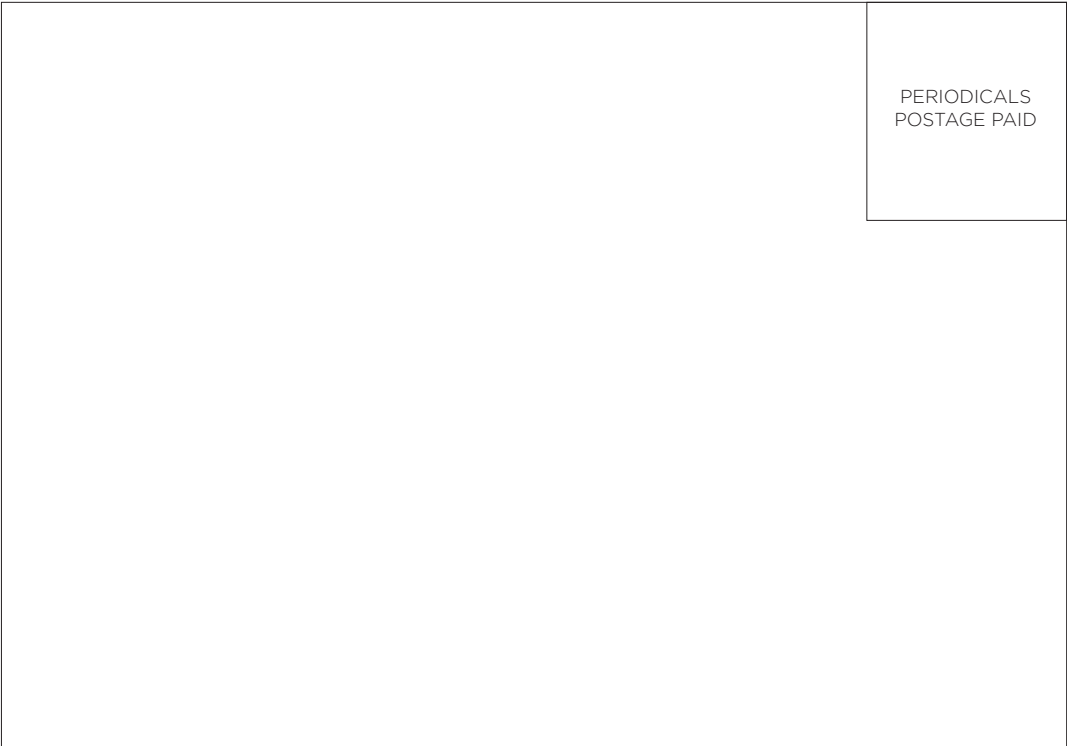
85 Spratlin Mill Road
Hull, GA
(706) 548-5362

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

825 Buford Dr
Lawrenceville, GA
(770) 963-6166

EMC SECURITY

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



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Jackson EMC

jacksonemc.com

SELF-SERVICE KIOSKS AVAILABLE FOR BILL PAYMENT

Jackson EMC is offering another convenient option for members to pay their bill: Payment kiosks are now available 24/7 at the cooperative's local offices.

The self-service kiosks provide members - especially those who pay with cash - another option to pay their electric bill. The kiosks accept cash, checks and credit/debit cards. Kiosks are available 24/7, including weekends and holidays.

For each completed transaction, the kiosks will provide a printed receipt. After paying a bill, the kiosks note a real-time payment on a member's account.

If using cash, the kiosks only accept bills, and don't accept coins or provide change. Overpayments will be applied to members' accounts.

**Payment kiosks are available 24/7 at
Jackson EMC's local offices:**

1000 Dawsonville Highway, Gainesville

850 Commerce Road, Jefferson

825 Buford Drive, Lawrenceville

85 Spratlin Mill Road, Hull



LEARN MORE ABOUT
WAYS TO PAY YOUR BILL
AT [**JACKSONEMC.COM/**](http://JACKSONEMC.COM/)
WAYSTOPAY.

