

JEMCOnews

A PUBLICATION FOR JACKSON EMC MEMBERS



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Fun

JACKSON EMC'S
ANNUAL MEETING
SEPTEMBER 27, 2018

SEPTEMBER 2018 | ANNUAL REPORT

2018 REPORT TO MEMBERS
GIFTS, DOOR PRIZES AND \$3,000 GRAND PRIZE!

BARBECUE CHICKEN DINNER, MEMBER APPRECIATION FAIR, KIDS CARNIVAL, MUSIC & MORE



CONCERN FOR COMMUNITY

MEMBER-FOCUSED

Since its beginnings, Jackson EMC has proven itself a company devoted to serving its community. Our cooperative started 80 years ago when neighbors and local leaders worked together to bring electricity to our area. For those first members of Jackson EMC, electricity helped transform their homes, businesses, farms and schools. That spirit of cooperation continues to drive us to do what's best for our members and community.

We're committed to providing you, our members, with safe, reliable and affordable electricity. That means making infrastructure improvements to help ensure you have reliable electricity and finding ways to keep your electric costs low.

Jackson EMC isn't just a utility business – we're a cooperative. As a member of this cooperative, you're essential to keeping our business strong through your involvement.

CONTINUED GROWTH

Looking around our community, it's clear our area continues to grow with new businesses, homes and schools. Three counties in our service area – Jackson, Barrow and Lumpkin counties – are among some of the fastest growing counties in the nation, according to the U.S. Census Bureau. Jackson EMC is also growing. In the past 12 months, we've added more than 4,000 residential meters to our system and almost 400 new commercial/industrial meters. We now serve more than 228,000 meters.

Our commercial/industrial members are key players to keeping costs low for all members. Commercial businesses make up 10 percent of our membership, but use 40 percent of the electricity. This year, we added 13 megawatts of competitive commercial/industrial load from companies that chose Jackson EMC as their electric provider.

Over the last 12 months, our members used 5.3 billion kilowatt hours of electricity. That's enough electricity to power a refrigerator in every household in the nation for a month. What's even more impressive is that despite adding 11,000 new members since 2015, our kilowatt sales have remained about the same since that time. Our members are taking energy efficiency to heart. It's evident that our members use the energy saving tips we share, including those in *JEMCO News*, in order to keep their personal and business power bills at a minimum while helping your cooperative keep costs stable for all of our members.

PREPARING FOR THE FUTURE

With continued growth in our area, Jackson EMC remains committed to providing you with reliable electricity. We do that by making infrastructure improvements, such as building new power substations and installing smart technology to restore power quicker in the event of an outage.

In the past year, we have built two new substations – one in West Jackson to serve the rapidly-growing area along Highway 124 and



another in Banks Crossing on Highway 441 to serve the growth in that area. The substation in Banks County will connect to a new transmission line, which will increase reliability for our members near Interstate 85.

Another effort for improving reliability is our grid automation project. Using advanced technology, these switches on our distribution network help restore power faster when outages occur. We installed an additional 48 automated switches this year, bringing the total to more than 250 of these on our system.

Overall, we invested \$35 million in our distribution network last year to better serve members with reliable power.

RENEWABLE ENERGY

In addition to investing in the reliability for our system, we're also investing in new energy sources, like solar power. Through our partnership with Green Power EMC, our members now receive 12.7 megawatts of renewable electricity. Of that, 19 million kilowatt hours is generated through solar power. That's enough electricity to power 1,300 homes. In 2021, we'll add another five megawatts of solar power from a new project currently under construction in middle and south Georgia.

In our local classrooms, we support teachers who want to educate students about solar energy. The Sun Power for Schools program uses STEM-based programs to give students a hands-on experience while learning about renewable energy.

COMMUNITY IMPACT

Thanks to members making donations through Operation Round Up, the Jackson EMC Foundation continues to make a difference in our community for organizations and individuals in need. Last year, our members helped give back \$1,204,470 in grants – primarily for those needing housing, food, medical services, counseling and other services. We're proud of our members for helping to distribute more than \$13 million in our community since Operation Round Up started in 2005.



Jackson EMC also has a longstanding role in helping students succeed in the classroom and beyond. The Bright Ideas program, for example, has funded 123 innovative middle school classroom projects since 2015. The past 12 months also marked the 49th Quality Beef Show, where we support students learning leadership skills and discipline. And speaking of future leaders, we sent four highly-

qualified high school students to Washington, D.C. for a leadership development program. Our students were a few of the more than 1,800 students from other electric cooperatives across the U.S. selected as delegates for the Washington Youth Tour.

In addition to the work we do supporting students, we sponsor many community activities and events, like Relay for Life and March of Dimes. We also support Habitat for Humanity, the Boy Scouts, the Girl Scouts, and Boys and Girls Clubs in our community.

SERVING OUR COMMUNITY

Many of our employees also give their time to serve a variety of causes in the area. "Concern for Community" is one of the seven principles that govern all cooperatives around the world. And, our employees certainly believe in helping the community. Many Jackson EMC employees serve in civic clubs, on chamber committees, economic development authorities and on the boards of charitable organizations. We're proud of the great number of our employees serving our youth as coaches, mentors and volunteers for organizations that are making an impact in our community.

Some of our linemen had the unique opportunity this year to serve the global community by bringing power to remote villages in Bolivia. Along with colleagues from other co-ops, these linemen spent two weeks in the Andes Mountains doing primitive line work to help turn on the lights in these communities for the first time.



YOUR POWER. YOUR COMMUNITY.

When our employees report to work each day, they have a purpose – to exceed our members' expectations with reliable, courteous and personalized service. Thanks to our members and employees, our cooperative is 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" – are returned to our members at the end of the year. Last December, eligible Jackson EMC members received \$9 million in these margin refunds. This year, the board of directors is pleased to announce that in December we'll mail \$10 million in refunds to members who received service in 1990, 1991 and/or 2017. When that refund is mailed, Jackson EMC will have returned approximately \$135 million to our members since we were founded in 1938.

A handwritten signature in black ink that reads "Chip".

Chip Jakins, President/CEO

2018

BY THE NUMBERS

228,509
TOTAL METERS

\$10 MILLION
RETURNED TO MEMBERS IN 2018
MARGIN REFUNDS

14,046
MILES OF ENERGIZED WIRE

5.35 BILLION
KWH USED IN PAST 12 MONTHS

\$1 BILLION
IN PLANT ASSETS

\$1,204,470
GIVEN TO CHARITABLE
ORGANIZATIONS BY
JACKSON EMC MEMBERS



ANNUAL MEETING ACTIVITIES

something for everyone

There's something for everyone at our Annual Meeting on September 27. Children will enjoy inflatables, candy art and clowns, while adults learn about the cooperative's operations and our plans for the future. Everyone in attendance receives one meal ticket for a barbecue chicken dinner and ice cream to be enjoyed onsite. A Health Fair offers free services, and our Member Appreciation area features products and services dedicated to energy efficiency, savings and security. Throughout the evening, Karen Peck and New River will perform, and everyone has the chance to win a door prize!



HEALTH FAIR SERVICES & 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 vision and eye health
- Test glucose levels
- Screen carotid arteries
- Perform cholesterol screenings
- 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 wheel for fun prizes
- See the latest ENERGY STAR® qualified appliances
- Discover what makes a Right Choice home awesome
- Understand the importance of air flowing in your house
- Learn about solar products for your home
- Learn how to protect your home or business with EMC Security



GRAND PRIZE, OTHER GIFTS AND PRIZES

Each Jackson EMC account holder in attendance at Annual Meeting is eligible to receive one member appreciation gift and one raffle ticket for door prizes. Along with this gift, each registered account member gets the chance to win a variety of door prizes and the Grand Prize. Prize numbers will be announced throughout the evening. You must be present to win.



THIS YEAR'S GRAND PRIZE IS

\$3,000

worth of energy efficient appliances of your choice!



ANNUAL MEETING PROGRAM

THURSDAY, SEPTEMBER 27
(ALL TIMES APPROXIMATE)

5:30 – 7:30 PM

- Registration
- Boxed Barbeque Dinner
- Member Appreciation Area
- Health & Wellness Fair
- Prize Tickets

5:30 – 8:30 PM

- Kids Carnival

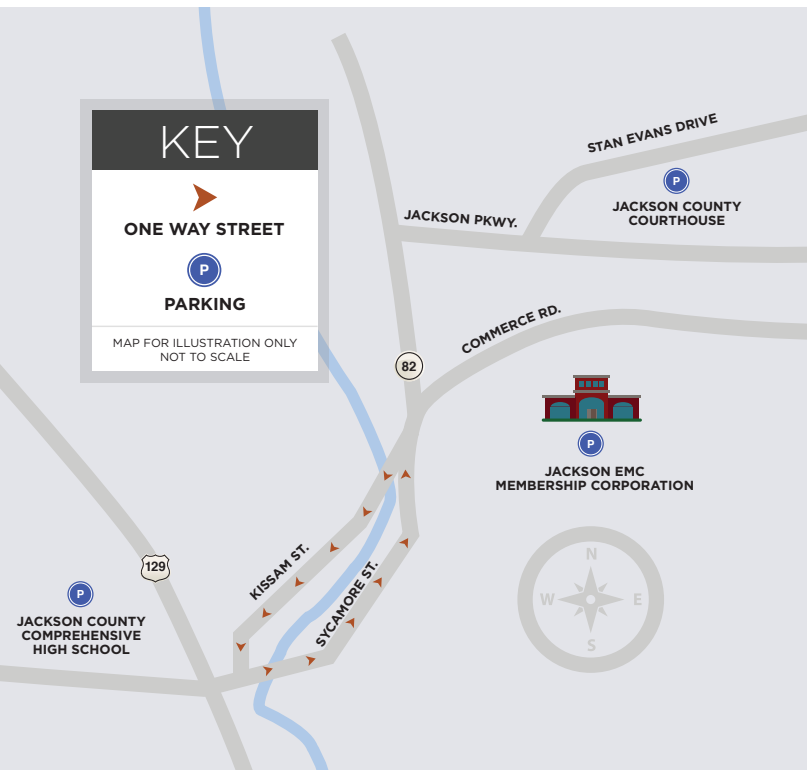
6:15 – 7:20 PM

- Early Prize Drawing
- Entertainment by Karen Peck and New River

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
- Entertainment by Karen Peck and New River
- Grand Prize Drawing

DRIVING AND 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 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 Pkwy.
- 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.).
- 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.
- 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.



REGISTER TODAY AT JACKSONEMC.COM OR MAIL THE ENCLOSED RESERVATION CARD BY FRIDAY, SEPTEMBER 14.

ASSETS

BALANCE SHEETS	2018	2017
UTILITY PLANT		
Electric Plant in Service - At Cost	\$ 1,035,732,505	\$ 1,002,324,844
Construction Work in Progress	14,538,671	13,161,721
Gross Utility Plant	1,050,271,176	1,015,486,565
Accumulated Provision for Depreciation	(324,786,951)	(308,340,478)
	725,484,225	707,146,087
INVESTMENTS IN ASSOCIATED ORGANIZATIONS	171,721,927	160,220,605
CURRENT ASSETS		
Cash and Cash Equivalents	27,645,618	13,121,007
Accounts Receivable (Net of Accumulated Provision for Uncollectibles of \$6,431,716 in 2018 and \$5,327,337 in 2017)	23,704,941	20,905,318
Materials and Supplies	11,375,495	10,593,680
Prepaid Power Cost	50,338,939	50,450,919
Other	2,296,789	2,653,813
	115,361,782	97,724,737
DEFERRED DEBITS	3,863,619	304,685
TOTAL ASSETS	\$ 1,016,431,553	\$ 965,396,114

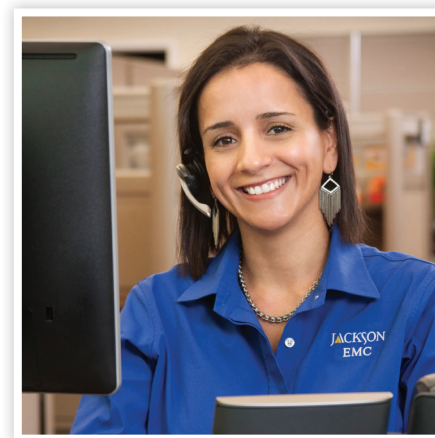
MEMBERS' EQUITY AND LIABILITIES

BALANCE SHEETS		
MEMBERS' EQUITY		
Membership Fees	\$ 3,520,545	\$ 3,413,080
Patronage Capital	432,799,573	404,309,344
Other Equities	630,929	627,146
	436,951,047	408,349,570
LONG-TERM DEBT	432,360,028	421,158,700
OTHER LONG-TERM LIABILITIES		
Accumulated Provision for Postretirement Benefits - Noncurrent	50,067,805	44,643,934
CURRENT LIABILITIES		
Long-Term Debt - Current Portion	17,865,000	16,240,000
Accumulated Provision for Postretirement Benefits - Current Portion	3,316,000	2,743,000
Accounts Payable	36,795,595	33,961,026
Consumers' Deposits	12,510,683	11,935,951
Other	17,175,488	16,892,177
	87,662,766	81,772,154
DEFERRED CREDITS	9,389,907	9,471,756
TOTAL MEMBERS' EQUITY AND LIABILITIES	\$ 1,016,431,553	\$ 965,396,114

STATEMENTS OF OPERATIONS

STATEMENTS

	2018	2017
OPERATING REVENUES	\$ 548,284,700	\$ 518,171,255
OPERATING EXPENSES		
Cost of Power	395,205,295	381,073,557
Distribution Operations	13,187,076	13,372,917
Distribution Maintenance	20,446,945	19,327,942
Consumer Accounts	15,525,092	15,962,309
Consumer Information and Sales	10,661,667	10,500,897
Administrative and General	22,109,466	16,687,737
Depreciation	34,629,539	33,087,874
	511,765,080	490,013,233
OPERATING MARGINS BEFORE INTEREST EXPENSE	36,519,620	28,158,022
INTEREST EXPENSE	21,474,892	22,139,486
OPERATING MARGINS AFTER INTEREST EXPENSE	15,044,728	6,018,536
NONOPERATING MARGINS	10,483,184	9,547,685
GENERATION AND TRANSMISSION COOPERATIVE CAPITAL CREDITS	11,125,618	10,805,617
OTHER CAPITAL CREDITS AND PATRONAGE CAPITAL ALLOCATIONS	834,327	1,965,441
NET MARGINS	\$ 37,487,857	\$ 28,337,279
PATRONAGE CAPITAL - BEGINNING	404,309,344	383,471,331
RETIREMENT OF PATRONAGE CAPITAL	(8,997,628)	(7,499,266)
PATRONAGE CAPITAL - ENDING	\$ 432,799,573	\$ 404,309,344



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

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

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

PERIODICALS
POSTAGE PAID

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MEMBERS MAKE IT DELICIOUS



Apple Cake



INGREDIENTS:

- 1 1/2 cup sugar
- 1 cup vegetable oil
- 1/2 cup butter, softened
- 3 eggs
- 3 cups all-purpose flour
- 1/2 tsp. salt
- 1 tsp. baking soda
- 1 tsp. vanilla extract

- 1 cup golden raisins
- 2 cups peeled and cored apples, cut in small pieces (Granny Smith or another tart apple preferred)
- 1 cup pecans, chopped
- 1 cup flaked sweetened coconut (optional)

Glaze Ingredients:

- 1 cup brown sugar
- 1/2 cup butter
- 1/4 cup milk

DIRECTIONS:

Preheat oven to 325 degrees. Grease and flour one 10-inch Bundt pan. In a large bowl, combine vegetable oil, butter and sugar and beat well with a mixer. Add eggs one at a time to mixture until well combined, then stir in flour, baking soda, salt and vanilla extract. Add apples, pecans, raisins, and coconut to mixture. Stir until combined.

Pour mixture into prepared pan and bake for 90 minutes. Let pan cool for 30 minutes and prepare glaze.

In a small sauce pan over medium heat, combine brown sugar, butter and milk and bring to boil. Remove from heat. Place the still warm cake on a plate and pour the glaze over the top, allowing the glaze to drip down the sides of the cake.

“ This recipe is a great way to use the delicious Georgia apples and pecans we have fresh in the area. This moist cake gets better every day and will make your guests ask for seconds. ”

- LORI KUKLER, DULUTH



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