

JACKSON
ELECTRIC MEMBERSHIP CORPORATION™

JEMCOnews

A PUBLICATION FOR JACKSON EMC MEMBERS

The Power of
People

SEPTEMBER 2022 | ANNUAL REPORT

2022 REPORT TO MEMBERS

ANNUAL MEETING INFORMATION

JACKSON EMC HONORS EMPLOYEES WITH 35 YEARS OF SERVICE



THE POWER OF PEOPLE

Jackson EMC employees have a purpose for our work – to exceed our members’ expectations with reliable, courteous and personalized service. Whether we are helping out in the community, coordinating the construction of power lines, providing energy efficiency tips or responding to a service call, we strive to live up to that purpose.

Having a great purpose requires great people to back it up. Your cooperative is strong because of the power of people. People who are innovative. People who care about their community. People who are excited about the possibilities for their cooperative. That’s the same for employees and members.

As a member, you can take great comfort knowing your cooperative is not only working with a sense of purpose, but also that we’re accomplishing great things today and preparing to do even more. We want to provide you with an update on our achievements, accomplishments and our coming plans. The information on these two pages provides a recap of the past year and looks forward to what’s ahead for Jackson EMC.

CONTINUED GROWTH

Our service area continues to experience impressive growth with new homes and businesses. Over the past five years, the number of meters we serve has grown by 10%. During the past 12 months, we added more than 6,400 meters to our distribution system – bringing the total meters we serve to more than 250,000. That’s an impressive milestone for your cooperative. Of the more than 900 electric cooperatives in the U.S., Jackson EMC is the third largest, with 250,000 meters. Reaching this milestone means we’ve strategically prepared for new businesses and neighbors, while providing exceptional service to you.

During the past 12 months, we’ve added 500 commercial and industrial members who add 60.5 million kilowatt hours of competitive load from companies that chose Jackson EMC as their electric provider. Commercial accounts make up 10% of our membership but use 40% of the electricity. They play a key role in keeping costs low for all members by enabling us to purchase electricity at a more competitive price. These new members represent a variety of industries, including Makita, U.S.A.’s new facility in Hall County for distribution, training and customer service. It also includes a facility for manufacturing, warehouse and office space in Banks County for Pak-Lite, a leading producer of specialty forms, fabrics and flooring. Additionally, Publix has selected Jackson EMC as its service provider for its newest grocery stores in Winder, Jefferson and Athens.

PREPARING FOR THE FUTURE

Over the past year, Jackson EMC has worked diligently to improve the distribution network that supplies your power. We continue to



build new substations and upgrade existing ones, which improves the reliability of your electricity. We recently completed a new substation serving the growing North Hall area. In Gwinnett, we upgraded a substation that serves many businesses and residents in the Norcross area. In the next year, we plan to build three additional substations, which will bring the total number of our substations to 84.

We’ve invested more than \$47 million in our distribution network to better serve members. Along with substation improvements, those investments include adding energized lines to our system and installing state-of-the-art automated switches that help restore power quicker in the event of an outage. Our goal is to install 500 of these automated switches across our distribution system. We added 27 this year, bringing our current total to 390.

Over the next three years, we plan to invest \$173 million in our distribution system to upgrade lines and equipment, improve reliability and serve our growing membership.

RENEWABLE ENERGY

Jackson EMC members have a growing interest in solar options. I’m excited that we launched our Cooperative Solar program which allows members to receive energy from an off-site solar facility that distributes energy to individual residences while avoiding the inconvenience of rooftop solar. This program lets members get energy credits directly on their bill, without any contract or long-term obligation, through Jackson EMC-owned solar panels, just as if the panels were installed on their home. Our members received 93 million kilowatt hours of renewable energy during the past 12 months through our strategic partnership with Green Power EMC. Just over half was generated by solar power – which was enough to completely power more than 3,200 of your homes last year.

Through several new projects under construction in middle and south Georgia, we'll add more solar power in the coming years through our partnership with Green Power EMC.

We're excited for the opportunities to expand our solar offerings to members. We want to be your trusted energy advisor and to be here for your questions about using renewable energy for your home.

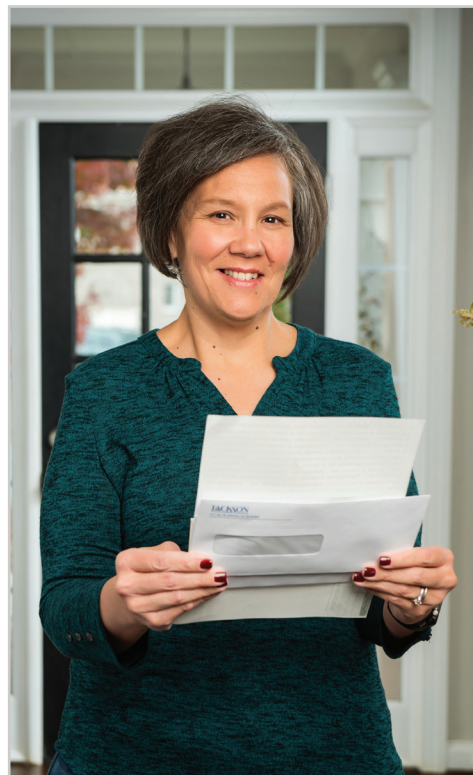
TECHNOLOGY IMPROVEMENTS

Over the past few years, we've been making significant improvements to our technology to better serve you. That's included launching the MyJacksonEMC website and mobile app, along with providing payment kiosks at our local offices that accept bill payments 24/7.

This year, we launched our PrePay program. Members on PrePay pay for electricity before they use it, which gives them more control over their account. For those members who want to make smaller, more frequent payments, PrePay is a great option. It's also easy to use through the MyJacksonEMC website or mobile app.

COMMUNITY IMPACT

At the heart of a cooperative is serving the community. Members who participate in Operation Round Up support funding for community-based programs, like food banks, community health clinics, educational initiatives, emergency shelters and more. Members participating in Operation Round Up round up their bill to the next dollar. On average, a Jackson EMC member contributes \$6 a year to the program. The Jackson EMC Foundation uses those funds to award grants to worthy organizations making a positive impact and individuals in need. Last year, Jackson EMC members gave back more than \$1.3 million to the community through grants awarded by the Jackson EMC Foundation. Since Operation Round Up started in 2005, our members have contributed more than \$18 million to the program.



MARGIN REFUNDS

Thanks to the power of people - our members and our employees - our cooperative is strong. As a not-for-profit cooperative, a portion of revenues left after all the bills are paid each year - we call them "margin refunds" - are returned to members at the end of the year. Last December, eligible Jackson EMC members received \$14 million in margin refunds. This December, we'll return \$15 million in refund checks to members who received service in 1994, 1995, 1996, and/or 2021. These margin refunds bring the total returned to members since we were founded in 1938 to \$189 million.

We're honored to serve you with reliable, courteous and personalized service. We look forward to your continued engagement in your cooperative. Thank you!

Chip Jakins, President/CEO

2022

BY THE NUMBERS

250,000+
TOTAL METERS

6,400
NEW METERS

14,700
MILES OF
ENERGIZED WIRE

5.5 BILLION
KWH USED IN PAST
12 MONTHS

\$1.2 BILLION
IN PLANT ASSETS

\$1.3 MILLION
GIVEN TO CHARITABLE
ORGANIZATIONS BY
JACKSON EMC MEMBERS

Annual Meeting Information

for members

Jackson EMC's Annual Meeting will be held on **Thursday, September 22, 2022**, at the cooperative's headquarters in Jefferson. Registration will begin at approximately 5:00 p.m. The meeting will be called to order at approximately 6:30 p.m.

The meeting will feature entertainment, a box supper, cooperative business and a showcase of products and services offered to members, including information on electric vehicles, Cooperative Solar, home energy audits, payment options, energy efficiency and home security.

Members will learn about the cooperative's operations and plans for the future. Greater Vision, an award-winning gospel group, will provide entertainment starting at 5:45 p.m.



MORE INFORMATION & RESERVATIONS AVAILABLE AT JACKSONEMC.COM.

Driving & Parking Information For Annual Meeting

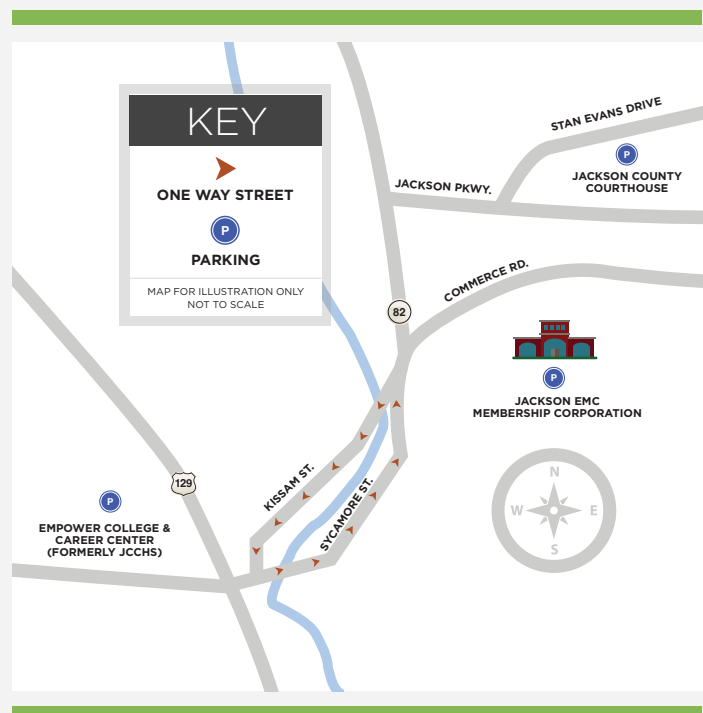
For the best experience, we encourage members to park at two off-site parking areas. Shuttles run to those parking areas every 30 minutes and drop off members at the entrance to Annual Meeting. Shuttles will run from approximately 4:45-8:30 p.m.

Please note there will be limited parking at Jackson EMC's headquarters because of road construction.

Members are encouraged to park at one of these locations and take a shuttle to Jackson EMC:

- *Empower College and Career Center* (formerly Jackson County Comprehensive High School), 1668 Winder Highway, Jefferson
- *Jackson County Courthouse*, 5000 Jackson Parkway, Jefferson

Jackson EMC employees will be available at the off-site parking areas to direct members to the shuttles.



Jackson EMC Employees with **35 YEARS OF SERVICE HONORED**

Jackson EMC appreciates the employees who make our work possible. Please join us in celebrating these employees who have served the cooperative for 35 years.



HOPPER ALEXANDER
SCADA Technician
Jefferson



DWAYNE DANIEL
SCADA Technician
Jefferson



KENNETH GRAHAM
Senior Field Service Representative
Jefferson



SCOTT MITCHELL
Line Foreman
Gainesville



RUSSELL MORTON
Journeyman Lineman
Gwinnett



BRIAN PATTON
Senior Residential Energy Advisor
Neese



KELLY PORTER
System Control Coordinator
Jefferson

ASSETS

	2022	2021
UTILITY PLANT		
Electric Plant in Service - At Cost	\$1,208,354,156	\$1,154,635,532
Construction Work in Progress	23,674,617	28,895,227
Gross Utility Plant	1,232,028,773	1,183,530,759
Accumulated Provision for Depreciation	(401,099,142)	(384,161,350)
	830,929,631	799,369,409
OTHER PROPERTY AND INVESTMENTS		
Investments in Associated Organizations	305,702,167	217,569,633
Restricted Funds	1,702,132	2,458,610
	307,404,299	220,028,243
CURRENT ASSETS		
Cash and Cash Equivalents	23,668,955	58,980,458
Restricted Cash	15,000,000	15,000,000
Accounts Receivable (Net of Accum. Provision for Uncollectibles \$5,376,218 in 2022 and \$4,432,570 in 2021)	27,460,921	29,356,458
Accrued Utility Revenue	33,951,803	32,414,170
Materials and Supplies	20,037,730	13,251,173
Other	1,613,864	2,737,469
	121,733,273	151,739,728
DEFERRED DEBITS		
TOTAL ASSETS	4,054,964	942,723
	1,264,122,167	1,172,080,103

MEMBERS' EQUITY AND LIABILITIES

MEMBERS' EQUITY		
Membership Fees	3,960,645	3,849,070
Patronage Capital	515,976,076	505,567,061
Other Equities	28,541,588	28,470,260
	548,478,309	537,886,391
LONG-TERM DEBT		
	528,126,196	462,015,661
OTHER LONG-TERM LIABILITIES		
Accumulated Provision for Postretirement Benefits - Noncurrent	48,433,321	46,974,161
CURRENT LIABILITIES		
Long-Term Debt - Current Portion	18,600,000	16,000,000
Accumulated Provision for Postretirement Benefits - Current Portion	4,017,000	3,792,000
Accounts Payable	50,059,247	41,035,119
Consumers' Deposits	14,631,259	13,263,016
Other	18,662,844	18,022,145
	105,970,350	92,112,280
DEFERRED CREDITS		
	33,113,991	33,091,610
TOTAL MEMBERS' EQUITY AND LIABILITIES	1,264,122,167	1,172,080,103

STATEMENTS OF OPERATIONS

	2022	2021
OPERATING REVENUES	\$598,702,190	\$593,123,125
OPERATING EXPENSES		
Cost of Power	445,516,767	446,390,012
Distribution Operations	15,771,514	15,666,621
Distribution Maintenance	22,524,630	19,704,446
Consumer Accounts	17,158,572	16,540,898
Consumer Information and Sales	12,793,451	10,220,414
Administrative and General	20,082,829	22,310,219
Depreciation	39,440,317	38,066,994
	573,288,080	568,899,604
OPERATING MARGINS BEFORE INTEREST EXPENSE	25,414,110	24,223,521
INTEREST EXPENSE	14,963,032	15,480,848
OPERATING MARGINS AFTER INTEREST EXPENSE	10,451,078	8,742,673
NONOPERATING MARGINS	(1,146,692)	13,447,799
GENERATION AND TRANSMISSION COOPERATIVE CAPITAL CREDITS	14,137,855	13,595,752
OTHER CAPITAL CREDITS AND PATRONAGE CAPITAL ALLOCATIONS	967,061	782,861
NET MARGINS	24,409,302	36,569,085
PATRONAGE CAPITAL - BEGINNING	505,567,061	481,998,015
RETIREMENT OF PATRONAGE CAPITAL	(14,000,287)	(13,000,039)
PATRONAGE CAPITAL - ENDING	\$515,976,076	\$505,567,061



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



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JEMCTV1



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Jackson EMC

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PERIODICALS
POSTAGE PAID

MEMBERS MAKE IT DELICIOUS

Chocolate Delight



“I make this dish on holidays because my husband and grandkids love it. And, it's easy to make so the grandkids can help.”

- BELINDA GAIL PADEN, BUFORD

INGREDIENTS:

- | | |
|---------------------------------|--------------------------------------|
| 1 cup self-rising flour | 1 container Cool Whip |
| 1 cup pecans, chopped | 2 boxes of instant chocolate pudding |
| 1 stick butter, softened | 3 cups cold milk |
| 1 8-oz. package of cream cheese | 1 tsp. vanilla |
| 1 cup confectioners' sugar | |

DIRECTIONS:

Preheat oven to 350 degrees. Create first layer by mixing pecans, butter and flour together in small bowl. Press mixture into the bottom of a 9x13 pan. Bake for 22 minutes. Let cool.

Create second layer by mixing cream cheese, confectioners' sugar and one cup of Cool Whip. Spread on top of first layer. Create third layer by combining chocolate pudding mix, milk and vanilla. Mix until thick and spread on top of second layer.

Spread the remaining Cool Whip on top of the third layer. Chill and serve.



SEND US YOUR BEST RECIPES: RECIPES@JACKSONEMC.COM OR MAIL TO:
COOPERATIVE COOKING | JACKSON EMC | PO BOX 38 | JEFFERSON, GA 30549
FIND MORE RECIPES AT WWW.JACKSONEMC.COM/RECIPES.