



# EMC

# ANNUAL REPORT



*"Owned by those we serve"*

Bill Durden photos





**Mildred Jackson**  
Chair  
*Tennille*



**Joe Taylor**  
Vice Chair  
*Sparta*



**Mike McDonald**  
Secretary-Treasurer  
*Warrenton*



**Mike Beckworth**  
*Harrison*



**Billy Helton**  
*Warthen*



**Jeff Lacken**  
*Sparta*



**Ken Vickers**  
*Wrightsville*

## *We* want to be the best EMC for our members

For almost two years, it has been my honor and privilege to serve as your President/CEO here at Washington EMC. I have made it my goal to evaluate the needs of our members and to ensure we are offering more and better ways to serve you. While many business processes we have practiced for years still work perfectly, others needed updating.

We have implemented a new phone system to allow you to check your account balance, pay your bill or report a power outage automatically. We have installed and continue to install, payment kiosks at various locations in our service area to give you more options. We have implemented the ability to apply for service online without having to visit an office. At our members' request, we have added automatic credit card

draft, along with our existing bank draft program, as a convenient way to pay your bill each month.

We are currently working on an app for your smartphone or tablet that allows you to interact with us and your account more conveniently. We have updated our website for easier use and hope you find the information there helpful.

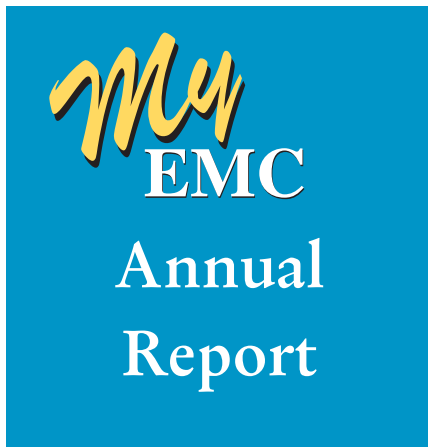
Operationally, we have implemented a new state-of-the-art supervisory control and data acquisition system that allows us to better monitor our electric distribution system and equipment to reduce waste and save money in the delivery of electricity to your home. In 2015, we will be working toward the implementation of smart meters to better serve your energy needs and provide you with the tools to learn more about your

energy use and how to save money and use electricity more efficiently. In addition, this new smart meter system will enable us to install prepaid programs, in which you pay for the electricity when you want in the increments you want.

Sure, it is our job to deliver to you safe and reliable electricity, but how well we do that and how convenient we make it for you to communicate with us is what sets us apart from other utilities. We want to be the best EMC for our members. The employees and directors of Washington EMC truly take an enormous amount of pride in serving our members each and every day. We are dedicated to meeting your needs in the best possible way.

*Wendy Sellers*  
President/CEO

# We're all in this together



Mildred Jackson  
Chair



Wendy Sellers,  
President/CEO

Each October, Washington EMC members are invited to participate in our Annual Meeting. The morning is spent getting to know your neighbors, discussing what Washington EMC has accomplished in the previous year and contemplating where the cooperative may go in the future.

At this meeting, Washington EMC members also have the opportunity to elect members to the cooperative's board to represent them in the affairs of the cooperative.

Because Washington EMC is a member-owned utility, each year we publish an Annual Report just prior to the Annual Meeting. In this report, management keeps members up to date about current issues facing the co-op, as well as reporting on co-op finances and the like. This Annual Report is sent to each Washington EMC member before the Annual Meeting, so each member can be aware of the business of the cooperative.

First and foremost, Washington EMC serves our communities by doing what we do best: provide safe,

reliable and affordable electricity. Beyond literally lighting up the community, your cooperative plays a significant role in the well-being of the communities it serves.

Because we are a cooperative business, owned by those we serve, Washington EMC has a deep commitment to improving the quality of life in our communities. The result is local people working for local good. That's the essence of the cooperative principle of Concern for Community.

The benefits this co-op brings to the community don't stop at your light switch, nor are they just financial. Your Board of Directors and co-op employees support programs and projects that are good for the community. We are your friends and neighbors and are close enough to be aware of and have an impact on local needs.

When it comes to your electric bill, our rates are set simply to cover the cost of doing business, not to generate profit. In fact, as a not-for-profit organization, we give money back to you when our revenues exceed costs.

Your Board of Directors is proud to report, that in 2014, the cooperative returned more than \$754,631 to our members in the form of capital credits. These capital credit checks were mailed to qualified members in August.

Whether it's assisting a member or meeting a community need, your cooperative's driving focus is service to others. We exist only to serve you. We are proud to be your electricity provider.

We appreciate your interest in Washington EMC. Thank you for taking the time to participate in the operation of your electric cooperative. We look forward to seeing you at this year's Annual Meeting on Oct. 4.

A handwritten signature in black ink that reads "Mildred Jackson".

Mildred Jackson  
Chair

A handwritten signature in black ink that reads "Wendy Sellers".

Wendy Sellers  
President/CEO

# We're all about member satisfaction at

**Service to our members isn't  
something taken lightly**



**M**any things associated with Washington EMC have changed through the years. Some things that have remained constant. These constants form the purpose, principles and objectives that guide your cooperative.

Customer satisfaction is a constant we will not compromise on. Locally owned and operated—no one is going to treat you better.



**No matter the conditions, we stay focused on getting the job done right for our members.**  
—Keith Dixon, Power Line Technician 1st Class.



**Wendy Sellers**  
*President,  
CEO*



**Chad Davis**  
*V. P. Finance  
and Administration*



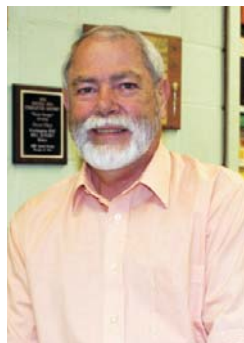
**Mark Riner**  
*V. P. Operations  
and Engineering*



**Chris Biggers**  
*V. P. Information Systems  
and Technology*



**Kim Roberson**  
*Administrative  
Assistant*



**Bill Durden**  
*Member Services  
Representative*



**Iketina Jordan**  
*Customer Service  
Supervisor*



**Linda Griffin**  
*Branch Manager  
(Milledgeville)*



**Wanda Brooks**  
*Branch Manager  
(Sparta)*



**Wayne Day**  
*Line  
Superintendent*



**Kevin Morris**  
*Operations  
Supervisor*



**Tim Cato**  
*Supervisor  
Engineering Services*



**Tony Orr**  
*Manager Appliance  
Sales and Service*





**A well-maintained inventory of necessary equipment is kept in stock to keep the distribution system protected and operational.**

# Powerful facts about



## The cost of power

In 2013, the total cost of purchased power was \$22,256,828 million. This amounts to 64.13 cents out of every dollar going to pay for wholesale purchased power.

## Margins and member ownership

Margins in 2013 totaled \$1,713,756. Members enjoy strong ownership of the cooperative, with 51.94 percent equity in their \$73.8 million business.

## Long-term debt and interest

We made principal and interest payments of \$2,980,708 to the Rural Utilities Service, National Rural Utilities Cooperative Finance Corporation and CoBank. Interest expense decreased \$62,130 from 2012.

## Plant maintenance and service reliability

Your cooperative's distribution system is well maintained, with emphasis on preventive maintenance. In continuing to work for you, we spent more than \$2 million last year to improve the electric delivery system. The average outage time per consumer in 2013 was 2.49 hours.

Our commitment to service goes far beyond statistics. Washington EMC is committed to providing reliable electricity and related services to meet the needs of our members and the communities we serve. This is our No. 1 priority. From all of us at Washington EMC, we thank you for the opportunity to provide your electric needs.



Bill Durden photos

**As of year-end 2013, 2,952 miles of overhead and underground distribution lines, as well as 14 substations, provided reliable electric service to 15,362 services in Baldwin, Emanuel, Glascok, Hancock, Jefferson, Johnson, Laurens, Warren, Washington and Wilkinson counties.**



**Organized to serve, Washington EMC brings the power to the people. Providing affordable, reliable service is our top priority.**

Our annual report serves as a means to provide you with operational facts and figures, as well as the financial status of your cooperative. While this information is beneficial, keep in mind that our values of respect, commitment, trust, teamwork, integrity and excellence are at the top of our list when serving you—the member.

Washington EMC had a successful year in 2013. Revenues from the sale of electricity totaled \$33,748,626 for the year. More than \$754,697 was returned to members in the form of capital credit checks in 2013.



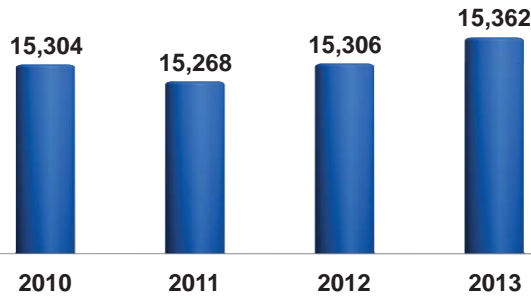
## Financial statements

(For the years ended Dec. 31, 2013, and Dec. 31, 2012)

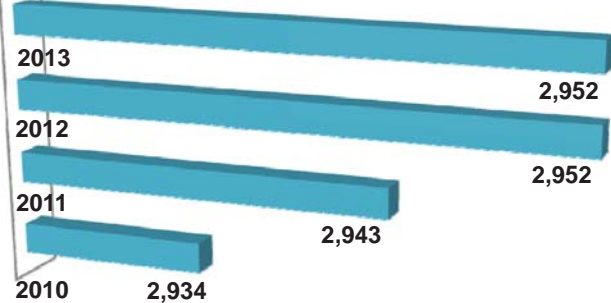
<b>BALANCE SHEET</b>	<b>2013</b>	<b>2012</b>
<b>ASSETS</b>		
Utility plant, less accumulated provision for depreciation	51,257,282	49,520,128
Other property and investments	14,468,873	13,887,189
<b>CURRENT AND OTHER ASSETS</b>		
Cash and cash equivalents	2,090,151	3,331,879
Accounts receivable, less accumulated provision for uncollectible accounts	3,849,106	3,703,833
Inventories	923,685	861,068
Prepayments	938,348	1,349,502
Other current assets	190,420	52,409
Deferred debits	93,242	190,487
<b>TOTAL ASSETS</b>	<b><u>73,811,107</u></b>	<b><u>72,896,495</u></b>
<b>MEMBERS EQUITY</b>		
Memberships	62,723	62,693
Member capital and margins	38,278,267	37,316,946
<b>LIABILITIES</b>		
Long-term debt	28,660,891	29,510,547
Current and accrued liabilities	6,809,226	6,006,309
<b>TOTAL LIABILITIES AND MEMBERS EQUITY</b>	<b><u>73,811,107</u></b>	<b><u>72,896,495</u></b>
<b>STATEMENT OF REVENUE AND EXPENSES</b>	<b>2013</b>	<b>2012</b>
<b>REVENUE</b>		
Operating revenues	34,703,265	34,861,544
<b>EXPENSES</b>		
Cost of power	22,256,828	22,301,280
Operations	2,447,470	2,273,338
Maintenance	2,154,862	2,148,243
Consumer accounts	1,177,540	1,122,042
Consumer information and sales	217,214	211,844
Administrative and general	2,024,510	2,086,460
Depreciation	2,109,710	2,114,891
Interest on long-term debt	1,459,986	1,522,116
<b>TOTAL OPERATING EXPENSES</b>	<b>33,848,120</b>	<b>33,780,214</b>
<b>PATRONAGE CAPITAL AND MARGINS</b>		
Net operating margins	855,145	1,081,330
Non-operating margins	182,832	160,964
Capital credits from associated companies	675,779	586,487
<b>TOTAL PATRONAGE CAPITAL AND MARGINS</b>	<b><u>1,713,756</u></b>	<b><u>1,828,781</u></b>

Washington EMC is audited by the independent accounting firm of McNair, McLemore, Middlebrooks & Co., LLP. Members may obtain a complete audited financial statement by calling Washington EMC at (478) 552-2577, ext. 817.

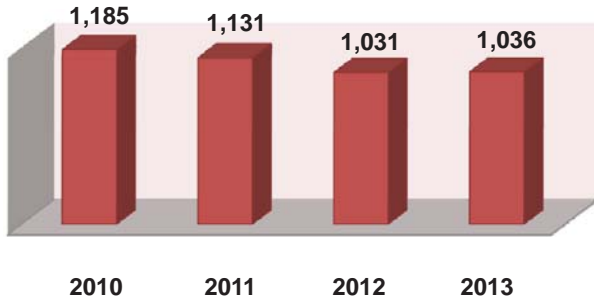
### Metered accounts



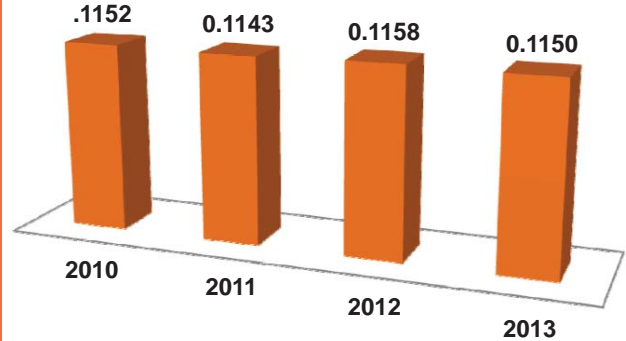
### Miles of line



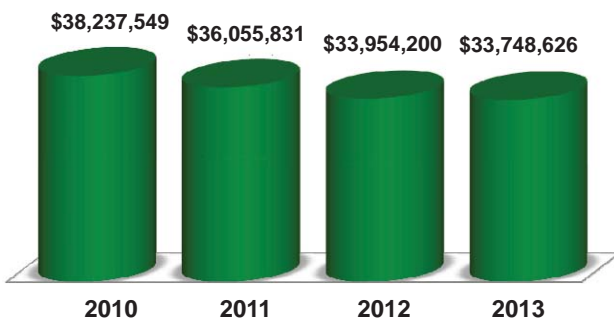
### Average kwh used monthly (Residential)



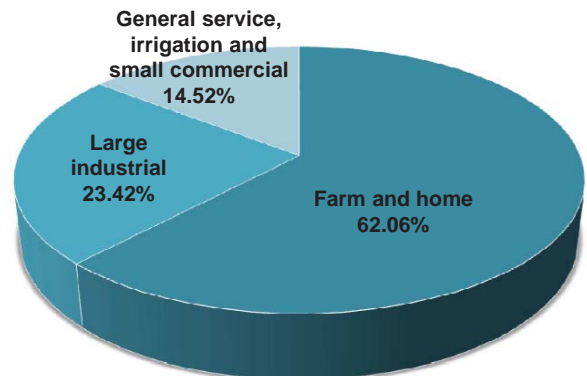
### Average cost per kwh (Residential)



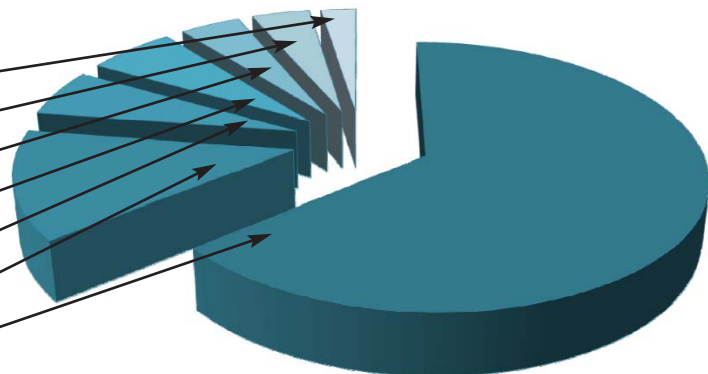
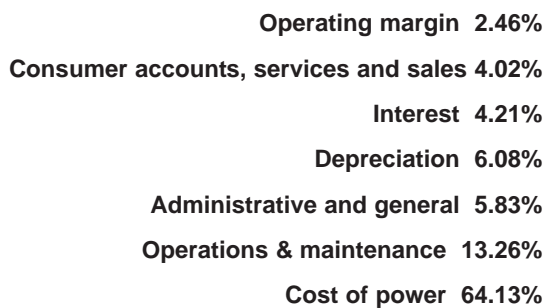
### Electric revenue



### Source of 2013 revenue



### Use of 2013 revenue



## Official Annual Meeting Notice

The Annual Meeting of Members of Washington Electric Membership Corp. will be held at 10 a.m. in the T. J. Elder Middle School at 902 Linton Road in Sandersville, Ga., Saturday, Oct. 4, 2014.

The meeting will be called to order to receive reports of officers, directors and committees; to elect three directors for terms of three years each; and to act on any other business that may properly come before the meeting.

## Notice of Nominees for Election

In accordance with Article III, Section 3.05, of the Bylaws, the duly appointed Nominating Committee of Washington Electric Membership Corp. met on Aug. 12, 2014, at the office of the cooperative, in the city of Sandersville, Ga., for the purpose of nominating directors to be elected at the next Annual Meeting of Members, to be held Oct. 4, 2014.

The following have been nominated by the Nominating Committee to serve for a period of three years from the next Annual Meeting date:

*District 1, Mike McDonald*

*District 2, Jeff Lacksen*

*District 6, Mike Beckworth*

## Annual Meeting Program

**Saturday, Oct. 4, 2014**  
**T.J. Elder Middle School**  
**902 Linton Road**  
**Sandersville, Ga.**

Registration begins at 9 a.m.  
Business meeting starts at 10 a.m.

Call to order  
Invocation  
Reading of notice  
Minutes of previous meeting  
Reports to the membership  
Election of directors  
Old business  
New business  
Attendance prize drawing  
Adjourn

## Grand Prize!

**GE Washer and Dryer Pair**  
**\$1,100 retail value!**



**Register to receive instant  
prizes and more!**

*Must be present to win.*

## Special Gift

**Folding Chair, with  
bag, for the first 400  
registered members**

