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knowledge of the community to serve on several different boards. He served on the Lenoir Bank board for 24 years and joined Volunteer Electric Cooperative (VEC) board of directors in 1990. Mr. Brooks served on VEC's board for 17 years and held the position of Vice Chairman for two years. During his time on the board, Brooks saw the services provided by VEC expand to include propane and natural gas necessitating a name change to Volunteer Energy Cooperative, and he saw a leadership change from Bill Buchanan to today's CEO and President Rody Blevins.

Brooks saw the growth of VEC during his lifetime in the Jamestown area as integral to the survival of the community. Adding a second substation increased reliability and capacity. Running electricity to the remote farms and homes throughout Fentress and Pickett counties enabled families to work longer and communities to connect over a distance that prior was prohibitive. Connecting a community with electricity evened the playing field for the farmers and the towns' folks.

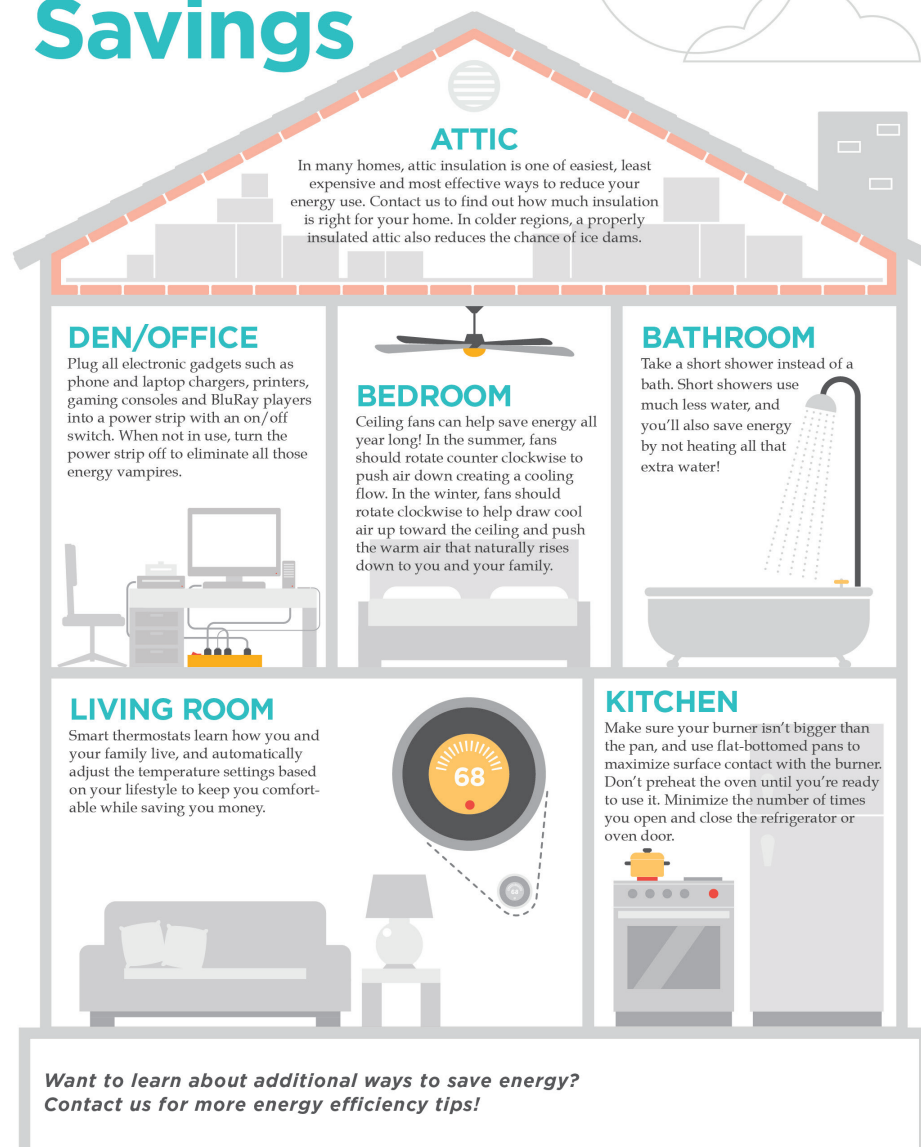
Mr. Brooks has fond memories of calling the local VEC office regarding an outage and speaking to Butch Campbell, the young son of the Service Area Manager Claude Campbell. In the early years of VEC, being an area manager meant your whole family was involved. That same Butch Campbell now serves on the VEC board of directors representing Jamestown.



Campbell has fond memories of sleeping through storms on the counters at the Jamestown service center, riding with his dad to check on lines and speaking to consumer members about problems. When his dad started in Jamestown in 1946, he was the only full-time employee. VEC had purchased the distribution rights to the area five years earlier from the Tennessee Valley Authority and would begin to run lines to the rural areas throughout the county. Claude Campbell would work at the Jamestown Service Center until 1978. Board Member Butch Campbell stated that the most significant change he saw upon joining the board in 2008 was the changes in equipment and emphasis on safety. The improvements in equipment impacted the linemen as well as the new safety measures. All of these upgrades made the job safer and the mission of reliability achievable for the lineman - today's ordinary heroes.



## A Full House of Energy Savings



## FAST FACTS

### Customer Service & Outage Calls

Calls Answered by CSR: 170,125  
Calls Answered by IVR: 570,123

**Service Reliability:**  
99.7% Average

### System Maintenance

Poles Inspected: 1,183  
Acres of Brush Sprayed: 3,597  
Miles of Line Trimmed: 1,317  
Tree Trimmers and Sprayers: 110



# POWERLINES

Volunteer Energy Cooperative Newsletter

NOV 2018

As we prepare this edition of *Powerlines*, we are busy compiling the 2017-2018- Volunteer Energy Cooperative Annual Report. This report is to inform the membership and others about the status of the Cooperative and our progress during the year. It is a time that we reflect on the year and how we performed financially, as well as strategically and overall as an organization.

This year our annual report shares the connection between VEC and our service community both residential and industrial. We have been privileged to be a part of ordinary heroes' lives, as well as companies founded on respect, integrity, and courage. We have witnessed VEC employees rise to challenges in the communities where they live, and generations of VEC families work to impact their service areas.

While connecting communities to electricity have been our business for the last 82 years, now we are faced with the same desire for connection but to broadband high-speed internet service. We will continue to apply the cooperative principals that govern us to meet this need in our rural communities while remaining fiscally responsible to our co-op consumer members.

Although we have faced challenges, I see the progress we have made toward our Vision 2020 plan. Substation upgrades, fiber optic expansion, and enhancement of communication tools were highlights of this year.

I encourage you to pick up a copy of the 2017-2018 Annual Report. It is available at all our local VEC customer service centers or by calling 423-334-7051 and requesting a copy.



Rody Blevins  
President/CEO  
Volunteer Energy  
Cooperative







The VECustomers Share program funded \$30,300 in community service grants in September. Since the inception of the program in October 2001, more than \$6.4 million in grants has been awarded. The deadline for grant applications is the last working day of each month. For additional information, contact the office of Marketing and Economic Development, at 423-334-7051. Applications are also available online, at [www.vec.org](http://www.vec.org).



VECustomers Share Board Chairman Erbin Baumgardner presented a check to Executive Director Tanya Murphy of Grace and Mercy Ministries. Grant funding will be used to provide meals to those in need.

Organizations receiving grants in September

God's Helping Hands	\$1,600	Stone Memorial High - Coordinated	
Riceville First Baptist - Weekend Meal Project	\$1,500	School Health Team	\$500
Monterey FBC Community Fall Festival	\$1,350	New Life Church Community Kitchen	\$500
Cumberland Adult Reading Council	\$1,200	Meigs County FFA Alumni	\$500
Avalon Center: Domestic Violence & Sexual Assault Program	\$1,200	Midway Youth Development Organization	\$500
Spring City Middle School (SCMS) Science Boosters	\$1,000	Midway High Drama Club	\$500
Fentress County Imagination Library	\$1,000	Midway High School Wide Positive Behavior	\$500
Rhea County 4-H	\$1,000	Monterey Jr. Wildcats	\$500
Manna House Ministries	\$1,000	Midway High School Cheerleader Booster Club	\$500
Bradley County Scottish Rite-Shoe Fund	\$900	Cumberland County High Cross County Team	\$500
South Cumberland Elementary Basketball Teams	\$900	100 Black Men of Bradley County Inc.	\$500
Maple Grove Team Kids	\$900	Polk County High Cross-Country Team	\$500
Meigs Senior Center	\$800	BSA Troop #130	\$400
Stone Memorial High School Food Pantry	\$700	Accelerated Reader (AR) Program-Meigs South	\$300
Lady Bobcats Soccer Team	\$685	Meigs South 3-5 Grade STEM Program	\$300
Benton Lions Club	\$685	Club 21	\$300
Great Smoky Mountain Council	\$650	Veterans of Foreign Wars Post 6277	\$250
Byrdstown Angel Tree Project	\$625	Midway High School Baseball Boosters	\$250
Ms. Pauletta Dowdy's 8th Grade ELA Club	\$625	Midway Quarterback Club	\$250
Ms. Amanda Beaty's 11th Grade Math Club	\$625	Meigs South Elementary PTO	\$200
Pickett County High School Football	\$625	Lady Tiger Softball Booster Club	\$200
Walker Valley Softball	\$600	Meigs County High School Baseball Booster Club	\$200
Benton Fall Festival Booster Club	\$585	Panther Page Turners	\$200
Spring City Middle Postive Behavior Support Team	\$550	Toys For Children	\$200
		Calhoun Elementary PTO	\$175
		Character Counts Community Initiative	\$175
		Pals Homeschool Group	\$100

Jamestown - Heroes From the Ordinary

Although the first land in this area was deeded in 1800 to Conrad Pile, a friend of Davy Crockett and great-great-great-grandfather of Sergeant Alvin York, the Jamestown community was established in 1823.



Named after a local politician James Fentress it was built on the site of a semi-permanent Cherokee village and was previously named Sand Springs for the many natural springs in the area. There is a remaining spring located in the Mark Twain City Park northeast of the county courthouse. This spring is said to have provided water to the family of John Clemens, father of Samuel L. Clemens (Mark Twain) before they moved to Missouri. John Clemens served as the first circuit court clerk and is credited for drawing the plans for the first courthouse and jail.

Jamestown has a legacy of heroes arising from the ordinary people. Farmers turned war heroes; hunters turned politicians, and the list goes on. One of the Jamestown community heroes is James Brooks. Mr. Brooks was born in 1932 into a family of grocers. The Brooks' grocery and cash stores provided the Jamestown community with fresh food and a place to cash checks. They had stores in Fentress, White and Morgan counties. Mr. Brooks has also ranched and farmed since he was a young boy. When he was in grade school, he asked Sergeant Alvin York, the hero of World War 1 and his neighbor, if he could use part of his property to raise pigs. Sergeant York was more than delighted to allow him to use the land.

Mr. Brooks went into the family grocery business and also partnered in the Brooks Golf and Country Club. He worked in the family business until the early 80s. In 1981 he was shot repeatedly during an armed robbery of his grocery store. The robber did not anticipate that not only would Mr. Brooks resist but his sister and niece who had been working would fight back and stop the robbery. The



robber was caught and went to prison for life. The injuries Brooks sustained in the assault resulted in his retiring from both the grocery and country club. Not one to sit still, Brooks continued to farm and raise cattle. Mr. Brooks used his

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Financial Statements for VEC For the Fiscal Year Ended June 30, 2018

Volunteer Energy Cooperative Balance Sheet as of June 30, 2018

Assets

Electric plant in service	\$ 460,300,687
Less depreciation	<u>221,828,040</u>
Total	238,472,648
Other property and investments	13,969,590
Current and accrued assets	
Cash and temporary cash investments	50,527,998
Accounts receivable	16,386,600
Materials and supplies	3,371,323
Prepayments	756,360
Other current assets	<u>1,692,224</u>
Total	72,734,505
Deferred debits	
Receivables-conservation	4,735,476
Other deferred debits	<u>736,808</u>
Total	5,472,283
Total assets	\$ 330,649,027

Capital and Liabilities

Capital	
Membership certificates	\$ 449,875
Earnings reinvested in system assets	<u>263,871,095</u>
Total	<u>264,320,970</u>
Long term debt	17,696,110
Other noncurrent liabilities	8,211,257
Current and accrued liabilities	
Other notes payable	-0-
Accounts payable	19,253,781
Customer deposits	4,893,783
Taxes and interest	1,232,920
Other current liabilities	<u>1,128,983</u>
Total	26,509,467
Deferred credits	13,911,223
Total capital and liabilities	\$ 330,649,027

Volunteer Energy Cooperative Statements of Income and Earnings Reinvested in System Assets Fiscal Year Ended June 30, 2018

Operating Revenue	
Sale of electric energy	
Residential	\$ 154,909,235
Commercial	23,627,033
Industrial	56,614,925
Street and other lighting	<u>4,103,206</u>
Total sale of electric energy	239,254,398
Other revenue	<u>6,391,173</u>
Total operating revenue	<u>245,645,571</u>
Operating Expenses	
Cost of power purchased from TVA	\$ 187,757,203
Distribution and transmission expense	14,809,653
Customer accounts expense	3,948,739
Customer service, sales and information expense	488,211
Administrative and general expense	8,557,608
Depreciation	15,934,482
Taxes	3,047,591
Interest expense	<u>1,168,359</u>
Total operating expense and interest	235,892,174
Operating Income	9,753,397
Other income	<u>1,180,168</u>
Net Income	\$ 10,933,565
Earnings Reinvested in System Assets	
Beginning of fiscal year	\$ 252,937,530
End of fiscal year	\$ 263,871,095



Tennessee Valley Authority (TVA)

Residential & Outdoor Lighting Fuel Cost Adjustment Effective October 1, 2018



1.990¢

For the most current FCA information, visit [www.vec.org](http://www.vec.org)

Volunteer Energy Cooperative is an Equal Opportunity provider and employer.