



Intentionally **DIFFERENT**



Sawnee EMC

2020 ANNUAL REPORT

and Official Notice of
2020 and 2021 Meeting of Members

SEMC BOARD OF DIRECTORS

From left to right, top to bottom:

Roger Coker - District 1 (Secretary-Treasurer)

Marshall Millwood - District 2

Bill Barnett - District 3

Gary Porter - District 4 (Vice Chairman)

Larry Evans - District 5

Tim Heard - District 6

Terry Mathis - District 7

Donna Yost - District 8

Rodney Reese - District 9 (Chairman)



2021 DIRECTOR ELECTION RESULTS

District 1 (Birmingham)

Mr. Roger Coker was re-elected as provided for in the Bylaws.

District 4 (Dougherty)

Mr. Gary Porter was re-elected as provided for in the Bylaws.

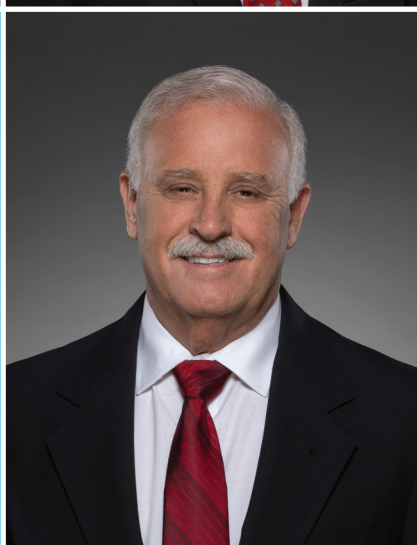
District 6 (Matt)

Mr. Tim Heard was re-elected as provided for in the Bylaws.



ELECTION OF DIRECTORS

Members of Sawnee EMC have the unique right to determine who represents them in the affairs of the Cooperative as members of its Board of Directors.



Dear Sawnee EMC Member:

Last year was an unprecedented year for several reasons. The COVID-19 pandemic challenged all of us to adapt quickly to changes in our daily lives; both in how we interact with one another and how we conduct business. We are thankful for how we evolved as your electric cooperative and look forward to the promise of better days to come.

Please accept this, our 2020 Annual Report, for your review and consideration. As you will see, the theme is “Intentionally Different” and we are glad to be able to showcase the many accomplishments the staff of your cooperative has achieved.

Also, included in this report on page nine (9), is an abbreviated version of our 2020 audited financial results. There is also information on this page about how you can gain access to the full report, and additional data, which is available upon request.

As you review the Annual Report, you will see it was another stellar year for Sawnee EMC. We excelled in the areas of customer service, customer satisfaction and reliability. All of these metrics are factors our members continue to stress as key reasons for their overall satisfaction and are items we will remain focused on today and into the future.

At this year’s Annual Meeting, which will be held on October 2, 2021 at the Sawnee corporate campus in Cumming, we will conduct both the 2020 and 2021 Annual Membership Meetings. As you recall, due to restrictions last year on gatherings imposed by the State of Georgia to limit the spread of COVID-19, we chose to postpone our 2020 Annual Meeting until 2021.

In closing, I would like to thank you for allowing us to serve your energy needs. With the progressive leadership from our dedicated Board of Directors and the commitment of over 360 employees who call Sawnee EMC home, you can rest assured the entire organization is committed to excellence in service so you can operate your business, stay cool in the summer and warm in the winter. Being good stewards of the assets of your electric cooperative is our highest priority and a commitment that we do not take lightly.

That is why we are “Intentionally Different” and look forward to serving you and your electric needs now and in the years ahead.

Best wishes,



Michael A. Goodroe
President and CEO



INTENTIONALLY DIFFERENT

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Distinct **SERVICE**



Proudly following the mission of our founders, we are focused on serving the needs of you, our member-owners. An important part of living up to the cooperative business model is finding new ways to understand, meet and then exceed your expectations. As your needs evolve, we promise to do our best to fulfill them and improve the way we serve you.

WE'RE HERE TO HELP. From providing energy-saving resources to developing innovative ways to interact with you, we are always looking for new ways to serve you. We provide electricity and world class customer service to over 166,000 residential and commercial member-owners throughout seven counties in greater north Georgia. Our over 360 dedicated professionals are proud to serve you across 11,700 miles of distribution line.



PATRONAGE CAPITAL.

We are a not-for-profit electric cooperative. Each year, our member-owners receive an assignment of what is called "patronage capital" in the records of the Cooperative. A patronage capital assignment is based on the amount of revenue a member provides the Cooperative through their electric bills during a particular year. The retirement of patronage capital is one of the most

important things we do. It's unique to the cooperative business model. In 2021, approximately \$8 million was returned to over 105,000 eligible current and former members. Over the past five (5) years, Sawnee EMC has returned \$50 million to its member-owners in patronage capital.



JD POWER.

In 2020, we received a national award from J.D. Power for scoring Highest in Customer Satisfaction among electric cooperatives in their Electric Utility Residential Customer Satisfaction study. With a score of 826 out of a possible 1,000 we were proud to be one of only six electric cooperatives

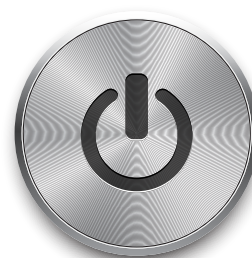
in the nation to score above 800. Additionally, we achieved the highest scores in the segments of "Power Quality and Reliability", "Billing and Payment" and "Corporate Citizenship".



From providing energy-saving resources to developing innovative ways to interact with you, we are always looking for new ways to serve you.



We care about you and understand that electricity is more than a commodity – it's a necessity and we will continue to work hard to power your life... safely, reliably and affordably.



Powering your home or business with safe, reliable and affordable electricity is our core mission. Doing so at the highest level of service requires modernizing and maintaining our state of the art distribution system. Upgrading equipment, regularly clearing right of way, updating cybersecurity measures and implementing innovative technology ensures you will receive reliable power for years to come.



Conscious **PLANNING**



PLANNING FOR THE FUTURE. We are preparing for a cleaner future. Renewable energy sources currently provide a portion of our generation resources while alternative sources of power, like advanced nuclear and its low carbon footprint, will add to our portfolio. With diverse types of supply options on the horizon, such as large-scale batteries, we can responsibly transition to alternative forms of central station electricity. Our goal is to maintain a balanced mixture of fuel types and approaches to ensure reliability and resiliency while strategically meeting your energy needs.

GREAT RATES.

Electricity powers our quality of life. From items such as appliances, water heaters and HVAC systems to charging your smartphones, computers, televisions and Wi-Fi routers, your energy bill covers much more than lighting. Today, there is more demand for electricity than ever before. Our Board of Directors is committed to keeping electric rates affordable and that forward thinking is seen

directly in our electric rate ranking in the Georgia Public Service Commission's annual electric rate survey. Per this survey, your electric rates are among the lowest for rates in the state among electric cooperatives. We care about you and understand that electricity is more than a commodity – it's a necessity and we will continue to work hard to power your life, safely, reliably and affordably.



Purposefully **SERVING**



Serving you, our member-owner, and our local community has been at the heart of our mission since local people formed the cooperative over 83 years ago. Our goal is to improve the lives of those we serve and energize your area in ways that go far beyond providing electricity.

SAWNEE ELECTRIC MEMBERSHIP FOUNDATION. Through our Operation Round Up program, member-owners voluntarily round up their monthly bill amount to the next highest dollar and 100% of this “spare change” benefits local, charitable organizations, classroom grants, scholarships and more. These generous donations from participating member-owners have allowed the Foundation to donate over \$3.7 million back into our local community since its inception in 2003.



COMMUNICATION.

Each day our Customer Call Center answers approximately 750 phone calls and nearly 200 texts, online chats and emails. Our professional staff receives extensive training and what we learn, during our conversations with you, shapes our actions. That is why we have developed and enhanced communication items such as SmartHub, our online account management portal

and our App available in the App Store and Google Play to help you communicate with us on a platform that is most convenient for you. We seek your feedback each year through satisfaction surveys and actively listen during all of our interactions with you because when we listen, we learn, and those lessons strengthen our service to you.



Our goal is to improve the lives of those we serve and energize the area in ways that go far beyond providing electricity.



COVID-19 REVIEW.

Even during uncertain times, we demonstrated our commitment to put you first. In 2020, to ease the pandemic's effects, we suspended late fees and disconnections, delayed a base rate increase and provided a special early retirement of patronage capital.



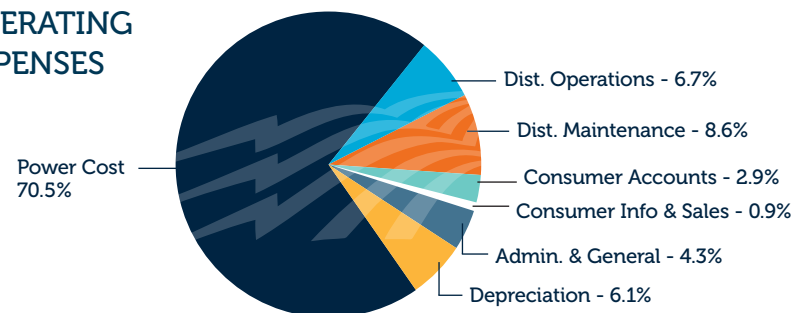
Sawnee Electric Membership Corporation BALANCE SHEETS

Assets	2020	2019
Utility Plant		
Electric Plant in Service - At Cost	\$692,470,005	\$651,961,175
Construction Work in Progress	7,122,792	7,700,509
Gross Utility Plant	699,592,797	659,661,684
Accumulated Provision for Depreciation	(132,589,958)	(127,826,612)
	567,002,839	531,835,072
Other Property and Investments		
Investments in Associated Organizations	44,725,285	42,673,143
Restricted Funds	152,071,270	137,071,270
Other Investments	478,730	478,730
	197,275,285	180,223,143
Current Assets		
Cash and Cash Equivalents	21,881,498	49,562,993
Accounts Receivable (Net of Accumulated Provision for Uncollectibles of \$116,979 in 2020 and \$111,533 in 2019)	39,227,902	32,722,252
Materials and Supplies	4,605,161	3,667,704
Prepayments	103,968	379,382
Interest Receivable	435,645	1,471,429
	66,254,174	87,803,760
Deferred Debits	2,000,000	435,734
Total Assets	\$832,532,298	\$800,297,709
Members' Equity & Liabilities		
Members' Equity		
Membership Fees	\$160,890	\$168,695
Patronage Capital	244,294,490	247,762,268
Other Equities	25,096,784	24,162,507
	269,552,164	272,093,470
Long-Term Liabilities		
Long-Term Debt	319,927,545	301,695,610
Accumulated Provisions for Postretirement Benefits Other Than Pensions	34,133,262	32,863,910
Other Liabilities	-	213,530
	354,060,807	334,773,050
Current Liabilities		
Long-Term Debt - Current Portion	11,870,000	11,301,000
Accumulated Provisions for Postretirement Benefits Other Than Pensions - Current Portion	874,329	958,104
Accounts Payable	21,424,985	19,839,926
Consumers' Deposits	8,110,892	8,997,549
Accrued and Withheld Taxes	3,719,995	4,833,381
Other	10,699,111	10,314,192
	56,699,312	56,244,152
Deferred Credits	152,220,015	137,187,037
Total Members' Equity And Liabilities	\$832,532,298	\$800,297,709

Statements of OPERATIONS AND MEMBER'S EQUITY

	2020	2019
Operating Revenues	\$375,079,465	\$361,057,252
Operating Expenses		
Cost of Power	248,848,185	233,123,478
Distribution Operations	24,059,776	22,058,935
Distribution Maintenance	27,458,538	28,494,105
Consumer Accounts	10,280,666	9,737,459
Consumer Information and Sales	3,218,142	2,824,770
Administrative and General	19,310,332	14,323,517
Depreciation	21,248,228	20,073,207
Other	288,693	9,927
	\$354,712,560	\$330,645,398
Operating Margins Before Interest Expense	20,366,905	30,411,854
Interest Expense	10,231,272	12,129,149
Operating Margins After Interest Expense	10,135,633	18,282,705
Nonoperating Margins	5,343,024	738,221
Generation and Transmission Cooperative Capital Credits	1,852,051	1,205,465
Other Capital Credits and Patronage Capital Allocations	447,543	566,127
Net Margins	\$17,778,251	\$20,792,518
Total Members' Equity - Beginning	\$272,093,470	\$261,538,486
Net Margins	17,778,251	20,792,518
Retirement of Patronage Capital	(20,410,624)	(10,326,701)
Membership Fees	(7,805)	(7,475)
Other Equities	98,872	96,642
Total Members' Equity-Ending	\$269,552,164	\$272,093,470

OPERATING EXPENSES



To view the complete financial statements contained in our 2020 Financial Audit, please visit our website at www.sawnee.com. If you wish to receive a printed copy of our 2020 financial audit, please contact Mrs. Ginny Ellis, Chief Financial Officer, at 770-887-2363, extension 7578, or via email at ginny.ellis@sawnee.com.

This institution is an equal opportunity provider and employer.



Sawnee EMC

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September 10, 2021

OFFICIAL NOTICE OF 2020 AND 2021 ANNUAL MEMBERSHIP MEETINGS TO BE HELD ON SATURDAY, OCTOBER 2, 2021

Dear Sawnee EMC Member,

In accordance with Article 3, Section 3.03, Notice of Member Meetings, of the Sawnee Electric Membership Corporation ("the Corporation") Bylaws, notice is hereby given that the 2020 Annual Membership Meeting of the Corporation and separately, the 2021 Annual Membership Meeting of the Corporation will both be held on Saturday, October 2, 2021, at Sawnee EMC's headquarters located at 543 Atlanta Highway, Cumming, GA. Registration for both meetings will be from 8:00 a.m. to 11:00 a.m. The Annual Meetings will be conducted in a "drive-thru format". Given the limited number of items to be considered at the two (2) business sessions, the meetings will be conducted remotely.

The purpose of this meeting format is to safely transact all business that may properly come before the Cooperative membership and provide information regarding the status of the Cooperative, including reports from the Board. A report on the status of the Cooperative will be distributed at the meetings and members will have an opportunity to approve the 2019 Annual Membership Meeting Minutes contained herein, as well as offer questions and comments to the staff.

We urge you to make plans to attend these very important meetings of your Cooperative.

Respectfully,

Roger Coker
Secretary-Treasurer

MINUTES FROM 2019 ANNUAL MEMBERSHIP MEETING OF THE CORPORATION TO BE CONSIDERED

Dear Sawnee EMC Member,

Due to concerns regarding the COVID-19 variants, Sawnee EMC's 2020 and 2021 Annual Meetings will be conducted under a "revised" format, approved by the Board of Directors and the Annual Meeting Credentials and Election Committee ("Committee").

Given the limited items of business that could be considered this year, and for the safety of our members, the Board and the Committee have determined that Sawnee EMC should utilize a contactless drive-thru format for this year's Annual Meetings.

While the look and feel of these Annual Meetings might seem different, we will provide those in attendance with a report regarding the status of your Cooperative, outline the outcome of the 2021 director elections, seek the membership's approval of the 2019 Annual Membership Meeting Minutes, as well as provide a way for our members to ask questions of the staff. All these actions are being done with you and your safety in mind.

If you have any questions regarding this notice, please contact Sawnee EMC's Customer Call Center at 770-887-2363, via email at customerservice@sawnee.com or text 678-999-8124.

Respectfully,

Michael A. Goodroe
President and CEO

MINUTES FROM THE 2019 ANNUAL MEMBERSHIP MEETING OF THE CORPORATION

SAWNEE ELECTRIC MEMBERSHIP CORPORATION

81st ANNUAL MEMBERSHIP MEETING CUMMING, FORSYTH COUNTY, GEORGIA October 5, 2019

The 81st Annual Meeting of the Members ("Meeting") of Sawnee Electric Membership Corporation ("Corporation") was held at the Corporation's Headquarters Facility in Cumming, Georgia, on the 5th day of October 2019.

Prior to the business session of the Meeting, the members were entertained by "8 Up With Dixie" and the Dawson County High School Chorus.

At approximately 10:05 a.m., the Meeting was called to order with 448 registered members present and a total of approximately 1,200 people in attendance. Mr. Zack Rice, Jr., Attorney, presided over the Meeting, at the pleasure of the Chairman of the Board of Directors, Mr. Rodney H. Reese, and Mr. Roger T. Coker, Secretary-Treasurer, acted as Secretary of this Meeting.

Mr. Michael A. Goodroe, President and Chief Executive Officer (CEO), introduced the Directors of the Corporation. In addition, he recognized members of the Annual Meeting Credentials and Election Committee, members of the Corporation's Consumer Advisory Task Force, and the SEMC Foundation Board of Directors.

The CEO gave a brief welcome and thanked all the members for participating in this important activity of their Cooperative.

Several other activities occurred, including:

- 1) Recognition of the 2019 SEMC Foundation Youth Scholarship Program winners, who each received a \$5,000 scholarship;
- 2) Recognition of the 2019 Washington Youth Tour participants who represented the Corporation in Washington, D.C.;
- 3) Recognition of service awards to eight (8) of the Corporation's employees who had served the Cooperative for 20 years; and
- 4) Recognition of members of the Corporation's family of employees and others affiliated with the Corporation who had passed away over the last year.

CALL TO ORDER - Mr. Zack Rice called the business session of the Meeting to order at approximately 10:20 a.m. Mr. Rice stated that based on the Corporation's Bylaws, Article 3, Section 3.04, Quorum, and information from the the registration desk, a quorum was present and it was now in order to transact any and all business that may properly come before the membership, at this time.

READING OF OFFICIAL NOTICE - As the first item of business, Mr. Rice read the Official Notice of the Meeting that was mailed to each member of the Corporation. The notice was as follows:

Sawnee Electric Membership Corporation Official Notice September 13, 2019

81st Annual Members' Meeting To be held on October 5, 2019

Dear Sawnee EMC Member,

In accordance with Article 3, Section 3.03, Notice of Member Meeting, of the Bylaws of Sawnee Electric Membership Corporation ("the Corporation"), notice is hereby given that the 2019 Annual Membership Meeting of the Corporation will be held Saturday, October 5, 2019, at Sawnee EMC's headquarters located at 543 Atlanta Highway, Cumming, Georgia. Registration will be from 8:00 a.m. to 11:00 a.m. The Annual Meeting will convene at approximately 9:30 a.m., with the business session scheduled to begin at approximately 10:20 a.m.

The purpose of the meeting is to transact any and all business that might properly come before the membership, at that time. Reports from officers, directors, committees and the district election(s), as well as any unfinished and/or new business, will be presented to the membership.

We urge you to make plans to attend this very important meeting of your Cooperative.

Respectfully,



Gary Porter
Secretary-Treasurer

READING OF CERTIFICATION OF MAILING - Mr. Rice then read the Certification of Mailing stating that each member of the Corporation had been mailed an Official Notice of the Meeting of the Corporation, with postage prepaid, and that notices were deposited in the U.S. Post Office, Atlanta, Georgia, on September 13, 2019, as follows:

SECRETARY'S CERTIFICATION OF MAILING

I, Gary G. Porter, being first duly sworn on oath deposes and says that he is the only elected, qualified and acting Secretary of the Sawnee Electric Membership Corporation, that on the 13th day of September, 2019, he mailed to each member of the Corporation at the address as it appears on the records of the Corporation, a notice of the Annual Membership Meeting of the members of the Corporation to be held on the 5th day of October, 2019, by depositing in the U.S. Mail, U.S. Post Office, Atlanta, Georgia, and that the attached notice is a true and correct copy of said notice of said meeting mailed as aforesaid.

APPROVAL OF MINUTES - As to the next order of business, Mr. Rice called for the approval of the minutes of the Annual Members' Meeting held on October 6, 2018. Mr. Rice asked for a motion to dispense with the reading of these minutes and upon motion duly made and seconded, and with no further discussion, it was carried by a majority of those present to approve the minutes of the Annual Members' Meeting held on October 6, 2018, as written.

REPORT ON 2019 DIRECTOR ELECTIONS - Mr. Rice reported on the director election results for the three (3) directorate districts that were up for consideration by the members of these districts during 2019 due to term expirations of the Corporation's Board of Directors.

He stated that based on the provisions found in the Bylaws of the Corporation, the following incumbent directors were considered re-elected by the members of their respective directorate districts for a three (3) year term:

- District #2 (Chestatee) - Marshall Millwood
- District #7 (Italy) - Terry Mathis
- District #9 (Webb) - Rodney Reese

PRESIDENT AND CHIEF EXECUTIVE OFFICER'S REPORT - The CEO welcomed the members and guests to the Corporation's 81st Annual Meeting of Members. He stated that Sawnee serves almost 156,000 members and continues to be the 3rd largest electric co-op in Georgia and the 8th largest electric co-op in the nation. He stated that based on the results of the latest Georgia PSC Retail Rate Survey, Sawnee was ranked as having the 10th lowest rates in the state out of 94 electric utilities.

He stated the focus of today's meeting was on selected events from 2018, key things that have occurred thus far in 2019, and major issues that could affect the Cooperative in the future. The CEO briefly discussed a few highlights from the 2018 Annual Report and stated that the Corporation closed out 2018 in a strong financial position. He informed the membership that, if interested, they could obtain the full Financial Audit report from the Corporation's Web site or by request.

He stated that in 2019 the Corporation continued to improve its physical plant; address continued member growth; strategically address long-term financial challenges as well as near-term challenges.

The CEO discussed the following focus areas for 2019: 1) Rates, 2) Reliability, 3) Patronage Capital Retirement, 4) Energy Management, and 5) Commitment to Community. The CEO stated that the staff and Board continue to focus on keeping retail rates as low as possible and stated that the Corporation's current rates continue to be extremely competitive in comparison to other electric utilities in the state, including Georgia Power Company. He reported that the Corporation continues to convert its distribution system to a higher operating voltage (e.g. from 12 kV to 25 kV) as well as rebuild and replace aged infrastructures (e.g. transformers, underground cables, etc.). He continued by stating that the Corporation is seeing a decrease in the number of outages

experienced as well as the length of time it takes to restore an outage as a result of the new tie lines, and sectionalizing equipment that has been added.

He stated that in 2019, the Corporation made a patronage capital retirement, totaling ~\$10 million, bringing the total refund amount over the past 5 years to almost \$50 million.

The CEO discussed the importance of Energy Management to the Corporation as well as to its members. He stated that the Corporation will continue to assist members in becoming more energy efficient by offering various energy rebates and incentives through its Demand Side Management Program, which totaled \$2.02 million for 2019. He also reported that the Corporation has increased its total investment in renewable / green resources. He continued by stating that Sawnee is a participant in eleven (11) utility scale solar projects, totaling 79.7 MW of capacity. He stated that these projects have fixed prices that are very cost effective. He stated that the Corporation deployed its new "Virtual Solar" program in February 2018, which provides cooperative members with the benefits of solar, without facing the challenges of owning their own system.

He reported that the Corporation continues to score in the top 5% of cooperatives nationwide relative to Customer Satisfaction. He reviewed the favorable results of the American Customer Satisfaction Index (ACSI) Score, as well as reported that the Corporation was ranked as the 4th highest among cooperatives in the nation on the J.D. Power Satisfaction Survey in 2019.

He stated that the staff continues to show their commitment to the communities in which they live and work in. He reported that over the last 12 months, the Sawnee EMC Foundation has put \$260,179 back into the communities served by the Corporation.

In closing, the CEO discussed key strategic issues that the Cooperative will face in meeting the future energy needs of the membership. He continued by stating that the Corporation strives to be proactive in its approaches and actions to meet / exceed the needs of its members and will continue to utilize technology wisely to achieve this goal. He stated that the staff and Board look forward to the opportunities to provide the Corporation's membership with quality service and will continue to be good stewards of the assets that have been entrusted to them. The CEO thanked the members for taking part in this important meeting of their Cooperative.

OLD BUSINESS - Mr. Rice stated that, at this time, there was no old business to come before the membership.

NEW BUSINESS - Mr. Rice stated that the membership had received notice that there was one (1) item of new business for the membership to consider and that it related to a proposed bylaw amendment to revise the number of member signatures required for a petitioner to qualify to seek the office of director. Mr. Rice stated that the proposed Bylaw Amendment language, along with a summary of the proposed changes, was included in the 2018 Annual Report that was mailed to each member of record, as of the Official Record date.

The Official Notice of the Proposed Bylaw Change was as follows:

**Sawnee Electric Membership Corporation
Summary of Proposed Bylaw Change**

**Sawnee EMC Members Meeting
To be held on October 5, 2019**

Dear SEMC Member,

You are hereby notified that the Board of Directors of Sawnee Electric Membership Corporation will present a proposed amendment to the Corporation's Bylaws at the upcoming Annual Meeting. This letter shall serve as your Official Notice of the proposed Bylaw amendment, as required under Section 15.02 of the Bylaws.

This proposal (see the text reflecting the proposed language to be added and removed) will be presented to the membership at their meeting at the Annual Meeting on October 5, 2019. If approved by the membership, this Bylaw revision will become effective as of October 5, 2019.

The purpose of this amendment is to revise the number of member signatures required for a petitioner to qualify to run for the office of director.

Sawnee's Board of Directors reviewed this proposed amendment at a board meeting held on August 8, 2019 and recommends that the membership approve this Bylaw revision, as presented.

Respectfully,



SAWNEE ELECTRIC MEMBERSHIP CORPORATION
Michael A. Goodroe
President and CEO

PROPOSED BYLAW AMENDMENT

(Added language is underlined and deleted language is ~~stricken~~ through.)

SECTION 4.09. NOMINATIONS. It shall be the duty of the Board Directors to appoint, not less than sixty (60) nor more than ninety (90) days prior to the date of each Directorate District meeting of the members at which directors are to be elected, a Committee on Nominations, consisting of three (3) members from such Directorate District who are not existing employees, agents, officers, directors or known candidates for directors, and who are not close relatives (as hereinafter defined) or members of the same household of such a person. The Committee shall prepare and post at the principal office of the Cooperative

at least thirty (30) days prior to the District meeting a list of nomination(s) for directors to be elected from or with respect to that District. The Committee may include more nominees than there are to be elected. Any ~~forty-five (45)~~ one percent (1%) or more of the total number of members from the Directorate District, as of the most recent January 1st, acting together, may make additional nominations in writing over their signatures, not less than thirty-five (35) days prior to the Directorate District meeting. The Secretary shall post such nominations at the same place where the list of nominations made by the Committee is posted. The Secretary shall mail to the members of each District with the notice of the meeting, or separately, but at least five (5) days prior to the date of the meeting or the opening of the early voting period for contested elections, a statement of the names and addresses of all nominees, showing separately those nominated by the Committee and those nominated by petition, if any. After all nominations so made have been duly announced, nominations shall be closed and no nominations shall be made from the floor; PROVIDED, one or more nominations may be made from the floor if any nominee made by the Committee shall have declined such nomination, or be determined to be ineligible and disqualified for such nomination, or has died or otherwise become incapable of serving.

Notwithstanding any other provision of these Bylaws, if the Nominating Committee nominates only one person for director from a Directorate District and if there are no additional nominations for director by petition, the meeting for such District otherwise in the bylaws provided for shall not be held (unless the Board of Directors decides to hold such meeting for some purpose other than the election of a director) and the Committee's nominee shall be deemed to be elected by the members from that District.

Mr. Rice called for a motion and second to approve the proposed bylaw amendment, as presented. A motion and second was received. Mr. Rice requested if there was any discussion of the proposed bylaw amendment, none was received. Mr. Rice then called for a show of hands of all those in favor of the proposed bylaw amendment, then for all those opposed. Based on the response of those present, Mr. Rice ruled that the motion carried to approve the bylaw amendment, as presented, effective October 5, 2019.

Mr. Rice then called for any other new business after which the following three members made the following comments.

A member from the floor stated his concerns with the staff cutting locks on the gate at his home to gain access to the Corporation's electrical equipment and ask that the staff contact him directly prior to such actions being taken in the future. The CEO took the podium and advised the member that in the future the staff would be sure to contact him.

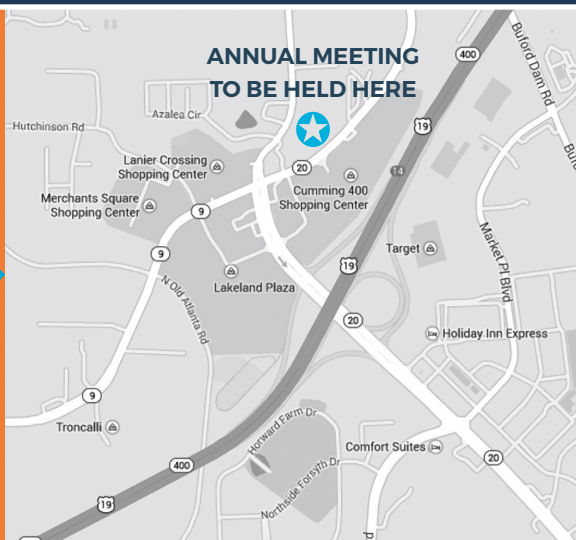
Another member from the floor made comments about Sawnee EMC's fixed charges in relation to Georgia Power's ("GPC") request to the Georgia Public

2020 and 2021

ANNUAL MEETING OF MEMBERS!

The 2020 and 2021 Annual Meetings will both be held as a drive - thru format on October 2, 2021 at Sawnee EMC's headquarters:

543 Atlanta Highway, Cumming, GA 30040



IMPORTANT: THIS IS YOUR ANNUAL MEETING REGISTRATION CARD!

Please bring this notice with you to the Annual Membership Meetings on Saturday, October 2, 2021 and present it at Registration.

The prizes this year will be a \$500 Grand Prize VISA gift card as well as energy bill credits for 150 members. All Sawnee EMC members who register at the Annual Meeting are eligible to be entered into the drawing for these items.

Service Commission to increase GPC's monthly base charge. He referenced a resolution from the National Association of State Utility Consumer Advocates (NASUCA) that high base charges lessen the incentive for energy conservation and disproportionately harm low-income, elderly, and minority taxpayers. The member expressed his concerns with EMC's not having regulatory oversight from the PSC on the amount of fees / base charges that can be assessed to their members. The Attorney thanked him for his input.

Lastly, a member from the floor noted his concerns with what actions the Cooperative is taking from a standpoint of protecting the Corporation's distribution system from acts of terrorism relative to an electromagnetic pulse ("EMP"). The CEO took the podium and provided the member with a response to this inquiry.

No other questions were asked during this portion of the meeting.

ADJOURNMENT - There being no further business to come before the membership, and upon motion duly made and seconded, it was carried by a majority of those present to adjourn the meeting at approximately 10:35 a.m.

Following adjournment, the members were entertained by "The Wiseman Brothers", and the meeting was concluded with the awarding of attendance prizes.

CERTIFICATION

I, Roger T. Coker, Secretary of the Sawnee Electric Membership Corporation do hereby certify that the foregoing is a true and correct copy of the minutes of the Annual Meeting of Members of the Sawnee Electric Membership Corporation of Cumming, Georgia, held on the 5th day of October, 2019, as appears in the minute's book of the Corporation.

Roger T. Coker
Secretary



DRIVE-THRU MEMBER MEETINGS



DRIVE-THRU FORMAT. Due to concerns regarding the COVID-19 variant, Sawnee EMC is taking a slightly different approach to the 2020-2021 Annual Meetings of Members. As such, we want you to be a part of the Annual Meeting, but plan to do so in a safe way for you, your family and our staff.

If your plans allow you to join us for these Annual Meetings on October 2nd, the format will be slightly different than in the past. We have implemented plans for a contactless, drive-thru meeting. Each attending member will remain in their car and the staff will be onsite to complete the registration process.

IT WILL BE A GREAT DAY!

Each registered member will receive a special gift as well as a business report on the status of the Cooperative. This alternative format will allow our staff to provide you with the information you would

receive under normal circumstances. Additionally, this Annual Report contains the 2019 Annual Meeting minutes, which you will have the opportunity to approve on October 2nd.

We look
forward
to seeing
you on
October
2nd!



sawnee.com

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