



Davies-Martin County

REMC

ANNUAL MEETING

DATE

Monday, April 4

LOCATION

North Daviess High School
5494 East SR 58
Elnora, IN 47529

REGISTRATION: 5:30-7 P.M.

Food: hot dogs, popcorn and drinks

BUSINESS MEETING: 7 P.M.

Invocation:
John Edwards, director

Presentation of the colors: Washington High School NJROTC

National Anthem followed by the Pledge of Allegiance: August Bauer, president

Call to order:
August Bauer

Board secretary report:
Travis Summers, secretary

Introduction of directors

Approval of 2021 annual meeting minutes:
Travis Summers

Passing upon reports for the previous fiscal year: August Bauer

Report of manager:
Jane Bahler-Hurt

Legal report/
petitioning results/
director election:
Chris Goffinet,
Attorney

President and general manager's report



AUGUST BAUER



JANE BAHLER-HURT

YEARLY REVIEW

DMREMC has continued to evolve through early 2022. Seven new employees have been hired by the co-op:

- Faran Lockenour, service order and purchasing agent
- Spencer Tomlinson, IT systems and cybersecurity specialist
- Rebecca Hollaway, communications specialist
- Erica Worland, director of finance and accounting
- Julia Stickles, member services representative
- Carey Wade, senior billing and member services representative
- Grant Horton, groundman

DMREMC is grateful for the dedicated service and passion of recent retirees: 22-year veteran Janice Sellers and 20-year veterans Tony Massie and Karen Rayman.

SAFETY

DMREMC completed 2021 with 278,051 hours without a lost time accident.

In addition, DMREMC received certification in the Rural Electric Safety Achievement Program (RESAP). These achievements show that safety throughout the organization is being demonstrated.

CAPITAL CREDITS

A \$2.3 million capital credit retirement was paid in December for DMREMC members that had electric service during the years of 1991-1995. The capital credit checks or a bill credit refund amount were based upon how much each individual member contributed to the co-op's margins during those years.

RELIABLE, AFFORDABLE POWER

A comprehensive right-of-way management plan and an aggressive distribution maintenance plan to ensure our system continues to be in good condition continued throughout the year. These efforts support the reliability and efficiency of our distribution system which helps to control unexpected expenses. Member outages are slowly trending downward and are expected to continue with ongoing efforts in this area.

OPERATION ROUND UP

DMREMC members should be proud of the \$559,096 total in distributed funds since the 2004 inception of the Operation Round Up program. A total of \$21,275 was awarded in 2021.

Participating DMREMC members allow their electric bills to be rounded up to the next dollar each month. That spare change goes back into our communities helping to improve the quality of life for families and friends. A big thank you to the volunteer Operation Round Up board members for their service in meeting quarterly to review the applications.

YOUTH, COMMUNITY AND EMPLOYEE ENGAGEMENT

DMREMC continues to be a strong supporter of area youth. Though interaction with area students was limited due to COVID, the co-op assisted with a drone project with Loogootee High School students and participated in area high school career days. College scholarships were provided to two local students who were chosen to represent DMREMC during the Indiana Youth Tour to

CONTINUED ON PAGE 6

annual report

CONTINUED FROM PAGE 5

Washington, D.C. They received the scholarships since the trip was canceled due to COVID.

Other events included National Farm Safety Week, a member appreciation event with Facebook contests and prizes, and an employee appreciation event. The co-op assisted with the Meals on Wheels program and donated to Daviess Community Hospital's on-the-go snacks for staff.

CYBER SECURITY AND NEW TECHNOLOGY

DMREMC participated with its power provider, the Department of Homeland Security and the FBI on building awareness of cybersecurity threats to electric utilities and other critical infrastructure. The co-op recognized this threat and is continuing to participate in education and install new software and other solutions to mitigate this risk to secure the cooperative and the membership's information. Participation also continues in community and state emergency response exercises to ensure our readiness should a serious breach occur in our country.

Technical capabilities have been developed for employees to be able to work through a secured VPN should there be an emergency or pandemic issues that require them to do so. Currently, our functions continue to be on-site. We are present day-to-day at the REMC office to ensure the best member experience and personal service.

AUGUST BAUER

Board President

JANE BAHLER-HURT

General Manager

NOTICE

DAVIESS-MARTIN COUNTY RURAL ELECTRIC MEMBERSHIP CORPORATION

2022 ANNUAL MEETING

Notice is hereby given that the annual membership meeting of Daviess-Martin County REMC will be held Monday, April 4, 2022, at North Daviess High School, Elnora, Indiana, at 7 p.m. to take action on the following items:

- The election of two directors for the cooperative to serve a term of three years as follows:
 - District I: Daviess County (Elmore, Madison, Steele and Bogard townships) — Joshua Dove
 - District IV: Daviess County (Harrison and Reeve townships) — Terry Chapman
- Passing upon reports for the previous fiscal year
- Transacting such other business as may come before the meeting

Since the membership of the cooperative is joint, either husband or wife may vote.

Respectfully,

Travis Summers, board secretary, Daviess-Martin County REMC

VOTING PROCESS

Survey & Ballot Systems (SBS) will be administering the process for the director election. SBS will mail election packets to all Daviess-Martin REMC members on March 7. The packet will include voting options and instructions.

This form of voting allows many more members to participate in the director election. Each packet will have a unique code, so that only one vote is allowed to be processed. There will be no voting on the night of the meeting to ensure complete confidentiality and transparency of the votes.

Voting information is secure. Election results will not be disclosed to anyone until opened and announced at the annual meeting.

SBS will provide a weekly report to DMREMC on account number and names of voting members. A \$10 bill credit will be issued to all voting members. In addition, there will be drawings during the director election from March 7 – March 31 for additional bill credits. All voting members will be included in each weekly drawing. Vote early for more chances to win! Once a member wins, his/her name will be eliminated.

There is no need for a registration card at the annual meeting.



District 1: Elmore, Madison, Steele and Bogard townships in Daviess County

Josh Dove is a lifelong resident of Elmore Township. A 2007 graduate of North Daviess High School, Dove continued his studies at Vincennes University receiving an associate degree in horticulture technology. He and his family operate Dove Farms, where they raise corn, soybeans, wheat, and hay, along with beef cattle and Boer goats.



Dove has been serving on the DMREMC board of directors since January 2021 and has completed the Credentialed Cooperative Director program certification.

Dove is a member of the Odon United Methodist Church, where he has served as a member and chairman of the trustee committee. He is currently head of the worship team.

Dove was involved in FFA and 4-H while in high school and received his National FFA degree. Following his tenure membership in the Daviess County 4-H program, he began volunteering in the program and Purdue Extension. He has served on the board for Purdue Extension, served as Elmore Township representative for the board of directors and as livestock chairman. Dove serves as a co-leader for the Country Cougars 4-H Club.

Dove is currently serving a second term as Elmore Township trustee and is a member of the Daviess County Farm Bureau board. He holds membership in the White River Valley Antique Association, the American Red Angus Association, and the American Boer Goat Association.

District 4: Harrison and Reeve townships in Daviess County

Terry Chapman is a lifelong resident of Harrison Township in Washington. He is a 1974 graduate of Indiana State University with a bachelor's degree in industrial management following his service in the U.S. Air Force from 1967-1971.



Chapman retired from Loughmiller Machine Tool and Design in Loogootee following 17 years of employment as shop manager. Chapman has served on the REMC board of directors since 1992 and has held all offices. He currently serves as Daviess-Martin County REMC's director on the Indiana Electric Cooperatives' board of directors.

Chapman is a member of the Glendale, Indiana, Masonic Lodge #461 and also served on the Southeast Daviess Fire District board of directors. He and his wife, Anna Lou, are the owners of RE/MAX Real Estate Merchandisers in Washington. They have one daughter, son-in-law and granddaughter.

Chapman enjoys raising cattle and grain on the family farm and spending time with his family. The Chapmans attend Bethany Christian Church.

APRIL 8, 2021

MINUTES FROM THE 2021 ANNUAL MEETING

Daviess-Martin County REMC's 80th annual meeting was held April 8, 2021, at the headquarters facility. Due to the Covid-19 pandemic, the meeting was not open to the membership. The meeting was video recorded and posted on the co-op's website. The seven-member board of directors, three director candidates, the co-op attorney, several REMC employees and one Hoosier Energy employee were present.

A new voting method was administered by Survey & Ballot Systems (SBS). On March 12, 2021, SBS mailed election packets to all members. The packet included director candidate bios and instructions for voting by mail or electronically. Voting packets were coded so that members could only vote once. The voting window remained open until April 6, 2021, at 11:59 p.m.

Voting members received a \$10 electric bill credit and were also given a gift bag by visiting the REMC drive-thru during regular business hours. In addition, prize drawings were held each week during the director election period for a number of electric bill credits. SBS sent DMREMC information on which members had voted each week during the election, but did not disclose how members voted. All members whose votes had been received were included in the prize drawings.

The business meeting was led by Board Chairman August Bauer. Board Secretary Travis Summers read the secretary's report.

A motion was made and seconded to approve the April 11, 2019, annual meeting

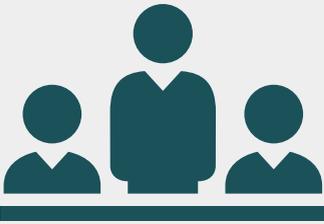
minutes. The motion carried. There were no 2020 annual meeting minutes to approve since the meeting was canceled due to the pandemic.

The legal report and director nomination process was given by corporate attorney Chris Goffinet. Goffinet advised that he had no knowledge of any pending or threatened material litigation or other pending material legal transactions relating to the cooperative. He further advised that he had not been engaged by the cooperative to give substantive attention to or to represent the corporation in connection with any material litigation pending against the cooperative.

Goffinet stated that the process for electing directors was described in Article IV of the corporation's bylaws. He stated the seats up for reelection at this meeting were for District 2, 5 and 7. Goffinet reported the incumbents for those districts had each timely filed a written notice at the office of the corporation stating their intention to seek election on the board of directors. And, in addition, three nominations were received by petition: one for District 2 from Amy Burris, one for District 5 from Joshua Bauer, and one for District 7 from Joe Haworth. He stated Survey & Ballot Systems had supplied him with election results. He then opened the sealed election results and announced the following results:

- District 2: Amy Burris
- District 5: Travis Summers
- District 7: John Edwards

The meeting adjourned at approximately 7:15 p.m.



CURRENT DIRECTORS

DAVISS COUNTY

District 1: JOSH DOVE

Elmore, Madison, Steele and Bogard townships in Daviess County

District 2: AMY BURRIS

Van Buren and Barr townships in Daviess County

District 3: BRANDT SHUCKMAN

Washington and Veale townships in Daviess County

District 4: TERRY CHAPMAN

Harrison and Reeve townships in Daviess County

MARTIN COUNTY

District 5: TRAVIS SUMMERS, Secretary

Perry and Center townships in Martin County

District 6: AUGUST BAUER, President

Halbert, Lost River, Rutherford and Mitchelltree townships in Martin County

LAWRENCE COUNTY

District 7: JOHN EDWARDS, Treasurer

Marion and Spice Valley townships in Lawrence County

FINANCIALS

BALANCE SHEET

ASSETS: WHAT WE OWN	2021	2020
Electric plant — value	\$51,504,406	\$48,863,818
Less depreciation	19,760,584	18,276,575
Net value of system	31,743,822	30,587,243
Investments and restricted funds	18,438,894	18,022,357
Cash	894,089	418,756
Accounts receivable less reserves	3,177,554	3,369,141
Materials and supplies	824,807	500,725
Other debits and accrued assets	216,402	135,805
Deferred debits	100,875	192,040
TOTAL CURRENT AND ACCRUED ASSETS	5,213,727	4,616,467
TOTAL ASSETS	\$55,396,443	\$53,226,067

LIABILITIES: WHAT WE OWE	2021	2020
CFC loan obligations	11,583,063	8,047,963
Accumulated operating provisions	542,542	657,257
Accrued taxes, payroll, interest and other	1,030,438	418,654
Notes and accounts payable	2,435,360	4,216,714
Consumer deposits	169,111	158,785
Deferred credits	123,590	237,133
TOTAL CURRENT AND ACCRUED LIABILITIES	3,758,500	5,031,286
TOTAL LIABILITIES	\$15,884,105	\$13,736,506

NET WORTH	2021	2020
Other margins and equities	5,613,516	5,303,786
Patrons' capital — prior years	31,820,269	33,078,872
Patrons' capital — current years	2,078,554	1,106,903
TOTAL NET WORTH	39,512,339	39,489,561
TOTAL LIABILITIES AND NET WORTH	\$55,396,443	\$53,226,067

STATEMENT OF OPERATIONS

REVENUE	2021	2020
Electric energy sales	\$35,690,581	\$34,755,607
Other revenue	244,965	150,352
TOTAL OPERATING REVENUE	\$35,935,546	\$34,905,959

OPERATING EXPENSES	2021	2020
Power purchased	25,643,629	27,113,528
Line operations and maintenance	3,882,466	3,362,149
Consumer accounts	612,508	504,218
Member services	102,988	69,529
Administration and general	1,508,035	1,100,308
Depreciation	2,316,699	1,544,675
Taxes (URT)	502,993	494,747
Interest on long-term debt	363,388	300,677
Other deductions	12,773	1,200
TOTAL COST OF ELECTRIC SERVICES	\$34,945,479	\$34,491,031

EQUITY	2021	2020
Operating margins	990,066	414,928
Non-operating margins	50,649	65,283
Other capital credits	43,232	49,114
Net margins	1,083,947	529,325
G&T capital credits	994,607	577,578
TOTAL PATRONAGE CAPITAL OR MARGINS	\$2,078,554	\$1,106,903