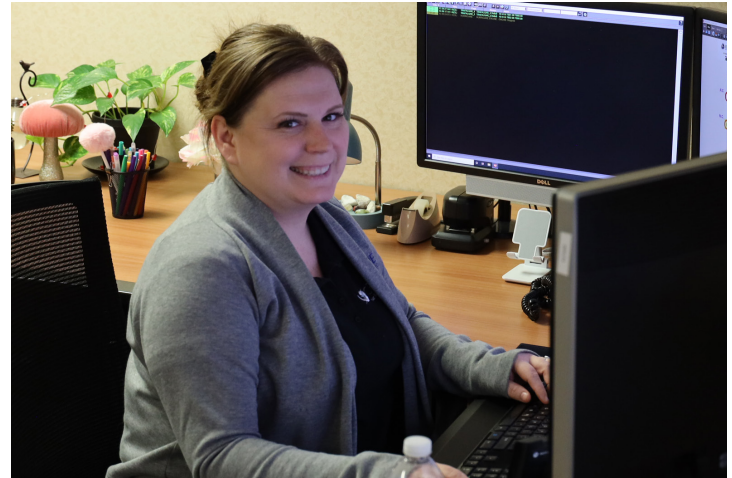




ANNUAL REPORT — 2023 —





A WORD FROM THE LEADERS: HELPING CONTROL COSTS

We are delighted to share with you our 2023 Annual Report. Last year represented another year of growth and excitement, both for JCREMC and JCFiber.

In 2023, JCREMC implemented a battery energy storage system (BESS). This initiative has two main benefits – long-term cost savings and reliability. Its primary use is for electrical demand reduction, making it a way to lower our current power bill and hedge against future cost increases, which helps minimize rate increases in the future.

The last year also brought with it successful negotiations in our wholesale power arrangements, gaining more flexibility so we can better manage cost-effective distributed energy resources including renewable resources and, in turn, save money for our members.

JCFiber announced our final two zones in 2023, as we continue to work toward closing the digital gap in Johnson County, and expand fiber internet to underserved areas. Our goal to close the rural digital divide in Johnson County will be complete the summer of 2024.

Of course, none of this would be possible without the talent, dedication and innovative spirit of our employees. We look forward to continuing on with our commitment to resiliency and dependability in 2024.

Thank you for allowing us to serve you.

John W. Sturm
JCREMC CEO
JCFiber President



Lee Ann Wilbur
Board of Directors
President

YOUR REPRESENTATIVES



DISTRICT 1
Glenn
McAlpin



DISTRICT 4
James
Meredith



DISTRICT 7*
Ron
Barnett



DISTRICT 2*
Seth
Brown



DISTRICT 5
Lee Ann
Wilbur

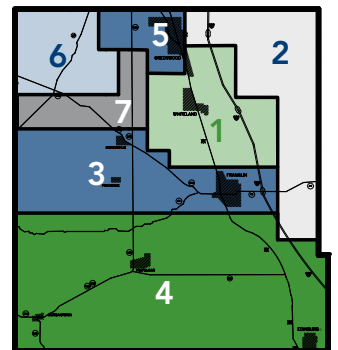


DISTRICT 3*
Dennis
Stewart

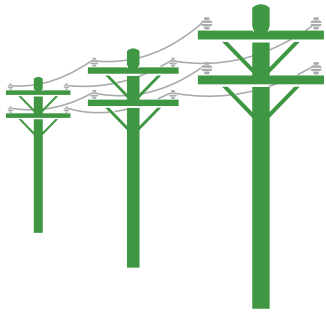


DISTRICT 6
Stephen
Watson

*Districts up for re-election



YOUR ELECTRIC COOPERATIVE STATISTICS AT A GLANCE



1,871
MILES OF
ELECTRIC LINE



72 EMPLOYEES



30,781 SERVED
ACCOUNTS



\$71,252,421
OPERATING
REVENUES



JCFiber Statistics at a Glance



2,561
ACTIVE
ACCOUNTS



5,000+ ELIGIBLE
RURAL HOUSEHOLDS



827
MILES OF FIBER



**CUSTOMERS UP,
RATES DOWN**

Zone Progression Continues

Zone 1
100%

Zone 2
95%

Zone 3
100%

Zone 4
80%

Zone 5
60%

Zone 6
50%

YOUR ELECTRIC COOPERATIVE BY THE NUMBERS

REVENUE AND EXPENSE STATEMENT

OPERATING REVENUES

	2023 (unaudited)	2022
Residential and Commercial Sales	70,505,612	66,304,025
Other Electric Revenue	746,809	817,506
TOTAL OPERATING REVENUES	71,252,421	67,121,531

OPERATING EXPENSES

Wholesale Power Costs	50,140,746	47,510,379
Operation and Maintenance of Lines	6,639,725	6,205,365
Administrative and General	6,479,985	6,026,980
Depreciation	4,614,460	4,433,676
Taxes	609	443,390
Interest on Long Term Debt	2,393,655	1,643,320
Other Deductions	0	1,734,662
TOTAL OPERATING EXPENSES	70,269,180	67,997,772

MARGINS

Operating Margins	983,241	(876,241)
Non-Operating Margins	890,962	1,928,864
Capital Credits Allocated from Associated Organizations	1,885,384	1,471,473
NET MARGINS	3,759,587	2,524,096

BALANCE SHEET

ASSETS	2023 (unaudited)	2022
Utility Plan in Service - Net	113,682,609	102,533,142
Other Property and Investments		
Investments	29,924,361	29,168,519
Long Term Note - Receivable - Net	13,525,893	10,415,208
Current Assets		
Cash and Cash Invested	1,856,489	1,643,111
Electric Bills Receivable - Net	6,943,738	7,027,206
Accounts Receivable - Net (Other)	3,791,028	3,117,953
Inventory of Materials	10,583,500	10,009,441
Prepayment and Other Assets	103,677	2,774,064
TOTAL ASSETS	180,411,295	166,688,644

EQUITIES AND LIABILITIES

Patronage Capital	99,002,377	95,094,388
Long Term Debt (Less Current Portion)	63,594,387	48,581,418
Noncurrent Liabilities		
Retirement Benefits Other than Pensions	2,740,650	4,493,131
Obligations Under Capital Leases	1,128,567	594,122
Construction Advances	923,464	1,599,474
Current Liabilities		
Accounts Payable	5,090,041	6,171,638
Accrued Taxes and Other Liabilities	1,615,509	1,545,354
Customer Advances and Deposits	342,987	292,303
Current Portion of Long-Term Debt	5,543,635	8,017,837
Customer Portion of Capital Lease Obligations	429,678	298,979
TOTAL EQUITIES AND LIABILITIES	180,411,295	166,688,644

The books and records of Johnson County Rural Electric Membership Corporation for the year ended December 31, 2023 were being audited by London Witte Group, LLC, Certified Public Accountants as this Annual Report was printed. Any member who would like an audited copy of these summarized financial statements is invited to contact the JCREMC office (317-736-6174) at 750 International Drive, Franklin, IN 46131.

2023 ANNUAL MEETING

The annual meeting of the Johnson County Rural Electric Membership Corporation (JCREMC) was held on Saturday, April 15, 2023, at 10:00 a.m. at the Franklin Community High School, Franklin, Indiana.

The annual meeting video was played.

Mr. Watson, Chairperson of the Activities Committee, welcomed everyone to the 2023 JCREMC Annual Meeting. Mr. Watson thanked Elizabeth Edwards and the food services staff for the delicious breakfast. Kathleen Bennet and Lori Qadir, interpreters from Deaf Community Services were introduced. Mr. Watson thanked the Blue River Band for the entertainment.

Mr. Watson asked everyone to stand for the National Anthem and then introduced Ben and Ezra Drabick of Walnut Grove Elementary School who led everyone in the recital of the Pledge of Allegiance. Mr. Watson called upon Reverend Shan Rutherford of Samaria Christian Church to give the invocation.

The Board of Directors introduction video was played.

Mrs. Wilbur, Board President, recognized the special guests in attendance.

Mrs. Wilbur turned the meeting over to Mr. Brown who read the report on Proof of Mailing. Mr. Brown announced registration had been checked and a quorum was present with a total of 723 registered members.

Mrs. Wilbur took the stage and called the meeting to order as the quorum had been certified by Mr. Brown.

Mr. Brown read the legal notice of the annual meeting.

Mr. Brown asked for a motion to dispense with the reading of the 2022 Treasurer's report and to accept the report as presented in the annual report. A motion was made, seconded, and carried.

Mr. Gesse, Legal Counsel for the JCREMC, introduced Jeff Dannemiller, Nomination & Credentials Committee (N&C Committee) Chair, to provide the Nomination & Credentials Committee report.

Via pre-recorded video, Mr. Dannemiller stated he represents District 3 and the other members of the N&C Committee for this year's election are: Greg Ash, District 1; Clay Fulkerson, District 2; Ken Bradley, District 4; Lynn Gray, District 5; Don Vandoski, District 6; and, Linda Haggard, District 7. Mr. Dannemiller stated that it was the duty of the committee to review the current board members from each district and recommend any nominees they believe are qualified and appropriate for that district. At the September 13, 2022, N&C Committee meeting, the recommendation was made that the following individuals be offered to the membership for a vote. Candidates for election are Glenn McAlpin, District 1, incumbent director; and, James Meredith, incumbent director and Gregg

MEETING MINUTES

Fennig, both for District 4.

The WRTV6 video honoring JCREMC following the recent tornado was played.

John Sturm, JCREMC CEO and JCFiber President, was introduced and took the podium. Mr. Sturm welcomed everyone to the annual meeting. Mr. Sturm reviewed the initiatives shaping the future of JCREMC including electric vehicles, battery energy storage, fiber broadband for rural residents, and the investment in the employees who make all these initiatives possible.

Mrs. Wilbur announced the winners of the JCREMC scholarship awards. The scholarships are based upon an essay as well as academic and personal accomplishments. The winners of the \$2,000 scholarships were Ailyn Hendricks from Franklin Community High School and Micah Robertson from Center Grove High School. Ms. Hendricks and Mr. Robertson were presented a certificate, and both expressed their appreciation to JCREMC for awarding the scholarships.

Mrs. Wilbur re-introduced The Blue River Band for another set of music.

After completion of the entertainment, Mr. Steve Mitchell, chairman of the Election Committee, representing District 3 took the stage to announce the results of the election. The Election Committee was appointed to oversee the election process and validate the

results. The committee also included Cami Wright, District 6, and David Parsley, District 4. Each registered member received access to vote electronically upon registering at today's meeting. An independent vendor, Survey and Ballot Systems, tabulated the results of the election and the committee met with Mr. Gesse and determined the election was fairly administered and the results were valid. Mr. Mitchell announced the following:

- Mr. Glenn McAlpin, District 1, was unopposed and has been re-elected
- Mr. James Meredith, incumbent for District 4, has been re-elected

Mrs. Wilbur and Mr. Sturm announced the cash prize winners as follows:

- Carolyn Shannon won \$250
- David and Cecilia Garvin won \$250
- Brian and Amber Nugent won \$500
- Jean Henderson won \$1,000
- Golden and Judith Martindale won \$2,000

There being no further business to come before the membership, the meeting was adjourned at 11:11 a.m.



Seth Brown
Secretary/Treasurer



JCRCMC
Your Electric Cooperative



JCFiber



jcremc.com | jcfiber.com
317-736-6174

