

# Miami-Cass REMC Member Appreciation Day and Annual Meeting

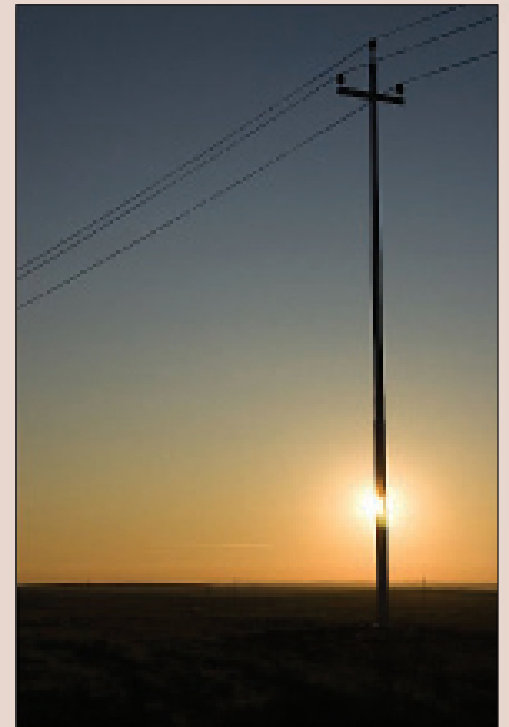
**Saturday, Sept. 17  
11 a.m.-2:45 p.m.  
Miami County Fairgrounds**



The Jhonny and Sallie Show is well beyond average musical entertainment! It's filled with a variety of magnetic merriment and inspiring and contagious energy that is interactive and unpredictable. It is said to be "As sweet as a chilled candy bar!"

**Grand Prize Drawing — \$500 Gift Certificate for Free Electricity!**

You have a voice in your REMC! Vote from 11 a.m.-1 p.m. for the board of directors.



**Free Lunch!**

Served from  
11 a.m.-1 p.m.

**Door Prizes!**

All members in attendance will receive a free gift and have a chance to win:

- \$500 gift certificate for free electricity
- \$100 gift certificates for free electricity
- E-book readers

**Plus our home show, kid's activities and fun for the whole family!**

## PHONE NUMBERS & HOURS

Local.....765-473-6668  
Toll Free.....800-844-6668  
Fax.....765-473-8770  
E-mail.....mcremc@mcremc.coop  
Website.....[www.mcremc.coop](http://www.mcremc.coop)  
Call Before You Dig.....811  
**Office hours: 7:30 a.m.-4:30 p.m.**  
**Monday-Friday**

## CUSTOMER CONTACTS

**James Yates**  
Chief Executive Officer

**Robert Schwartz**  
Director of Operations

**Charles Lewis**  
Director of Office Services

**Jody Long**  
Director of Finance and Accounting

**Susan Wagoner**  
Director of Marketing

## TO REPORT AN OUTAGE

- Check circuit breakers or fuses first.
- If possible, check to see if neighbors' lights are also out.
- Phone 765-473-6668 or toll free 800-844-6668 24 hours a day and report the outage. Give the name the service is listed under. If possible, give map location and account number from bill.
- Give us your phone number in case we need to call you back. State the problem, such as loss of power, partial power, dimming or flickering lights.
- Please be patient. Our crews will restore service as quickly as possible.

## Member Appreciation Day/ Annual Meeting agenda Sept. 17

**11 a.m.-1 p.m.**  
Registration, lunch and  
voting for directors

**11 a.m.-1:15 p.m.**  
Displays and kids' activities

**1:15 p.m.**  
Welcome, brief business meeting,  
guest speaker

**1:40 p.m.**  
Entertainment by Jhonny & Sally

**2:30 p.m.**  
Election results and prize drawings  
**2:45 p.m.**  
Adjourn

## 2010 ANNUAL REPORT

# 71st annual meeting minutes

The 71st Member Appreciation Day and Annual Meeting of the Miami-Cass County Rural Electric Membership Corporation was held at the Miami County 4-H Fairgrounds, Peru, Ind. on Saturday, Sept. 18, 2010.

Emcee Randy Latta welcomed everyone to the annual meeting and announced several special guests, including the 2010 scholarship winners Tina Huffman and Alex Miller. The invocation was given by Latta, and the National Anthem was performed by members of the Maconaquah High School Band.

Board President Charles Wilson called the meeting to order at 1:15 p.m. It was the consensus of those present to dispense with the reading of the 2009 annual meeting minutes, along with the proof-of-mailing notice and treasurer's report. The minutes were approved as printed in the September 2010 *Electric Consumer*, which was mailed to each registered member. Attendance was estimated at 333 registered members, which represents 7 percent of our total voting membership.

In addition to recognizing our employees for the work they do, Wilson recommended that members take advantage of the free home energy audits preformed by Kim Burton, the REMC's energy advisor.

CEO James Yates thanked the members for their attendance, shared some thoughts about what's going on in the electric industry, provided an update on how Miami-Cass REMC is operating during the current economy and discussed rate forecasts for the next 18 months. He stated that the REMC is working hard to hold costs in line and that all wages were frozen in 2010 and benefits were reduced where possible.

Greg Wagoner of Wabash Valley Power Association, our power supplier, spoke briefly about the uncertainty surrounding the future of power. He cited three areas of uncertainty: environmental, construction and alternative

energy. He said WVPA is working to diversify its portfolio of power generation in order to provide the most reliable and economical power.

Spike and the Bulldogs provided members with a trip down memory lane through their music. They performed numerous songs from the '50s and '60s.

Jeremy Fetty, Miami-Cass REMC attorney, presented the nominating committee's report. He reported that the following members were nominated to have their names placed on this year's ballot for director:

District 2 – D. Marion Hopkins, Jr. (incumbent) and Jeffrey Moss

District 4 – Mark B. Hahn (incumbent) and Richard Runyan

After the results were tabulated, Fetty reported that the following directors were duly elected for a three-year term:

District 2 – D. Marion Hopkins, Jr.

District 4 – Mark B. Hahn

All registered members received a free 25-foot tape measure in recognition of their attendance at this year's Member Appreciation Day and Annual Meeting. All members present were able to participate in several drawings for door prizes during the meeting.

All Occasions Catering from Wabash, Ind., provided lunch for attendees. The home show exhibits included the Touchstone Energy Home program, an energy efficiency wall, an air sealing and foam insulation demonstration, the Operation Round-Up program, information on ENERGY STAR appliances, renewable energy information, and a heat pump display.

The day also included bucket truck rides, a mini pole climb, Fair Oaks Dairy Farms mobile unit, Indiana State Police driving demonstration, and an inflatable bounce house and slide and a fire safety trailer and train ride for the young-at-heart.

Board President Wilson adjourned the meeting at approximately 2:30 p.m.

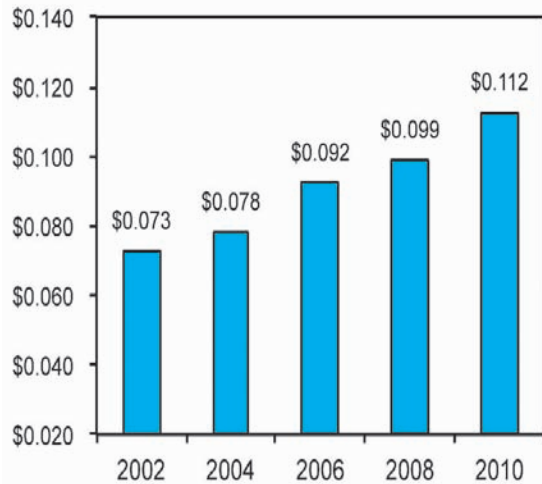


**Miami-Cass REMC will be closed on  
Monday, Sept. 5, in honor of Labor Day.**

## Historical residential data



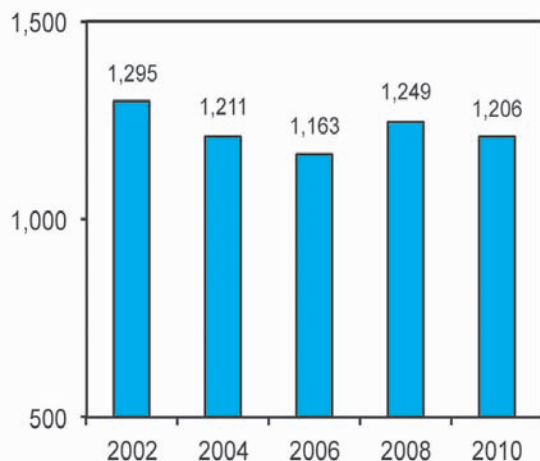
**AVERAGE COST/KWH**



**AVERAGE BILL**



**ANNUAL AVERAGE KWH/MEMBER**



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
of Miami-Cass REMC and Subsidiary

We have audited the consolidated balance sheet of **Miami-Cass REMC and Subsidiary** as of April 30, 2011 and 2010, and the related consolidated statement of revenues, changes in patronage capital, and cash flows for the years then ended. These consolidated financial statements are the responsibility of Miami-Cass REMC and Subsidiary's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Miami-Cass REMC and Subsidiary as of April 30, 2011 and 2010, and the results of its operations and changes in patronage capital and retained earnings, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming opinions on the basic consolidated financial statements taken as a whole. Additional information is presented for purposes of further analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

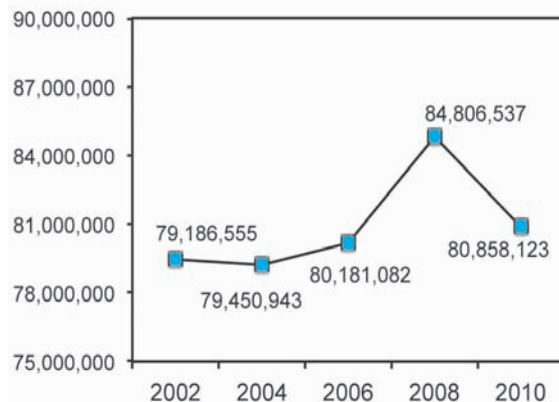
*London Witte Group, LLC*

July 26, 2011

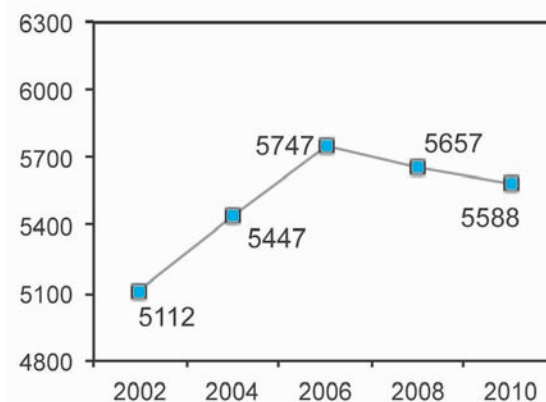
*Certified Public Accountants*

One Independence Center, 1776 North Meridian Street, Suite 500 Indianapolis, Indiana 46202  
Telephone | 317-634-4747 Facsimile | 317-632-2727 Toll Free | 877-634-4747  
Web | www.LWGCOPA.com

**KWH SALES**



**AVERAGE NUMBER OF MEMBERS**



# 2010 ANNUAL REPORT

## Balance Sheet

Statement of Assets and Liabilities	December-10	December-09
<b>Assets (What we own)</b>		
Electric Utility Plant	\$24,367,490	\$23,557,461
Less: Reserve for Depreciation	\$8,894,352	\$8,326,694
Net Book Value of System	\$15,473,138	\$15,230,767
Total Other Properties & Investments	\$3,332,415	\$3,047,244
Cash on Hand in Banks	\$976,389	\$839,618
Due on Current Electric Bill & Other	\$1,865,210	\$1,940,618
Material and Supplies	\$237,256	\$236,826
Deferred Debits	\$40,303	\$53,264
Other Current and Accrued Assets	\$0	\$0
Total Current & Accrued Assets	\$6,451,573	\$6,117,570
<b>TOTAL ASSETS</b>	<b>\$21,924,711</b>	<b>\$21,348,337</b>
<b>Liabilities (What we owe)</b>		
Long Term Obligations to CFC	\$4,258,829	\$4,454,963
Accrued Taxes	\$194,556	\$258,333
Accrued Interest	\$50,512	\$52,309
Accrued Payroll	\$104,079	\$70,589
Accrued Payable	\$959,924	\$1,139,809
Other Short-Term Liabilities	\$0	\$0
Deferred Credits	\$285,319	\$257,973
<b>TOTAL LIABILITIES</b>	<b>\$5,853,219</b>	<b>\$6,233,976</b>
<b>Excess of Assets (Which represent our net worth)</b>		
Capital Credits Assigned (Margins 1951-2005)	\$14,857,439	\$13,878,072
Margins (Prior Years)	\$101,574	\$101,574
Membership Fees & Other Capital	\$152,175	\$149,415
Capital Credits Not Yet Assigned	\$960,304	\$985,300
G&T Capital Credit Not Yet Assigned	\$0	\$0
<b>TOTAL CAPITAL</b>	<b>\$16,071,492</b>	<b>\$15,114,361</b>
<b>TOTAL LIABILITIES &amp; NET WORTH</b>	<b>\$21,924,711</b>	<b>\$21,348,337</b>

## Statistical Review

	2006	2008	2010
Power Purchased, kWh	140,647,009	144,076,871	133,770,935
Power Sold, kWh	133,469,374	138,395,949	126,919,515
System Loss, kWh	7,177,635	5,680,922	6,851,420
Percent Loss	5.1%	3.9%	5.1%
Power Cost	\$7,805,954	\$8,673,716	\$9,316,005
Average kWh per member per month	1,736	1,789	1,641
Total Billing	\$11,126,960	\$12,447,923	\$13,138,116
Member Cost per kWh	\$0.0834	\$0.0899	\$0.1035
Miles of Line at year end	747	757	759
Number of services in place	6,407	6,448	6,444
Member equity	71.5%	70.0%	73.3%

## Miami-Cass REMC Employees

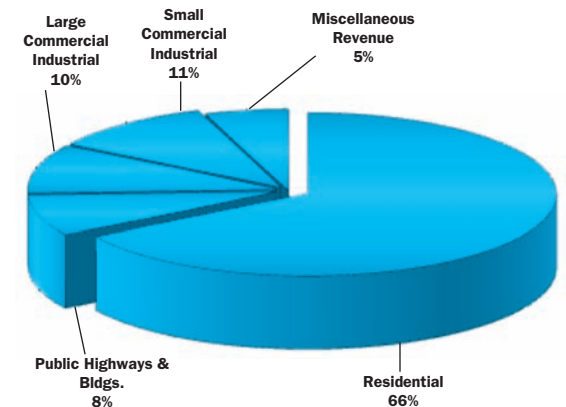
James R. Yates, *chief executive officer*  
 Robert E. Schwartz, *director of operations*  
 Charles E. Lewis, *director of office services*  
 Susan L. Wagoner, *director of marketing*  
 Jody A. Long, *director of finance and accounting*  
 Kim D. Burton, *energy specialist*  
 Brian L. Butt, *customer service technician*  
 Karen L. Chester, *customer service representative*  
 Jaune M. Day, *lead lineman*  
 Michael A. Fross, *journeyman lineman*  
 Lora L. Goodman, *accounting clerk*

Elizabeth A. Helms, *billing administrator*  
 Zaccary L. Hostetler, *apprentice lineman*  
 Jack A. Kellemes, *staking technician*  
 Michael L. Long, *line foreman*  
 Greg A. Million, *apprentice lineman*  
 Scott A. Richardson, *meter technician*  
 Gary L. Rowe, *journeyman lineman*  
 Elizabeth A. Vance, *billing clerk/customer service rep.*  
 Brandon R. Williams, *journeyman lineman*  
 Teresa K. Williams, *customer service representative*  
 Joe Wyant, *accounting specialist*

## Statement of Income

	2010	2009
Residential	\$9,108,221	\$8,861,716
Public Highways & Bldgs.	\$1,156,918	\$1,082,130
Large Commercial Industrial	\$1,366,784	\$1,303,500
Small Commercial Industrial	\$1,506,193	\$1,421,436
Miscellaneous Revenue	\$659,815	\$724,569
<b>Total Electric &amp; Other Misc. Rev</b>	<b>\$13,797,931</b>	<b>\$13,393,351</b>
G&T Capital Credits Not Assigned	\$0	\$0
<b>Total Income</b>	<b>\$13,797,931</b>	<b>\$13,393,351</b>
<b>Total Operating Expense</b>	<b>\$12,831,673</b>	<b>\$12,402,097</b>
<b>Net Margins</b>	<b>\$966,258</b>	<b>\$991,254</b>

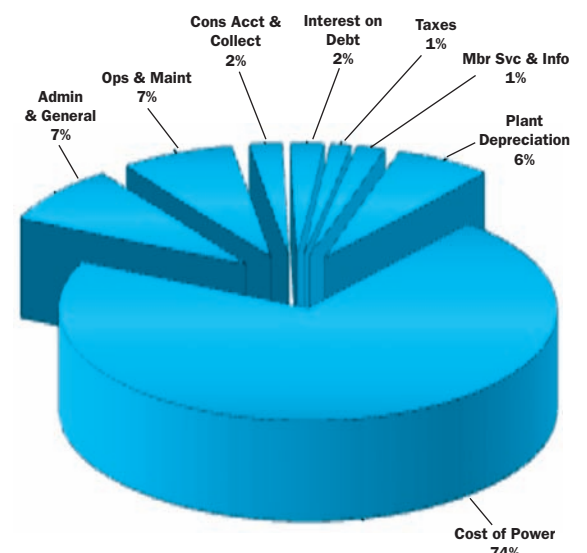
## Income Dollars



## Statement of Expenses

	2010	2009
Cost of Power	\$9,316,005	\$8,780,718
Administrative & General	\$915,185	\$1,021,681
Operations & Maintenance	\$945,326	\$908,209
Consumer Accounting, Collecting	\$252,759	\$260,488
Interest on Debt	\$260,610	\$269,273
Taxes	\$168,957	\$163,396
Member Service & Information	\$178,552	\$227,175
Depreciation of Plant	\$794,279	\$771,157
<b>Total Operating Expenses</b>	<b>\$12,831,673</b>	<b>\$12,402,097</b>

## Expense Dollars



## 2011 board of directors candidates

### DISTRICT 1 CANDIDATES

*Allen, Erie, Jefferson, Perry, Peru, Richland and Union townships of Miami County and Paw Paw Township of Wabash County*



**Fred N. Warner**

**Fred N. Warner** has been an REMC member since 1958 and is currently serving on our board of directors. When asked what he likes best about the REMC, Warner said, "It is a solid, locally-owned business that takes good care of its members. The directors are consumers, as well, with an interest

in keeping rates low."

Warner is a semi-retired farmer. He and his wife, Barbara, have two daughters and two grandchildren. They attend Baptist Church in Mexico. Warner also serves as a director on the Wabash Valley Power board.

When asked what he hopes to accomplish if re-elected, Warner said he believes that the co-op needs experienced board members who can lead it through the potential battlefield of EPA regulations on the horizon.



**Richard Hawkins**

**H. Richard (Dick) Hawkins** has been an REMC member since 1973. He is a retired electrical engineer from Delco Electronics. He has participated in Habitat for Humanity, SOAR (homework helper for 5th and 6th grade students), and taught inmates GED courses at Miami Cor-

rectional Facility.

When asked what he would hope to accomplish if elected to the board he said, "The objective of Miami-Cass REMC is to make electric energy available to its members at the lowest cost, and the purpose of the board of directors is to assist management in obtaining this objective with sound economic principles. As a board member, I would work closely with the CEO in authorizing the expenditures for resources and equipment necessary to carry out effective operations. I believe a board director acts as trustee in the interests of the owner members by keeping them informed of objectives, goals, plans and programs of Miami-Cass REMC.

I do not have the experience of my incumbent. But, if elected, it is my commitment to actively participate in meetings and conferences to which I may be assigned and give my vote to prevent negative government intervention of REA's in the best interest of us all."

### DISTRICT 4 CANDIDATES

*Butler, Clay, Deer Creek, Harrison, Jackson, Pipe Creek and Washington townships of Miami County*



**Paul D. Childers**

**Paul D. Childers** has been an REMC member for 50 years and is secretary-treasurer of the board of directors. He appreciates that the REMC is locally-owned with an excellent staff and management.

Childers is semi-retired and delivers RVs across the United States. He and his wife,

Charleen, have three daughters and attend McGrawsville United Methodist Church where he is an associate staff member for Men for Missions.

When asked what he hopes to accomplish if re-elected, Childers said, "I will work hard to help manage the outside mandates imposed on the REMC, as best as possible, in order to keep our rates low."



**Richard Percival**

**Richard Percival** has been an REMC member for 27 years.

Percival works in the Information Technology Department for Civil Service at Grissom Air Force Base. He and his wife, Lisa, also own Pizza Quick in Peru and other commercial properties. They have three children and one granddaughter and are members of

Morning Star Church in Kokomo. He enjoys golf, boating, and hanging out with his family.

When asked what he would hope to accomplish if elected to the board of directors, he said he would work to keep rates as low as possible for all members.

**Make your  
vote count!  
Vote for your  
board of directors  
on Sept. 17.**

### Certification of nomination

The nominating committee met in the office of Miami-Cass REMC, 3086 W. 100 N., Peru, Ind., on July 22 at 10:30 a.m. to select nominees for the board of directors to be voted on at the annual meeting on Saturday, Sept. 17.

Members of the nominating committee were as follows: Harrold (Bud) Norris Jr. and Gary Beebe.

At the organizational meeting of the committee, Norris was elected chairman and Beebe was elected secretary.

The committee discussed the bylaws pertaining to the selection of directors and the director's duties and responsibilities. The nominating committee then duly selected the following members as nominees to be voted upon at this year's annual meeting of the membership:

District 1: Allen, Erie, Jefferson, Perry, Peru, Richland and Union townships of Miami County and Paw Paw Township of Wabash County — Fred N. Warner (incumbent) and H. Richard Hawkins.

District 4: Butler, Clay, Deer Creek, Harrison, Jackson, Pipe Creek, Washington townships of Miami County — Paul D. Childers (incumbent) and Richard J. Percival.

There being no further business to come before the nominating committee, a motion was made and seconded that the meeting be adjourned. Motion carried.

### Why it's important to come to your annual meeting

Each year, your REMC spends a great deal of time planning for the big event of the cooperative year — our annual meeting. In communications with our members preceding that day, we highly publicize the event and encourage our members to attend.

Some of you may wonder why this event is so important to the cooperative and to you, its members. After all, it is just a single day in the year, right?

Most importantly, the annual meeting gives members a voice in their cooperative. Members attending will hear reports from the president of the board of directors and from the CEO of the co-op.

The annual meeting is an opportunity to celebrate and focus on our members — a reminder of the reason we are here — to improve your quality of life. At the meeting we provide you with information about the progress and status of your cooperative to keep you updated on your REMC's activities, such as its community involvement, future goals, and current activities.

Prior to the start of our annual meeting, members can enjoy a free lunch, a home show and other fun activities. Jhonny & Sallie will provide entertainment.

If you have any questions, please call our office. We would be happy to answer any questions. We hope to see you there!