

2023

*Annual
Report*



REMC



SOUTHEASTERN INDIANA



www.seiremc.com

CONTACT US

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OFFICE HOURS

7:30 a.m.–4:30 p.m., Monday–Friday

STREET ADDRESS

712 South Buckeye Street
Osgood, IN 47037

MAILING ADDRESS

P.O. Box 196
Osgood, IN 47037

SERVICE INTERRUPTIONS

To report a power outage:
800-737-4111 or SmartHub

BOARD OF DIRECTORS

Darrell Smith (District 7), *President*

Brad Bente (District 2), *Vice President*

Casey Menchhofer (District 9), *Secretary*

Jesse McClure (District 4), *Treasurer*

Vince Moster (District 1)

David Smith (District 3)

Melissa Menchhofer (District 5)

Mike Thieman (District 6)

Sherry Shaw (District 8)

OUR MISSION

To safely provide **reliable electricity** and **diversified services** to the members and communities we serve.

OUR VALUES

- Integrity
- Accountability
- Innovation
- Commitment to Community
- Service Excellence

STRATEGIC PLAN 2020-2023

ONGOING INITIATIVES

- Headquarters Facilities Build-Out-Plan
- Line Loss Improvement Plan
- Succession Plan
- Vegetation Management Plan

STRATEGIC PRIORITIES

1. Emerging Technologies Plan
2. Broadband Deployment Plan
3. Financial Plan
4. Integrated Communication & Engagement Plan
5. Safety Plan

7 Cooperative Principles

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation among Cooperatives
7. Concern for Community

Dear Members,

As we reflect on the past year, we want to express our gratitude for your ongoing support of Southeastern Indiana REMC. Your involvement in our cooperative makes all the difference, and we're excited to share some highlights from 2023 with you.

Your Cooperative's Strength:

In 2023, Southeastern Indiana REMC remained steadfast in our commitment to safely providing you with reliable, affordable electricity and diversified services. Thanks to careful financial management, we were able to navigate through the year with resilience and stability. The cooperative's financial health is a testament to the power of working together for the common good.

Community Connection:

One of the things that makes us unique is the cooperative difference. As a member-owned and member-governed organization, we put our community's needs first. Throughout 2023, we stayed true to this principle by actively engaging with you and supporting local initiatives. Whether it was sponsoring events, offering energy-saving tips, bringing high-speed fiber internet service to your community, or simply being there when you needed us, we were honored to be a part of your lives.

SEI Fiber Connectivity:

As part of our commitment to enhancing connectivity and serving the evolving needs of our community, Southeastern Indiana REMC has expanded its fiber-optic internet service coverage area. SEI Fiber brings lightning-fast internet speeds and reliable connectivity to homes and businesses in our area. With fiber-optic technology, we're paving the way for a more connected future, empowering our community to thrive in the digital age.

Keeping the Lights On:

At Southeastern Indiana REMC, our top priority is safely delivering reliable electricity to your homes and businesses. In 2023, we continued to invest in our infrastructure to ensure that you receive the quality service you deserve. By maintaining and upgrading our systems, we strive to minimize disruptions and restore power quickly whenever there's an outage. Your trust in us fuels our commitment to keeping the lights on for you.

Looking Forward:

As we look ahead to the future, we remain committed to our core values of integrity, accountability, innovation, commitment to community, and service excellence. We're excited about what lies ahead and are dedicated to meeting your evolving needs. With your continued support and participation, we're confident that Southeastern Indiana REMC and SEI Fiber will continue to thrive for years to come.

In closing, we want to thank you for being part of our cooperative family. Your involvement makes Southeastern Indiana REMC the vibrant, resilient community it is today.

Warm regards,

Darrell Smith, Board President

Bryan K. Mathews, Chief Executive Officer

STATEMENTS OF REVENUE

Years ended Dec. 31, 2023 and 2022

REVENUE	2023	2022
NON-COMMERCIAL	56,678,948	53,065,843
SMALL COMMERCIAL	4,856,045	4,824,641
LARGE COMMERCIAL & INDUSTRIAL	13,332,485	12,322,954
OTHER	5,891,008	548,472
TOTAL OPERATING REVENUE	\$79,102,237	\$70,761,910

REVENUE DEDUCTIONS	2023	2022
PURCHASED POWER	46,597,194	45,060,181
OPERATIONS & MAINTENANCE EXPENSE	11,160,394	10,116,985
CUSTOMER ACCOUNTS	2,791,579	2,346,566
ADMINISTRATIVE & GENERAL	3,316,802	2,908,535
TOTAL OPERATING EXPENSE	\$63,865,970	\$60,432,267

DEPRECIATION EXPENSE	6,194,853	5,013,093
GROSS RECEIPTS TAX AND OTHER TAXES	557,044	1,086,973
INTEREST ON DEBT TO LENDERS	6,908,427	2,723,582

TOTAL	\$77,526,293	\$69,255,915
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OPERATING MARGINS	1,575,944	1,505,995
NON-OPERATING MARGINS (INCLUDES HOOSIER ENERGY'S PATRONAGE CAPITAL)	2,645,787	2,500,684

NET MARGINS	\$4,221,730	\$4,006,679
	UNAUDITED	AUDITED

BALANCE SHEET

Years ended Dec. 31, 2023 and 2022

ASSETS AND OTHER DEBITS

2023

2022

Utility Plant	258,746,960	190,961,965
Less Accumulated Provision for Depreciation	43,106,806	40,553,668
Net Utility Plant	215,640,155	150,408,297
Net Utility Property (Net)	-	20,688,776
Investments in Associated Organizations	31,475,792	32,469,211
Other Investments	2,118,050	63,637
Current and Accrued Assets:		
Cash - General	1,976,699	6,756,521
Consumer Accounts Receivable	35,768,617	26,107,516
Material and Supplies	22,437,334	21,479,365
Prepaid Insurance	142,023	129,666
Other Prepayments	10,568	11,441
Total Current and Accrued Assets	60,335,241	54,484,509
Regulatory Assets	-	-
Deferred Debits	-	-
TOTAL ASSETS AND DEBITS	\$309,569,238	\$258,114,430

LIABILITIES AND OTHER CREDITS

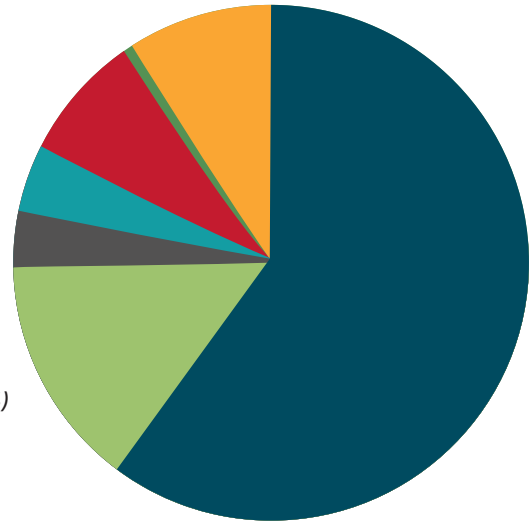
2023

2022

Member and Patron Equities:		
Patronage Capital	90,787,595	86,680,899
Other Margins and Equities	5,070,813	4,808,058
Total Member and Patron Equities	95,858,409	91,488,957
Long-Term Obligations to Lenders	149,073,008	123,899,425
Accumulated Operating Provisions	3,274,370	3,299,722
Current and Accrued Liabilities	59,433,308	38,052,156
Deferred Credits	1,930,143	1,374,170
TOTAL LIABILITIES AND CREDITS	\$309,569,238	\$258,114,430
	UNAUDITED	AUDITED

WHERE YOUR DOLLAR WENT IN 2023

- **Purchased Power, 60.11%** (\$46,597,194)
- **Operations & Maintenance, 14.40%** (\$11,160,394)
- **Customer Accounts, 3.60%** (\$2,791,579)
- **Administrative & General, 4.28%** (\$3,316,802)
- **Depreciation Expense, 7.99%** (\$6,194,853)
- **Gross Receipts Tax and Other Taxes, 0.72%** (\$557,044)
- **Interest on Debt to Lenders, 8.91%** (\$6,908,427)



2023 INCOME BREAKDOWN

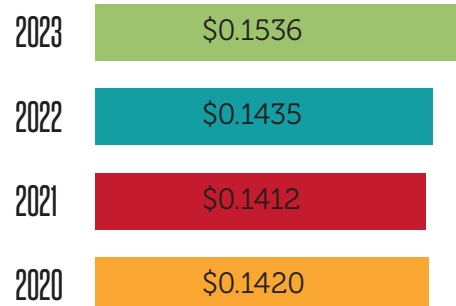


STATISTICAL DATA

	2023	2022	2021	2020
<i>Miles of Line</i>	3,459	3,450	3,256	3,244
<i>Average Number Services per Mile</i>	8.18	8.15	8.56	8.50
<i>Member Equity</i>	31.0%	35.4%	38.4%	53.4%

Wholesale Cost of Purchased Power

(per Kilowatt Hour - Residential)



NUMBER OF SERVICES

28,303

2023

28,117

2022

27,870

2021

27,578

2020

INET/VOICE SERVICES



5,971

2023



2,655

2022



686

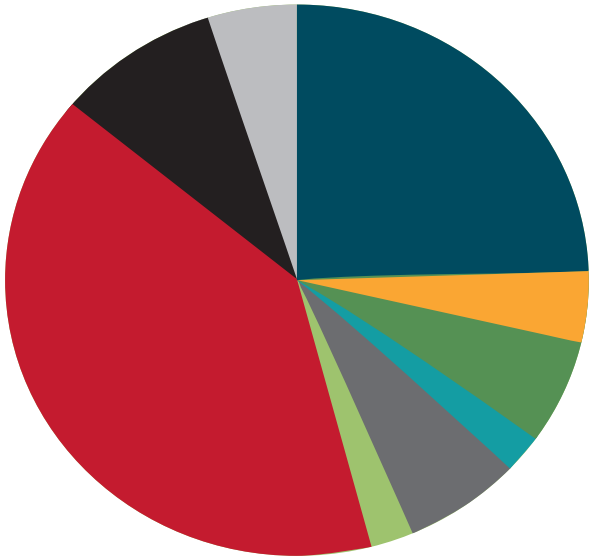
2021



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2020

2023 OUTAGE CAUSES



- Power Supply
46,558 hours
- Planned
7,811 hours
- Trees
12,024 hours
- Animals
3,771 hours
- Equipment
12,851 hours
- Member Caused
3,988 hours
- Weather
76,212 hours
- Traffic Accidents
17,451 hours
- Unknown
9,030 hours

2023 ANNUAL MEETING MINUTES



The 84th Annual Meeting of the membership of Southeastern Indiana Rural Electric Membership Corporation was held at South Ripley High School, beginning at 1:00 P.M., on the 25th day of March 2023. Proper notice of the meeting had been mailed to each member and the 2023 Director Election voting packet was postmarked on February 22, 2023.

President Mike Thieman called the meeting to order. Those directors present were: Brad Bentele, Bonnie Boggs, Jesse McClure, Casey Menchhofer, Vince Moster, Darrell Smith, David Smith, and Mike Thieman.

Following the call to order, the colors were presented by the Versailles American Legion Post 173 Color Guard, Safe in the Harbor sang the National Anthem, Girl Scout Troup 2459 led in the pledge to the flag, and Minister of the Center Square Church of Christ, Don Truesdell, gave the invocation.

The official notice of the Annual Meeting and the certification of the mailing of said notice were read by Secretary Jesse McClure. Secretary McClure announced a quorum was present. The minutes of the 2022 annual meeting were approved.

Members heard reports from the Board and Staff members of Southeastern Indiana REMC, the CEO of Indiana Electric Cooperatives, and the CEO of Hoosier Energy.

Three \$500 scholarships were awarded to the following students: Adam Bruner (South Dearborn High School), Jillian Eppinghoff (East Central High School), and Kylee Starost (East Central High School).

Attorney Robert Wickens announced the results of director elections. Vince Moster, District 1; Darrel Smith, District 7; and Sherry Shaw, District 8 were elected by the membership. There were 2,993 voters in the 2023 Director Election.

There being no further business, the meeting was adjourned by the President.