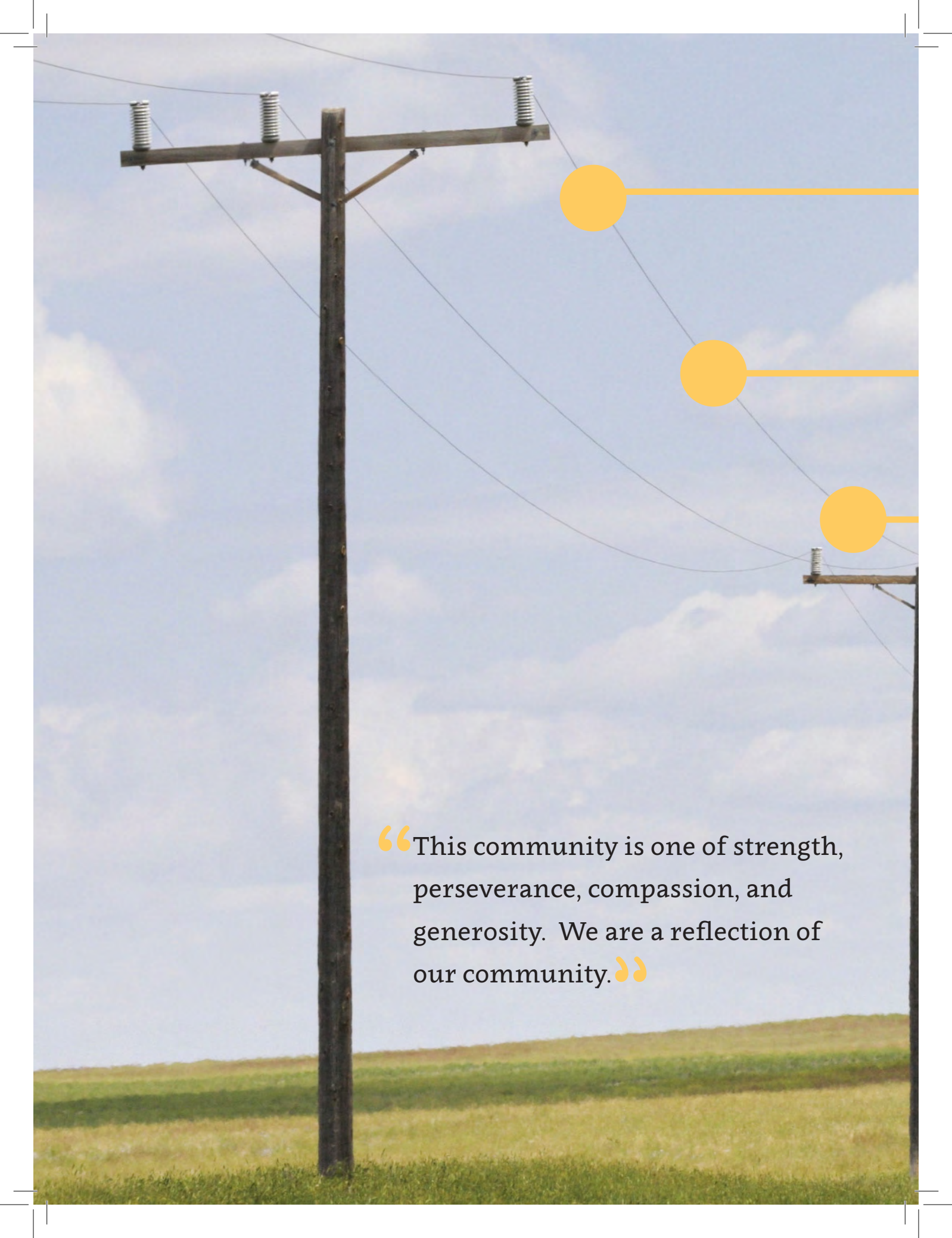


Annual Report

2015





“This community is one of strength, perseverance, compassion, and generosity. We are a reflection of our community.”



Program

Doors Open 8:30 a.m.

Refreshments served in the cafe. Please be sure to review the material in this packet, including the board election ballot, 2016 candidates, the 2015 Annual Report, and the member survey. Your thoughts are important to us.

Energy Expo 8:30 - 10:00 a.m.

Informational booths: Co-op Connections Card, Energy Efficiency, Power Moves Rebates, KCH Health/Wellness screenings and more.

Children's Program 9:00 a.m. - Close of Meeting

A special children's program, for kids ages 4 through 12, will be available downstairs. It will feature "Jedi Training" and "Princess Story Time." There will also be a balloon artist available so please allow your kids to join in on the fun!



Business Meeting 10:00 - Noon

Business Meeting Agenda

Call to Order

William Stump Jr.

Chairman of the Board

Presentation of Colors

Cub Scout Pack 3736

National Anthem

Invocation

Grant Reigner

Application Systems Analyst

Proof of Notice of Meeting to Members

Terry Bouse

Secretary-Treasurer

Approval of 2015 Annual Meeting Minutes

Terry Bouse

Nominating Report

David Sands

Nominating Committee Chairman

Director Election

Emily Cowan

Manager of Marketing & Member Service

Executive Reports

Terry Bouse, *Secretary-Treasurer*

William Stump Jr., *Chairman of the Board*

Bruce Goslee, *President & CEO*

Special Speaker

Craig MacFarlane

Door Prize Drawings

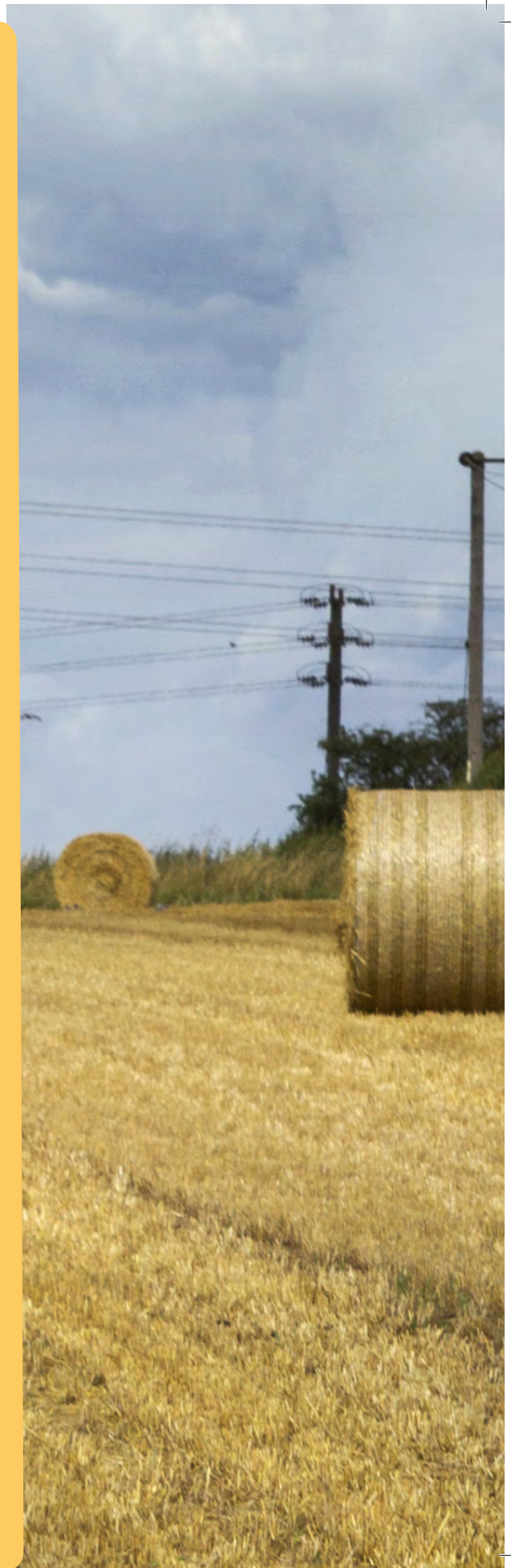
Jayne Brunetto, *Financial Systems Analyst*

Jennifer Barger, *Communications Specialist*

Election Results

David Sands

Meeting Adjourned







2015 Minutes

KOSCIUSKO RURAL ELECTRIC
MEMBERSHIP CORPORATION
ANNUAL MEETING MINUTES
APRIL 25, 2015

The 76th Annual Meeting of the Kosciusko Rural Electric Membership Corporation was held April 25, 2015, at the Warsaw Community Church facility in Warsaw, Indiana. Board Chairman William Stump Jr. called the meeting to order at 10 a.m. with the presentation of colors by Cub Scout Pack 3735 and the national anthem on a Touchstone Energy CD. Wayne Adams gave the invocation. Next, Chairman Stump welcomed everyone and then introduced the current KREMC board of directors.

Mike Rees, senior account executive for WRSW and ESPN Radio, recognized special guests Brian Maxey of Wabash Valley Power Association; Scott Bowers of Indiana Electric Cooperatives; Brian Spaulding, field representative and general counsel for U.S. Rep. Jackie Walorski; and Meredith Perks, Regional Director for Sen. Joe Donnelly. Rees also announced the 2015 Touchstone Energy Camp and Youth Tour delegates.

Director Terry Bouse, secretary-treasurer, read the "Proof of Notice" and declared a quorum present. Members were provided a copy of the 2014 annual meeting minutes which were approved as presented.

David Sands, chairman of the Nominating Committee, introduced the candidates up for election. The nominees



were: William Stump Jr. vs. John Hand, Anthony Fleming vs. Robert Huffman, Daniel Tucker vs. Rick Klotz.


Emily Cowan, KREMC manager of marketing and member service, conducted the election. Following the election, Director Bouse presented the treasurer's report.

Chairman Stump addressed the membership, thanking the members for coming and for supporting the co-op. He paid tribute to the employees, members, and veterans attending the meeting - who are the strength of our country. He then introduced President and CEO Bruce Goslee who delivered his executive report.

CEO Goslee recognized long-term members and awarded them with gift cards. He announced that KREMC had received over \$2,500 of anonymous donations towards member electric bills during the holidays and extended a heartfelt thank you to the generous donors. His executive report emphasized KREMC's commitment to safety, reliability and providing quality service. He gave an overview of system improvements, benefits of AMI technology, and customer friendly programs, including PrePaid and the new 24-hour kiosk. He reported on the results of this year's residential satisfaction survey which received high scores from Kosciusko REMC customers. He also presented a slide show on potential hazardous situations to the public and a special video showing the teamwork of Kosciusko REMC employees responding during outages.

Entertainment was then provided by Hannah and Tim Bushong, followed by the adults' and children's door prize drawing. The drawing was conducted by Mike Rees, Katy Berger and Jayne Brunetto with help from KREMC employees and directors.

To conclude the annual meeting, David Sands reported the following election results: Incumbents William Stump Jr., Anthony Fleming and Daniel Tucker were all re-elected for three-year terms. The meeting adjourned at 11:30 a.m.



2016 Board of Director's Nominees



Kim Buhr

Kim Buhr has been a member of Kosciusko REMC for 31 years and has served on the KREMC board of directors for six. In 2011, she earned the NRECA Certified Cooperative Director (CCD) Certificate. She was elected as the Indiana Electric Cooperative director, where she represents KREMC at the state level.

She and her husband, Don, reside in Syracuse and have two children, Beth and Jodi. She is a self-employed bookkeeper and owner/partner with her husband in both a grain operation and a self-storage business.

The Buhrs attend North Webster Church of God, where she is active in Women's Bible Study. Buhr served as a KID'S HOPE mentor and is involved with Big Brothers/Big Sisters.



Pam Messmore

Pam Messmore has been a member of Kosciusko REMC for 38 years and has served on the KREMC board of directors since 2010. She earned the NRECA Certified Cooperative Director (CCD) Certificate in 2012. She and her husband, Bruce, live in the Pierceton area and, together, they have two sons, two daughters and nine grandchildren.

Messmore is vice president and regional manager for Lake City Bank where she has been employed for 30 years. She is active in several community organizations including Kosciusko County Cancer Care Fund, Warsaw Education Foundation and Real Services. She is a graduate and past president of Kosciusko Leadership Academy.



John Hand

John Hand has been a Kosciusko REMC member for more than 20 years. He attended North Carolina State University majoring in computer engineering. Hand has worked at Hand Industries for the past 28 years and has served as president since 2000. During that time, he oversaw the installation of a 20kW solar project within the company's farming operation.

Hand has formerly served on the boards of Heartline Pregnancy Center and Lake City Enterprises, Inc. He currently serves on the board of the Hand Family Foundation, Inc. He and his wife, Florell, live in Warsaw. They have two adult children and attend Valley Springs Fellowship Church.

Brian Weideman

Brian Weideman has been a Kosciusko REMC member for 12 years. He earned his business degree from Indiana University. He served in both the U.S. Army and the Indiana National Guard. His current employer is Grain Systems Distribution, formerly Ripco Distribution, in Milford, Indiana.

Weideman is a third degree member in the Knights of Columbus-Syracuse Council 6323. He belongs to the American Legion and the Indiana University Alumni Association. He and his wife, Teresa, live in Milford and have two children, Kelsey and Kyle.



Brad Craig

Brad Craig has been a Kosciusko REMC member for 20 years. He earned his vocational teaching license from Ball State University. He is a teacher at Wawasee High School and has taught auto/diesel there for 26 years.

Craig is involved in the community coaching Little League Baseball and volunteering at Kosciusko 4-H. He and his wife, Stephanie, have four children and reside in the Pierceton area.



Gabe Ayers

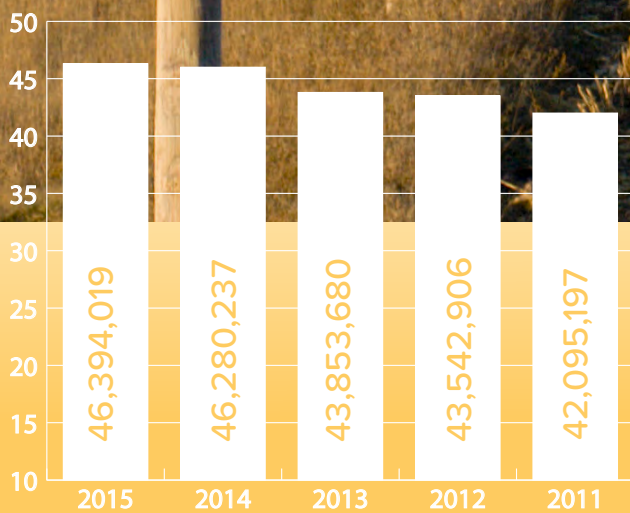
Gabe Ayers has been a Kosciusko REMC member for 13 years. He attended Purdue University and majored in agricultural economics. He is a co-owner of Clunette Elevator Company, Inc. and has been a dedicated part of its team for 14 years.

Ayers has been a member of Truth at Work since 2014. He has served as chairman for Agribusiness Council of Indiana and is a current member of the Indiana Farm Bureau. He and his wife, Jessica, live in Warsaw and have two children. They attend Clunette United Methodist Church, where Ayers serves on the board of directors.

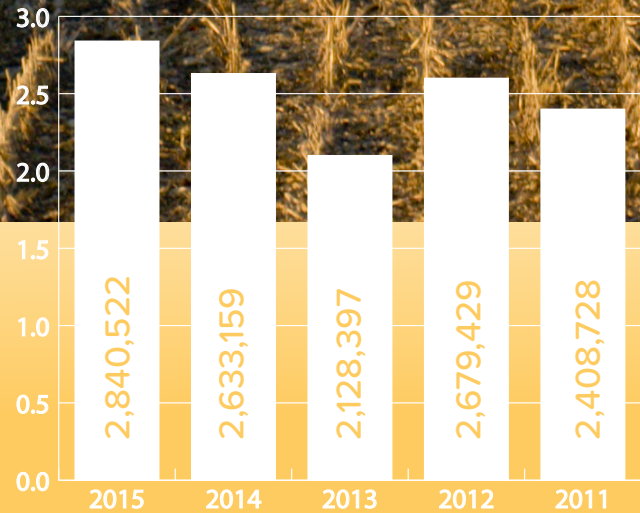


2.

KREMC is ranked in the top



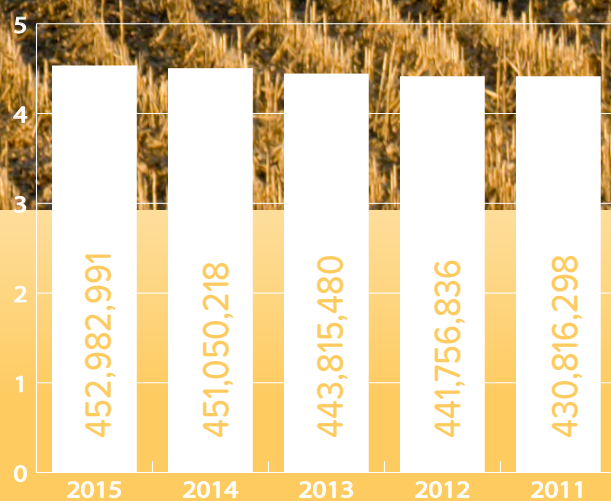
Operating Revenue



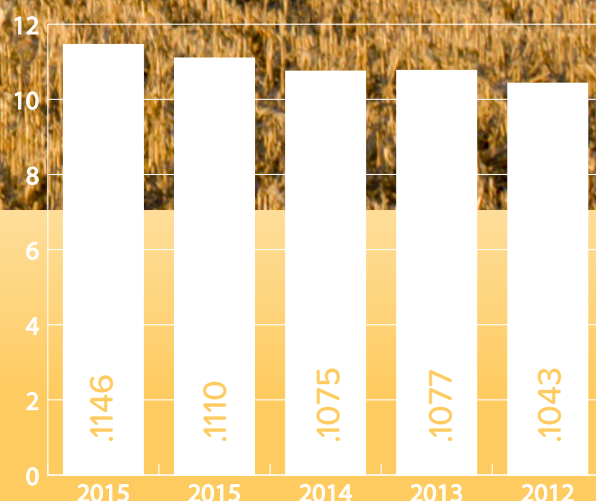
Net Margins

95%

2.95 percent of co-ops nationally at managing local costs.



Kilowatt-Hours Sold

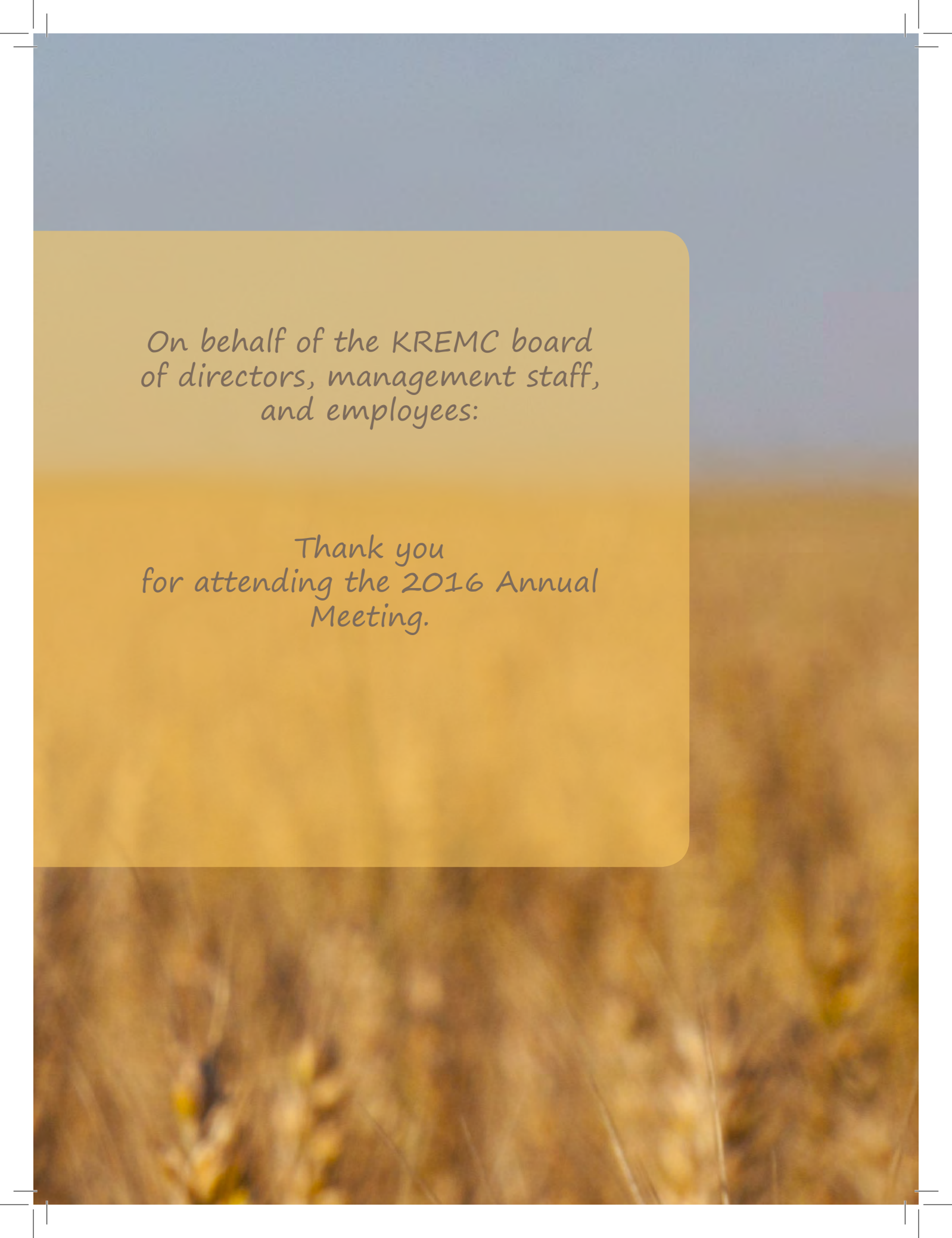


Average Cost per kWh Residential

2015 Board of Directors



Back row, from left: Kim Burht, Dan Tucker, Rick Parker, Steve Miner, Pam Messmore.
Front row, from left: Tony Fleming, Terry Bouse (secretary-treasurer), William Stump, Jr. (chairman), and Fred Powell (vice chairman).



*On behalf of the KREMC board
of directors, management staff,
and employees:*

*Thank you
for attending the 2016 Annual
Meeting.*

