

TELETOWNHALL ANNUAL MEETING

June 11 at 7:00 p.m.

Logan County Electric Cooperative is excited to connect with our members on June 11 at 7:00 p.m. during the 88th annual meeting of members.

We value your participation in this event.

Teletownhall Annual Meeting

To participate in the annual telephone town hall meeting, Logan County Electric Cooperative members will receive a call and hear a prerecorded message from the cooperative. You will be asked to stay on the line until all members have been contacted. The annual telephone town hall meeting will begin shortly after.

Your Contact Information

Before this event, please be sure the phone number listed on your cooperative account is current so that you don't miss this meeting. Not sure? Look on SmartHub, send us an email, or call the office and update your contact information.

Caller Id

The caller-id for the meeting will show "Logan Co-op" or "937-565-4216".

Toll-free Access

If you miss the call, or if your phone drops the call, you can still participate in the annual meeting. Gain direct access to the live event by calling 1-888-886-6603.

Member Bill Credit

After the event, the cooperative will receive a report that includes a list of participants, poll results, and a quality recording of the entire teletownhall meeting.

This report will list how many minutes each participant stayed on the call. Members who stay on the call for at least twenty (20) minutes will receive a \$20 bill credit.

Please keep this packet of information to reference during the annual meeting.

Agenda: 88th annual meeting

7 p.m. Receive a call from Logan County Electric Cooperative @ 937-565-4216

Dropped the call? Don't worry - reconnect with us @ 1-888-886-6603

I. Welcome

A. Called to order

- Board of Trustees Chairman Scott Hall

II. Business meeting

A. Reading of official notice of annual meeting

B. Minutes of 2023 annual meeting p. 3 — 5

- Minutes to be affirmed by membership

C. 2024 nominating committee report p. 6

D. 2024 Trustee election results

E. Administer Oath of Office

- Doug Smith, Attorney at Smith, Smith, Montgomery & Chamberlain

F. 2025 nominating committee p. 6

- To be affirmed by membership

III. Management Reports

A. 2023 Financial Report p. 7 — 10

Tiffany Stoner, Vice President of Finance and Administration

B. President's Report:

Tim Street, President/General Manager

III. Conclusion

2023 ANNUAL MEETING MINUTES

ANNUAL MEETING OF THE ASSOCIATION MEMBERS LOGAN COUNTY COOPERATIVE POWER & LIGHT ASSOCIATION, INC.

June 13, 2023

The 87th Annual Meeting of the members of the Logan County Cooperative Power & Light Association, Inc. was held on Tuesday, June 13, 2023 at 7:00 p.m. in the form of a telephone townhall meeting, pursuant to notice duly given to all members.

The meeting was called to order by Chairman Scott Hall, who presided and who welcomed the members, and declared that a quorum was present.

Upon motion, duly seconded and carried, the reading of the Minutes of the Annual Meeting of June 14, 2022 were accepted as presented and distributed prior to the meeting.

The Chairman then introduced Mr. Michael Wilson, Director of Communications, who introduced the members of the Nominating Committee as follows: Lance Hill - District 1; Scott Risner – District 2; David Evans – District 3; Jay Ackley – District 4; Greg Krisher – District 5; Tim Jenkins – District 6; and Gary Ginter – District 7. Mr. Wilson reported that the Nominating Committee met on January 12 to interview five members who submitted Trustee Interest Cards for District 2 and District 3. Mr. Wilson noted that per the Co-Op Code of Regulations, the Nominating Committee cannot place more than two members from each District on the ballot. He thanked the candidates for volunteering to be on the ballot and introduced them as follows: District 2 – Jerry Fry and Phil Altstaetter; District 3 – Jim Rice and Jim Wolever.

Attorney Douglas M. Smith of Smith, Smith, Montgomery & Chamberlain, LLC was then called upon to announce the results of the election as tallied and certified by Diamond Communications Solutions. Mr. Smith reported that there were 786 ballots cast in the election, representing approximately 20% of the eligible voting members, and that Jerry Fry was elected as District 2 Trustee, and Jim Rice was elected as District 3 Trustee. Mr. Smith congratulated Mr. Fry and Mr. Rice administered the oath of office to Mr. Fry and Mr. Rice.

The Chairman then presented the 2024 Nominating Committee as appointed by the Board of Trustees and to be affirmed by the membership as follows: Lance Hill – District 1; Scott Risner – District 2; David Evans – District 3; Jay Ackley – District 4; Greg Krisher – District 5; Tim Jenkins – District 6; and Gary Ginter – District 7. Upon motion, duly seconded and carried, the 2024 Nominating Committee was confirmed.

The Chairman then introduced the Director of Finance & Accounting, Tiffany Stoner to present the 2022 Financial Highlights Report. Ms. Stoner reported \$21,000,109.00 in revenue, an increase of \$214,841.00 from 2021; and kilowatt sales of \$171,676,332.00 for 2022. Ms. Stoner noted a 0.2% increase in kilowatt sales from 2021 to 2022. Ms. Stoner also noted that residential and small commercial sales were up approximately 1.6% in 2022. Ms. Stoner reported expenses for 2022 were up by \$448,477.00 from 2021; that of the \$20,563,400.00 in expenses for 2022, \$13,881,612.00 were

2023 annual meeting minutes continued...

related to the costs of power, and represented 68% of the total expenses paid by the Cooperative. Ms. Stoner also advised that the remaining 32% of expenses was related to other costs of business, such as line maintenance, sub-station maintenance, tree trimming, consumer account management, kilowatt taxes to the State of Ohio and interest on Cooperative debt. Ms. Stoner completed her report by advising that \$656,262.00 of patronage capital was retired in 2022 and that “life-to-date” patronage capital retirement stands at \$13,558,733.00.

The Chairman then introduced LCEC President and General Manager, Tim Street, to present his Annual Report. Mr. Street welcomed the members who were participating in the Annual Meeting and expressed his appreciation for their participation in the Annual Town Hall Meeting. Mr. Street reiterated the mission of LCEC to provide safe and reliable electricity to the members and to offer that service affordably and in a fiscally and environmentally responsible fashion. Mr. Street also noted that we purchase power from Buckeye Power and that Buckeye also works diligently to meet continuously changing regulations while using a diverse power supply portfolio. Mr. Street advised that the mission to provide a safe, reliable supply of electricity is becoming more and more challenging at both the local and national level. He noted disorderly retirements of baseload coal and nuclear power plants, over reaching unreasonable environmental regulations and unreasonable goals and time frames to achieve greater reduction in carbon emissions as some, but not all, of the causes. For example, Mr. Street noted that in 2009 Ohio had 21 coal fired power plants capable of producing in excess of 22,000 mega watts of electricity. But, as of the date of his presentation, there were 4 remaining plants generating less than 7,000 mega watts of capacity. This reduction in plants has greatly reduced the ability, at the State level, to produce electricity, especially during periods of severe weather. Mr. Street advised that LCEC continues to provide information to legislators at both the State and Federal level in an attempt to help these legislators understand the impact policies and laws have on the cooperatives’ ability to provide affordable electricity and the affect these policies have on the ability of the members to pay their electric bills every month. Mr. Street advised that in order to approve revenue to maintain excellent service reliability and to build reserves in the event of a major storm, Logan County Electric Cooperative was going to implement a rate increase effective September 1, 2023. Mr. Street advised that for residential members the increase would be \$5.00 per month in the basic service charge, and would now be \$42.00 and shown on the members’ October billing statement. Mr. Street advised that increasing the basic service charge in the fourth quarter would allow LCEC to provide the reliable electric service to the members and for the Cooperative to remain financially sound. Mr. Street noted that, included in the basic service charge, are such items as trucks, wire, transformers, power poles and labor needed to build and maintain the electric distribution system. While these items make up a significant portion of the basic service charge, Mr. Street advised that also included in the basic service charge are such items as implementing new technologies to provide increased operational efficiencies, as in AMI remote circuit control switching capabilities and tree trimming and brush removal to help prevent outages. Mr. Street advised that there would be “in-person” events held in the coming months. He advised that on June 27th there would be an ice cream social at the LCEC office from 5:30 to 7:30. He advised that this would an opportunity for the members to visit with staff and other members. A second member engagement activity would be held on September 13th in the form of a tour of the Cardinal Power Plant. Mr. Street advised that the bus would be leaving the LCEC office at 8:00 a.m. and return around 7:00 p.m. and that members who had an interest should contact the office to reserve a spot. Mr. Street concluded his Report by again thanking those members who had participated in the townhall meeting and the Trustee election. Mr. Street also reiterated that, as mentioned in his opening

2023 annual meeting minutes continued...

statement, this “Cooperative was made by and for our local community”. Mr. Street also thanked his staff and team members and expressed his appreciation for each employee coming to work with the same goals, making safety a priority and delivering reliable electric service and offering nothing less than exceptional member service.

The Chairman then introduced Mr. Michael Wilson to share information regarding the upcoming events.

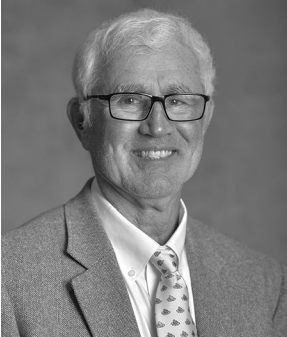
Mr. Wilson reiterated that the ice cream social was scheduled for June 27, 2023 from 5:30 to 7:30 p.m., and the Cardinal Power Plant Tour was scheduled for September 13, 2023. Mr. Wilson encouraged members to be on the lookout for information regarding upcoming Member Aware Meetings and he also encouraged the members to keep reading Ohio Cooperative Living magazine.

On behalf of the Board of Trustees and employees, the Chairman then thanked the members for their participation in the Eighty-Seventh Annual Meeting of Members and the Fourth Telephone Townhall Annual Meeting.

There being no further business, the Chairman declared the meeting adjourned.

2024 TRUSTEE CANDIDATES

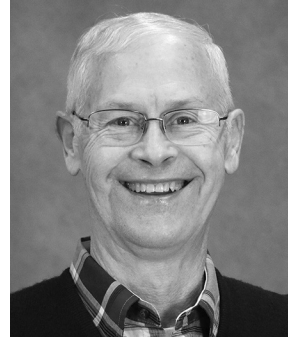
Election results will be announced during the annual meeting.



David Campbell

District 1

“I have appreciated my time serving as a co-op trustee and am eager to continue representing the community by serving once again as trustee on the co-op board.”



Larry Hoffman

District 1

“Our priority should be to prepare for the future. I would be honored to serve the greater good as trustee for every member of the Logan County Electric Cooperative.”



Janet Blank

District 4

“I’ve put in the time to be the best educated representative I can be. I want to put my experience to work and represent you in the Logan County Electric Cooperative.”



Steve Westlake

District 4

“I think people can see significant savings by focusing on improving energy use. Technology can be utilized to help conserve energy and lower energy costs within any home.”

BOARD NOMINATIONS AND THE NOMINATING COMMITTEE

CODE OF REGULATIONS. SECTION 4. Nominations.

The committee on nominations shall be confirmed by the members present at a meeting at the annual meeting of members.

2024 NOMINATING COMMITTEE

District 1 – Lance Hill
District 2 – Scott Risner
District 3 – David Evans
District 4 – Jay Ackley

District 5 – Greg Krisher
District 6 – Tim Jenkins
District 7 – Gary Ginter

2025 NOMINATING COMMITTEE - *to be confirmed*

District 1 – Lance Hill
District 2 – Scott Risner
District 3 – David Evans
District 4 – Jay Ackley

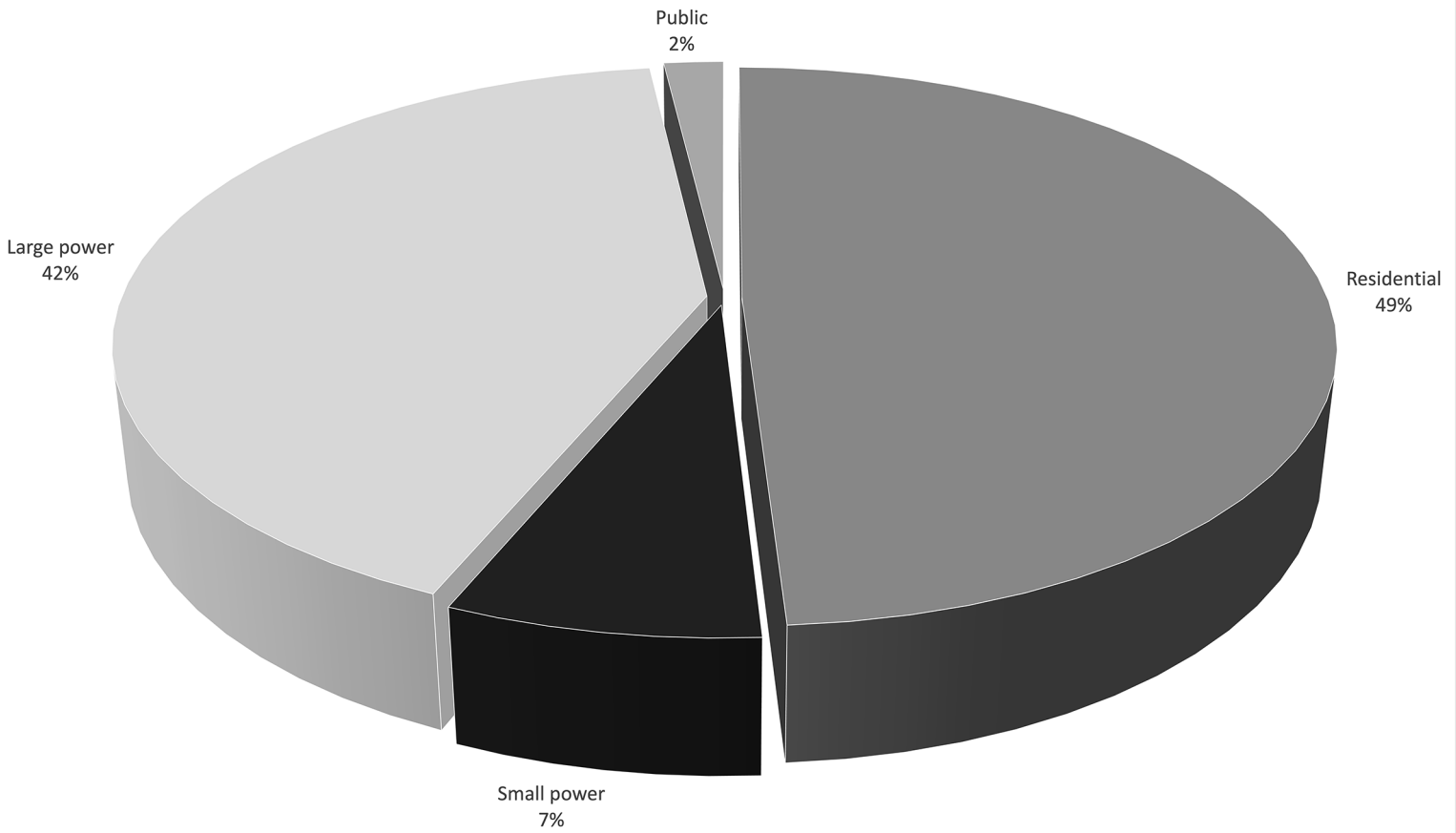
District 5 – Greg Krisher
District 6 – Tim Jenkins
District 7 – Gary Ginter

2023 Financial Report

Source of revenue

Revenue is the income generated by the cooperative from the sales of electricity. The co-op's revenue in 2023 was \$21,005,845, which was up \$3,936 from 2022. The revenue was evenly generated between revenue classes: 49% from residential accounts and 51% from commercial accounts.

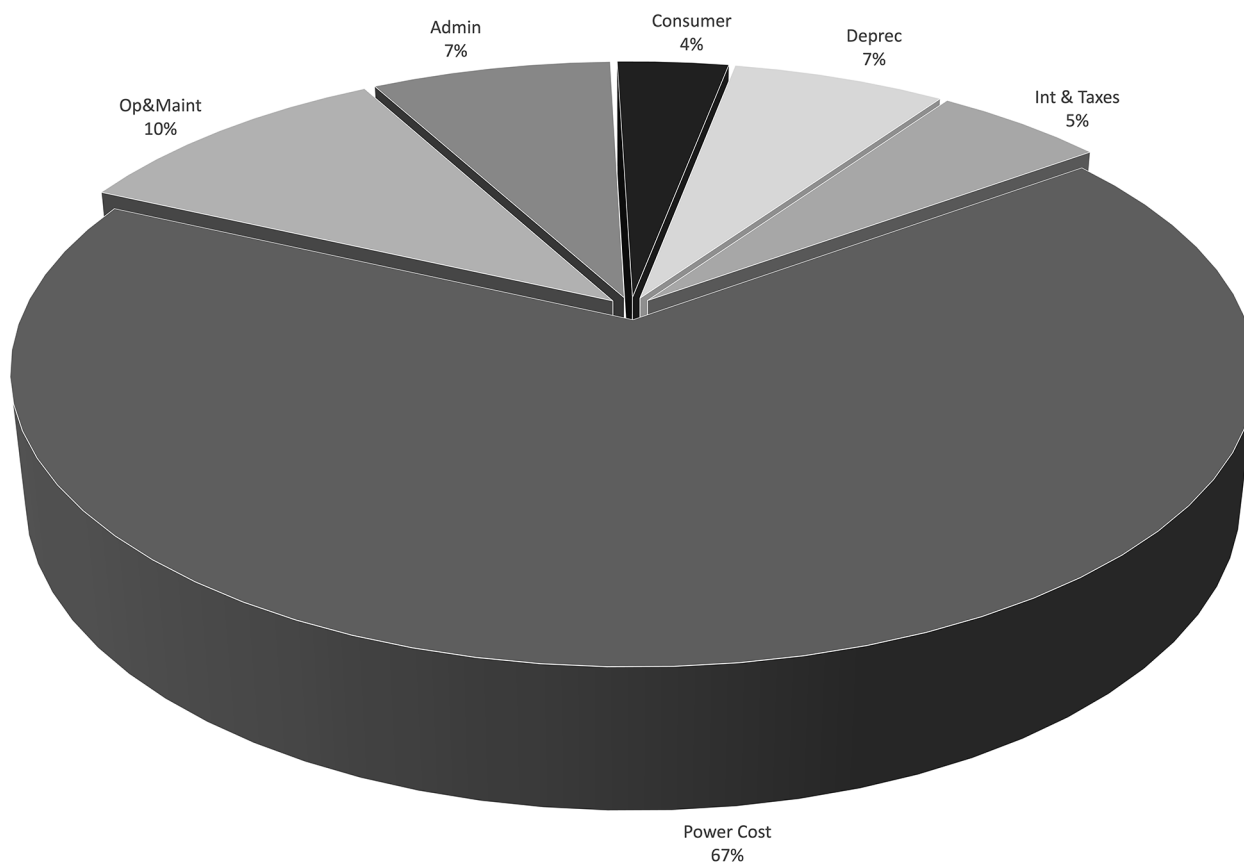
REVENUE



Expense

The total operating expenses for 2023 were \$20,556,007, which was down \$7,393 from 2022. The cooperative's wholesale power costs of \$13,812,097 represented 67% of the year's expenses. The 2023 operating expenses are shown in detail on page 9.

EXPENSES



LOGAN COUNTY ELECTRIC
COOPERATIVE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF REVENUE, EXPENSE AND PATRONAGE CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
REVENUE	\$ 21,005,845	\$ 21,001,909
OPERATING EXPENSES:		
Cost of purchased power	13,712,097	13,881,612
Transmission, operation	13,616	13,569
Distribution, operation	1,535,120	1,635,994
Distribution, maintenance	559,665	591,202
Customer accounts	456,936	443,556
Customer service and information	45,248	54,074
Sales expense	213,178	181,058
Administrative and general	1,456,992	1,255,654
Maintenance of general plant	84,319	62,158
Depreciation and amortization	1,374,441	1,325,259
Taxes	395,783	406,532
Interest on long-term debt	695,735	699,180
Other interest expense	3,473	3,330
Other deductions	9,404	10,222
	20,556,007	20,563,400
Total operating expenses		
Operating margins before capital credits	449,838	438,509
CAPITAL CREDITS		
Buckeye capital credits	744,103	697,914
Other capital credits	27,777	34,544
	771,880	732,458
Total capital credits		
Net operating margins	1,221,718	1,170,967
NON-OPERATING MARGINS:		
Interest and dividend income	17,730	17,764
Gain on sale of assets	11,400	67,893
Other non-operating expense	(11,612)	(1,960)
	17,518	83,697
Total non-operating income margins		
NET MARGINS FOR THE PERIOD	1,239,236	1,254,664
PATRONAGE CAPITAL, beginning of year		
Reallocation of capital credits	44,234	46,428
Retirement of capital credits	(429,942)	(656,262)
	21,977,773	21,332,943
PATRONAGE CAPITAL, end of year	\$ 22,831,301	\$ 21,977,773

INDEPENDENT AUDITOR'S REPORT

We have audited the consolidated financial statements of Logan County Electric Cooperative, Inc. and Subsidiary (the Cooperative), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the related consolidated statements of revenue, expense and patronage capital and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Cooperative as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Patronage Capital

Retirement

2023

\$429,942

Life-to-date

\$13,944,441

** NOTICE **

Unclaimed capital credits

At the end of each fiscal year, all revenue remaining after covering operating costs and expenses is credited to a capital account for each member in proportion to the capital they invested. This is the cooperative principle of member economic participation.

Members are informed of the amount of capital credited to their account. Then, as the board determines that the financial condition of the co-op is stable, a portion of the capital credits is returned in the form of a check.

Some members have not cashed their checks, so their capital credits remain unclaimed. A list of individuals and businesses that have unclaimed capital credits can be found on the co-op's website, <https://logancounty.coop>, or by calling the office at 937-592-4781.

If these unclaimed capital credits are not claimed within the next 60 days, the cooperative reallocates the funds among our current membership.

**SUMMER CO-OP EVENT
ONE EVENING ONLY
ICE CREAM SOCIAL**

25 JUNE

DOORS OPEN AT
5:30 PM

ICE CREAM WILL BE SERVED JUNE 25 FROM 5:30PM - 7:30PM
AT LOGAN COUNTY ELECTRIC COOPERATIVE

ALL YOU NEED
IS ICE CREAM.

MEMBERS ONLY

A balanced diet is an ice cream in each hand!!

AN ICE CREAM A DAY KEEPS THE STRESS AWAY.



Logan County
Electric Cooperative

1587 County Road 32 North
Bellefontaine, OH 43311

**IMPORTANT ANNUAL MEETING
INFORMATION ENCLOSED**

June 11, 2024 at 7 p.m.

Notice of 88th annual meeting