

# Notice of teletownhall annual meeting

June 8, 2021 at 7:00 p.m.

Logan County Electric Cooperative is excited to connect with our members on June 8 at 7:00 p.m. during the 85th annual meeting of members.

This meeting will be conducted as a teletownhall meeting, and we encourage your attendance at this event.

## Teletownhall annual meeting

A teletownhall meeting is a meeting where the cooperative will connect with our members on the phone. Members receive a call from the cooperative and will hear a recorded message from Director of Communications Michael Wilson. You will be asked to hold on the line while the other members are called. Within a few minutes the teletownhall annual meeting will begin.

## 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.

## Real-Time Polling

During the meeting we will use the in-event polling feature to allow participants to affirm the minutes of the 2020 annual meeting and to affirm the 2022 nominating committee.

Please read over the 2020 annual meeting minutes and contact the cooperative if any corrections need to be made. During the meeting you will also hear a report regarding the financial condition of the cooperative from Director of Accounting and Finance Tiffany Stoner, and a state-of-the-cooperative address from President and General Manager Joe Waltz.

## Event Reporting

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.

## Member Bonus

This report will list how many minutes each participant stayed on the call. Members who stay on the call for at least fifteen (15) minutes will receive a \$25 bill credit.

*Please keep this packet of information to reference during the June 8 teletownhall annual meeting.*

# **85th annual meeting of members**

## AGENDA

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 2020 annual meeting**

- Minutes to be affirmed by membership

#### **C. 2021 nominating committee report**

#### **D. Trustee election results**

#### **E. 2022 nominating committee**

- To be affirmed by membership

### **III. Management Reports**

#### **A. 2020 Financial Report: Tiffany Stoner, Director of Finance and Accounting**

#### **B. President's Report: Joe Waltz, President/General Manager**

### **IV. Conclusion**

#### **A. Member gift and upcoming event announcement**

#### **B. Meeting adjourned**

## 2020 ANNUAL MEETING MINUTES

*Please review this document as the members will be asked to affirm the 2020 annual meeting minutes during the teletownhall annual meeting.*

### ANNUAL MEETING OF THE ASSOCIATION MEMBERS LOGAN COUNTY COOPERATIVE POWER & LIGHT ASSOCIATION, INC. September 24, 2020

The 84th Annual Meeting of the members of the Logan County Cooperative Power & Light Association, Inc. was held on Thursday, September 24, 2020 at 7:00 p.m. as the form of a telephone town hall 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, declared that a quorum was present.

Upon motion, duly seconded and carried, the reading of the Minutes of the Annual Meeting of June 11, 2019 was dispensed with. The Chairman then called for any additions or corrections to the Minutes and, there being none, upon motion, duly seconded and carried, the Minutes of the Annual Meeting of June 11, 2019 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: Kevin Knief - District 1; Keith Stoner - District 2; Ron Milton - District 3; Jim Naderer - District 4; Chuck Strayer - District 5; James Grider - District 6; and Janet Detrick - District 7. Mr. Wilson advised that the Nominating Committee met on January 22 and 23 to interview the candidates who submitted Trustee Interest Cards for District 2 and District 3. He thanked the candidates for volunteering to be on the ballot and introduced them as follows: District 2 - Jerry Fry and Terry Scott; District 3 - Jim Rice and Jeff Spencer.

Mr. 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 E. Space Systems. Mr. Smith reported that there were 679 ballots cast in the election, representing approximately 17% of the eligible voting members, and that Jerry Fry was elected as District 2 Trustee; and that Jim Rice was elected as District 3 Trustee. Mr. Smith congratulated

Mr. Fry and Mr. Rice and further advised that the oath of office was administered to Mr. Fry and Mr. Rice during the June Board Meeting. Mr. Fry and Mr. Rice were required to sign an oath of office, which oath was filed with the annual minutes.

The Chairman then presented the 2021 Nominating Committee as appointed by the Board of Trustees and to be affirmed by the membership as follows: Kevin Knief - District 1; Keith Stoner - District 2; Ron Milton - District 3; Jim Naderer - District 4; Chuck Strayer - District 5; Tim Jenkins - District 6; and Janet Detrick - District 7. Upon motion, duly seconded and carried, the 2021 Nominating Committee was affirmed.

The Chairman then introduced the Director of Finance and Accounting, Tiffany Stoner, to present the 2019 Financial Highlights Report. Ms. Stoner reviewed the 2019 margins, noting net margins were \$1,393,000.00 in total. Ms. Stoner's report also included a breakdown of kilowatt sales to members, by member class, and a breakdown of operating expenses for the year. Ms. Stoner noted that \$896,299.00 in patronage capital was retired in 2019 and that life-to-date patronage capital retirement stands at \$11,443,845.00.

Ms. Stoner provided a brief review of the independent auditor's report prepared by Rhea & Associates in March, 2020, noting that Logan County Electric Cooperative received a "clean" report which, Ms. Stoner explained means that the members and others who rely on the Financial Statements of Logan County Electric Cooperative can be assured that proper controls are in place to safeguard the assets of the Co-Op and that the Financial Statements can be relied upon.

The Chairman then introduced LCEC General Manager, Joe Waltz, to present his Annual Report. Mr. Waltz acknowledged that it has been a difficult year due to the current health crisis and thanked the membership for their patience and understanding during this difficult

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

Sept. 24, 2020

time. Mr. Waltz provided a brief review of the ACSI survey process and advised the membership that Logan County Electric Cooperative scored a 92 for the 2020 survey. Mr. Waltz also noted that the score of 92 is the highest score Logan County Electric Cooperative has ever achieved. Mr. Waltz advised that he has spent over thirty years with electric utilities and that he has never seen such a well built and reliable electrical system as currently exists at Logan County Electric Cooperative. He acknowledged the dedication of the Board Members who are elected by the cooperative members, and who continue to work towards the key purpose of improving the quality of life in the communities that are served by Logan County Electric Cooperative.

Mr. Waltz noted that, as a not-for-profit organization, Logan County Electric Cooperative can invest a portion of its revenue back into the electrical infrastructure to maintain a safe and reliable electric service. Mr. Waltz advised that the current four-year construction work plan, which includes replacement of aging poles, conductors, transformers, and other maintenance issues, will soon be completed. Mr. Waltz advised that he and the Board are sensitive to the cost of electricity to the members and the balance between providing the lowest cost with the highest reliability. Mr. Waltz advised that a Cost of Service Study was recently performed to determine the cost of service with investment and retirement of capital credits. Mr. Waltz advised that the Board is committed to holding Logan County Electric Cooperative rates flat through the year 2021 as we move forward into the new normal. Mr. Waltz mentioned capital credits noting that, to date, Logan County Electric Cooperative has given more than \$11,000,000.00 in capital credits to its members.

Mr. Waltz mentioned that Logan County Electric Cooperative invests in the communities it serves by giving back in meaningful ways, such as scholarships, youth tours, sponsorships, donations, education and so much more. Mr. Waltz advised that he and the Board continue to evaluate how Logan County

Electric Cooperative can meet the needs of its members for broadband service. Mr. Waltz likened bringing broadband service to rural areas to be very similar to bringing electricity to rural areas 84 years ago. Mr. Waltz advised that he and the Board continue to explore every opportunity to bring broadband service to the membership of Logan County Electric Cooperative in a financially viable and responsible way.

Mr. Waltz also touched on some of the factors that he feels make being a member of a cooperative different and better than being served by an investor-owned utility, such as: easy access to the LCEC office, employees of the cooperative are part of the community, the stakes are higher for the co-op because it is serving friends and neighbors, members have the opportunity for face to face communication with the co-op staff, the directors of the Board and with the general manager. Mr. Waltz closed by thanking all of the staff and team members for their dedication and for coming to work every day with the same goals; making safety a priority; delivering reliable electric service; offering nothing less than excellent customer service.

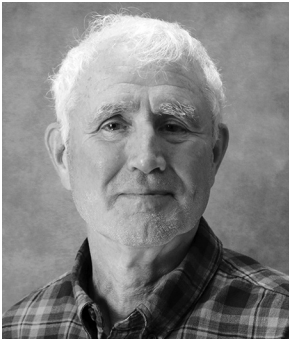
Mr. Michael Wilson then advised that all members who stayed on the call for ten minutes will qualify for a \$25.00 bill credit and that all members who remained on the call until the end of the meeting qualified to be placed in a drawing for an additional \$100.00 bill credit. Mr. Wilson further advised that all members who participated in the call would have the opportunity to come to the Association Offices to select either an umbrella or a water bottle.

On behalf of the Board of Trustees and employees, the Chairman then thanked the members for their participation in the 84th Annual Meeting of Members and the first Telephone Town Hall Annual Meeting. The Chairman also announced that the 85th Annual Meeting will be held on June 8, 2021.

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

# 2021 TRUSTEE CANDIDATES

*Election results will be announced during the annual meeting.*



## **David Campbell**

*District 1 (Stokes and Bloomfield townships)*

Campbell is a retired educator who has been a co-op member since May 1973.



## **Janet Blank**

*District 4 (Lake, Jefferson, Perry, Monroe and Zane townships)*

Mrs. Blank is a retired pharmacist, who has owned a business and now manages her family farm. She moved back to Logan County in 1998.



## **Jordan Heppard**

*District 1 (Stokes and Bloomfield townships)*

Heppard works as a training officer for the Ohio Department of Transportation and has been a co-op member since December 2013.



## **Jim Naderer**

*District 4 (Lake, Jefferson, Perry, Monroe and Zane townships)*

Naderer is a retired engineer at Honda who has been a co-op member since August 2000.

## BOARD NOMINATIONS AND THE NOMINATING COMMITTEE

### SECTION 4. Nominations.

It shall be the duty of the Board to appoint a committee on nominations consisting of not less than five (5) nor more than eleven (11) members who shall be selected so as to ensure equitable representation on the committee to the geographic areas constituting the service area of the Cooperative. The committee on nominations shall be confirmed by the members present at a meeting at the annual meeting of members. No person shall serve on the Nominating Committee more than three (3) consecutive years. The committee shall prepare at least one hundred twenty (120) days before the meeting of the members a list of nominations which shall include no more than two candidates from each district to be elected.

### 2021 NOMINATING COMMITTEE

District 1 – Kevin Knief  
District 2 – Keith Stoner  
District 3 – Ron Milton

District 5 – Chuck Strayer  
District 6 – Tim Jenkins  
District 7 – Janet Detrick

### 2022 NOMINATING COMMITTEE - to be confirmed

District 1 – Kevin Knief  
District 2 – Scott Risner  
District 3 – David Evans  
District 4 – Jay Ackley

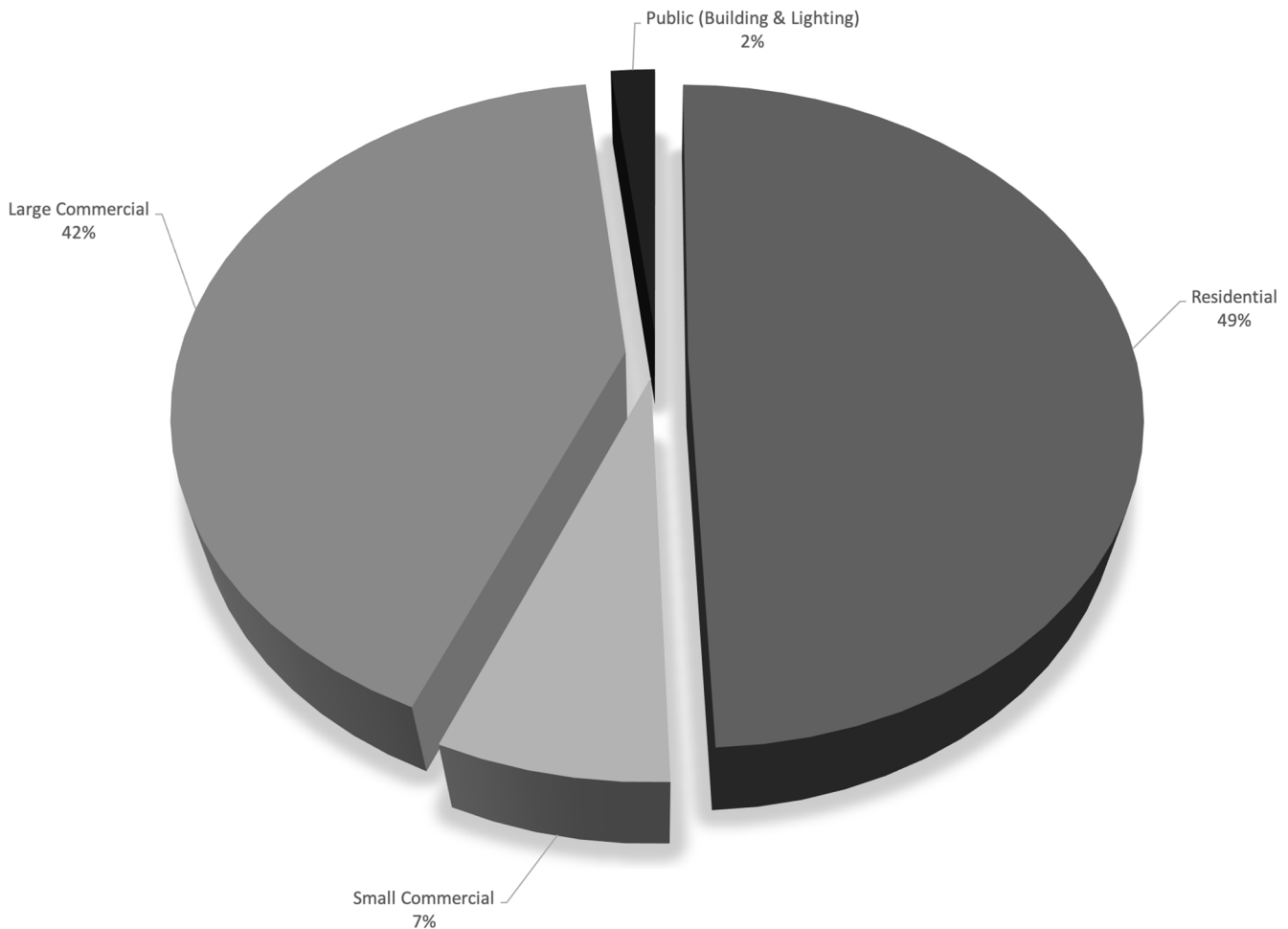
District 5 – Greg Krisher  
District 6 – Tim Jenkins  
District 7 – Janet Detrick

# 2020 Financial Report

## Source of revenue

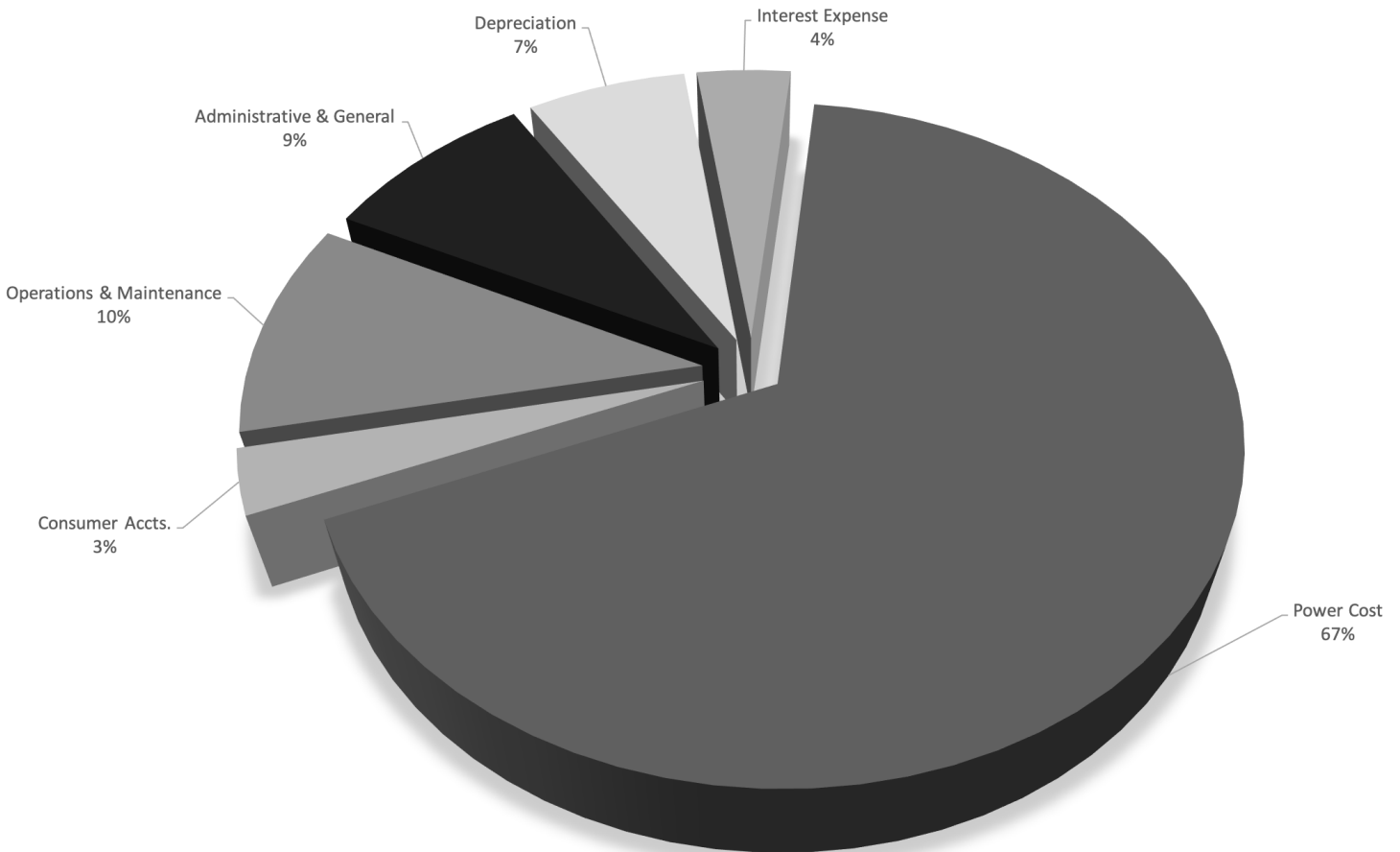
Revenue is the income generated by the cooperative from the sales of electricity. The co-op's revenue in 2020 was \$19,476,720, which was \$441,144 lower than 2019.

The revenue was evenly represented as 49% was generated from residential accounts and 49% was generated from commercial accounts.



# Expense

The total operating expenses for 2020 were \$18,786,272, which was \$438,387 lower than 2019. The cooperative's wholesale power costs of \$12,595,432 represented 67% of the 2020 expenses. The 2020 operating expenses are shown in detail on page 8.



CONSOLIDATED STATEMENTS OF REVENUE, EXPENSE AND PATRONAGE CAPITAL  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
REVENUE	\$ 19,476,720	\$ 19,917,864
OPERATING EXPENSES:		
Cost of purchased power	12,595,432	12,944,248
Transmission, operation	13,778	12,463
Distribution, operation	1,329,755	1,339,811
Distribution, maintenance	606,722	575,367
Customer accounts	377,721	362,166
Customer service and information	39,432	58,978
Sales expense	157,782	154,738
Administrative and general	1,181,964	1,187,900
Maintenance of general plant	54,578	44,905
Depreciation and amortization	1,254,558	1,315,844
Taxes	399,721	407,252
Interest on long-term debt	738,527	773,968
Other interest expense	3,377	3,164
Other deductions	14,925	25,855
Total operating expenses	18,768,272	19,206,659
Operating margins before capital credits	708,448	711,205
CAPITAL CREDITS		
Buckeye capital credits	645,395	590,229
Other capital credits	29,791	35,939
Total capital credits	675,186	626,168
Net operating margins	1,383,634	1,337,373
NON-OPERATING MARGINS:		
Interest and dividend income	22,821	51,618
Gain on sale of assets	11,875	4,038
Other non-operating income	16,365	261
Total non-operating income margins	51,061	55,917
NET MARGINS FOR THE PERIOD	1,434,695	1,393,290
PATRONAGE CAPITAL, beginning of year		
Reallocation of capital credits	36,791	35,338
Retirement of capital credits	(786,797)	(896,299)
PATRONAGE CAPITAL, end of year	\$ 20,820,693	\$ 20,136,004



# INDEPENDENT AUDITOR'S REPORT

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Logan County Electric Cooperative, Inc. and Subsidiary which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and 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.

## Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the respective financial position of Logan County Electric Cooperative, Inc. and Subsidiary as of December 31, 2020 and 2019, 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

**2020**

**\$786,797**

**Life-to-date**

**\$12,230,642**

SUMMER CO-OP EVENT

ONE EVENING ONLY

MEMBER RECHARGE

20 JULY

COME EAT WITH US

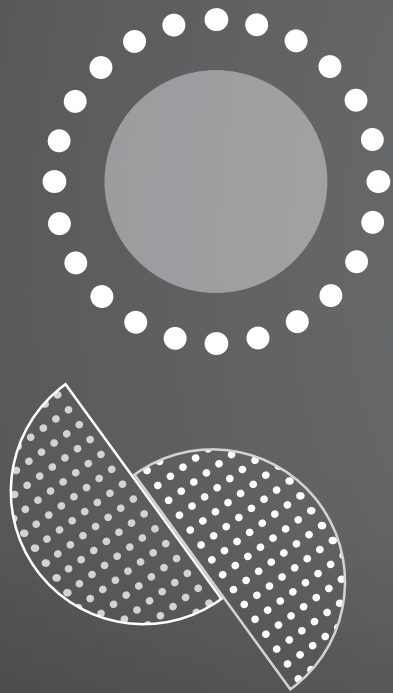
TICKET \$0 FOR MEMBERS  
VIC'S COUNTRY COOKIN', ICE CREAM, CONTESTS, DEMONSTRATIONS, & MORE  
FOOD WILL BE SERVED ON TUESDAY, JULY 20 FROM 4:30PM - 7:00PM  
AT LOGAN COUNTY ELECTRIC COOPERATIVE

DOORS OPEN AT  
4:30 PM

[WWW.LOGANCOUNTY.COOP](http://WWW.LOGANCOUNTY.COOP) TO RSVP FOR THIS EVENT

SUMMER CO-OP EVENT

CARDINAL  
power plant  
tour



SEPT 16

BRILLIANT OHIO

ALL-EXPENSES PAID TOUR OF THE PLANT THAT POWERS OHIO'S ELECTRIC COOPERATIVES

CALL THE OFFICE TO RESERVE YOUR SPOT ON THE TOUR

937-592-4781



Logan County  
Electric Cooperative  
Your Touchstone Energy® Cooperative  
1587 County Road 32 North  
Bellefontaine, OH 43111

# **Notice of 85th annual meeting**

on June 8, 2021 at 7 p.m.

Logan County Electric Cooperative will hold a  
teletownhall annual meeting.

**IMPORTANT ANNUAL MEETING  
INFORMATION ENCLOSED**