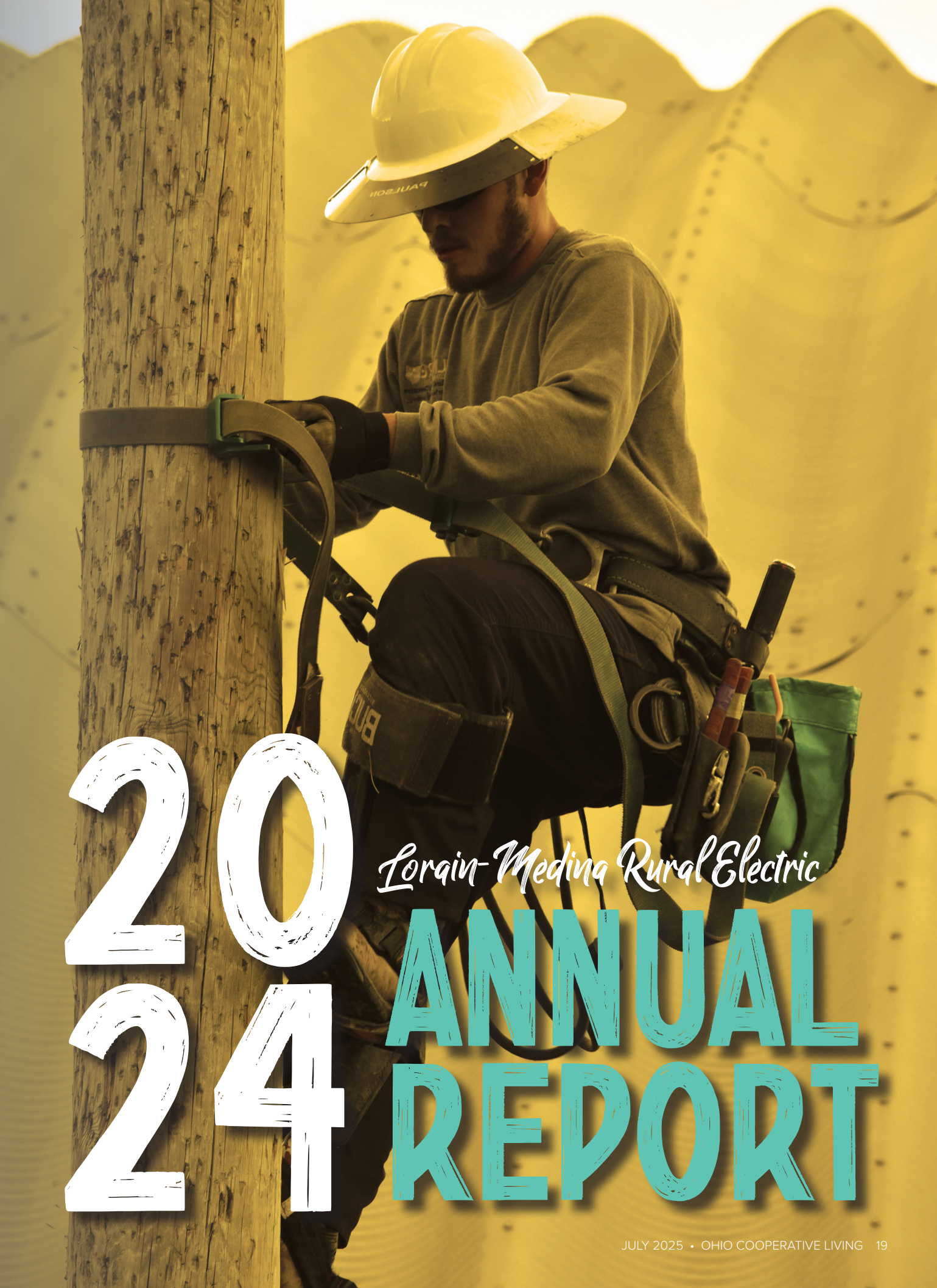




2024

Lorain-Medina Rural Electric

ANNUAL REPORT

2024 CO-OP STATS

5 COUNTIES
SERVED BY LMRE

**CAPITAL
CREDITS
RETIRED
IN 2024**



\$2,762,906

1,605
MILES OF LINE



83

2024 MEMBER
SATISFACTION
SCORE

16,795
METERS

\$31,780

EFFICIENCY
REBATES
ISSUED TO
MEMBERS



27,014
ELECTRIC POLES

13,924
MEMBERS

In 2024, Lorain-Medina Rural Electric Cooperative remained steadfast in the values that have guided us for nearly 90 years—reliability, service, and a deep commitment to our communities. Still, the year brought its share of challenges.

Among them, we faced:

- A modest service charge increase due to rising equipment costs
- Ongoing shifts in membership and workforce demographics
- Concerns about the nation's supply chain and electric grid having local impacts on our power supply and costs

Our mission has been, and will continue to be, focused on providing safe, reliable, and at-cost power to our members and the local communities we serve. This means focusing on financial strength, building and nurturing relationships throughout the electric cooperative network, and protecting the interests of our members. All while investing in the people and equipment that maintain and strengthen our local system.

And we could not do it without all of you - our members.



CURRENT BOARD OF DIRECTORS

and Co-op Service Territory



JOHN EATON
CHAIR
DISTRICT 4



GARY ROWLAND
VICE CHAIR
DISTRICT 1



BRENDA WOLFE
SECRETARY
DISTRICT 7



KEITH LOWE
TREASURER
DISTRICT 8



BRADY MCCANN
DISTRICT 2



KEN DIEDRICK
DISTRICT 3



JUDY PICKWORTH
DISTRICT 5



JOE SWINKO
DISTRICT 6

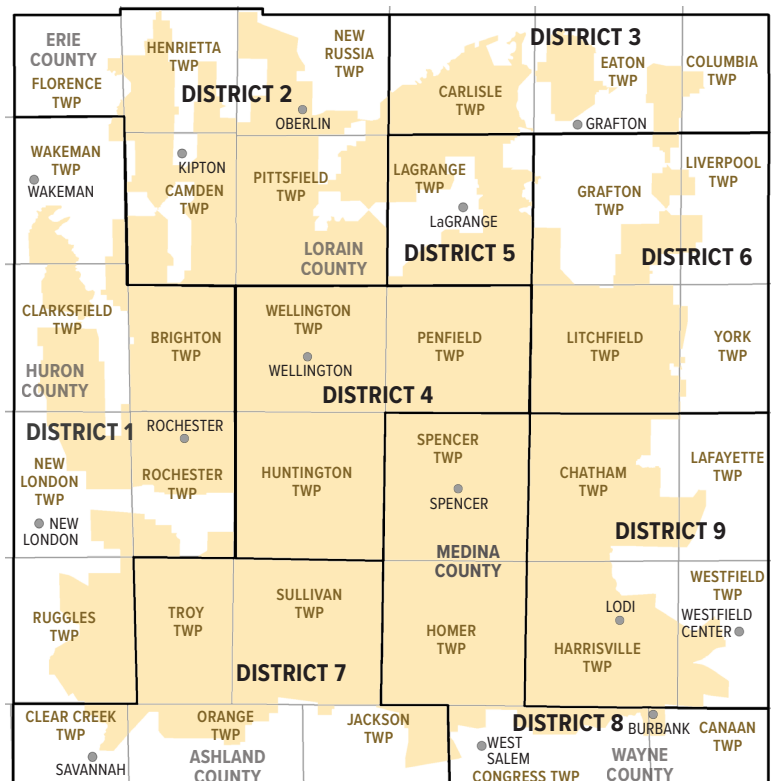


RICK DUMPERTH
DISTRICT 9

LMRE is proud to be governed by nine individuals who are not only members living and working in the communities served by the cooperative, but who are also elected by their peers to represent the larger membership's best interests.

From reliability and rates to future initiatives, these individuals play a crucial role in guiding LMRE's strategic direction while still maintaining our strong community ties within the nine districts served by the cooperative.

You can find out more about your board of directors on LMRE's website at www.lmre.org/board-directors.



Safe work. Reliable service.

OPERATIONS & MAINTENANCE



2,400+
SERVICE ORDERS
COMPLETED

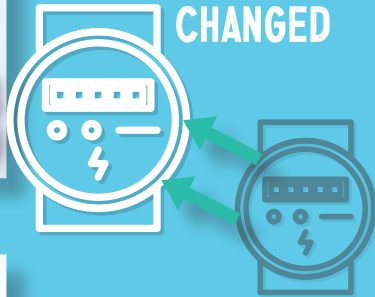
379
OUTAGES

DOWN BY 87 SINCE 2023
TOTAL OF 466 OUTAGES

LMRE crews worked hard in 2024 to make sure co-op members were not left in the dark. Despite facing strong storms at home, mutual aid requests from around the state and country, and continuing supply chain challenges, our operations team remained dedicated to keeping the electric system within our five counties as reliable and strong as ever.

1,117

METERS
CHANGED



1,141
POLES
REPLACED



328

TRANSFORMERS
CHANGED

102
NEW SERVICES

INSTALLED IN
2024 BY LMRE
CREWS



People powered. People focused.

COMMUNITY SUPPORT & SERVICE

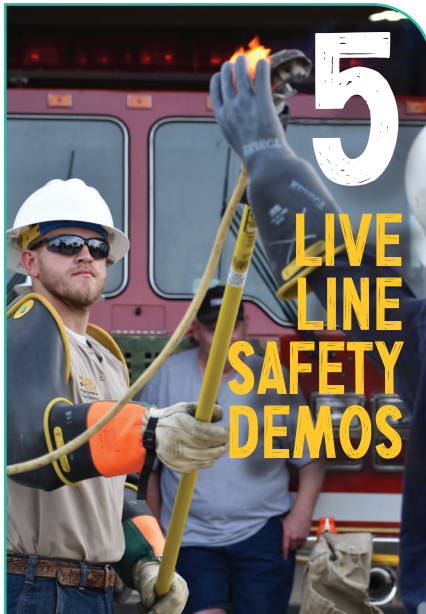
Co-ops like LMRE are built on a strong foundation of service to the members and communities who helped us set our first poles and electrify our first homes. That's why, today, we make it a priority to support those we serve in as many ways as possible - from donations to local schools and organizations, safety demonstrations aimed at all ages, or just a friendly smile when you stop into our office.

In 2024, LMRE was especially proud to have assisted victims of Hurricane Helene in North Carolina and Tennessee through a donation drive that would not have been possible without the generosity of our co-op members and communities. We cannot thank you all enough for your support and kindness.

\$53,735.80
IN PEOPLE FUND GRANTS IN 2024

\$10,500

IN SCHOLARSHIPS



\$19,996

DONATED
THROUGH
THE
COBANK
SHARING
SUCCESS
PROGRAM



3
YOUTH TOUR
REPRESENTATIVES

**\$1,700
& 300+**
NON-PERISHABLE
FOOD ITEMS



DONATED TO AREA
FOOD PANTRIES

3 SEMIS



WITH DONATED ITEMS
TO HURRICANE HELENE
FLOOD VICTIMS



2024 LMRE FINANCIAL REPORTS

Due to the two-month lead time requirement for information printed in the magazine, these numbers are printed as preliminary until they are reviewed by the board at their regularly scheduled meeting with the auditing firm.

Balance Sheet

ASSETS

UTILITY PLANT IN SERVICE, NET

2024	2023
\$ 90,872,998	\$ 74,647,957

INVESTMENTS

21,259,278	20,279,359
------------	------------

CURRENT ASSETS

Cash and cash equivalents

428,572	2,284,350
---------	-----------

Restricted cash

1,448,776	8,496,861
-----------	-----------

Accounts Receivable (Net)

7,209,767	5,728,410
-----------	-----------

Materials and supplies and inventories

1,396,554	1,572,118
-----------	-----------

Current portion of deferred charges

-	-
---	---

Prepaid expenses

226,128	215,106
---------	---------

Other Current and Accrued Assets

9,064	26,590
-------	--------

TOTAL CURRENT ASSETS

10,718,862	18,323,436
------------	------------

TOTAL ASSETS

\$ 122,851,138	\$ 113,250,752
----------------	----------------

EQUITIES AND LIABILITIES

LONG-TERM DEBT

\$ 37,248,822	\$ 32,846,893
---------------	---------------

ACCUMULATED POST RETIREMENT BENEFIT

836,834	1,700,630
---------	-----------

CUSTOMER DEPOSITS

485,273	507,650
---------	---------

DEFERRED CREDIT

358,101	1,347,500
---------	-----------

PATRONAGE CAPITAL/RETAINED EARNINGS

75,543,263	70,210,442
------------	------------

CURRENT LIABILITIES

Accounts payable

5,440,922	3,858,995
-----------	-----------

Accrued expenses

2,937,923	2,778,641
-----------	-----------

TOTAL CURRENT LIABILITIES

8,378,845	6,637,636
-----------	-----------

TOTAL EQUITIES AND LIABILITIES

\$ 122,851,138	\$ 113,250,752
----------------	----------------

REVENUES

2024	2023
\$ 48,995,883	\$ 47,563,772

OPERATING EXPENSES

Purchased power

26,977,296	25,419,426
------------	------------

Operations

3,024,720	2,746,407
-----------	-----------

Maintenance

2,419,886	2,818,084
-----------	-----------

Consumer accounting expense

975,563	858,266
---------	---------

Consumer service and sales expense

278,479	225,986
---------	---------

Administrative expense

4,035,727	3,595,901
-----------	-----------

Depreciation

3,881,730	3,216,495
-----------	-----------

Taxes

1,396,208	1,377,110
-----------	-----------

TOTAL OPERATING EXPENSES

42,989,610	40,257,676
------------	------------

OPERATING MARGINS BEFORE OTHER ITEMS

6,006,273	7,306,097
-----------	-----------

OTHER OPERATING ITEMS, NET

Patronage revenue

905,087	1,575,546
---------	-----------

Interest expense

(1,168,803)	(1,157,012)
-------------	-------------

TOTAL OTHER OPERATING ITEMS, NET

(263,716)	418,534
-----------	---------

OPERATING MARGINS

5,742,557	7,724,631
-----------	-----------

NON-OPERATING ITEMS, NET

Interest and dividend revenue

293,006	648,151
---------	---------

All other, net

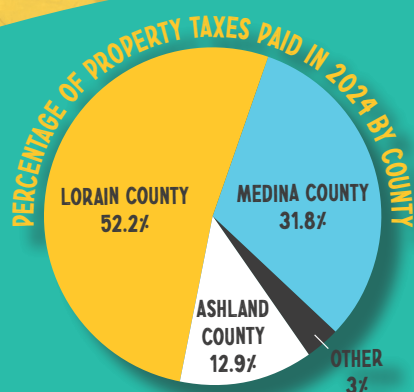
593,626	(192,277)
---------	-----------

TOTAL NON-OPERATING ITEMS, NET

886,632	455,874
---------	---------

NET MARGINS

\$ 6,629,189	\$ 8,180,505
--------------	--------------



*Other includes:

- Huron County - 1.6 %
- Wayne County - 1.4%

Statement of Revenue and Expenses

MEMBER SERVICES & BILLING

Focused on convenience

LMRE's billing and member services team is always ready and willing to help members who call or stop in at the office. From answering phone calls, processing monthly bills, and assisting with payments, to making sure you get the answers you need to any questions that may arise, our member service representatives work hard to ensure our members understand the value we place on their positive experience.

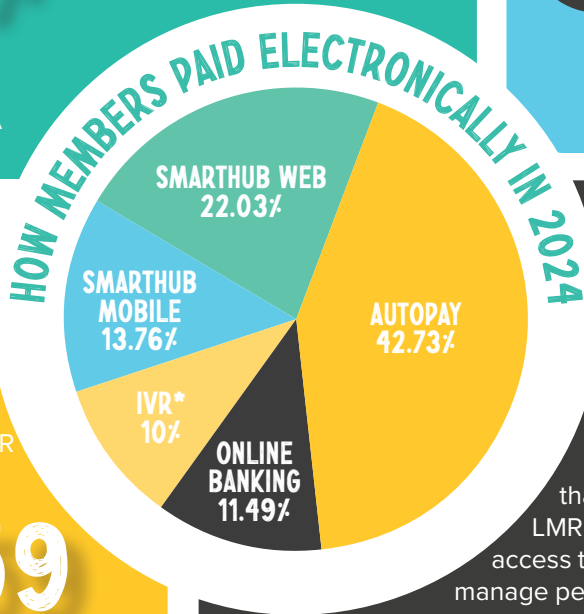
69% OF LMRE MEMBERS

PAID THEIR MONTHLY ELECTRIC BILL ONLINE OR VIA PHONE.

*IVR: Interactive Voice Response/ Automated Phone Service

IN 2024, MEMBERS STOPPED IN TO OUR FORMER WELLINGTON OFFICE FOR

2,059 LOBBY VISITS



26,000+ PHONE CALLS

ANSWERED BY LMRE EMPLOYEES IN 2024.

8,805

ENROLLED IN SMARTHUB

Did you know that SmartHub does more than simply allow you to pay your bill online? LMRE members who use SmartHub also have 24/7 access to track their electric use over time, help manage peak times to avoid high bills, and have the convenience of doing so all from a computer or smartphone. Learn more about SmartHub at www.lmre.org/SmartHub or give us a call at 440-647-2133. We're happy to help get you started with the program!

Lorain-Medina Rural Electric Cooperative 2025 VIRTUAL ANNUAL MEETING OF MEMBERS

Official Notice

In accordance with the regulations of Lorain-Medina Rural Electric Cooperative, the board of directors hereby gives notice that the cooperative will hold its 89th Annual Meeting of Members on July 8, 2025, at 6 p.m. via Zoom.

Members are encouraged to participate in this year's annual meeting through one of two options: 1) viewing the annual meeting livestream through their computer, tablet, or smartphone using the link provided after registration; or 2) calling a specially designated phone number to listen in via the audio-only option.

Registration for the annual meeting is available now on the cooperative's website, and all registered members who attend the meeting will receive a \$25 bill credit. Only one credit will be given per member account. It's important to remember that if your registration does not match your login information, there could be a delay in receiving your bill credit after the annual meeting. Further instructions on how to register for and attend the annual meeting, as well as a meeting agenda, are available on page 20H of this annual report.

Along with receiving updates on the current happenings at the cooperative, LMRE will also announce the board nomination results for districts 3, 6, and 9.

The annual meeting, and our members' participation in it, is part of what makes the cooperative different. We hope to see another large turnout at this year's meeting and encourage questions for LMRE's president/CEO and board chair either prior to or during the meeting.

**All registered members who
attend the annual meeting on June
10 will receive a \$25 bill credit.**

If you have any questions about the annual meeting or its process, please contact the LMRE office at 440-647-2133 for additional information and assistance.

MEETING DETAILS

Date: July 8 Time: 6 p.m.

Location: Online or by phone

Join us online for this year's annual meeting and be a part of the cooperative difference! Receive an update on what's going on at your cooperative from Board Chair John Eaton and President/CEO Ed VanHoose.

2025 Lorain-Medina Rural Electric Cooperative

BOARD OF DIRECTORS NOMINEES

Lorain-Medina Rural Electric members are poised to welcome a new director to the board at this year's annual meeting following the retirement of District 3 Director Ken Diedrick.

In March, LMRE member Gary Broderick submitted a valid petition to run for the open District 3 seat following Diedrick's announcement not to seek re-election in 2025 to the board of directors.

Joe Swinko, representing District 6, and Rick Dumperth, representing District 9, remained unopposed in their districts. Following LMRE's Code of Regulations, because there was no challenger in any of these district races, all three candidates are automatically deemed elected to the board of directors with new terms starting this month.

Broderick, Swinko, and Dumperth will officially be announced as directors starting their new terms during the broadcasted annual meeting.



2025 NOMINEES



GARY BRODERICK
DISTRICT 3



JOE SWINKO
DISTRICT 6



RICK DUMPERTH
DISTRICT 9

2025 VIRTUAL ANNUAL MEETING

How to Register and Attend

Haven't registered for this year's annual meeting yet? There's still time! Visit the co-op's website at www.lmre.org/annual-meeting to register online or call us at 440-647-2133 if you require some additional assistance.

Registration for the meeting will close 15 minutes before the scheduled start time of 6 p.m. on July 8. Please be aware that if your registration doesn't match the information you log in with, there could be a delay in receiving your \$25 bill credit.

Members **MUST** attend the annual meeting and show on the attendance report to receive the \$25 bill credit. Only one credit per member account.



JOIN VIA COMPUTER

After registering, you will receive an email confirming your registration with a link to view the annual meeting. You will use this link to join the video broadcast of the annual meeting. We'd suggest joining around 15 minutes prior to the 6 p.m. start time.

JOIN VIA TELEPHONE

If you do not have access to a computer to register, please call the office at 440-647-2133 and someone will assist you with the registration process and provide you with a phone number and passcode to listen in to the annual meeting. You do not need to call in any sooner than 5 minutes prior to the 6 p.m. start time.



Annual Meeting Agenda

- *Call to order - Chair John Eaton, District 4*
- *Invocation - Chief Strategy Officer Justis Clifford*
- *Proof of mailing - Brenda Wolfe, District 7*
- *Approval of minutes and board introductions - John Eaton*
- *Director nominations - Attorney Heather Niedermier Heyman*
- *Chair's report - John Eaton*
- *President's report - President/CEO Ed VanHoose*
- *Questions and answers - John Eaton & Ed VanHoose*
- *Unfinished business - John Eaton*
- *New business - John Eaton*
- *Adjournment - John Eaton*

2024 ANNUAL MEETING MINUTES

July 9, 2024

The regular annual meeting of the members of Lorain-Medina Rural Electric Cooperative, Inc. was held virtually using the live stream platform on the cooperative website at 6:00 p.m. on the 9th day of July 2024 in accordance with the provisions of Section 1 of Articles III of the Code of Regulations of the Cooperative.

The Chief Strategy Officer, Justis Clifford, gave the invocation.

The meeting was called to order by Gary Rowland, Vice Chairman of the Cooperative, who presided. Michelle Semer, Assistant Secretary, kept the minutes thereof.

Vice Chair Rowland reported that members registered for the meeting, with 496 members being present virtually, and that a list of those members present shall be annexed to these minutes. He then advised the members that in accordance with the provisions of Section 4 of Articles III of the Code of Regulations of Lorain-Medina Rural Electric Cooperative, Inc., those members present constitute a quorum of the members of the cooperative and that the meeting was ready to proceed with business. The President directed Secretary Wolfe to annex the Certificate of Members to the minutes of this meeting.

A true copy of the notice of the meeting, together with the proof of the due mailing thereof to all members of the cooperative, was directed by the Vice Chair to be annexed to the minutes of the meeting.

The minutes of the 2023 Annual Meeting of the members of Lorain-Medina Rural Electric Cooperative, Inc. were approved without being read upon motion made by Heather Nupp of Harrisville Township and seconded by Mark McConnell of Pittsfield Township, and the motion carried.

Vice Chair Rowland introduced the current Board of Directors.

The meeting was then turned over to the cooperative's legal counsel, Attorney Heather Niedermeier-Heyman of Harwood & Niedermeier, to report on the election; petitions for directors were filed this year by Brady McCann in District 2, John Ciarrone in District 2, and Judy Pickworth in District 5 and Keith Lowe in District 8. A provision in the Code of Regulations eliminates the requirement for a ballot in an uncontested election and deems any unopposed candidate elected by the membership; therefore, Judy Pickworth and Keith Lowe have been deemed elected as directors and will

serve three-year terms on the board. For our District 2 contested election, third-party Co-op Ballot provided each member with a ballot that identified the candidates and also gave members instructions on how to cast their vote. Voting commenced on Wednesday, June 6, and ballots had to be received by Wednesday, June 20, at 11:59 p.m. in order to be counted. When elections are conducted by mail and electronically, no voting occurs at the annual meeting; instead, the results are announced.

Coop Ballot has certified the results to the cooperative's Election Committee for this year's District 2 election. Coop Ballot has certified that Brady McCann received a majority of the votes for director and, therefore, Brady McCann has been certified as our newly elected director from District 2.

Vice Chair Rowland updated members on the LMRE's commitment to safety as a top priority for their employees and community, using the example of the increased Live Line Safety demonstrations done at community events, schools, and fire departments throughout LMRE territory. Vice Chair Rowland thanked members for their contributions to the People Fund and introduced its board members, noting that 21 grants were awarded to deserving organizations and individuals totaling over \$76,000 in LMRE service territory. He encouraged all members to join America's Electric Cooperatives Political Action Committee to promote the best interests of electric cooperatives around the state and country. Lastly, he extended a sincere thank you to District 2 Director James McConnell, who attended his final board meeting in June. He has held an important role in representing the co-op and its members for many years.

Vice Chair Rowland introduced District 2 Director James McConnell as he gave an update from Buckeye Power.

President/CEO Ed VanHoose recognized the 2024 scholarship winners and reviewed the youth programs available. He also reported on the EPA's rules, regulations, and reliability.

Subsequently, there was a question-and-answer session between the membership, the vice chair, and President/CEO.

There being no further business to come before the membership, Vice Chair Rowland declared the meeting adjourned at 6:45 p.m.

BOARD MEETING HIGHLIGHTS

May 2025

To provide additional transparency to the membership, highlights of the board meetings each month are published in the monthly *Ohio Cooperative Living* magazine. Due to the expansive number of topics and discussions, these are only the highlights. In accordance with the Code of Regulations, full meeting minutes are available to all members in-person at the co-op during regular business hours.

Call to Order

- The meeting was called to order at 6:02 p.m.

Attendance

- All directors were present, as well as legal counsel, President/CEO, senior staff (or representative), and special guests.

Approval of the consent agenda

- The Consent Agenda included prior meeting minutes, new membership applications, collections reports, and billing department update.

Annual Audit Review

- A third-party auditing firm reviewed the LMRE and LMRE People Fund 2024 audit report, noting no negative findings, and was approved as presented.

Action Items

- Safety report was approved as submitted.
- Administrative policies regarding privacy and confidentiality, and return of cooperative property were approved as presented.
- The LMRE Elections Committee was approved.

- A budget ammendment presented by the operations department was approved as presented.

Departmental reports

- CFO Long reported on the Form 7 Operating Statement, balance sheet, cash flow, operating graph, and financial analysis.
- President/CEO VanHoose reviewed the LMRE monthly management and weekly reports and engineering updates.
- COO Hoffman gave the operations department report.
- President/CEO VanHoose gave the strategy department report.
- CAO Ruffing gave the administrative department report.

Legal

- March 2025 NRECA Legal Reporting Service Bulletin was provided to the Board.

Other associations

- President/CEO VanHoose reported on the Buckeye Power board meeting, and a report on the Ohio's Rural Electric Cooperatives meeting was reviewed; the board also reviewed the Cooperative Finance Corporation Solution news bulletins and the National Rural Electric Cooperative Association board report without comment.

Adjournment

- The meeting adjourned at 9:18 p.m.

