



2025 Annual Report

LORAIN-MEDINA RURAL ELECTRIC COOPERATIVE

An enduring legacy

REFLECTING ON 90 YEARS OF COOPERATIVE SERVICE

Electricity has always started with a spark. Whether it was Thales discovering static electricity around 600 B.C., Joseph Henry figuring out how to harness those currents across long distances through the electromagnetic relay, or Ohio's own Thomas Edison developing the first long-lasting lightbulb, humans have always found the "spark" needed to shine light into our communities.

For Lorain-Medina Rural Electric, that spark came in the form of a small group of people who saw a need where no one else did. Together, they formed a cooperative that would eventually serve over 13,000 homes and businesses in five counties, something we're confident those individuals never imagined.

Instead, they likely believed in a world where they had the same modern luxuries as their urban counterparts. Bright electric lights versus dim kerosene lamps. Appliances and tools that made tasks like washing clothes, heating food, or even receiving news simple rather than physically intensive tasks. Electric water pumps in barns that made caring for livestock quicker and easier.

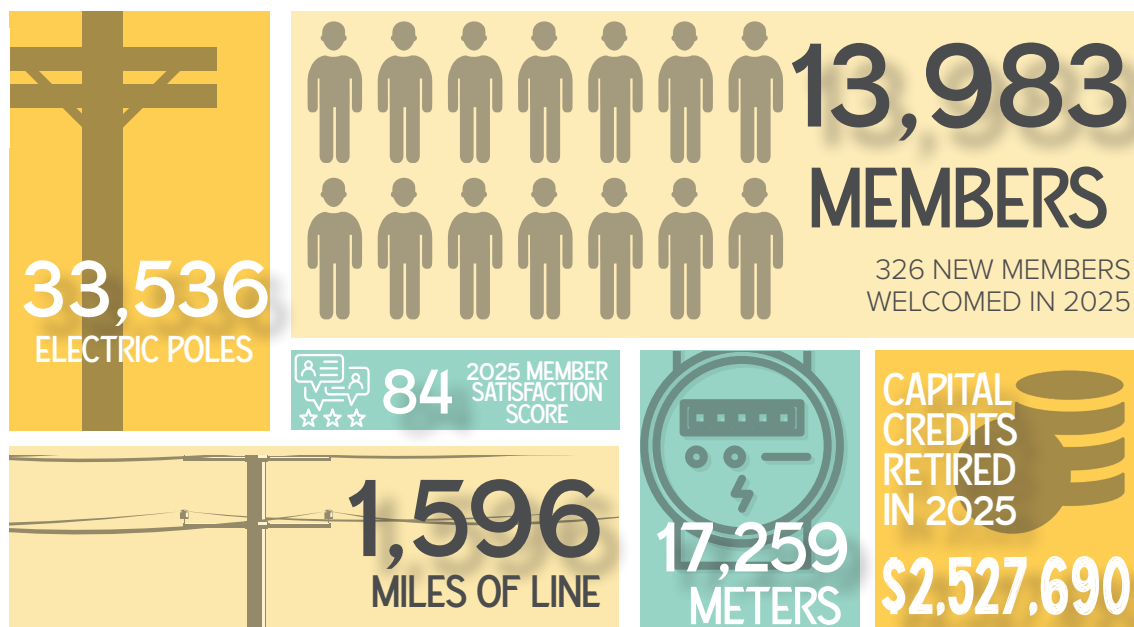
It's hard for us to imagine, today, what life would have been like for those individuals back then. We look at access to electricity as a given, and going without for even the smallest of times can often seem unbearable. That perspective reminds us not only of how far we've come, but also of the responsibility we have to ensure that same dependable service remains a constant for those who rely on it every day.

LMRE is more than just an electric provider. It's a company built on enduring ideas and values. We continue to believe that rural Ohioans deserve to have the same reliable access to electricity that safely powers their homes at the cost of producing it.

That same spark felt by our founding members back in 1936 continues to guide us as we look toward the future. Advancements in technology, from smart grid systems to renewable energy integration, are shaping how electricity is delivered and managed. While the tools may be more sophisticated, our mission remains the same.

As we move forward, we remain committed to the communities that have been at the heart of our cooperative. By investing in infrastructure, supporting local growth, and staying true to the principles we were founded on, we ensure that the spark that started it all continues to shine brightly for generations to come.

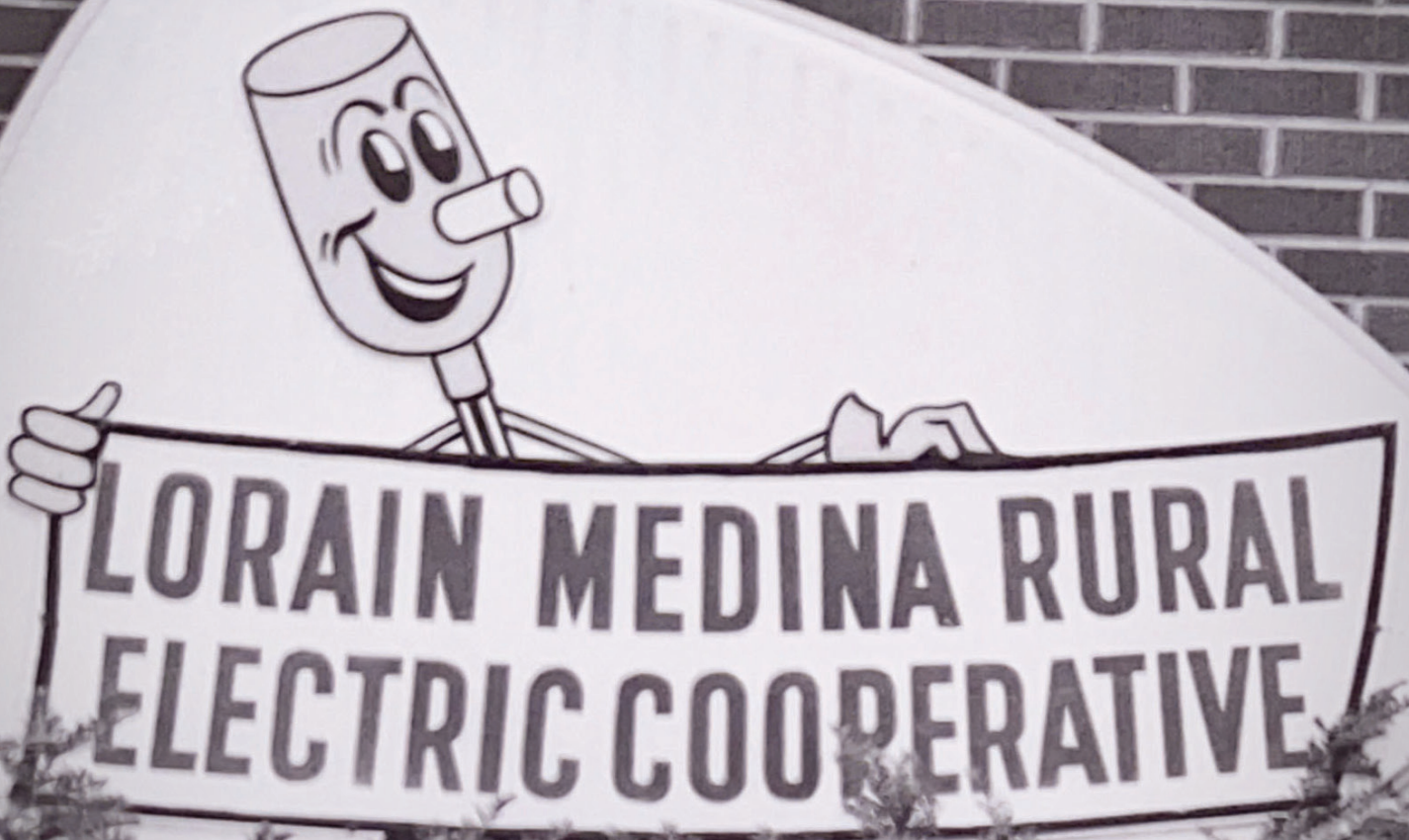
Everyone at the cooperative, from the board of directors to the employees, is proud to serve you, our members. We look forward to continuing the legacy created 90 years ago.



“The forward march of electric cooperatives has an even more profound significance in terms of our fight to preserve democracy. For it represents what is perhaps the most democratic form of business enterprise, one in which the individual finds his greatest gain through cooperation with his neighbors.”

– President Franklin D. Roosevelt





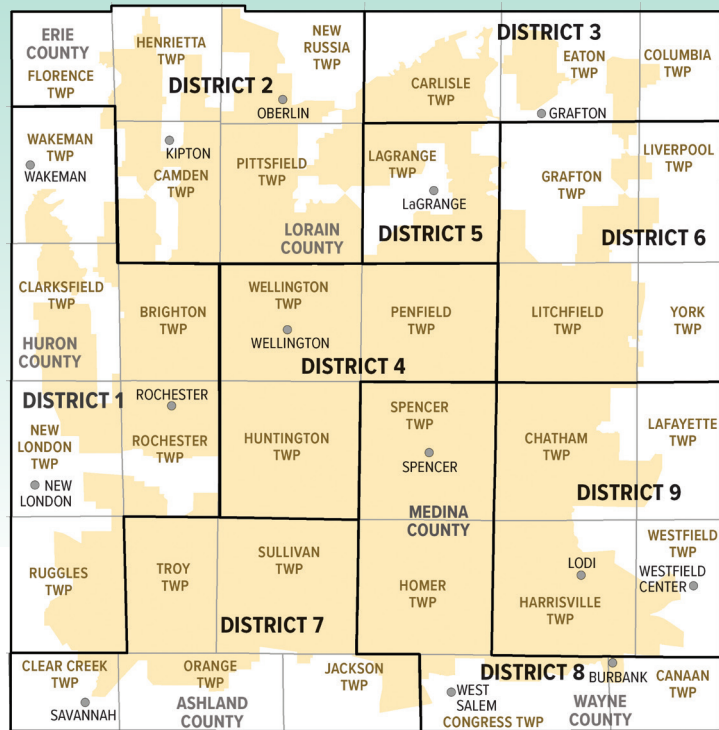
Powering the future

MAKING DECISIONS THAT LIGHT THE WAY FORWARD

Over the last year, your Lorain-Medina Rural Electric board of directors has been working hard to make sure the cooperative is prepared to keep providing reliable, safe, at-cost electric service for many years to come.

Part of that preparation involved setting new strategic priorities for the cooperative over the next several years, including a focus on member relations and education; organizational culture; employee engagement and retention; the political impact on cooperative business; a new technology plan; policy improvements and standardization; and more.

These strategic priorities will help ensure that the cooperative is serving its members in the most responsible and forward-thinking way possible. These efforts mean LMRE isn't just keeping up with change, but staying ahead of it for you.



BOARD CHAIR



JOHN EATON
DISTRICT 4

BOARD VICE CHAIR



GARY ROWLAND
DISTRICT 1

BOARD SECRETARY



BRENDA WOLFE
DISTRICT 7

BOARD TREASURER



KEITH LOWE
DISTRICT 8



BRADY MCCANN
DISTRICT 2



GARY BRODERICK
DISTRICT 3



JUDY PICKWORTH
DISTRICT 5



JOE SWINKO
DISTRICT 6



RICK DUMPERT
DISTRICT 9

Reliability that lasts

OPERATIONS AND MAINTENANCE THAT SPARKS OUR LIVES

Lorain-Medina Rural Electric crews worked hard in 2025 to keep the power flowing to cooperative members all through the year, once again facing severe storms and mutual aid requests both at home and across the state and country.

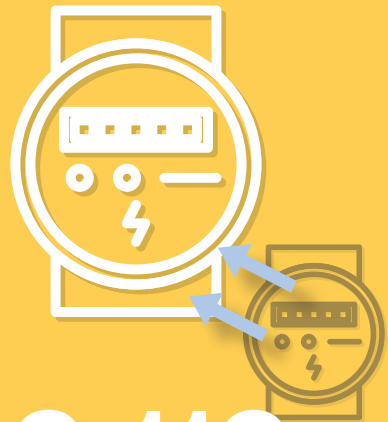
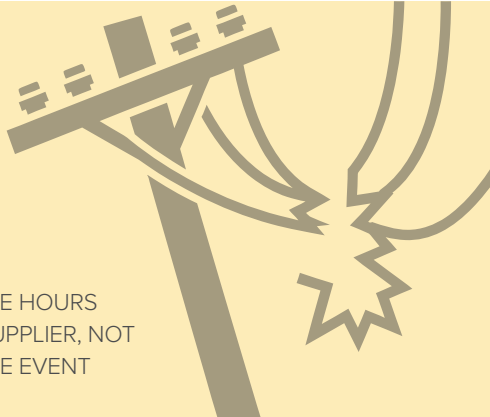
In 2025, LMRE began a major push to upgrade the meters on our system. These upgrades bring us in line with the technology advancements happening across the electric industry. These new meters work directly with our system to improve operational efficiency, enhance grid reliability, and enable real-time data management both for the cooperative and you, the member.

Outside of the meter upgrades, LMRE's operations department has remained focused on all other aspects of system maintenance, including testing poles throughout the territory and replacing them as needed, installing new services, and responding to outage calls big and small at all hours of the day.

Lastly, we've celebrated many training accomplishments, as several of our lineworkers move through the apprentice program at the Central Ohio Lineworkers Training facility. Their continued education helps LMRE ensure that our most important foundational priority, the safety of all our employees and members, is something they are prepared to uphold every day.

415
OUTAGES

71% OF CONSUMER OUTAGE HOURS
CAUSED BY THE POWER SUPPLIER, NOT
LMRE, OR A MAJOR OUTAGE EVENT



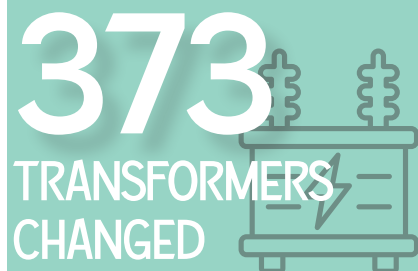
2,112
METERS CHANGED



954
**ELECTRIC POLES
REPLACED**



7,000+
**SERVICE
ORDERS
COMPLETED
IN 2025**



373
**TRANSFORMERS
CHANGED**

108
NEW SERVICES INSTALLED







Communities that care

SUPPORT AND SERVICE IN THE PLACES WE CALL HOME

From the very beginning, one of Lorain-Medina Rural Electric's priorities has been improving the lives of the communities we serve. After all, these are the people and places that helped us set our first poles, run our first miles of line, and electrify our first homes.

In the early days, the benchmark for accomplishing such a task was, quite literally, giving members power that helped them enjoy the same modern amenities their urban counterparts already had. Today, we measure our success a little differently.

Providing reliable power to our members' homes is still our greatest purpose, but alongside that we also focus on the many other ways LMRE is lucky enough to support those who matter most to us. Each year, we have been able to provide scholarships for young adults to continue their post-high-school education, send students on a once-in-a-lifetime trip to our national and state capitals to learn valuable leadership skills and about the cooperative difference, and provide funding for middle school curriculum that encourages learning about electricity, energy efficiency, and beneficial electrification.

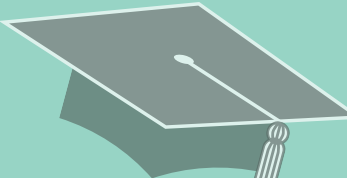
Outside of helping build future opportunities for our local youth, LMRE has prioritized creating and utilizing programs that give back in other ways. We're able to give to numerous community organizations through programs like Operation Round Up and the LMRE People Fund (made possible by the generosity of around 85% of our membership), CoBank's Sharing Success matching grant initiative, and small sponsorships and donations made to community events throughout the year.

From those first lines strung and poles set to the wide range of programs we support today, Lorain-Medina Rural Electric's mission has remained rooted in service to our community. While the definition of progress has evolved from simply delivering electricity to empowering education, leadership, and local growth, our commitment to the people we serve has never changed. Whether it's ensuring reliable power, investing in students' futures, or supporting organizations that strengthen our communities, LMRE continues to build on its legacy of supporting our neighbors. Looking ahead, we remain dedicated to finding new ways to uplift and support the members and neighborhoods that have been at the heart of our story since the very beginning.

\$69,956.96

IN GRANTS
AWARDED
THROUGH THE
LMRE PEOPLE
FUND IN 2025




\$15,400
IN COLLEGE & TRADE
SCHOLARSHIPS

3
YOUTH
TOUR
STUDENTS


\$53,468

IN EFFICIENCY REBATES

*FROM JULY 2024 - JUNE 2025



5
SAFETY
DEMOS
AND
EVENTS
HELD

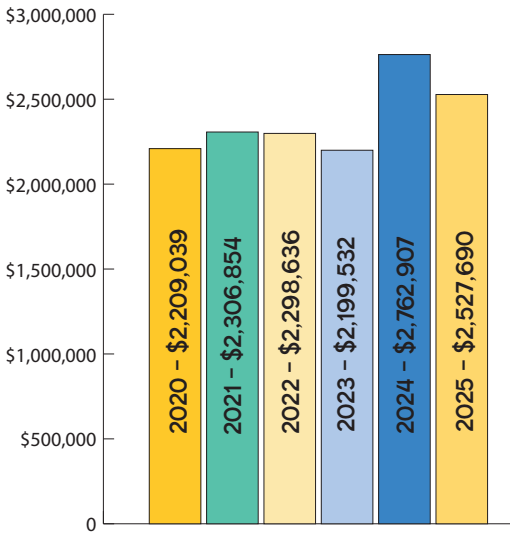
\$12,175

GIVEN BACK AS
DONATIONS AND
SPONSORSHIPS



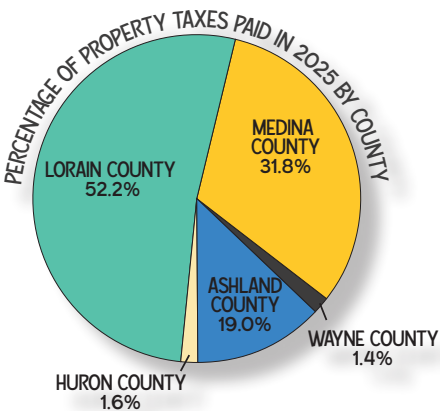
2025 LMRE Financial Reports

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.



TOTAL CAPITAL CREDITS ISSUES TO MEMBERS SINCE 1980:

\$41,771,510



County Totals:

- Ashland County - \$239,466
- Huron County - \$30,453
- Lorain County - \$968,560
- Medina County - \$590,094
- Wayne County - \$26,693

TOTAL PROPERTY TAX PAID IN 2025

\$1,855,268

BALANCE SHEET

ASSETS

UTILITY PLANT IN SERVICE, NET

INVESTMENTS

CURRENT ASSETS

Cash and cash equivalents

Restricted cash

Accounts Receivable (Net)

Materials and supplies and inventories

Current portion of deferred charges

Prepaid expenses

Other Current and Accrued Assets

TOTAL CURRENT ASSETS

TOTAL ASSETS

2025	2024
\$ 101,278,984	\$ 90,872,998
22,645,308	21,259,278
204,479	428,572
1,012,369	1,448,776
8,639,853	7,209,767
1,430,020	1,396,554
-	-
250,048	226,128
9,090	9,064
11,545,859	10,718,862
\$ 135,470,151	\$ 122,851,138

EQUITIES AND LIABILITIES

LONG-TERM DEBT

ACCUMULATED POST RETIREMENT BENEFIT

CUSTOMER DEPOSITS

DEFERRED CREDIT

PATRONAGE CAPITAL/RETAINED EARNINGS

CURRENT LIABILITIES

Accounts payable

Accrued expenses

TOTAL CURRENT LIABILITIES

TOTAL EQUITIES AND LIABILITIES

\$ 46,575,276	\$ 37,248,822
817,597	836,834
496,858	485,273
381,570	358,101
78,376,160	75,543,263
5,856,726	5,440,922
2,965,964	2,937,923
8,822,690	8,378,845
\$ 135,470,151	\$ 122,851,138

STATEMENT OF REVENUE AND EXPENSES

REVENUES

OPERATING EXPENSES

Purchased power

Operations

Maintenance

Consumer accounting expense

Consumer service and sales expense

Administrative expense

Depreciation

Taxes

TOTAL OPERATING EXPENSES

OPERATING MARGINS BEFORE OTHER ITEMS

OTHER OPERATING ITEMS, NET

Patronage revenue

Interest expense

TOTAL OTHER OPERATING ITEMS, NET

OPERATING MARGINS

NON-OPERATING ITEMS, NET

Interest and dividend revenue

All other, net

TOTAL NON-OPERATING ITEMS, NET

NET MARGINS

2025	2024
\$ 52,490,649	\$ 48,995,883
29,675,908	26,977,296
3,462,863	3,024,720
2,389,291	2,419,886
1,134,003	975,563
359,204	278,479
4,621,339	4,035,727
4,300,989	3,881,730
1,450,512	1,396,208
47,394,110	42,989,610
5,096,539	6,006,273
1,163,925	905,087
(1,846,608)	(1,168,803)
(682,683)	(263,716)
4,413,856	5,742,557
138,434	293,006
472,715	593,626
611,149	886,632
\$ 5,025,005	\$ 6,629,189



LORAIN-MEDINA RURAL ELECTRIC COOPERATIVE

2026 Virtual Annual Meeting of Members

OFFICIAL NOTICE

In accordance with the regulations of Lorain-Medina Rural Electric Cooperative, the board of trustees hereby gives notice that the cooperative will hold its 90th Annual Meeting of Members on July 14, 2026, 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 are available on page 18L of this annual report.

Along with receiving updates on the current happenings at the cooperative, LMRE will also announce the winners of the districts 1 and 4 election, as well as the new term start for the District 7 director.

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 July 14 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.

LONGTIME BOARD DIRECTOR SET TO RETIRE IN JULY

An era of cooperative service

Board Director Gary Rowland, who has served as the District 1 representative for LMRE since 1978, will officially retire from the board at the close of this year's LMRE annual meeting after 48 years of cooperative service.

During his time on the board, Rowland served as both chair and vice chair for many years, as well as representing LMRE on the Buckeye Power board of directors from 2006 to 2025. During his time on the board, he actively helped guide the cooperative through transitions that strengthened both the service and value that cooperative members receive from LMRE day after day.

We want to extend our most heartfelt thank-you to Gary for his many years of service and dedication to LMRE and its members, and wish him all the best in the years to come.



2026 LORAIN-MEDINA RURAL ELECTRIC COOPERATIVE

Director nominees

This year, Lorain-Medina Rural Electric Cooperative members voted on not one, but two director seats on the board following contested elections in districts 1 and 4.

In February, the cooperative opened nominations for members in districts 1, 4, and 7 to submit valid petitions seeking a position on the LMRE board of directors. After the nomination period closed in March, a total of five members submitted valid petitions in the required districts.

Allison Brady and Nicholas Mencl, representing District 1, and John Eaton and Michael Sword, representing District 4, moved on to contested election races. All members received paper ballots in the mail from Co-op Ballot, a third-party election service provider. Members could cast their vote for one candidate in each district via mail or follow instructions to do so online. Voting in this election closed at 11:59 p.m. on June 18.

Brenda Wolfe, representing District 7, ran unopposed in her district. Following LMRE's Code of Regulations, because there was no challenger for this district race, Wolfe is automatically deemed elected to the board of directors with a new term starting this month.

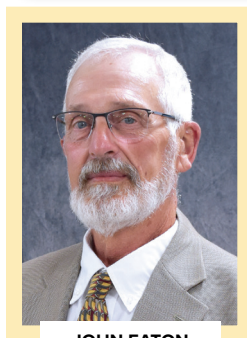
The winners of the districts 1 and 4 election, along with Wolfe, will officially be announced as directors starting their new terms during the broadcasted annual meeting.



ALLISON BRADY



NICHOLAS MENCL



JOHN EATON



MICHAEL SWORD



BRENDA WOLFE



2026 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 14. 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 household/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.



LORAIN MEDINA RURAL ELECTRIC CO-OPERATIVE

2025 Annual Meeting Minutes

JULY 8, 2025

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 8th day of July 2025 in accordance with the provisions of Section 1 of Articles III of the Code of Regulations of the Cooperative.

Chief Strategy Officer Justis Clifford, gave the invocation.

The meeting was called to order by John Eaton, Chair of the Cooperative, who presided. Michelle Semer, Assistant Secretary, kept the minutes thereof.

Chair Eaton reported that members registered for the meeting, with 606 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 chair directed Assistant Secretary Semer 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 chair to be annexed to the minutes of the meeting.

The minutes of the 2024 Annual Meeting of the members of Lorain-Medina Rural Electric Cooperative, Inc., were approved without being read upon motion made by Erica Kuntz/Michael Romanski of Huntington Twp and seconded by Carlene Smith of Penfield Twp, and the motion carried.

Chair Eaton 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 Gary Broderick in District 3, Joe Swinko in District 6, and Rick Dumperth in District 9. 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, Gary Broderick, Joe Swinko, and Rick Dumperth have been deemed elected as directors and will serve three-year terms on the board.

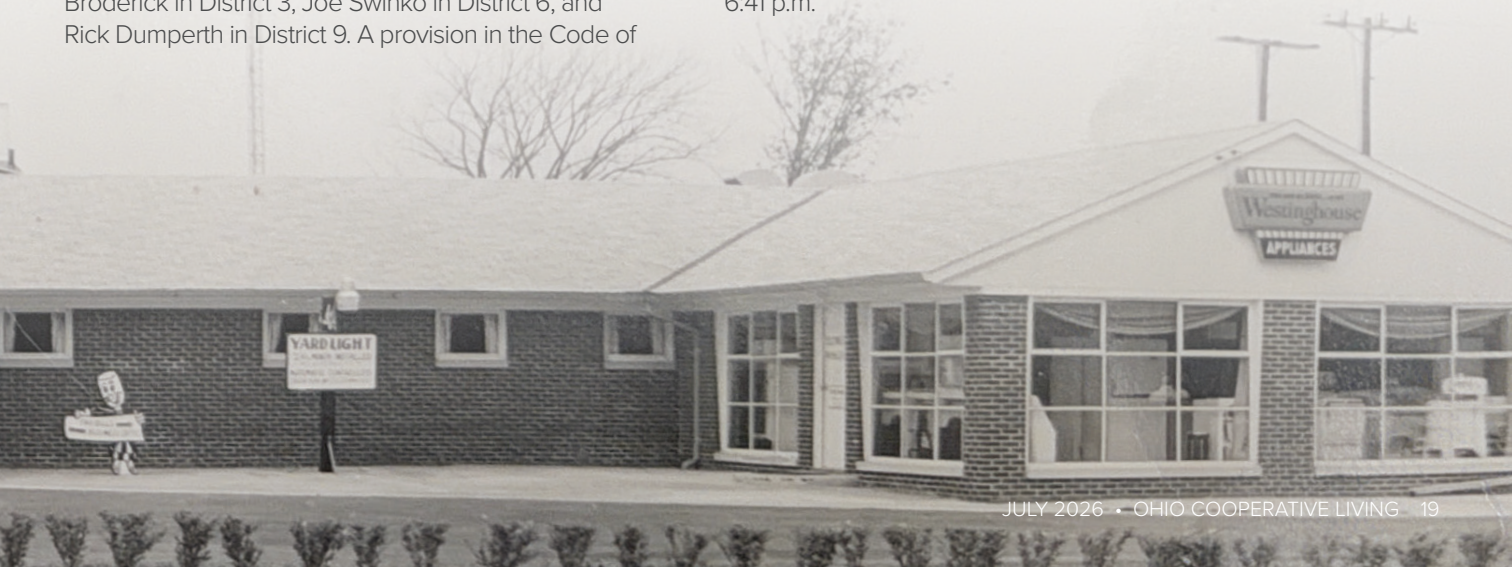
Chair Eaton updated members on the LMRE's new headquarters in Spencer, Ohio, also adding the new community room is now open and available for member rentals. Chair Eaton thanked members for their contributions to the People Fund and introduced its board members, noting that grants were awarded to deserving organizations and individuals totaling over \$53,000 in LMRE service territory. He encouraged all members to join America's Electric Cooperatives PAC to promote the best interests of electric cooperatives around the state and country. Lastly, he noted that the board recently completed a strategic planning process to guide the co-op toward adopting advanced technologies while maintaining the high level of service you expect.

New initiatives include a technology plan to enhance service communications and efforts to strengthen our political presence on the national stage. Along with these new priorities, our core values of safety, competitive rates, and reliability still remain at the heart of everything we do.

President/CEO Ed VanHoose recognized the 2025 scholarship winners and reviewed the youth programs available. He also reported on energy policy vs. reliability vs. financing and the current administration's rollback of key environmental and reliability-related regulations aims to stabilize the existing generation fleet and boost short-term grid resilience .

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

There being no further business to come before the meeting, Chair Eaton declared the meeting adjourned at 6:41 p.m.



Board meeting highlights

MAY 2026

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

- Pursuant to written notice, the Board of Directors of Lorain-Medina Rural Electric Cooperative, Inc., held its regular monthly board meeting at the Lorain-Medina Rural Electric Cooperative headquarters in Spencer, Ohio. Board Chair Eaton called the meeting to order at 6:00 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, including prior meeting minutes, new membership applications, Deceased Estates, monthly outage reports, LMRE Billing Department, and the first quarter electronic payments, was approved.

ANNUAL AUDIT REVIEW

- A third-party auditing firm reviewed the 2025 cooperative and People Fund audit report, noting no negative findings, and it was approved as presented.

LMRE ACTION ITEMS

- Safety report was approved as submitted.
- LMRE Credential Committee appointments were approved as presented.
- Justis Clifford, CSO, was appointed as LMRE Credentials Committee Chair.
- LMRE Capital Credits Allocations were approved as presented.

DEPARTMENTAL REPORTS

- CFO Joshua Long reported on the Form 7 Operating Statement, balance sheet, cash flow, operating graph, and financial analysis.

- President/CEO VanHoose reviewed the month's management weekly reports, and reported on the National Rural Electric Cooperative Association's Legislative Conference held April 27 to 28, 2026 in Washington, D.C. He also discussed the sale of used cooperative equipment and requested the establishment of a sealed bid purchasing option, provided the minimum financial thresholds are met. The motion was approved as presented.
- CAO Surdock gave the administrative department report.
- CPE Frankart gave the engineering department report.
- COO Ruffing gave the operations department report.
- CSO Clifford gave the strategy department report and LMRE People Fund Board updated.

LEGAL

- The NRECA Legal Reporting Service Bulletin was provided to the board.

OTHER ASSOCIATIONS

- The board reviewed the Ohio Rural Electric Cooperatives board meeting, Cooperative Finance Corporation Solutions Report, District 4 CFC Board Report, Touchstone Energy Annual Report, and the NRTC Annual Board Report without comment.

BOARD TRAINING

- Reviewed the Ohio Rural Electric Cooperative board meeting, Cooperative Finance Corporations Solutions, and the National Rural Electric Cooperative Association Board update.
- Reviewed reports from attendees of the National Rural Electric Cooperative Association's Legislative Conference, Board Operations and Process, and Strategic Planning trainings.

ADJOURNMENT

- The meeting adjourned at 8:34 p.m.

Thank you to all of our Lorain-Medina Rural Electric members who have made the last 90 years so meaningful for our communities. We look forward to serving you for many more years to come.

– The Directors and Employees of LMRE

