

2025 ANNUAL MEETING Broadcast

Tune in
March 22, 2025

Video broadcast begins at 10 a.m.

A *Legacy* OF POWER



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ENTERED IN THE DRAWING.

OFFICIAL NOTICE

Paulding Putnam Electric Cooperative, Inc.
89th annual meeting of members broadcast.

Saturday, March 22, 2025
beginning at 10 a.m.

Streamed on Facebook and YouTube

Notice is hereby given that the annual meeting of the members of Paulding Putnam Electric Cooperative will be broadcast starting at 10 a.m. on Facebook and YouTube.

The following matters will be discussed and acted upon:

1. Reports of the trustees and officers.

2025 ANNUAL MEETING BROADCAST AGENDA

1. Call to order Board Chairman Joseph Kohnen
2. Approve minutes from last year Board Chairman Joseph Kohnen
3. Treasurer's report Board Secretary-Treasurer Tim Derck
4. Chairman's report Board Chairman Joseph Kohnen
5. President's report CEO Randy Price
6. Trustee election results CEO Randy Price
7. New/old business
8. Adjourn

A *Future* OF CONNECTION

JOIN IN ON THE DISCUSSION AND WIN

We're giving away \$1,000 in bill credits!* Comment on any of the broadcast video streams starting at 10 a.m. to be entered to win. It's THAT easy!

Plus, hear co-op updates, projects, election results, and more, all from the comfort of your home!

*PPEC is giving away three \$100 bill credits and more than two dozen \$25 bill credits.



PAULDING PUTNAM ELECTRIC CO-OP

2024 Official Annual Meeting Minutes — March 23, 2024

The 88th Annual Meeting of Members was held at the Paulding Putnam Electric Cooperative, Inc., headquarters building, Paulding, Ohio. Mr. Steve McMichael, Board Chairman, called the meeting to order at 10 a.m. The meeting was held as a virtual/video conference broadcast on the internet via Facebook Live and YouTube.

Chairman McMichael began the meeting by reciting the Pledge of Allegiance.

Chairman McMichael noted the meeting notice had been mailed to all members in the February issues of *Ohio Cooperative Living* (Ohio) and *Indiana Connection* (Indiana), which contained the meeting agenda. He stated he was dispensing with the reading of the notice as it had been certified as mailed to all members. He stated the agenda would be approved as mailed.

Chairman McMichael noted the minutes to the meeting held on March 18, 2023, had been mailed to all members in the same magazine issues. He dispensed with the reading of the minutes, as they were certified as mailed to all members and would stand approved as mailed.

Mr. Timothy Derck gave the Treasurer's Report. He stated his written report appeared in the Cooperative's Annual Report and members could obtain a copy at the office or review the audit report upon request. Mr. Derck shared the Cost of Service Study process and the upcoming rate increase. He further stated the audited financial report was completed by the local firm of Bashore, Reineck, Stoller & Waterman.

Chairman McMichael introduced a video message given by Patrick O'Loughlin, president and CEO of Buckeye Power and Ohio's Electric Cooperatives. Chairman McMichael discussed the Annual Meeting theme, "Unmatched Value," and related how the Cooperative and its employees provide an unbeatable return for the members' investment. He discussed several areas of operations and thanked the employees and board members for their diligent efforts during another challenging year. Chairman McMichael informed the audience of the upcoming Member Appreciation event to be held on August 3, 2024, at the Fort Wayne Children's Zoo and to look for additional details regarding the event.

Mr. Randy Price, President and CEO, gave the President's Report, touching on new services, service upgrades, line rebuilds and pole replacements. Mr. Price reviewed several areas of operations, including the successful 2023 member appreciation day and maintenance activities, including upgrades to multiple substations. He also gave a detailed review of the upcoming rate increase, effective in May,

including the increased power costs and impact to the average member's bills. Mr. Price expressed his gratitude to everyone for the continued support, sharing that PPEC remains committed to serving members with integrity, reliability, and excellence.

Mr. Price announced the winners of the cooperative's scholarship program:

- Chelsea Erford, Miller City High School, \$1,000
- Corinne Bowers, Heritage High School, \$1,000
- Jacob Kitson, Van Wert High School, \$800
- Ashlyn Siefker, Ottawa Glandorf High School, \$800
- Madison Hoersten, Ottoville High School, \$600
- Annabelle Welch, Fort Jennings High School, \$600
- Jamy Hunt, Paulding High School, \$600 At-Large

Chelsea Erford is the first-place overall winner and will go on to Columbus to compete statewide for additional scholarships.

Mr. Price noted that PPEC selected two delegates to attend Youth Tour in 2024. Isabella Pittman from Miller City High School and Mallorie Maag from Ottawa Glandorf High School will be traveling to Washington, D.C., in June.

Mr. Brian Gorrell, Paulding Putnam Electric Cooperative's Attorney, was called upon to present the election results. He stated there were no changes to the Code of Regulations for this year.

Three districts (3, 7, and 8) were up for election: Trustees Tim Derck (District 3), Ken Niese (District 7), and Adam Schnipke (District 8) all submitted petitions for re-election; no other petitions were received. Thus, all trustees were re-elected by affirmation.

Chairman McMichael said there was no Old Business.

Chairman McMichael mentioned a few New Business items. Due to recent growth in Indiana, Paulding Putnam's board of trustees has approved a redistricting initiative. Members affected with the redistricting will see this on their March bills. He also shared that the cooperative is now offering a new way for members to reinvest their annual capital credits patronage by allocating it to charitable giving through Operation Round Up or legislative efforts via America's Electric Cooperatives PAC.

There being no further business to come before the meeting, Chairman McMichael declared the meeting adjourned.

STATEMENT OF OPERATIONS

UNAUDITED

For the year ending Dec. 31, 2024

Revenue:	
Sales of Electricity	\$49,701,942
Interest Income	\$202,397
Other Income	\$18,738
Capital Credits	\$1,011,961
Total Revenue	\$50,935,038
Expenses:	
Cost of Purchased Electricity	\$32,708,663
Cost of Maintenance on Lines, Poles, Rights-of-Way, etc.	\$3,424,775
Cost of Billing and Consumer Records	\$710,504
Cost of Member Services	\$667,405
Cost of Administration and Office Operations	\$2,906,288
Depreciation Expense	\$3,949,676
Business Taxes	\$1,277,919
Interest on Long-Term Debt	\$1,684,069
Interest on Current Debt	\$224,127
Total Expenses	\$47,553,426
Net Patronage Capital or Margins	\$3,381,612



**One of our Seven
Cooperative Principles**

Economic Participation

As a co-op, PPEC is upfront and transparent with its member-owners about finances. Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital remains the common property of the co-op.

Members allocate surpluses for any or all of the following purposes: developing the cooperative; setting up reserves; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Capital credits are retired each year based on each member's patronage. This decision is made by the PPEC Board of Trustees, again, elected democratically by the membership.

BALANCE SHEET

UNAUDITED

For the year ending Dec. 31, 2024

Plant Property and Investments:	
Total Plant	\$128,104,262
Construction work in progress	\$4,436,937
Accumulated Depreciation	\$(28,825,862)
Net Plant	\$103,715,337
Investments:	
Invest. in Assoc. Org. - Patronage Capital	\$19,731,295
Associated Organization	\$3,029,574
Total Plant and Investments	\$126,476,206
Current Assets and Debits:	
Cash	\$869,909
Temporary Investments/Special Deposits	\$1,220,273
Receivables	\$3,771,662
Merchandise Inventory	\$975,633
Other Current Assets	\$391,113
Total Current Assets and Debits	\$7,228,591
Deferred Debits	\$-
Total Assets and Debits	\$133,704,797
Liabilities and Equity	
Current Liabilities and Credits:	
Accounts Payable	\$5,922,215
Short-term Notes Payable	\$3,870,280
Consumer Deposits	\$159,476
Other and Accrued	\$2,200,372
Total Current Liabilities and Credits	\$12,152,343
Noncurrent Liabilities and Credits:	
Long-term Debt	\$42,672,348
Deferred Liabilities and Credits	\$316,372
Total Liabilities and Credits	\$55,141,063
Equity:	
Operating Margins Prior/Other	\$5,878,018
Memberships	\$60,033
Patronage Capital	\$72,625,683
Total Equity	\$78,563,734
Total Liability and Equity	\$133,704,797

Please note: These financial reports are pre-audit, due to printing time constraints. A complete copy of the audit report as presented by the firm of Bashore, Reineck, Stoller & Waterman, Inc., certified public accountants of Paulding, Ohio, is available for examination at the cooperative's office during normal business hours.