

MARCH 2022

POWERLINES

A MONTHLY PUBLICATION FOR THE MEMBERS OF WHITEWATER VALLEY REMC

Annual
Report
Edition

MESSAGE FROM THE CHAIRMAN OF THE BOARD AND CEO

WORKING FOR YOU



ROD WEST,
CHAIRMAN
OF THE BOARD

2021 was another year unlike any we have seen in many years. Although the circumstances provided unprecedented challenges, we believe it also provided opportunities to rise to the occasion. This annual report edition of the newsletter highlights how your cooperative rose to the challenge and provided another successful year working for you, our members.



MARY JO THOMAS,
CEO

STRATEGIC PLANNING
Our strategic plan provided the necessary direction, priority, and flexibility to allow us to adapt to changes

with positive results. We were able to continue our mandatory safety compliance training, often virtually, and professional development goals were met. Employees logged over 3,600 hours of continued education and training for the year. The dedication to continued training, education, and a succession plan initiative made us ready to fill management level positions when two employees announced plans to retire in mid-2021. Moving current employees into new roles to fill the vacancies proved to be a relatively smooth process because of the commitment to cross-training and job shadowing as part of our short and long-range succession planning.

RELIABILITY The continued improvement of the reliability of the system was given priority. With

the continually changing health protocols, we were still able to maintain our workforce availability and were able to address required new installations and maintenance. We continued our copper distribution line initiative by replacing 32 miles of copper line with more resilient aluminum wire.

Our right-of-way clearance efforts continued. We were able to clear, and cut over 14,000 trees with about 25 percent of those dead ash trees. We also maintained pole inspection efforts, inspecting 6,000 poles, and replacing 100 poles identified as potential safety hazards.

FINANCIAL HEALTH We were able to attain a margin of just over \$976,000. This strong financial position allowed WWVREMC to return more than \$538,000 to our members in the form of a capital credit retirement in December 2021. WWVREMC is committed to the regular retirement of patronage capital to our members. Our dedicated staff is here to help achieve financial goals, which in return is money in your pocket.

In 2021, our power supplier, Hoosier Energy, began a redesign of the wholesale power rate to reflect the changes in their new resource plan. The new resource plan's goal is to meet member needs for the next 20 years and calls for the combination of low-cost wind, solar, natural gas, and storage resources. These will provide reliable, affordable, and environmentally sustainable energy while saving members money over the next two decades. WWVREMC will need to adjust and modernize our rate tariffs to match the changes in our power supplier's rates and will begin a cost-of-service study this year to forecast the outlook for rates beyond

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March Due Dates

The due dates for payment of electric bills are **March 19 and 26**.



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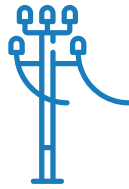
2020 - 2021

BY THE NUMBERS



KWH'S SOLD

2020
228,642,053
2021
238,722,706



AVERAGE RESIDENTIAL COST PER KWH

2020
\$0.13
2021
\$0.13



METERS

2020
12,002
2021
12,097



NET UTILITY PLANT BALANCE

2020
\$46,351,707
2021
\$49,333,202



NUMBER OF MEMBERS

2020
9,924
2021
10,018



TOTAL DEBT

2020
\$27,294,795
2021
\$30,365,124



AVERAGE COST OF DEBT

2020
3.48%
2021
3.13%



CONTROLLABLE EXPENSES PER CONSUMER

2020
\$462
2021
\$477



MEMBERS PER EMPLOYEE

2020
374
2021
385



NUMBER OF EMPLOYEES

2020
26.5
2021
26

Bill Credit Winners

Our monthly drawing for five \$20 bill credits from all voting members of the 2021 annual meeting continues. Here are the winners.

MARCH

Carole J. Hensley, Okeana
Gary E. Hoffman, West Harrison
Charles E. Orschell, Brownsville
Daniel C. Semler, Greens Fork
Dorothy Stewart, Richmond

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2022. In the meantime, the current economic outlook indicates no need for a rate increase in 2022.

MEMBER AND COMMUNITY ENGAGEMENT The format of our annual meeting was impacted for the second year by the ongoing global pandemic – resulting in our member's participation being limited to a virtual meeting held in its place. The hidden account number is 865001. Members voted for directors and nominating committee members by mail for the 2021 election, and we have used this method again for the election in 2022.

We continued our community support with several programs. Our scholarship program awarded ten scholarships totaling \$7,500 during the virtual annual meeting. Our annual community day event was held in October and this year employees worked with Synergistic Solutions,

LLC in Blue Arrows Park cutting danger trees and painting equipment.

Continuing our commitment to the communities we serve we partnered with one of our lenders, CoBank, to boost several of our charitable donations with matching contributions. Sharing Success is a charitable matching contribution program provided to CoBank's participating customers. In 2021, customers were able to nominate up to four qualifying not-for-profit organizations for matching funds. WWVREMC's Sharing Success recipients were Junior Achievement - \$4,000 for program sponsorships to raise funds to support JA's mission of bringing financial literacy to grades K-12 in Eastern Indiana; Lifestream - \$2,400 earmarked for their Senior Safety Net/2nd Harvest meal program which helped provide up to 300 meals each month to seniors in the Randolph County area for several months; the Fayette County Salvation Army - \$3,200 to support their weeknight meal program and WWVREMC employees provided meals every Friday during the month of October; and finally The Journey Home - \$3,000 earmarked to stock the home's pantry and purchase other items for the residents of the home located in Randolph county.

The Operation Round Up program provided grants to non-profits with a total of \$28,769 in 2021 to 36 local organizations. Operation Round Up is 100% supported by members who round up their monthly bill, make one-time donations, or donate their capital credits refunds back to the program. Thank you for joining with us in fulfilling this important cooperative principle.

SHEDDING LIGHT ON HUNGER PROGRAM WINS COMMUNITY SERVICE CHALLENGE

The cooperative's Shedding Light on Hunger program received national recognition in 2021 by winning the NRECA Community Service Challenge. The award was given to the community service effort that best demonstrated the concern for community principle as shown by the percentage of co-op employee participation and the impact of the co-op's campaign. As the winner, we received \$10,000 for the Shedding Light on Hunger program from United Health Care and NRECA. Funding for the Shedding Light on Hunger program comes from employees of the cooperative, donations from the cooperative's partners and money raised from the annual charity golf tournament. WWVREMC was honored to receive the award and the money will be put to good use helping individuals and organizations throughout the cooperative's service territory.

WWVREMC has been truly blessed to be able to provide these programs to those in need and to those who are working to improve lives in our communities. We thank all our members for supporting our programs. You make these programs possible.

INCENTIVES PROGRAM Working for you to help you save money and be energy efficient, we continued to offer a variety of incentive programs and added new options in 2021. A HVAC tune-up incentive was added to the residential rebate program as well as an electric lawn equipment purchase rebate. The rural energy audit program was reintroduced as well.

All programs and services proved to be popular and over \$32,000 in rebates were paid to members last year for

2021 Financial Statements Statement of Operations

OPERATING REVENUES AND PATRONAGE CAPITAL	\$28,588,538
OPERATING EXPENSES	
Cost of Power	\$18,185,270
Distribution Expense - Operations	553,961
Distribution Expense - Maintenance	2,705,020
Customer Accounts Expense	641,077
Customer Service & Information Expense	182,860
Administrative & General Expense	1,690,821
Depreciation Expense	2,132,147
Taxes	610,203
Interest on Long Term Debt	901,119
Amortization of Gain on Reacquired Debt	0
Interest on Short Term Debt	9,258
Total Operating Expenses	\$27,611,736
NET OPERATING MARGINS	\$976,802
Interest and Other	107,466
Income (Loss) from Equity Investments	0
Generation & Transmission Capital Credits	389,440
Other Capital Credits and Patronage Dividends	49,974
Total Non-Operating Margin	\$546,880
TOTAL PATRONAGE CAPITAL AND MARGINS	\$1,523,682

Balance Sheet

ASSETS	
Utility Plant in Service	\$66,971,958
Construction Work in Progress	356,407
Total Utility Plant	67,328,365
Less: Accumulated Provision for Depreciation	(17,995,163)
Net Utility Plant	\$49,333,202
Investments in Subsidiary Companies	0
Investments in Associated Organizations	12,614,155
Other Investments - Economic Dev. Revolving Loan Fund	0
Total Other Property & Investments	\$12,614,155
Current Assets	
Cash-General	2,418,593
Temporary Investments	2,012,499
Accounts Receivable	2,978,584
Notes Receivable	0
Material and Supplies	1,114,302
Other Current and Accrued Assets	258,285
Total Current Assets	\$8,782,263
Deferred Charges	466,207
TOTAL ASSETS	\$71,195,827
EQUITY AND LIABILITIES	
Memberships	\$129,924
Patronage Capital	30,481,705
Other Margins and Equities	7,200,058
Total Margins & Equities	\$37,811,687
Long Term Liabilities	
Long Term Debt - RUS	29,206,481
Long Term Debt - Other	1,158,643
Other Non Current Liabilities	0
Total Long Term Liabilities	\$30,365,124
Current Liabilities	
Notes Payable	0
Accounts Payable	1,885,518
Other Current & Accrued Liabilities	1,126,990
Total Current Liabilities	\$3,012,508
Deferred Credits	6,508
TOTAL EQUITY AND LIABILITIES	\$71,195,827



Each month we hide an account number in the Powerlines. Did you find it?

MICHAEL MULL WINS!

Michael Mull, Richmond, found his hidden account number in the January 2022 newsletter and won a \$25 bill credit. Keep reading your Powerlines each month because the next hidden account number could be yours!

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residential, business, and agriculture consumers. An increase of almost 13% in cash and bill credits from the previous year.

Working with Hoosier Energy's Emerging Technology department, we launched a new residential EV Charger program with our allotment in the initial phase taken by members and installed at their home. We installed a Level 2 charger at the WWVREMC employee parking lot and the co-op plans to install at least one commercial charger within our service territory.

MEMBER SUPPORT SERVICES ADDED In our goal to offer the best service possible to you, we added a new payment option for members wishing to pay their bill at convenient locations throughout our service territory with VanillaDirect. Also, a chat feature was added with the launch of our new website. We hope you find these added services beneficial.

NEW FACILITY One of our biggest announcements for 2021 was the purchase of land that will be home to a new facility. In 2021, we began the process of preparing the property following careful environmental guidelines. That work should be completed in the first half of 2022 and at the same time plans will begin for future construction incorporating the efficiency, storage and safety features missing in our current facilities. Actual construction will begin in the 2023-2024 timeframe.

All in all – 2021 was a strong year for WWVREMC. This is a direct outcome of your cooperatives ability to adapt - to continue to provide business continuity and safe, reliable service – while maintaining a healthy and safe workforce. We are ready to meet the challenges 2022 may bring and we will strive to make the cooperative the best it can be. On behalf of the entire cooperative, we'd like to say that it is our pleasure to work for you – the members-owners of WWVREMC. Thank you.

Payment Options

US Mail

Whitewater Valley REMC, P.O. Box 3199, Martinsville, IN 46151-3168

SmartHub

Log-on at www.wvremc.com.

Pay-by-Phone

Call 844-827-4759. Set up your PIN. Follow prompts.

Liberty Office

In person or in the drop box.

Automatic Withdrawal

Simply request a form and submit it to our office.

FCN or Franklin County National Bank

In person or in the drop box. Bring payment stub.

VanillaDirect

Visit vanilladirect.com for payment locations and details.



For more information about payment options, please call us:

765-458-5171 or 1-800-529-5557

CAUSE	#	%
TREES	373	33.36
ANIMALS	250	22.36
DECAY	137	12.25
UNKNOWN	71	6.35
MEMBER	63	5.64
VEHICLES/PUBLIC ACTIVITY	60	5.37
MATERIAL/EQUIPMENT FAILURE	58	5.19
LIGHTNING/WEATHER	47	4.20
CONSTRUCTION/MAINT	41	3.67
POWER SUPPLIER	15	1.34
OTHER	3	0.27
TOTAL	1,118	100

Outages
by Cause:
2021
Totals

Helpful Information

Liberty Office Hours

7:30 a.m. to 4:30 p.m. Monday through Friday

CLOSED SATURDAYS, SUNDAYS AND HOLIDAYS.

To Report an Outage or Emergency

Call 1-800-776-0493, 24 hours a day, 7 days a week. Login to your SmartHub account and report your outage.

Be ready to provide the following information:

- The name and account number under which your electric service is listed.
- Map location number.
- Your phone number - needed to call back or confirm power restoration.
- The type of problem you are experiencing - flickering lights, complete power outage, etc.



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