

WITHLACOOCHEE RIVER ELECTRIC
COOPERATIVE, INC.



Your Touchstone Energy® Cooperative



Investing in a Bright Future



2021 ANNUAL REPORT

Expanding Mental Health Access

Future Wilton Simpson Center to be constructed in Hernando County



 **Vincent House**[®] *Recovery Through Work!*

Late in 2020, after a year of construction, Vincent House Pasco opened to the public to assist, promote, and celebrate individuals with mental illness; WREC was key to funding this construction. The goal of Vincent House is to improve social and vocational skills, help individuals with mental illness gain employment, and to lead successful lives in our community. Vincent House Pasco was the third Vincent House facility to open, joining Vincent House Hernando and Vincent House Pinellas. Plans have begun for the construction of a new Vincent House building in Hernando County. WREC will be instrumental in raising funds for this state-of-the-art facility. For more information about Vincent House, please visit [vincenthouse.org](https://www.vincenthouse.org).

**Celebrating
Recovery
Through Work**



MESSAGE FROM THE GENERAL MANAGER

Billy E. Brown

Executive Vice-President and General Manager
Withlacoochee River Electric Cooperative, Inc.

Dear Member,

In 2021, your Cooperative experienced tremendous growth. We added over 6,000 new accounts throughout our five-county service territory bringing our year end total to 243,645 electric services in place. As the pandemic raged throughout the country, it created major supply chain challenges that are expected to continue through 2022. WREC made historic investments in our local education systems and continued efforts to improve access to mental health services.

Everywhere you look throughout the Tampa Bay area, you see growth. Our dedicated team is working with our partner, Seminole Electric Cooperative to ensure we have enough generation and transmission capacity to deliver safe, reliable, and sustainable power for the future. Seminole has embarked on a major expansion in renewable energy with over 300 megawatts of new utility scale solar. They also have a new natural gas generation facility under construction in Putnam County. Seminole will close one of its coal generation units when the gas unit is in full operation. This expansion will reduce Seminole’s carbon dioxide emissions 36%; the equivalent of removing approximately 650,000 cars from the road by 2024.

Our communities are growing and so are their needs. In 2021, WREC’s Educational Foundation made significant investments in technical education in Pasco, Hernando, and Citrus counties. We donated/pledged over \$600,000 to purchase equipment, which will be used to train our next generation and provide them with the skills they need to succeed in today’s highly competitive work environment.

WREC’s Educational Foundation also donated \$480,000 to light Withlacoochee River Electric Co-op Park, at Pasco-Hernando State College’s west campus. This park will host baseball tournaments for teams all over the county/state and will double as an outdoor event center.

Expanding access to mental health services has been one of our core missions over the past seven years. Your Cooperative was instrumental in opening Vincent House Pasco and Vincent House Hernando. Vincent House Pasco has a new 9,500 square foot building and we are currently working on a new facility in Hernando County. This 6,500 square foot center is being named after our Member and Florida Senate President, Wilton Simpson. Senator Simpson has worked hand in hand with WREC to improve mental health services in our communities.

WREC anticipates extensive growth over the next several years. As we expand, we will continue to grow investments in our communities and work with Seminole Electric Cooperative on a sustainable path for the future.

Sincerely,

Billy E. Brown
Executive Vice-President and General Manager



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WORKING TOWARDS A CARBON FREE FUTURE!

Reducing emissions is a top priority. New technology and cleaner sources of energy are now being used. Since 2005, Seminole Electric Cooperative has had an 80% reduction in air emissions and an EPA Low Emitting Status given for mercury emissions. With the removal of one coal unit, a greater than 90% reduction in both sulfur dioxide and nitrogen oxide and a 45% reduction in carbon dioxide emissions is on track. The chart from Seminole Electric below shows the future projections.

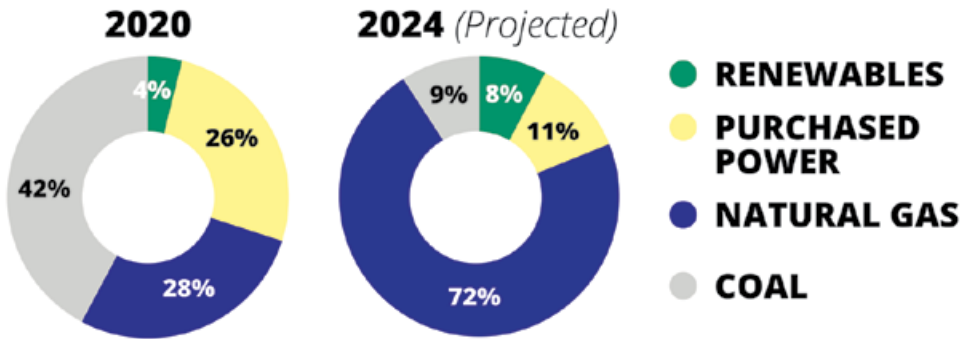
These projections also include renewable energy. WREC currently has two solar arrays at different offices and has plans for a solar farm in the future. Solar farms have



already been built in our service area or are in the process of being built. They will continue to be a reliable source of clean and alternative energy in the future.

LEADING POWER GENERATION NOW AND IN THE FUTURE

Seminole maintains a balanced and diverse portfolio of energy resources



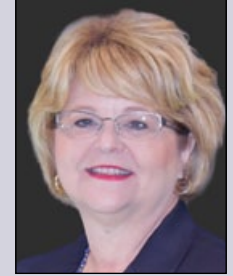
BOARD OF TRUSTEES



DISTRICT 1
Robert W. Strickland
Vice-President



DISTRICT 2
David S. Hunnicutt



DISTRICT 3
Patricia P. Bechtelheimer



DISTRICT 4
Alan F. Hengesbach
Secretary/Treasurer



DISTRICT 5
Robert J. Barthle



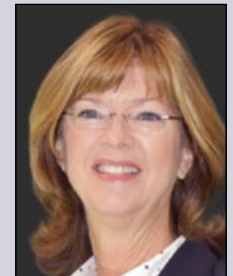
DISTRICT 6
Terrence E. Schrader
President



DISTRICT 7
Desmond G. Little

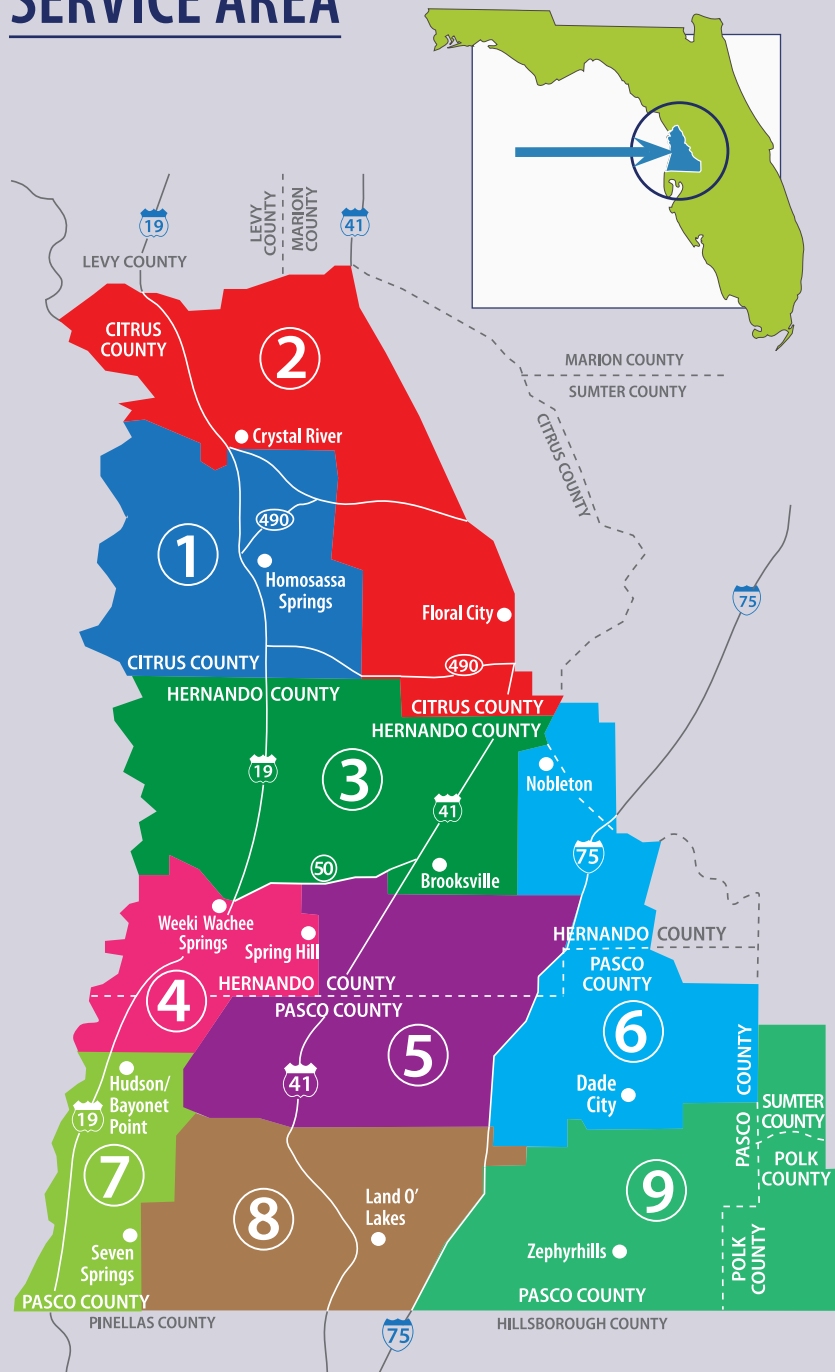


DISTRICT 8
Paul R. Little



DISTRICT 9
Kimberly L. Kinney

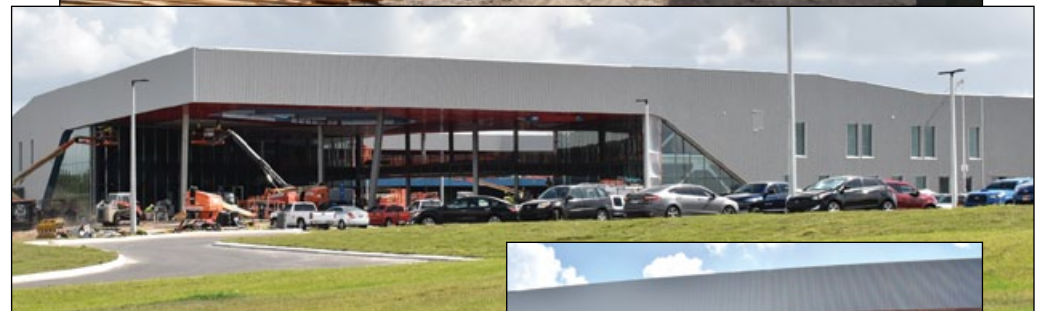
SERVICE AREA



THRIVING ECONOMIC GROWTH

WREC is poised for explosive economic growth over the next few years. In 2021, we added 6,109 new services in our five county service area for a total of 243,645 services in place.

Construction has increased dramatically including new roads, homes, apartments, businesses, and schools. One such school under construction is the Kirkland Ranch Academy of Innovation located in the Wesley Chapel area. WREC's Educational Foundation pledged \$400,000 to purchase equipment for the school upon its completion (Fall 2022). Approximately 1,000 students will be attending this 184,000 square foot Academy of Innovation. Programs offered will include digital technology, engineering, biomedical science, transportation, building technology, and many others. The 104-acre school site is about three miles due east of Interstate 75; an area where growth is expected to increase dramatically in the coming years.



Construction continues at a rapid pace, including the new Kirkland Ranch Academy of Innovation

2021 YEAR IN REVIEW

January –

Donated over \$72,000 to the United Way between the Co-op and its employees; a shining example of the Seventh Cooperative Principle - Concern for the Community

February –

Lowered electric rates for the fourth year in a row

March –

Our System Reliability Department continued to invest in drone usage to locate and correct outages before they occur

April –

74th Annual Meeting canceled due to COVID-19

May –

Received the Audrey Nelson Community Achievement Award from HUD for our collaboration on the Vincent House Pasco project

June –

WREC's Educational Foundation donated \$121,000 to Central High School in Hernando County for new equipment and technology for students

July –

WREC's Educational Foundation pledged \$400,000 to Kirkland Ranch Academy of Innovation to purchase technical equipment for the 1,000 students who will attend upon completion

August –

Surpassed 60,000 subscribers for Power Outage notifications, a free innovative option offered to our Members to keep them informed

September –

Sent twenty-one employees with material and equipment to Louisiana to help power restoration efforts after Hurricane Ida

October –

Assisted 13 families in 2021, disbursing over \$87,000 from our Operation Round-Up program. Over \$2.3 million has been distributed helping 652 families.

November –

Awarded 110 scholarships to high school seniors for \$12,000 each totaling \$1.32 million. Since 1997, 2,194 college scholarships have been awarded with a potential payout of over \$15.8 million.

December –

WREC's Board of Trustees approved a \$21 million Capital Credits refund. Over \$427 million has been refunded to date.

INVESTING IN OUR COMMUNITIES



Check presentation to Central High School for equipment at their school



Check presentation for United Way Pasco



WREC received the Audrey Nelson Community Achievement award for the Vincent House Pasco project



WREC crews connected over 6,000 new accounts in 2021

MANAGEMENT TEAM



**EXECUTIVE VICE-PRESIDENT
& GENERAL MANAGER**
Billy E. Brown



EXECUTIVE ASSISTANT
Paula Lewis
352-567-5133, x6101



ACCOUNTING & FINANCE
Ronnie Deese, Manager
352-567-5133, x6200



ENGINEERING & TECH. SUPPORT
Howard Prim, Manager
352-567-5133, x5100



MEMBER RELATIONS
David Lambert, Manager
352-567-5133, x6102



BAYONET POINT
Joe Marina, District Manager
727-868-9465, x2100



CRYSTAL RIVER
Gary Steele, District Manager
352-795-4382, x4100



ONE PASCO CENTER
Ricky Gude, District Manager
352-588-5115, x1100



SYSTEM OPERATIONS
Marlin Sexton, Manager
352-567-5133, x5200



WEST HERNANDO
David Gonzalez, District Manager
352-596-4000, x3100



OPERATION ROUND-UP

652 Families Helped with Over \$2.3 Million Disbursed to Assist WREC Members in Need!



Susan and Laszlo Dattler from New Port Richey

Meet **Susan and Laszlo Dattler** from New Port Richey. The Dattler's have multiple health issues and limited income. They have been Co-op Members since 1982. The Dattler's never needed ORU until recently when their A/C broke and they didn't have the money to repair it. The Florida heat was taking a toll on them and further aggravated their health issues. ORU replaced their A/C system to help provide some relief for this family.

Marty Martin from Port Richey

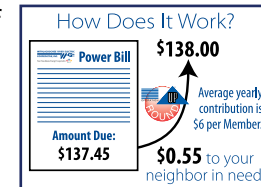
Meet **Marty Martin**, a Member in Port Richey. Marty was diagnosed with stage 4 cancer. In battling this disease, he went through chemo and radiation and still must go through intravenous therapy. Marty is on disability now and with limited income, there is not much left over. Marty's roof was in desperate need of repair. ORU replaced the roof so that Marty can continue his treatment and recovery at home.



Unlike many other charities, every dollar that is donated to ORU is available for distribution!

Catastrophic events can occur at any time throughout our lives, but thanks to the generosity of our Members, a helping hand is there to provide assistance through **WREC's Operation Round-Up**.

This program has over 35,781 participating Members, who have their monthly energy bill rounded up to the nearest dollar. Since 1994, Operation Round-Up has helped 652 families and provided over \$2.3 million in assistance to those in need.



Thirteen More Reasons to Join!

DURING 2021, OPERATION ROUND-UP HELPED 13 FAMILIES TOTALING \$87,904.00!

This worthwhile program has disbursed \$2,309,098.74 helping a total of 652 families!

For more information visit our website at: wrec.net



Educational Foundation, Inc.

Helping Our Children Rise to Their Fullest Potential

PROVIDING OPPORTUNITY THROUGH EDUCATION

Over \$15.8 Million In Scholarships Awarded!

Dear WREC Educational Foundation, Inc.,

I am sincerely beyond honored to be one of the recipients chosen for this Scholarship. Thanks to your generous support, I will be the very first in my family to attend college. I appreciate the generosity of \$12,000 which will definitely help me with my finances.

I am a Pasco High School student that graduated with my CNA and CMAA certificates. I plan to pursue a career in the medical field and to have my prerequisites completed in the fall of 2021. After doing so, I will continue my education by getting my Bachelor's and possibly Master's Degree as a Pediatric RN. Thanks to you, I am one step closer to my goal! I am committed to prove how dedicated and appreciative I am with the WREC Educational Foundation Scholarship that was awarded to me.

After receiving this Scholarship, I was personally enlightened. In the near future, I want to give back to the community and help future students achieve their goals.

Sincerely,

Jacqueline Zavala, *Class of 2021 - Pasco High School*



Jacqueline Zavala
*Pasco High School Student
enrolling at Pasco-Hernando
State College, Class of PHS 2021*

Investing in our communities and families continues to be one of the guiding principles of electric cooperatives across the country. **Since 1997, your Cooperative's Educational Foundation has awarded 2,194 college scholarships with a potential payout of \$15.8 million.** The recipients of these scholarships may attend any in-state regionally accredited college, university or technical school.

The Cooperative funds this worthwhile program using abandoned Capital Credits that would otherwise be forfeited to the State of Florida as abandoned property.

\$15.8 MILLION IN SCHOLARSHIPS AWARDED AS OF 2021!



INVESTING IN MEMBER SERVICES

WREC offers many automated member services with the goal of making our Members' access more convenient. All our programs showed solid growth in 2021.



Download the SmartHub® App by visiting the App Store® or Google Play™ store on your mobile device. Google Play is a trademark of Google Inc.

WITHLACOOCHEE RIVER ELECTRIC
COOPERATIVE, INC.



Your Touchstone Energy® Cooperative

EFT

Electronic Fund Transfers (EFT) has over 52,000 Members enrolled, an increase of more than 4,000 from last year. This program automatically deducts your monthly electric bill from your checking or savings account.

wrec.net

WREC's website averaged 3,131 users daily in 2021, an increase of 500 users per day.

SmartHub®

WREC's **SmartHub** app, available through our website, averaged 2,798 users daily in 2021, an increase of almost 300 users per day.

WREC's Outage Notification System

WREC's outage notification system reached 70,445 subscribers, an increase of more than 20,000 in 2021. Members can enroll via the website and be alerted if an outage occurs in their area.

E-Billing

Our paperless billing program, **Electronic Billing**, reached 50,199 members in 2021, an increase of more than 5,000 Members. **E-billing** reduces paper use by not printing your monthly electric bill.

Go Paperless! Go GREEN!

Operation Round-Up

Operation Round-Up reached 35,781 participants in 2021, an increase of almost 4,000 Members. Funds collected from this program are used to help families in need who have suffered catastrophic events through no fault of their own.

2021 YEAR END STATS

Committed to Strategic Management

	2011	2020	2021
Average Number of Active Accounts	200,550	224,681	229,911
Total kWh Purchased by Cooperative Members	3,627,733,084	4,247,097,165	4,220,809,619
Average Monthly Residential kWh Usage	1,175	1,252	1,205
Total kWh Purchased by Cooperative	3,771,540,126	4,385,792,947	4,346,662,179
Cost of Power Purchased by Cooperative	\$ 307,606,226	\$ 308,791,519	\$ 300,407,308
System Peak Demand in Kilowatts (KW)	1,071,824	1,007,470	1,046,200
Number of Full-Time Employees	452	504	517
Retirement of Capital Credits/ Deferred Revenue Reduction Refunds	\$ 14,205,749	\$ 21,343,468	\$ 21,046,025

INVESTING IN SYSTEM RELIABILITY

One Of Our Most Important Goals

System Reliability is critical to Member satisfaction. Average outage times are measured by the System Average Interruption Duration Index (SAIDI) number. As shown by the chart, WREC's number dropped for the fourth year in a row, showing a slight decrease from 2020. WREC continues to focus on maintenance and system hardening to keep our electric grid functioning in a safe and reliable manner.

SYSTEM RELIABILITY CHART		
Year	Cost	Total SAIDI
2018	\$ 8,407,607.56	127.810
2019	\$14,157,325.23	95.025
2020	\$18,205,123.58	86.993
2021	\$22,753,709.00	86.983

In 2021, WREC...

- Ended the year with 521 employees
- Added 6,109 new services
- Closed the year with 11,505 miles of energized power lines
- Completed 40,625 reconnects
- Completed 40,525 disconnects
- Answered 297,673 Member calls
- Trimmed tree limbs away from 1,670 miles of power lines and completed 4,824 right-of-way related service orders to help prevent unnecessary power outages
- Invested over \$30.9 million in new materials and supplies
- Maintained a fleet of 301 vehicles

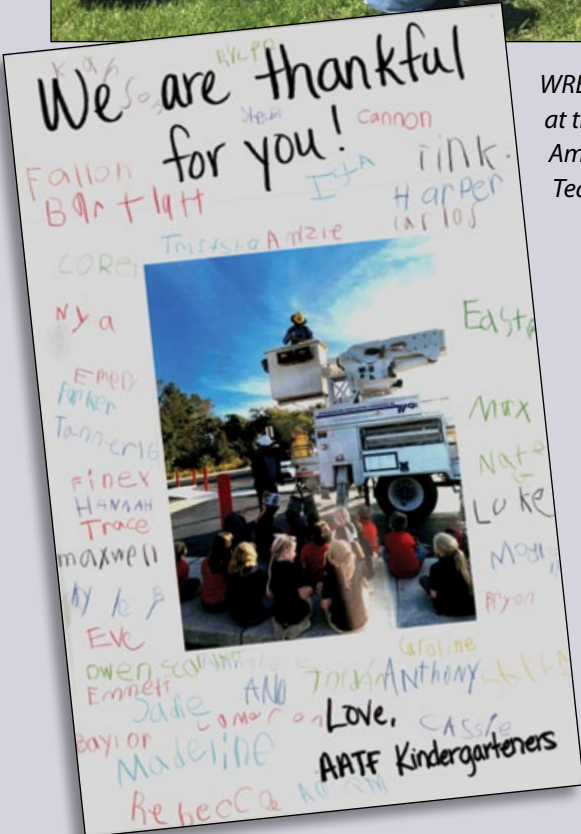


WREC crews at work

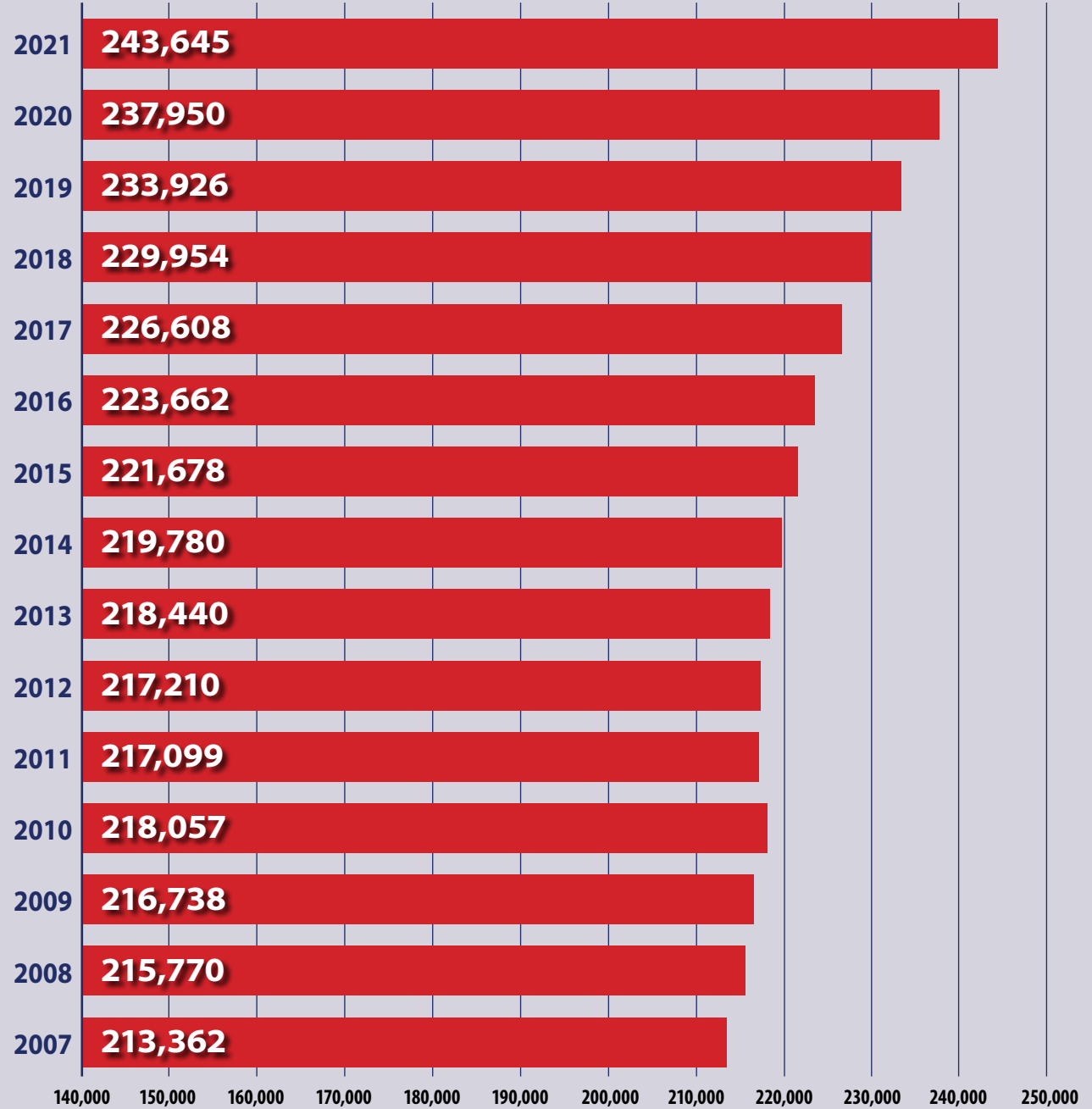
COOPERATIVE SERVICES

This chart displays your Cooperative's growth for the past 15 years

Investing In Our Community

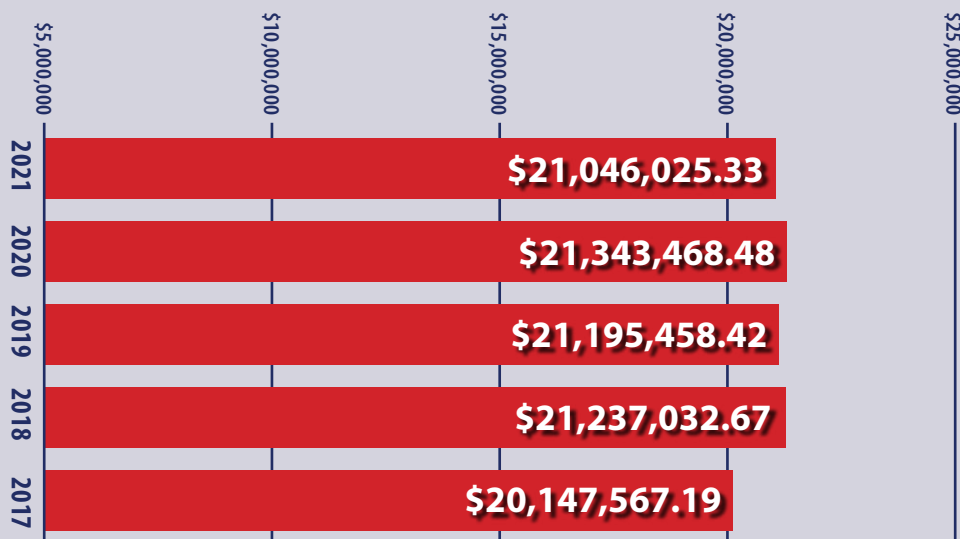


WREC crews
at the Great
American
Teach-In



CAPITAL CREDITS REFUNDS

Your Cooperative has returned more than \$365 million in Capital Credits and \$72 million in Deferred Revenue Reduction Refunds



2021	\$ 21,046,025.33	2009	14,394,160.28
2020	21,343,468.48	2008	14,163,123.30
2019	21,195,458.42	2007	14,151,954.90
2018	21,237,032.67	2006	14,000,041.79
2017	20,147,567.19	2005	13,735,562.17
2016	25,189,552.04	2004	13,074,532.82
2015	25,187,905.58	2003	12,082,542.22
2014	15,186,202.39	2002	12,029,598.91
2013	15,173,453.48	2001	11,949,301.35
2012	14,177,947.24	2000	10,000,136.94
2011	14,205,748.61	Prior	79,632,016.55
2010	14,207,534.22	Totals	\$ 437,510,866.88

WREC's Commitment to Our Communities



Capital Credits refund check presentation for Hernando County Commissioners



Capital Credits refund check presentation for Pasco County Commissioners



Capital Credits refund check presentation for Citrus County School Board

STATEMENTS OF REVENUE AND PATRONAGE CAPITAL AND BALANCE SHEETS

STATEMENTS OF REVENUE AND PATRONAGE CAPITAL

(For years ended December 31)	2020	2021
OPERATING REVENUES		
Energy Sales	\$ 453,417,626 . . .	\$ 444,801,313
Other Electric Revenues	18,608,497	20,099,691
TOTAL OPERATING REVENUES	\$ 472,026,123	\$ 464,901,004
OPERATING EXPENSES		
Purchased Power	\$ 308,805,132	\$ 300,411,829
Operations	21,294,920	22,433,491
Maintenance	34,421,613	37,148,121
Consumer Accounting	13,542,243	13,237,263
Customer Service	455,537	465,374
Administrative and General	11,779,592	13,352,962
Depreciation	28,892,365	30,438,081
Taxes	11,327,271	11,260,608
Interest	15,058,173	13,463,824
TOTAL OPERATING EXPENSES	\$ 445,576,846	\$ 442,211,553
MARGINS		
Operating Margins	\$ 26,449,277	\$ 22,689,451
Non-Operating Margins	7,358,406	2,198,286
Capital Credits from Associated Organizations	7,970,638	7,948,647
Net Margins	\$ 41,778,321	\$ 32,836,384

BALANCE SHEETS - ASSETS, EQUITIES & LIABILITIES

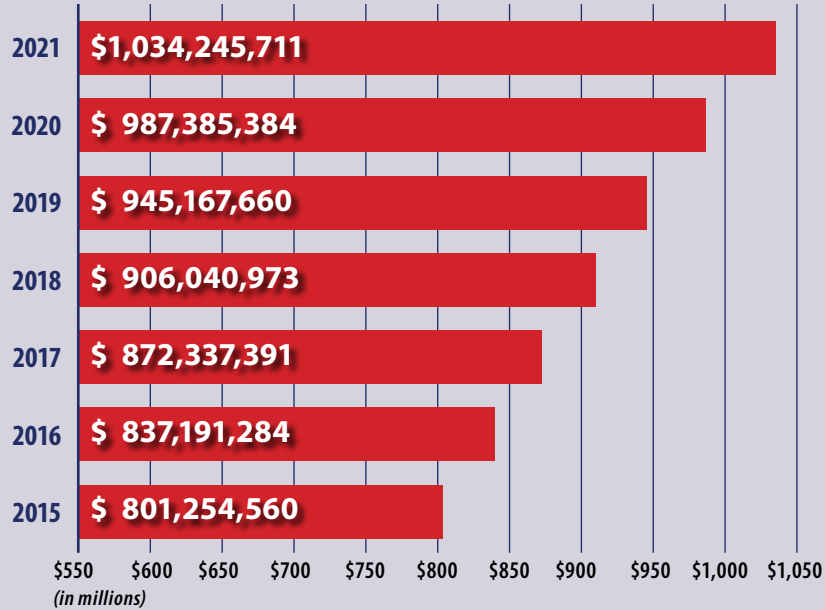
(As of December 31)	2020	2021
ASSETS		
Cash and Cash Equivalents	\$ 222,509,221	\$ 303,713,162
Investments in Associated Organizations	140,130,638	147,644,057
Accounts Receivable	18,885,976	11,706,256
Notes Receivable	784,737	1,443,451
Inventory	29,465,821	30,243,302
Special Deposits	104,895	100,895
Prepayments	32,658,032	2,882,176
Interest Receivable/Deferred Debits	30,242,518	25,826,943
Non-Utility Property	565,695	537,900
Utility Plant*	663,730,537	693,081,241
TOTAL ASSETS	\$ 1,139,078,070	\$ 1,217,179,383
MEMBER EQUITIES		
Membership Fees	\$ 994,510	\$ 1,019,705
Capital Credits	598,189,853	609,980,212
TOTAL EQUITIES	\$ 599,184,363	\$ 610,999,917
LIABILITIES		
Long-Term Debt	\$ 402,335,895	\$ 474,201,048
Accounts Payable	35,925,078	37,471,086
Customer Deposits	24,616,516	26,116,360
Non-Current Liabilities	104,895	100,895
Other Current & Accrued Liabilities	36,692,653	39,356,155
Deferred Credits	40,218,670	28,933,922
TOTAL LIABILITIES	\$ 539,893,707	\$ 606,179,466
TOTAL EQUITIES & LIABILITIES	\$ 1,139,078,070	\$ 1,217,179,383

*Net of Accumulated Depreciation

WREC'S COMMITMENT TO STRATEGIC MANAGEMENT

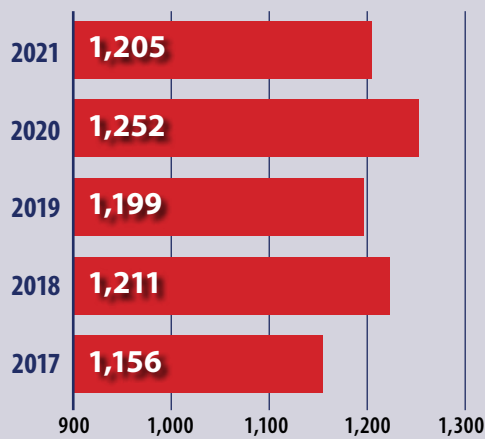
WREC UTILITY PLANT -

Includes substations, poles, wire, meters, etc.



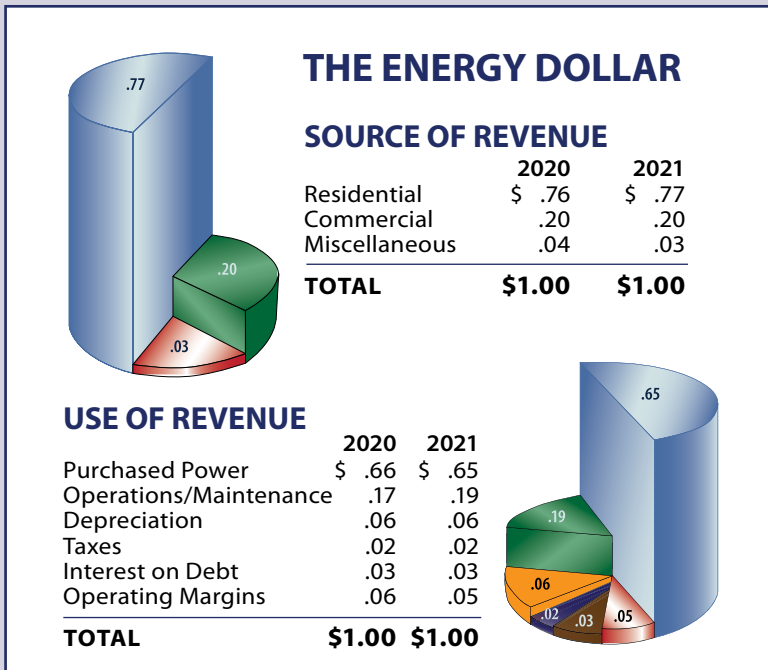
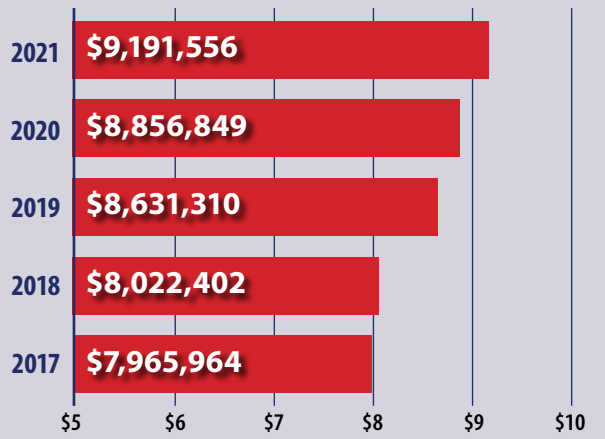
USAGE (kWh) -

Average Residential



WREC PROPERTY TAXES -

(In millions)



Expanding our reach into the community



Withlacoochee River Electric CO-OP OFFICES

BILLY E. BROWN CORPORATE CENTER

14651 21st Street • Dade City, Florida 33523

Phone: 352-567-5133

ONE PASCO CENTER DISTRICT OFFICE

30461 Commerce Drive • San Antonio, Florida 33576

Phone: 352-588-5115

BAYONET POINT DISTRICT OFFICE

12013 Hays Road • Shady Hills, Florida 34610

Phone: 727-868-9465

CRYSTAL RIVER DISTRICT OFFICE

5330 West Gulf-To-Lake Highway • Lecanto, Florida 34461

Phone: 352-795-4382


WEST HERNANDO DISTRICT OFFICE

10005 Cortez Boulevard • Weeki Wachee, Florida 34613

Phone: 352-596-4000

**WITHLACOOCHEE RIVER ELECTRIC
COOPERATIVE, INC.**



Your Touchstone Energy® Cooperative 

wrec.net

