



Community Electric Cooperative ANNUAL REPORT



As we celebrated an astounding 83 years of success for your Cooperative last year, let us take a glance at how far we have come. Collectively, we continued our hard work to accomplish our goals, and in doing so, focused on our mission statement: “To

safely provide our members exceptional, courteous, and reliable services at a competitive cost.” As we often communicate with all Community Electric Cooperative stakeholders, we are not in the “power business” but rather the “people business.” As a team, we strive to consistently place our attention on four main points: Safety, Reliability, Member Satisfaction, and Financial Accountability. For us, it is all about you, the member!

awarded recertification as a safety-accredited cooperative through the National Rural Electric Cooperative Association. This process ensures that CEC employees are following the proper safety procedures in the office and the field to keep themselves, their coworkers, and the general public safe.

Office Closure - July 4

CONTACT US

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Phone

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Website

comelec.coop

After-hours Outages

1-855-700-2667



Office Hours

Monday-Friday, 8 a.m.-5 p.m.

President/CEO

Steven A. Harmon

Local Pages Editor

Jessica Parr

*Community Electric Cooperative is an Equal
Opportunity Provider and Employer.*

SAFETY

Safety is a core value of Community Electric Cooperative and remains duly recognized as part of our DNA. The most intense safety topic for 2021 continued to be the COVID-19 pandemic. Much like all of corporate America, the pandemic created the necessity to be flexible, adjust from our regular routines, and modify many aspects of our day-to-day operations. Thankfully, we did so successfully without the occurrence of significant incidents. Also, in 2021 we successfully sought to renew and were

RELIABILITY

In reviewing our reliability goals, we experienced a challenging year regarding outages in 2021. We saw no major distribution outage events, but we did see five events from our power supplier causing some extended outage times throughout the year. These correlated with our major events, regionally, where a few abnormal weather-related outages in April and August caused increased outage activity. Even with that, we were able to sustain an Average System Availability Index (ASAI) of .9981, including all outages. About 65% of all outages were caused by weather events, 9% unknown causes, 8% driven by animals, 7% caused by equipment

failures and 11% capturing all others. We continue to discuss our reliability objectives and have agreed to maintain our lofty goals for the year-end 2022. We collectively pledge to work even harder in our efforts to improve reliability.

MEMBER SATISFACTION

Favorable service reliability numbers, along with a stable rate structure and team member responsiveness, lend to a very high level of member satisfaction for your Cooperative. How do we determine this? Engaging with our members during regular business hours, after hours, and anytime we are involved in the cooperative business. We listen to you, the member/owner. Your feedback is crucial to us in measuring this objective. Many of you were contacted as part of a member satisfaction survey conducted on our behalf by Touchstone Energy Cooperative, and we appreciate your help in answering the survey questions. The results of this survey indicate an excellent approval rating compared to other Virginia cooperatives and those nationally! We are very proud of this recognition, and we will strive to make it even higher in the future. Remember, we are YOUR cooperative and work not only to meet but to exceed your membership experience expectations.

FINANCIAL ACCOUNTABILITY

With the outstanding success of the Cooperative's subsidiary, RECORE, we saw several positive effects on the financial affairs of both entities. In December 2021, RECORE declared and paid a dividend for the sixth consecutive year (\$500,000) to the Cooperative. To summarize our 2021 year-end audited financials, we ended the year with a consolidated net margin of \$1,428,196, which was extremely higher than the budgeted margin of \$133,058 and significantly higher than our 2020 net margin of \$1,192,117. Our balance sheet grew to \$56,049,054. This is an increase of \$254,204 from the 2020 total consolidated assets of \$55,794,850. We had a great year, especially considering the significant impacts of the COVID-19 pandemic, the RECORE dividend declaration, and the patronage capital retirements to our membership.

Many of the additional financial highlights are shown on the next page for your review.

CAPITAL CREDITS

In recognition of our strong financial position, the board of directors approved a continuation of the Cooperative's practice of retiring capital credits on a meaningful basis. During 2021, capital credit retirements were made on a general basis of \$321,995 and to estates for \$52,728, bringing the total retired during 2021 to \$374,723. These 2021 retirements brought the cumulative amount retired by your Cooperative, since its inception, to an amount above \$19 million. Very soon, your board of directors will review the Cooperative's current financial position and a projection of its financials through 2022 and will consider additional general retirements of capital credits to be accomplished later in the year.

ANNUAL MEETING

Community Electric Cooperative's 2022 annual meeting will be held at the CEC headquarters building (warehouse facility), very similar to last year. Due to the COVID-19 pandemic and rising costs, we are choosing, once again, not to promote a large gathering. As we often express, safety and financial accountability are core values at CEC, and this includes the safety of our valued membership, our board, and our staff. We plan to hold a short (15-20 minute) business meeting only to address the pertinent business of the cooperative, but of course, in a manner that adheres to the established tradition of the CEC annual meeting. Any member wishing to attend in person is asked to give us a seven-day notice at annualmeeting@comelec.coop so we can make the appropriate preparations for your attendance. Also, if you have questions suitable for this meeting, please submit them to annualmeeting@comelec.coop seven days before the meeting, as well. We will omit oral reports, door prizes, entertainment, exhibits and refreshments (all reports from the cooperative leadership will be made available in written form upon request). We will make remote participation in the annual meeting available for all members by livestreaming the meeting via the CEC Facebook page. If your schedule permits, please plan to join us on Facebook this year at 7 p.m. Tuesday, Aug. 9.

Respectfully submitted,



Community Electric
Cooperative

A Touchstone Energy® Cooperative 



Jeannette S. Everett
Chairman



Steven A. Harmon
President and CEO

Official Notice

Community Electric Cooperative Notice of Annual Meeting

The Annual Meeting of the Members of Community Electric Cooperative will be held via FACEBOOK LIVE at 7 p.m. Tuesday, Aug. 9, 2022, to take action on the following matters:

1. Reports of Officers, Directors, and Committees;
2. The election of three (3) directors of the Cooperative; and
3. Transact all other business that may come before the meeting or any adjournment thereof.

In accordance with the bylaws, the Nominating Committee nominated the following candidates for directors for three (3)-year terms to be voted upon by the membership:

City of Suffolk

Jason B. Carr

Isle of Wright County

Diana F. Beale

Southampton County

Jeannette S. Everett

– Diana F. Beale, Secretary-Treasurer

Treasurer's Report as of Dec. 31, 2021

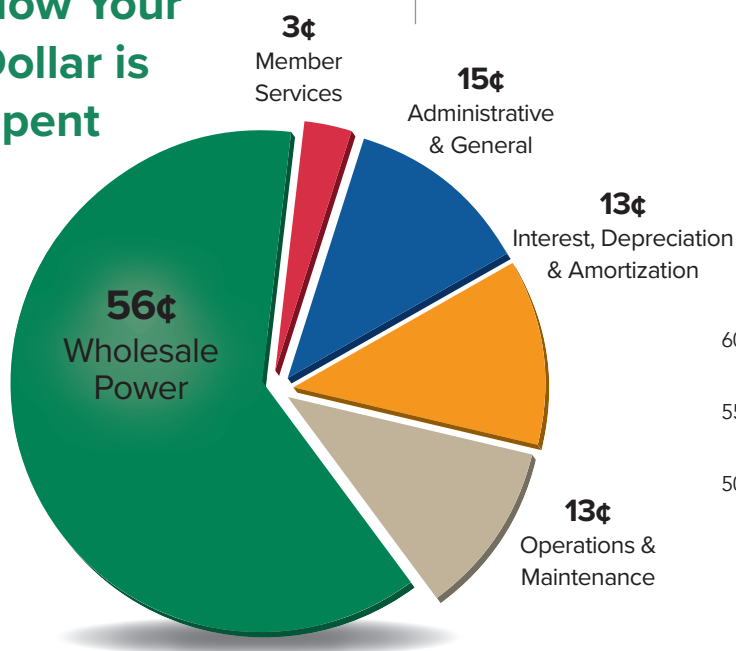
Operating Report

	2021	2020
OPERATING REVENUE	\$24,505,813	\$24,997,316
Purchased Power	13,467,047	14,965,303
Operating & Maintenance Expense	3,036,952	2,720,127
Administrative & Amortization Expense	3,764,473	3,593,873
Depreciation & Amortization Expense	2,184,835	2,139,908
Other	1,027,855	363,878
Interest on Long Term Debt	668,450	710,420
TOTAL OPERATING EXPENSES	\$24,149,612	\$24,493,509
OPERATING MARGINS	\$ 356,201	\$ 503,807
Non-Operating Margins – Interest & Other	682,983	395,097
Patronage Capital Allocated from Associated Organizations	389,012	293,213
NET MARGINS	\$ 1,428,196	\$ 1,192,117

Balance Sheet

ASSETS (OWNED)		
Electric Plant in Service	\$59,361,830	\$57,866,508
Non-Utility Property	2,949,744	3,448,120
Accumulated Depreciation	(27,967,788)	(26,612,516)
Cash and Temporary Investments	1,077,513	1,041,920
Investments in Associated Organizations	13,191,036	12,933,514
Accounts Receivable	2,725,907	3,225,203
Material & Supplies	2,982,315	2,036,954
Other Assets	1,728,497	\$ 1,855,147
TOTAL ASSETS	\$56,049,054	\$55,794,850
EQUITIES and LIABILITIES (OWED)		
Memberships	\$ 58,355	\$ 57,210
Patronage Capital and Other Equities	29,608,721	28,470,378
Long-Term Debt	20,312,259	21,958,808
Line of Credit	1,000,000	0
Accounts Payable	1,863,990	1,787,180
Customer Deposits	474,382	533,276
Other Liabilities	2,731,347	2,987,998
TOTAL EQUITIES and LIABILITIES	\$56,049,054	\$55,794,850

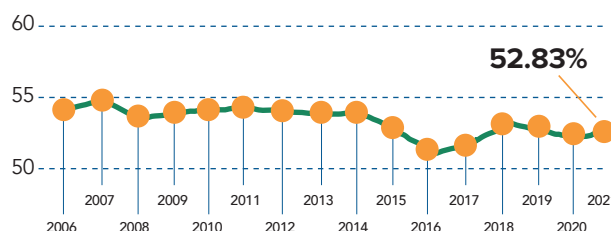
How Your Dollar is Spent



Respectfully submitted,

Diana F. Beale
Secretary-Treasurer

Cooperative Equity Level



GET LIT

RECORE.ENERGY/GETLIT



Changing the Way
the World Is Energized

