E ach year, we look forward to our annual meeting so we can share a meal together, reflect on the past year and look forward to the upcoming one. Though we can’t physically be together this year due to COVID-19 concerns and restrictions put in place by the state of Kentucky, we still wanted to share some highlights of the past year with you.

As we reported last year, Warren RECC is in the enviable position of sustained growth. In 2019, we saw the addition of 1,744 members, giving us 68,238 total members.

Last year, we set corporate goals to ensure you continue to receive the safest, most reliable electricity we can possibly provide. We set those goals beyond the industry standard and we strive to meet them every day.

We emphasize safety, and I am extremely proud of our employees for maintaining their focus on safety as our systems grows.

Beginning in March 2020, the COVID-19 virus altered the way we live, learn and do business. I am pleased to report that Warren RECC was able to remain open and continue to provide safe, reliable electricity to our members. During this time, we also took the opportunity to reach out to our communities. Through the TVA Community Cares partnership, we were able to donate $40,000 to two important initiatives. First, we increased the funds available to our members through the Operation Warm Hearts program. We also donated to six different food banks in our service territory.

WARREN RECC 2019-2020 AT A GLANCE

<table>
<thead>
<tr>
<th>RELIABILITY</th>
<th>SAFETY</th>
<th>GROWTH</th>
<th>HIGH-SPEED INTERNET</th>
<th>NO RATE INCREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over the past year, the power was ON 99.97% of the time systemwide</td>
<td>Warren RECC celebrated 500,000 hours with no lost time accidents at the end of January 2020</td>
<td>Warren RECC is the 10th largest of TVA’s 153 local power companies</td>
<td>Warren RECC launched two high-speed internet pilot projects in 2019, bringing access to over 1,500 members</td>
<td>2020 marks the 9th year with no local rate increase for our members</td>
</tr>
</tbody>
</table>
2019

WARREN RECC

SERVICE AREA

MAINTAINING LINE TO KEEP MEMBERS CONNECTED

Warren RECC maintains 5,754 miles of line in eight counties in the cooperative territory. That is roughly enough line to stretch from Washington, D.C., to San Francisco, California, and back.

REVENUE SOURCES

ACTIVE ACCOUNTS
As of December 31, 2019

<table>
<thead>
<tr>
<th>County</th>
<th>Accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barren</td>
<td>419</td>
</tr>
<tr>
<td>Butler</td>
<td>6,297</td>
</tr>
<tr>
<td>Edmonson</td>
<td>7,398</td>
</tr>
<tr>
<td>Grayson</td>
<td>10,757</td>
</tr>
<tr>
<td>Logan</td>
<td>2,806</td>
</tr>
<tr>
<td>Ohio</td>
<td>3,114</td>
</tr>
<tr>
<td>Simpson</td>
<td>4,667</td>
</tr>
<tr>
<td>Warren</td>
<td>32,780</td>
</tr>
<tr>
<td>TOTAL</td>
<td>68,238</td>
</tr>
</tbody>
</table>

ACCOUNTS BILLED
2019 ........................................... 67,683

AVERAGE KWH USAGE
(residential per month)
2019 .............................................. 1,355

MILES OF LINE
2019 .............................................. 5,754

CONSUMERS PER MILE
2019 .............................................. 11.76

FOR INFORMATION AND INQUIRIES
951 Fairview Ave
Bowling Green, KY 42101
(270) 842-6541
www.wrecc.com
YEAR IN REVIEW

STATEMENT OF OPERATIONS
As of December 31, 2019

Operating Revenue .............................................. $204,209,269

OPERATING EXPENSE
   Purchased Power ............................................. $152,085,060
   Operating System ............................................ 24,567,986
   Depreciation .................................................... 10,688,170
   Taxes ............................................................... 5,477,012
   Interest on Loans ............................................. 3,468,665
   Other Deductions ............................................. 4,086,662
Total Cost of Electric Service ........................................ $200,373,555

Operating Margins ............................................. $3,835,714
Non-Operating Margins ........................................ 557,297
Other Capital Credits ........................................... 168,666
Patronage Capital and Margins ............................... 4,561,677

BALANCE SHEET
As of December 31, 2019

ASSETS
   Total Utility Plant ............................................. $348,696,865
   Less Depreciation ........................................... (148,970,444)
   Net Utility Plant ............................................... $199,726,421
   Investments in Associate Organization ................... $6,173,315
   Cash ............................................................... 16,474,473
   Accounts Receivable ......................................... 10,369,465
   Inventory ......................................................... 5,604,804
   Prepaid Expenses ............................................. 342,544
   Deferred Debts and Other Assets ......................... 12,284,663
Total Assets ...................................................... $250,975,685

LIABILITIES
   Consumer Deposits ........................................... 4,212,836
   Membership and Other Equities .......................... 119,314,908
   Long-Term Debt ............................................... 79,128,857
   Notes and Accounts Payable ............................... 34,210,025
   Other Current Liabilities ................................... 8,341,727
Total Liabilities ................................................ $250,975,685

Statistics show the percentage of time that the average American has electricity at the flip of a switch is a steady 99.977%. That’s less than two hours without electricity a year.
WELCOME

to new employees who have joined the WRECC family this year!

Ben Mayes  
Fiber Optic Network Engineer

Carie Jones  
MSR II, Franklin

Keri Shobe  
MSR II, Bowling Green

Tyler Johnson  
Civil Engineer

Trevor Riddle  
Facilities Maintenance Coordinator

WRECC SCHOLARSHIP RECIPIENTS

Congratulations to the Warren RECC Scholarship Recipients! We wish each student the best of luck as they begin their postsecondary careers.

Trace Brantley  
Edmonson County

Cassidy Eversole  
Franklin–Simpson

Shelby Pierce  
Grayson County

Katie Henderson  
Franklin–Simpson

Briley Robinson  
Logan County

Morgan Lindsey  
Grayson County

Kayleigh Smith  
Barren County

Raquel Lopez  
Grayson County

Caroline Yates  
Franklin–Simpson

MIKE MCGUIRK SCHOLARSHIP AWARD — William Baxter, Greenwood

The Mike McGuirk Scholarship Award is a one-time scholarship given in honor of Mike McGuirk’s years of service on Warren RECC’s Board of Directors.

YOUTH TOUR PARTICIPANTS

Due to the COVID–19 virus, the Frankfort and Washington, D.C., Youth Tours were both canceled in 2020. However, we want to congratulate our outstanding students for being chosen to represent Warren RECC at these events. Later this year, Kentucky Electric Cooperatives will offer students a special virtual experience, and each of these students will have the opportunity to participate in next year’s Youth Tour events. Turn to page 38 to see photos of the students.

Bodie Hammer  
Butler County High School

Hnem Zing  
South Warren High School

Jade Keltner  
Edmonson County High School

Jordan Voyles  
Warren East High School

Gabriel McFayden  
Kings Kids Home School

Jordan James  
Warren East High School

Ashtyn Cole  
Logan County High School