

Your Patronage Allocation

After reviewing the operating revenues for 2021, the Franklin REC board of directors approved to set aside \$388,964.77 in excess margins to help keep the electric co-op financially sound, the quality of service as high as possible, to retire debt, and to build equity in our system. The board of directors will retire—or pay—these funds when the co-op’s financial condition permits.

We exist to make sure your needs are met, not to make a profit. Other businesses return profits to investors and stockholders. Not us. As a member-owned, not-for-profit cooperative, Franklin REC returns excess margins to members in the form of patronage dividends.

Your patronage dividends Your portion, or allocation, of the 2021 margins is listed to the left of the circle at the top of your electric bill. **The amount listed on your bill will not match your credit applied, as only a portion of your 2021 amount was refunded.** If the accounts receiving electric service in 2021 are now disconnected, a separate notice will be mailed for each of those accounts. The amount you earn is based upon the amount of electricity you purchase. Be sure to keep a record of the amount allocated.

Your address Contact us if you move out of our service territory and no longer receive service from Franklin REC. It is important to keep your address current with us so that we can return your allocation when the time comes.

Thank you for your membership!



Your Patronage Distribution

When you began receiving power from Franklin REC, you became a member of the cooperative. This means you have a share in the earnings of your not-for-profit electric cooperative.

Your cooperative's rates are set to bring in enough money to pay operating costs, make payments on loans, and provide an emergency reserve. Revenues in excess of the cost of doing business are returned to you—not investors—as patronage. We exist to meet your needs, not to meet investors' or stockholders' needs. That's the cooperative difference!

For 2022, Franklin REC's patronage distribution is \$275,439.22. This is the remaining balance of 2002 and a portion of the 2003 and 2021 patronage allocation. **All active accounts will receive a bill credit this year, not a check.** Your bill credit appears on your enclosed bill as line item PATRONAGE REFUND APPLIED. Your refund amount is based on how much electricity you purchased.

Franklin REC is currently returning patronage on a 20-year cycle. Your board of directors elected to pass on the retired amount to you.



Please call us at 641-456-2557 if you have questions. We are here to serve you!