



FRANKLIN RURAL ELECTRIC COOPERATIVE

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Franklin REC Members,

Once again, thank you to all who attended the second edition of our Member Appreciation BBQ on Oct. 28. It was great seeing everyone. The entire Franklin REC staff and directors thoroughly enjoyed being able to serve our membership with a quality BBQ meal.

In the spirit of full transparency and to let you, our members, know we value your feedback, we would like to take this opportunity to respond to some of the most common questions and statements we received on the surveys from the event. For those of you who were unable to attend our event, we passed out a survey to the first 350 vehicles. The survey asked for member feedback regarding the member appreciation events and past annual meetings, as well as an area to leave any comments or feedback. Included here are the most common questions and comments, as well as a few that we've discussed in the past but feel it's important to cover for those newer to our electric cooperative.

Q: Why were we not allowed to use vouchers from the first BBQ event held Oct. 18?

A: This is something we discussed thoroughly in-house, and ultimately it came down to three issues. 1) We had a budget to adhere to. 2) We were unsure how many old vouchers would be used on Oct. 28, which would have made planning that much more difficult. 3) We were trying to avoid running out of food and we wanted those that could not attend the event until later in the day to have the opportunity for a meal, as well.

Q: Could we elect to receive a bill credit instead of a BBQ meal?

A: We understand that everyone's preferences and situations are unique, which is why we are trying to give back in different ways. In 2020, the board elected to return \$207,000 dollars to the membership in the form of bill credits on the January 2021 bills (December usage). In the spring of 2021, we also paid out patronage (or capital credits) in the form of bill credits in the amount of \$309,000. To allow for a more personal touch, Franklin REC elected to host this BBQ event so we could give back, while at the same time have a personal interaction with the membership we proudly serve.

Q: Did the board of directors sell land to the cooperative to build solar arrays?

A: Franklin REC needed approximately one acre of land for each of our three solar arrays located within our service territory. Ads were placed in numerous outlets *for over a year* asking for interested members willing to sell a single acre of their property. Initially, we did receive interest from members, but unfortunately their properties would not allow for us to maximize the output of the solar panels. For solar panels to be most efficient, we needed land located along a paved road (approximately 350 feet long) to keep as much dust as possible off the panels. The most common issue however, was that the proposed properties were not located along a three-phase line. We learned from the first solar array at our headquarters, to transmit as much energy generated back onto the grid as possible, we needed a three-phase line.

After these options were exhausted, we looked at our service territory maps to define where three-phase lines are located on a blacktop roadway. We then reached out to those members individually and asked if they would be willing to sell an acre of their land for this project. Regrettably, that did not work either.

The board was adamant in erecting these solar arrays for many reasons, but mainly because they would save the membership money in energy cost, as well as help with environmental issues. Two board members then offered to sell an acre of their land. When the time came to vote on the purchase of land, those directors whose land was offered, left the meeting and abstained from voting to avoid a conflict of interest.

Q: I'm unsure of what happens at the Franklin REC annual meeting.

A: Most importantly, the annual meeting allows our members the opportunity to meet and discuss issues and ideas with the board of directors who represent you. Updates are provided, which generally include the financial condition of the co-op, line-build projects, our generation portfolio, the cooperative's community involvement/activities, a presentation from our scholarship awardees and our Youth Tour representative, and much more. It is also a great way to inform our membership of what has happened at the cooperative over the past year and the direction in which the cooperative is headed. Please plan to attend our next annual meeting, tentatively scheduled for April 5, 2022, to receive all the listed updates!

Q: I have missed hearing the REC reports and Youth Tour participants at the in-person annual meetings the last two years.

A: Due to the pandemic, Franklin REC altered how we organized our annual meetings. The 2019 annual meeting was postponed until April of 2020, at which time a drive-through annual meeting was held. This allowed members to drop off their ballots, receive a free gift, and have a quick chat with directors and employees. Unfortunately, the 2020 and 2021 Youth Tour was canceled due to the pandemic. The Youth Tour to Washington D.C. is offered to a sophomore or junior within our service territory for an educational experience on how cooperatives and our government work. Each year at our annual meeting we ask those participants to give a presentation on their trip. The Iowa Association of Electric Cooperatives did provide an alternative for youth in 2021 with a new program called the Iowa Youth Leadership Academy. This program consisted of three sessions of webinars that discussed the cooperative business model. Franklin REC was fortunate to have two high school students participate, and we look forward to sharing more details on that experience in the future.

Q: Why do you spend money on advertising?

A: At Franklin REC we take the safety of our employees and members seriously. A majority of our advertising is centered around safety messages including the Move Over, Slow Down law, as well as farm and electrical safety. These advertisements are well worth it if or when we prevent a serious injury or save just one life.

Thank you again to those that attended our event on Oct. 28, and a special thanks to all of those who took the time to fill out and return the survey. If you ever any issues or questions, please don't hesitate to reach out to us at Franklin REC. We are more than happy to address them.