

Thank you for your membership!

Franklin REC exists to make sure your needs are always 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.

After reviewing the operating revenues for 2020, the board of directors approved to set aside \$568,260.33 in excess margins. These margins will be used to help keep the electric co-op financially sound and the quality of service as high as possible. The funds will also be used to retire debt and build equity in our distribution system. The board of directors will retire—or pay—those funds when the co-op's financial condition permits.

Your portion Your portion, or allocation, of the 2020 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 a portion of your 2020 amount was refunded. If the accounts receiving electric service in 2020 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.

Patronage Dividends: Part of the Cooperative Difference.



FRANKLIN RURAL
ELECTRIC COOPERATIVE

Your Touchstone Energy® Cooperative 

June 2021

2021 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 2021, Franklin REC's patronage distribution is \$309,000. This is 63 percent of the remaining 2002 patronage and approximately 44 percent of the 2020 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 returns 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!