



\$500,000 In Capital Credits Going Back To Members

As a not-for-profit electric cooperative, we believe in giving credit where credit is due—to the members who shape our co-op. One way we do this is through capital credits. Because Linn County REC operates at cost, we give money back to our members rather than outside investors or shareholders.

HOW CAPITAL CREDITS WORK:

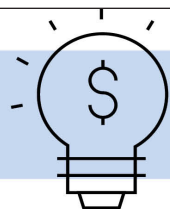
- Linn County REC keeps track of how much electricity you purchase for your service throughout the year.
- Then, we pay our operating costs (power generation, maintenance, depreciation, taxes, etc.) and determine whether there are excess revenues, called margins.
- We allocate the margins to members as capital credits based upon their use of electricity during the year.
- When our financial condition permits, your board of directors decides what portion of the allocated capital credits to return.
- We notify you of how and when you'll receive your capital credit retirements (current members receive a credit on their September bill).

This year, your board of directors approved a capital credit payment of \$500,000 for 2024. If you are a active member who received service from us during that time, you will have a credit on your September bill statement based on your usage during that calendar year. Inactive account checks will be mailed at the end of September or early October.



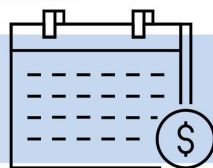
How Capital Credits Work

Electric co-ops are not-for-profit and operate at cost. Capital credits are a financial benefit of co-op membership.



1. Members pay their electric bills, and we track their business with us each month.

2. The co-op pays operating expenses throughout the year and allocates any leftover operating revenue as capital credits.



3. When financial conditions permit, the co-op board votes to retire (pay) capital credits to the members.

4. We send members their share of capital credits as a bill credit or check.



IS YOUR CONTACT INFORMATION CURRENT?



It's important to keep your contact information up-to-date, so you receive timely notifications from us. This includes your email address, phone number, and mailing address. Updating this information enables us to improve customer service and communicate more effectively during outages and with account information.

Your phone number is linked to your service address and our outage management system for reporting and repairing outages. We also occasionally plan outages to update, repair, or replace equipment. In these instances, we contact impacted members through automated phone messages. Your phone number must be verified to receive these messages.

NOTIFICATIONS

To ensure we have your most up-to-date contact information and to set up or manage your account notifications, go to > Settings > Contact Methods > Verified Contacts in our SmartHub app. Remember that you must confirm your contacts to receive text or email reminders about your account.

Don't have SmartHub? Go to our website and download for free! If you have any questions regarding your account, email us at lcrec@linncountyrec.com or contact our Consumer Services department.



Save The Date -- Annual Meeting Is September 26th

Join us online for the annual meeting on Thursday, September 26. The meeting will be held via Zoom and recorded for our YouTube channel. Meeting details, candidate biographies and voting instructions will be featured in upcoming newsletters.

Our annual meeting is an opportunity for you to exercise one of the greatest benefits of being a member of an electric co-op ~ voting for the board of directors. This year, members will be voting to elect directors in districts 1 and 5.

How To Vote

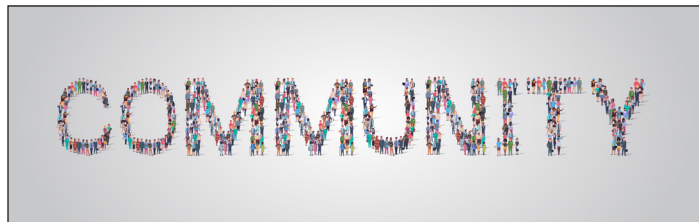
You can vote for your board of directors three different ways:

1. SmartHub (in the app and on desktop)
2. Online (through Linn County REC's direct vote website)
3. Mail ballot - (mailed first week in September)

FOUR REASONS TO VOTE IN CO-OP DIRECTOR ELECTIONS

Electric co-ops are led by the members they serve, which means you have a say in who governs our co-op. Here are four reasons why you should participate in director elections.

1. As a member of the co-op, your input matters.
2. Directors represent you on important energy-related issues.
3. Directors' decisions can impact electricity rates and future projects.
4. With convenient voting options available, it only takes a minute.



Concern for community is one of our seven cooperative principles that help guide all cooperatives. Volunteering is one of the ways that we fulfill our commitment to the communities we serve. This spring, we had employees volunteer their time to two causes.



Linn County REC employees installed windows and doors for a new Cedar Valley Habitat for Humanity home in Marion.



Linn County REC employees educated attendees about how to stay safe around electricity for Ag Day In The Park at the Linn County Fairgrounds in Central City.



We're Here To Help You Save

As temperatures rise over the next few months, we want to inform you about a range of energy-saving offerings designed specifically for you. These programs and services can help you manage your energy consumption and costs.

TIME OF DAY RATE

Using the time-of-day rate to your advantage can lead to savings on your energy bill. Shifting electric use away from on-peak times can save you money each month. Energy saved during the peak period translates into lower power costs for Linn County REC and our members.

BUDGET BILLING

When you sign up for our budget billing plan, your energy bill will equal 1/12 of your estimated annual billings based on your usage history. With budget billing, your monthly energy costs are easier to budget and manage, especially during seasonal fluctuations when bills tend to increase based on the weather. Budget billing is a great option for anyone with a fixed income or highly variable seasonal needs.

ENERGY USAGE EVALUATION

We offer two online energy audit tools. You can fill out our energy usage evaluation for review by our energy advisors, who will identify where energy is wasted and suggest ways to improve efficiency and reduce your bills. Alternatively, our residential self-assessment form provides tailored energy-saving recommendations for members.

REBATE PROGRAM

When you make upgrades or purchases to reduce home energy use, those smart decisions should be rewarded. We offer rebates on energy-efficient appliances, heating and cooling equipment, and more. Visit our website to learn about our rebate program and how you can receive a bill credit for making smart energy choices.

SMARTHUB APP

Download our free SmartHub app to monitor your daily energy use and see how it is trending over time.

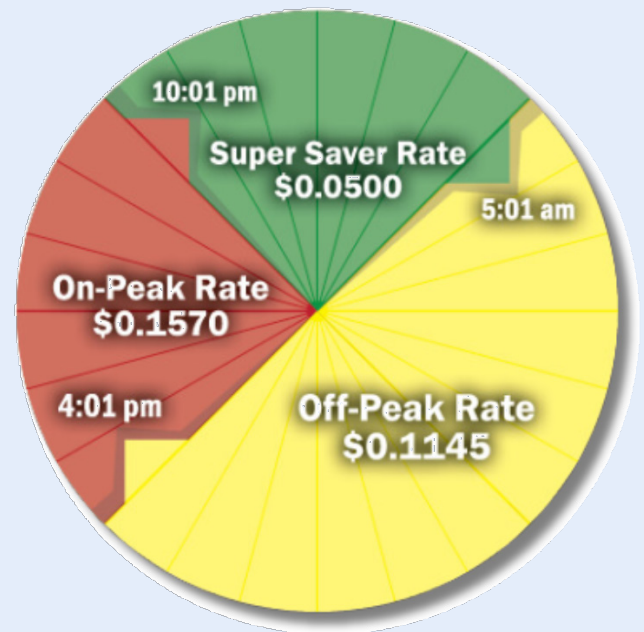
YOU HAVE THE POWER

Small actions combined can have a big impact on summer energy bills. Use these tips to lower energy use:

- Adjust your thermostat to sync up with off-peak rate periods.
- Ceiling fans can also help you feel cooler (set counterclockwise for summer months), but remember to turn them off when you leave the room.

SHIFT AND SAVE

- Spread out the use of major appliances rather than running them at the same time to minimize your demand.
- Move laundry and other chores to off-peak hours. Use the delay start feature on your washer, dishwasher, or a timer for other appliances to run at different times.
- If you have a programmable thermostat, adjust the settings to sync up with off-peak rate periods.
- Unplug charging cables and small appliances when not in use. Plug larger items like TVs into a power strip that can be flipped on and off.
- If you have an electric vehicle, charge it overnight.
- Use smart plugs/automatic timers to run appliances and equipment such as dehumidifiers, EV chargers, and pools/hot tubs.



- On warm summer nights, fire up the grill to keep additional heat out of the kitchen.
- Remember to change air filters often so your cooling system doesn't have to work harder than necessary.

We are here to help you manage your energy use, whether through efficiency programs and services or energy-saving advice from our energy advisors. For more energy-saving advice, visit our website at www.linncountyrec.com or contact our Member Services department.

Understanding Your Electric Bill: A Three-Part Series

Electric bills can be confusing, with numerous terms and numbers. However, understanding your bill is essential for managing energy usage and saving money. In this three-part series, we'll simplify the process, break down charges, and offer tips to help you control your energy costs. In this first article, learn about franchise fees and how they impact your utility bill. And stay tuned for the following two newsletters to learn more about your bill.

WHAT ARE FRANCHISE FEES?

A franchise agreement is a legal arrangement that allows a utility to use public streets and alleyways to provide services like electricity, water, or gas to homes and businesses within a city. In Iowa, cities can grant these franchises under Iowa Code 364.2.

To help fund public services and infrastructure, cities can charge franchise fees. Under Iowa Code 384. 3A, the franchise fee can be up to 5% of the revenue a utility generates from consumers within city limits. This fee is collected by the utility and passed on to the cities. Before

implementing or changing a franchise fee, a city must publish a revenue purpose statement. The revenue purpose statement explains how the revenue from the fee will be used by a city.

How Do Franchise Fees Affect Your Bill?

If your city has implemented franchise fees, it can range from 1% to 5% of your total utility bill. This fee collection is calculated based on the amount of service you use, which means larger more energy intensive households or businesses may pay more than smaller ones.

Though it may not seem like much, the impact of this charge can add up over time. For example, a \$100 utility bill could have an additional \$1 to \$5 in franchise fees, depending on the percentage set by your city. The fee will be clearly listed on your bill, so you can see exactly how much is being collected.

FRANCHISE FEE BREAKDOWN BY CITY

Here is a list of franchise fees by city, showing the percentage applied to your utility bill:

CITY	FRANCHISE FEE (%)
Cedar Rapids	3% (notification of change to 4% July 1st)
Central City	5%
Center Point	3%
Coralville	1% (notification of change to 2% July 1st)
Hiawatha	3%
Ely	1%
Marion	5%
North Liberty	5%
West Branch	1%

WHAT YOU CAN DO

While the franchise fee may be unavoidable, it's important to understand that the amount collected can vary depending on when and how much energy you use. If you have any questions about your bill or how the franchise fee is applied, don't hesitate to contact us. We are here to help you understand your charges and how you can manage your utility use more efficiently.



Grilled Corn Salad

- 6 ears of corn, husks and silk removed

¼ cup fresh lime juice

1 Tbsp minced garlic

1½ cups sliced mini sweet peppers

½ cup sliced jalapeños

¼ cup chopped fresh cilantro, optional

salt and pepper to taste
- 2 tsp lime zest

¼ cup olive oil

1 Tbsp honey

¼ tsp cumin

½ cup crumbled feta

Spray corn with cooking spray. Place on grill and cook until charred on all sides, 10 to 15 minutes. Transfer to cutting board, cool slightly, and cut kernels off of cob (corn cob kernel remover). Whisk together lime zest, lime juice, olive oil, garlic, honey and cumin. Season with salt and pepper. Toss together corn, sweet peppers, jalapeños, feta, cilantro and vinaigrette.

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