

Spotlight

FROM THE MANAGER— JIM HATHAWAY

Capital Credits

October is co-op month. As part of co-op month, Dunn Energy Cooperative will be sending out check to thousands of current and former co-op members. We call them capital credits checks because they represent a return of capital to our members. Dunn Energy Co-op operates on a not-for-profit basis. This means that any revenues generated in excess of expenses are returned to the members of the cooperative. And the excess revenues are returned as capital credits checks.

Cooperatives operate and serve their members by following the seven cooperative principles.

The third cooperative principle is Member's Economic Participation. Dunn Energy members participate by paying their electric bill. This produces revenues for the co-op. Every year revenues are generated in excess of expenses. This excess revenue or margin is invested in the cooperative. In other words the money is used to build the lines and buy the transformers, meters and other equipment necessary to bring electric power to the homes, farms and businesses

"This investment represents the member's equity in the cooperative."

of our members. This investment represents the member's equity in the cooperative.

Every year, to maintain its federal tax-exempt status, a co-op must allocate capital credits to its members. The allocation is based on each member's patronage or what they paid for electricity in the previous year. Dunn Energy maintains records that reflect each member's balance. Their equity in the co-op. In recent years, Dunn Energy has provided this information on the electric bills our members receive in July.

Every year the cooperative also returns a portion of this equity to our members in the form of capital credit checks. This provides our members with proof of their ownership in the co-op. Retiring capital credits also ensures

that each generation of members pays its own way by providing its own equity in the co-op.



In October Dunn Energy Cooperative will be returning over \$600,000 dollars in capital credits to its members. If you do not receive a check this month, your account has not accumulated \$5 or more in retired credits. After your retired credits reaches \$5 or more, a check will be mailed to you. Remember, capital credits are based solely on patronage or the total amount members pay in a year for their electricity. Therefore, the more electricity purchased the more capital credits are earned and eventually returned to the member.

Dunn Energy pays capital credits back on a blended method of first-in, first-out and percent of more recent years. The total amount to be returned is determined annually by the co-op's board of directors to ensure that member equity remains healthy.

Over the years, Dunn Energy Cooperative has returned over \$18,000,000 to its member/owners. If you stop to think about it there are not many businesses where you spend your money to get a product or service then get some of your money back. That's one of the benefits of being a member/owner of a cooperative! And it is one of the ways that we meet the requirements of Cooperative Principle #3.



October is Cooperative month!

22nd Annual
Cooperative FREE Breakfast
Saturday, October 27 • 8 - 11 AM

Breakfast Location: Dunn Energy Cooperative • N5725 600th Street, Menomonie, WI

Join us for **Dad's Belgian Waffles**
Cooperative Displays | Kid's Activities | Face Painting



Please support the
*Stepping Stones Food Pantry
of Dunn County*

by bringing non-perishable or cash donations to the breakfast.

We CAN make a difference!

Come and celebrate the power of cooperatives!



SILVER SPONSOR | Menomonie Market Food Co-op

Spotlight



This newsletter is published for the members of Dunn Energy Cooperative. If you have questions or comments please give us a call. Visit the Energy Professionals at your local energy cooperative.

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Calendar of Events Oct. 2018

- 6 Arts Coming Together Faerie Land Garden build** – ACT building behind Wilson Place Mansion – begins at 10 a.m. – for more information call 715-233-4293
- 13 Midwest Craft Brewers Oktoberfest** – Tanglewood Greens, Menomonie – Enjoy tasting many local/regional craft beers – for information contact Anna at 715-232-5484

If you have any upcoming events you'd like to post in our calendar, please call Jolene at 232-6240 or email her at jolene@dunnenergy.com.