



June 1, 2022

RE: RESCO's Patronage Refunds for Fiscal Year 2021

TO: CRETE, CITY OF
CEO/General Manager and Board President

Thanks to support from your organization and others like you, RESCO had another successful year in 2021. The RESCO Board of Directors has declared a 2021 RESCO patronage dividend allocation in the amount of \$11,547,289. This amount represents the excess net margins RESCO's members paid in to RESCO in 2021. \$2,309,452 of this amount will be given back to RESCO's members in the form of cash and the remaining \$9,237,837 will be given back to RESCO's members in the form of a 2021 capital credit certificate.

Patronage dividend allocations are only paid to common stockholder members such as yourself. These distributions are based on your patronage of RESCO and are paid out 80% in capital credit certificates and 20% in cash. The capital credit certificates are RESCO's promise to pay that amount at some time in the future on a revolving first in/first out basis subject to approval by the RESCO Board of Directors. Therefore, please find enclosed a capital credit certificate and a check for your share of the 2021 excess margins based on your patronage of RESCO for the year 2021.

Like last year, RESCO has computed two separate allocations for your organization. One is for the allocation of RESCO's operating excess net margins, and the other is to allocate the member portion of the patronage dividend allocation received from ERMCO in 2021. ERMCO is a cooperative manufacturer of electrical transformers and passes back patronage dividend allocations to members like RESCO. RESCO then allocates the portion of the ERMCO patronage dividend attributable to Member patronage, back to the RESCO Members who patronized and purchased ERMCO transformers.

Please be aware you will need to add together the 2021 cash portion of the allocation and also the full-face value of the capital credit certificate amount to arrive at your total 2021 patronage dividend allocation. The capital credit certificate amount is the remaining portion of your 2021 patronage dividend allocation that RESCO will retire at some point in the future. We have enclosed a recap report which should clearly show your total 2021 RESCO Member patronage dividend allocation for your accounting purposes.

In addition to approving the 2021 RESCO patronage dividend allocation, the RESCO Board of Directors also approved retiring RESCO's outstanding capital credits for the year 2011 totaling \$2,133,163. If your utility has any outstanding capital credits with RESCO from that time period, the enclosed check will reflect the retirement of your outstanding 2011 capital credits with RESCO along with the cash portion of your 2021 patronage refund.

As I have noted, RESCO is enclosing a summary recap sheet with this letter to show the different components of your 2021 patronage dividend. However, should your accounting department need any additional information or clarification, please contact RESCO CFO Jeff Kuhnle at 608-824-6066 or jkuhnle@resco1.com and he will be happy to review the information with them.

RESCO appreciates the support we have received from you in the past and will continue to do everything possible in the future to earn and maintain your support.

Sincerely,

Matt Brandrup
President and CEO
Rural Electric Supply Cooperative

Rural Electric Supply Cooperative
Madison, Wisconsin



CAPITAL CREDIT CERTIFICATE

June 1, 2022

TO: CRETE, CITY OF

Certificate No.: 22135 - RESCO

Amount: \$ 1050

Certificate No.: 22135 - ERMCO

Amount: \$ 3344

Total 2021 Capital Credits: \$ 4394

This Capital Credit Certificate, issued in accordance with the provisions of the Bylaws of Rural Electric Supply Cooperative (RESCO), is evidence that RESCO has credited patronage capital in the above amount to your capital account for the years attached. No dividends or interest are payable on this certificate. The amount credited to your capital account may in the future be paid to you and this certificate retired, in full or in part, predicated on prudent business management of RESCO's affairs.

A handwritten signature in black ink, appearing to read "Matt Brandt", written over a horizontal line.

President/CEO

A handwritten signature in black ink, appearing to be a stylized monogram, written over a horizontal line.

Assistant Secretary

Summary of CRETE, CITY OF's (52093) 2021 RESCO Patronage Dividend Allocation

Capital Credit Portion of 2021 Dividend Allocation	\$ 4394
Cash Portion of 2021 Dividend Allocation	<u>\$ 1099</u>
Total 2021 RESCO Patronage Dividend Allocation	\$ 5493

Summary of Check amount for CRETE, CITY OF

Retirement of 2011 Outstanding Capital Credits with RESCO	\$ 0
Cash portion of 2021 Patronage Dividend Allocation	<u>\$ 1099</u>
	\$ 1099



SUPPLYING THE COOPERATIVE ADVANTAGE

Common Stock and Remaining Capital Credits

Year	Customer		Common Stock	Capital Credits
	Number	Customer Name		
2018	52093	CRETE, CITY OF	500.00	
2018	52093	CRETE, CITY OF		1,525.00
2019	52093	CRETE, CITY OF		4,405.00
2020	52093	CRETE, CITY OF		1,125.00
2021	52093	CRETE, CITY OF		4,394.00
52093 Total			500.00	11,449.00

RESCO

P.O Box 44430
MADISON WI 53744-4430

401681

Vendor # 32805

INVOICE DATE	TYPE	INVOICE NUMBER	INVOICE AMOUNT	DISCOUNT	NET AMOUNT
06/10/22	IN	2021 20% CASH	1099.00	0.00	1099.00

DETACH AND RETAIN FOR YOUR RECORDS

Totals

1099.00

0.00

1099.00

157354.ai

THIS CHECK HAS VARIOUS SECURITY FEATURES INCLUDING COLORED BACKGROUND & MICROPRINTING

RESCO
SUPPLYING THE COOPERATIVE ADVANTAGE

P.O. Box 44430, MADISON WI 53744-4430
(608) 831-2600

JPMorgan Chase Bank, N.A.
Milwaukee, WI
12-1 / 750

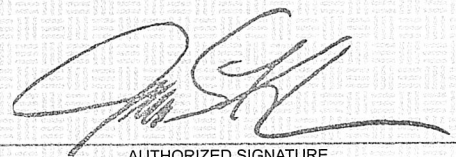
401681

DATE		AMOUNT
06/27/22	00401681	*****1,099.00

Pay One Thousand Ninety-Nine and no/100*****

PAY TO THE ORDER OF

CRETE, CITY OF
PO BOX 86
CRETE, NE 68333


AUTHORIZED SIGNATURE

MP

401681 0750000191

7809088281