



# [Rural Life]

## MILESTONE ACHIEVED: CAPITAL CREDIT RETIREMENT BEGINS!

BY JACK JOHNSTON || CHIEF EXECUTIVE OFFICER || JACKJ@SECPA.COM

I wrote much over the years about the “cooperative difference” and why it is special to be a member-owner. There are so many intangible benefits, but there are also tangible ones such as **capital credits**, which certainly have the highest value.

Back in 1937, when no other company was willing to bring electricity to our communities in southeastern Colorado, citizens contributed the necessary dollars to help collectively finance their own cooperative system through the Rural Utilities Service loan program — a subset of the U.S. Department of Agriculture. Member-ownership was established and the risk accepted to ensure that the local mainstream quality of life was preserved.

Electric cooperatives are nonprofit businesses and work on a cost basis only to collect the projected revenue necessary to run the cooperative. Rates paid by members have funded ongoing operations and construction and maintenance loans along with emergency financial reserves.

At the end of each calendar year, any excess revenue (net margins) is designated as patronage capital, or capital credits as they are commonly called, with these funds representing each member’s investment (or equity) in the cooperative. Based on percent of usage, members receive an annual Capital Credit Allocation Notice. Due to the high-cost nature of a utility business coupled with the fact Southeast Colorado Power Association has the largest certificated territory in the state,

it wasn’t until 1962 that a net margin was achieved.

Since that time, SECPA needed to retain those allocated net margins to meet the build-out, upgrade, replacement and maintenance requirements of such a large system — especially one that experienced such cyclical weather and economic turbulence. It was also specifically utilized to keep both rates and accumulated debt as low as possible.

The great news is SECPA is now in a position to begin retiring capital credits. Your democratically-elected board of directors approved almost \$130,000 in capital credit retirements this past December, satisfying the entire 1962 budget year. This member equity will be returned in either the form of a check or bill credit or donation to a lineworker burn fund. Heirs and/or designees are also entitled to these options.

Although allocations are accounted for automatically, capital credit retirement decisions are considered on an annual basis based on many factors. It can also take many different forms based on the present landscape. That said, it is SECPA’s intention to continue this momentum and continue retiring capital credits yearly. The financial structure and nature of electric cooperatives is such that it may take some years to achieve an optimum retirement cycle. However, this is a proud start.



Jack Johnston

Many board directors and staff worked hard over SECPA’s history to not only achieve this financial strength and stability, but to continuously power our communities safely and reliably. That mission will never change.

More individualized information will be shared in the upcoming months. So, if you are a recipient this year, we hope this extra money will be something special to celebrate. The same sentiments will ultimately hold true for all past and present members whose ownership is the core of all cooperative benefits.

YOU COULD  
BE A WINNER  
THIS MONTH

If you find your name in this issue as follows (WIN\* your name, your account number), please contact Southeast Colorado Power Association at 719-384-2551 or 800-332-8634 to receive a credit on your next power bill.

**Last month’s winner is  
Andrew Gonzales Acct.# 705840000**



# RESTORING Power after Storms

Severe storms are unfortunate and can be devastating.

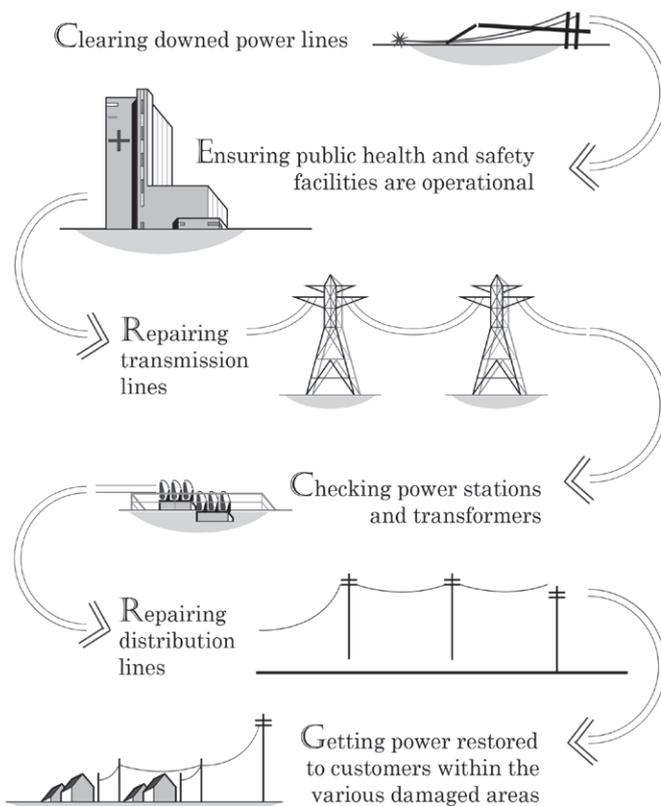
These storms can take down power lines—creating a dangerous situation for all of us, including the linecrew working hard to get your power turned back on.

How long it takes to get your power restored depends on the extent of the storm's destruction, the number of outages, and when it becomes safe for utility personnel to get to the damaged areas.

Learn more about staying safe during power outages and after storms at [SafeElectricity.org](http://SafeElectricity.org).

WIN\*  
Charley Montanez  
Acct.# 1308620000

*There are many steps in the assessment and restoration process:*



# MAKE YOUR HOME WORKSHOP SAFE

For many DIYers, the workshop is a second home. Make sure it's a safe place to work productively. With so many power tools in one place, it's important take steps to prevent electrical shocks and other hazards:

- Choose electrical outlets equipped with ground fault circuit interrupters. Use portable GFCIs if outlets don't have them.
- Make sure metal workbenches are grounded. Hire a professional to do that work.
- Check for damaged cords, plugs and signs of wear before using equipment.
- Replace old, worn power tools and cords.
- Use heavy-duty extension cords rated for the tools you plan to use.
- Make sure the area is clean and dry before undertaking any project.
- Store flammable liquids and materials away from the workbench and where spark-producing tools like grinders and cutters are used.
- Secure equipment and tools when not in use to prevent them from falling, being damaged or causing injuries.
- Keep children and pets out of the workshop when power tools are used.

Always stay focused when working with power tools. If you are tired or distracted, wait until another time so you can work safely and give the project full concentration. Learn more at [SafeElectricity.org](http://SafeElectricity.org).



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# YOU'RE INVITED TO SECPA'S ANNUAL MEETING

Southeast Colorado Power Association will hold its annual meeting  
**THURSDAY, APRIL 5, 2018**

***“Serving Southern Colorado for over 80 years.”***

\*\*\*\*Cash prizes given away throughout the meeting\*\*\*\*

Please join us at Inspiration Field, 612 Adams, La Junta, CO

## BOARD ELECTIONS

Board candidates will be featured in the March *Colorado Country Life* issue

**Registration 5 p.m. | Dinner 6 p.m. | Meeting 6:45 p.m.**

## DID YOU KNOW?

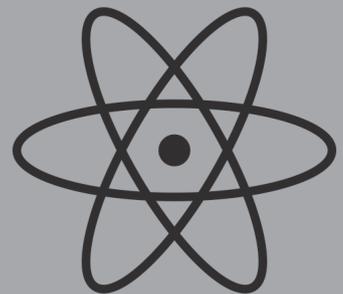
More than 80 percent of the nation's electricity is generated by coal, natural gas and nuclear energy. These three energy sources utilize heat (in different ways), which ultimately causes a large turbine to spin. The spinning motion creates the electricity, which is then routed over transmission lines and eventually delivered to your home.



**30.4%**  
generated by coal.



**33.8%**  
generated by  
natural gas.



**19.7%**  
generated by  
nuclear energy.

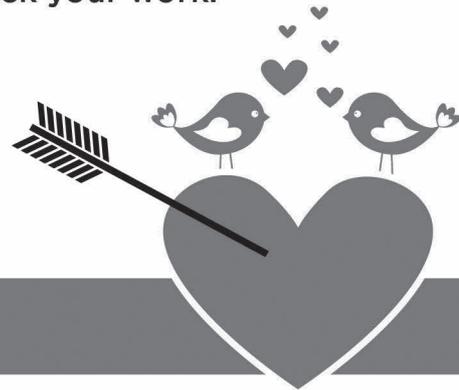
Source: Energy Information Administration

# Valentine's Day Word Search



Valentine's Day is February 14! Can you find the associated words in the puzzle below? Use the word bank to check your work.

- |                        |                  |
|------------------------|------------------|
| <b>CANDY</b>           | <b>FRIEND</b>    |
| <b>FLOWERS</b>         | <b>LOVE</b>      |
| <b>HUGS</b>            | <b>CHOCOLATE</b> |
| <b>VALENTINE'S DAY</b> | <b>HEART</b>     |
| <b>CARD</b>            |                  |



T	Q	V	X	G	F	C	Y	F	C	J	U	E	Z	E
S	R	N	U	R	F	R	R	S	K	A	V	C	T	G
K	M	A	I	Z	W	Y	Q	E	E	O	R	L	U	F
Q	Z	E	E	U	V	R	S	S	L	M	M	D	O	L
P	N	H	A	H	R	C	M	O	I	C	X	J	A	O
D	W	C	Q	A	W	O	H	R	D	E	P	X	U	W
I	B	E	J	S	R	C	M	O	D	M	R	V	A	E
L	D	R	Z	D	U	V	K	P	C	O	J	M	M	R
M	B	M	O	L	X	Z	E	L	U	O	W	F	U	S
Q	Y	H	R	O	M	D	E	K	K	D	L	Z	O	D
H	U	G	S	J	Y	D	N	A	C	E	Y	A	P	O
J	G	D	Q	W	M	K	J	P	T	P	D	K	T	F
V	A	L	E	N	T	I	N	E	S	D	A	Y	U	E
E	T	J	Z	V	L	R	M	K	R	D	S	Y	N	M
F	H	K	H	P	Q	X	Q	K	A	V	U	I	I	R



AMERICA'S ELECTRIC COOPERATIVES