

You have a bill credit!

PAY TO THE ORDER OF Valued Member \$
See Your Bill for Amount!

Bill Credit



Your membership in 2004 has earned a credit! See reverse side for information about capital credits.

Capital Credits - Another example of the Cooperative Difference



What is a capital credit?

As a member-owned, not-for-profit cooperative, CHELCO does not manage costs in an effort to pay profits to shareholders. Members like YOU have paid for the cost of service, so YOU gain when margins remain after expenses are paid. These margins become capital credits when we assign them to members in a process called allocation. The actual money is used as operating capital for electrical facilities and equipment that are typically used over a long period of time. Using capital credits to finance improvement reduces the need to borrow, which saves money for members.

When we allocate margins to capital credit accounts, we track each member's share. These capital credits become our member ownership, or member equity, in CHELCO. Members normally receive notice of their annual allocation from the previous calendar year annually.

Each year, your Board of Trustees determines if CHELCO's financial condition will allow the retirement of a portion of the capital credits. Your capital credit amount is from your membership in 2004. The amount reflects your share of this year's retirement. Your share is determined by how much business you did with CHELCO that year.

You are one of more than 30,000 current and former members benefiting from this capital credit retirement. We have a mission to provide reliable electricity and dependable service at a reasonable cost, and we are proud to serve you, our member-owner.

Active members who receive less than \$30 will receive a credit on their bill, while those with amounts of \$30 or more will receive a check. Inactive members whose amount is \$5 or more will receive a check, while amounts under \$5 will be placed in hold to be added to a future retirement until the total is \$5 or greater.

If you have questions, please visit
CHELCO.com/capital-credits or call our office
 at (850) 892-2111 during normal business
 hours, 7:30 a.m. to 4 p.m.