

What are capital credits?

Because St. Croix Electric is a not-for-profit business, any profits (or margins) collected after all operating expenses have been paid are allocated to the members in the form of capital credits. The allocation amount is based upon the amount of business conducted with the co-op during a specific year.

When are capital credits paid?

Capital credit payment amounts and frequencies are determined by the board of directors based on the financial condition of the cooperative. The board's policy goal is to pay capital credits each year in an amount equal to four percent of the membership's total equity balance. That goal is being exceeded this year with the board approving distribution of five percent of that equity balance. Payments are made on both a scheduled and unscheduled basis. The capital credits to be paid in 2011 as authorized by the board of directors total approximately \$787,000.

General refund: Scheduled payments include the distribution of capital credits in amounts necessary to maintain a 20 year revolving cycle; the year 1991 is paid in 2011.

Percentage refund: After making the 20 year payment, remaining amounts may be applied and paid as a percentage of a prior year's capital credits. In 2011, current members are receiving a percent payment of their capital credits for the year 2008.

Your capital credits appear as a credit to your account and are noted as a "patronage credit."

The St. Croix Electric Board of Directors is pleased to present you with capital credits.

Sharing the cooperative's profits through the distribution of capital credits is a membership benefit enjoyed by current and former members of the cooperative. Your capital credits have been applied directly to your electric account.



A Touchstone Energy[®] Cooperative 

photo: The Willow River

