



### Add it up.

You are a member-owner of Butler Rural Electric Cooperative.



You pay your monthly electric bill in order to help cover the cooperative's operating expenses.



The cooperative's operating expenses are subtracted from money that is collected throughout the year.



Based on your patronage and the decision of the board, your capital credits are retired back to you.



A check, in your name, sent to your house in November (unless you choose to apply it your electric bill).

### The Cooperative Difference

Butler Rural Electric Cooperative is a not-for-profit, member-owned electric company. Abiding by one of the Cooperative's Seven Principles: Member Economic Participation, the board of trustees determines the retirement of capital credits to its members, based on the cooperative's financial stability. Capital Credits are just one of many differences that set cooperatives apart from other business models.

#### *Serving you locally.*

Office  
3888 Stillwell Beckett Road  
Oxford, Ohio 45056

Phone  
Local: 513 867 4400  
Toll-Free: 800 255 2732

Online  
[www.ButlerRural.coop](http://www.ButlerRural.coop)  
[butler@butlerrural.coop](mailto:butler@butlerrural.coop)

**BUTLER RURAL**

# capital credits

everything you need to know about the monetary benefits of being a cooperative member

AS A MEMBER OF  
BUTLER RURAL  
ELECTRIC COOPERATIVE,  
YOU ARE ALSO AN  
OWNER...





Butler Rural Electric Cooperative is a not-for-profit organization. Owned by its member-consumers, the money to cover day-to-day operating costs of the cooperative comes directly from the members paying their monthly electric bills.



At the end of the year, Butler Rural Electric Cooperative subtracts operating expenses from the amount of money collected and the remaining balance is called the margin.



The margins left over at the end of the year are allocated, or assigned, to your capital credit account based on individual patronage (the amount of money you pay for your electric bill each year).

Your capital credit account, similar to a bank account, is the accumulation of margins that have been allocated to you each year based on your patronage. At the end of each year, the cooperative deposits your allocated patronage into your capital credit account.



From time-to-time, the board of trustees retires capital credits based upon the financial stability of the cooperative. The board of trustees was delegated this responsibility in the cooperative's code of regulations.



If the board chooses to retire capital credits, the cooperative will convert the credits into money and send it to you in the form of a check (unless you choose to apply it to your bill).

If you have moved out of Butler Rural Electric Cooperative's service territory, we will continue to mail you a yearly Capital Credit Statement, so it is extremely important that we have your current mailing address on file.

### Definitions:

- 1 Member** | At the cooperative, you are more than a customer, you are a member-owner.
- 2 Operating Costs** | The cost to maintain, repair and construct the electric system (poles, wires, substations, etc.).
- 3 Margin** | At the end of the year, Butler Rural Electric Cooperative subtracts operating expenses from the amount of money collected and the balance is called the margin.
- 4 Allocate** | An approved method used to assign the margins to an individual's capital credit account.
- 5 Patronage** | At the cooperative, your patronage is the amount of money you paid on your electric bill each year.
- 6 Retire** | A payout from your capital credit account. The cooperative withdrew money from your capital credit account and sent you a check based on the board's approval of capital credit retirement.

