



2025 Capital Credits Distribution

Kat Jones | Controller

Policy

3.7. General Capital Credits Retirements

3.7.1. In general, Allocated Capital Credits are retired based upon the Retirement Schedule as permitted by the financial health of the Cooperative and in accordance with Cooperative policies, but other time frames may be appropriate as determined by the Board. Unless otherwise directed by the Board, Capital Credits are generally retired as follows:

- 3.7.1.1. A portion of the General Capital Credit Retirements will be from the oldest outstanding year(s) for which allocations have been made that have not yet been retired. To the extent the oldest outstanding year(s) being retired have been retained less than the Retirement Schedule, the amounts being retired will be made after application of the Discount Factor.
- 3.7.1.2. A portion of the General Capital Credit Retirements will be made from the most recent year(s) for which allocations have been made that have not yet been retired. To the extent the most recent year(s) being retired have been retained less than the Retirement Schedule, the amounts being retired will be made after application of the Discount Factor.

Prior Distributions

CC Dist Year	BOD Approved Dist	CC Years Retired	Allocation Bal	Total Retired	Cash Payout \$	Retired to Perm Equity	Balance
2022	6,000,000	1995	7,582,947	1,341,685	1,094,547	247,138	6,241,262
		2021	35,077,786	35,068,553	4,902,584	30,165,969	9,233
		2022 Dist Total	42,660,733	36,410,238	5,997,130	30,413,108	6,250,495
2023	12,100,000	1995	6,781,959	6,765,761	5,964,018	801,743	16,198
		2022	38,149,162	38,100,283	6,118,905	31,981,377	48,879
		2023 Dist Total	44,931,121	44,866,044	12,082,924	32,783,120	65,077
2024	5,000,000	1996, 2016-2022	27,865,768	23,344,453	5,077,566	18,266,887	4,521,315
		2024 Inactive Dist Total	27,865,768	23,344,453	5,077,566	18,266,887	4,521,315

Recommended Distribution

2024 Distribution Proposal - \$10M							
CC_Year	Beg. Balance	Retire %	Retire	Discount Rate	Payout \$	Perm Equity	Balance
1994	238,355	100%	238,355	0%	238,355	-	-
1996-2018	345,526,507	4.5%	14,203,903	VARIABLES	6,046,189	8,157,714	331,322,604
2023	<u>52,738,906</u>	50.0%	<u>26,369,453</u>	85.91%	<u>3,715,456</u>	<u>22,653,997</u>	<u>26,369,453</u>
	<u>398,265,413</u>		<u>40,573,356</u>		<u>10,000,000</u>	<u>30,811,711</u>	<u>357,692,056.88</u>
				BOD Proposed Amount	10,300,000		
				Estate Retirements	300,000		

- Recommend retiring half of the newest year (2023) and a weighted average distribution for all other years not already retired (1996-2018). Additionally, pay remaining 1994 distributions due.
- If financial conditions allow, will recommend an additional special retirement for inactive accounts in 2025 per the 2025 budget



pec.coop