



# IT PAYS TO BE A CO-OP MEMBER

BY JEFF WADSWORTH PRESIDENT & CEO



**Money back to our membership is an important cooperative value provided to the members of Poudre Valley REA. One of my favorite ways we give back is through member credits!**

This year alone members will see \$3.6 million in member credit refunds as approved by your Board of Directors. Most returns to members will be distributed as a credit on their September electric bill. Former members and those receiving more than \$600 will be mailed a check this month.

The name “member credits” may sound complex, but it’s a simple concept. Member credits are the annual margins – revenues minus expenses of the cooperative – which are allocated to each member based on your individual usage and purchase of electricity. After using the money for a period of years to finance investments and electric facilities, it is returned to members over time.

Until member credits are returned to the membership, the funds are used as operating capital to invest in power lines, substations, and other electric system assets to provide you with reliable electricity.

To ensure the fiscal health of your cooperative and that member credits are returned, your Board of Directors approves an equity percentage goal. Equity percentage is the amount of the cooperative that is fully owned by you, our members, versus the amount of debt financed.

Our equity goal uses the industry best standard of a minimum 35 percent and a maximum of 50 percent of assets for member equity. Our members have around 45 percent equity in their cooperative, which is \$135 million out of over \$299 million in total assets. This year’s return of member credits is 2.7 percent of our members’ equity.

The equity goal also determines how much of the cooperative’s investments will be covered through member capital and how much will be covered by long-term debt. Our goal is to balance member capital equity and debt to give our members the lowest possible rates. And we’ve successfully delivered on that goal – by providing our members the lowest cooperative residential electricity rate in the state.

**You can find more details and explanations about member credits on page 8 of this issue or by visiting us online at [www.pvrea.coop/member-credits](http://www.pvrea.coop/member-credits).**

To date, we have returned more than \$33 million in member credits over the past 10 years, more than \$15 million in the last 5 years, and over \$3 million this year alone. It pays to be a member of your cooperative and we’re pleased to provide great value to you!

## OUR MEMBER CREDITS PROCESS



### ABOUT YOUR CO-OP

PVREA serves energy solutions to over 48,000 homes and businesses in Boulder, Larimer, and Weld Counties. We are a member-owned co-op, led by those we serve.

### OUR MISSION

We are committed to providing safe, reliable, efficient energy solutions with exceptional service to our members.



### CONTACT US

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### SOCIAL

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### BOARD OF DIRECTORS

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