

Membership PAYS



As a member of FTC, you hear a lot about capital credits. Here are some of the most commonly asked questions about this important benefit of cooperative membership.

What are capital credits?

Your capital credits are your amount of patronage capital.

What is patronage capital?

Patronage capital is the margin, or profit, left over each fiscal year after FTC pays all of its expenses.

How does FTC determine how much of those margins go to each member?

Patronage capital is allocated and assigned to members as capital credits based on the amount of business they conduct with FTC during the year, and therefore represents a member's investment in the cooperative. The more business a member does with FTC during the year, the larger their portion of the capital will be.

What is the "patronage statement" that I receive each year?

FTC mails a patronage statement in August of each year to everyone who did qualifying business with the cooperative. The statement shows the total amount of patronage capital allocated and assigned to you for the year.

How does FTC determine when I receive my refund?

FTC is proud of the fact that in its history of 60-plus years, the cooperative has returned more than \$18 million to members. This year, FTC is refunding patronage from

a portion of 1988. The total amount being refunded is approximately \$232,000. Refund checks are mailed to members in July of each year.

Why doesn't FTC refund all my capital credits at the end of each year?

Capital credits must remain with your cooperative for a certain amount of time. They are used to invest in facilities necessary to keep the company operating.

Why did my neighbor get a larger refund check than I did?

Remember, capital credit refunds are based on the amount of business each account holder has done with Farmers Telecommunications Cooperative. If your neighbor's refund check is larger than yours, then your neighbor did more business with FTC during the period of time covered by the refund.

