

[LCEC Equity General Retirement Information](#)

Please click [here](#) for the basics and frequently asked questions about LCEC equity. Following are additional questions customers may have regarding the general retirement of equity. LCEC is proud to be in a financial position to make a general retirement. This year's retirement brings the amount of equity returned to active and inactive members to more than \$267 million.

1) Why is LCEC making a general retirement?

- LCEC is a not-for-profit cooperative utility. When annual excess revenues, or margins, are generated, the Board of Trustees considers an equity retirement. In 2017, LCEC was able to maintain a sufficient financial position, thus in 2018, the LCEC Board of Trustees approved a second-quarter retirement of \$4.3 million in equity to current and inactive customers.

2) Who is eligible for a retirement?

- All active customers who have an equity account balance greater than \$0.97.
- All inactive customers who have an equity account balance greater than \$64.61.

3) Why are the balance amounts unusual?

- The threshold amounts may seem a little unusual; however they are the approximate amount needed for the customer to qualify for a retirement.

4) How will the retirement affect the equity account balance?

- The equity account balance is decreased by the amount of the retirement.

5) Will all eligible customers receive a check?

- Both active and inactive customers will receive either a check or a credit on their account. There are several factors that determine this. For active customers, accounts that receive a retirement amount greater than \$250.00 will receive a check unless the electric account has a past due balance with LCEC at the time of the retirement. The retirement would then apply towards the past due balance. For inactive customers receiving a retirement amount of \$1.00 or greater and have no outstanding debt with LCEC will receive a check.

6) When will customers receive a check?

- All checks will be mailed out by the end of May. Please allow time for delivery.

7) What if a customer no longer has an active account with LCEC?

- Customers who do not have an active account with LCEC, but have an equity balance, will receive either a check or a credit towards their past due balance. It is important that addresses be kept up to date with LCEC to ensure proper delivery.

8) If customers receive a credit, how will they know?

- For active customers, the credit will appear on their bill and be applied towards the balance owed. For inactive customers, a letter will be sent.

9) What if a customer has a past due balance with LCEC?

- If an active or inactive customer owes a past due balance to LCEC, their retirement will apply towards the past due balance. For the active customer, if the remaining amount is greater than \$250.00, the customer will receive a check. If the remaining amount of the retirement is \$250.00 or less, the amount will apply towards the following month's bill. If the account is inactive, the customer will receive a check for the remaining amount.

10) What if a customer has multiple accounts with LCEC and receives a credit?

- Customers may receive a bill message on one account, and a credit on another.

11) What happens if the account holder is now deceased?

- Equity is considered an asset and would be payable to the account holder's heir. In order to process this request, legal documents are required. Please refer to [Equity FAQ](#).

- 12) **Can an equity check be used to pay an LCEC bill?**
- Yes. A customer can send in their equity check as payment towards their bill along with their LCEC bill remittance statement. The back of the check must be endorsed.
- 13) **Can equity checks be cashed at the Immokalee LCEC office?**
- Yes, as long as the account holder has valid identification and there are enough funds in the cash drawer.
- 14) **Will an authorized pay station cash an equity check?**
- No. Authorized pay stations will not cash the check.
- 15) **Can the check be cashed at the bank by which it was issued?**
- Yes. Customers can cash their check at SunTrust bank. There is a \$7.00 processing fee for those who are not a SunTrust customer. This fee is charged by SunTrust and LCEC does not receive any portion of the fee.
- 16) **What if the check is not cashed within six months?**
- The check becomes null and void after six months (180 days). If the customer has an active account with LCEC, the retirement amount will apply to their account in the next bill cycle. If the customer does not have an active account, a \$1.00 administration fee will begin to be deducted from the balance each month. After 3 years, up to \$36.00 in administration fees will have been deducted, and the balance of the retirement amount will be returned to LCEC if last known address is Florida or foreign and allocated amongst active members. If last address on file is another state, the unclaimed retirement will be sent to that state.
 - If the check becomes null and void due to not being cashed within six months and the account is inactive, no future attempts will be made to mail to the address on file. It is the customer's responsibility to contact LCEC to update their mailing address in order to receive subsequent retirements.
- 17) **What if a customer does not receive their check?**
- Contact LCEC to verify the address on record and confirm that a check was mailed. LCEC requires a minimum of 60 days for check delivery or return. Please contact LCEC after this period if the check has not been received.
- 18) **What if the name on the check is wrong?**
- In order to correct the name on the account, specific legal documents are required. Please refer to [Equity FAQ](#).
- 19) **Should the equity retirement be reported as income for tax purposes?**
- The IRS requires that 1099 forms be sent out on SOME accounts that have received a retirement of \$600.00 or more. Customers should contact their tax advisor if they have questions. Customers receiving a retirement of \$600.00 or more that qualify for a 1099 will receive documents in accordance with tax timelines.

Please [click here](#) for Modified W-9 form.