

CHOCTAW ELECTRIC COOPERATIVE, INC.

**BALANCE SHEETS
DECEMBER 31, 2019 AND 2018**

ASSETS

	December 31,	
	2019	2018
UTILITY PLANT AT COST		
Electric Plant in Service	\$ 129,421,288	\$ 125,826,367
Construction Work in Progress	107,948	633,816
	\$ 129,529,236	\$ 126,460,183
Less: Accumulated Provision for Depreciation	42,701,702	39,489,496
	\$ 86,827,534	\$ 86,970,687
 OTHER PROPERTY AND INVESTMENTS AT COST OR STATED VALUE		
Investments in Associated Organizations	\$ 22,206,331	\$ 21,655,730
Notes Receivable	6,889	8,264
Other Investments	28,350	26,196
	\$ 22,241,570	\$ 21,690,190
 CURRENT ASSETS		
Cash and Cash Equivalents	\$ 2,783,064	\$ 1,911,068
Available-for-Sale Investments	4,484,613	3,634,855
Notes Receivable - Current Portion	56,686	95,486
Accounts and Notes Receivable (Less Allowance for \$134,477 in 2019 and Uncollectibles of \$181,348 in 2018)	2,898,270	2,968,819
Accrued Unbilled Revenue	2,188,098	2,205,999
Materials and Supplies	688,148	572,512
Other Current and Accrued Assets	37,480	146,371
	\$ 13,136,359	\$ 11,535,110
 TOTAL ASSETS	\$ 122,205,463	\$ 120,195,987

EQUITIES AND LIABILITIES

EQUITIES		
Memberships	\$ 70,275	\$ 69,105
Patronage Capital	59,466,118	54,895,214
Other Equities	5,652,776	3,480,910
Other Comprehensive Income (Loss)	(623,043)	1,447,645
	\$ 64,566,126	\$ 59,892,874
 LONG-TERM DEBT		
RUS Rural Development Notes Less Current Maturities	\$ 11,096	\$ 11,096
CFC Mortgage Notes Less Current Maturities	17,079,476	19,637,546
CoBank Mortgage Notes Less Current Maturities	29,349,972	30,035,377
	\$ 46,429,448	\$ 49,684,019
 NON-CURRENT LIABILITIES		
Accumulated Post-Retirement Benefit Obligation	\$ 1,951,859	\$ 1,761,228
 CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	\$ 3,253,280	\$ 3,132,282
Current Portion of APBO	222,356	231,716
Accounts Payable - Purchased Power	2,345,558	2,369,315
Accounts Payable - Other	323,246	452,831
Consumer Deposits	234,547	176,915
Accrued Employee Benefits	592,713	589,498
Accrued Interest	110,324	110,533
Overcollected Power Cost	721,448	660,064
Other Accrued Expenses	109,308	109,662
	\$ 7,912,780	\$ 7,832,816
 DEFERRED CREDITS	\$ 1,345,250	\$ 1,025,050
 TOTAL EQUITIES AND LIABILITIES	\$ 122,205,463	\$ 120,195,987

CHOCTAW ELECTRIC COOPERATIVE, INC.

**STATEMENTS OF INCOME, OTHER COMPREHENSIVE INCOME AND PATRONAGE CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	Years Ended December 31,				Increase (Decrease)
	2019		2018		
	Amount	%	Amount	%	
OPERATING REVENUES					
Residential	\$ 34,025,033	72.7	\$ 33,596,143	74.0	\$ 428,890
Commercial and Industrial	12,264,544	26.3	12,075,895	26.6	188,649
Public Buildings and Other Authorities	123	0.0	141	0.0	(18)
Power Cost Adjustment	(61,385)	(0.1)	(478,239)	(1.1)	416,854
Unbilled Revenue	(17,901)	0.0	(246,061)	(0.5)	228,160
Other Electric Revenue	507,268	1.1	454,264	1.0	53,004
Total Operating Revenues	\$ 46,717,682	100.0	\$ 45,402,143	100.0	\$ 1,315,539
OPERATING EXPENSES					
Purchased Power	\$ 27,533,425	58.9	\$ 26,990,930	59.4	\$ 542,495
Distribution - Operation	1,991,898	4.3	2,076,273	4.6	(84,375)
Distribution - Maintenance	2,996,724	6.4	2,932,338	6.5	64,386
Customer Accounts	1,298,817	2.8	1,332,898	2.9	(34,081)
Customer Service and Information	416,446	0.9	431,650	1.0	(15,204)
Administrative and General	2,008,357	4.3	2,121,109	4.7	(112,752)
Depreciation	3,880,636	8.3	3,957,303	8.7	(76,667)
Taxes	145,988	0.3	143,380	0.3	2,608
Other Interest	4,180	0.0	12,564	0.0	(8,384)
Other Deductions	599	0.0	3,178	0.0	(2,579)
Total Operating Expenses	\$ 40,277,070	86.2	\$ 40,001,623	88.1	\$ 275,447
OPERATING INCOME - Before Fixed Charges	\$ 6,440,612	13.8	\$ 5,400,520	11.9	\$ 1,040,092
FIXED CHARGES					
Interest on Long-Term Debt	2,126,803	4.6	2,237,719	4.9	(110,916)
OPERATING INCOME - After Fixed Charges	\$ 4,313,809	9.2	\$ 3,162,801	7.0	\$ 1,151,008
G&T Capital Credits	\$ 693,283	1.5	\$ 767,560	1.7	\$ (74,277)
Other Capital Credits	365,129	0.8	424,467	0.9	(59,338)
Total Capital Credits	\$ 1,058,412	2.3	\$ 1,192,027	2.6	\$ (133,615)
NET OPERATING INCOME	\$ 5,372,221	11.5	\$ 4,354,828	9.6	\$ 1,017,393
NON-OPERATING MARGINS					
Interest and Dividend Income	\$ 129,208	0.3	\$ 91,658	0.2	\$ 37,550
Unrealized Gain on Equity Investments	1,674,363	3.6	0.0	0.0	1,674,363
Realized Gain on Equity Investments	278,514	0.6	0.0	0.0	278,514
Other Non-Operating Income	18,659	0.0	366,385	0.8	(347,726)
Total Non-Operating Margins	\$ 2,100,744	4.5	\$ 458,043	1.0	\$ 1,642,701
NET MARGINS	\$ 7,472,965	16.0	\$ 4,812,871	10.6	\$ 2,660,094
OTHER COMPREHENSIVE INCOME					
Current Year APBO Valuation Adjustment	(254,505)		348,556		
Post-Retirement Benefit Amortization	(712,981)		(624,500)		
Unrealized Gain Recognized on Equity Investments	(1,123,769)				
Unrealized Gain on Available-for-Sale	20,567		223,599		
COMPREHENSIVE INCOME	\$ 5,402,277		\$ 4,760,526		
Other Comprehensive Income	2,070,688		52,345		
PATRONAGE CAPITAL - BEGINNING OF YEAR	54,895,214		51,156,713		
Transfer Unrealized Gain on Equity Investments to Other Equities	(1,674,363)				
Transfer Non-Operating Margins to Offset Prior Deficits included in Other Equities	(242,405)				
Patronage Capital Retired	(985,293)		(1,074,370)		
PATRONAGE CAPITAL - END OF YEAR	\$ 59,466,118		\$ 54,895,214		