

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.

Exhibit B

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

	December 31,				Increase (Decrease)
	2019		2018		
	Amount	%	Amount	%	
OPERATING REVENUES					
Residential - Rural	\$ 10,205,865	79.9	\$ 10,018,677	84.4	\$ 187,188
Irrigation	121,009	0.9	87,643	0.7	33,366
Commercial and Industrial	2,167,696	17.0	2,124,084	17.9	43,612
Public Street and Highway Lighting	7,883	0.1	7,874	0.1	9
Rent from Electric Property	26,374	0.2	35,257	0.3	(8,883)
Unbilled Revenue	114,389	0.9	(584,410)	(4.9)	698,799
Under (Over) Billed Power Cost	9,611	0.1	69,604	0.6	(59,993)
Other	96,884	0.8	102,851	0.9	(5,967)
Total Operating Revenues	\$ 12,749,711	100.0	\$ 11,861,580	100.0	\$ 888,131
OPERATING EXPENSES					
Purchased Power	\$ 6,661,191	52.2	\$ 6,377,727	53.8	\$ 283,464
Distribution - Operation	838,814	6.6	840,942	7.1	(2,128)
Distribution - Maintenance	606,299	4.8	579,909	4.9	26,390
Consumer Accounts	867,274	6.8	872,175	7.4	(4,901)
Consumer Service and Information	9,822	0.1	7,610	0.1	2,212
Administrative and General	1,204,797	9.4	1,170,191	9.9	34,606
Depreciation	1,188,773	9.3	1,295,477	10.9	(106,704)
Taxes	7,916	0.1	7,628	0.1	288
Other Interest Expense	4,162	0.0	3,898	0.0	264
Other Deductions	4,350	0.0	7,928	0.1	(3,578)
Total Operating Expenses	\$ 11,393,398	89.3	\$ 11,163,485	94.3	\$ 229,913
OPERATING MARGINS - BEFORE FIXED CHARGES	\$ 1,356,313	10.7	\$ 698,095	5.7	\$ 658,218
FIXED CHARGES					
Interest on Long-Term Debt	\$ 686,116	5.4	\$ 693,829	5.8	\$ (7,713)
Amortization of Debt Discount	99,234	0.8	99,234	0.8	0
	\$ 785,350	6.2	\$ 793,063	6.6	\$ (7,713)
OPERATING MARGINS (LOSS) - AFTER FIXED CHARGES	\$ 570,963	4.5	\$ (94,968)	(0.9)	\$ 665,931
Generation and Transmission Capital Credits	\$ 240,817	1.9	\$ 218,741	1.8	\$ 22,076
Other Capital Credits	58,021	0.5	113,532	1.0	(55,511)
Total Capital Credits	\$ 298,838	2.4	\$ 332,273	2.8	\$ (33,435)
NET OPERATING MARGINS	\$ 869,801	6.9	\$ 237,305	1.9	\$ 632,496
NONOPERATING MARGINS					
Interest Income and Other Nonoperating Income	\$ 57,689	0.5	\$ 61,574	0.5	\$ (3,885)
NET MARGINS	\$ 927,490	7.4	\$ 298,879	2.4	\$ 628,611
PATRONAGE CAPITAL - BEGINNING OF YEAR	8,582,219		8,180,999		
Patronage Capital Retirements	(51)		(6,205)		
Transfer (from) to Other Equities	(61,574)		108,546		
PATRONAGE CAPITAL - END OF YEAR	\$ 9,448,084		\$ 8,582,219		

See accompanying notes to financial statements.

MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.

Exhibit A

BALANCE SHEETS
DECEMBER 31, 2019 AND 2018

ASSETS

	December 31,	
	2019	2018
UTILITY PLANT AT COST		
Electric Plant in Service	\$ 34,901,198	\$ 35,306,927
Capital Lease Assets	450,414	701,610
Construction Work in Progress	2,496,001	2,327,271
	<u>\$ 37,847,613</u>	<u>\$ 38,335,808</u>
Less: Accumulated Provision for Depreciation	19,312,601	19,650,307
	<u>\$ 18,535,012</u>	<u>\$ 18,685,501</u>
OTHER PROPERTY AND INVESTMENTS - AT COST OR STATED VALUE		
Non-Utility Property	\$ 40,793	\$ 40,793
Investments in Associated Organizations	4,734,408	4,485,153
Other Investments	21,052	22,463
	<u>\$ 4,796,253</u>	<u>\$ 4,548,409</u>
CURRENT ASSETS		
Cash - General	\$ 3,445,784	\$ 3,217,776
Certificates of Deposit	467,543	460,182
Accounts Receivable (Less Allowance for Uncollectibles of \$366,222 in 2019 and \$310,369 in 2018)	1,207,958	1,384,909
Other Accounts Receivable	140,753	120,117
Power Costs Under Collected	162,466	162,854
Unbilled Revenue	472,400	358,011
Materials and Supplies	255,207	273,926
Other Current and Accrued Assets	16,141	85,727
	<u>\$ 6,168,252</u>	<u>\$ 6,053,502</u>
DEFERRED CHARGES		
Other Deferred Charges	\$ 49,616	\$ 148,850
TOTAL ASSETS	<u>\$ 29,549,133</u>	<u>\$ 29,436,262</u>

EQUITIES AND LIABILITIES

EQUITIES		
Memberships	\$ 65,135	\$ 63,045
Patronage Capital	9,448,084	8,582,219
Other Equities	629,869	568,295
	<u>\$ 10,143,088</u>	<u>\$ 9,213,559</u>
LONG-TERM DEBT		
RUS and FFB Mortgage Notes Less Current Maturities	\$ 8,252,546	\$ 8,461,396
CFC Mortgage Notes Less Current Maturities	30,346	66,605
CoBank Mortgage Notes Less Current Maturities	7,579,096	8,256,997
Other Long-Term Debt	363,220	209,458
Capital Lease Obligations	99,182	240,238
	<u>\$ 16,324,390</u>	<u>\$ 17,234,694</u>
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	\$ 980,000	\$ 910,000
Current Maturities of Capital Lease Obligations	142,000	148,000
Accounts Payable	223,153	206,900
Accounts Payable - Purchased Power	675,826	685,863
Consumers' Deposits and Prepayments	170,089	172,724
Accrued Taxes	58,294	60,924
Accrued Employee Compensated Absences	205,031	193,505
Accrued Interest	55,861	54,891
Other Current and Accrued Liabilities	66,623	64,183
	<u>\$ 2,576,877</u>	<u>\$ 2,496,990</u>
DEFERRED CREDITS	<u>\$ 504,778</u>	<u>\$ 491,019</u>
TOTAL EQUITIES AND LIABILITIES	<u>\$ 29,549,133</u>	<u>\$ 29,436,262</u>

See accompanying notes to financial statements.