

**ANNUAL REPORT**

Of

Company Name:   
PO Box 465  
Mailing Address:   
Loa   
84747  
Docket No.:   
For the Year Ended:

**RECEIVED  
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04/12/2021, 10:43 AM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION**

**ELECTRIC**

To

Arizona Corporation Commission

**Due on April 15th**

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to:  
Arizona Corporation Commission  
Compliance Section - Utilities Division  
1200 West Washington Street  
Phoenix, Arizona 85007

Application Type:   
Application Date:

ARIZONA CORPORATION COMMISSION  
 ELECTRIC UTILITY ANNUAL REPORT  
 COMPANY INFORMATION

For the Calendar Year Ended: 12/31/20

Company/Business Name:	Garkane Energy				
Mailing Address:	PO BOX 465				
City:	LOA	State:	Utah	Zip Code:	84747
Telephone Number:	435-836-2795	Fax Number:	435-836-2497		
Email:	marcus.lewis@garkane.com				

Name:	MARCUS LEWIS				
Title:	CFO				
Telephone No. :	435-836-2795				
Address:	120 W 300 S / PO BOX 465				
City:	LOA	State:	Utah	Zip Code:	84747
Email:	marcus.lewis@garkane.com				

Name:	DAN MCCLENDON				
Title:	CEO				
Telephone No. :	435-836-2795				
Address:	120 W 300 S / PO BOX 465				
City:	LOA	State:	Utah	Zip Code:	84747
Email:	dan.mccleendon@garkane.com				

Name:	JENNIFER A. CRANSTON				
Title:	LEGAL COUNCIL				
Telephone No. :	602-530-8000				
Address:	2575 E. CAMELBACK ROAD, SUITE 1100				
City:	PHOENIX	State:	Arizona	Zip Code:	85016
Email:	jennifer.cranston@gknet.com				

Name:	NONE				
Title:	NONE				
Telephone No. :	NONE				
Address:	NONE				
City:	NONE	State:	Utah	Zip Code:	84747
Email:	NONE				

Ownership:

Counties Served:

**Important changes during the year**

No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year? If yes, please provide specific details in the box below. NONE
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No	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance? If yes, please provide specific details in the box below. NONE
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**SERVICES AUTHORIZED TO PROVIDE**

Yes	Electric
N/A	Investor Owned Electric
Yes	Rural Electric Cooperative
N/A	Utility Distributed Company
N/A	Electric Service Provider
N/A	Transmission Service Provider
N/A	Meter Service Provider
N/A	Meter Reading Service Provider
N/A	Billing and Collection
N/A	Ancillary Services
N/A	Generation Provider
N/A	Aggregator/Broker

N/A Other (Specify)

**STATISTICAL INFORMATION**

**Retail Information**

	Number of Arizona Customers	Number of kWh Sold in Arizona
Residential	1,169	21,860,697
Commercial	226	9,427,655
Industrial	0	0
Public Street and Highway Lighting	6	61,882
Irrigation	29	1,370,535
<b>Total Retail</b>	<b>1,430</b>	<b>32,720,769</b>

**Wholesale Information**

	Number of Customers	Number of kWh Sold
Resale	43	3,613,638
Short-term Sales (duration of less than one-year)	0	0
<b>Total Wholesale</b>	<b>43</b>	<b>3,613,638</b>

Total Sold	36,334,407	KW
Maximum Peak Load	10	MW
Distribution System Losses	10,537,586	KW
Distribution Losses	3.92%	
Transmission Losses	0.00%	
System Average Interruption Duration Index (SAIDI)	295	
Distribution System Losses	10,537,586	
Customer Average Interruption Duration Index (CAIDI)	295	
System Average Interruption Frequency Index (SAIFI)	295	

**VERIFICATION AND SWORN STATEMENT (INTRASTATE REVENUE ONLY)**

**Verification:**

State of Utah I, the undersigned of the  
(state name)  
County of (county name): Multiple counties  
Name (owner or official) title: CFO  
Company name: Garkane Energy

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/20

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**Sworn Statement:** IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$4,111,917

(The amount in the box above includes

\$350,469 in sales taxes  
billed or collected)

*Wayne Lee*  
signature of owner/official

435-836-2795  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY

THIS 8th DAY OF Wayne  
April 2021  
(month) and (year)

MY COMMISSION EXPIRES 4-12-23  
(date)



*Camille Blackburn*  
(signature of notary public)

**VERIFICATION AND SWORN STATEMENT (RESIDENTIAL REVENUE)**

**Verification:**

State of Utah I, the undersigned of the  
(state name)

County of (county name): Multiple counties  
Name (owner or official) title: CFO  
Company name: Garkane Energy

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/20

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**Sworn Statement:** IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)  
\$2,538,194  
(The amount in the box above includes  
\$213,436 in sales taxes  
billed or collected)

Wayne J. Lee  
signature of owner/official  
435-836-2795  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY Wayne  
(county name)

THIS 8th DAY OF April 2021  
(month) and (year)

MY COMMISSION EXPIRES 4-12-23  
(date)



Camille Blackburn  
(signature of notary public)

Garkane Energy  
 ELECTRIC UTILITY ANNUAL REPORT  
 UTILITY SHUTOFFS / DISCONNECTS  
 12/31/20

<b>UTILITY SHUTOFFS / DISCONNECTS</b>			
Month	Termination without Notice R14-2-211.B	Termination with Notice R14-2- 211.C	Other
January	0	3	0
February	0	2	0
March	0	4	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	2	0
August	0	2	0
September	0	1	0
October	0	7	0
November	0	2	0
December	0	0	0
<b>Total</b>	<b>0</b>	<b>23</b>	<b>0</b>

**Other (description):**

NONE
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**Instructions:** Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

## General Disclosure/Representation Authorization Form

You must sign this form on page 2

<b>1. TAXPAYER INFORMATION:</b> Please print or type.				Enter only those that apply:	
Taxpayer Name GARKANE ENERGY COOPERATIVE, INC.				Social Security Number or ITIN	
Spouse's Name (if applicable)				Spouse's Social Security Number or ITIN	
Current Address - number and street, rural route 120 WEST 300 SOUTH			Apartment/Suite No.	Employer Identification Number 87-0133588	
City, Town or Post Office LOA	State UT	ZIP Code 84747	Daytime Phone (with area code) (435) 836-2795	AZ Transaction Privilege Tax License No. 3005818	

<b>2. APPOINTEE INFORMATION</b> (Must sign if any checkboxes in Sections 4 or 5 below are selected)				Enter one of the following identification numbers:	
Name (must be an individual) MARCUS V. LEWIS				State and State Bar Number	
Current Address - number and street, rural route 120 WEST 300 SOUTH			Apartment/Suite No.	State and Certified Public Accountant Number	
City, Town or Post Office LOA	State UT	ZIP Code 84747	Daytime Phone (with area code) (435) 836-2795	Internal Revenue Service Enrolled Agent Number	
Daytime Phone (with area code) (435) 836-2795				Social Security, ITIN, or Other ID No. Type 530-80-1159	

**3. TAX MATTERS:** The appointee is authorized to receive confidential information for the tax matters listed below. By signing this form, I authorize the Department to release confidential information of the taxpayer(s) named above to the appointee named above for the tax type and tax year(s)/period(s) specified below. To grant additional powers, please see Section 4. To grant a Power of Attorney, please skip Section 4 and go to Section 5.

TAX TYPE	YEAR(S) OR PERIOD(S)	TYPE OF RETURN/OWNERSHIP		
<input checked="" type="checkbox"/> Income Tax		<input type="checkbox"/> Individual	<input checked="" type="checkbox"/> Corporation	
		<input type="checkbox"/> Partnership	<input type="checkbox"/> Fiduciary-Estate/Trust	
<input checked="" type="checkbox"/> Transaction Privilege and Use Tax		<input type="checkbox"/> Individual/Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust
		<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Limited Liability Partnership	<input type="checkbox"/> Estate
<input type="checkbox"/> Withholding Tax				
<input checked="" type="checkbox"/> Other (e.g., Luxury Tax): PROPERTYTAX	2020 - UNTIL REVOKE	Specify type of return(s)/ownership: CVP - FORM 82052		

**4. ADDITIONAL AUTHORIZATION:** Items 4a through 4h allow the Taxpayer(s) to grant additional authorization to the Appointee named above. Please check the boxes accordingly. An additional authorization must be in accordance with Arizona Supreme Court Rule 31. See instructions. If any checkboxes in Sections 4 or 5 are selected, the Appointee MUST sign on Page 2, Section 9.

- 4a  Appointee shall have the power to sign a statute of limitations waiver on Taxpayer's behalf.
- 4b  Appointee shall have the power to execute a protest of a deficiency assessment or a denied refund claim or to execute an agreement on Taxpayer's behalf.
- 4c  Appointee shall have the power to request a formal hearing on Taxpayer's behalf.
- 4d  Appointee shall have the power to represent the taxpayer in any administrative tax proceeding.
- 4e  Appointee shall have the power to execute a closing agreement on Taxpayer's behalf.
- 4f  Appointee shall have the power to represent the taxpayer in any collection matter including an Offer-In-Compromise.
- 4g  Appointee shall have the authority to delegate to others any or all authority granted to appointee by this document.
- 4h  Other (please specify):

5.  **POWER OF ATTORNEY:** By checking the box on Section 5, the taxpayer grants the above-named appointee a Power of Attorney to perform any and all acts that the taxpayer can perform with regard to the above-mentioned tax matters and tax year(s) or period(s). This Power of Attorney includes, but is not limited to, the powers listed in items 4a through 4h. The use of a Power of Attorney must be in accordance with Arizona Supreme Court Rule 31. Please specify any limitation to the Power of Attorney:

6.  **REVOCAION OF EARLIER AUTHORIZATION(S):** By checking the box in Section 6, I revoke all prior authorizations filed with the Arizona Department of Revenue. The revocation will be effective as to all earlier authorizations and Powers of Attorney on file with the Arizona Department of Revenue except those specified (please specify):



Taxpayer Name (as shown on page 1) <b>GARKANE ENERGY COOPERATIVE, INC.</b>	Taxpayer Identification Number
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**7. CORPORATIONS HAVING CONTROLLED SUBSIDIARIES:** A.R.S. §42-2003(A)(1) provides that confidential information relating to a corporate taxpayer may be disclosed to a designee of the taxpayer who is authorized in writing by the taxpayer. A principal corporate officer of a parent corporation may execute a written authorization for a controlled subsidiary. A principal corporate officer of a parent corporation that desires to designate a person to receive confidential information regarding the corporation's controlled subsidiaries must either attach a list containing the names of each controlled subsidiary that the parent company wants included in the disclosure authorization (a federal Form 851 may be used for this purpose) or taxpayer may complete the following to include all controlled subsidiaries in the disclosure authorization. In addition, there is space provided to exclude specific controlled subsidiaries from the disclosure authorization.

Please check one of the following:

Include all controlled subsidiaries. A controlled subsidiary, for purposes of A.R.S. §42-2003, is defined as more than 50% ownership or control.

Include all controlled subsidiaries **except** the subsidiaries named below. The following controlled subsidiaries are **specifically excluded**:

	NAME	EMPLOYER I.D. NO.	TAX YEARS (if <u>not</u> all years)
7a	_____	_____	_____
7b	_____	_____	_____
7c	_____	_____	_____
7d	_____	_____	_____
7e	_____	_____	_____
7f	_____	_____	_____

**8. SIGNATURE OF OR FOR TAXPAYER:** I hereby certify that the Arizona Department of Revenue is authorized to release any and all confidential information concerning the Taxpayer(s). By signing this form, I certify that I have the authority, within the meaning of A.R.S. §42-2003(A), to execute this authorization form on behalf of the Taxpayer(s). I understand that to knowingly prepare or present a document which is fraudulent or false is a Class 5 felony pursuant to A.R.S. §42-1127(B)(2).

By checking this box and signing below I certify under penalty of perjury that I am an officer of the above mentioned corporation(s) and that I am a principal officer as defined in A.R.S. §42-2003(A)(2).

→ SIGNATURE	4/8/21 → DATE	→ SIGNATURE
DANIEL MCCLENDON PRINT NAME		PRINT NAME
CEO / GENERAL MANAGER TITLE		TITLE

**9. DECLARATION OF APPOINTEE:** Complete if Appointee has been given authority under Section 4 or Section 5 or is otherwise authorized to practice law as defined in Rule 31(a) of the Arizona Rules of the Supreme Court.

- Under penalties of perjury, I declare that I am one of the following:
- 9a A full-time officer, partner, member or manager of a limited liability company, or employee if the individual qualifies under Rule 31(d)(13) of the Arizona Rules of the Supreme Court.
  - 9b Attorney - an active member of the State Bar of Arizona.
  - 9c Certified Public Accountant - duly qualified to practice as a Certified Public Accountant in Arizona.
  - 9d Federally Authorized Tax Practitioner within the meaning of A.R.S. §42-2069(D)(1). If Appointee is engaged in practice with a federally authorized tax practitioner, provide the practitioner's name and CAF number below:

\_\_\_\_\_  
PRACTITIONER'S NAME

\_\_\_\_\_  
CAF NUMBER

9e Other - This may be any individual, providing the total amount in dispute, including tax, penalties, and interest is less than \$5,000.00.

**If this Declaration of Appointee is not signed and dated, the representation authorization will be returned.**

DESIGNATION Check one box for each Appointee:	JURISDICTION (State)	SIGNATURE	DATE
<input checked="" type="checkbox"/> 9a <input type="checkbox"/> 9b <input type="checkbox"/> 9c <input type="checkbox"/> 9d <input type="checkbox"/> 9e	UT		4-09-21
<input type="checkbox"/> 9a <input type="checkbox"/> 9b <input type="checkbox"/> 9c <input type="checkbox"/> 9d <input type="checkbox"/> 9e			
<input type="checkbox"/> 9a <input type="checkbox"/> 9b <input type="checkbox"/> 9c <input type="checkbox"/> 9d <input type="checkbox"/> 9e			
<input type="checkbox"/> 9a <input type="checkbox"/> 9b <input type="checkbox"/> 9c <input type="checkbox"/> 9d <input type="checkbox"/> 9e			

02/16/2021 4:05:03 pm

# General Ledger CFC Form 7

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## INCOME STATEMENT FOR DEC 2020

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
<b>1. Operating Revenue and Patronage Capital</b>					
0 440.2	SEASONAL RESIDENTIAL SALES - UT	0.00	0.00	0.00	0.00
0 440.3	RESIDENTIAL SALES - UTAH	11,058,268.80	11,534,718.02	10,293,668.00	1,329,015.30
0 440.31	RESIDENTIAL SALES - ARIZONA	2,176,035.58	2,324,758.01	2,903,342.38	240,341.49
0 440.32	RESIDENTIAL SALES - UTAH SHINE	0.00	3,016.65	0.00	341.25
0 440.33	RESIDENTIAL SALES - AZ SHINE	0.00	0.00	0.00	0.00
0 441.0	IRRIGATION SALES - UTAH	491,435.51	560,898.66	453,141.37	4,031.71
0 441.1	IRRIGATION SALES - ARIZONA	131,713.41	121,081.60	135,353.92	2,998.80
0 442.1	SM COMMERICAL & INDUSTRIAL SALES -	6,285,177.74	6,316,321.15	5,923,121.35	588,668.26
0 442.11	SM COMMERICAL & INDUSTRIAL SALES -	994,580.74	940,414.07	1,300,197.57	91,100.43
0 442.13	COMMERCIAL SALES - UTAH SHINE	0.00	14,529.45	0.00	60.45
0 442.14	COMMERCIAL SALES - AZ SHINE	0.00	140.40	0.00	15.60
0 442.2	LARGE COMMERICAL & INDUSTRIAL SAL	1,379,344.11	1,060,002.03	1,440,927.11	71,291.09
0 442.21	LARGE COMMERICAL & INDUSTRIAL SAL	0.00	0.00	0.00	0.00
0 444.0	PUBLIC STREET & HIGHWAY LIGHTING -	57,937.35	58,235.59	58,288.35	4,935.38
0 444.1	PUBLIC STREET & HIGHWAY LIGHTING -	11,973.53	12,050.39	11,938.54	1,012.88
0 445.0	OTHER SALES TO PUBLIC AUTHORITIES -	1,736,629.41	1,716,919.88	1,624,933.65	150,717.73
0 445.1	OTHER SALES TO PUBLIC AUTHORITIES -	292,125.86	349,290.03	381,157.47	25,606.12
0 450.0	FORFEITED DISCOUNTS -- COLLECTION F	64,431.35	109,364.51	52,000.00	10,612.02
0 451.0	MISC SERVICE REVENUE - UT CONNECT F	63,923.70	75,390.94	65,000.00	4,557.05
0 451.1	MISC SERVICE REVENUE - AZ CONNECT F	13,662.44	13,854.22	21,000.00	1,190.93
0 454.0	RENT FROM ELECTRIC PROPERTY	56,879.80	58,192.00	55,000.00	9,871.00
0 454.01	RENT REVENUE FROM HOME RENTAL PR	0.00	0.00	0.00	0.00
0 456.0	OTHER ELECTRIC REVENUE	98,451.78	35,001.98	117,625.42	3,174.79
0 456.01	ELECTRIC REVENUE FROM WHEELING C	569,816.80	589,025.24	563,800.00	45,516.54
0 456.02	OTHER ELECT REV - SCC SERVICE AGREE	0.00	0.00	0.00	0.00
0 456.03	MISC REVENUE GENERLINK SALES	7,960.60	9,235.00	6,000.00	260.00
	<b>Total for Line 1:</b>	<b>25,490,348.51</b>	<b>25,902,439.82</b>	<b>25,406,495.13</b>	<b>2,585,318.82</b>
<b>2. Power Production Expense</b>					
0 535.0	OPERATION SUPERVISION & ENGINEERIN	0.00	0.00	0.00	0.00
0 536.0	WATER POWER RIGHTS & FERC LICENSE	72,025.40	16,193.43	24,637.70	0.00
0 536.1	BOULDER PLANT - FERC LICENSE/COMPL	10,238.91	0.00	0.00	0.00
0 537.0	HYDRAULIC EXPENSES	0.00	0.00	0.00	0.00
0 538.0	ELECTRIC EXPENSE	176,750.04	178,517.52	176,750.00	14,876.46
0 539.0	MISC HYDRAULIC POWER GENERATION	504.00	522.60	550.00	48.00

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# General Ledger CFC Form 7

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## INCOME STATEMENT FOR DEC 2020

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
<b>2. Power Production Expense</b>					
0 540.0	RENTS	0.00	0.00	0.00	0.00
0 542.0	MAINTENANCE OF STRUCTURES	0.00	0.00	2,800.00	233.37
0 543.0	MAINT RESERVOIRS, DAMS & WATERWA	25,559.18	139,483.38	69,775.10	4,272.73
0 544.0	MAINT OF ELECTRIC PLANT	24,836.36	111,763.42	16,874.01	813.12
0 545.0	MAINT MISC HYDRAULIC PLANT	0.00	0.00	0.00	0.00
0 546.0	OPER, SUPERVISION & ENGINEERING	0.00	0.00	0.00	0.00
0 548.0	GENERATION EXPENSES	1,440.82	12,350.36	22,389.55	1,919.41
0 549.0	MISC OTHER GENERATING EXPENSE	0.00	75.00	0.00	0.00
0 550.0	RENTS - GENERATOR SITE LEASE	0.00	0.00	0.00	0.00
0 553.0	MAINT OF GENERATING & ELECTRIC EQ	5,334.26	25,132.57	7,430.00	291.61
	<b>Total for Line 2:</b>	<u>316,688.97</u>	<u>484,038.28</u>	<u>321,206.36</u>	<u>23,334.64</u>
<b>3. Cost of Purchased Power</b>					
0 555.0	PURCHASED POWER	10,112,335.57	9,744,157.35	9,849,936.54	926,359.27
0 555.01	PURCHASED POWER - FREMONT HYDRO	0.00	189,994.11	0.00	0.00
0 555.1	PURCHASED POWER - GREENWAY PROG	0.00	0.00	0.00	0.00
0 555.2	ENERGY EFFICIENCY - LED LIGHT CREDI	0.00	0.00	0.00	0.00
0 555.21	ENERGY EFFICIENCY - WATER HEATER R	0.00	900.00	0.00	0.00
0 556.0	SYSTEM CONTROL & LOAD DISPATCHIN	44,013.45	1,291.19	41,093.00	3,424.60
0 556.01	DGT LOAD SHEDDING	0.00	11,652.00	0.00	0.00
0 557.0	OTHER EXPENSES	0.00	0.00	0.00	0.00
	<b>Total for Line 3:</b>	<u>10,156,349.02</u>	<u>9,947,994.65</u>	<u>9,891,029.54</u>	<u>929,783.87</u>
<b>4. Transmission Expense</b>					
0 560.0	OPER SUPERVISION & ENGINEERING	11,983.91	52,501.82	0.00	0.00
0 561.0	LOAD DISPATCHING	13,900.17	8,536.41	2,814.49	185.00
0 562.0	STATION EXPENSES	90,580.22	108,179.31	93,787.22	7,978.42
0 563.0	OVERHEAD LINE EXPENSES	45,192.45	15,092.41	47,651.52	5,340.91
0 566.0	MISC TRANSMISSION EXPENSES	59,508.62	44,447.60	67,952.93	5,951.18
0 567.0	RENTS	0.00	0.00	0.00	0.00
0 570.0	MAINT OF STATION EQUIP	254,297.71	242,331.80	290,210.91	26,878.86
0 570.01	MAINT OF STATION EQUIP-8 MILE GAP S	0.00	14,394.91	0.00	0.00
0 571.0	MAINT OF OVERHEAD LINES	86,395.00	37,070.23	87,197.00	6,713.28
	<b>Total for Line 4:</b>	<u>561,858.08</u>	<u>522,554.49</u>	<u>589,614.07</u>	<u>53,047.65</u>
<b>5. Regional Market Operations Expense</b>					
		0.00	0.00	0.00	0.00
<b>6. Distribution Expense - Operation</b>					

General Ledger  
CFC Form 7

INCOME STATEMENT FOR DEC 2020

Item	-----Year - To - Date-----			-----Period - To - Date-----		
	Last Year	This Year	Budget	Current	Budget	
<b>6. Distribution Expense - Operation</b>						
0 580.0	OPERATION SUPERVISION & ENGINEERIN	101,587.97	120,193.08	100,643.51	12,630.87	10,630.84
0 581.0	LOAD DISPATCHING	20,227.24	24,201.88	9,134.52	8,564.90	728.55
0 582.0	STATION EXPENSE	82,889.80	61,424.66	62,908.88	1,741.63	5,281.45
0 583.0	OVERHEAD LINE EXPENSE	157,727.08	161,675.80	150,043.00	20,030.23	10,735.47
0 584.0	UNDERGROUND LINE EXPENSE	31,065.65	20,640.18	23,198.00	2,496.61	2,590.93
0 585.0	STREET LIGHTING & SIGNAL SYSTEM EX	2,163.71	3,301.71	3,379.00	298.64	420.01
0 586.0	METER EXPENSE	191,966.24	241,902.58	184,471.03	15,293.86	16,817.48
0 586.01	METER EXPENSE - TURTLE METERS	4,709.42	0.00	58.26	0.00	14.17
0 586.02	METER EXPENSE - PLX METER	21,017.69	0.00	0.00	0.00	64.35
0 586.03	METER EXPENSE - PREPAID METERS	4,912.90	0.00	10,638.80	0.00	917.77
0 586.04	METER EXPENSE - TIME OF USE METERS	348.18	0.00	92.82	0.00	21.33
0 587.0	CUSTOMER INSTALLATION EXPENSE	4,940.50	1,204.53	9,508.00	0.00	700.87
0 588.0	MISC DISTRIBUTION EXPENSE	441,587.56	428,416.39	375,048.00	39,667.64	37,969.05
0 588.01	NET METERING-APPLICATIONS/INSTALL	0.00	4,585.06	0.00	1,160.82	0.00
0 589.0	RENTS, RIGHTS OF WAY	11,843.00	13,420.94	74,345.28	3,902.18	6,382.89
	<b>Total for Line 6:</b>	<u>1,076,986.94</u>	<u>1,080,966.81</u>	<u>1,003,469.10</u>	<u>105,787.38</u>	<u>93,275.16</u>
<b>7. Distribution Expense - Maintenance</b>						
0 590.0	MAINT SUPERVISION & ENGINEERING	103,301.25	85,724.67	125,888.73	7,737.29	11,552.11
0 592.0	MAINT OF STATION EQUIP	236,829.06	192,607.99	207,021.91	12,134.99	22,532.77
0 593.0	MAINT OF OVERHEAD LINES	447,930.70	367,783.48	364,022.00	17,637.04	18,746.42
0 593.01	MAINT OF OVERHEAD LINES - TREE TRIM	192,870.59	239,963.17	195,333.00	16,114.40	46,717.22
0 594.0	MAINT OF UNDERGROUND LINES	168,612.04	152,898.00	173,484.00	5,236.75	12,745.27
0 594.01	MAINT URD LOCATES	254,663.13	264,341.99	255,791.00	22,091.11	14,478.40
0 595.0	MAINT OF LINE TRANSFORMERS	47,477.30	71,914.53	80,384.00	4,210.42	7,053.47
0 596.0	MAINT OF STREET LIGHTNG & SIGNL SYS	25,533.06	18,826.98	32,051.00	4,015.88	4,076.83
0 597.0	MAINTENANCE OF METERS	139,376.37	84,338.41	61,349.02	5,997.43	5,239.14
0 597.01	MAINT OF METERS - TURTLE	20,633.19	14,110.42	25,411.96	1,691.24	2,199.74
0 597.02	MAINTENANCE OF METERS - PLX	149,719.75	149,426.24	321,924.81	14,975.25	29,009.64
0 597.03	MAINTENANCE OF METERS - PRE-PAID	372.15	0.00	76,924.00	0.00	6,451.73
0 597.04	MAINTENANCE OF METERS - TOU	37,247.83	27,774.02	56,689.00	1,721.15	5,038.11
0 597.05	MAINTENANCE OF METERS - CAPITALIZE	228.14	0.00	0.00	0.00	0.00
0 598.0	MAINT OF MISC DISTRIBUTION PLANT	51,374.67	58,330.35	56,123.47	4,216.00	3,058.88
	<b>Total for Line 7:</b>	<u>1,876,169.23</u>	<u>1,728,040.25</u>	<u>2,032,397.90</u>	<u>117,778.95</u>	<u>188,899.73</u>
<b>8. Customer Accounts Expense</b>						

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## INCOME STATEMENT FOR DEC 2020

Item	-----Year - To - Date-----			-----Period - To - Date-----		
	Last Year	This Year	Budget	Current	Budget	
<b>8. Customer Accounts Expense</b>						
0 901.0	CUSTOMER ACCOUNTS EXPENSE	68,751.48	53,771.43	68,545.84	5,216.39	6,255.84
0 901.01	CUSTOMER ACCOUNTS EXP-MSR AFTER	0.00	8,857.47	0.00	2,943.02	0.00
0 902.0	METER READING EXPENSE	163,151.64	170,474.70	32,673.71	16,712.10	3,062.44
0 902.01	ANNUAL METER READING EXPENSE	8,069.97	46,854.30	146,280.47	3,702.38	12,726.41
0 902.02	METER READING EXPENSE - PREPAID	0.00	0.00	0.00	0.00	0.00
0 902.03	METER READING EXPENSE - tou	0.00	0.00	0.00	0.00	0.00
0 903.0	CUSTOMER RECORDS & COLLECTION EX	275,244.58	238,519.57	325,639.72	18,894.93	27,754.86
0 903.01	CUSTOMER RECORDS & COLLECT EXP - C	223,614.59	242,887.79	225,000.00	19,278.28	18,750.77
0 904.01	UNCOLLECTIBLE ACCOUNTS	0.00	-12.97	0.00	0.00	0.00
	<b>Total for Line 8:</b>	<u>738,832.26</u>	<u>761,352.29</u>	<u>798,139.74</u>	<u>66,747.10</u>	<u>68,550.32</u>
<b>9. Customer Service and Informational Expense</b>						
0 905.01	RATE ANALYSIS - LABOR	0.00	0.00	0.00	0.00	0.00
0 907.0	CUSTOMER SERVICES - SUPERVISION	0.00	0.00	0.00	0.00	0.00
0 908.0	CUSTOMER ASSISTANCE EXPENSES	109,745.02	94,916.66	118,606.67	9,634.04	9,050.78
0 908.03	CUSTOMER ASSISTANCE - IRP	0.00	0.00	280.00	0.00	23.37
0 909.0	INFO & INSTRUCTIONAL ADVERTISING E	23,370.28	138,119.03	21,222.65	2,747.26	1,769.91
0 910.0	MISC CUST SERVICE & INFO EXPENSE	26,350.22	2,950.04	30,700.88	0.00	2,535.49
	<b>Total for Line 9:</b>	<u>159,465.52</u>	<u>235,985.73</u>	<u>170,810.20</u>	<u>12,381.30</u>	<u>13,379.55</u>
<b>10. Sales Expense</b>						
0 912.0	DEMONSTRATING & SELLING EXPENSES	0.00	3,896.48	0.00	0.00	0.00
0 912.01	DEM & SELL EXP - ANNUAL MEETINGS	41,286.33	10,245.87	46,458.59	743.05	3,177.78
0 912.02	DEM & SELL EXP - MEMBER APPRECIATI	3,675.72	880.60	13,039.63	74.32	1,063.49
0 912.03	DEM & SELL EXP-EMPLOYEE/DIRECTOR	24,000.90	19,686.16	26,124.36	297.20	2,013.72
0 912.04	DEM & SELL EXP-KEY ACCOUNTS	11,135.30	9,935.41	10,935.98	3,158.50	947.46
0 913.0	ADVERTISING EXPENSES	1,961.95	2,997.10	0.00	0.00	0.00
0 916.01	MISC SALES EXPENSES - URECA	51,840.07	27,941.17	42,314.06	2,229.11	3,290.48
0 916.02	MISC SALES EXPENSES - WASHINGTON D	804.58	2,160.46	6,387.00	0.00	532.25
	<b>Total for Line 10:</b>	<u>134,704.85</u>	<u>77,743.25</u>	<u>145,259.62</u>	<u>6,502.18</u>	<u>11,025.18</u>
<b>11. Administrative and General Expense</b>						
0 920.0	ADMINISTRATIVE & GENERAL SALARIES	936,678.38	1,267,120.60	864,447.17	321,081.20	84,909.07
0 920.01	ADMIN & GEN SALARY-WORKERS COMP	0.00	470.04	0.00	0.00	0.00
0 921.01	OFFICE SUPPLIES & EXPENSES	189,868.69	132,588.39	160,000.00	20,000.51	13,333.92
0 921.02	OFFICE SUPPLIES & EXPENSE - TELEPHO	158,367.25	159,261.18	156,650.00	11,442.60	13,054.79
0 921.03	OFF SUPPLIES & EXPENSE - POSTAGE/FRE	26,197.81	43,828.12	35,877.00	11,043.60	2,989.86

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Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
11. Administrative and General Expense					
0 921.04 SOFTWARE RENEWAL	165,349.30	145,675.07	244,988.00	14,987.84	18,584.14
0 921.05 OFFICE SUPPLIES - COMPUTER EQUIPME	5,592.48	40,178.97	26,000.00	7,564.52	2,166.74
0 921.06 SMALL TOOLS	13,487.83	0.00	43,500.00	0.00	3,375.00
0 921.07 OFFICE EXPENSE-LICENSES & SUBSCRIPT	7,966.88	1,243.78	5,000.00	195.12	83.37
0 923.01 OUTSIDE SERVICES EMPLOYED - AUDITO	16,635.00	13,590.00	15,100.00	0.00	1,225.00
0 923.02 OUTSIDE SERVICES EMPLOYED - ATTOR	35,144.40	50,537.67	50,000.00	3,101.88	4,166.85
0 923.03 OUTSIDE SERVICES EMPLOYED - ENGINE	0.00	6,981.50	35,000.00	0.00	2,916.85
0 923.04 OUTSIDE SERVICES EMPLOYED - MISC	79,319.08	117,001.82	71,704.00	39,893.31	5,975.59
0 924.01 PROPERTY INSURANCE EXPENSE	215,142.36	227,303.28	230,000.00	19,444.33	19,167.51
0 925.01 INJURIES & DAMAGES	153,567.65	124,130.97	149,997.00	8,996.37	13,005.93
0 925.02 INJURIES & DAMAGES - ST INSURANCE F	0.00	0.00	0.00	0.00	0.00
0 926.01 EMPLOYEE BENEFITS - NRECA GROUP LI	6,399.81	7,244.75	10,000.00	0.00	833.37
0 926.02 EMPLOYEE PENSIONS & BNFITS - HEALT	110,268.01	91,372.80	79,323.00	6,260.70	6,610.69
0 926.03 EMPLOYEE PNSIONS & BNFITS - NRECA R	1,161.47	0.00	0.00	0.00	0.00
0 926.04 EMPLOYEE PNSIONS & BNFITS - NRECA S	0.00	0.00	250.00	0.00	20.87
0 926.05 EMPLOYEE PNSIONS & BNFITS -CREDIT U	0.00	0.00	0.00	0.00	0.00
0 926.06 EMPLOYEE PNSIONS & BNFITS - POSTRET	171.62	2,521.77	0.00	0.00	0.00
0 926.07 EMPLOYEE BENEFITS - CLOTHING ALLO	56,441.47	42,712.76	50,825.00	6,609.59	4,235.60
0 926.08 EMPLOYEE BENEFITS - VISION CARE EXP	57,749.65	14,429.69	35,500.00	1,966.64	2,958.37
0 926.09 MEDICAL SAVINGS ACCOUNT EXPENSE	0.00	0.00	0.00	0.00	0.00
0 926.1 DAY CARE SAVINGS ACCOUNT EXPENSE	0.00	0.00	0.00	0.00	0.00
0 926.11 EMPLOYEE BENEFITS - DEFERRED COMP	0.00	0.00	0.00	0.00	0.00
0 928.0 REGULATORY COMMISSION EXPENSE	7,451.63	7,460.10	7,500.00	0.00	625.00
0 930.0 MISC GENERAL EXPENSES - ADM	199,599.87	135,145.34	114,549.44	9,421.15	12,837.11
0 930.01 MISC GENERAL EXPENSE - DIRECTORS	-6,755.44	-196.50	0.00	0.00	0.00
0 930.02 MISC GENERAL EXPENSES - TRAINING	825,388.81	504,971.40	630,697.44	62,368.69	53,665.28
0 930.03 MISC GEN EXP - US BANK VISA CARDS	0.00	70.63	0.00	0.00	0.00
0 930.04 MISC GENERAL EXPENSES - MEMBERSHI	44,549.48	86,691.55	32,100.00	10,172.77	2,675.11
0 930.05 MISC GENERAL EXPENSES - ADVERTISIN	49,200.90	18,361.39	52,500.00	2,738.00	4,375.22
0 930.06 MISC GENERAL EXPENSES - TRAVEL	90,792.70	50,743.09	102,190.08	3,560.74	8,570.50
0 930.07 MIS GEN EXP - SPONSORSHIPS, PROMO A	11,370.65	8,535.91	13,437.32	-351.27	1,126.98
0 930.2 DIRECTORS EXPENSE - BOARD MEETING	41,402.04	43,768.14	41,585.00	3,010.97	3,401.82
0 930.21 DIRECTORS EXPENSE - ANNUAL MEETIN	5,844.06	1,518.75	6,000.00	0.00	500.00
0 930.22 DIRECTORS EXPENSE - STRATEGIC PLAN	2,128.45	8,146.59	5,000.00	0.00	416.63
0 930.23 DIRECTORS EXPENSE - OTHER MEETINGS	4,815.93	5,518.05	7,000.00	2,610.60	583.37

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Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
11. Administrative and General Expense					
0 930.24 DIRECTORS EXPENSE - TRAINING/CONFE	13,157.75	1,184.32	22,000.00	0.00	1,833.37
0 930.25 DIRECTORS EXPENSE - BENEFITS	111,366.16	116,415.71	115,000.00	16,224.54	9,583.70
0 930.26 DIRECTORS EXPENSE - MISCELLANEOUS	3,169.35	11,208.96	12,900.00	8,423.57	1,075.00
0 930.28 MISC GENERAL EXPENSES - BAD DEBT E	75,400.20	0.00	0.00	0.00	0.00
0 931.0 RENTS	0.00	0.00	0.00	0.00	0.00
0 932.0 MAINTENANCE OF GENERAL PLANT	311,714.64	361,617.95	309,270.29	24,174.00	28,013.30
0 932.01 MAINT OF GENERATOR - BARNEY TOP	380.40	0.00	3,700.00	0.00	308.37
<b>Total for Line 11:</b>	<u>4,026,486.72</u>	<u>3,849,354.54</u>	<u>3,739,590.74</u>	<u>614,941.43</u>	<u>329,204.28</u>
12. Total Operation & Maintenance Expense (2 thru 11)	19,047,541.59	18,688,030.29	18,691,517.27	2,099,659.17	1,710,500.38
13. Depreciation & Amortization Expense					
0 403.2 DEPREC OF OTHER PRODUCTION PLT - U	31,918.28	31,918.32	31,917.74	2,659.86	2,679.64
0 403.21 DEPREC EXP - IRC DIESEL GENERATORS -	15,857.76	15,857.76	15,858.32	1,321.47	1,321.49
0 403.3 DEPREC OF HYDRAULIC PRODUCTION PL	0.00	0.00	0.00	0.00	0.00
0 403.31 DEPREC OF HYDRAULIC PLT - BOULDER -	48,098.35	47,191.74	50,000.48	3,932.65	4,166.56
0 403.32 DEPREC OF HYDRAULIC PLT - L BOULDE	34,300.08	34,300.08	36,000.04	2,858.32	3,000.04
0 403.5 DEPREC OF TRANSMISSION PLANT - UT	710,618.52	710,618.52	760,000.00	59,218.21	64,584.13
0 403.51 DEPREC OF TRANSMISSION PLT - BOULD	0.00	0.00	0.00	0.00	0.00
0 403.52 DEPREC OF TRANSMISSION PLANT - AZ	0.00	0.00	0.00	0.00	0.00
0 403.6 DEPREC OF DISTRIBUTION PLANT - UT	1,892,159.08	2,075,847.04	1,908,343.75	178,059.10	159,837.13
0 403.61 DEPREC OF DISTRIBUTION PLANT - AZ	190,592.23	195,510.90	195,832.56	16,388.50	16,319.38
0 403.7 DEPRECIATION OF GENERAL PLANT - UT	637,550.44	677,629.96	659,999.95	54,946.59	61,392.10
0 403.8 DEPRECIATION EXPENSE - LP GAS EQUIP	0.00	0.00	0.00	0.00	0.00
<b>Total for Line 13:</b>	<u>3,561,094.74</u>	<u>3,788,874.32</u>	<u>3,657,952.84</u>	<u>319,384.70</u>	<u>313,300.47</u>
14. Tax Expense - Property					
0 408.1 PROPERTY TAX EXPENSE	643,021.45	692,376.82	675,000.00	55,720.62	56,252.42
<b>Total for Line 14:</b>	<u>643,021.45</u>	<u>692,376.82</u>	<u>675,000.00</u>	<u>55,720.62</u>	<u>56,252.42</u>
15. Tax Expense - Other					
0 408.2 FEDERAL UNEMPLOYMENT TAX EXPENS	0.00	0.00	0.00	0.00	0.00
0 408.3 FICA TAX EXPENSE	-1.67	2,115.62	750.00	2,113.89	62.50
0 408.4 STATE UNEMPLOYMENT TAX EXPENSE	-0.02	0.02	0.00	0.00	0.00
0 408.5 STATE SALES & USE TAX EXPENSE	60,686.15	28,015.90	32,000.00	70.73	2,666.74
0 408.6 OTHER TAX EXPENSE	56,355.66	26,885.48	25,000.00	-110.97	2,083.37
<b>Total for Line 15:</b>	<u>117,040.12</u>	<u>57,017.02</u>	<u>57,750.00</u>	<u>2,073.65</u>	<u>4,812.61</u>

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## INCOME STATEMENT FOR DEC 2020

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	Last Year	This Year	Budget	Current	Budget
16. Interest on Long-Term Debt					
0 427.1 INTEREST ON REA LONG-TERM DEBT	0.00	0.00	0.00	0.00	0.00
0 427.2 INTEREST ON NRUCFC LONG-TERM DEBT	1,198,989.74	1,227,007.17	1,235,630.00	109,097.72	102,973.75
0 427.21 INTEREST ON KCWCD LT-DEBT	9,550.03	9,270.59	9,271.00	760.79	772.62
0 427.22 INTEREST ON NRUCFC LINE OF CREDIT	30,060.42	80,333.23	15,000.00	12,390.42	1,250.00
0 427.23 INTEREST ON PPP LOAN	0.00	0.00	0.00	0.00	0.00
<b>Total for Line 16:</b>	<u>1,238,600.19</u>	<u>1,316,610.99</u>	<u>1,259,901.00</u>	<u>122,248.93</u>	<u>104,996.37</u>
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other					
0 431.0 OTHER INTEREST EXPENSE	14,594.53	1,264.15	20,000.00	108.88	1,666.74
<b>Total for Line 18:</b>	<u>14,594.53</u>	<u>1,264.15</u>	<u>20,000.00</u>	<u>108.88</u>	<u>1,666.74</u>
19. Other Deductions					
0 425.0 MISCELLANEOUS AMORTIZATION	0.00	0.00	0.00	0.00	0.00
0 426.1 DONATIONS	22,016.00	14,139.42	25,000.00	467.67	2,083.37
0 426.11 SCHOLARSHIP AWARDS & DONATIONS	0.00	1,000.00	0.00	0.00	0.00
0 426.4 EXPENDITURES FOR CIVIC & POLITICAL	0.00	0.00	900.00	0.00	75.00
0 426.5 OTHER DEDUCTIONS	0.00	0.00	0.00	0.00	0.00
0 428.1 AMORTIZATION OF LOSS ON REACQUIRE	0.00	0.00	0.00	0.00	0.00
0 430.0 INTEREST EXPENSE - SHORT-TERM DEBT	0.00	0.00	0.00	0.00	0.00
<b>Total for Line 19:</b>	<u>22,016.00</u>	<u>15,139.42</u>	<u>25,900.00</u>	<u>467.67</u>	<u>2,158.37</u>
20. Total Cost of Electric Service (12 thru 19)	24,643,908.62	24,559,313.01	24,388,021.11	2,599,663.62	2,193,687.36
21. Patronage Capital & Operating Margins (1 minus 20)	846,439.89	1,343,126.81	1,018,474.02	-14,344.80	347,700.19
22. Non Operating Margins - Interest					
0 419.0 INTEREST AND DIVIDEND INCOME	39,653.29	52,641.37	35,000.00	2,397.62	2,916.74
<b>Total for Line 22:</b>	<u>39,653.29</u>	<u>52,641.37</u>	<u>35,000.00</u>	<u>2,397.62</u>	<u>2,916.74</u>
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other					
0 415.0 REVENUE FROM CONTRACT WORK - FRE	44,738.96	55,264.41	45,000.00	3,089.56	3,750.11
0 415.01 REVENUE FROM MISC SALES & CONTRA	0.00	0.00	0.00	0.00	0.00
0 415.02 REVENUE FROM KANE CO WATER CONSE	2,824.59	6,588.19	5,000.00	200.00	416.63
0 415.03 REV FROM SALES OF FIREPLACES & HEA	0.00	0.00	0.00	0.00	0.00
0 415.04 NET FROM INSTALLING NET METERING S	0.00	4,300.00	0.00	1,100.00	0.00
0 415.05 REVENUE FROM FREDONIA ELECT UPGR	0.00	0.00	0.00	0.00	0.00



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25. Non Operating Margins - Other						
0 415.06	REVENUE FROM ENERGY EFFICIENCY PR	170,399.60	164,069.09	173,388.00	14,609.70	14,449.66
0 415.07	REVENUE FROM SOUTH CENTRAL COMM	2,083.28	0.00	10,000.00	0.00	833.37
0 415.08	REVENUE FROM CONTRACT WORK - FRE	0.00	0.00	0.00	0.00	0.00
0 415.09	REVENUE FROM EMERY TELCOM	0.00	0.00	16,000.00	0.00	1,333.37
0 415.1	REV FROM SALES OF HOME SURGE PROT	5,550.00	2,470.00	5,245.76	295.00	437.22
0 416.0	COST & EXPENSE OF CONTRACT WORK -	-32,357.94	-52,755.97	-32,150.80	-2,029.86	-2,187.08
0 416.01	COST OF SALES & EXPENSE OF MISC CON	0.00	0.00	0.00	0.00	0.00
0 416.02	EXPENSE FOR KANE CO WATER CONSER	-7,214.82	-1,307.42	-2,870.36	-344.30	-314.74
0 416.03	COST OF MERCHANDISING FIREPLACES	0.00	0.00	0.00	0.00	0.00
0 416.04	COST TO INSTALL NET METERING SERVI	-1,964.59	-672.31	-3,968.06	-70.97	-351.02
0 416.05	COST & EXP OF FREDONIA ELECT UPGRD	0.00	0.00	0.00	0.00	0.00
0 416.06	COST OF ENERGY EFFICIENCY PROGRAM	-170,399.60	-164,069.09	-173,388.38	-14,609.70	-16,608.11
0 416.07	COST OF SALES & EXPENSE - SOUTH CEN	0.00	0.00	0.00	0.00	0.00
0 416.08	COST & EXPENSE OF CONTRACT WORK-C	0.00	0.00	0.00	0.00	0.00
0 416.1	COST OF HOME SURGE PROTECTORS	-3,304.22	-2,066.85	-5,245.76	-100.00	-463.80
0 418.0	NONOPERATING RENTAL INCOME	0.00	0.00	1,500.00	0.00	125.00
0 421.0	NONPERATING INCOME - UT IMPACT FEE	271,999.13	272,310.26	275,000.00	37,301.20	22,917.62
0 421.01	NONPERATING INCOME - AZ IMPACT FEE	34,102.11	29,588.25	30,000.00	2,465.66	2,500.11
0 421.1	GAIN ON DISPOSITION OF PROPERTY	61,980.15	72,212.83	45,000.00	0.00	3,750.11
0 421.11	MISC NONOPERATING INCOME - GAIN RU	54,948.24	54,948.24	54,948.00	4,579.02	4,579.22
0 421.2	LOSS ON DISPOSITION OF PROPERTY	0.00	-2,609.44	-1,000.00	0.00	-83.37
	<b>Total for Line 25:</b>	<u>433,384.89</u>	<u>438,270.19</u>	<u>442,458.40</u>	<u>46,485.31</u>	<u>35,084.30</u>
26. Generation and Transmission Capital Credits						
0 423.0	GENERATION & TRANSMISSION COOP CA	6,819.00	6,819.00	6,819.00	568.25	568.25
	<b>Total for Line 26:</b>	<u>6,819.00</u>	<u>6,819.00</u>	<u>6,819.00</u>	<u>568.25</u>	<u>568.25</u>
27. Other Capital Credits and Patronage Dividends						
0 424.0	OTHER CAPITAL CRS & PATRONAGECAPI	169,965.59	145,164.15	180,000.00	-97,630.17	15,000.66
	<b>Total for Line 27:</b>	<u>169,965.59</u>	<u>145,164.15</u>	<u>180,000.00</u>	<u>-97,630.17</u>	<u>15,000.66</u>
28. Extraordinary Items						
0 434.0	EXTRAORDINARY INCOME	0.00	0.00	0.00	0.00	0.00
0 434.1	GAIN ON CURTAILMENT	0.00	0.00	0.00	0.00	0.00
0 435.0	EXTRAORDINARY ITEMS	0.00	0.00	0.00	0.00	0.00
0 435.1	EXTRA-ORDINARY DEDUCTIONS	0.00	0.00	0.00	0.00	0.00
	<b>Total for Line 28:</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

**General Ledger  
CFC Form 7**

**INCOME STATEMENT FOR DEC 2020**

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
29. Patronage Capital or Margins (21 thru 28)	1,496,262.66	1,986,021.52	1,682,751.42	-62,523.79	401,270.14
Operating - Margin	1,023,224.48	1,495,109.96	1,205,293.02	-111,406.72	363,269.10
Non Operating - Margin	473,038.18	490,911.56	477,458.40	48,882.93	38,001.04
Times Interest Earned Ratio - Operating	1.68	2.02			
Times Interest Earned Ratio - Net	2.21	2.51			
Times Interest Earned Ratio - Modified	2.07	2.39			

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**PARAMETERS ENTERED:**

**Period:** DEC 2020  
**Standard Financial:** CFC Form 7  
**Group By:** All  
**Division:** All  
**Department:** All  
**Format:** Detail  
**Include Departments:** No  
**Round To Whole Dollars:** No  
**Report Basis:** Calendar Year  
**Budget Revision:** 2  
**Financial And Statistical Data:** No  
**Compare:** Budget

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# General Ledger

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### BALANCE SHEET FOR DEC 2020

ASSETS AND OTHER DEBITS	Last Year	This Year	Variance
1. Total Utility Plant in Service			
0 301.0 ORGANIZATION COSTS - UTAH	0.00	0.00	0.00
0 301.1 ORGANIZATION COSTS - ARIZONA	0.00	0.00	0.00
0 302.0 FRANCHISES AND CONSENTS - UTAH	0.00	0.00	0.00
0 302.1 FRANCHISES AND CONSENTS - ARIZONA	0.00	0.00	0.00
0 303.0 MISCELLANEOUS INTANGIBLE PLANT - U	0.00	0.00	0.00
0 303.1 MISCELLANEOUS INTANGIBLE PLANT - A	0.00	0.00	0.00
0 330.0 LAND & LAND RIGHTS - HYDRAULIC PRO	0.00	0.00	0.00
0 330.01 LAND & LAND RIGHTS - HYDRO - BOULD	300,450.09	300,450.09	0.00
0 330.02 LAND & LAND RIGHTS - LOWER BOULDE	27,850.00	27,850.00	0.00
0 331.01 STRUCTURES & IMPROVEMENTS - BOULD	201,466.86	201,466.86	0.00
0 331.02 STRUCTURES & IMPROVEMENTS - L BOU	365,574.53	365,574.53	0.00
0 332.01 RESERVOIRS, DAMS & WATERWAYS - BO	2,531,004.47	2,531,004.47	0.00
0 332.02 RESERVOIRS, DAMS & WATERWAYS - LO	691,257.01	691,257.01	0.00
0 333.01 WATERWHEELS, TURBINES & GENERATO	962,233.07	962,233.07	0.00
0 333.02 WATER WHEELS, TURBINES, & GENERAT	441,830.94	441,830.94	0.00
0 334.01 ACCESSORY ELECTRIC EQUIP - BOULDER	147,785.79	147,785.79	0.00
0 334.02 ACESSORY ELECTRIC EQUIPMENT - L BO	82,299.21	82,299.21	0.00
0 335.01 MISC POWER PLANT EQUIP - BOULDER #2	20,792.88	20,792.88	0.00
0 335.02 MISC POWER PLANT EQUIPMENT - L BOU	15,185.80	15,185.80	0.00
0 336.01 ROADS, RAILROADS & BRIDGES - BOULD	32,921.05	32,921.05	0.00
0 336.02 ROADS, RAILROADS, & BRIDGES - LOWER	115,020.30	115,020.30	0.00
0 344.0 GENERATORS	585,300.00	585,300.00	0.00
0 344.5 IRC GENERATORS - AZ	317,155.53	317,155.53	0.00
0 345.0 ACCESSORY ELECTRIC EQUIPMENT - OTH	272,061.12	272,061.12	0.00
0 350.0 LAND & LAND RIGHTS - TRANSMISSION P	2,339,973.24	2,339,973.24	0.00
0 350.01 LAND & LAND RIGHTS - TRANS. - BOULD	405.61	405.61	0.00
0 351.0 CLEARING LAND, & ROW - TRANS PLT - U	4,637.09	4,637.09	0.00
0 351.1 CLEARING LAND, & ROW - TRANS PLT - A	21,480.35	21,480.35	0.00
0 352.0 STRUCTURES & IMPROV - TRANS PLANT -	41,920.05	41,920.05	0.00
0 353.0 STATION EQUIP, BOULDER PROJ #2219 - U	55,264.84	55,264.84	0.00
0 353.01 STATION EQUIP - HENRIEVILLE TEL, TRA	59,132.84	59,132.84	0.00
0 353.02 STATION EQUIP, HENREIVILLE SUB TRAN	1,072,962.20	1,072,962.20	0.00
0 353.03 STATION EQUIP, PARIA TEL, TRANS PLT -	37,230.30	37,230.30	0.00
0 353.04 STATION EQUIP - SIGURD SUB - UT	241,623.99	241,623.99	0.00
0 353.05 STATION EQUIP - BUCKSKIN SUB - UT	1,079,202.10	1,079,202.10	0.00

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## BALANCE SHEET FOR DEC 2020

	Last Year	This Year	Variance
1. Total Utility Plant in Service			
0 353.06 STATION EQUIP - 138/69 KV PORT TRANS -	546,903.17	546,903.17	0.00
0 353.1 STATION EQUIP - TRANS PLANT - AZ	1,905.85	1,905.85	0.00
0 354.0 STEEL TOWERS, FIXTURES - TRANS PLT -	0.00	0.00	0.00
0 354.1 STEEL TOWERS & FIX - TRANS PLT - AZ	35,371.27	35,371.27	0.00
0 355.0 POLES, & FIXTURES - TRANS PLANT - UT	13,607,093.17	13,607,093.17	0.00
0 355.01 POLES & FIXTURES - BOULDER #2219 - UT	124,637.48	124,637.48	0.00
0 355.1 POLES & FIXTURES - TRANS PLT - AZ	152,451.47	152,097.26	-354.21
0 356.0 OH CONDUCTORS & DEVICES - TRANS PL	9,311,698.59	9,311,436.80	-261.79
0 356.01 OH CONDUCT & DEVICES - BOULDER 2219 -	144,367.22	144,367.22	0.00
0 356.1 OH CONDUCT & DEVICES - TRANS PLT - A	138,824.79	138,824.79	0.00
0 358.0 UNDERGROUND CONDUCTORS & DEVICE	0.00	0.00	0.00
0 359.0 ROADS & TRAILS - TRANS. PLANT - UTAH	23,982.75	23,982.75	0.00
0 360.0 LAND & LAND RIGHTS - DIST. PLANT - UT	598,974.94	598,974.94	0.00
0 360.1 LAND & LAND RIGHTS - DIST. PLANT - AR	40,374.88	40,374.88	0.00
0 360.11 LAND & LAND RIGHTS - DIST PAIUTE/KIA	12,798.74	15,836.74	3,038.00
0 361.0 STRUCTURES & IMPROVE - DIST PLT - UT	0.00	0.00	0.00
0 361.1 STRUCTURES & IMPROVE - DIST PLT - AZ	0.00	0.00	0.00
0 362.0 STATION EQUIP BOULBER SUB - DIST PLT	488,344.13	488,344.13	0.00
0 362.01 STATION EQUIP - BRYCE CYN SUB - DIST -	389,407.33	389,407.33	0.00
0 362.02 STATION EQUIP - ESCALANTE SUB - DIST	301,436.75	301,436.75	0.00
0 362.03 STATION EQUIP - HANKSVILLE SUB- DIST	168,205.99	168,205.99	0.00
0 362.04 STATION EQUIP - HATCH SUB - DIST -UT	2,194,267.29	2,194,267.29	0.00
0 362.05 STATION EQUIP - HATCH MT SUB - DIST -	111,915.97	111,915.97	0.00
0 362.06 STATION EQUIP - JOHNSON CYN SUB - DIS	105,580.79	105,580.79	0.00
0 362.07 STATION EQUIP - 34.5 KV PORTABLE SUB	135,111.85	135,111.85	0.00
0 362.08 STATION EQUIP - LYMAN SUB - DIST - UT	251,588.89	251,588.89	0.00
0 362.09 STATION EQUIP - ORDERVILLE SUB -DIST	163,962.85	163,962.85	0.00
0 362.1 STATION EQUIP - PAHREA HOLLOW SUB	21,142.52	21,142.52	0.00
0 362.11 STATION EQUIP - PARIA SUB - DIST -UT	279,776.80	279,776.80	0.00
0 362.12 STATION EQUIP - PARKER MT.SUB - DIST	363,589.01	363,589.01	0.00
0 362.13 STATION EQUIP - CITATION SUB - DIST UT	199,456.47	199,456.47	0.00
0 362.14 STATION EQUI - TORREY SUB - DIST - UT	1,478,486.13	1,478,486.13	0.00
0 362.15 STATION EQUIP - TROPIC SUB - DIST - UT	114,517.02	114,517.02	0.00
0 362.16 STATION EQUIP - 69/12.5 PORTABLE SUB	258,451.24	258,451.24	0.00
0 362.17 STATION EQUIP - HILDALE SUB - DIST - U	148,238.63	148,238.63	0.00
0 362.18 STATION EQUIP - KCR SUB - DIST - UT	1,038,397.06	1,038,397.06	0.00

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## BALANCE SHEET FOR DEC 2020

		Last Year	This Year	Variance
1. Total Utility Plant in Service				
0 362.19	STATION EQUIP - BICKNELL SUB - DIST -	449,677.87	449,677.87	0.00
0 362.2	STATION EQUIP - SPRY SUB - DIST - UT	150,016.15	150,016.15	0.00
0 362.21	STATION EQUIP - SWAINS CREEK SUB - U	86,740.67	86,740.67	0.00
0 362.22	STATION EQUIP - KANAB CITY SUB - UT	614,103.78	614,103.78	0.00
0 362.23	STATION EQUIP - DUCK CREEK SUB - UT	537,923.20	537,923.20	0.00
0 362.24	STATION EQUIP - TODD'S JCT SUB - UT	1,878,761.40	1,878,761.40	0.00
0 362.25	STATION EQUIP - TWIN CITIES SUB - UT	1,641,229.08	1,641,229.08	0.00
0 362.26	STATION EQUIP - 8 MILE GAP SUB - UT	1,143,006.77	1,143,006.77	0.00
0 362.27	STATION EQUI - 67/34.5 MOBILE SUB - UT	916,794.33	916,794.33	0.00
0 362.28	STATION EQUIP - ZIONVIEW SUB - UT	252,931.72	252,931.72	0.00
0 362.5	STATION EQUIP - COLO CITY SUB - AZ	142,169.39	142,169.39	0.00
0 362.51	STATION EQUIP - FREDONIA SUB - AZ	691,193.28	691,193.28	0.00
0 362.52	STATION EQUIP - RYAN SUB - AZ	154,634.34	154,634.34	0.00
0 362.53	STATION EQUIP - HACK CANYON SUB - A	0.00	0.00	0.00
0 362.54	STATION EQUIP - PIGEON CYN SUB - AZ	0.00	0.00	0.00
0 362.55	STATION EQUIPMENT - PLX - UT	0.00	0.00	0.00
0 362.56	STATION EQUIPMENT - PLX - AZ	0.00	0.00	0.00
0 362.57	STATION EQUIP - 34.5 TO 12.5 MOBILE SUB	0.00	0.00	0.00
0 364.0	POLES, TOWERS, FIXTURES - DIST PLT - U	10,053,346.31	11,683,438.68	1,630,092.37
0 364.1	POLES, TOWERS, FIXTURES - DIST PLT - A	1,399,104.51	1,399,104.51	0.00
0 365.0	OH CONDUCTORS & DEVICES - DIST PLT -	11,288,019.18	12,690,477.23	1,402,458.05
0 365.1	OH CONDUCTORS & DEVICES - DIST PLT -	2,464,847.27	2,464,847.27	0.00
0 366.0	UNDERGROUND CONDUIT - DIST PLT - UT	265,147.08	407,338.95	142,191.87
0 366.1	UNDERGROUND CONDUIT - DIST PLT - AZ	10,588.09	10,588.09	0.00
0 367.0	UG CONDUCTORS & DEVICES - DIST PLT -	4,632,000.13	6,773,007.11	2,141,006.98
0 367.1	UG CONDUCTORS & DEVICES - DIST PLT -	110,379.77	110,379.77	0.00
0 368.0	LINE TRANSFORMERS - DIST PLANT - UT	12,655,164.05	12,923,561.73	268,397.68
0 368.1	LINE TRANSFORMERS - DIST PLANT - AZ	994,897.20	1,101,102.19	106,204.99
0 369.0	SERVICES - DIST PLANT - UT	3,949,051.94	5,190,417.97	1,241,366.03
0 369.1	SERVICES - DIST PLANT - AZ	362,573.63	362,573.63	0.00
0 370.0	METERS - DIST PLANT - UT	3,596,928.90	3,596,928.90	0.00
0 370.01	METERS - DIST PLANT 15 YR - UT	1,819,309.74	1,819,309.74	0.00
0 370.02	METERS - DIST PLANT 15 YR - AZ	40,357.71	40,357.71	0.00
0 370.1	METERS - DIST PLANT - AZ	395,393.02	395,393.02	0.00
0 371.0	INSTALL ON CUST PREMISES - DIST PLT -	122,130.28	137,474.84	15,344.56
0 371.1	INSTALL ON CUST PREMISES - DIST PLT -	8,375.62	8,375.62	0.00

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## BALANCE SHEET FOR DEC 2020

		Last Year	This Year	Variance
<b>1. Total Utility Plant in Service</b>				
0 373.0	STREET LIGHTS & SIGNAL SYS - DIST PLT	99,756.71	99,756.71	0.00
0 373.1	STREET LIGHTS & SIGNAL SYS - DIST PLT	8,104.71	8,104.71	0.00
0 389.0	LAND & LAND RIGHTS - GEN PLANT - UT	286,441.17	286,441.17	0.00
0 390.0	STRUCTURES & IMPROVEMENTS - GEN PL	4,666,094.13	4,905,605.00	239,510.87
0 391.0	OFFICE FURNITURE & EQUIP - GEN PLT -	1,737,967.46	1,839,498.73	101,531.27
0 392.1	TRANSPORT EQUIP - AUTO'S - UT	39,181.29	39,181.29	0.00
0 392.2	TRANSPORT EQUIP - LIGHT TRUCKS - UT	2,851,943.46	2,997,746.83	145,803.37
0 392.3	TRANSPORT EQUIP - HEAVY TRUCKS - UT	47,343.50	47,343.50	0.00
0 392.4	TRANSP EQUIP - TRAILERS, SNOWMOBILE	1,320,463.47	1,352,513.46	32,049.99
0 393.0	STORES EQUIPMENT - GENERAL PLANT -	0.00	0.00	0.00
0 394.0	TOOLS, SHOP, GARAGE EQUIP - GEN PLT	140,667.49	140,667.49	0.00
0 395.0	LABORATORY EQUIP - GEN PLANT - UT	658,974.34	667,816.67	8,842.33
0 396.0	POWER OPERATED EQUIP - GEN PLT - UT	6,102,323.53	6,478,019.17	375,695.64
0 397.0	COMMUNICATION EQUIP - GEN PLT - UT	382,648.38	393,914.22	11,265.84
0 397.01	COMMUNICATION EQUIP - BOULDER #221	0.00	0.00	0.00
0 397.02	COMMUNICATION EQUIP - SCADA SYS - U	406,873.76	406,873.76	0.00
0 398.0	MISCELLANEOUS EQUIPMENT - GEN PLT -	907,480.73	1,064,609.94	157,129.21
<b>Total for Line 1:</b>		127,498,342.84	135,519,655.89	8,021,313.05
<b>2. Construction Work in Progress</b>				
0 107.2	CONSTRUCTION WORK IN PROGRESS	4,929,170.12	2,596,757.59	-2,332,412.53
0 107.25	CONSTRUCTION WIP - BORING	48,180.13	66,701.78	18,521.65
0 107.3	CONST. WORK-IN-PROGRESS - SPECIAL E	23,617.92	-14,380.45	-37,998.37
<b>Total for Line 2:</b>		5,000,968.17	2,649,078.92	-2,351,889.25
<b>3. Total Utility Plant (1 + 2)</b>				
		132,499,311.01	138,168,734.81	5,669,423.80
<b>4. Accum. Provision for Depreciation and Amort.</b>				
0 108.2	ACC PROV FOR DEPREC-OTHER PRODUCT	-619,088.09	-651,006.41	-31,918.32
0 108.21	ACC PROV FOR DEPREC - IRC GENERATO	-203,508.60	-219,366.36	-15,857.76
0 108.31	ACC PROV FOR DEPREC BOULDER HYDR	-2,687,658.96	-2,734,850.70	-47,191.74
0 108.32	ACC PROV FOR DEPREC - LOW BOULDER	-854,880.67	-889,180.75	-34,300.08
0 108.33	GAIN/LOSS RETIREMENT OF BOULDER H	0.00	0.00	0.00
0 108.5	ACCUM PROV DEPREC - TRANS PLANT - U	-10,456,437.78	-11,167,056.30	-710,618.52
0 108.51	ACC PROV FOR DEPREC - TR PLANT BOUL	-383,402.38	-383,402.38	0.00
0 108.52	ACC PROV FOR DEPREC - TRANS PLANT -	-322,656.74	-322,656.74	0.00
0 108.53	GAIN LOSS RETIRMENT TRANS PLANT - U	0.00	0.00	0.00
0 108.54	GAIN LOSS RETIREMENT TRAN PLT - ARI	0.00	0.00	0.00

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### BALANCE SHEET FOR DEC 2020

	Last Year	This Year	Variance	
<b>4. Accum. Provision for Depreciation and Amort.</b>				
0 108.6	ACC PROV FOR DEPREC - DIST PLANT - U	-27,727,986.06	-29,316,491.96	-1,588,505.90
0 108.61	ACC PROV FOR DEPREC - DIST PLANT - A	-3,300,430.30	-3,495,941.20	-195,510.90
0 108.62	ACC PROV DEP-NET LOSS/GAIN WO SYS U	2,824,619.01	3,194,321.21	369,702.20
0 108.63	ACC PROV DEP-NET LOSS/GAIN WO SYS-A	85,113.36	85,113.36	0.00
0 108.7	ACC PROV FOR DEPREC - GEN PLANT - UT	-1,966,552.31	-2,096,539.70	-129,987.39
0 108.71	ACC PROV FOR DEPREC - GEN OFF PLT - U	-1,321,129.94	-1,442,842.62	-121,712.68
0 108.72	ACC PROV FOR DEPREC TRANS EQUIP AU	-36,361.47	-37,081.47	-720.00
0 108.73	ACC PROV FOR DEP TRANS EQUIP LT TRK	-1,727,448.66	-2,054,777.89	-327,329.23
0 108.74	ACC PROV FOR DEPR TRANS EQUIP-HEAV	-47,343.50	-47,343.50	0.00
0 108.75	ACC PROV FOR DEP TRANS EQUIP TRAIL	-1,013,247.51	-1,100,165.30	-86,917.79
0 108.76	ACC PROV FOR DEPREC-TOOLS,GARAGE,	-103,712.52	-110,694.81	-6,982.29
0 108.77	ACC PROV FOR DEPREC- LAB EQUIP - UT	-517,718.96	-546,983.03	-29,264.07
0 108.78	ACC PROV FOR DEPREC - COMM EQUIP -	-285,480.04	-303,833.77	-18,353.73
0 108.79	ACC PROV FOR DEP - COMM EQUIP BOUL	0.00	0.00	0.00
0 108.8	RETIREMENT WORK-IN-PROGRESS	300,561.85	74,798.12	-225,763.73
0 108.81	RETIREMENT WORK-IN-PROGRESS -CONT	0.00	0.00	0.00
0 108.82	RETIREMENT WORK-IN-PROGRESS - OVE	0.00	0.00	0.00
0 108.83	RETIREMENT WORK-IN-PROGRESS - ARIZ	0.00	0.00	0.00
0 108.9	ACC PROV FOR DEPREC - MISC EQUIP - UT	-653,834.45	-723,140.70	-69,306.25
0 108.91	ACC PROV FOR DEP - HEAVY EQUIPMENT	-4,498,624.26	-4,661,079.24	-162,454.98
0 108.92	ACC PROV FOR DEPREC - STORES EQUIP -	0.00	0.00	0.00
0 108.93	ACC PROV FOR DEPREC - SCADA EQUIP -	-306,220.76	-320,138.78	-13,918.02
	<b>Total for Line 4:</b>	-55,823,429.74	-59,270,340.92	-3,446,911.18
<b>5. Net Utility Plant (3 - 4)</b>				
		76,675,881.27	78,898,393.89	2,222,512.62
<b>6. Non-Utility Property (Net)</b>				
	<b>Total for Line 6:</b>	0.00	0.00	0.00
<b>7. Invest. in Subsidiary Companies</b>				
0 123.12	INVESTMENT IN GARKANE PROPANE INC.	1,478,228.55	1,478,228.55	0.00
0 123.13	LONG TERM NOTES RECEIVABLE - GARK	0.00	0.00	0.00
0 123.14	UNDISTRIBUTED SUBSIDIARY EARNINGS	1,710,257.27	1,693,830.00	-16,427.27
	<b>Total for Line 7:</b>	3,188,485.82	3,172,058.55	-16,427.27
<b>8. Invest. in Assoc. Org. - Patronage Capital</b>				
0 123.0	INVEST ASSOC ORGANIZATION - NRUCFC	1,012,411.66	1,062,101.81	49,690.15
	<b>Total for Line 8:</b>	1,012,411.66	1,062,101.81	49,690.15
<b>9. Invest. in Assoc. Org. - Other - General Funds</b>				



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9. Invest. in Assoc. Org. - Other - General Funds			
0 123.01 INVEST IN ASSOC ORGANIZATION - LPAC	0.00	0.00	0.00
<b>Total for Line 9:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
10. Invest. in Assoc. Org. - Other - Nongeneral Funds			
0 123.22 INVESTMENTS IN CAPITAL TERM CERTIFI	975,973.47	965,885.20	-10,088.27
0 123.23 OTHER INVEST. IN ASSOC. ORG. - NRUCFC	1,000.00	1,000.00	0.00
0 123.24 NRUCFC - MEMBER CAPITAL SECURITIES	50,000.00	50,000.00	0.00
0 123.25 OTHER INVESTMENT IN ASSOC ORG - CO	1,000.00	1,000.00	0.00
<b>Total for Line 10:</b>	<b>1,027,973.47</b>	<b>1,017,885.20</b>	<b>-10,088.27</b>
11. Invest. in Economic Development Projects			
<b>Total for Line 11:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
12. Other Investments	0.00	0.00	0.00
13. Special Funds			
0 128.0 OTHER SPEC FUNDS-UNCLAIMED CAPTL	7,723.34	80,623.50	72,900.16
0 128.01 OTHER SPECIAL FUNDS - ROUNDUP PROG	14,015.47	15,425.97	1,410.50
0 128.1 SPECIAL FUNDS - DEF COMP - CARL ALBR	0.00	0.00	0.00
0 128.12 SPECIAL FUNDS - DEF COMP - MARION CH	0.00	0.00	0.00
0 128.13 SPECIAL FUNDS - DEF COMP - IRA M AVA	54,024.04	0.00	-54,024.04
<b>Total for Line 13:</b>	<b>75,762.85</b>	<b>96,049.47</b>	<b>20,286.62</b>
14. Total Other Property & Investments (6 thru 13)	5,304,633.80	5,348,095.03	43,461.23
15. Cash - General Funds			
0 131.0 CASH - CACHE VALLEY BANK-GENERAL	209,549.09	192,436.05	-17,113.04
0 131.01 CASH - ZIONS BANK - HATCH - GENERAL	75,641.18	1,601,667.34	1,526,026.16
0 131.02 CASH - SBSU TWIN CITIES FUND ACCOUN	26,149.10	20,903.93	-5,245.17
0 131.1 CASH - GENERAL FUND - SBSU	2,036,494.96	1,810,737.91	-225,757.05
0 131.11 CASH - PAYROLL ACCOUNT	250.32	-3,768.34	-4,018.66
0 131.12 CAPITAL CREDIT ALLOCATION FUND	458,918.60	61,919.88	-396,998.72
0 131.13 CASH - GENERAL FUND - ONLINE PAYME	74,807.86	105,537.02	30,729.16
0 131.14 CASH - CREDIT CARD PAYMENT ACCOUN	146,360.53	216,703.75	70,343.22
0 131.15 CASH - HEALTH & VISION CARE FUND	62,117.22	257,324.13	195,206.91
0 131.4 TRANSFER OF CASH - CLEARING ACCOUN	0.00	0.00	0.00
0 131.99 CASH - CLEARING ACCT	-7,556.50	0.00	7,556.50
0 135.0 WORKING FUND - PETTY CASH	1,225.06	1,050.14	-174.92
<b>Total for Line 15:</b>	<b>3,083,957.42</b>	<b>4,264,511.81</b>	<b>1,180,554.39</b>
16. Cash - Construction Funds - Trustee			

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## BALANCE SHEET FOR DEC 2020

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16. Cash - Construction Funds - Trustee			
0 131.2 CASH - REA CONSTRUCTION FUND	0.00	0.00	0.00
<b>Total for Line 16:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
17. Special Deposits	0.00	0.00	0.00
18. Temporary Investments			
0 136.0 TEMPORARY CASH INVESTMENTS	0.00	0.00	0.00
<b>Total for Line 18:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
19. Notes Receivable (Net)			
<b>Total for Line 19:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
20. Accounts Receivable - Sales of Energy (Net)			
0 142.0 CONSUMER ACCTS RECEIVABLE - ELECT	2,776,283.15	2,758,064.01	-18,219.14
0 142.99 A/R DISC ACCTS WITH CREDIT BALANCE	8,958.09	9,370.87	412.78
0 144.1 ACCUM. PROV. FOR UNCOLLECTABLE CO	-95,172.24	-95,172.24	0.00
<b>Total for Line 20:</b>	<b>2,690,069.00</b>	<b>2,672,262.64</b>	<b>-17,806.36</b>
21. Accounts Receivable - Other (Net)			
0 142.1 CONSUMER ACCTS RECEIVABLE - RETUR	18,527.41	18,527.41	0.00
0 142.11 CONSUMER ACCTS RECEIVABLE - DISCO	176,292.70	187,564.56	11,271.86
0 143.0 OTHER ACCOUNTS RECEIVABLE	62,563.06	71,605.84	9,042.78
0 143.1 OTHER ACCOUNTS RECEIVABLE - EMPLO	0.00	0.00	0.00
0 143.11 ACCOUNTS RECEIVABLE OTHER - MISC	747,822.22	715,152.00	-32,670.22
0 143.12 ACCTS RECEIVABLE - MISC CLEARING AC	0.00	0.00	0.00
0 143.13 EMPLOYEES ACCTS RECEIVABLE - AFLA	0.00	0.00	0.00
0 143.15 ACCOUNTS RECEIVABLE OTHER - CEO/G	169.80	7.99	-161.81
0 143.16 ACCOUNTS RECEIVABLE OTHER - BORIN	0.00	0.00	0.00
0 143.2 MISC ACCTS RECEIVABLE - SKYLINE LU	0.00	0.00	0.00
0 143.21 ACCTS RECEIVABLE - AIC CONTRACTS	0.00	0.00	0.00
0 143.22 A/R OTHER - SOLAR PROJECT (DESERET)	0.00	0.00	0.00
0 143.23 A/R OTHER - URECA	0.00	0.00	0.00
0 143.24 A/R OTHER - SOLAR PROJECT #2	0.00	0.00	0.00
0 143.25 A/R OTHER - WASHINGTON DC YOUTH TO	2,160.46	0.00	-2,160.46
0 143.26 A/R OTHER - FREMONT IRRIGATION HYD	0.00	-605.44	-605.44
0 143.27 A/R OTHER - SOLAR PROJECT #3	3,058.89	0.00	-3,058.89
0 143.28 A/R OTHER - COMMUNITY PROJECTS - KA	0.00	9,039.10	9,039.10
0 143.29 A/R OTHER - KAYSVILLE CITY HELP	0.00	21,513.81	21,513.81
0 143.3 ACCTS RECEIVABLE OTHER - GARKANE P	281,744.12	314,565.73	32,821.61
0 143.4 ACCTS RECEIVABLE - FIREPLACE & HEAT	0.00	0.00	0.00

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## BALANCE SHEET FOR DEC 2020

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21. Accounts Receivable - Other (Net)			
0 143.5 ACCOUNTS RECEIVABLE-WORK FOR OTH	0.00	0.00	0.00
0 143.6 A/R OTHER - LARGE SOLAR INTERCONNE	0.00	3,733.55	3,733.55
0 143.9 CLEARING ACCOUNT VOID BAD CHECKS	0.00	0.00	0.00
<b>Total for Line 21:</b>	1,292,338.66	1,341,104.55	48,765.89
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other			
0 154.0 MATERIALS & SUPPLIES	3,565,352.31	1,798,790.09	-1,766,562.22
0 154.99 ANIXTER MATERIALS & SUPPLIES	0.00	1,489,933.83	1,489,933.83
0 155.0 MERCHANDISE	42,046.40	59,223.40	17,177.00
0 163.0 STORES EXPENSE UNDISTRIBUTED	405,713.17	1,025,020.13	619,306.96
<b>Total for Line 23:</b>	4,013,111.88	4,372,967.45	359,855.57
24. Prepayments			
0 165.0 PREPAYMENTS	479,942.52	479,942.52	0.00
0 165.01 PREPAYMENTS - SUBSTATION PLX	76,495.13	76,495.13	0.00
0 165.1 PREPAID INSURANCE	71,748.64	77,777.36	6,028.72
0 165.11 PREPAID HEALTH INSURANCE	0.00	0.00	0.00
0 165.12 PREPAID PENSIONS & BENEFITS - NRECA	0.00	0.00	0.00
0 165.15 PREPAID WORKERS COMP	32,987.44	55,061.45	22,074.01
0 165.16 PREPAID SOFTWARE LICENSE - PARTNER	3,899.94	5,042.12	1,142.18
0 165.17 PREPAID SOFTWARE SUBSCRIPTION - RE	2,000.00	-3,000.00	-5,000.00
0 165.18 PREPAID SOFTWARE LICENSE-STAKING S	12,000.00	0.00	-12,000.00
0 165.19 PREPAID SALES TAX PENALTY	0.00	0.00	0.00
0 165.2 PREPAID ENERGY EFFICIENCY PROGRAM	0.00	0.00	0.00
0 165.3 PREPAID HSA CONTRIBUTIONS	0.00	-241.37	-241.37
0 165.31 PREPAYMENTS - SPECIAL EQUIPMENT LA	0.00	0.00	0.00
<b>Total for Line 24:</b>	679,073.67	691,077.21	12,003.54
25. Other Current and Accrued Assets			
0 171.0 INTEREST & DIVIDEND RECEIVABLES - C	6,346.52	16,434.43	10,087.91
0 171.1 INTEREST & DIVIDEND RECEIVABLE - OT	0.00	0.00	0.00
<b>Total for Line 25:</b>	6,346.52	16,434.43	10,087.91
26. Total Current and Accrued Assets (15 thru 25)	11,764,897.15	13,358,358.09	1,593,460.94
27. Deferred Debits			
0 183.0 PREM SURVEY & INVESTIGATION - MISC	0.00	0.00	0.00
0 183.01 PREM INVEST CHGS - LAKE POWELL PIPE	1,952.36	1,952.36	0.00
0 183.02 PRELIMINARY SUR & INVESTIGATION - W	16,800.47	16,800.47	0.00

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27. Deferred Debits			
0 183.03 PRELIMINARY COSTS - PANGUITCH CIT	554.68	554.68	0.00
0 183.04 PRELIMINARY INVESTIGATION - ARMAN	7,703.35	7,703.35	0.00
0 183.05 PRELIMINARY INVESTIGATION - NATURA	1,265.00	1,265.00	0.00
0 183.06 PRELIMINARY-MCRAE/BUCKSKIN SUB V	10,968.86	10,968.86	0.00
0 184.1 CLEARING ACCT. - TRANSPORTATION EX	15,729.75	37,438.75	21,709.00
0 184.11 CLEARING ACCT - PAYROLL DECUCTION	0.00	0.00	0.00
0 184.12 CLEARING ACCT. - CASH FROM THE SALE	0.00	8,500.00	8,500.00
0 184.13 CLEARING ACCT. - WORK ORDER REFUN	323.27	323.27	0.00
0 184.15 CLEARING ACCT. - FLEET TRANS EXPENS	0.00	0.00	0.00
0 184.2 CLEARING ACCOUNT - HEALTH INSURAN	0.00	0.00	0.00
0 184.22 CLEARING ACCT - EMPLOYEES CONTR. 40	0.00	-7,921.60	-7,921.60
0 184.23 CLEARING ACCT - NRECA LOAN - EMPLO	0.00	0.00	0.00
0 184.24 CLEARING ACCT - EMPLOYEE MISC PAYR	0.00	0.00	0.00
0 184.25 CLEARING ACCT - CONNECT & COLLECTI	0.00	0.00	0.00
0 184.26 EMPLOYEE'S CONTR - NRECA SAVINGS	0.00	0.00	0.00
0 184.27 CLEARING ACCT - PAYROLL DEDUCT. CR	0.00	0.00	0.00
0 184.28 CLEARING ACCT. CONSUMER ACCTS REC	-4,923.98	-4,782.22	141.76
0 184.29 CLEARING ACCT - WHEELING REVENUE B	0.00	0.00	0.00
0 184.3 CLEARING ACCT - NRECA GROUP LIFE IN	0.00	0.00	0.00
0 184.31 CLEARING ACCT - HSA PAYROLL DEDUC	0.00	0.00	0.00
0 184.32 CLEARING ACCOUNT - DENTAL INSURAN	6,450.99	6,557.67	106.68
0 184.33 CLEARING ACCOUNT - NRECA R&S	0.00	0.00	0.00
0 184.34 CLEARING ACCOUNT - VISION INSURANC	0.00	0.00	0.00
0 184.35 CLEARING ACCOUNT - CREDIT CARDS	0.00	409.26	409.26
0 184.4 CLEARING ACCT - POST RET BENFITS	0.00	0.00	0.00
0 184.5 CLEARING ACCT. - WORK ORDERS	0.00	4,395.89	4,395.89
0 184.51 CLEARING ACCT. - KCWCD REIMBURSEM	-4,000.00	-3,000.00	1,000.00
0 184.52 CLEARING ACCT. - LINE EXTENSION REF	-1,103.14	-7,471.29	-6,368.15
0 184.53 CLEARING ACCT. - OTHER	0.00	3,754.58	3,754.58
0 184.6 OTHER DEFERRED DEBITS - UNCLAIMED	24,932.21	24,932.21	0.00
<b>Total for Line 27:</b>	<u>76,653.82</u>	<u>102,381.24</u>	<u>25,727.42</u>
28. Total Assets and Other Debits (5 + 14 + 26 + 27)	<u>93,822,066.04</u>	<u>97,707,228.25</u>	<u>3,885,162.21</u>

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### BALANCE SHEET FOR DEC 2020

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<b>LIABILITIES AND OTHER CREDITS</b>			
29. Memberships	0.00	0.00	0.00
30. Patronage Capital			
0 201.1    PATRON'S CAPITAL CREDITS	36,043,450.60	35,729,659.03	-313,791.57
0 201.2    PATRONAGE CAPITAL ASSIGNABLE	8,187,715.01	9,327,296.36	1,139,581.35
<b>Total for Line 30:</b>	44,231,165.61	45,056,955.39	825,789.78
31. Operating Margins - Prior Years			
0 998.2    PROFIT CLEARING NON-OPERATING	-473,038.18	-490,911.56	-17,873.38
<b>Total for Line 31:</b>	-473,038.18	-490,911.56	-17,873.38
32. Operating Margins - Current Year			
0 998.1    PROFIT CLEARING OPERATING	-1,023,224.48	-1,495,109.96	-471,885.48
Current Fiscal Margins	1,023,224.48	1,495,109.96	471,885.48
<b>Total for Line 32:</b>	0.00	0.00	0.00
33. Non-Operating Margins			
0 219.1    OPERATING MARGINS	0.00	0.00	0.00
Current Fiscal Margins	473,038.18	490,911.56	17,873.38
<b>Total for Line 33:</b>	473,038.18	490,911.56	17,873.38
34. Other Margins and Equities			
0 208.1    DONATED CAPITAL	0.00	0.00	0.00
0 216.1    UNDISTRIBUTED SUBSIDIARY EARNINGS	2,110,257.27	2,193,830.00	83,572.73
0 217.0    RETIRED CAPITAL CREDITS - GAIN	12,868.45	17,880.73	5,012.28
0 219.2    NON-OPERATING MARGINS - SUBSIDIARY D	433,932.00	433,932.00	0.00
0 219.21    NONOPERATING MARGINS PRIOR YRS NO	4,841,860.35	4,841,860.35	0.00
0 219.4    OTHER MARGINS & EQUITIES - PRIOR	0.00	0.00	0.00
<b>Total for Line 34:</b>	7,398,918.07	7,487,503.08	88,585.01
35. Total Margins & Equities (29 thru 34)	51,630,083.68	52,544,458.47	914,374.79
36. Long-Term Debt - CFC (Net)			
0 123.21    OTHER INVESTMENTS - NRUCFC CAPITAL	0.00	0.00	0.00
0 224.11    OTHER LONG-TERM DEBT-SUBSCRIPT. CF	0.00	0.00	0.00
0 224.12    OTHER LONG-TERM DEBT - CFC	35,515,563.48	33,478,617.23	-2,036,946.25
0 224.13    CFC NOTES EXECUTED - DEBIT	-7,850,000.00	-300,000.00	7,550,000.00
<b>Total for Line 36:</b>	27,665,563.48	33,178,617.23	5,513,053.75
37. Long-Term Debt - Other (Net)			
0 224.02    OTHER LONG TERM DEBT - KCWCD	473,031.68	458,130.95	-14,900.73

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37. Long-Term Debt - Other (Net)			
0 224.03      OTHER LONG TERM DEBT - PPP LOAN	0.00	1,395,800.00	1,395,800.00
<b>Total for Line 37:</b>	473,031.68	1,853,930.95	1,380,899.27
38. Total Long-Term Debt (36 + 37)	28,138,595.16	35,032,548.18	6,893,953.02
39. Obligations Under Capital Leases	0.00	0.00	0.00
40. Accumulated Operating Provisions			
0 228.29      ACCUM PROV FOR POST BENEFITS - RET	0.00	0.00	0.00
0 228.3      ACCUMULATED PROV FOR PENSIONS & B	0.00	0.00	0.00
0 228.34      ACC PROV DEF COMP - IRA M AVANT	54,024.04	0.00	-54,024.04
<b>Total for Line 40:</b>	54,024.04	0.00	-54,024.04
41. Total Other Noncurrent Liabilities (39 + 40)	54,024.04	0.00	-54,024.04
42. Notes Payable	0.00	0.00	0.00
43. Accounts Payable			
0 232.1      ACCOUNTS PAYABLE - GENERAL	315,460.77	626,232.85	310,772.08
0 232.11      ACCOUNTS PAYABLE - OTHER	1,923,374.34	1,957,341.22	33,966.88
0 232.12      ACCOUNTS PAYABLE - UNCASHED GENE	5,353.66	5,353.66	0.00
0 232.13      ACCOUNTS PAYABLE OTHER - ROUNDUP	14,296.61	16,507.70	2,211.09
0 232.14      ACCOUNTS PAYABLE - VISION CARE FUN	0.00	0.00	0.00
0 232.15      ACCTS PAYABLE - UREA PAC FUND	0.00	0.00	0.00
0 232.16      A/P POST RET BENFITS - EMPLOYEES/DIR	0.00	0.00	0.00
<b>Total for Line 43:</b>	2,258,485.38	2,605,435.43	346,950.05
44. Consumers Deposits			
0 235.0      CONSUMER DEPOSITS - ELECTRIC	545,732.82	491,702.44	-54,030.38
0 235.1      HOME RENTAL DEPOSITS	400.00	450.00	50.00
<b>Total for Line 44:</b>	546,132.82	492,152.44	-53,980.38
45. Current Maturities Long-Term Debt			
0 233.0      CURRENT MATURITIES LONG TERM DEBT	1,819,404.46	1,994,405.67	175,001.21
0 233.01      CURRENT MATURITIES LONG TERM DEBT	14,618.59	14,900.73	282.14
0 233.02      NOTE PAYABLE - CFC LINE OF CREDIT	4,550,000.00	0.00	-4,550,000.00
<b>Total for Line 45:</b>	6,384,023.05	2,009,306.40	-4,374,716.65
46. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
47. Current Maturities Capital Leases			
<b>Total for Line 47:</b>	0.00	0.00	0.00
48. Other Current and Accrued Liabilities			

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48. Other Current and Accrued Liabilities			
0 236.1 ACCRUED PROPERTY TAXES	55,000.00	106,000.00	51,000.00
0 236.2 ACCRUED FEDERAL UNEMPLOYMENT TA	0.00	0.00	0.00
0 236.3 ACCRUED FICA TAX	336.85	0.00	-336.85
0 236.4 ACCRUED STATE UNEMPLOYMENT TAX	113.21	39.17	-74.04
0 236.47 ACCRUED MUNICIPAL ENERGY SALES TA	36,402.86	35,869.43	-533.43
0 236.5 ACCRUED UTAH STATE SALES TAX	83,965.55	87,162.12	3,196.57
0 236.51 ACCRUED UTAH RESORT TAX PAYABLE	0.00	0.00	0.00
0 236.52 ACCRUED ARIZONA STATE SALES TAX	22,312.92	21,372.25	-940.67
0 236.53 ACCRUED MOHAVE CO UTILITY GROSS R	64,937.82	68,667.85	3,730.03
0 237.2 ACCRUED INTREST NRUCFU LOAN	103,179.39	109,097.77	5,918.38
0 237.21 ACCRUED INTREST KCWCD LOAN	4,705.80	4,564.74	-141.06
0 237.22 ACCRUED INTEREST - NRUCFC LINE OF C	0.00	0.00	0.00
0 237.3 ACCRUED INTEREST ON CONSUMER DEP	66,829.01	50,306.99	-16,522.02
0 238.1 PATRONAGE CAPITAL & PATRONAGE RE	955,266.18	1,240,497.77	285,231.59
0 238.11 PATRONAGE CAPITAL CREDITS RETIRED	45,357.01	43,572.85	-1,784.16
0 238.99 PATRONAGE CAP CREDITS RETIRED CLE	1,226.95	-578.46	-1,805.41
0 241.0 FEDERAL WITHHOLDING TAX	0.00	0.00	0.00
0 241.1 STATE WITHHOLDING TAX	3,000.00	0.00	-3,000.00
0 242.2 ACCRUED PAYROLL	57,275.53	135,684.00	78,408.47
0 242.3 EMPLOYEES ACCRUED PERSONAL LEAVE	1,238,677.19	1,309,189.51	70,512.32
0 242.31 ACCRUED LIABILITY FOR COMPENSATED	117,722.06	125,718.03	7,995.97
0 242.32 DONATED PERSONAL LEAVE BANK - SPE	1,410.02	1,410.02	0.00
0 242.33 CURRENT LIABILITY - DEFERRED COMP	0.00	0.00	0.00
0 242.99 PAYROLL CLEARING ACCOUNT	0.00	0.00	0.00
<b>Total for Line 48:</b>	<u>2,857,718.35</u>	<u>3,338,574.04</u>	<u>480,855.69</u>
49. Total Current & Accrued Liabilities (42 thru 48)	12,046,359.60	8,445,468.31	-3,600,891.29
50. Deferred Credits			
0 253.0 OTHER DEFERED CRS-UNCLAIMED CAPT	105,378.09	66,815.66	-38,562.43
0 253.1 CONSUMER DONATION - WARM PROGRA	0.00	0.00	0.00
0 253.2 PLANT INVESTMENT FEE - UTAH	1,282,004.70	1,258,494.44	-23,510.26
0 253.3 PLANT INVESTMENT FEE - ARIZONA	165,343.42	178,183.17	12,839.75
0 253.4 DEFERRED CREDITS - ENERGY EFFICIENC	266,216.09	102,147.00	-164,069.09
0 253.5 DEFERRED CREDITS - STORES SPREAD	0.00	0.00	0.00
0 257.0 UNAMORTIZED GAIN ON REACQUIRED D	134,061.26	79,113.02	-54,948.24
<b>Total for Line 50:</b>	<u>1,953,003.56</u>	<u>1,684,753.29</u>	<u>-268,250.27</u>

02/16/2021 4:05:07 pm

## General Ledger CFC Form 7

Page: 13

### BALANCE SHEET FOR DEC 2020

	<b>Last Year</b>	<b>This Year</b>	<b>Variance</b>
51. Total Liab. & Other Credits (35+38+41+49+50)	93,822,066.04	97,707,228.25	3,885,162.21
 <b>ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION</b>			
Balance Beginning of Year	-28,831,817.87		
Amounts Received This Year (Net)	-2,017,594.07		
TOTAL Contributions-In-Aid-Of-Construction	-30,849,411.94		



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# General Ledger

## CFC Form 7

Page: 14

**PARAMETERS ENTERED:**

**Period:** DEC 2020  
**Standard Financial:** CFC Form 7  
**Group By:** All  
**Division:** All  
**Department:** All  
**Format:** Detail  
**Include Departments:** No  
**Round To Whole Dollars:** No  
**Report Basis:** Calendar Year  
**Budget Revision:** 2  
**Financial And Statistical Data:** No  
**Compare:** Budget

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

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# Kimball & Roberts

A Professional Corporation  
Certified Public Accountants  
176 North Main • P.O. Box 663  
Richfield, Utah 84701

## INDEPENDENT AUDITOR'S REPORT

Garkane Energy Cooperative, Inc. and Subsidiary  
PO Box 465  
Loa, Utah 84747

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of the business-type activities of Garkane Energy Cooperative, Inc. and Subsidiary as of and for the years ended December 31, 2020 and 2019, and the related statements of revenue and patronage capital and cash flows for the years then ended, which collectively comprise the Corporation's financial statements as listed in the table of contents. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Garkane Energy Cooperative, Inc. and Subsidiary at December 31, 2020 and 2019, and the respective changes in consolidated financial position and consolidated cash flows, thereof, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Garkane Energy Cooperative, Inc. and Subsidiary's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2021, on our consideration of Garkane Energy Cooperative, Inc. and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Garkane Energy Cooperative, Inc. and Subsidiary's internal control over financial reporting and compliance.

*Kimball & Roberts, PC*

Certified Public Accountants

February 19, 2021  
Richfield, Utah

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# **BASIC FINANCIAL STATEMENTS**

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**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED BALANCE SHEETS**  
**December 31, 2020 and 2019**

<b>ASSETS</b>	<u>2020</u>	<u>2019</u>
Utility Plant:		
Electric Plant in Service, At Cost	\$135,519,656	\$127,498,343
Construction Work-in-Progress	<u>2,649,079</u>	<u>5,000,968</u>
Total	138,168,735	132,499,311
Less: Accumulated Depreciation	<u>(59,270,341)</u>	<u>(55,823,430)</u>
Net Utility Plant	<u>78,898,394</u>	<u>76,675,881</u>
Property and Investments, At Cost:		
Non-Utility Property - Net	3,082,146	3,123,585
Investments in Associated Companies	2,079,986	2,040,385
Other Investments	96,049	75,763
Deferred Debits	<u>102,381</u>	<u>                    </u>
Total Property and Investments, At Cost	<u>5,360,562</u>	<u>5,239,733</u>
Current Assets:		
Cash in Banks	4,566,989	3,378,061
Accounts Receivable	4,855,556	4,754,302
Allowance for Doubtful Accounts	(129,620)	(129,929)
Materials and Supplies (Average Cost)	4,400,574	4,110,259
Other Current Assets	<u>772,704</u>	<u>796,538</u>
Total Current Assets	<u>14,466,203</u>	<u>12,909,231</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 98,725,159</b></u>	<u><b>\$ 94,824,845</b></u>
<b>EQUITIES AND LIABILITIES</b>		
Equities and Margins:		
Patrons Capital	<u>\$ 52,544,459</u>	<u>\$ 51,630,084</u>
Long-Term Debt:		
Other Long-Term Debt	1,853,931	473,032
CFC Mortgage Notes	<u>33,178,617</u>	<u>27,665,563</u>
Total Noncurrent Liabilities	<u>35,032,548</u>	<u>28,138,595</u>
Other Noncurrent Liabilities:		
Accumulated Operating Provisions	-	54,024
Deferred Income Tax Liability	<u>459,567</u>	<u>446,267</u>
Total Other Noncurrent Liabilities	<u>459,567</u>	<u>500,291</u>
Current Liabilities:		
Accounts Payable	2,943,764	2,623,961
Customer Deposits	506,088	560,068
Current Maturities of Long-Term Debt	2,009,306	6,384,023
Other Current and Accrued Liabilities	<u>3,544,674</u>	<u>3,034,819</u>
Total Current Liabilities	<u>9,003,832</u>	<u>12,602,871</u>
Deferred Credits	<u>1,684,753</u>	<u>1,953,004</u>
<b>TOTAL EQUITIES AND LIABILITIES</b>	<u><b>\$ 98,725,159</b></u>	<u><b>\$ 94,824,845</b></u>

The notes to the financial statements are an integral part of this statement.

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF REVENUE AND PATRONAGE CAPITAL**  
**For the Years Ended December 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
<b>Operating Revenues:</b>		
Electricity Sales	\$25,902,440	\$25,490,349
Propane Sales	<u>3,351,987</u>	<u>3,796,508</u>
Total Operating Revenues	<u>29,254,427</u>	<u>29,286,857</u>
<b>Operating Expenses:</b>		
Power Production	484,038	316,689
Cost of Purchased Power	9,947,995	10,156,349
Cost of Propane Sales	2,132,980	2,512,808
Transmission Expenses	522,555	561,858
Distribution Expenses - Operation	1,080,967	1,076,987
Distribution Expenses - Maintenance	1,728,040	1,876,169
Consumer Accounts	761,352	738,832
Customer Service Informational Expense	235,986	159,466
Sales Expenses	77,743	134,705
Administrative and General Expense	4,837,451	5,095,438
Depreciation and Amortization Expense	4,032,606	3,751,776
Taxes	749,394	760,062
Interest on Long-Term Debt	1,316,611	1,238,600
Other Interest	1,264	14,594
Other Deductions	<u>15,140</u>	<u>22,016</u>
Total Operating Expenses and Interest	<u>27,924,122</u>	<u>28,416,349</u>
Net Operating Margins (Deficit)	<u>1,330,305</u>	<u>870,508</u>
<b>Non-Operating Margins:</b>		
Interest Income	53,940	40,968
Gain (Loss) on Disposition of Property	107,103	60,227
Amortized Gain On RUS Loan Discount	54,948	54,948
Amortized Gain From Impact Fees	301,899	306,101
Miscellaneous Non-Operating Income	16,318	8,238
PPP Loan Forgiveness	48,100	
Net Income From Other Operations	<u>11,820</u>	<u>10,356</u>
Total Non-Operating Margins	<u>594,128</u>	<u>480,838</u>
<b>Other Capital Credits and Allocations</b>	<u>145,164</u>	<u>169,966</u>
Net Income Before Taxes	<u>2,069,597</u>	<u>1,521,312</u>
Net Margins for Period	2,069,597	1,521,312
Patronage Capital - Beginning of Year	51,630,084	51,312,610
Retirement of Capital Credits	<u>(1,155,222)</u>	<u>(1,203,838)</u>
Patronage Capital - End of Year	<u>\$52,544,459</u>	<u>\$51,630,084</u>

The notes to the financial statements are an integral part of this statement.



**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For The Years Ended December 31, 2020 and 2019**

	2020	2019
<b>Cash Flows from Operating Activities:</b>		
Net Margins	\$ 1,986,500	\$ 1,521,312
Adjustments to Reconcile Net Margins for Cash Flows:		
Depreciation and Amortization	4,032,606	3,751,776
Gain or (Loss) on Disposal of Assets	(525,934)	(205,384)
Provision for Income Tax	(13,300)	-
Increase (Decrease) in Operating Assets:		
Accounts Receivable	(101,564)	213,879
Inventory	(290,316)	(534,778)
Prepayments, Accrued Assets and Deferred Debits	(78,548)	293,728
Increase (Decrease in Operating Liabilities:		
Accumulated Operating Provisions	(54,024)	6,287
Accounts Payable	319,803	69,538
Other Current and Accrued Liabilities	509,854	160,199
Other Deferred Credits	(268,250)	(267,635)
	<u>5,516,827</u>	<u>5,008,922</u>
<b>Cash Flows From Noncapital Financing Activities:</b>		
Increase (Decrease) Deferred Tax Liability	13,300	13,005
	<u>13,300</u>	<u>13,005</u>
<b>Cash Flows From Capital and Related Activities:</b>		
Change in Property, Plant and Equipment	(8,039,634)	(6,436,564)
Construction Work-In-Progress	2,351,889	-
Proceeds from Sale of Equipment	37,500	-
Other Property and Investments	(33,961)	-
	<u>(5,684,206)</u>	<u>(6,436,564)</u>
<b>Cash Flows From Investing Activities:</b>		
Interest and Dividends	1,298	-
Subsidiary Earnings and Dividends	(100,000)	(100,000)
Other Investments	-	42,177
	<u>(98,702)</u>	<u>(57,823)</u>
<b>Cash Flows From Financing Activities:</b>		
Margins and Equities	(1,071,647)	(1,178,789)
Long-Term Borrowing	6,893,953	4,602,221
Long-Term Debt Retirement	(4,374,717)	(1,834,023)
Customers Deposits	(53,980)	(4,193)
PPP Loan Forgiveness	48,100	-
	<u>1,441,709</u>	<u>1,585,216</u>
Increase (Decrease) in Cash and Investments	1,188,928	112,756
Cash and Investments - Beginning of Year	3,378,061	3,265,305
Cash and Investments - End of Year	<u>\$ 4,566,989</u>	<u>\$ 3,378,061</u>
<b>Supplemental Information for Statement of Cash Flows:</b>		
Interest Paid	\$ 1,316,611	\$ 1,238,600

The notes to the financial statements are an integral part of this statement.

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2020 and 2019**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This note describes various significant accounting policies related to the Garkane Energy Cooperative, Inc. (Garkane) financial statement presentation. Some accounting policies are presented with the applicable note disclosure item.

**Nature of Operations:**

Garkane is a non-profit, cooperative association organized to provide retail electric service to residential and commercial accounts in a designated service area. Garkane provides electric service to south-central Utah and northern Arizona. Garkane's wholly owned subsidiary is Garkane Propane, Inc., which also provides propane service to south-central Utah and northern Arizona. Garkane Propane, Inc., is a Utah corporation subject to federal and state income taxes.

**Reporting Entity:**

In addition to Garkane's financial statements, the financial reports of Garkane include the financial statements of its wholly owned subsidiary, Garkane Propane, Inc. The financial statements are presented on a consolidated basis.

**Consolidating Policy:**

Garkane's financial statements include a wholly owned subsidiary, Garkane Propane, Inc. The subsidiary follows the same reporting method and year-end. Inter-entity balances and transactions have been eliminated. The Subsidiary's condensed financial statements and description of the consolidation are included in these notes.

**Basis of Accounting and System of Accounts:**

The accompanying financial statements have been prepared using the accrual basis of accounting. Garkane's accounting records are maintained in accordance with the Uniform System of Accounts as prescribed by the Federal Energy Regulatory Commission.

**Electric Plant, Maintenance and Depreciation:**

The electric plant is stated at the original cost of construction which includes the cost of contracted services, direct labor, materials and overhead items less contribution from others toward the construction of the electric plant. All additions and retirements of the plant are recorded by means of job orders. Provision is made for depreciation on a straight-line basis. The Public Service Commission of the state wherein the property is located is informed of the depreciation rates used (see Note 4 for depreciation detail).

When property which represents a retirement unit is replaced or removed, the average cost of such property as determined from the continuing property records is credited to the electric plant and such cost, together with costs of removal less salvage is charged to the accumulated provision for depreciation.

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
Continued

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Maintenance and repairs, including the renewal of minor items of plant not comprising a retirement unit, are charged to the appropriate maintenance accounts, except that repairs of transportation and service equipment are charged to clearing accounts and redistributed to operation expenses and other accounts.

**Electric Revenues:**

Operating revenues are generated through rates established by Garkane's Board of Directors and approved by the Utah Public Service Commission and the Arizona Corporation Commission. Electric revenue is recorded as it is billed to customers on a cyclical monthly basis (consumers are grouped into four separate bill cycles for this purpose and are billed monthly for their respective cycle). However, an accrual was made at year-end (2016) to account for the portion of January's revenue that should have been included in December's revenue. Beginning in 2017, a revenue accrual was made monthly to account for this difference.

**Trade Receivables and Allowance for Doubtful Accounts:**

Customer billing statements are mailed monthly. Customer bills are due 20 days following the billing date. Meter disconnection begins for customers two months overdue. Delinquent balances of disconnected customers are tracked separately and collection efforts increase including collecting agencies. Customer balances are retained in case of customer reconnection, etc.

**Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions regarding the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

**Cash and Cash Equivalents:**

For purposes of the Statement of Cash Flows, all highly liquid debt instruments purchased with a maturity of three months or less or which are subject to demand liquidation are considered to be cash equivalents.

**Inventory:**

Materials held in inventory are accounted for using the moving average cost method which is not in excess of market. Obsolete inventory items are written off as considered necessary.

**Sales Tax:**

Revenues are reported in the income statement net of sales tax.

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
 Continued

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**  
**Income Tax:**

Garkane is a regulated, non-profit Cooperative that is exempt from federal and state income taxes. Garkane pays property taxes as required by local laws. The subsidiary, Garkane Propane, Inc., is a taxable entity subject to federal and state income taxes. Tax years 2017, 2018, and 2019 are still open to Federal and State taxing authorities.

**Date of Subsequent Event Evaluation:**

Garkane's subsequent events have been evaluated through the date of financial statement issuance of February 19, 2021.

**NOTE 2 - PATRONAGE CAPITAL**

Garkane is a non-stock cooperative organized to provide electric energy to its patrons. All revenues from the sale of electric energy which exceed the costs of providing such energy are considered capital contributions and are credited to patrons capital accounts based upon their total patronage. Margins received from sale of goods or services other than electric energy are non-operating margins and are credited to patron accounts at the discretion of the board according to Association by-laws. Operating losses are not allocated to patrons. These capital accounts are payable to patrons or their successors only at the discretion of the Board of Directors with permission of the regulatory bodies, provided, however, that the financial condition of the Association is not impaired.

	2020	2019
Patronage Capital, Beginning of Year	\$ 51,630,084	\$ 51,312,610
Additions:		
Operating margins (losses)	1,578,686	1,053,963
Other Capital Credits		
Nonoperating Margins	490,911	467,349
Retired Capital Credits-Gain	17,881	12,867
Deductions:		
Retirement of Patronage	(1,173,103)	(1,216,705)
Patronage Capital, End of Year	\$ 52,544,459	\$ 51,630,084

Under the provisions of the Mortgage Agreement, the equities and margins must equal or exceed 20% of the total assets of the cooperative before the return to patrons of capital contributed by them can be distributed. In addition, any distribution is generally limited to thirty percent of the patronage capital or margins received by Garkane in the prior calendar year. The equities and margins of Garkane approximate 53.22% for 2020 and 54.45% for 2019 of the total assets at balance sheet date.

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
Continued

**NOTE 3 - INVESTMENT IN ASSOCIATED COMPANIES**

Investments in the associated companies include the following notes receivable:

	<u>% Earnings</u>	<u>Maturity</u>	<u>2020</u>	<u>2019</u>
Patronage Capital Credits - CFC	0.0	Varies	\$ 1,062,101	\$ 1,012,412
Capital Term Certificates - CFC	0.0 - 5.0	2080	965,885	975,973
Class A Membership - CFC	5.0	2070	1,000	1,000
Other Investment in Association - CoBank			1,000	1,000
Member Capital Securities - CFC	7.5	2044	<u>50,000</u>	<u>50,000</u>
Total			<u>\$ 2,079,986</u>	<u>\$ 2,040,385</u>

**NOTE 4 - ELECTRIC PLANT AND DEPRECIATION PROCEDURES**

Depreciation is calculated on the straight-line basis using the rates disclosed below. Major classes of electric plant at December 31, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Production Plant	\$ 7,110,189	\$ 7,110,189
Transmission Plant	29,040,452	29,041,068
Distribution Plant	78,748,784	71,798,683
General Plant	<u>20,620,231</u>	<u>19,548,403</u>
Total Electric Plant in Service	135,519,656	127,498,343
Construction Work-in-Progress	<u>2,649,079</u>	<u>5,000,968</u>
Total	<u>138,168,735</u>	<u>132,499,311</u>
Accumulated Depreciation	<u>(59,270,341)</u>	<u>(55,823,430)</u>
Net Utility Plant	<u>\$ 78,898,394</u>	<u>\$ 76,675,881</u>
Annual Depreciation	<u>\$ 3,788,874</u>	<u>\$ 3,561,095</u>

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
 Continued

**NOTE 4 - ELECTRIC PLANT AND DEPRECIATION PROCEDURES (CONTINUED)**

Provision has been made for depreciation of the classified plant in service on a straight-line basis as follows:

Depreciation - Hydraulic Production Plant	2.00 - 3.79
Depreciation - Transmission Plant	2.70
Depreciation - Distribution Plant	2.00 - 4.10
General Plant:	
Structures and Improvements	3.30
Office Furniture and Fixtures	10.00
Transportation Equipment	14.25
Stores Equipment	10.00
Tools, Shop and Garage Equipment	10.00
Laboratory Equipment	10.00
Power Operated Equipment	12.00
Communication Equipment	10.00
Miscellaneous Equipment	10.00
Depreciation - Non-Utility Propane Plant	2.00 - 10.00

**NOTE 5 - OTHER PROPERTY AND INVESTMENTS**

Garkane has the following other property and investments:

	<u>2020</u>	<u>2019</u>
Deferred Compensation - Homestead Funds	\$ -	\$ 54,024
Zions Bank - Unclaimed Capital Credit Checks	80,624	7,723
Round-up Special Fund	15,425	14,016
Deferred Debits	<u>102,381</u>	<u>-</u>
Total Other Investments	<u>\$ 198,430</u>	<u>\$ 75,763</u>

**NOTE 6 - DEPOSITS AND INVESTMENTS**

Deposits and investments of Garkane have various levels of risk, insurance, collateral, etc. The following summarizes Garkane's deposits and investments.

	<u>2020</u>	<u>2019</u>
Demand Deposits	\$ 4,565,639	\$ 3,376,436
Petty Cash	<u>1,350</u>	<u>1,625</u>
Total Deposits and Investments	<u>\$ 4,566,989</u>	<u>\$ 3,378,061</u>
Balance Sheet Presentation:		
Current Assets, Cash	<u>\$ 4,566,989</u>	<u>\$ 3,378,061</u>

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
 Continued

**NOTE 6 - DEPOSITS AND INVESTMENTS (CONTINUED)**

All cash and temporary cash investments may be liquidated on demand. Cash and cash equivalents consist of cash on hand and in checking accounts, repurchase agreement (sweep) accounts, certificates of deposit, and money market funds. The carrying amounts for cash and cash equivalents, which approximate fair market value, were \$4,566,989 at December 31, 2020 and \$3,378,061 at December 31, 2019. Significant concentrations of deposits exceed federally insured deposit limits. As of December 31, 2020, \$1,635,838 of the bank balances of \$4,682,169 was uninsured and at risk. As of December 31, 2019, \$548,602 of the bank balances of \$4,083,761 was uninsured and at risk. The repurchase agreement of \$1,917,146 and \$2,369,989, at December 31, 2020 and 2019 respectively hold highly rated bonds, government securities, etc. for the collateral on those accounts, however this account is not insured by FDIC.

**NOTE 7 - DEFERRED CREDITS**

The following is a summary of deferred credits as of December 31, 2020 and 2019.

	2020	2019
Uncashed Capital Credit Checks	\$ 66,816	\$ 105,378
Unamortized Impact Fees	1,436,677	1,447,349
Energy Efficient Grant	102,147	266,216
Unamortized Gain on Reacquired Debt	79,113	134,061
	\$ 1,684,753	\$ 1,953,004

**NOTE 8 - LONG TERM DEBT**

**Kane County Water Conservancy District - Johnson Canyon - 3 Phase Upgrade/ Cooperative Power Installation Agreement:**

The Kane County Water Conservancy District (KCWCD) entered into a cooperative power installation agreement with Garkane Energy (Garkane) in December 2012. This installation agreement included two parts. The first part included the upgrade to three-phase power of Garkane's primary overhead power distribution line near Johnson Canyon. The second part included the underground installation of three-phase power on Johnson Canyon road. Garkane was responsible for the overhead portion and KCWCD was responsible for the underground portion of this project. The installation of the project was completed in January of 2015. The total cost of the project was \$829,825.47. KCWCD agreed to pay for the entire underground portion of the cooperative power installation agreement, which amounted to one-third of the entire project (\$276,331.88). The balance of the cooperative power installation agreement or (two-thirds of the project) was paid for and financed by KCWCD in the form of a \$553,493.59 loan to Garkane to be repaid over 30 years, 1.93% interest, with annual payments of \$24,030.24. Interest began to accrue upon energization of the project, which was in the summer of 2016.

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
**Continued**

**NOTE 8 - LONG TERM DEBT (CONTINUED)**

The following is a summary of the principal and interest to be paid to maturity:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 14,901	\$ 9,129	\$ 24,030
2022	15,188	8,842	24,030
2023	15,481	8,549	24,030
2024	15,780	8,250	24,030
2025	16,085	7,945	24,030
2026-2030	85,202	34,949	120,151
2031-2035	93,748	26,403	120,151
2036-2040	103,150	17,001	120,151
2041-2045	113,496	6,655	120,151
	<u>113,496</u>	<u>6,655</u>	<u>120,151</u>
Total	<u>\$ 473,031</u>	<u>\$ 127,723</u>	<u>\$ 600,754</u>

**National Rural Utilities Cooperative Finance Corporation:**

Garkane has 39 mortgage notes with the National Rural Utilities Cooperative Finance Corporation (CFC). These notes are fixed interest rates or renewable terms with maturity dates ranging from years 2020 to 2050. Current year-end interest rates range between 3.10% and 5.2%. Payments to service debt obligations are made quarterly. Substantially all assets are pledged as security for long-term debt to CFC. Garkane has an agreement with the United States Department of Agriculture Division of Rural Utility Services to guarantee the debt.

The following is a summary of the principal and interest to be paid to maturity:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,994,406	\$ 1,444,514	\$ 3,438,920
2022	1,888,589	1,364,197	3,252,786
2023	1,638,301	1,292,819	2,931,120
2024	1,664,998	1,224,781	2,889,779
2025	1,692,760	1,155,677	2,848,437
2026-2030	8,593,648	4,712,299	13,305,947
2031-2035	7,852,838	2,963,906	10,816,744
2036-2040	4,315,210	1,618,768	5,933,978
2041-2045	3,021,966	864,016	3,885,982
2046-2050	2,510,307	228,056	2,738,363
	<u>2,510,307</u>	<u>228,056</u>	<u>2,738,363</u>
Total	<u>\$ 35,173,023</u>	<u>\$ 16,869,033</u>	<u>\$ 52,042,056</u>



**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
 Continued

**NOTE 8 - LONG TERM DEBT (CONTINUED)**

Garkane has a line of credit with CFC. The authorized amount was \$5,000,000 at December 31, 2020 and 2019. As of December 31, 2020 and 2019, the balance owed on the credit line was \$0 and \$4,550,000 respectively. Applicable interest rates are charged on the current line of credit when advanced to Garkane. The \$4,550,000 amount from 2019 was converted to long-term debt in March 2020. There was one new loan on the line of credit during 2020 of \$3,000,000. This loan was converted to long-term debt in December 2020. In total, \$7,550,000 was converted from the Company's line of credit during 2020 to long-term debt with CFC.

**Payroll Protection Program Loan:**

During 2020, due to the Covid-19 Virus, Garkane Energy applied for and received a Payroll Protection Program Loan (PPP Loan) from the Federal Government through the Small Business Administration (SBA). The PPP Loan amount was \$1,395,800 at a 1% interest rate with a two year term. Garkane Energy has applied for loan forgiveness, however, at the date of these financial statements, SBA has not officially approved the loan forgiveness. Due to the high likelihood of being forgiven within the next few months, the loan has been listed as a current liability. Once and if the loan is forgiven, the amount will be shown as Other Income.

The following is a summary of changes in long-term debt:

	Balance Dec 31, 2019	Additions	Deletions	Balance Dec 31, 2020	Current Portion
PPP Loan	\$ -	\$ 1,395,800	\$ -	\$ 1,395,800	\$ 1,395,800
KCWCD Note	487,650	-	14,619	473,031	14,901
36 CFC Notes	<u>34,034,968</u>	<u>3,000,000</u>	<u>1,861,945</u>	<u>35,173,023</u>	<u>1,994,405</u>
Total LT Debt	<u>\$34,522,618</u>	<u>\$ 4,395,800</u>	<u>\$ 1,876,564</u>	<u>\$ 37,041,854</u>	<u>\$ 3,405,106</u>

**NOTE 9 - PENSION AND POSTRETIREMENT BENEFITS**

Garkane provides pension benefits to its employees. Retirement benefits are provided through NRECA Retirement Program for all full-time employees with at least one year of employment with the Association.

**a. Defined Benefit Retirement Plan**

Pension benefits are provided through the National Rural Electric Cooperative Association's (NRECA) multi-employer defined benefit pension plan, designed to provide employees a certain benefit level upon retirement. In this multi-employer plan, a "zone status" determination is not required, and therefore not determined, under the Pension Protection Act (PPA) of 2006. In addition, the accumulated benefit obligations and the Plan assets are not determined or allocated separately by individual employer in the PPA funding target and PPA actuarial value of assets on those dates. Because the provision of the PPA do not apply to the Plan, funding improvement plans and surcharges are not applicable. Future contribution requirements are determined each year as part of the actuarial valuation of the Plan and may change as a result of Plan experience.

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
Continued

**NOTE 9 - PENSION AND POSTRETIREMENT BENEFITS (CONTINUED)**

**a. *Defined Benefit Retirement Plan - continued.***

The benefit level for 2020 and 2019 was an age 62 plan with a 1.7% benefit level for all employees, multiplied by the highest five years salary average multiplied by the years of service. There were no changes to this plan in 2020 or 2019.

Garkane recognized expense related to the Plan in 2020 and 2019 of \$1,633,404 and \$1,560,804 respectively, representing full service costs. All past service costs have been fully funded or accrued. The expected contribution for the year 2021 reflecting inflation is \$1,735,636. Expected contributions amounts beyond 2021 are not available.

**b. *Personal Leave***

Garkane combined sick leave, vacation leave, and holiday pay into one category entitled personal leave. The accumulated personal leave maximum account balance is 800 hours. Upon termination or retirement Garkane will pay 100% of the unused amount of the accrued liability at the employee's current wage rate. In the event of death, 100% of the unused amount will be paid to the designated beneficiaries of the employee. During the month of January employees can elect to sell back to Garkane 50% of their unused leave up to 100 hours. Employees with more than 520 unused hours can sell back up to 150 hours. Employees can contribute the sell-back amount fully to their 401K, HSA account, or any combination including cash at 75% of value. The amount of the sell-back related to this plan was \$64,444 in 2020 and \$65,790 in 2019. Accrued personal leave and compensated absences for years ending December 31, 2020 and 2019 are \$1,507,647 and \$1,407,593 respectively.

**NOTE 10 - COMMITMENTS**

**a. *Deseret Power***

Under its current wholesale power contract, Garkane is committed to purchase all of its electric power requirements from Deseret Generation and Transmission Cooperative (Deseret) under the terms and conditions of the Deseret Obligations Restructuring Agreement (ORA) dated October 16, 1996. Garkane still retains ownership of its Western Area Power Administration (WAPA) contract. This contract was assigned to Deseret in 2001 but can be taken back on a thirty day notice. Garkane retains ownership in its own hydro-generation facilities; however, Deseret includes these two resources in their total resource pool. Deseret credits Garkane for these two sources on Garkane's bill from the gross amount purchased from Deseret under the terms and conditions of Rate Schedule A as contained in the Resource Integration Agreement between Deseret and Garkane effective April 1, 1996, and the Wholesale Power Contract effective April 1, 1996.

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
 Continued

**NOTE 10 - COMMITMENTS (CONTINUED)**

**b. Intermountain Power Agency Agreement**

Under the terms of the power sales contract with the Intermountain Power Agency (IPA), the Association has contracted to receive up to a 1.267% share of the total power output from the Intermountain Power Project (IPP) and has joined with other Utah municipal and cooperative electric suppliers and entered into a joint contract with various California Cities (Burbank, Glendale, Pasadena, and Los Angeles) to purchase the excess power not used by the Utah suppliers. Desert Power also has the right to withdraw the member allocation or portion thereof; if necessary, in providing power needs to the member. The Association would be responsible, in the event of a shutdown of the IPP plant, for 1.267% of the debt service associated with the plant as well as 1.267% of the maintenance of the facility. This responsibility would be effective two years after such a shutdown.

**NOTE 11 - CURRENT LIABILITIES**

Current liabilities at year-end consist of the following categories.

	2020	2019
Accounts Payable	\$ 981,070	\$ 693,823
Accounts Payable - Purchased Power	1,957,341	1,923,374
Customer Deposits Payable	506,088	560,068
Accrued Property Tax	106,000	55,000
Payroll and Payroll Taxes	142,518	64,857
Sales, Use and Franchise Taxes	241,046	232,215
Compensated Absences	1,507,647	1,407,593
Patronage Capital Refunds	1,283,492	1,001,850
Dividends Payable	100,000	100,000
Uncashed Capital Credit Checks	5,354	5,354
Interest Payable	163,970	174,714
	\$ 6,994,526	\$ 6,218,848
Total		

**NOTE 12 - ACCUMULATED OPERATING PROVISIONS**

Accumulated non-current liabilities at year-end consist of the following categories.

	2020	2019
Deferred Compensation	\$ -	\$ 54,024
	\$ -	\$ 54,024
Total		

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
 Continued

**NOTE 13 - RISK MANAGEMENT**

Garkane is exposed to various risks of loss related to torts; theft or damage to assets; errors and omissions; injuries to employees and natural disasters. The Company addresses these risks with insurance. The Federated Rural Electric Insurance Corporation insures for general, automobile, personal injury, errors or omissions up to \$2,000,000 per occurrence. A policy for directors, officers and manager liabilities up to \$10,000,000 per aggregate is also maintained. In addition, the company maintains an all-risk blanket policy for automobile and general liability of \$2,000,000 and a commercial umbrella policy of \$15,000,000. Lastly, the Company maintains an all-risk blanket policy for buildings and personal property. Worker's Compensation Fund of Utah insures Garkane for bodily injury by accident of disease caused by or aggravated by the conditions of employment.

**NOTE 14 - GARKANE PROPANE, INC. SUBSIDIARY OF GARKANE ENERGY COOPERATIVE**

Garkane Propane, Inc. is a wholly owned for profit subsidiary of Garkane Energy Cooperative, Inc. Garkane Propane, Inc. was organized under the laws of the State of Utah on November 8, 2002, and business began on January 1, 2003. The Company has seven full-time employees. Their office and operations are located in Hatch, Utah.

On December 16, 2002, a Services Agreement, Subscription Agreement, Lease Agreement, Security Agreement, Revolving Credit Agreement and Promissory Note were approved and executed by Garkane Energy Cooperative, Inc.'s Board of Directors and the Board of Directors of Garkane Propane, Inc.

Upon creation of Garkane Propane, Inc., assets were then transferred from Garkane Energy to Garkane Propane. A schedule of assets transferred to the subsidiary as of January 1, 2003, referred to as Exhibit A of the Subscription Agreement, had a book value of \$1,530,864 and liabilities of \$52,636. These assets and liabilities were transferred for 750 shares of Garkane Propane, Inc. stock. The stock certificate is on file with Garkane Energy.

The Services Agreement calls for various administrative services (accounting, management, etc.) to be performed by Garkane Energy at a cost of \$2,500 per month. The Lease Agreement calls for Garkane Propane to pay Garkane Energy \$5,025 per month for rented equipment and facilities.

The following are changes to the Garkane Propane's investment and condensed financial statements.

**Changes In Investment Subsidiary:**

	<u>2020</u>	<u>2019</u>
Investment in Subsidiary, Beginning of Year	\$ 3,188,486	\$ 3,263,437
Additions:		
Net profit from subsidiary operations	83,575	25,049
Deductions:		
Dividend paid to parent company	<u>(100,000)</u>	<u>(100,000)</u>
Investment in Subsidiary, End of Year	<u>\$ 3,172,061</u>	<u>\$ 3,188,486</u>

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**  
 Continued

**NOTE 14 · GARKANE PROPANE, INC. SUBSIDIARY OF GARKANE ENERGY COOPERATIVE (CONTINUED)**

**Balance Sheet:**

	2020	2019
<b>Assets:</b>		
Current & Other Assets	\$ 1,107,846	\$ 1,067,680
Net Property, Plant and Equipment	3,082,146	3,123,585
<b>Total Assets</b>	<b>\$ 4,189,992</b>	<b>\$ 4,191,265</b>
<b>Liabilities and Stockholders Equity:</b>		
<b>Liabilities:</b>		
Current Liabilities	\$ 558,364	\$ 556,512
Deferred Income Tax Liability	459,567	446,267
<b>Total Liabilities</b>	1,017,931	1,002,779
<b>Stockholders Equity:</b>		
Capital Stock	1,478,229	1,478,229
Retained Earnings	1,693,832	1,710,257
<b>Total Stockholders Equity</b>	3,172,061	3,188,486
<b>Total Liabilities and Stockholders Equity</b>	<b>\$ 4,189,992</b>	<b>\$ 4,191,265</b>

**Statement of Income and Retained Earnings:**

	2020	2019
Operating Income	\$ 3,761,278	\$ 4,119,938
Cost of Sales	(2,167,195)	(2,542,262)
<b>Gross Profit</b>	1,594,083	1,577,676
Operating Expenses	(1,593,605)	(1,540,603)
Non-Operating Income (Expense)	96,397	981
Provision for Federal Income Taxes	(13,300)	(13,005)
<b>Total Expenses</b>	(1,510,508)	(1,552,627)
<b>Net Profit</b>	83,575	25,049
Retained Earnings - Beginning of Year, Restated	1,710,257	1,785,208
Dividends Paid	(100,000)	(100,000)
Retained Earnings - End of Year	<b>\$ 1,693,832</b>	<b>\$ 1,710,257</b>

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY  
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS**

Continued

**NOTE 14 · GARKANE PROPANE, INC. SUBSIDIARY OF GARKANE ENERGY COOPERATIVE (CONTINUED)**

**Statement of Cash Flows:**

	2020	2019
Cash Flows from Operating Activities	\$ 16,997	\$ 244,135
Cash Flows from Noncapital Financing Activities	13,300	13,005
Cash Flows From Capital and Related Fin Activities	28,678	(327,505)
Cash Flows from Financing and Investing Activities	(50,602)	(100,000)
 Increase (Decrease) In Cash and Investments	 8,373	 (170,365)
 Cash and Investments - Beginning of Year	 294,104	 464,469
 Cash and Investments - End of Year	 \$ 302,477	 \$ 294,104

**NOTE 15 - ROUNDING CONVENTION**

A rounding convention to the nearest whole dollar has been applied throughout this report, therefore the precision displayed in any monetary amount is plus or minus \$1. These financial statements are computer generated and the rounding convention is applied to each amount displayed in a column, whether detail item or total. As a result, without the overhead cost of manually balancing each column, the sum of displayed amounts in a column may not equal the total displayed. The maximum difference between any displayed number or total and its actual value will not be more than \$1.

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# **COMBINING FINANCIAL STATEMENTS**

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**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**COMBINING BALANCE SHEET**  
**December 31, 2020**

	Garkane Energy	Subsidiary Garkane Propane	Consolidated	Eliminations		Consolidated After Eliminations
				DR	CR	
<b>ASSETS</b>						
Utility Plant:						
Electric Plant in Service, at Cost	\$ 135,519,656	\$ -	\$ 135,519,656	\$ -	\$ -	\$ 135,519,656
Construction Work-in-Progress	2,649,079	-	2,649,079	-	-	2,649,079
Total Utility Plant, at Cost	138,168,735	-	138,168,735	-	-	138,168,735
Less: Accumulated Depreciation	(59,270,341)	-	(59,270,341)	-	-	(59,270,341)
Total Utility Plant - Net	78,898,394	-	78,898,394	-	-	78,898,394
Property and Investments (At Cost):						
Investment in Wholly Owned Subsidiary	3,172,061	-	3,172,061	-	3,172,061 A	-
Non-Utility Property - Net	-	3,082,146	3,082,146	-	-	3,082,146
Investments in Associated Companies	2,079,986	-	2,079,986	-	-	2,079,986
Other Investments	96,049	-	96,049	-	-	96,049
Deferred Debits	102,381	-	102,381	-	-	102,381
Total Property and Investments, at Cost	5,450,477	3,082,146	8,532,623	-	3,172,061	5,360,562
Current Assets:						
Cash in Banks	4,264,512	302,477	4,566,989	-	-	4,566,989
Accounts Receivable	4,108,539	747,017	4,855,556	-	-	4,855,556
Allowance for Doubtful Accounts	(95,172)	(34,448)	(129,620)	-	-	(129,620)
Materials and Supplies	4,372,967	27,607	4,400,574	-	-	4,400,574
Other Current Assets	707,511	65,193	772,704	-	-	772,704
Total Current Assets	13,358,357	1,107,846	14,466,203	-	-	14,466,203
<b>TOTAL ASSETS</b>	<b>\$ 97,707,228</b>	<b>\$ 4,189,992</b>	<b>\$ 101,897,220</b>	<b>\$ -</b>	<b>\$ 3,172,061</b>	<b>\$ 98,725,159</b>
<b>EQUITIES AND LIABILITIES</b>						
Equities and Margins:						
Patronage Capital	\$ 43,070,934	\$ -	\$ 43,070,934	\$ 3,172,061 A	\$ -	\$ 39,898,873
Current Operating Margin	1,986,022	-	1,986,022	-	-	1,986,022
Accumulated Non-Operating Margins	7,487,503	3,172,061	10,659,564	-	-	10,659,564
Total Equities and Margins	52,544,459	3,172,061	55,716,520	3,172,061	-	52,544,459
Long-Term Liabilities:						
Other Long-Term Debt	1,853,931	-	1,853,931	-	-	1,853,931
CFC Mortgage Notes	33,178,617	-	33,178,617	-	-	33,178,617
Total Long-Term Liabilities	35,032,548	-	35,032,548	-	-	35,032,548
Other Noncurrent Liabilities:						
Accumulated Operating Provisions	-	-	-	-	-	-
Deferred Income Tax Liability	-	459,567	459,567	-	-	459,567
Total Other Noncurrent Liabilities	-	459,567	459,567	-	-	459,567
Current Liabilities:						
Accounts Payable	2,605,435	338,329	2,943,764	-	-	2,943,764
Customer Deposits	492,153	13,935	506,088	-	-	506,088
Current Maturities of Long-Term Debt	2,009,306	-	2,009,306	-	-	2,009,306
Other Current and Accrued Liabilities	3,338,574	206,100	3,544,674	-	-	3,544,674
Total Current Liabilities	8,445,468	558,364	9,003,832	-	-	9,003,832
Deferred Credits	1,684,753	-	1,684,753	-	-	1,684,753
<b>TOTAL EQUITIES AND LIABILITIES</b>	<b>\$ 97,707,228</b>	<b>\$ 4,189,992</b>	<b>\$ 101,897,220</b>	<b>\$ 3,172,061</b>	<b>\$ 3,172,061</b>	<b>\$ 98,725,159</b>

A - Eliminates inter-company accounts \$ 3,172,061



**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**COMBINING STATEMENT OF REVENUE AND PATRONAGE CAPITAL**  
**For the Year Ended December 31, 2020**

	Garkane Energy	Subsidiary Garkane Propane	Consolidated	Eliminations		Consolidated After Eliminations
				DR	CR	
<b>Operating Revenue and Patronage Capital</b>	<b>\$25,902,440</b>	<b>\$3,761,278</b>	<b>\$29,663,718</b>	<b>\$409,291</b>	<b>\$ -</b>	<b>\$29,254,427</b>
<b>Operating Expenses:</b>						
Power Production	484,038	-	484,038	-	-	484,038
Cost of Purchased Power	9,947,995	-	9,947,995	-	-	9,947,995
Cost of Propane Sales	-	2,167,195	2,167,195	-	34,215 <sup>1</sup>	2,132,980
Transmission Expenses	522,555	-	522,555	-	-	522,555
Distribution Expenses - Operation	1,080,967	-	1,080,967	-	-	1,080,967
Distribution Expenses - Maintenance	1,728,040	-	1,728,040	-	-	1,728,040
Consumer Accounts	761,352	-	761,352	-	-	761,352
Customer Service Informational Expense	235,986	-	235,986	-	-	235,986
Sales Expenses	77,743	-	77,743	-	-	77,743
Administrative and General Expense	3,849,354	1,363,173	5,212,527	-	375,076 <sup>1</sup>	4,837,451
Depreciation and Amortization Expense	3,788,874	243,732	4,032,606	-	-	4,032,606
Taxes	749,394	-	749,394	-	-	749,394
Interest on Long-Term Debt	1,316,611	-	1,316,611	-	-	1,316,611
Other Interest	1,264	-	1,264	-	-	1,264
Other Deductions	15,140	-	15,140	-	-	15,140
<b>Total Operating Expenses and Interest</b>	<b>24,559,313</b>	<b>3,774,100</b>	<b>28,333,413</b>	<b>-</b>	<b>409,291</b>	<b>27,924,122</b>
<b>Net Operating Margins (Deficit)</b>	<b>1,343,127</b>	<b>(12,822)</b>	<b>1,330,305</b>	<b>409,291</b>	<b>(409,291)</b>	<b>1,330,305</b>
<b>Non-Operating Margins:</b>						
Interest Income	52,642	1,298	53,940	-	-	53,940
Gain (Loss) on Disposition of Property	69,603	37,500	107,103	-	-	107,103
Amortized Gain on RUS Loan Discount	54,948	-	54,948	-	-	54,948
Amortized Gain from Impact Fees	301,899	-	301,899	-	-	301,899
Miscellaneous Non-Operating Income	6,819	9,499	16,318	-	-	16,318
PPP Loan Forgiveness	-	48,100	48,100	-	-	48,100
Net Income From Municipal Operations	11,820	-	11,820	-	-	11,820
<b>Total Non-Operating Margins</b>	<b>497,731</b>	<b>96,397</b>	<b>594,128</b>	<b>-</b>	<b>-</b>	<b>594,128</b>
<b>Other Capital Credits and Allocations</b>	<b>145,164</b>	<b>-</b>	<b>145,164</b>	<b>-</b>	<b>-</b>	<b>145,164</b>
<b>Net Income Before Taxes</b>	<b>1,986,022</b>	<b>83,575</b>	<b>2,069,597</b>	<b>409,291</b>	<b>(409,291)</b>	<b>2,069,597</b>
<b>Provision for Federal Income Taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income for Period</b>	<b>1,986,022</b>	<b>83,575</b>	<b>2,069,597</b>	<b>409,291</b>	<b>(409,291)</b>	<b>2,069,597</b>
<b>Patronage Capital - Beg. of Year</b>	<b>51,630,084</b>	<b>1,710,257</b>	<b>53,340,341</b>	<b>-</b>	<b>-</b>	<b>53,340,341</b>
Capital Credits Refunds	(1,155,222)	-	(1,155,222)	-	-	(1,155,222)
Earnings from Subsidiary	83,575	-	83,575	-	-	83,575
Dividends from Subsidiary	-	(100,000)	(100,000)	-	-	(100,000)
Eliminate Subsidiary Retained Earnings	-	-	-	-	-	(1,693,832)
<b>Patronage Capital - End of Year</b>	<b>\$52,544,459</b>	<b>\$1,693,832</b>	<b>\$54,238,291</b>	<b>\$409,291</b>	<b>\$(409,291)</b>	<b>\$52,544,459</b>
(1) Sales of Propane to Parent	\$ 34,215					
Labor Payments	295,776					
Lease Payments to Parent	49,300					
Administrative Fee	30,000					
<b>Total</b>	<b>\$ 409,291</b>					

**GARKANE ENERGY COOPERATIVE, INC. AND SUBSIDIARY**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For The Year Ended December 31, 2020**

	Garkane Energy	Subsidiary Garkane Propane	Consolidated
<b>Cash Flows from Operating Activities:</b>			
Patronage Capital or Margins	\$ 1,986,022	\$ 478	\$1,986,500
Adjustments to Net Margin for Cash Flow:			
Depreciation and Amortization	3,788,874	243,732	4,032,606
Loss on Disposal of Assets	(341,963)	(183,971)	(525,934)
Provision for Income Tax	-	(13,300)	(13,300)
(Increase) Decrease in Operating Assets:			
Accounts Receivable	(30,960)	(70,604)	(101,564)
Inventory	(359,856)	69,540	(290,316)
Prepayments, Accrued Assets, and Deferred Debits	(47,819)	(30,729)	(78,548)
Increase (Decrease) in Operating Liabilities			
Accumulated Operating Provisions	(54,024)		(54,024)
Accounts Payable	346,950	(27,147)	319,803
Other Current and Accrued Liabilities	480,856	28,998	509,854
Other Deferred Credits	(268,250)		(268,250)
Net Cash Provided By Operating Activities	<u>5,499,830</u>	<u>16,997</u>	<u>5,516,827</u>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Increase (Decrease) in Deferred Tax Liability	-	13,300	13,300
Net Cash Provided By Noncapital Financing Activities	<u>-</u>	<u>13,300</u>	<u>13,300</u>
<b>Cash Flows From Financing Activities:</b>			
Subsidiary Earnings and Dividends	-	(100,000)	(100,000)
Interest Earned		1,298	1,298
Net Cash Used for Capital and Related Financing Activities	<u>-</u>	<u>(98,702)</u>	<u>(98,702)</u>
<b>Cash Flows From Capital and Related Activities:</b>			
Increase in Property, Plant and Equipment	(8,021,313)	(18,321)	(8,039,634)
Construction Work-In-Progress	2,351,889		2,351,889
Proceeds From Sale of Capital Assets		37,500	37,500
Other Property and Investments	(43,460)	9,499	(33,961)
Net Cash Used in Investing Activities	<u>(5,712,884)</u>	<u>28,678</u>	<u>(5,684,206)</u>
<b>Cash Flows From Financing and Investing Activities:</b>			
Margins and Equities	(1,071,647)	-	(1,071,647)
Long-Term Borrowing	6,893,953	-	6,893,953
Long-Term Debt Retirement	(4,374,717)	-	(4,374,717)
PPP Loan Forgiveness		48,100	48,100
Customer Deposits	(53,980)		(53,980)
Net Cash Used in Financing Activities	<u>1,393,609</u>	<u>48,100</u>	<u>1,441,709</u>
Increase (Decrease) in Cash and Investments	1,180,555	8,373	1,188,928
Cash and Investments - Beginning of Year	<u>3,083,957</u>	<u>294,104</u>	<u>3,378,061</u>
Cash and Investments - End of Year	<u>\$ 4,264,512</u>	<u>\$ 302,477</u>	<u>\$4,566,989</u>
<b>Supplemental Information for Statement of Cash Flows:</b>			
Interest Paid	\$ 1,316,611	\$ -	\$ 1,316,611

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## **COMPLIANCE SECTION**

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# Kimball & Roberts

A Professional Corporation  
Certified Public Accountants  
176 North Main • P.O. Box 663  
Richfield, Utah 84701

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

Garkane Energy Cooperative, Inc. and Subsidiary  
PO Box 465  
Loa, Utah 84747

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Garkane Energy Cooperative, Inc. and Subsidiary, as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise Garkane Energy Cooperative, Inc. and Subsidiary's financial statements, and have issued our report thereon dated February 19, 2021.

## **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Garkane Energy Cooperative, Inc. and Subsidiary's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Garkane Energy Cooperative, Inc. and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of Garkane Energy Cooperative, Inc. and Subsidiary's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Garkane Energy Cooperative, Inc. and Subsidiary's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Kimball & Roberts, PC*

Certified Public Accountants

February 19, 2021  
Richfield, Utah

# Kimball & Roberts

A Professional Corporation  
Certified Public Accountants  
176 North Main • P.O. Box 663  
Richfield, Utah 84701

## **RESOLUTION OF FINDINGS AND RECOMMENDATIONS 19.1 AND 19.2**

Garkane Energy Cooperative, Inc. and Subsidiary  
PO Box 465  
Loa, Utah 84747

During our audit of the funds of Garkane Energy Cooperative, Inc., (Cooperative) for the year ended December 31, 2019, we noted certain circumstances that, if improved, would strengthen the Cooperative's accounting system and control over its assets. These items and their resolutions are discussed below for your consideration.

### **Significant Deficiency Findings and Recommendations:**

#### **12.19.1 Misappropriation of Assets**

##### **Finding:**

An invoice submitted by the purchasing agent to the accounting department for a Skytrack Forklift was inflated in price from the budgeted and approved amount of \$40,000 to \$103,944, to also include payment for a bobcat mini-excavator and a flatbed trailer.

##### **Auditor's Recommendation:**

We recommend all purchases exceeding \$20,000 have the required purchase order authorized by the CEO. We also recommend the purchasing policy require the CEO and CFO's preapproval of an asset whose actual cost exceeds the budgeted amount, and clarification, proper documentation, and authorization be provided to the accounting department. In addition, the internal controls process should be reviewed and modified to ensure the individual who purchases the asset does not have the authority to approve the invoice and receive the asset.

##### **Garkane Energy Cooperative, Inc.'s Resolution:**

Garkane Energy has resolved this finding as described in their response on February 19, 2020. Policies and Procedures have been changed to reassign duties to ensure that the individual purchasing an asset does not approve the invoice nor receive the asset.

To ensure this policy is followed, all purchases relating to budgeted items will be matched specifically to the board approved amount (by the warehouseman) before items/assets are purchased. Any requests to include additional budgeted items on one purchase will require the approval from the CEO and CFO. If the amount for any one budgeted item/asset is significantly larger than the original approved amount, the board will be required to approve an amended budget amount for that item/asset.

The Warehouseman will now handle all Purchase Orders digitally. A department head must complete a purchase requisition (For items under \$2,500 an employee may submit the purchase requisition to his/her supervisor for approval. For any item over \$2,500, the purchase request must be approved by the CEO/COO/CFO). Once the Warehouseman has received the approved purchase requisition, he is authorized to create the Purchase Order. He is further required (if an item is over \$5,000) to obtain at least two bids before moving forward with the purchase.

All purchase requisitions, Purchase Orders, and bids are attached to the asset for verification that these steps were followed.

The final step in ensuring the purchasing policy is followed is to review all purchases exceeding \$5,000 each month. This is done in conjunction with submitting all cash disbursements to the Board for approval.

During our tests we noted that these policies have been implemented and followed. No exceptions noted.

#### 12.19.2 Duplicate Payments

**Condition:**

We noted in our testing that a company was paid twice for the same invoice.

**Auditor's Recommendation:**

We recommend the Cooperative review the NISC vendor list regularly for duplicate vendors. If duplicate vendors are needed, we recommend their purpose be specified in the accounting software.

**Garkane Energy Cooperative, Inc. Response:**

Garkane Energy has instituted procedures with iVue to help ensure that payment for duplicate invoiced does not occur. If a second invoice is entered after the original invoice has been paid (both with the same invoice number), as soon as the invoice is entered iVue will alert the user that a duplicate invoice has been entered. The second function that will be utilized through iVue is the budget system – any time an item/asset is entered, iVue requires the user to match it to the budgeted item/asset. If the asset has already been purchased, an error message will occur alerting the user that the item/asset has already been purchased.

The final control in this process is to review the cash disbursements at the end of each month to ensure we have no duplicate payments.

We did not observe any duplicate payments in our tests. No exceptions noted.

Garkane Energy Cooperative, Inc. and Subsidiary  
Loa, Utah 84747  
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This report is intended solely for the information and use of Management and others within the entity and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

*Kimball & Roberts, PC*

Certified Public Accountants

February 19, 2021  
Richfield, Utah



<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Garkane Energy Cooperative, Inc.
	<b>BORROWER DESIGNATION</b>	UT006
	<b>ENDING DATE</b>	12/31/20

Submit one electronic copy and one signed hard copy to CFC. Round all numbers to the nearest dollar.

CERTIFICATION	BALANCE CHECK RESULTS	AUTHORIZATION
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.		<b>AUTHORIZATION</b>  NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA?  <input checked="" type="radio"/> YES <input type="radio"/> NO
Signature of Office Manager or Accountant: <i>[Signature]</i> Date: 3/24/21 Signature of Manager: <i>[Signature]</i> Date: 3/24/21		

ITEM	YEAR-TO-DATE			
	LAST YEAR	THIS YEAR	BUDGET	THIS MONTH
	(a)	(b)	(c)	(d)
1. Operating Revenue and Patronage Capital	25,490,349	25,902,440	25,406,495	2,585,319
2. Power Production Expense	316,689	484,038	321,206	20,259
3. Cost of Purchased Power	10,156,349	9,947,995	9,891,030	1,102,181
4. Transmission Expense	561,858	522,554	589,614	53,081
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	1,076,987	1,080,967	1,003,469	105,787
7. Distribution Expense - Maintenance	1,876,169	1,728,040	2,032,398	117,779
8. Consumer Accounts Expense	738,832	761,352	798,140	66,747
9. Customer Service and Informational Expense	159,466	235,986	170,810	12,381
10. Sales Expense	134,705	77,743	145,260	6,502
11. Administrative and General Expense	4,026,487	3,849,355	3,739,591	614,941
<b>12. Total Operation &amp; Maintenance Expense (2 thru 11)</b>	<b>19,047,542</b>	<b>18,688,030</b>	<b>18,691,517</b>	<b>2,099,659</b>
13. Depreciation & Amortization Expense	3,561,095	3,788,874	3,657,953	319,385
14. Tax Expense - Property & Gross Receipts	643,021	692,377	675,000	55,721
15. Tax Expense - Other	117,040	57,017	57,750	2,074
16. Interest on Long-Term Debt	1,238,600	1,316,611	1,259,901	122,249
17. Interest Charged to Construction (Credit)	0	0	0	0
18. Interest Expense - Other	14,595	1,264	20,000	109
19. Other Deductions	22,016	15,139	25,900	468
<b>20. Total Cost of Electric Service (12 thru 19)</b>	<b>24,643,909</b>	<b>24,559,313</b>	<b>24,388,021</b>	<b>2,599,664</b>
<b>21. Patronage Capital &amp; Operating Margins (1 minus 20)</b>	<b>846,440</b>	<b>1,343,127</b>	<b>1,018,474</b>	<b>-14,345</b>
22. Non Operating Margins - Interest	39,653	52,641	35,000	2,398
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	433,385	438,270	442,458	46,485
26. Generation & Transmission Capital Credits	6,819	6,819	6,819	568
27. Other Capital Credits & Patronage Dividends	169,966	145,164	180,000	-97,630
28. Extraordinary Items	0	0	0	0
<b>29. Patronage Capital or Margins (21 thru 28)</b>	<b>1,496,263</b>	<b>1,986,022</b>	<b>1,682,751</b>	<b>-62,524</b>

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR	THIS YEAR		LAST YEAR	THIS YEAR
	(a)	(b)		(a)	(b)
1. New Services Connected	263	312	5. Miles Transmission	406	406
2. Services Retired	5	5	6. Miles Distribution Overhead	1,408	1,416
3. Total Services In Place	13,874	14,338	7. Miles Distribution Underground	732	773
4. Idle Services (Exclude Seasonal)	2,377	2,412	<b>8. Total Miles Energized (5+6+7)</b>	<b>2,546</b>	<b>2,595</b>



NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT				BORROWER NAME		Garkane Energy
				BORROWER DESIGNATION		UT006
				ENDING DATE		12/31/2020
<b>PART E. CHANGES IN UTILITY PLANT</b>						
	PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE END OF YEAR (e)
1	Distribution Plant Subtotal	71,798,683	10,543,867	3,593,766	0	78,748,784
2	General Plant Subtotal	14,882,308	1,070,963	238,645	0	15,714,626
3	Headquarters Plant	4,666,094	239,511	0	0	4,905,605
4	Intangibles	0	0	0	0	0
5	Transmission Plant Subtotal	29,041,069	0	617	0	29,040,452
6	Regional Transmission and Market Operation Plant	0	0	0	0	0
7	Production Plant - Steam	0	0	0	0	0
8	Production Plant - Nuclear	0	0	0	0	0
9	Production Plant - Hydro	5,935,672	0	0	0	5,935,672
10	Production Plant - Other	1,174,517	0	0	0	1,174,517
11	All Other Utility Plant	0	0	0	0	0
12	<b>SUBTOTAL: (1 thru 11)</b>	<b>127,498,343</b>	<b>11,854,341</b>	<b>3,833,028</b>	<b>0</b>	<b>135,519,656</b>
13	Construction Work in Progress	5,000,968	-2,351,889			2,649,079
14	<b>TOTAL UTILITY PLANT (12+13)</b>	<b>132,499,311</b>	<b>9,502,452</b>	<b>3,833,028</b>	<b>0</b>	<b>138,168,735</b>
<b>CFC NO LONGER REQUIRES SECTIONS "F", "J", AND "M" DATA</b> Those sections refer to data on "Materials and Supplies" (F), "Energy Efficiency and Conservation Loan Program" (J), and "Annual Meeting and Board Data" (M).						
<b>PART II. SERVICE INTERRUPTIONS</b>						
	ITEM	Avg. Minutes per Consumer by Cause	Avg. Minutes per Consumer by Cause	Avg. Minutes per Consumer by Cause	Avg. Minutes per Consumer by Cause	TOTAL (e)
		Power Supplier (a)	Major Event (b)	Planned (c)	All Other (d)	
1	Present Year	76.50	81.00	1.20	294.70	453.40
2	Five-Year Average	26.83	116.98	32.63	292.07	468.51
<b>PART I. EMPLOYEE - HOUR AND PAYROLL STATISTICS</b>						
1	Number of Full Time Employees		64	4 Payroll - Expensed		3,146,756
2	Employee - Hours Worked - Regular Time		140,777	5 Payroll - Capitalized		1,718,317
3	Employee - Hours Worked - Overtime		4,805	6 Payroll - Other		923,410
<b>PART J. PATRONAGE CAPITAL</b>				<b>PART K. DUE FROM CONSUMERS FOR ELECTRIC SERVICE</b>		
	ITEM	THIS YEAR	CUMULATIVE	1. Amount Due Over 60 Days:		
		(a)	(b)	33,026		
1	General Retirement	1,103,017	12,137,334	2. Amount Written Off During Year:		
2	Special Retirements	0	72,236	31,922		
3	<b>Total Retirements (1+2)</b>	<b>1,103,017</b>	<b>12,209,570</b>			
4	Cash Received from Retirement of Patronage Capital by Suppliers of Electric Power	6,819				
5	Cash Received from Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	145,164				
6	<b>Total Cash Received (4+5)</b>	<b>151,983</b>				

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT							BORROWER NAME		Garkane Energy	
							BORROWER DESIGNATION		UT006	
							ENDING DATE		12/31/2020	
PART L. KWII PURCHASED AND TOTAL COST										
	NAME OF SUPPLIER (a)	CFC USE ONLY SUPPLIER CODE (b)	RENEWABLE ENERGY PROGRAM NAME (c)	RENEWABLE FUEL TYPE (d)	KWII PURCHASED (e)	TOTAL COST (f)	AVERAGE COST PER KWII (cents) (g)	INCLUDED IN TOTAL COST		
								FUEL COST ADJUSTMENT (h)	WHEELING & OTHER CHARGES (or Credits) (i)	COMMENTS (j)
1	DESERET POWER G&T			0 None	245,628,514	9,947,995	4.05	0	475,000	Comments
2				0 None	0	0	0.00	0	0	Comments
3				0 None	0	0	0.00	0	0	Comments
4				0 None	0	0	0.00	0	0	Comments
5				0 None	0	0	0.00	0	0	Comments
6				0 None	0	0	0.00	0	0	Comments
7				0 None	0	0	0.00	0	0	Comments
8				0 None	0	0	0.00	0	0	Comments
9				0 None	0	0	0.00	0	0	Comments
10				0 None	0	0	0.00	0	0	Comments
11				0 None	0	0	0.00	0	0	Comments
12				0 None	0	0	0.00	0	0	Comments
13				0 None	0	0	0.00	0	0	Comments
14				0 None	0	0	0.00	0	0	Comments
15				0 None	0	0	0.00	0	0	Comments
16				0 None	0	0	0.00	0	0	Comments
17				0 None	0	0	0.00	0	0	Comments
18				0 None	0	0	0.00	0	0	Comments
19				0 None	0	0	0.00	0	0	Comments
20				0 None	0	0	0.00	0	0	Comments
21	<b>TOTALS</b>				<b>245,628,514</b>	<b>9,947,995</b>	<b>4.05</b>	<b>0</b>	<b>475,000</b>	

<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Garkanc Energy
	<b>BORROWER DESIGNATION</b>	UT006
	<b>ENDING DATE</b>	12/31/2020

**PART I. KWH PURCHASED AND TOTAL COST (Continued)**

COMMENTS	
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<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Garkane Energy
	<b>BORROWER DESIGNATION</b>	UT006
	<b>ENDING DATE</b>	12/31/2020

**PART M. LONG-TERM LEASES (If additional space is needed, use separate sheet)**

*LIST BELOW ALL "RESTRICTED PROPERTY" \*\* HELD UNDER "LONG TERM" LEASE. (If none, State "NONE")*

	NAME OF LESSOR	TYPE OF PROPERTY	RENTAL THIS YEAR
1.			\$0
2.			\$0
3.		<b>TOTAL</b>	<b>\$0</b>

\*\* "RESTRICTED PROPERTY" means all properties other than automobiles, trucks, tractors, other vehicles (including without limitation aircraft and ships), office and warehouse space and office equipment (including without limitation computers). "LONG TERM" means leases having unexpired terms in excess of 3 years and covering property having an initial cost in excess of \$250,000).

**PART O. LONG-TERM DEBT SERVICE REQUIREMENTS**

	NAME OF LENDER	BALANCE END OF YEAR	BILLED THIS YEAR			CFC USE ONLY (d)
			INTEREST (a)	PRINCIPAL (b)	TOTAL (c)	
1	National Rural Utilities Cooperative Finance Corporation	33,178,617	1,307,340	1,994,406	3,301,746	
2	NCSC	0	0	0	0	
3	Farmer Mac	0	0	0	0	
4	KCWCD Power Installation Agreement	458,131	9,271	14,901	24,172	
5	PPP Loan	1,395,800	0	0	0	
6		0	0	0	0	
7		0	0	0	0	
8		0	0	0	0	
9		0	0	0	0	
10	Principal Payments Received from Ultimate Recipients of IRP Loans			0		
11	Principal Payments Received from Ultimate Recipients of REDL Loans			0		
12	<b>TOTAL (Sum of 1 thru 9)</b>	<b>\$35,032,548</b>	<b>\$1,316,611</b>	<b>\$2,009,307</b>	<b>\$3,325,918</b>	

<b>COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Garkane Energy
	<b>BORROWER DESIGNATION</b>	UT006
	<b>ENDING DATE</b>	12/31/2020

**PART R. POWER REQUIREMENTS DATABASE**

CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	JANUARY CONSUMERS (a)	DECEMBER CONSUMERS (b)	AVERAGE CONSUMERS (c)	TOTAL KWH SALES AND REVENUE (d)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	11,519	11,806	11,663	
	b. KWH Sold				133,342,444
	c. Revenue				13,862,493
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
3. Irrigation Sales	a. No. Consumers Served	62	79	71	
	b. KWH Sold				7,693,488
	c. Revenue				681,980
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,714	1,779	1,747	
	b. KWH Sold				82,557,134
	c. Revenue				7,271,405
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	1	1	1	
	b. KWH Sold				15,989,281
	c. Revenue				1,060,002
6. Public Street & Highway Lighting	a. No. Consumers Served	29	29	29	
	b. KWH Sold				396,867
	c. Revenue				70,286
7. Other Sales to Public Authority	a. No. Consumers Served	566	569	568	
	b. KWH Sold				19,292,945
	c. Revenue				2,066,210
8. Sales for Resales-RUS Borrowers	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
9. Sales for Resales-Other	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
<b>10. TOTAL No. of Consumers (lines 1a thru 9a)</b>		<b>13,891</b>	<b>14,263</b>	<b>14,079</b>	
<b>11. TOTAL KWH Sold (lines 1b thru 9b)</b>					<b>259,272,159</b>
<b>12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)</b>					<b>25,012,376</b>
13. Transmission Revenue					589,025
14. Other Electric Revenue					301,039
15. KWH - Own Use					401,487
16. TOTAL KWH Purchased					245,628,514
17. TOTAL KWH Generated					23,153,118
18. Cost of Purchases and Generation					10,954,587
19. Interchange - KWH - Net					0
20. Peak - Sum All KW Input (Metered)					57,440
<input type="radio"/> None <input type="radio"/> Non-coincident <input checked="" type="radio"/> Coincident					

<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Garkane Energy
	<b>BORROWER DESIGNATION</b>	UT006
	<b>ENDING DATE</b>	12/31/20

**PART 5. ENERGY EFFICIENCY PROGRAMS**

Line #	Classification	Added This Year			Total To Date		
		Number of Consumers (a)	Amount Invested (b)	ESTIMATED MMBTU Savings (c)	Number of Consumers (d)	Amount Invested (e)	ESTIMATED MMBTU Savings (f)
1.	Residential Sales (excluding seasonal)	0	0	0	0	0	0
2.	Residential Sales - Seasonal	0	0	0	0	0	0
3.	Irrigation Sales	0	0	0	0	0	0
4.	Comm. and Ind. 1000 KVA or Less	0	0	0	0	0	0
5.	Comm. and Ind. Over 1000 KVA	0	0	0	0	0	0
6.	Public Street and Highway Lighting	0	0	0	0	0	0
7.	Other Sales to Public Authorities	0	0	0	0	0	0
8.	Sales for Resales - RUS Borrowers	0	0	0	0	0	0
9.	Sales for Resales - Other	0	0	0	0	0	0
10.	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT		BORROWER NAME Garkane Energy	
		BORROWER DESIGNATION UT006	
		ENDING DATE 12/31/2020	
(All investments refer to your most recent CFC Loan Agreement)			
<b>7a - PART 1 - INVESTMENTS</b>			
DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (d)
<b>2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS</b>			
5	Garkane Propane, Inc.	3,172,059	
6	NRUCFC - Patronage Capital Credits		1,062,102
7	NRUCFC - Membership, CTC, Capital Securities		1,017,885
8			
Subtotal (Line 5 thru 8)		3,172,059	2,079,987
<b>3. INVESTMENTS IN ECONOMIC DEVELOPMENT PROJECTS</b>			
9			
10			
11			
12			
Subtotal (Line 9 thru 12)		0	0
<b>4. OTHER INVESTMENTS</b>			
13			
14			
15			
16			
Subtotal (Line 13 thru 16)		0	0
<b>5. SPECIAL FUNDS</b>			
17	Unclaimed Capital Credits	80,623	
18	Operation Round-up Fund	15,426	
19	Deferred Compensation - Homestead Funds	0	
20			
Subtotal (Line 17 thru 20)		96,049	0
<b>6. CASH - GENERAL</b>			
21	SBSU - General Funds & Petty Cash	2,154,933	
22	Cache Valley Bank - General & Payroll Funds	188,668	
23	Wells Fargo Bank - Vision Care Fund	257,324	
24	Zions Bank - General & Capital Credit Funds	1,663,587	
Subtotal (Line 21 thru 24)		4,264,512	0
<b>7. SPECIAL DEPOSITS</b>			
25			
26			
27			
28			
Subtotal (Line 25 thru 28)		0	0
<b>8. TEMPORARY INVESTMENTS</b>			
29			
30			
31			
32			
Subtotal (Line 29 thru 32)		0	0
<b>9. ACCOUNT &amp; NOTES RECEIVABLE - NET</b>			
33	Disconnected Consumers A/R	187,565	
34	Misc Accounts Receivable	1,153,540	
35			
36			
Subtotal (Line 33 thru 36)		1,341,105	0
<b>10. COMMITMENTS TO INVEST WITHIN 12 MONTHS BUT NOT ACTUALLY PURCHASED</b>			
37			
38			
39			
40			
Subtotal (Line 37 thru 40)		0	0
<b>Total</b>		<b>8,873,725</b>	<b>2,079,987</b>

<b>NATIONAL RURAL UTILITIES</b>		<b>BORROWER NAME</b>		Garkane Energy	
<b>COOPERATIVE FINANCE CORPORATION</b>		<b>BORROWER DESIGNATION</b>		UT006	
<b>FINANCIAL AND STATISTICAL REPORT</b>		<b>ENDING DATE</b>		12/31/2020	
<i>(All investments refer to your most recent CFC Loan Agreement)</i>					
<b>7a - PART II. LOAN GUARANTEES</b>					
Line No.	Organization & Guarantee Beneficiary (a)	Maturity Date of Guarantee Obligation (b)	Original Amount (\$) (c)	Performance Guarantee Exposure or Loan Balance (\$) (d)	Available Loans (Covered by Guarantees) (e)
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
<b>TOTALS (Line 1 thru 5)</b>			<b>0</b>	<b>0</b>	<b>0</b>
<b>7a - PART III. LOANS</b>					
Line No.	Name of Organization (a)	Maturity Date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Available Loans (e)
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
<b>TOTALS (Line 1 thru 5)</b>			<b>0</b>	<b>0</b>	<b>0</b>
<b>7a - PART IV. TOTAL INVESTMENTS AND LOANS GUARANTEES</b>					
1	TOTAL (Part I. Total - Column b + Part II, Totals - Column d + Column e + Part III, Totals - Column d + Column e)				<b>8,873,725</b>
2	LARGER OF (a) OR (b)				<b>26,272,229</b>
	a. 15 percent of Total Utility Plant (CFC Form 7, Part C, Line 3)			<b>20,725,310</b>	
	b. 50 percent of Total Equity (CFC Form 7, Part C, Line 35)			<b>26,272,229</b>	