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UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION
OH0074

PERIOD ENDED December 2019

BORROWER NAME
Butler Rural Electric Cooperative, Inc.

INSTRUCTIONS - See help in the online application.

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

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.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects.

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

Michael Sims

1/30/2020

DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	34,774,243	33,769,982	34,488,880	2,955,083
2. Power Production Expense				
3. Cost of Purchased Power	16,969,804	16,376,947	16,863,717	1,439,604
4. Transmission Expense	27,458	25,170	28,260	2,003
5. Regional Market Expense				
6. Distribution Expense - Operation	2,589,324	2,645,949	2,779,225	211,769
7. Distribution Expense - Maintenance	2,428,686	2,637,692	2,297,871	341,577
8. Customer Accounts Expense	759,531	753,345	730,102	47,192
9. Customer Service and Informational Expense	749,408	806,178	950,897	54,831
10. Sales Expense				
11. Administrative and General Expense	3,424,067	3,668,937	3,490,171	415,782
12. Total Operation & Maintenance Expense (2 thru 11)	26,948,278	26,914,218	27,140,243	2,512,758
13. Depreciation and Amortization Expense	2,615,596	2,695,400	2,670,507	227,647
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other	1,001,063	971,160	1,002,519	91,664
16. Interest on Long-Term Debt	1,478,536	1,527,314	1,553,088	135,293
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	7,498	7,617	6,555	645
19. Other Deductions	70,072	85,733	59,388	7,954
20. Total Cost of Electric Service (12 thru 19)	32,121,043	32,201,442	32,432,300	2,975,961
21. Patronage Capital & Operating Margins (1 minus 20)	2,653,200	1,568,540	2,056,580	(20,878)
22. Non Operating Margins - Interest	69,585	127,865	104,402	8,960
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	96,722	13,093	(139)	3,407
26. Generation and Transmission Capital Credits	1,447,046	785,943	1,109,360	0
27. Other Capital Credits and Patronage Dividends	217,607	153,924	75,436	8,750
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	4,484,160	2,649,365	3,345,639	239

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

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ELECTRIC DISTRIBUTION

BORROWER DESIGNATION

OH0074

PERIOD ENDED

December 2019

INSTRUCTIONS - See help in the online application.

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	90	66	5. Miles Transmission	7.00	7.00
2. Services Retired	16	19	6. Miles Distribution – Overhead	913.00	914.00
3. Total Services in Place	11,706	11,753	7. Miles Distribution - Underground	175.00	178.00
4. Idle Services (Exclude Seasonals)	264	295	8. Total Miles Energized (5 + 6 + 7)	1,095.00	1,099.00

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	87,378,191	30. Memberships	117,970
2. Construction Work in Progress	1,101,332	31. Patronage Capital	38,008,944
3. Total Utility Plant (1 + 2)	88,479,523	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort.	22,072,663	33. Operating Margins - Current Year	2,488,666
5. Net Utility Plant (3 - 4)	66,406,860	34. Non-Operating Margins	268,330
6. Non-Utility Property (Net)	355,305	35. Other Margins and Equities	8,389
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	40,892,299
8. Invest. in Assoc. Org. - Patronage Capital	13,845,068	37. Long-Term Debt - RUS (Net)	0
9. Invest. in Assoc. Org. - Other - General Funds	0	38. Long-Term Debt - FFB - RUS Guaranteed	26,599,275
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,277,559	39. Long-Term Debt - Other - RUS Guaranteed	0
11. Investments in Economic Development Projects	0	40. Long-Term Debt Other (Net)	14,839,758
12. Other Investments	570,845	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
13. Special Funds	0	42. Payments – Unapplied	0
14. Total Other Property & Investments (6 thru 13)	16,048,777	43. Total Long-Term Debt (37 thru 41 - 42)	41,439,033
15. Cash - General Funds	1,324,629	44. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	45. Accumulated Operating Provisions and Asset Retirement Obligations	447,511
17. Special Deposits	0	46. Total Other Noncurrent Liabilities (44 + 45)	447,511
18. Temporary Investments	1,963,043	47. Notes Payable	0
19. Notes Receivable (Net)	0	48. Accounts Payable	2,196,512
20. Accounts Receivable - Sales of Energy (Net)	3,154,918	49. Consumers Deposits	289,890
21. Accounts Receivable - Other (Net)	128,412	50. Current Maturities Long-Term Debt	1,614,020
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt - Economic Development	0
23. Materials and Supplies - Electric & Other	519,551	52. Current Maturities Capital Leases	0
24. Prepayments	52,766	53. Other Current and Accrued Liabilities	1,971,544
25. Other Current and Accrued Assets	5,063	54. Total Current & Accrued Liabilities (47 thru 53)	6,071,966
26. Total Current and Accrued Assets (15 thru 25)	7,148,382	55. Regulatory Liabilities	0
27. Regulatory Assets	0	56. Other Deferred Credits	880,208
28. Other Deferred Debits	126,998	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	89,731,017
29. Total Assets and Other Debits (5+14+26 thru 28)	89,731,017		

<p>UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE</p> <p>FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</p>	<p>BORROWER DESIGNATION</p> <p>OH0074</p>
<p>INSTRUCTIONS - See help in the online application.</p>	<p>PERIOD ENDED</p> <p>December 2019</p>
<p>PART D. NOTES TO FINANCIAL STATEMENTS</p>	

<p>UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE</p> <p>FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</p>	<p>BORROWER DESIGNATION</p> <p>OH0074</p>
<p>INSTRUCTIONS - See help in the online application.</p>	<p>PERIOD ENDED</p> <p>December 2019</p>
<p>PART D. CERTIFICATION LOAN DEFAULT NOTES</p>	

**FINANCIAL AND OPERATING REPORT
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PERIOD ENDED December 2019

INSTRUCTIONS - See help in the online application.

PART E. CHANGES IN UTILITY PLANT

PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)
1. Distribution Plant	67,627,405	2,596,178	601,519		69,622,064
2. General Plant	5,518,952	726,903	107,351		6,138,504
3. Headquarters Plant	7,544,962	243,144	53,273		7,734,833
4. Intangibles	517,227				517,227
5. Transmission Plant	3,358,631	6,932			3,365,563
6. Regional Transmission and Market Operation Plant					
7. All Other Utility Plant	0				0
8. Total Utility Plant in Service (1 thru 7)	84,567,177	3,573,157	762,143		87,378,191
9. Construction Work in Progress	489,465	611,867			1,101,332
10. Total Utility Plant (8 + 9)	85,056,642	4,185,024	762,143		88,479,523

PART F. MATERIALS AND SUPPLIES

ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	484,103	1,219,462	36,452	1,296,859	0	0	443,158
2. Other	92,859	247,660			264,127		76,392

PART G. SERVICE INTERRUPTIONS

ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE				TOTAL (e)
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)	
1. Present Year	16.230	47.470	5.050	89.100	157.850
2. Five-Year Average	16.160	100.890	4.100	72.810	193.960

PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS

1. Number of Full Time Employees	49	4. Payroll - Expensed	3,381,953
2. Employee - Hours Worked - Regular Time	100,620	5. Payroll - Capitalized	592,627
3. Employee - Hours Worked - Overtime	3,379	6. Payroll - Other	761,794

PART I. PATRONAGE CAPITAL

ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)
1. Capital Credits - Distributions	a. General Retirements	2,457,011	46,791,992
	b. Special Retirements	542,608	8,163,148
	c. Total Retirements (a + b)	2,999,619	54,955,140
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power	595,078	
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	80,855	
	c. Total Cash Received (a + b)	675,933	

PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE

1. Amount Due Over 60 Days	\$ 19,136	2. Amount Written Off During Year	\$ 76,557
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ENERGY EFFICIENCY AND CONSERVATION LOAN PROGRAM

1. Anticipated Loan Delinquency %	0	4. Anticipated Loan Default %	0
2. Actual Loan Delinquency %	0	5. Actual Loan Default %	0
3. Total Loan Delinquency Dollars YTD	\$ 0	6. Total Loan Default Dollars YTD	\$ 0

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION OH0074
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INSTRUCTIONS - See help in the online application	PERIOD ENDED December 2019
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PART K. kWh PURCHASED AND TOTAL COST

No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	Buckeye Power, Inc (OH0099)	7004			226,389,837	16,376,947	7.23	5,493,553	
	Total				226,389,837	16,376,947	7.23	5,493,553	

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INSTRUCTIONS - See help in the online application		PERIOD ENDED December 2019
PART K. kWh PURCHASED AND TOTAL COST		
No	Comments	
1		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION OH0074	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December 2019	
PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
	TOTAL		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION OH0074	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December 2019	
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 4/25/2019	2. Total Number of Members 10,218	3. Number of Members Present at Meeting 303	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail 992	6. Total Number of Board Members 9	7. Total Amount of Fees and Expenses for Board Members \$ 152,767	8. Does Manager Have Written Contract? N

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION OH0074
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PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)				
2	National Rural Utilities Cooperative Finance Corporation	1,295,575	68,916	162,233	231,149
3	CoBank, ACB	13,544,183	571,622	649,048	1,220,670
4	Federal Financing Bank	26,599,275	886,776	670,636	1,557,412
5	RUS - Economic Development Loans				
6	Payments Unapplied				
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
	TOTAL	41,439,033	1,527,314	1,481,917	3,009,231

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION OH0074		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December 2019		
INSTRUCTIONS - See help in the online application.				
PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY				
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	10,880	10,866	
	b. kWh Sold			183,401,960
	c. Revenue			28,921,132
2. Residential Sales - Seasonal	a. No. Consumers Served	131	130	
	b. kWh Sold			399,028
	c. Revenue			118,413
3. Irrigation Sales	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	380	377	
	b. kWh Sold			13,695,610
	c. Revenue			1,932,268
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	7	7	
	b. kWh Sold			17,218,021
	c. Revenue			1,638,937
6. Public Street & Highway Lighting	a. No. Consumers Served	35	35	
	b. kWh Sold			174,065
	c. Revenue			36,872
7. Other Sales to Public Authorities	a. No. Consumers Served	23	23	
	b. kWh Sold			599,918
	c. Revenue			93,605
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. Total No. of Consumers (lines 1a thru 9a)		11,456	11,438	
11. Total kWh Sold (lines 1b thru 9b)				215,488,602
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				32,741,227
13. Transmission Revenue				
14. Other Electric Revenue				1,028,755
15. kWh - Own Use				724,119
16. Total kWh Purchased				226,389,837
17. Total kWh Generated				
18. Cost of Purchases and Generation				16,402,117
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				56,996

UNITED STATES DEPARTMENT OF AGRICULTURE
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INSTRUCTIONS - See help in the online application.

PART P. ENERGY EFFICIENCY PROGRAMS

CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	142	84,422	2,700	1,158	721,842	22,844
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less				1	2,100	8
5. Comm. and Ind. Over 1000 KVA				4	48,712	831
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale – RUS Borrowers						
9. Sales for Resale – Other						
10. Total	142	84,422	2,700	1,163	772,654	23,683

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION OH0074 PERIOD ENDED December 2019
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INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)

No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
1	Non-Utility Property (NET)				
	NON UTILITY PROPERTY	355,305			
	Totals	355,305			
2	Investments in Associated Organizations				
	PATRONAGE CAPITAL		13,845,068		
	EQUITY BUCKEYE POWER		686,068		
	CAPITAL TERM CERTIFICATES CFC		427,020		
	MEMBERSHIPS	3,625	160,845		
	Totals	3,625	15,119,001		
4	Other Investments				
	Misc Loans	570,845			X
	Totals	570,845			
6	Cash - General				
	CASH		1,324,629		
	Totals		1,324,629		
8	Temporary Investments				
	TEMPORARY INVESTMENTS		1,963,044		
	Totals		1,963,044		
9	Accounts and Notes Receivable - NET				
	ACCOUNTS RECEIVABLE OTHER		128,412		
	COMPUTER LOANS				
	Totals		128,412		
11	TOTAL INVESTMENTS (1 thru 10)	929,775	18,535,086		

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	PERIOD ENDED December 2019

INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION II. LOAN GUARANTEES

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				
	TOTAL (Included Loan Guarantees Only)				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION OH0074 PERIOD ENDED December 2019
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SECTION III. RATIO

RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]	1.05 %
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SECTION IV. LOANS

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans				
3	Geothermal System Loans	11/11/2029	986,736	543,305	X
4	Geothermal Loop Loans	11/29/2021	5,600	369	X
5	HVAC Loans	9/25/2024	41,904	27,171	X
TOTAL			1,034,240	570,845	