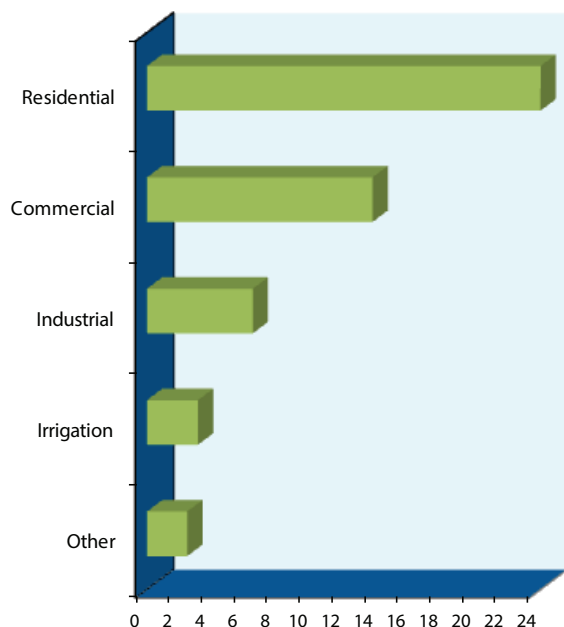


Statement of Revenues and Expenses

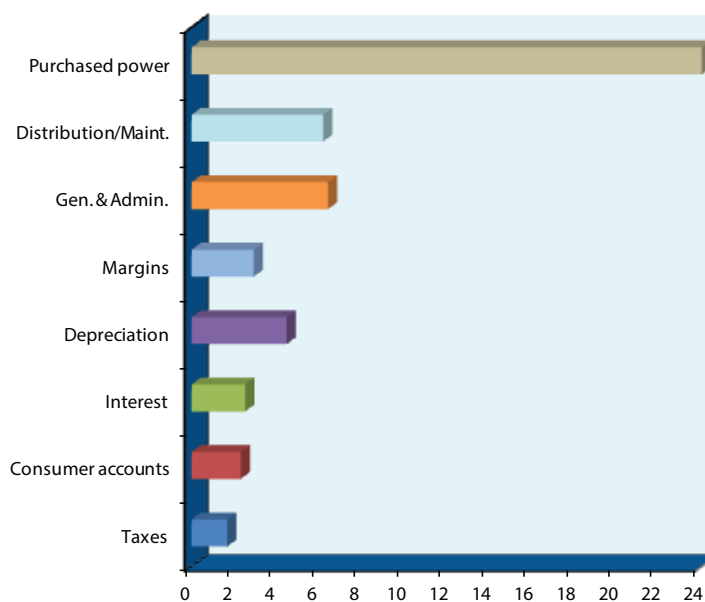
| | 2014 | 2013 |
|---------------------------------------|---------------------|---------------------|
| Total revenues | \$51,417,528 | \$51,069,960 |
| Operating expenses | | |
| Cost of purchased power | \$24,920,330 | \$23,756,044 |
| Distribution expenses | 6,179,577 | 5,550,533 |
| Consumer accounts expense | 2,307,507 | 2,448,622 |
| Administrative and general expenses | 6,416,078 | 6,286,654 |
| Depreciation and amortization expense | 4,473,324 | 4,346,003 |
| Taxes | 1,678,965 | 1,615,034 |
| Interest expense | <u>2,515,906</u> | <u>2,621,727</u> |
| Total cost of electric service | \$48,491,687 | \$46,624,617 |
| Patronage capital or margins | \$ 2,925,841 | \$ 4,445,343 |

2014 Revenues



(Millions)

2014 Expenses

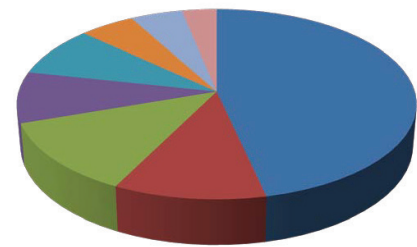


(Millions)

OTEC Balance Sheet

| Assets | 2014 | 2013 |
|---------------------------------------|-----------------------------|-----------------------------|
| Utility plant (net) | \$102,028,864 | \$102,598,967 |
| Other property and investments | <u>7,636,668</u> | <u>7,631,208</u> |
| Total utility plant and investments | \$109,665,532 | \$110,230,175 |
| Current assets | | |
| Cash - General fund | \$8,253,655 | \$7,095,833 |
| Notes and accounts receivable (net) | 6,129,964 | 6,327,603 |
| Material and supplies - electric | 4,343,821 | 3,102,326 |
| Other current and accrued assets | <u>573,304</u> | <u>540,837</u> |
| Total current assets | \$19,300,744 | \$17,066,599 |
| Deferred debits | <u>\$4,497,340</u> | <u>\$5,078,146</u> |
| Total assets | <u>\$133,463,616</u> | <u>\$132,374,920</u> |
| Equities and Liabilities | 2014 | 2013 |
| Equities and margins | | |
| Memberships | \$225 | \$224 |
| Patronage capital | 71,377,720 | 69,657,422 |
| Other equities | <u>1,367,238</u> | <u>1,287,256</u> |
| Total equities and margins | \$72,745,183 | \$70,944,902 |
| Long-term debt | | |
| Mortgage notes | \$48,253,584 | \$48,717,147 |
| Other long-term liabilities | <u>882,224</u> | <u>802,888</u> |
| Total long-term debt | \$49,135,808 | \$49,520,035 |
| Current liabilities | | |
| Notes and accounts payable | \$6,429,256 | \$6,665,043 |
| Other current and accrued liabilities | <u>4,314,220</u> | <u>4,166,582</u> |
| Total current liabilities | \$10,743,476 | \$10,831,625 |
| Deferred credits | \$ 839,149 | \$ 1,078,358 |
| Total equities and liabilities | <u>\$133,463,616</u> | <u>\$132,374,920</u> |

How Your Co-op Dollar was Spent in 2014



- Purchased power: 48.5c
- Distribution/maintenance: 12c
- General and administrative: 12.4c
- Margins: 5.7c
- Depreciation: 8.7c
- Interest: 4.9c
- Consumer accounts: 4.5c
- Taxes: 3.3c

Oregon Trail Electric Consumers Cooperative Inc.

NOTICE OF ANNUAL MEETING

Notice is hereby given that the annual meeting of members will be Saturday, May 2 at the Grant County Fairgrounds, 411 Northwest Bridge Street in John Day, Oregon.

SCHEDULE OF EVENTS

10 a.m.—Registration of members
 11 a.m.—Business meeting
 12:30 p.m.—Members' free luncheon

► The meeting shall be for the purpose of voting for board positions 5, 6 and 7.