

NUSHAGAK ELECTRIC AND TELEPHONE COOPERATIVE, INC.

Statements of Operations and Patronage Capital

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Operating Revenues:		
Electric	\$ 8,286,699	\$ 8,612,739
Local network service	599,877	637,990
Network access services	2,739,178	2,855,781
Cable, net of retransmission fees of \$236,955 (\$228,120 in 2012)	218,166	222,576
Internet	724,145	502,429
Miscellaneous	<u>48,622</u>	<u>47,431</u>
Total Operating Revenues	<u>12,616,687</u>	<u>12,878,946</u>
Operating Expenses:		
Power production	6,096,185	6,021,007
Distribution	365,547	340,110
Plant specific	1,098,134	1,131,172
Plant non-specific	363,283	363,390
Depreciation	1,203,397	1,313,996
Customer	293,534	337,551
Administrative and general	2,274,039	2,144,992
Cable and internet	859,168	601,766
Operating taxes	<u>74,780</u>	<u>77,738</u>
Total Operating Expenses	<u>12,628,067</u>	<u>12,331,722</u>
Operating Margin (Loss)	<u>(11,380)</u>	<u>547,224</u>
Other Income (Expense):		
Patronage allocations	152,624	108,070
Interest and dividend income	4,906	5,673
Interest expense	(193,820)	(216,577)
Non-regulated net income	<u>50,824</u>	<u>56,690</u>
Net Other Income (Expense)	<u>14,534</u>	<u>(46,144)</u>
Net Margin	3,154	501,080
Beginning Patronage Capital	12,901,133	12,422,535
Patronage Capital Retired	(27,046)	(23,407)
Other Adjustments	<u>925</u>	<u>925</u>
Ending Patronage Capital	<u>\$ 12,878,166</u>	<u>\$ 12,901,133</u>

See accompanying notes to financial statements.