

NUSHAGAK ELECTRIC AND TELEPHONE COOPERATIVE, INC.**Statements of Operations and Patronage Capital**

Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operating Revenues:		
Electric	\$ 7,664,435	\$ 8,736,578
Local network service	530,930	556,808
Network access services	2,484,699	2,594,414
Cable, net of retransmission fees of \$278,354 (\$244,014 in 2015)	442,217	443,529
Internet	1,189,111	1,085,558
Miscellaneous	<u>36,697</u>	<u>38,174</u>
Total Operating Revenues	<u>12,348,089</u>	<u>13,455,061</u>
Operating Expenses:		
Power production	4,528,543	5,171,191
Distribution	467,094	611,623
Plant specific	914,253	907,478
Plant non-specific	373,491	369,819
Depreciation	927,204	1,076,794
Customer	498,185	546,438
Administrative and general	2,265,564	2,582,666
Cable and internet	1,545,021	1,406,061
Operating taxes	<u>80,954</u>	<u>71,431</u>
Total Operating Expenses	<u>11,600,309</u>	<u>12,743,501</u>
Operating Margin	<u>747,780</u>	<u>711,560</u>
Other Income (Expense):		
Patronage allocations	109,046	129,653
Interest and dividend income	12,092	9,798
Interest expense	(152,830)	(115,846)
Non-regulated net income	<u>40,219</u>	<u>71,793</u>
Net Other Income	<u>8,527</u>	<u>95,398</u>
Net Margin	756,307	806,958
Beginning Patronage Capital	13,899,182	13,117,386
Patronage Capital Retired	<u>(364,582)</u>	<u>(25,162)</u>
Ending Patronage Capital	<u>\$ 14,290,907</u>	<u>\$ 13,899,182</u>

See accompanying notes to financial statements.