

**Salmon River Electric Cooperative, Inc.
And Subsidiary Company**

Audited Financial Statements For Period Ending December 31, 2016

Assets		
	2016	2015
Noncurrent Assets		
Electric Utility Plant, Net	\$ 11,859,222	\$ 11,824,516
Propane Plant, Net	1,187,591	1,253,314
Investments	978,727	942,388
Total Noncurrent Assets	14,025,540	14,020,218
Current Assets		
Cash & Cash Equivalents	429,934	222,870
Accounts Receivable	959,253	957,211
Interest Receivable	3,710	3,710
Materials & Supplies Inventory	670,008	725,005
Prepaid Expenses	156,250	139,248
Total Current Assets	2,219,155	2,048,044
Deferred Charges	25,704	30,845
Total Assets	\$ 16,270,399	\$ 16,099,107

Liabilities & Equity		
	2016	2015
Member Equity		
Memberships	\$ 21,140	\$ 21,010
Patronage Capital	6,551,499	6,597,407
Other Equities	4,868,750	4,673,534
Total Equity	11,441,389	11,291,951
Long-Term Debt		
Long-Term Debt CFC	3,482,175	3,019,764
Current Liabilities		
Current Maturities of Long-Term Debt	301,236	356,253
Short-Term Notes Payable	-	264,000
Accounts Payable	401,255	398,829
Consumer Deposits	392,934	517,090
Other Current Liabilities	251,410	251,220
Total Current Liabilities	1,346,835	1,787,392
Deferred Credits		
Other Deferred Credits	-	-
Total Liabilities & Equity	\$ 16,270,399	\$ 16,099,107

See Reverse

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Income Statement		
	2016	2015
Operating Revenue	\$ 6,869,261	\$ 6,339,188
Operating Expenses		
Cost of Power	3,683,061	3,259,293
Transmission Expense	78,262	87,376
Distribution Operations Expense	674,462	629,999
Distribution Maintenance Expense	297,565	347,145
Customer Service & Information	187,105	172,266
Administrative & General	708,321	701,263
Depreciation & Amortization	601,966	584,046
Taxes	108,298	104,951
Interest Expense On Long Term Debt	166,677	165,176
Other Operating Expenses	39,277	30,529
Total Operating Expenses	6,544,994	6,082,044
Net Operating Margins	324,267	257,144
Non-Operating Margins- Electric		
Interest Income	17,727	17,197
Patronage Capital From Other Cooperatives	62,426	41,345
Other Non-Operating Margins (Losses)	98,064	77,949
Total Non-Operating Margins- Electric	178,217	136,491
Net Margins	\$ 502,484	\$ 393,635

In accordance with the Salmon River Electric Cooperative, Inc. Bylaws Article III, Section 8, the following itemizes the annual costs of all benefits provided by the Cooperative to the directors.	
Director Benefits Summary	
Meeting Fees	\$ 55,800
Travel & Per Diem	31,261
24 Hour Accident Insurance	209
Business Travel Insurance	79
Total Annual Cost for 7 Directors	\$ 87,349