

Consolidated Balance Sheets December 31, 2016 and 2015

ASSETS		2016	2015	EQUITY		2016	2015
Plant Assets				Members' Equity			
1	Utility Plant	\$ 180,096,094	\$ 169,564,515	20	Patronage Capital	\$ 68,063,481	\$ 65,811,739
2	Construction Work In Progress	\$ 875,963	\$ 2,255,377	21	Other Equities	\$ 13,455,658	\$ 12,983,887
3	Total Utility Plant	\$ 180,972,057	\$ 171,819,892	22	Total Members' Equity	\$ 81,519,139	\$ 78,795,626
4	Less Accumulated Depreciation	\$ 62,694,059	\$ 57,976,198				
5	Net Utility Plant	\$ 118,277,998	\$ 113,843,694				
Other Property and Investments				LIABILITIES		2016	2015
6	Investment in Associated Organizations	\$ 46,465,302	\$ 43,108,789	Long-Term Debt (Less Current Maturities)			
7	Non-Utility Property-Net	\$ 3,890,896	\$ 4,996,484	23	RUS Mortgage Notes	\$ 31,431,279	\$ 32,612,959
8	Notes Receivable	\$ 128,626	\$ 211,589	24	Nat. Rural Utilities Co-op Finance Corp.	\$ 15,497,756	\$ 16,501,063
9	Other Investments	\$ 705,041	\$ 1,724,591	25	CoBank Notes	\$ 33,596,029	\$ 35,935,502
10	Total Other Property and Investments	\$ 51,189,865	\$ 50,041,453	26	Total Long-Term Debt	\$ 80,525,064	\$ 85,049,524
Current and Other Assets				Current and Other Liabilities			
11	Cash and Cash Equivalents	\$ 2,842,015	\$ 9,704,395	27	Current Maturities of Long-Term Debt	\$ 4,504,121	\$ 4,156,390
12	Accounts Receivable	\$ 6,200,705	\$ 4,919,453	28	Accounts Payable	\$ 1,335,661	\$ 1,779,192
13	Other Accounts Receivable	\$ 1,422,114	\$ 1,217,190	29	Accounts Payable-Purchased Power	\$ 9,972,203	\$ 8,790,370
14	Accrued Unbilled Revenue	\$ 6,847,797	\$ 6,566,691	30	Customer Deposits	\$ 1,771,640	\$ 1,682,556
15	Materials and Supplies Inventory	\$ 2,309,722	\$ 2,210,805	31	Other Current and Accrued Liabilities	\$ 10,010,142	\$ 11,705,210
16	Other Current and Accrued Assets	\$ 585,849	\$ 540,407	32	Total Current and Other Liabilities	\$ 27,593,767	\$ 28,113,718
17	Total Current and Other Assets	\$ 20,208,202	\$ 25,158,941	33	Deferred Credits	\$ 8,224,198	\$ 5,143,380
18	Deferred Debits	\$ 8,186,103	\$ 8,058,160	34	Total Members' Equity and Liabilities	\$ 197,862,168	\$ 197,102,248
19	Total Assets	\$ 197,862,168	\$ 197,102,248				

Statement of Operations for the Years Ended December 31, 2016 and 2015

	2016 AMOUNT PERCENT			2015 AMOUNT PERCENT		
51	Operating Revenues	\$ 94,025,173	100.0%	\$ 90,541,427	100.0%	
52	Cost of Power	\$ 66,061,746	70.3%	\$ 61,740,661	68.2%	
Local Operating Expenses						
53	Distribution - Operations and Maintenance	\$ 7,223,031	7.7%	\$ 6,782,490	7.5%	
54	Customer Accounts and Service	\$ 3,751,563	4.0%	\$ 3,541,142	3.9%	
55	Administrative and General	\$ 3,895,167	4.1%	\$ 4,236,855	4.7%	
56	Total Local Operating Expenses	\$ 14,869,761		\$ 14,560,487		
Fixed Charges						
57	Property Tax	\$ 1,813,647	1.9%	\$ 2,209,135	2.4%	
58	Depreciation and Amortization	\$ 4,879,452	5.2%	\$ 4,852,137	5.4%	
59	Interest on Long-Term Debt	\$ 3,438,982	3.7%	\$ 3,577,509	3.9%	
60	Total Fixed Charges	\$ 10,132,081		\$ 10,638,781		
61	Net Operating Margins	\$ 2,961,585	3.1%	\$ 3,601,498	4.0%	
62	Conservation Improvement Program	\$ (551,791)	-0.6%	\$ (550,000)	-0.6%	
63	Non-Operating Margins	\$ (236,529)	-0.3%	\$ (106,876)	-0.1%	
64	Net Operating and Non-Operating Margins	\$ 2,173,265	2.3%	\$ 2,944,622	3.3%	
Generation and Transmission and Other Capital Credits						
65	Other Capital Credits	\$ 3,703,163	3.9%	\$ 1,876,958	2.1%	
66	Net Margins	\$ 5,876,428	6.2%	\$ 4,821,580	5.4%	



Finance Report

Letter to the members of Wright-Hennepin Cooperative Electric Association, Rockford, Minn.

Brady Martz & Associates, P.C., an independent certified public accounting firm, has audited Wright-Hennepin Cooperative Electric Association's financial statements for the year ended December 31, 2016. The auditor has issued his unmodified opinion dated February 28, 2017, on the financial statements. Copies of the audited financial statements are on file at the cooperative's office for inspection.

Brady Martz

Brady Martz & Associates, P.C.
Grand Forks, N.D.



You're Invited!

WH's Annual Meeting is April 20 at our Rockford headquarters. Check out the back page of this Annual Report for more information.

