

2015 ANNUAL REPORT

COMPARATIVE BALANCE SHEETS FOR THE YEARS 2015 & 2014

ASSETS	2015	2014
Cash	1,229,832	1,521,455
Short-term Investments	12,000,000	17,150,000
Investments in Associated Organizations	115,351,491	117,472,624
Other Investments	661,356	690,084
Special Funds	0	0
Account and Notes Receivable (net)	12,884,364	17,427,160
Materials Inventory	1,751,873	1,779,966
Advanced Payments	33,514,497	32,477,837
Other Current Assets	62,377	64,893
Other Long-term Assets	892,976	10,263
Utility Plant (net)	264,005,571	261,265,519
Total Assets	442,354,337	449,859,801
LIABILITIES AND MEMBER EQUITY		
Outstanding Debt to CFC	117,717,048	144,894,934
Notes and Accounts Payable	16,731,248	19,526,620
Deferred Credits	33,764,429	15,161,654
Member Deposits	9,001,808	8,939,273
Other Liabilities	5,757,102	5,749,067
Miscellaneous Operating Reserves	63,722,431	50,755,478
Membership Fees	1,043,215	1,059,236
Other Member Equity	194,617,055	203,773,538
Total Liabilities and Member Equity	442,354,337	449,859,801

On December 29, 1999, a loan agreement was established between The Walton Electric Membership Corporation and Doyle I, LLC, a generation facility of which Walton EMC was the sole owner. Doyle I, LLC was required to make quarterly principal and interest payments to Walton EMC at an interest rate equal to the rate payable to our lender, NRUCFC.

Both the note, which has been paid in full with the sale of Doyle I, LLC, and all related interest expenses are recorded as as pass-throughs on Walton EMC's books. Accordingly, this arrangement has no financial impact on WEMC's operations and are not included in the above financial statements.

WALTON ELECTRIC MEMBERSHIP CORPORATION

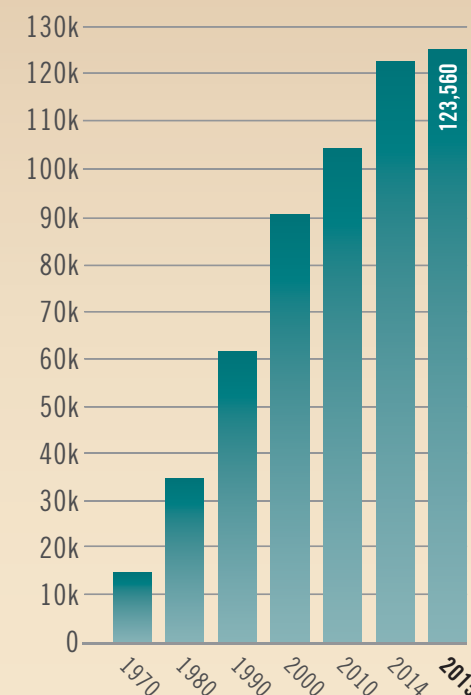
COMPARATIVE STATEMENTS OF REVENUE & EXPENSES FOR YEARS 2015 & 2014

	2015	2014
ELECTRIC REVENUE	247,211,422	250,638,594
EXPENSES		
Purchased Power	190,082,493	195,517,563
Operations Expense	10,056,981	10,241,641
Maintenance Expense	10,908,662	9,012,789
Consumer Accounts Expense	7,108,588	6,713,980
Consumer Service and Information Expense	1,601,526	1,551,796
Sales Expense	55,356	80,950
Administrative and General Expense	7,637,057	6,850,988
Depreciation and Amortization Expense	13,093,007	13,023,390
Interest Expense	4,912,098	5,342,640
Total Cost of Electric Service	245,455,768	248,335,737
MARGINS FROM OPERATIONS	1,755,654	2,302,857
OTHER REVENUES		
Interest Income	1,717,729	1,751,144
Non-operating Margins – Other	200,607	-53,600
Income (Loss) from Equity Investments	3,037,031	2,276,669
Generation and Transmission Capital Credits	4,840,123	4,729,531
Other Associations Capital Credits	914,995	890,096
Patronage Capital or Margins	12,466,139	11,896,697
NOTICE OF PATRONAGE CAPITAL ASSIGNMENT FOR 2015		
Operating Margins Being Assigned	29,309,285.46	
Percent of 2015 Revenue	11.86	

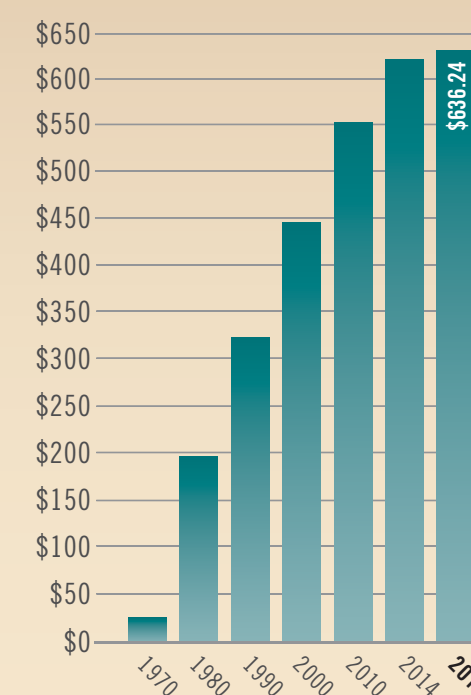
BOARD OF DIRECTORS & CEO



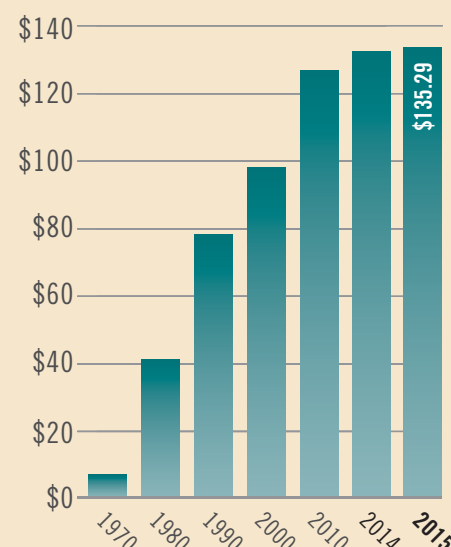
AVERAGE NUMBER OF MEMBERS



AVERAGE MONTHLY COMMERCIAL/INDUSTRIAL BILL



AVERAGE MONTHLY RESIDENTIAL/FARM BILL



AVERAGE KWH PER MONTH

