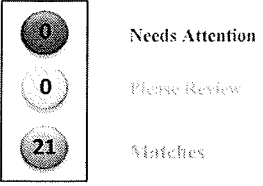


<b>NATIONAL RURAL UTILITIES</b> <b>COOPERATIVE FINANCE CORPORATION</b> <b>FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Tri-County Electric Cooperative dba Hc
	<b>BORROWER DESIGNATION</b>	<b>M1026</b>
	<b>ENDING DATE</b>	12/31/2015

Submit one electronic copy and one signed hard copy to CFC. Round all numbers to the nearest dollar.

<b>CERTIFICATION</b>	<b>BALANCE CHECK RESULTS</b>	<b>AUTHORIZATION CHOICES</b>
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.		<b>A. NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA?</b>
<i>Patricia Sumner</i> 3/30/16 Signature of Office Manager or Accountant Date		<input checked="" type="radio"/> YES <input type="radio"/> NO
<i>Walt Boyd</i> 3/31/16 Signature of Manager Date		<b>B. Will you authorize CFC to share your data with other cooperatives?</b> <input checked="" type="radio"/> YES <input type="radio"/> NO

**PART A. STATEMENT OF OPERATIONS**

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	45,420,401	44,700,505	46,023,255	4,279,365
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	29,675,754	29,113,834	30,192,093	2,777,846
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	1,266,453	1,561,196	1,434,167	179,736
7. Distribution Expense - Maintenance	3,251,513	3,106,730	3,448,158	30,505
8. Consumer Accounts Expense	755,651	758,237	876,104	20,641
9. Customer Service and Informational Expense	1,438,886	1,565,456	1,504,565	163,158
10. Sales Expense	74,346	89,044	83,747	11,299
11. Administrative and General Expense	2,254,230	2,270,560	2,370,227	217,390
<b>12. Total Operation &amp; Maintenance Expense (2 thru 11)</b>	<b>38,716,833</b>	<b>38,465,057</b>	<b>39,909,061</b>	<b>3,400,574</b>
13. Depreciation & Amortization Expense	2,858,262	2,831,277	2,944,200	273,010
14. Tax Expense - Property & Gross Receipts	1,032,873	1,060,305	1,072,000	78,105
15. Tax Expense - Other	0	0	0	0
16. Interest on Long-Term Debt	1,771,613	1,808,294	1,833,850	159,971
17. Interest Charged to Construction (Credit)	0	0	0	0
18. Interest Expense - Other	45,497	38,532	73,300	23
19. Other Deductions	41,154	(84,708)	(96,245)	(7,059)
<b>20. Total Cost of Electric Service (12 thru 19)</b>	<b>44,466,232</b>	<b>44,118,757</b>	<b>45,736,166</b>	<b>3,904,624</b>
<b>21. Patronage Capital &amp; Operating Margins (1 minus 20)</b>	<b>954,169</b>	<b>581,748</b>	<b>287,089</b>	<b>374,741</b>
22. Non Operating Margins - Interest	93,192	87,272	85,800	7,180
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	215,576	452,476	147,127	452,476
25. Non Operating Margins - Other	14,005	58,469	0	6,825
26. Generation & Transmission Capital Credits	2,040,075	2,693,700	2,500,000	2,693,700
27. Other Capital Credits & Patronage Dividends	161,536	155,855	114,500	16,692
28. Extraordinary Items	0	0	0	0
<b>29. Patronage Capital or Margins (21 thru 28)</b>	<b>3,478,553</b>	<b>4,029,521</b>	<b>3,134,516</b>	<b>3,551,615</b>

**PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	195	152	5. Miles Transmission	0	0
2. Services Retired	73	266	6. Miles Distribution Overhead	2,919	2,914
3. Total Services In Place	27,153	27,039	7. Miles Distribution Underground	441	448
4. Idle Services (Exclude Seasonal)	1,530	1,347	<b>8. Total Miles Energized (5+6+7)</b>	<b>3,360</b>	<b>3,361</b>



<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Tri-County Elec
	<b>BORROWER DESIGNATION</b>	MI026
	<b>ENDING DATE</b>	12/31/2015

**PART E. CHANGES IN UTILITY PLANT**

	PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE END OF YEAR (e)
1	Distribution Plant Subtotal	87,753,719	3,718,665	907,219	0	90,565,166
2	General Plant Subtotal	4,420,737	350,285	625,503	0	4,145,519
3	Headquarters Plant	3,787,508	5,367	0	0	3,792,875
4	Intangibles	411,985	30,595	0	0	442,580
5	Transmission Plant Subtotal	0	0	0	0	0
6	Regional Transmission and Market Operation Plant	0	0	0	0	0
7	Production Plant - Steam	0	0	0	0	0
8	Production Plant - Nuclear	0	0	0	0	0
9	Production Plant - Hydro	0	0	0	0	0
10	Production Plant - Other	0	0	0	0	0
11	All Other Utility Plant	0	0	0	0	0
12	<b>SUBTOTAL: (1 thru 11)</b>	<b>96,373,949</b>	<b>4,104,912</b>	<b>1,532,721</b>	<b>0</b>	<b>98,946,140</b>
13	Construction Work in Progress	189,505	61,858			251,363
14	<b>TOTAL UTILITY PLANT (12+13)</b>	<b>96,563,454</b>	<b>4,166,770</b>	<b>1,532,721</b>	<b>0</b>	<b>99,197,503</b>

CFC NO LONGER REQUIRES SECTIONS "F", "G", AND "N" DATA  
Those sections refer to data on "Analysis of Accumulated Provision for Depreciation" (F),  
"Materials and Supplies" (G), "Annual Meeting and Board Data" (N), and "Conservation Data" (P).

**PART H. SERVICE INTERRUPTIONS**

	ITEM	Avg. Minutes per Consumer by Cause	Avg. Minutes per Consumer by Cause	Avg. Minutes per Consumer by Cause	Avg. Minutes per Consumer by Cause	TOTAL (e)
		Power Supplier (a)	Major Event (b)	Planned (c)	All Other (d)	
1.	Present Year	36.00	101.40	8.40	135.00	280.80
2.	Five-Year Average	67.40	330.01	5.39	157.32	560.12

**PART I. EMPLOYEE - HOUR AND PAYROLL STATISTICS**

1.	Number of Full Time Employees	59	4.	Payroll - Expensed	3,585,701
2.	Employee - Hours Worked - Regular Time	132,594	5.	Payroll - Capitalized	961,987
3.	Employee - Hours Worked - Overtime	6,268	6.	Payroll - Other	574,988

**PART J. PATRONAGE CAPITAL**

ITEM	THIS YEAR (a)	CUMULATIVE (b)	PART K. DUE FROM CONSUMERS FOR ELECTRIC SERVICE	
			1. Amount Due Over 60 Days:	2. Amount Written Off During Year:
1. General Retirement	2,415,999	13,042,281	175,970	
2. Special Retirements	190,951	1,526,935	89,055	
3. <b>Total Retirements (1+2)</b>	<b>2,606,951</b>	<b>14,569,216</b>		
4. Cash Received from Retirement of Patronage Capital by Suppliers of Electric Power	419,063			
5. Cash Received from Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	45,845			
6. <b>Total Cash Received (4+5)</b>	<b>464,907</b>			

<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Tri-County Elec
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**PART L. KWH PURCHASED AND TOTAL COST**

	NAME OF SUPPLIER (a)	CFC USE ONLY SUPPLIER CODE (b)	RENEWABLE ENERGY PROGRAM NAME (c)	RENEWABLE FUEL TYPE (d)	KWH PURCHASED (e)	TOTAL COST (f)	AVERAGE COST PER KWH (cents) (g)	INCLUDED IN TOTAL COST		
								FUEL COST ADJUSTMENT (h)	WHEELING & OTHER CHARGES (or Credits) (i)	COMMENTS (j)
1	Wolverine Power Cooperative			0 None	327,976,140	26,930,296	8.21	331,811	1,431,947	Comments
2	Wolverine Power Cooperative			1 Wind	19,855,853	1,630,375	8.21	20,088	86,691	Comments
3	Wolverine Power Cooperative			2 Sun	354,569	29,114	8.21	359	1,548	Comments
4	Wolverine Power Cooperative			4 Wood	6,382,238	524,049	8.21	6,457	27,865	Comments
5				0 None	0	0	0.00	0	0	Comments
6				0 None	0	0	0.00	0	0	Comments
7				0 None	0	0	0.00	0	0	Comments
8				0 None	0	0	0.00	0	0	Comments
9				0 None	0	0	0.00	0	0	Comments
10				0 None	0	0	0.00	0	0	Comments
11				0 None	0	0	0.00	0	0	Comments
12				0 None	0	0	0.00	0	0	Comments
13				0 None	0	0	0.00	0	0	Comments
14				0 None	0	0	0.00	0	0	Comments
15				0 None	0	0	0.00	0	0	Comments
16				0 None	0	0	0.00	0	0	Comments
17				0 None	0	0	0.00	0	0	Comments
18				0 None	0	0	0.00	0	0	Comments
19				0 None	0	0	0.00	0	0	Comments
20				0 None	0	0	0.00	0	0	Comments
21	<b>TOTALS</b>				<b>354,568,800</b>	<b>29,113,834</b>	<b>8.21</b>	<b>358,715</b>	<b>1,548,051</b>	

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**PART L. KWH PURCHASED AND TOTAL COST (Continued)**

COMMENTS	
1	
2	
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<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Tri-County Elec
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**PART M. LONG-TERM LEASES (If additional space is needed, use separate sheet)**

LIST BELOW ALL "RESTRICTED PROPERTY" \*\* HELD UNDER "LONG TERM" LEASE. (If none, State "NONE")

	NAME OF LESSOR	TYPE OF PROPERTY	RENTAL THIS YEAR
1.	None		\$0
2.			\$0
3.			\$0
		<b>TOTAL</b>	<b>\$0</b>

\*\* "RESTRICTED PROPERTY" means all properties other than automobiles, trucks, tractors, other vehicles (including without limitation aircraft and ships), office and warehouse space and office equipment (including without limitation computers). "LONG TERM" means leases having unexpired terms in excess of 3 years and covering property having an initial cost in excess of \$250,000).

**PART O. LONG-TERM DEBT SERVICE REQUIREMENTS**

	NAME OF LENDER	BALANCE END OF YEAR	BILLED THIS YEAR			CFC USE ONLY (d)
			INTEREST (a)	PRINCIPAL (b)	TOTAL (c)	
1	National Rural Utilities Cooperative Finance Corporation	27,021,174	1,058,760	1,427,893	2,486,652	
2	NCSC	0	0	0	0	
3	Farmer Mac	20,276,457	805,572	495,980	1,301,552	
4		0	0	0	0	
5		0	0	0	0	
6		0	0	0	0	
7		0	0	0	0	
8		0	0	0	0	
9		0	0	0	0	
10	Principal Payments Received from Ultimate Recipients of IRP Loans			0		
11	Principal Payments Received from Ultimate Recipients of REDL Loans			0		
12	<b>TOTAL (Sum of 1 thru 9)</b>	<b>\$47,297,631</b>	<b>\$1,864,332</b>	<b>\$1,923,872</b>	<b>\$3,788,204</b>	

<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Tri-County Elec
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**PART R. POWER REQUIREMENTS DATA BASE**

CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	JANUARY CONSUMERS	DECEMBER CONSUMERS	AVERAGE CONSUMERS	TOTAL KWH SALES AND REVENUE (d)
		(a)	(b)	(c)	
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	22,247	22,260	22,254	
	b. KWH Sold				216,763,632
	c. Revenue				30,201,085
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
3. Irrigation Sales	a. No. Consumers Served	369	381	375	
	b. KWH Sold				6,765,698
	c. Revenue				1,153,988
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,853	2,905	2,879	
	b. KWH Sold				63,797,680
	c. Revenue				8,222,517
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	3	3	3	
	b. KWH Sold				42,800,200
	c. Revenue				3,494,472
6. Public Street & Highway Lighting	a. No. Consumers Served	36	36	36	
	b. KWH Sold				151,291
	c. Revenue				30,958
7. Other Sales to Public Authority	a. No. Consumers Served	121	117	119	
	b. KWH Sold				4,762,054
	c. Revenue				600,842
8. Sales for Resales-RUS Borrowers	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
9. Sales for Resales-Other	a. No. Consumers Served	0	0	0	
	b. KWH Sold				0
	c. Revenue				0
<b>10. TOTAL No. of Consumers (lines 1a thru 9a)</b>		<b>25,629</b>	<b>25,702</b>	<b>25,666</b>	<b>0</b>
<b>11. TOTAL KWH Sold (lines 1b thru 9b)</b>					<b>335,040,555</b>
<b>12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)</b>					<b>43,703,862</b>
13. Transmission Revenue					0
14. Other Electric Revenue					996,643
15. KWH - Own Use					0
16. TOTAL KWH Purchased					354,568,800
17. TOTAL KWH Generated					0
18. Cost of Purchases and Generation					29,113,834
19. Interchange - KWH - Net					0
20. Peak - Sum All KW Input (Metered)					81,948
		<input type="radio"/> None <input checked="" type="radio"/> Non-coincident <input type="radio"/> Coincident			

<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Tri-County Elec
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**PART 5. ENERGY EFFICIENCY PROGRAMS**

Line #	Classification	Added This Year			Total To Date		
		Number of Consumers (a)	Amount Invested (b)	ESTIMATED MMBTU Savings (c)	Number of Consumers (d)	Amount Invested (e)	ESTIMATED MMBTU Savings (f)
1.	Residential Sales (excluding seasonal)	19	353,462	5,719	25,133	1,877,788	35,950
2.	Residential Sales - Seasonal	0	0	0	0	0	0
3.	Irrigation Sales	0	0	0	0	0	0
4.	Comm. and Ind. 1000 KVA or Less	15	147,612	3,709	533	761,913	22,107
5.	Comm. and Ind. Over 1000 KVA	0	0	0	0	0	0
6.	Public Street and Highway Lighting	0	0	0	0	0	0
7.	Other Sales to Public Authorities	0	0	0	0	0	0
8.	Sales for Resales - RUS Borrowers	0	0	0	0	0	0
9.	Sales for Resales - Other	0	0	0	0	0	0
10.	<b>TOTAL</b>	<b>34</b>	<b>501,074</b>	<b>9,428</b>	<b>25,666</b>	<b>2,639,701</b>	<b>58,057</b>



NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT		BORROWER NAME BORROWER DESIGNATION ENDING DATE		Tri-County Elec MI026 12/31/2015
(All investments refer to your most recent CFC Loan Agreement)				
<b>7a - PART 1 - INVESTMENTS</b>				
DESCRIPTION (a)		INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (d)
<b>2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS</b>				
5	See Attached Notes	7,204,246	31,511,308	452,476
6				
7				
8				
Subtotal (Line 5 thru 8)		7,204,246	31,511,308	452,476
<b>3. INVESTMENTS IN ECONOMIC DEVELOPMENT PROJECTS</b>				
9				
10				
11				
12				
Subtotal (Line 9 thru 12)		0	0	0
<b>4. OTHER INVESTMENTS</b>				
13				
14				
15				
16				
Subtotal (Line 13 thru 16)		0	0	0
<b>5. SPECIAL FUNDS</b>				
17				
18				
19				
20				
Subtotal (Line 17 thru 20)		0	0	0
<b>6. CASH - GENERAL</b>				
21	Portland Federal Credit Union	1,310,194	250,000	0
22				
23				
24				
Subtotal (Line 21 thru 24)		1,310,194	250,000	0
<b>7. SPECIAL DEPOSITS</b>				
25				
26				
27				
28				
Subtotal (Line 25 thru 28)		0	0	0
<b>8. TEMPORARY INVESTMENTS</b>				
29	Cash-Money Market Account	90,927	0	0
30				
31				
32				
Subtotal (Line 29 thru 32)		90,927	0	0
<b>9. ACCOUNT &amp; NOTES RECEIVABLE - NET</b>				
33	NRUCFC Interest Receivables - CTC's	0	8,196	0
34	NRUCFC Interest Receivables - Capital Securities	0	11,250	0
35	Other Receivables	245,680	0	0
36	Notes Receivables - Water Heaters	122,022	0	0
Subtotal (Line 33 thru 36)		367,702	19,446	0
<b>10. COMMITMENTS TO INVEST WITHIN 12 MONTHS BUT NOT ACTUALLY PURCHASED</b>				
37				
38				
39				
40				
Subtotal (Line 37 thru 40)		0	0	0
<b>Total</b>		<b>8,973,069</b>	<b>31,780,754</b>	<b>452,476</b>

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(All investments refer to your most recent CFC Loan Agreement)

**7a - PART II. LOAN GUARANTEES**

Line No.	Organization & Guarantee Beneficiary (a)	Maturity Date of Guarantee Obligation (b)	Original Amount (\$) (c)	Performance Guarantee Exposure or Loan Balance (\$) (d)	Available Loans (Covered by Guarantees) (e)
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
<b>TOTALS (Line 1 thru 5)</b>			<b>0</b>	<b>0</b>	<b>0</b>

**7a - PART III. LOANS**

Line No.	Name of Organization (a)	Maturity Date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Available Loans (e)
1			0	0	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
<b>TOTALS (Line 1 thru 5)</b>			<b>0</b>	<b>0</b>	<b>0</b>

**7a - PART IV. TOTAL INVESTMENTS AND LOANS GUARANTEES**

1	TOTAL (Part I, Total - Column b + Part II, Totals - Column d + Column e + Part III, Totals - Column d + Column e)	<b>8,973,069</b>
2	LARGER OF (a) OR (b)	<b>30,146,027</b>
	a. 15 percent of Total Utility Plant (CFC Form 7, Part C, Line 3)	<b>14,879,625</b>
	b. 50 percent of Total Equity (CFC Form 7, Part C, Line 35)	<b>30,146,027</b>

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<b>NOTES</b>		

7a-Part 1-Investments

2. Investments in Associated Organizations

	Description	Included	Excluded	Income
1	CFC Patronage		872,407	
2	Tri-Co Services-50,000 shrs common stock	50,000		
3	Tri-Co Services Subsidiary Equity	6,788,755		452,476
4	NRUCFC Capital Term Certificates		1,875,754	
5	NRUCFC Membership		1,000	
6	Cooperative Response Center-Membership	17,437	12,500	
7	Michigan Electric Coop Assoc, Membership		1,000	
8	National Rural Telecom Coop-Patronage	20,535		
9	Wolverine Power Supply Coop-Patronage		28,695,230	
10	National Information Solutions Coop-Patronage	130,986		
11	Rural Electric Supply Coop-Patronage	66,029	5,100	
12	Co-Bank-Investment		1,000	
13	Co-Bank Patronage		47,318	
14	Federated Rural Insurance Coop-Stock	10,000		
15	Federated Rural Insurance Coop-Patronage	120,505		
Total		7,204,246.20	31,511,307.97	452,476.45

Part L

Water heater adjustment/note this is for billing credit to our members for purchase of a water heater and participation in our load management program.