

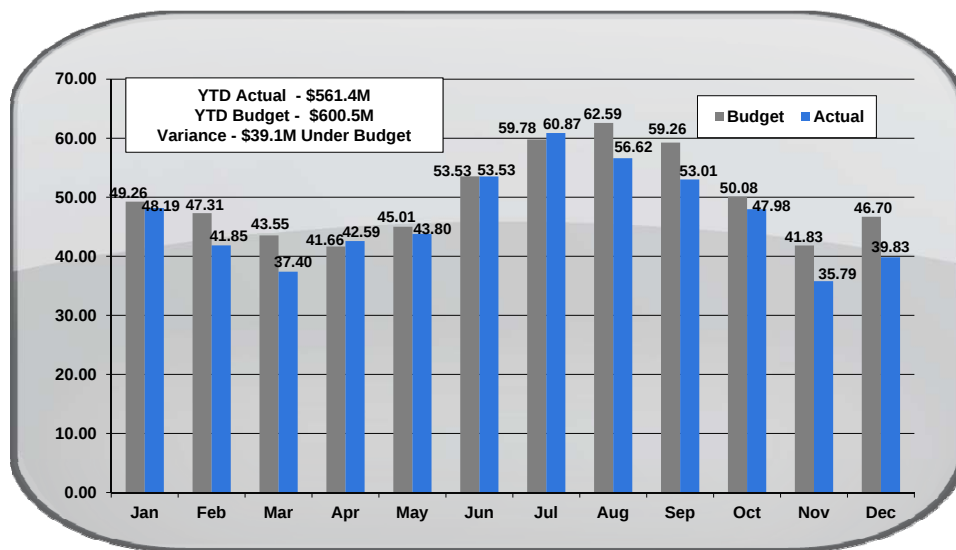


Report on Monthly Financials

Tracy Golden, Chief Financial Officer

February 20, 2017

Revenues – Actual vs Budget (in millions)

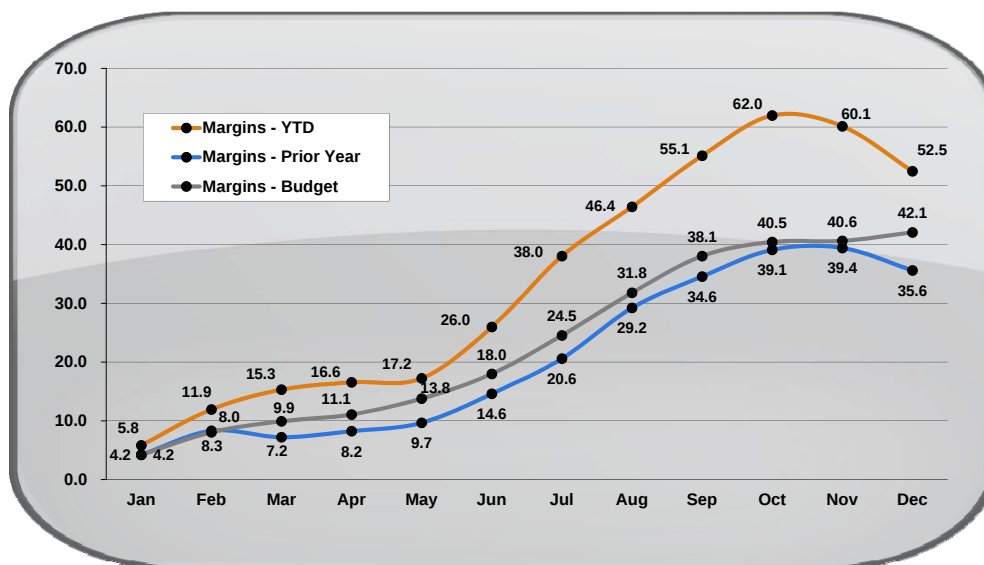


Revenue Adjustment Factor

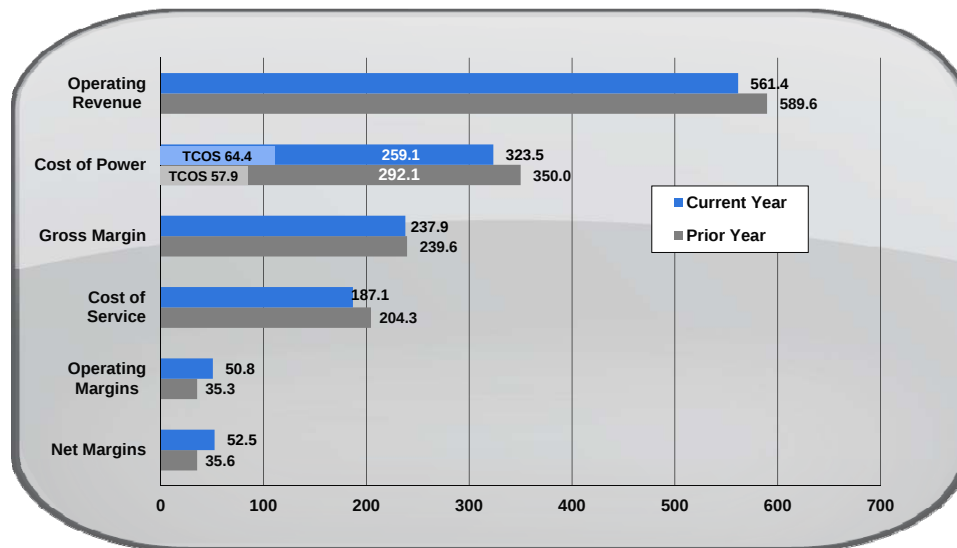
	<u>Forecasted</u>	<u>Actual</u>
KWH Sold	384,368,994	385,433,117
Revenue Adjustment Factor	0.01561	0.01561
Revenue Adjustment	<u>\$6,000,000.00</u>	<u>\$6,016,610.95</u>



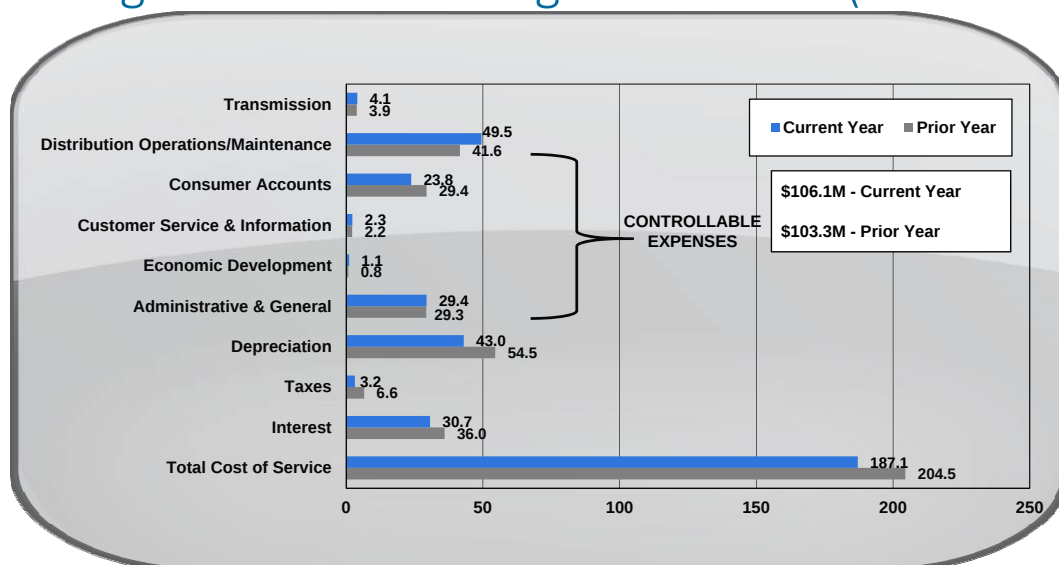
Net Margins Year-to-Date (Actual vs Budget in millions)



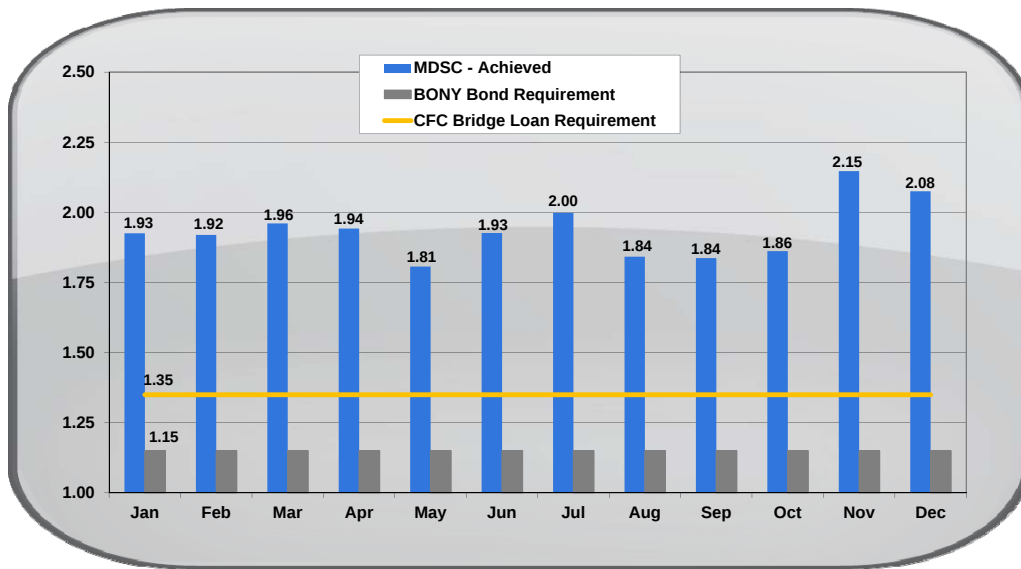
Summary of Revenues, Expenses & Margins (Rolling 12 Months through December (in millions))



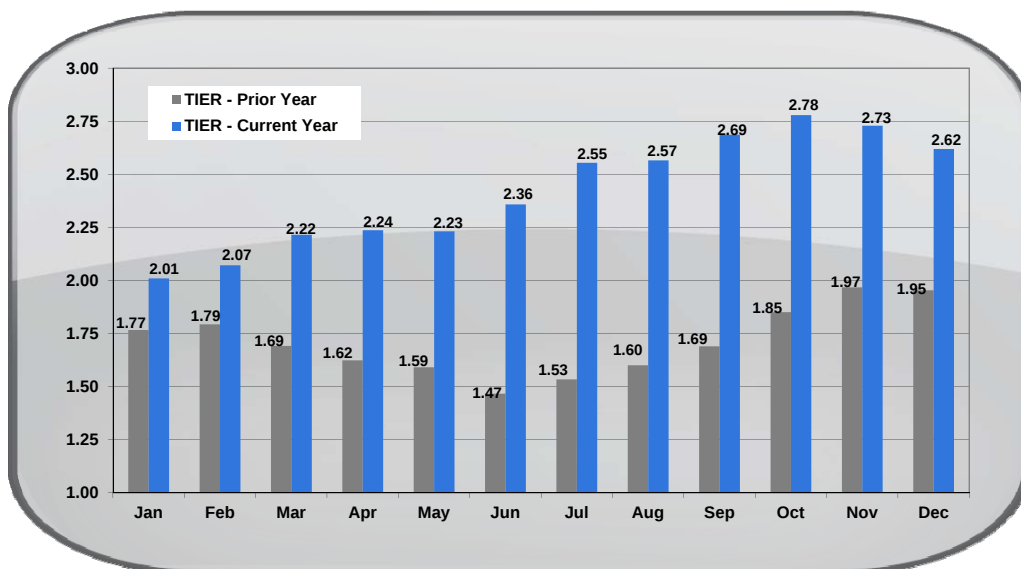
Cost of Service (Rolling 12 Months through December (in millions))



Modified Debt Service Coverage Ratio YTD 2016



Time Interest Earned YTD 2016



Controllable Expenses

	ACTUAL YTD DECEMBER 2016	BUDGET YTD DECEMBER 2016	VARIANCE
Distribution Operations/Maintenance	\$ 47,522,701	\$ 52,599,384	\$ (5,076,683)
Consumer Accounts	23,762,962	27,269,637	(3,506,675)
Customer Service & Information	2,301,496	3,251,760	(950,264)
Economic Development	1,097,531	920,784	176,747
Administrative & General	26,862,996	23,998,516	2,864,480
Accelerated Amortization of Regulatory Assets:			
2014 Facility Assessment	874,885		874,885
2015 Facility Assessment	1,687,202		1,687,202
GIS Mapping	2,000,000		2,000,000
TOTAL	\$ 106,109,773	\$ 108,040,081	\$ (1,930,308)
 2016 Controllable Expense per Consumer*	 \$377.14	 \$384.00	 -\$6.86
Controllable Expense per Consumer History:			
2012	\$422.81		
2013	\$414.20		
2014	\$405.14		
2015	\$382.62		

*Note: Average meters = 2015 YE Meter Count (275,282) + 2016 YE Meter Count (287,422) / 2 = 281,352



Status of Board Approved Deferrals

<u>Deferral Item:</u>	<u>Amortization Period (years)</u>	<u>November 2016 Balance</u>	<u>December Amortization</u>	<u>December Accelerated Amortization</u>	<u>December 2016 Balance</u>
GIS Mapping	Up to 15	8,083,260	343,060	2,000,000	5,740,200

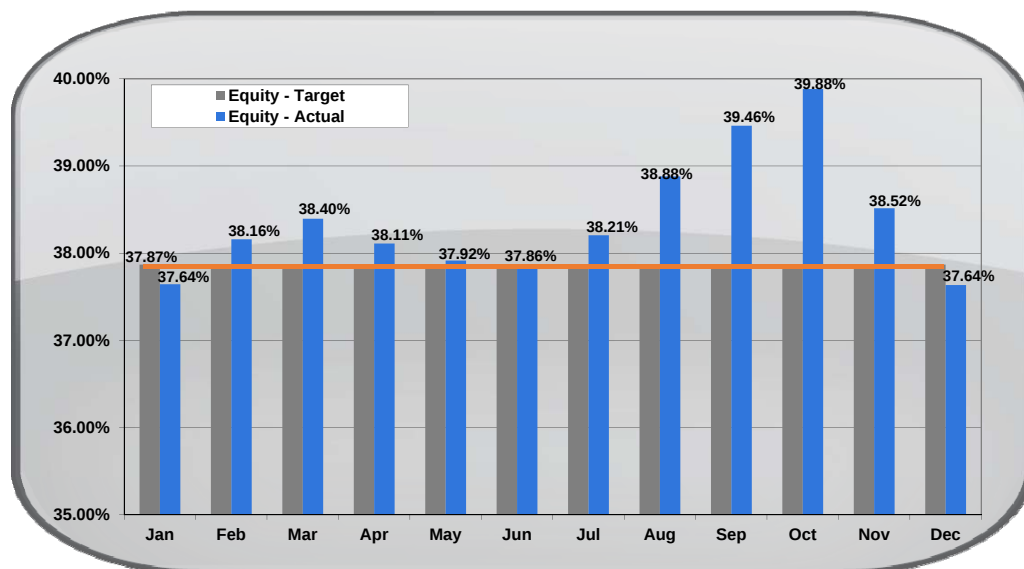


Summary of Plant Additions

Asset Additions by GL Account & Period with Life	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	YTD Total
350.10 TP-Land & Land Rights	-	-	-	-	-	-	-	-	-	(917,244)	-	-	(917,244)
353.10 TP-Station Equipment (Life 52.5 Yrs.)	3,181	-	-	-	-	-	-	-	52,504	16,024	53,505	-	760,726
355.10 TP-Poles & Fittings (Life 49.5 Yrs.)	-	-	-	-	-	-	-	-	9,617	(2,228,940)	-	-	(2,092,892)
355.20 TP-Poles - Wood Pole Treatment	-	-	-	-	-	-	-	-	-	-	-	37,643	37,643
356.10 TP-OH Conductors & Devices (Life 52.5 Yrs.)	-	-	-	-	-	-	-	-	-	(20,180)	-	-	(20,180)
360.10 DP-Land & Land Rights (No Depreciation)	-	-	-	-	-	-	460,864	-	3,000	(176,829)	-	488	287,523
361.10 DP-Structures & Improvement (Life 50 Yrs.)	-	-	-	-	-	-	-	1,671	-	(84,299)	12,024	-	(70,605)
362.10 DP-Station Equipment (Life 45 Yrs.)	-	-	-	-	-	-	-	568,510	221,307	2,253,591	2,177,837	1,078,753	6,299,998
364.10 DP-Poles, Towers & Fixtures (Life 42 Yrs.)	1,224,817	2,054,737	1,593,326	995,513	994,253	641,942	722,441	3,876,618	2,536,404	1,543,759	2,527,406	7,636,717	26,949,933
364.20 DP-Poles, Wood Pole Treatment (Life 10 Yrs.)	-	-	-	-	-	-	-	-	-	-	-	2,616,287	2,616,287
365.10 DP-OH Conductors & Devices (Life 44 Yrs.)	1,724,417	1,661,816	1,622,447	985,743	1,103,821	1,624,849	911,010	5,362,572	2,770,940	1,894,119	2,897,380	9,200,108	31,759,222
366.10 DP-Underground Conduit (Life 54 Yrs.)	-	652	-	236	-	-	162	1,219	571	819	-	480	4,137
367.10 DP-URD Conductors & Devices (Life 38 Yrs.)	548,544	1,491,630	1,113,635	591,561	195,479	922,503	450,532	2,836,344	1,447,691	3,228,306	1,374,113	3,945,852	18,145,189
368.10 DP-Line Transformers (Life 35 Yrs.)	792,966	1,189,690	673,654	502,364	426,374	483,176	837,460	2,826,103	2,161,322	1,700,763	2,562,215	5,825,107	19,981,195
369.10 DP-Services (Life 39 Yrs.)	204,875	292,532	244,196	1,372,507	88,606	115,845	155,858	1,441,258	1,107,201	921,792	247,322	1,880,181	8,072,174
370.10 DP-Meters (Life 8 Yrs.)	328,122	17,392	21,413	855,959	10,127	222,764	156,033	424,502	548,598	1,441,244	19,820	2,374,332	6,420,304
370.20 DP-Meters AMR Collectors (Life 8 Yrs.)	251,131	3,406	2,104	690,871	1,098	111,358	75,378	309,490	388,227	1,179,046	3,345	1,765,054	4,780,510
370.30 DP-Meters CT & PT TRFS (Life 35 Yrs.)	9,932	14,710	8,901	1,697	1,866	4,177	3,944	39,716	29,641	21,432	4,109	15,837	155,962
370.40 DP-Meters - AMP Computers/Software (Life 5 Yrs.)	-	-	-	-	-	-	-	-	-	-	26,239	51,152	77,391
373.20 DP-Light Watchman Fixture (Life 38 Yrs.)	228,688	5,674	2,369	538,377	9,664	1,558	5,722	344,714	441,610	453,977	193,359	804,449	3,030,162
389.10 GP-Land & Land Rights	-	-	-	-	-	-	-	-	2,057,469	-	6,180,324	-	8,237,793
390.10 GP-Structures & Improvement (Life 42 Yrs.)	-	-	-	689	20,848	556,981	67,017	351,146	196,569	452	79,379	386,004	1,659,086
391.10 GP-Office Furniture & Equipment (Life 12 Yrs.)	-	3,345	-	26,068	-	82,274	-	53,856	12,962	7,657	83,224	293,329	552,716
391.20 GP-Computer Equipment & Software (Life 5 Yrs.)	1,299,383	-	-	-	358,508	83,382	-	1,957,335	1,000,775	239,364	6,195	2,720,403	7,665,347
391.90 GP-Office Furn & Equip-Capital Lease (Life 3 Yrs.)	-	-	-	-	-	-	83,401	-	-	-	-	-	83,401
392.10 GP-Transportation Equipment (Life 8 Yrs.)	-	-	66,192	-	-	282,856	-	6,399	493,504	-	-	425,566	1,274,517
393.10 GP-Stores Equipment (Life 16 Yrs.)	-	-	-	-	-	-	-	-	-	-	-	10,603	10,603
394.10 GP-Tools, Shop & Garage Equipment (Life 16 Yrs.)	-	-	-	-	-	12,490	-	126,716	81,033	-	7,408	-	227,647
395.10 GP-Laboratory Equipment (Life 16 Yrs.)	-	-	4,974	27,313	-	-	-	140,646	155,209	-	36,165	19,425	383,732
396.10 GP-Power Operated Equipment (Life 10 Yrs.)	380,623	530,107	-	465,549	-	-	-	1,693,680	-	-	623,720	1,117,023	4,810,703
397.10 GP-Telephones & Radios (Life 10 Yrs.)	-	-	-	969,347	23,968	-	-	-	-	-	(392,254)	-	601,061
397.20 GP-SCADA AM/FM (Life 10 Yrs.)	-	-	-	-	-	-	-	40,555	-	-	-	66,734	107,289
398.10 GP-Misc Equipment-Safety (Life 16 Yrs.)	-	-	-	-	-	-	4,663	43,744	(248)	-	32,338	60,595	141,093
Total Additions	6,996,681	7,865,692	5,353,212	8,023,795	3,234,612	5,146,155	3,934,483	22,447,793	15,715,903	11,501,093	18,780,086	43,032,913	152,032,419
Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	YTD Total	
CWIP Net Change	(525,796)	(1,292,555)	4,163,370	8,153,587	8,485,872	10,376,200	7,498,045	(13,019,431)	(4,172,031)	5,935,948	(8,480,283)	(20,920,671)	(3,797,746)
TOTAL													\$148,234,673



Equity as a Percentage of Assets



Summary of Significant Financial Information

	2014	2015	2016	2017 Forecast
Net Margin	\$ 33,140,728	\$ 35,608,921	\$ 52,488,819	\$ 64,627,864
Controllable Expenses	\$ 105,518,613	\$ 103,329,462	\$106,109,773	\$107,978,543
Controllable Costs per Consumer	\$ 405.14	\$ 382.88	\$ 377.14	\$ 368.83
Debt Service Coverage (DSC)	1.89	1.92	2.10	1.88
Times Interest Earned (TIER)	1.85	1.95	2.62	2.88
Accelerated Amortization of Deferrals		\$ 1,386,860	\$ 4,562,087	
Equity	\$ 508,868,431	\$ 536,951,587	\$ 581,241,571	\$ 647,269,294
Equity as Percent of Assets	35.97%	37.56%	37.64%	39.16%



kWh Purchases Comparison

January 2016	kWh	492,258,514
January 2017	kWh	472,286,841





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