



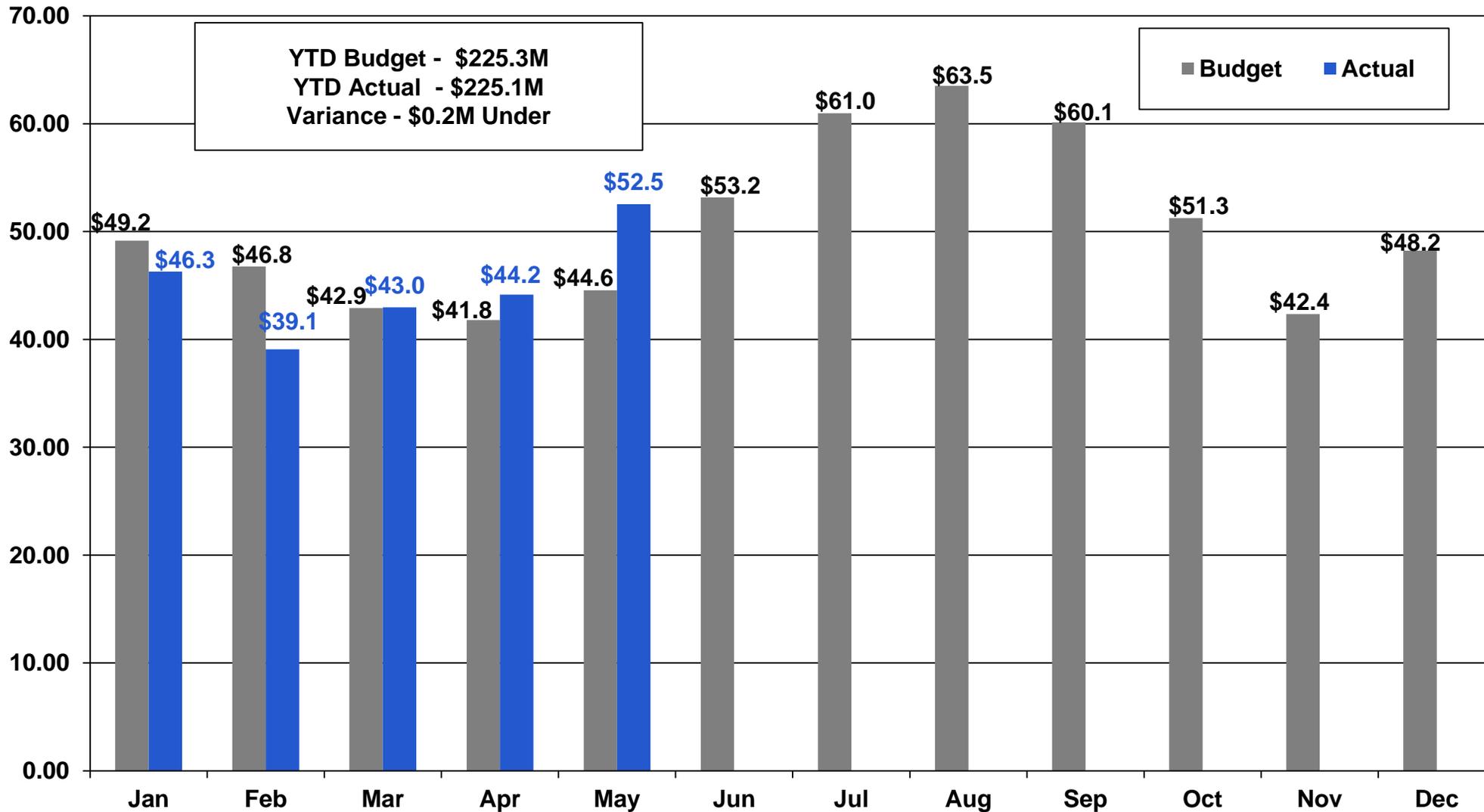
# Report on May 2017 Financials

Tracy Golden, CPA  
Chief Financial Officer

June 17, 2017

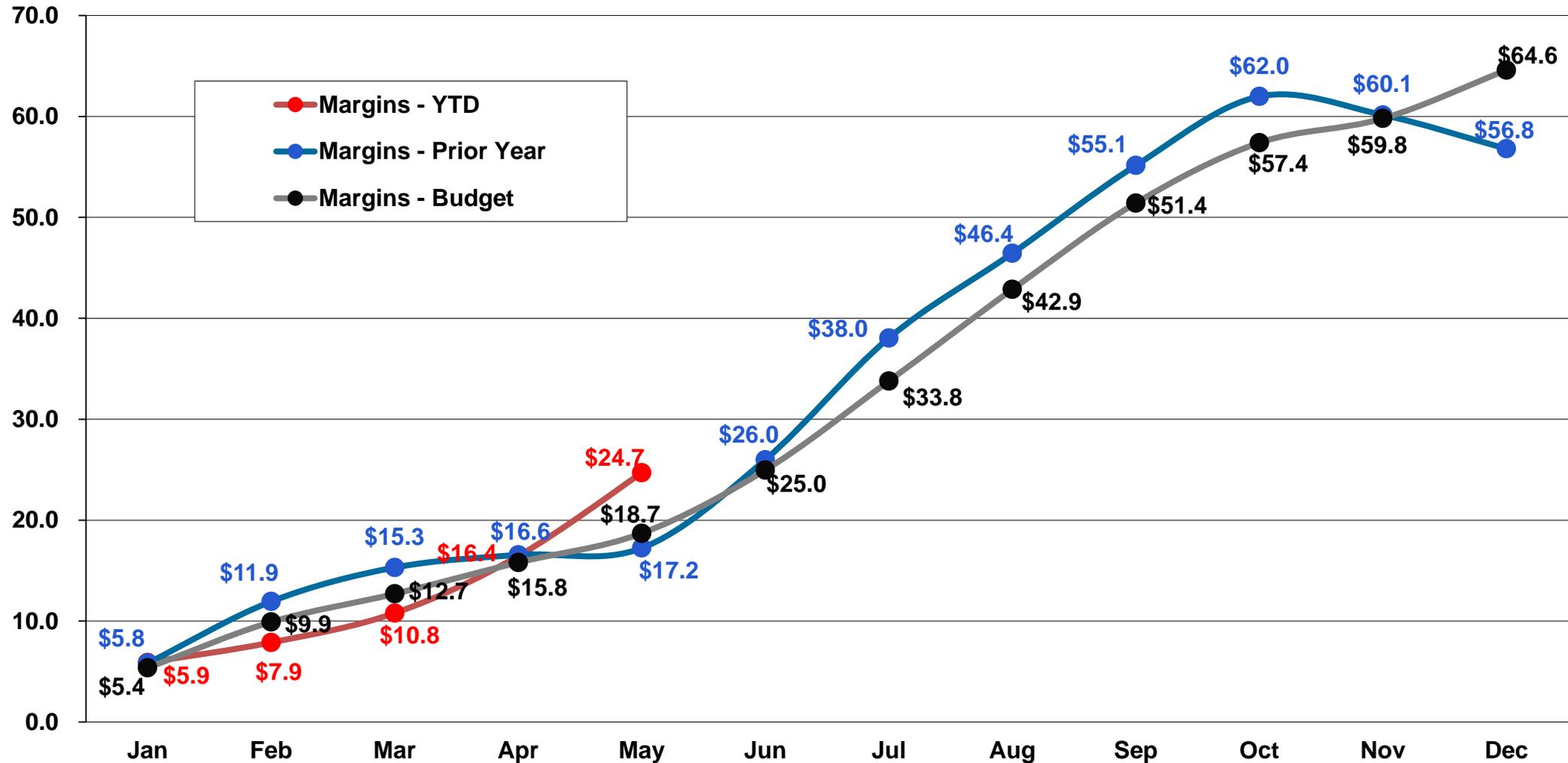
# Revenues – Actual vs Budget (in millions)

## YTD 2017



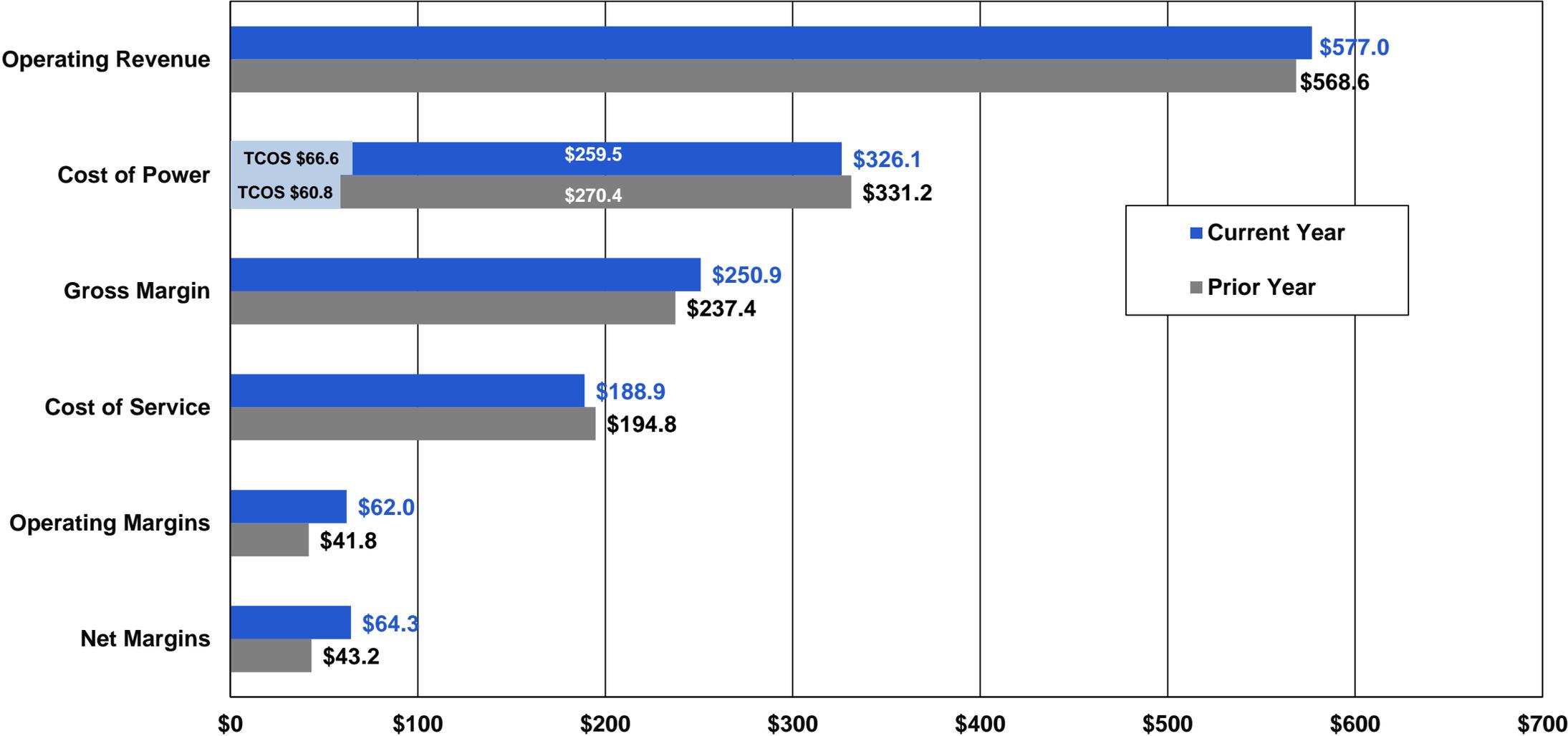
# Net Margins Year-to-Date

## Actual vs Budget 2017 vs Prior Year (in millions)

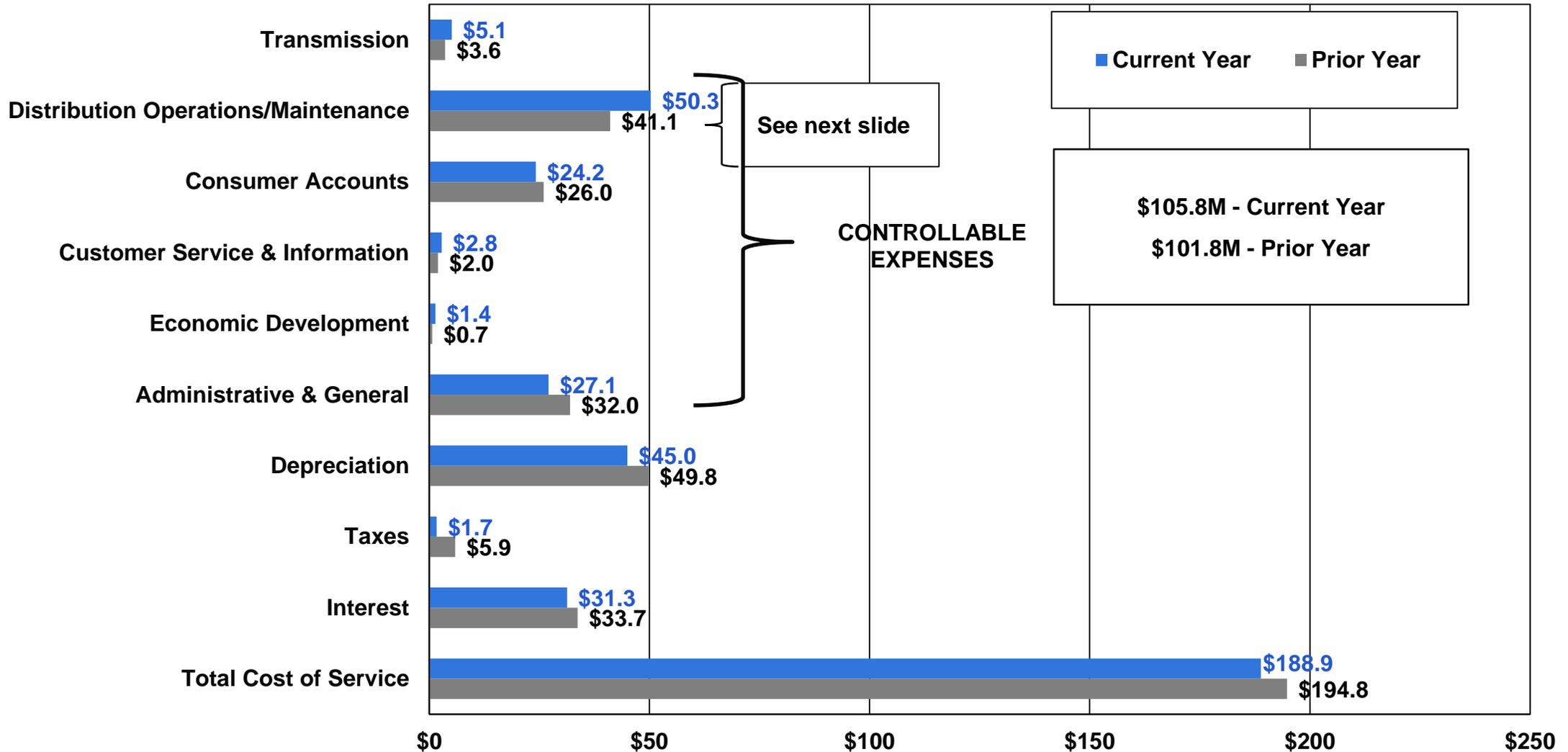


# Summary of Revenues, Expenses & Margins

Rolling 12 Months through May 2017 (in millions)



# Cost of Service Rolling 12 Months through May 2017 (in millions)



# Distribution Operations/Maintenance CY vs PY

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Description	CY vs PY	
GIS Inventory-Amort/Deferral Removal		3,197,511
Transmission & Distribution Outside Services - OH		1,150,635
Transportation Overhead Costs		780,638
Engineering Services		776,129
Equipment & Tools		597,231
Telecommunications		544,075
Line Locates		412,950
Payroll - Labor & Benefits		362,921
Crew Cost - indirect		380,135
Information/Data Services		223,668
Contract/Temp Labor		177,420
LCRA Radio Services		171,638
Equipment Rent/Lease		159,010
Property Taxes		151,905
	<b>Total</b>	<b>9,085,868</b>
	<b>Prior 12 months</b>	<b>50.3</b>
	<b>Current 12 months</b>	<b><u>41.1</u></b>
	<b>Increase</b>	<b><u>9.2</u></b>
		<b><u>114,132</u></b> Other
		<b><u>9,200,000</u></b>

# Controllable Expenses

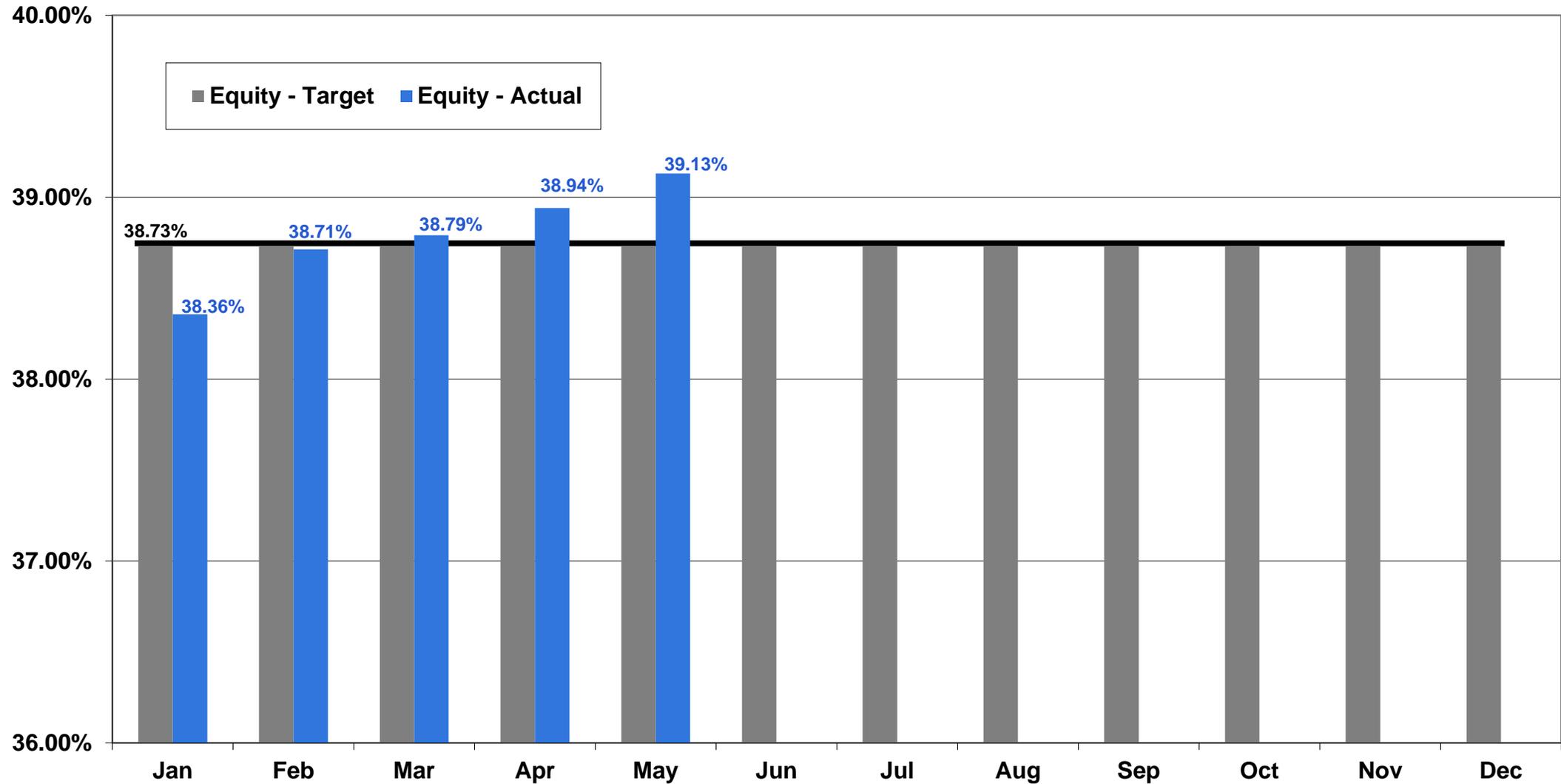
	ACTUAL YTD MAY 2017	BUDGET YTD MAY 2017	VARIANCE
Distribution Operations/Maintenance	\$ 19,448,679	\$ 20,591,377	\$ (1,142,698)
Consumer Accounts	9,010,855	10,787,029	(1,776,174)
Customer Service & Information	1,174,760	1,565,376	(390,616)
Economic Development	603,590	806,580	(202,990)
Administrative & General	10,689,640	11,499,686	(810,046)
<b>TOTAL</b>	<b>\$ 40,927,524</b>	<b>\$ 45,250,048</b>	<b>\$ (4,322,524)</b>
Annualized Controllable Expense per Consumer*	\$338.28	\$374.01	-\$35.73
Controllable Expense per Consumer History:			
2013	\$414.20		
2014	\$405.14		
2015	\$382.62		
2016	\$377.14		

*\*Note: Annualized meters = (2016 YE Meter Count (287,422) + 2017 Current Month Meter Count (293,315) / 2 = 290,369) \* # of months YTD*

# Summary of Plant Additions & CWIP Net Activity 2017

<u>Asset Additions by GL Account &amp; Period with Life</u>	<u>Jan 2017</u>	<u>Feb 2017</u>	<u>Mar 2017</u>	<u>Apr 2017</u>	<u>May 2017</u>	<u>YTD Total</u>
362.10 DP-Station Equipment (Life 45 Yrs..)	-	-	-	9,870	-	9,870
364.10 DP-Poles; Towers & Fixtures (Life 42 Yrs..)	1,828,202	1,269,504	1,581,313	700,715	1,104,052	6,483,785
365.10 DP-OH Conductors & Devices (Life 44 Yrs.)	2,091,901	926,920	1,556,344	838,204	1,139,926	6,553,294
366.10 DP-Underground Conduit (Life 54 Yrs.)	37	-	277	633	-	947
367.10 DP-URD Conductors & Devices (Life 38 Yrs..)	1,274,582	775,474	1,131,188	1,840,463	640,308	5,662,015
368.10 DP-Line Transformers (Life 35 Yrs..)	956,590	787,004	1,225,293	2,261,396	1,101,096	6,331,380
369.10 DP-Services (Life 39 Yrs.)	590,873	113,784	298,921	542,667	206,214	1,752,458
370.10 DP-Meters (Life 8 Yrs.)	35,333	14,699	24,799	24,791	11,628	111,250
370.20 DP-Meters AMR Collectors (Life 8 Yrs.)	2,995	1,574	2,057	207	(127)	6,705
370.30 DP-Meters CT & PT TRFS (Life 35 Yrs.)	17,213	5,461	21,654	7,923	(9,200)	43,050
373.20 DP-Light Watchman Fixture (Life 38 Yrs.)	5,915	4,079	14,763	4,675	418,270	447,702
390.10 GP-Structures & Improvement (Life 42 Yrs.)	17,570	-	25,757	40,034	14,704	98,065
391.10 GP-Office Furniture & Equipment (Life 12 Yrs.)	193,212	-	13,458	3,161	3,133	212,965
391.20 GP-Computer Equipment & Software (Life 5 Yrs.)	-	-	-	26,080	-	26,080
391.90 GP-Office Furn. & Equip-Capital Lease (Life 3 Yrs.)	-	-	(3,801)	-	-	(3,801)
392.10 GP-Transportation Equipment (Life 8 Yrs.)	75,113	34,310	28,690	33,557	730,754	902,424
394.10 GP-Tools; Shop & Garage Equipment (Life 16 Yrs.)	3,469	-	11,691	-	-	15,160
395.10 GP-Laboratory Equipment (Life 16 Yrs.)	-	-	88,580	-	-	88,580
396.10 GP-Power Operated Equipment (Life 10 Yrs.)	-	2,956,926	-	965,677	517,244	4,439,847
398.10 GP-Misc. Equipment-Safety (Life 16 Yrs.)	4,306	-	3,979	-	-	8,285
<b>Total Additions</b>	<b>\$ 7,097,312</b>	<b>\$ 6,889,733</b>	<b>\$ 6,024,963</b>	<b>\$ 7,300,053</b>	<b>\$ 5,878,001</b>	<b>\$ 33,190,061</b>
<b>CWIP Net Change</b>	<b>\$ 1,936,308</b>	<b>\$ 4,749,294</b>	<b>\$ 8,643,947</b>	<b>\$ 2,291,424</b>	<b>\$ 5,927,656</b>	<b>\$ 23,548,629</b>
<b>Total Investment in Plant</b>	<b>\$ 9,033,620</b>	<b>\$ 11,639,028</b>	<b>\$ 14,668,909</b>	<b>\$ 9,591,476</b>	<b>\$ 11,805,657</b>	<b>\$ 56,738,690</b>

# Equity as a Percentage of Assets YTD 2017



# Investments in Cooperatives

	BEGINNING OF 2017	ADDITIONS AS OF 5/31/17	RETIREMENTS AS OF 5/31/17	END OF 5/31/17
National Rural Utility Cooperative Finance Corporation	\$4,054,247			\$4,054,247
Texas Electric Cooperative	\$2,869,254	\$295,578	(295,132)	\$2,869,700
CoBank	\$1,000			\$1,000
Guadalupe Valley Telephone Cooperative	\$67,510			\$67,510
National Rural Telecommunication Coop (Texas VI)	\$19,299			\$19,299
National Rural Telecommunication Coop	\$83,340			\$83,340
Cooperative Response Center, Inc.	\$14,773			\$14,773
National Information Solutions Coop	\$182,328		(40,525)	\$141,803
<b>TOTAL</b>	<b>\$7,291,751</b>	<b>\$295,578</b>	<b>(\$335,657)</b>	<b>\$7,251,672</b>



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