



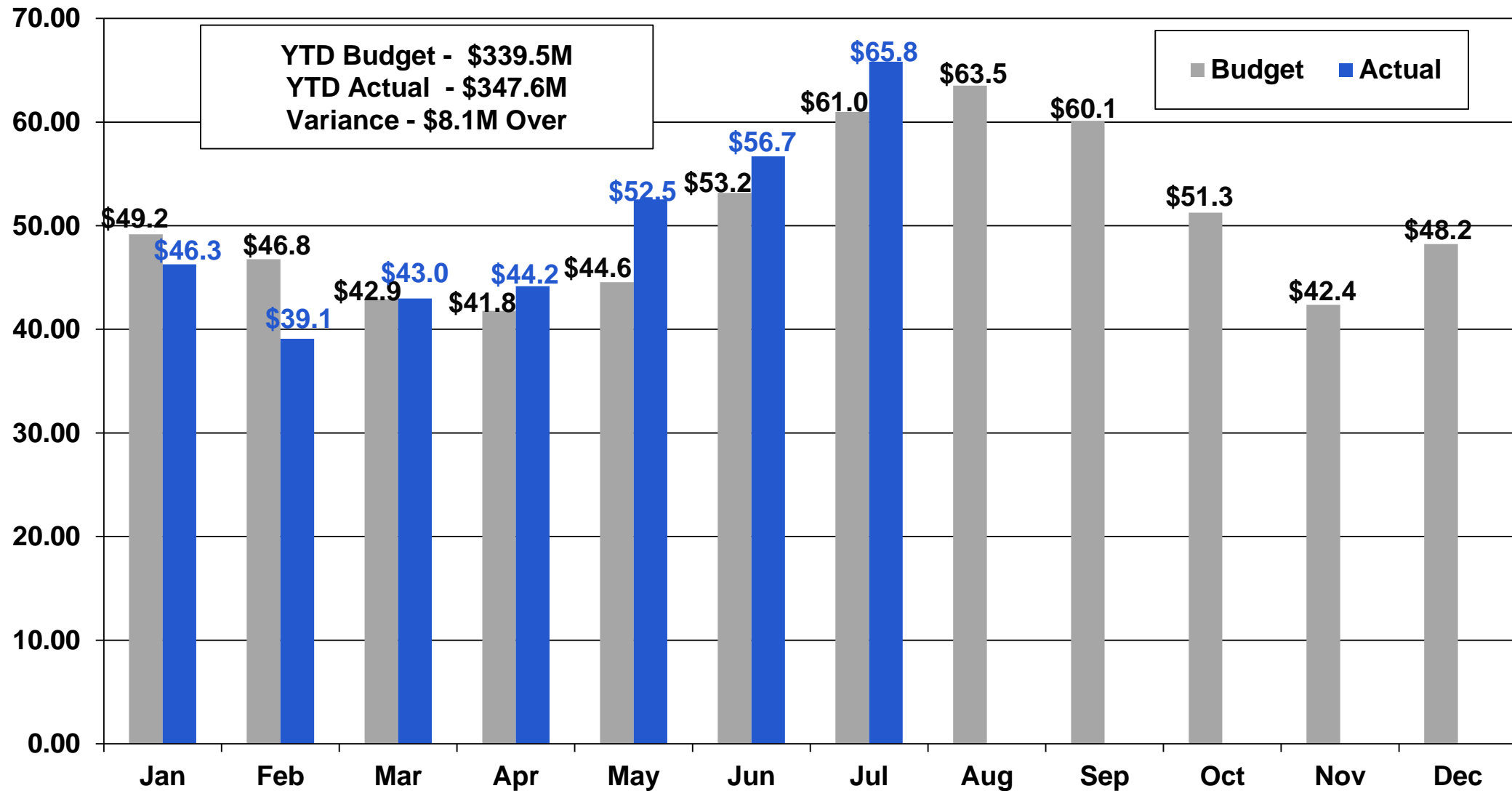
# Report on July 2017 Financials

Freddy Wolff, CPA  
Controller

August 21, 2017

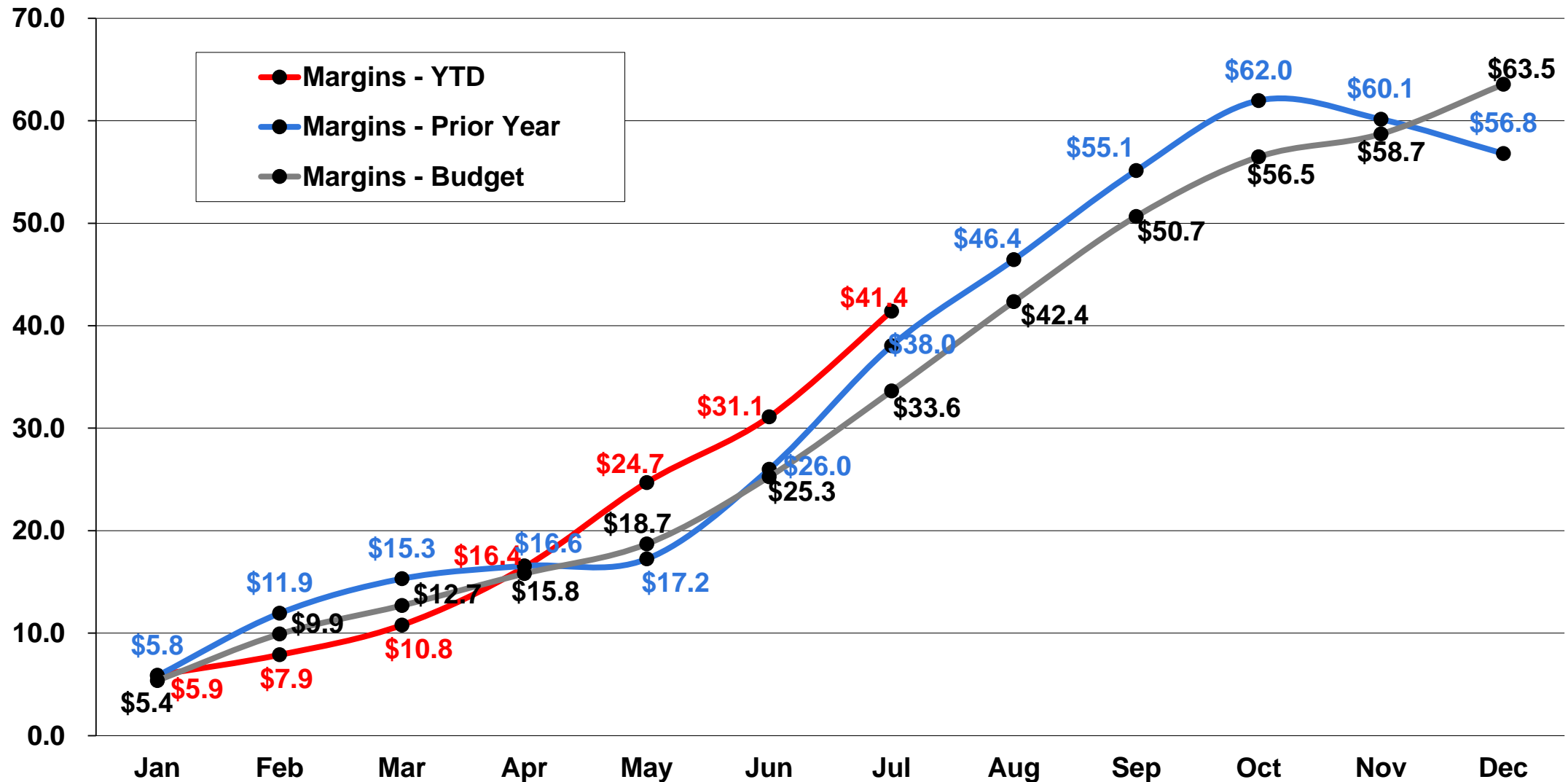
# Revenues – Actual vs Budget (in millions)

## YTD 2017



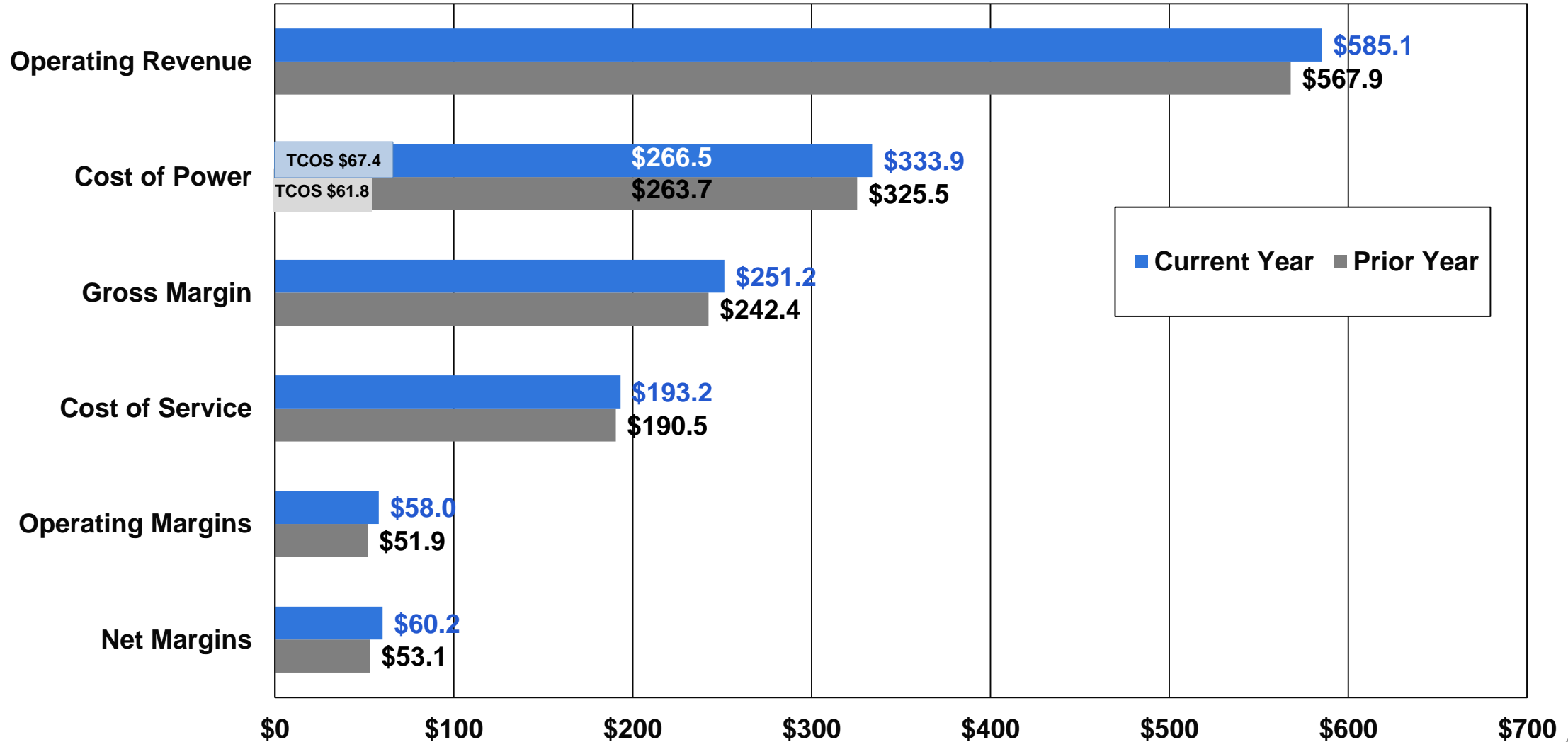
# Net Margins Year-to-Date

Actual vs Budget 2017 vs Prior Year (in millions)



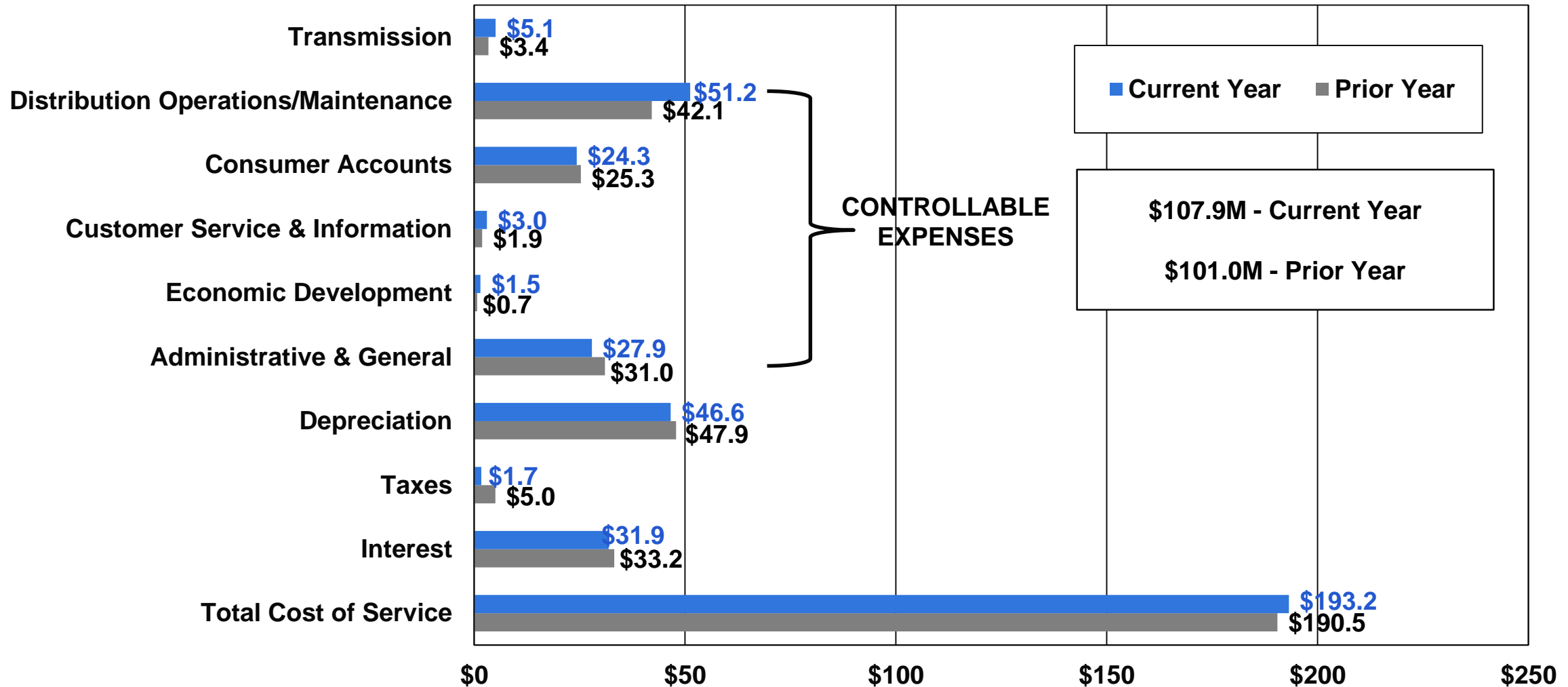
# Summary of Revenues, Expenses & Margins

## Rolling 12 Months through July 2017 (in millions)



# Cost of Service Rolling 12 Months through July 2017

(in millions)



# Distribution Operations/Maintenance CY vs PY

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Description		CY vs PY
GIS Inventory-Amort/Deferral Removal		3,124,973
Payroll - Labor & Benefits		2,466,432
Equip & Tools-Outside Services		854,164
Transportation Overhead Costs		520,872
Line Locates		331,640
Property Taxes		308,755
Contract/Temp Labor		262,778
T & D Engineering Services		239,056
LCRA Radio Services		238,347
Software-Maint/Support		233,222
Information/Data Services		220,215
Crew Cost - indirect		214,969
	<b>Total</b>	<b>9,015,424</b>
Current 12 months	51.2	
Prior 12 months	<u>42.1</u>	<u>84,576</u> Other
<b>Increase</b>	<b>9.1</b>	<b>9,100,000</b>

# Controllable Expenses

	ACTUAL YTD JULY 2017	BUDGET YTD JULY 2017	VARIANCE
Distribution Operations/Maintenance	\$ 29,330,670	\$ 29,034,650	\$ 296,020
Consumer Accounts	13,546,203	15,172,428	(1,626,225)
Customer Service & Information	1,739,800	2,422,309	(682,509)
Economic Development	879,152	1,078,579	(199,427)
Administrative & General	15,399,772	15,797,103	(397,331)
<b>TOTAL</b>	<b>\$ 60,895,597</b>	<b>\$ 63,505,069</b>	<b>\$ (2,609,472)</b>

Annualized Controllable Expense per Consumer\*                      \$358.08                      \$373.43                      -\$15.34

Controllable Expense per Consumer History:

2013	\$414.20
2014	\$405.14
2015	\$382.62
2016	\$377.14

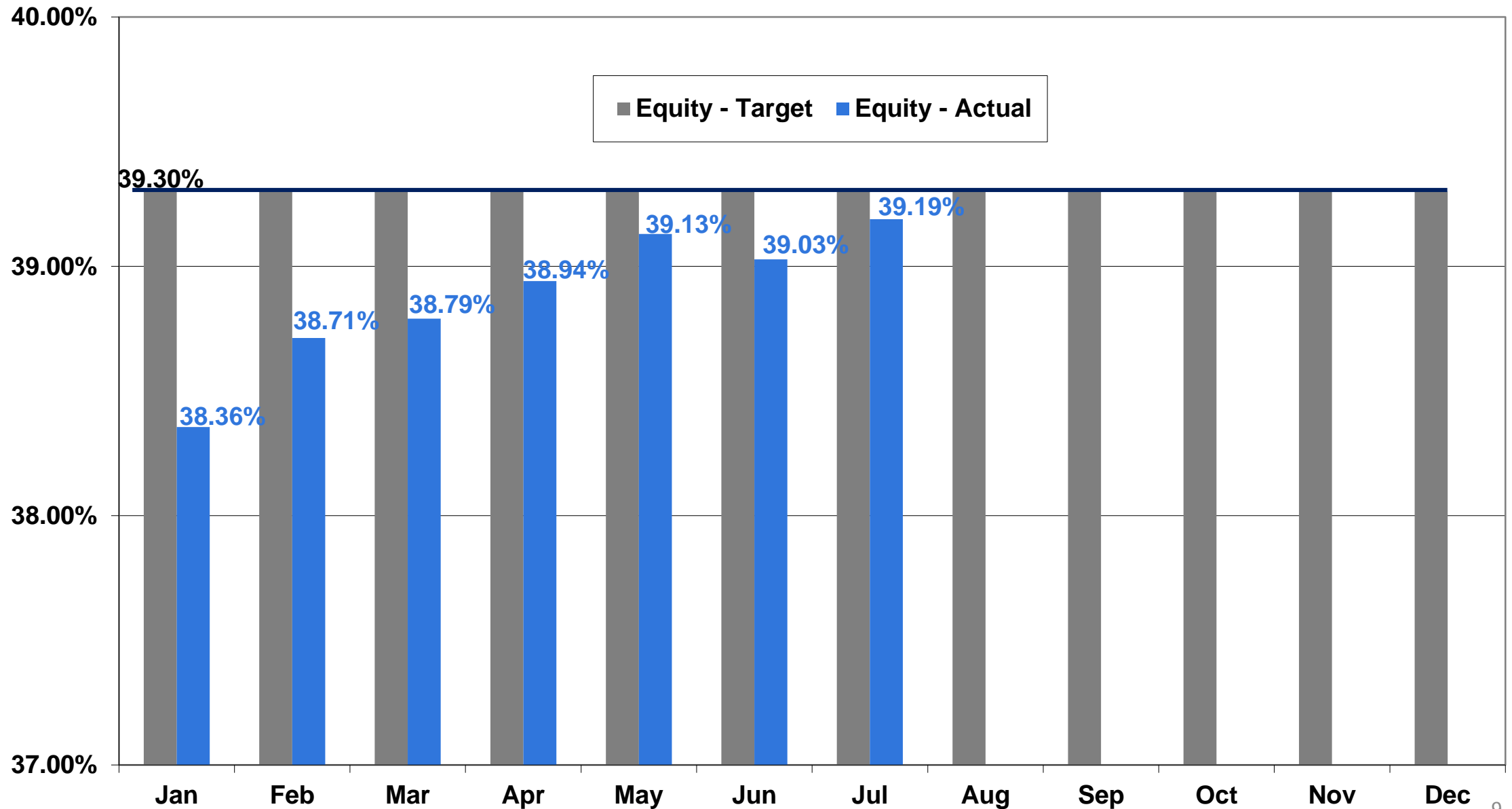
*\*Note: Annualized meters = 2016 YE Meter Count (287,422) + 2017 Current Month Meter Count (295,644) / 2 = 291,533 \* # of months YTD (7)*

# 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>Jun 2017</u>	<u>Jul 2017</u>	<u>YTD Total</u>
353.10 TP-Station Equipment (Life 52.5 Yrs.)	-	-	-	-	-	15,176	20,223	35,399
362.10 DP-Station Equipment (Life 45 Yrs.)	-	-	-	9,870	-	6,002	-	15,872
364.10 DP-Poles; Towers & Fixtures (Life 42 Yrs.)	1,828,202	1,269,504	1,581,313	700,715	1,104,052	389,258	1,312,063	8,185,106
365.10 DP-OH Conductors & Devices (Life 44 Yrs.)	2,091,901	926,920	1,556,344	838,204	1,139,926	493,336	1,542,461	8,589,090
366.10 DP-Underground Conduit (Life 54 Yrs.)	37	-	277	633	-	-	497	1,443
367.10 DP-URD Conductors & Devices (Life 38 Yrs.)	1,274,582	775,474	1,131,188	1,840,463	640,308	194,309	808,833	6,665,157
368.10 DP-Line Transformers (Life 35 Yrs.)	956,590	787,004	1,225,293	2,261,396	1,101,096	484,099	775,591	7,591,071
369.10 DP-Services (Life 39 Yrs.)	590,873	113,784	298,921	542,667	206,214	79,764	1,513,936	3,346,159
370.10 DP-Meters (Life 8 Yrs.)	35,333	14,699	24,799	24,791	11,628	9,828	2,390,111	2,511,189
370.20 DP-Meters AMR Collectors (Life 8 Yrs.)	2,995	1,574	2,057	207	(127)	806	1,947,301	1,954,812
370.30 DP-Meters CT & PT TRFS (Life 35 Yrs.)	17,213	5,461	21,654	7,923	(9,200)	5,994	5,925	54,969
373.20 DP-Light Watchman Fixture (Life 38 Yrs.)	5,915	4,079	14,763	4,675	418,270	7,820	599,210	1,054,732
390.10 GP-Structures & Improvement (Life 42 Yrs.)	17,570	-	25,757	40,034	14,704	284,554	526,865	909,484
390.20 GP-Leased Bldg. Improvement (Life 42 Yrs.)	-	-	-	-	-	-	344,975	344,975
391.10 GP-Office Furniture & Equipment (Life 12 Yrs.)	193,212	-	13,458	3,161	3,133	49,020	3,198	265,182
391.20 GP-Computer Equipment & Software (Life 5 Yrs.)	-	-	-	26,080	-	(315)	401,556	427,321
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	-	-	13,278	-	28,438
395.10 GP-Laboratory Equipment (Life 16 Yrs.)	-	-	88,580	-	-	9,034	29,635	127,249
396.10 GP-Power Operated Equipment (Life 10 Yrs.)	-	2,956,926	-	965,677	517,244	-	391,373	4,831,220
397.20 GP-SCADA AM/FM (Life 10 Yrs.)	-	-	-	-	-	-	792,985	792,985
398.10 GP-Misc. Equipment-Safety (Life 16 Yrs.)	4,306	-	3,979	-	-	-	36,295	44,580
<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>\$ 2,041,960</b>	<b>\$13,443,034</b>	<b>\$ 48,675,055</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>\$12,352,938</b>	<b>\$ 898,406</b>	<b>\$ 36,799,973</b>
<b>Total Additions</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>\$14,394,899</b>	<b>\$14,341,440</b>	<b>\$ 85,475,028</b>



# Equity as a Percentage of Assets YTD 2017



# Investments in Cooperatives

	BEGINNING OF 2017	ADDITIONS AS OF 7/31/17	RETIREMENTS AS OF 7/31/17	END OF 7/31/17
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 Co-op (Texas VI)	\$19,299		(4,076)	\$15,223
National Rural Telecommunication Co-op	\$83,340			\$83,340
Cooperative Response Center, Inc.	\$14,773			\$14,773
National Information Solutions Co-op	\$182,328		(40,525)	\$141,803
TOTAL	\$7,291,751	\$295,578	(\$339,733)	\$7,247,596



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