



July 2019 Financial Presentation to the Board

John A. Davis | Chief Financial Officer

Finance at a Glance – July 2019

Percent of Budgeted

MTD

Revenues

89.8%

YTD

Revenues

93.1%

Cost of
Power

82.1%

Cost of
Power

88.4%

Gross
Margin

101.7%

Gross
Margin

99.7%

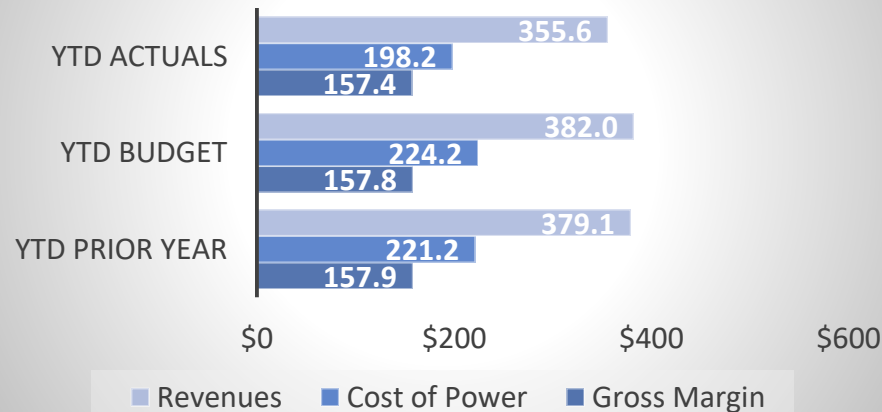
Net
Margin

120.5%

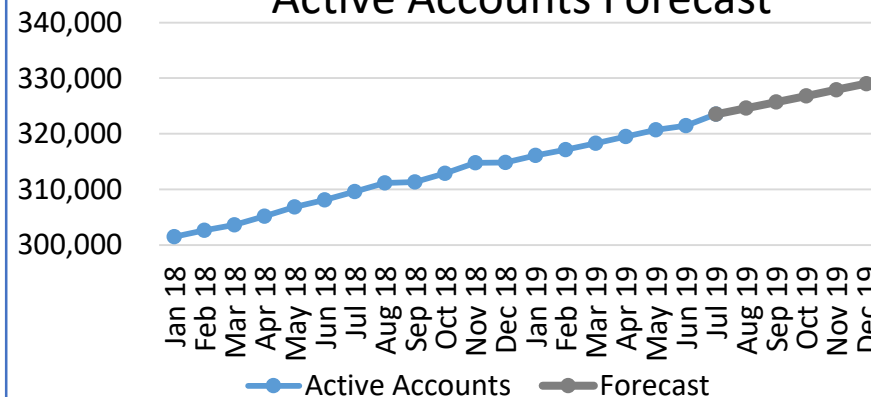
Net
Margin

106.4%

Revenues, COP and Gross Margin (in millions)



Active Accounts Forecast

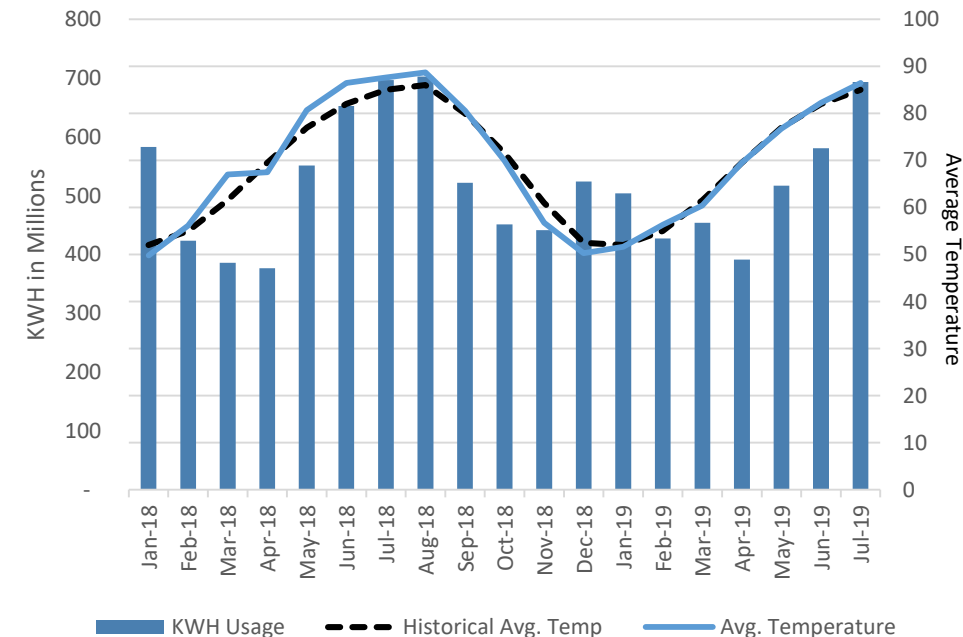


Asset Additions, Work In Progress (in millions)

	Forecast 2019	Annual Budget	Percent of Budget
Transmission Plant	\$ 25.9 - 27.4	\$ 46.8	55.3% - 58.5%
Distribution Plant	\$ 95.5 - 105.7	\$ 111.5	85.7% - 94.8%
General Plant	\$ 23.4 - 25.0	\$ 27.3	85.7% - 91.6%
Total	\$ 144.8 - 158.1	\$ 185.6	78.0% - 85.2%

Forecast includes 7 months actuals and 5 months budget
Work in progress allocated to GL accounts based on spend

Weather and kWh Usage



Growth Statistics by Month 2019

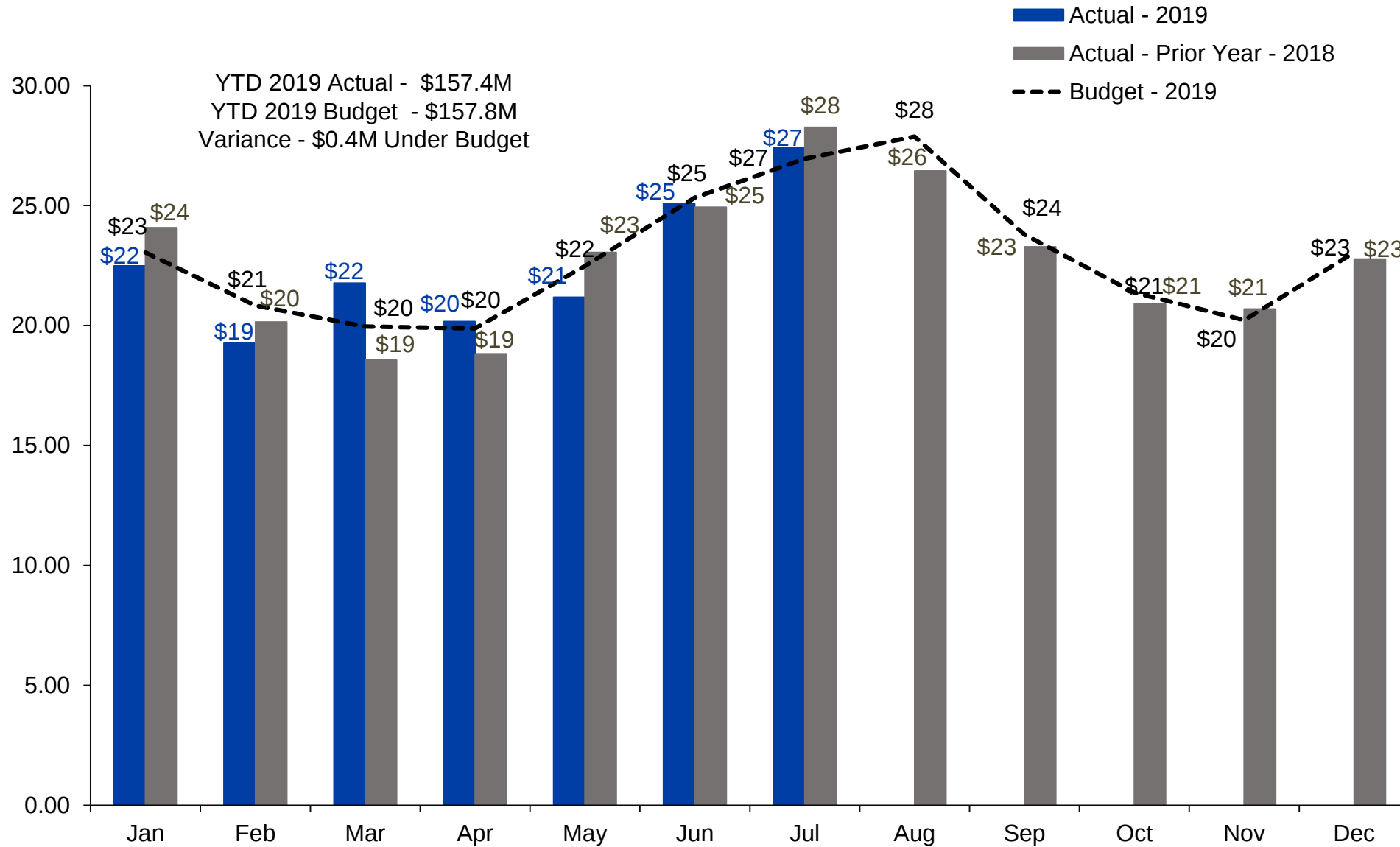


	Active Accounts*	Net Increase	Applications	Time of Use	Interconnect	Renewable Rider	Co-op Solar
Jan 2019	316,120	1,265	2,065	907	2,734	430	1,441
Feb 2019	317,142	1,022	2,104	907	2,809	433	1,433
Mar 2019	318,300	1,158	2,474	911	2,885	439	1,431
Apr 2019	319,513	1,213	2,794	915	3,001	449	1,429
May 2019 **	320,677	1,164	3,208	916	3,098	467	1,420
Jun 2019	321,453	776	2,943	923	3,157	483	1,413
Jul 2019	323,497	2,044	3,665	931	3,230	501	1,400

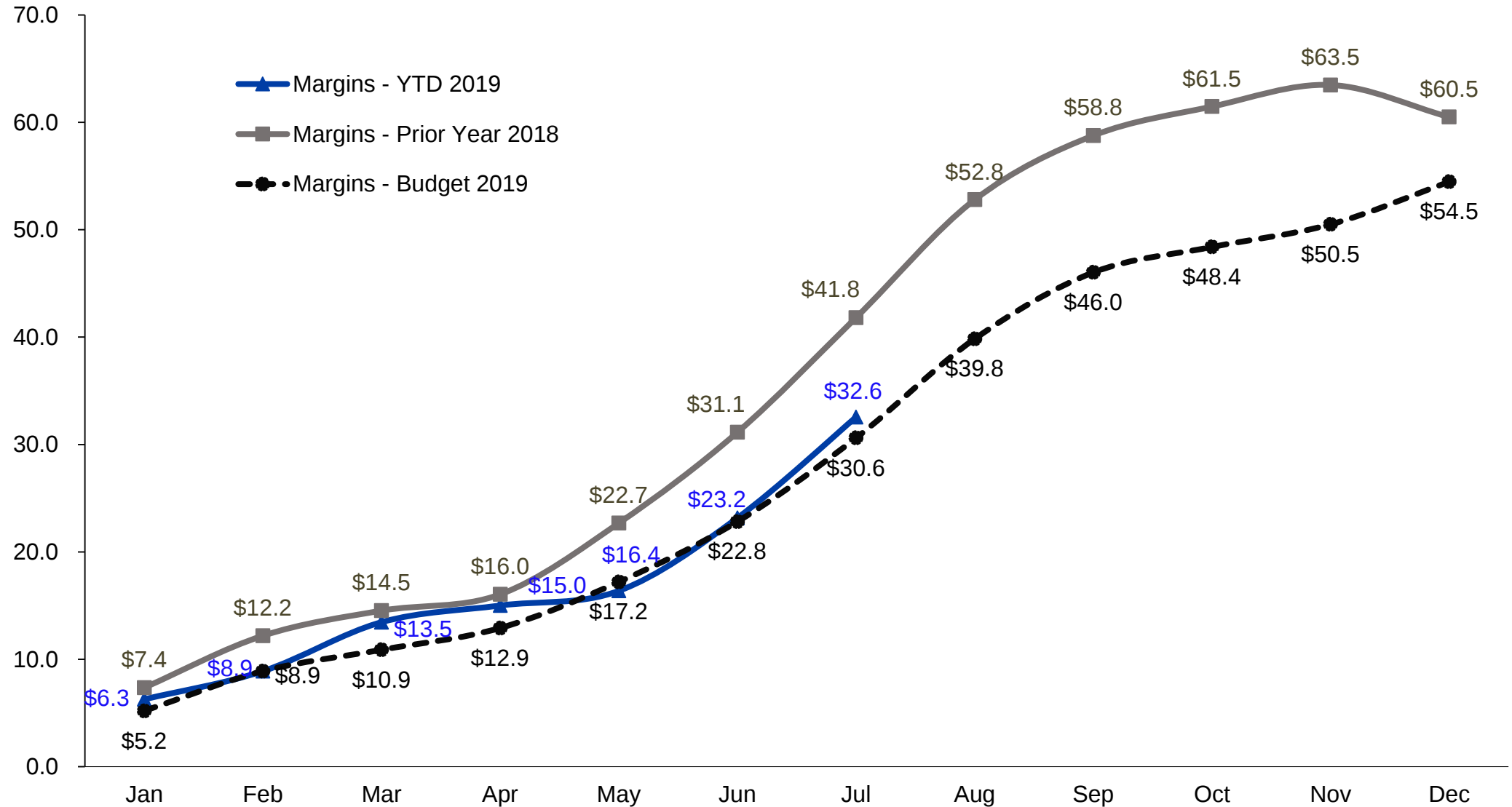
* Active Accounts are meters and lights only.

** May 31, 2019 Active Accounts adjusted to reflect estimate for pending disconnects

Gross Margins by Month (in millions)

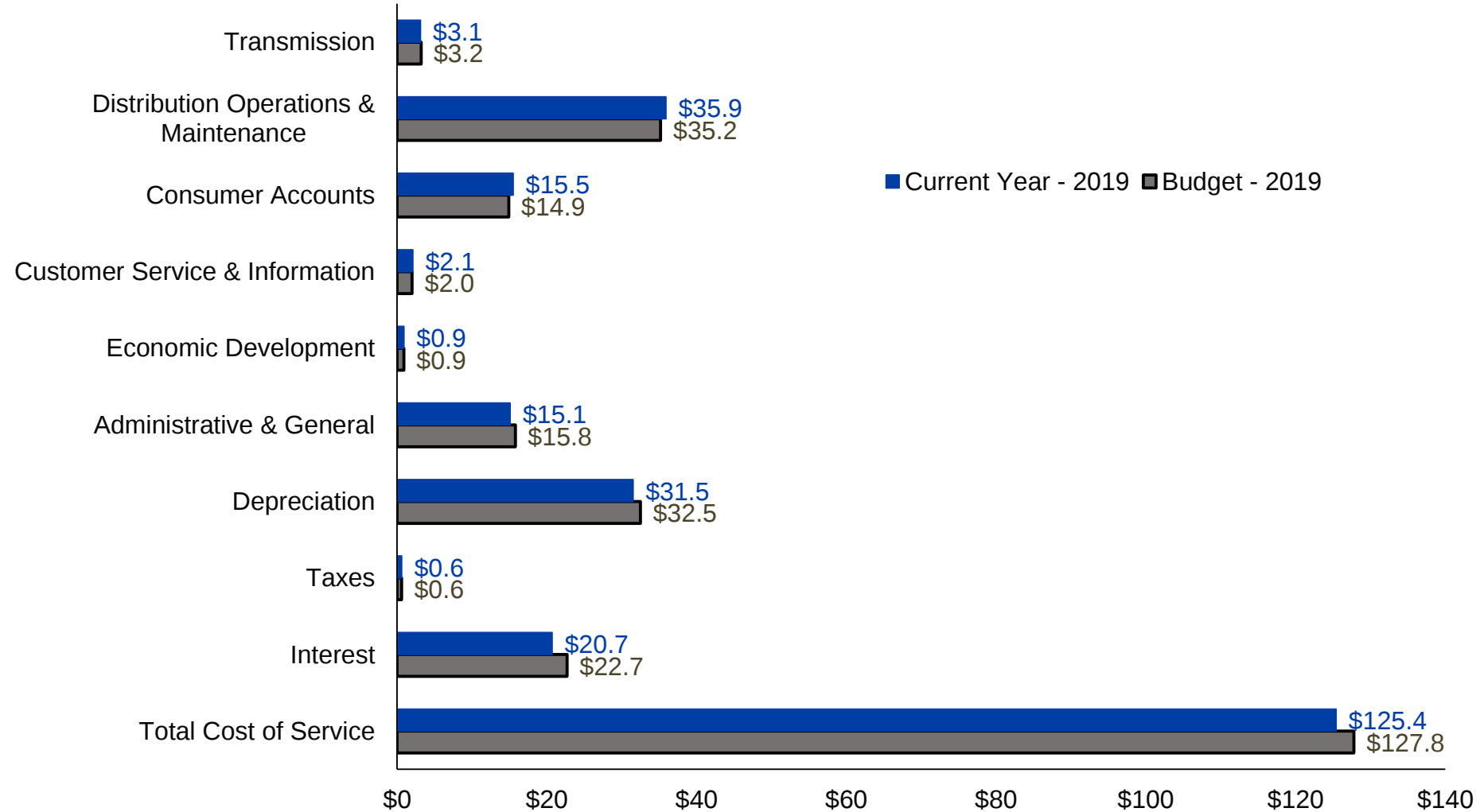


Net Margins Year to Date (in millions)



Cost of Service (in millions)

YTD Actual vs Budget through July 2019

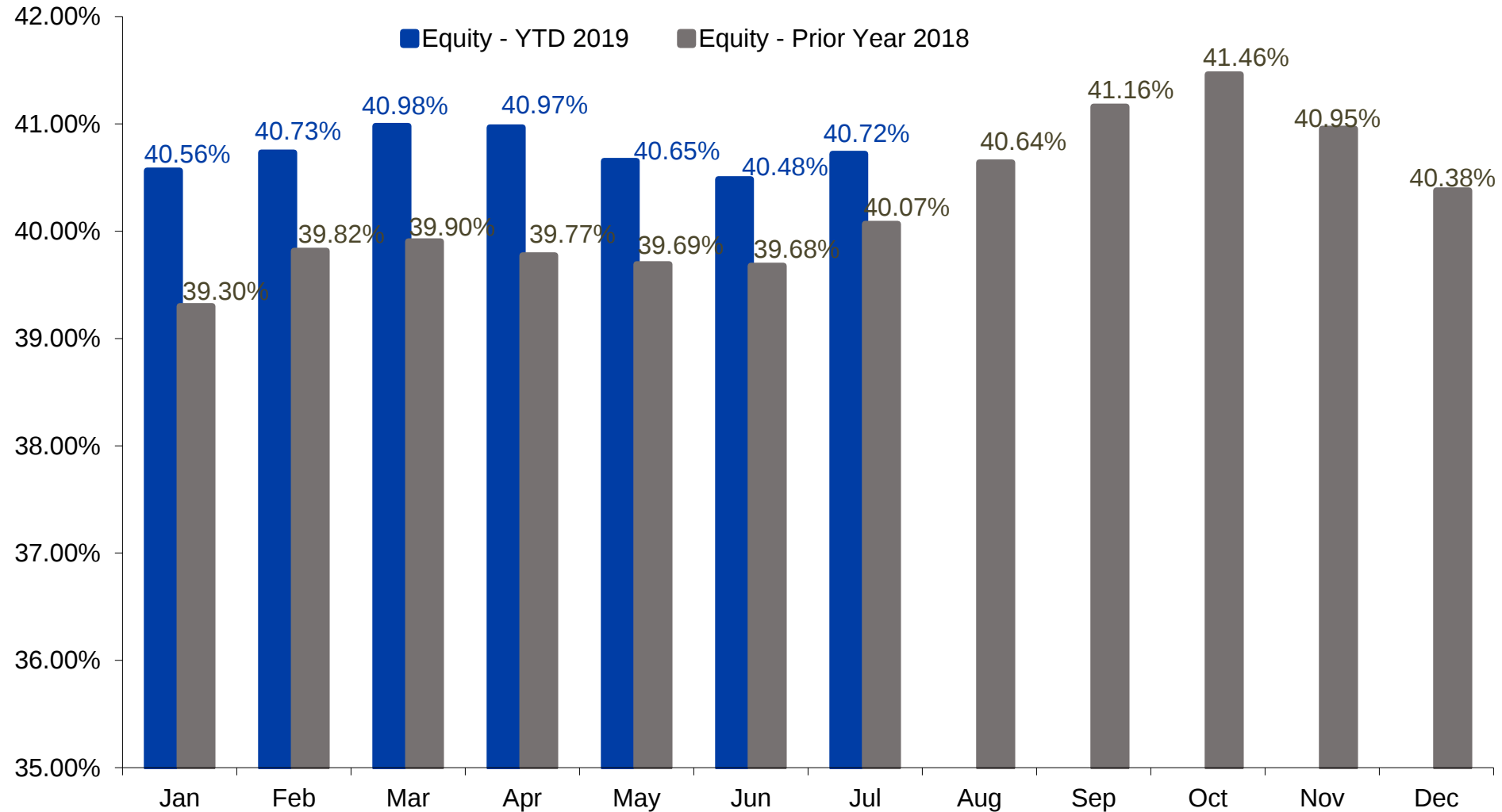


Summary of Plant Additions, Work in Progress (WIP) 2019

<u>Asset Additions by GL Account & Period with Life</u>		<u>Jan 2019</u>	<u>Feb 2019</u>	<u>Mar 2019</u>	<u>Apr 2019</u>	<u>May 2019</u>	<u>Jun 2019</u>	<u>Jul 2019</u>	<u>YTD Total</u>		
353.10	TP-Station Equipment (Life 52.5 Yrs)	-	-	-	-	-	-	247,542	247,542		
362.10	DP-Station Equipment (Life 45 Yrs)	-	-	6,194	-	122,621	-	30,804	159,619		
364.10	DP-Poles; Towers & Fixtures (Life 42 Yrs)	1,567,157	1,181,057	1,298,097	1,319,851	1,980,238	1,484,848	1,572,797	10,404,044		
364.20	DP-Poles; Wood Pole Treatment (Life 10 Yrs)	-	-	-	-	-	-	-	-		
365.10	DP-OH Conductors & Devices (Life 44 Yrs)	2,152,067	786,956	1,878,575	711,432	1,709,468	832,996	1,173,937	9,245,431		
366.10	DP-Underground Conduit (Life 54 Yrs)	1,379	568	2,080	393	4,270	1,665	642	10,997		
367.10	DP-URD Conductors & Devices (Life 38 Yrs)	1,040,442	420,862	662,179	287,850	950,948	1,544,653	1,481,473	6,388,406		
368.10	DP-Line Transformers (Life 35 Yrs)	787,035	812,987	1,029,258	799,886	840,965	1,318,529	832,622	6,421,282		
369.10	DP-Services (Life 39 Yrs)	265,544	844,166	146,239	363,112	569,620	501,179	1,253,711	3,943,572		
370.10	DP-Meters (Life 8 Yrs)	34,897	1,261,737	58,817	37,377	1,199,243	59,124	1,883,625	4,534,819		
370.20	DP-Meters AMR Collectors (Life 8 Yrs)	2,621	1,015,970	47,671	15,783	897,805	7,612	1,191,313	3,178,775		
370.30	DP-Meters CT & PT TRFS (Life 35 Yrs)	9,100	14,018	7,481	13,635	9,654	18,543	8,919	81,350		
370.40	DP-Meters - AMR Collectors/Software (Life 5 Yrs)	-	-	-	-	-	-	10,730	10,730		
373.20	DP-Light Watchman Fixture (Life 38 Yrs)	304,889	4,656	14,938	186,133	164,153	9,251	369,666	1,053,685		
390.10	GP-Structures & Improvement (Life 42 Yrs)	129,523	-	-	-	-	-	-	129,523		
391.10	GP-Office Furniture & Equipment (Life 12 Yrs)	-	-	3,705	-	-	-	-	3,705		
391.20	GP-Computer Equipment & Software (Life 5 Yrs)	-	7,500	-	-	-	-	-	7,500		
391.90	GP-Office Furn & Equip-Capital Lease (Life 3 Yrs)	-	-	-	-	-	78,258	-	78,258		
392.10	GP-Transportation Equipment (Life 8 Yrs)	-	-	-	153,432	-	210,100	121,376	484,908		
393.10	GP-Stores Equipment (Life 16 Yrs)	-	-	-	3,234	8,126	23,636	-	34,997		
394.10	GP-Tools; Shop & Garage Equipment (Life 16 Yrs)	-	-	2,751	-	10,523	-	42,324	55,598		
395.10	GP-Laboratory Equipment (Life 16 Yrs)	40,490	-	-	-	122,848	-	-	163,338		
396.10	GP-Power Operated Equipment (Life 10 Yrs)	322,312	-	-	-	-	852,342	-	1,174,654		
398.10	GP-Misc Equipment-Safety (Life 16 Yrs)	-	-	-	-	17,534	4,785	-	22,319		
Total Asset Additions		\$ 6,657,456	\$ 6,350,478	\$ 5,157,983	\$ 3,892,117	\$ 8,608,016	\$ 6,947,521	\$ 10,221,481	\$ 47,835,052		
WIP		\$ 814,244	\$ 3,322,710	\$ 4,092,683	\$ 8,144,614	\$ 4,873,275	\$ 6,609,640	\$ 2,888,459	\$ 30,745,624		
2018 Year End Total Plant Balance: \$		1,784,158,237									
2019 YTD Asset Additions: \$		47,835,052	Total	\$ 7,471,700	\$ 9,673,188	\$ 9,250,666	\$ 12,036,730	\$ 13,481,291	\$ 13,557,161	\$ 13,109,941	\$ 78,580,676
2019 YTD Asset Retirement: \$		(15,683,875)									
2019 YTD Impact Fees: \$		<u>(1,671,574)</u>									
2019 YTD Total Plant Balance: \$		1,814,637,840									

Equity as a Percentage of Assets

Actual vs Prior Year



Annual Target Equity Range 32% to 45%

2019 Year-End Equity Target - 40.28%

