

MONTHLY FINANCIAL REPORT

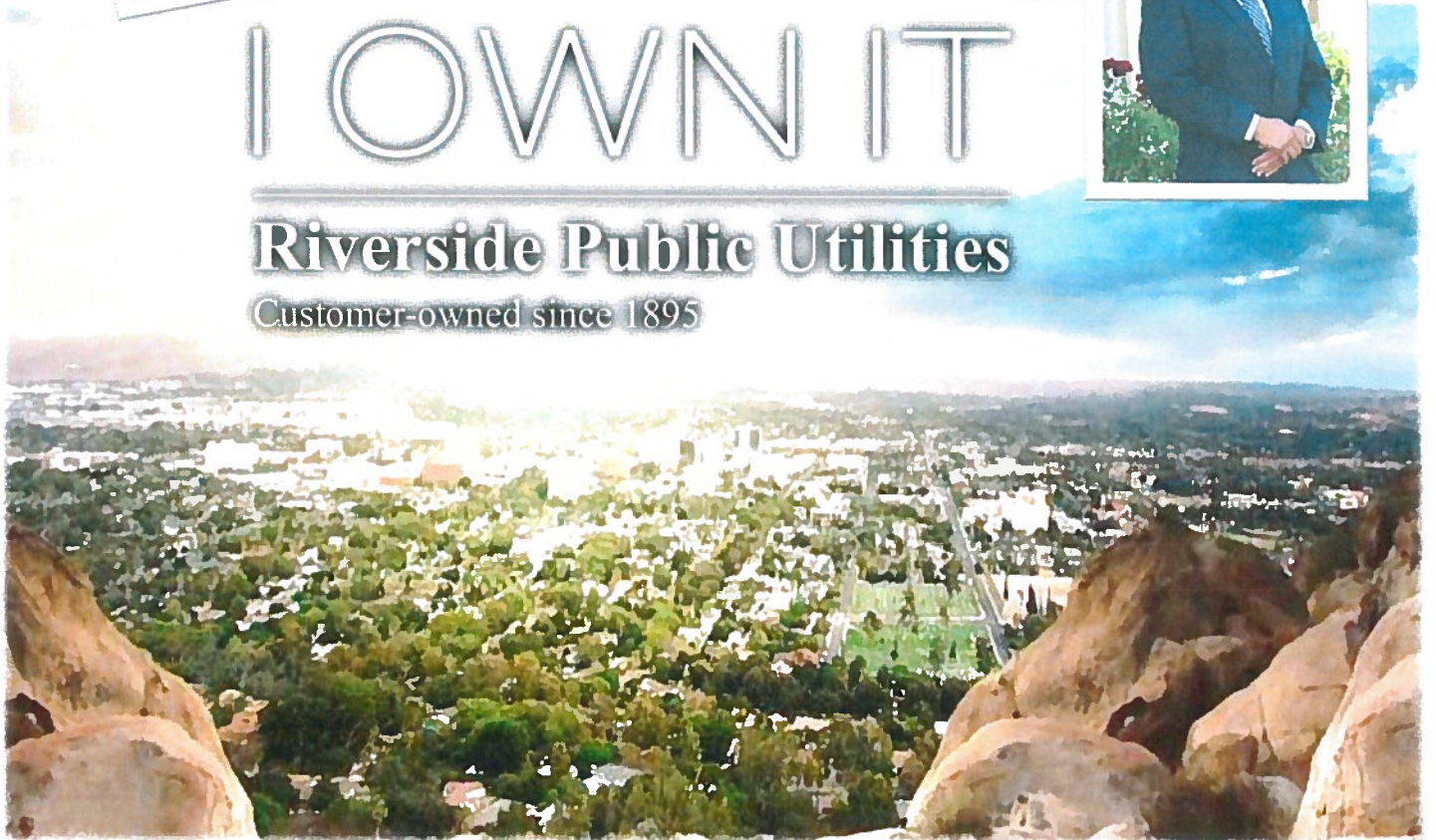
May 31, 2015



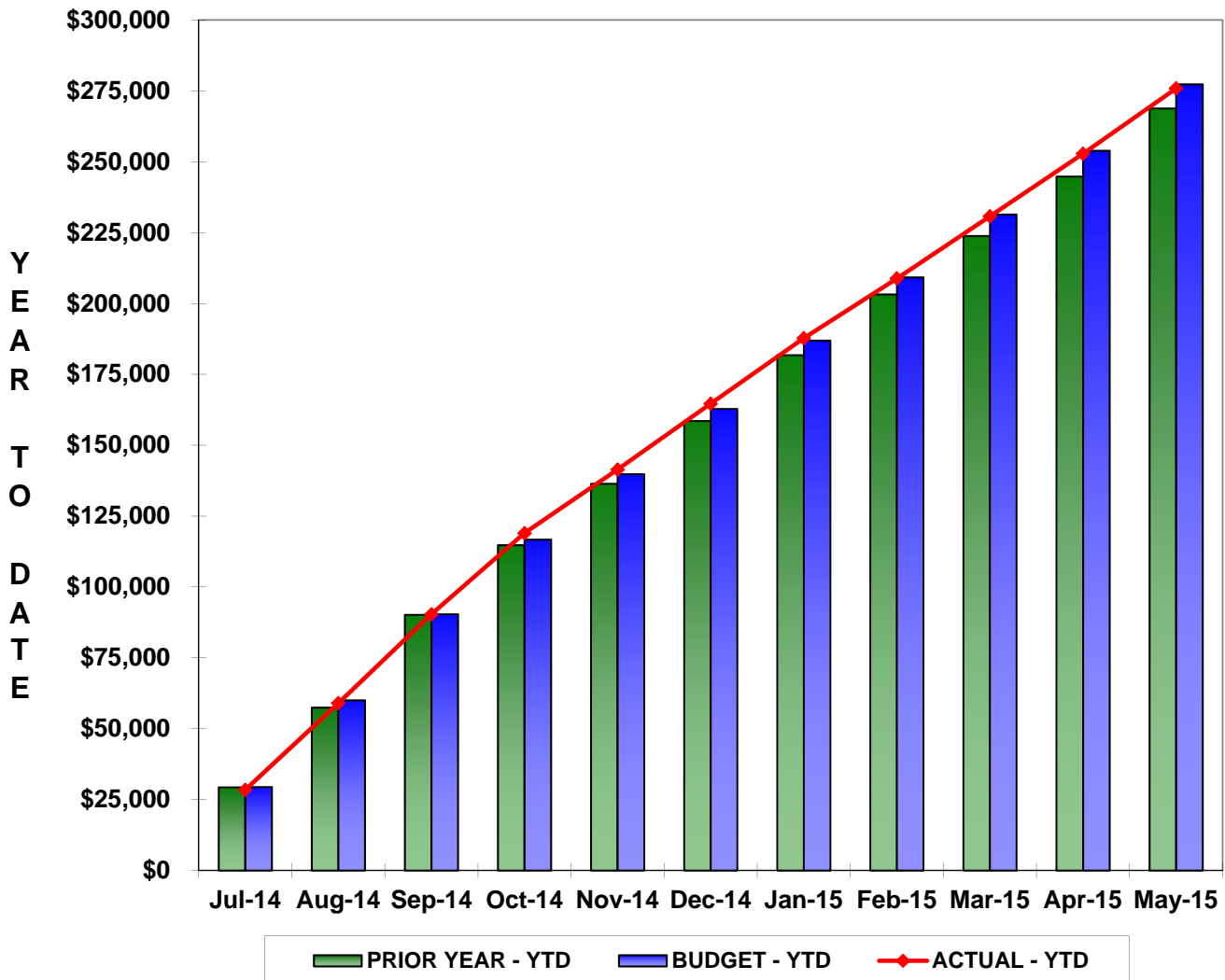
I OWN IT

Riverside Public Utilities

Customer-owned since 1895



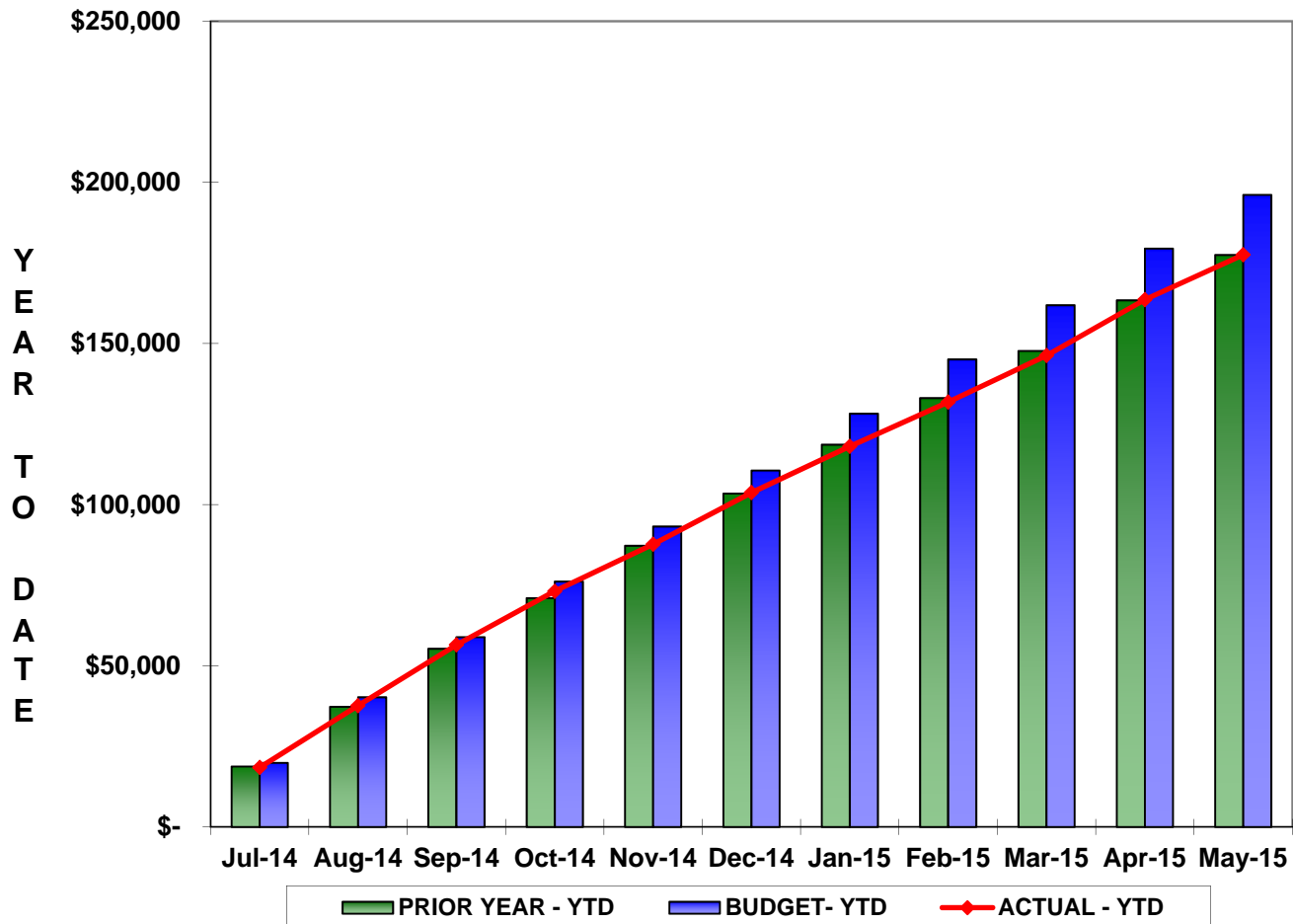
ELECTRIC UTILITY RETAIL SALES REVENUE FOR THE PERIOD ENDED MAY 31, 2015 (In Thousands)



Actual to Prior: Year-to-date actual retail sales of \$275.8M are \$7.0M (2.6%) higher than prior year primarily from 2.2% increase in load as a result of warmer weather patterns in the fall compared to prior year.

Actual to Budget: Year-to-date actual retail sales are slightly below budget, by \$1.5M (less than 1%), due to lower than anticipated consumption.

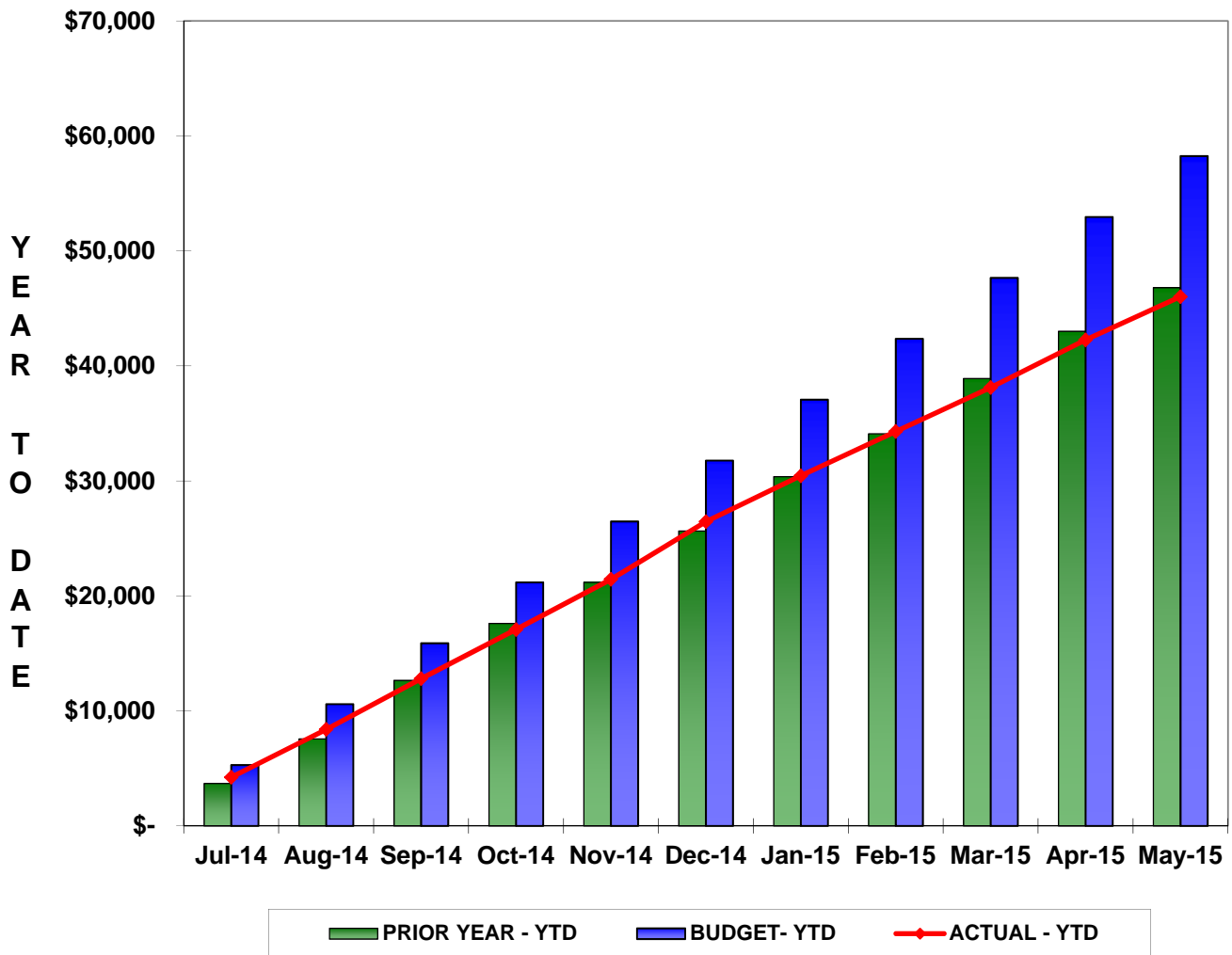
ELECTRIC UTILITY POWER SUPPLY EXPENSES FOR THE PERIOD ENDED MAY 31, 2015 (In Thousands)



Actual to Prior: Year-to-date power supply costs of \$177.6M are consistent with prior year.

Actual to Budget: Year-to-date power supply costs are \$18.6M (9.5%) lower than budget primarily due to lower than anticipated transmission costs, lower generation costs as a result of a decline in natural gas prices, and a decrease in SONGS ongoing maintenance costs.

ELECTRIC UTILITY DISTRIBUTION OPERATING EXPENSES FOR THE PERIOD ENDED MAY 31, 2015 (In Thousands)

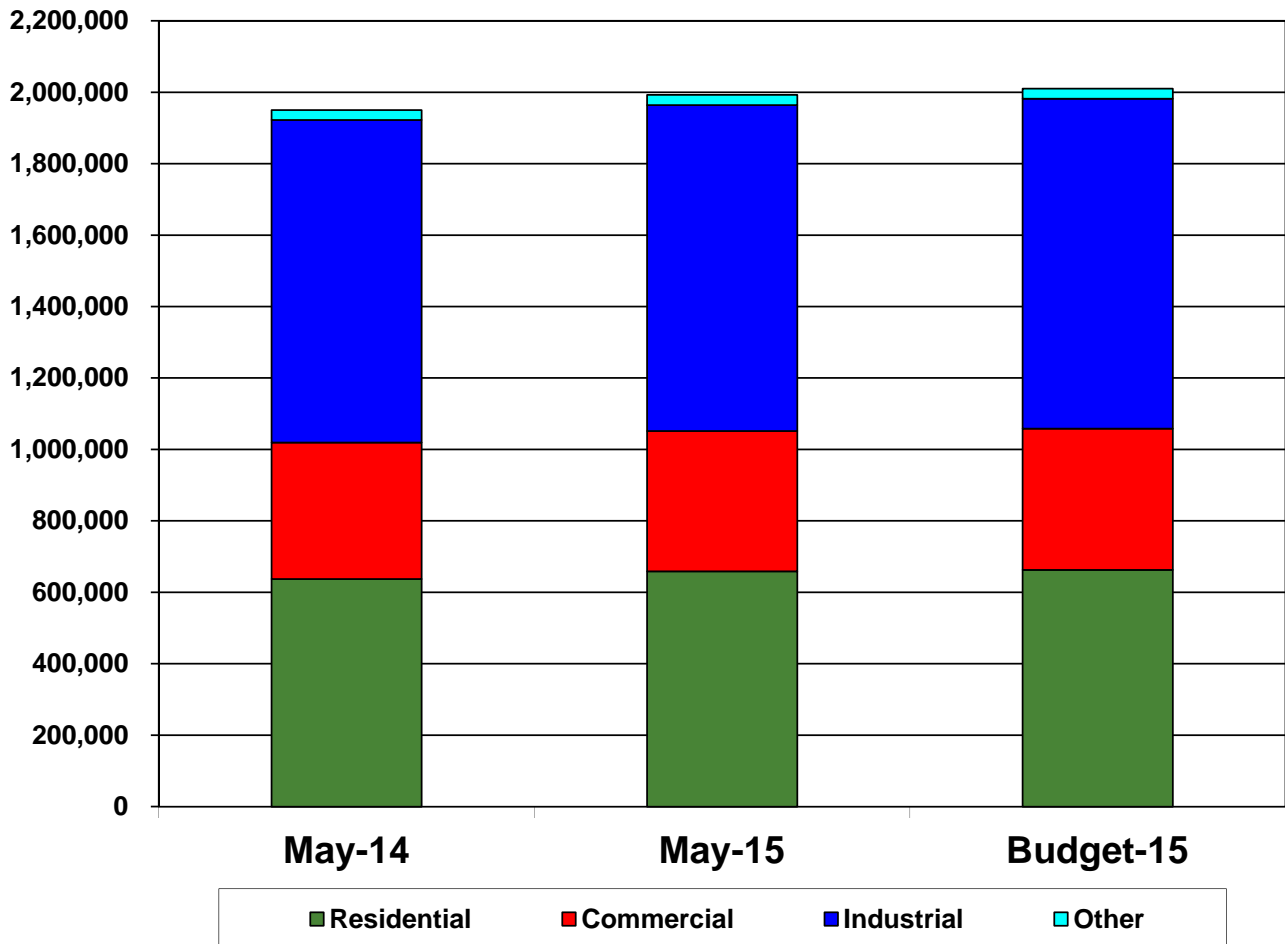


Actual to Prior: Year-to-date distribution operating expenses of \$46.0M are \$0.8M (1.7%) lower than prior year due to a decrease in general operating expenses.

Actual to Budget: Year-to-date operating expenses are \$12.2M (21.0%) below anticipated levels primarily due to savings in personnel costs, professional services, and other general operating expenses.

***ELECTRIC UTILITY
RETAIL KWH SALES (In Thousands)
FOR THE PERIOD ENDED MAY 31, 2015***

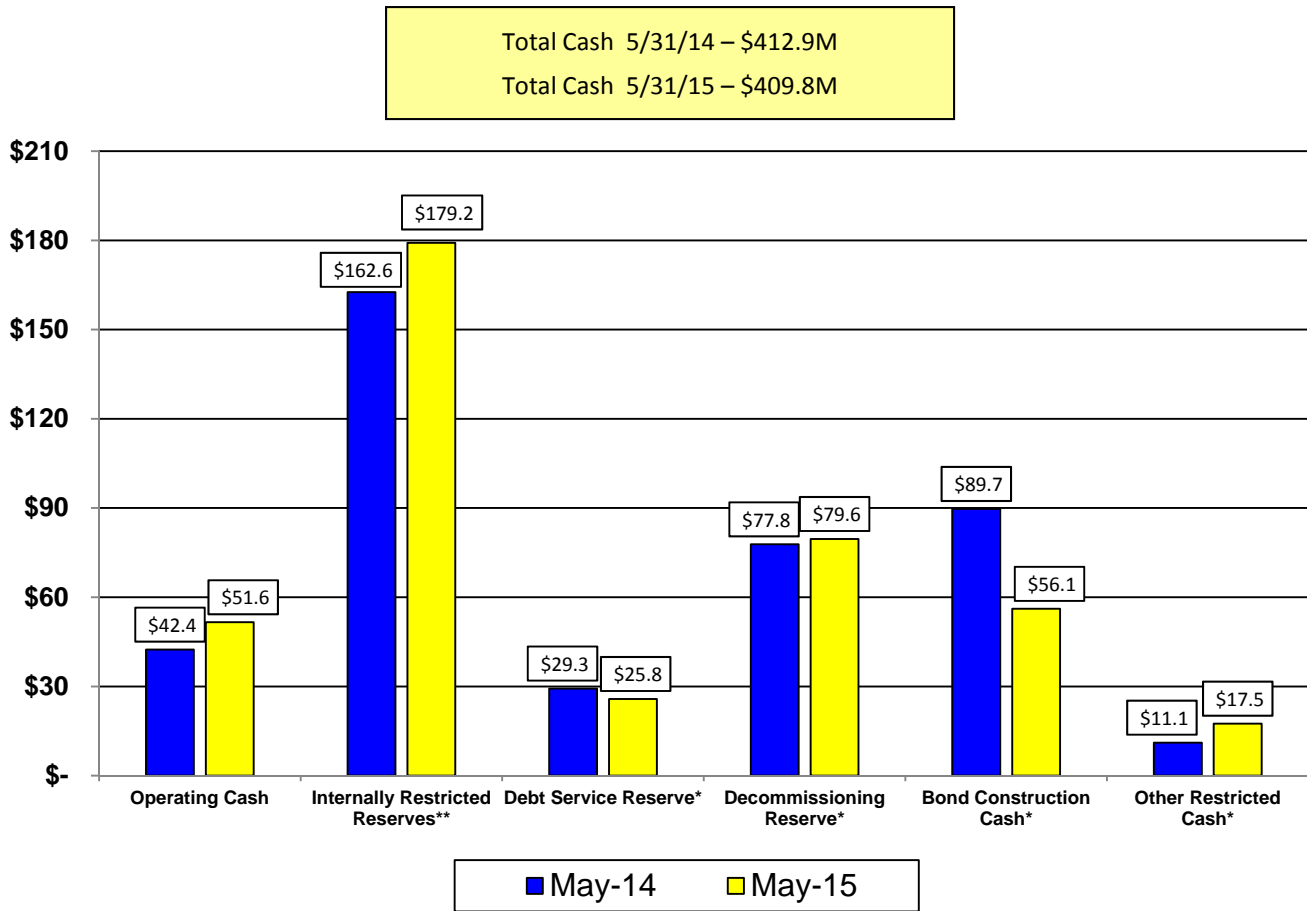
Total - YTD	<u>1,950,359</u>	<u>1,992,826</u>	<u>2,010,484</u>
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Actual to Prior: Retail kWh sales are 2.2% higher than prior year as a result of warmer weather patterns in the fall compared to prior year.

Actual to Budget: Retail kWh sales are slightly below budget.

ELECTRIC UTILITY CASH BALANCES MAY 31, 2014 AND 2015 (In Millions)

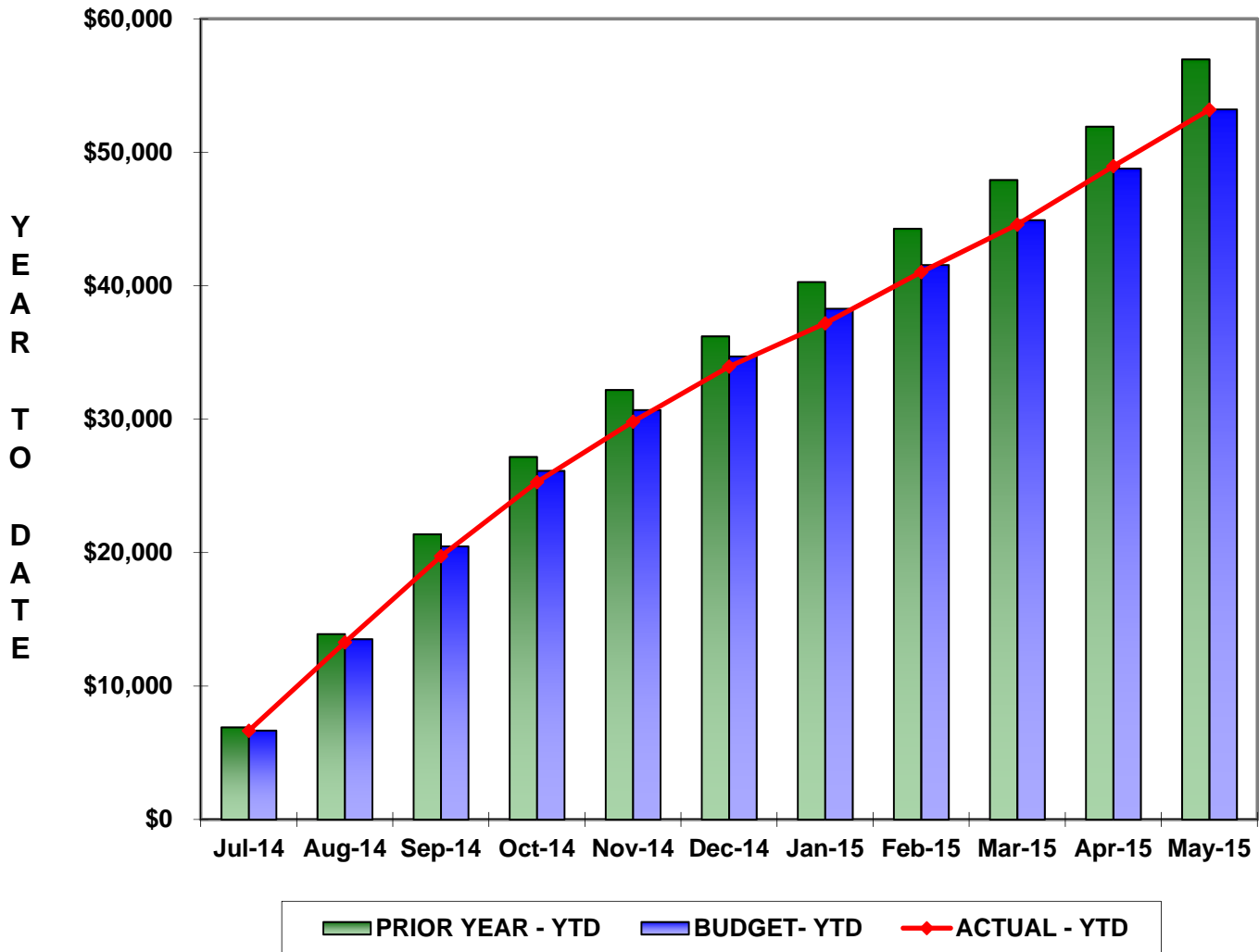


Total cash balances are \$3.1M lower than prior year primarily due to the use of bond proceeds for capital projects offset by positive operating results.

* Legally restricted for specific purposes. Other Restricted Cash includes reserves for Public Benefits and Regulatory Requirements.

** The components of these accounts are as follows:	FY 13/14	FY 14/15
Regulatory Risk Reserve	\$ 15.0	\$ 15.0
Energy Risk Management Reserve	\$ 30.0	\$ 30.0
Operating Reserve	\$ 116.0	\$ 131.0
Decommissioning Reserve	\$ 1.6	\$ 3.2
Total Reserves	\$ 162.6	\$ 179.2

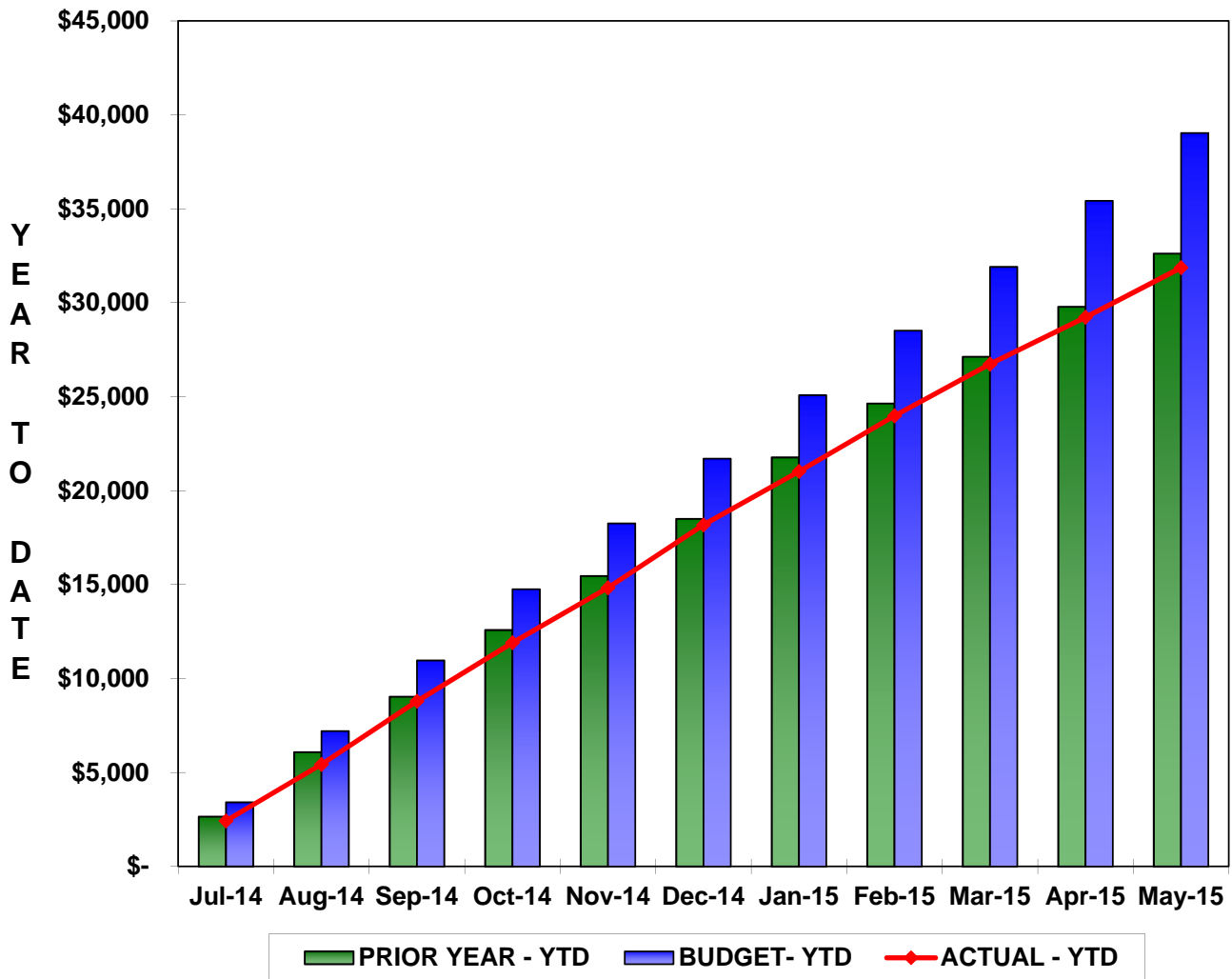
WATER UTILITY RETAIL SALES REVENUE FOR THE PERIOD ENDED MAY 31, 2015 (In Thousands)



Actual to Prior: Year-to-date actual retail sales of \$53.2M are \$3.8M (6.6%) lower than prior year primarily due to an 7.4% decrease in consumption as a result of water conservation measures enacted due to the current drought conditions.

Actual to Budget: Year-to-date actual retail sales are consistent with budget.

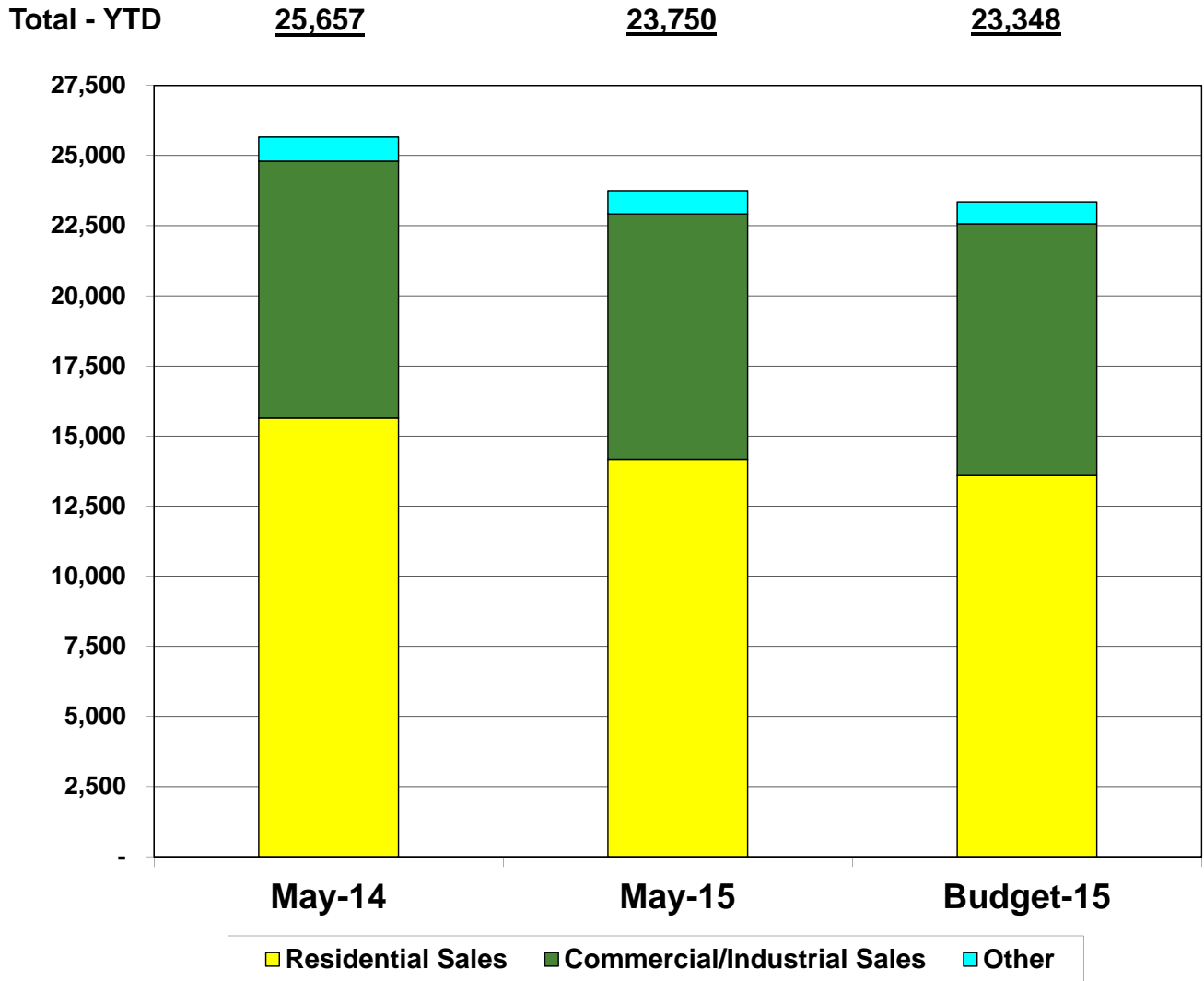
WATER UTILITY DISTRIBUTION OPERATING EXPENSES FOR THE PERIOD ENDED MAY 31, 2015 (In Thousands)



Actual to Prior: Year-to-date distribution operating expenses of \$31.9M are \$0.7M (2.3%) lower than prior year primarily due to a decrease in general operating expenses.

Actual to Budget: Year-to-date operating expenses are \$7.2M (18.4%) below anticipated levels due to savings in water pumping and production costs as a result of lower consumption levels and reducing controllable expenses resulting in savings in personnel costs, professional services, and other general operating expenses.

WATER UTILITY **CCF SALES (In Thousands)** **FOR THE PERIOD ENDED MAY 31, 2015**



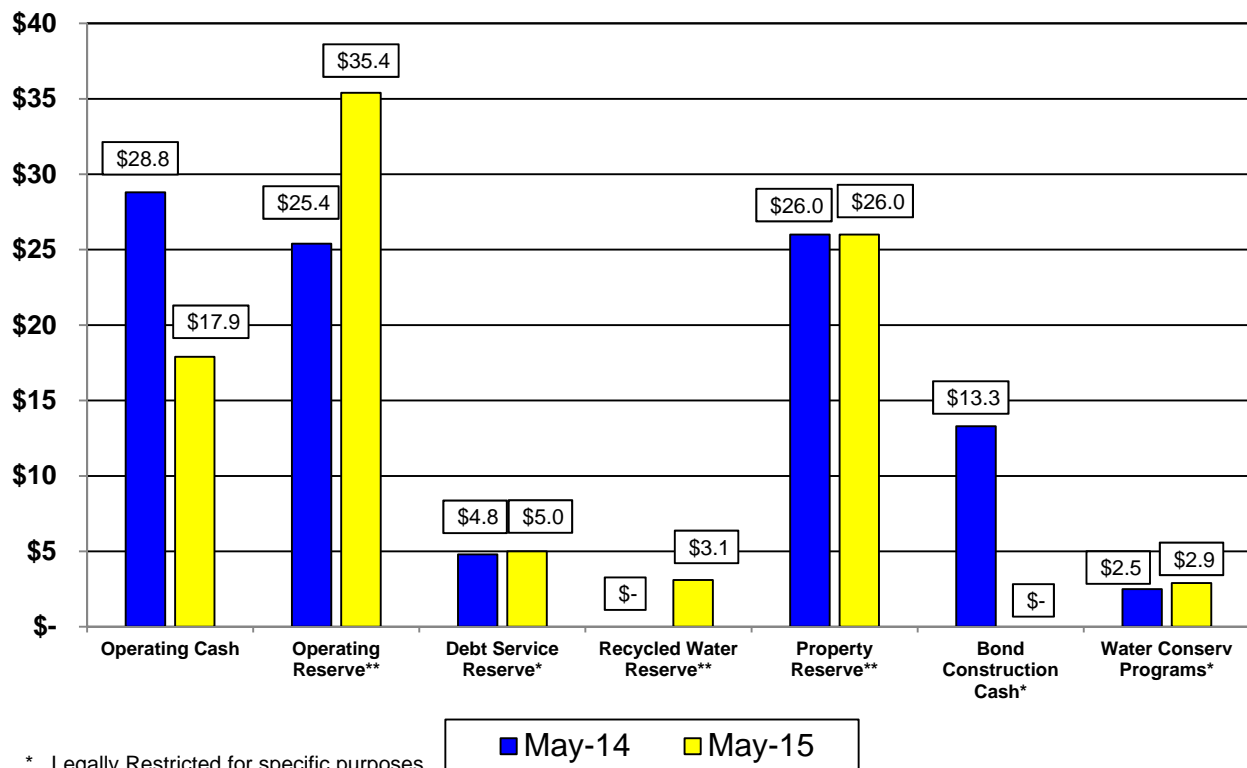
Actual to Prior: Retail CCF sales are 7.4% lower than prior year due to water conservation measures enacted for the current drought conditions.

Actual to Budget: Retail CCF sales are slightly above budget.

WATER UTILITY CASH BALANCES MAY 31, 2014 AND 2015 (In Millions)

Total Cash 5/31/14 – \$100.8M

Total Cash 5/31/15 – \$90.3M



* Legally Restricted for specific purposes

** Internally Restricted

Cash balances are \$10.5M lower than prior year primarily due to the depletion of available bond proceeds to fund capital projects totaling \$13.3M and the use of \$2.4M in operating cash for capital projects customarily funded by bonds. Staff is currently analyzing the Water Utility's future infrastructure needs including the source of funding. With the City Council approved Reimbursement Resolution, use of cash and reserves currently for capital projects may be reimbursed by future bond proceeds should the City decide that a bond issuance will be beneficial for capital financing.

The decrease in cash balances is offset by an increase in recycled water reserves resulting from prior year's receipt of the first of three payments totaling \$3.1M from a settlement agreement from the City.