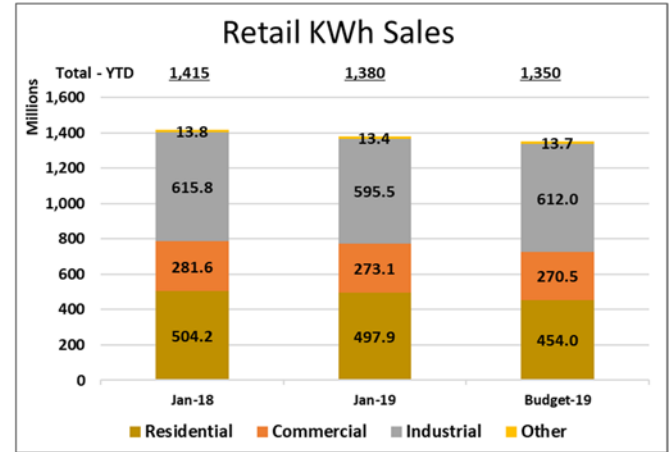
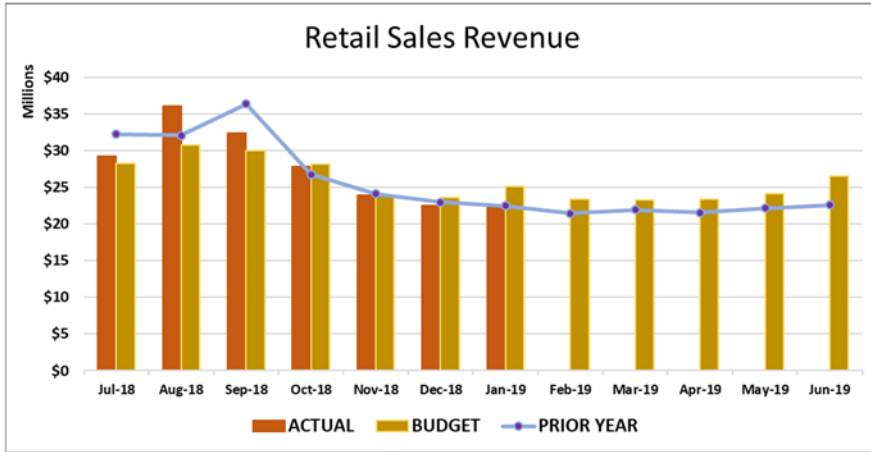


RPU FINANCIAL RESULTS

FY 2018/19 through January 31, 2019

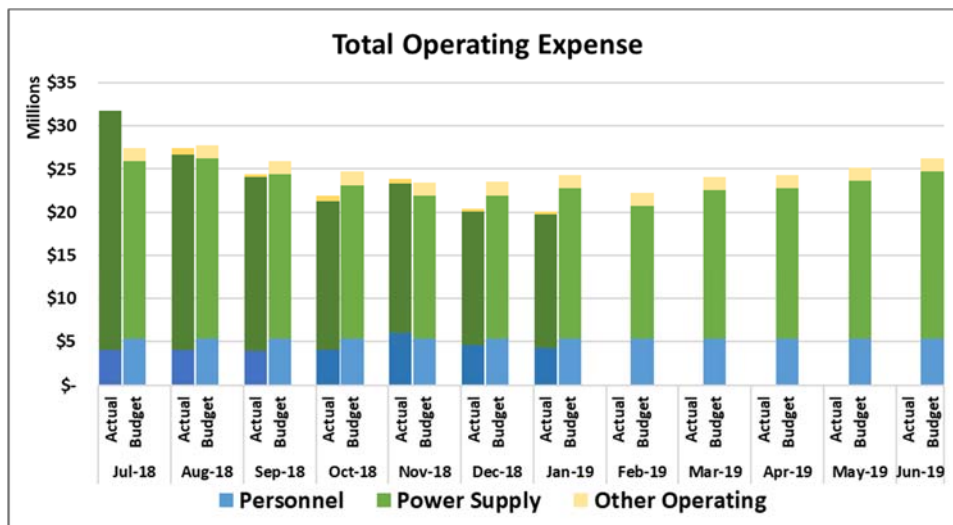
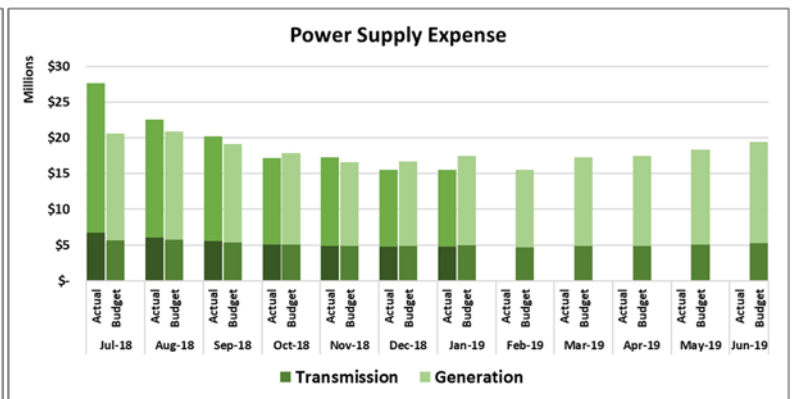
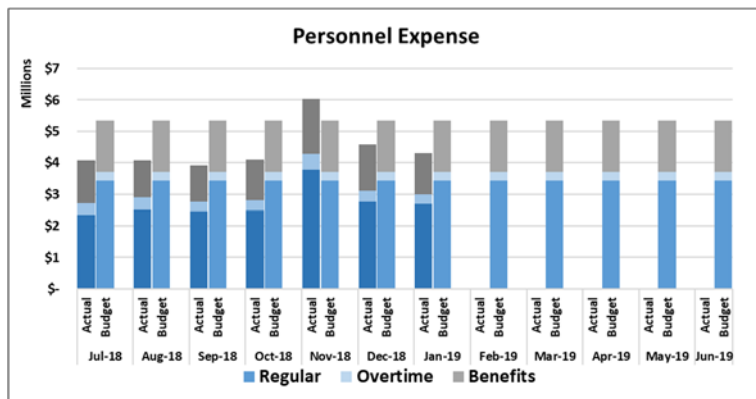
ELECTRIC

REVENUES



Year-to-date retail sales of \$194.1M are \$4.5M (2.4%) higher than budget due to higher than anticipated consumption due to warmer than anticipated summer weather. Current year actual retail sales are \$2.9M (1.5%) lower than prior year due to a decrease in consumption as a result of cooler temperatures in the summer months compared to very warm temperatures in the prior year. Retail kWh sales reflect 2.2% higher than budget due to higher than anticipated consumption and 2.5% lower than prior year due to a decrease in consumption.

OPERATING EXPENDITURES



Personnel Expense: Year-to-date personnel costs of \$31.1M are \$6.3M (16.8%) lower than budget due to various vacancies and attrition. This is partially offset by overtime, which is currently trending higher than budget. Overtime expenses fluctuate from month to month due to season, weather, planned, and unplanned work. Overtime will continue to be monitored closely.

Power Supply Expense: Year-to-date power supply costs of \$135.7M are \$6.7M (5.2%) over budget primarily due to higher than anticipated consumption, higher market energy prices and natural gas prices. Power supply expenditures are projected to be higher than budget by the end of the fiscal year. A supplemental appropriation will be presented to Board and City Council in April of 2019. This increase in costs is offset by an increase in retail sales and savings in other electric budget.

Other Operating Expense: Year-to-date other operating expenses of \$2.6M are \$8.1M (75.8%) below budget due to timing of expenses and savings in other general operating expenses.

CAPITAL IMPROVEMENT PROGRAM

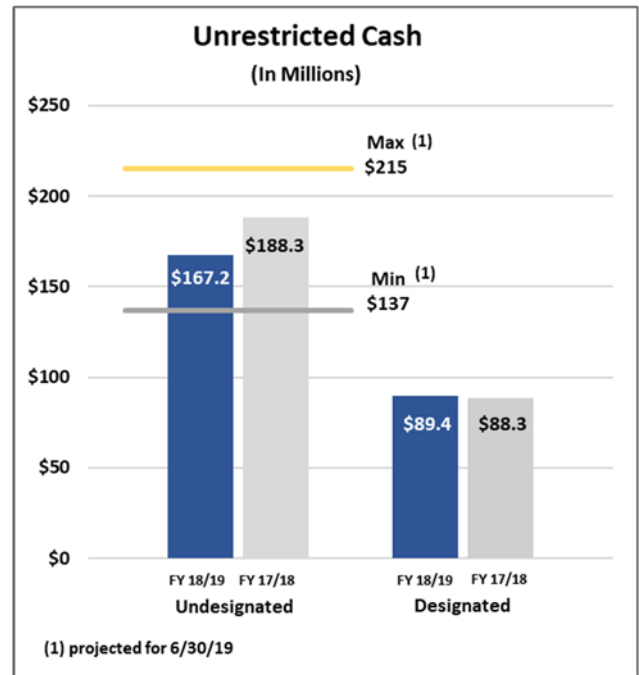
CAPITAL/EQUIPMENT FUNDING (In Millions)	Jan-19	Jan-18
Capital Contributions	\$ 1.3	\$ 2.2
Rates/Reserves	13.6	7.2
TOTAL	\$ 14.9	\$ 9.4

Current year capital expenses (projects and equipment) of \$14.9M are higher than prior year by \$5.5M primarily due to an increase in system upgrades expenditures.

CASH RESERVES

Reserves can be restricted by applicable laws and regulations or designated for specific purposes. Reserves that have not been restricted or designated are available to pay bills and provide cushion in the event of an emergency. The target levels for the unrestricted, undesignated reserve are established by City Council through reserve requirements for fiscal stability and are determined annually at 6/30 in conjunction with year-end financial results. The unrestricted, undesignated reserve of \$167.2M is \$21.1M lower than prior year primarily due to the funding of capital projects and is within the minimum and maximum levels at 01/31/19.

COMPONENTS OF CASH (In Millions)	1/31/2019	1/31/2018
Unrestricted Undesignated	\$ 167.2	\$ 188.3
Designated		
Electric Reliability	\$ 67.2	\$ 59.6
Additional Decommissioning Liability	9.2	7.5
Customer Deposits	4.6	4.4
Capital Repair/Replacement	4.9	3.1
Mission Square Improvement	1.2	0.7
Dark Fiber	2.3	1.8
Bond Defeasance	-	11.2
Total Designated	\$ 89.4	\$ 88.3
Legally Restricted	\$ 117.7	\$ 132.9

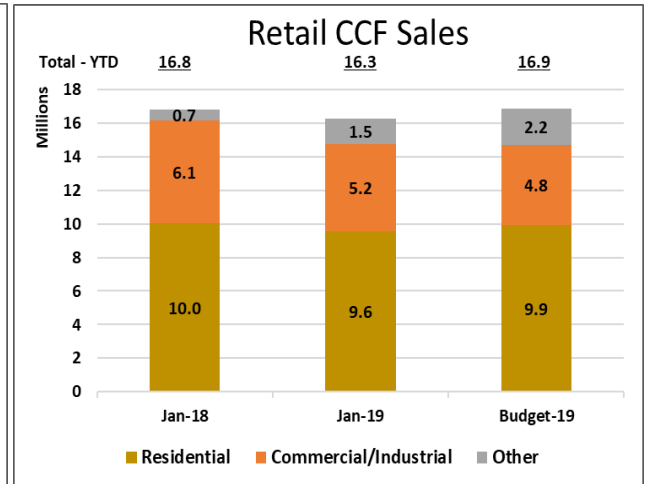
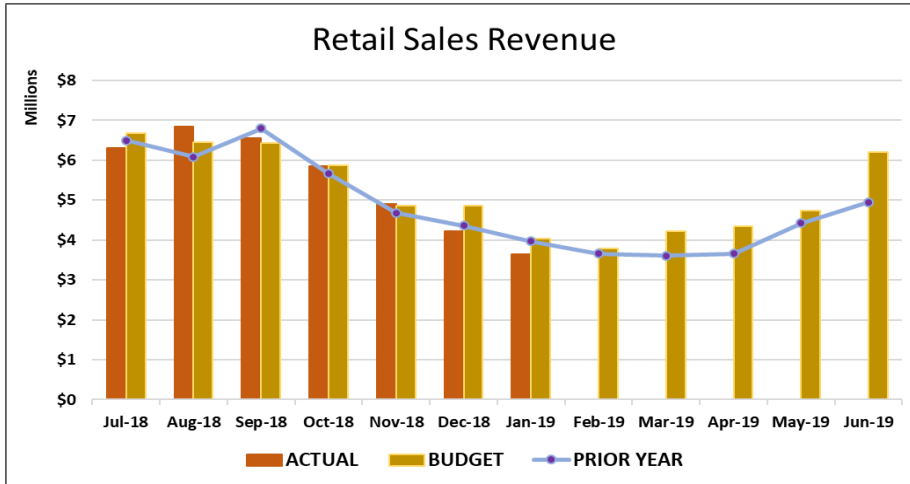


RPU FINANCIAL RESULTS

FY 2018/19 through January 31, 2019

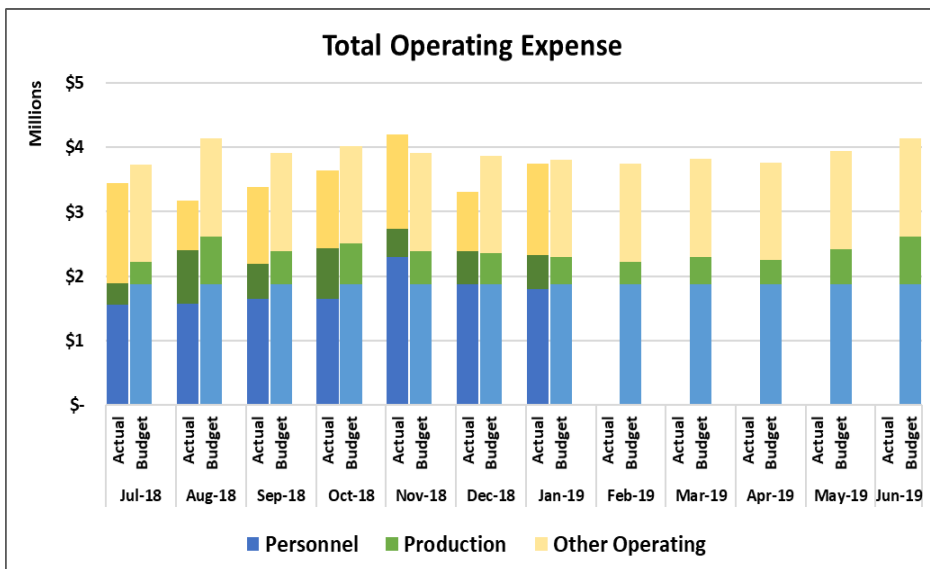
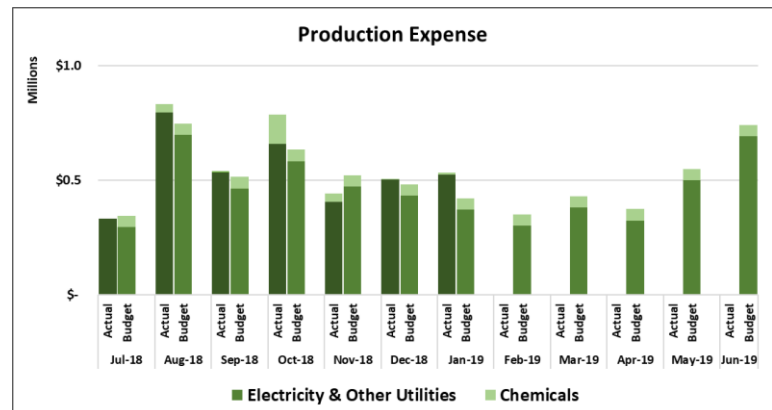
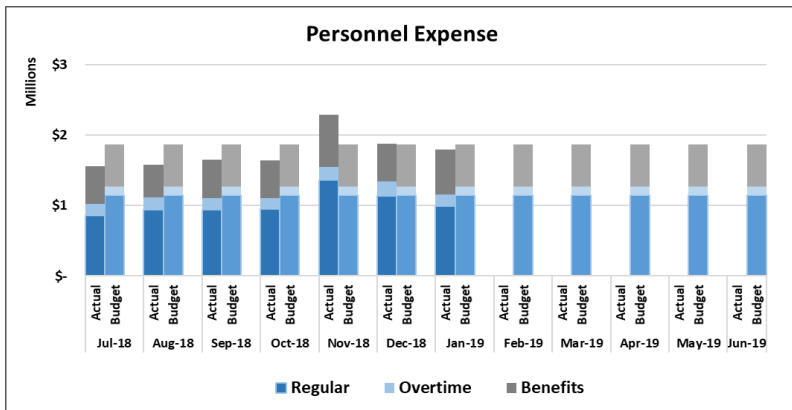
WATER

REVENUES



Year-to-date retail sales of \$38.3M are \$0.8M (2.2%) lower than budget due to higher than anticipated rainfall. Current year retail sales are \$0.3M (.8%) higher than prior year, as result of the rate plan, effective July 1, 2018. CCF sales are 3.6% lower than budget and 3.0% lower than prior year due to a decrease in consumption.

OPERATING EXPENDITURES



Personnel Expense: Year-to-date personnel costs of \$12.4M are \$0.7M (5.3%) below budget due to various vacancies and attrition. This is partially offset by overtime, which is currently trending higher than budget. Overtime expenses fluctuate from month to month due to season, weather, planned and unplanned work. Overtime will continue to be monitored closely.

Production Expense: Year-to-date production costs of \$4.0M are \$0.3M (8.5%) higher than budget primarily due to higher than anticipated electric costs for water production.

Other Operating Expense: Other operating expenses of \$8.6M are \$2.1M (19.8%) below budget primarily due to timing of expenditures and savings in other general operating expenses.

CAPITAL FUNDING

CAPITAL/EQUIPMENT FUNDING (In Millions)	Jan-19	Jan-18
Capital Contributions	\$ 1.2	\$ 1.8
Rates/Reserves	11.4	13.2
TOTAL	\$ 12.6	\$ 15.0

Current year capital expenses (projects and equipment) of \$12.6M are \$2.4M lower than prior year primarily due to a decrease in main replacement projects.

CASH RESERVES

Reserves can be restricted by applicable laws and regulations or designated for specific purposes. Reserves that have not been restricted or designated are available to pay bills and provide cushion in the event of an emergency. The target levels for the unrestricted, undesignated reserve are established by City Council through reserve requirements for fiscal stability and are determined annually at 6/30 in conjunction with year-end financial results. The unrestricted, undesignated reserve of \$32.8M is \$3.7M lower than prior year primarily due to funding of capital projects and is below the target minimum level which is consistent with the 1/31/19 results. The unrestricted, undesignated reserve balance is expected to be within the minimum and maximum level by 6/30/2019 with the establishment of a line of credit, as planned with the approved rate plan. Designated reserves were used for capital projects as approved in the two-year budget.

COMPONENTS OF CASH (In Millions)	1/31/2019	1/31/2018
Unrestricted Undesignated	\$ 32.8	\$ 36.5
Designated		
Property	\$ 5.0	\$ 13.4
Recycled Water	1.6	8.4
Customer Deposits	0.6	0.6
Capital Repair/Replacement	2.3	1.5
Total Designated	\$ 9.5	\$ 23.9
Legally Restricted	\$ 8.3	\$ 9.2

