

RPU FINANCIAL RESULTS

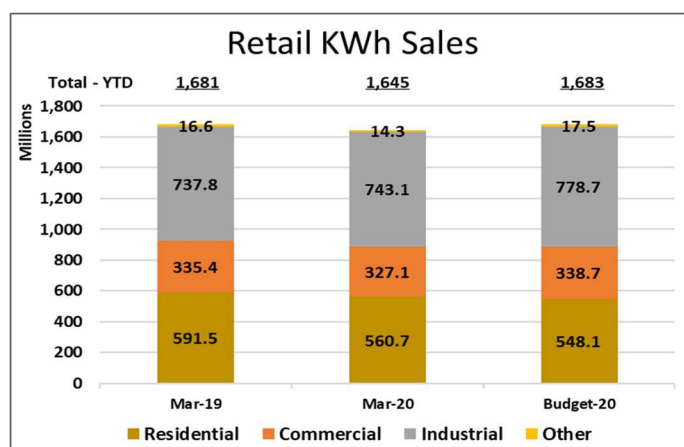
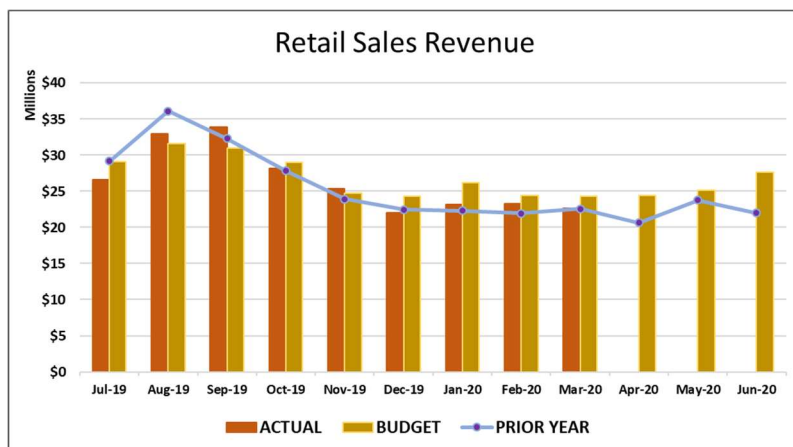
FY 2019/20 through March 31, 2020

ELECTRIC

COVID-19 IMPACTS

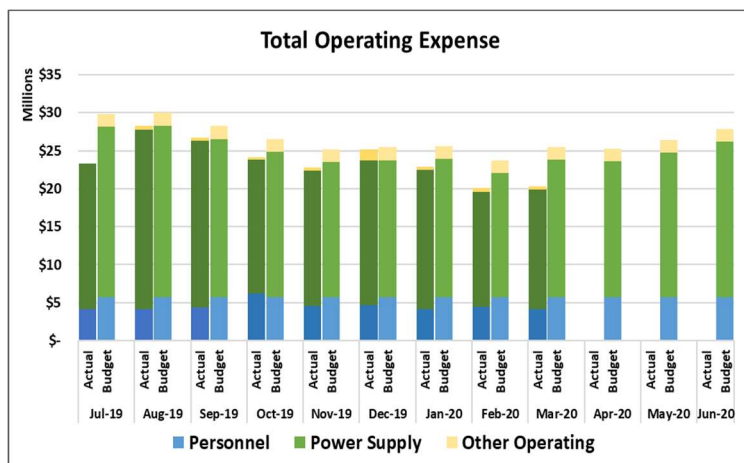
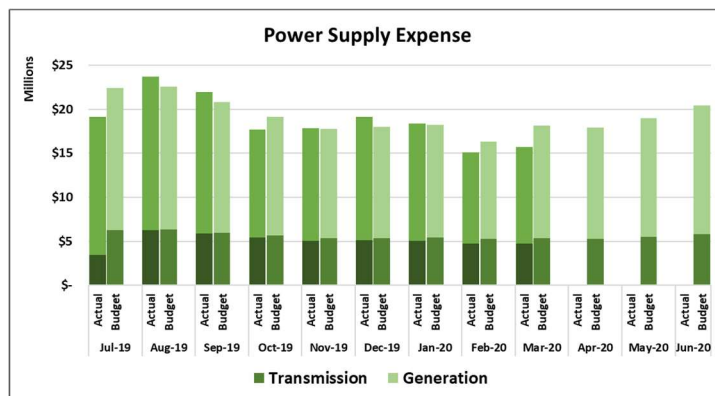
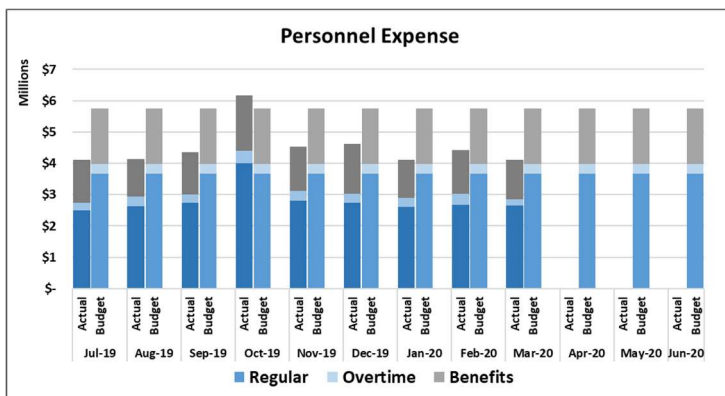
Due to the COVID-19 pandemic and the Governor's declaration of State of Emergency on March 4, 2020 and Stay at Home Order issued on March 19, 2020, RPU recognizes that there will be impacts to the financial results of the Electric Utility, which staff will continue to monitor.

REVENUES



Year-to-date retail sales of \$238.1M are \$6.6M (2.7%) lower than budget due to lower than anticipated consumption. Current year actual retail sales are \$0.5M (0.2%) 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 2.3% lower than budget due to lower than anticipated consumption and 2.2% lower than prior year due to a decrease in consumption.

OPERATING EXPENDITURES



Personnel Expense: Year-to-date personnel costs of \$40.5M are \$11.1M (21.5%) lower than budget due to various vacancies and attrition.

Power Supply Expense: Year-to-date power supply costs of \$168.6M are \$4.7M (2.7%) lower than budget primarily due to lower than anticipated consumption.

Other Operating Expense: Year-to-date other operating expenses of \$3.9M are \$11.1M (73.9%) below budget due to timing of expenses and savings in other general operating expenses.

CAPITAL IMPROVEMENT PROGRAM

CAPITAL/EQUIPMENT FUNDING (In Millions)	Mar-20	Mar-19
Capital Contributions	\$ 3.4	\$ 1.7
Bond Proceeds	14.1	8.7
Rates/Reserves	8.8	14.4
TOTAL	\$ 26.3	\$ 24.8

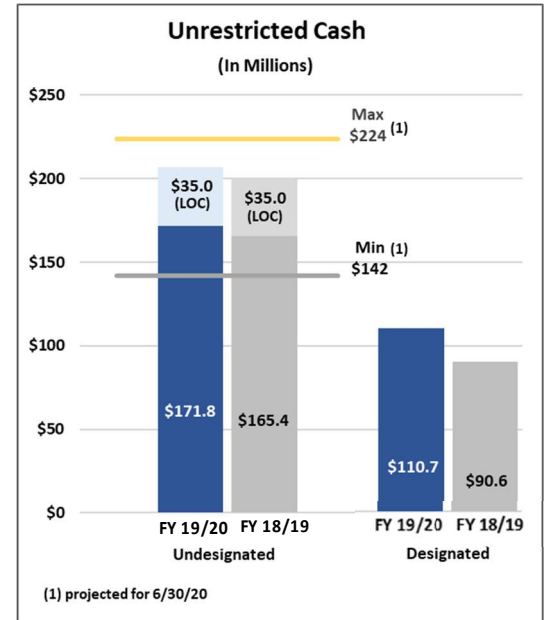
Current year capital expenses (projects and equipment) of \$26.3M are higher than prior year by \$1.5M primarily due to an increase in substation and recurring project expenditures.

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 \$171.8M is \$6.4M higher than prior year primarily due to positive operating results and use of bond construction cash to fund capital projects and is within the minimum and maximum levels at 3/31/20.

COMPONENTS OF CASH (In Millions)	3/31/2020	3/31/2019
Unrestricted Undesignated	\$ 171.8	\$ 165.4
Designated		
Electric Reliability	\$ 84.4	\$ 68.1
Additional Decommissioning Liability	11.3	9.5
Customer Deposits	4.6	4.6
Capital Repair/Replacement	6.0	4.9
Mission Square Improvement	1.5	1.2
Dark Fiber	2.9	2.3
Total Designated	\$ 110.7	\$ 90.6
Legally Restricted *	\$ 170.4	\$ 223.2
Available Line of Credit (LOC)	\$ 35.0	\$ 35.0

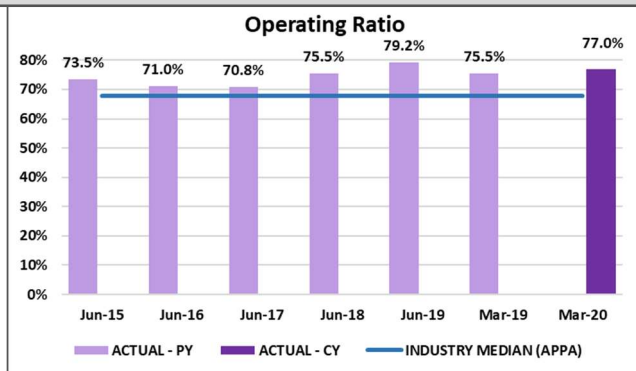
* Includes \$42.4M of Bond Construction Cash at 3/31/2020.



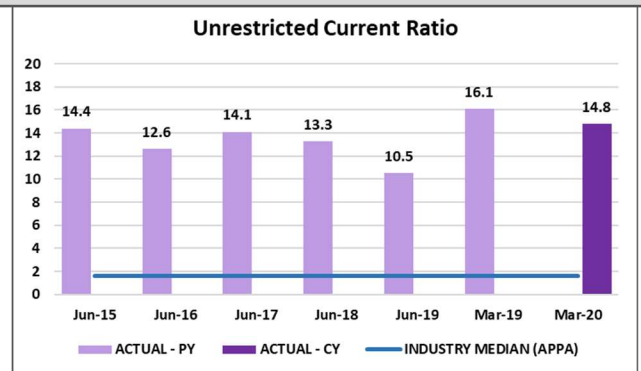
FINANCIAL RATIOS

The ratios for the last 5 fiscal years are provided for reference. Each ratio reflects a full year of activities and may not be as comparable for quarterly result comparison. The June 2019 fiscal year-end ratios may be used to estimate the trends for the current fiscal year when reviewed together with prior year ratios.

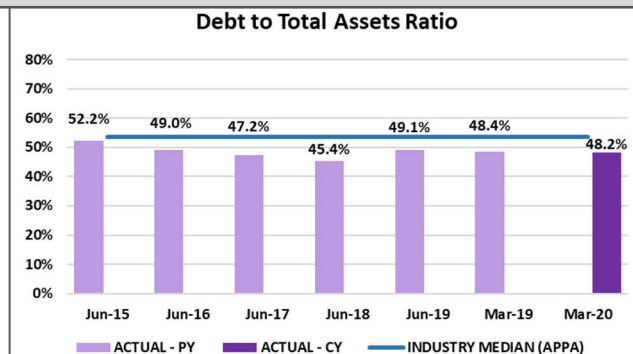
The Operating Ratio reflects the Utility's Operating and Maintenance costs to operating revenues. A lower ratio indicates positive results.



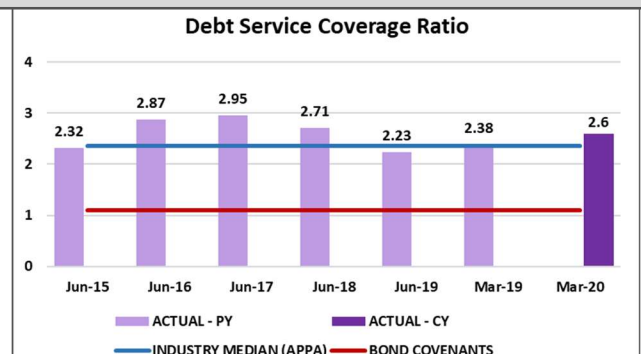
The Unrestricted Current Ratio indicates the Utility's ability to meet short-term liabilities. A higher ratio indicates positive results.



The Debt Ratio indicates what proportion of debt the Utility has in relation to Utility assets. This ratio is favorable when it is lower.



The Debt Service Coverage Ratio measures the ability to produce enough cash to cover debt service. A higher ratio is more favorable.



RPU FINANCIAL RESULTS

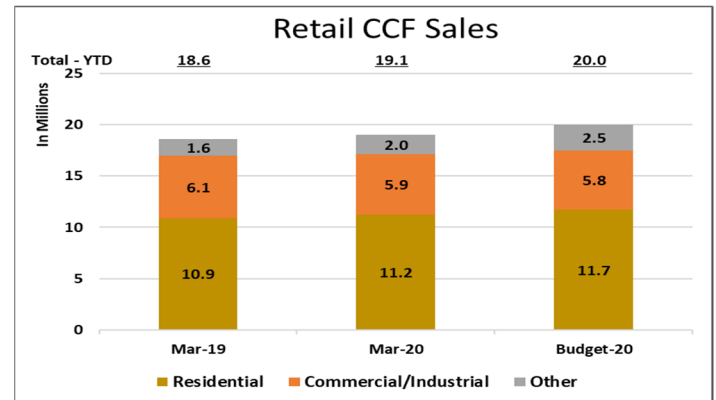
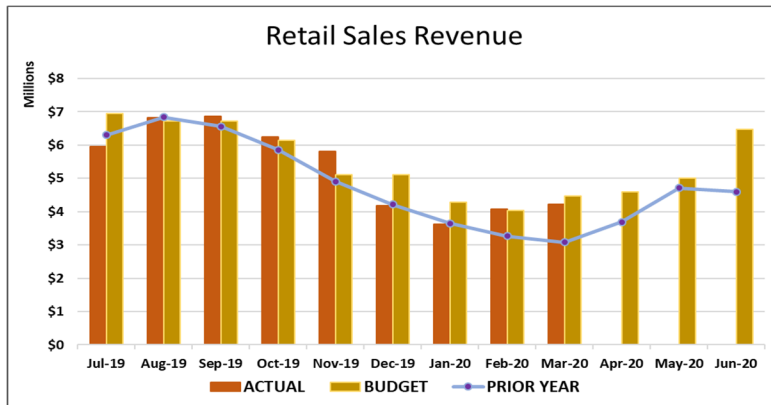
FY 2019/20 through March 31, 2020

WATER

COVID-19 IMPACTS

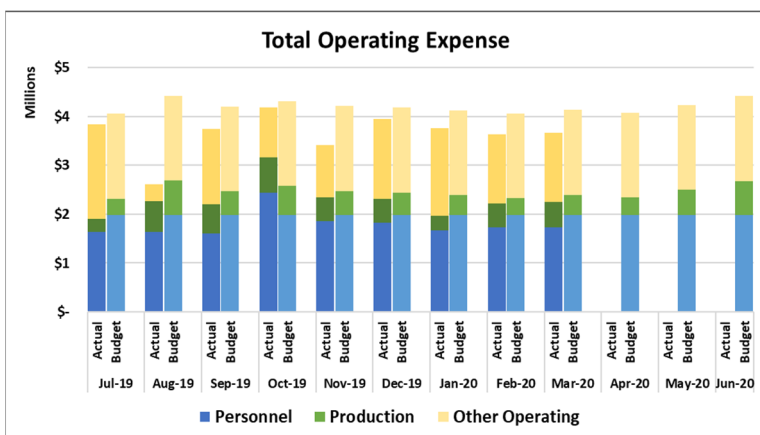
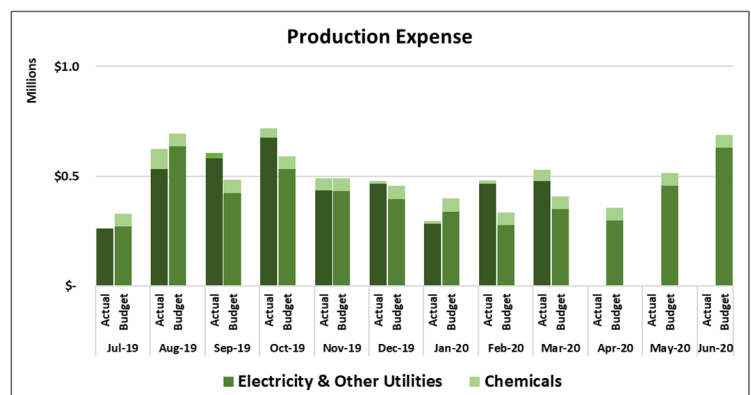
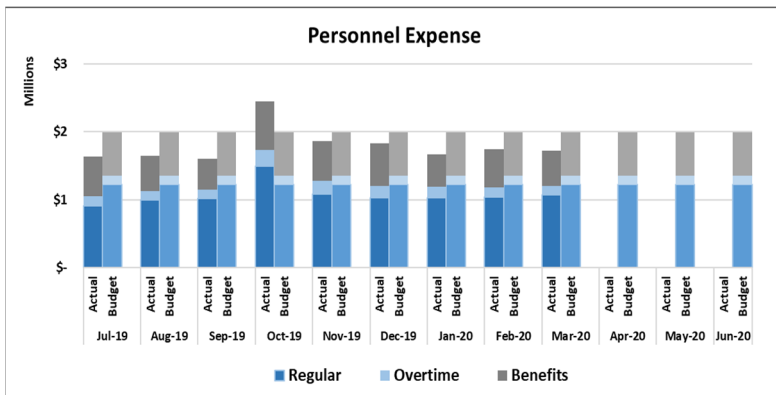
Due to the COVID-19 pandemic and the Governor's declaration of State of Emergency on March 4, 2020 and Stay at Home Order issued on March 19, 2020, RPU recognizes that there will be impacts to the financial results of the Water Utility, of which staff will continue to monitor.

REVENUES



Year-to-date retail sales of \$47.8M are \$3.1M (7.0%) higher than prior year due to rate plan increases. Current year retail sales are \$1.7M (3.4%) lower than budget due to the higher than anticipated precipitation over the past three months. Retail CCF sales are 4.7% lower than budget due to higher than anticipated precipitation resulting in a decrease in anticipated consumption. Current year CCF sales are 2.5% higher than prior year due to less precipitation than during January through March of prior fiscal year.

OPERATING EXPENDITURES



Personnel Expense: Year-to-date personnel costs of \$16.1M are \$1.7M (9.8%) 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 \$4.5M are \$0.3M (7.2%) higher than budget primarily due to higher than anticipated electric costs for water production.

Other Operating Expense: Other operating expenses of \$12.2M are \$3.5M (22.1%) below budget primarily due to timing of expenditures and savings in other general operating expenses.

CAPITAL FUNDING

CAPITAL/EQUIPMENT FUNDING (In Millions)	Mar-20	Mar-19
Capital Contributions	\$ 2.0	\$ 1.7
Bond Proceeds	6.8	9.4
Rates/Reserves	3.8	5.9
TOTAL	\$ 12.6	\$ 17.0

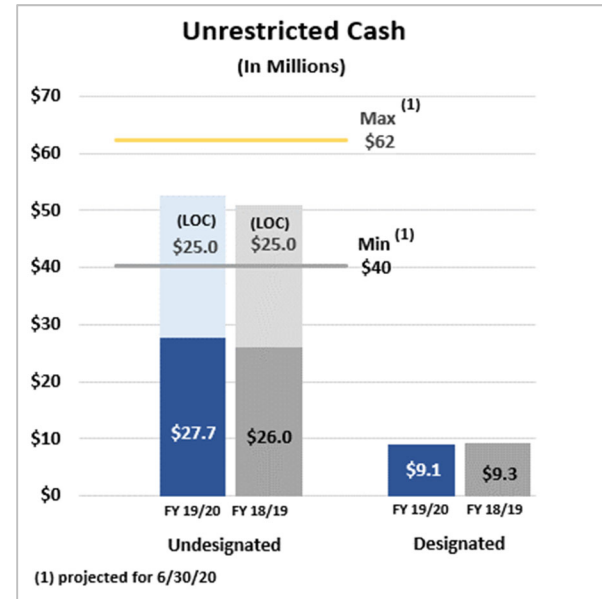
Current year capital expenses (projects and equipment) of \$12.6M are \$4.4M lower than prior year primarily due to a decrease in transmission pipelines and water supply expenditures.

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 \$27.7M is 1.7M higher than prior year primarily due to positive operating results. Water Fund's unrestricted, undesignated reserve balance combined with the line of credit (LOC) in compliance with RPU Cash Reserve Policy, at 3/31/2020 is above target minimum which is consistent with projections provided during the biennial budget and rate plan proposal processes.

COMPONENTS OF CASH (In Millions)	3/31/2020	3/31/2019
Unrestricted Undesignated	\$ 27.7	\$ 26.0
Designated		
Property	\$ 5.1	\$ 5.0
Recycled Water	1.1	1.5
Customer Deposits	0.6	0.6
Capital Repair/Replacement	2.3	2.2
Total Designated	\$ 9.1	\$ 9.3
Legally Restricted *	\$ 48.8	\$ 60.3
Available Line of Credit (LOC)	\$ 25.0	\$ 25.0

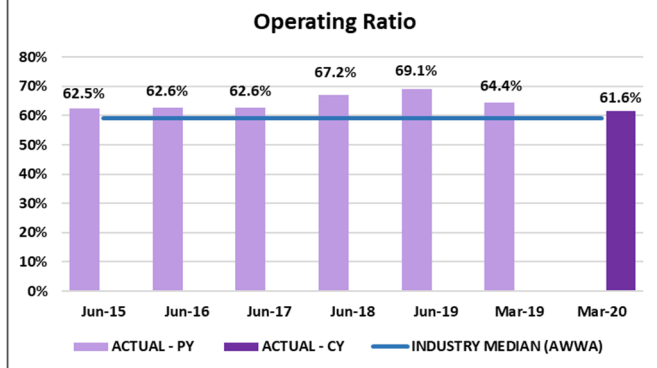
* Includes \$37.3M of Bond Construction Cash at 3/31/2020.



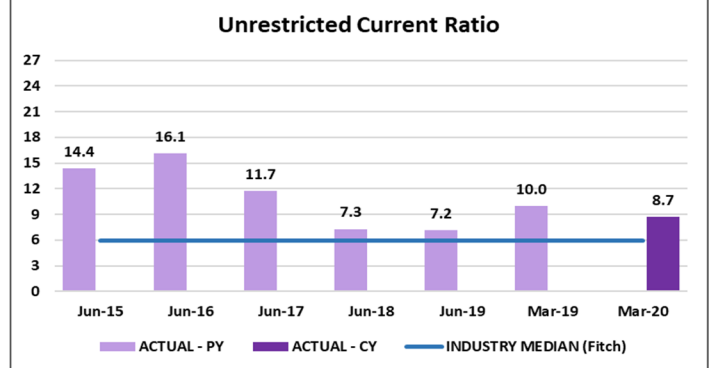
FINANCIAL RATIO

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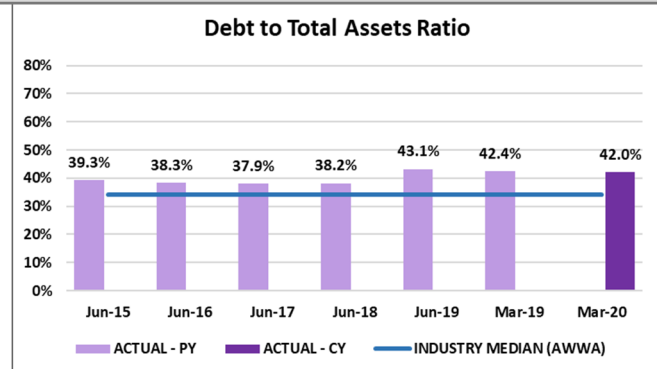
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