

RPU FINANCIAL RESULTS

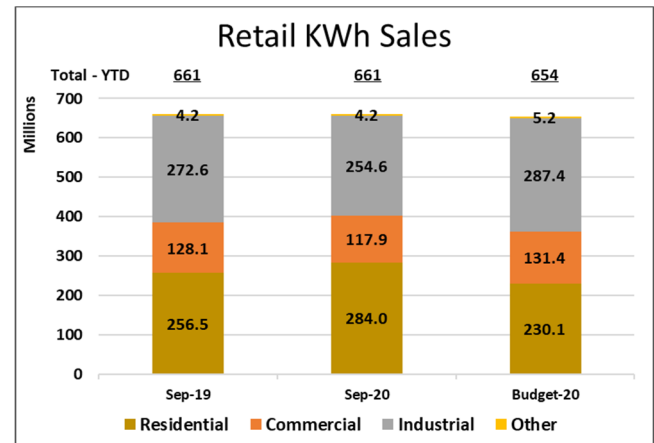
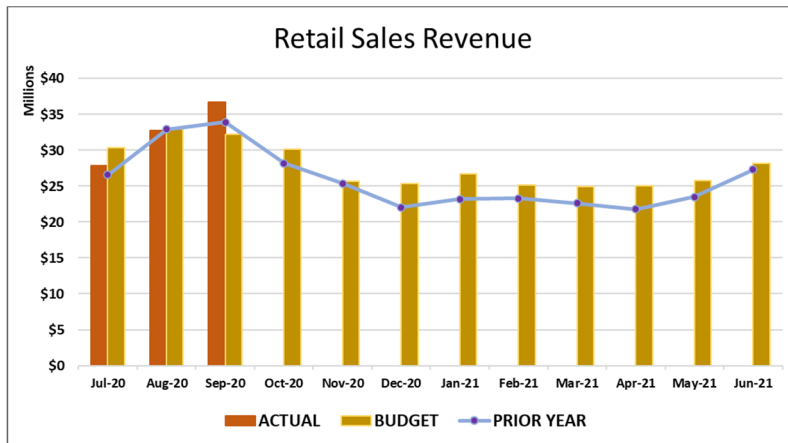
Unaudited FY 2020/21 through September 30, 2020

ELECTRIC

COVID-19 IMPACTS

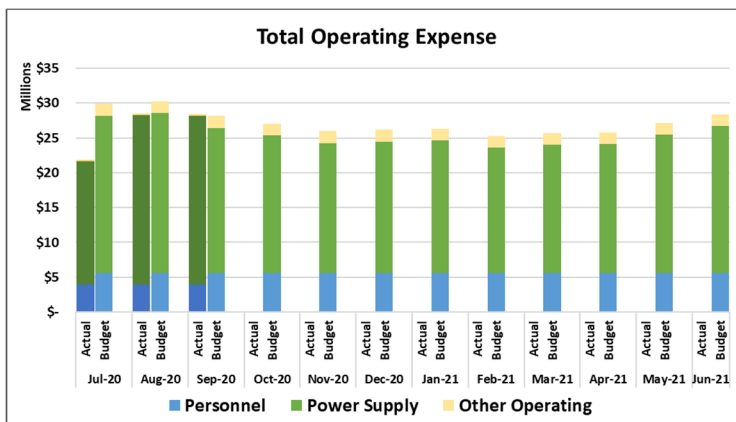
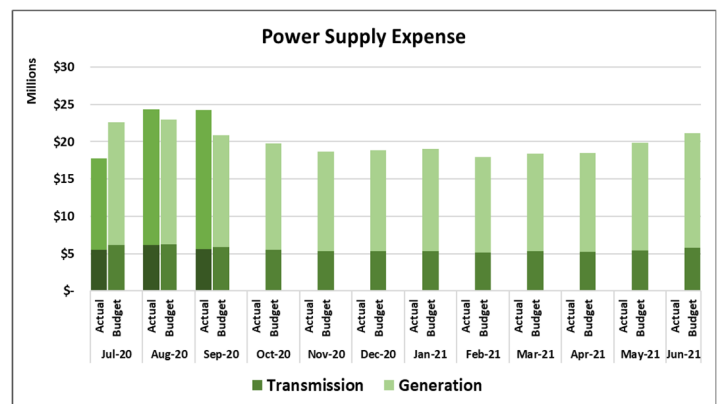
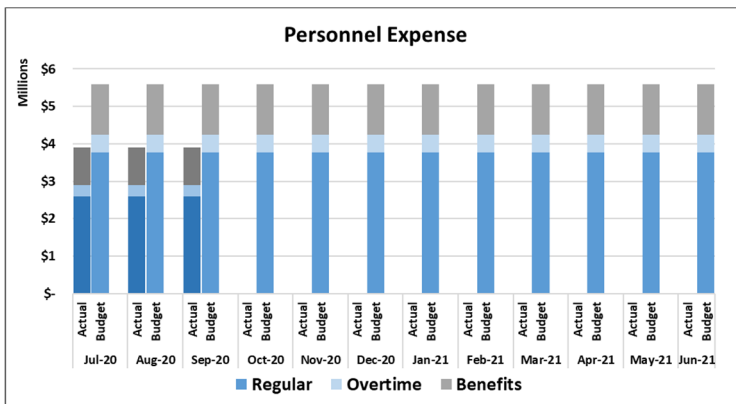
Due to the COVID-19 pandemic and the Governor's declaration of State of Emergency on March 4, 2020 and Stay at Home Order issued on March 19, 2020, RPU recognizes that there will be impacts to the financial results of the Electric Utility, which staff will continue to monitor.

REVENUES



Year-to-date retail sales of \$97.3M are \$1.8M (1.9%) higher than budget due to higher than anticipated consumption. Current year actual retail sales are \$3.9M (4.1%) higher than prior year, due to an increase in consumption as a result of warmer temperatures compared to the prior year. Retail kWh sales reflect 1.0% higher than budget due to higher than anticipated consumption and are in line with prior year sales.

OPERATING EXPENDITURES



Personnel Expense: Year-to-date personnel costs of \$11.7M are \$5.1M (30.1%) lower than budget due to various vacancies and attrition.

Power Supply Expense: Year-to-date power supply costs of \$66.3M are in line with the budget.

Other Operating Expense: Year-to-date other operating expenses of \$0.7M are \$4.4M (86.9%) below budget due to timing of expenses and savings in other general operating expenses.

CAPITAL IMPROVEMENT PROGRAM

CAPITAL/EQUIPMENT FUNDING (In Millions)	Sep-20	Sep-19
Capital Contributions	\$ 0.8	\$ 0.6
Bond Proceeds	4.6	3.7
Rates/Reserves	2.7	3.0
TOTAL	\$ 8.1	\$ 7.3

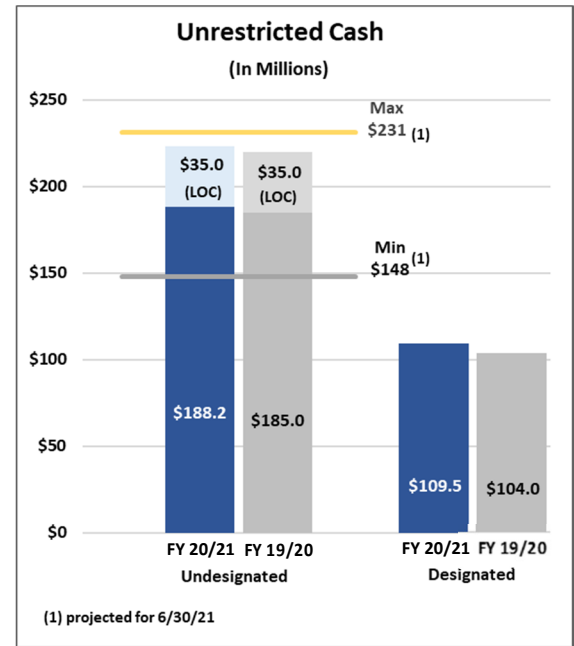
Current year capital expenses (projects and equipment) of \$8.1M are higher than prior year by \$0.8M reflecting increases of \$0.9M in bond proceeds and \$0.2M in capital contributions, offset by a decrease of \$0.3M in rates and reserve funding. Ongoing work in significant capital projects to date includes system automation 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 \$188.2M is \$3.2M 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 9/30/20.

COMPONENTS OF CASH (In Millions)	9/30/2020	9/30/2019
Unrestricted Undesignated	\$ 188.2	\$ 185.0
Designated		
Electric Reliability	\$ 81.4	\$ 81.4
Additional Decommissioning Liability	12.3	10.4
Customer Deposits	4.8	4.6
Capital Repair/Replacement	5.6	3.2
Mission Square Improvement	1.8	1.5
Dark Fiber	3.6	2.9
Total Designated	\$ 109.5	\$ 104.0
Legally Restricted *	\$ 161.0	\$ 178.9
Available Line of Credit (LOC)	\$ 35.0	\$ 35.0

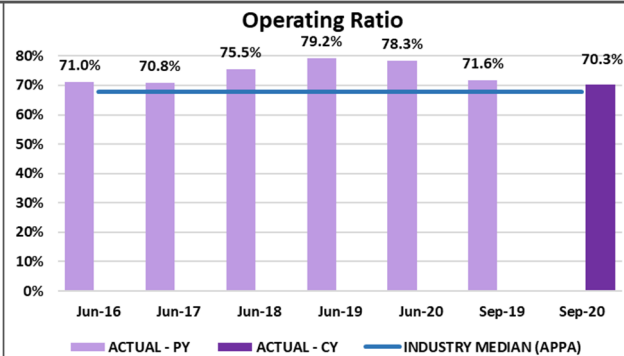
* Includes \$28.0M of Bond Construction Cash at 9/30/2020.



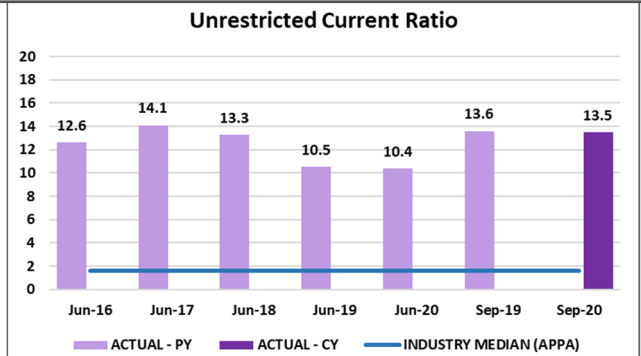
FINANCIAL RATIOS

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 2020 fiscal year-end ratios may be used to estimate the trends for the current fiscal year when reviewed together with prior year ratios.

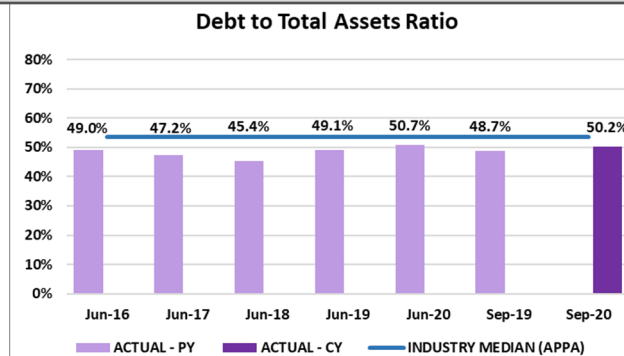
The Operating Ratio reflects the Utility's Operating and Maintenance costs to operating revenues. A lower ratio indicates positive results.



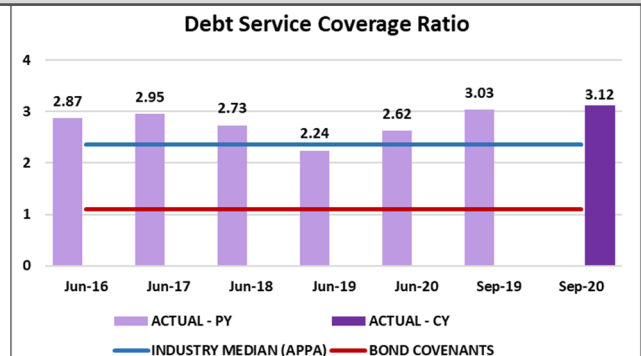
The Unrestricted Current Ratio indicates the Utility's ability to meet short-term liabilities. A higher ratio indicates positive results.



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

Unaudited FY 2020/21 through September 30, 2020

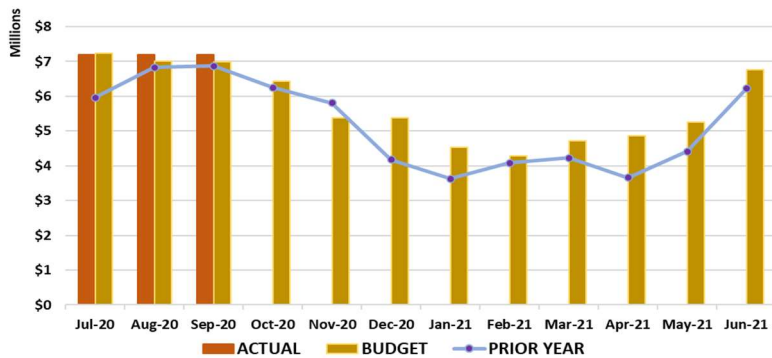
WATER

COVID-19 IMPACTS

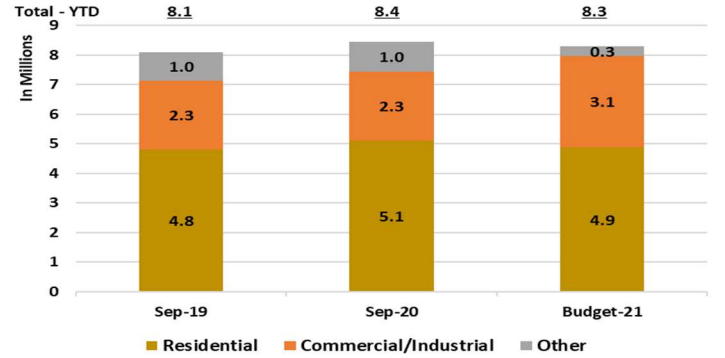
Due to the COVID-19 pandemic and the Governor's declaration of State of Emergency on March 4, 2020 and Stay at Home Order issued on March 19, 2020, RPU recognizes that there will be impacts to the financial results of the Water Utility, of which staff will continue to monitor.

REVENUES

Retail Sales Revenue



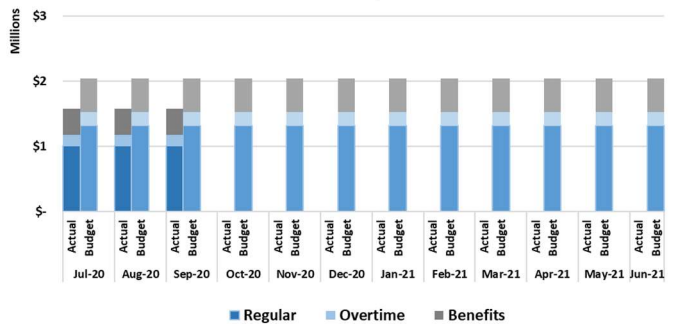
Retail CCF Sales



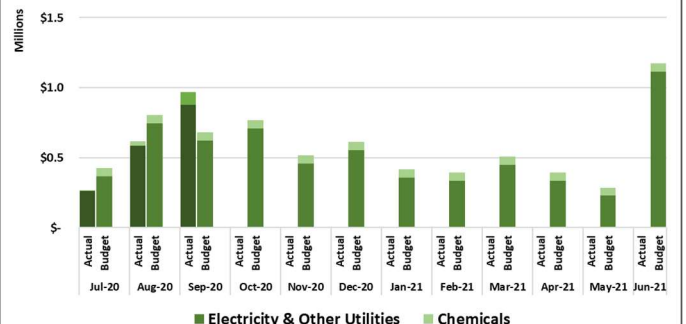
Year-to-date retail sales of \$21.6M are \$0.3M (1.4%) higher than budget due to the higher than projected consumption. Current year retail sales are \$1.9M (9.6%) higher than prior year due to higher consumption compared to prior year. Year-to-date retail CCF sales are 1.8% higher than budget and 4.1% higher than prior year due to higher than projected ETo (evapotranspiration), which requires more irrigation. The impact of the aforementioned information coupled with the impact of Covid-19 has led to an increase in Residential usage and a decrease in Commercial/Industrial usage and alongside the higher than projected temperatures, has led to a slight increase in water usage.

OPERATING EXPENDITURES

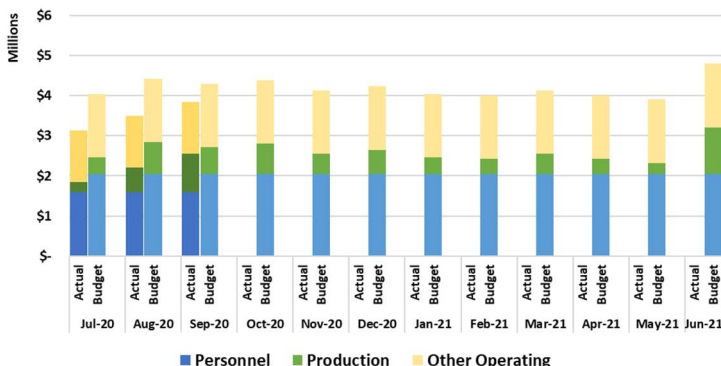
Personnel Expense



Production Expense



Total Operating Expense



Personnel Expense: Year-to-date personnel costs of \$4.7M are \$1.4M (22.3%) below budget due to various vacancies and attrition.

Production Expense: Year-to-date production costs of \$1.9M are consistent with budget.

Other Operating Expense: Other operating expenses of \$3.9M are \$0.9M (18.4%) below budget primarily due to timing of expenditures and savings in other general operating expenses.

CAPITAL FUNDING

CAPITAL/EQUIPMENT FUNDING (In Millions)	Sep-20	Sep-19
Capital Contributions	\$ 0.2	\$ 0.9
Bond Proceeds	1.1	1.1
Rates/Reserves	1.4	0.6
TOTAL	\$ 2.7	\$ 2.6

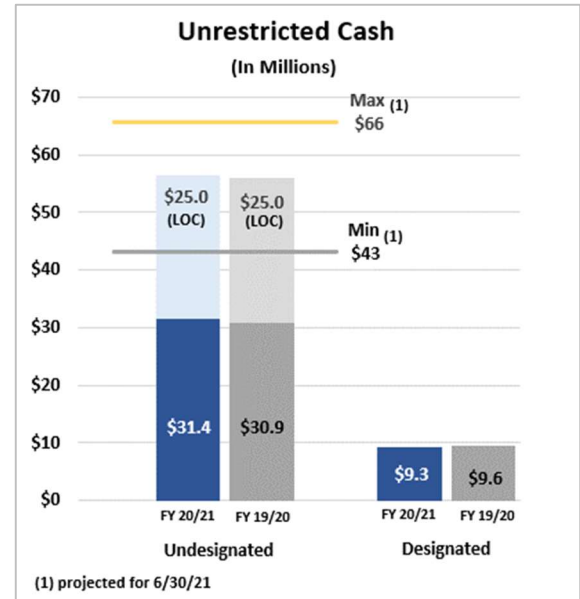
Current year capital expenses (projects and equipment) of \$2.7M are higher than prior year by \$0.1M, reflecting increase of \$0.8M in rates, offset by a decrease of \$0.7M in capital contributions. Ongoing work in significant capital projects to date includes distribution facilities which are trending higher than prior year and distribution pipelines which are trending lower than prior year and.

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 \$31.4M is \$0.5M 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 9/30/2020 is above target minimum which is consistent with projections provided during the biennial budget and rate plan proposal processes.

COMPONENTS OF CASH (In Millions)	9/30/2020	9/30/2019
Unrestricted Undesignated	\$ 31.4	\$ 30.9
Designated		
Property	\$ 5.2	\$ 5.1
Recycled Water	1.1	1.6
Customer Deposits	0.7	0.6
Capital Repair/Replacement	2.3	2.3
Total Designated	\$ 9.3	\$ 9.6
Legally Restricted *	\$ 41.8	\$ 55.8
Available Line of Credit (LOC)	\$ 25.0	\$ 25.0

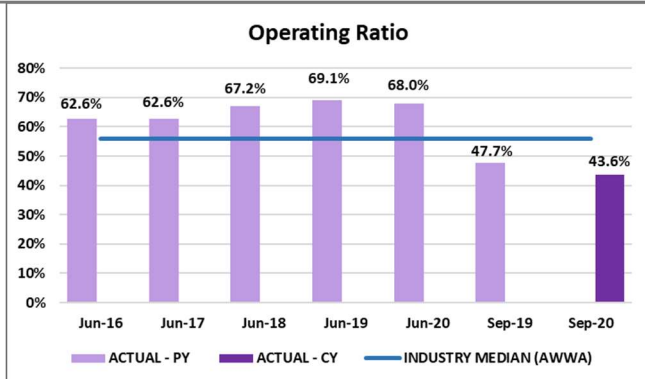
* Includes \$27.5M of Bond Construction Cash at 9/30/2020.



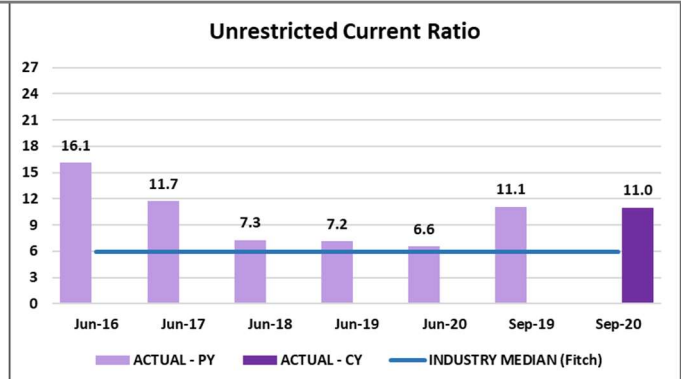
FINANCIAL RATIO

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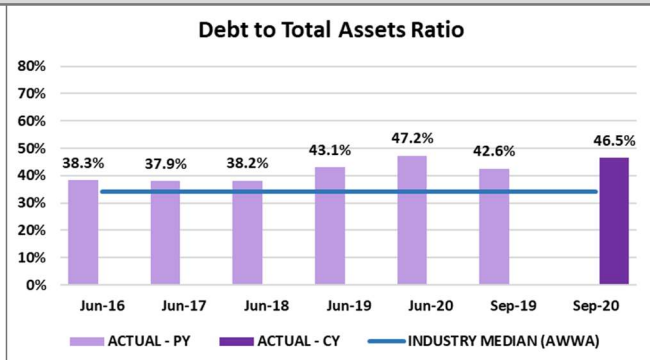
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