

RPU FINANCIAL RESULTS

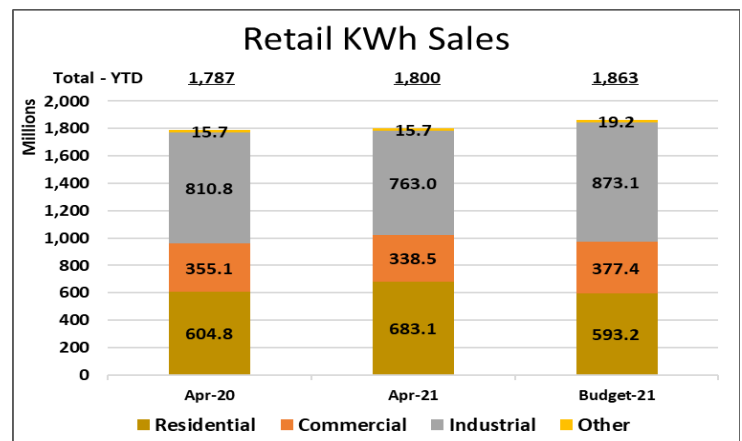
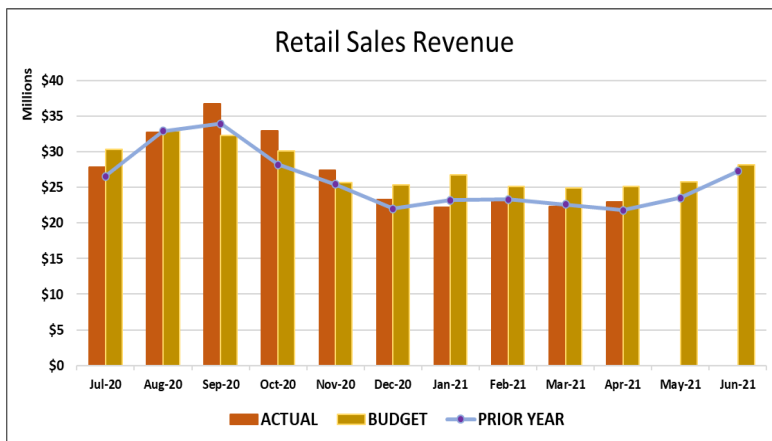
Unaudited FY 2020/21 through April 30, 2021

ELECTRIC

COVID-19 IMPACTS

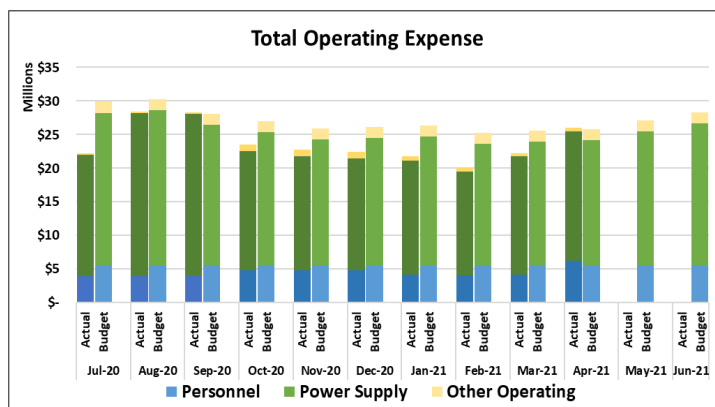
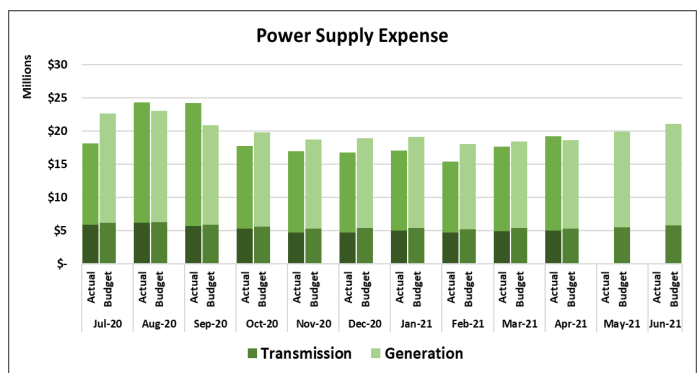
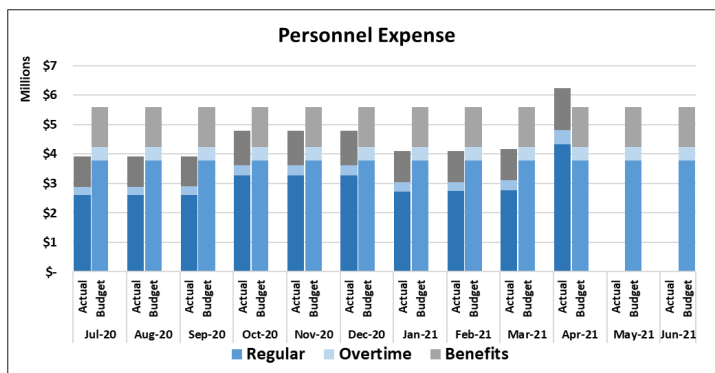
Due to the COVID-19 pandemic and the Governor's declaration of State of Emergency on March 4, 2020 and Stay at Home Order issued on March 19, 2020, RPU recognizes that there will be impacts to the financial results of the Electric Utility, which staff will continue to monitor. On January 5, 2021, the City Council delayed the implementation of the third year of the Electric Rate Plan through March 31, 2021, which is approximately one year from the date the City declared the state of emergency. On March 23, 2021, with the City still under a declared state of emergency, the City Council delayed the third year of the Electric Rate Plan with direction to the Board of Public Utilities to review the third year of the rate plan and make recommendations back to City Council. On April 19th, the Board of Public Utilities recommended that City Council delay the implementation of the third year of the Electric Rate Plan to no later than July 1, 2021. The Board's recommendation is anticipated to be presented to City Council for consideration on June 15, 2021. The fiscal impact of the delay to the third year of the Electric Rate Plan from the previously approved implementation date of January 1, 2021, to June 30, 2021, is an estimated \$4.4M reduction to revenues.

REVENUES



Year-to-date retail sales of \$271.4M are \$7M (2.5%) lower than budget due to lower than anticipated consumption and the delay in the rate increase. Current year actual retail sales are \$11.5M (4.4%) higher than prior year, due to an increase in consumption as a result of warmer temperatures compared to the prior year and rate plan increases. Retail kWh sales reflect 3.4% lower than budget due to lower than anticipated consumption and 0.8% higher than prior year due to an increase in consumption.

OPERATING EXPENDITURES



Personnel Expense: Year-to-date personnel costs of \$44.7M are \$11.2M (20.1%) lower than budget due to various vacancies and attrition.

Power Supply Expense: Year-to-date power supply costs of \$187.3M are \$10.7M (5.4%) lower than budget due to lower than anticipated costs related to capacity projects and RPU's firm transmission service contracts.

Other Operating Expense: Year-to-date other operating expenses of \$5.8M are \$10.7M (64.9%) below budget due to timing of expenses and savings in other general operating expenses.

CAPITAL IMPROVEMENT PROGRAM

CAPITAL/EQUIPMENT FUNDING (In Millions)	Apr-21	Apr-20
Capital Contributions	\$ 2.3	\$ 3.3
Bond Proceeds	20.3	15.9
Rates/Reserves	9.5	9.6
TOTAL	\$ 32.1	\$ 28.8

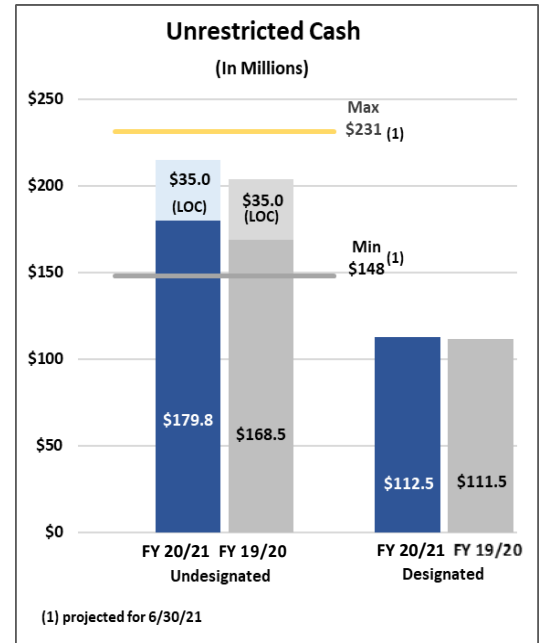
Current year capital expenses (projects and equipment) of \$32.1M are higher than prior year by \$3.3M reflecting an increase of \$4.4M in bond proceeds, offset by decreases of \$1M in capital contributions and \$0.1M in rates and reserve funding. Ongoing work in significant capital projects to date includes recurring and substation 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 \$179.8M is \$11.3M 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 4/30/21.

COMPONENTS OF CASH (In Millions)	4/30/2021	4/30/2020
Unrestricted Undesignated	\$ 179.8	\$ 168.5
Designated		
Electric Reliability	\$ 83.2	\$ 85.1
Additional Decommissioning Liability	13.6	11.4
Customer Deposits	4.7	4.6
Capital Repair/Replacement	5.6	6.0
Mission Square Improvement	1.8	1.5
Dark Fiber	3.6	2.9
Total Designated	\$ 112.5	\$ 111.5
Legally Restricted *	\$ 130.9	\$ 159.3
Available Line of Credit (LOC)	\$ 35.0	\$ 35.0

* Includes \$12.4M of Bond Construction Cash at 4/30/2021.



RPU FINANCIAL RESULTS

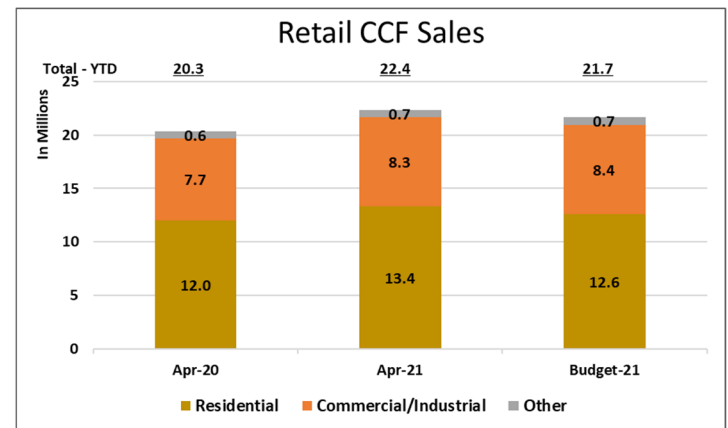
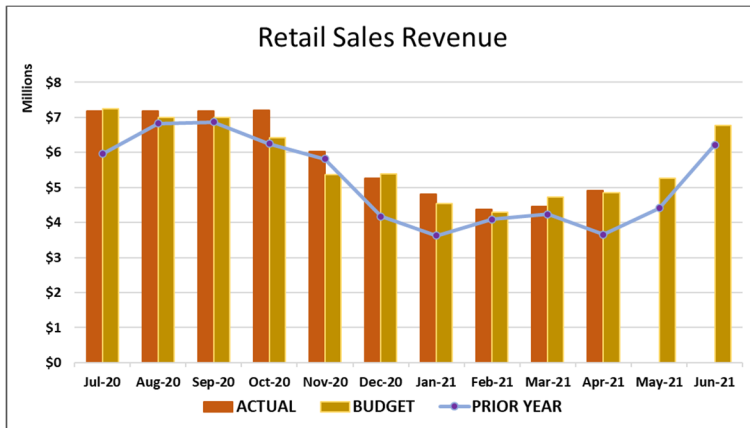
Unaudited FY 2020/21 through April 30, 2021

WATER

COVID-19 IMPACTS

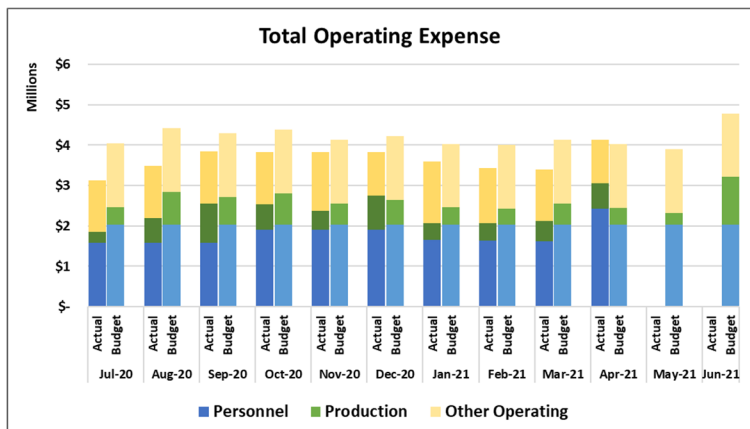
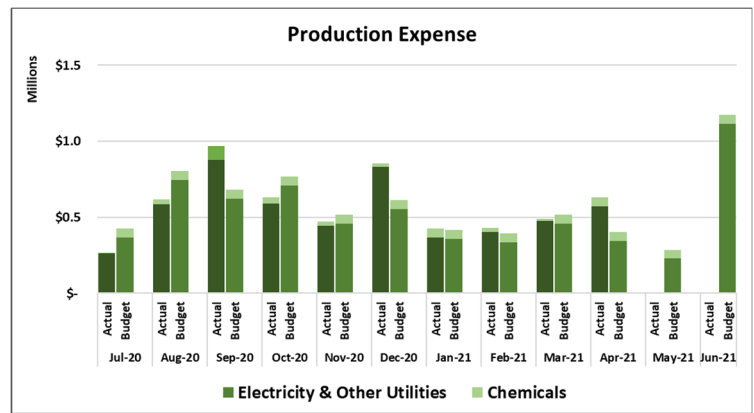
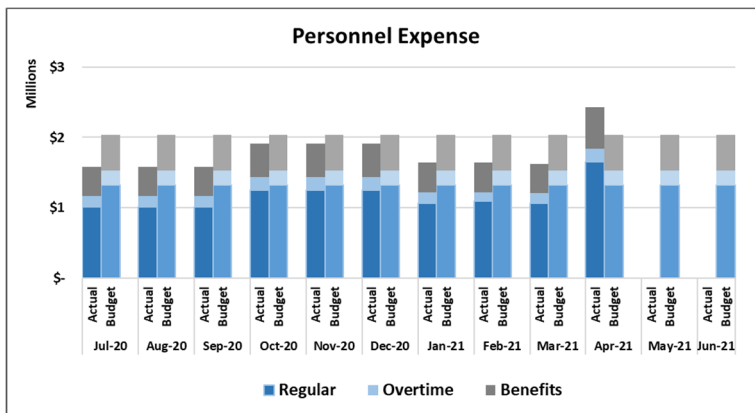
Due to the COVID-19 pandemic and the Governor's declaration of State of Emergency on March 4, 2020 and Stay at Home Order issued on March 19, 2020, RPU recognizes that there will be impacts to the financial results of the Water Utility, of which staff will continue to monitor.

REVENUES



Year-to-date retail sales of \$58.6M are \$1.8M (3.2%) higher than budget due to the higher than projected consumption. Current year retail sales are \$7.1M (13.8%) higher than prior year due to higher consumption compared to prior year and rate plan increases. Year-to-date retail CCF sales are 3.1% higher than budget and 9.8% 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 alongside the higher than projected temperatures, has led to an increase in water usage.

OPERATING EXPENDITURES



Personnel Expense: Year-to-date personnel costs of \$17.8M are \$2.6M (12.6%) below budget due to various vacancies and attrition.

Production Expense: Year-to-date production costs of \$5.8M are \$0.2M (4.3%) higher than budget primarily due to higher than anticipated electric costs for water production.

Other Operating Expense: Other operating expenses of \$12.9M are \$2.9M (18.2%) below budget primarily due to timing of expenditures and savings in other general operating expenses.

CAPITAL FUNDING

CAPITAL/EQUIPMENT FUNDING (In Millions)	Apr-21	Apr-20
Capital Contributions	\$ 1.7	\$ 2.2
Bond Proceeds	5.1	7.9
Rates/Reserves	4.3	4.0
TOTAL	\$ 11.1	\$ 14.1

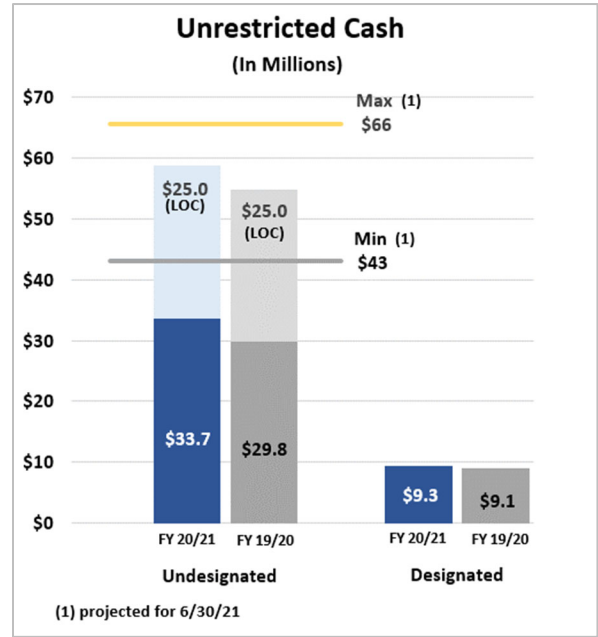
Current year capital expenses (projects and equipment) of \$11.1M are lower than prior year by \$3M, reflecting decreases of \$2.8M in bond proceeds and \$0.5M in capital contributions, offset by an increase of \$0.3M in rates and reserve funding. Ongoing work in significant capital projects to date is in distribution pipelines.

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 \$33.7M is \$3.9M higher than prior year primarily due to positive operating results. Water Fund's unrestricted, undesignated reserve balance combined with the line of credit (LOC) is in compliance with RPU Cash Reserve Policy at 4/30/2021, which is above target minimum and is consistent with projections provided during the current budget and rate plan proposal processes.

COMPONENTS OF CASH (In Millions)	4/30/2021	4/30/2020
Unrestricted Undesignated	\$ 33.7	\$ 29.8
Designated		
Property	\$ 5.2	\$ 5.1
Recycled Water	1.1	1.1
Customer Deposits	0.7	0.6
Capital Repair/Replacement	2.3	2.3
Total Designated	\$ 9.3	\$ 9.1
Legally Restricted *	\$ 31.2	\$ 40.4
Available Line of Credit (LOC)	\$ 25.0	\$ 25.0

* Includes \$23.5M of Bond Construction Cash at 4/30/2021.



Accounts Receivable & Delinquencies

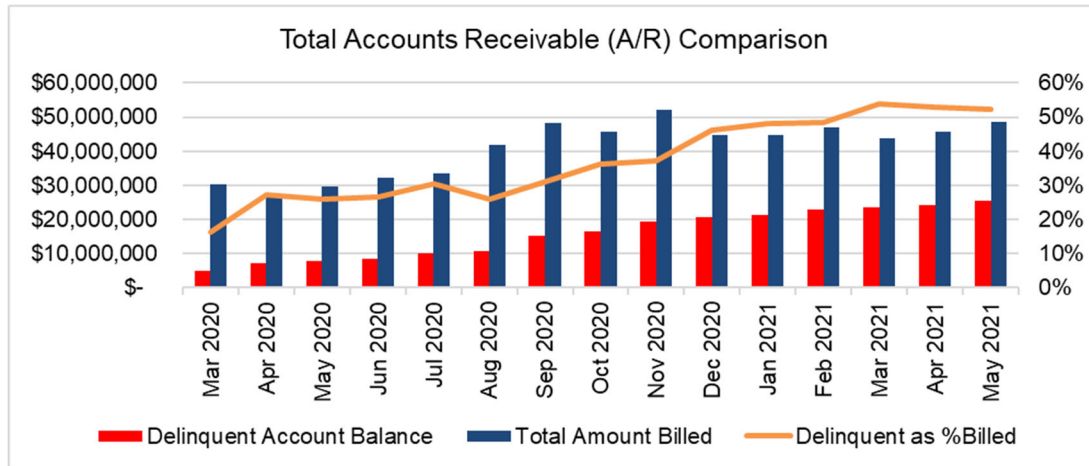
As of May 31, 2021

COVID-19 IMPACTS

Since the COVID-19 Local Emergency Declaration, the City has experienced significant increases in utility customer accounts receivable. This includes increases in delinquent account balances and the number of utility accounts that have become delinquent.

Accounts Receivable

The charts below include account information through May 31, 2021. Accounts receivable for all services including electric, water, sewer, and refuse have increased by 61% or \$18.4 million from \$30.3 million in March 2020 to \$48.7 on May 31, 2021. During the same period, delinquent accounts receivable has increased 419% or \$20.6 million from \$4.9 million in March 2020 to \$25.5 million on May 31, 2021.



- Notes: 1. Delinquent Account Balance includes active & inactive accounts.
2. Updated through May 31, 2021 for electric, water, sewer, and refuse.

Delinquencies

The charts demonstrate the number of active customers and the average total unpaid utility account balance based on the oldest unpaid utility bill.



Note: Updated through May 31, 2021 for electric, water, sewer, and refuse.