

Arkansas River Power Authority
First Quarter Balance Sheet Comparison
As of March 31, 2018

| | <u>Mar 31, 18</u> | <u>Mar 31, 17</u> | <u>\$ Change</u> |
|-----------------------------------|-----------------------------|-----------------------------|----------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Checking/Savings | | | |
| Cash & Cash Equivalents | 7,372,932.09 | 5,053,723.02 | 2,319,209.07 |
| Restricted Funds | 17,833,509.45 | 17,822,301.36 | 11,208.09 |
| Total Checking/Savings | <u>25,206,441.54</u> | <u>22,876,024.38</u> | <u>2,330,417.16</u> |
| Accounts Receivable | | | |
| Accounts Receivable | 2,160,917.79 | 2,196,729.94 | (35,812.15) |
| Misc. A/R | 0.00 | 0.00 | 0.00 |
| Total Accounts Receivable | <u>2,160,917.79</u> | <u>2,196,729.94</u> | <u>(35,812.15)</u> |
| Other Current Assets | | | |
| Prepaid Expenses | 5,043.76 | 5,392.11 | (348.35) |
| Total Other Current Assets | <u>5,043.76</u> | <u>5,392.11</u> | <u>(348.35)</u> |
| Total Current Assets | 27,372,403.09 | 25,078,146.43 | 2,294,256.66 |
| Fixed Assets | | | |
| Fixed Assets, Office | 1,021,116.66 | 1,003,674.66 | 17,442.00 |
| Fixed Assets, Plant | 7,636,257.02 | 7,636,257.02 | 0.00 |
| Fixed Assets, Total Accum Depre | (3,984,235.59) | (3,740,114.27) | (244,121.32) |
| Projects in Process | 0.00 | 0.00 | 0.00 |
| Total Fixed Assets | <u>4,673,138.09</u> | <u>4,899,817.41</u> | <u>(226,679.32)</u> |
| TOTAL ASSETS | <u><u>32,045,541.18</u></u> | <u><u>29,977,963.84</u></u> | <u><u>2,067,577.34</u></u> |

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| | <u>Mar 31, 18</u> | <u>Mar 31, 17</u> | <u>\$ Change</u> |
|--|-----------------------------|-----------------------------|----------------------------|
| LIABILITIES & EQUITY | | | |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts Payable | | | |
| Monthly Accounts Payable | 1,277,670.34 | 1,155,373.83 | 122,296.51 |
| Total Accounts Payable | <u>1,277,670.34</u> | <u>1,155,373.83</u> | <u>122,296.51</u> |
| Other Current Liabilities | | | |
| Accrued O & M Costs | 102,402.59 | 126,644.16 | (24,241.57) |
| Accrued Vacation & Sick | 53,637.57 | 49,460.87 | 4,176.70 |
| Bond Interest | 3,917,491.40 | 3,977,177.40 | (59,686.00) |
| Bond Principal - S/T debt | 1,870,001.00 | 1,656,250.00 | 213,751.00 |
| Bonds, Accrued Bond Principal | 2,534,998.00 | 2,297,500.00 | 237,498.00 |
| Payroll Liabilities | 6,894.98 | 6,735.08 | 159.90 |
| Performance Payable | 500,000.00 | 0.00 | 500,000.00 |
| Premium Paid on Bonds | 5,760,889.15 | 6,015,746.83 | (254,857.68) |
| Retainage Payable | 573,845.49 | 573,845.49 | |
| Settlement Payable, current | 89,932.67 | 0.00 | 89,932.67 |
| Total Other Current Liabilities | <u>15,410,092.85</u> | <u>14,703,359.83</u> | <u>706,733.02</u> |
| Total Current Liabilities | 16,687,763.19 | 15,858,733.66 | 829,029.53 |
| Long Term Liabilities | | | |
| 2003 Bond Issue-L/T Debt | 1,072,500.01 | 1,128,750.01 | (56,250.00) |
| 2006 Bond Issue-L/T Debt | 72,825,000.00 | 74,909,250.00 | (2,084,250.00) |
| 2007 Bond Issue-L/T Debt | 28,575,000.00 | 28,575,000.00 | 0.00 |
| 2008 Bond Issue-L/T Debt | 21,045,000.00 | 21,306,250.00 | (261,250.00) |
| 2010 Bond Issue-L/T Debt | 15,387,501.00 | 15,480,000.00 | (92,499.00) |
| L/T Settlement Payable - Lamar | 7,892,839.79 | 0.00 | 7,892,839.79 |
| Total Long Term Liabilities | <u>146,797,840.80</u> | <u>141,399,250.01</u> | <u>5,398,590.79</u> |
| Total Liabilities | <u>163,485,603.99</u> | <u>157,257,983.67</u> | <u>6,227,620.32</u> |
| Equity | | | |
| Investment in Fixed Assets | (128,668,177.50) | (133,795,853.00) | 5,127,675.50 |
| Member Contributions | 1,070,000.00 | 1,070,000.00 | 0.00 |
| Net Position, Beginning of Year | (4,382,409.40) | 5,430,119.08 | (9,812,528.48) |
| YTD Net Revenue/ (Loss) | 540,524.09 | 15,714.09 | 524,810.00 |
| Net Position | <u>(131,440,062.81)</u> | <u>(127,280,019.83)</u> | <u>(4,160,042.98)</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>32,045,541.18</u></u> | <u><u>29,977,963.84</u></u> | <u><u>2,067,577.34</u></u> |

**Arkansas River Power Authority
Income Statement Comparison
First Quarter 2018**

| | <u>Jan - Mar 18</u> | <u>Jan - Mar 17</u> | <u>\$ Change</u> | <u>% Change</u> |
|---------------------------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| Amort of Bond Premiums | 64,107.63 | 64,107.63 | 0.00 | 0.0% |
| Interest Income | 31,811.59 | 22,299.57 | 9,512.02 | 42.66% |
| LRP Misc. Income | 0.00 | 0.00 | 0.00 | 0.0% |
| Miscellaneous Income | 0.00 | 196.00 | -196.00 | -100.0% |
| Power Sales | 6,695,966.33 | 6,620,288.02 | 75,678.31 | 1.14% |
| Total Income | <u>6,791,885.55</u> | <u>6,706,891.22</u> | <u>84,994.33</u> | <u>1.27%</u> |
| Cost of Goods Sold | | | | |
| 1 Lamar Repowering Project | 118,849.01 | 131,084.35 | -12,235.34 | -9.33% |
| 3 O & M Expense | 0.00 | 332.90 | -332.90 | -100.0% |
| 4 Members Fuel Expense | 2,111.85 | 11,075.86 | -8,964.01 | -80.93% |
| 5 WAPA/Loveland | 510,190.63 | 593,821.39 | -83,630.76 | -14.08% |
| 6 WAPA/Salt Lake | 63,979.71 | 63,752.76 | 226.95 | 0.36% |
| 7 ARPA Wind | 21,069.26 | 21,213.43 | -144.17 | -0.68% |
| 8 Lamar Wind | 162,205.49 | 162,002.48 | 203.01 | 0.13% |
| 9 Purchase Power | 2,349,907.77 | 2,208,219.93 | 141,687.84 | 6.42% |
| 9.3 Transmission Expense | 691,718.26 | 659,310.12 | 32,408.14 | 4.92% |
| Total COGS | <u>3,920,031.98</u> | <u>3,850,813.22</u> | <u>69,218.76</u> | <u>1.8%</u> |
| Gross Profit | <u>2,871,853.57</u> | <u>2,856,078.00</u> | <u>15,775.57</u> | <u>0.55%</u> |
| Expense | | | | |
| Discount Expense | 393.21 | 393.21 | 0.00 | 0.0% |
| Employee Expenses | 94,295.98 | 93,706.56 | 589.42 | 0.63% |
| Insurance Expense | 7,703.63 | 10,233.95 | -2,530.32 | -24.73% |
| Interest Expense - Bonds | 1,958,733.00 | 1,989,062.72 | -30,329.72 | -1.53% |
| Lamar Settlement Interest Exp | 58,152.68 | 0.00 | 58,152.68 | 100.0% |
| Lease Exp - LRP City Land | 1,000.00 | 2,817.06 | -1,817.06 | -64.5% |
| Lease Exp - Willow Creek Line | 2,419.05 | 2,348.59 | 70.46 | 3.0% |
| Members Services | 2,688.31 | 519.62 | 2,168.69 | 417.36% |
| Misc. Dues & General Expense | 8,845.69 | 9,983.40 | -1,137.71 | -11.4% |
| Office Expenses | 5,013.18 | 4,524.91 | 488.27 | 10.79% |
| Professional & Outside Services | 119,593.34 | 654,047.00 | -534,453.66 | -81.72% |
| LRP Engineer and Contractor | 0.00 | 0.00 | 0.00 | 0.0% |
| Safety Program | 0.00 | 0.00 | 0.00 | 0.0% |
| Travel Expense | 5,915.08 | 6,150.56 | -235.48 | -3.83% |
| Total A & G Expense | <u>2,264,753.15</u> | <u>2,773,787.58</u> | <u>-509,034.43</u> | <u>-18.35%</u> |
| Net Ordinary Income | <u>607,100.42</u> | <u>82,290.42</u> | <u>524,810.00</u> | <u>637.75%</u> |
| Net Income Before Depreciation | <u>607,100.42</u> | <u>82,290.42</u> | <u>524,810.00</u> | <u>637.75%</u> |
| Depreciation Expense | 66,576.33 | 66,576.33 | 0.00 | 0.0% |
| Net Income After Depreciation | <u>540,524.09</u> | <u>15,714.09</u> | <u>524,810.00</u> | <u>3,339.74%</u> |
| Debt Service Adder | 639,012.37 | 638,977.18 | 35.19 | 0.01% |
| 1 Return of Reserves | 639,012.37 | 638,977.18 | 35.19 | 0.01% |
| Net Income | <u>540,524.09</u> | <u>15,714.09</u> | <u>524,810.00</u> | <u>3,339.74%</u> |