

Arkansas River Power Authority 2020 Budget Adopted December 5, 2019

> P O Box 70 3409 South Main Lamar, CO 81052

The governing body of the Arkansas River Power Authority (ARPA) is a Board of Directors in which all legislative power of the Authority is vested. Each Municipality appoints 2 representatives to the ARPA Board of Directors.

The ARPA Board of Directors is as follows:

Holly: Calvin Melcher David Willhite

La Junta: Gary Cranson P. Lorenz Sutherland

Lamar: Houssin Hourieh Roger Stagner

Las Animas: Ron Clodfelter Rick Stwalley

Springfield: vacant

Trinidad: Carlos Lopez Mike Valentine

ARPA Staff: Rick Rigel, General Manager Arvenia Morris, Office Manager Aarin Ritter, Manager of Finance and Accounting



Rick Rigel, General Manager
P O Box 70
Lamar, Colorado 81052
Phone: (719) 336-3496
Fax: (719) 336-5966
E-mail: rrigel@arpapower.org

Budget Message for 2020

The Arkansas River Power Authority ("ARPA" or the "Authority") is a political subdivision of the State of Colorado established by its municipal members in 1979 under provisions of an intergovernmental cooperation statute, CRS section 29-1-204. The Authority's primary purpose is to supply the wholesale electric power and energy requirements of its Member Municipalities - Holly, La Junta, Lamar, Las Animas, Trinidad and Springfield, Colorado.

The Authority carries out its mission by obtaining wholesale power supply from a variety of sources and delivering it to the ARPA Member Municipalities who in turn provide retail electric service to their consumers. The Authority's wholesale power sources include purchases of federal hydropower from the Western Area Power Administration ("WAPA"), energy generated from 5 wind turbines owned by ARPA and the Lamar Utilities Board, and purchases via a long-term purchase power agreement with the Public Service Company of Colorado ("PSCo"). ARPA and its members also own a small amount of natural gas and diesel generation. This generation is operated for emergency backup only.

The Authority obtains operating revenue through a wholesale rate that is applied to its sale of electric power to the ARPA members. The wholesale power rate recovers the Authority's cost of obtaining and delivering wholesale power while maintaining the debt service coverage ratio as defined in the bond covenants, and payment of the principal and interest on outstanding bonds. ARPA uses the accrual basis in its financial accounting.

The Authority has implemented a straight line method of depreciation for its assets.

The Authority's primary source for power supply in 2020 will be purchased from PSCo. It is projected that PSCo will provide approximately 64% of the power required by the ARPA members. The PSCo contract goes through January of 2025.

WAPA provides approximately 28% of the power needs for the Authority through an allocation of federal hydro-power via two long-term contracts. ARPA's contract, through the Loveland Area Projects (LAP), extends through 2054 and the second contract, between WAPA-CRSP (Colorado River Storage Project) and the Lamar Utilities Board, extends through 2057.

The balance of ARPA's power supply needs are provided by wind generation from the Lamar and Springfield wind turbines.

The Authority has two Network Integration Transmission Service agreements for transmission service to its members, one with the Tri-State Generation and Transmission Association and one with the Black Hills Colorado Electric Utility Company. In addition, it has a handful of sub-transmission agreements with a variety of providers for service to its members.

The 2020 Budget will maintain rates at their 2019 level. In 2019, the Authority decreased its energy rate 2%. That lower energy rate will remain in effect for the 2020 budget year. The rate decrease in 2019 followed several years of no rate changes for the Authority. ARPA has managed to keep its rates stable dating back to 2012; however, it was able to lower the energy rate in 2019 and believes that lower rate is sustainable through the foreseeable future.

Budgeted revenues for 2020 include the final settlement payment from Babcock and Wilcox. In 2018, the Authority was awarded damages from a lawsuit it filed against B&W for contract performance guarantees for a boiler manufactured by B&W. The settlement included annual payments from B&W in 2018, 2019, and 2020.

The 2020 budget includes expenditures relative to the ongoing disposition and decommissioning of the Lamar Repowering Project ("LRP") as well. In 2017, the Board entered into a "Sales Agency Agreement" with an equipment broker to sell the plant; however, that effort has not been successful to date. If the plant does not have a firm buyer by the first quarter of 2020, the Authority will begin demolition and removal of certain pieces of equipment located on City of Lamar property.

The Authority's Board of Directors implemented a long-term financial plan in 2018 that includes accruing sufficient funds to retire ARPA's 2010 bond series. The 2010 bonds become eligible for retirement in the 4th quarter of 2020. Retiring the debt will result in a significant savings and may result in a rate decrease in 2021.

The Authority's improved financial position and long-term planning resulted in an upgrade of the Authority's credit rating. In 2018, S&P Global Ratings upgraded the Authority's credit rating to a BBB with a stable outlook. That credit rating was reaffirmed in 2019. In addition, the Authority also received an investment grade credit rating from Fitch in 2018 that was updated and reaffirmed in 2019.

The Authority believes it has positioned itself well going forward and has reason to be optimistic about its ability to bring its long term planning to fruition. The future rate trajectory for the Authority is stable to declining rates over the next few years.

The Authority's Board of Directors and staff continually strive to fulfill the Authority's Mission.

Mission Statement

We are committed to work together to promote the long term economic well-being of our municipal members and their consumers by providing a dependable and competitively priced supply of wholesale electric power in an environmentally sound manner.

Respectfully submitted,

Chechard Rigel
Richard Rigel

General Manager

	kansas River Pov densed Operating	-		
	2018 Actual	2019 Budget	2019 Projected YE	2020 Budget
	(\$)	(\$)	(\$)	(\$)
Total Revenues	47,734,852	33,182,684	32,105,567	31,045,620
Operating Expenses				
Power Supply	13,607,177	14,283,938	14,003,410	14,381,818
Transmission	3,018,944	3,258,000	3,233,738	3,345,370
Administrative & General	5,259,035	1,686,656	1,006,606	1,862,866
Total Operating Expenses	21,885,156	19,228,594	18,243,754	19,590,054
Net Operating Income	25,849,696	13,954,090	13,861,812	11,455,567
Interest Expenses	7,955,205	6,665,763	6,665,763	6,553,425
Depreciation/Amortization	266,305	268,426	257,855	268,711
Total	8,221,510	6,934,189	6,923,618	6,822,136
Net Income	17,628,186	7,019,901	6,938,194	4,633,431
Non Operating Expenses				
Return of Reserves	(2,280,864)	(2,237,855)	(2,380,622)	(2,383,668
Depreciation/Amortization	266,305	268,426	257,855	268,711
Amortization Income	(3,421,314)	(455,822)	(455,821)	(455,822
City of Lamar Settlement	(119,280)	(124,450)	(124,450)	(129,843
B & W Settlement Misc. A/R	(4,500,000)	-	2,500,000	2,000,000
Principal Payments	(2,870,992)	(2,867,502)	(2,867,502)	(2,981,247)
Capital Purchases/ Contingency	(7,227)	(300,000)	(21,064)	(565,000)
Total Non Operating Expenses	(12,933,373)	(5,717,203)	(3,091,604)	(4,246,869)
Net Cash from Operations	4,694,813	1,302,698	3,846,590	386,561

Power Supply Costs LLP- LRP O & M Expenses Fuel (Non-LRP) WAPA LAP WAPA CRSP	2018 Actual (\$) 404,193 27,765 3,431 2,497,620 235,344	2019 Budget (\$) 1,080,000 13,500 14,400	2020 Budget 2019 Projected YE (\$) 426,782	2020 Budget (\$)	Difference From Projected (\$)	% of Difference
LLP- LRP O & M Expenses Fuel (Non-LRP) WAPA LAP	404,193 27,765 3,431 2,497,620 235,344	\$\text{1,080,000} \\ \tag{13,500}	(\$) 426,782	Budget	From Projected	Differenc
LLP- LRP O & M Expenses Fuel (Non-LRP) WAPA LAP	404,193 27,765 3,431 2,497,620 235,344	\$\text{1,080,000} \\ \tag{13,500}	(\$) 426,782	Budget	From Projected	Difference
LLP- LRP O & M Expenses Fuel (Non-LRP) WAPA LAP	(\$) 404,193 27,765 3,431 2,497,620 235,344	1,080,000 13,500	(\$)	Budget	From Projected	Difference
LLP- LRP O & M Expenses Fuel (Non-LRP) WAPA LAP	404,193 27,765 3,431 2,497,620 235,344	1,080,000 13,500	426,782			
LLP- LRP O & M Expenses Fuel (Non-LRP) WAPA LAP	27,765 3,431 2,497,620 235,344	13,500				
LLP- LRP O & M Expenses Fuel (Non-LRP) WAPA LAP	27,765 3,431 2,497,620 235,344	13,500				
O & M Expenses Fuel (Non-LRP) WAPA LAP	27,765 3,431 2,497,620 235,344	13,500				
Fuel (Non-LRP) WAPA LAP	3,431 2,497,620 235,344			900,000	473,218	110.
WAPA LAP	2,497,620 235,344	14,400	5,041	13,500	8,459	167.
	235,344	2,424,229	8,794 2,420,138	14,400 2,424,229	5,606 4,091	63.
		236,288	236,332	236,288	(44)	0.
ARPA Wind	85,044	85,114	84,690	85,114	424	0.
Lamar Wind	642,101	641,187	648,674	641,187	(7,487)	-1.
Purchased Power	9,711,681	9,789,220	10,172,958	10,067,100	(105,858)	-1.
Scheduling Service	-	-	-	-	-	0.
Spinning Reserve	-		-	-		0.
Total Power Supply Costs	13,607,177	14,283,938	14,003,410	14,381,818	378,409	2.
Fransmission Costs						
Tri-State G & T	2,171,791	2,346,794	2,438,474	2,389,217	(49,257)	-2.
SECPA	26,082	35,103	29,983	35,103	5,120	17.
San Isabel	246,699	248,394	244,912	248,394	3,482	1.
Lamar Light & Power	39,072	40,257	41,043	41,355	312	0.
Black Hills OATT Transmission	162,628	202,560	165,470	246,399	80,930	48.
Ancillary Services- Xcel	67,226 305,446	82,650	35,613	82,650	47,037	132.
Anemaly Scivices- Acei	303,440	302,241	278,244	302,251	24,008	8.
Total Transmission Costs	3,018,944	3,258,000	3,233,738	3,345,370	111,631	3.:
dministrative & General Expenses						
Bond Issue Expense	4,201,664		-	-	-	-100.0
Dues & Subscription	39,715	35,880	30,749	35,880	5,131	16.7
Employee Expenses	358,322	401,479	366,588	427,230	60,643	16.5
Insurance Expenses City of Lamar Settlement	36,324	38,068	40,511	44,932	4,421	10.9
Lease Exp - LRP City Land	230,720 1,000	225,550 1,000	225,550	214,530	(11,020)	-4.9
Lease Exp - Willow Creek	2,419	2,492	1,000 2,492	1,000	- 75	0.0
Members Services	9,820	8,800	13,807	2,566 8,800	(5,007)	-36.3
Office Expenses	19,460	21,687	22,852	21,687	(1,165)	-50.2
Professional & Outside Svcs	339,765	663,500	234,312	566,000	331,688	141.0
LRP Engineer and Contractor	-	250,000	39,536	500,000	460,464	1164.3
Safety Program	-	13,200	6,062	15,240	9,178	151.4
Travel, Meals & lodging	19,826	25,000	23,147	25,000	1,853	8.0
Total A & G Expenses	5,259,035	1,686,656	1,006,606	1,862,866	856,260	85.1
Total Operating Expenses	21,885,156	19,228,594	18,243,754	19,590,054	1,346,299	7.4
terest Expenses	7,244,007	6,665,763	6,665,763	6,553,425	(112 220)	1.7
epreciation/Amortization	266,305	268,426	257,855	268,711	(112,338) 10,856	-1.7 4.2
Total Expenses	29,395,468	26,162,783	25,167,372	26,412,190	1,244,817	4.9
					1,211,011	
pital Outlays Willow Creek T-Line						
Misc. Capital Exp.	7 227	165,000	21.064	165,000	142.026	0.0
LRP Contingency	7,227	165,000 250,000	21,064	165,000 400,000	143,936 400,000	683.3 100.0
Total Capital Outlays	7,227	415,000	21,064	565,000	543,936	2582.3
Total Expenses (Incl. Capital)	29,402,695	26,577,783	25,188,436	26,977,190	1,788,754	7.19

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				ALK	Arkansas Kiver rower Authority	er Fower	Authorit	y							
					2020 B	2020 Budget Recap	ap								
	Jan	Feb	Mar	Anr	May	June	T.		5				2020	2019	2019
	(S)	(\$)	(S)	(\$)	(8)	(S)	(S)	(S)	de (S)	(S)	Nov.	Dec	Budget	Projected	Budget
Power Sunny Costs									()			(6)	(6)	(6)	(8)
LLP- LRP	000 05	20 000	000 05	00000	000 03	000									
O & M Expenses	1.125	1175	1126	000,000	000,00	20,000	100,000	100,000	100,000	100,000	100,000	100,000	000,000	426,782	1,080,000
Fuel (Non-LRP)	0021	0021	00001	1,125	1,700	1,125	1,125	1,125	1,125	1,125	1,125	1,125	13,500	5,041	13,500
WAPA LAP	180.811	162 031	168 456	715 933	1,200	007,1	1,200	1,200	1,200	1,200	1,200	1,200	14,400	8,794	14,400
WAPA CRSP	21.927	20 772	21 236	16716	12 104	236,132	265,903	236,132	204,330	175,375	175,375	183,282	2,424,229	2,420,138	2,424,229
ARPA Wind	7.359	7 090 2	7.060	7,060	17,104	18,152	19,360	18,701	17,383	21,107	21,488	22,342	236,288	236,332	236.288
Lamar Wind	54,044	54.138	52 316	\$4.009	53.440	600,7	690,7	7,069	7,069	7,069	690'L	7,069	85,114	84,690	85,114
Purchased Power	833,488	787.877	830.041	658.763	721.250	20,181	1 000 113	53,314	52,066	52,532	53,401	53,478	641,187	648,674	641,187
Scheduling Service			110,000	502,000	607,171	671,60%	1,00/,112	1,039,473	917,490	752,730	761,865	852,377	10,067,100	10,172,958	9,789,220
Spinning Reserve															
												,			
Total Power Supply Costs	1,149,954	1,084,212	1,131,443	1,004,235	1,071,775	1,274,984	1,454,008	1,457,014	1.300.663	1.111.138	1 121 523	1 220 873	14 201 010	14 000 410	000 000 1
Transmission Costs												0.000	010,100,11	014,000,41	14,283,938
Tri-State G & T	205 551	306 566	079 700												
SECPA	2 050	2 620	905,002	203,051	200,383	200,949	200,248	200,248	200,248	188,468	188,468	188,468	2,389,217	2,438,474	2 346 794
San Isabel	73.074	2,039	2,020	2,458	2,731	3,286	4,014	3,167	3,053	2,490	2,693	2,994	35,103	29,983	35 103
Lamar Light & Power	7766	0/5,02	20,941	19,305	19,093	19,853	21,805	20,844	19,427	19,113	21,211	23,358	248,394	244,912	248.394
Black Hills	17 467	16.227	16 036	14 643	3,027	3,176	5,638	5,176	4,550	2,606	2,310	2,310	41,355	41,043	40,257
OATT	6.888	6 888	06,01	74041	15,988	25,363	27,781	32,404	24,619	15,524	17,606	18,841	246,399	165,470	202,560
Ancillary Services- Xcel	21,949	21,297	17.906	20.195	0,000	33 201	23 060	0,888	888.9	6,888	6,888	6,888	82,650	35,613	82,650
				20162	07677	107.00	406,55	1/0,67	30.679	20,604	21,919	22,944	302,251	278,244	302,241
Total Transmission Costs	280,157	276,263	274,439	269,375	279,630	294,715	300,342	298,397	289,464	255,693	261,094	265,803	3,345,370	3,233,738	3,258,000
Administrative & General Expenses	es														
Bond Issue Expense															
Dues & Subscription	8,283	341	284	14,341	831	435	2 401	465	1 765	2000			1		
Employee Expenses	35,562	35,562	35,562	35,562	35,562	35,562	35.562	295 58	35 562	25,002	4,2/4	36 903	35,880	30,749	35,880
Insurance Expenses	3,744	3,744	3,744	3,744	3,744	3,744	3,744	3.744	3 744	3,202	3,000	33,802	427,230	366,588	401,479
City of Lamar Settlement	18,096	18,057	18,017	17,978	17,938	17,898	17,858	17.818	17.778	17.738	17 607	17 657	44,932	40,511	38,068
Lease Exp - LRP City Land	1,000	,		,		E.				200,000	160,11	100,11	1,000	000,1	225,550
Manham Smine	2,566		t				,			1			000,1	2,000	2,400
Office Evanges	1,807	1,400	400	400	400	400	400	400	1,400	1,400	400	400	8 800	13 807	2,44,2
Professional & Outside Svcs	56 167	1,807	1,807	37,662	1,807	1,807	1,807	1,808	1,807	1,807	1,807	1,808	21,687	22,852	21.687
LRP Engineer and Contractor	101,00	101,10	100,001	100,000	48,667	55,167	45,167	37,667	42,667	42,667	37,667	37,663	566,000	234.312	663.500
Safety Program			000,001	100,000	100,000	100,000	100,000			1			200,000	39,536	250,000
Travel, Meals & lodging	2,083	2,083	2.084	2.083	2 083	2 084	2 003	- 000	1000	15,240			15,240	6,062	13,200
					2001	100.1	500,4	2,003	7,084	2,083	2,083	2,084	25,000	23,147	25,000
Total A & G Expenses	130,709	150,161	199,566	213,583	211,033	217,098	209,113	99,548	106,808	122,246	103,478	99,523	1,862,866	1,006,606	1,686,656
Total Operating Expenses	1,560,819	1.510.635	1 605 447	1 487 103	1 562 437	1 705 707	1000 400								
			T. Sonot	661,101,1	1000,437	1,780,797	1,903,402	1,854,958	1,696,934	1,489,077	1,486,095	1,586,199	19,590,054	18,243,754	19,228,594
Interest Expenses	548,641	548,641	548,641	548,641	548,641	548,641	548,641	548,641	548,641	538,552	538.552	538 552	6 553 475	6 665 763	676 377 3
Depreciation Autoritzation	22,393	22,393	22,393	22,393	22,393	22,393	22,393	22,393	22,393	22,393	22,391	22,390	268,711	257.855	268 426
				1											07.004
Total Expenses	2,131,853	2,081,669	2,176,481	2,058,227	2.133,471	2,357,831	2.534.496	2 425 992	9 267 068	2 050 023	00000000	17. 67. 6	001 011 00		
							Total Contra	46260424	2,401,706	770,000,7	2,047,038	2,147,141	26,412,190	25,167,372	26,162,783

262,235,990 0.09163 \$24,030,333 Energy Rate Ener				kWh	Rate	Amount (\$)									
262,233,990 0,00000 S9 DSC Adder S9,058,638 Demand Rate S62,233,990 0,00000 S9 DSC Adder S1,058,638 Simb Tansmission S20,233,990 O,00000 S27,489,533 Simb Tansmission S27,489,533 S27,489,533 S27,489,533 S27,489,533 S27,489,533 S27,489,533 S27,489,533 S27,489,533 S27,489,533 S27,489,534 S27,489,534 S27,489,534 S27,489,534 S27,489,534 S27,489,534 S27,489,534 S27,489,534 S27,489,544 S27,499,544	Avg Composite Rate			262,253,990	0.09163		Energy	Rate							
Arkansas River Power Authority S202,283,990 0,00000 S90 DSC Adder				557,129	5.49		Demand	1 Rate							
Arkansa River Power Authority S27,489,535 Scient Transmission S27,489,535 S2															
Arkansa River Power Authority S27,489,533 Reimb Tennsnission Arkansa River Power Authority Revenues for 2020 Budget S27,489,533 Revenues for 2020 Budget S27,772,707 19,298,661 20,137,544 19,069,957 20,340,350 24,883,145 27,320,869 25,365,656 22,174,746 19,8619 198,619				262,253,990	0.00000	80	DSC A	dder							
Arkansas River Power Authority Revenues for 2020 Budget Jan Feb Mar Apr May June July Aug Sep Oct				400,562	1	\$400,562	Reimb Tran	noission							
Arkansas River Power Authority Revenues for 2020 Budget Revenues for 2020 Budget Authority Aug Sep Oct 21,727,070 19,298,661 20,137,544 19,069,957 20,340,350 24,883,145 27,320,869 26,365,656 22,174,746 19,470,036 38, 21,774,31 2,022,886 2,110,817 1,998,913 2,132,075 26,08,251 2,863,773 2,763,648 2,324,357 2,040,849 4						\$27,489,533									
Arkansas River Power Authority Revenues for 2020 Budget Jan Feb Mar Apr May June July Aug Sep Oct 21,727,070 19,298,661 20,137,544 19,069,957 20,340,350 24,883,145 27,320,869 26,365,656 22,174,746 19,470,036 \$ (\$) (\$) (\$) (\$) (\$) (\$) (\$) (\$) \$ 2,277,431 2,022,886 2,110,817 1,998,913 2,132,075 2,608,251 2,863,773 2,143,64 19,470,036 er 198,619 </td <td></td>															
Jan Feb Mar Apr May June July Aug Sep Oct					Ark	ansas Rive	r Power	Authori	ty						
Jan Feb Mar Apr May June July Aug Sep Oct 21,727,070 19,298,661 20,137,544 19,069,957 20,340,350 24,883,145 27,320,869 26,365,656 22,174,746 19,470,036 (\$) (\$) (\$) (\$) (\$) (\$) (\$) (\$) (\$) (\$) \$ 2,277,431 2,022,886 2,110,817 1,998,913 2,132,075 2,608,251 2,863,773 2,763,648 2,324,357 2,040,849 er 198,619 <td></td> <td></td> <td></td> <td></td> <td></td> <td>Revenues f</td> <td>or 2020 B</td> <td>udget</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						Revenues f	or 2020 B	udget							
Jan Feb Mar Apr May June July Aug Sep Oct 21,727,070 19,298,661 20,137,544 19,069,957 20,340,350 24,883,145 27,320,869 26,365,656 22,174,746 19,470,036 (5) (5) (5) (5) (5) (5) (5) (5) (5) (8)<								0							
Jain Feb Mar Apr June June July Aug Sep Oct 21,727,070 19,298,661 20,137,544 19,069,957 20,340,350 24,883,145 27,320,869 26,365,656 22,174,746 19,470,036 \$ (\$) (\$														2020	2019
(5) (5) (5) (5) (5) (5) (5) (7) (8) (8) (8) (1) (1) (2) (2) (3) (2) (2) (3) (4) (5) (5) (6) (7) (7) (8) <td></td> <td>Jan</td> <td>kep</td> <td>Mar</td> <td>Apr</td> <td>May</td> <td>June</td> <td>July</td> <td>Aug</td> <td>Sep</td> <td>Oct</td> <td>Nov</td> <td>Dec</td> <td>Total</td> <td>Budget</td>		Jan	kep	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total	Budget
(\$) (\$) <td>Members</td> <td>21,727,070</td> <td>19,298,661</td> <td>20,137,544</td> <td>19,069,957</td> <td>20,340,350</td> <td>24,883,145</td> <td>27,320,869</td> <td>26,365,656</td> <td>22,174,746</td> <td>19,470,036</td> <td>19,681,149</td> <td>21,784,807</td> <td>262,253,990</td> <td>262,253,990</td>	Members	21,727,070	19,298,661	20,137,544	19,069,957	20,340,350	24,883,145	27,320,869	26,365,656	22,174,746	19,470,036	19,681,149	21,784,807	262,253,990	262,253,990
s 2.277.431 2.022.886 2.110.817 1.998.913 2.132.075 2.608.251 2.863.773 2.763.648 2.324.357 2.040.849 let 198.619 198		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
er 17,603 25,727 26,480 20,556 21,186 22,888 22,888 24,850 23,737 21,603 23,703	Sales to Members	2,277,431	2,022,886	2,110,817	1,998,913	2.132.075	2.608.251	2 863 773	2 763 648	7 324 357	2 040 840	07.0 €30 €	2 202 402	100 100	
let 198,619 198,619 198,619 198,619 198,619 198,619 198,619 198,619 198,619 198,619 198,619 198,619 198,619 198,619 198,719 38,537 31,874 32,197 71,409 36,605 35,911 34,118 26,356 18,043 35,585 oous Income 11 mt Income 37,985 37,985 37,985 37,985 37,985 37,985 oome 2,580,175 2,317,090 2,406,098 2,327,482 2,426,470 2,903,654 3,159,346 3,050,387 2,600,643 2,339,390	Lamar CRSP	27,603	25,727	26,480	20,556	21,186	22.888	24.850	23.779	21 630	26,040,2	2,002,970	2,203,403	27,489,403	27,457,993
38.537 31.874 32.197 71.409 36.605 35.911 34.118 26.356 18.043 35.585 37.985 37	Debt Service Adder	198,619	198,619	619,861	198,619	619'861	198.619	198,619	198 619	198 619	108 701	102 201	100 701	2303,140	296,146
38.537 31.874 32.197 71.409 36.605 35.911 34.118 26.356 18.043 35.885 scous Income	Off-system Sales			1		,		,	1	10,00	100,001	170,/01	170,/01	2,363,008	2,383,316
37,985 3	Interest Income	38,537	31,874	32,197	71,409	36,605	35,911	34,118	26.356	18 043	35 585	30 532	20 353	103.004	0 00
ecous Income Income Income Income Income Income Income 2,380,175 2,317,090 2,406,098 2,327,482 2,426,470 2,903,654 3,159,346 3,050,387 2,600,643 2,339,390	Amortization	37,985	37,985	37,985	37,985	37,985	37,985	37,985	37.985	37.985	37 985	37 085	27.095	450,321	89,407
Income Income 2,580,175 2,317,090 2,406,098 2,327,482 2,426,470 2,903,654 3,159,346 3,050,387 2,600,643 2,339,390	LRP Miscellaneoous Income	1		1	1				,		2000	20,,10	20,700	473,077	455,822
Income 2,580,175 2,317,090 2,406,098 2,327,482 2,426,470 2,903,654 3,159,346 3,050,387 2,600,643 2,339,390	B & W Settlement Income														0
2.580,175 2.317,090 2.406,098 2.327,482 2.426,470 2.903,654 3.159,346 3.050,387 2.600,643 2.339,390	Miscellaneous Income	Ε			1				,						2,500,000
2,380,175 2,317,090 2,406,098 2,327,482 2,426,470 2,903,654 3,159,346 3,050,387 2,600,643 2,339,390															0
	Total Revenues	2,580,175	2,317,090	2,406,098	2,327,482	2,426,470	2,903,654	3,159,346	3,050,387	2,600,643	2,339,390	2,357,086	2,577,799	31.045.620	33 182 684
8.3% 7.5% 7.8% 7.5% 7.8% 9.4% 10.2% 9.8% 8.4% 7.5% 7.6%		8.3%	7.5%	7.8%	7.5%	7.8%	9.4%	10.2%	%8.6	8.4%	7.5%	7.6%	8.3%	100.0%	100.0%

Cash & Cash Equivalents, Unrestricted Cash & Cash Equivalents, Restricted Cotal Cash & Cash Equivalents	Fund 	12/31/2019 16,175,283	2/31/2020		Change
Cash & Cash Equivalents, Restricted	\$	16,175,283	2/31/2020		Change
Cash & Cash Equivalents, Restricted	\$				9
		14 275 724	\$ 16,561,844	\$	386,561
Total Cash & Cash Equivalents		14,375,734	14,796,255		420,521
our cush & cush Equivalents	\$	30,551,017	\$ 31,358,098	\$	807,081
estricted Funds		Projected 12/31/2019	Projected anges in 2020		Projected 12/31/2020
DS Reserrve (LRP Bonds)	\$	11,992,313	-		11,992,31
Surplus DS Reserve (Interest Earned) Bond Payment Fund		2 202 421	420,521		420,52
Capacity Fund		2,383,421	-		2,383,42
Working Capital Fund		-	-		-
Reserve Fund (2003 Bonds) 2010 Project Fund		-	-		-
Fransmission Maintenance	-	-	 	-	
	\$	14,375,734	420,521		14,796,25

RESOLUTION No. 07 -19

WHEREAS, the Arkansas River Power Authority (ARPA) was created and organized as a political subdivision of the State of Colorado: and

WHEREAS, it is necessary that the Board of Directors adopt a budget for the year 2020; and

WHEREAS, following advance published notice in accordance with Colorado law, a hearing was held on the proposed 2020 budget at a regular meeting of the Board of Directors on December 5, 2019, at which meeting a quorum of the Board was present; and

WHEREAS, the Board is now appropriately advised and desires to take action on the proposed budget dated December 5, 2019

BE IT RESOLVED By The Board of Directors of the Arkansas River Power Authority (ARPA) that:

Title (1)

This Resolution shall govern the expenditure of funds by general purpose and amount for the calendar year 2020 commencing January 1 and ending December 31, and may be cited as "ARPA Budget and Appropriation Resolution of 2020".

(2)

The 2020 Budget presented to the Board on December 5, 2019, is hereby approved and there is budgeted and appropriated from revenues, assessments and other funds available to ARPA, the sum of Twenty-six million, four hundred twelve thousand, one hundred ninety (\$26,412,190) dollars or so much thereof as the General Manager shall find necessary or desirable to expend to conduct the activities of ARPA, in accordance with the budget herein adopted and the ARPA Fiscal Resolution as it currently exists or as it may subsequently be amended.

Dated this 5th day of December, 2019.

Arvenia L. Morris

Secretary

Vice President

Board of Directors

Arkansas River Power Authority