

**Arkansas River Power Authority**  
**Third Quarter Balance Sheet Comparison**  
**As of September 30, 2014**

	<u>Sep 30, 14</u>	<u>Sep 30, 13</u>	<u>\$ Change</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
Cash & Cash Equivalents	2,088,642.02	4,622,348.30	(2,533,706.28)
Restricted Funds	19,109,686.41	18,934,711.12	174,975.29
<b>Total Checking/Savings</b>	<u>21,198,328.43</u>	<u>23,557,059.42</u>	<u>(2,358,730.99)</u>
<b>Accounts Receivable</b>			
Accounts Receivable	3,299,678.32	2,265,573.14	1,034,105.18
Misc. A/R	0.00	0.00	0.00
<b>Total Accounts Receivable</b>	<u>3,299,678.32</u>	<u>2,265,573.14</u>	<u>1,034,105.18</u>
<b>Other Current Assets</b>			
Inventories	253,125.98	333,965.08	(80,839.10)
Prepaid Expenses	992,166.22	2,172,310.57	(1,180,144.35)
<b>Total Other Current Assets</b>	<u>1,245,292.20</u>	<u>2,506,275.65</u>	<u>(1,260,983.45)</u>
<b>Total Current Assets</b>	25,743,298.95	28,328,908.21	(2,585,609.26)
<b>Fixed Assets</b>			
Fixed Assets, Office	1,050,759.66	1,040,759.66	10,000.00
Fixed Assets, Plant	173,090,958.33	173,090,958.33	0.00
Fixed Assets, Total Accum Depre	(9,067,502.27)	(8,199,947.15)	(867,555.12)
Projects in Process	2,686,708.87	2,619,178.94	67,529.93
<b>Total Fixed Assets</b>	<u>167,760,924.59</u>	<u>168,550,949.78</u>	<u>(790,025.19)</u>
<b>TOTAL ASSETS</b>	<u><u>193,504,223.54</u></u>	<u><u>196,879,857.99</u></u>	<u><u>(3,375,634.45)</u></u>

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	<u>Sep 30, 14</u>	<u>Sep 30, 13</u>	<u>\$ Change</u>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
Monthly Accounts Payable	1,005,088.70	1,136,774.83	(131,686.13)
<b>Total Accounts Payable</b>	<u>1,005,088.70</u>	<u>1,136,774.83</u>	<u>(131,686.13)</u>
<b>Other Current Liabilities</b>			
Accrued O & M Costs	51,173.17	58,669.41	(7,496.24)
Accrued Vacation & Sick	39,900.86	31,349.74	8,551.12
Bond Interest	4,072,603.22	4,180,532.49	(107,929.27)
Bond Principle - S/T debt	688,266.99	486,260.98	202,006.01
Bonds, Accrued Bond Principle	3,201,736.00	3,254,990.00	(53,254.00)
Overhaul Reserve	400,000.00	400,000.00	0.00
Payroll Liabilities	6,257.05	6,244.84	12.21
Premium Paid on Bonds	6,652,891.03	6,907,748.71	(254,857.68)
Retainage Payable	573,845.49	573,845.49	0.00
<b>Total Other Current Liabilities</b>	<u>15,686,673.81</u>	<u>15,899,641.66</u>	<u>(212,967.85)</u>
<b>Total Current Liabilities</b>	16,691,762.51	17,036,416.49	(344,653.98)
<b>Long Term Liabilities</b>			
2003 Bond Issue-L/T Debt	1,695,000.01	1,872,500.01	(177,500.00)
2006 Bond Issue-L/T Debt	79,175,000.00	80,550,000.00	(1,375,000.00)
2007 Bond Issue-L/T Debt	28,575,000.00	28,575,000.00	0.00
2008 Bond Issue-L/T Debt	22,040,000.00	22,297,500.00	(257,500.00)
2010 Bond Issue-L/T Debt	16,330,000.01	16,528,749.01	(198,749.00)
Members Prepaid for Power	0.00	165,614.07	(165,614.07)
<b>Total Long Term Liabilities</b>	<u>147,815,000.02</u>	<u>149,989,363.09</u>	<u>(2,174,363.07)</u>
<b>Total Liabilities</b>	<u>164,506,762.53</u>	<u>167,025,779.58</u>	<u>(2,519,017.05)</u>
<b>Equity</b>			
Member Contributions	1,070,000.00	1,070,000.00	0.00
Net Position, Beginning of Year	26,810,801.87	26,806,251.58	4,550.29
YTD Net Revenue/ (Loss)	1,116,659.14	1,977,826.83	(861,167.69)
<b>Net Position</b>	<u>28,997,461.01</u>	<u>29,854,078.41</u>	<u>(856,617.40)</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>193,504,223.54</u></u>	<u><u>196,879,857.99</u></u>	<u><u>(3,375,634.45)</u></u>

**Arkansas River Power Authority**  
**Income Statement Comparison**  
**Third Quarter**

	<u>Jul - Sep 14</u>	<u>Jul - Sep 13</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>Amort of Bond Premiums</b>	64,107.63	64,107.63	0.00	0.0%
<b>Interest Income</b>	86,236.91	96,597.68	-10,360.77	-10.73%
<b>Miscellaneous Income</b>	0.00	100.70	-100.70	-100.0%
<b>Power Sales</b>	8,218,399.74	8,282,582.31	-64,182.57	-0.78%
	<u>8,368,744.28</u>	<u>8,443,388.32</u>	<u>-74,644.04</u>	<u>-0.88%</u>
<b>Total Income</b>				
<b>Cost of Goods Sold</b>				
<b>1 Lamar Light &amp; Power</b>	410,356.07	489,633.28	-79,277.21	-16.19%
<b>2 Emission</b>	0.00	0.00	0.00	0.0%
<b>3 O &amp; M Expense</b>	8.80	16,945.64	-16,936.84	-99.95%
<b>4 Members Fuel Expense</b>	920.32	1,135.81	-215.49	-18.97%
<b>5 WAPA/Loveland</b>	930,682.13	933,097.32	-2,415.19	-0.26%
<b>6 WAPA/Salt Lake</b>	55,442.59	55,442.59	0.00	0.0%
<b>7 ARPA Wind</b>	22,203.53	20,746.06	1,457.47	7.03%
<b>8 Lamar Wind</b>	168,317.09	160,838.99	7,478.10	4.65%
<b>9 Purchase Power</b>	2,444,074.85	2,212,213.35	231,861.50	10.48%
<b>9.1 Scheduling Service</b>	57,000.00	57,000.00	0.00	0.0%
<b>9.2 Operating Reserve</b>	45,787.56	51,429.00	-5,641.44	-10.97%
<b>9.3 Transmission Expense</b>	609,286.55	629,474.22	-20,187.67	-3.21%
	<u>4,744,079.49</u>	<u>4,627,956.26</u>	<u>116,123.23</u>	<u>2.51%</u>
<b>Total COGS</b>				
<b>Gross Profit</b>	3,624,664.79	3,815,432.06	-190,767.27	-5.0%
<b>Expense</b>				
<b>Discount Expense</b>	393.21	43,931.34	-43,538.13	-99.11%
<b>Depreciation Expense</b>	216,930.66	216,763.14	167.52	0.08%
<b>Employee Expenses</b>	76,973.85	76,071.94	901.91	1.19%
<b>Insurance Expense</b>	13,340.43	14,281.26	-940.83	-6.59%
<b>Interest Expense - Bonds</b>	2,034,585.00	2,090,433.00	-55,848.00	-2.67%
<b>Interest Expense - Other</b>	0.00	2,069.94	-2,069.94	-100.0%
<b>Lease Exp - LRP City Land</b>	0.00	0.00	0.00	0.0%
<b>Lease Exp - Willow Creek Line</b>	0.00	0.00	0.00	0.0%
<b>Members Services</b>	2,000.00	1,864.38	135.62	7.27%
<b>Misc. Dues &amp; General Expense</b>	80.95	115.50	-34.55	-29.91%
<b>Office Expenses</b>	5,925.37	3,163.90	2,761.47	87.28%
<b>Professional &amp; Outside Services</b>	338,599.80	267,126.37	71,473.43	26.76%
<b>Travel Expense</b>	1,360.17	3,032.17	-1,672.00	-55.14%
<b>Total A &amp; G Expense</b>	<u>2,690,189.44</u>	<u>2,718,852.94</u>	<u>-28,663.50</u>	<u>-1.05%</u>
<b>Net Ordinary Income</b>	<u>934,475.35</u>	<u>1,096,579.12</u>	<u>-162,103.77</u>	<u>-14.78%</u>
<b>Net Operating Income</b>	<u><b>934,475.35</b></u>	<u><b>1,096,579.12</b></u>	<u><b>-162,103.77</b></u>	<u><b>-14.78%</b></u>
<b>Debt Service Adder</b>	634,663.71	410,441.93	224,221.78	54.63%
<b>1 Return of Reserves</b>	634,663.71	410,441.93	224,221.78	54.63%
<b>Net Income</b>	<u><b>934,475.35</b></u>	<u><b>1,096,579.12</b></u>	<u><b>-162,103.77</b></u>	<u><b>-14.78%</b></u>