



Monthly Financial Report

September 2022

→ The District entered into an Energy Services Agreement with Cascade Digital beginning September 1 through September 30, 2023. Under the new contract, Cascade may purchase up to 100MW of energy for their cryptomining operation in Usk. The District supplies some of the energy depending on the month and the remaining is purchased from the market through a contract the District has with Shell Energy. For September, Cascade's total load in light load hours was 54MW (22MW from the District and 32MW from market). In heavy load hours (6:00 am - 10:00 pm, Monday through Saturday), Cascade's total load was 7MW (1MW from the District and 6MW from market).

→ Due to an unusual heat event, the region saw high market power prices at the first part of September, with day-ahead pricing reaching \$1,000 per MW on September 6th. The District was not purchasing market power at that time and netted \$276,868 in power sales for the month.

→ On September 29th, Box Canyon experienced an overspeed event on Unit 4. Box Canyon staff successfully initiated the Emergency Action Plan, notified the appropriate parties, and safely shut down the unit. As a part of the process, the Pend Oreille River above Box Canyon was temporarily drawn down. Box is continuing to generate using the remaining three units with minimal spill.

Financial Health

Moody's & Fitch investment grade ratings

	Current	Goal	Rating
Moody's - DSCR	2.14x	above 1.5x	Baa2 Stable
Fitch - Leverage	3.48x	Under 6.0x	A- Positive
Days Cash on Hand	402	> 300 days	

Total annual costs held at or below inflation

	2020	2021	2022 Fcst
Operations & Maintenance	\$10,811,861	\$10,007,440	\$10,764,836
Administrative & General	\$5,885,949	\$4,997,663	\$5,195,641
Total Costs	\$16,697,810	\$15,005,103	\$15,960,477
	Baseline		
Increase (Decrease) in Costs		-10.1%	-4.4%
Avg Annual Inflation - Sep	1.4%	3.3%	7.9%

Safety and Health

	Year-to-Date	September
Lost Time Injuries (OSHA Reportable)	6	0
Safety Incidents - No Lost Time	10	0





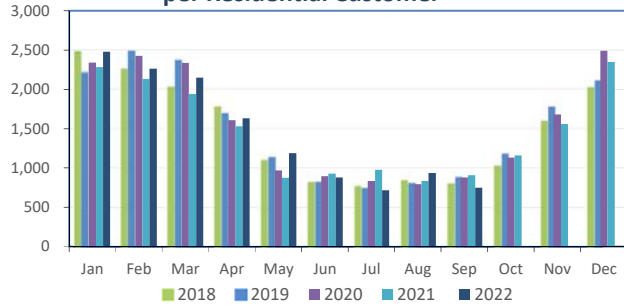
Customer Statistics

September 2022

Electric System

As of September 30:	2021	2022	Growth
Electric Residential Customers	8,831	8,985	1.74% ↑
Service Availability Charge (\$/month)	\$35.50	\$35.50	●
Energy Charge (cents/kWh)	\$0.0612	\$0.0623	↑
Electric Commercial Customers	852	852	0.0% ●
Electric Industrial Customers	11	11	0.0% ●

Average kWh Usage per Residential Customer



Community Network System

As of September 30:	2021	2022	Growth
Standard Class			
Fiber Broadband End Users	2,529	2,663	5% ↑
Standard Class Rate (\$/month)	\$45	\$45	●
Wireless End Users	136	131	-4% ↓
Wireless Rate (\$/month)	\$40	\$40	●
Premium Class			
Standard Plus End Users			
1 Gig & 10 Mbs	2	2	●
Enterprise End Users			
10 Gig	1	1	●
1 Gig	14	18	↑
500 Mbs	6	4	↓
100 Mbs	8	7	↓
50 Mbs	3	3	●
10 Mbs	8	8	●
Dark Fiber	9	9	●
Other	8	8	●

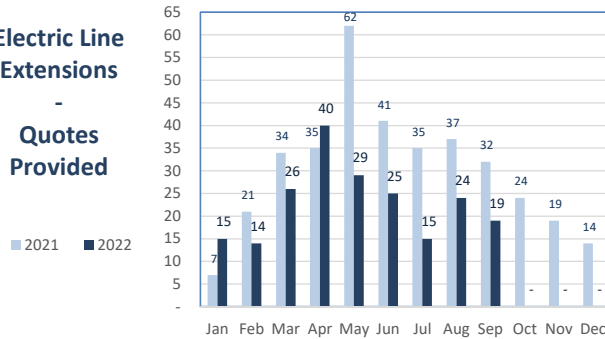
Water Systems

As of September 30:	Customers		Basic Charge	
	2021	2022	2021	2022
Metaline Falls - Residential	157	157	\$77.00	\$77.00
Metaline Falls - Commercial	38	39	\$77.00	\$77.00
Sandy Shores	71	72	\$45.00	\$50.00
Riverbend	82	82	\$87.00	\$92.00
Greenridge	29	29	\$83.00	\$84.75
Riverview	59	59	\$50.00	\$65.00
Sunvale	67	66	\$52.50	\$60.00
Lazy Acres	36	36	\$53.00	\$56.00
Holiday Shores	32	32	\$51.00	\$55.00
Granite/Sacheen Shores	32	32	\$83.00	\$84.50

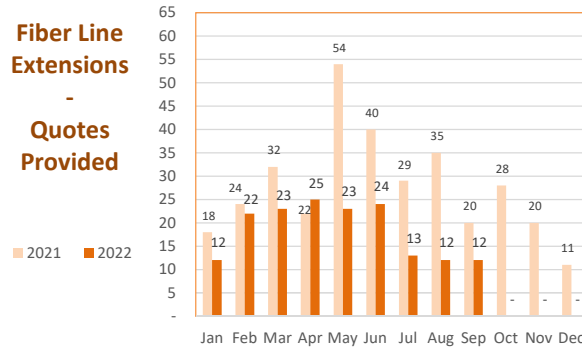
Water Usage YTD (gallons)

As of September 30:	2021	2022
Metaline Falls - Residential	8,670,262	6,863,635
Metaline Falls - Commercial	4,601,764	3,725,055
Sandy Shores	3,833,479	2,537,602
Riverbend	1,335,177	755,487
Greenridge	688,792	173,640
Riverview	1,802,932	759,358
Sunvale	3,014,927	978,464
Lazy Acres	1,007,058	270,430
Holiday Shores	656,600	490,290
Granite/Sacheen Shores	241,339	125,846

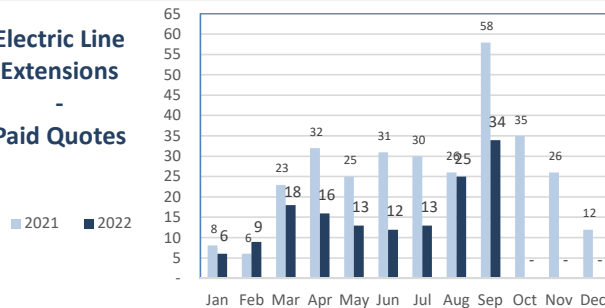
Electric Line Extensions - Quotes Provided



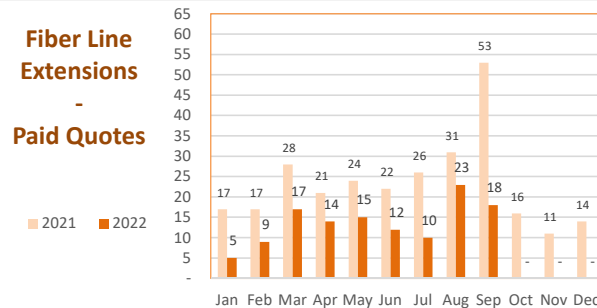
Fiber Line Extensions - Quotes Provided



Electric Line Extensions - Paid Quotes



Fiber Line Extensions - Paid Quotes



Past Due Customer Accounts

	Prior Month		Current Month	
	Past Due Amount	# of Accounts	Past Due Amount	# of Accounts
30 Days	\$74,692	976	\$90,858	846
60 Days	\$19,920	260	\$15,810	227
90 Days	\$17,415	89	\$12,728	76
Total	\$112,027	1,325	\$119,396	1,149

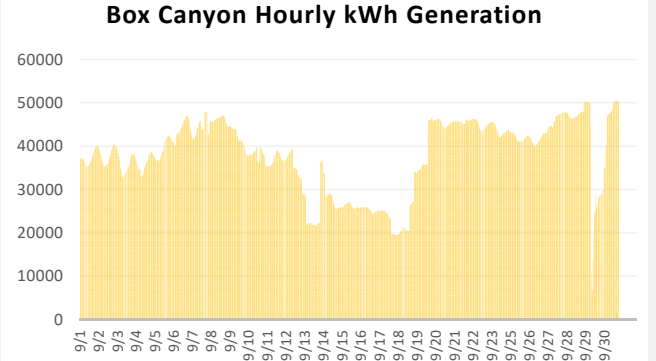
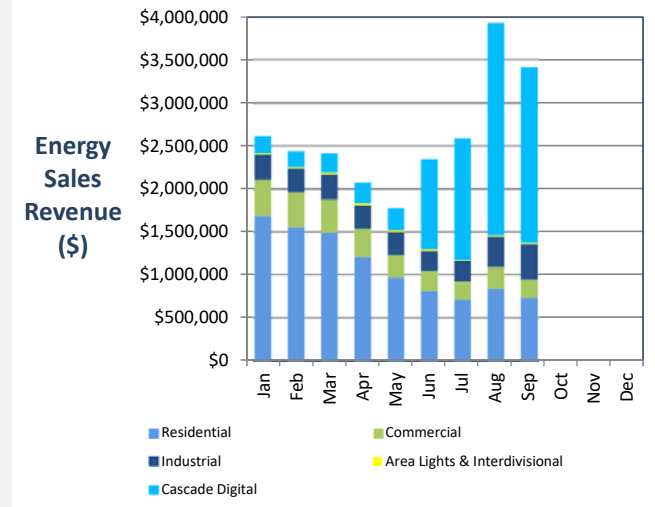
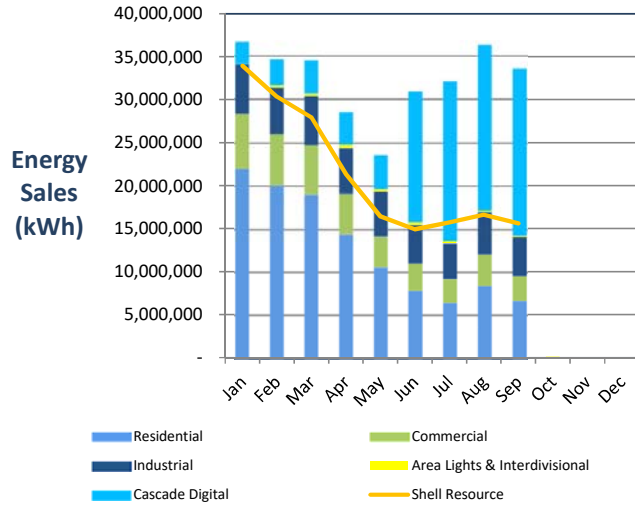
Energy Assistance

# of Customers Enrolled for September:	2021	2022
Low Income Senior Discount	36	43
Operation Round Up	312	352
Neighbors in Need for September:	2021	2022
Number of Awards	2	3
Fund Balance	\$40,643	\$24,969



Power Supply

September 2022

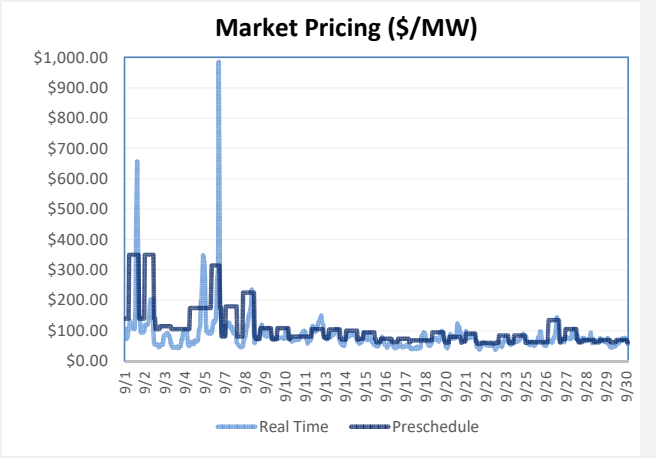
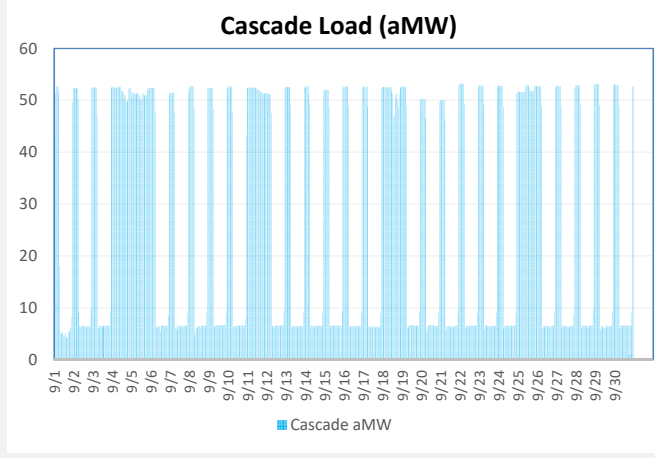
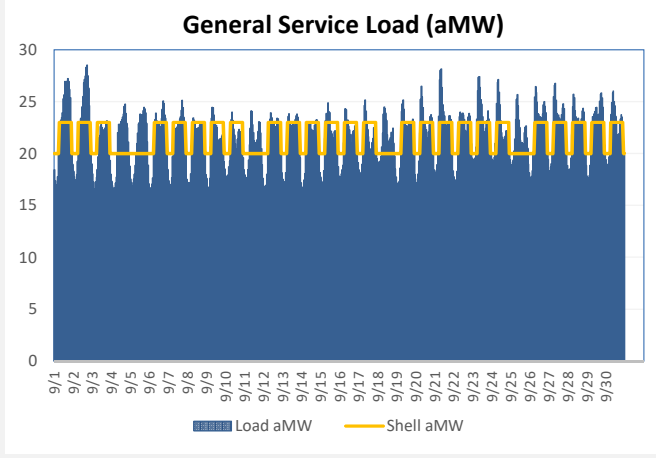


Generation (aMW)	September	September	2022 YTD Averages
	2021	2022	
Box Canyon Dam	43.0	37.2	51.7
Calispell Powerhouse	0.2	0.3	0.3
Boundary	21.7	21.7	41.9

Energy Sales (aMW)	September	September	2022 YTD Average
	2021	2022	
Residential	11.2	9.3	17.7
Commercial	4.2	3.9	5.9
Industrial	6.9	6.5	7.0
Allrise	1.2	26.7	13.5
Peak	35.3	77.4	84.2

Purchases & Sales	YTD	YTD Total	YTD
	MW	Revenue/(Cost)	\$ / MW
Shell Net Sales	386,263	\$11,755,259	\$30.43
Bonneville Power Admin	(140,764)	(\$5,457,312)	\$38.77
Market Purchases	(88,587)	(\$7,051,214)	\$79.60
Market Sales	158,168	\$7,424,862	\$46.94
Net Deviation Sales (Purchases)	(2,443)	(\$373,830)	\$153.05

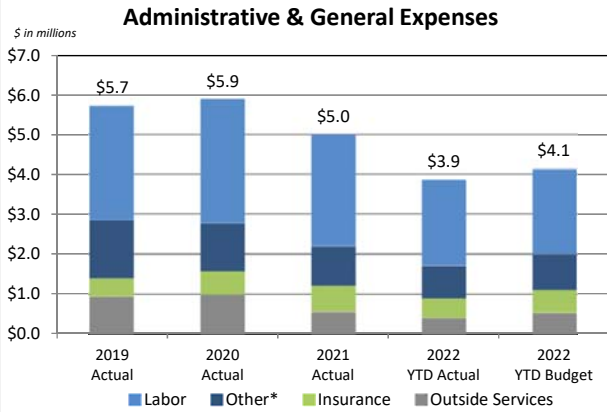
Cost of Generation	YTD Total	YTD
	Cost (\$)	\$ / MW
Box Canyon Dam	\$13,163,921	\$38.86
Calispell Powerhouse	\$26,314	\$12.30
Boundary Dam	\$2,360,475	\$8.60





Financial Summary

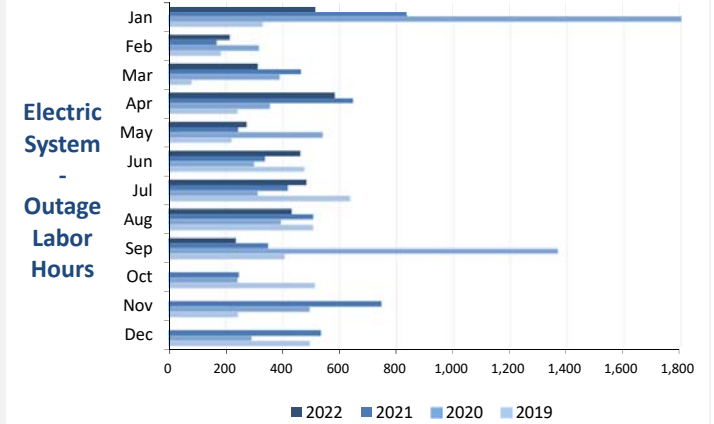
September 2022



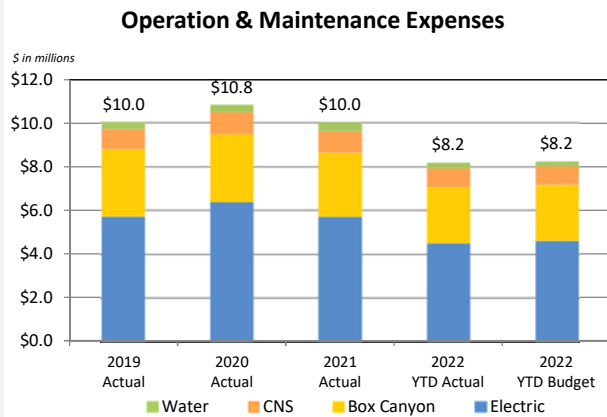
Cash Balances

(\$ in millions)

	Prior Month	Current Month	
Cash - Electric System	\$16.9	\$16.3	↓
PNC Collateral Fund	\$6.7	\$6.5	↓
DSC Stabilization Fund	\$10.0	\$10.0	○
Cash - Box Canyon System	\$18.1	\$18.2	↑
Cash - Community Network System	\$2.5	\$2.6	↑
Total Unrestricted Cash	\$54.1	\$53.6	↓
Restricted - Bond Reserve & Payments	\$14.8	\$15.8	↑
Restricted - PM&E	\$0.5	\$0.5	○
Restricted - Sullivan Water Rights	\$12.0	\$12.0	○
Total Restricted Cash	\$27.3	\$28.2	↑
Total Cash	\$81.4	\$81.8	↑



*"Other" includes taxes, materials, utilities, fleet, travel, dues, memberships, licenses, fees, etc.

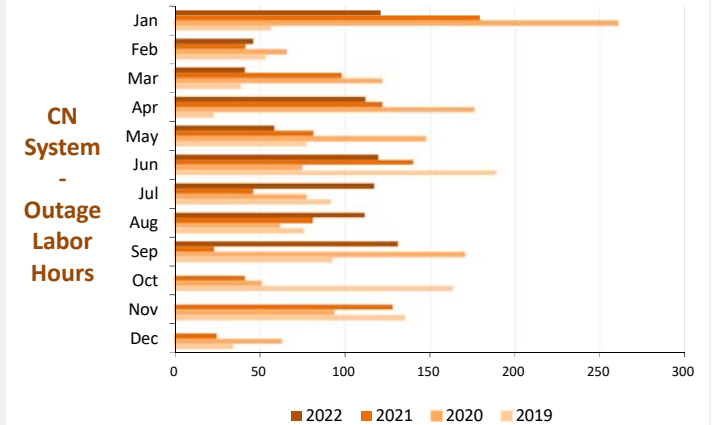


Liabilities included in Unrestricted Cash

(\$ in millions)

	Prior Month	Current Month	
Customer Account Deposits	\$0.9	\$0.8	○
Washington State Privilege Tax	\$0.5	\$0.6	●
Personal Leave Accrual	\$1.6	\$1.6	○
Off-License Agreement	\$2.0	\$2.3	●
Accounts Payable & Accrued Payroll	\$2.0	\$2.1	●

Note: This list is not inclusive of all District liabilities

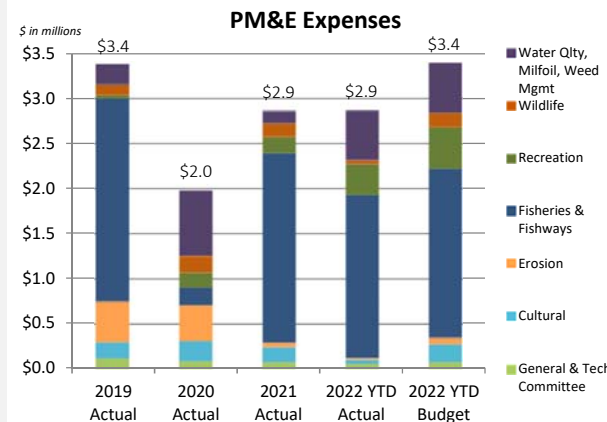


Debt Balances

As of September 30:

(\$ in millions)

	2021	2022	
Electric System	\$7.9	\$7.3	●
Production System	\$131.3	\$127.3	●
Community Network System	\$2.1	\$1.8	●
Water Systems	\$0.28	\$0.29	●
Total Debt	\$141.6	\$136.6	●

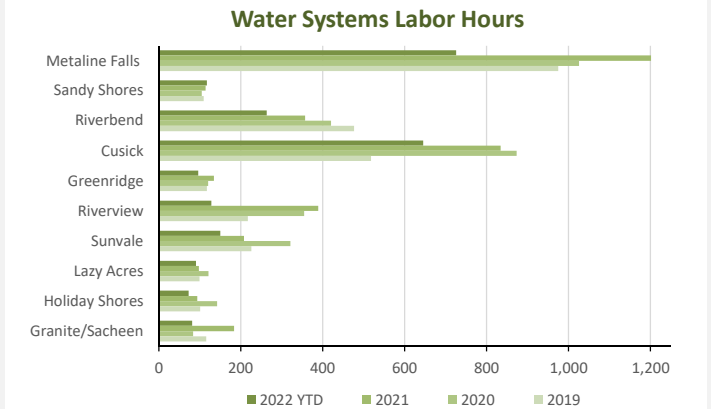


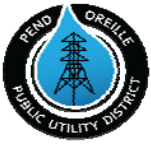
Water System Intercompany Balances*

(\$ in thousands)

	Target	Prior Month	Current Month	
Metaline Falls	\$55	(\$20.2)	(\$34.3)	●
Sandy Shores	\$13	\$14.6	\$24.8	○
River Bend	\$22	(\$66.5)	(\$71.8)	●
Green Ridge	\$12	(\$14.6)	(\$14.1)	○
River View	\$13	(\$36.2)	(\$51.8)	●
Sunvale	\$14	(\$16.1)	(\$14.6)	○
Lazy Acres	\$10	(\$7.3)	(\$8.0)	●
Holiday Shores	\$10	(\$0.7)	(\$0.7)	●
Granite-Sacheen	\$12	(\$7.7)	(\$13.3)	●

* Positive number - System has a cash reserve. Green circle = Improvement





Statement of Cash Flows

September 2022

	Community				District
	Electric System	Production System	Network System	Water System	
Net Operating Revenues (Expenses)	4,597,545	2,564,398	(248,693)	(153,606)	6,759,644
Depreciation and Amortization	2,919,078	3,614,415	1,726,915	174,811	8,435,219
Receivables	2,720,707	(2,454)	1,313	1,787	2,721,353
Due To (From) Other Systems	(46,277)	(8,698)	8,602	46,373	-
Materials and Supplies	(85,867)	24,458	(118,737)	(1,828)	(181,973)
Prepaid Expenses and Other Current Assets	(40,858)	(120,072)	-	-	(160,930)
Deferred Relicensing Costs	-	(351,205)	-	-	(351,205)
Accts Payable, Customer Deposits and Prepayments	1,206,780	(51,706)	193,445	-	1,348,518
Change in Deferred Revenue	(1,500,000)	-	(37,191)	-	(1,537,191)
Accrued Compensation, Benefits and Taxes	50,291	(29,390)	(5,340)	(2,137)	13,424
Changes in Operating Assets and Liabilities	2,304,777	(539,068)	42,092	44,195	1,851,996
Net Cash from Operating Activities	9,821,401	5,639,746	1,520,313	65,400	17,046,859
Sullivan Net Revenues (Expenses)	2,946	-	-	-	2,946
Proceeds from Grant Funding	4,644	-	-	-	4,644
Intersystem Financing	284,780	-	(283,452)	(1,328)	-
Net Cash from Noncapital Financing Activities	292,370	-	(283,452)	(1,328)	7,590
Acquisition of TerraPact Railroad Easement	(4,267,500)	-	-	-	(4,267,500)
Acquisition and Construction of Capital Assets	(1,845,028)	(25,941)	(472,920)	(46,541)	(2,390,431)
Proceeds from Grant Funding	-	-	-	34,303	34,303
Payments on Revenue Bonds	(635,000)	(3,890,000)	(175,000)	-	(4,700,000)
Interest Paid on Revenue Bonds	(325,175)	(6,191,482)	(36,705)	-	(6,553,362)
Subsidy Received on Revenue Bonds	-	254,700	-	-	254,700
Scheduled Payments on Notes Payable	(13,333)	-	-	(47,650)	(60,983)
Interest Paid on Notes Payable	-	-	-	(4,183)	(4,183)
Net Cash from Capital and Related Financing Activities	(7,086,037)	(9,852,723)	(684,625)	(64,072)	(17,687,456)
Interest on Investments, Contracts and Notes	162,781	108,861	12,641	-	284,283
Net Cash from Investing Activities	162,781	108,861	12,641	-	284,283
Net Change in Cash and Cash Equivalents	3,190,515	(4,104,116)	564,878	-	(348,724)
Cash and Cash Equivalents					
December 31, 2021	42,174,503	27,156,790	2,124,811	-	71,456,104
September 30, 2022	45,365,018	23,052,674	2,689,689	-	71,107,380





Capital Expenditures

September 2022

Work Order #	Description	Expenditures Year to Date	2022 Budget	\$ Remaining	% Spent
<u>Electrical Stock Items</u>					
22-07-709	Reclosers and Controls	93,161	150,000	56,840	62%
22-07-710	Capacitors	-	7,000	7,000	-
22-07-711	Transformers	367,914	800,000	432,086	46%
22-07-712	Metering and related equipment	13,531	25,000	11,469	54%
22-07-713	Regulators and Controls	-	100,000	100,000	-
	Total Stock Items	\$474,606	\$1,082,000	\$607,394	44%
<u>Electrical Engineering</u>					
YY-04-400	Rehab Projects	26,752	-	(26,752)	0%
YY-04-600	Poles and Conductor - Replacements	14,239	230,000	215,761	6%
YY-04-500, 16-04-412	Concentric Neutral Replacement Program	-	115,000	115,000	-
21-07-702	USK-Pine ST OPGW Replacement (carryover)	8,906	1,170,000	1,161,094	1%
22-07-703	Copperweld Replacement	9,583	700,000	690,417	1%
	Diamond North Ckt Pole Replacement (carryover) WoodPecker	-	150,000	150,000	-
	Rebuild 3 ph line on McCloud Creek NW134-29 to NW134-39 (car	-	150,000	150,000	-
	Fencing for Ops and Substations	-	130,000	130,000	-
	Safeway Service Rebuild	-	107,400	107,400	-
	Box Canyon RE River Crossing Rebuild	-	80,000	80,000	-
	25 kV Ckt Switcher Repair SF6	-	75,000	75,000	-
	Boundary Tap (carryover)	-	65,000	65,000	-
	Diamond West Circuit (carryover) DW19L17 to DW19L27	-	50,000	50,000	-
	Diamond Lake Substation batteries	-	40,000	40,000	-
	Box Canyon AC Upgrade	-	9,955	9,955	-
	Pine Street AC Upgrade	-	9,300	9,300	-
	DOT Franchise Consolidation Plan	4,942	-	(4,942)	0%
	Total Engineering	\$64,422	\$3,081,655	\$3,017,233	2%
<u>Electrical Operations</u>					
	Bucket Truck	-	172,000	172,000	-
22-07-701	Mini-Ex Trailer (Ione Line Crew)	18,810	17,500	(1,310)	107%
22-07-708	Building at Diamond Lake	2,083	200,000	197,917	1%
22-07-714	Tilt Trailer (Ione) Fleet #293	6,861	-	(6,861)	0%
	Total Electrical Operations	\$27,754	\$389,500	\$361,746	7%
<u>Water Systems</u>					
19-16-702	Sunvale Water Line Project	-	100,000	100,000	-
19-16-701	Metaline Falls Distribution Project	27,116	730,000	702,884	4%
	Total Water	\$27,116	\$830,000	\$802,884	3%
<u>Administration & Other</u>					
	Metering Project	-	200,000	200,000	-
	EV Charging Station (North County)	-	20,000	20,000	-
22-07-702	Purchase Kiosk	16,326	17,500	1,174	93%
	Newport Control Room Workstations	-	15,000	15,000	-
	Total Administration & Other	\$16,326	\$252,500	\$236,174	6%



Capital Expenditures

September 2022

Work Order #	Description	Expenditures Year to Date	2022 Budget	\$ Remaining	% Spent
<u>Box Canyon</u>					
	Calispell Creek Dike Mitigation	-	500,000	500,000	-
	Powerhouse Roof Seam Additional	-	75,000	75,000	-
	Security Fencing - Box Canyon	-	70,000	70,000	-
	Calispell Caretaker's House - bathroom renovation	-	15,000	15,000	-
	Spillway lighting	-	10,000	10,000	-
22-70-702	Spare TDG Cylinder Roller Stands	15,044	-	(15,044)	0%
22-70-701	4x4 Brush Cutter Attachment	6,405	-	(6,405)	0%
21-70-704	Box Spare Parts Shelving / Racks	4,492	-	(4,492)	0%
	Total Box Canyon	\$25,941	\$670,000	\$644,059	4%
<u>Information Technology</u>					
22-07-705	SAN Replacement - Newport Admin	225,180	160,000	(65,180)	141%
22-07-707	CIP Replacement SAN - Newport Dispatch Data Center	-	65,000	65,000	-
22-07-704	CIP Replacement Servers - Box Canyon Dispatch Data Center	32,245	50,000	17,755	64%
	Security Event Management and Response Application	-	30,000	30,000	-
	Conference Rooms Technology Upgrades/Replacement	-	20,000	20,000	-
22-07-706	Cisco Security Firewall Replacement	-	-	-	0%
	Total Information Technology	\$257,424	\$325,000	\$67,576	79%
<u>Community Network System</u>					
	Bucket Truck	-	172,000	172,000	-
22-47-703	Mini Excavator - KX040-4R1T	58,960	60,000	1,040	98%
	Additional Hub Cabinet	-	27,000	27,000	-
	Switch Upgrade - Diamond Lake	-	20,000	20,000	-
22-47-702	Complete Bald Eagle Dr Fiber Backbone	7,638	17,000	9,362	45%
22-47-701	Trailer for Mini Excavator	18,810	15,000	(3,810)	125%
	Vivax MetroTech Locator	-	5,000	5,000	-
20-47-702	HUB Cabinet Battery Upgrade	392	-	(392)	0%
22-44-402	Backbone System Improvement - Overlook Drive	526	-	(526)	0%
	Total Community Network System	\$86,325	\$316,000	\$229,675	27%
Total Capital Expenditures		\$979,915	\$6,946,655	\$5,966,740	14%
<u>New Customer Hookups</u>					
YY-01-100, YY-02-200	Electric Line Extension & Area Light Construction	887,954	750,000	(137,954)	118%
YY-03-300	Electric Line Upgrades	116,116	-	(116,116)	0%
CNS LINE EXT	CNS New Line Extension Construction	386,595	150,000	(236,595)	258%
WTR LINE EXT	Water Line Extension	19,425	-	(19,425)	0%
	Total New Customer Hookups	\$1,410,090	\$900,000	(\$510,090)	157%
Total including New Hookups		\$2,390,005	\$7,846,655	\$5,456,650	30%



2022 Forecast

September 2022

	Electric System	Production System	Community Network System	Water System	Eliminations	District
Funding Sources:						
Operating Revenues	67,065,286	18,402,432	3,489,403	633,990	(18,642,243)	70,948,868
Interest income	183,699	117,111	12,971	225	-	314,007
Grant & Debt Financed	-	-	-	830,000	-	830,000
Deferred and other income	(124,572)	7,200	(224,056)	-	-	(341,428)
Total Forecasted Funding Sources	67,124,413	18,526,743	3,278,318	1,464,215	(18,642,243)	71,751,447
Total Budgeted Funding Sources	57,020,645	19,431,714	3,225,058	1,380,845	(19,312,114)	61,746,148
<i>Over/(Under) Budget</i>	<i>10,103,768</i>	<i>(904,971)</i>	<i>53,260</i>	<i>83,370</i>	<i>669,871</i>	<i>10,005,299</i>
Expenditures:						
Power from Box Canyon	17,826,134	-	-	-	(17,826,134)	-
Power from Boundary	3,147,300	-	-	-	-	3,147,300
Power from BPA	5,457,312	-	-	-	-	5,457,312
Power from other sources	17,188,717	-	-	-	-	17,188,717
Wheeling and backup	799,806	91,550	-	-	-	891,357
Operation & Maintenance	6,499,145	3,340,554	1,093,338	333,522	(630,900)	10,635,659
PM&E costs	-	4,121,508	-	-	-	4,121,508
Customer accounting & information	783,446	-	39,414	40,458	-	863,319
Administrative and general	2,821,714	1,802,812	377,259	193,856	(185,209)	5,010,432
Taxes	1,833,780	104,643	19,751	28,561	-	1,986,735
Total Operating Expenditures	56,357,355	9,461,068	1,529,762	596,397	(18,642,243)	49,302,338
Interest on long-term debt	174,801	5,588,682	71,712	6,427	-	5,841,623
Less Federal Subsidy	-	(506,216)	-	-	-	(506,216)
Less amortization included in interest	-	528,209	-	-	-	528,209
Capital Project Payments	5,880,655	670,000	466,000	830,000	-	7,846,655
Use of Cash Reserves	(2,000,000)	(1,200,000)	-	-	-	(3,200,000)
Principal payments	665,000	3,985,000	356,000	20,368	-	5,026,368
Total Forecasted Expenditures	61,077,811	18,526,743	2,423,474	1,453,192	(18,642,243)	64,838,977
Total Budgeted Expenditures	56,362,963	19,431,714	2,621,573	1,382,782	(19,312,114)	60,486,918
<i>(Over)/Under Budget</i>	<i>(4,714,848)</i>	<i>904,971</i>	<i>198,099</i>	<i>(70,410)</i>	<i>(669,871)</i>	<i>(4,352,059)</i>
Forecasted Change in Working Capital	6,046,603	-	854,844	11,023	-	6,912,470
Budgeted Change in Working Capital	657,682	-	603,485	(1,937)	-	1,259,231
<i>Over/(Under) Budget</i>	<i>5,388,921</i>	<i>-</i>	<i>251,359</i>	<i>12,960</i>	<i>-</i>	<i>5,653,239</i>



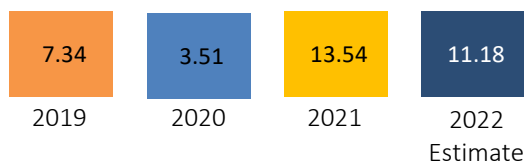
Electric System

September 2022

	<u>Sep Actual</u>	<u>YTD Actual</u>	<u>2021 YTD Actual</u>	<u>2022 Forecast*</u>	<u>2022 Budget</u>	<u>Variance</u>
Revenue - Residential	736,458	10,023,705	9,301,169	13,757,452	13,612,707	144,745
Revenue - Commercial	207,863	2,691,536	2,559,814	3,605,162	3,505,265	99,897
Revenue - Industrial	416,752	2,672,156	2,125,988	3,638,714	3,521,081	117,633
Revenue - Allrise	2,046,187	8,063,185	459,258	8,213,185	600,000	7,613,185
Revenue - PNC collateral claim	166,667	1,500,000	1,500,000	2,000,000	2,000,000	0
Revenue - Street lighting	2,492	22,412	22,410	29,912	30,000	(89)
Revenue - Shell firm sale	2,159,621	18,069,361	17,080,528	25,507,598	25,416,892	90,706
Revenue - Sale for resale	320,764	7,327,631	1,161,853	8,430,131	7,260,276	1,169,855
Revenue - Contributed Capital	69,720	746,684	552,931	934,184	750,000	184,184
Revenue - Interdivisional	10,370	143,959	121,968	185,209	165,000	20,209
Revenue - Other	28,648	729,246	658,749	763,741	344,227	419,515
Total Operating Revenues	6,165,539	51,989,874	35,544,668	67,065,286	57,205,447	9,859,839
Power from Box Canyon	1,473,581	13,163,921	10,444,521	17,826,134	19,147,114	1,320,980
Power from Boundary	262,275	2,360,475	2,198,858	3,147,300	3,147,300	-
Power from BPA	560,898	5,457,312	-	5,457,312	5,514,315	57,003
Power from Shell	625,702	6,314,102	5,743,775	9,318,669	9,217,721	(100,948)
Power from other sources	1,263,670	7,325,048	3,289,633	7,870,048	2,349,000	(5,521,048)
Wheeling and backup	155,136	703,641	260,305	799,806	665,430	(134,376)
Calispell operation & maintenance	2,561	26,314	24,275	38,783	51,308	12,525
Transmission operation & maintenance	59,670	625,365	772,487	818,546	826,626	8,080
Distribution operation & maintenance	390,849	4,245,536	4,013,839	5,641,815	5,785,722	143,907
Customer accounting & information	66,967	580,176	489,121	783,446	816,573	33,127
Administrative and general	220,335	2,127,819	2,052,641	2,821,714	2,833,520	11,807
Taxes	208,629	1,494,128	948,483	1,833,780	1,299,160	(534,621)
Depreciation and amortization	361,696	2,925,397	2,891,214	3,944,116	4,074,876	130,760
Total Operating Expenses	5,651,969	47,349,233	33,129,152	60,301,470	55,728,666	(4,572,805)
Interest income	52,034	164,109	16,019	183,699	42,360	141,339
Interest on long-term debt	(14,835)	(134,217)	(146,746)	(174,801)	(163,518)	(11,283)
Other, net	2,280	(119,650)	(89,535)	(299,040)	(401,630)	102,590
Change in Net Assets	553,051	4,550,884	2,195,255	6,473,674	953,993	5,519,680

* Forecast is calculated as actual year-to-date plus budgeted for the remainder of the year, plus known adjustments such as cost cuts or budget/actual timing differences.

Debt Service Coverage Ratio



The debt service coverage (DSC) ratio represents cash flow available to pay current debt obligations. A DSC of 1 means there is enough cash flow after paying operating expenses to cover the annual principal and interest payments one time. The District Bond Covenants require a DSC ratio of at least 1.25. The DSC Stabilization Fund will be used at year end to keep this above a 1.25 ratio.



Production System

September 2022

	<u>Sep Actual</u>	<u>YTD Actual</u>	<u>2021 YTD Actual</u>	<u>2022 Forecast*</u>	<u>2022 Budget</u>	<u>Variance</u>
Revenue - Sales to Electric System	1,473,581	13,163,921	10,444,521	17,826,134	19,147,114	(1,320,980)
Revenue - Sale of 10e Power	-	-	-	245,000	245,000	-
Revenue - Other	-	7,200	6,600	7,200	6,600	600
Total Operating Revenues	1,473,581	13,171,121	10,451,121	18,078,334	19,398,714	(1,320,380)
Power costs	(10,329)	47,000	70,600	91,550	178,200	86,650
Operations	197,600	1,805,128	1,747,683	2,352,536	2,406,209	53,673
Maintenance	53,040	753,787	452,849	988,018	947,964	(40,054)
PM&E costs	383,312	2,994,203	752,921	4,121,508	4,705,330	583,822
Administrative and general	179,002	1,313,397	1,443,179	1,802,812	2,032,191	229,379
Taxes	5,847	78,792	78,456	104,643	103,410	(1,233)
Depreciation and amortization	400,646	3,614,415	2,671,381	4,526,415	3,648,000	(878,415)
Other operating expenses	-	-	-	-	-	-
Total Operating Expenses	1,209,117	10,606,723	7,217,068	13,987,483	14,021,305	33,821
Interest income	33,521	108,861	16,326	117,111	33,000	84,111
Interest on long-term debt	(465,699)	(4,196,058)	(4,314,470)	(5,588,682)	(5,577,784)	(10,898)
Federal interest subsidy	42,286	380,570	426,331	506,216	502,584	3,632
Other, net	-	-	-	-	-	-
Change in Net Assets	(125,429)	(1,142,229)	(637,761)	(874,505)	335,209	(1,209,713)

* Forecast is calculated as actual year-to-date plus budgeted for the remainder of the year, plus known adjustments such as cost cuts or budget/actual timing differences.



Community Network System

September 2022

	<u>Sep Actual</u>	<u>YTD Actual</u>	<u>2021 YTD Actual</u>	<u>2022 Forecast*</u>	<u>2022 Budget</u>	<u>Variance</u>
Revenue - Premium Class Connection	82,416	741,477	805,015	1,001,599	1,040,490	(38,891)
Revenue - Standard Class Connection	121,217	1,062,701	992,621	1,410,446	1,390,980	19,466
Revenue - Wireless Connection	5,237	45,984	48,856	62,344	65,440	(3,096)
Revenue - Dark Fiber Leases	7,832	102,051	93,651	126,072	125,548	524
Revenue - Interdivisional	40,750	510,600	507,076	630,900	627,376	3,524
Revenue - Other	3,194	44,445	39,103	56,370	47,960	8,410
Revenue - Contributed Capital	17,140	164,171	237,022	201,671	150,000	51,671
Total Operating Revenues	277,786	2,671,429	2,723,344	3,489,403	3,447,794	41,608
Operation	40,025	688,575	660,863	875,993	918,321	42,328
Maintenance	17,865	171,810	102,185	217,344	182,136	(35,208)
Customer accounting & information	3,773	30,643	18,804	39,414	35,086	(4,328)
Administrative and general	21,146	287,012	173,995	377,259	387,760	10,501
Taxes	1,384	15,168	18,175	19,751	18,330	(1,421)
Depreciation and amortization	193,238	1,726,915	1,714,994	2,351,914	2,499,996	148,082
Total Operating Expenses	277,431	2,920,122	2,689,016	3,881,676	4,041,629	159,954
Interest income	3,903	12,641	933	12,971	1,320	11,651
Interest on long-term debt	(5,552)	(53,360)	(63,278)	(71,712)	(76,669)	4,957
Other, net	-	129	-	129	-	129
Change in Net Assets	(1,293)	(289,283)	(28,018)	(450,885)	(669,184)	218,299

* Forecast is calculated as actual year-to-date plus budgeted for the remainder of the year, plus known adjustments such as cost cuts or budget/actual timing differences.



Consolidated Water Systems*

September 2022

	<u>Sep Actual</u>	<u>YTD Actual</u>	<u>2021 YTD Actual</u>	<u>2022 Forecast**</u>	<u>2022 Budget</u>	<u>Variance</u>
Revenue - Residential	43,318	378,427	370,446	499,185	483,033	16,152
Revenue - Commercial	5,499	45,731	49,136	59,678	55,796	3,882
Revenue - Grant Revenue	-	27,480	248,500	27,480	-	27,480
Revenue - Other	5,711	50,621	55,268	65,713	60,366	5,347
Revenue - Capital Contributions	250	9,414	5,733	9,414	500	8,914
Total Operating Revenues	54,778	511,673	729,083	661,470	599,695	61,775
Operations	8,867	49,573	49,051	64,819	61,033	(3,786)
Power Purchased	1,410	17,546	17,968	24,188	26,568	2,380
Water Treatment	12,939	87,624	87,173	112,831	100,822	(12,009)
Distribution	11,492	111,830	101,418	131,684	79,424	(52,260)
Customer accounting & information	3,264	29,718	22,793	40,458	42,946	2,488
Administrative and general	16,523	144,914	144,608	193,856	198,073	4,217
Depreciation	19,407	174,811	155,428	227,011	208,800	(18,211)
Taxes	2,465	21,784	21,414	28,561	27,232	(1,329)
Total Operating Expenses	76,367	637,799	599,854	823,408	744,898	(78,510)
Interest Income	31	108	16	225	470	(245)
Interest Expense	(4,218)	(5,620)	(4,997)	(6,427)	(3,231)	(3,196)
Change in Net Assets	(25,776)	(131,638)	124,247	(168,140)	(147,964)	(20,176)

*All water systems combined

** Forecast is calculated as actual year-to-date plus budgeted for the remainder of the year, plus known adjustments such as cost cuts or budget/actual timing differences.