



# Financial Presentation

April 23, 2020

# Statement of Net Position – February 2020, March 2020

1. Checking account cash

2. Billing to AR &  
Transmission service  
members and ancillary  
services



KENTUCKY MUNICIPAL ENERGY AGENCY

## Statements of Net Position February 2020, March 2020

HRO

	February 2020	March 2020
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and investments	\$ 8,762,202	\$ 8,703,126
Other receivables	7,172,935	6,199,640
Prepayments	1,367	-
<b>Total Current Assets</b>	<b>15,936,504</b>	<b>14,902,766</b>

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# Statement of Net Position – February 2020, March 2020

3. Collateral represents \$1.9M  
at MISO and \$800k at PJM.



KENTUCKY MUNICIPAL ENERGY AGENCY

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	February 2020	March 2020
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### NON-CURRENT ASSETS

Restricted Assets		
Pledged collateral	2,678,471	2,678,471
Interest receivable	-	-
Total Restricted Assets	<u>2,678,471</u>	<u>2,678,471</u>
Capital Assets		
Fixed Asset Clearing Account	-	-
Office Buildout	253,638	253,638
Meters - AR Project	210,090	219,464
Meter Comm Equipment	330,672	330,672
General Plant	739,412	739,412
Construction work in progress	-	-
Less Accumulated Depreciation	(196,295)	(211,337)
Net Capital Assets	<u>1,337,517</u>	<u>1,331,849</u>
<b>Total Non-Current Assets</b>	<b>4,015,988</b>	<b>4,010,320</b>
<b>Total Assets</b>	<b>19,952,492</b>	<b>18,913,086</b>

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# Statement of Net Position – February 2020, March 2020



KENTUCKY MUNICIPAL ENERGY AGENCY

## Statements of Net Position February 2020, March 2020

HRO

	February 2020	March 2020
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### **LIABILITIES**

#### **CURRENT LIABILITIES**

Accounts Payable	\$ 9,280,572	\$ 8,195,111	4
Accrued Employee Benefits	91,469	97,394	
Accrued interest payable	-	426	
<b>Total Current Liabilities</b>	<b>9,372,042</b>	<b>8,292,932</b>	

#### **NON-CURRENT LIABILITIES**

Deferred Lease Liability	36,023	36,349	5
Line of Credit	-	-	6
<b>Total Non-Current Liabilities</b>	<b>36,023</b>	<b>36,349</b>	

#### **Total Liabilities**

<b>Total Liabilities</b>	<b>9,408,065</b>	<b>8,329,281</b>
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### **Net Position**

Invested in capital assets, net of related debt	1,337,517	1,331,849
Restricted	-	-
Unrestricted	9,206,910	9,251,956
<b>TOTAL NET POSITION</b>	<b>10,544,427</b>	<b>10,583,805</b>

# Revenue, Expenses, and Changes in Net Position – February 2020, March 2020



HRO

## CONSOLIDATED STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION

	February 2020	March 2020	YTD FY20
<b>OPERATING REVENUES</b>			
Sales to members	\$ 6,284,990	\$ 5,322,659	\$ 61,123,724
RTO Market Revenue	\$ 32,338	\$ 13,620	\$ 157,260
Transmission Services	105,358	114,534	\$ 956,485
Miscellaneous Revenue	3,500	(1,000)	5,000
<b>TOTAL OPERATING REVENUE</b>	<b>6,426,186</b>	<b>5,449,814</b>	<b>62,242,469</b>
<b>OPERATING EXPENSES</b>			
Transmission	562,839	471,698	5,719,871
Fuel	-	-	-
Production	5,061,353	4,689,466	46,267,190
Administrative and General	188,819	228,962	1,696,747
Depreciation	14,930	15,042	130,080
Future recoverable costs	-	-	-
<b>TOTAL PURCHASE POWER AND OPERATING EXPENSES</b>	<b>5,827,942</b>	<b>5,405,168</b>	<b>53,813,888</b>
<b>OPERATING INCOME</b>	<b>598,245</b>	<b>44,646</b>	<b>8,428,581</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest expense on debt	-	(426)	(26,170)
Interest income	44	-	13,914
Other non-operating expenses (income)	(4,470)	(4,841)	(37,038)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(4,425)</b>	<b>(5,267)</b>	<b>(49,295)</b>
<b>CHANGE IN NET POSITION</b>	<b>593,819</b>	<b>39,379</b>	<b>8,379,286</b>
<b>NET POSITION AT BEGINNING OF PERIOD</b>	<b>\$ 9,950,607</b>	<b>\$ 10,544,426</b>	<b>2,204,519</b>
<b>NET POSITION AT END OF PERIOD</b>	<b>\$ 10,544,426</b>	<b>\$ 10,583,805</b>	<b>10,583,805</b>

8. Sales to AR Members

9. RTO Auction Revenue Rights,  
and Resource Adequacy  
Auction in MISO and PJM

10. Sales of transmission and  
ancillary services

11. Transmission from MISO,  
PJM, and KU net of  
depancaking credit

12. All purchase power  
including PPA, ITO, and SEPA

13. Positive net income

# Indirect Cash Flow— February 2020, March 2020



KENTUCKY MUNICIPAL ENERGY AGENCY

HRO  
4/13/2020

CONSOLIDATED STATEMENT OF CASH FLOWS	CY	CY	CY	
	Month Ended 2/29/2020	Month Ended 3/31/2020	YTD FY 2020	
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>				
NET INCOME	\$ 593,819	\$ 39,379	\$ 8,379,286	14
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH:				
DEPRECIATION	\$ 14,930	\$ 15,042	\$ 130,080	
CHANGES IN CURRENT & DEFERRED ITEMS:				
ACCOUNTS RECEIVABLE	\$ 244,430	\$ 973,295	\$ 1,775,472	
MATERIALS & SUPPLIES	\$ -	\$ -	\$ -	
PREPAYMENTS & OTHER CURRENT ASSETS	\$ -	\$ -	\$ 1,196	
DEFERRED DEBITS	\$ 1,367	\$ 1,367	\$ 11,928	
OTHER REG ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ -	\$ -	\$ -	
ACCOUNTS PAYABLE	\$ (413,038)	\$ (1,086,280)	\$ 185,010	
COLLATERAL DEPOSITS	\$ -	\$ -	\$ -	
TAXES & INTEREST ACCRUED	\$ (79)	\$ 1,244	\$ (14,217)	
OTHER CURRENT LIABILITIES	\$ 6,212	\$ 5,925	\$ 8,880	
DEFERRED CREDITS	\$ 326	\$ 326	\$ 3,893	
OTHER			\$ -	
NET CASH PROVIDED BY (USED IN) OPERATION	\$ 447,967	\$ (49,702)	\$ 10,481,530	
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>				
ADDITIONS TO PLANT	\$ -	\$ (9,374)	\$ (98,471)	
NET CHANGE IN OTHER PROP & INVEST	\$ (500,000)	\$ -	\$ (402,360)	16
PLANT SOLD (PURCHASED) - NONINSTALLMENT METHOD	\$ -	\$ -	\$ -	
OTHER - ASSET RETIREMENT OBLIGATIONS	\$ -	\$ -	\$ -	
NET CASH PROVIDED BY (USED IN) INVESTING	\$ (500,000)	\$ (9,374)	\$ (500,831)	
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>				
LONG TERM BORROWINGS	\$ -	\$ -	\$ -	
PAYMENT ON LONG TERM DEBT	\$ -	\$ -	\$ (9,032,768)	
OTHER	\$ -	\$ -	\$ -	
NET CASH PROVIDED BY (USED IN) FINANCING	\$ -	\$ -	\$ (9,032,768)	
<b>NET INCREASE (DECREASE) IN CASH &amp; TEMP INVESTMENTS</b>	<b>\$ (52,033)</b>	<b>\$ (59,076)</b>	<b>\$ 947,931</b>	
<b>CASH &amp; TEMP INVESTMENTS BEGINNING PERIOD</b>	<b>\$ 8,814,235</b>	<b>\$ 8,762,202</b>	<b>\$ 7,755,194</b>	
<b>CASH &amp; TEMP INVESTMENTS END OF PERIOD</b>	<b>\$ 8,762,202</b>	<b>\$ 8,703,126</b>	<b>\$ 8,703,126</b>	17

14. Net Income

15. Timing of Accounts Payable has largest effect of operational items on cash.

16. Additional MISO Collateral

17. Cash balance in checking account