

FIRST QUARTER REPORT

FINANCIAL REVIEW

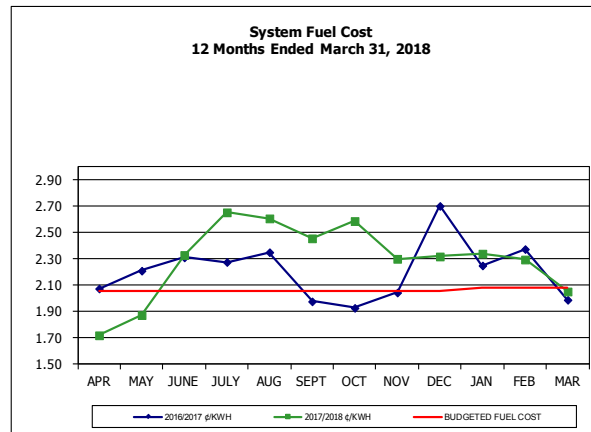
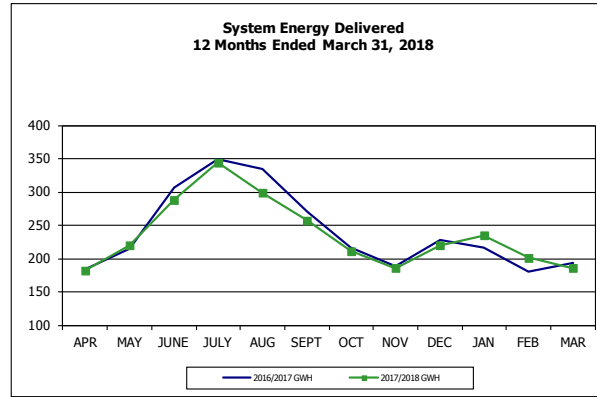
Net operating revenues for quarter ending and the 12 months ending March 31, 2018, were slightly higher than the same periods in 2017. Net revenues the 12 months ending March 31, 2018 were lower primarily due to the change in the market value of investments.

The market value adjustment for investments was unfavorable \$1.9 million for the 12 months ended March 31, 2018, compared to an unfavorable \$2.4 million for the same period in 2017. The authority typically holds all investments to maturity, so no market value gains or losses during the term of the investment are normally realized.

OTHER ACTIVITY

The OMPA Board held its annual strategic planning retreat in April. The retreat was held in Duncan, OK. Topics discussed included long-term capital and financial forecasting, and other topics presented by the Authority's Strategic Issues Team. The Board directed staff to ramp up efforts in the area of emerging technologies to better prepare the Authority and its member cities for the future.

**David W. Osburn, OMPA General Manager,
March 31, 2018**

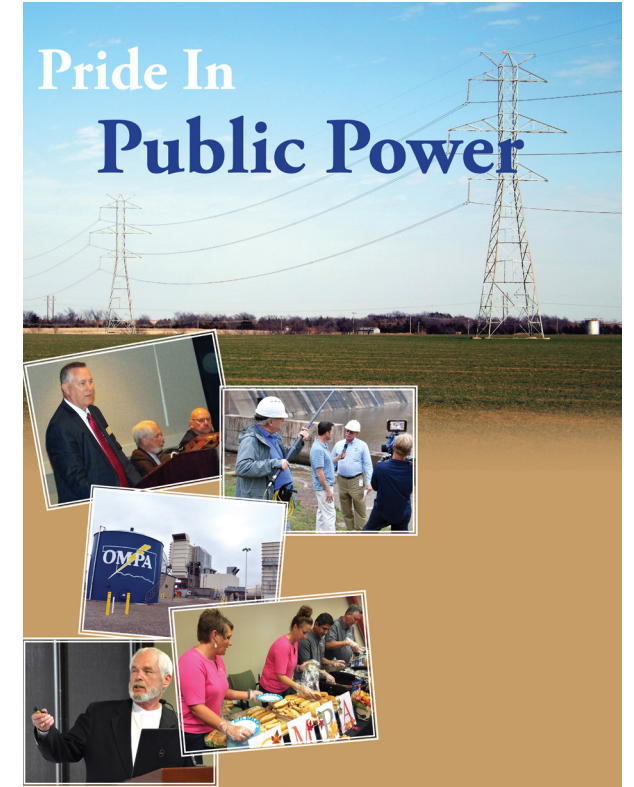


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Oklahoma Municipal Power Authority (OMPA)

**First Quarter Financial Report
For Period Ended March 31, 2018**

OMPA Website Address: www.ompa.com

Oklahoma Municipal Power Authority
Balance Sheet
(UNAUDITED, DOLLARS IN THOUSANDS)

	MARCH 31	
	2018	2017
ASSETS AND OTHER DEBITS		
UTILITY PLANT:		
Electric Plant in Service	\$737,924	\$729,788
Fuel Reserves	2,947	2,972
Construction in Progress	8,204	5,235
Leased Electric Plant	35,028	37,306
Accumulated Depreciation	(318,569)	(295,999)
	<u>465,534</u>	<u>479,302</u>
RESTRICTED FUNDS	89,579	96,304
Cash and Investments	35,942	34,629
Net Receivables	15,300	16,571
Inventory	3,971	6,335
Prepayments	12,850	11,747
Interest Receivable	151	383
	<u>68,214</u>	<u>69,665</u>
OTHER ASSETS	132,213	138,083
	<u>\$755,540</u>	<u>\$783,354</u>
LONG TERM DEBT:		
Series 1992 Bonds Payable	\$32,730	\$43,005
Series 2005 Bonds Payable	24,300	28,500
Series 2008 Bonds Payable	0	3,000
Series 2010 Bonds Payable	145,335	150,635
Series 2013 Bonds Payable	172,485	172,485
Series 2014 Bonds Payable	123,180	123,180
Series 2016 Bonds Payable	124,315	124,315
Unamortized Prem / (Disc). on Bonds	27,490	29,932
	<u>649,835</u>	<u>675,052</u>
Note Payable	35,028	37,306
CURRENT LIABILITIES:		
Accounts Payable	11,702	12,886
Bond Interest Payable	6,958	7,207
Other Liabilities	7,923	7,037
	<u>26,583</u>	<u>27,130</u>
DEFERRED REVENUE/RATE STABILIZATION	12,254	12,121
ACCUMULATED NET REVENUES	<u>31,840</u>	<u>31,745</u>
	<u>\$755,540</u>	<u>\$783,354</u>

Oklahoma Municipal Power Authority
Statement of Net Revenues
(UNAUDITED, DOLLARS IN THOUSANDS)

	QUARTER ENDED		TWELVE MONTHS ENDED	
	MARCH 31		MARCH 31	
	2018	2017	2018	2017
OPERATING REVENUES	39,391	42,134	184,339	186,865
OPERATING EXPENSES:				
Purchase Power Generation	6,912	6,583	34,498	30,516
Transmission	13,161	16,913	61,990	72,851
Administrative	6,192	5,598	24,574	20,814
Depreciation	2,192	2,013	7,245	8,044
Other Operating Expenses	5,237	5,966	23,563	25,500
	<u>414</u>	<u>394</u>	<u>1,644</u>	<u>1,567</u>
	34,108	37,467	153,514	159,292
NET OPERATING REVENUES	5,283	4,667	30,825	27,573
OTHER REVENUES (EXPENSES):				
Gain/Loss on Assets	-	-	-	-
Interest Income	666	609	1,890	2,423
Net Increase (Decrease) In Fair Value of Investments	(1,052)	98	(1,113)	(2,437)
Other Expenses	(21)	(21)	(84)	(84)
	<u>(407)</u>	<u>686</u>	<u>693</u>	<u>(98)</u>
Interest and Debt Expense:				
Interest on Long-Term Debt	6,907	7,220	28,570	28,917
Amortization of Finance Costs	60	121	423	898
	<u>6,967</u>	<u>7,341</u>	<u>28,993</u>	<u>29,815</u>
Amount to Recover in the future	<u>(1,257)</u>	<u>(527)</u>	<u>(2,430)</u>	<u>855</u>
NET REVENUES	<u>(\$3,348)</u>	<u>(\$2,515)</u>	<u>\$95</u>	<u>(\$1,485)</u>

NOTES:

Restricted funds include both current and noncurrent assets held in Trust.

These Statements have been prepared by OMPA, without audit. In the opinion of Management, all adjustments necessary to fairly present OMPA's financial position and results of operations at March 31, 2018 and 2017 have been made.

Certain additional information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted. It is suggested that this information be read in conjunction with the audited financial statements and notes included in OMPA's 2017 Annual Report.

PARTICIPATING CITIES

Altus Municipal Authority
Blackwell Municipal Authority
Comanche Public Works Authority
Copan Public Works Authority
Duncan Public Utilities Authority
Edmond Public Works Authority
Eldorado Public Works Authority
Fairview Utilities Authority
Fort Supply Public Works Authority
Frederick Public Works Authority
Geary Utilities Authority
Goltry Public Works Authority
Granite Public Works Authority
Hominy, Oklahoma, Public Works Authority
Kingfisher Public Works Authority
Laverne Public Works Authority
Lexington Public Works Authority
Mangum Utilities Authority
Manitou Public Works Authority
Marlow Municipal Authority
Mooreland Public Works Authority
New Cordell Utilities Authority
Newkirk Municipal Authority
Okeene Public Works Authority
Olustee Public Works Authority
Orlando Public Works Authority
Pawhuska Public Works Authority
Perry Municipal Authority
Ponca City Utility Authority
Pond Creek Public Works Authority
Prague Public Works Authority
Purcell Public Works Authority
Ryan Utilities Authority
Spiro Municipal Improvement Authority
Tecumseh Utility Authority
Tonkawa Municipal Authority
Walters Public Works Authority
Watonga Public Works Authority
Waynoka Utilities Authority
Wetumka Municipal Authority
Wynnewood City Utilities Authority
Yale Water and Sewage Trust

BOARD OF DIRECTORS

Charles Lamb, Chairman
Robert Johnston, Vice Chairman
Homer Nicholson, Secretary
Jim Greff, Treasurer
Dale Bunn Janice Cain
Dave Slezickey David Yeager
Jason McPherson Chuck Hall

EXECUTIVE STAFF

David W. Osburn, General Manager
John Vansant, CFO and Director of Corporate Services
Drake N. Rice, Director of Member Services
Jim McAvoy, Director of Engineering
Melie Vincent, Director of Operations
Randy Elliott, General Counsel