

SECOND QUARTER REPORT

FINANCIAL REVIEW

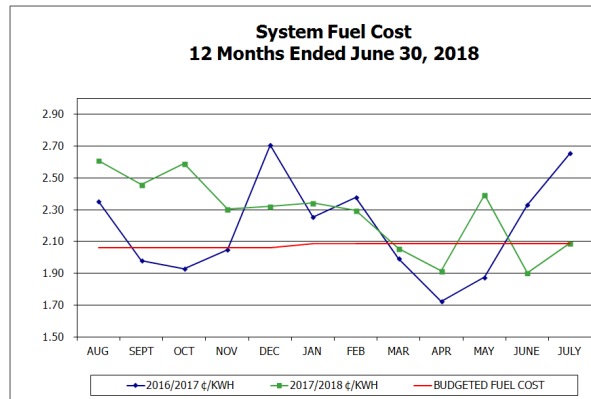
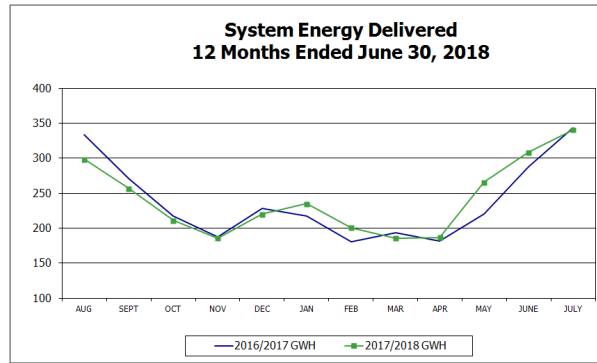
Net operating revenues for quarter ending June 30, 2018, were comparable with the same periods in 2017. Net operating revenues and net revenues for the 12 months ending June 30, 2018 were higher primarily due lower debt service expense and the change in the market value of investments.

The market value adjustment for investments was unfavorable \$1.8 million for the 12 months ended June 30, 2018, compared to a unfavorable \$2.2 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

On August 1st 2018, the Authority completed a mandatory remarketing of its Power Supply Revenue Bonds, Series 2005A. The remarketing will reduce net interest expense by approximately \$80,000 over the remaining life of the bonds. A portion of the bonds mature each January 1st, with the final maturity at January 1, 2023.

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

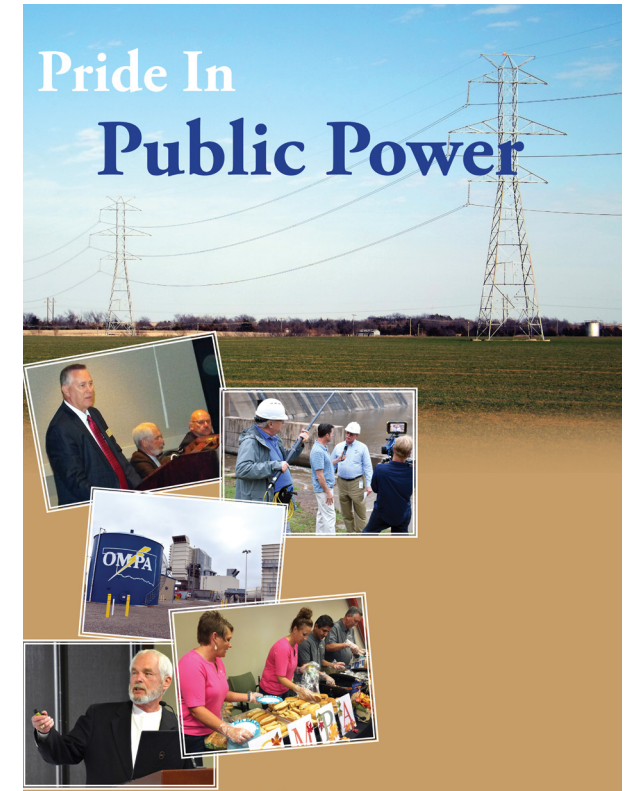


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**Oklahoma Municipal Power Authority
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Post Office Box 1960
Edmond, Oklahoma 73083-1960**

Owned by the members we serve



Oklahoma Municipal Power Authority (OMPA)

**Second Quarter Financial Report
For Period Ended June 30, 2018**

OMPA Website Address: www.ompa.com

Oklahoma Municipal Power Authority
Balance Sheet

(UNAUDITED, DOLLARS IN THOUSANDS)

	JUNE 30	
	2018	2017
ASSETS AND OTHER DEBITS		
UTILITY PLANT:		
Electric Plant in Service	\$738,542	\$729,788
Fuel Reserves	2,939	2,931
Construction in Progress	9,800	7,783
Leased Electric Plant	34,433	36,745
Accumulated Depreciation	(325,317)	(301,757)
	<u>460,397</u>	<u>475,490</u>
RESTRICTED FUNDS	101,148	106,978
Cash and Investments	39,126	32,921
Net Receivables	18,934	23,763
Inventory	3,746	4,738
Prepayments	12,750	11,712
Interest Receivable	123	103
	<u>74,679</u>	<u>73,237</u>
OTHER ASSETS	131,341	136,976
	<u>\$767,565</u>	<u>\$792,681</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	26,883	29,320
	<u>649,228</u>	<u>674,440</u>
Note Payable	34,433	36,745
CURRENT LIABILITIES:		
Accounts Payable	16,074	14,977
Bond Interest Payable	13,872	14,376
Other Liabilities	8,957	7,442
	<u>38,903</u>	<u>36,795</u>
DEFERRED REVENUE/RATE STABILIZATION	12,427	12,357
ACCUMULATED NET REVENUES	<u>32,574</u>	<u>32,344</u>
	<u>\$767,565</u>	<u>\$792,681</u>

Oklahoma Municipal Power Authority
Statement of Net Revenues

(UNAUDITED, DOLLARS IN THOUSANDS)

	QUARTER ENDED		TWELVE MONTHS ENDED	
	JUNE 30		JUNE 30	
	2018	2017	2018	2017
OPERATING REVENUES	47,589	47,561	184,367	188,773
OPERATING EXPENSES:				
Purchase Power	8,435	8,675	34,258	30,363
Generation	16,072	17,045	61,017	73,617
Transmission	6,680	6,024	25,230	21,971
Administrative	2,142	2,003	7,456	8,112
Depreciation	5,985	5,967	24,451	25,501
Other Operating Expenses	419	402	1,661	1,579
	<u>39,733</u>	<u>40,116</u>	<u>154,073</u>	<u>161,143</u>
NET OPERATING REVENUES	7,856	7,445	30,294	27,630
OTHER REVENUES (EXPENSES):				
Gain/Loss on Assets	-	-	-	-
Interest Income	738	669	1,959	2,501
Net Increase (Decrease) In Fair Value of Investments	(364)	304	(1,781)	(2,187)
Other Expenses	(21)	(21)	(84)	(84)
	<u>353</u>	<u>952</u>	<u>94</u>	<u>230</u>
Interest and Debt Expense:				
Interest on Long-Term Debt	6,907	7,221	28,255	29,663
Amortization of Finance Costs	60	121	362	723
	<u>6,967</u>	<u>7,342</u>	<u>28,617</u>	<u>30,386</u>
Amount to Recover in the future	<u>(508)</u>	<u>(527)</u>	<u>(1,541)</u>	<u>405</u>
NET REVENUES	<u>\$734</u>	<u>\$528</u>	<u>\$230</u>	<u>(\$2,121)</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 June 30, 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