



Valley Electric Association, Inc.

A Touchstone Energy® Cooperative



Monthly Reports and Financial Results

As of January 31, 2020

VALLEY ELECTRIC ASSOCIATION CONSOLIDATED YEAR OVER YEAR MONTHLY RESULTS
PRELIMINARY UNAUDITED JANUARY STATEMENT

	2020	2019	VARIANCE
VEA	\$ 6,636,739	\$ 6,178,783	7.4%
VETA	\$ 781,505	\$ 784,024	-0.3%
Comms	\$ 766,062	\$ 536,981	42.7%
Operating Income	\$ 8,184,306	\$ 7,499,789	9.1%
Total Cost of Power	3,449,192	3,736,001	7.7%
GROSS OPERATING MARGIN	4,735,114	3,763,788	25.8%
Distribution Expense - Operation	929,896	663,784	-40.1%
Distribution Expense - Maintenance	294,119	325,740	9.7%
Consumer Accounts Expense	225,426	248,743	9.4%
Customer Service & Informational Expense	75,903	50,877	-49.2%
Sales Expense	52,841	84,134	37.2%
Administrative and General Expense	776,183	1,511,845	48.7%
TOTAL OPERATING EXPENSES	2,354,368	2,885,122	18.4%
Fixed Costs (Depr. & Taxes)	1,106,717	1,093,895	-1.2%
Interest Expense (LTD)	765,121	749,651	-2.1%
Interest Charged to Construction	1,286	725	-77.4%
Interest Expense - Other	40,240	170,416	76.4%
Other Deductions	11,166	12,949	13.8%
TOTAL EXPENSES FOR VEA	4,278,898	4,912,757	12.9%
NET OPERATING MARGIN	456,216	(1,148,969)	139.7%
Interest Income (Non-Operating)	10,005	25,601	-60.9%
Non-Operating Margins - Other	(22,397)	(6,874)	-225.8%
Other - Capital Credits & Patronage Dividends	-	-	-
NET NON-OPERATING MARGIN	(12,392)	18,727	-166.2%
TOTAL MARGINS	\$ 443,823	\$ (1,130,242)	139.3%
EBITDA	\$ 2,369,580	\$ 865,718	173.7%

CONSOLIDATED

VALLEY ELECTRIC ASSOCIATION

PRELIMINARY CONSOLIDATED INCOME STATEMENT - UNAUDITED

PERIOD ENDED JANUARY 31, 2020

	YTD(JAN)	YTD(JAN)	JAN	2020 VS 2019	
	2019	2020		2020	Dollars
1. Operating Revenue and Patronage Capital	7,499,789	8,184,306	8,184,306	684,517	9.1%
2. Power Production Expense					-
3. Cost of Purchased Power	3,736,001	3,449,192	3,449,192	286,809	7.7%
6. Distribution Expense - Operation	663,784	929,896	929,896	(266,112)	-40.1%
7. Distribution Expense - Maintenance	325,740	294,119	294,119	31,621	9.7%
8. Consumer Accounts Expense	248,743	225,426	225,426	23,317	9.4%
9. Customer Service and Informational Expense	50,877	75,903	75,903	(25,026)	-49.2%
10. Sales Expense	84,134	52,841	52,841	31,292	37.2%
11. Administrative and General Expense	1,511,845	776,183	776,183	735,661	48.7%
12. Total Operation & Maintenance Expense (2 thru 11)	6,621,122	5,803,560	5,803,560	817,562	12.3%
13. Depreciation & Amortization Expense	1,059,784	1,090,180	1,090,180	(30,396)	-2.9%
14. Tax Expense - Property & Gross Receipts				0	-
15. Tax Expense - Other	34,111	16,537	16,537	17,574	51.5%
16. Interest on Long-Term Debt	749,651	765,121	765,121	(15,470)	-2.1%
17. Interest Charged to Construction (Credit)	725	1,286	1,286	(561)	-77.4%
18. Interest Expense - Other	170,416	40,240	40,240	130,176	76.4%
19. Other Deductions	12,949	11,166	11,166	1,783	13.8%
20. Total Cost of Electric Service (12 thru 19)	8,648,758	7,728,090	7,728,090	920,668	10.6%
21. Patronage Capital & Operating Margins (1 minus 20)	(1,148,969)	456,216	456,216	1,605,185	139.7%
22. Non Operating Margins - Interest	25,601	10,005	10,005	(15,596)	-60.9%
23. Allowance for Funds Used During Construction	0	0	0	0	-
24. Income (Loss) from Equity Investments				0	-
25. Non Operating Margins - Other	(6,874)	(22,397)	(22,397)	(15,523)	-225.8%
26. Generation & Transmission Capital Credits				0	-
27. Other Capital Credits & Patronage Dividends	0	0	0	0	-
28. Extraordinary Items				0	-
29. Patronage Capital or Margins (21 thru 28)	(1,130,242)	443,823	443,823	1,574,065	139.3%
30. EBITDA	865,718	2,369,580	2,369,580	1,503,862	173.7%

VALLEY ELECTRIC ASSOCIATION
CONSOLIDATED BALANCE SHEET - UNAUDITED
AS OF JANUARY 31, 2020

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	\$337,533,254	30. Memberships	\$192,690
2. Construction Work in Progress	4,735,030	31. Patronage Capital	131,035,806
3. Total Utility Plant (1+2)	342,268,284	32. Operating Margins - Prior Years	(63,046,995)
4. Accum. Provision for Depreciation and Amort	94,484,534	33. Operating Margins - Current Year	456,216
5. Net Utility Plant (3-4)	247,783,751	34. Non-Operating Margins	(12,392)
6. Nonutility Property - Net	0	35. Other Margins & Equities	10,581,176
7. Investment in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	79,206,500
8. Invest. in Assoc. Org. - Patronage Capital	5,450,619	37. Long-Term Debt RUS (Net)	0
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments-Unapplied (\$_____))	
10. Invest in Assoc. Org. - Other - Nongeneral Funds	1,846,304	38. Long-Term Debt - FFB - RUS Guaranteed (Net)	0
11. Investments in Economic Development Projects		(Payments-Unapplied (\$_____))	
12. Other Investments	1,154,877	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt - Other(Net)	229,524,210
14. Total Other Property & Investments (6 thru 13)	8,451,800	41. Long-Term Debt - RUS Economic Development (Net)	0
15. Cash-General Funds	3,114,926	42. Payments - Unapplied	
16. Cash-Construction Funds-Trustee	0	43. Total Long-Term Debt (37 thru 41 - 42)	229,524,210
17. Special Deposits	4,056,380	44. Obligations Under Capital Leases	2,954,731
18. Temporary Investments	0	45. Accumulated Operating Provisions - Asset Retirement Obligations	2,402,569
19. Notes Receivable - Net	0	46. Total Other Noncurrent Liabilities (44+45)	5,357,301
20. Accounts Receivable - Net Sales of Energy	6,526,470	47. Notes Payable	0
21. Accounts Receivable - Net Other	2,709,674	48. Accounts Payable	6,366,990
22. Renewable Energy Credits	0	49. Consumers Deposits	887,181
23. Materials & Supplies - Electric and Other	4,566,238	50. Current Maturities Long-Term Debt	7,937,943
24. Prepayments	1,415,755	51. Current Maturities Long-Term Debt-Economic Dev.	
25. Other Current & Accrued Assets	10,244	52. Current Maturities Capital Leases	3,443,754
26. Total Current & Accrued Assets (15 thru 25)	22,399,688	53. Other Current & Accrued Liabilities	4,171,909
27. Regulatory Assets	0	54. Total Current & Accrued Liabilities (47 thru 53)	22,807,777
28. Deferred Debits	61,177,885	55. Regulatory Liabilities	0
29. Total Assets & Other Debits (5+14+26+thru 28)	\$339,813,123	56. Deferred Credits	2,917,336
		57. Total Liabilities & Other Credits (36+43+46+54 thru 56)	\$339,813,123

VALLEY ELECTRIC ASSOCIATION
ADDITIONAL SUPPORTING REPORTS
AS OF JANUARY 31, 2020

SALES DATA

JAN 2020	Current Month				Year to Date			
	2020	2019	Change	Var.	2020	2019	Change	Var.
Member Sales	53,928,826	55,221,409	(1,292,583)	-2.3%	53,928,826	55,221,409	(1,292,583)	-2.3%
SCE Interchange	1,079,160	1,069,200	9,960	0.9%	1,079,160	1,069,200	9,960	0.9%
VEA Internal Use	221,888	232,126	(10,238)	-4.4%	221,888	232,126	(10,238)	-4.4%
Total Sales	55,229,874	56,522,735	(1,292,861)	-2.3%	55,229,874	56,522,735	(1,292,861)	-2.3%
Purchases	56,648,653	56,425,635	223,018	0.4%	56,648,653	56,425,635	223,018	0.4%
SCE Interchange	647,280	524,520	122,760	23.4%	647,280	524,520	122,760	23.4%
Total Purchases	57,295,933	56,950,155	345,778	0.6%	57,295,933	56,950,155	345,778	0.6%
System Losses	3.61%	0.75%	2.86%		3.61%	0.75%		
System Demand	117,569	130,634	(13,065)	-10.0%	117,569	130,634	(13,065)	-10.0%
Month Demand Occurred	JAN'20	JAN'19			JAN'20	JAN'19		
ENERGY REVENUE								
Residential	\$4,440,244	\$3,998,620	\$441,625	11.0%	\$4,440,244	\$3,998,620	\$441,625	11.0%
Irrigation	\$20,995	\$22,731	(\$1,735)	-7.6%	\$20,995	\$22,731	(\$1,735)	-7.6%
Commercial - <50 KW	\$519,521	\$469,383	\$50,138	10.7%	\$519,521	\$469,383	\$50,138	10.7%
Commercial - 50-249 KW	\$501,826	\$474,801	\$27,025	5.7%	\$501,826	\$474,801	\$27,025	5.7%
Commercial - 250 KW & Up	\$492,389	\$477,123	\$15,266	3.2%	\$492,389	\$477,123	\$15,266	3.2%
Contract Sales	\$466,406	\$537,422	(\$71,015)	-13.2%	\$466,406	\$537,422	(\$71,015)	-13.2%
Street Lighting	\$3,628	\$3,402	\$226	6.7%	\$3,628	\$3,402	\$226	6.7%
Total Revenue	\$6,445,010	\$5,983,481	\$461,529	7.7%	\$6,445,010	\$5,983,481	\$461,529	7.7%
ENERGY SALES								
Residential	33,576,009	33,533,029	42,980	0.1%	33,576,009	33,533,029	42,980	0.1%
Irrigation	232,768	253,672	(20,904)	-8.2%	232,768	253,672	(20,904)	-8.2%
Commercial - <50 KW	3,753,222	3,754,038	(816)	0.0%	3,753,222	3,754,038	(816)	0.0%
Commercial - 50-249 KW	4,705,325	4,739,625	(34,300)	-0.7%	4,705,325	4,739,625	(34,300)	-0.7%
Commercial - 250 KW & Up	4,751,596	4,863,724	(112,128)	-2.3%	4,751,596	4,863,724	(112,128)	-2.3%
Contract Sales	6,899,939	8,067,578	(1,167,639)	-14.5%	6,899,939	8,067,578	(1,167,639)	-14.5%
Street Lighting	9,967	9,743	224	2.3%	9,967	9,743	224	2.3%
Total Sales (kwh)	53,928,826	55,221,409	(1,292,583)	-2.3%	53,928,826	55,221,409	(1,292,583)	-2.3%

SALES DATA

AVG KWH SALES									
Residential	1,640	1,678	(38)	-2.3%	1,640	1,678	(38)	-2.3%	
Irrigation	1,030	1,153	(123)	-10.7%	1,030	1,153	(123)	-10.7%	
Commercial - <50 KW	1,755	1,762	(7)	-0.4%	1,755	1,762	(7)	-0.4%	
Commercial - 50-249 KW	21,006	21,741	(735)	-3.4%	21,006	21,741	(735)	-3.4%	
Commercial - 250 KW & Up	128,422	138,964	(10,542)	-7.6%	128,422	138,964	(10,542)	-7.6%	
Contract Sales	6,899,939	8,067,578	(1,167,639)	-14.5%	6,899,939	8,067,578	(1,167,639)	-14.5%	
Street Lighting	1,661	3,248	(1,587)	-48.9%	1,661	3,248	(1,587)	-48.9%	
Total	2,333	2,444	(111)	-4.5%	2,333	2,444	(111)	-4.5%	
CONSUMERS	JAN'20	JAN'19	Change		JAN'20	JAN'19	Change		
Residential	59	69	(10)		20,479	19,984	495	2.5%	
Irrigation	(2)	(3)	1		226	220	6	2.7%	
Commercial - <50 KW	(11)	2	(13)		2,138	2,131	7	0.3%	
Commercial - 50-249 KW	0	2	(2)		224	218	6	2.8%	
Commercial - 250 KW & Up	0	0	0		37	35	2	5.7%	
Contract Sales	0	0	0		1	1	0	0.0%	
Street Lighting	0	0	0		6	3	3	100.0%	
Total Consumers	46	70	(24)		23,111	22,592	519	2.3%	
REVENUE PER KWH									
Residential	0.1322	0.1192	0.0130	10.9%	0.1322	0.1192	0.0130	10.9%	
Irrigation	0.0902	0.0896	0.0006	0.7%	0.0902	0.0896	0.0006	0.7%	
Commercial - <50 KW	0.1384	0.1250	0.0134	10.7%	0.1384	0.1250	0.0134	10.7%	
Commercial - 50-249 KW	0.1067	0.1002	0.0065	6.5%	0.1067	0.1002	0.0065	6.5%	
Commercial - 250 KW & Up	0.1036	0.0981	0.0055	5.6%	0.1036	0.0981	0.0055	5.6%	
Contract Sales	0.0676	0.0666	0.0010	1.5%	0.0676	0.0666	0.0010	1.5%	
Street Lighting	0.3640	0.3491	0.0149	4.3%	0.3640	0.3491	0.0149	4.3%	
Total	0.1195	0.1084	0.0112	10.3%	0.1195	0.1084	0.0112	10.3%	

VALLEY ELECTRIC ASSOCIATION, INC.
13 Month Cash Flow

Sources of Cash	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20
Energy & Broadband Billing	6,149,518	5,881,409	6,051,808	5,793,031	5,829,173	4,817,736	6,275,117	7,181,800	6,955,970	7,001,334	5,110,451	5,754,027	7,143,788
Line of Credit													
Capital Credits/Interest Income	14,261	15,754	243,130	25,304	10,966	12,156	11,263	4,600	343,439	18,625	4,764	10,360	5,417
Aid to Construction	450,354	367,003	80,990	99,666	93,301	60,581	143,628	284,580	71,720	260,138	136,193	173,484	185,264
Accounts Receivable	600,573	473,849	988,823	780,514	1,196,193	409,920	429,654	1,174,804	1,556,632	1,362,504	548,247	2,549,480	410,265
CAISO/AEPCO	1,813	20,651	7,749	181,430	54,489	50,651		338,487	144,742	205,926	203,897	36	46,306
Total Sources of Cash	7,216,519	6,758,666	7,372,500	6,879,946	7,184,122	5,351,045	6,859,661	8,984,272	9,072,502	8,848,527	6,003,552	8,487,387	7,791,040

VALLEY ELECTRIC ASSOCIATION, INC.
13 Month Cash Flow

Uses of Cash	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20
Plant													
Plant Materials													
VEA	187,035	176,323	207,613	123,537	119,841	130,646	144,466	78,038	194,049	52,184	152,369	252,005	17,668
VETA					31,544					2,624			
VCA	264,291	136,302	31,253	22,656	90,581	17,509	213,027	68,676	115,797	5,829	139,316	42,454	160,176
Construction Work in Progress													
VEA	87,375	165,438	100,776	153,795	138,336	48,104	140,509	104,280	79,478	20,681	1,387	99,093	7,500
VETA	34,231	191,087	232,324	205,878	28,354	136,235		575,731	110,751	747,469	138,121	28,244	91,147
VCA	53,440	22,683	28,362	30,630	40,000	59,640	87,261	69,500	8,740	32,988	47,619		
General Plant	550,718		36,165	125,137			56,411	7,681	27,972	28,050	38,927	32,700	10,265
Total Plant	1,177,090	691,834	636,492	661,633	448,655	392,133	641,676	903,906	536,787	889,825	517,739	454,496	286,756
Investments													
Total Investments	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service													
Long Term Debt - Principal	96,297	624,666	1,434,647	97,070	100,464	1,439,848	100,959	630,943	1,454,667	101,703	98,863	1,472,735	99,382
Long Term Debt - Interest	200,713	323,678	2,024,750	204,654	197,674	2,034,450	196,141	316,114	1,993,543	190,350	164,908	1,846,301	172,536
Line of Credit													
Total Debt Service	297,010	948,345	3,459,397	301,724	298,139	3,474,298	297,100	947,058	3,448,210	292,053	263,771	3,319,036	271,919
Operations													
Purchased Power/Margin Calls	2,888,617	2,940,655	3,177,628	2,323,888	2,101,322	2,361,796	2,544,922	3,226,335	2,899,754	2,518,846	2,293,678	2,863,009	3,636,297
Gross Payroll	2,519,675	1,532,172	1,125,933	1,143,086	1,141,056	1,163,806	1,218,773	1,585,984	1,073,076	1,131,490	1,191,902	1,112,963	1,934,746
NRECA Benefits	1,142,147	1,240,843	970,113	1,116,389	990,101	1,036,334	1,006,630	1,041,203	391,383	477,565	412,256	383,305	1,196,665
Capital Credits	3,388	31,966	28,838	12,696	1,376	44,851	14,263	37,830	28,527	102,511	34	35,405	9,853
Transmission Sale													
Operating Material & Services	1,044,999	1,772,104	1,294,732	1,400,136	1,276,666	1,047,430	980,820	1,505,253	933,058	1,536,656	947,872	1,375,556	1,251,810
Total Operations	7,598,827	7,517,739	6,597,244	5,996,195	5,510,522	5,654,217	5,765,407	7,396,605	5,325,798	5,767,068	4,845,742	5,770,238	8,029,371
Total Uses of Cash	9,072,927	9,157,918	10,693,133	6,959,552	6,257,316	9,520,647	6,704,183	9,247,569	9,310,795	6,948,945	5,627,252	9,543,770	8,588,046
Net Cash Increase/(Decrease)	(1,856,408)	(2,399,252)	(3,320,633)	(79,606)	926,806	(4,169,602)	155,478	(263,297)	(238,293)	1,899,582	376,300	(1,056,383)	(797,006)

VALLEY COMMUNICATIONS ASSOCIATION

MONTHLY REPORTS & FINANCIAL RESULTS AS OF JANUARY 31, 2020



VALLEY COMMUNICATION ASSOCIATION

CONSOLIDATED INCOME STATEMENT - UNAUDITED

PERIOD ENDED JANUARY 31, 2020

	YTD(JAN)	YTD(JAN)		JAN	2020 VS 2019	
	2019	2020		2020	Dollars	%
REVENUE - INTERNET	524,887	749,857		749,857	224,970	42.9%
COST OF SALES - INTERNET	162,511	331,355		331,355	(168,844)	-103.9%
GROSS MARGINS - INTERNET	362,376	418,502		418,502	56,125	15.5%
REVENUE - VOIP	10,122	16,344		16,344	6,222	61.5%
COST OF SALES - VOIP	17,880	16,614		16,614	1,265	7.1%
GROSS MARGINS - VOIP	(7,757)	(270)		(270)	7,487	96.5%
VEEK REVENUE	3,251	2,383		2,383	(868)	-26.7%
SMART HOME REVENUE	-	-		-	0	0.0%
TOTAL REVENUE	538,316	768,584		768,584	230,269	42.8%
TOTAL COST OF SALES	203,436	347,969		347,969	(144,533)	-71.0%
GROSS MARGINS	334,880	420,615		420,615	85,735	25.6%
MAINTENANCE EXPENSE	8,593	6,412		6,412	2,181	25.4%
CONSUMER ACCOUNTS EXPENSE	27,743	34,053		34,053	(6,311)	-22.7%
CUSTOMER SERVICE (VEEK) EXPENSE	-	-		-	0	0.0%
SALES EXPENSE	37,072	7,076		7,076	29,995	80.9%
ADMIN AND GENERAL EXPENSE	112,333	102,189		102,189	10,144	9.0%
TOTAL CONTROLLABLE COSTS	185,740	149,730		149,730	36,010	19.4%
TOTAL OPERATING EXPENSES	389,176	497,700		497,700	(108,524)	-27.9%
DEPRECIATION & AMORT EXPENSE	414,682	441,479		441,479	(26,797)	-6.5%
TAX EXPENSE-OTHER	19,184	16,522		16,522	2,661	13.9%
INTEREST EXPENSE	56,925	38,570		38,570	18,356	32.2%
INT CHARGED TO CONST					0	0.0%
OTHER DEDUCTIONS	-	-		-	0	0.0%
TOTAL EXPENSES	879,967	994,270		994,270	(114,304)	-13.0%
NET MARGIN	(341,651)	(225,686)		(225,686)	115,965	33.9%
EBITDA	149,140	270,885		270,885	121,745	81.6%

VALLEY COMMUNICATION ASSOCIATION

BALANCE SHEET - UNAUDITED

AS OF JANUARY 31, 2020

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Plant in Service	\$44,685,158	30. Memberships	\$0
2. Construction Work in Progress	1,652,171	31. Patronage Capital	0
3. Total Plant (1+2)	46,337,328	32. Operating Margins - Prior Years	(21,550,556)
4. Accum. Prov for Deprec and Amort	14,018,978	33. Operating Margins - Current Year	(357,219)
5. Net Plant (3-4)	32,318,350	34. Non-Operating Margins	0
14. Total Other Property & Investments	0	35. Other Margins & Equities	45,000,000
15. Cash-General Funds	15,330	36. Total Margins & Equities (30 thru 35)	23,092,225
16. Cash-Construction Funds-Trustee	0	40. Long-Term Debt - Other(Net)	0
17. Special Deposits	0	43. Total Long-Term Debt	0
18. Temporary Investments	0	44. Obligations Under Capital Leases	2,954,731
19. Notes Receivable - Net	0	46. Total Other Noncurrent Liabilities	2,954,731
20. Accounts Receivable Trade	496,535	47. Notes Payable	0
21. Accounts Receivable - Net Other	0	48. Accounts Payable	8,497,884
23. Materials & Supplies	1,561,973	49. InterCompany payable	0
24. Prepayments	111,624	50. Current Maturities Long-Term Debt	0
25. Other Current & Accrued Assets	0	52. Current Maturities Capital Leases	3,443,754
26. Total Current & Accrued Assets	2,185,462	53. Other Current & Accrued Liabilities	105
28. Deferred Debits	3,484,887	54. Total Current & Accrued Liabilities	11,941,743
		56. Deferred Credits	0
29. Total Assets & Other Debits	\$37,988,699	57. Total Liabilities & Other Credits	\$37,988,699

13 Month Broadband Revenues and Subscribers

■ Broadband Revenue ■ Subscribers

