



## First Quarter Financial Report FY 2024

### Statement of Net Position (unaudited)

As of September 30  
(thousands)

	2023	2022
<b>Current assets</b>		
Cash & Equivalents	\$ 120,141	\$ 149,901
Operating Contingency Reserves	118,073	111,611
Accounts Receivable	72,939	68,272
Inventory	30,112	22,508
Other	42,799	50,405
Total Current Assets	<u>\$ 384,064</u>	<u>\$ 402,697</u>
<b>Restricted assets</b>		
Bond Fund	\$ 33,464	\$ 32,300
Other	302	2
Total Restricted Assets	<u>\$ 33,766</u>	<u>\$ 32,302</u>
<b>Net Plant</b>	\$ 2,386,208	\$ 2,261,245
<b>Intangible Assets</b>	<u>\$ 10,113</u>	<u>\$ 3,720</u>
<b>Other Assets</b>	<u>\$ 19,518</u>	<u>\$ 78,753</u>
<b>Total Assets</b>	\$ 2,833,669	\$ 2,778,717
<b>Deferred Outflows of Resources</b>	<u>\$ 67,784</u>	<u>\$ 28,152</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 2,901,453</u>	<u>\$ 2,806,869</u>
<b>Current Liabilities</b>		
Current Bonds Payable	\$ 45,990	\$ 44,195
Accounts Payable	94,797	111,038
Other	70,478	74,501
Total Current Liabilities	<u>\$ 211,265</u>	<u>\$ 229,734</u>
<b>Other Liabilities</b>	\$ 72,626	\$ 40,397
<b>Long-term Debt</b>	<u>\$ 1,148,319</u>	<u>\$ 1,107,946</u>
<b>Total Liabilities</b>	\$ 1,432,210	\$ 1,378,077
<b>Deferred Inflows of Resources</b>	<u>\$ 11,408</u>	<u>\$ 45,740</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>\$ 1,443,618</u>	<u>\$ 1,423,817</u>
<b>Net position</b>		
Net Investment in Capital Assets	\$ 1,208,927	\$ 1,120,806
Restricted for:		
Debt Service	19,844	19,366
Other	2	2
Unrestricted	229,062	230,748
Total Net Position	<u>\$ 1,457,835</u>	<u>\$ 1,370,922</u>
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<u>\$ 2,901,453</u>	<u>\$ 2,794,739</u>



**Statement of Revenues, Expenses, and  
Changes in Net Position**  
(unaudited)

Three Months Ended  
September 30  
(thousands)

	2023	2022
<b>Operating Revenue</b>	\$ 235,320	\$ 258,645
Less: Purchased Energy	(125,140)	(158,731)
Margin on Sales	<u>\$ 110,180</u>	<u>\$ 99,914</u>
<b>Operating Expenses</b>		
Operations & Maintenance	\$ 46,363	\$ 38,952
Depreciation & Amortization	24,087	23,008
Taxes & Equivalents	9,725	9,377
Total Operating Expenses	<u>\$ 80,175</u>	<u>\$ 71,337</u>
<b>Operating Income</b>	\$ 30,005	\$ 28,577
<b>Other Revenue (Expenses)</b>		
Interest Income	\$ 2,652	\$ 1,148
Interest Expense	(10,544)	(10,057)
Other (Net)	2,137	(429)
Total Other Expenses	<u>(5,755)</u>	<u>(9,338)</u>
<b>Change in Net Position Before Capital Contributions</b>	\$ 24,250	\$ 19,239
Capital Contributions	725	348
<b>Change in Net Position</b>	<u>\$ 24,975</u>	<u>\$ 19,587</u>

**Statistical Highlights**

Three Months Ended  
September 30  
(thousands)

	2023	2022	% Change
Electric Sales (MWh in 000s)	1,745	1,814	-3.8%
Natural Gas Sales (Dth in 000s)	1,773	1,784	-0.6%
Water Sales (Mg)	2,771	2,726	1.7%
Wastewater Sales (Mg)	2,072	2,143	-3.3%
Heating Degree Days	-	27	-
Cooling Degree Days	1,077	1,086	-0.8%
Avg Temperature	76.5	76.2	0.4%

Mega Watt hour (MWh)  
Dekatherm (Dth)  
Million Gallon (Mg)

**KUB Bond Ratings**

	Moody's	Standard & Poor's
Electric	Aa2	AA-
Natural Gas	Aa2	AA
Water	Aa1	AAA
Wastewater	Aa2	AA+

KUB operates five separate enterprise funds. This presentation represents a consolidation of statements for the enterprise funds, as provided for under Governmental Accounting Standard 34.

These unaudited financial statements should be read in conjunction with the Notes to Financial Statements appearing in KUB's Annual Report for fiscal year 2023.



## First Quarter Financial Report Fiscal Year 2024

### Management Financial Discussion

KUB's change in net position (net income) for the three months ended September 30, 2023, was \$25 million, representing an increase of \$5.4 million over the same period last year.

Margin on sales increased \$10.3 million or 10.3 percent on a consolidated basis compared to last fiscal year. Electric sales margin increased \$6.4 million, the net result of a 3.8 percent decrease in sales volumes and additional revenue from the April 2023 rate increase. Fiber sales margin increased \$0.8 million. Gas sales margin increased \$0.3 million, the net result of a 0.6 percent decrease in sales volumes and lower natural gas market prices. Water margin increased \$1.2 million, due to a 1.7 percent increase in billed sales volumes and additional revenue from the July 2023 rate increase. Wastewater margin increased \$1.8 million, due to a 3.3 percent decrease in billed usage and additional revenue from the July 2023 rate increase.

O&M expenses fiscal year to date increased \$7.4 million, reflecting an increase in labor and labor-related expenses for the fiscal year to date. Depreciation and amortization expense increased \$1.1 million. Taxes and tax equivalents increased \$0.3 million compared to the prior year.

Interest income fiscal year to date increased \$1.5 million as interest rates rise. Interest expense fiscal year to date increased \$0.5 million compared to the prior year.

KUB's total debt outstanding as of September 30, 2023, was \$1.1 billion, representing 43 percent of KUB's capital structure. This debt level represented an increase of \$44.8 million compared to the same period last year.