Financial Statements
June 30, 2014 and 2013

Utah Municipal Power Agency

Independent Auditor's Report ... 1

Management's Discussion and Analysis ... 3

Financial Statements:

Statements of Net Position as of June 30, 2014 and 2013 ... 6

Statements of Revenues, Expenses and Changes in Net Position for the years ended June 30, 2014 and 2013 ... 8

Statements of Cash Flows for the years ended June 30, 2014 and 2013 ... 9

Notes to Financial Statements ... 10

Schedule of Changes in Funds Established by the Bond Indenture for the years ended June 30, 2014 and 2013 ... 20

Independent Auditor's Report

The Board of Directors of
Utah Municipal Power Agency
Spanish Fork, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of Utah Municipal Power Agency (the Company) which comprise the statement of net position as of June 30, 2014 and 2013, and the related statement of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of June 30, 2014 and 2013, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the Company has changed its accounting policy for debt issuance costs to adopt the provisions of Governmental Accounting Standards Board Standard Number 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter. As discussed in Note 2 to the financial statements, the Company has retroactively restated the previously reported deferred inflow or resources to account for bond issuance costs in accordance with this Statement. Our opinion is not modified with respect to this matter.

5 Triad Center, Ste. 750 | Salt Lake City, UT 84180-1128 | T 801.532.2200 | F 801.532.7944 | EOE

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 to 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental Schedule of Changes in Funds Established by the Bond Indenture for the year ended June 30, 2014 shown on page 20 is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplemental Schedule of Changes in Funds Established by the Bond Indenture is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Changes in Funds Established by the Bond Indenture is fairly stated, in all material respects, in relation to the financial statements taken as a whole

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also have issued our report dated October 21, 2014 on our consideration of the Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

Eide Bailly LLP

Salt Lake City, Utah
October 21, 2014

This discussion and analysis provides an overview of the financial performance and activities of Utah Municipal Power Agency (UMPA or the Agency) for the fiscal years ended June 30, 2014 and 2013. The information presented should be read in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Financial Statements Overview

The Agency operates as a utility enterprise and substantially follows the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission. The accompanying basic financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Agency's basic financial statements include the statement of net position, the statement of revenues, expenses, and changes in net position, and the statement of cash flows.

The statement of net position provides information about the nature and amount of assets and obligations (liabilities) of the Agency as of the end of the year. The statements of revenues, expenses, and changes in net position reports revenues and expenses for the current year. The statements of cash flows reports cash receipts, cash payments, and net changes in cash resulting from operating, capital and related financing activities, and investing activities.

Condensed Financial Statements and Analysis

The following comparative condensed statements of net position summarize the financial position of the Agency for the years ended June 30, 2014, 2013 and 2012:

Condensed Statements of Net Position

	2014	2013 (As restated)	2012 (As restated)
Assets:			
Current assets	$ 31,686,338	$ 33,991,041	$ 27,961,617
Utility plant & equipment, net	17,813,717	15,294,925	13,935,319
Future recoverable costs, net	85,281	100,787	116,292
Total assets	$ 49,585,336	$ 49,386,753	$ 42,013,228
Liabilities and Deferred Inflow of Resources:			
Current liabilities	$ 10,281,957	$ 8,550,604	$ 9,518,833
Long-term liabilities	21,757,752	25,110,316	21,707,607
Deferred inflow of resources	17,542,277	15,722,483	10,783,438
Total liabilities and deferred inflow of resources	49,581,986	49,383,403	42,009,878
Net Position:			
Net investment in capital assets	(7,274,035)	(12,990,391)	(10,792,288)
Restricted for debt service	8,060,950	7,985,325	7,895,242
Unrestricted	(783,565)	5,008,416	2,900,396
Total net position	3,350	3,350	3,350
Total liabilities, deferred inflow, and net position	$ 49,585,336	$ 49,386,753	$ 42,013,228

Condensed statements of net position highlights are as follows:

- A decrease in current assets at year-end of $2.3 million is the primary effect of a $3.5 million decrease in cash and investments, a $1.95 million increase in receivables for member and non-member power sales, and $773,000 lower inventory of coal stockpiled at the Bonanza Station. The 2014 decrease in cash and investments was due to $2.55 million of the Series 2012 Electric System Revenue Bonds proceeds used to fund capital projects at two dedicated resource facilities and an increase of $333,000 net contributions to the Rate Stabilization Fund (RSF). In 2013 current assets increased $6.03 million due to a $6.4 million increase in cash and investments from unused Series 2012 Bond proceeds and from contributions to the RSF, a $232,000 decrease in prepaid expenses for a dedicated resource and $48,600 lower inventory valuation.

- Utility plant & equipment, net increased by approximately $2.5 million during 2014. This increase is attributable to the difference of 2014 capital additions in excess of depreciation. Capital additions in the amount of $3.6 million were clean air projects at two dedicated resource facilities. Utility plant & equipment, net includes the Agency's 3.75% undivided ownership interest in the Bonanza Unit I, with a historical cost of $28.15 million, and the Agency's 6.25% undivided ownership interest in certain related transmission facilities, with a historical cost of $8.7 million. In 2013, utility plant & equipment increased $1.36 million due to capital additions in excess of depreciation. Capital additions in the amount of $2.35 million were included in work in process in 2013 for clean air projects.

- Future Recoverable Costs decreased $15,500 in 2014 from annual amortization. Future Recoverable Costs decreased $15,500 in 2013 from annual amortization.

- Long-term liabilities decreased $3.35 million in 2014. Long-term 2003 revenue bonds outstanding decreased $3.3 million due to classification of the current portion of long-term liabilities and the net effect of bond premium and cost of reacquired debt amortization. Long-term liabilities increased $3.4 million in 2013 due to the issuance of the $6.6 million Series 2012 revenue bonds.

- Deferred inflow of resources increased $1.66 million in 2014. This is attributable to a net increase of $333,000 of member contributions to the Rate Stabilization Fund and an increase of $1.33 million of the net revenues to be returned in future billings to members. The Agency's rate stabilization account may be used to meet unanticipated increases in revenue requirements in subsequent periods or achieve rate stability to members. Deferred inflow of resources increased $4.98 million from 2012 to 2013, which represented a $984,000 increase in the Rate Stabilization Fund and a $3.99 million increase in net revenues to be returned in future billings to members.

- Restricted net position is comprised of the Bond Fund. The unrestricted net position is comprised of the Revenue, Repair & Replacement Funds, and Rate Stabilization Funds. These funds were created under UMPA's General Indenture of Trust (Bond Indenture) for the Series 2003 Revenue Refunding Bonds. The Rate Stabilization Fund, created by UMPA Board resolution in 1999 and was subsequently incorporated by the Bond Indenture in 2003, is designated to use by UMPA's Board.

The comparative condensed statements of revenues, expenses, and changes in net position summarizes the changes in financial position of the Agency for the years ended June 30, 2014, 2013 and 2012:

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2014	2013 (As restated)	2012 (As restated)
Power sales	$ 78,041,672	$ 71,855,374	$ 68,151,506
Other revenues	2,327	25,631	8,402
Operating revenues	78,043,999	71,881,005	68,159,908
Operating expenses	75,363,192	66,087,280	64,512,428
Operating income	2,680,807	5,793,725	3,647,480
Interest income	172,500	373,275	324,291
Interest expense	(1,033,513)	(1,127,955)	(1,222,317)
Deferred inflow of resources adjustment	(1,819,794)	(5,039,045)	(2,749,454)
Net non-operating (revenues) expenses	(2,680,807)	(5,793,725)	(3,647,480)
Change in net position	-	-	-
Beginning net position	3,350	3,350	3,350
Ending net position	$ 3,350	$ 3,350	$ 3,350

- Operating revenues from power sales increased by approximately $6.16 million between 2014 and 2013. Power sales consist principally of member power sales revenue and power sales to non-members. Revenue from power sales to members increased $4.1 million in 2014. Billed rate to members was 7.1% higher than the rate in 2013. Capacity and energy not needed for sales to members, in addition to power purchased on the market for resale, are sold to non-members. Energy sold to non-members in 2014 increased 35.9% resulting in $2.1 million more revenue than in 2013. In 2013, operating revenues from total power sales increased by approximately $3.72 million from 2012. Sales to member increased $4.9 million due to capacity and energy increase of 3.08% and 3.84% respectively and the billed rate increase of 3.88%. Sales to non-members decreased $1.2 million due to 17.4% decrease in energy sold.

- Operating expenses increased by approximately $9.3 million between 2014 and 2013. This difference is attributable primarily to dedicated resources, generation costs, other power costs, and general and administrative expenses.

  Dedicated resource costs increased $3.5 million in 2014 due primarily to expenses at the Hunter dedicated resource. An increase in Hunter capital expense in the amount of $1.1 million due to major outage equipment upgrades. The clean air project assets in the amount of $5.2 million related to the issuance of the 2012 bonds were put into service during the year. Operations and Maintenance expenses increased $2.4 million due to the increase costs during the major outage. Fuel costs decreased $200,000, as a result of a 15.9% decrease in output and a 12.2% decrease per kWh fuel costs. In 2013, dedicated resource costs decreased $639,000 due primarily to expenses at the Hunter dedicated resource.

  Generation costs in 2014 increased $1.75 million primarily due to an increase of $1.47 million in additional fuel costs related to coal excise taxes and royalties. Generation costs in 2013 were $375,000 million less than the previous year due to $1.08 million lower maintenance costs because of no planned outages and increased fuel costs of $841,000 for additional output.

  Other power costs increased $4.4 million in 2014. Other power costs consist of UMPA's long-term and firm contracts for power, supplemental power purchased on the market, and transmission. Other power costs also include power purchased for resale to non-members. Other purchased power costs increased 13% due to replacement power during planned major outages during the year. In 2013, other power costs increased $3.6 million.

  General and administrative expenses decreased $523,000 in 2014 due to decreased legal and consulting costs and lower Salary and benefit expenses.

Long Term Debt Activity

In July 2012, the Agency issued $6.6 million of 2012 Series Electric System Revenue Bonds with a fixed interest rate of 2.06%. The bonds mature on July 1, 2017 and require interest only payments until the Agency's fiscal year 2015. The bonds were structured to level the Agency's total debt service requirements through the bonds maturity, including debt for a dedicated resource which is reflected in Note 9-Commitments and Contingencies, Dedicated Resource Costs. The bonds were issued to fund the remaining clean air capital projects at the Hunter resource and install pollution control equipment at another dedicated resource. These projects were both completed in fiscal year 2014.

In 2003, UMPA took advantage of low interest rates and current refunded the 1993 Series Revenue Refunding Bonds through the issuance of the 2003 Series Revenue Refunding Bonds.

Budgetary Highlights

UMPA's Board of Directors adopted a fiscal year 2014 budget with total expenditures of $73.6 million including budgeted operating expenses of $69.4 million and debt service of $4.25 million. Actual operating expenses and debt service were $77.2 million, $3.6 million or 4.8% over budget. Total operating revenues were greater than budget by $4.6 million or 6.3%.

Economic Factors

The electric markets continue to exhibit a high level of sensitivity to domestic natural gas prices, transmission capacity, and available supply of surplus generating capacity. UMPA will continue to benefit from a surplus resource portfolio. Should the Agency suffer an extended loss of resources, it may be necessary to replace any lost capacity and energy at market wholesale rates which may be higher than the current blended cost-based resource mix. Environmental regulations are in a state of long-term uncertainty for current and new power generation resources. Changes in regulated emissions could have a significant impact on the cost of operating both existing and any new carbon-based generation resources for UMPA and for similar generation resources of other utilities throughout the electric generation industry.

Contact Information

This financial report is designed to provide a general overview of the Agency's finances. Questions or requests for additional information should be addressed to the Accounting Manager, P.O. Box 818, Spanish Fork, UT 84660.

ASSETS

		June 30, 2014		June 30, 2013 (As restated)
Current Assets				
Cash, cash equivalents, and investments - Note 1 & 3	$	19,468,641	$	22,951,028
Accounts receivable				
Member power sales		9,670,745		7,713,322
Non-member power sales		555,298		561,844
Inventory - Note 1		1,991,654		2,764,847
Total Current Assets		31,686,338		33,991,041
Noncurrent Assets				
Utility Plant and Equipment - Note 1 & 4				
Interest in generating plant		35,537,104		31,926,340
Interest in transmission system		8,696,748		8,676,126
Other utility assets		1,724,869		1,681,754
Less: accumulated depreciation		(28,145,004)		(26,989,295)
Utility Plant and Equipment - Net		17,813,717		15,294,925
Future recoverable costs (net of accumulated amortization of $148,719 in 2014 and $133,213 in 2013) - Note 1		85,281		100,787
Total Noncurrent Assets		17,898,998		15,395,712
Total Assets	$	49,585,336	$	49,386,753

LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION

	June 30, 2014	June 30, 2013 (As restated)
Current Liabilities		
Accounts payable	$ 6,491,332	$ 4,835,604
Accrued bond interest payable	460,625	540,000
Current portion of revenue bonds payable - Note 6	3,330,000	3,175,000
Total Current Liabilities	10,281,957	8,550,604
Long-Term Liabilities - Note 6		
Revenue bonds payable	21,757,752	25,110,316
Total Long-Term Liabilities	21,757,752	25,110,316
Total Liabilities	32,039,709	33,660,920
Deferred Inflow of Resources - Note 5	17,542,277	15,722,483
Total Liabilities and Deferred Inflow of Resources	49,581,986	49,383,403
Net Position		
Net investment in capital assets	(7,274,035)	(12,990,391)
Restricted for debt service	8,060,950	7,985,325
Unrestricted	(783,565)	5,008,416
Total Net Position	3,350	3,350
Total Liabilities, Deferred Inflows, and Net Position	$ 49,585,336	$ 49,386,753

	For the Years Ended June 30,	
	2014	2013 (As restated)
Operating Revenues		
Power sales:		
Members	$ 70,229,935	$ 66,106,250
Non-members	7,811,737	5,749,124
Other operating revenue	2,327	25,631
Total Operating Revenues	78,043,999	71,881,005
Operating Expenses		
Dedicated resource costs	14,647,730	11,098,809
Western Area Power Administration	8,533,998	8,533,998
Generation costs	11,912,898	10,163,337
Other power costs	38,142,622	33,762,708
Depreciation	1,184,990	1,064,595
General and administrative	940,954	1,463,833
Total Operating Expenses	75,363,192	66,087,280
Income from Operations	2,680,807	5,793,725
Non-Operating Revenues (Expenses)		
Interest income	172,500	373,275
Interest expense	(1,033,513)	(1,127,955)
Net Non-Operating Expenses	(861,013)	(754,680)
Change in net position before adjustment	1,819,794	5,039,045
Deferred inflow of resources adjustment - Note 1 & 5	(1,819,794)	(5,039,045)
Change in Net Position	-	-
Net Position, Beginning of Year	3,350	3,350
Net Position, End of Year	$ 3,350	$ 3,350

	For the Years Ended June 30,	
	2014	**2013**
Cash Flows from Operating Activities		
Receipts from members	$ 68,272,512	$ 66,034,712
Other operating receipts	7,820,610	5,941,425
Payments for dedicated resources	(12,834,115)	(11,415,485)
Payments for UMPA resources	(11,214,583)	(9,870,961)
Payments for purchased power	(46,744,123)	(42,218,935)
Payments for other operating expenses	(940,954)	(1,463,835)
Net Cash Provided by Operating Activities	4,359,347	7,006,921
Cash Flows from Capital Financing Activities		
Bond and member payable payments	(3,175,000)	(3,825,000)
Interest paid on bonds	(1,135,452)	(1,225,738)
Acquisition of utility and equipment	(3,703,782)	(2,424,201)
Proceeds from the issuance of bonds	-	6,600,000
Bond costs paid on issuance	-	(100,000)
Net Cash Used in Capital Financing Activities	(8,014,234)	(974,939)
Cash Flows from Investing Activities		
Interest received on cash and investments	172,500	373,275
Net Cash Provided by Investing Activities	172,500	373,275
Net Increase in Cash, Cash Equivalents, and Investments	(3,482,387)	6,405,257
Cash, Cash Equivalents, and Investments at Beginning of Year	22,951,028	16,545,771
Cash, Cash Equivalents, and Investments at End of Year	$ 19,468,641	$ 22,951,028
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities		
Income from operations	$ 2,680,807	$ 5,793,725
Noncash operating activities adjustment:		
Depreciation	1,184,990	1,064,595
Changes in assets and liabilities:		
Accounts receivable	(1,950,877)	95,132
Prepaid expenses	15,506	247,610
Inventory	773,193	48,596
Accounts payable	1,655,728	(242,737)
Net Cash Flows Provided by Operating Activities	$ 4,359,347	$ 7,006,921

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Utah Municipal Power Agency (UMPA or Agency) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant of such policies.

***Organization and Purpose*—**UMPA, a separate legal entity and political subdivision of the State of Utah, was formed by an agreement dated September 17, 1980, pursuant to the provisions of the Utah Interlocal Co-Operation Act. UMPA's membership consists of six municipalities (the Members). UMPA's purposes include planning, financing, development, acquisition, construction, improvement, betterment, operation, or maintenance of projects for the generation, transmission and distribution of electric energy for the benefit of its Members. UMPA purchased from Deseret Generation and Transmission Co-Operative (DG&T) an undivided interest in the Bonanza Station on December 19, 1985, and began selling power to the Members at that time. The following governmental entities are UMPA Members:

Town of Levan
Manti City Corporation
Nephi City Corporation
Provo City Corporation
Salem City Corporation
Spanish Fork City Corporation

***Basis of Accounting*—**The Agency follows the Federal Energy Regulatory Commission's Uniform System of Accounts and maintains accounting records on an accrual basis, in conformity with accounting principles generally accepted in the United States of America, as applicable to governmental entities, including the application of the Government Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, as the guidance relates to regulated operations. The guidance allows for deferral of revenues and expenses to future periods in which the revenues are earned or the expenses are recovered through the rate-making process.

***Recently Adopted Accounting Principles*—** In March 2012, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This standard establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This standard will be effective for the Agency during the fiscal year ended June 30, 2014 and must be applied retroactively by restating financial statements for all periods presented.

The provisions of GASB 65 require that debt issuance costs (deferred financing costs) be recognized as an expense in the period incurred. The implementation will result in the reduction of deferred inflow of resources of $163,609 as of June 30, 2013, and reduction of amortization expense and decrease in non-operating expenses of $62,123 for the year ended June 30, 2013.

***Reclassifications*—**Certain 2013 amounts have been reclassified to conform to the 2014 presentation.

***Cash Equivalents*—**For purposes of the Statements of Cash Flows, the Agency considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. See also Note 3.

***Investments*—**Investments consist of certificates of deposit, United States Government and government agency securities, and securities allowed according to the State of Utah Money Management Act which are stated at fair value. All investments other than unrestricted funds are restricted as to their use by the General Indenture of Trust, dated as of April 1, 2003, (the Bond Indenture) to Zions First National Bank.

***Utility Plant and Equipment*—**The interest in generating plants consists of (i) a 3.75% undivided ownership interest (representing approximately 17 MW of capacity) in a 458 MW coal-fired generating unit (Bonanza Unit 1) located at the Bonanza Station in northeastern Utah, (ii) a 1.875% undivided ownership interest in certain common facilities constructed to serve both Bonanza Unit 1 and a similar sized unit which may be constructed adjacent thereto (Bonanza Unit 2), (iii) a 6.25% undivided ownership interest in certain related transmission facilities and miscellaneous related rights and interests, and (iv) inclusion of study costs for potential future resources.

The plant is stated at original cost, which represents the actual cost to DG&T of labor, materials, and indirect costs, such as engineering, supervision, transportation, and allowance for borrowed funds used during construction, plus capitalized interest on bonds until the Bonanza Unit 1 was placed in commercial operation.

Furniture and equipment purchased by UMPA are stated at cost.

UMPA uses the following useful lives in depreciating fixed assets under the straight-line method:

Office Building	30 Years
Furniture and Equipment	3 – 7 Years
Interest in Utility Plant	20 – 40 Years

Subsequent Events— Management of the Agency has evaluated subsequent events through October 21, 2014, the date which the financial statements were available to be issued.

Future Recoverable Costs—Costs incurred in conducting project feasibility studies.

Taxes—UMPA is not subject to federal or state taxes but has agreed to make payments in lieu of ad valorem taxes to Uintah County in respect of its interest in Bonanza Unit 1. UMPA paid $32,633 to Uintah County during the 2014 fiscal year and $32,209 in fiscal year 2013.

Inventory—Inventory consists of the following items:

1. Coal stockpiled at the Bonanza Station. The inventory is valued at lower of cost or market on the moving average basis, valued at $1,718,654 and $2,491,847 at June 30, 2014 and 2013, respectively.

2. Working capital inventory warehoused at Hunter #1 Plant. The inventory is valued at lower of cost or market on the moving average basis, valued at $273,000 and $273,000 at June 30, 2014 and 2013, respectively.

Rates—Utah State law provides that UMPA's Board of Directors (Board) has sole authority to establish power supply rates to its Members. In accordance with its Bond Indenture, the Agency shall establish rates which, together with other revenues, are reasonably expected to pay its operating costs (not including depreciation and amortization) and at least 1.00 times its aggregate debt service. Power supply services provided by the Agency are not subject to state or federal rate regulation.

Revenue—The Bond Indenture requires UMPA to fix and collect fees and charges sufficient to meet operating expenses and debt service. UMPA accomplishes this by estimating the current year operating expenses and debt service and then billing the member cities monthly at a rate sufficient to match the estimates plus Board directed charges (See Note 5). The estimates and billings are updated periodically to reflect the difference between the actual and the estimates.

Deferred Costs to be Recovered in Future Billings to Members—Costs in excess of the amounts currently billable to the Members are to be recovered from future revenues by setting rates sufficient to provide funds for the related debt service requirements. As allowed through the applications of the provisions of GASB 62, current costs in excess of funding are deferred and shown as deferred costs to be recovered in future periods on the accompanying statement of net position and as expenses to be recovered in future periods on the statements of revenues, expenses, and changes in net position. These costs represent depreciation of utility and equipment, amortization of long-term debt issuance costs, amortization of long-term debt premium/discount, gain/loss on disposed assets, and amortization of cost of reacquired debt in excess of amounts currently billed to Members.

Deferred Inflow of Resources—The Agency designs its electric service rates to recover costs, as defined above, of providing power supply services. In order to minimize possible future rate increases, the Board has adopted a rate stabilization formula whereby each month the Agency collects amounts which are the differences between budgeted results of operations and actual results of operations. The Rate Stabilization Funds may be used for major maintenance, capital outlay, environmental upgrades and other uses the Board may designate. The Board periodically reviews the amounts collected and may adjust the contribution as they deem prudent. For the year ended June 30, 2014 the Agency made net contributions of $333,448, including interest, and for the year ended June 30, 2013 net contributions of $984,030, net of interest earned in the fund, were reflected in the Rate Stabilization Fund and reported in deferred inflow of resources on the statements of net position.

NOTE 2—RESTATEMENTS

The Agency implemented GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. As a result, costs of debt issuance previously amortized in the Statement of Net Position and the Statement of Activities were written off as those costs are now expensed in the year of the debt issuance. The total amount of those costs written-off resulted in a decrease of $163,609 to beginning deferred inflow of resources.

The following shows the effect of the restatement on beginning deferred inflow of resources:

Beginning deferred inflow of resources	$	15,886,092
Cost of debt issuance		(163,609)
Restated beginning deferred inflow of resources	$	15,722,483
Beginning non-operating revenues (expenses)	$	(816,803)
Amortization expense		62,123
Restated beginning non-operating revenues (expenses)	$	(754,680)

NOTE 3—CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash, cash equivalents and investments as of June 30, 2014 and 2013 are detailed as follows:

		2014		2013
Cash, cash equivalents, and investments:				
Deposits	$	2,091,332	$	2,217,891
Investment in the Utah State PTIF		17,377,309		16,382,137
Investment in commercial paper		-		4,351,000
Total cash, cash equivalents, and investments	$	19,468,641	$	22,951,028

Deposits**—**It is the policy of UMPA to invest funds in compliance with state and local laws, regulations, and other policies governing the investment of public funds, specifically according to the terms and conditions of the State Money Management Act of 1974 and Rules of the State Money Management Council as currently amended (the "Act"), and the Agency's own written investment policy. UMPA's bank deposits are covered by federal depository insurance up to $250,000.

The Act requires the depositing of UMPA funds in a "Qualified Depository." The Act defines a "qualified depository" as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. All of the Agency's deposits during the years ended June 30, 2014 and 2013 were made with qualified Depositories.

Deposit Custodial Credit Risk**—**Custodial credit risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. Investments in the Utah State PTIF are not insured or otherwise guaranteed by the State of Utah. The State of Utah does not require collateral on deposits. As of June 30, 2014, $19,218,641 of the Agency's bank balance was uninsured and uncollateralized and therefore was exposed to some degree of custodial credit risk.

Investments**—**The Agency may place public money in investments authorized by the Money Management Act (U.C.A. 51-7-11). The Chief Financial Manager shall ensure that all purchases and sales of securities are settled within 15 days of the trade date. In general, these investments can be any of the following subject to restrictions specified in the Act: (1) Obligations of the U.S. Treasury and most Government-Sponsored Enterprises; (2) Commercial paper; (3) Bankers Acceptances; (4) Publicly traded, fixed rate corporate obligations; (5) Certain variable rate securities and deposits; (6) Deposits with the State Public Treasurer's Investment Pool; and (7) Certain fixed rate negotiable deposits with a certified depository. The Agency's investment policy does not allow an investment in a master repurchase agreement, a repurchase agreement, or a reverse-repurchase agreement. Further by policy, as measured by cost, no more than 50% of the Agency's portfolio may be invested in any one class of investment. This restriction does not apply to obligations of the U.S. Government and the Utah State Public Treasurer's Investment Fund.

Investment Interest Rate Risk**—**The Agency's formal investment policy limits investment maturities to a maximum of three years as a means of managing its exposure to fair value losses arising from increasing interest rates.

Forward Delivery Agreements**—**On November 18, 2003, UMPA entered into a forward delivery agreement for the purchase of Qualified Investments, as defined by the 2003 Series Bond Indenture, for the Series 2003 bond service funds. The Qualified Investments delivered under this agreement provide an investment rate of return of 4.50% through June 29, 2018, the term of the agreement.

Arbitrage Rebate**—**Under U. S. Treasury Department regulations, all governmental tax-exempt debt issued after August 31, 1986, is subject to arbitrage rebate requirements. Interest income on bond proceeds which exceeds the cost of borrowing is payable to the federal government on every fifth anniversary of each bond issue. The estimated arbitrage liability is included in accrued liabilities on the balance sheet and the estimated arbitrage expense is recorded as a reduction of interest income. At June 30, 2014 and 2013, the estimated liability is $0 and $0, respectively.

NOTE 4—UTILITY PLANT AND EQUIPMENT

Capital asset activity for the years ended June 30, 2014 and 2013 was as follows:

	Beginning Balance	Additions	Retirements & Transfers	Ending Balance
Utility Plant and Equipment as of June 30, 2014				
Generation plant	$ 29,284,159	$ 5,981,310	$ (20,681)	$ 35,244,788
Work in process	2,642,181	3,595,105	(5,944,970)	292,316
Transmission plant	8,676,126	20,622	-	8,696,748
Other utility assets	1,681,754	51,715	(8,600)	1,724,869
Total Utility Plant and Equipment	42,284,220	9,648,752	(5,974,251)	45,958,721
Less accumulated depreciation:				
Generation plant	(19,827,264)	(898,490)	20,681	(20,705,073)
Transmission plant	(5,829,279)	(232,178)	-	(6,061,457)
Other utility assets	(1,332,752)	(54,322)	8,600	(1,378,474)
Total Depreciation	(26,989,295)	(1,184,990)	29,281	(28,145,004)
Utility Plant and Equipment, net	$ 15,294,925	$ 8,463,762	$ (5,944,970)	$ 17,813,717

	Beginning Balance	Additions	Retirements & Transfers	Ending Balance
Utility Plant and Equipment as of June 30, 2013				
Generation plant	$ 29,269,682	$ 14,930	$ (453)	$ 29,284,159
Work in process	292,316	2,349,865	-	2,642,181
Transmission plant	8,669,374	6,752	-	8,676,126
Other utility assets	1,665,125	52,654	(36,025)	1,681,754
Total utility plant and equipment	39,896,497	2,424,201	(36,478)	42,284,220
Less accumulated depreciation:				
Generation plant	(19,043,989)	(783,728)	453	(19,827,264)
Transmission plant	(5,596,649)	(232,630)	-	(5,829,279)
Other utility assets	(1,320,540)	(48,237)	36,025	(1,332,752)
Total accumulated depreciation	(25,961,178)	(1,064,595)	36,478	(26,989,295)
Utility Plant and Equipment, net	$ 13,935,319	$ 1,359,606	$ -	$ 15,294,925

NOTE 5—DEFERRED INFLOW OF RESOURCES/CHARGES TO BE RETURNED/RECOVERED IN BILLINGS TO MEMBERS

UMPA bills its Members at rates which will provide revenues sufficient to cover the costs of operating and maintaining UMPA and the costs of debt service plus any Board directed charges, but not items such as depreciation, amortization, gains/losses on sale and disposal of capital assets, and deferred inflow of resources. This amount represents the unbilled amount of such costs, other charges to Members, and unanticipated revenues which are to be recovered or returned in future billings and are classified as deferred costs or deferred inflow of resources in the accompanying financial statements.

UMPA's Board of Directors established a Rate Stabilization Fund (RSF) on September 22, 1999. The purpose of the fund is to set aside funds to assist in maintaining stable rates to Members in the event of unplanned or extraordinary operation, maintenance, or capital replacement costs. The fund can also be used for early retirement of debt. The monthly fund contribution, if any, is the difference between the budgeted results of operations and actual results of operations.

Differences exist between the costs used in the determination of power rates and the revenues and expenses reportable under generally accepted accounting principles (GAAP). Change in net position is not reported in the accompanying financial statements because differences described above have been deferred and will reverse when costs included in power rates exceed revenues and expenses reportable under GAAP. These timing differences consist mainly of debt service payments, depreciation, amortization, gains and losses for the sale of assets, unanticipated revenues, and RSF additions and uses. The following is a summary of those differences.

The statements of net position amounts at end of year June 30, 2014 and 2013 include the following classifications:

	2014	2013
Deferred inflow of resources		
Designated for rate stabilization	$ (2,925,132)	$ (2,591,684)
Net revenues to be returned in future billings to members	(14,617,145)	(13,130,799)
Total deferred inflow of resources	$ (17,542,277)	$ (15,722,483)

NOTE 6—LONG TERM LIABILITIES

Long-term liability activity for the years ended June 30, 2014 and 2013 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Long-term liabilities - June 30, 2014				
Long-term revenue bonds	$ 28,200,000	$ -	$ (3,175,000)	$ 25,025,000
Adjusted for:				
Current maturities	(3,175,000)	(3,330,000)	3,175,000	(3,330,000)
Unamortized premium, net	460,978	-	(144,489)	316,489
Unamortized reacquisition cost	(375,662)	-	121,925	(253,737)
Long-term revenue bonds, net	25,110,316	(3,330,000)	(22,564)	21,757,752
Long-term member payable	-	-	-	-
Less:				
Current maturities	-	-	-	-
Long-term member payable	-	-	-	-
Total long-term liabilities	$ 25,110,316	$ (3,330,000)	$ (22,564)	$ 21,757,752

	Beginning Balance	Additions	Reductions	Ending Balance
Long-term liabilities - June 30, 2013				
Long-term revenue bonds	$ 24,620,000	$ 6,600,000	$ (3,020,000)	$ 28,200,000
Adjusted for:				
Current maturities	(3,020,000)	(3,175,000)	3,020,000	(3,175,000)
Unamortized premium, net	626,769	-	(165,791)	460,978
Unamortized reacquisition cost	(519,162)	-	143,500	(375,662)
Long-term revenue bonds, net	21,707,607	3,425,000	(22,291)	25,110,316
Long-term member payable	805,000	-	(805,000)	-
Less:				
Current maturities	(805,000)	-	805,000	-
Long-term member payable	-	-	-	-
Total long-term liabilities	$ 21,707,607	$ 3,425,000	$ (22,291)	$ 25,110,316

Revenue Bonds Payable**—**On April 3, 2003 the Agency issued $43,780,000 of 2003 Series Electric System Revenue Refunding Bonds (referred to as 2003 Bonds), with an average coupon rate of 4.96% to advance refund $45,560,000 of outstanding 1993 Series A Electric Revenue Bonds (referred to as 1993 Bonds). The 2003 Bonds, combined with the fiscal year 2003 annual debt service payments, retires 100 percent of the outstanding 1993 Bonds. The net proceeds of $45,810,894 (including premium of $2,703,218 and reduction for $658,857 cost of issuance) and additional UMPA funds of $547,839 were deposited in an irrevocable trust with an escrow agent to provide for the July 1, 2003 call of the 1993 Bonds.

The current refunding resulted in a difference between the reacquisition price and the net carry amount of the old debt of $2,720,490. This cost of reacquired debt, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2018 using the effective interest method.

The cash outflows without this refund were to be $67,360,038 and the cash outflows as a result of this refund are to be $63,823,939 for a reduction in total debt service payments over the life of the bonds of $3,536,099. The economic gain is $1,987,454 as a result of this refunding.

On July 16, 2012 UMPA issued $6,600,000 of 2012 Series Electric System Revenue Bonds, with a fixed interest rate of 2.06%. The net proceeds of $6,500,000 (including a reduction of $100,000 for cost of issuance) are used to finance clean air projects at two dedicated power resource facilities.

Maturities and coupon interest rates associated with the bonds as of June 30, 2014 are as follows:

Remaining Revenue Bonds Payable	**Amount**	**Rate**
Series 2003A Bonds, due April 3, 2003 - July 1, 2018	$ 18,425,000	5.00%
Series 2012 Bonds, due July 16, 2012 - July 1, 2017	$ 6,600,000	2.06%
Principal Amount	$ 25,025,000	
Series 2003A Unamortized premium	316,489	
Series 2003A Unamortized cost of reacquired debt	(253,737)	
Total Bonds Payable, Net	$ 25,087,752	
Less current portion	(3,330,000)	
Total Long-Term Liabilities	$ 21,757,752	

The Bond Indenture provides that UMPA is not obligated to make payment of the Revenue Bonds from funds other than Pledged Funds, generally defined as: (1) the proceeds from the sale of the Revenue Bonds; (2) revenues from UMPA's electric system and certain investment income; and (3) all funds established by the Indenture.

The following table shows Series 2003A revenue bond debt service requirements:

Year Ending June 30,	**Principal**	**Interest**	**Total Debt Service**
2015	$ 3,330,000	$ 838,000	$ 4,168,000
2016	3,500,000	667,250	4,167,250
2017	3,680,000	487,750	4,167,750
2018	3,860,000	299,250	4,159,250
2019	4,055,000	101,375	4,156,375
	$ 18,425,000	$ 2,393,625	$ 20,818,625

The following table shows Series 2012 revenue bond debt service requirements:

Year Ending June 30,	Principal	Interest	Total Debt Service
2015	$ -	$ 135,960	$ 135,960
2016	2,876,000	135,960	3,011,960
2017	3,134,000	76,714	3,210,714
2018	590,000	12,154	602,154
	$ 6,600,000	$ 360,788	$ 6,960,788

The Bond Indenture requires that certain funds be established to account for UMPA's receipts and disbursements. The cash and investments held in these funds are restricted for the purposes as stipulated in the Indenture.

Revenue Fund Held by UMPA**—**This fund receives revenue and pays all costs of operation and maintenance. Funds are transferred to other funds in the following order: Bond Fund, Repair and Replacement Fund, and Rate Stabilization Fund.

Bond Fund Held by Trustee**—**This fund pays all interest and principal related to the Revenue Bonds. At the end of each month, amounts required to be on deposit are the accrued interest payable, the accrued portion of the next principal installment due, and an amount equal to the largest future annual debt service requirement.

Repair and Replacement Fund Held by UMPA**—**This fund may be drawn on and used by the Agency for the purpose of (a) paying the cost of unusual or extraordinary maintenance or repairs of the system; (b) paying the costs of any renewals, renovation, improvements, expansion or replacements to the system; and (c) paying the cost of any replacement of buildings, lines, equipment and other related facilities, to the extent the same are not paid as part of the ordinary and normal expense of the operation of the system. The Bond Indenture, and First Supplemental Indenture dated April 1, 2003, do not establish a minimum repair and replacement fund requirement with respect to the 2003 Bonds. The amount in the Repair and Replacement Fund is determined annually by the Board.

Rate Stabilization Fund Held by UMPA**—**This fund may receive transfers from the net revenues of the Revenue Fund and may transfer amounts to the Revenue Fund to cover any insufficiency. The Board has adopted a formula whereby each month the Agency collects amounts which are differences between budgeted results of operations and actual results of operations. The Board periodically reviews the amounts collected and may adjust the contribution as they deem prudent. Amounts on deposit in the fund may be used for any lawful purpose.

NOTE 7—DESERET EXPENSES

Related Party Transaction**—**DG&T, which is a joint owner with UMPA and operator of the Bonanza Plant, bills UMPA in advance under DG&T's operating budget for costs expected to be incurred for each month's power usage. The actual costs are finalized two months after the initial billing. At June 30, 2014 and 2013 UMPA had prepaid DG&T for May and June's power usage. Prepayment and actual expenses as of June 30, 2014 and 2013 were as follows:

	2014	2013
Prepayment	$ 1,562,371	$ 1,423,994
Actual expenses	(1,719,214)	(1,655,715)
(Payable) Prepaid to DG&T	$ (156,843)	$ (231,721)

NOTE 8—CAPACITY PURCHASE AGREEMENT

Related Party Transaction—Provo City, a member of UMPA, bills UMPA in advance each month in accordance with a capacity purchase agreement. The actual costs are determined two months after the initial billing. Prepayment and actual expenses as of June 30, 2014 and 2013 were as follows:

	2014	2013
Prepayment	$ 831,400	$ 1,245,700
Actual expenses	(1,661,721)	(1,422,801)
(Payable) Prepaid under Capacity Purchase Agreement	$ (830,321)	$ (177,101)

NOTE 9—COMMITMENTS AND CONTINGENCIES

Power Sales Contracts—Power Sales Agreements between UMPA and each of the Members provide that UMPA shall sell and deliver and the Member shall purchase and receive all electric power and energy required by the Member to meet the loads on its electric system. The Power Sales Agreements shall remain in effect through December 21, 2025. The agreements do not specify any particular power supply resource as the source of UMPA's power.

Power Purchase Contracts—UMPA has entered into several power purchase contracts with various terms and conditions. The estimated minimum payments required are summarized below. The Western Area Power Administration (WAPA) contracts provide power and energy through September 30, 2024. UMPA has two contracts with DG&T. One contract is based on a fixed percentage share of the fixed costs of the Bonanza plant over the expected plant life and is estimated to end June 30, 2025. The other contract provides for a predetermined power amount and no associated minimum energy amount from various DG&T resources through December 31, 2019. UMPA has a firm contract with PacifiCorp that expires June 30, 2017, and provides for different minimum power and energy requirements. Contract pricing is fixed for each five-year period with a provision for UMPA to cancel at the end of such period if better pricing terms are found elsewhere and PacifiCorp elects not to offer a matching price.

	Year Ending June 30,	WAPA	DG&T	PacifiCorp
Actual expenses:				
	2014	$ 8,805,216	$ 24,079,707	$ 9,586,784
	2013	8,818,857	18,415,629	9,378,717
Estimated minimum payments:				
	2015	8,784,537	13,459,164	7,521,000
	2016	8,788,948	13,521,179	7,521,000
	2017	8,793,446	13,584,435	7,521,000
	2018	8,798,035	13,648,956	-
	2019	8,802,715	13,714,767	-
	2020-2024	44,087,122	22,995,200	-
	2025	-	3,779,814	

***Dedicated Resource Costs*—**UMPA has entered into Capacity Purchase Agreements with Levan, Manti, Nephi and Provo as to their existing electric generating capacity. These agreements have estimated remaining facility lives of 10-25 years. Under the Capacity Purchase Agreements, generation capacity and energy from the Members' resources are dedicated to UMPA to meet the load requirements of its Members. The agreements provide that UMPA pays to the Members actual fixed and variable costs associated with the resources. The contracts terms coincide with the Members Power Sale Contracts. Minimum payments are estimated to be:

	Year Ending June 30,	Dedicated Resource Costs
Actual expenses:		
	2014	$ 12,698,517
	2013	9,381,169
Estimated minimum payments:		
	2015	3,469,839
	2016	3,439,231
	2017	3,293,375
	2018	3,234,423
	2019	3,286,493
	2020-2024	17,246,989
	2025	3,619,256

NOTE 10—EMPLOYEE PENSIONS

UMPA's Board of Directors has adopted a pension plan which provides for retirement contributions equal to 17.9% of all full-time employees' annual wages. For fiscal year ending June 30, 2014, a 17.29% contribution was made for Tier 1 employees to Utah Retirement Systems (URS), a defined benefit plan, and the remaining 0.61% was contributed to the employees' 401(k), a defined contribution plan. For Tier 2 employees a 13.99% contribution was made to URS, a defined benefit plan, and the remaining 3.91% was contributed to the employees' 401(k), a defined contribution plan. The employees' 401(k) plan is administered by either the URS or Wells Fargo Advantage Funds. Certain wages, such as annual sick leave payouts not earned in the current year and retirement benefit payouts, are not subject to URS defined benefit plan contributions. In such instances, the full 17.9% retirement contribution is deposited in the employees' 401(k) plan.

The URS, of which UMPA is a member, are multiple employer, cost sharing retirement systems providing refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes. These benefits are based on years of service and highest average salaries. These systems cover substantially all eligible public employees of UMPA and educational employees, as well as participating local governmental entities.

UMPA is legally obligated to contribute to the retirement system as long as they have employees meeting membership requirements. The contribution rates are the actuarially determined rates. The contribution requirements of the URS are authorized by statue and specified by its board. The contribution rates in effect from July 1, 2012 through June 30, 2014 applied to the qualified total salary for eligible employees are as follows:

	Contribution Rates		
	2014	2013	2012
URS Non-contributory Tier 1	17.29%	16.04%	13.77%
URS 401(k)	0.61%	1.86%	4.13%
URS Contributory Tier 2	13.99%	12.74%	0.00%
URS 401(k)	3.91%	5.16%	0.00%

All contributions by UMPA for the years ended June 30, 2014, 2013 and 2012 were paid by the due dates or within 30 days thereafter. The total salaries and the amount of employer's contributions paid during the year are as follows:

	2014	2013	2012
Total salaries	$ 1,463,899	$ 1,689,307	$ 1,426,508
Total salaries subject to URS retirement contributions	1,449,005	1,475,020	1,426,508
Employer contributions - URS	247,596	236,459	196,430
Employer contributions - 401(k)	14,442	65,928	58,915
Employee contributions - 401(k)	6,861	3,672	8,059

The URS are established and governed by the respective sections of Chapter 49 of the Utah code, Annotated 1953, as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the URS and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The URS issued a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, Public Safety Retirement System, and Firefighters Retirement System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-753-7361.

NOTE 11—RISK MANAGEMENT

The Agency is subject to various risks of loss related to general liability and property insurance. The Agency has purchased commercially available indemnity insurance to cover these risks. The deductible amounts for this insurance would be immaterial to the Agency. The amount of insurance settlements has not exceeded insurance coverage in the past three years.

	Revenue Fund	Bond Fund	Repair & Replacement Fund	Rate Stabilization Fund	Total
Balance July 1, 2013	$ 7,202,102	$ 11,957,242	$ 1,200,000	$ 2,591,684	$ 22,951,028
Additions and Transfers					
Investment earnings	156,412	16,088	-	-	172,500
Power sales and other receipts	76,093,122	-	-	-	76,093,122
Transfers from (to) other funds	(4,682,854)	4,349,406	-	333,448	-
Total Additions and Transfers	71,566,680	4,365,494	-	333,448	76,265,622
Deductions					
Operation and maintenance expenses	71,733,775	-	-	-	71,733,775
Purchase of capital additions	1,174,950	2,528,832	-	-	3,703,782
Interest expense	-	1,135,452	-	-	1,135,452
Bond principal payments	-	3,175,000	-	-	3,175,000
Total Deductions	72,908,725	6,839,284	-	-	79,748,009
Balance June 30, 2014	$ 5,860,057	$ 9,483,452	$ 1,200,000	$ 2,925,132	$ 19,468,641