



## Revenue & Expense Statement (Condensed)

### JANUARY 2024

**January results nearly matched budget with offsetting variances including lower retail revenue, lower net power and operating costs, and higher non-operating costs.**

(Dollar amounts in 000)

YEAR TO DATE	2024 Actual	2024 Budget	Difference	Percentage Difference	Comments
1) Total Revenue	\$30,850	\$29,242	\$1,608	5%	Wholesale revenue exceeded budget by 60% (\$1.4M), primarily due to higher than expected revenues from SPP IM activities. Retail revenue was lower than budget by 2% (\$500k).
2) Power Costs	14,222	13,560	662	5%	Produced power was 26% (\$1.2M) over budget due primarily to higher than budgeted energy costs at Rokeby, WS4, & TBGS and higher operations & maintenance expenses at TBGS and LRS. Purchased power was under budget by 6% (\$520k) due to lower energy output at wind resources and WS3 partially offset by higher SPP purchases. January results were impacted by Winter Storm Gerri.
3) Other Operating Expenses	7,743	8,159	(416)	-5%	Other operating expenses were slightly under budget primarily due to reduced line clearance expenses (\$300k) and lower Sustainable Energy Program incentives (\$80k).
4) Depreciation	<u>2,967</u>	<u>3,202</u>	<u>(235)</u>	-7%	
5) Total Expenses	<u>24,932</u>	<u>24,921</u>	<u>11</u>	0%	
6) Operating Income	5,918	4,321	1,597	37%	
7) Non-Operating Expense (Income)	<u>4,606</u>	<u>2,945</u>	<u>1,661</u>	56%	Non-operating expenses exceeded budget primarily due to the reversal of the 2023 year-end market value adjustment on investments (\$1.8M).
8) Change in Net Position (Net Revenue)	<u>\$1,312</u>	<u>\$1,376</u>	<u>(\$64)</u>	-5%	
	<u>Year End Projection</u>	<u>Year End Budget</u>			
9) Fixed Charge Coverage	-	1.40x			
10) Debt Service Coverage	-	2.10x			
	<u>Month End Actual</u>	<u>Month End Budget</u>			
11) Days Cash on Hand (Days)	156	155			

# LINCOLN ELECTRIC SYSTEM

## FINANCIAL AND OPERATING STATEMENT

January 2024



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NOTE: Federal Energy Regulatory Commission accounting guidance for the Southwest Power Pool Integrated Market (SPP IM) transactions (purchases, sales and other charges) requires netting together these transactions based on the time increments. If, during the time increment, sales to SPP are greater than purchases from SPP, the net amount is recorded as wholesale revenue. If, during the time increment, purchases from SPP are greater than sales to SPP, the net amount is recorded as purchased power cost. Because of this netting process, the energy (MWH's) amounts no longer directly correlate to wholesale revenue.



## REVENUE & EXPENSE STATEMENT

### CURRENT MONTH

### JANUARY 2024

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
<b>OPERATING REVENUES</b>							
1. Retail	\$24,870,196	\$25,368,989	(\$498,793)	-2.0%	\$24,991,173	(\$120,977)	-0.5%
2. Wholesale	3,832,490	2,402,370	1,430,120	59.5%	3,732,536	99,954	2.7%
3. Other Revenue	1,108,839	449,326	659,513	146.8%	451,063	657,776	145.8%
4. CDFUO (a)	1,038,317	1,021,525	16,792	1.6%	951,551	86,766	9.1%
5. Total Operating Revenues	30,849,842	29,242,210	1,607,632	5.5%	30,126,323	723,519	2.4%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	8,434,131	8,951,502	(517,371)	-5.8%	7,148,800	1,285,331	18.0%
7. Produced Power	5,788,365	4,608,450	1,179,915	25.6%	5,099,602	688,763	13.5%
8. Operations	2,186,239	2,200,226	(13,987)	-0.6%	1,947,434	238,805	12.3%
9. Maintenance	809,201	995,230	(186,029)	-18.7%	476,763	332,438	69.7%
10. Admin. & General	4,747,388	4,963,509	(216,121)	-4.4%	4,514,837	232,551	5.2%
11. Depreciation	2,966,718	3,201,708	(234,990)	-7.3%	2,917,835	48,883	1.7%
12. Total Operating Expenses	24,932,042	24,920,625	11,417	0.0%	22,105,271	2,826,771	12.8%
<b>13. OPERATING INCOME</b>	<b>5,917,800</b>	<b>4,321,585</b>	<b>1,596,215</b>	<b>36.9%</b>	<b>8,021,052</b>	<b>(2,103,252)</b>	<b>-26.2%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense (b)	1,442,302	1,424,886	17,416	1.2%	1,408,962	33,340	2.4%
15. PILOT (c)	1,127,805	1,193,176	(65,371)	-5.5%	1,073,907	53,898	5.0%
16. CDFUO Expense (a)	1,046,389	1,046,389	0	0.0%	963,140	83,249	8.6%
17. Other Expense	0	0	0	--	34	(34)	-100.0%
18. Total Other Nonoperating Expense	3,616,496	3,664,451	(47,955)	-1.3%	3,446,043	170,453	4.9%
19. Other (Income)	(45,464)	(45,060)	(404)	0.9%	(43,248)	(2,216)	5.1%
20. Interest (Income)	1,034,697	(674,413)	1,709,110	-253.4%	326,333	708,364	-217.1%
21. Total Other Nonoperating (Income)	989,233	(719,473)	1,708,706	-237.5%	283,085	706,148	-249.4%
22. Total Nonoperating Expenses (Income)	4,605,729	2,944,978	1,660,751	56.4%	3,729,128	876,601	23.5%
<b>23. Income Before Contributions</b>	<b>1,312,071</b>	<b>1,376,607</b>	<b>(64,536)</b>	<b>-4.7%</b>	<b>4,291,924</b>	<b>(2,979,853)</b>	<b>-69.4%</b>
<b>CONTRIBUTED CAPITAL</b>							
24. Contributed Capital Received	40,785	182,757	(141,972)	-77.7%	51,686	(10,901)	-21.1%
25. Contributed Capital Used (d)	(40,785)	(182,757)	141,972	77.7%	(51,686)	10,901	21.1%
26. Net Contributed Capital	0	0	0	--	0	0	--
<b>27. CHANGE IN NET POSITION</b>	<b>\$1,312,071</b>	<b>\$1,376,607</b>	<b>(\$64,536)</b>	<b>-4.7%</b>	<b>\$4,291,924</b>	<b>(\$2,979,853)</b>	<b>-69.4%</b>

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$1,532,116 + Software Agreements Interest \$5,048 + Variable Interest \$211,185 + Amortization of Issuance Costs on Outstanding Debt \$80,670 + Amortization of Loss on Refunded Debt \$107,776 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



**REVENUES, ENERGY & CUSTOMERS**

**CURRENT MONTH**

**JANUARY 2024**

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
<b>REVENUE</b>							
1. Residential	\$12,211,622	\$12,625,971	(\$414,349)	-3.3%	\$12,906,082	(\$694,460)	-5.4%
2. Commercial & Street Light	9,999,328	10,213,225	(213,897)	-2.1%	9,650,069	349,259	3.6%
3. Industrial	<u>2,659,246</u>	<u>2,529,793</u>	<u>129,453</u>	5.1%	<u>2,435,022</u>	<u>224,224</u>	9.2%
4. Total Retail	24,870,196	25,368,989	(498,793)	-2.0%	24,991,173	(120,977)	-0.5%
5. SPP Sales	2,916,521	1,623,713	1,292,808	79.6%	2,723,568	192,953	7.1%
6. Contract Sales	<u>915,969</u>	<u>778,657</u>	<u>137,312</u>	17.6%	<u>1,008,968</u>	<u>(92,999)</u>	-9.2%
7. Total Wholesale	<u>3,832,490</u>	<u>2,402,370</u>	<u>1,430,120</u>	59.5%	<u>3,732,536</u>	<u>99,954</u>	2.7%
8. Total	\$28,702,686	\$27,771,359	\$931,327	3.4%	\$28,723,709	-\$21,023	-0.1%
<b>ENERGY (MWH'S)</b>							
9. Residential	131,383	141,053	(9,670)	-6.9%	149,273	(17,890)	-12.0%
10. Commercial & Street Light	125,160	126,772	(1,612)	-1.3%	128,496	(3,336)	-2.6%
11. Industrial	<u>39,132</u>	<u>34,977</u>	<u>4,155</u>	11.9%	<u>35,942</u>	<u>3,190</u>	8.9%
12. Total Retail	295,675	302,802	(7,127)	-2.4%	313,711	(18,036)	-5.7%
13. SPP Sales	23,566	20,295	3,271	16.1%	28,517	(4,951)	-17.4%
14. Contract Sales	<u>28,561</u>	<u>22,189</u>	<u>6,372</u>	28.7%	<u>30,888</u>	<u>(2,327)</u>	-7.5%
15. Total Wholesale	<u>52,127</u>	<u>42,484</u>	<u>9,643</u>	22.7%	<u>59,405</u>	<u>(7,278)</u>	-12.3%
16. Total	347,802	345,286	2,516	0.7%	373,116	(25,314)	-6.8%
<b>CUSTOMERS - AT MONTH END</b>							
17. Residential	134,071	131,276	2,795	2.1%	131,267	2,804	2.1%
18. Commercial & Street Light	17,858	17,641	217	1.2%	17,630	228	1.3%
19. Industrial	<u>239</u>	<u>233</u>	<u>6</u>	2.6%	<u>230</u>	<u>9</u>	3.9%
20. Total Retail	152,168	149,150	3,018	2.0%	149,127	3,041	2.0%
21. Wholesale	<u>6</u>	<u>6</u>	<u>0</u>	0.0%	<u>7</u>	<u>(1)</u>	-14.3%
22. Total	152,174	149,156	3,018	2.0%	149,134	3,040	2.0%



**OPERATING EXPENSE STATEMENT**

**CURRENT MONTH**

**JANUARY 2024**

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
<b>POWER COST</b>							
1. SPP Purchased Power	\$3,885,662	\$3,498,259	\$387,403	11.1%	\$2,157,844	\$1,727,818	80.1%
2. Non-Owned Asset Power	4,548,469	5,453,243	(904,774)	-16.6%	4,990,956	(442,487)	-8.9%
3. Total Purchased Power	8,434,131	8,951,502	(517,371)	-5.8%	7,148,800	1,285,331	18.0%
4. Produced Power	5,788,365	4,608,450	1,179,915	25.6%	5,099,602	688,763	13.5%
5. Total Power Cost	14,222,496	13,559,952	662,544	4.9%	12,248,402	1,974,094	16.1%
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>							
6. Energy Delivery	2,007,565	2,148,160	(140,595)	-6.5%	1,563,311	444,254	28.4%
7. Transmission	987,875	1,047,296	(59,421)	-5.7%	860,886	126,989	14.8%
8. Total O & M Expense	2,995,440	3,195,456	(200,016)	-6.3%	2,424,197	571,243	23.6%
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>							
9. Administration	188,075	259,139	(71,064)	-27.4%	234,276	(46,201)	-19.7%
10. Communication & Corporate Records	160,916	179,210	(18,294)	-10.2%	134,006	26,910	20.1%
11. Corporate Operations	1,350,571	1,007,763	342,808	34.0%	1,507,650	(157,079)	-10.4%
12. Customer Services	795,846	1,229,223	(433,377)	-35.3%	716,314	79,532	11.1%
13. Financial Services	475,852	451,834	24,018	5.3%	396,843	79,009	19.9%
14. Power Supply	433,283	444,473	(11,190)	-2.5%	371,591	61,692	16.6%
15. Technology Services	1,342,845	1,391,867	(49,022)	-3.5%	1,154,157	188,688	16.3%
16. Total A & G Expense	4,747,388	4,963,509	(216,121)	-4.4%	4,514,837	232,551	5.2%
17. DEPRECIATION	2,966,718	3,201,708	(234,990)	-7.3%	2,917,835	48,883	1.7%
18. TOTAL OPERATING EXPENSE	\$24,932,042	\$24,920,625	\$11,417	0.0%	\$22,105,271	\$2,826,771	12.8%



**BALANCE SHEET**

**JANUARY 2024**

ASSETS & DEFERRED OUTFLOWS OF RESOURCES			LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION		
DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1	DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1
<b>CURRENT ASSETS:</b>			<b>CURRENT LIABILITIES:</b>		
1. Revenue Fund (includes CDFUO)	\$85,086,704	(\$12,349,602)	<b>OTHER LIABILITIES</b>		
2. Payment in Lieu of Tax Fund	13,060,513	812,355	1. Accounts Payable	\$14,090,905	(\$7,549,267)
3. Rate Stabilization Fund	39,090,883	(153,264)	2. Accrued Payments in Lieu of Taxes	14,172,118	1,052,583
4. Bond Principal & Interest Funds	23,368,643	4,558,815	3. City Dividend for Utility Ownership Payable	5,231,945	1,046,389
5. Other Restricted/Designated Funds (a)	3,173,547	(933,302)	4. Commercial Paper Notes	65,500,000	0
6. Restricted/Designated Funds Total	65,633,073	3,472,249	5. Accrued Software Interest	30,874	5,048
7. Total Current Asset Funds (b)	163,780,290	(8,064,998)	6. Accrued Liabilities	16,496,042	(145,133)
8. Receivables Less Uncollectible Allowance	24,887,750	1,790,252	7. Total Other Liabilities	115,521,884	(5,590,380)
9. Unbilled Revenue	18,061,991	443,841	<b>CURRENT LIABILITIES - RESTRICTED ASSETS</b>		
10. Accrued Interest Receivable	2,318,156	25,484	8. Current Portion of Long-Term Debt	37,800,000	0
11. Materials, Supplies & Fuel Inventory	34,934,854	3,207,920	9. Accrued Interest	7,967,929	1,592,878
12. Plant Operation Assets	17,948,044	158,387	10. Other Current Liabilities (d)	916,251	10,835
13. Other Current Assets	4,154,492	(392,158)	11. Total Current Liabilities - Restricted Assets	46,684,180	1,603,713
14. Total Current Assets	266,085,577	(2,831,272)	12. Total Current Liabilities	162,206,064	(3,986,667)
<b>NONCURRENT ASSETS:</b>			<b>NONCURRENT LIABILITIES:</b>		
15. Bond Reserve Funds	9,383,029	(15,830)	13. 2013 Bonds	29,065,000	0
16. Self-Funded Benefits Reserve Fund (IBNP)	775,197	930	14. 2015A Bonds	71,400,000	0
17. Segregated Funds (c)	15,832,202	0	15. 2016 Bonds	65,960,000	0
18. Restricted Funds Total (b)	25,990,428	(14,900)	16. 2018 Bonds	121,205,000	0
19. Unamortized Debt Expense	2,053,194	(28,023)	17. 2020A Bonds	72,200,000	0
21. Accrued Lease Interest	89,600	3,938	18. 2020B Bonds	171,625,000	0
22. Other Noncurrent Assets	1,548,061	(7,182)	19. Total Revenue Bonds	531,455,000	0
23. Total Noncurrent Assets	\$36,852,393	(\$76,463)	20. Less Current Maturities	37,800,000	0
<b>CAPITAL ASSETS:</b>			21. Less Unamortized Discounts/Premiums	(34,160,101)	494,493
24. Utility Plant in Service	1,843,965,032	974,797	22. Note Purchase Agreement	0	0
25. Accumulated Depreciation & Amortization	(938,805,731)	(2,967,246)	23. Revolving Credit Agreement	0	0
26. Construction Work in Progress	106,662,339	1,930,595	24. Net Long Term Debt	527,815,101	(494,493)
27. Total Capital Assets	1,011,821,640	(61,854)	25. Liabilities Payable from Segregated Funds (e)	15,832,090	0
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			26. Asset Retirement Obligation	5,190,120	0
28. Deferred Loss on Refunded Debt	8,019,449	(107,776)	27. Software Liabilities	1,439,500	0
29. Deferred Costs for Asset Retirement Obligations	5,190,120	0	28. Other Noncurrent Liabilities	35,789,688	136,524
30. Total Deferred Outflows of Resources	13,209,569	(107,776)	29. Total Liabilities	748,272,563	(4,344,636)
			<b>DEFERRED INFLOWS OF RESOURCES:</b>		
			30. Deferred Inflow of Resource	6,782,692	(44,800)
			31. Total Deferred Inflows of Resources	6,782,692	(44,800)
			<b>NET POSITION:</b>		
			32. Net Investment in Capital Assets	396,023,171	210,456
			33. Restricted for Debt Service	15,591,047	2,950,107
			34. Restricted for Employee Health Insurance Claims	1,959,082	(986,124)
			35. Unrestricted	159,340,624	(862,368)
			36. Total Net Position	572,913,924	1,312,071
			<b>37. TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>		
<b>31. TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	\$1,327,969,179	(\$3,077,365)		\$1,327,969,179	(\$3,077,365)



**STATEMENT OF CASH FLOWS**  
**JANUARY 2024**

	CURRENT MONTH	YEAR-TO-DATE
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
1. Received from Sales to Customers and Users	\$28,701,512	\$28,701,512
2. Sales Tax Receipts	\$1,394,736	\$1,394,736
3. Paid to Suppliers for Goods & Services	(\$30,620,266)	(\$30,620,266)
4. Paid to Employees for Services	(\$1,917,759)	(\$1,917,759)
5. Payments for Sales Tax	(1,196,886)	(1,196,886)
<b>6. Cash Flow from Operating Activities (a)</b>	<b>(3,638,663)</b>	<b>(3,638,663)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
7. Payment in Lieu of Tax	(75,222)	(75,222)
8. City Dividend for Utility Ownership Payments	0	0
9. Other	0	0
<b>10. Cash Flow from (used for) Noncapital Financing Activities</b>	<b>(75,222)</b>	<b>(75,222)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
11. Net (Purchases) Sales of Investments	13,741,768	13,741,768
12. Interest Income	(1,652,260)	(1,652,260)
<b>13. Cash Flow from (used for) Investing Activities</b>	<b>12,089,508</b>	<b>12,089,508</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>		
14. Acquisition and Construction of Capital Assets	(1,395,585)	(1,395,585)
15. Salvage on Retirement of Plant	0	0
16. Cost of Removal of Property Retired	(26,674)	(26,674)
17. Debt Issuance Cost Paid	0	0
18. Debt Premiums Collected	0	0
19. Net Capital Contributions	40,785	40,785
20. Capital Contributions Recv'd in Advance	0	0
21. Cash Received from Leases	42,648	42,648
23. Net Proceeds from Issuance of Long-Term Debt	0	0
24. Principal Payments on Long-Term Debt	0	0
25. Interest Payments on Debt	(150,423)	(150,423)
<b>26. Cash Flow from (used for) Capital Financing Activities</b>	<b>(1,489,249)</b>	<b>(1,489,249)</b>
26. Cash Flow from (used for) Capital Financing Activities	6,886,374	6,886,374
27. Net Increase (Decrease) in Cash and Cash Equivalents	35,018,728	35,018,728
<b>28. Cash and Cash Equivalents Beginning of Period</b>	<b>\$41,905,102</b>	<b>\$41,905,102</b>
<b>STATEMENT OF CASH FLOW FOOTNOTES</b>		
<b>(a) Reconciliation of operating income to cash flows from operating activities</b>		
1. Net Operating Revenue	\$5,917,800	\$5,917,800
2. Noncash items included in operating income	3,063,161	3,063,161
3. Changes in Assets & Liabilities Increase/(Decrease)	(12,619,624)	(12,619,624)
<b>4. Net cash flows from operating activities</b>	<b>(\$3,638,663)</b>	<b>(\$3,638,663)</b>
<b>(b) Cash and cash equivalents are defined as cash and investments with original maturities of three months or less.</b>		



**DEBT SERVICE COVERAGE**

**JANUARY 2024**

DESCRIPTION	----- CURRENT MONTH -----			----- YEAR-TO-DATE -----		
	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR
1. Total Operating Revenues	\$30,849,842	\$29,242,210	\$30,126,323	\$30,849,842	\$29,242,210	\$30,126,323
2. Total Operating Expenses	24,932,042	24,920,625	22,105,271	24,932,042	24,920,625	22,105,271
3. Less Depreciation	(2,966,718)	(3,201,708)	(2,917,835)	(2,966,718)	(3,201,708)	(2,917,835)
4. Operating Expense Net of Depreciation	21,965,324	21,718,917	19,187,436	21,965,324	21,718,917	19,187,436
5. Net Operating Revenue for Debt Service	8,884,518	7,523,293	10,938,887	8,884,518	7,523,293	10,938,887
6. Interest Income (a)	(896,475)	562,717	(348,199)	(896,475)	562,717	(348,199)
7. Other Income	45,464	45,060	0	45,464	45,060	0
8. Rate Stabilization Fund	0	0	0	0	0	0
<b>9. AVAILABLE FOR DEBT SERVICE</b>	<b>8,033,507</b>	<b>8,131,070</b>	<b>10,590,688</b>	<b>8,033,507</b>	<b>8,131,070</b>	<b>10,590,688</b>
<b>10. DEBT SERVICE (b)</b>	<b>\$4,682,116</b>	<b>\$4,682,114</b>	<b>\$4,120,297</b>	<b>\$4,682,116</b>	<b>\$4,682,114</b>	<b>\$4,120,297</b>
<b>11. DEBT SERVICE COVERAGE</b>	<b>1.72</b>	<b>1.74</b>	<b>2.57</b>	<b>1.72</b>	<b>1.74</b>	<b>2.57</b>

(a) Excludes Interest from Rate Stabilization Fund.

(b) Includes Bond Principal & Interest only.



## Revenue & Expense Statement (Condensed)

FEBRUARY 2024

**Year-to-date financial results were favorable due primarily to lower than budgeted net power costs.**

*(Dollar amounts in 000)*

YEAR TO DATE	2024 Actual	2024 Budget	Difference	Percentage Difference	Comments
1) Total Revenue	\$59,567	\$56,871	\$2,696	5%	Wholesale revenue exceeded budget by 31% (\$1.4M), primarily due to higher than expected revenues from SPP IM activities. Retail revenue was slightly under budget (\$170k).
2) Power Costs	23,813	23,539	274	1%	Produced power was 7% (\$700k) over budget due primarily to higher than budgeted energy costs at Rokeby, TBGS, & WS4 and higher maintenance expenses at TBGS. Purchased power was under budget by 3% (\$430k) due to lower energy output at wind resources and WS3 partially offset by higher SPP purchases.
3) Other Operating Expenses	15,865	16,195	(330)	-2%	Other operating expenses were slightly under budget primarily due to reduced line clearance expenses (\$400k) and lower Sustainable Energy Program incentives (\$170k).
4) Depreciation	<u>5,932</u>	<u>6,400</u>	<u>(468)</u>	-7%	
5) Total Expenses	<u>45,610</u>	<u>46,134</u>	<u>(524)</u>	-1%	
6) Operating Income	13,957	10,737	3,220	30%	
7) Non-Operating Expense (Income)	<u>7,306</u>	<u>5,813</u>	<u>1,493</u>	26%	Non-operating expenses exceeded budget primarily due to the reversal of the 2023 year-end market value adjustment on investments (\$1.8M).
8) Change in Net Position (Net Revenue)	<u>\$6,651</u>	<u>\$4,924</u>	<u>\$1,727</u>	35%	
	<u>Year End Projection</u>	<u>Year End Budget</u>			
9) Fixed Charge Coverage	-	1.40x			
10) Debt Service Coverage	-	2.10x			
	<u>Month End Actual</u>	<u>Month End Budget</u>			
11) Days Cash on Hand (Days)	151	147			

# LINCOLN ELECTRIC SYSTEM

## FINANCIAL AND OPERATING STATEMENT

February 2024



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NOTE: Federal Energy Regulatory Commission accounting guidance for the Southwest Power Pool Integrated Market (SPP IM) transactions (purchases, sales and other charges) requires netting together these transactions based on the time increments. If, during the time increment, sales to SPP are greater than purchases from SPP, the net amount is recorded as wholesale revenue. If, during the time increment, purchases from SPP are greater than sales to SPP, the net amount is recorded as purchased power cost. Because of this netting process, the energy (MWH's) amounts no longer directly correlate to wholesale revenue.



**REVENUE & EXPENSE STATEMENT**

**CURRENT MONTH**

**FEBRUARY 2024**

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%
<b>OPERATING REVENUES</b>							
1. Retail	\$24,291,151	\$23,961,821	\$329,330	1.4%	\$21,418,106	\$2,873,045	13.4%
2. Wholesale	2,120,489	2,129,280	(8,791)	-0.4%	2,712,270	(591,781)	-21.8%
3. Other Revenue	1,214,491	504,533	709,958	140.7%	910,352	304,139	33.4%
4. CDFUO (a)	1,091,180	1,033,089	58,091	5.6%	950,015	141,165	14.9%
5. Total Operating Revenues	28,717,311	27,628,723	1,088,588	3.9%	25,990,743	2,726,568	10.5%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	5,117,383	5,026,835	90,548	1.8%	6,167,889	(1,050,506)	-17.0%
7. Produced Power	4,472,854	4,951,989	(479,135)	-9.7%	4,195,995	276,859	6.6%
8. Operations	2,144,103	2,217,898	(73,795)	-3.3%	2,045,400	98,703	4.8%
9. Maintenance	867,045	1,008,355	(141,310)	-14.0%	667,359	199,686	29.9%
10. Admin. & General	5,110,585	4,809,595	300,990	6.3%	4,652,903	457,682	9.8%
11. Depreciation	2,965,543	3,197,821	(232,278)	-7.3%	2,918,295	47,248	1.6%
12. Total Operating Expenses	20,677,513	21,212,493	(534,980)	-2.5%	20,647,841	29,672	0.1%
<b>13. OPERATING INCOME</b>	<b>8,039,798</b>	<b>6,416,230</b>	<b>1,623,568</b>	<b>25.3%</b>	<b>5,342,902</b>	<b>2,696,896</b>	<b>50.5%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense (b)	1,408,105	1,416,086	(7,981)	-0.6%	1,389,608	18,497	1.3%
15. PILOT (c)	1,136,389	1,137,778	(1,389)	-0.1%	1,068,729	67,660	6.3%
16. CDFUO Expense (a)	1,046,389	1,046,389	0	0.0%	963,140	83,249	8.6%
17. Other Expense	0	0	0	--	119	(119)	-100.0%
18. Total Other Nonoperating Expense	3,590,883	3,600,253	(9,370)	-0.3%	3,421,596	169,287	4.9%
19. Other (Income)	(45,464)	(45,060)	(404)	0.9%	(43,248)	(2,216)	5.1%
20. Interest (Income)	(845,483)	(686,892)	(158,591)	23.1%	(661,232)	(184,251)	27.9%
21. Total Other Nonoperating (Income)	(890,947)	(731,952)	(158,995)	21.7%	(704,480)	(186,467)	26.5%
22. Total Nonoperating Expenses (Income)	2,699,936	2,868,301	(168,365)	-5.9%	2,717,116	(17,180)	-0.6%
<b>23. Income Before Contributions</b>	<b>5,339,862</b>	<b>3,547,929</b>	<b>1,791,933</b>	<b>50.5%</b>	<b>2,625,786</b>	<b>2,714,076</b>	<b>103.4%</b>
<b>CONTRIBUTED CAPITAL</b>							
24. Contributed Capital Received	243,800	182,757	61,043	33.4%	5,172	238,628	4613.8%
25. Contributed Capital Used (d)	(243,800)	(182,757)	(61,043)	-33.4%	(5,172)	(238,628)	-4613.8%
26. Net Contributed Capital	0	0	0	--	0	0	--
<b>27. CHANGE IN NET POSITION</b>	<b>\$5,339,862</b>	<b>\$3,547,929</b>	<b>\$1,791,933</b>	<b>50.5%</b>	<b>\$2,625,786</b>	<b>\$2,714,076</b>	<b>103.4%</b>

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$1,532,116 + Software Agreements Interest \$5,048 + Variable Interest \$187,343 + Amortization of Issuance Costs on Outstanding Debt \$70,315 + Amortization of Loss on Refunded Debt \$107,776 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



## REVENUE & EXPENSE STATEMENT

YEAR-TO-DATE

FEBRUARY 2024

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
<b>OPERATING REVENUES</b>							
1. Retail	\$49,161,348	\$49,330,810	(\$169,462)	-0.3%	\$46,409,279	\$2,752,069	5.9%
2. Wholesale	5,952,978	4,531,650	1,421,328	31.4%	6,444,806	(491,828)	-7.6%
3. Other Revenue	2,323,330	953,859	1,369,471	143.6%	1,361,415	961,915	70.7%
4. CDFUO (a)	2,129,497	2,054,614	74,883	3.6%	1,901,567	227,930	12.0%
5. Total Operating Revenues	59,567,153	56,870,933	2,696,220	4.7%	56,117,067	3,450,086	6.1%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	13,551,514	13,978,337	(426,823)	-3.1%	13,316,690	234,824	1.8%
7. Produced Power	10,261,219	9,560,439	700,780	7.3%	9,295,597	965,622	10.4%
8. Operations	4,330,342	4,418,124	(87,782)	-2.0%	3,992,833	337,509	8.5%
9. Maintenance	1,676,246	2,003,585	(327,339)	-16.3%	1,144,122	532,124	46.5%
10. Admin. & General	9,857,973	9,773,104	84,869	0.9%	9,167,740	690,233	7.5%
11. Depreciation	5,932,261	6,399,529	(467,268)	-7.3%	5,836,130	96,131	1.6%
12. Total Operating Expenses	45,609,555	46,133,118	(523,563)	-1.1%	42,753,112	2,856,443	6.7%
<b>13. OPERATING INCOME</b>	<b>13,957,598</b>	<b>10,737,815</b>	<b>3,219,783</b>	<b>30.0%</b>	<b>13,363,955</b>	<b>593,643</b>	<b>4.4%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense (b)	2,850,407	2,840,972	9,435	0.3%	2,798,571	51,836	1.9%
15. PILOT (c)	2,264,193	2,330,954	(66,761)	-2.9%	2,142,636	121,557	5.7%
16. CDFUO Expense (a)	2,092,778	2,092,778	0	0.0%	1,926,280	166,498	8.6%
17. Other Expense	0	0	0	--	153	(153)	-100.0%
18. Total Other Nonoperating Expense	7,207,378	7,264,704	(57,326)	-0.8%	6,867,640	339,738	4.9%
19. Other (Income)	(90,928)	(90,120)	(808)	0.9%	(86,496)	(4,432)	5.1%
20. Interest (Income)	189,215	(1,361,305)	1,550,520	-113.9%	(334,899)	524,114	-156.5%
21. Total Other Nonoperating (Income)	98,287	(1,451,425)	1,549,712	-106.8%	(421,395)	519,682	-123.3%
22. Total Nonoperating Expenses (Income)	7,305,665	5,813,279	1,492,386	25.7%	6,446,245	859,420	13.3%
<b>23. Income Before Contributions</b>	<b>6,651,933</b>	<b>4,924,536</b>	<b>1,727,397</b>	<b>35.1%</b>	<b>6,917,710</b>	<b>(265,777)</b>	<b>-3.8%</b>
<b>CONTRIBUTED CAPITAL</b>							
24. Contributed Capital Received	284,585	365,514	(80,929)	-22.1%	56,858	227,727	400.5%
25. Contributed Capital Used (d)	(284,585)	(365,514)	80,929	22.1%	(56,858)	(227,727)	-400.5%
26. Net Contributed Capital	0	0	0	--	0	0	--
<b>27. CHANGE IN NET POSITION</b>	<b>\$6,651,933</b>	<b>\$4,924,536</b>	<b>\$1,727,397</b>	<b>35.1%</b>	<b>\$6,917,710</b>	<b>(\$265,777)</b>	<b>-3.8%</b>

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$3,064,232 + Software Agreements Interest \$10,096 + Variable Interest \$398,528 + Amortization of Issuance Costs on Outstanding Debt \$150,985 + Amortization of Loss on Refunded Debt \$215,553 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



**REVENUES, ENERGY & CUSTOMERS**

**CURRENT MONTH**

**FEBRUARY 2024**

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
<b>REVENUE</b>							
1. Residential	\$11,954,924	\$12,445,774	(\$490,850)	-3.9%	\$10,240,091	\$1,714,833	16.7%
2. Commercial & Street Light	9,695,796	9,206,851	488,945	5.3%	8,826,780	869,016	9.8%
3. Industrial	2,640,431	2,309,196	331,235	14.3%	2,351,235	289,196	12.3%
4. Total Retail	24,291,151	23,961,821	329,330	1.4%	21,418,106	2,873,045	13.4%
5. SPP Sales	1,268,761	1,358,362	(89,601)	-6.6%	1,916,511	(647,750)	-33.8%
6. Contract Sales	851,728	770,918	80,810	10.5%	795,759	55,969	7.0%
7. Total Wholesale	2,120,489	2,129,280	(8,791)	-0.4%	2,712,270	(591,781)	-21.8%
8. Total	\$26,411,640	\$26,091,101	\$320,539	1.2%	\$24,130,376	\$2,281,264	9.5%
<b>ENERGY (MWH'S)</b>							
9. Residential	121,867	126,731	(4,864)	-3.8%	111,031	10,836	9.8%
10. Commercial & Street Light	115,976	116,318	(342)	-0.3%	111,453	4,523	4.1%
11. Industrial	38,052	35,444	2,608	7.4%	32,767	5,285	16.1%
12. Total Retail	275,895	278,493	(2,598)	-0.9%	255,251	20,644	8.1%
13. SPP Sales	14,099	19,826	(5,727)	-28.9%	26,889	(12,790)	-47.6%
14. Contract Sales	21,678	20,766	912	4.4%	17,785	3,893	21.9%
15. Total Wholesale	35,777	40,592	(4,815)	-11.9%	44,674	(8,897)	-19.9%
16. Total	311,672	319,085	(7,413)	-2.3%	299,925	11,747	3.9%
<b>CUSTOMERS - AT MONTH END</b>							
17. Residential	134,221	131,336	2,885	2.2%	131,326	2,895	2.2%
18. Commercial & Street Light	17,856	17,655	201	1.1%	17,645	211	1.2%
19. Industrial	239	233	6	2.6%	229	10	4.4%
20. Total Retail	152,316	149,224	3,092	2.1%	149,200	3,116	2.1%
21. Wholesale	6	6	0	0.0%	7	(1)	-14.3%
22. Total	152,322	149,230	3,092	2.1%	149,207	3,115	2.1%



**REVENUES, ENERGY & CUSTOMERS**

**YEAR-TO-DATE**

**FEBRUARY 2024**

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
<b>REVENUE</b>							
1. Residential	\$24,166,547	\$25,071,745	(\$905,198)	-3.6%	\$23,146,172	\$1,020,375	4.4%
2. Commercial & Street Light	19,695,124	19,420,076	275,048	1.4%	18,476,849	1,218,275	6.6%
3. Industrial	5,299,677	4,838,989	460,688	9.5%	4,786,258	513,419	10.7%
4. Total Retail	49,161,348	49,330,810	(169,462)	-0.3%	46,409,279	2,752,069	5.9%
5. SPP Sales	4,185,282	2,982,075	1,203,207	40.3%	4,640,080	(454,798)	-9.8%
6. Contract Sales	1,767,696	1,549,575	218,121	14.1%	1,804,726	(37,030)	-2.1%
7. Total Wholesale	5,952,978	4,531,650	1,421,328	31.4%	6,444,806	(491,828)	-7.6%
8. Total	\$55,114,326	\$53,862,460	\$1,251,866	2.3%	\$52,854,085	2,260,241	4.3%
<b>ENERGY (MWH'S)</b>							
9. Residential	253,251	267,784	(14,533)	-5.4%	260,303	(7,052)	-2.7%
10. Commercial & Street Light	241,136	243,090	(1,954)	-0.8%	239,949	1,187	0.5%
11. Industrial	77,183	70,421	6,762	9.6%	68,710	8,473	12.3%
12. Total Retail	571,570	581,295	(9,725)	-1.7%	568,962	2,608	0.5%
13. SPP Sales	37,665	40,121	(2,456)	-6.1%	55,406	(17,741)	-32.0%
14. Contract Sales	50,239	42,955	7,284	17.0%	48,673	1,566	3.2%
15. Total Wholesale	87,904	83,076	4,828	5.8%	104,079	(16,175)	-15.5%
16. Total	659,474	664,371	(4,897)	-0.7%	673,041	(13,567)	-2.0%
<b>CUSTOMERS AVERAGE</b>							
17. Residential	134,146	131,306	2,840	2.2%	131,296	2,850	2.2%
18. Commercial & Street Light	17,857	17,648	209	1.2%	17,638	219	1.2%
19. Industrial	239	233	6	2.6%	230	9	3.9%
20. Total Retail	152,242	149,187	3,055	2.0%	149,164	3,078	2.1%
21. Wholesale	6	6	0	0.0%	7	(1)	-14.3%
22. Total	152,248	149,193	3,055	2.0%	149,171	3,077	2.1%



**OPERATING EXPENSE STATEMENT**

**CURRENT MONTH**

**FEBRUARY 2024**

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
<b>POWER COST</b>							
1. SPP Purchased Power	\$548,092	\$232,713	\$315,379	135.5%	\$1,534,002	(\$985,910)	-64.3%
2. Non-Owned Asset Power	4,569,291	4,794,122	(224,831)	-4.7%	4,633,887	(64,596)	-1.4%
3. Total Purchased Power	5,117,383	5,026,835	90,548	1.8%	6,167,889	(1,050,506)	-17.0%
4. Produced Power	4,472,854	4,951,989	(479,135)	-9.7%	4,195,995	276,859	6.6%
5. Total Power Cost	9,590,237	9,978,824	(388,587)	-3.9%	10,363,884	(773,647)	-7.5%
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>							
6. Energy Delivery	2,028,931	2,188,459	(159,528)	-7.3%	1,671,698	357,233	21.4%
7. Transmission	982,217	1,037,794	(55,577)	-5.4%	1,041,061	(58,844)	-5.7%
8. Total O & M Expense	3,011,148	3,226,253	(215,105)	-6.7%	2,712,759	298,389	11.0%
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>							
9. Administration	211,938	284,039	(72,101)	-25.4%	256,925	(44,987)	-17.5%
10. Communication & Corporate Records	225,413	189,883	35,530	18.7%	144,662	80,751	55.8%
11. Corporate Operations	1,051,422	912,728	138,694	15.2%	1,184,439	(133,017)	-11.2%
12. Customer Services	956,191	1,036,525	(80,334)	-7.8%	846,094	110,097	13.0%
13. Financial Services	445,458	446,146	(688)	-0.2%	517,665	(72,207)	-13.9%
14. Power Supply	419,987	564,411	(144,424)	-25.6%	374,919	45,068	12.0%
15. Technology Services	1,800,176	1,375,863	424,313	30.8%	1,328,199	471,977	35.5%
16. Total A & G Expense	5,110,585	4,809,595	300,990	6.3%	4,652,903	457,682	9.8%
17. DEPRECIATION	2,965,543	3,197,821	(232,278)	-7.3%	2,918,295	47,248	1.6%
18. TOTAL OPERATING EXPENSE	\$20,677,513	\$21,212,493	(\$534,980)	-2.5%	\$20,647,841	\$29,672	0.1%



**OPERATING EXPENSE STATEMENT**

**YEAR-TO-DATE**

**FEBRUARY 2024**

DESCRIPTION	YEAR TO DATE		VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE		VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%	
<b>POWER COST</b>								
1. SPP Purchased Power	\$4,433,753	\$3,730,972	\$702,781	18.8%	\$3,691,846	\$741,907	20.1%	
2. Non-Owned Asset Power	9,117,761	10,247,365	(1,129,604)	-11.0%	9,624,844	(507,083)	-5.3%	
3. Total Purchased Power	13,551,514	13,978,337	(426,823)	-3.1%	13,316,690	234,824	1.8%	
4. Produced Power	10,261,219	9,560,439	700,780	7.3%	9,295,597	965,622	10.4%	
5. Total Power Cost	23,812,733	23,538,776	273,957	1.2%	22,612,287	1,200,446	5.3%	
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>								
6. Energy Delivery	4,036,496	4,336,619	(300,123)	-6.9%	3,235,009	801,487	24.8%	
7. Transmission	1,970,092	2,085,090	(114,998)	-5.5%	1,901,946	68,146	3.6%	
8. Total O & M Expense	6,006,588	6,421,709	(415,121)	-6.5%	5,136,955	869,633	16.9%	
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>								
9. Administration	400,013	543,178	(143,165)	-26.4%	491,202	(91,189)	-18.6%	
10. Communication & Corporate Records	386,329	369,093	17,236	4.7%	278,668	107,661	38.6%	
11. Corporate Operations	2,401,993	1,920,491	481,502	25.1%	2,692,089	(290,096)	-10.8%	
12. Customer Services	1,752,037	2,265,748	(513,711)	-22.7%	1,562,408	189,629	12.1%	
13. Financial Services	921,310	897,980	23,330	2.6%	914,507	6,803	0.7%	
14. Power Supply	853,270	1,008,884	(155,614)	-15.4%	746,510	106,760	14.3%	
15. Technology Services	3,143,021	2,767,730	375,291	13.6%	2,482,356	660,665	26.6%	
16. Total A & G Expense	9,857,973	9,773,104	84,869	0.9%	9,167,740	690,233	7.5%	
17. DEPRECIATION	5,932,261	6,399,529	(467,268)	-7.3%	5,836,130	96,131	1.6%	
18. TOTAL OPERATING EXPENSE	\$45,609,555	\$46,133,118	(\$523,563)	-1.1%	\$42,753,112	\$2,856,443	6.7%	



**BALANCE SHEET**  
**FEBRUARY 2024**

ASSETS & DEFERRED OUTFLOWS OF RESOURCES			LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION		
DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1	DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1
<b>CURRENT ASSETS:</b>			<b>CURRENT LIABILITIES:</b>		
1. Revenue Fund (includes CDFUO)	\$79,987,243	(\$17,449,063)	<b>OTHER LIABILITIES</b>		
2. Payment in Lieu of Tax Fund	14,243,636	1,995,478	1. Accounts Payable	\$17,489,187	(\$4,150,985)
3. Rate Stabilization Fund	39,383,048	138,901	2. Accrued Payments in Lieu of Taxes	15,308,506	2,188,971
4. Bond Principal & Interest Funds	28,195,209	9,385,381	3. City Dividend for Utility Ownership Payable	0	(4,185,556)
5. Other Restricted/Designated Funds (a)	3,274,608	(832,241)	4. Commercial Paper Notes	65,500,000	0
6. Other Restricted/Designated Funds Total	70,852,865	8,692,041	5. Accrued Software Interest	35,922	10,096
7. Total Current Asset Funds (b)	165,083,744	(6,761,544)	6. Accrued Liabilities	16,334,129	(307,046)
8. Receivables Less Uncollectible Allowance	25,481,778	2,384,280	7. Total Other Liabilities	114,667,744	(6,444,520)
9. Unbilled Revenue	17,776,886	158,736	<b>CURRENT LIABILITIES - RESTRICTED ASSETS</b>		
10. Accrued Interest Receivable	1,993,341	(299,331)	8. Current Portion of Long-Term Debt	37,800,000	0
11. Materials, Supplies & Fuel Inventory	34,620,375	2,893,441	9. Accrued Interest	9,304,993	2,929,942
12. Plant Operation Assets	17,933,441	143,784	10. Other Current Liabilities (d)	916,971	11,555
13. Other Current Assets	4,600,602	53,952	11. Total Current Liabilities - Restricted Assets	48,021,964	2,941,497
14. Total Current Assets	267,490,167	(1,426,682)	12. Total Current Liabilities	162,689,708	(3,503,023)
<b>NONCURRENT ASSETS:</b>			<b>NONCURRENT LIABILITIES:</b>		
15. Bond Reserve Funds	9,407,687	8,828	13. 2013 Bonds	29,065,000	0
16. Self-Funded Benefits Reserve Fund (IBNP)	859,496	85,229	14. 2015A Bonds	71,400,000	0
17. Segregated Funds (c)	15,832,202	0	15. 2016 Bonds	65,960,000	0
18. Restricted Funds Total (b)	26,099,385	94,057	16. 2018 Bonds	121,205,000	0
19. Unamortized Debt Expense	2,025,171	(56,046)	17. 2020A Bonds	72,200,000	0
21. Accrued Lease Interest	93,537	7,875	18. 2020B Bonds	171,625,000	0
22. Other Noncurrent Assets	1,455,280	(99,963)	19. Total Revenue Bonds	531,455,000	0
23. Total Noncurrent Assets	\$36,814,136	(\$114,720)	20. Less Current Maturities	37,800,000	0
<b>CAPITAL ASSETS:</b>			21. Less Unamortized Discounts/Premiums	(33,665,608)	988,986
24. Utility Plant in Service	1,844,718,806	1,728,571	22. Note Purchase Agreement	0	0
25. Accumulated Depreciation & Amortization	(941,697,020)	(5,858,535)	23. Revolving Credit Agreement	0	0
26. Construction Work in Progress	112,605,440	7,873,696	24. Net Long Term Debt	527,320,608	(988,986)
27. Total Capital Assets	1,015,627,226	3,743,732	25. Liabilities Payable from Segregated Funds (e)	15,612,020	(220,070)
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			26. Asset Retirement Obligation	5,204,088	13,968
28. Deferred Loss on Refunded Debt	7,911,673	(215,552)	27. Software Liabilities	1,439,500	0
29. Deferred Costs for Asset Retirement Obligations	5,204,088	13,968	28. Other Noncurrent Liabilities	35,789,688	136,524
30. Total Deferred Outflows of Resources	13,115,761	(201,584)	29. Total Liabilities	748,055,612	(4,561,587)
			<b>DEFERRED INFLOWS OF RESOURCES:</b>		
			30. Deferred Inflow of Resource	6,737,892	(89,600)
			31. Total Deferred Inflows of Resources	6,737,892	(89,600)
			<b>NET POSITION:</b>		
			32. Net Investment in Capital Assets	399,435,953	3,623,238
			33. Restricted for Debt Service	19,105,207	6,464,267
			34. Restricted for Employee Health Insurance Claims	1,694,568	(1,250,638)
			35. Unrestricted	158,018,058	(2,184,934)
			36. Total Net Position	578,253,786	6,651,933
			<b>37. TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>		
<b>31. TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	\$1,333,047,290	\$2,000,746		\$1,333,047,290	\$2,000,746



**STATEMENT OF CASH FLOWS**  
**FEBRUARY 2024**

	CURRENT MONTH	YEAR-TO-DATE
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
1. Received from Sales to Customers and Users	\$28,818,029	\$57,519,541
2. Sales Tax Receipts	\$1,380,213	\$2,774,949
3. Paid to Suppliers for Goods & Services	(\$12,372,449)	(\$42,992,715)
4. Paid to Employees for Services	(\$1,738,225)	(\$3,655,984)
5. Payments for Sales Tax	(1,368,964)	(2,565,850)
<b>6. Cash Flow from Operating Activities (a)</b>	<b>14,718,604</b>	<b>11,079,941</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
7. Payment in Lieu of Tax	0	(75,222)
8. City Dividend for Utility Ownership Payments	(6,278,334)	(6,278,334)
9. Other	0	0
<b>10. Cash Flow from (used for) Noncapital Financing Activities</b>	<b>(6,278,334)</b>	<b>(6,353,556)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
11. Net (Purchases) Sales of Investments	7,507,193	21,248,961
12. Interest Income	(186,753)	(1,839,013)
<b>13. Cash Flow from (used for) Investing Activities</b>	<b>7,320,440</b>	<b>19,409,948</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>		
14. Acquisition and Construction of Capital Assets	(5,963,322)	(7,358,907)
15. Salvage on Retirement of Plant	222	222
16. Cost of Removal of Property Retired	(102,508)	(129,182)
17. Debt Issuance Cost Paid	0	0
18. Debt Premiums Collected	0	0
19. Net Capital Contributions	23,730	64,515
20. Capital Contributions Recv'd in Advance	0	0
21. Cash Received from Leases	42,648	85,296
23. Net Proceeds from Issuance of Long-Term Debt	0	0
24. Principal Payments on Long-Term Debt	0	0
25. Interest Payments on Debt	(382,396)	(532,819)
<b>26. Cash Flow from (used for) Capital Financing Activities</b>	<b>(6,381,626)</b>	<b>(7,870,875)</b>
26. Cash Flow from (used for) Capital Financing Activities	9,379,084	16,265,458
27. Net Increase (Decrease) in Cash and Cash Equivalents	40,104,146	35,018,728
<b>28. Cash and Cash Equivalents Beginning of Period</b>	<b>\$49,483,230</b>	<b>\$51,284,186</b>
<b>STATEMENT OF CASH FLOW FOOTNOTES</b>		
<b>(a) Reconciliation of operating income to cash flows from operating activities</b>		
1. Net Operating Revenue	\$8,039,798	\$13,957,598
2. Noncash items included in operating income	3,062,349	6,125,510
3. Changes in Assets & Liabilities Increase/(Decrease)	3,616,457	(9,003,167)
<b>4. Net cash flows from operating activities</b>	<b>\$14,718,604</b>	<b>\$11,079,941</b>
<b>(b) Cash and cash equivalents are defined as cash and investments with original maturities of three months or less.</b>		



**DEBT SERVICE COVERAGE**

**FEBRUARY 2024**

DESCRIPTION	----- CURRENT MONTH -----			----- YEAR-TO-DATE -----		
	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR
1. Total Operating Revenues	\$28,717,311	\$27,628,723	\$25,990,743	\$59,567,153	\$56,870,933	\$56,117,067
2. Total Operating Expenses	20,677,513	21,212,493	20,647,841	45,609,555	46,133,118	42,753,112
3. Less Depreciation	(2,965,543)	(3,197,821)	(2,918,295)	(5,932,261)	(6,399,529)	(5,836,130)
4. Operating Expense Net of Depreciation	17,711,970	18,014,672	17,729,546	39,677,294	39,733,589	36,916,982
5. Net Operating Revenue for Debt Service	11,005,341	9,614,051	8,261,197	19,889,859	17,137,344	19,200,085
6. Interest Income (a)	681,483	575,008	520,148	(214,993)	1,137,725	171,950
7. Other Income	45,464	45,060	0	90,928	90,120	0
8. Rate Stabilization Fund	0	0	0	0	0	0
<b>9. AVAILABLE FOR DEBT SERVICE</b>	<b>11,732,288</b>	<b>10,234,119</b>	<b>8,781,345</b>	<b>19,765,794</b>	<b>18,365,189</b>	<b>19,372,035</b>
<b>10. DEBT SERVICE (b)</b>	<b>\$4,682,116</b>	<b>\$4,682,114</b>	<b>\$4,120,297</b>	<b>\$9,364,232</b>	<b>\$9,364,228</b>	<b>\$8,240,595</b>
<b>11. DEBT SERVICE COVERAGE</b>	<b>2.51</b>	<b>2.19</b>	<b>2.13</b>	<b>2.11</b>	<b>1.96</b>	<b>2.35</b>

(a) Excludes Interest from Rate Stabilization Fund.

(b) Includes Bond Principal & Interest only.



## Revenue & Expense Statement (Condensed)

MARCH 2024

**Year-to-date financial results were favorable due primarily to lower than budgeted net power costs**

(Dollar amounts in 000)

YEAR TO DATE	2024 Actual	2024 Budget	Difference	Percentage Difference	Comments
1) Total Revenue	\$85,351	\$83,335	\$2,016	2%	Wholesale revenue exceeded budget by 26% (\$1.8M), primarily due to higher than expected revenues from SPP IM activities. Retail revenue was 1% under budget (\$920k).
2) Power Costs	33,285	34,997	(1,712)	-5%	Produced power was 16% (\$2.6M) under budget due primarily to lower than budgeted energy costs at LRS and lower operations expenses at LRS and Rokeby. Purchased power was over budget by 5% (\$870k) due to higher SPP purchases.
3) Other Operating Expenses	23,832	24,532	(700)	-3%	Other operating expenses were slightly under budget primarily due to reduced line clearance expenses (\$500k) and lower Sustainable Energy Program incentives (\$220k).
4) Depreciation	8,899	9,599	(700)	-7%	
5) Total Expenses	<u>66,016</u>	<u>69,128</u>	<u>(3,112)</u>	-5%	
6) Operating Income	19,335	14,207	5,128	36%	
7) Non-Operating Expense (Income)	<u>8,512</u>	<u>8,712</u>	<u>(200)</u>	-2%	
8) Change in Net Position (Net Revenue)	<u>\$10,823</u>	<u>\$5,495</u>	<u>\$5,328</u>	97%	
	<u>Year End Projection</u>	<u>Year End Budget</u>			
9) Fixed Charge Coverage	1.51x	1.40x			
10) Debt Service Coverage	2.24x	2.10x			
	<u>Month End Actual</u>	<u>Month End Budget</u>			
11) Days Cash on Hand (Days)	152	144			

# LINCOLN ELECTRIC SYSTEM

## FINANCIAL AND OPERATING STATEMENT

March 2024



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NOTE: Federal Energy Regulatory Commission accounting guidance for the Southwest Power Pool Integrated Market (SPP IM) transactions (purchases, sales and other charges) requires netting together these transactions based on the time increments. If, during the time increment, sales to SPP are greater than purchases from SPP, the net amount is recorded as wholesale revenue. If, during the time increment, purchases from SPP are greater than sales to SPP, the net amount is recorded as purchased power cost. Because of this netting process, the energy (MWH's) amounts no longer directly correlate to wholesale revenue.



## REVENUE & EXPENSE STATEMENT

### CURRENT MONTH

### MARCH 2024

DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	VARIANCE FROM BUDGET		LAST YEAR MONTH ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
<b>OPERATING REVENUES</b>							
1. Retail	\$21,324,633	\$22,075,305	(\$750,672)	-3.4%	\$22,086,820	(\$762,187)	-3.5%
2. Wholesale	2,620,660	2,255,264	365,396	16.2%	2,784,243	(163,583)	-5.9%
3. Other Revenue	807,384	1,125,812	(318,428)	-28.3%	436,519	370,865	85.0%
4. CDFUO (a)	1,031,475	1,007,831	23,644	2.3%	921,793	109,682	11.9%
5. Total Operating Revenues	25,784,152	26,464,212	(680,060)	-2.6%	26,229,375	(445,223)	-1.7%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	6,261,489	4,962,450	1,299,039	26.2%	6,158,574	102,915	1.7%
7. Produced Power	3,210,452	6,495,869	(3,285,417)	-50.6%	4,389,164	(1,178,712)	-26.9%
8. Operations	2,213,528	2,371,793	(158,265)	-6.7%	2,115,041	98,487	4.7%
9. Maintenance	993,477	1,041,687	(48,210)	-4.6%	1,114,533	(121,056)	-10.9%
10. Admin. & General	4,760,642	4,923,759	(163,117)	-3.3%	5,033,473	(272,831)	-5.4%
11. Depreciation	2,966,578	3,199,836	(233,258)	-7.3%	2,919,872	46,706	1.6%
12. Total Operating Expenses	20,406,166	22,995,394	(2,589,228)	-11.3%	21,730,657	(1,324,491)	-6.1%
<b>13. OPERATING INCOME</b>	<b>5,377,986</b>	<b>3,468,818</b>	<b>1,909,168</b>	<b>55.0%</b>	<b>4,498,718</b>	<b>879,268</b>	<b>19.5%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense (b)	1,374,870	1,440,191	(65,321)	-4.5%	1,425,970	(51,100)	-3.6%
15. PILOT (c)	1,052,772	1,101,544	(48,772)	-4.4%	1,001,880	50,892	5.1%
16. CDFUO Expense (a)	1,046,389	1,046,389	0	0.0%	963,140	83,249	8.6%
17. Other Expense	0	0	0	--	0	0	--
18. Total Other Nonoperating Expense	3,474,031	3,588,124	(114,093)	-3.2%	3,390,990	83,041	2.4%
19. Other (Income)	(45,464)	(45,060)	(404)	0.9%	(43,248)	(2,216)	5.1%
20. Interest (Income)	(2,221,829)	(644,767)	(1,577,062)	244.6%	(738,097)	(1,483,732)	201.0%
21. Total Other Nonoperating (Income)	(2,267,293)	(689,827)	(1,577,466)	228.7%	(781,345)	(1,485,948)	190.2%
22. Total Nonoperating Expenses (Income)	1,206,738	2,898,297	(1,691,559)	-58.4%	2,609,645	(1,402,907)	-53.8%
<b>23. Income Before Contributions</b>	<b>4,171,248</b>	<b>570,521</b>	<b>3,600,727</b>	<b>631.1%</b>	<b>1,889,073</b>	<b>2,282,175</b>	<b>120.8%</b>
<b>CONTRIBUTED CAPITAL</b>							
24. Contributed Capital Received	588,215	182,756	405,459	221.9%	132,068	456,147	345.4%
25. Contributed Capital Used (d)	(588,215)	(182,756)	(405,459)	-221.9%	(132,068)	(456,147)	-345.4%
26. Net Contributed Capital	0	0	0	--	0	0	--
<b>27. CHANGE IN NET POSITION</b>	<b>\$4,171,248</b>	<b>\$570,521</b>	<b>\$3,600,727</b>	<b>631.1%</b>	<b>\$1,889,073</b>	<b>\$2,282,175</b>	<b>120.8%</b>

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$1,532,116 + Software Agreements Interest \$5,048 + Variable Interest \$127,178 + Amortization of Issuance Costs on Outstanding Debt \$97,245 + Amortization of Loss on Refunded Debt \$107,776 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



## REVENUE & EXPENSE STATEMENT

YEAR-TO-DATE

MARCH 2024

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
<b>OPERATING REVENUES</b>							
1. Retail	\$70,485,981	\$71,406,115	(\$920,134)	-1.3%	\$68,496,099	\$1,989,882	2.9%
2. Wholesale	8,573,638	6,786,914	1,786,724	26.3%	9,229,049	(655,411)	-7.1%
3. Other Revenue	3,130,714	2,079,671	1,051,043	50.5%	1,797,934	1,332,780	74.1%
4. CDFUO (a)	3,160,972	3,062,445	98,527	3.2%	2,823,360	337,612	12.0%
5. Total Operating Revenues	85,351,305	83,335,145	2,016,160	2.4%	82,346,442	3,004,863	3.6%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	19,813,004	18,940,787	872,217	4.6%	19,475,263	337,741	1.7%
7. Produced Power	13,471,670	16,056,308	(2,584,638)	-16.1%	13,684,762	(213,092)	-1.6%
8. Operations	6,543,870	6,789,917	(246,047)	-3.6%	6,107,875	435,995	7.1%
9. Maintenance	2,669,723	3,045,272	(375,549)	-12.3%	2,258,655	411,068	18.2%
10. Admin. & General	14,618,615	14,696,863	(78,248)	-0.5%	14,201,212	417,403	2.9%
11. Depreciation	8,898,839	9,599,365	(700,526)	-7.3%	8,756,001	142,838	1.6%
12. Total Operating Expenses	66,015,721	69,128,512	(3,112,791)	-4.5%	64,483,768	1,531,953	2.4%
<b>13. OPERATING INCOME</b>	<b>19,335,584</b>	<b>14,206,633</b>	<b>5,128,951</b>	<b>36.1%</b>	<b>17,862,674</b>	<b>1,472,910</b>	<b>8.2%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense (b)	4,225,277	4,281,163	(55,886)	-1.3%	4,224,541	736	0.0%
15. PILOT (c)	3,316,965	3,432,498	(115,533)	-3.4%	3,144,516	172,449	5.5%
16. CDFUO Expense (a)	3,139,167	3,139,167	0	0.0%	2,889,420	249,747	8.6%
17. Other Expense	0	0	0	--	153	(153)	-100.0%
18. Total Other Nonoperating Expense	10,681,409	10,852,828	(171,419)	-1.6%	10,258,630	422,779	4.1%
19. Other (Income)	(136,392)	(135,180)	(1,212)	0.9%	(129,744)	(6,648)	5.1%
20. Interest (Income)	(2,032,614)	(2,006,072)	(26,542)	1.3%	(1,072,995)	(959,619)	89.4%
21. Total Other Nonoperating (Income)	(2,169,006)	(2,141,252)	(27,754)	1.3%	(1,202,739)	(966,267)	80.3%
22. Total Nonoperating Expenses (Income)	8,512,403	8,711,576	(199,173)	-2.3%	9,055,891	(543,488)	-6.0%
<b>23. Income Before Contributions</b>	<b>10,823,181</b>	<b>5,495,057</b>	<b>5,328,124</b>	<b>97.0%</b>	<b>8,806,783</b>	<b>2,016,398</b>	<b>22.9%</b>
<b>CONTRIBUTED CAPITAL</b>							
24. Contributed Capital Received	872,800	548,270	324,530	59.2%	188,926	683,874	362.0%
25. Contributed Capital Used (d)	(872,800)	(548,270)	(324,530)	-59.2%	(188,926)	(683,874)	-362.0%
26. Net Contributed Capital	0	0	0	--	0	0	--
<b>27. CHANGE IN NET POSITION</b>	<b>\$10,823,181</b>	<b>\$5,495,057</b>	<b>\$5,328,124</b>	<b>97.0%</b>	<b>\$8,806,783</b>	<b>\$2,016,398</b>	<b>22.9%</b>

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$4,596,348 + Software Agreements Interest \$15,144 + Variable Interest \$525,706 + Amortization of Issuance Costs on Outstanding Debt \$248,230 + Amortization of Loss on Refunded Debt \$323,329 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



**REVENUES, ENERGY & CUSTOMERS**

**CURRENT MONTH**

**MARCH 2024**

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	MONTH ACTUAL	AMOUNT	%
<b>REVENUE</b>							
1. Residential	\$9,549,704	\$9,615,824	(\$66,120)	-0.7%	\$10,746,479	(\$1,196,775)	-11.1%
2. Commercial & Street Light	9,077,120	9,813,954	(736,834)	-7.5%	8,898,397	178,723	2.0%
3. Industrial	2,697,809	2,645,527	52,282	2.0%	2,441,944	255,865	10.5%
4. Total Retail	21,324,633	22,075,305	(750,672)	-3.4%	22,086,820	(762,187)	-3.5%
5. SPP Sales	2,041,335	1,480,506	560,829	37.9%	2,088,781	(47,446)	-2.3%
6. Contract Sales	579,325	774,758	(195,433)	-25.2%	695,462	(116,137)	-16.7%
7. Total Wholesale	2,620,660	2,255,264	365,396	16.2%	2,784,243	(163,583)	-5.9%
8. Total	\$23,945,293	\$24,330,569	-\$385,276	-1.6%	\$24,871,063	-\$925,770	-3.7%
<b>ENERGY (MWH'S)</b>							
9. Residential	86,681	91,495	(4,814)	-5.3%	108,429	(21,748)	-20.1%
10. Commercial & Street Light	110,216	114,486	(4,270)	-3.7%	117,039	(6,823)	-5.8%
11. Industrial	39,379	37,385	1,994	5.3%	36,426	2,953	8.1%
12. Total Retail	236,276	243,366	(7,090)	-2.9%	261,894	(25,618)	-9.8%
13. SPP Sales	27,968	28,168	(200)	-0.7%	35,303	(7,335)	-20.8%
14. Contract Sales	5,991	18,794	(12,803)	-68.1%	9,788	(3,797)	-38.8%
15. Total Wholesale	33,959	46,962	(13,003)	-27.7%	45,091	(11,132)	-24.7%
16. Total	270,235	290,328	(20,093)	-6.9%	306,985	(36,750)	-12.0%
<b>CUSTOMERS - AT MONTH END</b>							
17. Residential	134,214	131,397	2,817	2.1%	131,547	2,667	2.0%
18. Commercial & Street Light	17,879	17,670	209	1.2%	17,682	197	1.1%
19. Industrial	239	233	6	2.6%	230	9	3.9%
20. Total Retail	152,332	149,300	3,032	2.0%	149,459	2,873	1.9%
21. Wholesale	6	6	0	0.0%	7	(1)	-14.3%
22. Total	152,338	149,306	3,032	2.0%	149,466	2,872	1.9%



**REVENUES, ENERGY & CUSTOMERS**

**YEAR-TO-DATE**

**MARCH 2024**

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
<b>REVENUE</b>							
1. Residential	\$33,716,250	\$34,687,569	(\$971,319)	-2.8%	\$33,892,652	(\$176,402)	-0.5%
2. Commercial & Street Light	28,772,244	29,234,030	(461,786)	-1.6%	27,375,246	1,396,998	5.1%
3. Industrial	7,997,487	7,484,516	512,971	6.9%	7,228,201	769,286	10.6%
4. Total Retail	70,485,981	71,406,115	(920,134)	-1.3%	68,496,099	1,989,882	2.9%
5. SPP Sales	6,226,617	4,462,581	1,764,036	39.5%	6,728,861	(502,244)	-7.5%
6. Contract Sales	2,347,021	2,324,333	22,688	1.0%	2,500,188	(153,167)	-6.1%
7. Total Wholesale	8,573,638	6,786,914	1,786,724	26.3%	9,229,049	(655,411)	-7.1%
8. Total	\$79,059,619	\$78,193,029	\$866,590	1.1%	\$77,725,148	1,334,471	1.7%
<b>ENERGY (MWH'S)</b>							
9. Residential	339,932	359,279	(19,347)	-5.4%	368,733	(28,801)	-7.8%
10. Commercial & Street Light	351,351	357,576	(6,225)	-1.7%	356,988	(5,637)	-1.6%
11. Industrial	116,563	107,806	8,757	8.1%	105,136	11,427	10.9%
12. Total Retail	807,846	824,661	(16,815)	-2.0%	830,857	(23,011)	-2.8%
13. SPP Sales	65,634	68,289	(2,655)	-3.9%	90,709	(25,075)	-27.6%
14. Contract Sales	56,230	61,749	(5,519)	-8.9%	58,461	(2,231)	-3.8%
15. Total Wholesale	121,864	130,038	(8,174)	-6.3%	149,170	(27,306)	-18.3%
16. Total	929,710	954,699	(24,989)	-2.6%	980,027	(50,317)	-5.1%
<b>CUSTOMERS AVERAGE</b>							
17. Residential	134,169	131,336	2,833	2.2%	131,380	2,789	2.1%
18. Commercial & Street Light	17,864	17,655	209	1.2%	17,652	212	1.2%
19. Industrial	239	233	6	2.6%	230	9	3.9%
20. Total Retail	152,272	149,224	3,048	2.0%	149,262	3,010	2.0%
21. Wholesale	6	6	0	0.0%	7	(1)	-14.3%
22. Total	152,278	149,230	3,048	2.0%	149,269	3,009	2.0%



**OPERATING EXPENSE STATEMENT**

**CURRENT MONTH**

**MARCH 2024**

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
<b>POWER COST</b>							
1. SPP Purchased Power	\$1,048,418	\$546,948	\$501,470	91.7%	\$1,052,971	(\$4,553)	-0.4%
2. Non-Owned Asset Power	<u>5,213,071</u>	<u>4,415,502</u>	<u>797,569</u>	18.1%	<u>5,105,603</u>	<u>107,468</u>	2.1%
3. Total Purchased Power	6,261,489	4,962,450	1,299,039	26.2%	6,158,574	102,915	1.7%
4. Produced Power	<u>3,210,452</u>	<u>6,495,869</u>	<u>(3,285,417)</u>	-50.6%	<u>4,389,164</u>	<u>(1,178,712)</u>	-26.9%
5. Total Power Cost	9,471,941	11,458,319	(1,986,378)	-17.3%	10,547,738	(1,075,797)	-10.2%
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>							
6. Energy Delivery	2,230,577	2,377,967	(147,390)	-6.2%	2,263,937	(33,360)	-1.5%
7. Transmission	<u>976,428</u>	<u>1,035,513</u>	<u>(59,085)</u>	-5.7%	<u>965,637</u>	<u>10,791</u>	1.1%
8. Total O & M Expense	3,207,005	3,413,480	(206,475)	-6.0%	3,229,574	(22,569)	-0.7%
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>							
9. Administration	380,724	274,874	105,850	38.5%	204,877	175,847	85.8%
10. Communication & Corporate Records	231,910	197,300	34,610	17.5%	203,468	28,442	14.0%
11. Corporate Operations	1,041,133	929,971	111,162	12.0%	1,317,889	(276,756)	-21.0%
12. Customer Services	992,916	1,038,124	(45,208)	-4.4%	971,872	21,044	2.2%
13. Financial Services	492,289	501,579	(9,290)	-1.9%	400,963	91,326	22.8%
14. Power Supply	425,609	493,546	(67,937)	-13.8%	377,588	48,021	12.7%
15. Technology Services	<u>1,196,061</u>	<u>1,488,365</u>	<u>(292,304)</u>	-19.6%	<u>1,556,816</u>	<u>(360,755)</u>	-23.2%
16. Total A & G Expense	4,760,642	4,923,759	(163,117)	-3.3%	5,033,473	(272,831)	-5.4%
17. DEPRECIATION	2,966,578	3,199,836	(233,258)	-7.3%	2,919,872	46,706	1.6%
18. TOTAL OPERATING EXPENSE	\$20,406,166	\$22,995,394	(\$2,589,228)	-11.3%	\$21,730,657	(\$1,324,491)	-6.1%



**OPERATING EXPENSE STATEMENT**

**YEAR-TO-DATE**

**MARCH 2024**

DESCRIPTION	YEAR TO DATE		VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE		VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%	
<b>POWER COST</b>								
1. SPP Purchased Power	\$5,482,172	\$4,277,920	\$1,204,252	28.2%	\$4,744,817	\$737,355	15.5%	
2. Non-Owned Asset Power	<u>14,330,832</u>	<u>14,662,867</u>	<u>(332,035)</u>	-2.3%	<u>14,730,446</u>	<u>(399,614)</u>	-2.7%	
3. Total Purchased Power	19,813,004	18,940,787	872,217	4.6%	19,475,263	337,741	1.7%	
4. Produced Power	<u>13,471,670</u>	<u>16,056,308</u>	<u>(2,584,638)</u>	-16.1%	<u>13,684,762</u>	<u>(213,092)</u>	-1.6%	
5. Total Power Cost	33,284,674	34,997,095	(1,712,421)	-4.9%	33,160,025	124,649	0.4%	
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>								
6. Energy Delivery	6,267,074	6,714,586	(447,512)	-6.7%	5,498,946	768,128	14.0%	
7. Transmission	<u>2,946,519</u>	<u>3,120,603</u>	<u>(174,084)</u>	-5.6%	<u>2,867,584</u>	<u>78,935</u>	2.8%	
8. Total O & M Expense	9,213,593	9,835,189	(621,596)	-6.3%	8,366,530	847,063	10.1%	
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>								
9. Administration	780,736	818,052	(37,316)	-4.6%	696,078	84,658	12.2%	
10. Communication & Corporate Records	618,239	566,393	51,846	9.2%	482,136	136,103	28.2%	
11. Corporate Operations	3,443,127	2,850,462	592,665	20.8%	4,009,978	(566,851)	-14.1%	
12. Customer Services	2,744,953	3,303,872	(558,919)	-16.9%	2,534,279	210,674	8.3%	
13. Financial Services	1,413,599	1,399,559	14,040	1.0%	1,315,471	98,128	7.5%	
14. Power Supply	1,278,879	1,502,430	(223,551)	-14.9%	1,124,097	154,782	13.8%	
15. Technology Services	<u>4,339,082</u>	<u>4,256,095</u>	<u>82,987</u>	1.9%	<u>4,039,173</u>	<u>299,909</u>	7.4%	
16. Total A & G Expense	14,618,615	14,696,863	(78,248)	-0.5%	14,201,212	417,403	2.9%	
17. DEPRECIATION	8,898,839	9,599,365	(700,526)	-7.3%	8,756,001	142,838	1.6%	
18. TOTAL OPERATING EXPENSE	\$66,015,721	\$69,128,512	(\$3,112,791)	-4.5%	\$64,483,768	\$1,531,953	2.4%	



**BALANCE SHEET**

**MARCH 2024**

ASSETS & DEFERRED OUTFLOWS OF RESOURCES			LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION		
DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1	DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1
<b>CURRENT ASSETS:</b>			<b>CURRENT LIABILITIES:</b>		
1. Revenue Fund (includes CDFUO)	\$78,936,576	(\$18,499,730)	<b>OTHER LIABILITIES</b>		
2. Payment in Lieu of Tax Fund	15,505,699	3,257,541	1. Accounts Payable	\$19,756,528	(\$1,883,644)
3. Rate Stabilization Fund	39,793,088	548,941	2. Accrued Payments in Lieu of Taxes	16,361,278	3,241,743
4. Bond Principal & Interest Funds	23,951,641	5,141,813	3. City Dividend for Utility Ownership Payable	1,046,389	(3,139,167)
5. Other Restricted/Designated Funds (a)	4,006,003	(100,846)	4. Commercial Paper Notes	65,500,000	0
6. Restricted/Designated Funds Total	67,750,732	5,589,908	5. Accrued Software Interest	38,369	12,543
7. Total Current Asset Funds (b)	162,193,007	(9,652,281)	6. Accrued Liabilities	16,606,963	(34,212)
8. Receivables Less Uncollectible Allowance	24,519,017	1,421,519	7. Total Other Liabilities	119,309,527	(1,802,737)
9. Unbilled Revenue	16,363,886	(1,254,264)	<b>CURRENT LIABILITIES - RESTRICTED ASSETS</b>		
10. Accrued Interest Receivable	1,807,125	(485,547)	8. Current Portion of Long-Term Debt	37,800,000	0
11. Materials, Supplies & Fuel Inventory	34,485,464	2,758,530	9. Accrued Interest	1,577,984	(4,797,067)
12. Plant Operation Assets	20,162,822	2,373,165	10. Other Current Liabilities (d)	921,913	16,497
13. Other Current Assets	4,404,057	(142,593)	11. Total Current Liabilities - Restricted Assets	40,299,897	(4,780,570)
14. Total Current Assets	263,935,378	(4,981,471)	12. Total Current Liabilities	159,609,424	(6,583,307)
<b>NONCURRENT ASSETS:</b>			<b>NONCURRENT LIABILITIES:</b>		
15. Bond Reserve Funds	9,464,238	65,379	13. 2013 Bonds	29,065,000	0
16. Self-Funded Benefits Reserve Fund (IBNP)	863,856	89,589	14. 2015A Bonds	71,400,000	0
17. Segregated Funds (c)	15,612,021	(220,181)	15. 2016 Bonds	65,960,000	0
18. Restricted Funds Total (b)	25,940,115	(65,213)	16. 2018 Bonds	121,205,000	0
19. Unamortized Debt Expense	1,997,148	(84,069)	17. 2020A Bonds	72,200,000	0
21. Accrued Lease Interest	97,475	11,813	18. 2020B Bonds	171,625,000	0
22. Other Noncurrent Assets	1,403,846	(151,397)	19. Total Revenue Bonds	531,455,000	0
23. Total Noncurrent Assets	\$36,548,948	(\$379,908)	20. Less Current Maturities	37,800,000	0
<b>CAPITAL ASSETS:</b>			21. Less Unamortized Discounts/Premiums	(33,171,114)	1,483,480
24. Utility Plant in Service	1,846,884,090	3,893,855	22. Note Purchase Agreement	0	0
25. Accumulated Depreciation & Amortization	(944,540,426)	(8,701,941)	23. Revolving Credit Agreement	0	0
26. Construction Work in Progress	117,737,344	13,005,600	24. Net Long Term Debt	526,826,114	(1,483,480)
27. Total Capital Assets	1,020,081,008	8,197,514	25. Liabilities Payable from Segregated Funds (e)	15,349,951	(482,139)
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			26. Asset Retirement Obligation	5,376,048	185,928
28. Deferred Loss on Refunded Debt	7,803,897	(323,328)	27. Software Liabilities	1,675,928	236,428
29. Deferred Costs for Asset Retirement Obligations	5,376,048	185,928	28. Other Noncurrent Liabilities	35,789,688	136,524
30. Total Deferred Outflows of Resources	13,179,945	(137,400)	29. Total Liabilities	744,627,153	(7,990,046)
			<b>DEFERRED INFLOWS OF RESOURCES:</b>		
			30. Deferred Inflow of Resource	6,693,092	(134,400)
			31. Total Deferred Inflows of Resources	6,693,092	(134,400)
			<b>NET POSITION:</b>		
			32. Net Investment in Capital Assets	404,000,934	8,188,219
			33. Restricted for Debt Service	22,645,199	10,004,259
			34. Restricted for Employee Health Insurance Claims	1,817,754	(1,127,452)
			35. Unrestricted	153,961,147	(6,241,845)
			36. Total Net Position	582,425,034	10,823,181
			<b>37. TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>		
<b>31. TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$1,333,745,279</b>	<b>\$2,698,735</b>		<b>\$1,333,745,279</b>	<b>\$2,698,735</b>



**STATEMENT OF CASH FLOWS**  
**MARCH 2024**

	CURRENT MONTH	YEAR-TO-DATE
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
1. Received from Sales to Customers and Users	\$28,568,051	\$86,087,592
2. Sales Tax Receipts	\$1,255,616	\$4,030,565
3. Paid to Suppliers for Goods & Services	(\$14,404,697)	(\$57,397,412)
4. Paid to Employees for Services	(\$1,689,683)	(\$5,345,667)
5. Payments for Sales Tax	(1,380,213)	(3,946,063)
<b>6. Cash Flow from Operating Activities (a)</b>	<b>12,349,074</b>	<b>23,429,015</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
7. Payment in Lieu of Tax	0	(75,222)
8. City Dividend for Utility Ownership Payments	0	(6,278,334)
9. Other	0	0
<b>10. Cash Flow from (used for) Noncapital Financing Activities</b>	<b>0</b>	<b>(6,353,556)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
11. Net (Purchases) Sales of Investments	9,015,038	30,263,999
12. Interest Income	2,792,300	953,287
<b>13. Cash Flow from (used for) Investing Activities</b>	<b>11,807,338</b>	<b>31,217,286</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>		
14. Acquisition and Construction of Capital Assets	(12,288,118)	(19,647,025)
15. Salvage on Retirement of Plant	1,130	1,352
16. Cost of Removal of Property Retired	(22,434)	(151,616)
17. Debt Issuance Cost Paid	0	0
18. Debt Premiums Collected	0	0
19. Net Capital Contributions	326,145	390,660
20. Capital Contributions Recv'd in Advance	0	0
21. Cash Received from Leases	42,648	127,944
23. Net Proceeds from Issuance of Long-Term Debt	0	0
24. Principal Payments on Long-Term Debt	0	0
25. Interest Payments on Debt	(9,386,303)	(9,919,122)
<b>26. Cash Flow from (used for) Capital Financing Activities</b>	<b>(21,326,932)</b>	<b>(29,197,807)</b>
26. Cash Flow from (used for) Capital Financing Activities	2,829,480	19,094,938
27. Net Increase (Decrease) in Cash and Cash Equivalents	47,682,274	35,018,728
<b>28. Cash and Cash Equivalents Beginning of Period</b>	<b>\$50,511,754</b>	<b>\$54,113,666</b>
<b>STATEMENT OF CASH FLOW FOOTNOTES</b>		
<b>(a) Reconciliation of operating income to cash flows from operating activities</b>		
1. Net Operating Revenue	\$5,377,986	\$19,335,584
2. Noncash items included in operating income	3,063,731	9,189,241
3. Changes in Assets & Liabilities Increase/(Decrease)	3,907,357	(5,095,810)
<b>4. Net cash flows from operating activities</b>	<b>\$12,349,074</b>	<b>\$23,429,015</b>
<b>(b) Cash and cash equivalents are defined as cash and investments with original maturities of three months or less.</b>		



**DEBT SERVICE COVERAGE**

**MARCH 2024**

DESCRIPTION	----- CURRENT MONTH -----			----- YEAR-TO-DATE -----		
	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR
1. Total Operating Revenues	\$25,784,152	\$26,464,212	\$26,229,375	\$85,351,305	\$83,335,145	\$82,346,442
2. Total Operating Expenses	20,406,166	22,995,394	21,730,657	66,015,721	69,128,512	64,483,768
3. Less Depreciation	(2,966,578)	(3,199,836)	(2,919,872)	(8,898,839)	(9,599,365)	(8,756,001)
4. Operating Expense Net of Depreciation	17,439,588	19,795,558	18,810,785	57,116,882	59,529,147	55,727,767
5. Net Operating Revenue for Debt Service	8,344,564	6,668,654	7,418,590	28,234,423	23,805,998	26,618,675
6. Interest Income (a)	1,926,468	532,696	579,080	1,711,476	1,670,421	751,029
7. Other Income	45,464	45,060	0	136,392	135,180	0
8. Rate Stabilization Fund	0	0	0	0	0	0
<b>9. AVAILABLE FOR DEBT SERVICE</b>	<b>10,316,496</b>	<b>7,246,410</b>	<b>7,997,670</b>	<b>30,082,291</b>	<b>25,611,599</b>	<b>27,369,704</b>
<b>10. DEBT SERVICE (b)</b>	<b>\$4,682,116</b>	<b>\$4,682,114</b>	<b>\$4,120,297</b>	<b>\$14,046,348</b>	<b>\$14,046,342</b>	<b>\$12,360,892</b>
<b>11. DEBT SERVICE COVERAGE</b>	<b>2.20</b>	<b>1.55</b>	<b>1.94</b>	<b>2.14</b>	<b>1.82</b>	<b>2.21</b>

(a) Excludes Interest from Rate Stabilization Fund.

(b) Includes Bond Principal & Interest only.

# **Power Supply Division 2024 February Monthly Report**

**March 15, 2024**

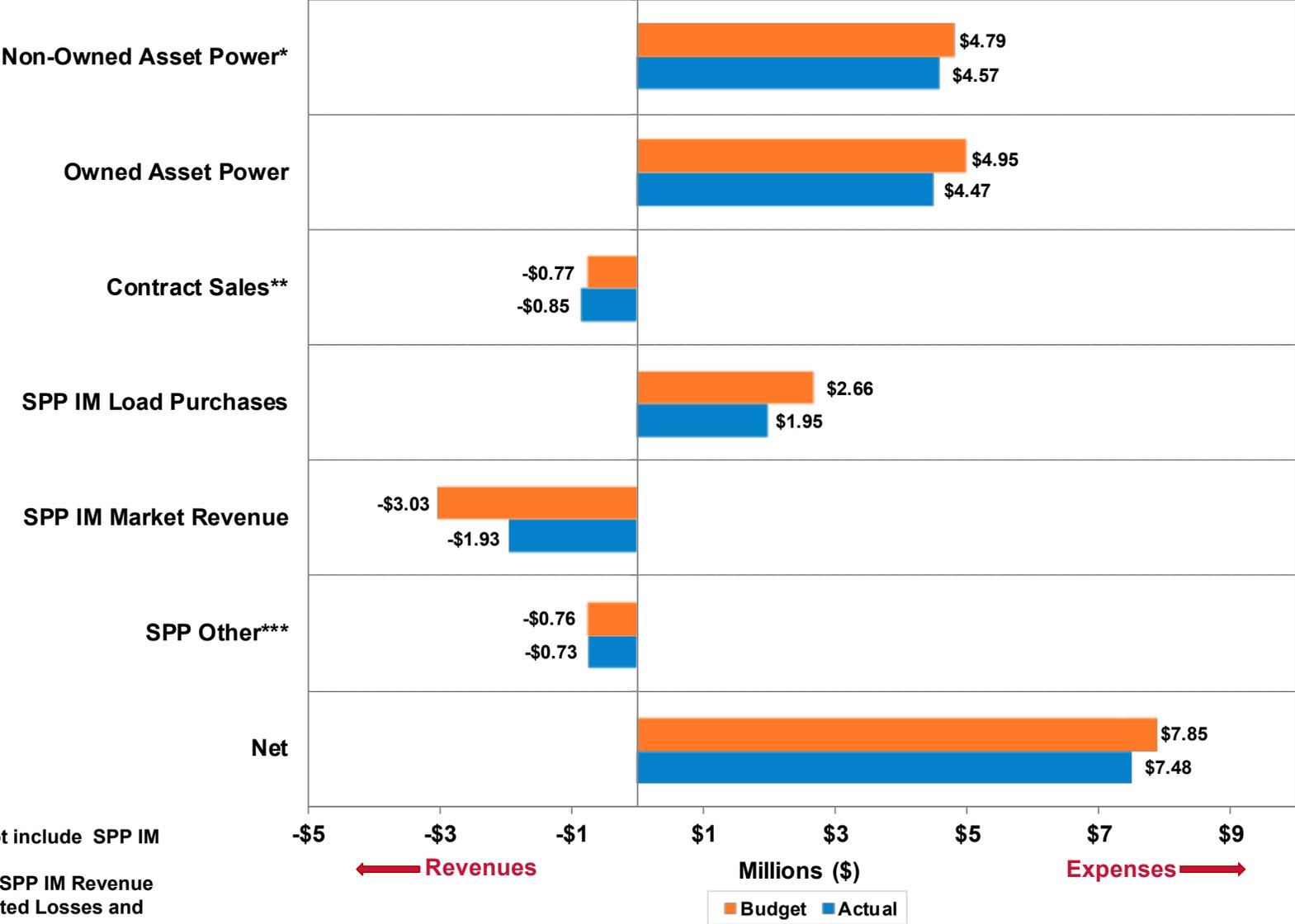
**Jason Fortik**

**Vice President, Power Supply**



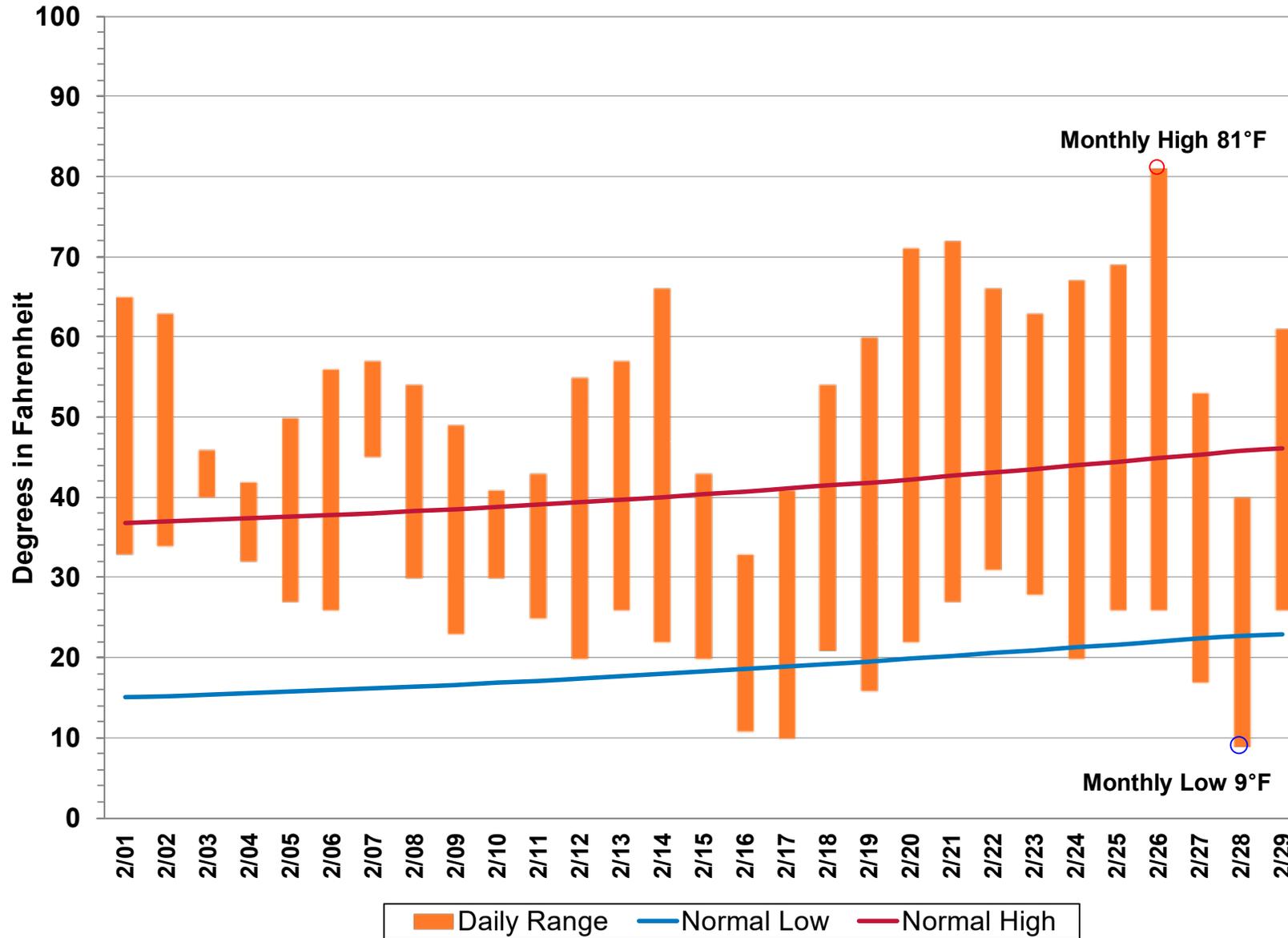
Lincoln Electric System

# Monthly Actual vs. Budget

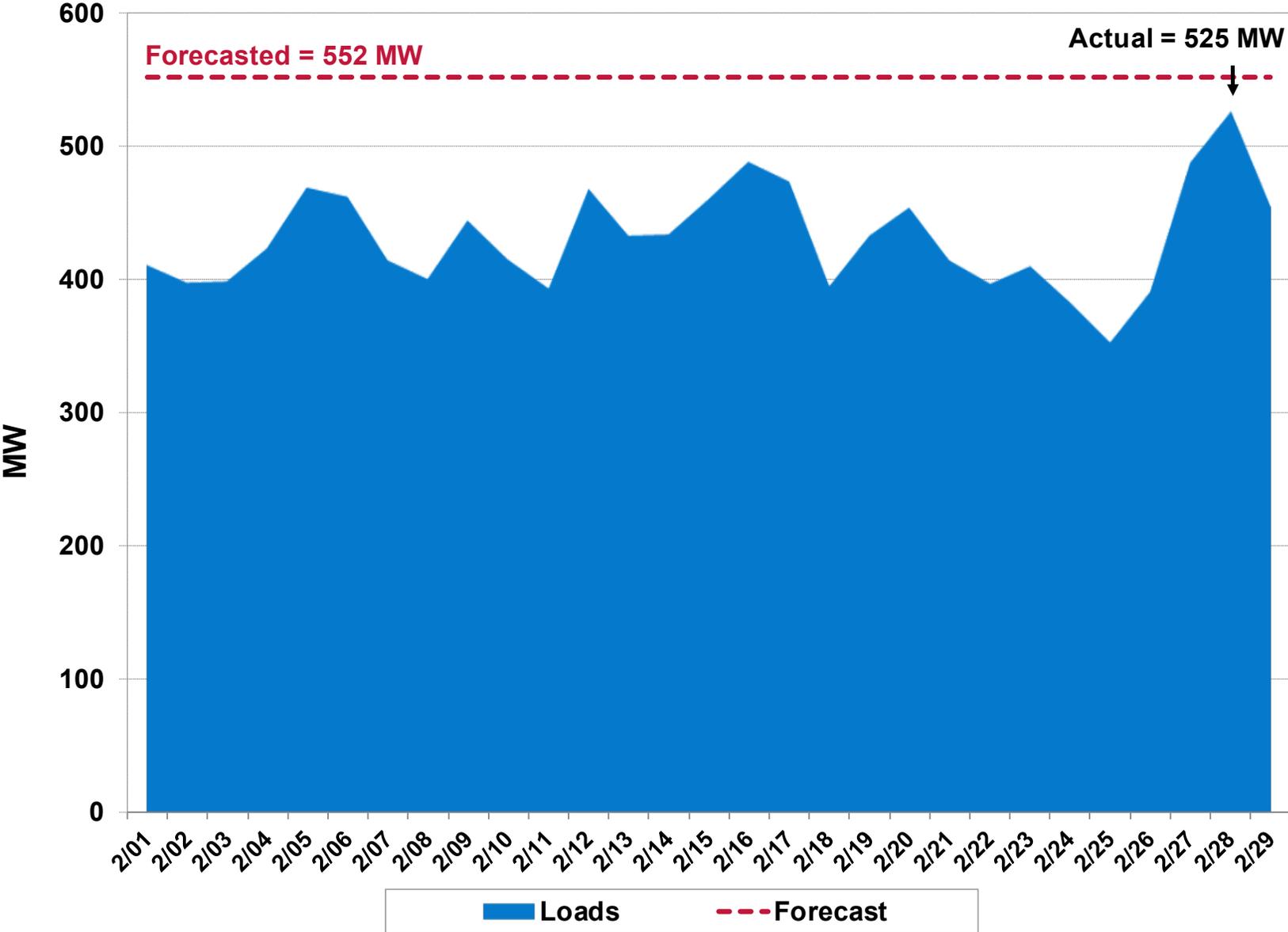


\*Non-Owned Asset Power does not include SPP IM Purchased  
 \*\*Contract Sales does not include SPP IM Revenue  
 \*\*\*SPP Other includes Over-Collected Losses and ARR's/TCR

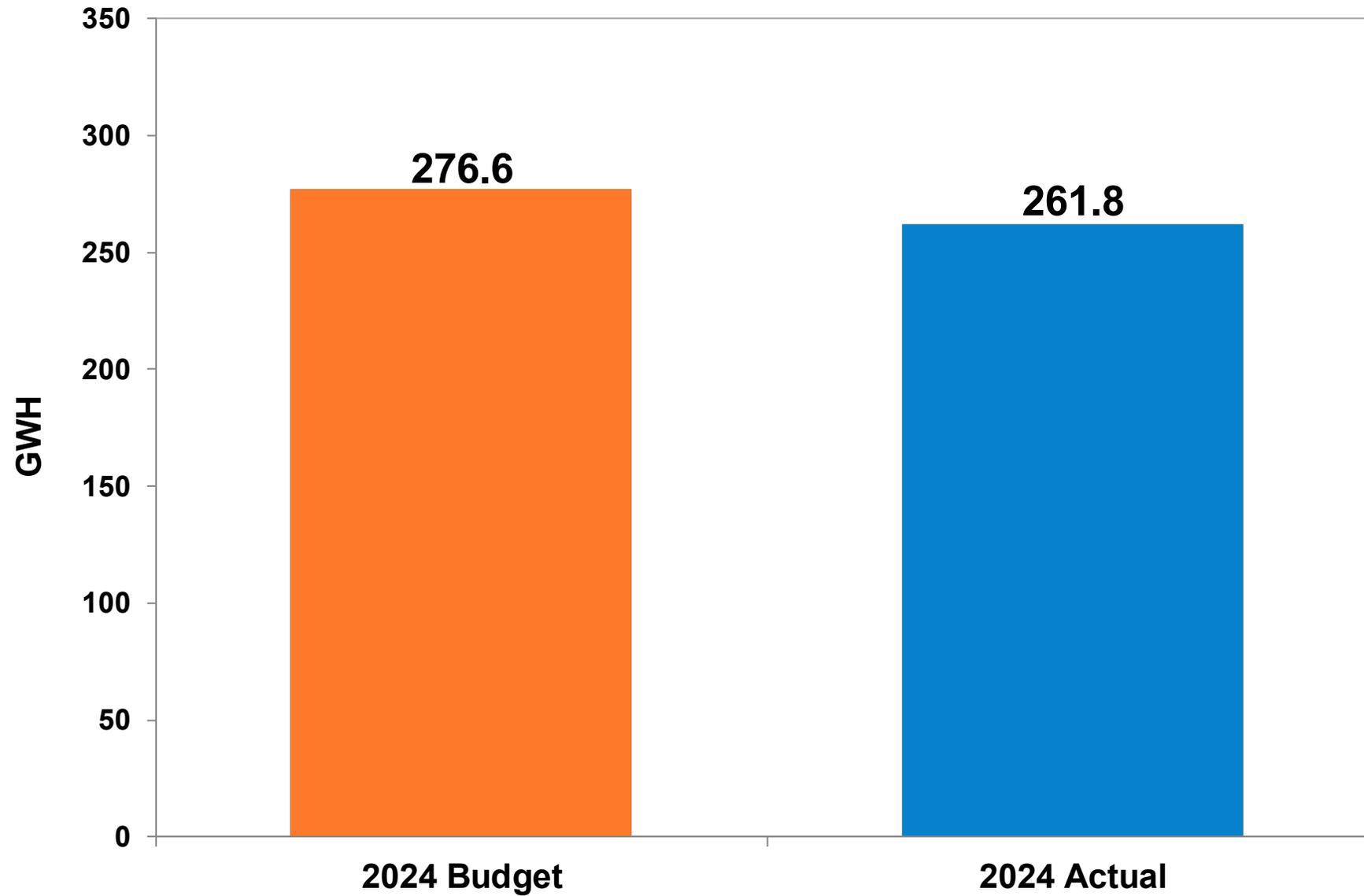
# Daily Temperature Range



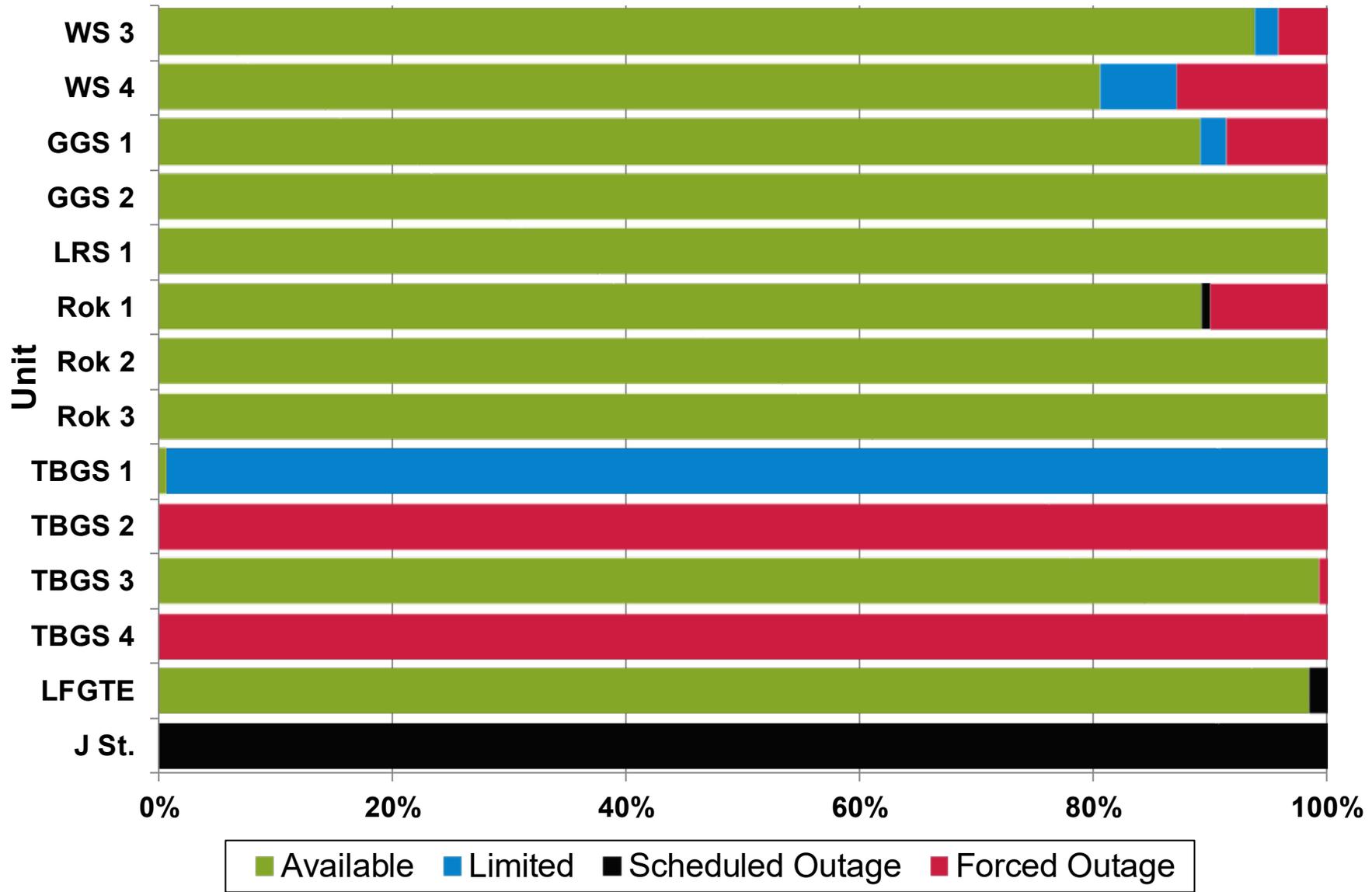
# Loads



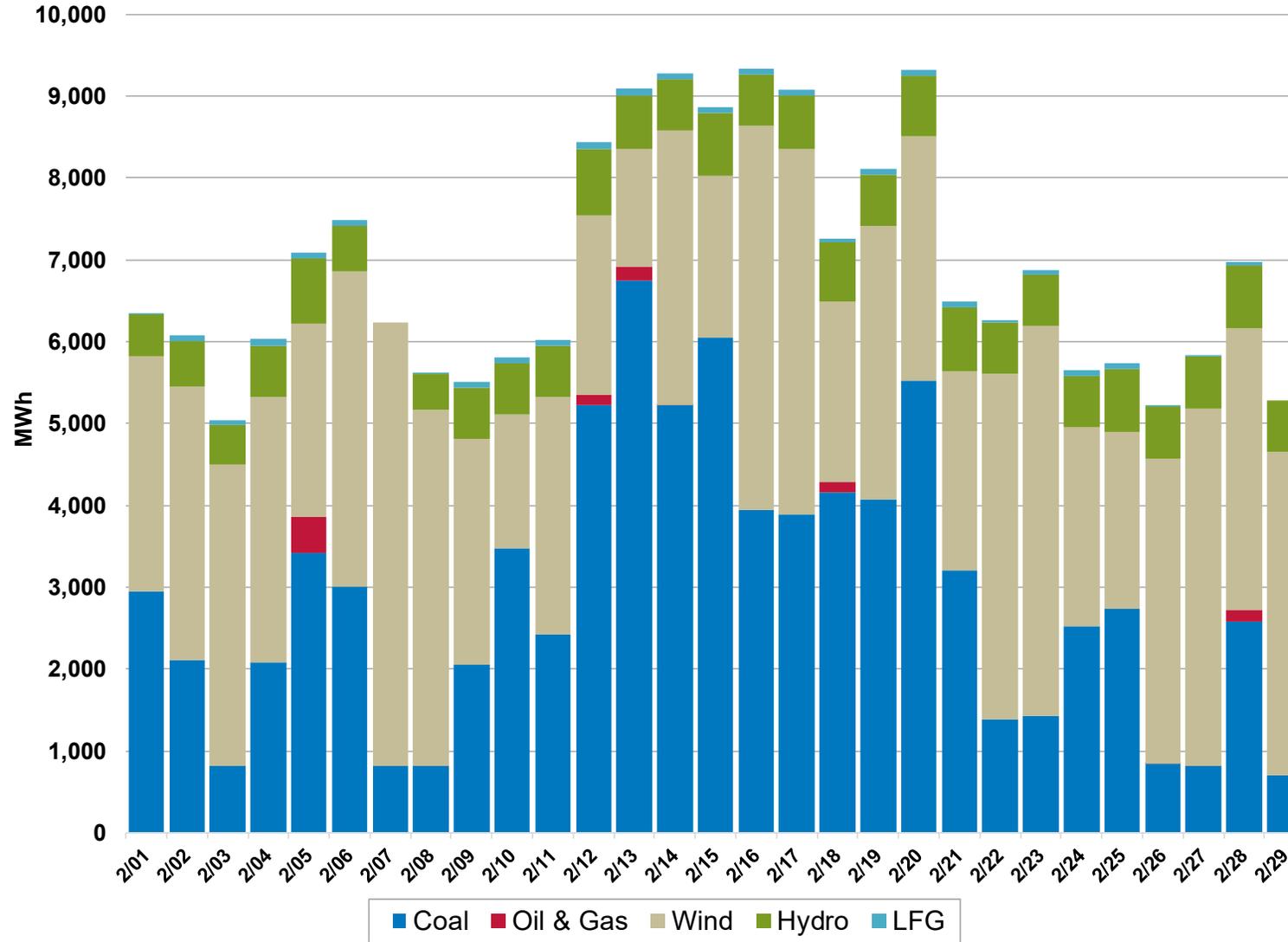
# Customer Energy Consumption



# Unit Equivalent Availability

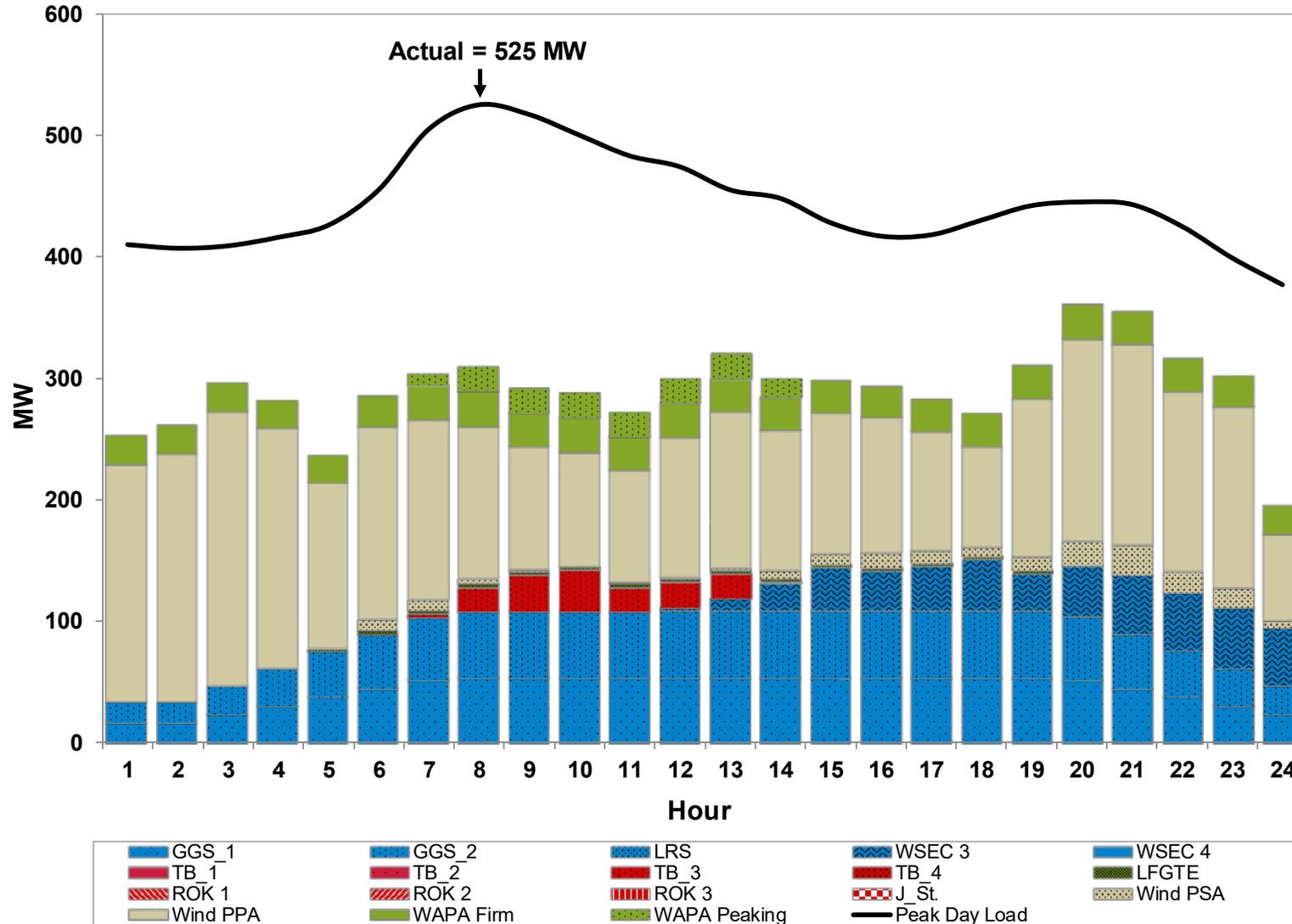


# Resource Energy



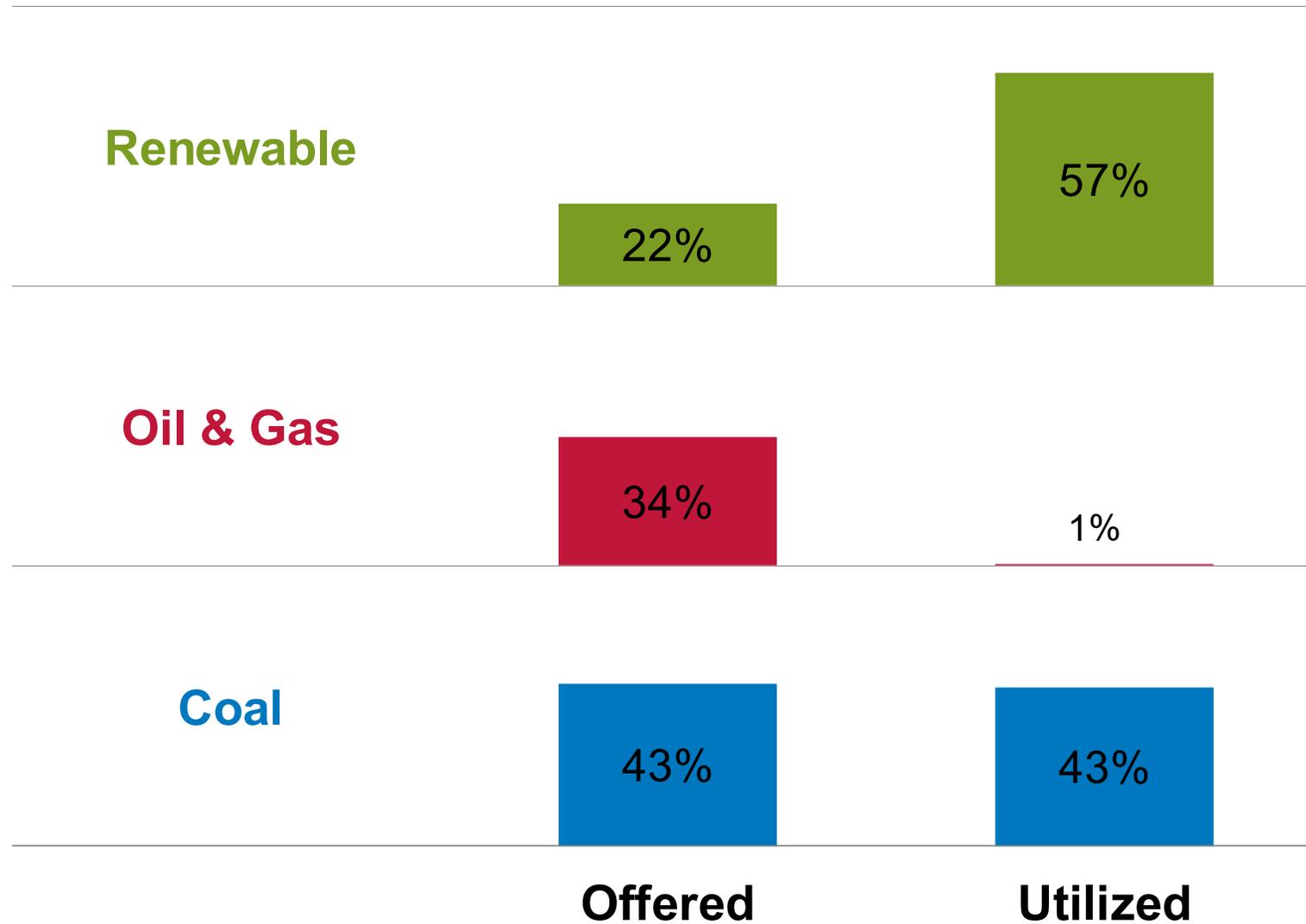
Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

# Peak Load Day – February 28, 2024



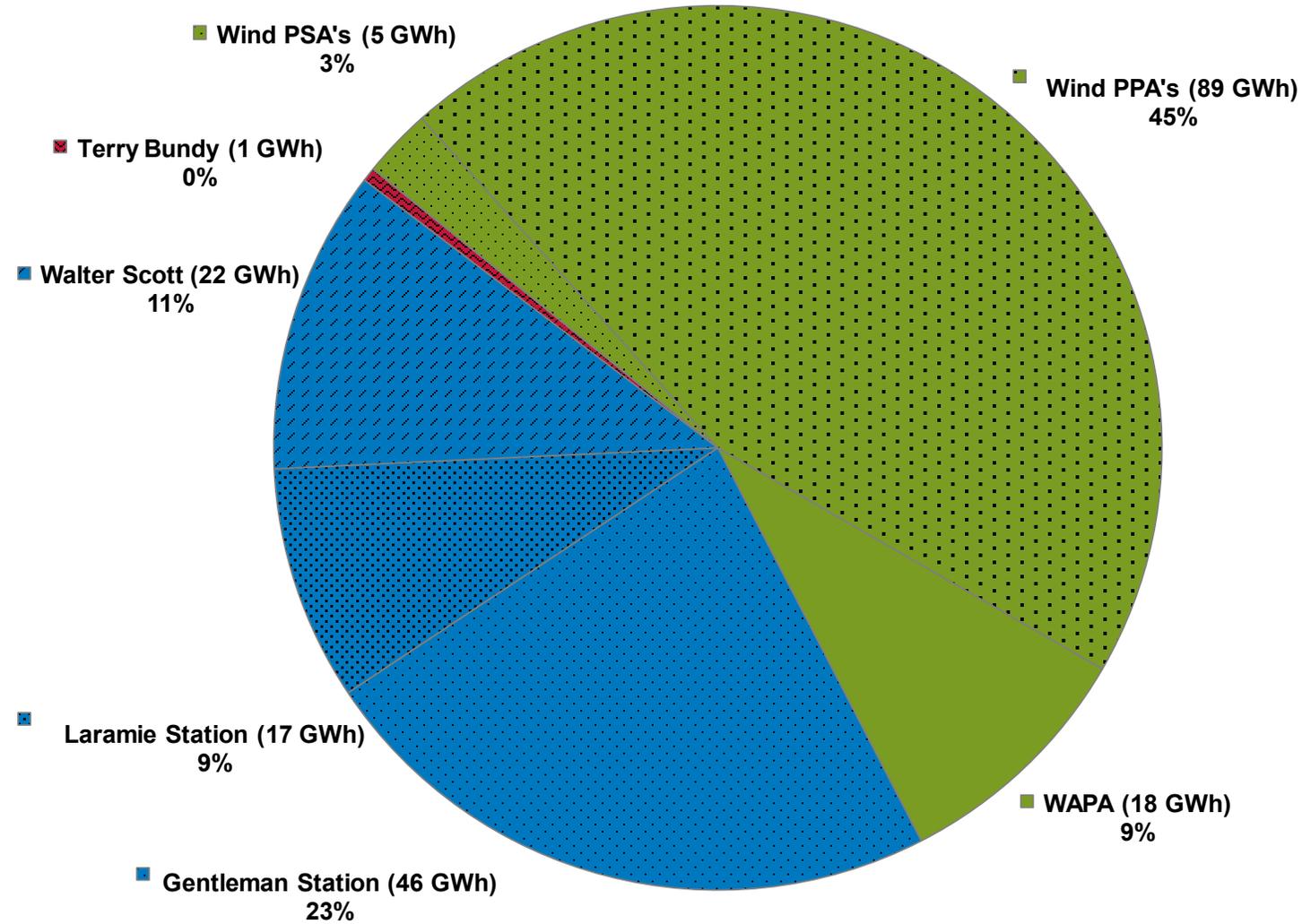
Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

# Energy Offered and Utilized by the SPP Integrated Marketplace (Fuel Type)



Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient. Total percentage may not add up to 100% due to rounding

# Energy Utilized by the SPP Integrated Marketplace



Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient. Total percentage may not add up to 100% due to rounding

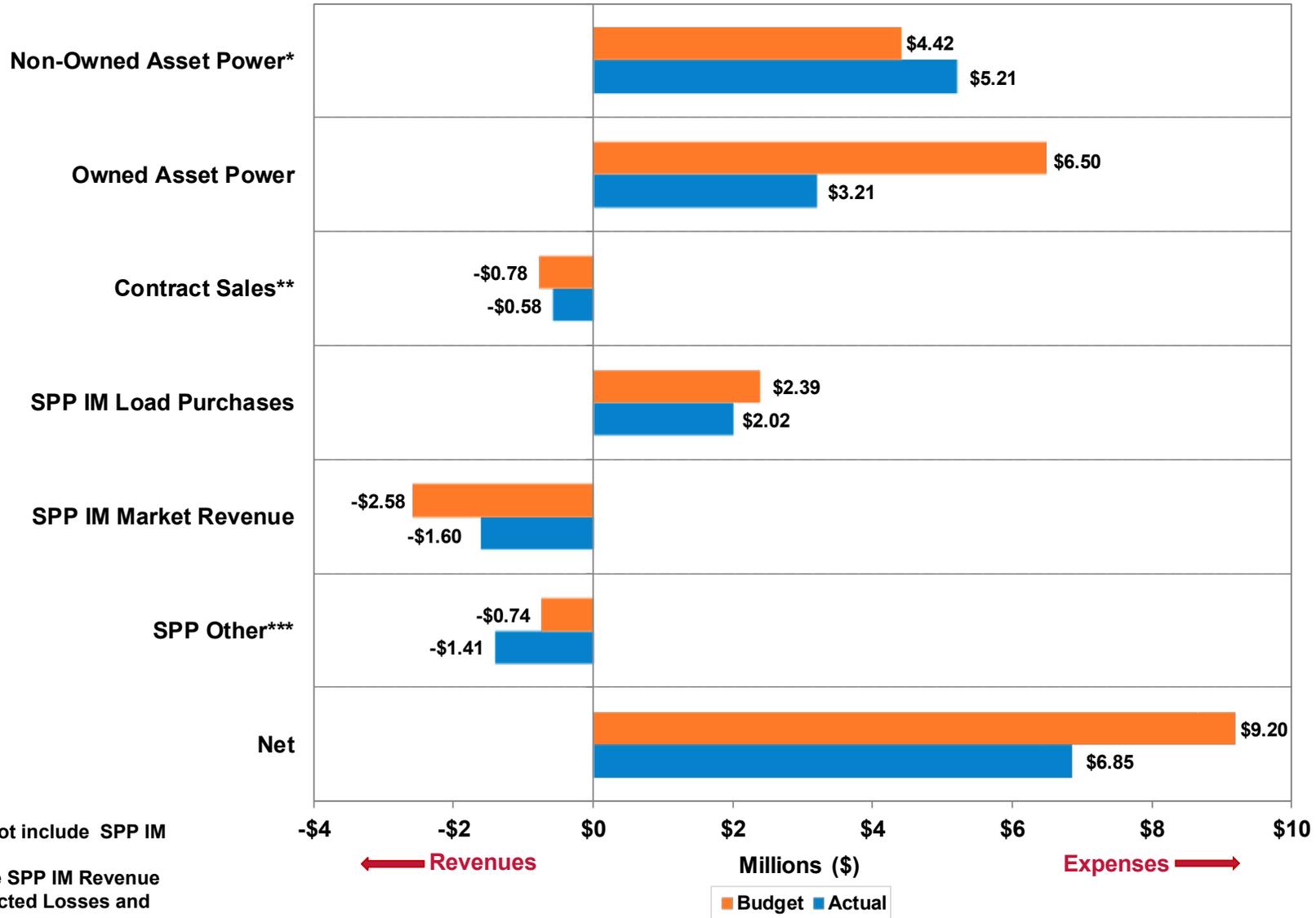
# Power Supply Division 2024 March Monthly Report

April 19, 2024

Jason Fortik

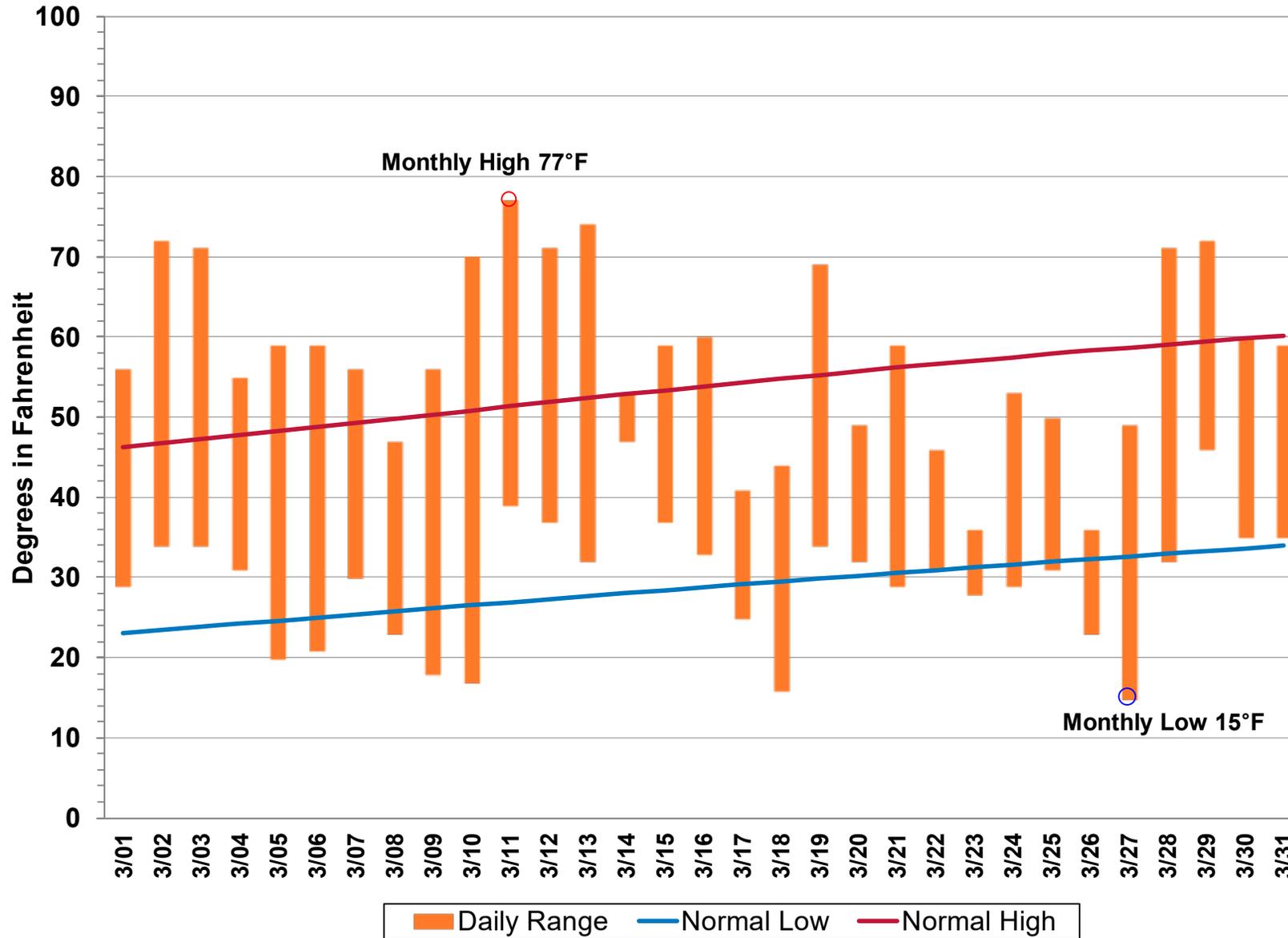
Vice President, Power Supply

# Monthly Actual vs. Budget

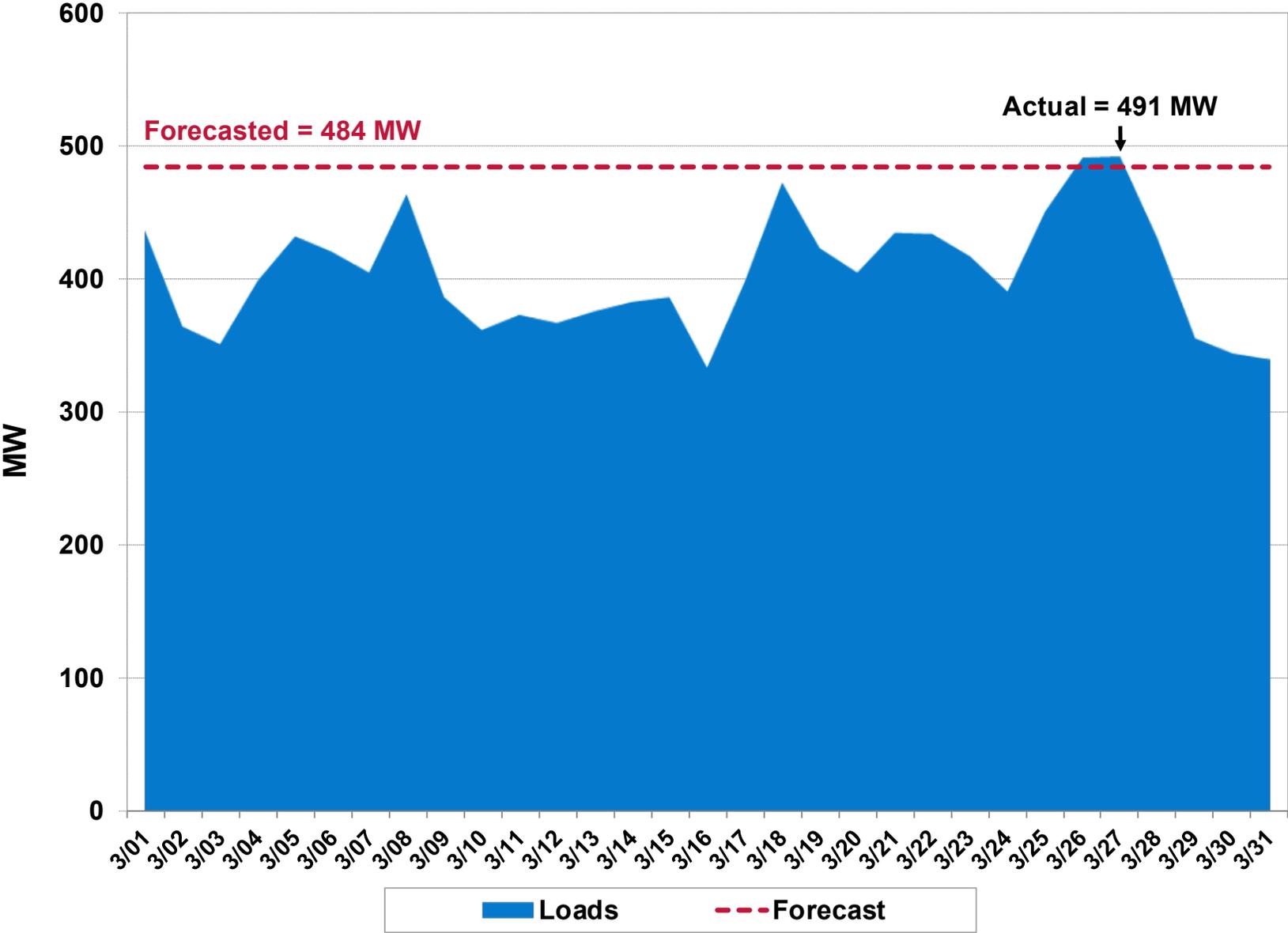


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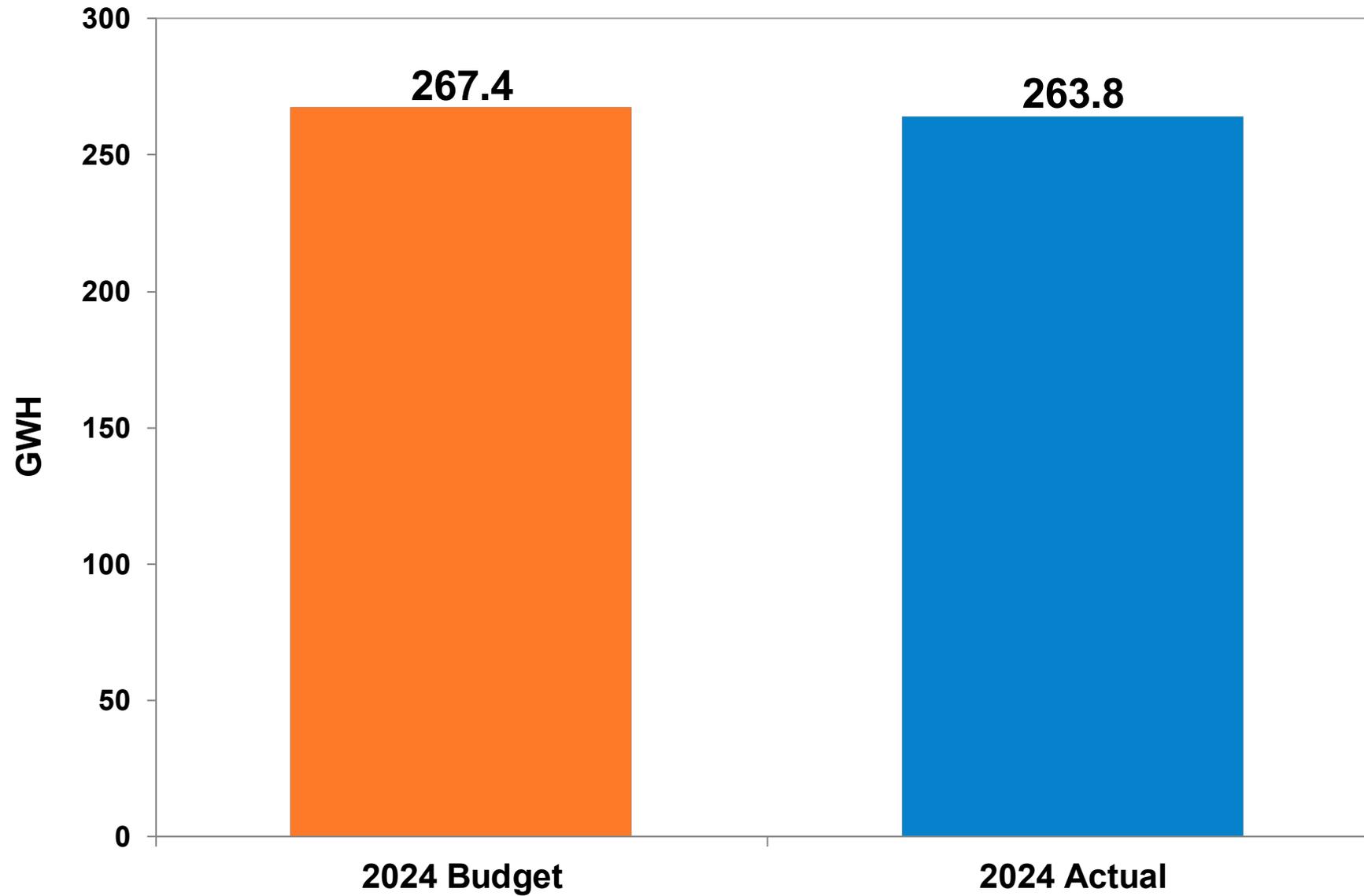
# Daily Temperature Range



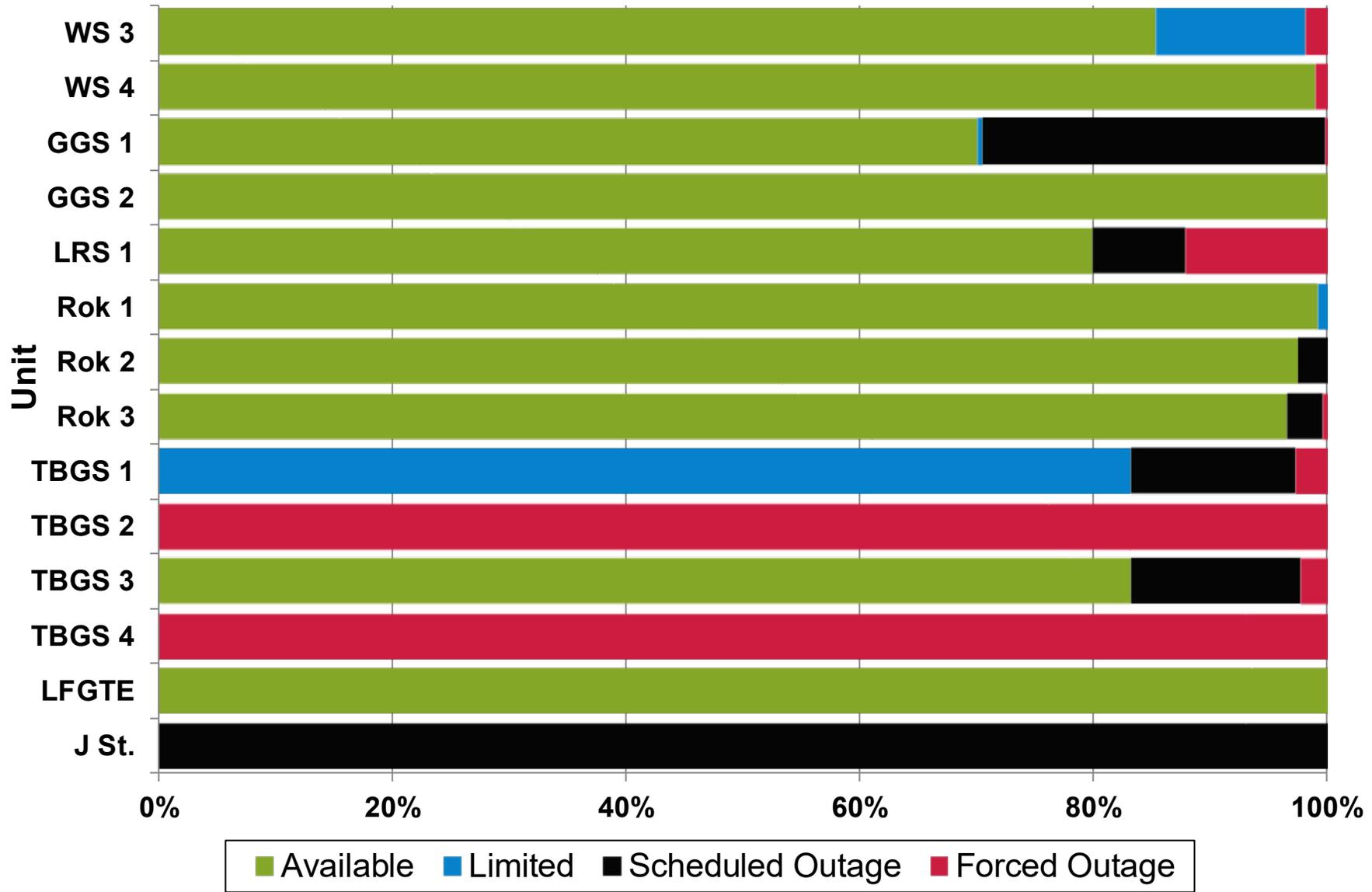
# Loads



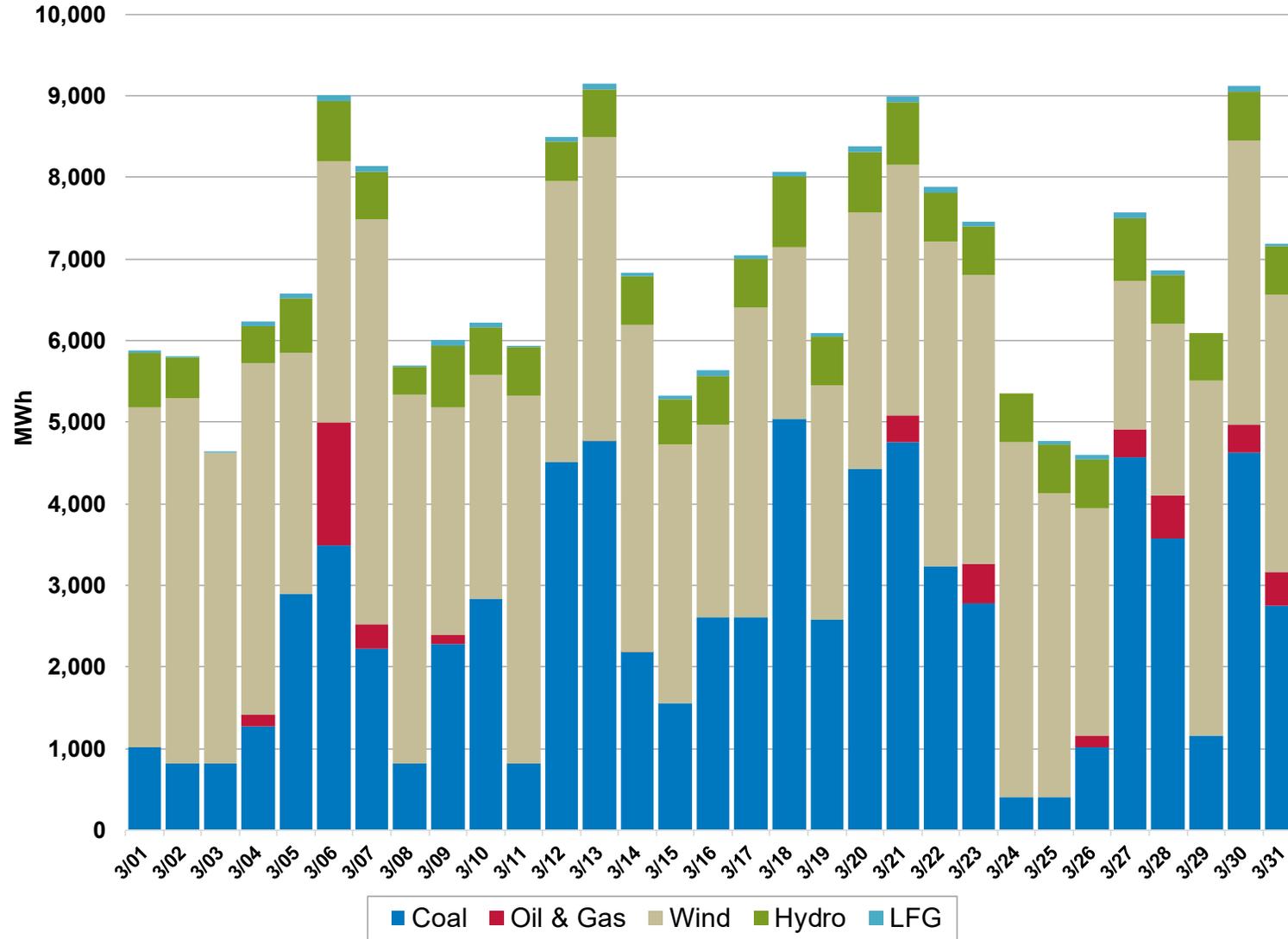
# Customer Energy Consumption



# Unit Equivalent Availability

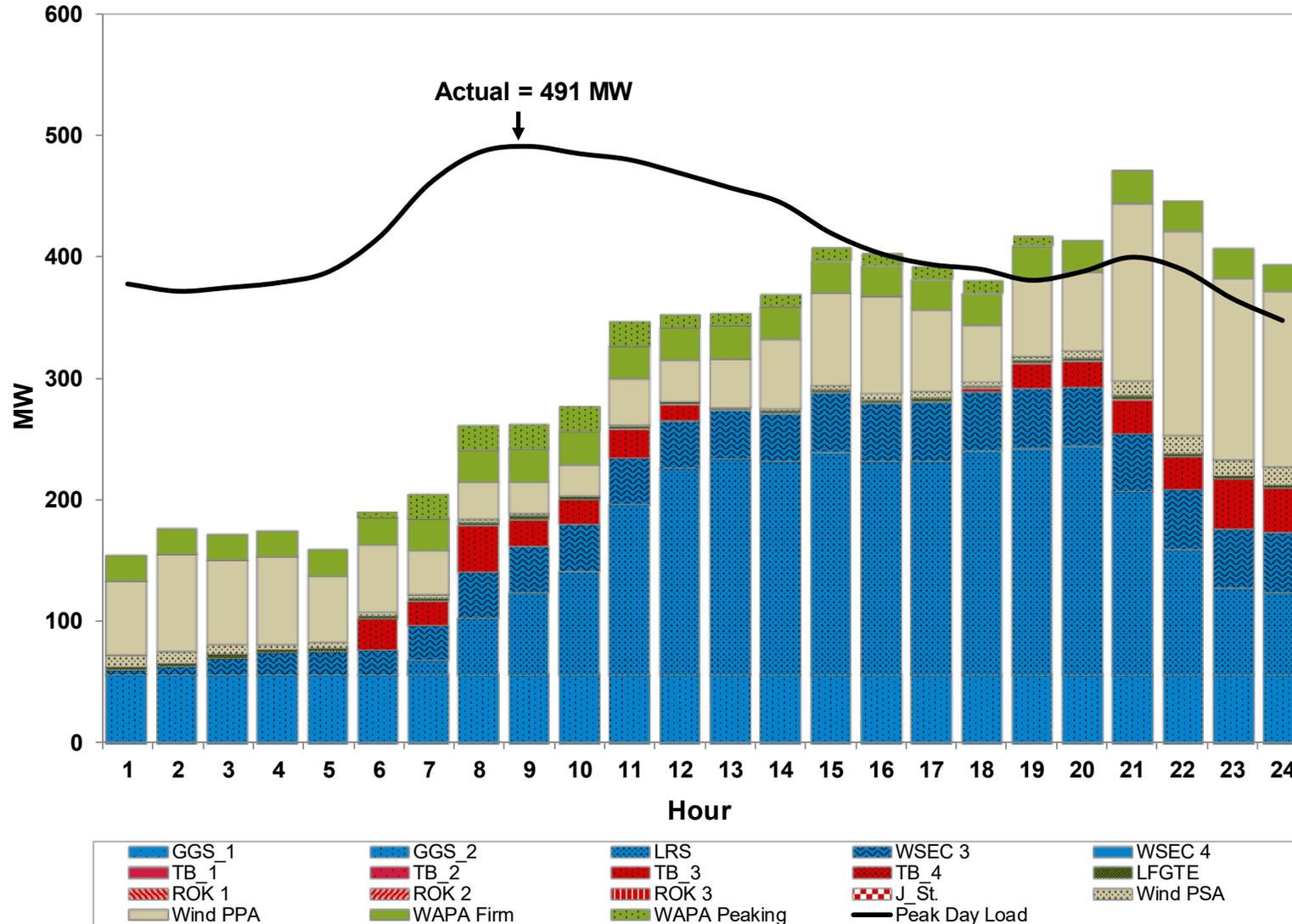


# Resource Energy



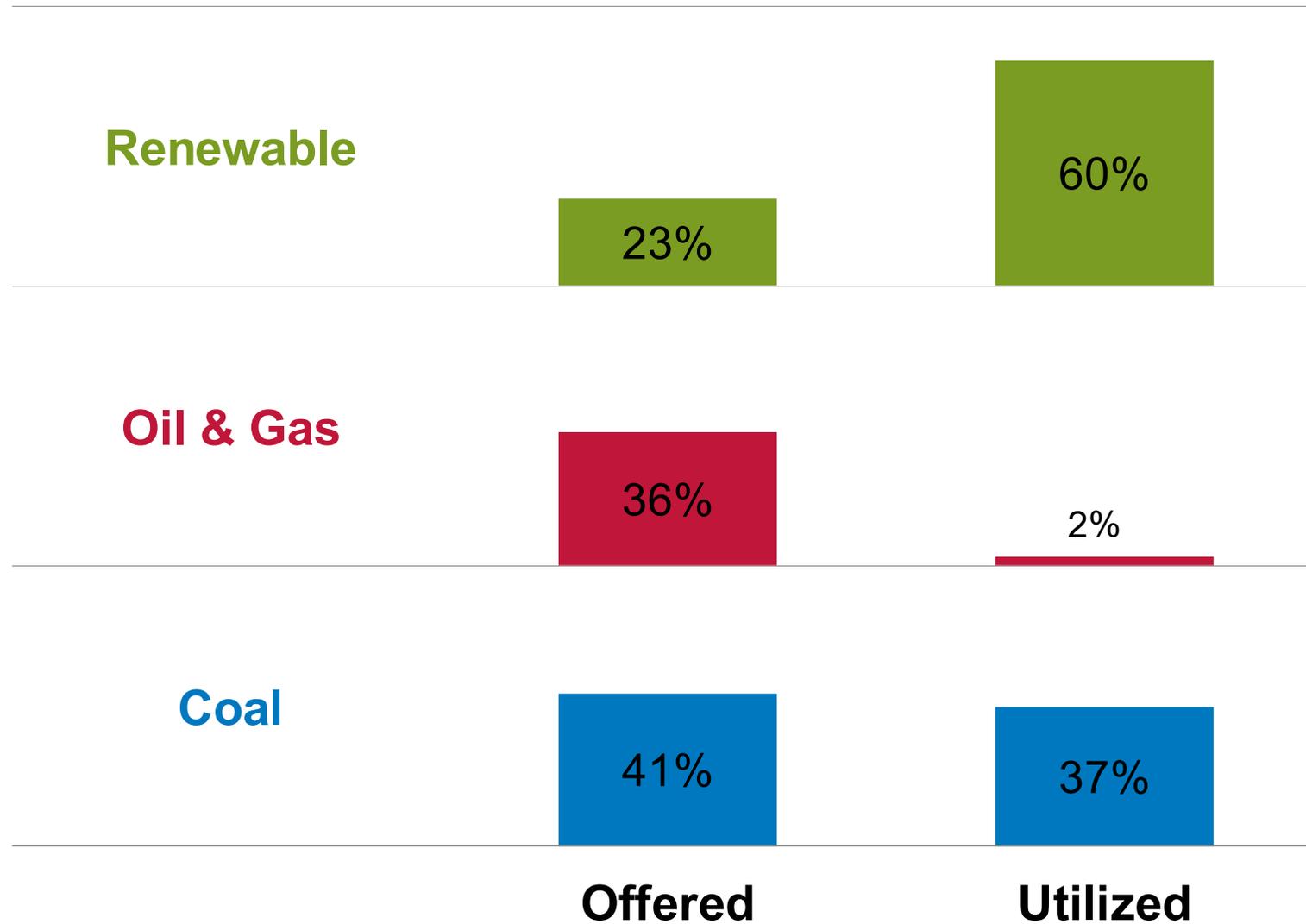
Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

# Peak Load Day – March 27, 2024



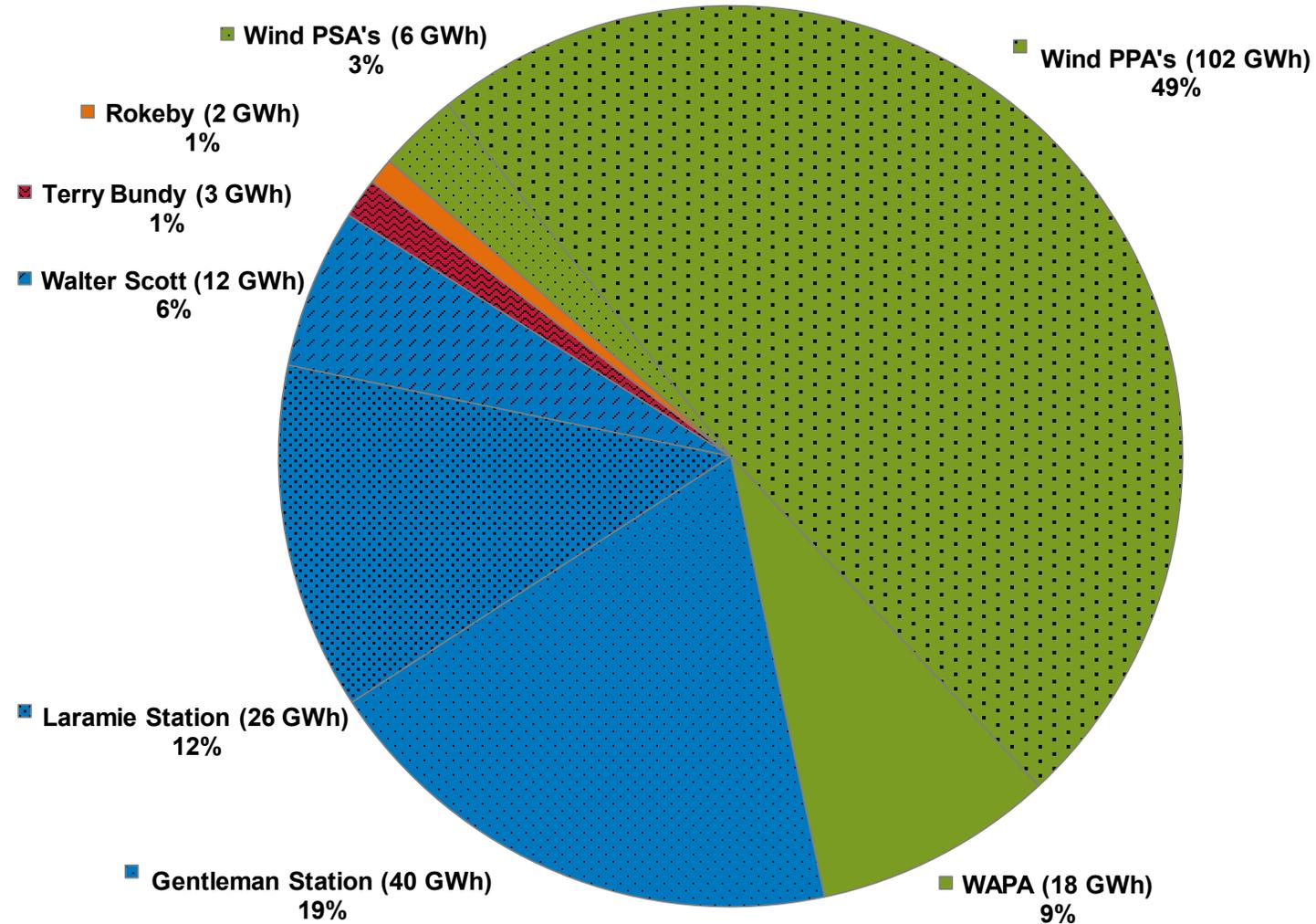
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# Energy Offered and Utilized by the SPP Integrated Marketplace (Fuel Type)



Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient. Total percentage may not add up to 100% due to rounding

# Energy Utilized by the SPP Integrated Marketplace



Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient. Total percentage may not add up to 100% due to rounding