



Lincoln Electric System

## Revenue & Expense Statement (Condensed) FEBRUARY 2019

(Dollar amounts in 000)

YEAR TO DATE	2019 Actual	2019 Budget	Difference	Percentage Difference	Comments
1) Total Revenue	\$50,596	\$50,895	(\$299)	-1%	YTD revenue is slightly below budget. Residential revenue was above budget 9.7%, offset by other retail and wholesale revenue classes, which were under budget.
2) Power Costs	20,410	23,770	(3,360)	-14%	Produced power was 19% under budget due primarily to lower maintenance and operations expenses at LRS, WS4, and local units. Purchased power was 9.5% below budget due to lower energy costs at WS3 and in renewable wind, partially offset by higher SPP energy expenses.
3) Other Operating Expenses	11,740	12,648	(908)	-7%	Other Operating expenses (operation & maintenance, administrative & general) are under budget (-7%) due to the timing of project spending in categories including line clearance, corporate communications, sustainable energy program participation, consulting services, and software purchases.
4) Depreciation	8,644	8,756	(112)	-1%	
5) Total Expenses	<u>40,794</u>	<u>45,174</u>	<u>(4,380)</u>	-10%	
6) Operating Income	9,802	5,721	4,081	71%	
7) Non-Operating Expense (Income)	<u>6,881</u>	<u>6,704</u>	<u>177</u>	3%	
8) Change in Net Position (Net Revenue)	<u>\$2,921</u>	<u>(\$983)</u>	<u>\$3,904</u>	397%	
	<u>Year End Projection</u>	<u>Year End Budget</u>			
9) Debt Service Coverage	2.18	2.10			
	<u>Month End Actual</u>	<u>Month End Budget</u>			
10) Days Cash on Hand (Days)	196	179			

# **LINCOLN ELECTRIC SYSTEM**

## **FINANCIAL AND OPERATING STATEMENT**

**February 2019**



## INDEX

REVENUE & EXPENSE STATEMENT - CURRENT MONTH -----	1
REVENUE & EXPENSE STATEMENT - YEAR-TO-DATE -----	2
REVENUES, ENERGY & CUSTOMERS - CURRENT MONTH-----	3
REVENUES, ENERGY & CUSTOMERS - YEAR-TO-DATE -----	4
OPERATING EXPENSE STATEMENT - CURRENT MONTH-----	5
OPERATING EXPENSE STATEMENT - YEAR-TO-DATE -----	6
BALANCE SHEET-----	7
STATEMENT OF CASH FLOWS-----	8
DEBT SERVICE COVERAGE-----	9
INVESTMENT REPORT -----	10

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 2019

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR MONTH	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%
<b>OPERATING REVENUES</b>							
1. Retail	\$20,485,146	\$20,059,703	\$425,443	2.1%	\$19,953,908	\$531,238	2.7%
2. Wholesale	2,475,030	2,940,698	(465,668)	-15.8%	2,855,600	(380,570)	-13.3%
3. Other Revenue	677,483	553,989	123,494	22.3%	718,007	(40,524)	-5.6%
4. City Dividend	630,157	628,731	1,426	0.2%	598,909	31,248	5.2%
5. Total Operating Revenues	24,267,816	24,183,121	84,695	0.4%	24,126,424	141,392	0.6%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	5,336,286	5,544,064	(207,778)	-3.7%	5,547,887	(211,601)	-3.8%
7. Produced Power	4,980,459	5,615,017	(634,558)	-11.3%	4,074,633	905,826	22.2%
8. Operations	1,652,187	1,629,286	22,901	1.4%	1,455,950	196,237	13.5%
9. Maintenance	577,106	699,342	(122,236)	-17.5%	575,194	1,912	0.3%
10. Administrative & General	3,815,055	3,632,051	183,004	5.0%	3,634,006	181,049	5.0%
11. Depreciation	4,325,710	4,378,944	(53,234)	-1.2%	4,274,141	51,569	1.2%
12. Total Operating Expenses	20,686,803	21,498,704	(811,901)	-3.8%	19,561,811	1,124,992	5.8%
<b>13. OPERATING INCOME</b>	<b>3,581,013</b>	<b>2,684,417</b>	<b>896,596</b>	<b>33.4%</b>	<b>4,564,613</b>	<b>(983,600)</b>	<b>-21.5%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense	2,049,629	2,176,345	(126,716)	-5.8%	1,736,625	313,004	18.0%
15. Capitalized Interest	(199,317)	(111,952)	(87,365)	78.0%	(86,199)	(113,118)	131.2%
16. Payments in Lieu of Taxes	1,050,596	998,126	52,470	5.3%	964,990	85,606	8.9%
17. City Dividend Expense	635,337	635,337	0	0.0%	622,269	13,068	2.1%
18. Other	(551)	0	(551)	- -	43	(594)	-1381.4%
19. Total Other Expense	3,535,694	3,697,856	(162,162)	-4.4%	3,237,728	297,966	9.2%
20. Interest Income	(408,936)	(382,268)	(26,668)	7.0%	(168,394)	(240,542)	142.8%
21. Total Nonoperating Expense (Income)	3,126,758	3,315,588	(188,830)	-5.7%	3,069,334	57,424	1.9%
<b>22. Income Before Contributions</b>	<b>454,255</b>	<b>(631,171)</b>	<b>1,085,426</b>	<b>172.0%</b>	<b>1,495,279</b>	<b>(1,041,024)</b>	<b>-69.6%</b>
<b>CONTRIBUTED CAPITAL</b>							
23. Contributed Capital Received	321,277	45,083	276,194	612.6%	8,943	312,334	3492.5%
24. Contributed Capital Used	(321,277)	(45,083)	(276,194)	612.6%	(8,943)	(312,334)	3492.5%
25. Net Contributed Capital	0	0	0	- -	0	0	- -
<b>26. CHANGE IN NET POSITION</b>	<b>\$454,255</b>	<b>(\$631,171)</b>	<b>\$1,085,426</b>	<b>172.0%</b>	<b>\$1,495,279</b>	<b>(\$1,041,024)</b>	<b>-69.6%</b>



## REVENUE & EXPENSE STATEMENT

YEAR-TO-DATE

FEBRUARY 2019

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	\$42,331,301	\$42,146,384	\$184,917	0.4%	\$42,852,747	(\$521,446)	-1.2%
2. Wholesale	5,537,589	6,382,147	(844,558)	-13.2%	5,833,005	(295,416)	-5.1%
3. Other Revenue	1,475,365	1,111,857	363,508	32.7%	1,312,989	162,376	12.4%
4. City Dividend	1,251,671	1,254,383	(2,712)	-0.2%	1,191,640	60,031	5.0%
5. Total Operating Revenues	50,595,926	50,894,771	(298,845)	-0.6%	51,190,381	(594,455)	-1.2%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	11,024,322	12,182,397	(1,158,075)	-9.5%	11,967,081	(942,759)	-7.9%
7. Produced Power	9,385,619	11,587,363	(2,201,744)	-19.0%	9,263,221	122,398	1.3%
8. Operations	3,244,499	3,359,945	(115,446)	-3.4%	3,456,726	(212,227)	-6.1%
9. Maintenance	1,221,615	1,432,588	(210,973)	-14.7%	947,213	274,402	29.0%
10. Administrative & General	7,274,085	7,855,108	(581,023)	-7.4%	7,551,551	(277,466)	-3.7%
11. Depreciation	8,643,506	8,755,516	(112,010)	-1.3%	8,536,144	107,362	1.3%
12. Total Operating Expenses	40,793,646	45,172,917	(4,379,271)	-9.7%	41,721,936	(928,290)	-2.2%
<b>13. OPERATING INCOME</b>	<b>9,802,280</b>	<b>5,721,854</b>	<b>4,080,426</b>	<b>71.3%</b>	<b>9,468,445</b>	<b>333,835</b>	<b>3.5%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense	4,251,911	4,361,765	(109,854)	-2.5%	3,932,246	319,665	8.1%
15. Capitalized Interest	(397,060)	(220,665)	(176,395)	79.9%	(171,457)	(225,603)	131.6%
16. Payments in Lieu of Taxes	2,068,949	2,054,007	14,942	0.7%	2,069,895	(946)	0.0%
17. City Dividend Expense	1,270,674	1,270,674	0	0.0%	1,244,538	26,136	2.1%
18. Other	(543)	0	(543)	-	43	(586)	-1362.8%
19. Total Other Expense	7,193,931	7,465,781	(271,850)	-3.6%	7,075,265	118,666	1.7%
20. Interest Income	(313,050)	(762,161)	449,111	-58.9%	(418,487)	105,437	-25.2%
21. Total Nonoperating Expense (Income)	6,880,881	6,703,620	177,261	2.6%	6,656,778	224,103	3.4%
<b>22. Income Before Contributions</b>	<b>2,921,399</b>	<b>(981,766)</b>	<b>3,903,165</b>	<b>-397.6%</b>	<b>2,811,667</b>	<b>109,732</b>	<b>3.9%</b>
<b>CONTRIBUTED CAPITAL</b>							
23. Contributed Capital Received	398,173	90,166	308,007	341.6%	53,255	344,918	647.7%
24. Contributed Capital Used	(398,173)	(90,166)	(308,007)	341.6%	(53,255)	(344,918)	647.7%
25. Net Contributed Capital	0	0	0	-	0	0	-
<b>26. CHANGE IN NET POSITION</b>	<b>\$2,921,399</b>	<b>(\$981,766)</b>	<b>\$3,903,165</b>	<b>-397.6%</b>	<b>\$2,811,667</b>	<b>\$109,732</b>	<b>3.9%</b>



## REVENUES, ENERGY & CUSTOMERS

### CURRENT MONTH

### FEBRUARY 2019

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	\$9,687,154	\$8,809,682	\$877,472	10.0%	\$9,229,348	\$457,806	5.0%
2. Commercial	8,248,057	8,558,012	(309,955)	-3.6%	8,222,573	25,484	0.3%
3. Industrial	2,381,320	2,537,430	(156,110)	-6.2%	2,311,504	69,816	3.0%
4. Street Light	168,615	154,579	14,036	9.1%	190,483	(21,868)	-11.5%
5. Total Retail	20,485,146	20,059,703	425,443	2.1%	19,953,908	531,238	2.7%
6. SPP Sales	1,207,550	1,375,623	(168,073)	-12.2%	1,597,770	(390,220)	-24.4%
7. Contract Sales	1,267,480	1,565,075	(297,595)	-19.0%	1,257,830	9,650	0.8%
8. Total Wholesale	2,475,030	2,940,698	(465,668)	-15.8%	2,855,600	(380,570)	-13.3%
9. Total	22,960,176	23,000,401	(40,225)	-0.2%	22,809,508	150,668	0.7%
<b>ENERGY (Megawatt-Hours)</b>							
10. Residential	116,868	100,250	16,618	16.6%	110,444	6,424	5.8%
11. Commercial	115,448	120,718	(5,270)	-4.4%	115,905	(457)	-0.4%
12. Industrial	33,836	38,834	(4,998)	-12.9%	35,765	(1,929)	-5.4%
13. Street Light	1,069	841	228	27.1%	1,508	(439)	-29.1%
14. Total Retail	267,221	260,643	6,578	2.5%	263,622	3,599	1.4%
15. SPP Sales	51,911	82,809	(30,898)	-37.3%	58,075	(6,164)	-10.6%
16. Contract Sales	49,964	54,661	(4,697)	-8.6%	42,432	7,532	17.8%
17. Total Wholesale	101,875	137,470	(35,595)	-25.9%	100,507	1,368	1.4%
18. Total	369,096	398,113	(29,017)	-7.3%	364,129	4,967	1.4%
<b>CUSTOMERS</b>							
19. Residential	123,925	123,843	82	0.1%	122,513	1,412	1.2%
20. Commercial	16,961	16,995	(34)	-0.2%	16,870	91	0.5%
21. Industrial	176	176	0	0.0%	177	(1)	-0.6%
22. Street Light	5	5	0	0.0%	5	0	0.0%
23. Total Retail	141,067	141,019	48	0.0%	139,565	1,502	1.1%
24. Wholesale	8	8	0	0.0%	7	1	14.3%
25. Total	141,075	141,027	48	0.0%	139,572	1,503	1.1%



## REVENUES, ENERGY & CUSTOMERS

### YEAR-TO-DATE

FEBRUARY 2019

DESCRIPTION	YEAR TO DATE		VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE		VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%	
<b>REVENUE</b>								
1. Residential	\$20,364,006	\$18,569,370	\$1,794,636	9.7%	\$20,482,197	(\$118,191)	-0.6%	
2. Commercial	16,859,972	18,108,238	(1,248,266)	-6.9%	17,188,731	(328,759)	-1.9%	
3. Industrial	4,752,380	5,071,314	(318,934)	-6.3%	4,773,654	(21,274)	-0.4%	
4. Street Light	354,943	397,462	(42,519)	-10.7%	408,165	(53,222)	-13.0%	
5. Total Retail	42,331,301	42,146,384	184,917	0.4%	42,852,747	(521,446)	-1.2%	
6. SPP Sales	2,864,713	3,288,164	(423,451)	-12.9%	3,271,749	(407,036)	-12.4%	
7. Contract Sales	2,672,876	3,093,983	(421,107)	-13.6%	2,561,256	111,620	4.4%	
8. Total Wholesale	5,537,589	6,382,147	(844,558)	-13.2%	5,833,005	(295,416)	-5.1%	
9. Total	47,868,890	48,528,531	(659,641)	-1.4%	48,685,752	(816,862)	-1.7%	
<b>ENERGY (Megawatt-Hours)</b>								
10. Residential	243,836	222,651	21,185	9.5%	246,186	(2,350)	-1.0%	
11. Commercial	238,283	254,717	(16,434)	-6.5%	244,233	(5,950)	-2.4%	
12. Industrial	70,019	76,534	(6,515)	-8.5%	69,858	161	0.2%	
13. Street Light	2,288	2,150	138	6.4%	3,310	(1,022)	-30.9%	
14. Total Retail	554,426	556,052	(1,626)	-0.3%	563,587	(9,161)	-1.6%	
15. SPP Sales	138,492	173,040	(34,548)	-20.0%	120,556	17,936	14.9%	
16. Contract Sales	102,516	111,263	(8,747)	-7.9%	93,609	8,907	9.5%	
17. Total Wholesale	241,008	284,303	(43,295)	-15.2%	214,165	26,843	12.5%	
18. Total	795,434	840,355	(44,921)	-5.3%	777,752	17,682	2.3%	
<b>CUSTOMERS AVERAGE</b>								
19. Residential	123,865	123,779	86	0.1%	122,471	1,394	1.1%	
20. Commercial	16,969	16,989	(20)	-0.1%	16,857	112	0.7%	
21. Industrial	176	176	0	0.0%	177	(1)	-0.6%	
22. Street Light	5	5	0	0.0%	5	0	0.0%	
23. Total Retail	141,015	140,949	66	0.0%	139,510	1,505	1.1%	
24. Wholesale	8	8	0	0.0%	7	1	14.3%	
25. Total	141,023	140,957	66	0.0%	139,517	1,506	1.1%	



## OPERATING EXPENSE STATEMENT

### CURRENT MONTH

### FEBRUARY 2019

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	\$1,030,503	\$495,894	\$534,609	107.8%	\$435,746	\$594,757	136.5%
2. Non-Owned Asset Power	4,305,783	5,048,170	(742,387)	-14.7%	5,112,141	(806,358)	-15.8%
3. Total Purchased Power	5,336,286	5,544,064	(207,778)	-3.7%	5,547,887	(211,601)	-3.8%
4. Produced Power	4,980,459	5,615,017	(634,558)	-11.3%	4,074,633	905,826	22.2%
5. Total Power Cost	10,316,745	11,159,081	(842,336)	-7.5%	9,622,520	694,225	7.2%
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>							
6. Energy Delivery	1,630,036	1,701,263	(71,227)	-4.2%	1,584,026	46,010	2.9%
7. Transmission	599,257	627,365	(28,108)	-4.5%	447,118	152,139	34.0%
8. Total O & M Expense	2,229,293	2,328,628	(99,335)	-4.3%	2,031,144	198,149	9.8%
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>							
9. Administration	215,870	287,008	(71,138)	-24.8%	221,882	(6,012)	-2.7%
10. Communication & Corporate Records	119,046	202,992	(83,946)	-41.4%	143,171	(24,125)	-16.9%
11. Corporate Operations	696,811	496,449	200,362	40.4%	439,207	257,604	58.7%
12. Customer Services	833,183	799,412	33,771	4.2%	805,314	27,869	3.5%
13. Financial Services	304,551	322,744	(18,193)	-5.6%	282,318	22,233	7.9%
14. Power Supply	343,827	320,724	23,103	7.2%	345,313	(1,486)	-0.4%
15. Technology Services	1,301,767	1,202,722	99,045	8.2%	1,396,801	(95,034)	-6.8%
16. Total A & G Expense	3,815,055	3,632,051	183,004	5.0%	3,634,006	181,049	5.0%
17. DEPRECIATION	4,325,710	4,378,944	(53,234)	-1.2%	4,274,141	51,569	1.2%
18. TOTAL OPERATING EXPENSE	\$20,686,803	\$21,498,704	(\$811,901)	-3.8%	\$19,561,811	\$1,124,992	5.8%





**OPERATING EXPENSE STATEMENT**

**YEAR-TO-DATE**

**FEBRUARY 2019**

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>POWER COST</b>							
1. SPP Purchased Power	\$1,858,760	\$1,154,723	\$704,037	61.0%	\$941,363	\$917,397	97.5%
2. Non-Owned Asset Power	9,165,562	11,027,674	(1,862,112)	-16.9%	11,025,718	(1,860,156)	-16.9%
3. Total Purchased Power	11,024,322	12,182,397	(1,158,075)	-9.5%	11,967,081	(942,759)	-7.9%
4. Produced Power	9,385,619	11,587,363	(2,201,744)	-19.0%	9,263,221	122,398	1.3%
5. Total Power Cost	20,409,941	23,769,760	(3,359,819)	-14.1%	21,230,302	(820,361)	-3.9%
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>							
6. Energy Delivery	3,272,202	3,531,803	(259,601)	-7.4%	3,216,560	55,642	1.7%
7. Transmission	1,193,912	1,260,730	(66,818)	-5.3%	1,187,379	6,533	0.6%
8. Total O & M Expense	4,466,114	4,792,533	(326,419)	-6.8%	4,403,939	62,175	1.4%
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>							
9. Administration	413,744	498,327	(84,583)	-17.0%	417,087	(3,343)	-0.8%
10. Communication & Corporate Records	231,160	395,499	(164,339)	-41.6%	351,422	(120,262)	-34.2%
11. Corporate Operations	1,633,720	1,387,615	246,105	17.7%	1,280,901	352,819	27.5%
12. Customer Services	1,558,938	1,692,411	(133,473)	-7.9%	1,628,115	(69,177)	-4.2%
13. Financial Services	599,261	647,872	(48,611)	-7.5%	554,363	44,898	8.1%
14. Power Supply	639,436	656,291	(16,855)	-2.6%	661,497	(22,061)	-3.3%
15. Technology Services	2,197,826	2,577,093	(379,267)	-14.7%	2,658,166	(460,340)	-17.3%
16. Total A & G Expense	7,274,085	7,855,108	(581,023)	-7.4%	7,551,551	(277,466)	-3.7%
17. DEPRECIATION	8,643,506	8,755,516	(112,010)	-1.3%	8,536,144	107,362	1.3%
18. TOTAL OPERATING EXPENSE	\$40,793,646	\$45,172,917	(\$4,379,271)	-9.7%	\$41,721,936	(\$928,290)	-2.2%



**BALANCE SHEET**

**FEBRUARY 2019**

**ASSETS & DEFERRED OUTFLOWS OF RESOURCES**

**LIABILITIES AND 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 (including CDFUO)	\$105,852,084	(\$17,647,829)	<b>OTHER LIABILITIES</b>		
2. Payments in Lieu of Taxes Fund	\$14,056,208	\$1,840,511	1. Accounts Payable	\$14,725,634	(\$11,317,391)
3. Rate Stabilization Fund	35,836,034	163,630	2. Accrued Payments in Lieu of Taxes	15,087,518	1,991,272
4. Bond Principal & Interest Funds	26,050,602	8,698,691	3. City Dividend for Utility Ownership Payable	0	(2,541,348)
5. Other Restricted/Designated Funds	3,011,075	179,040	4. Commercial Paper Notes	65,500,000	0
6. Restricted/Designated Funds Total	64,897,711	9,041,361	5. Accrued Liabilities	17,351,609	(232,093)
7. Total Current Asset Funds	184,806,003	(6,765,957)	6. MBPP-BNSF-STB Settlement	0	0
8. Receivables Less Uncollectible Allowance	21,783,565	1,345,160	7. Total Other Liabilities	112,664,761	(12,099,560)
9. Unbilled Revenue	14,498,552	(422,663)	<b>CURRENT LIABILITIES - RESTRICTED ASSETS</b>		
10. Accrued Interest Receivable	1,242,468	66,255	8. Current Portion of Long-Term Debt	22,750,000	0
11. Materials, Supplies & Fuel Inventory	13,941,495	129,177	9. Accrued Interest	14,643,964	4,743,558
12. Plant Operation Assets	13,216,015	1,422,451	10. Other Current Liabilities	1,584,865	105,396
13. Other Current Assets	3,706,015	865,480	11. Total Current Liabilities - Restricted Assets	38,978,829	4,848,954
14. Total Current Assets	253,194,113	(3,360,097)	12. Total Current Liabilities	151,643,590	(7,250,606)
<b>NONCURRENT ASSETS:</b>			<b>NONCURRENT LIABILITIES:</b>		
15. Bond Reserve Funds	19,453,217	217,906	13. 2003 Bonds	1,150,000	0
16. Self-Funded Benefits Reserve Fund (IBNP)	589,445	1,483	14. 2012-A Bonds	217,020,000	0
17. Segregated Funds	650,489	0	15. 2013 Bonds	75,525,000	0
18. Restricted Fund Total	20,693,151	219,389	16. 2015-A Bonds	167,800,000	0
19. Unamortized Debt Expense	2,904,938	77,219	17. 2016 Bonds	80,095,000	0
20. Other Noncurrent Assets	3,922,214	509,305	18. 2018 Bonds	121,205,000	0
21. Total Noncurrent Assets	27,520,303	805,913	19. Total Revenue Bonds	662,795,000	0
<b>CAPITAL ASSETS:</b>			20. Less Current Maturities	22,750,000	0
22. Utility Plant in Service	1,574,998,873	4,524,849	21. Less Unamortized Discounts/Premiums	(66,117,291)	1,145,057
23. Accumulated Depreciation & Amortization	(784,983,981)	(8,111,892)	22. Note Purchase Agreement	1,500,000	0
24. Construction Work in Progress	145,595,993	850,999	23. Revolving Credit Agreement	0	0
25. Total Capital Assets	935,610,885	(2,736,044)	24. Net Long Term Debt	707,662,291	(1,145,057)
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			25. Liabilities Payable from Segregated Funds	646,137	0
26. Deferred Loss on Refunded Debt	13,155,641	(184,036)	26. Other Noncurrent Liabilities	587,962	0
			27. Total Liabilities	860,539,980	(8,395,663)
			<b>NET POSITION:</b>		
			28. Net Investment in Capital Assets	173,352,911	(1,825,510)
			29. Restricted for Debt Service	11,709,649	4,173,039
			30. Restricted for Employee Health Insurance Claims	363,452	(88,385)
			31. Unrestricted	183,514,950	662,255
			32. Total Net Position	368,940,962	2,921,399
<b>27. TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$1,229,480,942</b>	<b>(\$5,474,264)</b>	<b>33. TOTAL LIABILITIES &amp; NET POSITION</b>	<b>\$1,229,480,942</b>	<b>(\$5,474,264)</b>



**STATEMENT OF CASH FLOWS**  
**FEBRUARY 2019**

	CURRENT MONTH	YEAR-TO-DATE
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
1. Received from Sales to Customers and Users	\$24,487,350	\$52,790,976
2. Paid to Suppliers for Goods & Services	(15,548,333)	(43,156,835)
3. Paid to Employees for Services	(2,765,318)	(5,661,017)
<b>4. Cash Flow from Operating Activities (a)</b>	<b>6,173,699</b>	<b>3,973,124</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
5. Payments in Lieu of Taxes	0	(77,678)
6. City Dividend for Utility Ownership Payments	(3,812,022)	(3,812,022)
7. Other	0	0
<b>8. Cash Flow from (used for) Non-capital Financing Activities</b>	<b>(3,812,022)</b>	<b>(3,889,700)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
9. Net (Purchases) Sales of Investments	10,261,294	14,280,611
10. Interest Income	509,163	(57,308)
<b>11. Cash Flow from (used for) Investing Activities</b>	<b>10,770,457</b>	<b>14,223,303</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>		
12. Acquisition and Construction of Capital Assets	(4,362,231)	(6,651,835)
13. Salvage on Retirement of Plant	0	1,989
14. Cost of Removal of Property Retired	(52,708)	(162,116)
15. Debt Issuance Cost Paid	(157,191)	(157,191)
16. Debt Premiums Collected	0	0
17. Net Capital Contributions	321,277	398,173
18. Net Proceeds from Issuance of Long-Term Debt	0	0
19. Principal Payments on Long-Term Debt	0	0
20. Interest Payments on Long-Term Debt	(302,256)	(305,808)
<b>21. Cash Flow from (used for) Capital Financing Activities</b>	<b>(4,553,109)</b>	<b>(6,876,788)</b>
22. Net Increase (Decrease) in Cash and Cash Equivalents	8,579,025	7,429,939
23. Cash and Cash Equivalent Beginning of Period	26,762,330	27,911,416
<b>24. Cash and Cash Equivalent End of Period (b)</b>	<b>\$35,341,355</b>	<b>\$35,341,355</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	\$3,581,013	\$9,802,280
2. Noncash items included in operating income	4,418,491	8,826,204
3. Changes in Assets & Liabilities Increase/(Decrease)	(1,825,805)	(14,655,360)
<b>4. Net cash flows from operating activities</b>	<b>\$6,173,699</b>	<b>\$3,973,124</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 2019**

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	\$24,267,816	\$24,183,121	\$24,126,424	\$50,595,926	\$50,894,771	\$51,190,381
2. Total Operating Expenses	20,686,803	21,498,704	19,561,811	40,793,646	45,172,917	41,721,936
3. Less Depreciation	<u>(4,325,710)</u>	<u>(4,378,944)</u>	<u>(4,274,141)</u>	<u>(8,643,506)</u>	<u>(8,755,516)</u>	<u>(8,536,144)</u>
4. Operating Expense Net of Depreciation	16,361,093	17,119,760	15,287,670	32,150,140	36,417,401	33,185,792
5. Net Operating Revenue for Debt Service	7,906,723	7,063,361	8,838,754	18,445,786	14,477,370	18,004,589
6. Interest Income (a)	349,905	331,214	126,722	60,684	660,652	244,223
7. Other Income	0	0	0	0	0	0
8. Rate Stabilization Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>9. AVAILABLE FOR DEBT SERVICE</b>	<b>8,256,628</b>	<b>7,394,575</b>	<b>8,965,476</b>	<b>18,506,470</b>	<b>15,138,022</b>	<b>18,248,812</b>
<b>10. DEBT SERVICE (b)</b>	<b>4,324,651</b>	<b>4,324,650</b>	<b>3,643,885</b>	<b>8,649,301</b>	<b>8,649,300</b>	<b>7,287,770</b>
<b>11. DEBT SERVICE COVERAGE</b>	<b>1.91</b>	<b>1.71</b>	<b>2.46</b>	<b>2.14</b>	<b>1.75</b>	<b>2.50</b>

(a) Excludes interest from Rate Stabilization Fund.

(b) Includes Bond Principal & Interest only.



## INVESTMENT REPORT

FEBRUARY 2019

FUND / INVESTMENT	PURCHASE DATE	MATURITY DATE	CPN/DCNT RATE	YIELD	(a) CASH EQUIVALENTS	SECURITIES	PAR VALUE
<b>CASH - REVENUE FUND / WORKING FUND</b>					\$127,844		\$127,844
<b>SHORT TERM FEDERAL INVESTMENT TRUST (STFIT)</b>					14,101,580		14,101,580
<b>REVENUE FUND</b>							
Federated Treasury Obligations Fund *				2.030%	45,574		45,574
U.S. Treasury Note	06/28/2018	03/15/2019	1.000%	2.220%		7,435,425	7,500,000
Banco Santander SA/NY Commercial Paper	07/26/2018	04/01/2019	2.600%	2.648%		7,482,967	7,620,000
ING (U.S.) Funding LLC Commercial Paper	07/10/2018	04/05/2019	2.530%	2.579%		4,988,869	5,085,000
U.S. Treasury Note	06/28/2018	04/30/2019	1.250%	2.301%		7,434,750	7,500,000
U.S. Treasury Note	06/28/2018	05/15/2019	3.125%	2.311%		7,552,800	7,500,000
Societe Generale Commercial Paper	08/27/2018	05/24/2019	2.570%	2.621%		7,497,643	7,645,000
Bedford Row Funding Corp Commercial Paper	08/28/2018	05/24/2019	2.540%	2.589%		3,433,572	3,500,000
China Construction Bank Corp Commercial Paper	11/20/2018	05/24/2019	2.990%	3.037%		4,923,174	5,000,000
Bank of China (Hong Kong) Commercial Paper	09/21/2018	06/18/2019	2.680%	2.735%		5,761,812	5,880,000
Federal Home Loan Banks Bond	06/29/2018	06/21/2019	1.125%	2.350%		7,411,692	7,500,000
Agricultural Bank of China Ltd. Commercial Paper	10/10/2018	07/05/2019	2.800%	2.860%		7,461,165	7,620,000
U.S. Treasury Note	06/28/2018	07/15/2019	0.750%	2.345%		7,376,979	7,500,000
Banco del Estado de Chile Commercial Paper	10/22/2018	07/19/2019	2.800%	2.860%		7,499,140	7,660,000
Glencove Funding LLC Commercial Paper	11/02/2018	07/19/2019	2.800%	2.858%		5,105,047	5,210,000
Discount \ (Premium)						212,051	
Total Revenue Fund					45,574	91,577,086	92,765,574
<b>PILOT FUND</b>							
Federated Treasury Obligations Fund *				2.030%	2,814		2,814
J.P. Morgan Securities Commercial Paper	06/20/2018	03/15/2019	2.530%	2.579%		946,825	965,000
Natixis, New York Branch Commercial Paper	07/20/2018	04/05/2019	2.480%	2.525%		1,119,660	1,140,000
Federal Home Loan Banks Bond	03/22/2018	04/08/2019	1.150%	2.120%		990,029	1,000,000
Glencove Funding LLC Commercial Paper	11/20/2018	04/18/2019	2.710%	2.741%		978,896	990,000
Canadian Imperial Holdings Inc Commercial Paper	08/20/2018	04/26/2019	2.440%	2.482%		1,445,191	1,470,000
Bayerische Landesbank, NY Commercial Paper	10/19/2018	04/26/2019	2.640%	2.677%		1,375,665	1,395,000
Credit Agricole CIB Commercial Paper	12/20/2018	04/26/2019	2.720%	2.746%		935,932	945,000
White Plains Capital Co. LLC Commercial Paper	01/18/2019	04/26/2019	2.870%	2.893%		1,771,054	1,785,000
White Plains Capital Co. LLC Commercial Paper	02/11/2019	04/26/2019	2.820%	2.836%	974,319		980,000
Bedford Row Funding Corp Commercial Paper	09/28/2018	04/29/2019	2.510%	2.548%		1,408,763	1,430,000
U.S. Treasury Note	02/20/2018	04/30/2019	1.625%	2.105%		1,083,869	1,090,000
Banco de Credito e Inversiones Miami Commercial Paper	02/20/2019	11/15/2019	2.743%	2.800%		1,008,969	1,030,000
Discount \ (Premium)						14,222	
Total PILOT Fund					\$977,133	\$13,079,075	\$14,222,814

(a) Cash and cash equivalents are defined as cash & investments with original maturities of three months or less.

\* Interest rate as of end of month.



## INVESTMENT REPORT

FEBRUARY 2019

FUND / INVESTMENT	PURCHASE DATE	MATURITY DATE	CPN/DCNT RATE	YIELD	(a) CASH EQUIVALENTS	SECURITIES	PAR VALUE
<b>BOND RESERVE FUNDS</b>							
Federated Treasury Obligations Fund *				2.030%	\$316,949		\$316,949
Federal Home Loan Mortgage Corporation Bond	06/28/2018	08/15/2019	1.375%	2.400%		2,916,449	2,950,000
Federal National Mortgage Association Bond	09/01/2016	08/28/2019	1.150%	1.150%		355,000	355,000
Federal Home Loan Banks Bond	08/28/2018	08/21/2020	2.625%	2.630%		2,344,766	2,345,000
Federal National Mortgage Association Bond	09/01/2016	08/28/2020	1.400%	1.400%		1,400,000	1,400,000
Federal National Mortgage Association Bond	09/01/2016	08/28/2020	1.400%	1.400%		2,340,000	2,340,000
Federal Home Loan Banks Bond	03/14/2018	08/28/2020	2.400%	2.400%		3,750,000	3,750,000
Federal National Mortgage Association Bond	06/28/2018	06/28/2021	2.800%	2.800%		4,600,000	4,600,000
Federal Home Loan Mortgage Corporation Bond	02/07/2019	06/30/2021	1.500%	2.639%		1,409,847	1,420,000
Discount \ (Premium)						20,206	
Total Bond Reserve Funds					316,949	19,136,268	19,476,949
<b>BOND PRINCIPAL &amp; INTEREST FUNDS</b>							
Federated Treasury Obligations Fund *				2.030%	14,658,778		14,658,778
CNPC Finance HK Ltd. Commercial Paper	12/28/2018	03/08/2019	3.050%	3.068%	1,938,435		1,950,000
JP Morgan Securities LLC Commercial Paper	10/31/2018	07/26/2019	2.900%	2.964%		1,878,549	1,920,000
International Bank for Reconstruction and Dev Note	09/28/2018	08/15/2019	0.875%	2.610%		1,866,569	1,895,000
Glencove Funding LLC Commercial Paper	11/30/2018	08/26/2019	2.950%	3.016%		1,897,236	1,940,000
Chesham Finance Ltd. Commercial Paper	01/31/2019	08/28/2019	2.750%	2.795%		1,894,267	1,925,000
Banco de Credito e Inversiones Miami Commercial Paper	02/26/2019	08/28/2019	2.730%	2.768%		1,903,216	1,930,000
Discount \ (Premium)						13,552	
Total Bond Principal & Interest Funds					16,597,213	9,453,389	26,218,778
<b>RATE STABILIZATION FUND</b>							
Federated Treasury Obligations Fund *				2.030%	2,572		2,572
White Plains Capital Co. LLC Commercial Paper	02/07/2019	04/26/2019	2.800%	2.817%	1,381,567		1,390,000
Federal Farm Credit Banks Bond	06/29/2017	06/12/2019	1.375%	1.391%		5,048,485	5,050,000
Federal National Mortgage Association Bond	12/11/2017	11/26/2019	1.750%	1.820%		1,729,662	1,732,000
Federal Home Loan Mortgage Corporation Bond	01/30/2018	11/27/2019	0.500%	2.150%		8,091,809	8,150,000
Federal Farm Credit Banks Bond	12/20/2017	12/12/2019	100.500%	1.916%		5,135,888	5,140,000
Federal Farm Credit Banks Bond	01/12/2018	01/10/2020	100.500%	1.970%		2,549,006	2,550,000
Federal Farm Credit Banks Bond	06/29/2018	06/11/2020	200.500%	2.580%		5,197,014	5,200,000
Federal Farm Loan Banks Bond	12/17/2018	09/18/2020	300.500%	2.860%		6,658,002	6,665,000
Discount \ (Premium)						42,029	
Total Rate Stabilization Fund					\$1,384,139	\$34,451,895	\$35,879,572

(a) Cash and cash equivalents are defined as cash & investments with original maturities of three months or less.

\* Interest rate as of end of month.



**INVESTMENT REPORT  
FEBRUARY 2019**

FUND / INVESTMENT	PURCHASE DATE	MATURITY DATE	CPN/DCNT RATE	YIELD	(a) CASH EQUIVALENTS	SECURITIES	PAR VALUE
<b>SELF-FUNDED HEALTH &amp; DENTAL CLAIMS FUND</b>							
Federated Treasury Obligations Fund *				2.030%	\$1,509,273		\$1,509,273
Discount \ (Premium)							
Total Self-Funded Health & Dental Claims Fund					1,509,273	0	1,509,273
<b>SELF-FUNDED HEALTH &amp; DENTAL RESERVE FUND (INCURRED BUT NOT PRESENTED)</b>							
Federated Treasury Obligations Fund *				2.030%	6,051		6,051
Credit Suisse NY Commercial Paper	01/31/2019	10/25/2019	2.630%	2.682%		583,394	595,000
Discount \ (Premium)							
Total Self-Funded Health & Dental Reserve Fund					6,051	583,394	601,051
<b>SEGREGATED ACCOUNT</b>							
Federated Treasury Obligations Fund *				2.030%	275,599		275,599
U.S. Treasury Bill	06/29/2018	06/20/2019	2.231%	2.300%		1,271,321	1,300,000
Federal National Mortgage Association Bond	12/17/2018	10/17/2019	1.100%	2.701%		197,378	200,000
U.S. Treasury Note	09/17/2018	12/31/2019	1.875%	2.661%		405,949	410,000
Discount \ (Premium)						2,044	
Total Segregated Account					275,599	1,876,692	2,185,599
<b>TOTAL</b>					<b>\$35,341,355</b>	<b>\$170,157,799</b>	<b>\$207,089,034</b>

(a) Cash and cash equivalents are defined as cash & investments with original maturities of three months or less.

\* Interest rate as of end of month.