

METROPOLITAN UTILITIES DISTRICT

Inter-Department Communication

December 12, 2017

Subject: REPORT ON INCOME AND FINANCE FOR OCTOBER 2017

To: Committee on Accounts, Expenditures, Finance and Rates

cc: Board Members, Keep, Doyle, Mendenhall, Reisner, Schneider and Vice Presidents

From: Joseph J. Schaffart, Vice President, Accounting

Statements: Board Schedules – Water, Gas and Consolidated, Infrastructure Replacement Program Status Report, A-12, W-1, W-2, G-1 and G-2 for the month of October 2017 are transmitted herewith.

Water Department

October water sales revenues of \$9.9 million were unfavorable to budget by \$1.3 million, or 11.8%, and favorable to prior year by \$.6 million, or 6.0%. Water volumes were 16.6% unfavorable to budget and 4.5% unfavorable to prior year.

As noted above, October's revenues were unfavorable to budget by \$1.3 million, as follows:

	<u>Millions</u>
Decreased metered sales of water due to volumes	(\$1.4)
Other miscellaneous (non-volume) revenue	0.1

As noted above, October's revenues were favorable to prior year by \$.6 million, or 6.0%, as follows:

	<u>Millions</u>
Increased metered sales of water due to impact of 2.5% rate increase, partially offset by reduced volumes	\$0.6

October operating expenses of \$8.1 million were virtually the same as budget, though there were variances in various areas that served to offset one another, as follows:

	<u>Millions</u>
Decreased Customer Accounting and Collecting due primarily to reduced payroll associated with lower headcount and reduced overtime	\$0.4
Decreased Primary Pumping Maintenance Expense due primarily to Florence and Platte South	\$0.3
Decreased Purification Maintenance expense due primarily to Platte South (delay of weatherseal and skylight repair projects)	\$0.1
Increased Distribution Maintenance expense due primarily to costs associated with Water Main break repairs (labor, paving repair costs, etc.)	(\$0.4)
Increased Water Service reconnect expense associated with infrastructure replacement	(\$0.2)
All other, net	(\$0.2)

October operating expenses of \$8.1 million were \$.1 million unfavorable to prior year, as follows:

	<u>Millions</u>
Decreased Customer Accounting and Collecting due primarily to reduced payroll associated with lower headcount and reduced overtime	\$0.2
All other, net	(\$0.3)

The activity discussed above, coupled with net interest and other expense of \$0.6 million (which is virtually the same as budget and \$0.1 million unfavorable to prior year), resulted in October net income for the Water Department of \$1.3 million, which is \$1.3 million unfavorable to budget and \$.3 million favorable to prior year.

The Water Department year-to-date fund position at October 31st is \$92.3 million, which is \$13.2 million favorable to budget, due primarily to the following year-to-date variances:

	<u>Millions</u>
Increased Revenues	\$ 0.9
Decreased Operating/Non-operating Expenses	3.9
Decreased Depreciation and Amortization Expense	(0.6)
Increased Contributions in Aid of Construction/Customer Advances for Construction (partially timing)	8.7
Reduced Capital Expenditures	1.6
Unbilled Revenue	(1.2)
All other, net	<u>(0.1)</u>
Total Fund Position - Variance to Budget	\$13.2

At October 31, 2017, there was an Interdepartmental Receivable of \$10.1 million from the Gas Department related to the monthly settlement between the two departments. The intercompany balance is impacted by customer advances/contributions associated with Water Department projects that are deposited into a Gas Department bank account. The cash advances are subsequently transferred to the Water Department via the intercompany settlement process.

The Water Department's October year-to-date capital expenditures were \$1.6 million less than budget (as noted above). Significant variances to budget through October 2017 include:

	<u>Millions Over (Under) Budget</u>
Florence - Minne Lusa High Service Pump Station Improvements	\$ 0.7
Florence - Chemical Building AMSE Improvements	0.4
Florence - Motor rewind #4 (timing)	(0.5)
Florence - Replace perimeter fence	(0.2)
Florence - All other, net	(0.3)
Platte South - Fluoride Fill Station (timing)	(0.6)
Platte South - Basin valve & piping project (timing)	(0.2)
Platte South - All other	0.1

Mains - Infrastructure related	0.5
Mains - All other	0.3
Furniture, Equipment and Miscellaneous - primarily Water Quality testing equipment (timing)	(0.3)
Construction Equipment (primarily timing)	(1.0)
All other, net	<u>(0.5)</u>
	(\$1.6)

Gas Department

October gas net revenues (revenue less cost of gas) of \$4.6 million were \$2.5 million unfavorable to budget and \$.9 million unfavorable to prior year. Gas sales volumes were unfavorable to budget by 11.3% (206,935 Dth) and favorable to prior year by 29.2% (365,725 Dth).

October's net revenues were \$2.5 million unfavorable to budget, as follows:

	<u>Millions</u>
Decreased net revenues/margin due to retroactive billing from Northern Natural Gas associated with a measurement error for the April – September 2017 time period (billing increases purchased gas cost)	(\$2.5)

October's net revenues were \$.9 million unfavorable to prior year, as follows:

	<u>Millions</u>
Decreased net revenues/margin due to retroactive billing from Northern Natural Gas associated with a measurement error for the April – September 2017 time period (billing increases purchased gas cost)	(2.5)
Increased revenue associated with higher volumes and rate increase	1.6

October operating expenses of \$6.0 million were favorable to budget by \$0.3 million, or 5.4%, due to:

	<u>Millions</u>
Decreased Customer Accounting and Collecting due primarily to reduced payroll associated with lower headcount and reduced overtime	\$0.4
Increased GIR Service Reconnect Expense associated with accelerated pace of cast iron gas main replacements	(\$0.2)
All Other, net	\$0.1

October operating expenses of \$6.0 million were virtually the same as prior year, thought there were variances that served to offset on another, as follows:

	<u>Millions</u>
Decreased Customer Accounting and Collecting due primarily to reduced payroll associated with lower headcount and reduced overtime	\$0.2
All Other, net	(\$0.2)

The activity discussed above resulted in an October net loss of \$1.4 million, which is \$2.2 million unfavorable to budget and \$.8 million unfavorable to prior year.

The Gas Department year-to-date fund position at October 31, 2017 is \$59.4 million, which is \$10.6 million favorable to budget, due primarily to the following year-to-date variances:

	<u>Millions</u>
Increased Net Revenues (favorably impacted by \$4.7 million in adjustments to Unbilled Revenue recorded in May, June, partially offset by \$2.5 million Northern Natural Gas billing adj. in October)	\$ 0.2
Decreased Operating/Non-operating Expenses	4.0
Decreased Capital Expenditures	9.2
Natural Gas Inventory increase less than budgeted	1.6
Unbilled Revenue increase due in large measure to adjustment related primarily to prior periods	(4.6)
All other	<u>0.2</u>
Total Fund Position - variance to budget	\$10.6

At October 31, 2017, there was an Interdepartmental Payable of \$10.1 million to the Water Department related to the monthly settlement between the two departments.

The Gas Department's October year-to-date capital expenditures were \$9.2 million less than budget (as noted above). Significant variances to budget through October 2017 include:

	<u>Millions Over (Under) Budget</u>
Buildings, Land and Equipment - LNG Boil-off compressor (timing)	(\$2.8)
Buildings, Land and Equipment - 117 Cavern Pressure Reduction Project - Design	(0.9)
Buildings, Land and Equipment - Operating Center Roof Replacement	(0.6)
Buildings, Land and Equipment – Downtown Relocations (removed from 2017)	(0.4)
Buildings, Land and Equipment - LNG Simulator (removed from 2017)	(0.3)
Buildings, Land and Equipment - All other	(0.6)
GIR Mains and Services	0.7
Other Mains	0.4
Information Technology - HANA - timing; moved to 2018	(0.8)
Information Technology – Customer Service Outbound Campaign	(0.3)
Information Technology - Invoice Redesign (timing)	(0.2)
Information Technology – Data Center equipment upgrades	(0.2)
Information Technology - All other	(0.6)
Furniture, Equipment and Miscellaneous	(0.5)
Regulator Stations and Equipment	(0.3)
All other, net	<u>(1.8)</u> (\$9.2)

Statement A-12, Payroll, Employee Count and Overtime by Area Payroll and Employee Count

The active payroll for October was \$5.6 million, compared with \$5.7 million in budget and \$5.3 million in prior year. At October 31st, there were 823 regular full-time employees, compared with 840 in budget and 841 at October 31, 2016. Part-time, summer and temporary employees numbered eight at October 31st compared with 12 in budget and 13 at October 30, 2016.

Overtime Hours

Overtime hours for the month totaled 6,127.5 as compared with 5,358 in budget and 5,843 in prior year. Overtime hours were 769.5 hours greater than budget, as follows:

	<u>Favorable (Unfavorable) vs. Budget</u>
Field Services (1)	(674.0)
Construction (2)	(162.0)
Customer Services Admin (3)	137.5
Information Technology (4)	116.5
All other, net	<u>(187.5)</u>
	(769.5)

- (1) Primarily fitters working overtime to keep up with accelerated gas cast iron main replacement work coupled with foremen responding to after-hours fire calls and water main emergencies.
- (2) Overtime associated with increased number of water main breaks (20% more than 10-year average) coupled with after-hour work for projects coordinated with the city requiring lane closures.
- (3) Primarily schedule changes coupled with full staff level.
- (4) Primarily scheduling changes to allow for weekend software maintenance on "straight time".

Restricted and Unrestricted Funds

On October 31, 2017, the Water Department cash and restricted funds totaled \$100.6 million. The cash on hand is primarily made up of:

	<u>Millions</u>
Cash Per Balance Sheet	\$90.5
Plus Additional Cash to be Received:	
Intercompany Receivable from Gas Department	<u>10.1</u>
Adjusted Cash Balance	\$100.6
Less Restricted Cash:	
2015 Bond Project Fund (proceeds remaining)	11.5
Bond Sinking Fund - Restricted (2012 and 2015 bonds)	12.0
Bond Reserve Fund - Restricted - Deposit in Lieu of Insurance (2012 bond issue)	3.0
Platte West Environmental Fund - Restricted	<u>0.2</u>
Unrestricted Cash	<u>\$73.9</u>
Components of Unrestricted Cash:	
Customer Deposits and Credit Balances	\$ 3.5
Sewer Fees Collected but not Remitted	\$13.2
WIR Funds Collected but not Expended	\$26.0
Cash Reserves	\$31.2

On October 31, 2017, the Gas Department cash and restricted funds totaled \$92.9 million. The cash on hand is primarily made up of:

	<u>Millions</u>
Cash per Balance Sheet	\$102.5
Less Cash to be Paid:	
Intercompany Payable to Water Department	(10.1)
Adjusted Cash Balance - Unrestricted	<u>\$92.4</u>
Components of Unrestricted Cash:	
Customer Deposits and Credit Balances	\$21.2
Cash Reserves	\$71.2*

*Cash reserves were negatively impacted by \$9.5 million due to the fact that cumulative amounts spent on gas infrastructure projects exceed the cumulative revenue collected.

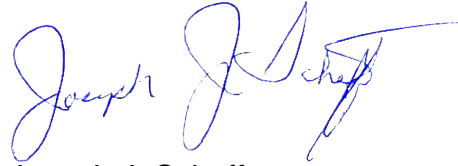
The funds are generating earnings credits, which serve to reduce our monthly bank charges.

Approved:



Debra A. Schneider
Senior Vice President, Chief Financial Officer

Enclosures



Joseph J. Schaffart
Vice President, Accounting
(402) 504-7111

2017 - GAS & WATER INFRASTRUCTURE REPLACEMENT - REVENUE & EXPENSE SUMMARY

	Actual 2008 - 2016	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Budget November	Budget December	Projected YTD ACT/EST	Projected LTD Through 2017
GAS															
Gas Infrastructure Revenue	\$111,926,958	1,117,467	\$1,092,877	\$1,067,716	\$1,078,309	\$1,084,880	\$1,071,991	\$1,080,102	\$1,069,258	\$1,081,534	\$1,082,158	\$979,286	\$1,032,334	\$12,837,912	\$124,764,869
GIR Bad Debt	(\$157,208)	-	-	-	-	-	-	-	-	-	-	-	-	\$0	(\$157,208)
Expenditures															
GCI Mains per G-21	\$54,450,581	572,938	\$413,043	\$908,407	\$1,080,957	\$973,052	\$474,659	\$1,266,589	\$1,181,878	\$1,197,649	\$971,174	\$940,614	\$1,326,913	\$11,307,873	\$65,758,454
Abandonments - approximate*	6,654,691	72,148	37,284	135,865	13,229	136,605	26,493	239,399	203,378	96,957	152,519	-	-	\$1,113,878	\$7,768,569
GIR services per G-21	\$44,670,994	247,152	\$272,919	\$434,472	\$1,010,163	\$935,354	\$530,374	\$1,230,748	\$944,374	\$807,556	\$917,642	\$540,900	\$669,200	\$8,540,854	\$53,211,849
GIR service reconnections per G-2	\$7,016,443	104,475	\$101,556	\$185,055	\$270,056	\$318,968	\$296,568	\$282,060	\$347,293	\$283,236	\$334,465	\$67,120	\$66,816	\$2,657,669	\$9,674,112
Regulator Stations per G-21	\$630,082	-	-	-	-	-	-	-	-	-	-	-	-	\$0	\$630,082
TOTAL EXPENDITURES	\$113,422,791	996,714	824,802	1,663,800	2,374,405	2,363,979	1,328,094	3,018,796	2,676,923	2,385,398	2,375,800	1,548,634	2,062,929	\$23,620,275	\$137,043,066
NET CURRENT YEAR	(1,653,041)	120,753	268,075	(596,084)	(1,296,096)	(1,279,099)	(256,104)	(1,938,693)	(1,607,666)	(1,303,864)	(1,293,642)	(569,348)	(1,030,595)	(10,782,363)	(12,435,405)
LIFE-TO-DATE ACTUAL/PROJECTED	(1,653,041)	(1,532,288)	(1,264,213)	(1,860,297)	(3,156,393)	(4,435,492)	(4,691,596)	(6,630,289)	(8,237,955)	(9,541,819)	(10,835,461)	(11,404,809)	(12,435,405)		
WATER															
Water Infrastructure Revenue	\$107,023,420	1,236,037	1,203,588	1,198,983	1,202,460	1,219,019	1,209,731	1,218,650	1,210,371	1,227,978	1,205,869	1,088,582	1,149,582	\$14,370,851	\$121,394,271
WIR Bad Debt	(\$70,700)	-	-	-	-	-	-	-	-	-	-	-	-	\$0	(\$70,700)
Expenditures															
WCI Mains per W-2	\$67,697,519	261,590	992,719	1,092,774	1,795,924	1,010,221	1,403,462	1,181,483	988,633	868,336	1,082,122	878,409	904,753	\$12,460,426	\$80,157,945
Abandonments - approximate*	\$2,734,410	2,809	3,002	26,464	16,912	10,454	6,259	0	6,259	0	29,317	-	-	\$101,478	\$2,835,887
Service Reconnections W-2	\$10,134,966	(\$34,614)	11,654	256,713	94,807	26,854	299,512	346,723	248,877	170,921	324,951	145,866	145,866	\$2,038,130	\$12,173,096
TOTAL EXPENDITURES	\$80,566,895	229,786	1,007,375	1,375,951	1,907,643	1,047,529	1,709,233	1,528,206	1,243,769	1,039,257	1,436,390	1,024,275	1,050,619	\$14,600,034	\$95,166,929
NET CURRENT YEAR	26,385,825	1,006,251	196,213	(176,969)	(705,183)	171,490	(499,502)	(309,556)	(33,398)	188,721	(230,521)	64,307	98,963	(229,183)	26,156,642
LIFE-TO-DATE ACTUAL/PROJECTED	26,385,825	27,392,077	27,588,290	27,411,321	26,706,138	26,877,628	26,378,126	26,068,570	26,035,173	26,223,894	25,993,373	26,057,680	26,156,642		
CONSOLIDATED															
Revenue	\$218,722,470	2,353,504	2,296,466	2,266,698	2,280,769	2,303,900	2,281,722	2,298,752	2,279,629	2,309,512	2,288,027	2,067,868	2,181,916	\$27,208,762	\$245,931,233
Expenditures	\$193,989,686	1,226,500	1,832,177	3,039,751	4,282,048	3,411,509	3,037,327	4,547,002	3,920,692	3,424,655	3,812,190	2,572,909	3,113,549	\$38,220,309	\$232,209,995
NET CURRENT YEAR	24,732,784	1,127,005	464,288	(773,053)	(2,001,279)	(1,107,609)	(755,605)	(2,248,249)	(1,641,063)	(1,115,144)	(1,524,163)	(505,041)	(931,633)	(11,011,546)	13,721,238
LIFE-TO-DATE ACTUAL/PROJECTED	24,732,784	25,859,789	26,324,077	25,551,024	23,549,745	22,442,136	21,686,531	19,438,281	17,797,218	16,682,074	15,157,912	14,652,870	13,721,238		

*Abandonment budget figures are included in the CI Main budget figures

**2008-2016 Service Reconnections expenditures reduced by \$481,544 due to the discovery of misclassification of selected jobs (the jobs were not WIR-related)

**METROPOLITAN UTILITIES DISTRICT
PAYROLL BY DEPARTMENTS AND DIVISIONS
FOR THE MONTH AND TEN MONTHS ENDING OCTOBER 31, 2017 AND 2016**

A-12a
OCTOBER 2017

	Month of October			Ten Months Ending October		
	2017 Actual	2017 Budget	2016 Actual	2017 Actual	2017 Budget	2016 Actual
President's Office	\$ 113,106	\$ 132,076	\$ 109,474	\$ 1,120,373	\$ 1,199,112	\$ 1,094,421
Top level reductions	0	(153,431)	0	0	(1,534,313)	0
	<u>113,106</u>	<u>(21,355)</u>	<u>109,474</u>	<u>1,120,373</u>	<u>(335,201)</u>	<u>1,094,421</u>
Human Resources - Tripp	71,698	88,393	75,172	770,152	829,760	713,379
Safety and Security - Davitt/Ausdemore	73,726	61,500	45,569	633,502	616,648	472,217
Law - Bucher	63,373	64,284	54,488	638,779	636,785	545,054
Information Technology - Stanley/Doyle	433,491	500,383	440,458	4,369,593	4,979,221	4,531,752
Marketing	81,870	111,073	96,298	888,319	1,093,221	1,032,810
Rates,Regulatory Affairs & Revenues	27,863	25,767	40,479	255,216	254,798	317,848
Vice President - DeBoer	<u>109,733</u>	<u>136,840</u>	<u>136,777</u>	<u>1,143,535</u>	<u>1,348,019</u>	<u>1,350,658</u>
Customer Service Administration	143,092	161,776	146,534	1,495,860	1,605,672	1,443,310
Meter Reading	161,938	167,952	170,080	1,676,924	1,719,066	1,772,884
Customer Service	188,645	229,523	196,575	1,936,759	2,222,432	2,041,267
Customer Accounting	136,610	153,991	136,267	1,370,028	1,547,661	1,403,582
Cashiers	45,396	45,697	43,155	449,390	446,686	437,635
Credit Services	74,085	91,002	75,648	775,979	883,839	804,161
Vice President - Mueller	<u>749,766</u>	<u>849,941</u>	<u>768,259</u>	<u>7,704,940</u>	<u>8,425,356</u>	<u>7,902,839</u>
Accounting	106,134	105,104	100,302	1,029,731	1,034,082	1,011,652
Purchasing	35,668	35,474	34,118	348,449	351,019	346,213
Stores	74,899	77,712	73,188	773,023	774,428	759,547
Vice President - Schaffart	<u>216,701</u>	<u>218,290</u>	<u>207,608</u>	<u>2,151,203</u>	<u>2,159,509</u>	<u>2,117,412</u>
Field Services Administration	91,125	80,617	83,452	839,776	794,639	815,786
Field Services	650,628	593,280	594,013	6,267,302	5,828,546	5,686,052
Measurement	78,618	83,101	71,910	790,495	811,459	782,505
Vice President - Buglewicz	<u>820,371</u>	<u>756,998</u>	<u>749,375</u>	<u>7,897,573</u>	<u>7,434,644</u>	<u>7,284,343</u>
Senior Vice President - Schneider	<u>1,896,571</u>	<u>1,862,069</u>	<u>1,862,019</u>	<u>18,897,251</u>	<u>19,367,528</u>	<u>18,655,252</u>
Gas Operations	45,549	41,342	40,516	376,379	409,542	371,605
Gas Production	149,451	142,333	125,566	1,383,399	1,416,734	1,353,734
Gas Systems Control	43,970	41,642	42,658	426,051	420,774	421,020
Gas Distribution	95,327	92,374	81,224	872,112	899,685	851,669
Vice President - Knight	<u>334,297</u>	<u>317,691</u>	<u>289,864</u>	<u>3,057,941</u>	<u>3,146,735</u>	<u>2,998,028</u>
Water Operations	21,509	23,013	21,928	249,043	228,574	225,922
Water Pumping - Florence	211,882	224,516	214,343	2,088,188	2,253,184	2,120,390
Maintenance	255,025	261,579	233,962	2,428,459	2,590,120	2,451,301
Water Distribution	208,116	219,821	197,394	2,051,174	2,215,468	1,990,352
Platte South	87,189	84,141	78,287	798,303	853,567	788,996
Platte West	97,046	105,007	98,463	944,913	1,056,520	956,451
Water Quality	58,797	64,562	53,280	621,480	640,190	580,790
Vice President - Shields	<u>939,584</u>	<u>982,639</u>	<u>897,657</u>	<u>9,181,560</u>	<u>9,837,623</u>	<u>9,114,202</u>
Engineering & Construction	54,211	53,231	59,476	564,948	525,870	540,688
Plant Engineering	278,891	269,857	265,360	2,593,026	2,686,204	2,568,297
Engineering Design	246,632	259,778	227,097	2,455,878	2,574,961	2,343,574
Construction	874,954	925,301	780,784	8,474,053	9,002,471	8,037,965
Transportation	123,569	129,919	128,594	1,263,668	1,266,817	1,250,183
Transportation Office	58,844	57,178	55,612	590,107	561,719	544,864
Vice President - O'Brien	<u>1,637,101</u>	<u>1,695,264</u>	<u>1,516,923</u>	<u>15,941,680</u>	<u>16,618,042</u>	<u>15,285,571</u>
Senior Vice President - Reisner	<u>2,910,962</u>	<u>2,995,594</u>	<u>2,704,544</u>	<u>28,181,181</u>	<u>29,602,400</u>	<u>27,397,801</u>
Total Payroll	\$ 5,562,927	\$ 5,650,868	\$ 5,291,704	\$ 54,610,831	\$ 55,697,142	\$ 53,409,876

**METROPOLITAN UTILITIES DISTRICT
EMPLOYEES BY DEPARTMENTS AND DIVISIONS
FOR THE MONTH AND TEN MONTHS ENDING OCTOBER 31, 2017 AND 2016**

A-12b
OCTOBER 2017

	Current Year Actual			Current Year Budget			Prior Year Actual		
	Full Time	Part Time	Summer/Temp.	Full Time	Part Time	Summer/Temp.	Full Time	Part Time	Summer/Temp.
President's Office	8	-	-	9	-	-	8	-	-
Top level reductions	-	-	-	(25)	-	-	-	-	-
	<u>8</u>	<u>-</u>	<u>-</u>	<u>(16)</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>-</u>
Human Resources - Tripp	11	-	-	12	-	1	11	-	1
Safety and Security - Davit/Ausdemore	9	-	-	8	-	-	7	-	-
Law - Bucher	8	-	-	8	-	-	7	-	-
Information Technology - Stanley/Doyle	51	-	-	58	-	2	53	-	1
Marketing	13	1	-	17	1	-	16	1	-
Rates, Regulatory Affairs & Revenues	3	-	-	3	-	-	4	-	-
Vice President - DeBoer	<u>16</u>	<u>1</u>	<u>-</u>	<u>20</u>	<u>1</u>	<u>-</u>	<u>20</u>	<u>1</u>	<u>-</u>
Customer Service Administration	22	1	-	23	1	-	23	1	-
Meter Reading	31	1	-	32	1	-	33	1	3
Customer Service	40	-	-	48	-	-	48	-	-
Customer Accounting	26	1	-	29	1	-	27	1	-
Cashiers	10	-	-	10	-	-	10	-	-
Credit Services	15	-	-	17	2	-	16	1	-
Vice President - Mueller	<u>144</u>	<u>3</u>	<u>-</u>	<u>159</u>	<u>5</u>	<u>-</u>	<u>157</u>	<u>4</u>	<u>3</u>
Accounting	15	-	-	15	-	-	15	-	-
Purchasing	5	-	-	5	-	-	5	-	-
Stores	12	-	-	13	-	-	13	-	-
Vice President - Schaffart	<u>32</u>	<u>-</u>	<u>-</u>	<u>33</u>	<u>-</u>	<u>-</u>	<u>33</u>	<u>-</u>	<u>-</u>
Field Services Administration	12	-	-	12	-	-	12	-	-
Field Services	92	-	-	86	-	-	87	-	-
Measurement	13	-	-	14	-	-	14	-	-
Vice President - Buglewicz	<u>117</u>	<u>-</u>	<u>-</u>	<u>112</u>	<u>-</u>	<u>-</u>	<u>113</u>	<u>-</u>	<u>-</u>
Senior Vice President - Schneider	<u>309</u>	<u>4</u>	<u>-</u>	<u>324</u>	<u>6</u>	<u>-</u>	<u>323</u>	<u>5</u>	<u>3</u>
Gas Operations	4	-	-	4	-	-	4	-	-
Gas Production	18	-	-	19	-	-	19	-	-
Gas Systems Control	6	-	-	6	-	-	6	-	-
Gas Distribution	13	-	-	13	-	-	13	-	-
Vice President - Knight	<u>41</u>	<u>-</u>	<u>-</u>	<u>42</u>	<u>-</u>	<u>-</u>	<u>42</u>	<u>-</u>	<u>-</u>
Water Operations	2	-	-	2	-	-	2	-	-
Water Pumping - Florence	31	-	-	33	-	-	33	-	-
Maintenance	37	1	-	41	-	-	39	-	-
Water Distribution	33	-	-	36	-	-	32	-	-
Platte South	11	1	-	12	1	-	12	1	-
Platte West	14	1	-	15	1	-	14	1	-
Water Quality	8	-	1	9	-	1	9	-	1
Vice President - Shields	<u>136</u>	<u>3</u>	<u>1</u>	<u>148</u>	<u>2</u>	<u>1</u>	<u>141</u>	<u>2</u>	<u>1</u>
Engineering & Construction	5	-	-	5	-	-	7	-	-
Plant Engineering	37	-	-	38	-	-	35	-	-
Engineering Design	38	-	-	41	-	-	38	-	-
Construction	141	-	-	141	-	-	138	-	-
Transportation	20	-	-	22	-	-	22	-	-
Transportation Office	9	-	-	9	-	-	9	-	-
Vice President - O'Brien	<u>250</u>	<u>-</u>	<u>-</u>	<u>256</u>	<u>-</u>	<u>-</u>	<u>249</u>	<u>-</u>	<u>-</u>
Senior Vice President - Reisner	<u>427</u>	<u>3</u>	<u>1</u>	<u>446</u>	<u>2</u>	<u>1</u>	<u>432</u>	<u>2</u>	<u>1</u>
Total Employees	<u>823</u>	<u>7</u>	<u>1</u>	<u>840</u>	<u>8</u>	<u>4</u>	<u>841</u>	<u>7</u>	<u>6</u>

**METROPOLITAN UTILITIES DISTRICT
SPA EMPLOYEES BY DEPARTMENTS AND DIVISIONS
FOR THE MONTH AND TEN MONTHS ENDING OCTOBER 31, 2017 AND 2016**

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OCTOBER 2017

	Current Year Actual			Current Year Budget			Prior Year Actual		
	Full Time	Part Time	Summer/Temp.	Full Time	Part Time	Summer/Temp.	Full Time	Part Time	Summer/Temp.
President's Office	8	-	-	9	-	-	8	-	-
Top level reductions	-	-	-	(7)	-	-	-	-	-
	<u>8</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>-</u>
Human Resources - Tripp	9	-	-	10	-	-	9	-	-
Safety and Security - Davitt/Ausdemore	9	-	-	8	-	-	7	-	-
Law - Bucher	6	-	-	6	-	-	5	-	-
Information Technology - Stanley/Doyle	51	-	-	58	-	-	53	-	-
Marketing	6	-	-	10	-	-	9	-	-
Rates,Regulatory Affairs & Revenues	3	-	-	3	-	-	4	-	-
Vice President - DeBoer	<u>9</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>-</u>	<u>-</u>
Customer Service Administration	8	-	-	8	-	-	8	-	-
Meter Reading	2	-	-	2	-	-	2	-	-
Customer Service	4	-	-	4	-	-	4	-	-
Customer Accounting	3	-	-	3	-	-	3	-	-
Cashiers	1	-	-	1	-	-	1	-	-
Credit Services	1	-	-	1	-	-	1	-	-
Vice President - Mueller	<u>19</u>	<u>-</u>	<u>-</u>	<u>19</u>	<u>-</u>	<u>-</u>	<u>19</u>	<u>-</u>	<u>-</u>
Accounting	9	-	-	9	-	-	9	-	-
Purchasing	4	-	-	4	-	-	4	-	-
Stores	2	-	-	2	-	-	2	-	-
Vice President - Schaffart	<u>15</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>-</u>	<u>-</u>
Field Services Administration	6	-	-	6	-	-	6	-	-
Field Services	-	-	-	-	-	-	-	-	-
Measurement	1	-	-	1	-	-	1	-	-
Vice President - Buglewicz	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>-</u>
Senior Vice President - Schneider	<u>50</u>	<u>-</u>	<u>-</u>	<u>54</u>	<u>-</u>	<u>-</u>	<u>54</u>	<u>-</u>	<u>-</u>
Gas Operations	4	-	-	4	-	-	4	-	-
Gas Production	3	-	-	3	-	-	3	-	-
Gas Systems Control	6	-	-	6	-	-	6	-	-
Gas Distribution	1	-	-	1	-	-	1	-	-
Vice President - Knight	<u>14</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>-</u>
Water Operations	2	-	-	2	-	-	2	-	-
Water Pumping - Florence	8	-	-	9	-	-	9	-	-
Maintenance	5	-	-	5	-	-	5	-	-
Water Distribution	3	-	-	3	-	-	2	-	-
Platte South	2	-	-	2	-	-	2	-	-
Platte West	1	-	-	2	-	-	1	-	-
Water Quality	6	-	-	7	-	-	7	-	-
Vice President - Shields	<u>27</u>	<u>-</u>	<u>-</u>	<u>30</u>	<u>-</u>	<u>-</u>	<u>28</u>	<u>-</u>	<u>-</u>
Engineering & Construction	5	-	-	5	-	-	5	-	-
Plant Engineering	24	-	-	25	-	-	22	-	-
Engineering Design	19	-	-	21	-	-	19	-	-
Construction	7	-	-	7	-	-	6	-	-
Transportation	-	-	-	-	-	-	-	-	-
Transportation Office	3	-	-	3	-	-	3	-	-
Vice President - O'Brien	<u>58</u>	<u>-</u>	<u>-</u>	<u>61</u>	<u>-</u>	<u>-</u>	<u>55</u>	<u>-</u>	<u>-</u>
Senior Vice President - Reisner	<u>99</u>	<u>-</u>	<u>-</u>	<u>105</u>	<u>-</u>	<u>-</u>	<u>97</u>	<u>-</u>	<u>-</u>
Total Employees	<u>232</u>	<u>-</u>	<u>-</u>	<u>243</u>	<u>-</u>	<u>-</u>	<u>233</u>	<u>-</u>	<u>-</u>

**METROPOLITAN UTILITIES DISTRICT
OAC EMPLOYEES BY DEPARTMENTS AND DIVISIONS
FOR THE MONTH AND TEN MONTHS ENDING OCTOBER 31, 2017 AND 2016**

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OCTOBER 2017

	Current Year Actual			Current Year Budget			Prior Year Actual		
	Full Time	Part Time	Summer/Temp.	Full Time	Part Time	Summer/Temp.	Full Time	Part Time	Summer/Temp.
President's Office	-	-	-	-	-	-	-	-	-
Top level reductions	-	-	-	18	-	-	-	-	-
	-	-	-	18	-	-	-	-	-
Human Resources - Tripp	2	-	-	2	-	1	2	-	1
Safety and Security - Davitt/Ausdemore	-	-	-	-	-	-	-	-	-
Law - Bucher	2	-	-	2	-	-	2	-	-
Information Technology - Stanley/Doyle	-	-	-	-	-	2	-	-	1
Marketing	7	1	-	7	1	-	7	1	-
Rates,Regulatory Affairs & Revenues	-	-	-	-	-	-	-	-	-
Vice President - DeBoer	7	1	-	7	1	-	7	1	-
Customer Service Administration	14	1	-	15	1	-	15	1	-
Meter Reading	29	1	-	30	1	-	31	1	3
Customer Service	36	-	-	44	-	-	44	-	-
Customer Accounting	23	1	-	26	1	-	24	1	-
Cashiers	9	-	-	9	-	-	9	-	-
Credit Services	14	-	-	16	2	-	15	1	-
Vice President - Mueller	125	3	-	140	5	-	138	4	3
Accounting	6	-	-	6	-	-	6	-	-
Purchasing	1	-	-	1	-	-	1	-	-
Stores	10	-	-	11	-	-	11	-	-
Vice President - Schaffart	17	-	-	18	-	-	18	-	-
Field Services Administration	6	-	-	6	-	-	6	-	-
Field Services	92	-	-	86	-	-	87	-	-
Measurement	12	-	-	13	-	-	13	-	-
Vice President - Buglewicz	110	-	-	105	-	-	106	-	-
Senior Vice President - Schnelder	259	4	-	270	6	-	269	5	3
Gas Operations	-	-	-	-	-	-	-	-	-
Gas Production	15	-	-	16	-	-	16	-	-
Gas Systems Control	-	-	-	-	-	-	-	-	-
Gas Distribution	12	-	-	12	-	-	12	-	-
Vice President - Knight	27	-	-	28	-	-	28	-	-
Water Operations	-	-	-	-	-	-	-	-	-
Water Pumping - Florence	23	-	-	24	-	-	24	-	-
Maintenance	32	1	-	36	-	-	34	-	-
Water Distribution	30	-	-	33	-	-	30	-	-
Platte South	9	1	-	10	1	-	10	1	-
Platte West	13	1	-	13	1	-	13	1	-
Water Quality	2	-	1	2	-	1	2	-	1
Vice President - Shlelds	109	3	1	118	2	1	113	2	1
Engineering & Construction	-	-	-	-	-	-	2	-	-
Plant Engineering	13	-	-	13	-	-	13	-	-
Engineering Design	19	-	-	20	-	-	19	-	-
Construction	134	-	-	134	-	-	132	-	-
Transportation	20	-	-	22	-	-	22	-	-
Transportation Office	6	-	-	6	-	-	6	-	-
Vica President - O'Brien	192	-	-	195	-	-	194	-	-
Senior Vice President - Reisner	328	3	1	341	2	1	335	2	1
Total Employees	591	7	1	597	8	4	608	7	6

**METROPOLITAN UTILITIES DISTRICT
OVERTIME HOURS BY DEPARTMENTS AND DIVISIONS
FOR THE MONTH AND TEN MONTHS ENDING OCTOBER 31, 2017 AND 2016**

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OCTOBER 2017

	Month of October			Ten Months Ending October		
	2017 Actual	2017 Budget	2016 Actual	2017 Actual	2017 Budget	2016 Actual
President's Office	0.0	0.0	0.0	0.0	0.0	0.0
Human Resources - Tripp	7.0	30.0	0.5	26.5	300.0	17.5
Safety and Security - Davit/Ausdemore	0.0	5.0	5.0	48.0	50.0	36.5
Law - Bucher	10.5	12.0	12.5	161.0	120.0	111.0
Information Technology - Stanley/Doyle	33.5	150.0	131.0	179.1	1,500.0	1,860.0
Marketing	8.0	10.0	3.5	14.5	100.0	23.0
Rates, Regulatory Affairs & Revenues	0.0	0.0	0.0	0.0	0.0	0.0
Vice President - DeBoer	8.0	10.0	3.5	14.5	100.0	23.0
Customer Service Administration	62.5	200.0	89.0	1,139.0	2,000.0	1,357.0
Meter Reading	6.5	10.0	4.5	59.5	100.0	117.0
Customer Service	115.0	160.0	171.0	1,609.5	1,600.0	1,797.5
Customer Accounting	1.5	50.0	84.5	262.5	1,500.0	845.5
Cashiers	0.0	10.0	11.0	140.0	100.0	241.5
Credit Services	38.5	75.0	40.0	435.0	625.0	601.0
Vice President - Mueller	224.0	505.0	400.0	3,645.5	5,925.0	4,959.5
Accounting	0.0	0.0	0.0	0.5	0.0	16.0
Purchasing	0.0	0.0	0.0	1.3	0.0	0.0
Stores	38.5	10.0	5.5	82.0	100.0	85.5
Vice President - Schaffart	38.5	10.0	5.5	83.8	100.0	101.5
Field Services Administration	198.0	90.0	134.0	1,530.5	900.0	1,298.5
Field Services	1,376.0	810.0	1,725.5	11,122.5	8,100.0	10,113.5
Measurement	0.5	0.0	6.5	24.5	0.0	19.0
Vice President - Buglewicz	1,574.5	900.0	1,866.0	12,677.5	9,000.0	11,431.0
Senior Vice President - Schneider	1,845.0	1,425.0	2,275.0	16,421.3	15,125.0	16,515.0
Gas Operations	0.0	0.0	0.0	0.0	0.0	0.0
Gas Production	259.0	175.0	27.0	1,365.5	2,150.0	1,213.0
Gas Systems Control	23.5	12.0	22.5	89.5	96.0	80.5
Gas Distribution	126.5	120.0	103.0	1,156.5	1,200.0	921.5
Vice President - Knight	409.0	307.0	152.5	2,611.5	3,446.0	2,215.0
Water Operations	0.0	0.0	0.0	0.0	0.0	0.0
Water Pumping - Florence	139.0	190.0	173.5	1,411.5	1,900.0	2,458.0
Maintenance	109.0	50.0	34.0	940.0	1,225.0	1,022.5
Water Distribution	350.0	300.0	484.5	4,058.0	3,250.0	2,787.0
Platte South	81.5	30.0	71.0	235.0	300.0	375.5
Platte West	7.5	60.0	82.5	339.0	600.0	551.0
Water Quality	26.0	12.0	9.0	130.0	120.0	72.0
Vice President - Shields	713.0	642.0	854.5	7,113.5	7,395.0	7,266.0
Engineering & Construction	0.0	0.0	59.0	96.5	0.0	586.5
Plant Engineering	680.0	600.0	955.0	5,760.0	6,350.0	7,874.0
Engineering Design	112.5	80.0	69.5	1,198.0	830.0	585.5
Construction	2,162.0	2,000.0	1,170.5	20,028.0	19,900.0	14,326.0
Transportation	108.0	52.0	95.0	995.0	520.0	469.0
Transportation Office	47.0	55.0	63.0	813.5	550.0	533.5
Vice President - O'Brien	3,109.5	2,787.0	2,412.0	28,891.0	28,150.0	24,374.5
Senior Vice President - Reisner	4,231.5	3,736.0	3,419.0	38,616.0	38,991.0	33,855.5
Total Overtime Hours	6,127.5	5,358.0	5,843.0	55,451.8	58,086.0	52,395.5

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**METROPOLITAN UTILITIES DISTRICT OF OMAHA
WATER DEPARTMENT
BALANCE SHEETS
AS OF OCTOBER 31, 2017 AND SEPTEMBER 30, 2017**

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OCTOBER 2017
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ASSETS	October 31	September 30	January 1	Increase (Decrease)	
	2017	2017	2017	One Month	Ten Months
UTILITY PLANT - At Cost					
Plant in service	\$ 1,075,492,979	\$ 1,073,796,219	\$ 1,041,651,111	\$ 1,696,760	\$ 33,841,868
Less - Accumulated depreciation	268,161,448	266,520,782	252,958,352	1,640,666	15,203,096
Net utility plant in service	807,331,532	807,275,438	788,692,759	56,094	18,638,772
Construction in progress	39,839,756	37,360,377	44,662,916	2,479,379	(4,823,160)
Construction materials - at average cost	1,407,954	1,413,960	1,256,679	(6,006)	151,276
Net utility plant	848,579,242	846,049,775	834,612,353	2,529,467	13,966,888
NONCURRENT ASSETS					
2012 Bond Reserve Fund - Restricted	2,954,531	2,954,531	2,954,531	-	-
2015 Bond Project Fund	11,508,521	13,321,989	18,591,098	(1,813,468)	(7,082,577)
Construction/Environmental fund	171,828	171,815	171,728	13	99
Other non-current assets	518,197	454,043	621,996	64,154	(103,799)
Total noncurrent assets	15,153,077	16,902,379	22,339,354	(1,749,301)	(7,186,277)
CURRENT ASSETS					
Cash in treasurer's accounts	63,800,054	61,498,674	49,223,712	2,301,380	14,576,342
Bond sinking fund - restricted	12,019,395	10,536,516	1,482,879	1,482,879	10,536,516
Working funds	8,650	8,650	8,650	-	-
U.S. Government securities	-	-	-	-	-
Bond 2012 Project Fund	-	-	-	-	-
Accounts receivable	2,223,745	2,447,843	1,854,343	(224,098)	369,402
Accounts receivable - utility service	25,929,135	27,597,621	22,504,477	(1,668,486)	3,424,658
Allowance for uncollectible accounts	(2,730,325)	(2,737,262)	(2,594,762)	6,937	(135,563)
Interdepartmental Receivable from Gas Department	10,122,185	4,341,740	273,681	5,780,446	9,848,504
Loan receivable from Gas Department	-	-	-	-	-
Interest receivable	-	-	-	-	-
Accrued unbilled revenues	3,486,704	4,453,416	3,176,463	(966,712)	310,241
Fire protection taxes	-	-	-	-	-
Materials and supplies - at average cost	3,117,985	3,162,469	3,353,764	(44,484)	(235,779)
Prepayments	143,508	162,931	124,669	(19,423)	18,839
Total current assets	118,121,036	111,472,597	79,407,876	6,648,439	38,713,160
DEFERRED OUTFLOWS					
Pension	6,792,115	6,792,115	6,792,115	-	-
Debt refund	4,376,706	4,423,406	4,843,709	(46,700)	(467,003)
Total deferred outflows	11,168,821	11,215,521	11,635,824	(46,700)	(467,003)
Total Assets	\$ 993,022,176	\$ 985,640,271	\$ 947,995,407	\$ 7,381,905	\$ 45,026,769

METROPOLITAN UTILITIES DISTRICT OF OMAHA
WATER DEPARTMENT
BALANCE SHEETS
AS OF OCTOBER 31, 2017 AND SEPTEMBER 30, 2017

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OCTOBER 2017
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	October 31 2017	September 30 2017	January 1 2017	Increase (Decrease)	
				One Month	Ten Months
LIABILITIES AND NET WORTH					
NONCURRENT LIABILITIES					
Long Term Debt:					
Water Revenue Bonds Net of Discount/Premium	220,654,982	220,783,175	221,934,782	(128,193)	(1,279,800)
NDEQ Loan - Bennington	-	-	-	-	-
NDEQ Loan - Contact Basin	4,023,583	4,023,583	4,158,529	-	(134,946)
Loan from Gas	-	-	-	-	-
Total long term debt	224,678,565	224,806,758	226,093,310	(128,193)	(1,414,745)
Net pension liability	28,937,269	28,937,269	28,937,269	-	-
Other Post Employment Benefits	59,482,768	59,131,162	55,884,061	351,606	3,598,707
Total Long Term Liabilities	313,098,602	312,875,189	310,914,640	223,413	2,183,962
CURRENT LIABILITIES					
Current maturities of revenue bonds	9,210,000	9,210,000	9,210,000	-	-
Current maturities of NDEQ Loans	268,555	268,555	265,896	-	2,659
Current Maturities of Loan from Gas Department	-	-	-	-	-
Accounts payable	4,292,478	3,969,956	3,959,055	322,522	333,423
Interdepartmental Payable to Gas Department	-	-	-	-	-
Water service deposits	-	-	-	-	-
Customer deposits-Pioneer Approach Mains	2,699,501	2,195,635	914,872	503,867	1,784,629
Customer Credit Balances	795,740	747,645	535,642	48,096	260,099
Statutory payments to municipalities	308,072	672,973	495,923	(364,901)	(187,851)
Sewer fee collection due municipalities	22,883,570	21,859,432	20,669,171	824,138	2,014,399
Interest accrued on water revenue bonds	3,576,895	2,861,516	715,379	715,379	2,861,516
Accrued vacation payable	4,032,717	4,032,717	4,032,717	-	-
Total current liabilities	47,867,528	45,818,429	40,798,654	2,049,099	7,068,874
CUSTOMER ADVANCES FOR CONSTRUCTION	18,406,669	15,006,579	8,126,595	3,400,090	10,280,074
SELF - INSURED RISKS	614,108	612,182	1,143,794	1,926	(529,686)
OTHER DEFERRED LIABILITIES	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pension	1,300,571	1,300,571	1,300,571	-	-
Contributions in aid of construction	293,253,996	292,818,926	291,866,442	435,070	1,387,555
	294,554,567	294,119,497	293,167,013	435,070	1,387,555
NET POSITION - ACCUMULATED REINVESTED EARNINGS	318,480,701	317,208,395	293,844,711	1,272,307	24,635,990
Total Liabilities, Deferred Inflows of Resources, and Net Position	993,022,176	985,640,271	947,995,407	7,381,905	45,026,769

METROPOLITAN UTILITIES DISTRICT OF OMAHA
WATER DEPARTMENT
INCOME AND SOURCE AND DISPOSITION OF FUNDS STATEMENTS
FOR THE MONTH AND TEN MONTHS ENDING OCTOBER 31, 2017 AND 2016

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OCTOBER 2017

	OCTOBER 2017		October 2016	Ten Months 2017		Ten Months 2016
	Actual	Budget	Actual	Actual	Budget	Actual
OPERATING REVENUES						
Metered sales of water	\$ 8,329,167	\$ 9,758,299	\$ 7,825,216	\$ 90,348,147	\$ 90,732,804	\$ 83,605,049
Infrastructure charge	1,205,869	1,208,864	1,159,122	12,132,687	12,056,172	11,937,902
Other operating revenues	376,199	319,000	339,556	4,956,815	3,125,000	3,376,683
Total operating revenues	9,911,235	11,286,163	9,323,894	106,537,749	105,913,976	98,919,635
Less: Bad debt expense	6,050	(45,145)	30,881	(135,855)	(423,857)	(301,806)
Total operating revenues, net	9,917,285	11,241,018	9,354,775	106,401,794	105,490,319	98,617,829
OPERATING EXPENSES						
Operating expense	4,414,741	4,613,612	4,451,172	43,903,504	47,298,847	42,712,460
Maintenance expense	2,309,428	2,078,045	2,236,297	18,876,056	19,121,185	17,725,038
Depreciation	1,197,776	1,264,679	1,102,890	11,901,077	12,363,934	11,016,376
Other Non-Operating Expense (Income)	21,950	-	3,170	140,430	-	88,751
Statutory payments & fuel taxes	151,401	165,900	131,273	1,441,706	1,445,000	1,343,525
Interest expense revenue bonds	633,886	633,886	653,828	6,340,989	6,340,990	6,540,049
Interest expense NDEQ Loan	10,730	10,730	11,389	109,288	109,286	116,503
Interest expense gas loans & other	-	-	-	-	-	-
Bond expense	-	-	-	-	-	1,000
Interest charged to construction (cr)	(83,631)	(109,000)	(165,725)	(868,695)	(915,000)	(1,436,835)
Total revenue deductions	8,656,281	8,655,852	8,424,292	81,844,355	85,764,242	78,108,868
Net revenues	1,261,004	2,585,166	930,483	24,557,440	19,726,077	20,508,961
Interest Income	11,303	-	3,500	78,551	-	82,326
FUNDS PROVIDED						
Net income (loss)	1,272,307	2,585,166	933,983	24,635,990	19,726,077	20,591,287
Depreciation and amortization charges	1,282,715	1,354,099	1,175,181	12,693,510	13,258,134	11,755,040
Net pension liability	-	-	-	-	-	-
OPEB	525,160	525,160	523,826	5,251,600	5,251,603	5,227,742
Loan from NDEQ for Contact Basin	-	-	-	-	-	-
Contribution in aid of construction - grant	-	-	-	-	-	-
Contribution in aid of construction	659,237	605,000	506,469	3,346,412	5,197,060	4,872,245
Contribution in aid of construction - capital facilities	285,977	302,200	176,341	3,161,428	2,867,600	2,797,005
Customer Advances for Construction	3,400,090	-	650,914	10,280,074	-	1,931,601
Bond Series 2015 Project Fund	-	-	-	5	-	-
Total funds provided	7,435,485	5,371,625	3,966,714	59,389,017	46,320,474	47,174,919
FUNDS EXPENDED						
Plant additions and replacements	3,217,890	2,235,376	1,307,124	20,875,280	22,973,855	21,095,007
Plant additions and replacements-Cast Iron	1,082,122	1,492,571	1,033,440	10,677,264	10,204,198	9,651,375
OPEB - Begin Pre-funding	173,554	166,667	90,909	1,652,893	1,666,867	818,181
Deferred outflows - pension	-	-	-	-	-	-
NDEQ Loan-Contact Basin	-	-	-	132,287	132,287	129,680
NDEQ Loan-Berkeleyton	-	-	-	-	-	32,742
Bond Retirement	-	-	-	-	-	-
Bond Cost - 2015	-	-	-	-	-	(1,000)
Bond Reserve Fund - 2015	-	-	-	-	-	-
Bond Interest - 2012-Expense accrual (non cash)	(93,108)	(93,108)	(97,071)	(933,210)	(933,210)	(972,480)
Bond Interest - 2012-Payment	-	-	-	624,647	624,847	648,422
Bond Interest - 2015-Expense accrual (non cash)	(540,778)	(540,778)	(556,757)	(5,407,779)	(5,407,780)	(5,567,569)
Bond Interest - 2015-Payment	-	-	-	3,667,628	3,667,628	3,701,121
NDEQ Interest - Expense accrual (non cash)	(10,730)	(10,730)	(11,389)	(109,288)	(109,286)	(115,830)
NDEQ Interest - Payment	-	-	-	66,366	66,366	70,276
Total funds expended	3,828,949	3,249,998	1,766,257	31,246,088	32,885,172	29,489,925
CHANGE IN UNBILLED REVENUE	966,712	690,449	293,136	(310,241)	924,630	139,492
CHANGE IN CONSTRUCTION FUND	(13)	-	(3)	(99)	-	(26)
OTHER CHANGES IN FUNDS NET	191,537	-	(520,219)	(276,800)	-	(939,160)
NET INCREASE (DECREASE IN FUNDS)	4,764,772	2,812,076	1,973,371	27,535,789	14,359,932	16,885,300
FUNDS POSITION - BEGINNING OF PERIOD				\$ 64,725,809	\$ 64,725,809	\$ 62,505,000
FUNDS POSITION - END OF PERIOD						
Cash and temp. investments				63,808,704		46,264,586
Bond Sinking Fund				14,973,927		15,036,071
Bond Series 2012 Project Fund				-		-
Bond Series 2015 Project Fund				11,508,521		19,344,485
Accounts receivable				23,198,810		24,066,375
Interdepartmental balances				10,122,185		4,477,220
Interest receivable				-		-
Accounts payable				(27,241,198)		(27,816,817)
Pioneer Approach Main deposits				(2,699,501)		(683,075)
Level Payment Plan Credit				(795,740)		(353,147)
Self-insurance reserve				(614,108)		(1,145,394)
Total				\$ 92,261,599	\$ 79,085,741	\$ 79,390,302
STATISTICAL DATA						
Thousands of gallons sold	2,027,300	2,431,650	2,123,185	26,684,055	27,038,996	25,229,672
Number of customers	213,622	213,044	211,161			
Total active payroll	\$ 5,562,927	\$ 5,650,868	\$ 5,291,704	\$ 54,610,831	\$ 55,697,142	\$ 53,409,876
Number of employees	831	852	854			

**METROPOLITAN UTILITIES DISTRICT OF OMAHA
GAS DEPARTMENT
BALANCE SHEETS
AS OF OCTOBER 31, 2017 AND SEPTEMBER 30, 2017**

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OCTOBER 2017
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ASSETS	October 31	September 30	January 1	Increase (Decrease)	
	2017	2017	2017	One Month	Ten Months
UTILITY PLANT - At Cost					
Plant in service	\$ 588,318,268	\$ 581,963,728	\$ 568,791,785	\$ 6,354,540	\$ 19,526,483
Less - Accumulated depreciation	190,073,542	189,778,316	181,790,353	295,226	8,283,189
Net utility plant in service	<u>398,244,726</u>	<u>392,185,412</u>	<u>387,001,432</u>	<u>6,059,314</u>	<u>11,243,294</u>
Construction in progress	15,825,771	19,427,691	10,279,727	(3,601,919)	5,546,044
Construction materials - at average cost	<u>2,282,407</u>	<u>2,509,596</u>	<u>3,137,816</u>	<u>(227,189)</u>	<u>(855,409)</u>
Net utility plant	<u>416,352,904</u>	<u>414,122,699</u>	<u>400,418,975</u>	<u>2,230,205</u>	<u>15,933,929</u>
NONCURRENT ASSETS					
Long term receivable - Water Dept. loan	-	-	-	-	-
Cash-CPEP2 Settlement Fund-Restricted	-	-	()	-	-
Early Retiree Drug Subsidy - Restricted Fund	-	-	-	-	-
Other Non-Current Assets	2,398,231	2,273,752	1,085,204	124,479	1,313,027
Total noncurrent assets	<u>2,398,231</u>	<u>2,273,752</u>	<u>1,085,204</u>	<u>124,479</u>	<u>1,313,027</u>
CURRENT ASSETS					
Cash in treasurer's accounts	101,155,318	96,034,639	98,159,026	5,120,679	2,996,292
Working funds	1,382,149	1,246,812	3,831,869	135,337	(2,449,721)
Accounts receivable - utility service	12,661,106	12,111,721	16,974,818	549,384	(4,313,712)
Accounts receivable - other	187,282	58,092	612,249	129,190	(424,968)
Allowance for doubtful accounts	(5,560,754)	(5,499,869)	(5,318,391)	(60,885)	(242,363)
Interdepartmental Receivable from Water Dept	-	-	-	-	-
Accrued unbilled revenues	3,921,770	2,295,752	12,333,772	1,626,018	(8,412,003)
Natural gas in storage	2,674,952	2,502,337	2,911,985	172,615	(237,033)
Natural gas in pipeline storage	8,518,701	7,105,619	5,889,766	1,413,082	2,628,935
Propane in storage	4,892,734	4,892,734	4,910,069	-	(17,335)
Materials and supplies - at average cost	3,084,391	3,213,183	3,116,913	(128,792)	(32,522)
Prepayments	360,104	403,302	712,154	(43,198)	(352,050)
Total current assets	<u>133,277,751</u>	<u>124,364,322</u>	<u>144,134,231</u>	<u>8,913,430</u>	<u>(10,856,480)</u>
Deferred Outflows - Pension	8,081,865	8,081,865	8,081,865	-	-
Total Assets	<u>\$ 560,110,752</u>	<u>\$ 548,842,638</u>	<u>\$ 553,720,275</u>	<u>\$ 11,268,114</u>	<u>\$ 6,390,476</u>

METROPOLITAN UTILITIES DISTRICT OF OMAHA
GAS DEPARTMENT
BALANCE SHEETS

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AS OF OCTOBER 31, 2017 AND SEPTEMBER 30, 2017

LIABILITIES AND NET WORTH	October 31	September 30	January 1	Increase (Decrease)	
	2017	2017	2017	One Month	Ten Months
NONCURRENT LIABILITIES					
Long Term Remediation payable	\$ -	\$ -	\$ -	\$ -	\$ -
Long-Term Debt - CNG Loan	524,382	544,026	718,822	(19,644)	(194,440)
Unearned Gas Purchase Discount	2,492,250	2,653,250	4,325,000	(161,000)	(1,832,750)
Net pension liability	34,739,538	34,739,538	34,739,538	-	-
Other Post Employee Benefits	66,497,850	66,350,413	64,965,635	147,437	1,532,215
Total noncurrent liabilities	<u>104,254,020</u>	<u>104,287,227</u>	<u>104,748,995</u>	<u>(33,207)</u>	<u>(494,975)</u>
CURRENT LIABILITIES					
Accounts payable	17,619,322	11,637,293	28,951,550	5,982,030	(11,332,228)
Remediation payable	-	-	52,929	-	(52,929)
Interdepartmental Payable to Water Dept	10,122,185	4,341,740	273,681	5,780,446	9,848,504
Loan Payable to Water Department	-	-	-	-	-
Current maturities of CNG loan	232,847	232,363	227,981	484	4,866
Unearned Gas Purchase Discount	2,500,000	2,500,000	2,500,000	-	-
Customer deposits	11,463,060	11,392,023	11,082,780	71,037	380,280
Customer credit balances	9,688,229	8,301,168	17,222,455	1,387,061	(7,534,227)
Statutory payments to municipalities	404,080	596,272	865,525	(192,192)	(461,445)
Accrued vacation payable	3,811,372	3,811,372	3,811,372	-	-
Total current liabilities	<u>55,841,095</u>	<u>42,812,230</u>	<u>64,988,274</u>	<u>13,028,865</u>	<u>(9,147,178)</u>
CUSTOMER ADVANCES FOR CONSTRUCTION	<u>537,750</u>	<u>444,109</u>	<u>416,655</u>	<u>93,640</u>	<u>121,094</u>
SELF - INSURED RISKS	<u>897,082</u>	<u>891,389</u>	<u>1,138,020</u>	<u>5,693</u>	<u>(240,937)</u>
OTHER LIABILITIES	<u>1,938,705</u>	<u>2,337,089</u>	<u>2,011,363</u>	<u>(398,384)</u>	<u>(72,659)</u>
DEFERRED INFLOWS OF RESOURCES					
Contributions In Aid of Construction	41,223,059	41,263,591	41,682,357	(40,531)	(459,298)
Deferred Inflows - Pension	1,576,800	1,576,800	1,576,800	-	-
Total Deferred Inflows	<u>42,799,859</u>	<u>42,840,391</u>	<u>43,259,157</u>	<u>(40,531)</u>	<u>(459,298)</u>
NET POSITION - ACCUMULATED REINVESTED EARNINGS	<u>353,842,241</u>	<u>355,230,203</u>	<u>337,157,812</u>	<u>(1,387,962)</u>	<u>16,684,429</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 560,110,752</u>	<u>\$ 548,842,638</u>	<u>\$ 553,720,275</u>	<u>\$ 11,268,114</u>	<u>\$ 6,390,476</u>

METROPOLITAN UTILITIES DISTRICT OF OMAHA
GAS DEPARTMENT
INCOME AND SOURCE AND DISPOSITION OF FUNDS STATEMENTS
FOR THE MONTH AND TEN MONTHS ENDING OCTOBER 31, 2017 AND 2016

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OCTOBER 2017

	October 2017		October 2016	Ten Months 2017		Ten Months 2016
	Actual	Budget	Actual	Actual	Budget	Actual
OPERATING REVENUES						
Gas sales revenue	\$ 10,232,349	\$ 12,008,014	\$ 8,292,429	\$ 141,090,432	\$ 148,308,368	\$ 116,681,857
398,384		62,982		69,776	-	1,349,828
(Over)/under gas recovery	1,082,158	1,083,224	1,018,606	10,826,292	10,801,520	10,682,014
Infrastructure charge	302,959	349,000	401,320	3,950,321	3,819,000	3,876,181
Other operating revenues	12,015,849	13,440,238	9,775,336	155,936,821	162,728,888	132,569,880
Total operating revenues						
Less: Bad debt expense	(59,353)	(53,781)	(53,337)	(232,487)	(650,916)	(382,008)
Total operating revenues, net	11,956,496	13,386,477	9,722,000	155,704,334	162,077,972	132,207,874
Less: Natural gas purchased for resale	7,490,724	6,433,575	4,357,008	80,210,234	86,757,382	63,658,994
Gas purchase discount earned - CPEP	(161,000)	(161,000)	(160,926)	(1,832,750)	(1,832,750)	(1,845,441)
Operating revenue, net of gas cost	4,626,772	7,113,902	5,525,920	77,326,849	77,153,340	70,399,322
REVENUE DEDUCTIONS						
Operating expense	3,107,814	3,550,046	3,333,122	31,840,300	34,684,753	33,748,983
Maintenance expense	1,431,718	1,271,985	1,354,204	13,502,752	14,011,532	13,202,698
Other Non-operating expense (income)	7,708	-	120,741	127,253	-	158,262
Depreciation	1,268,359	1,335,204	1,154,100	12,402,205	12,821,374	11,184,829
Statutory payments & fuel taxes	193,178	183,174	138,885	2,708,760	3,068,032	2,283,197
Interest expense	5,962	5,860	6,432	61,297	59,880	68,289
Total revenue deductions	6,014,738	6,346,269	6,107,484	60,642,566	64,643,571	60,642,257
Net revenues	(1,387,966)	767,633	(581,564)	16,684,284	12,509,769	9,752,064
OTHER INCOME - Interest	4	-	8	145	-	(6,400)
FUNDS PROVIDED						
Net income (loss)	(1,387,962)	767,633	(581,568)	16,884,429	12,509,769	9,745,665
Depreciation and amortization charges	1,818,730	1,821,849	1,684,687	17,881,185	17,706,086	16,066,035
Net Pension Obligation	-	-	-	-	-	-
Deferred inflows - pension	-	-	-	-	-	-
OPEB	568,924	568,924	567,479	5,689,240	5,689,237	5,663,398
Contribution in aid of construction - mains	37,818	-	35,602	311,092	-	310,297
Contribution in aid of construction - grants	-	-	-	-	-	-
Customer Advances for Construction	93,640	-	100,320	121,094	-	170,259
Total funds provided	1,131,148	3,158,406	1,808,532	40,687,041	35,905,092	31,975,651
FUNDS EXPENDED						
Plant additions and replacements	2,085,176	2,494,146	2,599,290	16,663,237	26,584,986	21,483,855
Plant additions and replacements - Cast Iron	1,888,816	2,172,605	1,920,953	16,371,100	15,692,874	13,327,463
OPEB - Begin Pre-funding	421,487	416,667	363,636	4,157,025	4,168,667	3,272,724
Deferred outflows - pension	-	-	-	-	-	(1)
Natural gas inventory increase (decrease)	1,585,697	1,678,000	1,578,063	2,374,567	3,955,000	718,016
Loan Retirement long-term CNG	19,160	19,160	18,688	189,573	189,582	184,763
Total funds expended	6,000,335	6,780,578	6,480,629	39,755,502	50,589,109	38,988,620
CHANGE IN UNBILLED REVENUE	(1,626,018)	(2,469,124)	(741,283)	8,412,003	11,299,477	10,703,839
OTHER CHANGES IN FUNDS - NET	(794,354)	(161,000)	851,881	(3,960,063)	(1,832,750)	(2,787,809)
NET INCREASE (DECREASE) IN FUNDS	(7,289,559)	\$ (6,252,296)	(4,563,479)	5,383,478	(5,217,290)	905,081
FUNDS POSITION - BEGINNING OF PERIOD				\$ 54,060,382	\$ 54,060,382	\$ 57,191,232
FUNDS POSITION - END OF PERIOD						
Cash and temp. investments				\$ 102,537,467		\$ 101,454,039
Accounts receivable				7,100,352		6,567,817
Interdepartmental balances				(10,122,185)		(4,477,220)
Loan Payable to Water Department				-		-
Accounts payable				(18,023,403)		(16,189,162)
CPEP #2 Settlement Fund				(11,463,060)		(10,942,002)
Customer deposits				(9,688,229)		(17,265,407)
Level Payment Plan Credit				(897,082)		(1,051,573)
Self-insurance reserve						
Total				\$ 59,443,860	\$ 48,843,092	\$ 58,096,293
STATISTICAL DATA						
Gas Systems Sendout	1,619,584	1,826,519	1,253,859	21,131,502	23,166,833	20,649,774
Heating degree days	310	377	206	3,325	4,057	3,345
Number of customers	228,150	228,432	225,671	-	-	-
Total active payroll	\$ 5,562,927	\$ 5,650,868	\$ 5,291,704	\$ 54,810,831	\$ 55,697,142	\$ 53,409,876
Number of employees	831	852	854	-	-	-

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**METROPOLITAN UTILITIES DISTRICT OF OMAHA
WATER DEPARTMENT
FINANCIAL VARIANCE REPORT
FOR THE MONTH AND TEN MONTHS ENDING OCTOBER 31, 2017 AND 2016**

	Current Month			Current Month				October Year to Date			October Year to Date			
				Variance Vs. Budget		Variance Vs. Prior Year					Variance Vs. Budget		Variance Vs. Prior Year	
	Actual	Budget	Prior Year	% Over (Under)	\$/# Over (Under)	% Over (Under)	\$/# Over (Under)	Actual	Budget	Prior Year	% Over (Under)	\$/# Over (Under)	% Over (Under)	\$/# Over (Under)
Revenues														
Water sales	\$ 8,329,167	\$ 9,758,299	\$ 7,825,216	(14.65)%	\$ (1,429,132)	6.44 %	\$ 503,951	\$ 90,348,147	\$ 90,732,804	\$ 83,605,049	(.42)%	\$ (384,657)	8.07 %	\$ 6,743,098
Infrastructure charge	1,205,869	1,208,864	1,159,122	(.25)%	(2,995)	4.03 %	46,747	12,132,687	12,056,172	11,937,902	.63 %	76,515	1.63 %	194,784
Other	382,249	273,855	370,437	39.58 %	108,394	3.19 %	11,812	3,920,961	2,701,343	3,074,877	45.15 %	1,219,618	27.52 %	846,084
Total revenues	9,917,285	11,241,018	9,354,775	(11.78)%	(1,323,733)	6.01 %	562,510	106,401,794	105,490,319	98,617,828	.86 %	911,475	7.89 %	7,783,966
Revenue Deductions														
Operating & Maintenance	6,724,169	6,689,657	6,687,469	.52 %	34,512	.55 %	36,700	62,779,560	66,420,032	60,437,498	(5.48)%	(3,640,472)	3.88 %	2,342,062
Other	1,349,177	1,430,579	1,234,164	(5.69)%	(81,402)	9.32 %	115,013	13,342,783	13,808,934	12,361,901	(3.38)%	(466,151)	7.93 %	980,882
Total expenses	8,073,346	8,120,236	7,921,632	(.58)%	(46,890)	1.92 %	151,714	76,122,343	80,228,966	72,799,399	(5.12)%	(4,106,623)	4.56 %	3,322,944
Other Expense (Income)	571,633	535,616	499,160	6.72 %	36,017	14.52 %	72,473	5,643,461	5,535,276	5,227,142	1.95 %	108,185	7.96 %	416,319
Net Income (Loss)	\$ 1,272,307	\$ 2,585,166	\$ 933,983	(50.78)%	\$ (1,312,859)	36.22 %	\$ 338,324	\$ 24,635,990	\$ 19,726,077	\$ 20,591,287	24.89 %	\$ 4,909,913	19.64 %	\$ 4,044,703
Thousands of gallons sold	2,027,300	2,431,650	2,123,185	(16.63)%	(404,350)	(4.52)%	(95,885)	26,664,055	27,036,996	25,229,672	(1.38)%	(372,941)	5.69 %	1,434,383
Number of customers	213,622	213,044	211,161	.27 %	578	1.17 %	2,461							
Plant Additions & Replacements	\$ 4,300,012	\$ 3,727,947	\$ 2,340,563	15.35 %	\$ 572,065	83.72 %	\$ 1,959,448	\$ 31,552,544	\$ 33,177,853	\$ 30,746,382	(4.90)%	\$ (1,625,309)	2.62 %	\$ 806,163
Ending Funds Position								\$ 92,261,608	\$ 79,085,817	\$ 79,390,302	16.66 %	\$ 13,175,791	16.21 %	\$ 12,871,306

**METROPOLITAN UTILITIES DISTRICT OF OMAHA
GAS DEPARTMENT
FINANCIAL VARIANCE REPORT
FOR THE MONTH AND TEN MONTHS ENDING OCTOBER 31, 2017 AND 2016**

	Current Month								October Year to Date					
	Current Month			Variance Vs. Budget		Variance Vs. Prior Year		October Year to Date			Variance Vs. Budget		Variance Vs. Prior Year	
	Actual	Budget	Prior Year	% Over (Under)	\$/# Over (Under)	% Over (Under)	\$/# Over (Under)	Actual	Budget	Prior Year	% Over (Under)	\$/# Over (Under)	% Over (Under)	\$/# Over (Under)
Revenues														
Gas Sales	\$ 10,232,349	\$ 12,008,014	\$ 8,292,429	(14.79)%	\$ (1,775,665)	23.39 %	\$ 1,939,920	\$ 141,090,432	\$ 148,308,368	\$ 116,661,857	(4.87)%	\$ (7,217,936)	20.94 %	\$ 24,428,575
(Over)/under gas recovery	398,384	-	62,982		398,384	532.54 %	335,402	69,776	-	1,349,828		69,776	(94.83)%	(1,280,052)
Infrastructure charge	1,082,158	1,083,224	1,018,606	(.10)%	(1,066)	6.24 %	63,552	10,826,292	10,801,520	10,682,014	.23 %	24,772	1.35 %	144,278
Other	243,606	295,239	347,983	(17.49)%	(51,633)	(30.00)%	(104,378)	3,717,834	2,968,084	3,514,175	25.26 %	749,750	5.80 %	203,659
Total revenues, net	11,956,496	13,386,477	9,722,000	(10.68)%	(1,429,981)	22.98 %	2,234,496	155,704,334	162,077,972	132,207,874	(3.93)%	(6,373,638)	17.77 %	23,496,460
Less: Natural gas purchased for resale	7,490,724	6,433,575	4,357,006	16.43 %	1,057,149	71.92 %	3,133,718	80,210,234	86,757,382	63,658,994	(7.55)%	(6,547,148)	26.00 %	16,551,241
Gas purchase discount earned	(161,000)	(161,000)	(160,926)		-	.05 %	(74)	(1,832,750)	(1,832,750)	(1,845,441)		-	(.69)%	12,691
Operating revenues, net of gas cost	4,626,772	7,113,902	5,525,920	(34.96)%	(2,487,130)	(16.27)%	(899,148)	77,326,849	77,153,340	70,394,322	.22 %	173,509	9.85 %	6,932,528
Revenue Deductions														
Operating & Maintenance	4,539,533	4,822,031	4,687,327	(5.86)%	(282,498)	(3.15)%	(147,794)	45,343,052	48,696,285	46,949,681	(6.89)%	(3,353,233)	(3.42)%	(1,606,630)
Other	1,461,537	1,518,378	1,292,985	(3.74)%	(56,841)	13.04 %	168,552	15,110,965	15,887,406	13,468,025	(4.89)%	(776,441)	12.20 %	1,642,940
Total operating expenses	6,001,070	6,340,409	5,980,311	(5.35)%	(339,339)	.35 %	20,759	60,454,016	64,583,691	60,417,706	(6.39)%	(4,129,675)	.06 %	36,310
Other expense (income)	13,664	5,860	127,165	133.18 %	7,804	(89.25)%	(113,500)	188,404	59,880	230,951	214.64 %	128,524	(18.42)%	(42,546)
Net Income (Loss)	\$ (1,387,962)	\$ 767,633	\$ (581,556)	(280.81)%	(2,155,595)	(138.66)%	(806,406)	\$ 16,684,429	\$ 12,509,769	\$ 9,745,665	33.37 %	4,174,660	71.20 %	6,938,764
Total Sales Adjusted for Unbilled Sales	1,619,584	1,826,519	1,253,859	(11.33)%	(206,935)	29.17 %	365,725	21,131,502	23,166,833	20,649,774	(8.79)%	(2,035,331)	2.33 %	481,728
Heating degree days	310	377	206	(17.77)%	(67)	50.49 %	104	3,325	4,057	3,345	(18.04)%	(732)	(.60)%	(20)
Number of customers	228,150	228,432	225,671	-0.12%	(282)	1.10 %	2,479							
Plant Additions & Replacements	\$ 3,973,992	\$ 4,666,751	\$ 4,520,243	(14.84)%	(692,759)	(12.08)%	(546,251)	\$ 33,034,337	\$ 42,277,860	\$ 34,811,118	(21.86)%	(9,243,523)	(5.10)%	(1,776,781)
Ending Funds Position								\$ 59,443,860	\$ 48,843,125	\$ 58,096,293	21.70 %	10,600,735	2.32 %	1,347,567