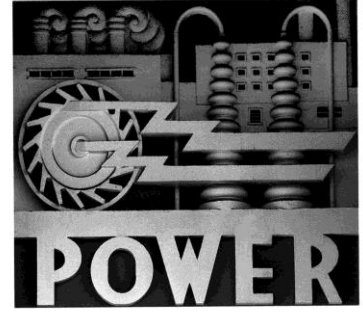


Burbank Water and Power



Estimated Financial Report February-20

UNAUDITED

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD February 2020
(\$ in 000's except MWh Sales)**

MTD FY 19-20	MTD Feb-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 19-20	FYTD Feb-20 Budget	\$ Variance ⁽²⁾	% Variance
74,066	77,763	(3,697)	(5%) ^(a)	NEL MWh	738,073	781,038	(42,965)	(6%) ^(A)
				Retail				
\$ 11,137	\$ 11,248	\$ (110)	(1%)	Retail Sales	\$ 111,590	\$ 116,570	\$ (4,981)	(4%)
407	587	(181)	(31%) ^(b)	Other Revenues ⁽³⁾	4,002	4,697	(694)	(15%) ^(B)
<u>8,778</u>	<u>8,831</u>	<u>53</u>	<u>1%</u> ^(c)	Retail Power Supply & Transmission	<u>71,586</u>	<u>79,945</u>	<u>8,359</u>	<u>10%</u> ^(C)
2,766	3,004	(238)	(8%)	Retail Margin	44,006	41,322	2,684	6%
				Wholesale				
376	1,962	(1,587)	(81%)	Wholesale Sales	5,599	33,697	(28,098)	(83%)
<u>326</u>	<u>1,913</u>	<u>1,587</u>	<u>83%</u>	Wholesale Power Supply	<u>5,113</u>	<u>32,854</u>	<u>27,741</u>	<u>84%</u>
50	49	1	2%	Wholesale Margin	485	842	(357)	(42%)
<u>2,816</u>	<u>3,053</u>	<u>(237)</u>	<u>(8%)</u>	Gross Margin	<u>44,491</u>	<u>42,164</u>	<u>2,327</u>	<u>6%</u>
				Operating Expenses				
917	917	-	0%	Distribution	7,275	7,429	153	2%
113	113	-	0%	Administration/Safety	896	977	81	8%
228	228	-	0%	Finance, Fleet, & Warehouse	1,517	1,800	283	16% ^(D)
507	507	-	0%	Transfer to General Fund for Cost Allocation	4,058	4,058	0	0%
446	446	-	0%	Customer Service, Marketing & Conservation	2,817	3,564	747	21% ^(E)
312	312	-	0%	Public Benefits	2,879	3,230	351	11% ^(F)
136	136	-	0%	Security/Oper Technology	1,562	1,323	(238)	(18%) ^(G)
110	110	-	0%	Telecom	818	913	95	10%
183	183	-	0%	Construction & Maintenance	1,201	1,460	259	18% ^(H)
<u>1,575</u>	<u>1,575</u>	<u>-</u>	<u>0%</u>	Depreciation	<u>12,292</u>	<u>12,597</u>	<u>304</u>	<u>2%</u>
4,526	4,526	-	0% ^(d)	Total Operating Expenses	35,316	37,351	2,036	5%
<u>\$ (1,711)</u>	<u>\$ (1,474)</u>	<u>\$ (237)</u>	<u>(16%)</u>	Operating Income/(Loss)	<u>\$ 9,176</u>	<u>\$ 4,813</u>	<u>\$ 4,363</u>	<u>91%</u>

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD February 2020**

(\$ in 000's)

MTD FY 19-20	MTD Feb-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 19-20	FYTD Feb-20 Budget	\$ Variance ⁽²⁾	% Variance
\$ (1,711)	\$ (1,474)	\$ (237)	(16%)	Operating Income/(Loss)	\$ 9,176	\$ 4,813	\$ 4,363	91%
				Other Income/(Expenses)				
162	162	-	0%	Interest Income	1,416	1,298	118	9%
106	106	-	0%	Other Income/(Expense) ⁽⁴⁾	(2,503)	(2,586)	83	3% ^(l)
(344)	(344)	-	0%	Bond Interest/ (Expense)	(2,755)	(2,755)	-	0%
(76)	(76)	-	0%	Total Other Income/(Expenses)	(3,841)	(4,043)	202	5%
(1,787)	(1,550)	(237)	(15%)	Net Income	5,335	770	4,565	593%
372	372	-	0%	Capital Contributions (AIC)	417	1,457	(1,040)	(71%) ^(j)
<u>\$ (1,415)</u>	<u>\$ (1,178)</u>	<u>\$ (237)</u>	<u>(20%)</u>	Net Change in Net Assets (Net Income)	<u>\$ 5,751</u>	<u>\$ 2,227</u>	<u>\$ 3,525</u>	<u>158%</u>

1. This report may not foot due to rounding.

2. () = Unfavorable

3. Other Revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees.

4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.

5. MTD is estimated for February 2020; FYTD reports July 2019 through January 2020 actuals.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
MTD February 2020
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	74,066	77,763	(3,697)	- NEL is 5% lower than budget. For the month of February, average high temperature was 72.7°F, compared to the normal of 69.6°F. MTD HDD were 198 versus the 15 year average of 237.
b.	Other Revenues	407	587	(181)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
c.	Retail Power Supply & Transmission	8,778	8,831	53	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
d.	Total Operating Expenses	4,526	4,526	-	- Expenses for February 2020 are estimated at budgeted values.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD February 2020
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	738,073	781,038	(42,965)	- NEL is 6% lower than budget. FYTD actual average high temperature from July to October is 86.9°F and the 15 year summer average high temperature is 85.9°F. FYTD actual average low temperature from November to February is 43.3°F and the 15 year average temperature is 44.2°F. FYTD CDD were 1,114 versus the 15 year average of 1,109. FYTD HDD were 972 versus the 15 year average of 951.
B.	Other Revenues	4,002	4,697	(694)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
C.	Retail Power Supply & Transmission	71,586	79,945	8,359	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
D.	Finance, Fleet, & Warehouse	1,517	1,800	283	- The favorable variance is primarily attributable to budgetary savings due to vacant positions, delayed spending on software support fees, and lower than planned spending on other professional services.
E.	Customer Service, Marketing & Conservation	2,817	3,564	747	- The favorable variance is primarily attributable to budgetary savings due to vacant positions, lower than planned spending on professional services, and on software & hardware.
F.	Public Benefits	2,879	3,230	351	- Lifeline discounts of \$344K are recorded as a reduction to retail sales but are budgeted as an expense. The balance of the variance is attributable to lower than planned electric retail sales.
G.	Security/Oper Technology	1,562	1,323	(238)	- The unfavorable variance is primarily attributable to less work on capital than planned, timing of expenditures for software/hardware, and memberships & dues. The unfavorable variance was partially offset by lower than planned spending on other professional services.
H.	Construction & Maintenance	1,201	1,460	259	- The favorable variance is primarily attributable to timing of expenditures for custodial services, more work performed for others than planned, and timing of expenditures for building grounds maintenance & repair.
I.	Other Income/(Expense)	(2,503)	(2,586)	83	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory and assets, as well as the BABS subsidy, which tend to fluctuate. July 2019 includes a one-time pension payment to CalPERS of \$3.43M.
J.	Capital Contributions (AIC)	417	1,457	(1,040)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

Estimated February 2020 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	Variance Month-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>MTD NET INCOME/(LOSS): (\$1,787)</u>		\$ (237)	\$ (237)
<u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(110)	(110)
Power Supply and Transmission			
- MPP was offline for turndown capacity implementation		(152)	(152)
- Lower transmission	76		76
- Lower retail load	68		68
- Lower than planned renewables	61		61
Other Revenues & Other income/(Expenses)		(181)	(181)
Wholesale Margin	1		1
Total	206	(443)	(237)

Estimated February 2020 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	Variance Fiscal Year-to-Date		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>FYTD NET INCOME / (LOSS): \$5,335</u>	\$ 4,565		\$ 4,565
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(4,981)	(4,981)
Power Supply and Transmission			
- Lower energy prices and economic dispatch	3,536		3,536
- Lower than planned annual true up	1,529		1,529
- Lower O&M expenses than planned	1,410		1,410
- Lower retail load	1,144		1,144
- Lower than planned transmission expenses	672		672
- Lower than planned renewables	68		68
Other Revenues		(694)	(694)
Wholesale Margin		(357)	(357)
Total	<u>8,359</u>	<u>(6,032)</u>	<u>2,327</u>
<u>FYTD EXPENSE AND OTHER VARIANCES</u>			
Distribution	153		153
Administration/Safety	81		81
Finance, Fleet, & Warehouse	283		283
Customer Service, Marketing & Conservation	747		747
Public Benefits	351		351
Security/Oper Technology		(238)	(238)
Telecom	95		95
Construction & Maintenance	259		259
Depreciation expense	304		304
All other	203		203
Total	<u>2,476</u>	<u>(238)</u>	<u>2,238</u>

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Cash Balances ^(a)
(\$ in 000's)**

	Feb-20	Jan-20	Dec-19	Sep-19	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments							
General Operating Reserve	\$ 65,972	\$ 67,879	\$ 67,481	\$ 62,047	\$ 67,320 ^(b)	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	17,022	17,020	17,014	16,912	16,817		
Sub-Total Cash and Investments	<u>92,994</u>	<u>94,899</u>	<u>94,495</u>	<u>88,959</u>	<u>94,137</u>	<u>73,010</u>	<u>42,770</u>
Customer Deposits	(6,513)	(6,513)	(6,632)	(4,822)	(5,641)		
Public Benefits Obligation	(7,190)	(6,852)	(7,125)	(6,607)	(6,069)		
Pacific Northwest DC Intertie	(255)	(855)	(855)	(1,389)	(2,218)		
Low Carbon Fuel Standard ^(c)	(2,267)	(2,267)	(2,267)	(2,267)	(2,267) ^(d)		
Cash and Investments (less Commitments)	<u>76,770</u>	<u>78,413</u>	<u>77,615</u>	<u>73,874</u>	<u>77,942</u>	<u>73,010</u>	<u>42,770</u>

^(a) The Statement of Cash Balances may not add up due to rounding.

^(b) Includes a \$3.95M loan to the Water Fund for the purchase of cyclic storage water.

^(c) Denotes funds reserved related to the sale of Low Carbon Fuel Standard (LCFS) credits, net of Electric Vehicle charger infrastructure expenditures.

^(d) Includes the sale of \$1.15M of LCFS credits.

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD February 2020
(\$ in 000's except Gallons)**

MTD FY 19-20	MTD Feb-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 19-20	FYTD Feb-20 Budget	\$ Variance ⁽²⁾	% Variance
381	334	47	14% ^(a)	Water put into the system in Millions of Gallons	3,643	3,612	31	1% ^(A)
46	53	(7)	(14%) ^(b)	Metered Recycled Water in Millions of Gallons	643	664	(21)	(3%) ^(B)
Operating Revenues								
2,413	1,944	\$ 468	24% ^(c)	Potable Water	19,922	19,716	\$ 206	1% ^(C)
197	219	(22)	(10%)	Recycled Water	2,697	2,721	(23)	(1%)
68	62	6	10% ^(d)	Other Revenue ⁽³⁾	526	495	31	6% ^(D)
<u>2,678</u>	<u>2,225</u>	<u>453</u>	<u>20%</u>	Total Operating Revenues	<u>23,145</u>	<u>22,932</u>	<u>213</u>	<u>1%</u>
1,391	797	(594)	(74%) ^(e)	Water Supply Expense	8,938	8,726	(212)	(2%) ^(E)
<u>1,286</u>	<u>1,427</u>	<u>(141)</u>	<u>(10%)</u>	Gross Margin	<u>14,207</u>	<u>14,206</u>	<u>1</u>	<u>0%</u>
Operating Expenses								
675	675	-	0%	Operations & Maintenance - Potable	4,767	5,512	745	14% ^(F)
147	147	-	0%	Operations & Maintenance - Recycled	1,006	1,112	106	10%
204	204	-	0%	Allocated O&M	1,443	1,660	217	13%
172	172	-	0%	Transfer to General Fund for Cost Allocation	1,380	1,380	0	0%
<u>370</u>	<u>370</u>	<u>-</u>	<u>0%</u>	Depreciation	<u>2,647</u>	<u>2,958</u>	<u>311</u>	<u>11%</u>
<u>1,569</u>	<u>1,569</u>	<u>-</u>	<u>0%</u> ^(f)	Total Operating Expenses	<u>11,243</u>	<u>12,622</u>	<u>1,379</u>	<u>11%</u>
<u>(282)</u>	<u>(141)</u>	<u>(141)</u>	<u>(100%)</u>	Operating Income/(Loss)	<u>2,964</u>	<u>1,584</u>	<u>1,380</u>	<u>87%</u>
Other Income/(Expenses)								
21	21	-	0%	Interest Income	212	170	42	25%
39	39	-	0%	Other Income/(Expense) ⁽⁴⁾	(276)	(241)	(35)	(14%) ^(G)
(159)	(159)	-	0%	Bond Interest/(Expense)	(1,253)	(1,270)	17	1%
<u>(99)</u>	<u>(99)</u>	<u>-</u>	<u>0%</u>	Total Other Income/(Expenses)	<u>(1,317)</u>	<u>(1,341)</u>	<u>24</u>	<u>2%</u>
<u>(381)</u>	<u>(240)</u>	<u>(141)</u>	<u>(59%)</u>	Net Income/(Loss)	<u>1,647</u>	<u>243</u>	<u>1,404</u>	<u>578%</u>
40	40	-	0%	Aid in Construction	53	323	(270)	(84%)
<u>\$ (340)</u>	<u>\$ (199)</u>	<u>\$ (141)</u>	<u>(71%)</u>	Net Change in Net Assets (Net Income)	<u>\$ 1,700</u>	<u>\$ 566</u>	<u>\$ 1,135</u>	<u>201%</u>

1. This report may not foot due to rounding.

2. () = Unfavorable

3. Other Revenue includes items such as damaged property recovery, connection fees, late fees, and tampering fees.

4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets.

5. MTD is estimated for February 2020; FYTD reports July 2019 through January 2020 actuals.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD February 2020
(\$ in 000's except Gallons)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Water put into the system in Millions of Gallons	381	334	47	- Potable water demand was higher than budget. For the month of February, average high temperature was 72.7°F, compared to the norm of 69.6°F. MTD HDD were 198 versus the 15 year average of 237. Burbank received 0.06 inches of rainfall in February as compared to the monthly norm of 4.48 inches.
b.	Recycled Water Usage in Millions of Gallons	46	53	(7)	- Recycled water demand was lower than budget. For the month of February, average high temperature was 72.7°F, compared to the norm of 69.6°F. MTD HDD were 198 versus the 15 year average of 237. Burbank received 0.06 inches of rainfall in February as compared to the monthly norm of 4.48 inches. MPP was offline most of the month for installation of the GE enhancement upgrades, adding to the decrease in recycled water usage (the plant uses recycled water in the cooling tower when it is online).
c.	Potable Water Revenue	2,413	1,944	468	- The WCAC impact increased potable water revenues by \$459k MTD. Without this adjustment, potable water revenues would be favorable by 0.5%.
					MTD Actual
					WCAC Revenue
					\$932
					WCAC Expenses
					\$1,391
					WCAC revenue deferral/(accrual)
					<u>(\$459)</u>
					MWD invoice is higher than usual because Burbank was 100% dependent on imported treated water from MWD (no local production) in February 2020 due to a coordinated shutdown.
d.	Other Revenue	68	62	6	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
e.	Water Supply Expense	1,391	797	(594)	- Water supply expense is higher than budget due to no water provided from local production (thus using 100% more expensive treated water in Feb-20) due to a coordinated shutdown of Valley Pumping Plant, and work performed on the B-5 connection, in tandem with work performed at the Valley Forebay.
f.	Total Operating Expenses	1,569	1,569	-	- Expenses for February 2020 are at budgeted values.

Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD February 2020
(\$ in 000's except Gallons)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Water put into the system in Millions of Gallons	3,643	3,612	31	- FYTD Potable water sales are slightly higher than budget. Rainfall season-to-date was 6.45 inches, 6.32 inches less than the season norm of 12.8 inches. FYTD CDD were 1,114 versus the 15 year average of 1,109. FYTD HDD were 972 versus the 15 year average of 951.
B.	Metered Recycled Water in Millions of Gallons	643	664	(21)	- FYTD Recycled sales are slightly lower than budget. Rainfall season-to-date was 6.45 inches, 6.32 inches less than the season norm of 12.8 inches. FYTD CDD were 1,114 versus the 15 year average of 1,109. FYTD HDD were 972 versus the 15 year average of 951. MPP was offline most of February for installation of the GE enhancement upgrades, adding to the decrease in recycled water usage (the plant uses recycled water in the cooling tower when it is online).
C.	Potable Water	19,922	19,716	206	- The WCAC impact increased potable water revenues by \$286k YTD. Without this adjustment, potable revenues would be unfavorable by 0.4%
					FYTD Actual
					WCAC Revenue
					<u>\$8,652</u>
					WCAC Expenses
					\$8,938
					WCAC revenue deferral/(accrual)
					<u><u>(\$286)</u></u>
D.	Other Revenue	526	495	31	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.
E.	Water Supply Expense	8,938	8,726	(212)	- Water supply expense is higher than budget due to no water provided from local production (thus using 100% more expensive treated water in Feb-20) due to a coordinated shutdown of Valley Pumping Plant, and work performed on the B-5 connection, in tandem with work performed at the Valley Forebay.
F.	Operations & Maintenance - Potable	4,767	5,512	745	- The favorable variance is primarily attributable to budgetary savings due to vacant positions and the timing of expenditures for other professional services.
G.	Other Income / (Expense)	(276)	(241)	(35)	- Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory and other assets, which tend to fluctuate. July 2019 includes a one-time pension payment to CalPERS of \$671k.

Estimated February 2020 Budget to Actual P&L Variance Highlights - Water Fund
(\$ in 000's)

	Variance Month-to-Date		Budget to Actual Variance
	Favorable Items	Unfavorable Items	
<u>MTD NET INCOME (LOSS): (\$381)</u>		(141)	\$ (141)
 <u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	468		468
Recycled Revenues		(22)	(22)
Other Revenue	7		7
Water Supply Expense		(594)	(594)
Total	475	(616)	(141)

Estimated February 2020 Budget to Actual P&L Variance Highlights - Water Fund
(\$ in 000's)

	<u>Variance Fiscal Year-to-Date</u>		
	<u>Favorable</u>	<u>Unfavorable</u>	<u>Budget to</u>
	<u>Items</u>	<u>Items</u>	<u>Actual</u>
			<u>Variance</u>
<u>FYTD NET INCOME: \$1,647</u>	\$ 1,404		\$ 1,404
 <u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	206		206
Recycled Revenues		(23)	(23)
Other Revenue	31		31
Water Supply Expense		(212)	(212)
Total	<u>237</u>	<u>(235)</u>	<u>2</u>
 <u>FYTD O&M AND OTHER VARIANCES</u>			
Potable O&M	745		745
Recycled Water O&M	106		106
Allocated O&M	217		217
Depreciation Expense	311		311
All Other	23		23
Total	<u>1,402</u>	<u>-</u>	<u>1,402</u>

Water Fund (497)
Estimated Statement of Changes in Cash and Investment Balances ^(a)
(\$ in 000's)

	<u>Feb-20</u>	<u>Jan-20</u>	<u>Dec-19</u>	<u>Sep-19</u>	<u>Jun-19</u>	<u>Recommended Reserves</u>	<u>Minimum Reserves</u>
Cash and Investments							
General Operating Reserves	\$ 8,382 ^(c)	\$ 17,043	\$ 16,341	\$ 13,174	\$ 11,555 ^(b)	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	<u>10,602</u>	<u>19,263</u>	<u>18,561</u>	<u>15,394</u>	<u>13,775</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(1,055)	(1,130)	(1,214)	(1,252)	(1,454)		
Cash and Investments (less commitments)	<u>9,547</u>	<u>18,133</u>	<u>17,347</u>	<u>14,142</u>	<u>12,321</u>	<u>17,830</u>	<u>9,370</u>

^(a) The Statement of Cash Balances may not add up due to rounding.

^(b) Includes a \$3.95M loan from the Electric Fund for the purchase of cyclic storage water.

^(c) Includes \$8.92M payment of 12,208 Acre Feet of untreated water purchased from the Metropolitan Water District.