

Bowling Green Municipal Utilities

Name of Organization

801 Center Street Bowling Green, KY 42101

Address

Tennessee Valley Authority
1101 Market Street
Chattanooga, Tennessee 37402-2801

Gentlemen:

We are transmitting herewith our annual report for the year ended June 30, 2018. The report is in agreement with the books of account, and to the best of our knowledge and belief the statements therein contained are true and correctly reflect the financial condition at June 30, 2018, and the results of our electric operations for the year ended on that date.

Our books of account have been kept in accordance with the provisions of the power contract between this organization and the Tennessee Valley Authority, and are consistent with the requirements of the Federal Energy Regulatory Commission's system of accounts.

(Signed)

Gary A. Bridges

Accountant in charge of books

Mark O. Iverson

Manager

08/14/2018

Date transmittedTVA Act of 1933

In fulfilling the responsibilities of the TVA Act of 1933 [16 U.S.C. #831i and 831n-4(f)], TVA requires each distributor to provide certain financial and accounting information to TVA to ensure that electric power produced by TVA is being sold at rates which are as low as feasible. This form (TVA 3957) is for that purpose.

Public reporting burden for this collection of information is estimated to vary from ten to forty hours per response, with an average of nineteen hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Agency Clearance Officer, Tennessee Valley Authority, 1101 Market Street, Chattanooga, TN 37402; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

BALANCE SHEET

ASSETS AND OTHER DEBITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
UTILITY PLANT				
Electric Plant.	10	1	108,753,160.49	105,705,902.18
Less Depreciation.	10	2	51,308,862.35	49,811,586.99
Total.	10	3	57,444,298.14	55,894,315.19
Unamortized acq. adj.	13	4		
Other utility plant - net.	----	5		
Total Plant - net.	----	6	57,444,298.14	55,894,315.19
OTHER PROPERTY AND INVESTMENTS				
Nonutility property - net.	15	7		
Other investments.	14	8		
Sinking funds.	15	9	1,199,194.90	1,082,100.62
Depreciation funds.	15	10	100,000.00	100,000.00
Other special funds.	15	12		
Total.	----	13	1,299,194.90	1,182,100.62
CURRENT AND ACCRUED ASSETS				
General cash and temporary cash investments.	14	14	16,088,769.82	16,421,376.37
Accounts receivable.	16	15	6,273,093.08	5,795,073.35
Materials and supplies.	17	16	994,558.78	955,545.07
Prepayments.	17	17	849,800.48	720,863.57
Other current assets.	17	18	2,414,397.50	2,124,557.24
Total.	----	19	26,620,619.66	26,017,415.60
DEFERRED DEBITS				
Debt expense.	17	20		
Preliminary survey.	----	21		
Clearing accounts.	----	22		
Energy Service Loans Receivables.	----	24		
Deferred costs on TVA Leases.	17	25		
Other deferred debits.	17	26	4,841,942.00	2,712,999.00
Total.	----	27	4,841,942.00	2,712,999.00
TOTAL ASSETS AND OTHER DEBITS.	----	28	90,206,054.70	85,806,830.41

LIST UNRECORDED AND CONTINGENT ASSETS AND LIABILITIES OTHER THAN ACCRUED UTILITY REVENUE AND UNBILLED PURCHASED POWER

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

BALANCE SHEET				
LIABILITIES AND OTHER CREDITS	SEE PAGE NO	ITEM NO	JUNE 30	
			THIS YEAR	LAST YEAR
CAPITAL				
Membership certificates.	----	30		
EARNINGS REINVESTED IN SYSTEM ASSETS				
Beginning of year.	----	33	47,329,868.86	46,561,670.04
Current year.	3	34	414,138.16	768,196.82
Total.	----	35	47,744,007.02	47,329,866.86
LONG-TERM DEBT				
RUS.	23	36		
CFC.	23	37		
CoBank.	23	38		
Bonds and other long-term debt.	25	39.1	9,915,000.00	10,390,000.00
TVA.	25	39.3		
Debt premium and discount.	----	40	179,465.55	188,861.42
Total.	----	41	10,094,465.55	10,578,861.42
OTHER NON-CURRENT LIABILITIES				
Postretirement Benefits.	25	39.2	14,017,987.60	11,472,316.69
Energy Service Loans - Advances.	----	42		
Energy Service Loans - Other.	----	43		
Total.	----	44	14,017,987.60	11,472,316.69
CURRENT AND ACCRUED LIABILITIES				
TVA notes payable.	26	45.1		
Other notes payable.	26	45.2		
Accounts payable.	26	46	8,939,908.33	8,191,073.62
Customer deposits.	26	47	6,891,107.18	6,755,208.09
Taxes and equivalents accrued.	29	48	414,000.00	390,000.00
Interest accrued - RUS.	23	49		
Interest accrued - CFC.	23	50		
Interest accrued -CoBank.	23	51		
Interest accrued -TVA.	26	52.1		
Interest accrued - other.	26	52.2	63,665.65	66,165.64
Other current liabilities.	26	53	674,462.77	616,032.49
Total.	----	54	16,983,143.93	16,018,479.84
DEFERRED CREDITS				
Advances for construction - refundable.	18	55	51,485.60	51,485.60
Other deferred credits.	26	56	1,314,965.00	355,820.00
Total.	----	57	1,366,450.60	407,305.60
TOTAL LIABILITIES AND OTHER CREDITS.	----	58	90,206,054.70	85,806,830.41

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

REVENUE AND EXPENSE STATEMENT	SEE PAGE NO	ITEM NO	THIS YEAR	LAST YEAR
OPERATING REVENUE				
Electric sales revenue (page 7, item 332)	----	59	87,519,734.18	86,949,902.91
Revenue from late payments	----	60	510,576.34	520,293.97
Misc. service revenue	----	61	611,233.74	590,565.88
Rent from electric property	----	62	593,293.35	572,559.43
Other electric revenue	----	63		
Total operating revenue	----	64	89,234,837.61	88,633,322.19
PURCHASED POWER				
Total power cost (page 7, item 342)	7	65	69,983,870.40	70,240,001.36
OPERATION EXPENSE				
Transmission expense	5	66		
Distribution expense	5	67	2,166,058.13	1,834,299.91
Customer accounts expense	5	68	1,313,582.62	1,350,093.22
Customer service and informational expense	5	69	180,175.08	173,414.18
Sales expense	5	70	86,584.77	90,522.97
Administrative and general expense	6	71	5,231,563.41	4,500,740.62
Operation expense	6	72	8,977,964.01	7,949,070.90
MAINTENANCE EXPENSE				
Transmission expense	6	73		
Distribution expense	6	74	2,292,760.90	2,277,265.06
Administrative and general expense	6	75	399,142.28	309,404.67
Maintenance expense	6	76	2,691,903.18	2,586,669.73
OTHER OPERATING EXPENSE				
Depreciation expense	12	77	3,632,389.54	3,475,181.82
Amortization of acquisition adjustment	13	78		
Taxes and tax equivalents	29	79	3,549,444.30	3,491,799.40
Other operating expense	----	80	7,181,833.84	6,966,981.22
TOTAL OPERATING EXPENSE AND PURCHASED POWER	----	81	88,835,571.43	87,742,723.21
INCOME				
Operating income (item 64, less item 81)	----	82	399,266.18	890,598.98
Other income	16	83	328,724.54	191,149.07
Total income	----	84	727,990.72	1,081,748.05
Miscellaneous income deductions	16	85		
Net income before debt expense	----	86	727,990.72	1,081,748.05
DEBT EXPENSE				
Interest on long-term debt - RUS	23	87		
Interest on long-term debt - CFC	23	88		
Interest on long-term debt - CoBank	23	89		
Interest on long-term debt - other	26	90.1	311,942.50	314,085.72
Interest - TVA	26	90.2		
Other interest expense	----	92	5,957.05	2,723.12
Amortization of debt discount and expense	----	93	7,739.05	8,528.43
Amortization of premium on debt - credit	----	94	(11,786.04)	(11,786.04)
Total debt expense	----	95	313,852.56	313,551.23
NET INCOME				
Net income before extraordinary items (item 86, less item 95)	----	96	414,138.16	768,196.82
Extraordinary items	33	97		
Net Income	2	98	414,138.16	768,196.82

STATEMENT OF CASH FLOWS

Increase (Decrease) in Cash and Cash Equivalents

	THIS YEAR	LAST YEAR
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Net Income	414,138.16	768,196.82
Adjustments to Reconcile Net Income to Net Cash:		
Depreciation	3,951,982.53	3,830,504.52
Amortization of:		
Acquisition Adjustment		
Additions to TVA Leases		
Debt Premium or Discount	(4,046.99)	(3,257.61)
(Gain) or Loss on Sale of Plant		
Changes in Current and Deferred Items:		
Accounts Receivable	(478,019.73)	(936,548.71)
Materials and Supplies	(39,013.71)	(75,988.33)
Prepayments and Other Current Assets	(418,777.17)	1,287,263.94
Deferred Debits	(2,134,291.88)	(806,136.99)
Accounts Payable	748,834.71	(110,357.98)
Customer Deposits	135,899.09	217,018.68
Taxes and Interest Accrued	21,500.01	12,767.24
Other Current Liabilities	58,430.28	(346,895.06)
Deferred Credits	959,145.00	(443,803.00)
Other: Retained Earnings Adjustments	2.00	665,856.00
Net Cash Provided by (Used in) Operating Activities	3,215,782.30	4,058,619.52
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Additions to Plant	(5,188,938.87)	(3,874,630.55)
Removal Cost	(319,075.65)	(333,302.76)
Salvage	6,049.04	53,954.45
Net Change in Other Property and Investment	(117,094.28)	(47,319.48)
Energy Service Loans Receivable		
Plant Sold (Purchased) - Noninstallment Method		
Deferred Costs on TVA Leases (excluding amortization)		
Other: Plant Reclasses and Depreciation Other Entries (net)		
Net Cash Provided by (Used in) Investing Activities	(5,619,059.76)	(4,201,298.34)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Additional Long-Term Borrowings		
Payment of Principal on Long-Term Debt	(475,000.00)	(485,000.00)
Notes Payable		
Memberships		
Energy Service Loans Advances		
Receipt for Plant Sold - Installment Method		
Payment for Plant Purchased - Installment Method		
Other: Post Retirement Benefit Adjustments	2,545,670.91	1,213,892.36
Net Cash Provided by (Used in) Financing Activities	2,070,670.91	728,892.36
NET INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	(332,606.55)	586,213.54
CASH AND TEMPORARY INVESTMENTS BEGINNING OF YEAR	16,421,376.37	15,835,162.83
CASH AND TEMPORARY INVESTMENTS END OF YEAR	16,088,769.82	16,421,376.37

NOTE: Cash and Temporary Cash Investments include cash on hand and in demand deposits, and those investments which are generally a part of the power distributor's short-term cash management activities.

Bowling Green Municipal Utilities

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

PAYROLL EXPENSES ARE FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
OPERATING EXPENSE					
1. TRANSMISSION					
560	Supervision and engineering.				
561	Load dispatching.				
562	Station expense.				
563	Overhead line expense.				
564	Underground line expense.				
566	Miscellaneous.				
567	Rents.				
(600)	Total transmission operating expense (page 3, item 66).				
2. DISTRIBUTION					
580	Supervision and engineering.	176,310.41	174,063.60	134,110.46	129,628.93
581	Load dispatching.				
582	Station expense.	107,732.71	112,842.11	30,762.03	31,553.64
583	Overhead line expense.	409,175.51	459,711.05	177,734.17	277,200.49
584	Underground line expense.	57,008.57	53,948.68	46,809.09	44,118.76
585	Street lighting and signal system expense.	140,950.68	125,172.91	72,304.78	59,576.82
586	Meter expense.	298,265.21	49,566.76	184,429.37	(10,153.02)
587	Customer installation expense.	194,134.52	162,165.69	148,298.79	119,519.58
588	Miscellaneous.	707,864.56	626,963.89	549,571.92	466,670.79
589	Rents.	74,615.96	69,865.22		
(605)	Total distribution operating expense (page 3, item 67).	2,166,058.13	1,834,299.91	1,344,020.61	1,118,115.99
3. CUSTOMER ACCOUNTS EXPENSE					
901	Supervision.	63,671.09	55,283.14	63,671.09	55,283.14
902	Meter reading expense.	211,661.65	221,603.47	183,463.34	198,715.32
903	Customer records and collection expense.	978,681.09	1,028,051.41	619,598.19	661,444.77
904	Uncollectible accounts.	59,568.79	45,155.20		
905	Miscellaneous.				
(610)	Total customer accounts expense (page 3, item 68).	1,313,582.62	1,350,093.22	866,732.62	915,443.23
4. CUSTOMER SERVICES & INFORMATIONAL EXPENSE					
907	Supervision.	70,609.19	66,731.72	61,968.33	60,630.51
908	Customer assistance expense.	78,893.51	78,316.53	49,031.51	48,322.96
909	Informational and instructional advertising expense.	30,672.38	28,365.93	28,801.92	27,070.82
910	Miscellaneous customer service and informational expense.				
(615)	Total customer services and informational expense (page 3, item 69).	180,175.08	173,414.18	139,801.76	136,024.29
5. SALES EXPENSE					
911	Supervision.				
912	Demonstrating and selling expense.	86,584.77	90,522.97		
913	Advertising expense.				
916	Miscellaneous.				
(620)	Total sales expense (page 3, item 70).	86,584.77	90,522.97		

Bowling Green Municipal Utilities

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

PAYROLL EXPENSES ARE FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

ACCT. NO.	DESCRIPTION	EXPENSES		PAYROLL DISTRIBUTION	
		THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
6. ADMINISTRATIVE & GENERAL					
920	Administrative and general salaries.	622,507.43	598,012.85	615,480.92	591,528.13
921	Office supplies and expense.	175,644.20	195,664.97	38,200.14	37,042.99
922	Administrative expense transferred - credit*.				
923	Outside services employed.	81,712.08	46,634.86		
924	Property insurance.	105,066.70	98,743.63		
925	Injuries and damages.	280,237.06	295,952.40	71,460.32	91,266.38
926	Employee pensions and benefits.	3,502,521.08	2,823,504.56		
927	Franchise requirements*.				
928	Regulatory commission expense*.				
929	Duplicate charges - credit.	(134,279.59)	(130,941.48)		
930	Miscellaneous general expense.	226,154.45	201,168.83	4,800.00	4,800.00
931	Rents.	372,000.00	372,000.00		
(625)	Total administrative and general expense (page 3, item 71).	5,231,563.41	4,500,740.62	729,941.38	724,637.50
(630)	Total operating expense (Page 3 Item 72).	8,977,964.01	7,949,070.90	3,080,496.37	2,894,221.01
MAINTENANCE EXPENSE					
1. TRANSMISSION					
568	Supervision and engineering.				
569	Maintenance of structures.				
570	Maintenance of station equipment.				
571	Maintenance of overhead lines.				
572	Maintenance of underground lines.				
573	Miscellaneous.				
(635)	Total transmission maintenance expense (page 3, item 73).				
2. DISTRIBUTION					
590	Supervision and engineering.	168,172.24	166,815.32	134,109.90	131,315.24
591	Maintenance of structures.				
592	Maintenance of station equipment.	377,999.52	355,305.10	290,470.33	222,845.66
593	Maintenance of overhead lines.	1,403,984.42	1,401,142.09	488,207.53	508,245.60
594	Maintenance of underground lines.	11,233.45	4,406.44		
595	Maintenance of line transformers.	60,431.43	77,033.28	29,217.05	31,956.64
596	Street lighting and signal systems.	74,647.45	73,595.91	45,046.53	39,744.30
597	Maintenance of meters.	196,292.39	198,966.92	139,076.40	142,603.02
598	Maintenance of miscellaneous distribution plant.				
(640)	Total distribution maintenance expense (page 3, item 74).	2,292,760.90	2,277,265.06	1,126,127.74	1,076,710.46
3. ADMINISTRATIVE & GENERAL					
935	Maintenance of general plant (page 3, items 75).	399,142.28	309,404.67	56,279.74	53,519.98
(645)	Total maintenance expense (page 3, item 76).	2,691,903.18	2,586,669.73	1,182,407.48	1,130,230.44
(650)	Total operating and maintenance expense.	11,669,867.19	10,535,740.63	4,262,903.85	4,024,451.45
(655)	Total direct and indirect payroll charged to construction and retirements.			1,098,660.44	1,042,086.34
(660)	Payroll charged to other accounts.			154,138.90	150,594.32
(662)	Fiscal year net change in accrued leave account - (increase) decrease.			(46,762.44)	10,380.53
(665)	Total payroll distribution for year.			5,468,940.75	5,227,512.64

*FURNISH DETAILS OF THESE ACCOUNTS ON PAGES 32 AND 33.

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

SALES AND LOCAL TAX SECTION AND ITEMS 720, 725 & 730 ARE FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

STATISTICAL DATA

CLASS OF SERVICE	ITEM NO	REVENUE		ITEM NO	KILOWATT-HOURS SOLD	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
Residential.	100	30,534,713.49	30,175,316.06	107	283,010,543	277,332,487
Gen. Power - 50 kW & under.	101	9,190,594.63	9,182,495.17	108	79,808,875	79,414,490
Gen. Power - Over 50 kW.	102	46,137,821.27	47,527,959.48	109	524,047,126	538,931,494
Street and athletic - Codes 72, 73 & 74.	103	1,006,765.25	1,009,734.80	110	7,609,550	7,526,114
Outdoor lighting - Codes 75, 77 & 78.	104	364,017.54	361,079.40	111	2,993,902	3,171,058
Subtotal.	330	87,233,912.18	88,256,584.91			
Unbilled revenue*.	331	285,822.00	(1,306,682.00)			
Total (page 3, item 59).	332	87,519,734.18	86,949,902.91	335	897,469,996	906,375,643
Kilowatt-hours for own use.				113	1,441,741	1,367,543
Total kilowatt-hours sold and used.				114	898,911,737	907,743,186
Kilowatt-hours in unbilled revenue (items 331) above*				336	2,142,207	(13,425,493)

STATE SALES TAX

State and local sales tax on above revenue.	KY	2,259,312.84
Total		2,259,312.84

AMOUNTS EXCLUDED FROM RATE SCHEDULE REVENUE	Credits	Green Power Revenue
Green Power-Res	N/A	\$ 5,236.00
Green Power-GP < 50kW	N/A	\$ 288.00
Green Power-GP > 50kW	N/A	\$ 9,072.00
Gen Partners-Res	\$ 496.35	N/A
Gen Partners-GP < 50kW	\$ 2,824.49	N/A
Gen Partners-GP > 50kW	\$ 949.98	N/A
SMC	\$ 770,699.31	N/A
EGC	N/A	N/A
VCP	N/A	N/A
VII	\$ 901,632.00	N/A

PURCHASED POWER

	ITEM NO	AMOUNT		ITEM NO	KILOWATT-HOURS PURCHASED	
		THIS YEAR	LAST YEAR		THIS YEAR	LAST YEAR
TVA						
Purchased Power.	115	69,983,870.40	70,240,001.36	119	932,767,850	925,806,333
Facilities Rental.	116					
Other Charges/Credits.	117					
Total from TVA.	118	69,983,870.40	70,240,001.36	122	932,767,850	925,806,333
Other Purchased Power**.	218			222		
Subtotal.	340	69,983,870.40	70,240,001.36			
Unbilled Purchases*.	341					
Total (page 3, item 65).	342	69,983,870.40	70,240,001.36	345	932,767,850	925,806,333
Less kilowatt hours sold and used (item 114).				123	898,911,737	907,743,186
Line losses and kilowatt-hours unaccounted for.				124	33,856,113	18,063,147
Percent of losses to purchases (2 decimal places).				125	3.63	1.95
Kilowatt-hours in unbilled purchases (Item 341) above*				346		

**Purchased other power under contract number _____ from _____

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

SALES AND LOCAL TAX SECTION AND ITEMS 720, 725 & 730 ARE FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

NUMBER OF CUSTOMERS			MISCELLANEOUS DATA			
CLASS OF SERVICE	MONTH OF JUNE		Pole Line Miles: (2 decimal places). (715)	THIS YEAR	LAST YEAR	
	THIS YEAR	LAST YEAR				
Residential. (675)	25,378	25,053	Individual Outdoor Lts.	352.55	361.90	
Gen. Power - 50 kW & under. . . (680)	3,976	3,901		No. in plant. (720)	2,918	2,884
Gen. Power - Over 50 kW. (685)	768	773		Total investment. (725)	1,765,857.88	1,690,055.16
Street and athletic - Codes 72, 73 & 74. . (690)	177	178		O&M expense. (730)	194,134.52	162,165.69
Outdoor Lighting - Code 78. (693)	196			St. Ltg-Invest. Base. . . . (735)	4,667,929.16	4,583,008.01
Total. (695)	30,495	29,905		O&M expense. (740)	215,598.13	198,768.82
Special Outdoor Lighting - Code 75. 696			Lamps & Glassware. . . (745)	13,838.49	16,491.95	
Outdoor Lighting - Code 77. (697)	2,068	2,066				

*Item nos. 331, 336, 341, and 346 are to be filled in only if distributor chooses the option to estimate unbilled electric sales.

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

MODIFIED STREET LIGHTING COMPUTATION

Give computation of modified street lighting rate relative to lamps and glassware by customers, if applicable:

TOWN	COST OF LAMPS AND GLASSWARE	KWH	ALLOWANCE	EXCESS TO BE BILLED
		FROM STAT. REPT.	KWH X .003	
Bowling Green, Kentucky	13,838.49	6,665,399	19,996.20	
TOTAL:	13,838.49	6,665,399	19,996.20	

Bowling Green Municipal Utilities

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ELECTRIC PLANT							
ACCT. NO.		BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
	INTANGIBLE						
301	Organization.						
302	Franchises and consents.						
303	Miscellaneous.						
(750)	Total intangible.						
	PRODUCTION						
755	Total production.						
	TRANSMISSION						
350	Land and land rights.						
351	Clearing land and rights of way.						
352	Structures and improvements.	5,857.00					5,857.00
353	Station equipment.	23,239.18					23,239.18
354	Towers and fixtures.						
355	Poles and fixtures.	1,838,650.94	55,668.30	27,893.14			1,866,426.10
356	Overhead conductors and devices.	636,627.22					636,627.22
357	Underground conduit.						
358	Underground conductors and devices.						
359	Roads and trails.						
(760)	Total transmission.	2,504,374.34	55,668.30	27,893.14			2,532,149.50
	DISTRIBUTION						
360	Land and land rights.	1,315,981.76					1,315,981.76
361	Structures and improvements.	94,807.82					94,807.82
362	Station equipment.	27,626,894.28	99,949.50	886,709.12			26,840,134.66
363	Storage battery equipment.						
364	Poles, towers, and fixtures.	12,982,271.22	335,659.63	164,879.07			13,153,051.78
365	Overhead conductors and devices.	8,072,688.43	99,789.18	79,777.17			8,092,700.44
366	Underground conduit.	31,522.54					31,522.54
367	Underground conductors and devices.	5,706,538.40	187,545.09	23,142.78			5,870,940.71
368	Line transformers.	15,492,242.86	848,059.68	364,211.99			15,976,090.55
369	Services.	6,681,549.11	145,896.88	196,263.52			6,631,182.47
370	Meters.	3,549,537.20	1,037,069.81				4,586,607.01
371	Inst. on customers' premises.	1,690,055.16	223,026.12	147,223.40			1,765,857.88
372	Leased prop. on cust. premises.						
373	St. lighting and signal systems.	4,583,008.01	165,187.84	80,266.69			4,667,929.16
(765)	Total distribution.	87,827,096.79	3,142,183.73	1,942,473.74			89,026,806.78

Bowling Green Municipal Utilities

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ELECTRIC PLANT							
ACCT. NO.	GENERAL	BALANCE BEG. OF YEAR	ADDITIONS	RETIREMENTS	RECLASSIFICATIONS		BALANCE END OF YEAR
					DEBIT	CREDIT	
389	Land and land rights.	1,977,060.45					1,977,060.45
390	Structures and improvements.	4,933,289.20	547,355.88	18,801.68			5,461,843.40
391	Office furniture and equipment.	764,849.02	76,587.10				841,436.12
392	Transportation equipment.	3,388,755.85	164,082.55	82,958.00			3,469,880.40
393	Stores equipment.						
394	Tools, shop, and garage equip..	543,014.70	9,867.96				552,882.66
395	Laboratory equipment.	403,246.61	10,833.00				414,079.61
396	Power operated equipment.	616,173.23	5,459.00	69,554.00			552,078.23
397	Communication equipment.	1,333,075.66	300,248.13				1,633,323.79
398	Miscellaneous equipment.	60,602.89	2,380.34				62,983.23
399	Other tangible property.						
(770)	Total general.	14,020,067.61	1,116,813.96	171,313.68			14,965,567.89
101	Total plant in service.	104,351,538.74	4,314,665.99	2,141,680.56			106,524,524.17
102	Electric plant purchased or sold.						
104	Electric plant leased to others.						
105	Electric plant for future use.						
107	Construction work in progress.	1,354,363.44	874,272.88				2,228,636.32
(775)	Total other electric plant.	1,354,363.44	874,272.88				2,228,636.32
(780)	Total electric plant (page 1, item 1).	105,705,902.18	5,188,938.87	2,141,680.56			108,753,160.49
			(Item 140)				
	RESERVES						
108	Accumulated provision for depreciation of electric plant in service.					51,308,862.35	
109	Accumulated provision for depreciation of electric plant leased to others.						
110	Accumulated provision for depreciation of electric plant held for future use.						
	Total accumulated provision for depreciation (page 1, item 2 and page 11).					51,308,862.35	
	Total electric plant, less accumulated provision for depreciation (page 1, item 3).						57,444,298.14
Reclassification Columns Includes major corrections to prior years additions and retirements, transfers between accounts classified in prior years, and classification of plant purchased and/or sold.				Explanations of entries shown in the Reclassification Columns:			

Bowling Green Municipal Utilities

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

DEPRECIATION RATES ARE FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

ACCUMULATED PROVISION FOR DEPRECIATION (Page 10)

ACCT. NO.	DEPR. RATE	BALANCE BEG. OF YEAR	ACCRUAL	ORIGINAL COST	REMOVAL COST	SALVAGE	OTHER ENTRIES*		BALANCE END OF YEAR	% DEPR.
							DEBIT	CREDIT		
350										
351										
352	5.0	5,552.47							5,552.47	95
353	3.6	21,156.17							21,156.17	91
354										
355	5.0	623,689.54	92,341.96	27,893.14	8,253.61				679,884.75	36
356	3.6	490,242.84	22,918.56						513,161.40	81
357										
358										
359										
(785) TOTAL		1,140,641.02	115,260.52	27,893.14	8,253.61				1,219,754.79	48
360										
361	2.0	11,896.89	1,896.48						13,793.37	15
362	4.0/7.0	17,361,960.36	1,107,844.30	886,709.12					17,583,095.54	66
363										
364	4.0	5,605,454.04	521,263.82	164,879.07	116,859.86	512.43			5,845,491.36	44
365	3.0	2,532,095.57	242,325.04	79,777.17	29,654.26				2,664,989.18	33
366	3.6	30,832.95	689.59						31,522.54	100
367	3.6	2,619,300.98	206,981.03	23,142.78	4,323.42				2,798,815.81	48
368	3.0	7,569,585.60	470,401.10	364,211.99	68,103.98				7,607,670.73	48
369	4.0	4,416,412.26	267,027.02	196,263.52	14,600.07				4,472,575.69	67
370	2.9	1,261,894.56	119,034.72						1,380,929.28	30
371	4.0	251,882.38	68,314.12	147,223.40	23,240.75				149,732.35	8
372										
373	4.0	2,243,954.94	184,130.94	80,266.69	54,039.70	203.61			2,293,983.10	49
(790) TOTAL		43,905,270.53	3,189,908.16	1,942,473.74	310,822.04	716.04			44,842,598.95	50
389										
390	2.0	101,022.73	103,060.88	18,801.68					185,281.93	3
391	10.0	484,162.86	79,645.10						563,807.96	67
392	various	2,443,673.79	309,815.16	82,958.00		1,000.00			2,671,530.95	77
393										
394	8.0	523,627.12	29,255.54						552,882.66	100
395	8.0	364,665.06	32,478.06						397,143.12	96
396	various	585,539.97	9,777.83	69,554.00		4,333.00			530,096.80	96
397	5.6	207,831.08	79,145.16						286,976.24	18
398	6.0	55,152.83	3,636.12						58,788.95	93
399										
(795) TOTAL		4,765,675.44	646,813.85	171,313.68		5,333.00			5,246,508.61	35
(800) OTHER										
(805) TOTALS		49,811,586.99	3,951,982.53	2,141,680.56	319,075.65	6,049.04			51,308,862.35	48

(Item 142) (Item 138)

*Use other entries to report depreciation on property purchased, classifying accruals, unusual entries - explain on page 33.

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ACCUMULATED PROVISION FOR DEPRECIATION - CONTINUED

Depreciation expense (403 and 404) (page 3, item 77).....	(810)	3,632,389.54
Depreciation charged to transportation expense - clearing.....	(815)	319,592.99
Depreciation charged to building expense - clearing.....	(820)	
Depreciation charged to other accounts (list each account number).....	(825)	
	(830)	
	(835)	
	(840)	
Total accrual (page 11).....	(Item 128)	3,951,982.53

Explanations (continue on page 33 if necessary)

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

INVESTMENTS IN ASSOCIATED COMPANIES (Report only the investments not considered as current assets)			
OTHER INVESTMENTS - GENERAL FUNDS			
Investments included in Accounts 123 and 124			
DESCRIPTION OF INVESTMENTS (GROUP BY TYPE OF INVESTMENT AND SHOW NO. OF INVESTMENTS)	BALANCE END OF YEAR	INCOME	GAIN OR (LOSS) ON SALES
Subtotal	(page 1, item 8)	(account 419, page 16)	
INVESTMENTS OF FUNDS OTHER THAN GENERAL FUNDS			
(Investments included in Accounts 125, 126, and 128 - page 15)			
Sinking Fund - Money Mkt Acct (Prin, Int & Reserve) - Restricted	\$1,199,194.90	\$20,406.75	
Depreciation Fund - CD - Restricted	\$100,000.00	\$850.00	
Subtotal	\$1,299,194.90 (page 15)	\$21,256.75 (account 419, page 16)	

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

CASH AND TEMPORARY CASH INVESTMENTS - GENERAL FUNDS

(Report only investments considered as current assets)

Total Temporary Cash Investments			
CASH (Accounts 131 - 135)	\$16,088,769.82	\$163,258.17	
Subtotal	\$16,088,769.82	\$163,258.17	
	(page 1, item 14)	(account 419, page 16)	
Grand Total	\$17,387,964.72	\$184,514.92	

Bowling Green Municipal Utilities

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NONUTILITY PROPERTY SECTION IS FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

SPECIAL FUNDS					
	ACCOUNT 125	ACCOUNT 126	ACCOUNT 128		TOTAL OF ALL SPECIAL FUNDS
	TOTAL SINKING FUNDS	DEPRECIATION FUNDS	CONSTRUCTION FUNDS	TOTAL OTHER SPECIAL FUNDS	
Cash included in fund end of year.	1,199,194.90	100,000.00			1,299,194.90
Investments in fund end of year (page 14).					
Balance of fund end of year (page 1).	1,199,194.90	100,000.00			1,299,194.90
	(page 1, item 9)	(page 1, item 10)	(page 1, item 12)		
Minimum balance required*.					
Authority creating fund**	Bond	Bond			

* Explain difference if fund balance is less than minimum required.
 ** State whether fund is required by bond contract, board action, etc.

Total Sinking

Depreciation

Construction

Other

Note: Report all debt service funds as sinking funds.
 Report all funds for renewals and replacements as depreciation funds.

NONUTILITY PROPERTY (Account 121)

DESCRIPTION AND LOCATION OF PROPERTY	DATE ACQUIRED	BOOK COST	NET INCOME (ACCOUNT 418)
Total.			
Less accumulated provision for depreciation (account 122).			
Total net of depreciation (page 1, item 7).			(page 16)

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE						
DETAILS REGARDING BONDS ON PAGE						
MATURITIES: MONTH AND DAY 100			4/1			
NAME OF ISSUE 200		ELECTRIC REVENUE BONDS, SERIES 1997	Electric Revenue Bonds - Series 2016		Electric Revenue Bonds, Series 2013	
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE
2018		5.00		2.00		1.70
2019			240,000.00	2.00	245,000.00	2.05
2020			245,000.00	2.00	250,000.00	2.35
2021			250,000.00	2.00	255,000.00	2.60
2022			255,000.00	2.00	260,000.00	2.70
2023			260,000.00	2.00	270,000.00	3.00
2024			265,000.00	2.00	275,000.00	3.10
2025			270,000.00	3.00	285,000.00	3.30
2026			280,000.00	3.00	295,000.00	3.50
2027			290,000.00	3.00	305,000.00	3.60
2028			300,000.00	3.00	315,000.00	3.75
2029			310,000.00	3.00	325,000.00	3.80
2030			315,000.00	3.00	340,000.00	4.10
2031			325,000.00	3.00	355,000.00	4.20
2032			340,000.00	3.00	365,000.00	4.25
2033			345,000.00	3.00	385,000.00	4.30
2034			355,000.00	3.00		
2035			370,000.00	3.00		
2036			375,000.00	3.00		
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
2051						
2052						
2053						
2054						
2055						
2056						
2057						
2058						
2059						
2060						
2061						
2062						
OUTSTANDING END OF YEAR 300			5,390,000.00		4,525,000.00	

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

SUMMARY OF LONG-TERM DEBT AND NOTES PAYABLE					
DETAILS REGARDING BONDS ON PAGE					
MATURITIES: MONTH AND DAY 100		0/0			
NAME OF ISSUE 200		POST RETIREMENT BENEFITS			
CALENDAR YEAR	MATURITIES	INTEREST RATE	MATURITIES	INTEREST RATE	TOTAL MATURITIES
2018					
2019					485,000.00
2020					495,000.00
2021					505,000.00
2022					515,000.00
2023					530,000.00
2024					540,000.00
2025					555,000.00
2026					575,000.00
2027					595,000.00
2028					615,000.00
2029					635,000.00
2030					655,000.00
2031					680,000.00
2032					705,000.00
2033					730,000.00
2034					355,000.00
2035					370,000.00
2036					375,000.00
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					
2050					
2051					
2052					
2053					
2054					
2055					
2056					
2057					
2058					
2059					
2060					
2061					
2062					
OUTSTANDING END OF YEAR 300					9,915,000.00

Use a separate column for each issue. If municipality has an RUS loan, show all maturities for each allotment and deduct the unadvanced portion after the last maturity. Prepare a total column for RUS maturities separate from other long-term debt.

Bowling Green Municipal Utilities

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

SUMMARY OF LONG-TERM DEBT - RUS

NOTE NUMBER	DATE OF NOTE	INT. RATE	TERM OF NOTE (YR)	DATE REPAYMENTS BEGIN MO/YEAR	AMOUNT OF ALLOTMENT	BALANCE DUE ON ALLOTMENT (ACCOUNT 224.2)	AMOUNT REPAID THIS YEAR			OUTSTANDING END OF YEAR EXCLUDING CUSHION OF CREDIT
							PRINCIPAL	INTEREST	DEFERRED INTEREST	
01-				/						
02-				/						
03-				/						
04-				/						
05-				/						
06-				/						
07-				/						
08-				/						
09-				/						
10-				/						
11-				/						
12-				/						
13-				/						
14-				/						
15-				/						
16-				/						
17-				/						
18-				/						
19-				/						
20-				/						
21-				/						
22-				/						
23-				/						
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25-				/						
26-				/						
27-				/						
28-				/						
29-				/						
30-				/						
31-				/						
32-				/						
33-				/						
34-				/						
35-				/						
36-				/						
37-				/						
38-				/						
39-				/						
40-				/						
(860) Total										

List Note Numbers Paid Monthly: _____

*EXCLUDING CUSHION OF CREDIT.

Bowling Green Municipal Utilities

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

SUMMARY OF LONG-TERM DEBT - CFC AND/OR COBANK

NOTE NUMBER	DATE OF NOTE	INT. RATE	CFC OR COBANK	TERM OF NOTE (YR)	AMOUNT OF LOAN APPROVED	UNADVANCED LOAN	AMT REPAYED THIS YEAR FOR REGULAR BILLINGS		OUTSTANDING END OF YEAR	RUS LOAN SUPPLEMENTED	
							PRINCIPAL	INTEREST		NOTE NUMBER	%
01-											
02-											
03-											
04-											
05-											
06-											
07-											
08-											
09-											
10-											
11-											
12-											
13-											
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16-											
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18-											
19-											
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22-											
23-											
24-											
25-											
26-											
27-											
28-											
29-											
30-											
31-											
32-											
33-											
34-											
35-											
36-											
37-											
38-											
39-											
40-											
41-											
(865) Total											

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

LONG-TERM DEBT - RUS		
ACCT.	PRINCIPAL DATA	AMOUNT
224.1	Long-term debt - RUS.	
224.2	Unadvanced RUS allotment - debit (page 21)	
224.3	Deferred interest - RUS.	
224.4	Long-term debt - RUS - matured and deferred.	
224.5	Cushion of credit - RUS - debit.	
	Net balance due RUS as above (page 2, item 36).	
	Total additions to RUS long-term debt this year. (Item 132)	<input type="text"/>
	Repayments for the year excluding advance payments. (Item 143)	<input type="text"/>
INTEREST ACCRUED - RUS (Account 237.1)		
	Balance beginning of year (matured \$.00).	
	Accrued during year (Account 427.1) (page 3, item 87) (page 26 summary).	
	Repayments this year.	
	Balance end of year (matured \$.00) (page 2, item 49)(page 26 summary).	
LONG-TERM DEBT - CFC		
ACCT.	PRINCIPAL DATA	AMOUNT
223.1	Subscriptions to CFC capital term certificates - debit.	
223.2	Unpaid subscriptions to CFC capital term certificates - credit.	
223.4	CFC loan approved - unadvanced - debit (page 22).	
223.5	Long-term debt - CFC credit.	
223.61	Patronage capital certificates - debit.	
223.62	Deferred patronage dividends - credit.	
	Net CFC account (account 223) (page 2, item 37).	
	Total additions to CFC long-term debt this year. (Item 135)	<input type="text"/>
	Repayments for the year excluding advance payments. (Item 144)	<input type="text"/>
INTEREST ACCRUED - CFC (Account 237.2)		
	Balance beginning of year (matured \$.00).	
	Accrued during year (Account 427.1) (page 3, item 88) (page 26 summary).	
	Repayments this year.	
	Balance end of year (matured \$.00) (page 2, item 50)(page 26 summary).	
LONG-TERM DEBT - COBANK		
ACCT.	PRINCIPAL DATA	AMOUNT
229.10	Long Term Debt - CoBank - credit.	
229.20	Unadvanced allotment - CoBank - debit.	
229.30	Subscription to class "C" stock - CoBank - debit.	
229.40	Unpaid subscription to class "C" stock - CoBank - credit.	
229.50	Allocated earnings receivable - CoBank - debit.	
229.51	Allocated earnings deferred - CoBank - credit.	
	Net CoBank account (account 229) (page 2, item 38).	
	Amount received on allotment this year. (Item 136)	<input type="text"/>
	Repayments this year. (Item 145)	<input type="text"/>
INTEREST ACCRUED - COBANK (Account 237.6)		
	Balance beginning of year (matured \$.00).	
	Accrued during year (Account 427.4) (page 3, item 89) (page 26 summary).	
	Repayments this year.	
	Balance end of year (matured \$.00) (page 2, item 51)(page 26 summary).	

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: ELECTRIC REVENUE BONDS, SERIES 1997

Date of issue: 10/01/1997 Amount of original issue: \$ 5,730,000.00

Discount: \$ 86,811.34 Premium: \$ _____

Interest due dates: 10\1 Semi Annual Principal due dates: 4\1 Annually

Revenue or general obligation bonds: Revenue - 221

Purpose of issue: To advance refund 1990 bond issue and pay outstanding pension obligations

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	85,000.00	Accrued beginning of year.	1,062.51
Issued during year.		Accrued during year (427.3).	2,574.36
Total.	85,000.00	Total.	3,636.87
Bonds retired this year.	85,000.00	Payments during year.	3,636.87
Balance end of year.		Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).		Balance less matured (237.3).	

Name of issue: POST RETIREMENT BENEFITS

Date of issue: _____ Amount of original issue: \$ _____

Discount: \$ _____ Premium: \$ _____

Interest due dates: \ Principal due dates: \

Revenue or general obligation bonds: PostRetirement - 228

Purpose of issue:

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	11,472,316.69	Accrued beginning of year.	
Issued during year.	2,545,670.91	Accrued during year (427.3).	
Total.	14,017,987.60	Total.	
Bonds retired this year.		Payments during year.	
Balance end of year.	14,017,987.60	Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	14,017,987.60	Balance less matured (237.3).	

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: Electric Revenue Bonds, Series 2013

Date of issue: 08/12/2013 Amount of original issue: \$ 5,350,000.00

Discount: \$ 42,943.00 Premium: \$ 1,138.00

Interest due dates: 4\1 Semi Annual Principal due dates: 4\1 Annually

Revenue or general obligation bonds: Revenue - 221

Purpose of issue: To finance construction of two substations and maintenance facility

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	4,675,000.00	Accrued beginning of year.	39,878.13
Issued during year.		Accrued during year (427.3).	158,818.14
Total.	4,675,000.00	Total.	198,696.27
Bonds retired this year.	150,000.00	Payments during year.	159,455.62
Balance end of year.	4,525,000.00	Balance end of Year.	39,240.65
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	4,525,000.00	Balance less matured (237.3).	39,240.65

Name of issue: Electric Revenue Bonds - Series 2016

Date of issue: 03/14/2016 Amount of original issue: \$ 5,885,000.00

Discount: \$ Premium: \$ 279,536.00

Interest due dates: 4\1 Semi Annual Principal due dates: 4\1 Annually

Revenue or general obligation bonds: Revenue - 221

Purpose of issue: Refunding of Series 2006 Bonds

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.	5,630,000.00	Accrued beginning of year.	25,225.00
Issued during year.		Accrued during year (427.3).	150,550.00
Total.	5,630,000.00	Total.	175,775.00
Bonds retired this year.	240,000.00	Payments during year.	151,350.00
Balance end of year.	5,390,000.00	Balance end of Year.	24,425.00
Including matured of (239).		Including matured of (240).	
Balance less matured (221).	5,390,000.00	Balance less matured (237.3).	24,425.00

BONDS (Account 221) AND OTHER LONG-TERM DEBT (Account 228)

Name of issue: _____

Date of issue: _____ Amount of original issue: \$ _____

Discount: \$ _____ Premium: \$ _____

Interest due dates: \ _____ Principal due dates: \ _____

Revenue or general obligation bonds: _____

Purpose of issue: _____

PRINCIPAL DATA		INTEREST ACCRUED	
Balance beginning of year.		Accrued beginning of year.	
Issued during year.		Accrued during year (427.3).	
Total.		Total.	
Bonds retired this year.		Payments during year.	
Balance end of year.		Balance end of Year.	
Including matured of (239).		Including matured of (240).	
Balance less matured (221).		Balance less matured (237.3).	

SUMMARY OF LONG-TERM DEBT - BONDS (Account 221) AND OTHER (Account 228)

	ACCOUNT 221	OTHER* ACCOUNT 228	TOTAL*	POST- RETIREMENT BENEFITS ACCOUNT 228	TVA ACCOUNT 228
Balance beginning of year.	10,390,000.00		10,390,000.00	11,472,316.69	
Issued during year. (Item 137)				2,545,670.91	
Total.	10,390,000.00		10,390,000.00	14,017,987.60	
Bonds retired this year. (Item 146)	475,000.00		475,000.00		
Balance end of year.	9,915,000.00		9,915,000.00	14,017,987.60	
Including matured of (239). (Item 147)					
Balance less matured (221).	9,915,000.00		9,915,000.00	14,017,987.60	

(page 2, item 39.1) (page 2, item 39.2) (page 2, item 39.3)

SUMMARY OF INTEREST ACCRUED - LONG-TERM DEBT(Account 237)

	TOTAL
Accrued beginning of year.	66,165.64
Accrued during year (427.3) (page 26).	311,942.50
Total.	378,108.14
Payments during year.	314,442.49
Balance end of year.	63,665.65
Including matured of (240).	
Balance less matured (237.3) (page 26).	63,665.65

*Less TVA Long-term Debt and Postretirement Benefits

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTES PAYABLE (Account 231)										
PRINCIPAL DATA						INTEREST ACCRUED				
Balance beginning of year.						Accrued beginning of year.				
New notes issued during year.						Accrued during year (as below).				
Total.						Total.				
Notes retired this year.						Payments during year.				
Balance end of year.						Balance end of year (as below).				
Portion of balance TVA (page 2, item 45.1).										
Portion of balance non-TVA (page 2, item 45.2).										
CUSTOMER DEPOSITS (Account 235)										
Balance accrued interest on customer deposits end of year.									895,298.70	
Balance customer deposits end of year (Account 235).									5,995,808.48	
Total customer deposits (page 2, item 47).									6,891,107.18	
SUMMARY OF ACCRUED INTEREST AND INTEREST EXPENSE										
ACCT. NO.	DESCRIPTION	FROM PAGE NO.	REPORT ON BALANCE SHEET AS INDICATED BELOW				REPORT ON REVENUE AND EXPENSE STATEMENT AS INDICATED BELOW			
			ACCT. NO.	PAGE NO.	ITEM NO.	ACCRUED END OF YEAR	ACCT. NO.	PAGE NO.	ITEM NO.	EXPENSE FOR YEAR
221	Bonds	25	237.3	2	52.2	63,665.65	427.3	3	90.1	311,942.50
223	CFC	23	237.2	2	50		427.2	3	88	
224	RUS	23	237.1	2	49		427.1	3	87	
229	CoBank	23	237.6	2	51		427.4	3	89	
228	TVA long term	25	237.3	2	52.1		427.3	3	90.2	
228	Other long term	25	237.3	2	52.2		427.3	3	90.1	
231	TVA Notes Payable	Above	237.5	2	52.1		431	3	90.2	
231	Other notes payable	Above	237.5	2	52.2		431	3	92	
235	Customer Deposits	Above	235	Above	---		431	3	92	5,957.05
---	Delinquent taxes	---	237.5	2	52.2		431	3	92	
Total interest accrued end of year.						63,665.65	Net expense for year.			317,899.55
Total item 49 (page 2)							Total item 87 (page 3)			
Total item 50 (page 2)							Total item 88 (page 3)			
Total item 51 (page 2)							Total item 89 (page 3)			
Total item 52.1 (page 2)							Total item 90.1 (page 3)			311,942.50
Total item 52.2 (page 2)						63,665.65	Total item 90.2 (page 3)			
							Total item 92 (page 3)			5,957.05
ACCT. NO.	ACCOUNTS PAYABLE									
232	Accounts payable - general									8,531,844.61
232	Accrued purchased power.									
233	Accounts payable - spec. const.									
234	Payable to municipal - utility revenue.									408,063.72
234	Other payables to municipality.									
Total accounts payable - general (page 2, item 46).										8,939,908.33
ACCT. NO.	OTHER CURRENT AND ACCRUED LIABILITIES									
239	Matured long-term debt (pages 23, 24, and 25).									
240	Matured interest (pages 23, 24, and 25).									
241	Tax collections payable.									
242	Miscellaneous - accrued insurance.									
242	Miscellaneous - employees' accrued leave.									472,266.68
242	Miscellaneous - other.									202,196.09
Total other current and accrued liabilities (page 2, item 53).										674,462.77
OTHER DEFERRED CREDITS (Account 253)										
Payables for plant purchases; (item 149)										
Other items (List): Deferred Inflow Pension GASB 68.									1,314,965.00	
Total other deferred credits (page 2, item 56)									1,314,965.00	
Total other deferred credits (page 2, item 56)										

Bowling Green Municipal Utilities

REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018
FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

PAYMENTS OF AD VALOREM TAXES OR TAX EQUIVALENTS

TO WHOM PAID	PERIOD COVERED	AMOUNT	TO WHOM PAID	PERIOD COVERED	AMOUNT
States (list): KY	1/1/2018 12/31/2018	96,277.64	Cities (list):	1/1/2018 12/31/2018 1/1/2018 12/31/2018	120,238.29 345,333.16
			BOWLING GREEN - GENERAL BOWLING GREEN - SCHOOL		
Total states.		96,277.64			
Counties (list): WARREN COUNTY - GENERAL WARREN COUNTY - SCHOOL	1/1/2018 12/31/2018	128,489.12			
	1/1/2018 12/31/2018	133,172.18			
Total counties.		261,661.30			
			Total cities.		465,571.45
			Total paid.		823,510.39

If all the tax equivalent is paid to a city and the city makes redistribution payments to states or counties, show these redistribution payments above and mark them with an *. Also give method of determining amounts redistributed.

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

BASIS FOR COMPUTATION OF ACCRUAL FOR AD VALOREM PROPERTY TAX OR TAX EQUIVALENT						
<input type="checkbox"/> TAX, OR <input checked="" type="checkbox"/> TAX EQUIVALENT	TN. EQUAL- IZATION RATIO	STATE ASSESS- MENT RATIO	TAX ASSESSMENT OR VALUATION	RATE PER \$100	TAX OR EQUIVALENT FOR TAX PERIOD	AMOUNT APPLICABLE FOR FISCAL YEAR
PERIOD	DISTRICT					
			8,254,592.00	.2060	17,004.46	8,502.23
			9,475,369.00	.4000	37,901.48	18,950.74
			27,354,503.00	.2600	71,121.71	35,560.86
			16,353,691.00	1.1280	184,469.63	92,234.82
			7,269,131.00	.9442	68,634.44	34,317.22
			24,423,008.00	.4000	97,692.03	48,846.02
			28,637,397.00	.2661	76,192.94	38,096.47
			8,260,072.00	.2177	17,980.53	8,990.27
			6,512,729.00	.4000	26,050.92	13,025.46
			12,283,706.00	.7490	92,004.96	46,002.48
			990,942.00	.5652	5,600.71	2,800.36
			7,538,618.00	.4000	30,154.47	15,077.24
			28,637,397.00	.1500	42,956.10	21,478.05
			18,086,396.00	.1500	27,129.59	13,564.80
			8,260,072.00	.0058	479.91	239.96
			7,039,474.00	.4000	28,157.90	14,078.95
					823,531.77	411,765.89
						414,000.00
						21,826.05
						847,510.39

Where more than one tax period is applicable to the current fiscal year, show beginning and ending dates of each tax period. Compute tax or tax equivalent for each tax period and show amount prorated to this fiscal year. For tax equivalents show all the components of the tax base and applicable tax equivalent by taxing districts. When tax equivalent payments are determined other than by applying applicable tax rates to net plant, describe basis, explain any change from previous period, and include data showing breakdown of net plant by taxing districts and applicable tax rates. Use extra sheets if needed.

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

GENERAL INFORMATION

1. Give the form of management of electric system. (Power board, Mayor and council, etc.)
Board of Directors and General Manager
2. List any other departments or lines of business over which management exercises control.
Water/Sewer Division, General Services Division
3. (a) Give the statutes under which the electric system was created.
Kentucky House Bill #146
- (b) Give the statutes under which the electric system is currently operating if different from the above.
Same
4. (a) What billing service provider or type of in-house program is used to bill customer accounts?
NISC
4. (b) During the fiscal year, was the billing system upgraded to a new version or converted to a new provider/program? Y
If upgraded, what is the new version? Most recent version of NISC

5. At June 30:

DEPOSITS

- 1) Are customer deposit amounts determined prior to establishment of service less than or equal to twice the highest monthly bill for each respective rate class?..... Y Yes No N/A
- 2) Do deposits that are greater than one month's average bill for each respective rate class and retained longer than 12 months accrue interest?..... Y Yes No N/A
- 3) Is the applicable interest rate in the LPC's policy consistent with the interest rate being applied to deposits?..... Y Yes No
- 4) When a deposit is applied to the final bill upon termination of service or the customer deposit is returned, is the interest amount applied to the deposit prorated depending on timing of the action?..... Y Yes No

TERMINATION OF SERVICE

- 1) Is sufficient and reasonable notice provided to customers prior to any disconnection of service? Y Yes No
 - a) Is the notification separate from the original bill for which service is being disconnected? Y Yes No
 - b) Does the notification inform the customer of rights and remedies regarding billing disputes? Y Yes No
- 2) Does the LPC adhere to its policy regarding termination of service in times of extreme weather? Y Yes No
- 3) Does the LPC adhere to its policy regarding termination of service in cases of documented medical hardship?..... Y Yes No

BILLING

- 1) Are residential customers afforded a net payment period of at least 15 days between the bill date and due date?..... Y Yes No
- 2) Are non-residential customers afforded a net payment period of at least 10 days between the bill date and due date?..... Y Yes No
- 3) Are forfeited discounts or late payment charges for a delinquent balance less than or equal to 5%?..... Y Yes No

INFORMATION TO CONSUMERS

- 1) Are customers reasonably informed about rates and service practice policies by making such information available:
 - a) Upon application for service?..... Y Yes No
 - b) At any time upon request?..... Y Yes No
 - c) On the LPC's website or other technological means of communication?..... Y Yes No N/A
 - 2) Are all retail rate actions initiated by the LPC communicated to customers through print or electronic media?..... Y Yes No
 - 3) Is a customer's prior 12 months monthly consumption information available upon request? Y Yes No
6. The cost of a membership certificate is

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018
GOVERNING BOARD SECTION IS FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

GENERAL INFORMATION (CONTINUED)

7. (a) Give the name of the audit firm conducting this year's audit: BKD, LLP
 (b) How long has the audit firm been conducting the audit? 1-5 years
 (c) Type of opinion of latest issued external audit report: FY: 2017 Type: Unqualified with no findings

8. If water, gas, or other services are operated in connection with Electric Services, furnish the following information in connection with joint operations.

Water	Wastewtr	General	Internet		
X	X		X		

(a) Indicate the joint operations with the Electric Utility:

GOVERNING BOARD

AMOUNT PAID*

DIRECTORS OR MEMBERS OF GOVERNING BOARD		TERM EXPIRES	AMOUNT PAID*	
NAME AND PRINCIPAL OCCUPATION			FEES	TRAVEL
Donna Harmon	CFO, Trace Die Cast, Inc	06/30/2021		
Rick Williams	City Commissioner	12/31/2018		
Steve Snodgrass	Realtor	06/30/2020		
Sarah Glenn Grise	Secretary of Citizens First Corp Board of	06/30/2022	2,400.00	
Todd Davis	Homebuilder, DTD, Inc	06/30/2019	2,400.00	
Total			4,800.00	

*Show total amounts paid from electric system funds for fiscal year.
 Method of determining amounts paid to board members is as follows:
 Board members are paid \$200 per month. The Board payments are split on a 50/50 basis with the Water/Sewer Division. Donna Harmon and Steve Snodgrass were paid by the Water/Sewer Division. The City Commissioner representatives are not paid.

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018
GOVERNING BOARD SECTION IS FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

GENERAL INFORMATION (CONTINUED)

9. Does the LPC have any interdivisional loans between the Electric Department and other lines of business?..... Yes N No
 (a) If so, please provide the original loan amount(s) and explanation for purpose of loan(s), along with current balance(s) and indicate in what account(s) the loan(s) is recorded?

INTERDIVISIONAL LOANS

ORDER	ACCOUNT NUMBER	PURPOSE OF LOAN	ORIGINAL LOAN AMOUNT	CURRENT BALANCE

(b) If so, did TVA approve the interdivisional Yes No
 10. Does the LPC have a Line(s) of Credit? Yes N No
 (a) If so, please indicate total amount, available as of June 30, and repayment and interest terms of each Line of Credit.

LINE OF CREDIT

ORDER	TOTAL AMOUNT	AVAILABLE AMOUNT	REPAYMENT TERMS (Principal and Interest)	INTEREST RATE %

--	--	--	--	--

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018
FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

GENERAL INFORMATION (CONTINUED)	
Detail of Account 930 - Miscellaneous General Expense	EXPENSE
Board Member Fees	4,800.00
Goodwill/Advertising	87,369.16
Kentucky Municipal Utilities Association	14,078.00
Cookbook & Calendar	5,314.00
TVPPA & APPA	41,462.48
Board Insurance	23,427.97
Miscellaneous	7,216.11
Local Chamber of Commerce	34,036.07
Miscellaneous Dues	8,450.66
TOTAL	226,154.45

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

GENERAL INFORMATION

EXPLAIN UNUSUAL INCREASES OR DECREASES IN OPERATING EXPENSES AND INCOME OVER LAST YEAR'S FIGURES; EXTRAORDINARY ITEMS
 PAGE 3; ITEMS MARKED * ON PAGES 5 AND 6; AND OTHER ENTRIES TO THE ACCUMULATED PROVISION FOR DEPRECIATION ON PAGE 11.

2018 Page 1, 2 and 3

Item 27 Other deferred debits increased by net additional Deferred Outflow of \$2,171,972 related to GASB 68; see note and entry below. 6-30-17 audit aje credited 186.2 and debited 253.2 225,647.00

Item 39.2 Postretirement benefits increased by Net Pension liability of \$2,543,936 related to GASB 68; see note and entry below

Item 57 Other deferred credits increased by net additional Deferred Inflow of \$959,145 related to GASB 68; see note and entry below. 6-30-17 audit aje credited 186.2 and debited 253.2 225,647

Item 83 Interest income increased 136,380.26 due to increase in interest rates. Operating monies were shifted into a sweep Money market account during year paying approx. 1.75% and TVA prepay account increased from .76% to 1.72%

Acct 586 Install labor was reconfigured during the year as well as large number of meters being purchased in correlation with the new voltage regulation/ami project. Capitalized install labor greatly exceeded actual labor during the prior year. Current year Install labor was reconfigured considering the new AMI rollout to more accurately record the bulk install of new meters.

Acct 926 Increase from prior year due to larger amount of expense in Employee Benefits related to GASB 68; note and entry below

Page 7

Gross Receipts tax included in Sales Revenues totaled \$2,371,810.63

Page 9 & 10

Acct 370 AMI project continues, purchased and capitalized approximately \$1,025,000 of new meter costs relating to project

Acct 390 Completed a warehouse renovation/buildout of \$538,729

Page 11

Accumulated Depr on acct 366 and 394 is at 100%. Software system is set up with parameters that will not allow over 100% depreciation to be taken and will resume when appropriate additions made.

Page 16

Acct 416 is greater than 415. Pricing system and costs of merchandise are being evaluated and analyzed for future pricing points

Page 26

Account 234 Electric Division shares costs with BGMU water/wastewater and General Services divisions and the Electric Division collects revenues for other divisions. Invoices are paid and recorded with due to and due from balances. Related party balances are reconciled and paid monthly

Note: Economic Development dollars of \$19,469 were spent in fy ending 6-30-2018

Note: No non-electric business loans have been made at this time

Note: BGMU does not have a line of credit at this time

Note: In April 2010 BGMU chose to record Unbilled Revenues to match revenues and expenses with change in payment of Power bill. At June 30, 2018 an asset of \$2,343,967 for unbilled A/R has been recorded on the balance sheet

Note: Customer deposits are not restricted and are included in account 131

Note: Regarding large Capital spending projects for FY 2018 continued rollout of AMI project is budgeted for \$938,000

Note: The Governmental Accounting Standards Board issued a new pension accounting rule for state and local governments (GASB 68) beginning FY 6-30-2015. The new ruling requires BGMU to record an outstanding pension liability on the Balance Sheet. The full net resulting entry was this

Acct 186.2	Deferred Outflow Pension GASB 68	2,397,619
Acct 926	Employee Benefits	1,331,109
Acct 253.2	Deferred Inflow Pension GASB 68	1,184,792
Acct 228.2	Net Pension Liability	2,543,936

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018
FOR REPORTING PURPOSES ONLY. NOT VERIFIED BY TVA.

KEY ELECTRIC PERSONNEL		
KEY ELECTRIC PERSONNEL	TITLE OR OCCUPATIONS	PERCENTAGE OF WAGES CHARGED TO THE ELECTRIC DEPARTMENT
Mark Iverson	General Manager	50.00
Gary Bridges	Chief Financial Officer	50.00
Chad Spencer	Supvr. Engineering	100.00
Mike Hall	Director of Information Systems	50.00
Holly Vaughn	Controller	70.00
Debby Cherry	Exec. Asst./Exec. Sec.-Board	50.00
Whitney Hussey	Supvr. of Customer Relations	50.00
Jason Duckett	Safety Director	50.00
Kathleen Fuller	Supvr. Services/Dispatchers	100.00
Jeff White	Electric Operations Manager	100.00
(895) TOTAL NUMBER OF EQUIVALENT FULL-TIME ELECTRIC EMPLOYEES: 93		

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

RETAINED EARNINGS ADJUSTMENT(S)

Order	Amount	Description	Reason
10	\$2.00	Audit adjustment	adjusting RE to prior year, rolling years rounding issues

Total **\$2.00**

POLE INFORMATION

Number of Poles: 8,801

Attaching parties different than standard Y

Explanation:

Using the Urban number of 5

Pole height different than standard assumption? Y

Explanation:

Plan on using a greater average of 43.8

Discount factor different than standard assumption? Y

Explanation:

A calculation will be made identifying the "nonpole" items inside Pole acct 364, then minor units as a percentage of true "pole costs" inside acct 364 will be calculated. These two numbers will be used to calculate the true discount factor for our utility

Customers Per Mile: 86.50

Comments:

BGMU requested to delay implementation until 2018

ATTACHING ENTITY INFORMATION

Order No. 1

Attaching Entity

Bowling Green Municipal Utilities Fiber Division

Term of Current Contract

No written contract

Early Termination N

Details

Terminable as allowed by Kentucky Law

Beginning Date	Ending Date	Curr. Rental Rate	Calc. Rental Rate TVA Methodology	TVA Approved Attachment Rate
		\$31.99	\$29.90	

Rate Escalation Method

Annual TVA Pole Attachment Template

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ATTACHING ENTITY INFORMATION CONTINUED

Order No. 2

Attaching Entity

Time Warner Cable

Term of Current Contract

Evergreen

Early Termination Y

Details

Evergreen type contract/Terminable as allowed by Kentucky Law currently in place

Beginning Date	Ending Date	Curr. Rental Rate	Calc. Rental Rate TVA Methodology	TVA Approved Attachment Rate
9/2/1980		\$31.99	\$29.90	

Rate Escalation Method

Annual TVA Pole Attachment Template

Order No. 3

Attaching Entity

Medical Center of Bowling Green

Term of Current Contract

Letter of Agreement

Early Termination Y

Details

Terminable as allowed by Kentucky law

Beginning Date	Ending Date	Curr. Rental Rate	Calc. Rental Rate TVA Methodology	TVA Approved Attachment Rate
11/9/2005		\$31.99	\$29.90	

Rate Escalation Method

Annual TVA Pole Attachment Template

ATTACHING ENTITY INFORMATION CONTINUED

Order No. 4

Attaching Entity

City of Bowling Green

Term of Current Contract

contract

Early Termination

Y

Details

Terminable by default with 45 day written notice by either party

Beginning Date	Ending Date	Curr. Rental Rate	Calc. Rental Rate TVA Methodology	TVA Approved Attachment Rate
10/1/2007		\$31.99	\$29.90	

Rate Escalation Method

Annual TVA Pole Attachment Template

Order No. 5

Attaching Entity

AT&T

Term of Current Contract

Joint Use Agreement

Early Termination

Y

Details

Joint use agreement/Terminable as allowed by Kentucky law

Beginning Date	Ending Date	Curr. Rental Rate	Calc. Rental Rate TVA Methodology	TVA Approved Attachment Rate
1/1/2018	12/31/2018	\$31.99		

Rate Escalation Method

Bowling Green Municipal Utilities
REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

ATTACHING ENTITY INFORMATION CONTINUED

Order No. 6

Attaching Entity

Windstream

Term of Current Contract

Memorandum of understanding

Early Termination Y

Details

open ended/Terminable as allowed by Kentucky law

Beginning Date	Ending Date	Curr. Rental Rate	Calc. Rental Rate TVA Methodology	TVA Approved Attachment Rate
6/25/2015		\$31.99	\$29.90	

Rate Escalation Method

Annual TVA Pole Attachment Template

Order No. 7

Attaching Entity

Bluegrass Network

Term of Current Contract

Memorandum of understanding

Early Termination Y

Details

until superceded by Pole Attachment agreement

Beginning Date	Ending Date	Curr. Rental Rate	Calc. Rental Rate TVA Methodology	TVA Approved Attachment Rate
9/12/2016	12/31/2018	\$31.99	\$29.90	

Rate Escalation Method

Annual TVA Pole Attachment Template

ATTACHING ENTITY INFORMATION CONTINUED

Order No. 8

Attaching Entity

WKU

Term of Current Contract

Memorandum of agreement

Early Termination Y

Details

open ended/Terminable as allowed by Kentucky law

Beginning Date	Ending Date	Curr. Rental Rate	Calc. Rental Rate TVA Methodology	TVA Approved Attachment Rate
12/6/2016		\$31.99	\$29.90	

Rate Escalation Method

Annual TVA Pole Attachment Template

FUNCTIONAL ACCOUNTING

This information is for Cooperatives following functional accounting only

A. Tax Amount Transferred (Pulled from Page 29 Transferred)	\$0.00
B. Administrative & General Accounts (a/c 920 thru 931)	\$0.00
C. Maintenance of General Plant (a/c 935)	\$0.00
D. Maintenance of Overhead Lines (a/c 593)	\$0.00
E. All other accounts used in functional accounting	\$0.00
F. Total Taxes Transferred (Total B through E)	\$0.00
G. Verification (A minus F should be \$0)	\$0.00