



FILE NO. 1442-18

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November 13, 2018

Director of Law
City of Cleveland
601 Lakeside Ave.
Cleveland, OH 44114

RE: Ordinance 550-12

Dear Sir or Madam:

Attached please find the Balance Sheet of Cleveland Thermal LLC excerpted from the year end audited financial statements for the year 2016 and 2017 as required by the above referenced ordinance. Also attached is a schedule of major capital improvements for the same period.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'Linda S. Atkins'.

Linda S. Atkins
Assistant Controller
Corix Utilities (Cleveland) Inc.

cc: Director of Law, City of Cleveland

Corix Utilities (Cleveland) Inc. and Subsidiaries

Consolidated Balance Sheets

As at	Note	December 31, 2017	December 31, 2016
Assets			
Current assets			
Cash and cash equivalents		\$ 7,508,888	\$ 4,154,512
Accounts receivable - trade, net allowance for doubtful accounts of \$74,709 and \$33,527 as of December 31, 2017 and 2016, respectively		3,643,063	2,795,267
Inventories		540,419	648,692
Prepaid expenses and other		326,382	435,566
Total current assets		12,018,752	8,034,037
Property, plant and equipment, net	3	30,710,240	29,758,519
Other assets			
Deferred connection and other costs, net of accumulated amortization of \$869,484 and \$456,750 as of December 31, 2017 and 2016, respectively	1	2,450,281	2,544,280
Intangibles, net of accumulated amortization of \$3,777,169 and \$1,855,000 as of December 2017 and 2016, respectively	1	31,103,974	33,000,393
Goodwill		47,651,812	47,651,812
Total Other Assets		81,206,067	83,196,485
Total Assets		\$ 123,935,059	\$ 120,989,041
Liabilities and shareholder's equity			
Current Liabilities			
Accounts payable - trade		\$ 1,308,065	\$ 2,713,240
Accrued liabilities and other		4,167,070	4,209,116
Forward gas contract	5	-	169,061
Due to affiliated companies	10	123,974	149,915
Total Current Liabilities		5,599,109	7,241,332
Long-term Liabilities			
Deferred tax liability	6	1,549,611	1,402,643
Long-term debt	4	59,730,998	55,215,122
Total Long-Term Liabilities		61,280,609	56,617,765
Total Liabilities		66,879,718	63,859,097
Commitments and Contingencies	9		
Shareholder's Equity			
Common stock, par value \$0.01, 100 shares authorized, issued and outstanding		1	1
Paid in capital		59,123,247	59,123,247
Deficit		(2,067,907)	(1,993,304)
Total Shareholder's Equity		57,055,341	57,129,944
Total Liabilities and Shareholder's Equity		\$ 123,935,059	\$ 120,989,041

See accompanying notes to consolidated financial statements.

SCHEDULE OF MAJOR CAPITAL IMPROVEMENTS

Fiscal Year Ended December 31, 2016

- 150 PPH Natural Gas Boiler and all ancillary systems
- #2 Cooling Tower Piping
- 2015 Ford F-750 Dump Truck
- Manhole Castings
- Cooling Tower Sheetting

Fiscal Year Ended December 31, 2017

- 2 150 PPH Natural Gas Boilers and all ancillary systems
- Boiler House Structure
- Parking Lot Upgrades
- East Sendout Rehab
- Phase 2 VariPrime Piping Conversion
- Turbine Generators (2)
- 2015 Ford F-750 Dump Truck
- 2017 F-250 Pickup Truck
- Brine Tank
- Hamilton Building Electrical Upgrade
- Softener Room Structure Upgrade