

Town of Reading, Massachusetts
Municipal Light Department
Statement of Net Assets
April 30, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
Current:		
Unrestricted Cash	\$ 16,809,424.80	\$ 16,732,601.94
Restricted Cash	29,398,890.06	23,163,230.55
Restricted Investments	1,329,906.48	1,345,663.06
Receivables, Net	9,940,793.55	9,280,239.74
Prepaid Expenses	1,308,267.72	1,211,554.34
Inventory	1,506,763.76	1,747,116.76
Total Current Assets	<u>60,294,046.37</u>	<u>53,480,406.39</u>
Noncurrent:		
Investment in Associated Companies	212,427.92	144,418.75
Capital Assets, Net	77,530,509.78	74,553,612.61
Total Noncurrent Assets	<u>77,742,937.70</u>	<u>74,698,031.36</u>
Deferred Outflows - Pension Plan	<u>4,135,078.00</u>	<u>6,338,218.00</u>
TOTAL ASSETS	<u>142,172,062.07</u>	<u>134,516,655.75</u>
LIABILITIES		
Current		
Accounts Payable	10,475,233.14	8,308,638.70
Accrued Liabilities	570,638.88	521,307.43
Customer Deposits	1,166,545.16	1,059,852.38
Customer Advances for Construction	1,553,636.97	1,113,504.74
Total Current Liabilities	<u>13,766,054.15</u>	<u>11,003,303.25</u>
Non-current		
Accrued Employee Compensated Absences	3,150,134.05	3,257,809.00
Net OPEB Obligation	138,068.00	0.00
Net Pension Liability	13,076,538.00	8,833,549.00
Total Non-current Liabilities	<u>16,364,740.05</u>	<u>12,091,358.00</u>
Deferred Inflows - Pension Plan	<u>714,888.00</u>	<u>883,172.00</u>
TOTAL LIABILITIES	<u>30,845,682.20</u>	<u>23,977,833.25</u>
NET POSITION		
Invested in Capital Assets, Net of Related Debt	77,530,509.78	74,553,612.61
Restricted for Depreciation Fund	4,784,537.48	3,735,499.09
Restricted for Pension Trust	5,683,014.26	0.00
Unrestricted	23,328,318.35	32,249,710.80
TOTAL NET POSITION	<u>111,326,379.87</u>	<u>110,538,822.50</u>
Total Liabilities and Net Assets	<u>\$ 142,172,062.07</u>	<u>\$ 134,516,655.75</u>

Town of Reading, Massachusetts
Municipal Light Department
Schedule of Cash and Investments
April 30, 2018

	<u>2018</u>	<u>2017</u>
Unrestricted Cash		
Cash - Operating Fund	\$ 16,805,924.80	\$ 16,729,601.94
Cash - Petty Cash	3,500.00	3,000.00
Total Unrestricted Cash	<u>16,809,424.80</u>	<u>16,732,601.94</u>
Restricted Cash		
Cash - Depreciation Fund	4,784,537.48	3,735,499.09
Cash - Town Payment	3,284,991.70	3,167,223.30
Cash - Deferred Fuel Reserve	4,100,833.65	5,351,992.27
Cash - Rate Stabilization Fund	6,965,780.99	6,868,426.03
Cash - Pension Trust	5,683,014.26	0.00
Cash - Uncollectible Accounts Receivable	200,000.00	200,000.00
Cash - Sick Leave Benefits	1,872,372.29	1,959,101.17
Cash - Hazard Waste Reserve	750,000.00	150,000.00
Cash - Customer Deposits	1,166,545.16	1,059,852.38
Cash - Energy Conservation	590,814.53	671,136.31
Total Restricted Cash	<u>29,398,890.06</u>	<u>23,163,230.55</u>
Investments		
Sick Leave Buyback	1,329,906.48	1,345,663.06
Total	<u><u>\$ 47,538,221.34</u></u>	<u><u>\$ 41,241,495.55</u></u>

Town of Reading, Massachusetts
Municipal Light Department
Capital Funds
April 30, 2018

SOURCE OF CAPITAL FUNDS:

DEPRECIATION FUND BALANCE 7/1/17	\$	2,406,969.15
CONSTRUCTION FUND BALANCE 7/1/17		2,500,000.00
ADDITIONAL FUNDS ADDED TO CONSTRUCTION FUND BALANCE 12/31/17		1,200,000.00
INTEREST ON DEPRECIATION FUND FY 18		54,085.27
DEPRECIATION TRANSFER FY 18		3,588,324.20
WEST STREET - MASS DOT FINAL PAYMENT		<u>43,056.31</u>
TOTAL SOURCE OF CAPITAL FUNDS		9,792,434.93

USE OF CAPITAL FUNDS:

ADDITIONS TO PLANT THRU FEBRUARY 2018		
TOTAL USE OF CAPITAL FUNDS		5,007,897.45
GENERAL LEDGER CAPITAL FUNDS BALANCE 2/28/18	\$	<u><u>4,784,537.48</u></u>

Town of Reading, Massachusetts
Municipal Light Department
Statement of Revenues, Expenses and Changes in Fund Net Assets
April 30, 2018

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year	Percent Change
Operating Revenue					
Base Revenue	\$ 2,022,572.18	\$ 1,967,986.05	\$ 21,902,089.11	\$ 21,660,073.62	1.1%
Fuel Revenue	2,872,585.91	2,515,317.41	25,581,390.98	28,651,294.69	(10.7%)
Purchased Power Capacity & Transmission	3,260,120.58	2,261,243.85	33,140,474.66	28,205,973.31	17.5%
Forfeited Discounts	60,330.55	55,818.63	703,053.30	715,829.74	(1.8%)
Energy Conservation Revenue	49,698.94	49,722.90	550,738.77	563,582.67	(2.3%)
NYPA Credit	(142,206.61)	(102,989.58)	(1,027,593.85)	(983,161.27)	4.5%
Total Operating Revenue	8,123,101.55	6,747,099.26	80,850,152.97	78,813,592.76	2.6%
Expenses					
Power Expenses:					
555 Purchased Power Fuel Expense	2,165,605.35	2,246,093.01	26,325,029.81	27,419,007.02	(4.0%)
555 Purchased Power Capacity	2,105,017.57	1,023,055.51	21,334,937.76	15,857,435.71	34.5%
565 Purchased Power Transmission	911,175.30	865,068.44	11,707,368.75	10,941,737.92	7.0%
Total Purchased Power	5,181,798.22	4,134,216.96	59,367,336.32	54,218,180.65	9.5%
Operations and Maintenance Expenses:					
580 Supervision and Engineering	43,264.23	47,094.08	495,400.42	352,304.47	40.6%
581 Station Supervision	11,198.51	13,656.73	131,176.26	120,248.51	9.1%
581 Line General	62,668.64	79,627.04	570,562.71	571,338.36	(0.1%)
582 Control Room	43,115.13	31,147.90	355,228.36	374,291.65	(5.1%)
585 Street Lighting	25,736.99	6,186.80	114,185.08	160,452.49	(28.8%)
586 Meter General	8,729.73	24,100.76	190,970.96	181,613.68	5.2%
588 Materials Management	37,187.36	46,506.08	462,093.94	382,437.05	20.8%
590 Maintenance of Structures and Equipment	41,988.06	97,936.64	423,733.42	460,387.06	(8.0%)
593 Maintenance of Lines - Overhead	230,909.44	108,938.51	1,574,672.73	1,590,375.33	(1.0%)
594 Maintenance of Lines - Underground	1,523.02	6,529.20	56,316.75	205,478.51	(72.6%)
595 Maintenance of Line Transformers	23,757.31		119,444.18	28,387.28	320.8%
Total Operations and Maintenance Expenses	530,078.42	461,723.74	4,493,784.81	4,427,314.39	1.5%
General & Administration Expenses:					
902 Meter Reading	941.51	801.61	30,247.76	18,002.99	68.0%
903 Customer Collections	127,181.82	148,769.25	1,392,095.67	1,340,409.46	3.9%
904 Uncollectible Accounts	12,500.00	12,500.00	125,000.00	125,000.00	0.0%
916 Energy Audit	47,014.95	53,750.22	394,860.52	431,259.87	(8.4%)
916 Energy Conservation	25,243.49	37,628.69	562,857.55	609,864.60	(7.7%)
920 Administrative and General Salaries	78,273.14	95,720.78	897,419.42	802,384.64	11.8%
921 Office Supplies and Expense	35,447.74	29,687.05	277,742.81	261,717.54	6.1%
923 Outside Services	39,211.61	124,433.80	684,579.18	570,145.98	20.1%
924 Property Insurance	28,372.95	6,774.29	281,971.58	279,292.79	1.0%
925 Injuries and Damages	5,409.27	6,946.13	53,544.26	53,635.12	(0.2%)
926 Employee Pensions and Benefits	431,887.27	365,392.66	3,397,752.40	3,072,950.46	10.6%
930 Miscellaneous General Expense	27,016.97	5,530.16	107,416.99	115,426.17	(6.9%)
931 Rent Expense	18,380.27	16,132.92	165,329.94	148,753.03	11.1%
933 Vehicle Expense	20,217.59	(32,121.87)	230,424.78	-	(100.0%)
933 Vehicle Expense - Capital	(20,754.00)	-	(263,295.45)	-	100.0%
935 Maintenance of General Plant	50,164.91	15,570.71	335,049.86	234,371.09	43.0%
935 Maintenance of Building & Garage	47,557.74	53,617.50	455,631.15	454,230.65	0.3%
Total General & Administration Expenses	974,067.23	941,133.90	9,128,628.42	8,517,444.39	7.2%

Town of Reading, Massachusetts
Municipal Light Department
Statement of Revenues, Expenses and Changes in Fund Net Assets
April 30, 2018

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year	Percent Change
Other Operating Expenses:					
403 Depreciation	358,832.42	341,775.67	3,588,324.20	3,417,756.70	5.0%
408 Voluntary Payments to Towns	126,851.67	118,000.00	1,237,175.68	1,175,372.00	5.3%
Total Other Expenses	485,684.09	459,775.67	4,825,499.88	4,593,128.70	5.1%
Operating Income	951,473.59	750,248.99	3,034,903.54	7,057,524.63	(57.0%)
Non Operating Revenue (Expenses):					
419 Interest Income	21,041.00	13,749.26	201,058.45	129,075.17	55.8%
419 Other	1,880.28	40,251.28	749,445.51	528,615.02	41.8%
426 Return on Investment to Reading	(201,647.50)	(198,722.33)	(2,016,475.00)	(1,987,223.32)	1.5%
431 Interest Expense	(437.65)	(179.63)	(10,612.07)	(3,656.24)	190.2%
Total Non Operating Revenue (Expenses)	(179,163.87)	(144,901.42)	(1,076,583.11)	(1,333,189.37)	(19.2%)
Change in Net Assets	772,309.72	605,347.57	1,958,320.43	5,724,335.26	(65.8%)
Net Assets at Beginning of Year	109,368,059.44	104,814,487.24	109,368,059.44	104,814,487.24	4.3%
Ending Net Assets	<u>\$ 110,140,369.16</u>	<u>\$ 105,419,834.81</u>	<u>\$ 111,326,379.87</u>	<u>\$ 110,538,822.50</u>	<u>0.7%</u>

Town of Reading, Massachusetts
Municipal Light Department
Statement of Budgeted Revenues, Expenses and Changes in Fund Net Assets
April 30, 2018

	Actual Year to Date	Budget Full Year	Remaining Budget	Remaining Budget %
Operating Revenue				
Base Revenue	\$21,902,089.11	\$ 26,337,621.00	\$ 4,435,531.89	16.8%
Fuel Revenue	25,581,390.98	32,491,810.00	6,910,419.02	21.3%
Purchased Power Capacity	33,140,474.66	38,088,978.00	4,948,503.34	13.0%
Forfeited Discounts	703,053.30	800,000.00	96,946.70	12.1%
Energy Conservation Revenue	550,738.77	675,000.00	124,261.23	18.4%
NYPA Credit	(1,027,593.85)	(1,200,000.00)	(172,406.15)	14.4%
Total Operating Revenue	80,850,152.97	97,193,409.00	16,343,256.03	16.8%
Expenses				
Power Expenses:				
555 Purchased Power Fuel Expense	26,325,029.81	31,291,810.00	4,966,780.19	15.9%
555 Purchased Power Capacity	21,334,937.76	24,476,161.00	3,141,223.24	12.8%
565 Purchased Power Transmission	11,707,368.75	13,612,817.00	1,905,448.25	14.0%
Total Purchased Power	59,367,336.32	69,380,788.00	10,013,451.68	14.4%
Operations and Maintenance Expenses:				
580 Supervision and Engineering	495,400.42	764,615.00	269,214.58	35.2%
581 Station Supervisor	131,176.26	130,662.00	(514.26)	(0.4%)
581 Line General	570,562.71	596,007.00	25,444.29	4.3%
582 Control Room	355,228.36	466,783.00	111,554.64	23.9%
585 Street Lighting	114,185.08	156,893.00	42,707.92	27.2%
586 Meter General	190,970.96	212,909.00	21,938.04	10.3%
588 Materials Management	462,093.94	458,328.00	(3,765.94)	(0.8%)
590 Maintenance of Structures and Equipment	423,733.42	494,936.00	71,202.58	14.4%
593 Maintenance of Lines - Overhead	1,574,672.73	1,980,611.00	405,938.27	20.5%
594 Maintenance of Lines - Underground	56,316.75	197,002.00	140,685.25	71.4%
595 Maintenance of Line Transformers	119,444.18	300,000.00	180,555.82	60.2%
Total Operations and Maintenance Expenses	4,493,784.81	5,758,746.00	1,264,961.19	22.0%
General & Administration Expenses:				
902 Meter Reading	30,247.76	37,461.00	7,213.24	19.3%
903 Customer Collection	1,392,095.67	1,869,393.00	477,297.33	25.5%
904 Uncollectible Accounts	125,000.00	150,000.00	25,000.00	16.7%
916 Energy Audit	394,860.52	509,232.00	114,371.48	22.5%
916 Energy Conservation	562,857.55	952,565.00	389,707.45	40.9%
920 Administrative and General Salaries	897,419.42	1,017,151.00	119,731.58	11.8%
921 Office Supplies and Expense	277,742.81	350,000.00	72,257.19	20.6%
923 Outside Services	684,579.18	759,191.00	74,611.82	9.8%
924 Property Insurance	281,971.58	427,200.00	145,228.42	34.0%
925 Injuries and Damages	53,544.26	52,613.00	(931.26)	(1.8%)
926 Employee Pensions and Benefits	3,397,752.40	3,000,437.00	(397,315.40)	(13.2%)
930 Miscellaneous General Expense	107,416.99	179,215.00	71,798.01	40.1%
931 Rent Expense	165,329.94	212,000.00	46,670.06	22.0%
933 Vehicle Expense	230,424.78	381,116.00	150,691.22	39.5%
933 Vehicle Expense - Capital	(263,295.45)	(301,596.00)	(38,300.55)	12.7%
935 Maintenance of General Plant	335,049.86	281,880.00	(53,169.86)	(18.9%)
935 Maintenance of Building & Garage	455,631.15	666,457.00	210,825.85	31.6%
Total General & Administration Expenses	9,128,628.42	10,544,315.00	1,415,686.58	13.4%

Town of Reading, Massachusetts
Municipal Light Department
Statement of Budgeted Revenues, Expenses and Changes in Fund Net Assets
April 30, 2018

	Actual Year to Date	Budget Full Year	Remaining Budget	Remaining Budget %
Other Operating Expenses:				
403 Depreciation	3,588,324.20	4,362,000.00	773,675.80	17.7%
408 Voluntary Payments to Towns	1,237,175.68	1,500,000.00	262,824.32	17.5%
Total Other Expenses	4,825,499.88	5,862,000.00	1,036,500.12	17.7%
Operating Income	3,034,903.54	5,647,560.00	2,612,656.46	46.3%
Non Operating Revenue (Expenses):				
419 Interest Income	201,058.45	150,000.00	(51,058.45)	(34.0%)
419 Other Income	749,445.51	890,000.00	140,554.49	15.8%
426 Return on Investment to Reading/Loss on Disposal	(2,016,475.00)	(2,570,438.00)	(553,963.00)	21.6%
431 Interest Expense	(10,612.07)	(2,500.00)	8,112.07	(324.5%)
Total Non Operating Revenue (Expenses)	(1,076,583.11)	(1,532,938.00)	(456,354.89)	29.8%
Net Income	\$ 1,958,320.43	\$ 4,114,622.00	\$ 2,156,301.57	52.4%