

Town of Reading, Massachusetts
Municipal Light Department
Statement of Net Assets
February 28, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
Current:		
Unrestricted Cash	\$15,362,658.67	\$14,441,834.89
Restricted Cash	28,679,908.58	23,348,675.42
Restricted Investments	1,329,906.48	1,345,663.06
Receivables, Net	9,949,739.23	10,913,294.84
Prepaid Expenses	943,930.87	1,733,867.40
Inventory	1,567,050.70	1,592,500.33
Total Current Assets	<u>57,833,194.53</u>	<u>53,375,835.94</u>
Noncurrent:		
Investment in Associated Companies	212,427.92	26,993.75
Capital Assets, Net	77,176,923.62	73,463,081.75
Total Noncurrent Assets	<u>77,389,351.54</u>	<u>73,490,075.50</u>
Deferred Outflows - Pension Plan	<u>4,135,078.00</u>	<u>6,338,218.00</u>
TOTAL ASSETS	<u>139,357,624.07</u>	<u>133,204,129.44</u>
LIABILITIES		
Current		
Accounts Payable	8,354,927.33	7,535,693.41
Accrued Liabilities	593,571.10	705,718.62
Customer Deposits	1,159,877.00	1,082,519.81
Customer Advances for Construction	1,313,671.28	1,125,355.53
Total Current Liabilities	<u>11,422,046.71</u>	<u>10,449,287.37</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	714,888.00	883,172.00
TOTAL LIABILITIES	28,501,674.76	23,423,817.37
NET POSITION		
Invested in Capital Assets, Net of Related Debt	77,176,923.62	73,463,081.75
Restricted for Depreciation Fund	5,124,886.19	4,817,143.26
Restricted for Pension Trust	5,683,014.26	0.00
Unrestricted	22,871,125.24	31,500,087.06
TOTAL NET POSITION	<u>110,855,949.31</u>	<u>109,780,312.07</u>
Total Liabilities and Net Assets	<u>\$139,357,624.07</u>	<u>\$133,204,129.44</u>

Town of Reading, Massachusetts
Municipal Light Department
Schedule of Cash and Investments
February 28, 2018

	<u>2018</u>	<u>2017</u>
Unrestricted Cash		
Cash - Operating Fund	\$15,359,158.67	\$14,438,834.89
Cash - Petty Cash	3,500.00	3,000.00
Total Unrestricted Cash	<u>15,362,658.67</u>	<u>14,441,834.89</u>
Restricted Cash		
Cash - Depreciation Fund	5,124,886.19	4,817,143.26
Cash - Town Payment	2,627,993.36	2,533,778.64
Cash - Deferred Fuel Reserve	3,668,288.42	5,150,862.32
Cash - Rate Stabilization Fund	6,946,108.58	6,857,027.56
Cash - Pension Trust	5,683,014.26	0.00
Cash - Uncollectible Accounts Receivable	200,000.00	200,000.00
Cash - Sick Leave Benefits	1,864,092.78	1,948,734.17
Cash - Hazard Waste Reserve	750,000.00	150,000.00
Cash - Customer Deposits	1,157,139.00	986,734.14
Cash - Energy Conservation	658,385.99	704,395.33
Total Restricted Cash	<u>28,679,908.58</u>	<u>23,348,675.42</u>
Investments		
Sick Leave Buyback	1,329,906.48	1,345,663.06
Total	<u><u>\$45,372,473.73</u></u>	<u><u>\$39,136,173.37</u></u>

Town of Reading, Massachusetts
Municipal Light Department
Capital Funds
February 28, 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	40,847.82
DEPRECIATION TRANSFER FY 18	2,870,659.36
WEST STREET - MASS DOT FINAL PAYMENT	<u>43,056.31</u>
TOTAL SOURCE OF CAPITAL FUNDS	9,061,532.64

USE OF CAPITAL FUNDS:

ADDITIONS TO PLANT THRU FEBRUARY 2018	
TOTAL USE OF CAPITAL FUNDS	3,936,646.45
GENERAL LEDGER CAPITAL FUNDS BALANCE 2/28/18	<u><u>\$ 5,124,886.19</u></u>

Town of Reading, Massachusetts
Municipal Light Department
Statement of Revenues, Expenses and Changes in Fund Net Assets
February 28, 2018

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year	Percent Change
Operating Revenue					
Base Revenue	\$2,189,844.29	\$2,122,036.44	\$17,926,813.07	\$17,726,858.70	1.1%
Fuel Revenue	2,784,277.72	3,117,313.52	20,024,405.36	23,396,684.32	(14.4%)
Purchased Power Capacity	3,291,698.81	2,740,693.44	26,802,000.07	23,476,617.51	14.2%
Forfeited Discounts	61,966.83	49,723.67	585,829.35	582,950.47	0.5%
Energy Conservation Revenue	55,046.36	55,966.81	450,899.09	462,616.15	(2.5%)
NYPA Credit	(122,537.34)	(122,453.60)	(735,702.26)	(778,364.96)	(5.5%)
Total Operating Revenue	8,260,296.67	7,963,280.28	65,054,244.68	64,867,362.19	0.3%
Expenses					
Power Expenses:					
547 Purchased Power Fuel Expense	2,964,416.33	2,511,340.83	21,489,435.33	22,598,629.05	(4.9%)
555 Purchased Power Capacity	2,540,740.82	1,514,067.41	17,344,829.00	13,299,947.06	30.4%
565 Purchased Power Transmission	1,233,986.69	1,023,048.37	9,868,956.50	9,133,837.84	8.0%
Total Purchased Power	6,739,143.84	5,048,456.61	48,703,220.83	45,032,413.95	8.2%
Operations and Maintenance Expenses:					
580 Supervision and Engineering	46,710.39	34,223.47	382,419.58	270,070.56	41.6%
581 Station Supervision	12,171.09	12,036.99	100,923.59	93,801.81	7.6%
581 Line General	53,493.08	67,488.07	486,153.03	444,439.03	9.4%
582 Control Room	29,489.83	28,586.92	272,569.41	311,651.49	(12.5%)
585 Street Lighting	15,408.40	7,392.30	72,599.14	148,173.23	(51.0%)
586 Meter General	14,875.14	17,053.79	169,998.44	140,367.83	21.1%
588 Materials Management	66,323.79	40,376.52	376,443.03	297,301.93	26.6%
590 Maintenance of Structures and Equipment	43,788.47	39,188.79	313,864.39	313,050.60	0.3%
593 Maintenance of Lines - Overhead	105,543.28	221,697.23	1,018,475.48	1,352,568.66	(24.7%)
594 Maintenance of Lines - Underground	1,302.10	6,145.78	54,249.14	195,626.56	(72.3%)
595 Maintenance of Line Transformers	11,508.76	3,445.31	83,063.72	23,558.20	252.6%
Total Operations and Maintenance Expenses	400,614.33	477,635.17	3,330,758.95	3,590,609.90	(7.2%)
General & Administration Expenses:					
902 Meter Reading	4,710.86	815.79	28,529.82	16,878.14	69.0%
903 Customer Collections	164,883.71	105,041.27	1,133,568.63	1,051,735.92	7.8%
904 Uncollectible Accounts	12,500.00	12,500.00	100,000.00	100,000.00	0.0%
916 Energy Audit	37,896.28	44,769.97	316,128.67	333,796.26	(5.3%)
916 Energy Conservation	42,942.85	75,857.98	395,456.25	475,639.06	(16.9%)
920 Administrative and General Salaries	89,526.74	71,368.25	740,886.49	624,920.84	18.6%
921 Office Supplies and Expense	30,017.72	27,409.02	208,468.39	186,212.44	12.0%
923 Outside Services	82,749.34	40,555.13	575,079.04	336,648.97	70.8%
924 Property Insurance	28,372.95	49,573.69	225,225.68	223,044.85	1.0%
925 Injuries and Damages	14,312.76	5,071.09	44,566.69	41,066.63	8.5%
926 Employee Pensions and Benefits	427,201.33	160,805.84	2,408,984.21	2,444,042.52	(1.4%)
930 Miscellaneous General Expense	2,925.92	22,511.38	71,783.81	107,672.90	(33.3%)
931 Rent Expense	14,493.63	15,944.59	124,018.30	116,514.40	6.4%
933 Vehicle Expense	18,506.60	0.00	192,105.83	0.00	(100.0%)
933 Vehicle Expense - Capital	(27,101.75)	0.00	(223,734.95)	0.00	100.0%
935 Maintenance of General Plant	21,072.23	14,405.36	235,064.49	196,667.81	19.5%
935 Maintenance of Building & Garage	51,462.58	58,241.64	342,828.51	355,323.50	(3.5%)
Total General & Administration Expenses	1,016,473.75	704,871.00	6,918,959.86	6,610,164.24	4.7%

Town of Reading, Massachusetts
Municipal Light Department
Statement of Revenues, Expenses and Changes in Fund Net Assets
February 28, 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	2,870,659.36	2,734,205.36	5.0%
408 Voluntary Payments to Towns	(634,258.35)	118,000.00	983,472.34	939,372.00	4.7%
Total Other Expenses	(275,425.93)	459,775.67	3,854,131.70	3,673,577.36	4.9%
Operating Income	379,490.68	1,272,541.83	2,247,173.34	5,960,596.74	(62.3%)
Non Operating Revenue (Expenses):					
419 Interest Income	20,988.73	11,598.83	156,981.82	96,717.59	62.3%
419 Other	64,904.99	42,697.57	706,663.48	501,578.27	40.9%
426 Return on Investment to Reading	(201,647.50)	(198,722.33)	(1,613,180.00)	(1,589,778.66)	1.5%
431 Interest Expense	(407.61)	(180.81)	(9,748.77)	(3,289.11)	196.4%
Total Non Operating Revenue (Expenses)	(116,161.39)	(144,606.74)	(759,283.47)	(994,771.91)	(23.7%)
Change in Net Assets	263,329.29	1,127,935.09	1,487,889.87	4,965,824.83	(70.0%)
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>\$109,631,388.73</u>	<u>\$105,942,422.33</u>	<u>\$110,855,949.31</u>	<u>\$109,780,312.07</u>	<u>1.0%</u>

Town of Reading, Massachusetts
Municipal Light Department
Statement of Budgeted Revenues, Expenses and Changes in Fund Net Assets
February 28, 2018

	Actual Year to Date	Budget Full Year	Remaining Budget	Remaining Budget %
Operating Revenue				
Base Revenue	\$17,926,813.07	\$26,337,621.00	\$8,410,807.93	31.9%
Fuel Revenue	20,024,405.36	32,491,810.00	12,467,404.64	38.4%
Purchased Power Capacity	26,802,000.07	38,088,978.00	11,286,977.93	29.6%
Forfeited Discounts	585,829.35	800,000.00	214,170.65	26.8%
Energy Conservation Revenue	450,899.09	675,000.00	224,100.91	33.2%
NYPA Credit	(735,702.26)	(1,200,000.00)	(464,297.74)	38.7%
Total Operating Revenue	65,054,244.68	97,193,409.00	32,139,164.32	33.1%
Expenses				
Power Expenses:				
547 Purchased Power Fuel Expense	21,489,435.33	31,291,810.00	9,802,374.67	31.3%
555 Purchased Power Capacity	17,344,829.00	24,476,161.00	7,131,332.00	29.1%
565 Purchased Power Transmission	9,868,956.50	13,612,817.00	3,743,860.50	27.5%
Total Purchased Power	48,703,220.83	69,380,788.00	20,677,567.17	29.8%
Operations and Maintenance Expenses:				
580 Supervision and Engineering	382,419.58	764,615.00	382,195.42	50.0%
581 Station Supervisor	100,923.59	130,662.00	29,738.41	22.8%
581 Line General	486,153.03	596,007.00	109,853.97	18.4%
582 Control Room	272,569.41	466,783.00	194,213.59	41.6%
585 Street Lighting	72,599.14	156,893.00	84,293.86	53.7%
586 Meter General	169,998.44	212,909.00	42,910.56	20.2%
588 Materials Management	376,443.03	458,328.00	81,884.97	17.9%
590 Maintenance of Structures and Equipment	313,864.39	494,936.00	181,071.61	36.6%
593 Maintenance of Lines - Overhead	1,018,475.48	1,980,611.00	962,135.52	48.6%
594 Maintenance of Lines - Underground	54,249.14	197,002.00	142,752.86	72.5%
595 Maintenance of Line Transformers	83,063.72	300,000.00	216,936.28	72.3%
Total Operations and Maintenance Expenses	3,330,758.95	5,758,746.00	2,427,987.05	42.2%
General & Administration Expenses:				
902 Meter Reading	28,529.82	37,461.00	8,931.18	23.8%
903 Customer Collection	1,133,568.63	1,869,393.00	735,824.37	39.4%
904 Uncollectible Accounts	100,000.00	150,000.00	50,000.00	33.3%
916 Energy Audit	316,128.67	509,232.00	193,103.33	37.9%
916 Energy Conservation	395,456.25	952,565.00	557,108.75	58.5%
920 Administrative and General Salaries	740,886.49	1,017,151.00	276,264.51	27.2%
921 Office Supplies and Expense	208,468.39	350,000.00	141,531.61	40.4%
923 Outside Services	575,079.04	759,191.00	184,111.96	24.3%
924 Property Insurance	225,225.68	427,200.00	201,974.32	47.3%
925 Injuries and Damages	44,566.69	52,613.00	8,046.31	15.3%
926 Employee Pensions and Benefits	2,408,984.21	3,000,437.00	591,452.79	19.7%
930 Miscellaneous General Expense	71,783.81	179,215.00	107,431.19	59.9%
931 Rent Expense	124,018.30	212,000.00	87,981.70	41.5%
933 Vehicle Expense	192,105.83	381,116.00	189,010.17	49.6%
933 Vehicle Expense - Capital	(223,734.95)	(301,596.00)	(77,861.05)	25.8%
935 Maintenance of General Plant	235,064.49	281,880.00	46,815.51	16.6%
935 Maintenance of Building & Garage	342,828.51	666,457.00	323,628.49	48.6%
Total General & Administration Expenses	6,918,959.86	10,544,315.00	3,625,355.14	34.4%

Town of Reading, Massachusetts
Municipal Light Department
Statement of Budgeted Revenues, Expenses and Changes in Fund Net Assets
February 28, 2018

	Actual Year to Date	Budget Full Year	Remaining Budget	Remaining Budget %
Other Operating Expenses:				
403 Depreciation	2,870,659.36	4,362,000.00	1,491,340.64	34.2%
408 Voluntary Payments to Towns	983,472.34	1,500,000.00	516,527.66	34.4%
Total Other Expenses	3,854,131.70	5,862,000.00	2,007,868.30	34.3%
Operating Income	2,247,173.34	5,647,560.00	3,400,386.66	60.2%
Non Operating Revenue (Expenses):				
419 Interest Income	156,981.82	150,000.00	(6,981.82)	(4.7%)
419 Other Income	706,663.48	890,000.00	183,336.52	20.6%
426 Return on Investment to Reading/Loss on Disposal	(1,613,180.00)	(2,570,438.00)	(957,258.00)	37.2%
431 Interest Expense	(9,748.77)	(2,500.00)	7,248.77	(290.0%)
Total Non Operating Revenue (Expenses)	(759,283.47)	(1,532,938.00)	(773,654.53)	50.5%
Net Income	\$ 1,487,889.87	\$ 4,114,622.00	\$ 2,626,732.13	63.8%