

Town of Reading, Massachusetts
Municipal Light Department
Statement of Net Assets
January 31, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
Current:		
Unrestricted Cash	\$16,103,670.32	\$15,850,224.24
Restricted Cash	28,649,043.38	22,605,998.32
Restricted Investments	1,329,906.48	1,345,663.06
Receivables, Net	9,930,110.92	8,285,113.20
Prepaid Expenses	848,921.46	1,937,910.40
Inventory	1,570,899.03	1,568,809.91
Total Current Assets	<u>58,432,551.59</u>	<u>51,593,719.13</u>
Noncurrent:		
Investment in Associated Companies	212,427.92	26,993.75
Capital Assets, Net	77,092,631.75	73,414,409.00
Total Noncurrent Assets	<u>77,305,059.67</u>	<u>73,441,402.75</u>
Deferred Outflows - Pension Plan	<u>4,135,078.00</u>	<u>6,338,218.00</u>
TOTAL ASSETS	<u>139,872,689.26</u>	<u>131,373,339.88</u>
LIABILITIES		
Current		
Accounts Payable	8,994,863.35	6,939,310.44
Accrued Liabilities	734,767.56	710,032.79
Customer Deposits	1,157,139.00	986,734.14
Customer Advances for Construction	1,313,671.28	1,110,355.53
Total Current Liabilities	<u>12,200,441.19</u>	<u>9,746,432.90</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	29,280,069.24	22,720,962.90
NET POSITION		
Invested in Capital Assets, Net of Related Debt	77,092,631.75	73,414,409.00
Restricted for Depreciation Fund	5,287,898.22	4,863,316.41
Restricted for Pension Trust	5,683,014.26	0.00
Unrestricted	22,529,075.79	30,374,651.57
TOTAL NET POSITION	<u>110,592,620.02</u>	<u>108,652,376.98</u>
Total Liabilities and Net Assets	<u>\$139,872,689.26</u>	<u>\$131,373,339.88</u>

Town of Reading, Massachusetts
Municipal Light Department
Schedule of Cash and Investments
January 31, 2018

	<u>2018</u>	<u>2017</u>
Unrestricted Cash		
Cash - Operating Fund	\$16,100,170.32	\$15,847,224.24
Cash - Petty Cash	3,500.00	3,000.00
Total Unrestricted Cash	<u>16,103,670.32</u>	<u>15,850,224.24</u>
Restricted Cash		
Cash - Depreciation Fund	4,717,650.82	4,863,316.41
Cash - Construction Fund	443,037.57	0.00
Cash - Town Payment	2,299,494.19	2,217,056.31
Cash - Deferred Fuel Reserve	3,956,575.32	4,667,343.23
Cash - Rate Stabilization Fund	6,937,922.43	6,852,727.56
Cash - Pension Trust	5,683,014.26	0.00
Cash - Uncollectible Accounts Receivable	200,000.00	200,000.00
Cash - Sick Leave Benefits	1,857,927.31	1,944,534.17
Cash - Hazard Waste Reserve	750,000.00	150,000.00
Cash - Customer Deposits	1,157,139.00	986,734.14
Cash - Energy Conservation	646,282.48	724,286.50
Total Restricted Cash	<u>28,649,043.38</u>	<u>22,605,998.32</u>
Investments		
Sick Leave Buyback	1,329,906.48	1,345,663.06
Total	<u><u>\$46,082,620.18</u></u>	<u><u>\$39,801,885.62</u></u>

Town of Reading, Massachusetts
Municipal Light Department
Capital Funds
January 31, 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	35,414.46
DEPRECIATION TRANSFER FY 18	<u>2,511,826.94</u>
TOTAL SOURCE OF CAPITAL FUNDS	8,654,210.55

USE OF CAPITAL FUNDS:

ADDITIONS TO PLANT THRU JANUARY 2018	
TOTAL USE OF CAPITAL FUNDS	3,493,522.16
GENERAL LEDGER CAPITAL FUNDS BALANCE 1/31/18	<u><u>\$ 5,160,688.39</u></u>

Town of Reading, Massachusetts
Municipal Light Department
Statement of Revenues, Expenses and Changes in Fund Net Assets
January 31, 2018

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year	Percent Change
Operating Revenue					
Base Revenue	\$2,338,527.08	\$2,082,018.94	\$15,736,968.78	\$15,604,822.26	0.8%
Fuel Revenue	2,730,249.25	3,149,834.16	17,240,127.64	20,279,370.80	(15.0%)
Purchased Power Capacity	3,625,660.83	2,904,975.54	23,510,301.26	20,735,924.07	13.4%
Forfeited Discounts	89,217.95	76,354.02	523,862.52	533,226.80	(1.8%)
Energy Conservation Revenue	57,103.94	55,706.82	395,852.73	406,649.34	(2.7%)
NYPA Credit	(118,534.20)	(121,364.18)	(613,164.92)	(655,911.36)	(6.5%)
Total Operating Revenue	8,722,224.85	8,147,525.30	56,793,948.01	56,904,081.91	(0.2%)
Expenses					
Power Expenses:					
547 Purchased Power Fuel Expense	3,815,602.60	2,911,543.18	18,525,019.00	20,087,288.22	(7.8%)
555 Purchased Power Capacity	2,142,038.41	1,513,015.67	14,804,088.18	11,785,879.65	25.6%
565 Purchased Power Transmission	1,176,741.85	1,019,499.88	8,634,969.81	8,110,789.47	6.5%
Total Purchased Power	7,134,382.86	5,444,058.73	41,964,076.99	39,983,957.34	5.0%
Operations and Maintenance Expenses:					
580 Supervision and Engineering	52,680.81	(2,253.32)	335,709.19	235,847.09	42.3%
581 Station Supervision	14,461.20	13,099.46	88,752.50	81,764.82	8.5%
581 Line General	87,331.18	66,244.90	432,659.95	376,950.96	14.8%
582 Control Room	37,613.63	32,181.22	243,079.58	283,064.57	(14.1%)
585 Street Lighting	24,168.94	8,312.22	57,190.74	140,780.93	(59.4%)
586 Meter General	32,469.79	21,408.05	155,123.30	123,314.04	25.8%
588 Materials Management	56,698.86	43,161.34	310,119.24	256,925.41	20.7%
590 Maintenance of Structures and Equipment	44,565.70	36,771.69	270,075.92	273,861.81	(1.4%)
593 Maintenance of Lines - Overhead	120,518.19	231,710.44	912,932.20	1,130,871.43	(19.3%)
594 Maintenance of Lines - Underground	285.59	35,755.43	52,947.04	189,480.78	(72.1%)
595 Maintenance of Line Transformers	10,270.75	1,725.00	71,554.96	20,112.89	255.8%
Total Operations and Maintenance Expenses	481,064.64	488,116.43	2,930,144.62	3,112,974.73	(5.9%)
General & Administration Expenses:					
902 Meter Reading	6,595.56	3,026.87	23,818.96	16,062.35	48.3%
903 Customer Collections	156,142.48	84,708.69	968,684.92	946,694.65	2.3%
904 Uncollectible Accounts	12,500.00	12,500.00	87,500.00	87,500.00	0.0%
916 Energy Audit	39,986.79	46,224.35	278,232.39	289,026.29	(3.7%)
916 Energy Conservation	45,000.79	82,920.66	352,513.40	399,781.08	(11.8%)
920 Administrative and General Salaries	113,576.59	76,169.73	651,359.75	553,552.59	17.7%
921 Office Supplies and Expense	27,255.32	7,700.59	178,450.67	158,803.42	12.4%
923 Outside Services	68,266.39	(41,380.76)	492,329.70	296,093.84	66.3%
924 Property Insurance	27,958.80	7,184.86	196,852.73	173,471.16	13.5%
925 Injuries and Damages	4,732.68	9,233.24	30,253.93	35,995.54	(16.0%)
926 Employee Pensions and Benefits	432,620.17	762,737.55	1,981,782.88	2,283,236.68	(13.2%)
930 Miscellaneous General Expense	4,609.66	11,742.36	68,857.89	85,161.52	(19.1%)
931 Rent Expense	13,445.63	16,398.29	109,524.67	100,569.81	8.9%
933 Transportation Expense	21,895.17	0.00	173,599.23	0.00	(100.0%)
933 Transportation Expense Capital Clearing	(21,530.00)	0.00	(196,633.20)	0.00	100.0%
935 Maintenance of General Plant	15,538.24	13,326.59	213,992.26	182,262.45	17.4%
935 Maintenance of Building & Garage	57,887.92	47,655.24	291,365.93	297,081.86	(1.9%)
Total General & Administration Expenses	1,026,482.19	1,140,148.26	5,902,486.11	5,905,293.24	(0.0%)

Town of Reading, Massachusetts
Municipal Light Department
Statement of Revenues, Expenses and Changes in Fund Net Assets
January 31, 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	2,511,826.94	2,392,429.69	5.0%
408 Voluntary Payments to Towns	856,620.67	118,000.00	1,617,730.69	821,372.00	97.0%
Total Other Expenses	1,215,453.09	459,775.67	4,129,557.63	3,213,801.69	28.5%
Operating Income	(1,135,157.93)	615,426.21	1,867,682.66	4,688,054.91	(60.2%)
Non Operating Revenue (Expenses):					
419 Interest Income	20,810.73	11,645.97	135,993.09	85,118.76	59.8%
419 Other	282,347.32	202,725.97	641,758.49	458,880.70	39.9%
426 Return on Investment to Reading	(201,647.50)	(198,722.33)	(1,411,532.50)	(1,391,056.33)	1.5%
431 Interest Expense	(6,698.97)	(182.39)	(9,341.16)	(3,108.30)	200.5%
Total Non Operating Revenue (Expenses)	94,811.58	15,467.22	(643,122.08)	(850,165.17)	(24.4%)
Change in Net Assets	(1,040,346.35)	630,893.43	1,224,560.58	3,837,889.74	(68.1%)
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>\$ 108,327,713.09</u>	<u>\$ 105,445,380.67</u>	<u>\$ 110,592,620.02</u>	<u>\$ 108,652,376.98</u>	<u>1.8%</u>

Town of Reading, Massachusetts
Municipal Light Department
Statement of Budgeted Revenues, Expenses and Changes in Fund Net Assets
January 31, 2018

	Actual Year to Date	Budget Full Year	Remaining Budget	Remaining Budget %
Operating Revenue				
Base Revenue	\$15,736,968.78	\$26,337,621.00	\$10,600,652.22	40.2%
Fuel Revenue	17,240,127.64	32,491,810.00	15,251,682.36	46.9%
Purchased Power Capacity	23,510,301.26	38,088,978.00	14,578,676.74	38.3%
Forfeited Discounts	523,862.52	800,000.00	276,137.48	34.5%
Energy Conservation Revenue	395,852.73	675,000.00	279,147.27	41.4%
NYPA Credit	(613,164.92)	(1,200,000.00)	(586,835.08)	48.9%
Total Operating Revenue	56,793,948.01	97,193,409.00	40,399,460.99	41.6%
Expenses				
Power Expenses:				
547 Purchased Power Fuel Expense	18,525,019.00	31,291,810.00	12,766,791.00	40.8%
555 Purchased Power Capacity	14,804,088.18	24,476,161.00	9,672,072.82	39.5%
565 Purchased Power Transmission	8,634,969.81	13,612,817.00	4,977,847.19	36.6%
Total Purchased Power	41,964,076.99	69,380,788.00	27,416,711.01	39.5%
Operations and Maintenance Expenses:				
580 Supervision and Engineering	335,709.19	764,615.00	428,905.81	56.1%
581 Station Supervisor	88,752.50	130,662.00	41,909.50	32.1%
581 Line General	432,659.95	596,007.00	163,347.05	27.4%
582 Control Room	243,079.58	466,783.00	223,703.42	47.9%
585 Street Lighting	57,190.74	156,893.00	99,702.26	63.5%
586 Meter General	155,123.30	212,909.00	57,785.70	27.1%
588 Materials Management	310,119.24	458,328.00	148,208.76	32.3%
590 Maintenance of Structures and Equipment	270,075.92	494,936.00	224,860.08	45.4%
593 Maintenance of Lines - Overhead	912,932.20	1,980,611.00	1,067,678.80	53.9%
594 Maintenance of Lines - Underground	52,947.04	197,002.00	144,054.96	73.1%
595 Maintenance of Line Transformers	71,554.96	300,000.00	228,445.04	76.1%
Total Operations and Maintenance Expenses	2,930,144.62	5,758,746.00	2,828,601.38	49.1%
General & Administration Expenses:				
902 Meter Reading	23,818.96	37,461.00	13,642.04	36.4%
903 Customer Collection	968,684.92	1,869,393.00	900,708.08	48.2%
904 Uncollectible Accounts	87,500.00	150,000.00	62,500.00	41.7%
916 Energy Audit	278,232.39	509,232.00	230,999.61	45.4%
916 Energy Conservation	352,513.40	952,565.00	600,051.60	63.0%
920 Administrative and General Salaries	651,359.75	1,017,151.00	365,791.25	36.0%
921 Office Supplies and Expense	178,450.67	350,000.00	171,549.33	49.0%
923 Outside Services	492,329.70	759,191.00	266,861.30	35.2%
924 Property Insurance	196,852.73	427,200.00	230,347.27	53.9%
925 Injuries and Damages	30,253.93	52,613.00	22,359.07	42.5%
926 Employee Pensions and Benefits	1,981,782.88	3,000,437.00	1,018,654.12	34.0%
930 Miscellaneous General Expense	68,857.89	179,215.00	110,357.11	61.6%
931 Rent Expense	109,524.67	212,000.00	102,475.33	48.3%
933 Transportation Expense	173,599.23	381,116.00	207,516.77	54.4%
933 Transportation Expense Capital Clearing	(196,633.20)	(301,596.00)	(104,962.80)	34.8%
935 Maintenance of General Plant	213,992.26	281,880.00	67,887.74	24.1%
935 Maintenance of Building & Garage	291,365.93	666,457.00	375,091.07	56.3%
Total General & Administration Expenses	5,902,486.11	10,544,315.00	4,641,828.89	44.0%

Town of Reading, Massachusetts
Municipal Light Department
Statement of Budgeted Revenues, Expenses and Changes in Fund Net Assets
January 31, 2018

	Actual Year to Date	Budget Full Year	Remaining Budget	Remaining Budget %
Other Operating Expenses:				
403 Depreciation	2,511,826.94	4,362,000.00	1,850,173.06	42.4%
408 Voluntary Payments to Towns	1,617,730.69	1,500,000.00	(117,730.69)	(7.8%)
Total Other Expenses	4,129,557.63	5,862,000.00	1,732,442.37	29.6%
Operating Income	1,867,682.66	5,647,560.00	3,779,877.34	66.9%
Non Operating Revenue (Expenses):				
419 Interest Income	135,993.09	150,000.00	14,006.91	9.3%
419 Other Income	641,758.49	890,000.00	248,241.51	27.9%
426 Return on Investment to Reading/Loss on Disposal	(1,411,532.50)	(2,570,438.00)	(1,158,905.50)	45.1%
431 Interest Expense	(9,341.16)	(2,500.00)	6,841.16	(273.6%)
Total Non Operating Revenue (Expenses)	(643,122.08)	(1,532,938.00)	(889,815.92)	58.0%
Net Income	\$ 1,224,560.58	\$ 4,114,622.00	\$ 2,890,061.42	70.2%