

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

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>ASSETS</b>		
Current:		
Unrestricted Cash	\$ 14,570,954.85	\$ 14,115,318.66
Restricted Cash	28,508,255.97	23,446,243.15
Restricted Investments	1,329,906.48	1,345,663.06
Receivables, Net	9,992,825.86	9,285,515.91
Prepaid Expenses	1,576,270.30	1,420,555.30
Inventory	1,532,196.60	1,762,542.80
Total Current Assets	<u>57,510,410.06</u>	<u>51,375,838.88</u>
Noncurrent:		
Investment in Associated Companies	212,427.92	144,418.75
Capital Assets, Net	<u>77,477,379.12</u>	<u>73,691,430.41</u>
Total Noncurrent Assets	<u>77,689,807.04</u>	<u>73,835,849.16</u>
Deferred Outflows - Pension Plan	<u>4,135,078.00</u>	<u>6,338,218.00</u>
<b>TOTAL ASSETS</b>	<b><u>139,335,295.10</u></b>	<b><u>131,549,906.04</u></b>
<b>LIABILITIES</b>		
Current		
Accounts Payable	8,447,693.64	6,057,787.63
Accrued Liabilities	737,108.47	415,220.54
Customer Deposits	1,162,123.66	1,042,347.41
Customer Advances for Construction	<u>1,354,671.13</u>	<u>1,126,545.53</u>
Total Current Liabilities	<u>11,701,596.90</u>	<u>8,641,901.11</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	<u>13,076,538.00</u>	<u>8,833,549.00</u>
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>
<b>TOTAL LIABILITIES</b>	<b><u>28,781,224.95</u></b>	<b><u>21,616,431.11</u></b>
<b>NET POSITION</b>		
Invested in Capital Assets, Net of Related Debt	77,477,379.12	73,691,430.41
Restricted for Depreciation Fund	4,830,754.58	4,594,181.29
Restricted for Pension Trust	5,683,014.26	0.00
Unrestricted	<u>22,562,922.19</u>	<u>31,647,863.23</u>
<b>TOTAL NET POSITION</b>	<b><u>110,554,070.15</u></b>	<b><u>109,933,474.93</u></b>
Total Liabilities and Net Assets	<b><u>\$ 139,335,295.10</u></b>	<b><u>\$ 131,549,906.04</u></b>

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

	<b><u>2018</u></b>	<b><u>2017</u></b>
Unrestricted Cash		
Cash - Operating Fund	\$ 14,566,454.85	\$ 14,112,318.66
Cash - Petty Cash	4,500.00	3,000.00
Total Unrestricted Cash	<u>14,570,954.85</u>	<u>14,115,318.66</u>
Restricted Cash		
Cash - Depreciation Fund	4,830,754.58	4,594,181.29
Cash - Town Payment	2,956,492.53	2,850,500.97
Cash - Deferred Fuel Reserve	3,533,987.86	5,187,757.45
Cash - Rate Stabilization Fund	6,955,665.51	6,863,426.03
Cash - Pension Trust	5,683,014.26	0.00
Cash - Uncollectible Accounts Receivable	200,000.00	200,000.00
Cash - Sick Leave Benefits	1,869,848.65	1,954,601.17
Cash - Hazard Waste Reserve	750,000.00	150,000.00
Cash - Customer Deposits	1,162,123.66	986,734.14
Cash - Energy Conservation	566,368.92	659,042.10
Total Restricted Cash	<u>28,508,255.97</u>	<u>23,446,243.15</u>
Investments		
Sick Leave Buyback	1,329,906.48	1,345,663.06
Total	<u><u>\$ 44,409,117.30</u></u>	<u><u>\$ 38,907,224.87</u></u>

Town of Reading, Massachusetts  
Municipal Light Department  
Capital Funds  
March 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	47,171.71
DEPRECIATION TRANSFER FY 18	3,229,491.78
WEST STREET - MASS DOT FINAL PAYMENT	<u>43,056.31</u>
TOTAL SOURCE OF CAPITAL FUNDS	9,426,688.95

USE OF CAPITAL FUNDS:

ADDITIONS TO PLANT THRU FEBRUARY 2018	
TOTAL USE OF CAPITAL FUNDS	4,595,934.37
GENERAL LEDGER CAPITAL FUNDS BALANCE 2/28/18	<u><u>\$ 4,830,754.58</u></u>

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

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year	Percent Change
<b>Operating Revenue</b>					
Base Revenue	\$ 1,952,703.86	\$ 1,965,228.87	\$ 19,879,516.93	\$ 19,692,087.57	1.0%
Fuel Revenue	2,684,399.71	2,739,292.96	22,708,805.07	26,135,977.28	(13.1%)
Purchased Power Capacity	3,078,354.01	2,468,111.95	29,880,354.08	25,944,729.46	15.2%
Forfeited Discounts	56,893.40	77,060.64	642,722.75	660,011.11	(2.6%)
Energy Conservation Revenue	50,140.74	51,243.62	501,039.83	513,859.77	(2.5%)
NYPA Credit	(149,684.98)	(101,806.73)	(885,387.24)	(880,171.69)	0.6%
Total Operating Revenue	7,672,806.74	7,199,131.31	72,727,051.42	72,066,493.50	0.9%
<b>Expenses</b>					
<b>Power Expenses:</b>					
547 Purchased Power Fuel Expense	2,669,989.13	2,574,284.96	24,159,424.46	25,172,914.01	(4.0%)
555 Purchased Power Capacity	1,885,091.19	1,534,433.14	19,229,920.19	14,834,380.20	29.6%
565 Purchased Power Transmission	927,236.95	942,831.64	10,796,193.45	10,076,669.48	7.1%
Total Purchased Power	5,482,317.27	5,051,549.74	54,185,538.10	50,083,963.69	8.2%
<b>Operations and Maintenance Expenses:</b>					
580 Supervision and Engineering	69,716.61	35,139.83	452,136.19	305,210.39	48.1%
581 Station Supervision	19,054.16	12,789.97	119,977.75	106,591.78	12.6%
581 Line General	21,741.04	47,272.29	507,894.07	491,711.32	3.3%
582 Control Room	39,543.82	31,492.26	312,113.23	343,143.75	(9.0%)
585 Street Lighting	15,848.95	6,092.46	88,448.09	154,265.69	(42.7%)
586 Meter General	12,242.79	17,145.09	182,241.23	157,512.92	15.7%
588 Materials Management	48,463.55	38,629.04	424,906.58	335,930.97	26.5%
590 Maintenance of Structures and Equipment	67,880.97	49,399.82	381,745.36	362,450.42	5.3%
593 Maintenance of Lines - Overhead	325,287.81	128,868.16	1,343,763.29	1,481,436.82	(9.3%)
594 Maintenance of Lines - Underground	544.59	3,322.75	54,793.73	198,949.31	(72.5%)
595 Maintenance of Line Transformers	12,623.15	4,829.08	95,686.87	28,387.28	237.1%
Total Operations and Maintenance Expenses	632,947.44	374,980.75	3,963,706.39	3,965,590.65	(0.0%)
<b>General &amp; Administration Expenses:</b>					
902 Meter Reading	776.43	323.24	29,306.25	17,201.38	70.4%
903 Customer Collections	131,345.22	139,904.29	1,264,913.85	1,191,640.21	6.1%
904 Uncollectible Accounts	12,500.00	12,500.00	112,500.00	112,500.00	0.0%
916 Energy Audit	31,716.90	43,713.39	347,845.57	377,509.65	(7.9%)
916 Energy Conservation	142,157.81	96,596.85	537,614.06	572,235.91	(6.1%)
920 Administrative and General Salaries	78,259.79	81,743.02	819,146.28	706,663.86	15.9%
921 Office Supplies and Expense	33,826.68	45,818.05	242,295.07	232,030.49	4.4%
923 Outside Services	70,288.53	109,063.21	645,367.57	445,712.18	44.8%
924 Property Insurance	28,372.95	49,473.65	253,598.63	272,518.50	(6.9%)
925 Injuries and Damages	3,568.30	5,622.36	48,134.99	46,688.99	3.1%
926 Employee Pensions and Benefits	556,880.92	263,515.28	2,965,865.13	2,707,557.80	9.5%
930 Miscellaneous General Expense	8,616.21	2,223.11	80,400.02	109,896.01	(26.8%)
931 Rent Expense	22,931.37	16,105.71	146,949.67	132,620.11	10.8%
933 Vehicle Expense	18,101.36	32,121.87	210,207.19	32,121.87	(100.0%)
933 Vehicle Expense - Capital	(18,806.50)	-	(242,541.45)	-	100.0%
935 Maintenance of General Plant	49,820.46	22,132.57	284,884.95	218,800.38	30.2%
935 Maintenance of Building & Garage	65,244.90	45,289.65	408,073.41	400,613.15	1.9%
Total General & Administration Expenses	1,235,601.33	966,146.25	8,154,561.19	7,576,310.49	7.6%

Town of Reading, Massachusetts  
Municipal Light Department  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
March 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	3,229,491.78	3,075,981.03	5.0%
408 Voluntary Payments to Towns	126,851.67	118,000.00	1,110,324.01	1,057,372.00	5.0%
Total Other Expenses	485,684.09	459,775.67	4,339,815.79	4,133,353.03	5.0%
Operating Income	(163,743.39)	346,678.90	2,083,429.95	6,307,275.64	(67.0%)
Non Operating Revenue (Expenses):					
419 Interest Income	23,035.63	18,608.32	180,017.45	115,325.91	56.1%
419 Other	40,901.75	(13,214.53)	747,565.23	488,363.74	53.1%
426 Return on Investment to Reading	(201,647.50)	(198,722.33)	(1,814,827.50)	(1,788,500.99)	1.5%
431 Interest Expense	(425.65)	(187.50)	(10,174.42)	(3,476.61)	192.7%
Total Non Operating Revenue (Expenses)	(138,135.77)	(193,516.04)	(897,419.24)	(1,188,287.95)	(24.5%)
Change in Net Assets	(301,879.16)	153,162.86	1,186,010.71	5,118,987.69	(76.8%)
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>\$ 109,066,180.28</u>	<u>\$ 104,967,650.10</u>	<u>\$ 110,554,070.15</u>	<u>\$ 109,933,474.93</u>	<u>0.6%</u>

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

	Actual Year to Date	Budget Full Year	Remaining Budget	Remaining Budget %
<b>Operating Revenue</b>				
Base Revenue	\$ 19,879,516.93	\$ 26,337,621.00	\$ 6,458,104.07	24.5%
Fuel Revenue	22,708,805.07	32,491,810.00	9,783,004.93	30.1%
Purchased Power Capacity	29,880,354.08	38,088,978.00	8,208,623.92	21.6%
Forfeited Discounts	642,722.75	800,000.00	157,277.25	19.7%
Energy Conservation Revenue	501,039.83	675,000.00	173,960.17	25.8%
NYPA Credit	(885,387.24)	(1,200,000.00)	(314,612.76)	26.2%
Total Operating Revenue	72,727,051.42	97,193,409.00	24,466,357.58	25.2%
<b>Expenses</b>				
<b>Power Expenses:</b>				
547 Purchased Power Fuel Expense	24,159,424.46	31,291,810.00	7,132,385.54	22.8%
555 Purchased Power Capacity	19,229,920.19	24,476,161.00	5,246,240.81	21.4%
565 Purchased Power Transmission	10,796,193.45	13,612,817.00	2,816,623.55	20.7%
Total Purchased Power	54,185,538.10	69,380,788.00	15,195,249.90	21.9%
<b>Operations and Maintenance Expenses:</b>				
580 Supervision and Engineering	452,136.19	764,615.00	312,478.81	40.9%
581 Station Supervisor	119,977.75	130,662.00	10,684.25	8.2%
581 Line General	507,894.07	596,007.00	88,112.93	14.8%
582 Control Room	312,113.23	466,783.00	154,669.77	33.1%
585 Street Lighting	88,448.09	156,893.00	68,444.91	43.6%
586 Meter General	182,241.23	212,909.00	30,667.77	14.4%
588 Materials Management	424,906.58	458,328.00	33,421.42	7.3%
590 Maintenance of Structures and Equipment	381,745.36	494,936.00	113,190.64	22.9%
593 Maintenance of Lines - Overhead	1,343,763.29	1,980,611.00	636,847.71	32.2%
594 Maintenance of Lines - Underground	54,793.73	197,002.00	142,208.27	72.2%
595 Maintenance of Line Transformers	95,686.87	300,000.00	204,313.13	68.1%
Total Operations and Maintenance Expenses	3,963,706.39	5,758,746.00	1,795,039.61	31.2%
<b>General &amp; Administration Expenses:</b>				
902 Meter Reading	29,306.25	37,461.00	8,154.75	21.8%
903 Customer Collection	1,264,913.85	1,869,393.00	604,479.15	32.3%
904 Uncollectible Accounts	112,500.00	150,000.00	37,500.00	25.0%
916 Energy Audit	347,845.57	509,232.00	161,386.43	31.7%
916 Energy Conservation	537,614.06	952,565.00	414,950.94	43.6%
920 Administrative and General Salaries	819,146.28	1,017,151.00	198,004.72	19.5%
921 Office Supplies and Expense	242,295.07	350,000.00	107,704.93	30.8%
923 Outside Services	645,367.57	759,191.00	113,823.43	15.0%
924 Property Insurance	253,598.63	427,200.00	173,601.37	40.6%
925 Injuries and Damages	48,134.99	52,613.00	4,478.01	8.5%
926 Employee Pensions and Benefits	2,965,865.13	3,000,437.00	34,571.87	1.2%
930 Miscellaneous General Expense	80,400.02	179,215.00	98,814.98	55.1%
931 Rent Expense	146,949.67	212,000.00	65,050.33	30.7%
933 Vehicle Expense	210,207.19	381,116.00	170,908.81	44.8%
933 Vehicle Expense - Capital	(242,541.45)	(301,596.00)	(59,054.55)	19.6%
935 Maintenance of General Plant	284,884.95	281,880.00	(3,004.95)	(1.1%)
935 Maintenance of Building & Garage	408,073.41	666,457.00	258,383.59	38.8%
Total General & Administration Expenses	8,154,561.19	10,544,315.00	2,389,753.81	22.7%

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

	Actual Year to Date	Budget Full Year	Remaining Budget	Remaining Budget %
Other Operating Expenses:				
403 Depreciation	3,229,491.78	4,362,000.00	1,132,508.22	26.0%
408 Voluntary Payments to Towns	1,110,324.01	1,500,000.00	389,675.99	26.0%
Total Other Expenses	4,339,815.79	5,862,000.00	1,522,184.21	26.0%
Operating Income	2,083,429.95	5,647,560.00	3,564,130.05	63.1%
Non Operating Revenue (Expenses):				
419 Interest Income	180,017.45	150,000.00	(30,017.45)	(20.0%)
419 Other Income	747,565.23	890,000.00	142,434.77	16.0%
426 Return on Investment to Reading/Loss on Disposal	(1,814,827.50)	(2,570,438.00)	(755,610.50)	29.4%
431 Interest Expense	(10,174.42)	(2,500.00)	7,674.42	(307.0%)
Total Non Operating Revenue (Expenses)	(897,419.24)	(1,532,938.00)	(635,518.76)	41.5%
Net Income	\$ 1,186,010.71	\$ 4,114,622.00	\$ 2,928,611.29	71.2%