

Town of Reading, Massachusetts
Municipal Light Department
Statement of Net Assets
6/30/2020

	2020	2019
ASSETS		
Current:		
Unrestricted Cash	\$ 22,391,641	\$ 19,948,332
Restricted Cash	26,880,611	32,523,323
Restricted Investments	1,359,036	1,245,105
Receivables, Net	7,692,222	8,368,995
Prepaid Expenses	2,340,114	1,257,995
Inventory	1,882,168	1,784,965
Total Current Assets	62,545,792	65,128,716
Noncurrent:		
Investment in Associated Companies	802,470	295,846
Capital Assets, Net	81,623,888	78,888,565
Total Noncurrent Assets	82,426,358	79,184,411
Deferred Outflows - Pension Plan	8,102,116	5,779,858
TOTAL ASSETS	153,074,265	150,092,984
 LIABILITIES		
Current		
Accounts Payable	7,023,631	9,082,192
Accrued Liabilities	361,285	376,182
Customer Deposits	1,361,015	1,271,645
Advances from Associated Companies	200,000	200,000
Customer Advances for Construction	1,975,590	2,315,231
Total Current Liabilities	10,921,522	13,245,250
Non-current		
Accrued Employee Compensated Absences	2,471,374	2,999,639
Net OPEB Obligation	7,094,569	7,374,246
Net Pension Liability	14,610,001	10,781,819
Total Non-current Liabilities	24,175,944	21,155,704
Deferred Inflows - Pension/OPEB	1,964,276	2,105,560
TOTAL LIABILITIES	37,061,742	36,506,515
 NET POSITION		
Invested in Capital Assets, Net of Related Debt	81,623,888	78,888,565
Restricted for Depreciation Fund	7,108,736	9,781,528
Restricted for Pension Trust	6,365,431	5,878,179
Unrestricted	20,914,469	19,038,198
TOTAL NET POSITION	116,012,524	113,586,470
Total Liabilities and Net Assets	\$ 153,074,265	\$ 150,092,984

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Assets
6/30/2020

	June Current Year	June Last Year	Year to Date Current Year	Year to Date Last Year
Operating Revenues				
Base Revenue	\$ 2,136,870	\$ 2,081,229	\$ 12,824,424	\$ 12,953,835
Fuel Revenue	1,859,465	2,336,736	11,432,039	13,036,566
Purchased Power Capacity & Forfeited Discounts	2,512,148	2,780,426	15,311,375	17,392,846
Energy Conservation Revenue	66,223	52,529	392,790	407,665
NYPA Credit	49,188	51,243	299,492	304,689
	(131,377)	(103,775)	(597,383)	(660,936)
Total Operating Revenues	6,492,517	7,198,386	39,662,737	43,434,665
Expenses				
Power Expenses:				
547 Purchased Power Fuel	1,986,711	1,630,930	13,311,755	14,396,109
555 Purchased Power Capacity	1,466,444	1,522,581	9,695,489	11,231,103
565 Purchased Power Transmission	1,123,148	1,003,350	5,636,553	5,756,352
Total Purchased Power	4,576,302	4,156,861	28,643,797	31,383,564
Operations and Maintenance Expenses:				
580 Supervision and Engineering	86,466	70,909	496,740	455,994
581 Station/Control Room Operators	33,004	23,278	277,053	251,228
582 Station Technicians	49,530	25,612	181,257	182,698
583 Line General Labor	30,850	28,162	284,594	93,228
585 Street Lighting	-	2,340	26	56,243
586 Meter General	5,771	9,448	78,041	59,177
588 Materials Management	40,568	43,354	255,014	203,222
593 Maintenance of Lines - Overhead	17,854	23,292	150,160	293,660
593 Maintenance of Lines - Tree Trimming	46,269	50,279	168,468	224,056
594 Maintenance of Lines - Underground	(4,259)	(2,585)	17,209	40,904
595 Maintenance of Line - Transformers	28,302	27,730	60,216	41,489
598 Line General Leave Time Labor	12,491	26,339	182,589	196,172
Total Operations and Maintenance	346,847	328,157	2,151,368	2,098,070
General & Administration Expenses:				
902 Meter Reading	209	-	517	1,772
903 Customer Collections	126,835	86,903	634,708	598,376
904 Uncollectible Accounts	8,750	8,750	52,500	52,500
916 Energy Audit	102,562	35,615	322,667	228,026
916 Energy Conservation	48,351	73,282	378,927	265,037
920 Administrative and General Salaries	155,988	149,290	1,036,607	914,145
921 Office Supplies and Expense	345	1,779	3,394	6,361
923 Outside Services - Legal	55,940	28,974	157,076	199,393
923 Outside Services - Contract	59,625	62,534	105,349	160,252
923 Outside Services - Education	3,602	7,839	22,685	38,203
924 Property Insurance	29,739	29,016	204,951	174,117
925 Injuries and Damages	3,268	6,455	28,302	24,615
926 Employee Pensions and Benefits	238,821	289,745	1,974,559	1,909,080

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6/30/2020

930 Miscellaneous General Expense	2,236	12,789	72,804	56,083
931 Rent Expense	15,146	13,951	103,252	103,095
933 Vehicle Expenses	14,652	34,947	78,136	156,320
933 Vehicle Expenses - Capital	(38,041)	(24,875)	(157,124)	(153,117)
935 Maintenance of General Plant	(39,063)	46,262	337,225	224,374
935 Maintenance of Building & Garage	133,495	68,229	618,012	378,361
Total General & Administration Expenses	922,459	931,485	5,974,550	5,336,995
Other Operating Expenses:				
403 Depreciation	391,601	377,166	2,349,603	2,262,996
408 Voluntary Payments to Towns	133,918	130,806	803,505	784,836
Total Other Expenses	525,518	507,972	3,153,108	3,047,832
Operating Income	121,390	1,273,912	(260,087)	1,568,204
Non Operating Revenues (Expenses):				
419 Interest Income	39,767	42,255	184,408	239,807
419 Other	(5,928)	87,617	654,773	650,111
426 Return on Investment to Reading	(206,709)	(206,709)	(1,240,253)	(1,240,253)
426 Loss on Disposal	-	-	-	-
431 Interest Expense	(2,332)	(1,336)	(35,263)	(21,209)
Total Non Operating Revenues	(175,202)	(78,174)	(436,336)	(371,543)
Change in Net Assets	(53,813)	1,195,738	(696,422)	1,196,661
Net Assets at Beginning of Year	116,708,946	112,389,809	116,708,946	112,389,809
Ending Net Assets	\$ 116,655,133	\$ 113,585,547	\$ 116,012,524	\$ 113,586,470

Town of Reading, Massachusetts
Municipal Light Department
Business Type Proprietary Fund
Statement of Budgeted Revenues, Expenses and Changes in Fund Net Assets
6/30/2020

	Actual Year to Date	Budget Through June 2020	OVER/ (UNDER) \$	OVER/ (UNDER) %
Operating Revenues				
Base Revenue	\$ 12,824,424	\$ 14,520,369	\$ (1,695,945)	(11.7%)
Fuel Revenue	11,432,039	14,031,789	(2,599,750)	(18.5%)
Purchased Power Capacity & Transmission	15,311,375	18,854,807	(3,543,431)	(18.8%)
Forfeited Discounts	392,790	435,611	(42,821)	(9.8%)
Energy Conservation Revenue	299,492	329,342	(29,849)	(9.1%)
NYPA Credit	(597,383)	(569,011)	(28,373)	5.0%
Total Operating Revenues	39,662,737	47,602,907	(7,940,170)	(16.7%)
Expenses				
Power Expenses:				
547 Purchased Power Fuel	13,311,755	13,462,779	(151,024)	(1.1%)
555 Purchased Power Capacity	9,695,489	11,228,571	(1,533,082)	(13.7%)
565 Purchased Power Transmission	5,636,553	7,626,236	(1,989,683)	(26.1%)
Total Purchased Power	28,643,797	32,317,585	(3,673,788)	(11.4%)
Operations and Maintenance Expenses:				
580 Supervision and Engineering	496,740	563,934	(67,194)	(11.9%)
581 Station/Control Room Operators	277,053	238,321	38,733	16.3%
582 Station Technicians	181,257	271,565	(90,308)	(33.3%)
583 Line General Labor	284,594	197,943	86,651	43.8%
585 Street Lighting	26	36,557	(36,531)	(99.9%)
586 Meter General	78,041	72,746	5,295	7.3%
588 Materials Management	255,014	252,247	2,767	1.1%
593 Maintenance of Lines - Overhead	150,160	501,667	(351,506)	(70.1%)
593 Maintenance of Lines - Tree Trimming	168,468	449,545	(281,077)	(62.5%)
594 Maintenance of Lines - Underground	17,209	56,295	(39,086)	(69.4%)
595 Maintenance of Line - Transformers	60,216	111,719	(51,503)	(46.1%)
598 Line General Leave Time Labor	182,589	284,585	(101,996)	(35.8%)
Total Operations and Maintenance Expenses	2,151,368	3,037,121	(885,753)	(29.2%)
General & Administration Expenses:				
902 Meter Reading	517	10,620	(10,103)	(95.1%)
903 Customer Collection	634,708	546,989	87,719	16.0%
904 Uncollectible Accounts	52,500	52,500	-	0.0%
916 Energy Audit	322,667	323,760	(1,092)	(0.3%)
916 Energy Conservation	378,927	479,383	(100,455)	(21.0%)
920 Administrative and General Salaries	1,036,607	1,098,736	(62,128)	(5.7%)
921 Office Supplies and Expense	3,394	10,000	(6,606)	(66.1%)
923 Outside Services - Legal	157,076	249,200	(92,124)	(37.0%)
923 Outside Services - Contract	105,349	180,625	(75,276)	(41.7%)
923 Outside Services - Education	22,685	133,488	(110,802)	(83.0%)
924 Property Insurance	204,951	218,750	(13,799)	(6.3%)
925 Injuries and Damages	28,302	21,761	6,541	30.1%
926 Employee Pensions and Benefits	1,974,559	1,833,274	141,285	7.7%
930 Miscellaneous General Expense	72,804	158,643	(85,839)	(54.1%)
931 Rent Expense	103,252	106,000	(2,748)	(2.6%)
933 Vehicle Expense	78,136	166,800	(88,664)	(53.2%)
933 Vehicle Expense - Capital Clearing	(157,124)	(112,563)	(44,561)	39.6%
935 Maintenance of General Plant	337,225	197,220	140,005	71.0%
935 Maintenance of Building & Garage	618,012	454,440	163,572	36.0%
Total General & Administration Expenses	5,974,550	6,129,624	(155,074)	(2.5%)

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6/30/2020

Other Operating Expenses:

403 Depreciation	2,349,603	2,367,000	(17,397)	(0.7%)
408 Voluntary Payments to Towns	803,505	808,830	(5,325)	(0.7%)
Total Other Expenses	<u>3,153,108</u>	<u>3,175,830</u>	<u>(22,722)</u>	<u>(0.7%)</u>

Operating Income	(260,087)	2,942,747	(3,202,833)	(108.8%)
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Non Operating Revenues (Expenses):

419 Interest Income	184,408	175,000	9,408	5.4%
419 Other Income	654,773	425,000	229,773	54.1%
426 Return on Investment to Reading	(1,240,253)	(1,240,253)	(0)	0.0%
426 Loss on Disposal	-	(50,000)	50,000	(100.0%)
431 Interest Expense	(35,263)	(12,500)	(22,763)	182.1%
Total Non Operating Revenues (Expenses)	<u>(436,336)</u>	<u>(702,753)</u>	<u>266,417</u>	<u>(37.9%)</u>

Net Income	<u>\$ (696,422)</u>	<u>\$ 2,239,994</u>	<u>\$ (2,936,416)</u>	<u>(131.1%)</u>
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