

**WEST BOYLSTON MUNICIPAL LIGHTING PLANT
AND SUBSIDIARY**
Financial Statements
December 31, 2014 and 2013

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
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INDEPENDENT AUDITORS' REPORT

The Board of Commissioners
West Boylston Municipal Lighting Plant
West Boylston, Massachusetts 01583

Report on the Financial Statements

We have audited the accompanying financial statements of West Boylston Municipal Lighting Plant and Subsidiary as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Lighting Plant's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the West Boylston Municipal Lighting Plant and Subsidiary as of December 31, 2014 and 2013, and the respective changes in financial position and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the West Boylston Municipal Lighting Plant and Subsidiary and do not purport to, and do not, present fairly the financial position of the Town of West Boylston, Massachusetts, as of December 31, 2014 and 2013, and the changes in financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Other Postemployment Benefits information on pages three through six and 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information presented on pages 34 through 42 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Goulet, Salvidio & Associates, P.C.

Goulet, Salvidio & Associates, P.C.

Worcester, Massachusetts

April 6, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the West Boylston Municipal Lighting Plant's annual financial report, management provides a narrative discussion and analysis of the financial activities of the Lighting Plant for the year ending December 31, 2014. The Lighting Plant's performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Overview of the Financial Statements

The Statements of Net Position are designed to indicate our financial position as of a specific point in time. At December 31, 2014, it shows our net worth has increased by 16.6% over the year ended December 31, 2013.

The Statements of Revenues, Expenses and Changes in Net Position summarize our operating results and reveal how much of a profit was earned for the years presented. As discussed in more detail on the following page, our income for December 31, 2014 was \$1,180,167 and \$183,566 for 2013, respectively.

The Statements of Cash Flows provide information about the cash receipts and cash payments during the accounting period. The statement also provides information about the investing and financing activities for the same period.

Summary of Net Position

	<u>2014</u>	<u>2013</u>
Current Assets	\$ 7,042,895	\$ 3,764,334
Noncurrent Assets	<u>10,496,697</u>	<u>14,123,852</u>
Total Assets	<u>\$ 17,539,592</u>	<u>\$ 17,888,186</u>
Current Liabilities	\$ 958,461	\$ 923,744
Noncurrent Liabilities	<u>2,592,995</u>	<u>4,016,695</u>
Total Liabilities	<u>3,551,456</u>	<u>4,940,439</u>
Deferred Inflows of Resources	<u>5,684,632</u>	<u>5,824,410</u>
Net Position:		
Net Investment in Capital Assets	3,574,941	3,625,681
Net Position Restricted for Depreciation	841,794	3,591,916
Unrestricted	<u>3,886,769</u>	<u>(94,260)</u>
Total Net Position	<u>8,303,504</u>	<u>7,123,337</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 17,539,592</u>	<u>\$ 17,888,186</u>

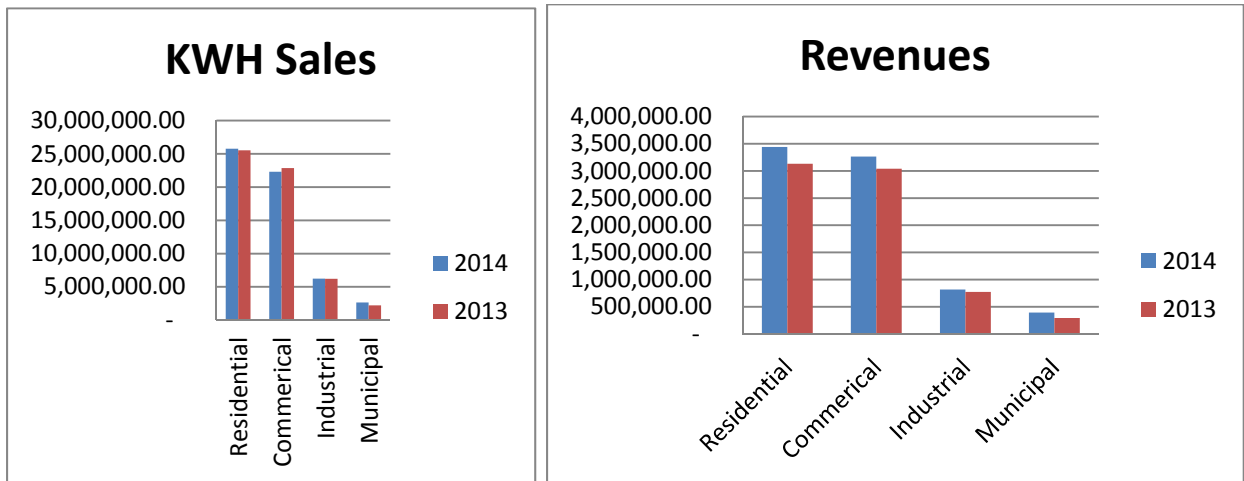
Summary of Changes in Net Position

	2014	2013
Operating Revenues	\$ 8,053,013	\$ 7,364,980
Operating Expenses	7,488,075	7,197,912
Operating Income (Loss)	564,938	167,068
Non-operating Revenues (Expenses)	615,229	16,498
Income Before Contributions and Transfers	1,180,167	183,566
Beginning Net Position	7,123,337	6,939,771
Ending Net Position	\$ 8,303,504	\$ 7,123,337

Financial Highlights

Kilowatt Hour Sales

The following charts represent total kilowatt-hour sales and total revenues by account class for 2014 and 2013. Overall the annual growth in kilowatt-hour sales is approximately 1%. In 2014, WBMLP created three new electricity rates in order to further differentiate customer classes based on the type of customer and amount of energy consumption. The three new rates are; industrial municipal, small government, and large government.



Customer Base

The number of customers WBMLP provided electric service increased from 3,525 in 2013 to 3,545 in 2014. By the end of 2014, WBMLP provided electric service to 3,006 residents, 473 businesses and 66 municipal and government customers. Energy consumption and sales revenues increased approximately 1% in 2014. WBMLP expects a similar increase in energy consumption and sales revenue in 2015. Our sales revenues are not dependent on one industry or one significantly sized customer that could impact revenues in the event this customer leaves our service territory. Our largest customer has three electric services that accounted for approximately 8% of the total kilowatt hour sales in 2014.

Financial Highlights (continued)

This customer is a county jail funded by the Commonwealth of Massachusetts and there is no known plan to move and is highly unlikely this facility will relocate outside of our service territory. The rest of our top 20 customers represents only 1-2.7% each, of our kilowatt hour sales and therefore individually, do not pose a risk to our forecasted revenues.

Power Supply

The supply and cost of WBMLP's power supply remained diverse and stable in 2014. Power supply costs are a major component of our annual operating budget. The amount spent on power supply represents approximately 75% of WBMLP's annual operating budget. In 2014 the largest component of our power supply was nuclear energy representing approximately 42% of our total power supply purchases. WBMLP purchased 41% of its power supply from energy hedging contracts and ISO-NE market purchases. The remainder of our power supply is composed of 6% hydroelectric, 5% wind, 4% natural gas/oil and 1% solar energy.

WBMLP manages its power supply costs by acquiring new sources of reliable and cost effective energy. In January 2014, WBMLP entered into a fixed rate power purchase agreement for additional hydroelectricity from the Eagle Creek Hydro facility. WBMLP and other municipal light plants continued to analyze the economic feasibility of building and operating a joint action natural gas generation facility in Ludlow, MA. In 2014 WBMLP continued to investigate the economic feasibility of constructing and operating 3MW's of additional solar energy located within our service territory.

Utility Plant and Debt Administration

Utility Plant

The Lighting Plant and Cooperative's investment in utility plant assets, net of accumulated depreciation, as of December 31, 2014 and 2013 was \$6,221,380 and \$6,409,018, respectively. Plant and equipment replacement is part of an on-going capital improvement plan to keep the Lighting Plant in good operating condition.

2013 Substation Upgrade Project

WBMLP's electrical distribution system is connected through a 115kV transmission substation to the ISO-NE operated regional transmission system. This substation was originally built by WBMLP in 1973. By the end of October 2013, the entire substation was replaced and upgraded with new equipment that is sized to accommodate WBMLP's growth and ensure service reliability for the next fifty years. The substation project includes 100% redundant equipment on all long lead time equipment to ensure reliability in the event of equipment failure. The total cost to WBMLP was approximately \$2.64 million. A 15 year municipal bond at an annual interest rate of approximately 2% was used to finance \$2 million of the project. The remaining funds came from WBMLP's depreciation account.

Significant Balances and Transactions

Purchased Power Working Capital

The purchased power working capital is an amount held by Massachusetts Municipal Wholesale Electric Company (MMWEC), our power supply agent. MMWEC requires that they hold a set amount of capital (minimum of two months) from which it may pay our power supply obligations when they are due. They replenish the fund as needed from our monthly invoice payments. Currently our power costs are approximately \$450,000 per month. The balance in this fund as of December 31, 2014 and 2013 was \$950,859 and \$945,556, respectively.

Depreciation Fund

The West Boylston Municipal Lighting Plant maintains a depreciation fund, which is managed by the Town of West Boylston Treasurer. This fund is used to pay for large capital investments such as new vehicles, distribution system upgrades and new construction projects. This fund is required by State statute. The Lighting Plant set aside 5% of the cost of plant to be used for capital improvements and additions for the years ending December 31, 2014 and 2013.

Rate Stabilization Fund

Our rate stabilization fund is managed by MMWEC. The fund was initially established to mitigate the difference in the market cost of energy and our long term energy contract costs. Today the rate stabilization fund represents a reserve of approximately three to six months energy and transmission supply costs in the event of a national emergency, fuel supply disruption, transmission constraints, and, new state and federal regulations related to clean energy, homeland security, climate change, and other disruptions to the energy market.

New England and Massachusetts in particular, is heavily dependent on reliable and cost effective natural gas fuel supply for energy generation. As the region eliminates coal and oil from its sources of generation, and, consumers switch to natural gas for residential and commercial heating, the supply of natural gas is becoming constrained due to a lack of multiple natural gas transmission pipelines into the Commonwealth. ISO-NE market rates for energy are already impacted by the lack of adequate natural gas pipeline infrastructure in Massachusetts.

There are many factors, other than the cost of energy, such as increased financial requirements of the ISO New England, the possibility of escalating costs at our nuclear facilities due to homeland security requirements and interruptions in supply due to natural and manmade disasters, which could dramatically affect the cost of energy. Our rate stabilization fund balance at December 31, 2014 and 2014 was \$3,291,999 and \$3,268,800, respectively.

Rate Study

WBMLP's average 2014 residential and business electricity rates were lower than most of the investor owned utility rates in Massachusetts. In 2014, the average homeowner in West Boylston consumed approximately 715 kilowatt's per month and spent approximately \$102 per month for that electricity. WBMLP completed a rate study 2014 to ensure an adequate rate of return is achieved. The results of the 2104 rate study did not require a rate increase at this time and WBMLP will continue to manage its operating budget to minimize future rate increases.

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF NET POSITION
DECEMBER 31, 2014 AND 2013

ASSETS

	2014	2013
CURRENT ASSETS:		
Funds on Deposit with Town Treasurer		
Operating Cash	\$ 4,571,061	\$ 1,464,945
Petty Cash	1,800	1,800
Customer Accounts Receivable, Net	158,997	109,478
Accounts Receivable - Other	242,492	182,388
Interest Receivable	4,301	4,829
Unbilled Revenue	687,303	696,882
Materials and Supplies	258,131	264,273
Prepaid Expenses	106,796	83,456
Prepaid Purchased Power	61,155	10,727
Purchased Power Working Capital	950,859	945,556
	7,042,895	3,764,334
TOTAL CURRENT ASSETS		
NONCURRENT ASSETS:		
Funds on Deposit with Town Treasurer		
Customer Deposits	138,721	139,667
Depreciation Fund	841,794	3,591,916
Insurance Reserve Fund	5	628,808
Investments	2,798	2,798
Preliminary Survey and Investigation Charges	-	82,845
Rate Stabilization Fund	3,291,999	3,268,800
Utility Plant Assets, Net	6,221,380	6,409,018
	10,496,697	14,123,852
TOTAL NONCURRENT ASSETS		
TOTAL ASSETS	\$ 17,539,592	\$ 17,888,186

See Accompanying Notes To Financial Statements

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF NET POSITION
DECEMBER 31, 2014 AND 2013

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	2014	2013
CURRENT LIABILITIES:		
Accounts Payable	\$ 633,101	\$ 577,209
Accounts Payable - MMWEC	4,292	3,489
Accrued Expenses	46,833	137,479
Bond Payable	274,235	205,567
TOTAL CURRENT LIABILITIES	958,461	923,744
NONCURRENT LIABILITIES:		
Customer Deposits	138,721	139,667
Other Postemployment Benefit Obligation	82,070	671,318
Bond Payable, Net of Current Portion	2,372,204	2,577,770
Accumulated Provision for Insurance	-	627,940
TOTAL NONCURRENT LIABILITIES	2,592,995	4,016,695
TOTAL LIABILITIES	3,551,456	4,940,439
DEFERRED INFLOWS OF RESOURCES:		
Purchased Power Adjustment	1,851,863	2,014,841
Reserve for Rate Stabilization	3,832,769	3,809,569
TOTAL DEFERRED INFLOWS OF RESOURCES	5,684,632	5,824,410
NET POSITION:		
Net Investment in Capital Assets	3,574,941	3,625,681
Net Position Restricted for Depreciation	841,794	3,591,916
Unrestricted Net Position	3,886,769	(94,260)
TOTAL NET POSITION	8,303,504	7,123,337
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 17,539,592	\$ 17,888,186

See Accompanying Notes To Financial Statements

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
OPERATING REVENUES:		
Sales of Electricity	\$ 7,912,468	\$ 7,237,664
Other Operating Revenues	140,545	127,316
TOTAL OPERATING REVENUES	8,053,013	7,364,980
OPERATING EXPENSES:		
Operations and Maintenance	6,883,201	6,755,978
Depreciation	604,874	441,934
TOTAL OPERATING EXPENSES	7,488,075	7,197,912
OPERATING INCOME	564,938	167,068
NONOPERATING REVENUES (EXPENSES):		
Investment Income	48,646	43,139
Dividend Income	-	747
Interest Expense	(63,255)	(29,286)
Amortization of Bond Premium	1,898	1,898
Relief of Insurance Reserve Obligation	627,940	-
TOTAL NONOPERATING REVENUES (EXPENSES)	615,229	16,498
Income Before Contributions and Transfers	1,180,167	183,566
NET POSITION - JANUARY 1	7,123,337	6,939,771
NET POSITION - DECEMBER 31	\$ 8,303,504	\$ 7,123,337

See Accompanying Notes To Financial Statements

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 8,140,784	\$ 7,556,701
Other Operating Cash Receipts - Solar Renewable Energy Credits	121,279	104,045
Cash Paid to Suppliers	(6,219,007)	(5,594,314)
Cash Paid to Employees	(731,817)	(727,626)
Cash Paid for Benefits	(393,149)	(353,772)
Net Cash Provided by Operating Activities	918,090	985,034
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Interest Expense	(8,579)	(467)
Net Cash Used in Noncapital Financing Activities	(8,579)	(467)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Additions to Plant Assets	(417,236)	(3,440,704)
Repayments on Long Term Debt	(135,000)	(272,337)
Interest Expense	(45,601)	(39,291)
Net Cash Used in Capital Financing Activities	(597,837)	(3,752,332)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment Income	33,079	23,332
Dividend Income	-	747
Net Transfer to Operations	560,416	(367,555)
Proceeds from Sales and Maturities of Investments	200,000	1,969
Net Cash Provided by (Used in) Investing Activities	793,495	(341,507)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,105,169	(3,109,272)
CASH AND CASH EQUIVALENTS - JANUARY 1	1,606,412	4,715,684
CASH AND CASH EQUIVALENTS - DECEMBER 31	\$ 2,711,581	\$ 1,606,412

See Accompanying Notes To Financial Statements

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income	\$ 564,938	\$ 167,068
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	604,874	441,934
Abandonment of Preliminary Surveys	82,845	-
(Increase) Decrease in Assets:		
Accounts Receivable - Customers	(49,519)	49,114
Accounts Receivable - Other	(60,104)	(10,946)
Unbilled Revenue	9,579	(41,487)
Materials and Supplies	6,142	(35,401)
Prepaid Expenses	(23,340)	765
Prepaid Purchased Power	(50,428)	44,047
Increase (Decrease) in Liabilities:		
Accounts Payable	55,892	(4,896)
Accounts Payable - MMWEC	803	29
Accrued Expenses	(99,722)	4,409
Miscellaneous Deferred Liabilities	(162,978)	328,441
Customer Deposits	(946)	4,666
Other Post Employment Benefits	40,054	37,291
Net Cash Provided by Operating Activities	\$ 918,090	\$ 985,034

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

The following amounts are considered to be cash or cash equivalents for the statements of cash flows:

	2014	2013
Petty Cash	\$ 1,800	\$ 1,800
Operating Cash	2,335,875	1,464,945
Operating Money Market	235,185	0
Customer Deposits	138,721	139,667
	\$ 2,711,581	\$ 1,606,412

See Accompanying Notes To Financial Statements

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
 STATEMENTS OF NET POSITION
 DECEMBER 31, 2014 AND 2013

OPEB TRUST FUND

ASSETS

	2014	2013
Funds on Deposit with Town Treasurer		
Cash and Cash Equivalents	\$ 626,844	\$ -

NET POSITION

NET POSITION - Restricted	\$ 626,844	\$ -
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WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

OPEB TRUST FUND

	2014	2013
ADDITIONS:		
Contributions	\$ 629,302	\$ -
Investment Income	(2,458)	-
Total Additions	626,844	-
CHANGES IN NET POSITION	626,844	-
NET POSITION - JANUARY 1	-	-
NET POSITION - DECEMBER 31	\$ 626,844	\$ -

See Accompanying Notes to Financial Statements

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The significant accounting policies of West Boylston Municipal Lighting Plant are as follows:

Reporting Entity

The West Boylston Municipal Lighting Plant is a component unit of the Town of West Boylston, Massachusetts. The Board of Commissioners appoints the manager of the Lighting Plant who shall be responsible for operation and management of the Lighting Plant. The Lighting Plant purchases power from various sources and sells it to the ultimate consumers at rates on file with the Massachusetts Department of Public Utilities (DPU).

Basis of Consolidations

The consolidated financial statements include the accounts of the West Boylston Municipal Lighting Plant and of its subsidiary, Massachusetts Municipal Light Department Solar Energy Cooperative Corporation (the “Cooperative”). Intercompany transactions have been eliminated.

Regulation and Basis of Accounting

The Lighting Plant’s financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Under Massachusetts law, electric rates of the Lighting Plant are set by the Municipal Lighting Board and may be changed not more than once every three months. Rate schedules are filed with the Massachusetts Department of Public Utilities. While the DPU exercises general supervisory authority over the Lighting Plant, the Lighting Plant’s rates are not subject to DPU approval.

Depreciation

The general laws of Massachusetts allow utility plant in service to be depreciated at an annual rate of 3%. In order to change this rate, approval must be obtained from the Department of Public Utilities. Changes in annual depreciation rates may be made for financial factors relating to cash flow rather than for engineering factors relating to estimates of useful lives. The Lighting Plant used a depreciation rate of 5% for 2014 and 2013.

The Lighting Plant charges maintenance and repairs to operations when incurred. Replacements and betterments are charged to utility plant.

Revenues

Revenues from sales of electricity are recorded on the basis of bills rendered from monthly readings taken on a cycle basis. The revenues are based on rates established by the Lighting Plant, which are applied to customers’ consumption of electricity. The Lighting Plant’s rates contain an adjustable component pursuant to which increased power costs (power costs in excess of amounts recovered through base rates) are billable to customers. The Lighting Plant has a fuel cost adjustment clause pursuant to which increased fuel costs (fuel costs in excess of amounts recovered through base rates) are billable to customers.

Operating revenue includes revenues and expenses related to the continuing operations of the Lighting Plant. Principal operating revenues are charges to customers for sales of electricity or services.

Operating expenses are the costs of providing electricity and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Reclassification

Certain prior year amounts have been reclassified to conform to the 2014 presentation.

Net Position

The Lighting Plant's net position is categorized as net investment in capital assets, restricted for depreciation and unrestricted.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Lighting Plant considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. The Town of West Boylston maintains and controls major cash and investment pools in which the primary government and component units share.

Materials and Supplies

Materials and supplies are valued using the average cost method.

Taxes

The Lighting Plant is exempt from federal income taxes, as well as property taxes.

Sales Tax

The Lighting Plant collects sales tax. The amount received is credited to a liability account and as payments are made, this account is charged. At any point in time, this account represents the net amount owed to the taxing authority for amounts collected but not yet remitted.

Compensated Absences

In accordance with the Lighting Plant policies, employees are allowed to accumulate sick days, up to a maximum of 60 days. Upon termination and after 10 years of service of employment with the Lighting Plant, the employee will be paid a maximum of 30 days of accumulated sick time. Non-bargaining employees are eligible to carry over 5 days of vacation time from one year to the next. Other employees are not permitted to carry over vacation time from one year to the next. Upon termination of employment with the Lighting Plant, the employee will be paid for unused vacation time based on the employee's base rate of pay at the time of termination.

NOTE 2 – FUTURE IMPLEMENTATION OF GASB PRONOUNCEMENTS:

GASB Statement 68, *Accounting and Financial Reporting for Pensions*, is required to be implemented for periods beginning after June 15, 2014. The Lighting Plant is currently evaluating the effect this pronouncement will have on the basic financial statements.

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2014 AND 2013

NOTE 3 – CASH AND INVESTMENTS:

The Plant owns shares of Hydro Quebec Phase II stock. The securities are stated at cost. Fair market value approximates stated value.

A cash and investment pool is maintained and available for use of the depreciation and insurance reserve funds.

The Plant is invested in obligations of government bonds, certificates of deposit, money market accounts and bank deposits. Since these investments are held to maturity they are recorded at cost or amortized cost.

Concentration of Credit Risk

The Lighting Plant's deposits with the Town Treasurer are invested with various financial institutions. It is not practical to disclose the related bank balance and credit risk of such cash deposits for the Lighting Plant. Funds on deposit with financial institutions are subject to the insurance coverage limits imposed by the Federal Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). The amount of insurance coverage for the Plant deposits are not determinable because the limits of insurance are completed on a town-wide basis.

Custodial Credit Risk – Deposits and Investments

In the event of a failure by the counterparty, the Plant would not be able to recover the value of its investments.

Interest Rate Risk

The Plant invests in term securities out to a maximum of five years to help limit the amount of exposure to fair value losses.

As of December 31, 2014 and 2013, the Lighting Plant had the following investments and maturities:

	<u>Ratings as of Year End</u>	<u>2014 Fair Value</u>	<u>2014 Under 1 Year</u>	<u>2014 1-5 Years</u>	<u>2013 Fair Value</u>
<u>Term Securities</u>					
Certificates of Deposit	Exempt	\$ 2,600,000	<u>\$ 850,000</u>	<u>\$1,750,000</u>	\$ 2,900,000
<u>Other Securities</u>					
Money Market Funds		<u>476,984</u>			<u>1,320,724</u>
Total Investments		<u>\$ 3,076,984</u>			<u>\$ 3,838,996</u>

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 3 – CASH AND INVESTMENTS (Continued):

Investments in any one issuer (other than U.S. Treasury securities and mutual funds) that represents 5% or more of total investments are as follows:

<u>Investment Issuer</u>	<u>Amount</u>	<u>% of Total Investments</u>
Sterling Savings Certificates of Deposit	200,000	6%
Comenity Bank Certificates of Deposit	200,000	6%
Mercantil Certificates of Deposit	200,000	6%
GE CAP Bank Certificates of Deposit	200,000	6%
Ally Bank Certificates of Deposit	200,000	6%
AMEX Centurion Certificates of Deposit	200,000	6%
Capstone Bank Certificates of Deposit	200,000	6%
First Oklahoma Bank Certificates of Deposit	200,000	6%

NOTE 4 – UNBILLED REVENUE:

Revenues from sale of electricity are recorded on the basis of bills rendered from monthly readings taken on a cycle basis throughout the month. In order to reflect revenues in the proper period, the estimated amount of revenue applicable to unbilled usage has been recorded.

NOTE 5 – ACCOUNTS RECEIVABLE - CUSTOMERS:

The Lighting Plant carries its accounts receivable at cost less an allowance. The Lighting Plant can place a lien against a property if payment is not made. For non-owners, the company requires a deposit that can be applied to any unpaid amounts. In addition, the Lighting Plant has the right to shut off service to customers during the months of April through October if the customer is not making payments. On a periodic basis, the Lighting Plant evaluates its accounts receivable to determine if any write-offs are necessary.

NOTE 6 – ACCOUNTS RECEIVABLE:

Accounts Receivable - Customers consists of the following:

	<u>2014</u>	<u>2013</u>
Accounts Receivable	\$ 170,525	\$ 121,006
Less: Allowance for Doubtful Accounts	<u>11,528</u>	<u>11,528</u>
Accounts Receivable, Net	<u>\$ 158,997</u>	<u>\$ 109,478</u>

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 6 – ACCOUNTS RECEIVABLE (Continued):

Accounts Receivable – Other consists of the following:

	2014	2013
Merchandise and Jobbing	\$ 60,239	\$ 25,097
Solar Renewable Energy Credits Receivable	61,912	52,507
Berkshire Wind Renewable Energy Credits Receivable	78,925	81,351
Liens Receivable	29,061	23,433
National Grid Receivable	12,355	0
 Total Other Accounts Receivable	 \$ 249,492	 \$ 182,388

NOTE 7 – DEPRECIATION FUND:

Pursuant to provisions of the Commonwealth’s General Laws, cash in an amount equivalent to the annual depreciation expense is transferred from unrestricted funds to the depreciation fund. Interest earned on the balance of the fund must also remain in the fund. Such cash may be used for the cost of plant, nuclear decommissioning costs, the costs of contractual commitments, and future costs related to such commitments, which the Municipal Lighting Board determines are above market value.

NOTE 8 – RATE STABILIZATION FUND:

The Rate Stabilization Fund was created as an aftermath of the Massachusetts Electricity Restructuring Act of 1997. These funds are for unexpected escalation in costs, such as the decommissioning of nuclear power plants before the end of their operating license, unusual price spikes in fuel prices and transmission cost increases. The Rate Stabilization Fund balance at December 31, 2014 and 2013 was \$3,291,999 and \$3,268,800, respectively. The balance in the fund is offset by a deferred inflow of resources for the accumulated provision for rate refund. These funds are commingled and deposited in investment pools. Accordingly, it is not practical to disclose the credit risk of such funds.

NOTE 9 – PURCHASED POWER WORKING CAPITAL:

The purchased power working capital is an amount held by Massachusetts Municipal Wholesale Electric Company (MMWEC), the Lighting Plant’s power supply agent. The implementation of the Working Capital Program began August 1, 1985. MMWEC participants approved certain working capital amendments to the various power purchase agreements. MMWEC requires that they hold a set amount of capital from which it may pay power obligations when they are due. They replenish the fund as needed from the monthly invoice payments. The income earned allocated to the Lighting Plant is applied as a credit to MMWEC Power Sales Billing. The balance in the Fund as of December 31, 2014 and 2013 is \$950,859 and \$945,556, respectively.

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2014 AND 2013

NOTE 10 – MMWEC PARTICIPATION:

The Town of West Boylston, acting through its Lighting Plant, is a participant in certain projects of the Massachusetts Municipal Wholesale Electric Company (MMWEC).

MMWEC is a public corporation and a political subdivision of the Commonwealth of Massachusetts, created as a means to develop a bulk power supply for its Members and other utilities. MMWEC is authorized to construct, own or purchase ownership interests in, and to issue revenue bonds to finance, electric facilities (Projects). MMWEC has acquired ownership interests in electric facilities operated by other entities and also owns and operates its own electric facilities.

MMWEC sells all of the capability (Project Capability) of each of its Projects to its Members and other utilities (Project Participants) under Power Sales Agreements (PSAs). Among other things, the PSAs require each Project Participant to pay its *pro rata* share of MMWEC's costs related to the Project, which costs include debt service on the revenue bonds issued by MMWEC to finance the Project, plus 10% of MMWEC's debt service to be paid into a Reserve and Contingency Fund.

In addition, should a Project Participant fail to make any payment when due, other Project Participants of that Project may be required to increase (step-up) their payments and correspondingly their Participant's share of that Project's Project Capability to an additional amount not to exceed 25% of their original Participant's share of that Project's Project Capability. Project Participants have covenanted to fix, revise and collect rates at least sufficient to meet their obligations under the PSAs.

West Boylston Municipal Lighting Plant has entered into PSAs and Power Purchase Agreements (PPAs) with MMWEC. Under both the PSAs and PPAs, the Lighting Plant is required to make certain payments to MMWEC payable solely from Lighting Plant revenues.

Under the PSAs, each Participant is unconditionally obligated to make all payments due to MMWEC whether or not the Project(s) is completed or operating and notwithstanding the suspension or interruption of the output of the Project(s).

NOTE 11 – NET INVESTMENT IN CAPITAL ASSETS:

	<u>2014</u>	<u>2013</u>
Cost of Capital Assets Acquired	\$ 13,551,887	\$ 13,173,163
Less: Accumulated Depreciation	(7,330,507)	(6,764,145)
Less: Outstanding Debt Related to Capital Assets	<u>(2,646,439)</u>	<u>(2,783,337)</u>
Net Investment in Capital Assets	<u>\$ 3,574,941</u>	<u>\$ 3,625,681</u>

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 12 – RISK MANAGEMENT:

Self-Insurance Trust

West Boylston Lighting Plant participates in Massachusetts Municipal Self-Insurance Trust Fund (the Trust) with 17 other municipalities for the purpose of sharing excess liability and officers' liability risks. General liability coverage provides for \$500,000 per occurrence, with a \$50,000 deductible that would be paid by the Plant. Environmental insurance coverage provides for \$1,500,000 per occurrence, with a \$50,000 deductible that would be paid by the Plant. Each participating municipality contributes an annual premium to the Trust based on frequency and severity of claims and share of the group's total kilowatt-hour sales. Payments for claims over the deductible limit are funded by trust assets or, if required, additional contributions from the participants.

Generally accepted accounting principles require that liabilities for self-insured claims be reported if it is probable that a loss has been incurred and the amount can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At December 31, 2014 and 2013, the Lighting Plant considers its pro rata share of these losses to be immaterial to its financial statements.

NOTE 13 – BOND PAYABLE:

On March 21, 2013 the Town issued \$4,300,000 of general obligation bonds, of which \$2,000,000 was allocated to the Lighting Plant. The proceeds for the advances were to be used to pay for capital additions related to a new Temple Street Substation Project. The bond has a 15-year life. The interest rates range from 1.00% to 2.25% over the term of the bond.

At December 31, 2014 and 2013, the amount outstanding was \$1,730,000 and \$1,865,000, respectively. Interest expense relating to this bond was \$36,575 and \$9,313 at December 31, 2014 and 2013, respectively. During 2014 and 2013, \$0 and \$28,156 of interest expense was capitalized, respectively.

Maturities of the bonds are shown as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
For Years Ending December 31,			
2015	135,000	34,550	169,550
2016	135,000	31,850	166,850
2017	135,000	29,150	164,150
2018	135,000	26,450	161,450
2019	135,000	23,750	158,750
2020-2024	665,000	78,287	743,287
2025-2027	<u>390,000</u>	<u>13,163</u>	<u>403,163</u>
Total	1,730,000	<u>\$ 237,200</u>	<u>\$ 1,967,200</u>
Plus: Unamortized Net Premiums	23,747		
Less: Current Maturities of Long Term Debt	<u>136,898</u>		
			<u>\$ 1,616,849</u>

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 14 – ADVANCES TO MMLD SOLAR ENERGY COOPERATIVE CORPORATION:

West Boylston Municipal Lighting Plant has advanced amounts to the Cooperative in order to pay for development costs associated with the West Boylston Facilities, as well as some construction costs that were in excess of the bond proceeds. There are no specific repayment terms. As of December 31, 2014 and 2013, the total advance to the Cooperative was \$815,564.

NOTE 15 – RELATED PARTY TRANSACTIONS:

In the ordinary course of business, the Lighting Plant sells electricity to various Town departments. During the years ended December 31, 2014 and 2013, sales to these departments totaled \$373,363 and \$323,492, respectively. At December 31, 2014 and 2013, the amounts due from these departments were \$3,733 and \$1,196, respectively.

During the years ended December 31, 2014 and 2013, the Lighting Plant reimbursed the Town \$403,193 and \$345,855, respectively. At December 31, 2014 and 2013, amounts payable to the town were \$3,136 and \$924, respectively.

NOTE 16 – UTILITY PLANT ASSETS:

	Balance January 1, 2014	Increases	Decreases	Balance December 31, 2014
Capital Assets Not Being Depreciated:				
Land	\$ 666,428	\$ 0	\$ 0	\$ 666,428
Construction in Progress	0	0	0	0
Capital Assets Not Being Depreciated	666,428	0	0	666,428
Capital Assets Being Depreciated:				
Distribution Plant	8,199,387	373,245	(38,512)	8,534,120
General Plant	2,437,709	43,991	0	2,481,700
Generation Plant	1,869,639	0	0	1,869,639
Total	12,506,735	417,236	(38,512)	12,885,459
Less Accumulated Depreciation For:				
Distribution Plant	(4,980,221)	(408,203)	38,512	(5,349,912)
General Plant	(1,548,260)	(121,887)	0	(1,670,147)
Generation Plant	(235,664)	(74,784)	0	(310,448)
Total Accumulated Depreciation	(6,764,145)	(604,874)	38,512	(7,330,507)
Capital Assets Being Depreciated, Net	5,742,590	(187,638)	0	5,554,952
Utility Plant Assets, Net	\$ 6,409,018	\$ (187,638)	\$ 0	\$ 6,221,380

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 17 – PENSION PLAN:

The Lighting Plant, through the Town of West Boylston, is a member of the Worcester Regional Retirement System, which in turn is a member of the Massachusetts Contributory Retirement System, which is governed by M.G.L. c. 32 of the Massachusetts General Laws. Membership in the plan is mandatory immediately upon the commencement of employment for all permanent, full-time employees. The plan is a defined contributory benefit plan for all county employees and employees of participating towns and districts except those employees who are covered by the teachers' retirement board.

Massachusetts Contributory Retirement System benefits are uniform from system to system. The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest three year average annual rate of regular compensation. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification.

A \$30,000 salary cap, upon which members' benefits were calculated, was removed by the Worcester Regional Retirement System, effective January 1, 1991. Members become vested after ten years of creditable service.

A superannuation retirement allowance may be received upon the completion of twenty years of service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65 (for certain hazardous duty and public safety positions normal retirement is at age 55).

A retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total contributions and a portion of the interest they generate constitute the annuity. The differential between the total retirement benefit and the annuity is the pension. The average retirement benefit is approximately 80-85% pension and 15-20% annuity.

Active members contribute 5, 7, 8 or 9% of their gross regular compensation. The percentage rate is keyed to the date upon which an employee's membership commences. Members hired after 1978 contribute an additional 2% of annual pay above \$30,000. These contributions are deposited in the Annuity Savings Fund and earn interest at a rate determined by the Public Employees' Retirement Administration's (PERA's) actuary. When a member's retirement becomes effective, his/her deductions and related interest are transferred to the Annuity Reserve Fund. Any cost-of-living adjustments granted since 1981 and any increases in other benefits imposed by state law after that year are borne by the state.

Members who become permanently and totally disabled from further duty may be eligible to receive a disability retirement allowance. The amount of benefits to be received in such cases are dependent upon several factors, including: whether or not the disability is work related, the member's age, years of creditable service, level of compensation, veterans' status, and group classification.

Employees who resign from state service and who are not eligible to receive a retirement allowance or are under the age of 55 are entitled to request a refund of their accumulated total contributions. In addition, depending upon the number of years of creditable service, such employees are entitled to receive either zero (0%) percent, fifty (50%) percent, or one hundred (100%) percent of the regular interest which has accrued upon those contributions.

Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2014 AND 2013

NOTE 17 – PENSION PLAN (Continued):

The Lighting Plant’s contribution to the Retirement Plan is determined by an allocation of the total Town contribution, which is based upon projected benefits to be paid during the applicable year. The Lighting Plant then reimburses the Town for its share of the assessment.

The amount of pension expense charged to operations for the years ended December 31, 2014, 2013, and 2012 was \$158,098, \$129,118, and \$103,781, respectively.

The Plan’s separately issued financial statements can be obtained by contacting Worcester Regional Retirement System at 23 Midstate Drive, Suite 106, Auburn, Massachusetts 01501.

NOTE 18 – OTHER POSTEMPLOYMENT BENEFITS TRUST FUND:

The Other Postemployment Benefits Liability Trust Fund was established by vote of the Board of Light Commissioners. The Board voted to accept the provisions of MGL Chapter 32B, Section 20 which establishes a separate Fund and a funding schedule for the Fund.

The schedule and any future updates shall be designed, consistent with standards issued by the Government Accounting Standards Boards, to reduce the unfunded actuarial liability of health care and other postemployment benefits to zero as of an actuarially acceptable period of years and to meet the normal cost of all future benefits for which the government unit is obligated. The Fund is held under the custodianship of the Treasurer of the Massachusetts Municipal Wholesale Electric Company (MMWEC). The balance in the trust as of December 31, 2014 and 2013 was \$626,844 and \$0, respectively.

NOTE 19 – OTHER POSTEMPLOYMENT BENEFITS (OPEB):

December 31, 2008 was the initial year that West Boylston Municipal Lighting Plant (WBMLP) implemented GASB Statement 45, *Accounting for Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. As allowed by GASB 45, the Lighting Plant has established the net OPEB obligation at zero at the beginning of the transition year and has applied the measurement recognition requirements of GASB 45 on a prospective basis.

Plan Description. The Plant participates in the town sponsored single employer defined benefit health plan. The Plant provides certain health care and life insurance benefits for eligible retirees, spouses and dependents. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan.

As of June 30, 2012 WBMLP’s membership consisted of the following:

Current retirees, beneficiaries and dependents	15
Current active members	<u>9</u>
Total	<u><u>24</u></u>

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 19 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued):

Funding Policy. WBMLP recognizes the cost of providing these benefits, in accordance with government accounting standards, on a pay-as-you-go basis, by expensing the annual insurance premiums charged WBMLP by the Town, which aggregated approximately \$196,034 and \$189,917 for the years ended December 31, 2014 and 2013. The cost of providing these benefits for retirees is not readily separable from the costs for active employees. Retired plan members and beneficiaries contribution rates vary by individual based on the health plan they are enrolled in.

Annual OPEB Costs. The Plant’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The components of the Plant’s annual OPEB cost for the year ending December 31, 2014, the amount actually contributed to the plan, and changes in the Plant’s net OPEB obligation based on an actuarial valuation as of June 30, 2012 are presented below:

	2014	2013
Annual required contribution	\$ 122,980	\$ 124,483
Interest on net OPEB obligation	26,853	25,109
Amortization of net OPEB obligation	(23,987)	(22,016)
Annual OPEB cost	125,846	127,576
Expected benefit payments	(85,792)	(83,993)
Adjustments to annual required contribution	(0)	(6,292)
Increase in net OPEB obligation	40,054	37,291
Net OPEB obligation-Beginning of year	671,318	634,027
Transfer to OPEB Trust Fund	(629,302)	0
Net OPEB obligation-End of year	\$ 82,070	\$ 671,318

The Plant’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

Year ended	Annual OPEB costs	Percentage of OPEB cost contributed	Net OPEB obligation
2012	\$ 120,999	62.4%	\$ 634,027
2013	\$ 121,284	69.3%	\$ 671,318
2014	\$ 125,846	568.2%	\$ 82,070

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2014 AND 2013

NOTE 19 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued):

Funded Status and Funding Progress. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

Legislature was passed allowing municipalities to create a trust, in order to fund their OPEB obligation. West Boylston Municipal Lighting Plant created a trust for the year ending December 31, 2014. The Board authorized a transfer of \$629,302 to the OPEB trust fund.

The funded status is as follows:

Actuarial accrued liability (AAL)	\$ 2,088,118
Actuarial value of plan assets	<u>(629,302)</u>
Unfunded actuarial accrued liability	\$ 1,458,816
Funded Ratio (actuarial value of plan assets/AAL)	30.14%
Covered Payroll (active plan members)	\$ 731,617
UAAL as a percentage of covered payroll	199.4%

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on substantive plan (the plan as understood by the plant and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point.

As of the June 30, 2012 actuarial valuation the projected unit credit cost method was used. The actuarial assumptions included an annual healthcare cost trend rate of 7.5% initially, reduced by decrements to an ultimate rate of 4.5%. The Plant's unfunded actuarial accrued liability is being amortized assuming 30 year level dollar basis.

NOTE 20 – MASSACHUSETTS MUNICIPAL LIGHT DEPARTMENT SOLAR ENERGY
 COOPERATIVE CORPORATION (COOPERATIVE):

The significant accounting policies of the Massachusetts Municipal Light Department Solar Energy Cooperative Corporation (Cooperative) are as follows:

Reporting Entity

The Cooperative is organized under Chapter 164: Section 47C of the State of Massachusetts Statutes and constitutes a municipal lighting plant cooperative. The Cooperative was formed by Massachusetts Municipal Wholesale Electric Company (MMWEC) and the West Boylston Municipal Lighting Plant (WBMLP) for the purpose of financing, owning, constructing and operating solar generation facilities located in the town of West Boylston, Massachusetts (West Boylston Facilities).

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 20 – MASSACHUSETTS MUNICIPAL LIGHT DEPARTMENT SOLAR ENERGY
COOPERATIVE CORPORATION (COOPERATIVE) (Continued):

Reporting Entity (Continued)

The powers of the Cooperative are exercised by the Board of Directors who has the right to conduct business and carry on operations. The Board of Directors is comprised of one director who represents MMWEC and two or more Directors who represent the WBMLP.

Nature of Operations

The Cooperative is a self-sustaining 369.6 kilowatt solar photovoltaic energy project, comprised of 1,760 solar panels installed at the intersection of Paul X. Tivnan Road and Shrewsbury Street in West Boylston, Massachusetts. The Cooperative provides both operational and financial value to the WBMLP by delivering clean, renewable electricity to its customers.

Regulation and Basis of Accounting

The financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Fair Value of Financial Instruments

The Cooperative's financial instruments consist of cash and cash equivalents, accounts payable and accrued expenses and debt instruments. The estimated fair values of these financial instruments approximate their carrying values at December 31, 2014 and 2013. The estimated fair values have been determined through information obtained from market sources and management estimates.

Depreciation

Property and equipment is stated at cost. Minor additions and renewals are expensed in the year incurred. Major additions and renewals are capitalized and depreciated over their estimated useful lives using straight line method. Depreciation expense for 2014 and 2014 was \$74,784.

Reclassification

Certain prior year amounts have been reclassified to conform to the 2013 presentation.

Advances from West Boylston Municipal Lighting Plant

WBMLP has advanced amounts to the Cooperative in order to pay for development costs associated with the West Boylston Facilities that are in excess of the bond proceeds.

The advances are classified as long term as repayment is not anticipated within the current year. There are no specific repayment terms. As of December 31, 2014 and 2013, the total advances to the Cooperative were \$815,564.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 20 – MASSACHUSETTS MUNICIPAL LIGHT DEPARTMENT SOLAR ENERGY
COOPERATIVE CORPORATION (COOPERATIVE) (Continued):

Prepaid Insurance

Prepaid insurance represents insurance premiums paid in the current fiscal year benefiting future periods.

Amounts Recoverable/Payable in the Future

The difference between revenues received and expenses paid are charged to the amounts recoverable/payable in the future account which is reflected as either a deferred inflow or outflow of resources in the accompanying statements of net position. Such amounts will be recovered or settled through future billings.

Revenues and Expenses

The Cooperative distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the utility's principal ongoing operations. The principal operating revenues of the Cooperative will be the contract charges to the WBMLP and the Solar Renewal Energy Credits issued for the electricity generated from the solar electric system. Operating expenses for the Cooperative currently include insurance, services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Taxes

The Cooperative is exempt from federal income taxes.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Cooperative considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Custodial Credit Risk

In the event of a bank failure, the Cooperative's deposits may not be returned. The Cooperative's funds on deposit with financial institutions are subject to the insurance coverage limits by the Federal Deposit Insurance Corporation (FDIC) and the Deposit Insurance Fund of Massachusetts (DIF).

Related Parties:

On behalf of the Cooperative, MMWEC records and accounts for bills received and paid. MMWEC is accounting for monthly contract charges rendered and payments received from the WBMLP. The Cooperative entered into an agency contract with MMWEC on October 22, 2008, under which MMWEC is serving as the Cooperative's agent in all matters with respect to financing the construction, purchase, ownership, lease or other acquisition by the Cooperative of the West Boylston Facilities or energy generated from other facilities and other property or interest therein.

The Cooperative entered into a service contract with MMWEC on June 29, 2010, under which MMWEC is serving as the Cooperative's agent to provide financing, administrative and other services relating to the West Boylston Facilities.

Under both the agency and service contract, MMWEC is to serve as the Cooperative's representative in the New England Power Pool (NEPOOL) and in matters relating to ISO New England, Inc. (ISO-NE) in connection with the West Boylston Facilities, the purchase and sale of energy there or from other facilities and other property or interests therein.

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
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NOTE 20 – MASSACHUSETTS MUNICIPAL LIGHT DEPARTMENT SOLAR ENERGY
COOPERATIVE CORPORATION (COOPERATIVE) (Continued):

Related Parties (Continued):

During the years ended December 31, 2014 and 2013, the Cooperative incurred charges of \$7,189 and \$9,732, respectively, for services provided by or paid by MMWEC on behalf of the Cooperative.

As of December 31, 2014 and 2013, the Cooperative had an outstanding balance due to MMWEC of \$4,292 and \$3,489, respectively.

WBMLP made advances to the Cooperative to fund project costs. As of December 31, 2014 and 2013, the Cooperative has an outstanding balance due to WBMLP of \$815,564.

As disclosed in Note 4, the Cooperative entered into a lease agreement with the WBMLP and is required to make annual rental payments under the agreement.

Debt:

In June 2010, the Cooperative obtained a Clean Renewable Energy Bond (CREB) in the amount of \$1,167,367 to provide term financing for the installation and operation of the West Boylston Facilities. The CREB has a payment term of up to sixteen years but not greater than the maximum term for a clean renewable energy bond as determined by the U.S. Treasury Department. Principal payments are due in equal installments of \$68,669 commencing on December 30, 2010 and then on the December 30 of each year thereafter. All principal and accrued interest thereon shall be due and payable on demand on June 29, 2026. Interest on the CREB is fixed at 2% and is payable in semi-annual installments on June 30 and December 30 of each year. Interest expense for 2013 and 2012 was \$19,506 and \$20,944, respectively. The CREB is collateralized by the equipment and the purchase power agreement (PPA) with the West Boylston Municipal Lighting Plant. As of December 31, 2014, the outstanding CREB balance was \$892,692.

The following is a summary of total debt service requirements for the CREB outstanding:

		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
For Years Ending December 31,	2015	\$ 137,337	\$ 26,785	\$ 164,122
	2016	68,669	15,359	84,028
	2017	68,669	13,924	82,593
	2018	68,669	12,532	81,201
	2019	68,669	11,140	79,809
	2020-2024	343,343	34,849	378,192
	2025-2026	<u>137,336</u>	<u>3,476</u>	<u>140,812</u>
	Total	<u>\$ 892,692</u>	<u>\$ 118,065</u>	<u>\$ 1,010,757</u>

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 20 – MASSACHUSETTS MUNICIPAL LIGHT DEPARTMENT SOLAR ENERGY
COOPERATIVE CORPORATION (COOPERATIVE) (Continued):

Commitments and Contingencies:

Lease Agreement

The Cooperative entered into a 20 year lease agreement on June 29, 2010 with the WBMLP. Under the lease agreement, the Cooperative may finance, purchase, acquire, own, hold, install and maintain, or cause to be installed and maintained, a ground-mounted photovoltaic installation for the production of solar energy on the West Boylston Facilities. This lease agreement requires monthly lease payments of \$1 each month for the term of the lease.

NOTE 21 – PRELIMINARY SURVEY ABANDONMENT:

Purchased power costs include an impairment loss of \$82,845 due to the determination that construction and operation of MMWEC Project 2006A is not feasible.

NOTE 22 – CONTINGENCIES AND LIABILITIES:

Legal and Environmental Matters

The Lighting Plant is subject, like other electric utilities, to evolving standards administered by federal, state and local authorities relating to the quality of the environment. These standards affect the citing of electric property, ambient air and water quality, plant safety and other environmental factors. These standards have had an impact on the Lighting Plant's operations in the past and they will continue to have an impact on future operations, capital costs and construction.

Berkshire Wind Cooperative Corporation Contingencies and Liabilities

The West Boylston Municipal Lighting Plant (Plant) is a Member of the Berkshire Wind Cooperative Corporation (Cooperative).

The Cooperative is organized under Chapters 157 and 164: Section 47C of the State of Massachusetts Statutes and constitutes a municipal lighting plant cooperative. The Cooperative was formed by Massachusetts Municipal Wholesale Electric Company (MMWEC) and 14 Municipal Light Departments (Members) for the purpose of financing, owning, constructing and operating wind generation facilities located on Brodie Mountain in the towns of Hancock and Lanesborough, Massachusetts (Berkshire Wind Facility).

The Cooperative has constructed and installed 10 1.5-megawatt wind turbines at the Berkshire Wind Facility. The Cooperative provides wind energy to MMWEC pursuant to the Berkshire Wind Power Purchase Agreement dated May 21, 2008 between MMWEC and the Cooperative. Under this agreement, MMWEC entered into a Power Sales Contract with the Cooperative pursuant to which MMWEC has agreed to purchase 100% of the capacity and energy output and, to the extent uncommitted to any third party under existing agreements, associated environmental energy attributes of a wind power generating facility to be owned, constructed and operated by the Cooperative at the Berkshire Wind Facility.

MMWEC sells all of the capability of the Berkshire Wind Facility (Capability) to the Members of the Cooperative (Members) under Power Purchase Agreements (PPAs).

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2014 AND 2013

NOTE 22 – CONTINGENCIES AND LIABILITIES (Continued):

Berkshire Wind Cooperative Corporation Contingencies and Liabilities (continued):

Among other things, the PPAs require each Cooperative Member to pay its *pro rata* share of the costs related to the Berkshire Wind Facility, which costs include debt service on the bonds issued by the Cooperative to finance the Berkshire Wind Facility, plus 10% of the debt service to be paid into a Reserve and Contingency Fund. In addition, should a Cooperative Member fail to make any payment when due, other Cooperative Members may be required to increase (step-up) their payments and correspondingly their share of the Capability to an additional amount.

The Cooperative has issued revenue bonds, which are payable solely from, and secured solely by, the revenues derived from the Berkshire Wind Facility. The revenues are used solely to provide for the payment of any bond issue relating to the Berkshire Wind Facility and to pay the Cooperative’s cost of owning and operating the Berkshire Wind Facility.

The West Boylston Municipal Lighting Plant has entered into a PPA with the Berkshire Wind Cooperative Corporation. Under the PPA, each Participant is unconditionally obligated to make all payments due to the Berkshire Wind Cooperative Corporation, whether or not the Berkshire Wind Facility is completed or operating, and notwithstanding the suspension or interruption of the output of the Berkshire Wind Facility. In addition, under the PPA, the Plant is required to pay to the Cooperative its share of the Operation and Maintenance (O&M) costs of the Berkshire Wind Facility.

As of December 31, 2014, total capital expenditures for the Berkshire Wind Facility amounted to \$58,990,077, of which \$3,171,000, presents the amount associated with the Plant’s share of the Capability of the Berkshire Wind Facility of which it is a Member, although such amount is not allocated to the Plant. The Cooperative’s debt outstanding for the Berkshire Wind Facility includes bonds totaling \$57,860,000, of which \$3,110,000 is associated with the Plant’s share of Capability of the Berkshire Wind Facility of which it is a Member, although such amount is not allocated to the Plant. As of December 31, 2014, the Cooperative’s total future debt service requirement on outstanding bonds issued for the Projects is \$86,387,000, of which \$4,643,000 is anticipated to be billed to the Plant in the future.

The estimated aggregate amount of the West Boylston Municipal Light Plant’s required payments under the PSA exclusive of the Reserve and Contingency Fund billings, to the Cooperative at December 31, 2014 and estimated for future years is shown below.

		<u>ANNUAL COSTS</u>		
For the years ended December 31,	2015	\$	290,000	
	2016		290,000	
	2017		290,000	
	2018		290,000	
	2019		290,000	
	2020 to 2024		1,452,000	
	2025 to 2029		1,451,000	
	2030		<u>290,000</u>	
	TOTAL	\$	<u>4,643,000</u>	

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

NOTE 22 – CONTINGENCIES AND LIABILITIES (Continued):

MMWEC Contingencies and Liabilities

Through membership in MMWEC, the Lighting Plant is contingently liable on various projects, which it participates as detailed as to follow.

MMWEC has issued separate issues of revenue bonds for each of its eight Projects, which are payable solely from, and secured solely by, the revenues derived from the Project to which the bonds relate, plus available funds pledged under MMWEC's Amended and Restated General Bond Resolution (GBR) with respect to the bonds of that Project. The MMWEC revenues derived from each Project are used solely to provide for the payment of the bonds of any bond issue relating to such Project and to pay MMWEC's cost of owning and operating such Project and are not used to provide for the payment of the bonds of any bond issue relating to any other Project.

MMWEC operates the Stony Brook Intermediate Project and the Stony Brook Peaking Project, both fossil-fueled power plants. MMWEC has a 3.7% interest in the W.F. Wyman Unit No. 4 plant, which is operated and owned by its majority owner, FPL Energy Wyman IV, LLC, a subsidiary of NextEra Energy Resources LLC and a 4.8% ownership interest in the Millstone Unit 3 nuclear unit, operated by Dominion Nuclear Connecticut, Inc. (DNCI), the majority owner and an indirect subsidiary of Dominion Resources, Inc. DNCI also owns and operates the Millstone Unit 2 nuclear unit. The operating license for the Millstone Unit 3 nuclear unit extends to November 25, 2045.

A substantial portion of MMWEC's plant investment and financing program is an 11.6% ownership interest in the Seabrook Station nuclear generating unit operated by NextEra Energy Seabrook, LLC (NextEra Seabrook), the majority owner and an indirect subsidiary of NextEra Energy Resources LLC. The operating license for Seabrook Station extends to March 15, 2030. NextEra Seabrook has submitted an application to extend the Seabrook Station operating license for an additional 20 years.

Pursuant to the PSAs, the MMWEC Seabrook and Millstone Project Participants are liable for their proportionate share of the costs associated with decommissioning the plants, which costs are being funded through monthly Project billings. Also the Project Participants are liable for their proportionate share of the uninsured costs of a nuclear incident that might be imposed under the Price-Anderson Act (Act). Originally enacted in 1957, the Act has been renewed several times. In July 2005, as part of the Energy Policy Act of 2005, Congress extended the Act until the end of 2025.

MMWEC is involved in various legal actions. In the opinion of MMWEC management, the outcome of such actions will not have a material adverse effect on the financial position of the company.

As of December 31, 2014, total capital expenditures for MMWEC's Projects amounted to \$1,616,889,000 of which \$23,982,000 represents the amount associated with the Lighting Plant's share of Project Capability of the Projects in which it participates, although such amount is not allocated to the Lighting Plant. MMWEC's debt outstanding for the Projects includes Power Supply Project Revenue Bonds totaling \$167,110,000, of which \$2,292,000 is associated with the Lighting Plant's share of Project Capability of the Projects in which it participates, although such amount is not allocated to the Lighting Plant. As of December 31, 2014, MMWEC's total future debt service requirement on outstanding bonds issued for the Projects is \$152,675,000, of which \$2,067,000 is anticipated to be billed to the Lighting Plant in the future.

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 DECEMBER 31, 2014 AND 2013

NOTE 22 – CONTINGENCIES AND LIABILITIES (Continued):

MMWEC Contingencies and Liabilities (Continued):

The estimated aggregate amount of West Boylston Municipal Lighting Plant’s required payments under the PSAs and PPAs, exclusive of the Reserve and Contingency Fund billings, to MMWEC at December 31, 2014 and estimated for future years is shown below.

ANNUAL COSTS

For the years ended December 31,	2015	\$	902,000
	2016		749,000
	2017		326,000
	2018		61,000
	2019		<u>28,000</u>
	Total	\$	<u>2,066,000</u>

In addition, under the PSAs, the Lighting Plant is required to pay its share of the Operation and Maintenance (O&M) costs of the Projects in which they participate. The Lighting Plant’s total O&M costs including debt service under the PSAs were \$2,542,000 and \$2,549,000 for the years ended December 31, 2014 and 2013, respectively.

Other Power Supply

The Lighting Plant has entered into a Service Agreement with MMWEC, under which MMWEC performs bulk power supply services to the Lighting Plant, including services related to owned generation, purchased power contracts or other power supply arrangements.

Under the terms of the Service Agreement, the Lighting Plant is committed to purchase additional power through MMWEC in the amount of \$1,102,013 in 2015, \$212,126 in 2016, \$201,634 in 2017, and \$48,231 in 2018.

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(\$000)

PROJECTS	PERCENTAGE SHARE	TOTAL PROJECT EXPENDITURES TO DATE	PARTICIPANT'S SHARE	DEBT ISSUED & OUTSTANDING 12/31/2014	PARTICIPANT'S SHARE	TOTAL DEBT SERVICE ON BONDS OUTSTANDING	PARTICIPANT'S SHARE
Stony Brook Peaking Project	2.3041	\$ 59,275	\$ 1,366	\$ -	\$ -	\$ -	\$ -
Stony Brook Intermediate Project	1.4135	174,109	2,461	-	-	-	-
Nuclear Mix No. 1-SBK	1.3587	13,389	182	-	-	-	-
Nuclear Mix No. 1-MLS	1.3587	120,498	1,637	-	-	-	-
Nuclear Project No. 3-MLS	1.7956	150,507	2,703	32,660	586	28,657	515
Nuclear Project No. 4-SBK	2.9080	345,196	10,038	32,260	938	28,671	834
Nuclear Project No. 5-SBK	0.7204	93,686	675	9,865	71	8,867	64
Wyman Project	-	8,797	-	-	-	-	-
Project No. 6-SBK	0.7552	651,432	4,920	92,325	697	86,480	654
TOTAL		<u>\$ 1,616,889</u>	<u>\$ 23,982</u>	<u>\$ 167,110</u>	<u>\$ 2,292</u>	<u>\$ 152,675</u>	<u>\$ 2,067</u>

PROJECTS	PERCENTAGE SHARE	OPERATION & MAINTENANCE 12/31/2013	PARTICIPANT'S SHARE	OPERATION & MAINTENANCE 12/31/2014	PARTICIPANT'S SHARE
Stony Brook Peaking Project	2.3041	\$ 3,591	\$ 83	\$ 4,648	\$ 107
Stony Brook Intermediate Project	1.4135	21,672	306	32,241	456
Nuclear Mix No. 1-SBK	1.3587	1,378	19	971	13
Nuclear Mix No. 1-MLS	1.3587	11,868	161	8,743	119
Nuclear Project No. 3-MLS	1.7956	25,453	457	26,549	477
Nuclear Project No. 4-SBK	2.9080	34,522	1,004	30,617	890
Nuclear Project No. 5-SBK	0.7204	9,018	65	8,122	59
Wyman Project	-	1,693	-	3,094	-
Project No. 6-SBK	0.7552	60,105	454	55,736	421
TOTAL		<u>\$ 169,300</u>	<u>\$ 2,549</u>	<u>\$ 170,721</u>	<u>\$ 2,542</u>

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(\$000)

PROJECTS	PERCENTAGE SHARE	2015		2016		2017	
		ANNUAL COST	PARTICIPANT'S SHARE	ANNUAL COST	PARTICIPANT'S SHARE	ANNUAL COST	PARTICIPANT'S SHARE
Stony Brook Peaking Project	2.3041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stony Brook Intermediate Project	1.4135	-	-	-	-	-	-
Nuclear Mix No. 1-SBK	1.3587	-	-	-	-	-	-
Nuclear Mix No. 1-MLS	1.3587	-	-	-	-	-	-
Nuclear Project No. 3-MLS	1.7956	14,311	257	9,182	165	3,492	63
Nuclear Project No. 4-SBK	2.9080	13,142	382	11,128	324	4,401	128
Nuclear Project No. 5-SBK	0.7204	3,821	28	3,370	24	1,559	11
Wyman Project	-	-	-	-	-	-	-
Project No. 6-SBK	0.7552	31,087	235	31,225	236	16,460	124
TOTAL		\$ 62,361	\$ 902	\$ 54,905	\$ 749	\$ 25,912	\$ 326

PROJECTS	PERCENTAGE SHARE	2018		2019	
		ANNUAL COST	PARTICIPANT'S SHARE	ANNUAL COST	PARTICIPANT'S SHARE
Stony Brook Peaking Project	2.3041	\$ -	\$ -	\$ -	\$ -
Stony Brook Intermediate Project	1.4135	-	-	-	-
Nuclear Mix No. 1-SBK	1.3587	-	-	-	-
Nuclear Mix No. 1-MLS	1.3587	-	-	-	-
Nuclear Project No. 3-MLS	1.7956	1,672	30	-	-
Nuclear Project No. 4-SBK	2.9080	-	-	-	-
Nuclear Project No. 5-SBK	0.7204	117	1	-	-
Wyman Project	-	-	-	-	-
Project No. 6-SBK	0.7552	3,980	30	3,728	28
TOTAL		\$ 5,769	\$ 61	\$ 3,728	\$ 28

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
 REQUIRED SUPPLEMENTARY INFORMATION
 DECEMBER 31, 2014 AND 2013

Schedule of Funding Progress - Other Postemployment Benefits

Actuarial Valuation Date	For the Year Ending	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Payroll
6/30/2008	12/31/2008	\$ -	\$ 2,669,414	\$ 2,669,414	0.00%	\$ 765,012	348.94%
6/30/2008	12/31/2009	\$ -	\$ 2,669,414	\$ 2,669,414	0.00%	\$ 801,230	333.16%
6/30/2010	12/31/2010	\$ -	\$ 2,274,778	\$ 2,274,778	0.00%	\$ 725,833	313.40%
6/30/2010	12/31/2011	\$ -	\$ 2,274,778	\$ 2,274,778	0.00%	\$ 749,359	303.56%
6/30/2012	12/31/2012	\$ -	\$ 2,088,118	\$ 2,088,118	0.00%	\$ 749,359	278.65%
6/30/2012	12/31/2013	\$ -	\$ 2,088,118	\$ 2,088,118	0.00%	\$ 727,626	286.98%
6/30/2012	12/31/2014	\$ 629,302	\$ 2,088,118	\$ 1,458,816	30.14%	\$ 731,617	199.40%

Schedule of Actuarial Methods and Assumptions

The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

Actuarial Methods:

Valuation Date:	6/30/2012
Actuarial Cost Method	Projected Unit Credit
Amortization Method	30-year level dollar basis
Remaining Amortization Period	23 years

Actuarial Assumptions

Assumed Retirement	Age 55
Discount Rate	4.00%
Projected Salary Increases	3.00%
Healthcare Cost Trend Rate	7.5% initially reduced by decrements to an ultimate rate of 4.5%

See Independent Auditors' Report

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF NET POSITION
DECEMBER 31, 2014 AND 2013

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	<u>2014</u>				<u>2013</u>			
	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>
CURRENT ASSETS:								
Funds on Deposit with Town Treasurer								
Operating Cash	\$ 4,441,543	\$ 129,518	\$ -	\$ 4,571,061	\$ 1,437,126	\$ 27,819	\$ -	\$ 1,464,945
Petty Cash	1,800	-	-	1,800	1,800	-	-	1,800
Customer Accounts Receivable, Net	158,997	-	-	158,997	109,478	-	-	109,478
Accounts Receivable - Other	242,492	71,143	(71,143)	242,492	182,388	76,062	(76,062)	182,388
Interest Receivable	4,301	-	-	4,301	4,829	-	-	4,829
Unbilled Revenue	687,303	-	-	687,303	696,882	-	-	696,882
Materials and Supplies	258,131	-	-	258,131	264,273	-	-	264,273
Prepaid Expenses	102,436	4,360	-	106,796	79,096	4,360	-	83,456
Prepaid Purchased Power	61,155	-	-	61,155	10,727	-	-	10,727
Purchased Power Working Capital	950,859	-	-	950,859	945,556	-	-	945,556
TOTAL CURRENT ASSETS	6,909,017	205,021	(71,143)	7,042,895	3,732,155	108,241	(76,062)	3,764,334
NONCURRENT ASSETS:								
Funds on Deposit with Town Treasurer								
Customer Deposits	138,721	-	-	138,721	139,667	-	-	139,667
Depreciation Fund	841,794	-	-	841,794	3,591,916	-	-	3,591,916
Insurance Reserve Fund	5	-	-	5	628,808	-	-	628,808
Investments	2,798	-	-	2,798	2,798	-	-	2,798
Preliminary Survey and Investigation Charges	-	-	-	-	82,845	-	-	82,845
Advances to MMLD Solar Energy Cooperative Corporation	815,564	-	(815,564)	-	815,564	-	(815,564)	-
Rate Stabilization Fund	3,291,999	-	-	3,291,999	3,268,800	-	-	3,268,800
Utility Plant Assets, Net	4,662,189	1,559,191	-	6,221,380	4,775,043	1,633,975	-	6,409,018
TOTAL NONCURRENT ASSETS	9,753,070	1,559,191	(815,564)	10,496,697	13,305,441	1,633,975	(815,564)	14,123,852
TOTAL ASSETS	16,662,087	1,764,212	(886,707)	17,539,592	17,037,596	1,742,216	(891,626)	17,888,186
DEFERRED OUTFLOWS OF RESOURCES:								
Amounts Recoverable in the Future	-	120,291	(120,291)	-	-	45,507	(45,507)	-
NET ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 16,662,087	\$ 1,884,503	\$ (1,006,998)	\$ 17,539,592	\$ 17,037,596	\$ 1,787,723	\$ (937,133)	\$ 17,888,186

See Independent Auditors' Report

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF NET POSITION
DECEMBER 31, 2014 AND 2013

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2014</u>				<u>2013</u>			
	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>
CURRENT LIABILITIES:								
Accounts Payable	\$ 643,225	\$ 143	\$ (10,267)	\$ 633,101	\$ 599,109	\$ -	\$ (21,900)	\$ 577,209
Accounts Payable - MMWEC	-	4,292	-	4,292	-	3,489	-	3,489
Accrued Expenses	37,757	9,076	-	46,833	137,479	-	-	137,479
Bond Payable	136,898	137,337	-	274,235	136,898	68,669	-	205,567
TOTAL CURRENT LIABILITIES	817,880	150,848	(10,267)	958,461	873,486	72,158	(21,900)	923,744
NONCURRENT LIABILITIES:								
Customer Deposits	138,721	-	-	138,721	139,667	-	-	139,667
Other Post Employment Benefit Obligation	82,070	-	-	82,070	671,318	-	-	671,318
Bond Payable, Net of Current Portion	1,616,849	755,355	-	2,372,204	1,753,747	824,023	-	2,577,770
Accumulated Provision for Insurance	-	-	-	-	627,940	-	-	627,940
Advances from West Boylston Municipal Lighting Plant	-	815,564	(815,564)	-	-	815,564	(815,564)	-
TOTAL NONCURRENT LIABILITIES	1,837,640	1,570,919	(815,564)	2,592,995	3,192,672	1,639,587	(815,564)	4,016,695
TOTAL LIABILITIES	2,655,520	1,721,767	(825,831)	3,551,456	4,066,158	1,711,745	(837,464)	4,940,439
DEFERRED INFLOWS OF RESOURCES:								
Billings in Excess of Costs to Participants	-	162,736	(162,736)	-	-	75,978	(75,978)	-
Amounts Recoverable/Payable in the Future	120,291	-	(120,291)	-	45,507	-	(45,507)	-
Purchase Power Adjustment	1,851,863	-	-	1,851,863	2,014,841	-	-	2,014,841
Reserve for Rate Stabilization	3,832,769	-	-	3,832,769	3,809,569	-	-	3,809,569
TOTAL DEFERRED INFLOWS OF RESOURCES	5,804,923	162,736	(283,027)	5,684,632	5,869,917	75,978	(121,485)	5,824,410
NET POSITION:								
Net Investment in Capital Assets	2,908,442	666,499	-	3,574,941	2,884,398	741,283	-	3,625,681
Net Position Restricted for Depreciation	841,794	-	-	841,794	3,591,916	-	-	3,591,916
Unrestricted Net Position	4,451,408	(666,499)	101,860	3,886,769	625,207	(741,283)	21,816	(94,260)
TOTAL NET POSITION	8,201,644	-	101,860	8,303,504	7,101,521	-	21,816	7,123,337
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 16,662,087	\$ 1,884,503	\$ (1,006,998)	\$ 17,539,592	\$ 17,037,596	\$ 1,787,723	\$ (937,133)	\$ 17,888,186

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>				<u>2013</u>			
	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>
OPERATING REVENUES:								
Sales of Electricity	\$ 7,912,468	\$ -	\$ -	\$ 7,912,468	\$ 7,237,664	\$ -	\$ -	\$ 7,237,664
Other Operating Revenues	<u>140,545</u>	<u>46,559</u>	<u>(46,559)</u>	<u>140,545</u>	<u>127,316</u>	<u>188,596</u>	<u>(188,596)</u>	<u>127,316</u>
TOTAL OPERATING REVENUES	<u>8,053,013</u>	<u>46,559</u>	<u>(46,559)</u>	<u>8,053,013</u>	<u>7,364,980</u>	<u>188,596</u>	<u>(188,596)</u>	<u>7,364,980</u>
OPERATING EXPENSES:								
Operations and Maintenance	7,056,131	28,457	(201,387)	6,883,201	6,797,898	31,753	(73,673)	6,755,978
Depreciation	<u>530,090</u>	<u>74,784</u>	<u>-</u>	<u>604,874</u>	<u>367,150</u>	<u>74,784</u>	<u>-</u>	<u>441,934</u>
TOTAL OPERATING EXPENSES	<u>7,586,221</u>	<u>103,241</u>	<u>(201,387)</u>	<u>7,488,075</u>	<u>7,165,048</u>	<u>106,537</u>	<u>(73,673)</u>	<u>7,197,912</u>
OPERATING INCOME	<u>466,792</u>	<u>(56,682)</u>	<u>154,828</u>	<u>564,938</u>	<u>199,932</u>	<u>82,059</u>	<u>(114,923)</u>	<u>167,068</u>
NONOPERATING REVENUES (EXPENSES):								
Investment Income	48,646	-	-	48,646	43,139	-	-	43,139
Dividend Income	-	-	-	-	747	-	-	747
Interest Expense	(45,153)	(18,102)	-	(63,255)	(9,780)	(19,506)	-	(29,286)
Amortization of Bond Premium	1,898	-	-	1,898	1,898	-	-	1,898
Relief of Insurance Reserve Obligation	627,940	-	-	627,940	-	-	-	-
Amounts Recoverable/Payable in the Future	<u>-</u>	<u>74,784</u>	<u>(74,784)</u>	<u>-</u>	<u>-</u>	<u>(62,553)</u>	<u>62,553</u>	<u>-</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>633,331</u>	<u>56,682</u>	<u>(74,784)</u>	<u>615,229</u>	<u>36,004</u>	<u>(82,059)</u>	<u>62,553</u>	<u>16,498</u>
Income Before Contributions and Transfers	1,100,123	-	80,044	1,180,167	235,936	-	(52,370)	183,566
NET POSITION - JANUARY 1	7,101,521	-	21,816	7,123,337	6,865,585	-	74,186	6,939,771
NET POSITION - DECEMBER 31	<u>\$ 8,201,644</u>	<u>\$ -</u>	<u>\$ 101,860</u>	<u>\$ 8,303,504</u>	<u>\$ 7,101,521</u>	<u>\$ -</u>	<u>\$ 21,816</u>	<u>\$ 7,123,337</u>

See Independent Auditors' Report

WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>				<u>2013</u>			
	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash Received from Customers	\$ 8,002,548	\$ 138,236	\$ -	8,140,784	\$ 7,418,760	\$ 137,941	\$ -	\$ 7,556,701
Other Operating Cash Receipts - Solar Renewable Energy Credits	-	121,279	-	121,279	-	104,045	-	104,045
Cash Paid to Participant - Solar Renewable Energy Credits	-	(121,279)	121,279	-	-	(104,045)	104,045	-
Cash Paid to Suppliers	(6,070,217)	(27,511)	(121,279)	(6,219,007)	(5,458,436)	(31,833)	(104,045)	(5,594,314)
Cash Paid to Employees	(731,817)	-	-	(731,817)	(727,626)	-	-	(727,626)
Cash Paid for Benefits	(393,149)	-	-	(393,149)	(353,772)	-	-	(353,772)
Net Cash Provided by Operating Activities	<u>807,365</u>	<u>110,725</u>	<u>-</u>	<u>918,090</u>	<u>878,926</u>	<u>106,108</u>	<u>-</u>	<u>985,034</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Interest Expense	(8,579)	-	-	(8,579)	(467)	-	-	(467)
Net Cash Used in Noncapital Financing Activities	<u>(8,579)</u>	<u>-</u>	<u>-</u>	<u>(8,579)</u>	<u>(467)</u>	<u>-</u>	<u>-</u>	<u>(467)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:								
Additions to Plant Assets	(417,236)	-	-	(417,236)	(3,440,704)	-	-	(3,440,704)
Repayments on Long Term Debt	(135,000)	-	-	(135,000)	(135,000)	(137,337)	-	(272,337)
Advances from West Boylston	-	-	-	-	-	-	-	-
Interest Expense	(36,575)	(9,026)	-	(45,601)	(9,313)	(29,978)	-	(39,291)
Net Cash Used in Capital Financing Activities	<u>(588,811)</u>	<u>(9,026)</u>	<u>-</u>	<u>(597,837)</u>	<u>(3,585,017)</u>	<u>(167,315)</u>	<u>-</u>	<u>(3,752,332)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:								
Investment Income	33,079	-	-	33,079	23,332	-	-	23,332
Dividend Income	-	-	-	-	747	-	-	747
Net Transfer from Operations	560,416	-	-	560,416	(367,555)	-	-	(367,555)
Proceeds from Sales and Maturities of Investments	200,000	-	-	200,000	1,969	-	-	1,969
Net Cash Provided by (Used in) Investing Activities	<u>793,495</u>	<u>-</u>	<u>-</u>	<u>793,495</u>	<u>(341,507)</u>	<u>-</u>	<u>-</u>	<u>(341,507)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,003,470	101,699	-	1,105,169	(3,048,065)	(61,207)	-	(3,109,272)
CASH AND CASH EQUIVALENTS - JANUARY 1	1,578,593	27,819	-	1,606,412	4,626,658	89,026	-	4,715,684
CASH AND CASH EQUIVALENTS - DECEMBER 31	<u>\$ 2,582,063</u>	<u>\$ 129,518</u>	<u>\$ -</u>	<u>\$ 2,711,581</u>	<u>\$ 1,578,593</u>	<u>\$ 27,819</u>	<u>\$ -</u>	<u>\$ 1,606,412</u>

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WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>				<u>2013</u>			
	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>	<u>West Boylston Municipal Lighting Plant</u>	<u>Solar Energy Cooperative Corporation</u>	<u>Eliminations</u>	<u>Consolidated Amount</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:								
Operating Income	\$ 466,792	\$ (56,682)	\$ 154,828	\$ 564,938	\$ 199,932	\$ 82,059	\$ (114,923)	\$ 167,068
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:								
Depreciation	530,090	74,784	-	604,874	367,150	74,784	-	441,934
Abandonment of Preliminary Surveys	82,845	-	-	82,845	-	-	-	-
(Increase) Decrease in Assets:								
Accounts Receivable - Customers	(49,519)	4,919	(4,919)	(49,519)	49,114	(2,715)	2,715	49,114
Accounts Receivable - Other	(60,104)	-	-	(60,104)	(10,946)	-	-	(10,946)
Unbilled Revenue	9,579	-	-	9,579	(41,487)	-	-	(41,487)
Materials and Supplies	6,142	-	-	6,142	(35,401)	-	-	(35,401)
Prepaid Expenses	(23,340)	-	-	(23,340)	708	57	-	765
Prepaid Purchased Power	(50,428)	-	-	(50,428)	44,047	-	-	44,047
Increase (Decrease) in Liabilities:								
Accounts Payable	44,116	143	11,633	55,892	(6,445)	(166)	1,715	(4,896)
Accounts Payable - MMWEC	-	803	-	803	-	29	-	29
Accrued Expenses	(99,722)	-	-	(99,722)	4,409	-	-	4,409
Billings in Excess of Costs to Participants	-	86,758	(86,758)	-	-	(47,940)	47,940	-
Miscellaneous Deferred Liabilities	(162,978)	-	-	(162,978)	328,441	-	-	328,441
Customer Deposits	(946)	-	-	(946)	4,666	-	-	4,666
Amounts Recoverable/Payable in the Future	74,784	-	(74,784)	-	(62,553)	-	62,553	-
Other Post Employment Benefits Obligation	40,054	-	-	40,054	37,291	-	-	37,291
Net Cash Provided by Operating Activities	<u>\$ 807,365</u>	<u>\$ 110,725</u>	<u>\$ -</u>	<u>\$ 918,090</u>	<u>\$ 878,926</u>	<u>\$ 106,108</u>	<u>\$ -</u>	<u>\$ 985,034</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

The following amounts are considered to be cash or cash equivalents for the statements of cash flows:

Petty Cash	\$ 1,800	\$ -	\$ -	\$ 1,800	\$ 1,800	\$ -	\$ -	\$ 1,800
Operating Cash	2,206,357	129,518	-	2,335,875	1,437,126	27,819	-	1,464,945
Operating Money Market	235,185	-	-	235,185	-	-	-	-
Customer Deposits Cash	138,721	-	-	138,721	139,667	-	-	139,667
	<u>\$ 2,582,063</u>	<u>\$ 129,518</u>	<u>\$ -</u>	<u>\$ 2,711,581</u>	<u>\$ 1,578,593</u>	<u>\$ 27,819</u>	<u>\$ -</u>	<u>\$ 1,606,412</u>

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WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATED SCHEDULES OF ELECTRIC UTILITY PLANT IN SERVICE
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	Balance January 1, 2014	Increases	Decreases	Balance December 31, 2014	Balance January 1, 2013	Increases	Decreases	Balance December 31, 2013
Capital Assets Not Being Depreciated:								
Land	\$ 666,428	\$ -	\$ -	\$ 666,428	\$ 666,428	\$ -	\$ -	\$ 666,428
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,637</u>	<u>-</u>	<u>(110,637)</u>	<u>-</u>
Capital Assets Not Being Depreciated	<u>666,428</u>	<u>-</u>	<u>-</u>	<u>666,428</u>	<u>777,065</u>	<u>-</u>	<u>(110,637)</u>	<u>666,428</u>
Capital Assets Being Depreciated:								
Distribution Plant	8,199,387	373,245	(38,512)	8,534,120	5,544,973	2,946,949	(292,535)	8,199,387
General Plant	2,437,709	43,991	-	2,481,700	1,833,317	604,392	-	2,437,709
Generation Plant	<u>1,869,639</u>	<u>-</u>	<u>-</u>	<u>1,869,639</u>	<u>1,869,639</u>	<u>-</u>	<u>-</u>	<u>1,869,639</u>
Total	<u>12,506,735</u>	<u>417,236</u>	<u>(38,512)</u>	<u>12,885,459</u>	<u>9,247,929</u>	<u>3,551,341</u>	<u>(292,535)</u>	<u>12,506,735</u>
Less Accumulated Depreciation For:								
Distribution Plant	(4,980,221)	(408,203)	38,512	(5,349,912)	(4,987,233)	(285,523)	292,535	(4,980,221)
General Plant	(1,548,260)	(121,887)	-	(1,670,147)	(1,466,633)	(81,627)	-	(1,548,260)
Generation Plant	<u>(235,664)</u>	<u>(74,784)</u>	<u>-</u>	<u>(310,448)</u>	<u>(160,880)</u>	<u>(74,784)</u>	<u>-</u>	<u>(235,664)</u>
Total Accumulated Depreciation	<u>(6,764,145)</u>	<u>(604,874)</u>	<u>38,512</u>	<u>(7,330,507)</u>	<u>(6,614,746)</u>	<u>(441,934)</u>	<u>292,535</u>	<u>(6,764,145)</u>
Capital Assets Being Depreciated, Net	<u>5,742,590</u>	<u>(187,638)</u>	<u>-</u>	<u>5,554,952</u>	<u>2,633,183</u>	<u>3,109,407</u>	<u>-</u>	<u>5,742,590</u>
Utility Plant Assets, Net	<u>\$ 6,409,018</u>	<u>\$ (187,638)</u>	<u>\$ -</u>	<u>\$ 6,221,380</u>	<u>\$ 3,410,248</u>	<u>\$ 3,109,407</u>	<u>\$ (110,637)</u>	<u>\$ 6,409,018</u>

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WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATED SCHEDULES OF ELECTRIC OPERATING AND MAINTENANCE EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
POWER PRODUCTION EXPENSES:		
Purchased Power	\$ 4,373,336	\$ 4,263,130
Transmission and Other Purchased Power Charges	1,123,649	1,114,473
TOTAL POWER PRODUCTION EXPENSES	5,496,985	5,377,603
DISTRIBUTION EXPENSES:		
Operation Labor	9,644	14,633
Miscellaneous Distribution Expense	67,204	39,395
Line Expenses	114,315	134,768
Maintenance Expense	156,453	156,272
Supplies Expense	55,285	56,435
TOTAL DISTRIBUTION EXPENSES	402,901	401,503
CUSTOMER ACCOUNTS:		
Customer Accounting and Collection	168,518	165,432
Meter Reading Expenses	13,967	13,660
Uncollectible Accounts	12,595	8,154
TOTAL CUSTOMER ACCOUNTS	195,080	187,246
GENERAL AND ADMINISTRATIVE EXPENSES:		
Administrative and General Salaries	124,698	143,211
Office Supplies and Expenses	52,939	44,896
Outside Services Employed	98,341	106,707
Injury and Damage Insurance	48,397	51,833
Employees Pensions and Benefits	393,149	353,772
Dues, Meetings, and Other General Expenses	70,713	89,207
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	788,237	789,626
TOTAL OPERATING AND MAINTENANCE EXPENSES	\$ 6,883,203	\$ 6,755,978

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WEST BOYLSTON MUNICIPAL LIGHTING PLANT AND SUBSIDIARY
CONSOLIDATED SCHEDULES OF SALES OF ELECTRICITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	Net Revenues			Kilowatt Hours Sold			Net Revenue Per Kilowatt Hours Sold	
	2014	2013	Increases (Decreases)	2014	2013	Increases (Decreases)	2014	2013
	Sales of Electricity							
Residential Sales	\$ 3,440,463	\$ 3,131,429	\$ 309,034	25,783,948	25,533,378	250,570	\$ 0.1334	\$ 0.1226
Commercial Sales	3,196,201	2,977,862	218,339	22,319,427	22,587,092	(267,665)	0.1432	0.1318
Industrial Sales	816,053	772,406	43,647	6,227,613	6,218,277	9,336	0.1310	0.1242
Private Lighting	67,962	64,164	3,798	299,580	283,625	15,955	0.2269	0.2262
Total Private Customers	<u>7,520,679</u>	<u>6,945,861</u>	<u>574,818</u>	<u>54,630,568</u>	<u>54,622,372</u>	<u>8,196</u>	<u>0.1377</u>	<u>0.1272</u>
Municipal Sales								
Street Lighting	68,996	77,205	(8,209)	593,638	581,054	12,584	0.1162	0.1329
Municipal Buildings	322,793	214,598	108,195	2,071,554	1,644,459	427,095	0.1558	0.1305
Total Municipal Sales	<u>391,789</u>	<u>291,803</u>	<u>99,986</u>	<u>2,665,192</u>	<u>2,225,513</u>	<u>427,095</u>	<u>0.1470</u>	<u>0.1311</u>
Total Sales of Electricity	<u>\$ 7,912,468</u>	<u>\$ 7,237,664</u>	<u>\$ 674,804</u>	<u>57,295,760</u>	<u>56,847,885</u>	<u>435,291</u>	<u>\$ 0.1381</u>	<u>\$ 0.1273</u>

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