

# Annual Report

# ACTON WATER DISTRICT

For the year ending December 31, 2013



Warrant Articles for the Annual Meeting

March 19, 2014



Commissioners Leonard Phillips, Ronald Parenti and Stephen Stuntz with District Manager Chris Allen at the South Acton Water Treatment Plant Groundbreaking

**Commissioners meet on the second and fourth Monday of each month, at  
7:30 P.M., 693 Massachusetts Avenue, Acton  
Meeting agendas and minutes are posted on our website  
The public is welcome to attend**

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**The Acton Water District welcomes you to visit our Website at:**

**[www.actonwater.com](http://www.actonwater.com)**

**Our mailings are always available on our website.  
If you would prefer to opt out of receiving future mailings by U.S. Postal Service,  
please visit our website and click on opt out.**

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**COMMONWEALTH OF MASSACHUSETTS**

Middlesex, ss.



To the Clerk of the Water Supply District of Acton, GREETINGS:

You are directed to notify the inhabitants of the Town of Acton who are qualified to vote in elections and town affairs, to assemble at their precinct:

Precinct 1, 2 & 6 - Conant School, 80 Taylor Rd.  
Precinct 3, 4 & 5 - Blanchard Auditorium, Junior High School, 16 Charter Rd.  
Acton, Massachusetts

On Tuesday, April 1, 2014  
Between 7:00 A.M. and 8:00 P.M.

Then and there to bring their votes on one ballot for the following officers:

**Commissioner for three years**  
**Clerk for three years**

You are further directed to notify the legal voters of the Town of Acton, as aforesaid, to assemble at:

Acton Memorial Library  
486 Main Street  
Acton, Massachusetts

**On Wednesday, March 19, 2014**  
**7:30 P.M.**

**Then and there to Act on the following Articles:**

**Article 1.** To fix salaries of the elected officials.

**Article 2.** To act on the reports of the Commissioners, the Treasurer and other officers and committees of the District.

**Article 3.** To see if the District will vote to authorize the Treasurer, with the approval of the Commissioners, to borrow in anticipation of the revenue of the fiscal year beginning July 1, 2014, in accordance with the provisions of General Laws, Chapter 44, Section 4, and to renew any note or notes as may be given for a period of less than one year, in accordance with the provisions of the General Laws, Chapter 44, Section 17, or to take any other action relative thereto.

**Article 4.** To see what sums of money the District will vote to raise and appropriate to defray the usual expenses of the District.

**Article 5.** To see if the District will vote to transfer from Surplus Revenue the sum of \$50,000 to clean and rehabilitate existing wells throughout the District or to take any other action relative thereto.

**Article 6.** To see if the District will vote to transfer from Surplus Revenue the sum of \$50,000 for the purpose of repairing emergency water main breaks or to take any other action relative thereto.

**Article 7.** To see if the District will vote to transfer from Surplus Revenue the sum of \$35,000 for the purpose of replacing old water mains, renewing old water services, replacing old fire hydrants or to take any other action relative thereto.

**Article 8.** To see if the District will vote to transfer from Surplus Revenue the sum of \$150,000 for the maintenance and repair of the various treatment facilities including, but not limited to, media replacement in the filtration tanks, aeration tower repair, and replacement of packing material, or to take any other action relative thereto.

**Article 9.** To see if the District will vote to transfer from Surplus Revenue the sum of \$60,000 for the replacement of the granular activated carbon media at the Clapp and Whitcomb well sites on Massachusetts Avenue in Acton or to take any other action relative thereto.

**Article 10.** To see if the District will vote to transfer from Surplus Revenue the sum of \$90,000 to purchase a new dump truck and to authorize the Commissioners to trade or sell the District's 2000 F-550 dump truck or to take any other action relative thereto.

**Article 11.** To see To see if the District will vote to transfer from Surplus Revenue the sum of \$75,000 for the purpose of purchasing water meters to replace existing outdated technology on District service lines, or to take any other action relative thereto.

**Article 12.** To see To see if the District will vote to transfer from Surplus Revenue the sum of \$80,000 for the repair, or replacement of a Carbon vessel at the Clapp/Whitcomb pump station, or to take any other action relative thereto.

**Article 13.** To see if the District will vote to authorize the Commissioners to enter into a long-term written lease, with options to extend for a period not to exceed twenty (20) years, for the purpose of a telecommunication tower and associated building, equipment and materials on land owned by the District, located off of Main Street and Wyndcliff Drive in Acton. The written lease shall include the most favorable annual rental charge received in response to a request for proposal to be issued by the District and shall provide for annual increases based on the consumer price index. The lease shall include other terms, conditions and limitations as the Commissioners shall deem necessary and proper to protect the public water supply, to satisfy the requirements and regulations of the Department of Environmental Protection, and to be in compliance with all the terms and conditions of a special permit to be issued by the Town of Acton or to take any other action relative thereto.

Hereof fail not and make due returns of this Warrant with your doings thereon to the Water Commissioners on or before the time of holding of said meeting.

Given under our hand this 3rd day of February in the year two thousand and fourteen.

Stephen C. Stuntz  
Leonard A. Phillips  
Ronald R. Parenti, Water Commissioners

A true copy. ATTEST:

Charles E. Orcutt, III  
District Clerk

## FY 2015 Budget and Estimated Revenue

	Budget FY 2013	Budget FY 2014	6 Month Actual	Budget FY 2015
<b>EXPENSES</b>				
Accounting	2,000	2,000	-	2,000
Audit	15,000	15,000	15,000	15,000
Auto Maint & Fuel	50,000	50,000	32,605	50,000
Backflow/Cross Conn	1,000	1,000	-	1,000
Bank Fees	500	500	500	500
Short Term Debt	110,000	350,000		110,000
Long Term Debt	472,050	466,050	105,526	724,988
Chemicals	65,000	65,000	24,912	65,000
Computer Maintenance	15,000	15,000	1,983	15,000
DEP Withdrawal	6,500	6,500	5,085	6,500
Employee Education	15,000	18,000	5,584	18,000
Engineering	50,000	50,000	26,697	50,000
Health/Life Insurance	302,500	302,500	179,268	325,000
Hydrants	10,000	10,000	3,750	10,000
Information Reports	20,000	20,000	2,500	12,000
Insurance	60,000	60,000	57,815	75,000
Laboratory Analysis	40,000	40,000	23,283	32,000
Legal	50,000	50,000	24,214	50,000
Lights/Power/Fuel	420,000	350,000	132,539	350,000
Maintenance & Operations	145,000	210,000	101,415	210,000
Middlesex Retirement	120,634	127,260	124,835	135,958
Meters	100,000	100,000	93,260	100,000
Office Supplies	16,000	18,000	2,126	18,000
OPEB Expense	100,000	150,000	150,000	150,000
Paving	35,000	50,000	32,119	60,000
Petty Cash	1,000	1,000	300	1,000
Postage	18,000	18,000	6,944	18,000
Reserve Fund	100,000	100,000	30,000	100,000
Salaries & Wages	1,154,844	1,183,715	534,571	1,219,226
South Acton WTP M&O				150,000
Telephone	15,000	15,000	5,238	18,000
<b>Total</b>	<b>3,510,028</b>	<b>3,844,525</b>	<b>1,722,069</b>	<b>4,092,172</b>
<b>REVENUE</b>				
Water Revenue	2,382,003	2,476,815	1,412,560	2,449,869
Service Fee	490,000	495,660	247,830	500,940
Debt Service Fee	236,025	466,050	233,025	726,363
Total Water Revenue	3,108,028	3,438,525	1,893,415	3,677,172
Fire Protection Sprinklers	31,000	35,000	34,266	39,000
Rent/Lease	125,000	125,000	55,463	130,000
Repairs/Installation	30,000	30,000	26,892	30,000
Cross Connection	16,000	16,000	11,391	16,000
Demand Fees	200,000	200,000	211,069	200,000
Total Other Revenue	402,000	406,000	339,081	415,000
<b>Total</b>	<b>3,510,028</b>	<b>3,844,525</b>	<b>2,232,496</b>	<b>4,092,172</b>



**Report of the Treasurer**  
**Audited Account Balances**  
**June 30, 2013**

Sovereign Bank	130,510.31
Enterprise Bank	390,814.77
MMDT	440,689.35
Citizens Bank	6,690.72
Webster Bank	41,331.28
First Trade Union	28,286.98
UniBank	458,908.61
Total	1,497,232.02

**Report of the Collector**  
**Audited Account Balances**  
**June 30, 2013**

Accounts Receivable June 30, 2012	144,118.45
Charges	3,940,406.30
Interest Charges	21,720.78
Refunds	1,876.71
	4,108,122.24
Payments	3,975,339.04
Abatements	15,543.17
Adjustments	-
Outstanding June 30, 2013	117,240.03
	4,108,122.24

**Outstanding Debt**  
**June 30, 2013**

Description	Original Amount	Interest rate	Date of Issue	Date of Maturity	Balance
Treatment Plant	6,000,000	3.57%	2/15/2009	2/15/2029	4,800,000
Water Mains	400,000	0.55%	4/15/2013	7/26/2013	400,000

Respectfully submitted,  
Mary J. Bates  
Treasurer/Collector

## Report of the Commissioners for 2013

The Commissioners are pleased to make the following report to the ratepayers of the Acton Water District. As commissioners, our priority is the long-term direction of the District. Our oversight of the day-to-day affairs is fairly straightforward given the outstanding quality of the staff at the District.

This past year we have focused on methodologies to improve the quality of water that we deliver. Of particular concern is the high concentration of naturally-occurring iron and manganese in Acton's wells, which results in the formation of metal precipitates that coat the walls of the pipes in the distribution system. This shows up as noticeably "brown" water at many residences. To solve this problem we have started construction on a treatment plant in South Acton costing approximately 13.5 million dollars. We were fortunate to be able to borrow this from the State Revolving Fund at 2% rather than a normal rate of 4%.

A second step was buying land adjacent to our wells in South Acton. We bought the portion of land that we did not buy in the 1970s from the Assabet Sand and Gravel Company. This purchase further protects our major source of water and soon to be major source of treated water. This acquisition got us looking at the activities that are happening along Knox Trail and looking at future uses and how to make sure that we are protected well into the future.

Our ongoing \$500,000 repairs to our infrastructure has seen replacement of water lines on Hayward Road by the High School, Stow Street and, forthcoming in the spring of 2014, increasing the size of the distribution main coming from the new treatment plant on High Street.

We are pleased to note that the periodic re-evaluation of necessary size of reserves for post-retirement benefits has lowered the perceived balance. Our yearly contribution to the reserve account will satisfy the need for necessary reserves and not impact the operation of the District.

Our conservation efforts continue to have an effect on the amount of water used and for that we thank you. We are an unusual operation in that we encourage and spend money so that you will use less of our product. We do recognize that servicing the customer means primarily delivering a quality and safe product but to do it at a cost that allows our customers to enjoy other aspects of their life more.

The bi-annual newsletters that we send to all of you is full of detailed information on the current state of affairs at the District and is good reading for all who are interested. Issues that are necessary to review sooner than a year are reflected in these publications. Copies may be downloaded free from our website: [www.actonwater.com](http://www.actonwater.com).

As always we are delighted to represent you as your commissioners and invite you to come to our Annual meeting every year on the third Wednesday of March, or any of our semi-monthly meetings. It is particularly gratifying given the competence and dedication of the whole staff here at the Acton Water District. They care about what they do and for that we thank them.

Respectfully submitted,

Stephen C. Stuntz, Chairman  
Ronald R. Parenti  
Leonard A. Phillips

## Report of the Finance Committee for 2013

This report covers the calendar year 2013, which has had several significant items occur within the year.

The first and largest item is the construction of a new water supply/treatment plant. The District has accepted bids and awarded contracts for the construction of the South Acton Water Treatment Plant (SAWTP) and associated piping. The total cost of the plant & piping is estimated to be about \$13.5 million dollars, which is approximately three (3) times the annual revenue of the District.

The Finance Committee again reviewed alternatives, which included potentially tying into the Massachusetts Water Resources Authority (MWRA) system. We concluded (and the Commissioners concurred) that;

- a) It would take much too long to bring MWRA water to Acton,(with AWD already under a consent order and having a time frame for compliance from the DEP) and
- b) It would not be cost effective to do so.

The Finance Committee agreed that the overall best (lowest cost to the ratepayers) course of action was to build the SAWTP and associated piping.

The second item was the implementation of a new invoicing parameter, called the Bond Debt Fee. The fee (cover both principal and interest) will increase or decrease as the amount of bonded debt owed by the District increases or decreases. It is expected that this fee will increase significantly as the SAWTP comes on line, and then start to decrease as the bonded debt decreases as it is paid down. This ties that portion/amount of the ratepayer's bill directly to the costs incurred to finance the debt.

The third major item was the increase in the amount of funds provided by the Massachusetts Water Pollution Abatement Trust for the SAWTP. The District was originally approved for \$6 million dollars at 2% interest. The district applied for, and received an increase in funding to \$12 million and then to \$13.5 million, all at 2% interest, to cover the estimated bid cost of the SAWTP. It is estimated that the savings on the \$7.5 million of incremental borrowing will avoid about \$150,000 per year of interest cost to the ratepayers of the District.

In addition to these items, the Finance Committee remained active in overseeing the management of three "trust funds" of the district. They are the "Grace Fund", the "MTBE Fund", and the "OPEB" (Other Post Employment Benefits) Fund.

The MTBE Fund (which was part of a nationwide settlement of a class action lawsuit) has been reduced to a zero balance as of 6/30/2013. Since this fund was mandated by the Commonwealth be managed under the "stabilization fund" (the most restrictive) rules and regulations, it was used before any other similar "trust" fund. These funds were used to provide water pollution/abatement treatment costs.

The Grace fund, which is managed under the "Legal List", (which severely limits the investments that can be made) is also used for funding water pollution control/abatement treatments. The Grace fund, which was initiated in 1985 with \$2.25 million, has provided approximately \$4.5 million worth of treatment/pollution control abatement funding to the district and has a 6/30/2013 balance of \$2,220,774.

The Finance Committee has, with the sponsorship of our legislative delegation, has been attempting to get this mandate changed for approximately three years so that we can use the "Prudent Man" rule to manage these investments. The "Prudent Man" rule, which is a "best practice", is what is being used to manage the OPEB fund.

It is beyond our comprehension why this bill languished and expired in the previous session of the Legislature, and it is currently stalled in committee in this session. The Finance Committee is hoping to receive suggestions from the ratepayers/voters of AWD with any new, constructive ideas as to how to move this legislation forward.

The OPEB fund, which has a 6/30/2013 balance of \$217,207, is our newest trust fund. This fund was established to pay for the cost of post retirement healthcare benefits, which is the only Post Employment Benefit offered by the district. The district management, supported by the Commissioners and the Finance Committee, has chosen to pay the existing retirees healthcare benefits currently and to fund this long term financial obligation. Our current (as of 7/1/2012) unfunded liability is approximately \$2.2 million dollars. As you will note, we have budgeted a line item amount for this obligation to employees and plan to continue funding at this rate.

The other major unfunded liability, which does not appear on the books of the district, is the pension liability. This liability is managed by the Middlesex County Retirement Board (MCRB). We are provided an "assessment" by the Middlesex County Retirement Board, and AWD must pay this liability. According to the latest information furnished to the Water District, the total liability is only 44% funded, the percentage of the actuarial value that is funded has decreased by 4%, and the MCRB is using a rate of return of 8% to calculate the future valuation. Since the District has received a 6+% increase over each of the last two years, and the unfunded liability has increased in total amount, we feel an obligation to warn the ratepayers of the AWD of a potentially large increase in the assessment from Middlesex County in the foreseeable future.

Another item that ratepayer should be aware of is the age of the infrastructure, most especially the piping systems that carry the water. Much of this infrastructure was put in service post World War II and is now approaching end of estimated service life. Although the AWD has been actively replacing pipes, capital spending for this item will, more likely than not, significantly increase over time.

Since the District is an independent political entity, it is rated separately & distinctly from the Town of Acton. It is expected, even with the large amount of debt being placed for the SAWTP, that AWD will retain its AA+ rating by Standard & Poor's, partly because of the prudent management practices that have been put in place, and partly because the AWD has an independent finance committee, which many other districts do not.

The Finance Committee would like to thank the Commissioners, the distinct management and staff for their cooperation and assistance during the year as the Finance Committee has undertaken its tasks. Our thanks go to all.

Respectfully submitted,

David A. Butler, Chairman  
Charles Bradley  
William Guthlein

## Report of the District Manager for 2013

It has been my distinct pleasure to serve the ratepayers of the Acton Water Supply District for over six years. Time certainly does fly! It truly has been a dynamic and challenging time, and much has happened. In 2012, we celebrated our Centennial; 100 years of supply to the District. We are on to the next 100 years!

As most public water suppliers in Massachusetts, and the country, one of our main focuses is upgrading existing infrastructure that continues aging and, in some cases, failing at an accelerated rate, as it is beyond its useful life. Our commitment of \$500k per year to replace pipes in the distribution system network has yielded over 15,000 linear feet of pipe replacement since 2007; most recently, this past year, on Hayward Road and Stow Street. This project will continue in the spring of 2014 with an additional replacement on Hayward Road between Route 2 and Main Street, and the replacement of the pipe on High Street between Valley Drive and Main Street. The distribution system is made up of over 130 miles of pipes of various materials, size and age. We utilize an engineered master plan to prioritize these replacement projects based on pertinent rating criteria. As with all capital improvements, appropriate financing is challenging. With the adoption of the "Bond Debt Fee" to specifically pay down long-term debt, we believe we've achieved a sustainable model for this purpose. This variable charge will rise and fall with our annual debt impact.

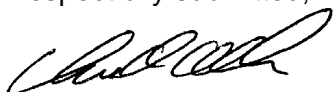
Over the course of the last five years, a regulatory mandate had us planning, designing and, last October, breaking ground on a \$13.5-million water treatment plant project that will filter over 40% of our supply, and address chronic discoloration issues. As the culmination of these efforts, we are greatly looking forward to commissioning this state-of-the-art facility in late 2014, early 2015. And, I am certain that many of you are very much looking forward to this long awaited and much anticipated event as well. Please check our website for project updates and progress photos of this major project.

Last year saw some great progress in the legal realm. We took a step in the further enhancement in the source protection of the Assabet wells by acquiring the 4-acre parcel that was the former Assabet Sand & Gravel on Knox Trail. This was one of the final steps in a legal process that stretched back to 2010. We'd filed suit for trespass, and in navigating the legal process, it became apparent that the purchasing of the property was the best solution for the settlement of the case. Plans for this parcel are ongoing, and it could be a future site for a solar array. This would afford us some flexibility in our power usage, help us offset power costs and assist in bolstering revenue. I greatly appreciate the job done by our District Counsel, Mary Bassett, in bringing this action to a successful conclusion! Mary's knowledge and guidance in various legal areas are invaluable.

2013 saw some turnover in District staff; Paul McGovern, pump station operator, and Elaine Lawson, Administrative Assistant/Accounts Payable retired. We certainly wish them well in all of their future endeavors. As we say goodbye to old friends, we welcome new ones, Lucas Peterson, Water Systems Laborer, joined us in July and Julie Hawkins, Administrative Assistant/Accounts Payable, in June. They certainly have been excellent additions to the District team.

I would like to thank the Board of Water Commissioners and Finance Committee for their wisdom, guidance, support and dedication to the betterment of all aspects of the District. Also, I'd like to thank the staff of the District for their conscientious, unswerving and consistently high level of effort that often goes unnoticed, but never unappreciated. Facing daunting and challenging times, their commitment gives me peace of mind.

Respectfully submitted,



Chris Allen

# Report of the Environmental Manager for 2013

## Environmental Compliance

We completed all drinking water monitoring and notification requirements under the Safe Drinking Water Act (SDWA), including monitoring under the Unregulated Contaminant Monitoring Rule 3. Implementation of the Stage 2 Disinfection By-Product Rule at sites throughout our distribution system was completed. System wide lead and copper testing was completed and shows that our corrosion control efforts are still adequate. Continued sampling for manganese in our distribution system and 1,4-dioxane in South Acton was conducted in coordination with the Massachusetts Department of Environmental Protection (MassDEP). Four additional dedicated sampling stations for regulatory compliance monitoring were installed throughout our system.

## Energy and Water Conservation

In 2013, we offered water conservation rebates for customers replacing older toilets and washing machines with EPA WaterSense toilets and Consortium of Energy Efficiency Tier 3 washing machines. This resulted in 26 washing machines and 59 toilets being replaced with more water efficient models. Customers received 17 subsidized rainbarrels through our partnership with the Great American Rainbarrel Company. I continued my work as a member of the New England Water Works Association (NEWWA) Conservation Committee, this provides opportunities to highlight Acton's achievements in water efficiency and conservation to others throughout the region and guide State policies. In partnership with NStar, our electric provider, energy audits were conducted at the Conant Well sources in Acton Center. As a result of these audits, conservation improvements were made at the Conant 2 Treatment Facility that included the installation of high efficiency pumping equipment and new controls that allow more efficient flow within the facility. Through incentives provided by NStar, the project is estimated to pay for itself within five years and will save almost \$3000 per year in operation and maintenance costs.

## Source Water Protection

Acquisition of the 16 Knox Trail parcel was completed in 2013 including initial steps to stabilize the site for future water supply uses. Land surveys we completed to identify other possible encroachments onto District property. Two areas were identified near the Conant 1 and Kennedy Wells and we are working with the neighbors to prevent future issues. We continued our participation in technical meetings and review of documents related to the ongoing Acton-WR Grace site cleanup process. The Landfill area treatment system continued to operate while the Northeast Area treatment system was shutdown in September. This resulted in the Town of Acton filing suit against WR Grace for failure to restore the aquifer in accordance with local bylaws. Both of these systems are designed to remove contaminants from the aquifer and limit the concentrations of contaminants reaching the vicinity of the District's wells.

## Education and Outreach Programs

We taught over 200 Acton students involved in water-related classroom curriculum. This ranged from 4<sup>th</sup> grade classes to the high school Environmental Science class. In cooperation with Green Acton and the Town Clerk's Office, the District supplied reusable water bottles to the elected and appointed officials at Town Meeting. This was done to raise awareness of Acton's local water supply, while reducing the cost and waste associated with single use plastic bottles historically provided. The Annual Water Quality report was published electronically this year. A post card announcing its availability at [www.actonwater.com/ccr](http://www.actonwater.com/ccr) was mailed to all billed customers. This is a step towards offering more electronic communications to our customers. A Twitter account was also established for the District, @actonwater, if you are on Twitter; please follow us for important updates on water.

Respectfully Submitted,



Matthew Mostoller

## Report of the M.I.S. Coordinator for 2013

This document summarizes the main achievements of the Management Information Systems Coordinator. I continue to support, program and implement all mission critical applications.

### Software/Hardware/Technology

The last year has brought many changes in this area of my job. For 14 years we had an in-house email server that was always a challenge to maintain. Microsoft Office365, a cloud based exchange server was just the answer, when the server began failing prematurely. We now have 99.99% uptime with offsite backup and great customer support. A new file server was purchased to replace the failing exchange server. With the email system moved offsite, we were able to downgrade our software and server needs, saving thousands in software and implementation costs.

After evaluating different work order systems, we signed on to use a third party vendor called Utility Cloud, a GPS based work order system. We are currently locating all services with the help of ESRI technology and uploading everything to the Utility Cloud website. This will allow our operations staff to locate all hydrants, gates and curbstops, along with reviewing and updating drawings, in the field. This is our first step toward moving away from paper based work orders.

The new website has been designed, programmed and in the testing phase. Expect to see our new website before May 2014.

### Cross Connection Control Program

A cross connection is any actual or potential connection between a distribution pipe of potable water supplied by the public water system and any waste pipe, soil pipe, sewer, drain or other unapproved source. If not properly protected or eliminated, a cross connection can cause health problems and spread disease. There are two methods by which contamination can enter the drinking water, backpressure and backsiphonage. Backpressure occurs when the pressure in the property exceeds the drinking water pressure. Backsiphonage occurs when the drinking water pressure drops off and a vacuum pulls the water from a building. The property owner shall be responsible for the elimination or protection of all cross-connections on his premises. The Water District routinely surveys and tests all non-residential properties and residential owners are required to have backflow protection on their irrigation systems as well as any other possible cross connections. All services are installed with a dual check backflow preventer at the meter.

### Meters and Billing

To date we have outfitted 3,909 of the newest Orion reading technology transponders, with 2,644 left to be retrofitted. We have focused our replacement efforts into specific areas of town to minimize travel and gas expense. If you receive a letter requesting an appointment for this free service, please call us immediately.

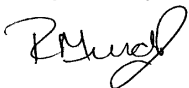
Changes at our mailing house are evolving to support a new 'E-bill' format. We are working with our vendor to bring that change to you soon.

### Staff

A valued member of the Acton Water District, Elaine Lawson, retired from the Water District this year, thanks goes out to Elaine for all his years of service to the District, good luck in retirement.

Two new employees joined the Water District this year, Julie Hawkins and Luke Peterson.

Respectfully Submitted,



Robert Murch

## **Mara CPA, PC**

### **Certified Public Accountant – Professional Corporation**

PO Box 1555, Concord, MA 01742

[maureen@maracpa.com](mailto:maureen@maracpa.com) 978-371-2113

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### **Independent Auditor's Report**

Board of Water Commissioners  
Water Supply District of Acton  
Acton, Massachusetts

We have audited the accompanying financial statements of the governmental activities and the aggregate remaining fund information of the Water Supply District of Acton as of and for the year ended June 30, 2013, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the Water Supply District of Acton as of June 30, 2013, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis on pages 2-3, and other post-employment benefits schedule of funding progress and other post-employment benefits actuarial methods and assumptions on page 17, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. The supplemental schedule of capital projects activity on page 18 is presented for purposes of additional analysis and is not a required part of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation in the required and additional supplementary information. However, we did not audit the information and express no opinion on it.

Mara CPA, PC  
July 24, 2013



## Management's Discussion and Analysis

As Management of The Water Supply District of Acton, we offer readers of the Water Supply District of Acton's financial statements this narrative overview and analysis of financial activities for the year ended June 30, 2013.

### Financial Highlights

The assets of the Water Supply District of Acton exceeded its liabilities at the close of the fiscal year by \$21,721,826 (net assets). Of this amount, \$1,210,089 (unrestricted net assets) may be used to meet the ongoing obligations of the District.

The total assets of the District are \$28,021,962. Of this amount, \$2,741,015 represents current assets and \$25,280,947 represents capital assets.

The total liabilities of the District are \$6,300,136. Of this amount, \$763,000 represents current liabilities and \$5,537,136 represents long term liabilities.

Total net assets of the District are \$21,721,826. This includes \$20,080,947 invested in capital assets, net of related debt, \$430,790 which is restricted for capital projects and \$1,210,089 which is unrestricted. The change in net assets for the fiscal year amounts to an increase of \$519,302.

During the fiscal year ended June 30, 2013, the District updated the actuarial valuation for Other Post Employment Benefits (OPEB), as required by the Governmental Accounting Standards Board (GASB) Statement #45. The District incurred an expense for its unfunded actuarial liability of \$102,696.

### Overview of Financial Statements

The Water Supply District of Acton's financial statements are comprised of the following: Government Wide Financial Statement, Fiduciary Fund Financial Statement, Governmental Funds Financial Statement, Reconciliations of the Financial Statements and a Comparison of Actual to Budget. These statements provide different views of the District. One includes assets and liabilities of the District and the other focuses on the governmental funds.

The District adopts an annual appropriated budget for its government wide activities. A budgetary comparison has been included. Actual revenues for the year were greater than budgeted revenues by \$469,168. Actual expenditures were less than budgeted expenditures by \$530,414.

The Fiduciary Fund Financial Statements contain revenues and expenses relating to the W.R. Grace Fund, restricted funds which can only be used for expenditures relating to improving water quality, and the OPEB Trust Fund, restricted funds which can only be used to fund the District's OPEB obligations.

**Comparison of current year to prior year (Governmental Funds)**

The total revenue for the District was \$3,979,616. Income for the Water Supply District of Acton is generated from water rates, installation of new services and investment income. Income from water rates and services was \$558,175 greater than last year. Investment income was \$21,003 less than last year.

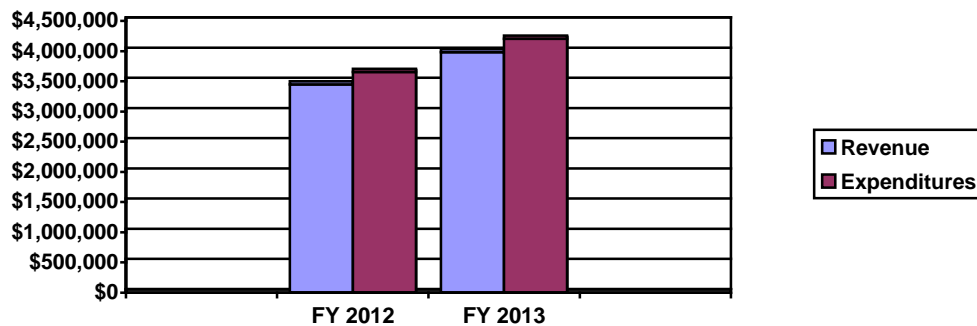
Total expenditures for the year amounted to \$4,202,547. This includes the expenditure of \$1,088,279 for capital projects. Expenditures for the current fiscal year increased from the previous fiscal year by \$552,442.

At the close of the fiscal year the Unreserved Fund Balance for the General Fund (Free Cash) was \$1,210,384. This represents an increase of \$543,697.

At the close of the fiscal year there was a balance of \$430,790 restricted for capital projects. This represents a decrease of \$255,627 from the previous fiscal year.

There was no balance remaining in the MTBE Stabilization Fund at June 30, 2013. This represents a decrease of \$201,872.

Below is a graph comparing revenues and expenditures for fiscal years 2012 versus 2013.



**Capital Assets**

The Water Supply District of Acton's investment in capital assets as of June 30, 2013 amounts to \$25,280,947 (net of accumulated depreciation). This investment includes land, buildings and improvements, pumping stations and tanks, infrastructure and improvements, machinery and equipment.

Property and equipment is depreciated utilizing the straight line depreciation method and estimated useful lives as recommended by the Commonwealth of Massachusetts Department of Revenue Bureau of Accounts. The depreciation expense for this fiscal year was \$868,658.

Capital Assets are replaced following a replacement schedule prepared by the District. This schedule is updated every 5 years.

**Fiscal Year 2014**

The District has appropriated a balanced annual budget for FY 2014 of \$3,844,525. The District anticipates that the Bond Debt Fee that was implemented in January 2013 will generate approximately \$236,000 more in income in Fiscal 2014. Expenses will be in line with the current year.

<b>WATER SUPPLY DISTRICT OF ACTON</b>					Page 4
Statement of Net Assets					
June 30, 2013		<i>Capital</i>	<i>Invested in</i>	<i>MTBE</i>	
	<i>Unrestricted</i>	<i>Projects</i>	<i>Capital</i>	<i>Stabilization</i>	
	<i>Fund</i>	<i>Fund</i>	<i>Assets</i>	<i>Fund</i>	<i>Total</i>
<b>ASSETS</b>					
<i>Current Assets</i>					
Cash and Cash Equivalents	\$1,360,641	\$136,591			\$1,497,232
Investments				\$234,540	234,540
Due to Unrestricted Fund	167,103			(167,103)	0
Due to Capital Projects Fund	(226,759)	\$294,196		(67,437)	0
Due from Grace Fund		3			3
Accounts Receivable	117,240				117,240
Unbilled Accounts Receivable	892,000				892,000
Total Current Assets	2,310,225	430,790	0	0	2,741,015
<i>Non Current Assets</i>					
Capital Assets					
Land			\$843,725		843,725
Projects in Progress			810,029		810,029
Depreciable Infrastructure, net			22,173,154		22,173,154
Depreciable Buildings & Equipment, net			1,454,039		1,454,039
Total Non Current Assets	0	0	25,280,947	0	25,280,947
Total Assets	\$2,310,225	\$430,790	\$25,280,947	\$0	\$28,021,962
<b>LIABILITIES AND NET ASSETS</b>					
<b>LIABILITIES</b>					
<i>Current Liabilities</i>					
Short Term Debt			\$400,000		\$400,000
Current Portion Long Term Debt			300,000		300,000
Accrued Interest Payable	\$63,000				63,000
Total Current Liabilities	63,000	\$0	700,000	\$0	763,000
<i>Long Term Liabilities</i>					
Long Term Debt, net of current portion			4,500,000		4,500,000
Accrued Compensated Absences	125,000				125,000
Other Post Employment Benefits	912,136				912,136
Total Liabilities	1,100,136	0	5,200,000	0	6,300,136
<b>NET ASSETS</b>					
Unappropriated Net Assets	1,119,487	\$430,790	20,080,947	0	21,631,224
Appropriated for Maintenance & Operations	90,602			0	90,602
Total Net Assets	1,210,089	430,790	20,080,947	0	21,721,826
Total Liabilities and Net Assets	\$2,310,225	\$430,790	\$25,280,947	\$0	\$28,021,962

SEE ACCOMPANYING NOTES AND INDEPENDENT AUDITOR'S REPORT

<b>WATER SUPPLY DISTRICT OF ACTON</b>					Page 5
Statement of Activities		<i>Capital</i>	<i>Invested in</i>	<i>MTBE</i>	
For the Year Ended June 30, 2013	<i>Unrestricted</i>	<i>Projects</i>	<i>Capital</i>	<i>Stabilization</i>	
	<i>Fund</i>	<i>Fund</i>	<i>Assets</i>	<i>Fund</i>	<i>Total</i>
<b>REVENUES</b>					
Water Rates and Services	\$4,058,701				\$4,058,701
Interest Income	3,615			\$14,606	18,221
Net Decrease in Fair Value of Investments				(14,185)	(14,185)
Total Revenues	4,062,316	\$0	\$0	421	4,062,736
<b>EXPENDITURES</b>					
Salaries and Wages	1,046,823				1,046,823
Other Post Employment Benefits Expense	102,696				102,696
Interest and Fees	170,050				170,050
Depreciation Expense			868,658		868,658
Lights, Power and Fuel	353,682				353,682
Health and Life Insurance	217,458				217,458
Maintenance & Operations	204,398			32,872	237,270
Middlesex Retirement	113,791				113,791
Insurance	57,875				57,875
Auto Maintenance and Fuel	40,389				40,389
Chemicals	44,209				44,209
Legal	64,672				64,672
Laboratory Analysis	33,951				33,951
Education	13,111				13,111
Accounting	2,000				2,000
Audit	15,000				15,000
Computer Maintenance	14,165				14,165
Information Reports	11,962				11,962
Office Supplies	12,623				12,623
Paving	71,220				71,220
Engineering	2,730				2,730
Postage	18,000				18,000
Telephone	12,734				12,734
D.E.P. Withdrawal and Fees	5,296				5,296
Petty Cash	650				650
Hydrants	10,000				10,000
Bank/Management Fees	500			1,920	2,420
Total Expenditures	2,639,985	0	868,658	34,792	3,543,435
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,422,331</b>	<b>0</b>	<b>(868,658)</b>	<b>(34,371)</b>	<b>519,302</b>
Transfers to Capital Projects Fund	(365,013)	432,652		(67,639)	0
Bonds Repaid	(300,000)		300,000		0
Bond Proceeds Received		400,000	(400,000)		0
Capital Project Expenditures		(1,088,279)	1,088,279		0
Expenditures Capitalized	(170,325)		270,187	(99,862)	0
Net Change in Fund Balances	586,993	(255,627)	389,808	(201,872)	519,302
Net Assets - Beginning of Year	623,096	686,417	19,691,139	201,872	21,202,525
Net Assets - End of Year	\$1,210,089	\$430,790	\$20,080,947	\$0	\$21,721,826

<b>WATER SUPPLY DISTRICT OF ACTON</b>				Page 6
Governmental Funds - Balance Sheet				
June 30, 2013				
		<i>Capital</i>	<i>MTBE</i>	<i>Total</i>
	<i>General</i>	<i>Projects</i>	<i>Stabilization</i>	<i>Governmental</i>
	<i>Fund</i>	<i>Fund</i>	<i>Fund</i>	<i>Funds</i>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$1,360,641	\$136,591		\$1,497,232
Investments			\$234,539	234,539
Accounts Receivable	117,239			117,239
Less Reserve for Uncollectible	(117,239)			(117,239)
Due to General Fund	167,103		(167,103)	0
Due to Capital Projects Fund	(226,759)	294,196	(67,437)	0
Due from Grace Fund		3		3
Total Assets	\$1,300,985	\$430,790	\$0	\$1,731,775
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>FUND BALANCES</b>				
Unappropriated Fund Balance	\$1,210,384	\$430,790	\$0	\$1,641,174
Appropriated for Maintenance & Operations	90,602		0	90,602
Total Fund Balances	1,300,985	430,790	0	1,731,775
Total Liabilities and Fund Balances	\$1,300,985	\$430,790	\$0	\$1,731,775

SEE ACCOMPANYING NOTES AND INDEPENDENT AUDITOR'S REPORT

<b>WATER SUPPLY DISTRICT OF ACTON</b>				Page 7
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances For the Year Ended June 30, 2013	<i>General Fund</i>	<i>Capital Projects Fund</i>	<i>MTBE Stabilization Fund</i>	<i>Total Governmental Funds</i>
<b>REVENUES</b>				
Water Rates and Services	\$3,975,581			\$3,975,581
Interest Income	3,615		\$14,606	18,221
Net Decrease in Fair Value of Investments			(14,185)	(14,185)
<b>Total Revenues</b>	<b>3,979,196</b>	<b>\$0</b>	<b>421</b>	<b>3,979,616</b>
<b>EXPENDITURES</b>				
Salaries and Wages	1,016,823			1,016,823
Capital Project Expenditures		1,088,279		1,088,279
Bonds Interest and Fees	472,050			472,050
Lights, Power and Fuel	353,682			353,682
Health and Life Insurance	217,458			217,458
Maintenance & Operations	204,398		132,734	337,132
Middlesex Retirement	113,791			113,791
Meters	99,961			99,961
Insurance	57,875			57,875
Chemicals	44,209			44,209
Auto Maintenance and Fuel	40,389			40,389
Legal	74,672			74,672
Laboratory Analysis	33,951			33,951
Information Reports	11,962			11,962
Office Supplies	12,623			12,623
Audit	15,000			15,000
Education	13,111			13,111
Paving	71,220			71,220
Engineering	50,000			50,000
Postage	18,000			18,000
Telephone	12,734			12,734
D.E.P. Withdrawal and Fees	5,296			5,296
Computer Maintenance	14,165			14,165
Reserve Expense	13,094			13,094
Bank/Management Fees	500		1,920	2,420
Hydrants	10,000			10,000
Petty Cash	650			650
Accounting	2,000			2,000
<b>Total Expenditures</b>	<b>2,979,614</b>	<b>1,088,279</b>	<b>134,654</b>	<b>4,202,547</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>999,581</b>	<b>(1,088,279)</b>	<b>(134,233)</b>	<b>(222,931)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers to Capital Projects Fund	(365,013)	432,652	(67,639)	0
Bond Proceeds Received		400,000		400,000
<b>Net Change in Fund Balances</b>	<b>634,568</b>	<b>(255,627)</b>	<b>(201,872)</b>	<b>177,069</b>
Fund Balances - Beginning of Year	666,417	686,417	201,872	1,554,706
Fund Balances - End of Year	\$1,300,985	\$430,790	\$0	\$1,731,775

SEE ACCOMPANYING NOTES AND INDEPENDENT AUDITOR'S REPORT

<b>WATER SUPPLY DISTRICT OF ACTON</b>	Page 8
Reconciliation of the Governmental Funds Balance Sheet Total Fund Balances to the Statement of Net Assets - June 30, 2013	
Total Governmental Fund Balances	\$1,731,775
Capital assets used in governmental activities are not financial resources, and therefore are not reported in the funds.	25,280,947
The Statement of Activities accrues accounts receivable on billed and unbilled water pumped, whereas in the governmental funds, revenue is not reported until collected.	
Accounts Receivable	117,240
Unbilled Accounts Receivable	892,000
The Statement of Activities includes accounts payable and debts, whereas in governmental funds these are not reported until paid.	
Accrued Compensated Absences	(125,000)
Accrued Interest Payable	(63,000)
Short Term Debt	(400,000)
Current Portion Long Term Debt	(300,000)
Long Term Debt	(4,500,000)
Other Post Employment Benefits Liability	(912,136)
Net Assets of Governmental Activities	\$21,721,826
<b>WATER SUPPLY DISTRICT OF ACTON</b>	
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2013	
Net Change in Fund Balances - Total Governmental Funds	\$177,069
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost is allocated over the estimated useful lives and is depreciated.	
Capital Expenditures	1,088,279
Expenditures Capitalized	270,187
Short Term Bond Proceeds	(400,000)
Bond Principal Repayment	300,000
Depreciation Expense	(868,658)
Some revenue/expenses reported in the Statement of Activities do not provide (use) current financial resources and therefore are not reported as revenue in the governmental funds.	
Water Revenue Accrual	83,122
Other Post Employment Benefits (OPEB) Expense	(102,696)
Accrued Interest reversed	2,000
Compensated Absences accrued in Salaries and Wages	(30,000)
Change in Net Assets of Governmental Activities	\$519,302

<b>WATER SUPPLY DISTRICT OF ACTON</b>			Page 9
General Fund - Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Year Ended June 30, 2013			
			<i>Variance</i>
			<i>Positive</i>
	<i>Budget</i>	<i>Actual</i>	<i>(Negative)</i>
<b>REVENUES</b>			
Water Rates and Services	\$3,510,028	\$3,975,581	\$465,553
Interest Income	0	3,615	3,615
Total Revenues	3,510,028	3,979,196	469,168
<b>EXPENDITURES</b>			
Salaries and Wages	1,154,844	1,016,823	138,021
Bonds, Interest and Fees	582,050	472,050	110,000
Lights, Power and Fuel	420,000	353,682	66,318
Health and Life Insurance	302,500	217,458	85,042
Maintenance & Operations	145,000	204,398	(59,398)
Middlesex Retirement	120,634	113,791	6,843
Insurance	60,000	57,875	2,125
Chemicals	65,000	44,209	20,791
Reserve Fund	100,000	13,094	86,906
Laboratory Analysis	40,000	33,951	6,049
Auto Maintenance and Fuel	50,000	40,389	9,611
Information Reports	20,000	11,962	8,038
Telephone	15,000	12,734	2,266
Legal	50,000	74,672	(24,672)
Computer Maintenance	15,000	14,165	835
Office Supplies	16,000	12,623	3,377
Education	15,000	13,111	1,889
Audit	15,000	15,000	0
Paving	35,000	71,220	(36,220)
Engineering	50,000	50,000	0
Hydrants	10,000	10,000	0
Postage	18,000	18,000	0
D.E.P. Withdrawal and Fees	6,500	5,296	1,204
Bank Fees	500	500	0
Cross Connection	1,000	0	1,000
Accounting	2,000	2,000	0
Meters	100,000	99,961	39
Petty Cash	1,000	650	350
OPEB Expense	100,000	0	100,000
Total Expenditures	3,510,028	2,979,614	530,414
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	0	999,581	999,581
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers to Capital Projects Fund		(365,013)	(365,013)
Unexpended Maintenance & Operations Appropriation		(90,602)	(90,602)
Net Change in Fund Balance	0	543,967	543,967
Budgetary Fund Balance - Beginning of Year	666,417	666,417	0
Budgetary Fund Balance - End of Year	\$666,417	\$1,210,384	\$543,967

SEE ACCOMPANYING NOTES AND INDEPENDENT AUDITOR'S REPORT



<b>WATER SUPPLY DISTRICT OF ACTON</b>		Page 10
Statement of Fiduciary Net Assets		
June 30, 2013		
	<i>WR GRACE</i>	<i>OPEB</i>
	<i>FUND</i>	<i>FUND</i>
<i>ASSETS</i>		
<i>Current Assets</i>		
Cash and Cash Equivalents	\$92,146	
Investments	2,220,774	\$217,207
Total Assets	\$2,312,920	\$217,207
<i>LIABILITIES</i>		
<i>NET ASSETS</i>		
Unappropriated Net Assets	\$2,300,174	\$217,207
Net Assets Appropriated for Capital Projects	3	
Net Assets Appropriated for Other Activities	12,743	
Total Net Assets	\$2,312,920	\$217,207
Total Liabilities and Net Assets	\$2,312,920	\$217,207
<b>WATER SUPPLY DISTRICT OF ACTON</b>		
Statement of Changes in Fiduciary Net Assets		
For the Year Ended June 30, 2013		
<i>ADDITIONS</i>		
Dividend and Interest Income	\$60,781	\$6,290
Net Increase Fair Value of Investments	69,600	11,437
Total Additions	130,381	17,727
<i>DEDUCTIONS</i>		
Investment Management Fees	10,418	1,033
Maintenance and Operations	391	
Total Deductions	10,809	1,033
Additions over Deductions	119,572	16,695
Net Assets - Beginning of Year	2,333,103	200,512
Expenditures Capitalized	(139,754)	
Net Assets - End of Year	\$2,312,920	\$217,207

SEE ACCOMPANYING NOTES AND INDEPENDENT AUDITOR'S REPORT

<b>WATER SUPPLY DISTRICT OF ACTON</b> <b>Notes to the Basic Financial Statements - June 30, 2013</b>
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<b>NOTE 1 – GENERAL STATEMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</b>
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**Reporting Entity** - The Water Supply District of Acton (the District) is a municipality incorporated in the Commonwealth of Massachusetts with the purpose of providing water and related services to the residents and businesses of Acton. The District is a separate municipality, distinct from the Town of Acton. There are no component units included within the reporting entity. The basic operations of the District are financed by water rate and services charges. The District's financial statements include the accounts of all District operations. Inhabitants of the Town of Acton who are qualified to vote in elections and town affairs are eligible to vote on matters concerning the District and to act on articles of the District.

**Summary of Significant Accounting Policies** - The following significant accounting policies were applied in the preparation of the accompanying financial statements:

**Basis of Accounting and Presentation** - The District reports its financial statements in accordance with both the Governmental Accounting Standards Board Statement 34 (GASB 34) and with the Commonwealth of Massachusetts uniform reporting system. The financial statements include reconciliations that report the differences between the GASB 34 statements and the Commonwealth of Massachusetts statements.

The two reporting standards are briefly described here.

**GASB 34** - This financial model includes the presentation of Management's Discussion and Analysis as well as Government Wide financial statements that are prepared on the accrual method of accounting. Revenues are reported when earned and expenses are reported when incurred, regardless of when payments are either received or made. The accrual basis financial statements report capital assets and the related depreciation expense and accumulated depreciation. All liabilities are reported, including compensated absences and short and long term debt. The net assets (equity) are reported in four components: invested in capital assets net of related debt, restricted for capital projects, restricted for the MTBE stabilization fund, and unrestricted.

**COMMONWEALTH OF MASSACHUSETTS** - This financial model presents the District's governmental funds. Under this method, revenues are recorded when received and expenditures are recorded when they are paid. Accounts receivable are fully reserved until they are collected and recorded as income.

Capital assets and infrastructure are not recorded in the governmental funds. Funds used to acquire capital assets are accounted for as expenditures in the Capital Projects Fund in the fiscal year payment is made. Appropriation balances of capital projects are carried forward in the Capital Projects Fund until completion of the project or until unexpended balances are transferred to the General Fund by approval of the Annual Meeting. The governmental funds report the unreserved fund balance, commonly referred to as Free Cash.

**Budgets and Budgetary Accounting** - The District's annual budget is a legally adopted budget that is approved at the District's Annual Meeting. Appropriations for the Capital Projects Fund, the WR Grace Fiduciary Fund and the MTBE Stabilization Fund are also approved at the Annual Meeting. Any budget overrides or additional appropriations must be approved at a specially called District Meeting.

**Capital Assets** - Capital assets, which include land, infrastructure, buildings, vehicles, machinery and equipment, are reported in the Government Wide financial statements at historical cost or estimated historical cost. Depreciation is provided using the straight-line method over the estimated useful lives recommended by the Massachusetts Department of Revenue, Division of Local Services, Bureau of Accounts.

**Compensated Absences** - The District has a policy of buying back 50% of a retiring employee's unused sick time, up to a maximum of 85 days sick time.

**WATER SUPPLY DISTRICT OF ACTON**  
**Notes to the Basic Financial Statements - June 30, 2013**

**NOTE 1 – GENERAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES - continued**

**District Funds** - The District categorizes its funds into governmental and fiduciary funds.

The following *governmental funds* are reported:

**Unrestricted Fund** - This primary operating fund is used for financial resources other than those that are required to be accounted for in another fund.

**Restricted Capital Projects Fund** - This fund reports the activity for the appropriations and spending for construction projects or for acquiring assets.

**Invested in Capital Assets Fund:** - This fund reports the historical cost of fixed assets less accumulated depreciation.

**MTBE Stabilization Fund** - This fund is for future capital projects, treatment for contaminants in the water supply, reduction of outstanding bonds or for any other lawful purpose. This fund was established with proceeds from the MTBE class action lawsuit settlement.

The following *fiduciary funds* are reported:

**WR Grace Fund** - This fund is to maintain the purity of the District's water sources upon approval of District meeting. This fund was established with proceeds from the WR Grace lawsuit settlement.

**Other Post Employment Benefits (OPEB) Fund** – This fund is an irrevocable trust fund established by the District in 2011 pursuant to Massachusetts General Laws. The fund can only be used to fund the District's OPEB obligations.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

The District considers all highly liquid investments with a maturity date of less than one year to be cash equivalents. The District maintains some of its cash in an investment account that is not insured. The District has not experienced any loss in that account. The District believes it is not exposed to any significant credit risk on cash and cash equivalents.

**NOTE 3 - INVESTMENTS**

The District's investments are managed pursuant to Massachusetts General Laws by Boston Financial Management with the guideline that there is low risk to principal while providing a continuing revenue stream. The investments are carried at fair value. As of June 30, 2013, the District had the following investments:

Description	WR Grace Fiduciary Fund	OPEB Trust Fiduciary Fund	MTBE Stabilization Fund
Cash and equivalents	\$462,364	\$2,362	\$1,054
Bonds (corporate & government)	1,052,582	88,128	233,486
Equities	705,828	126,717	0
Total	\$2,220,774	\$217,207	\$234,540

**WATER SUPPLY DISTRICT OF ACTON**  
**Notes to the Basic Financial Statements - June 30, 2013**

**NOTE 4 - INTERFUND RECEIVABLES/PAYABLES**

As of June 30, 2013, the District had the following amounts of interfund receivables/payables:

Due to Capital Projects Fund from:	
General Fund	\$226,759
MTBE Stabilization Fund	64,437
Grace Fiduciary Fund	3
Total	\$291,199
Due to Unrestricted/General Fund from MTBE Fund	\$167,103

**NOTE 5 - RETIREMENT PLANS**

Substantially all employees of the District are members of the Middlesex Retirement System. The retirement system is funded by both employer and employee contributions. The District's annual contributions to the retirement system are determined on a "pay-as-you-go" basis by the State Division of Insurance and are estimates of pensions actually payable during an accounting period. In addition, employees contribute 5%, 7%, 8% or 9% of their base pay depending on when they entered the system. The District's contributions for the year ended June 30, 2013 were \$113,791.

The District has a voluntary Section 457 retirement plan. Employees may make pre-tax contributions up to the amount allowed by the Internal Revenue Code, and the District matches contributions up to 3% of the participating employee's base salary. District match contributions for the year ended June 30, 2013 were \$23,755, which are included in Salaries and Wages.

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the District for the year ended June 30, 2013 consisted of the following:

Description	Balance 6/30/12	Additions	Disposals	Balance 6/30/13
Land	\$833,725	\$10,000		\$843,725
Infrastructure	36,404,678	341,057		36,745,735
Buildings	1,084,969			1,084,969
Vehicles	450,642	167,847	(\$98,766)	519,723
Machinery & Equipment	2,287,004	99,961		2,386,965
Capital Assets Under Construction	70,428	739,600		810,029
Total at Historical Cost	41,131,446	1,358,465	(98,766)	42,391,145
Less Accumulated Depreciation				
Infrastructure	13,842,209	730,373		14,572,582
Buildings	351,371	27,124		378,495
Vehicles	374,745	42,016	(98,766)	317,995
Machinery & Equipment	1,771,982	69,145		1,841,127
Total Accumulated Depreciation	16,340,307	868,658	(98,766)	17,110,199
Capital Assets, Net	\$24,791,139			\$25,280,947

**WATER SUPPLY DISTRICT OF ACTON**  
**Notes to the Basic Financial Statements - June 30, 2013**

**NOTE 7 - SHORT TERM DEBT**

The District has issued a bond anticipation note on a short term basis to fund the capital project costs incurred prior to selling permanent debt. The following is a summary of the changes in short term debt for the year ended June 30, 2013:

Description	Interest Rate	Due Date	Balance 6/30/12	Issued	Balance 6/30/13
S. Acton Water Treatment Plant Engineering	0.55%	7/26/13	0	\$400,000	\$400,000

**NOTE 8 - LONG TERM DEBT**

The District has issued a general obligation bond to finance the construction of the water treatment plant at the Kennedy Marshall well site. The interest rates on the bond vary from 2.0% to 4.3% according to annual maturities, with an average rate of 3.64%. The following is a summary of the changes in long term debt for the year ended June 30, 2013:

Description	Issue Date	Due Date	Balance 6/30/12	(Retired)	Balance 6/30/13
N. Acton Water Treatment Plant	2/15/09	2/15/29	\$5,100,000	(\$300,000)	\$4,800,000

The annual debt service requirements for long term debt outstanding at June 30, 2013 are as follows:

Fiscal Years	Principal	Interest	Total
2014	\$300,000	\$166,050	\$466,050
2015	300,000	159,300	459,300
2016	300,000	151,800	451,800
2017	300,000	144,300	444,300
2018	300,000	136,050	436,050
2019-2023	1,500,000	538,350	2,038,350
2024-2028	1,500,000	252,150	1,752,150
2029	300,000	12,900	312,900
Total	\$4,800,000	\$1,560,900	\$6,360,900

Principal of \$300,000 plus interest and fees of 172,050, for a total of \$472,050, is reported as Bonds, Interest and Fees on the Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances for the year ended June 30, 2013.

Interest and Fees of \$170,050 is reported on the Statement of Activities and reflects the accrual basis calculation of interest actually incurred during the year ended June 30, 2013, regardless of when the actual interest payments were made by the District.

**WATER SUPPLY DISTRICT OF ACTON**  
**Notes to the Basic Financial Statements - June 30, 2013**

**NOTE 8 - LONG TERM DEBT - continued**

As of June 30, 2013 the District has the following debt authorized and unissued:

Purpose	Date of Vote	Authorized	Issued	Unissued
Water Mains	March 20, 2002	\$1,500,000	\$1,300,000	\$200,000
Treatment Plant	March 19, 2008	1,700,000	1,500,000	200,000
Water Mains	March 19, 2008	1,200,000	860,000	340,000
Water Mains	March 18, 2009	600,000	200,000	400,000
Water Mains	March 21, 2012	500,000	0	500,000
Treatment Plant	June 25, 2012	12,000,000	0	12,000,000
Water Mains	March 20, 2013	500,000	0	500,000
Total		\$18,000,000	\$3,860,000	\$14,140,000

**NOTE 9 – COMMITMENTS & CONTINGENCIES**

The District has commitments for the construction of capital projects, including the construction of the South Acton Water Treatment Plant (SAWTP), which it expects to have built by the fall of 2014. The District will finance this construction with \$12,000,000 of new debt from the Commonwealth of Massachusetts' State Revolving Fund (SRF).

The District has a commitment to purchase a land parcel adjacent to the SAWTP. The District has been engaged in ongoing litigation with the adjacent property owner whom the District alleges had encroached onto District land. The intention of the purchase and litigation is to have the adjacent property owner remove all of its property from the combined parcel that the District will own.

**NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS**

The District implemented Governmental Accounting Standards Board Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45) starting in the fiscal year ended June 30, 2010. As allowed by GASB 45, the District has established the net Other Post Employment Benefits (OPEB) obligation at zero at the beginning of that transition year and has applied the measurement and recognition requirements of GASB 45 on a prospective basis. Fiscal year ended June 30, 2013 is the fourth year of implementation.

During fiscal year 2011 the District established the "Other Post Employment Benefits Trust Fund" and began funding its liability through this irrevocable trust. The OPEB Trust Fund is reported as a Fiduciary Fund in the accompanying financial statements.

*Plan Description* - The District administers a defined benefit healthcare plan through the Massachusetts Interlocal Insurance Association (MIIA) that provides lifetime healthcare insurance for eligible retirees and their spouses. Massachusetts General Laws Chapter 32B assigns authority for the District to establish and amend benefit provisions of the plan. The Retiree Health Plan does not issue a publicly available financial report.

*Funding Policy* - Contribution requirements are set by the Board of Water Commissioners and approved with a Special Meeting vote by the water takers of the District. The required contribution is based on a pay-as-you-go financing requirement. The District contributes 90 percent of the cost of current-year premiums for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 10 percent of their premium costs.

*Annual OPEB Expense and Net OPEB Obligation* - The District's annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

**WATER SUPPLY DISTRICT OF ACTON**  
**Notes to the Basic Financial Statements - June 30, 2013**

**NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS - continued**

The components of the District's annual obligation are summarized in the following table:

Normal cost	\$69,143
Amortization of unfunded actuarially accrued liability	151,607
Annual OPEB expense	220,750
Contributions made	(118,054)
Increase in net OPEB obligation	102,696
Net OPEB obligation- beginning of year	809,440
Net OPEB obligation- end of year	\$912,136

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations for years ended June 30, 2010 through 2013 were as follows:

Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	\$214,479	55%	\$912,136
6/30/2012	\$408,085	42%	\$809,440
6/30/2011	\$408,085	42%	\$572,960
6/30/2010	\$408,085	18%	\$336,480

*Funded Status and Funding Process*- The funded status of the Plan as of the most recent actuarial valuation dates is:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UUAL as a % of Covered Payroll
7/1/2012	\$200,501	\$2,403,921	\$2,203,420	8.3%	\$1,020,000	216%
7/1/2009	0	\$3,515,024	\$3,515,024	0%	1,057,000	333%

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 revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarially accrued liabilities of benefits.

*Actuarial Methods and Assumptions* - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and historical pattern of sharing of benefit costs between the employer and plan members to that point. Since the District has fewer than 100 employees, it has elected to use the alternative measurement method to calculate the actuarial valuations of its OPEB. The actuarial method and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarially accrued liabilities and value of assets, consistent with the long term perspective of the calculations.

In the July 1, 2012 actuarial valuation, actuarial liabilities were determined using the projected unit credit method. The actuarial assumptions included a 7.0% investment return assumption, which is based on the expected yield on the assets of the District.

**WATER SUPPLY DISTRICT OF ACTON**  
**Required Supplemental Information and Notes to Required Supplemental Information - June 30, 2013**

**OTHER POST-EMPLOYMENT BENEFITS**

SCHEDULE OF FUNDING PROGRESS		
Actuarial valuation date	7/1/2012	7/1/2009
Actuarial value of assets	\$200,501	0
Actuarial accrued liability (AAL)	\$2,403,901	\$3,515,024
Unfunded AAL (UAAL)	\$2,203,420	\$3,515,024
Funded ratio	8.3%	0%
Covered payroll	\$1,020,000	\$1,057,000
UAAL as a percentage of covered payroll	216%	333%
SCHEDULE OF ACTUARIAL METHODS AND ASSUMPTIONS		
Actuarial cost method	Projected Unit Credit	Projected Unit Credit
Amortization method	Level Dollar	Level Dollar
Remaining amortization period	27 years	30 years
Investment rate of return	7%	3%
Health care trend rate	7.9% down to 5% longer than 10 years	9.5% or 10%, graded to 5% longer than 10 years
Dental care trend rate	4.1% for all years	5.5% for all years

SCHEDULE OF EMPLOYER CONTRIBUTIONS	6/30/13	6/30/12	6/30/11	6/30/10
Annual required contributions (ARC)	\$214,479	\$408,085	\$408,085	\$408,085
Actual contributions made	\$118,054	\$171,605	\$171,605	\$71,605
Percentage contributed	55%	42%	42%	18%
PLAN MEMBERSHIP				
Current retirees, beneficiaries, and dependents	12	10	9	8
Current active members	13	13	14	15
Total	25	23	23	23

**NOTE A - OTHER POST-EMPLOYMENT BENEFITS**

The District administers a defined benefit healthcare plan that provides lifetime healthcare insurance for eligible retirees and their spouses through the Massachusetts Interlocal Insurance Association (MIIA) health insurance plan, which covers both active and retired members. The District currently finances its other postemployment benefits (OPEB) on combined pre-funded and a pay-as-you-go basis whereby the funding schedule is designed to pay the normal cost currently and amortize the unfunded liability over a period of 30 years. As a result, the funded ratio (actuarial value of assets expressed as a percentage of the actuarially accrued liability) as of the most recent valuation was 8.3%. In accordance with Governmental Accounting Standards, the District has recorded its OPEB cost equal to the actuarial determined annual required contribution (ARC) which includes the normal cost of providing benefits for the year and a component for the amortization of the total unfunded actuarial accrued liability of the plan.

The Schedule of Funding Progress presents multi-year trend information which compares, over time, the actuarially accrued liability for benefits with the actuarial value of accumulated plan assets. The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported. The Schedule of Employer Contributions presents multiyear trend information of contributions relating to the plan. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefits costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.



<b>WATER SUPPLY DISTRICT OF ACTON</b>						Page 18
Supplemental Schedule of Governmental Fund Balance - Capital Projects Activity						
For the Year Ended June 30, 2013						
	<i>BEGINNING</i>	<i>GENERAL</i>	<i>MTBE</i>	<i>BOND</i>	<i>PAYMENTS</i>	<i>ENDING</i>
	<i>BALANCE</i>	<i>FUND</i>	<i>FUND</i>	<i>PROCEEDS</i>	<i>MADE</i>	<i>BALANCE</i>
	<i>06/30/12</i>	<i>TRANSFERS</i>	<i>TRANSFERS</i>	<i>RECEIVED</i>		<i>06/30/13</i>
<i>General Fund</i>						
Eminent Domain Main Street	\$19,519					\$19,519
Carbon Replacement 13	0	\$60,000			\$53,518	6,482
Backhoe 12	124,000	(439)			123,561	0
Clean Rehab Storage Tanks	2,133				2,133	0
Indian Village Mains	188					188
Leak Detection 12	15,000	(5,060)			9,940	0
Media Replacement Clapp/Whit	10,882	(4,486)			6,396	0
NAWTP Platform 13	0	50,000				50,000
New Vehicle 13	0	25,000			20,788	4,212
Pickup Truck 08	2	(2)				0
Replace Old Mains 13	0	35,000			5,551	29,449
Engineering SAWTP 13	0	100,000			100,000	0
Engineering SAWTP 13	0			\$400,000	263,539	136,461
Storage Tank Upgrades 13	0	55,000				55,000
Water Main Emergency 10	83					83
Water Main Emergency 12	50,000				38,044	11,956
Water Main Emergency 13	0	50,000				50,000
Water Main Replacement 12	10,411				10,411	0
<i>Subtotal General Fund</i>	<i>232,218</i>	<i>365,013</i>	<i>\$0</i>	<i>400,000</i>	<i>633,881</i>	<i>363,350</i>
<i>MTBE Fund</i>						
New Vehicles 12	24,828		(1,330)		23,498	0
Carbon Replacement	3,786		(3,786)			0
Clean Rehab Storage Tanks 11	4,519				4,519	0
Master Plan Update 12	50,000				44,112	5,888
Clean and Rehab Wells 13	0		77,195		69,817	7,378
Marshall Well Replacement	4,494		(4,440)			54
S Acton Pilot 10	89,815				76,082	13,733
Water Main Emergency 11	50,000				50,000	0
Engineering NAWTP 12	25,000				5,224	19,776
Flagg Hill Tank Repairs 12	50,000				29,392	20,608
Carbon Replacement 12	12,000				12,000	0
<i>Subtotal MTBE Fund</i>	<i>314,442</i>	<i>0</i>	<i>67,639</i>	<i>0</i>	<i>314,644</i>	<i>67,437</i>
<i>Grace Fund</i>						
S Acton Pilot 12	139,757				139,754	3
<i>Subtotal Grace Fund</i>	<i>139,757</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>139,754</i>	<i>3</i>
<b>Total</b>	<b>\$686,417</b>	<b>\$365,013</b>	<b>\$67,639</b>	<b>\$400,000</b>	<b>\$1,088,279</b>	<b>\$430,790</b>

See Independent Auditor's Report

## Minutes of March 20, 2013 Annual Meeting

Held at: Acton Memorial Library 486 Main Street Acton, Massachusetts  
The meeting was called to order at 7:30 pm

- Article 1.** To fix salaries of the elected officials. Unanimously approved
- Article 2.** To act on the reports of the Commissioners, the Treasurer and other officers and committees of the District. Unanimously approved
- Article 3.** To see if the District will vote to authorize the Treasurer, with the approval of the Commissioners, to borrow in anticipation of the revenue of the fiscal year beginning July 1, 2013, in accordance with the provisions of General Laws, Chapter 44, Section 4, and to renew any note or notes as may be given for a period of less than one year, in accordance with the provisions of the General Laws, Chapter 44, Section 17, or to take any other action relative thereto. Unanimously approved
- Article 4.** To see what sums of money the District will vote to raise and appropriate to defray the usual expenses of the District. Unanimously approved
- Article 5.** To see if the District will vote to authorize the Treasurer, with the approval of the Commissioners to transfer to the MTBE Stabilization Fund the following unexpended balances remaining after the completion of projects authorized by vote of the District:
- A. Unexpended balance in the sum of \$4,439.59, Article 13 of the Annual Meeting of March 16, 2011, for the Marshall Well replacement.
  - B. Unexpended balance in the sum of \$3,786.26, Article 11 of the Annual Meeting of March 16, 2011, for carbon replacement.
  - C. Unexpended balance in the sum of \$1,330.00, Article 11 of the Annual Meeting of March 21, 2012, for the purchase of a new general usage vehicle.
- Unanimously approved
- Article 6.** To see if the District will vote to transfer from the MTBE Stabilization Fund the sum of \$69,138 to clean and rehabilitate existing wells throughout the District or to take any other action relative thereto. Unanimously approved
- Article 7.** To see if the District will vote to transfer from Surplus Revenue the sum of \$50,000 for the purpose of repairing emergency water main breaks or to take any other action relative thereto. Unanimously approved
- Article 8.** To see if the District will vote to transfer from Surplus Revenue the sum of \$35,000 for the purpose of replacing old water mains, renewing old water services, replacing old fire hydrants or to take any other action relative thereto. Unanimously approved
- Article 9.** To see if the District will vote to transfer from Surplus Revenue the sum of \$150,000 for the maintenance and repair of the various treatment facilities including, but not limited to, media replacement in the filtration tanks, aeration tower repair, and replacement of packing material, or to take any other action relative thereto. Unanimously approved
- Article 10.** To see if the District will vote to transfer from Surplus Revenue the sum of \$55,000 for the modifications and repairs to the District's storage tanks at Nagog Hill, Wampus Hill and Great Hill or to take any other action relative thereto. Unanimously approved

**Article 11.** To see if the District will vote to transfer from Surplus Revenue the sum of \$50,000 for the installation of platforms and decking at the North Acton Water Treatment Plant or to take any other action relative thereto. Unanimously approved

**Article 12.** To see if the District will vote to transfer from Surplus Revenue the sum of \$60,000 for the replacement of the granular activated carbon media at the Clapp and Whitcomb well sites on Massachusetts Avenue in Acton or to take any other action relative thereto. Unanimously approved

**Article 13.** To see if the District will vote to permit the District to sell or trade the District's 2000 Chevrolet Trailblazer vehicle or to take any other action relative thereto. Unanimously approved

**Article 14.** To see if the District will vote to transfer from Surplus Revenue the sum of \$25,000 for the purchase of a new general use vehicle or to take any other action relative thereto. Unanimously approved

**Article 15.** To see if the District will vote to appropriate the sum of \$500,000 for water main improvements throughout the District's water system and that to meet this appropriation, the Treasurer, with the approval of the Water Commissioners, is authorize to borrow the sum of \$500,000 under General Laws, Chapter 44, Sec. 8, or another enabling authority and the Board of Water Commissioners is authorized to take any other action necessary to carry out this project or to take any other action relative thereto. Unanimously approved

**Article 16.** To see if the District will vote to appropriate the sum of \$400,000 for the engineering costs for the design of the South Acton Water Treatment Plant and that to meet this appropriation, the Treasurer, with the approval of the Water Commissioners, is authorize to borrow the sum of \$400,000 under General Laws, Chapter 44, Sec. 8, or another enabling authority and the Board of Water Commissioners is authorized to take any other action necessary to carry out this project or to take any other action relative thereto. Approved by a 2/3 vote: 19 in favor and 4 opposed.

**Article 17.** To see if the District will vote to transfer from surplus revenue the sum of \$100,000 for the engineering costs for the design of the South Acton Water Treatment Plant or to take any other action relative thereto. Unanimously approved

**Article 18.** To see if the District will vote to authorize the Commissioners to enter into a long-term written lease, with options to extend for a period not to exceed twenty (20) years, for the purpose of a telecommunication tower and associated building on land owned by the District on Great Hill, located off Main Street in South Acton, on the same parcel of land where there already exists a telecommunication tower and associated building. The written lease shall include an annual rental charge not less than the current annual rent for the use of the property and shall provide for annual increases based on the consumer price index. The lease shall include other terms, conditions and limitations as the Commissioners shall deem necessary and proper to protect the public water supply, to satisfy the requirements and regulations of the Department of Environmental Protection, and be in compliance with all the terms and conditions of the special permit issued by the Town of Acton, or to take any other action relative thereto. Unanimously approved

**Article 19.** To see if the District will vote to authorize the Treasurer, with the approval of the Commissioners to transfer to the W.R. Grace Receipt Reserve for Appropriation Account (WR Grace Fund) unexpended balance in the sum of \$1,159.99 from Article 1 of the Special District Meeting held on October 24, 2004 from the North Acton treatment facility pilot study, or to take any other action relative thereto. Unanimously approved

**Article 20.** To see if the District will vote to authorize the Treasurer, with the approval of the Commissioners to transfer to Surplus Revenue the following unexpended balances remaining after the completion of projects authorized by vote of the District:

- A. Unexpended balance in the sum of \$2.00, Article 6 of the Special Meeting of September 22, 2008, for the purchase of a new pick-up truck.
- B. Unexpended balance in the sum of \$439.30, Article 13 of the Annual Meeting of March 21, 2012, for the purchase of a new backhoe.
- C. Unexpended balance in the sum of \$.18, Article 9 of the Annual Meeting of March 18, 2009, for media replacement.
- D. Unexpended balance in the sum of \$4,485.69, Article 11 of the Annual Meeting of March 17, 2010, for media replacement.
- E. Unexpended balance in the sum of \$5,060.00 Article 12 of the Annual Meeting of March 21, 2012, for the purchase of a leak detection survey.

Unanimously approved

A true copy. ATTEST:

Charles E. Orcutt, III  
District Clerk

## Minutes of Thursday, June 20, 2013 Special Meeting

Held at the Water Supply District of Acton, 693 Massachusetts Avenue, Acton, Massachusetts

**Article 1.** To see if the District will vote to appropriate the sum of \$735,000 to acquire by purchase, gift, take by eminent domain, or otherwise acquire a parcel of land at 16 Knox Trail, Acton, MA owned by or formerly owned by Assabet Sand, LLC and Avidia Bank, being the land shown as Lot 34-5 on a "Plan of Land in Acton, Massachusetts," dated October 24, 2006, recorded in the Middlesex South Registry of Deeds, at Book 02006, Page 1339 containing 4.1 acres, more or less, and being the land described in a deed recorded in said registry at Book 48385, Page 287, said land being acquired for purpose of source water protection, specifically the water supply and water sources at the Assabet wells field and for settlement of pending litigation concerning the District's property at the Assabet wells field, including the payment of costs incidental or related thereto; to determine whether this appropriation shall be raised by borrowing or otherwise; or to take any other action relative thereto.

Unanimously approved

**Article 2.** To see if the District will vote to accept the grant of an expanded easement from Atlantic-Acton Realty LLC for access to the Assabet well fields over an existing easement off of High Street in Acton as shown on a plan entitled, "Easement Plan, 284 High Street, Acton, Massachusetts," dated May 2, 2013 by Acton Survey and Engineering, Inc. or to take any other action relative thereto.

Unanimously approved

Mr. Charles Orcutt, III moved to adjourn the special meeting at 7:50 p.m., Mr. Stuntz seconded the motion and all were in favor. The motion to adjourn was unanimously approved.

## Minutes of September 24, 2013 Special Meeting

Held at 693 Massachusetts Avenue Acton, Massachusetts 01720

The District Clerk, Charles E Orcutt, opened the meeting at 7:15 pm with 13 voters in attendance.

**Article 1.** To see if the District will vote to appropriate an additional \$1,500,000 to supplement the appropriation of \$12,000,000 from Article 2 of the Special Meeting of June 25, 2012 for the construction and all related costs of a water treatment facility at the School Street and Assabet well sites in South Acton, including without limitation all costs thereof as defined in Section 1 of Chapter 29C of the General Laws, as most recently amended by St. 1998, c.78; that to meet this appropriation the Treasurer with the approval of the Board of Water Commissioners be authorized to borrow \$1,500,000 and to issue bonds or notes therefore under Chapter 44 of the General Laws and/or Chapter 29C of the General Laws, as most recently amended by St. 1998, c.78; and that such bonds or notes shall be general obligations of the District unless the Treasurer with the approval of the Board of Water Commissioners determines that they should be issued as limited obligations and may be secured by local system revenues as defined in Section 1 of Chapter 29C, as most recently amended by St. 1998, c.78; and that the Treasurer with the approval of the Board of Water Commissioners be authorized to borrow all or a portion of such amount from the Massachusetts Water Pollution Abatement Trust established pursuant to Chapter 29C, as most recently amended by St. 1998, c.78 and in connection therewith to enter into a loan agreement and/or security agreement with the Massachusetts Water Pollution Abatement Trust and otherwise to contract with the Massachusetts Water Pollution Abatement Trust and the Department of Environmental Protection with respect to such loan and for any federal or state aid available for the project or for the financing thereof and that the Board of Water Commissioners be authorized to enter into a project regulatory agreement with the Department of Environmental Protection, to expend all funds available for the project and to take any other action necessary to carry out the project or to take any other action relative thereto.

Unanimously approved

Mr. Parenti moved Article 2, it was seconded by Mr. Stuntz and recommended by Mr. Bradley for the Finance Committee:

**Article 2.** To see if the District will vote to transfer from Surplus Revenue the sum of \$390,000 for water main improvements and water system improvements on Hayward Road and Stow Street in Acton or to take any other action relative thereto.

Unanimously approved

Mr. Stuntz made a motion to adjourn the meeting at 7:30 pm. The motion was seconded by Mr. Parenti and all voted in favor.

# Water District Organization

## ELECTED OFFICIALS

<b>Commissioners</b>	Stephen C. Stuntz, Chairman Leonard A. Phillips Ronald R. Parenti	Term Expires 2014 Term Expires 2015 Term Expires 2016
<b>District Clerk</b>	Charles E. Orcutt III	Term Expires 2014
<b>District Moderator</b>	Richard P. O'Brien	Term Expires 2015

## APPOINTED OFFICIALS

<b>Finance Committee</b>	Charles Bradley, Chairman William Guthlein David A. Butler	Term Expires 2014 Term Expires 2015 Term Expires 2016
<b>District Manager</b>	Christopher D. Allen	Contract Expires 2014
<b>Treasurer/Collector</b>	Mary J. Bates	Term Expires 2014
<b>District Counsel</b>	Mary Bassett	Term Expires 2014
<b>District Assistant Clerk</b>	Helen F. Argento	Term Expires 2014
<b>Commissioners Secretary</b>	Lynn Protasowicki	Term Expires 2014
<b>Auditor</b>	Maureen Waters Mara, CPA, MST	Term Expires 2014

## **Water Land Management Advisory Committee**

Paul Malchodi  
Charles Olmstead  
Barry Rosen  
John Cipar

## **Water District Staff**

Matthew L. Mostoller	Environmental Manager
Julia Hawkins	Secretary A/P Bookkeeper
Elizabeth Secinaro	A/R Bookkeeper/Secretary
Robert Murch	MIS Coordinator
Stephen G. Peterson, Jr.	Superintendent
Charles Rouleau	General Foreman
Andrew Peterson	Assistant Foreman
James Trippier	Operator/Distribution
Robert P. Dionne, Jr.	Operator/Distribution
Keith Kupfer	Operator/Distribution
Matthew Walsh	Operator/Distribution
Lucas Peterson	Operator/Distribution

## Acton Water



Water Supply District of Acton

P.O. Box 953

Acton, MA 01720

### **OUTDOOR WATER USE RESTRICTIONS EFFECTIVE MAY 1 – OCTOBER 1**

- Those of you with even numbered addresses may water outdoors on Tuesdays, Thursdays and Saturdays.
- Those of you with odd numbered addresses may water outdoors on Wednesdays, Fridays and Sundays.
- No lawn watering may occur between 7:00 AM and 7:00 PM. (Watering mid-day wastes water to evaporation.)
- No outdoor usage will be allowed on Mondays.

The Monday restriction will give our storage tanks a chance to recover after the weekend. Maintenance of adequate levels is critical to serving both our domestic needs, as well as providing fire protection, if needed.