
ANNUAL REPORTS
of the
OFFICERS
Grafton Water District
for 2020



Serving your water needs
GRAFTON, MASSACHUSETTS

**REPORTS OF THE OFFICIALS OF THE
GRAFTON WATER DISTRICT-FOR THE YEAR 2020**

DISTRICT ELECTED OFFICIALS

BOARD OF WATER COMMISSIONERS

Kenneth Grew.....Term Expires 2023

Robert Frederico.....Term Expires 2021

Michael Corda.....Term Expires 2022

MODERATOR

Dan Concaugh.....Term Expires 2023

CLERK

Rebecca Corda.....Term Expires 2023

EMPLOYEES

MANAGER.....Matthew E. Pearson

OFFICE MANAGER.....Sharon Carroll-Tidman

OFFICE ASSISTANT.....Pamela Rybak

UTILITY OPERATOR.....Dave Erickson

UTILITY OPERATOR.....Ron Festa

UTILITY OPERATOR.....Andrew DeVries

UTILITY OPERATOR.....William Cournoyer

YEARLY APPOINTMENTS

TREASURER.....Wendy Graves

COUNSEL.....Mary Bassett

**Grafton Water District
Annual Meeting
April 28, 2020**

Moderator Dan Concaugh called the meeting to order, at 5:30pm.

Article 1

A motion was made by Commissioner Ken Grew and seconded by Commissioner Robert Frederico, to see if the District will accept the Annual Report of the District Commissioners or take any action relative thereto. The moderator called for discussion. There was none. The moderator called for a vote, and the article passed unanimously.

Article 2

A motion was made by Commissioner Ken Grew and seconded by Commissioner Robert Frederico to see if the District will accept the Annual Report of the District Treasurer or take any action relative thereto. The moderator called for discussion. There was none. The moderator called for a vote, and the article passed unanimously.

Article 3

A motion was made by Commissioner Ken Grew and seconded by Commissioner Robert Frederico to see if the District will vote to appropriate from the income of the District and accept the sum of two million, one hundred and fifty-eight thousand, five hundred and fifty five dollars and no cents (2,158,550.00) as the Fiscal 2021 budget as printed in the Annual Report or take any action relative thereto. The moderator called for discussion. There was none. The moderator called for a vote, and the article passed unanimously.

Article 4

A motion was made by Commissioner Michael Corda and seconded by Commissioner Ken Grew, to see if the District will vote to appropriate or borrow from the income of the District three hundred and fifty thousand dollars (\$350,000) for the purpose of replacing a portion of the waterline on Worcester street, from approximately street #66 to #77 or take any action relative thereto. The moderator called for discussion. There was none. The moderator called for a vote, and the article passed unanimously.

Article 5

A motion was made by Commissioner Michael Corda and seconded by Commissioner Ken Grew to see if the District will vote to appropriate from the income of the District fifteen thousand dollars (\$15,000) to hire an outside vendor to perform a leak detection survey of the entire water distribution system or take any action relative thereto. The moderator called for discussion. There was none. The moderator called for a vote, and the article passed unanimously.

Article 6

A motion was made by Commissioner Robert Frederico and seconded by Commissioner Michael Corda to see if the District will vote to authorize the Commissioners to enter into a long-term written lease, with two 5-year options to extend, for a total of (30) years, for use of a ground-mount solar photovoltaic system and associated equipment and materials on land owned by the District located at 33 Follette Street in Grafton. The written lease will include the most favorable annual land lease payment and potential power purchase agreement terms received in response to a request for a proposal issued by the District and will provide for electric power supply credits to the District's wells and treatment facilities or take any action relative thereto. The moderator called for a discussion. There was none. A 2/3 majority vote was required. The moderator called for a vote and the article passed unanimously.

Article 7

A motion was made by Commissioner Robert Frederico and seconded by Commissioner Michael Corda to see if the District will vote to authorize the Treasurer, with the approval of the Board of Water Commissioners, to borrow in anticipation of revenue under MGL Chapter 44, Section 4, a sum or take any action relative thereto. The moderator called for a discussion. There was none. The moderator called for a vote and the article passed unanimously.

Article 8

A motion was made by Commissioner Robert Frederico and seconded by Commissioner Michael Corda to see if the District will vote to authorize the Board of Water Commissioners to make pre-payments against existing loans or take any action relative thereto. The moderator called for a discussion. There was none. The moderator called for a vote and the article passed unanimously.

A motion was made by Commissioner Ken Grew and seconded by Commissioner Robert Frederico to adjourn the meeting. The meeting was adjourned at 5:35pm.

Respectfully Submitted,



Rebecca A. Corda
Clerk
Grafton Water District

**Grafton Water District
Annual Budget**

	2019-2020 Budget	2020-2021 Proposal	Change
Maintenance & Operation			
Salaries	\$ 564,100	\$ 565,900	0.3%
Benefits	287,200	\$ 280,900	-2.2%
Maintenance	243,500	\$ 246,500	1.2%
Utilities	112,500	\$ 130,000	15.6%
Chemicals	50,500	\$ 76,000	50.5%
Engineering Services	30,000	\$ 30,000	0.0%
Miscellaneous	2,750	\$ 2,750	0.0%
Sub Total	\$ 1,290,550	\$ 1,332,050	3.2%
Administrative Expenses			
Office & Supplies	\$ 50,000	\$ 41,500	-17.0%
Insurance	20,000	\$ 20,000	0.0%
Accounting	8,000	\$ 8,000	0.0%
Legal	6,000	\$ 5,000	-16.7%
Officers Fee	3,500	\$ 3,500	0.0%
Moderator's Fee	300	\$ 300	0.0%
Treasurer's Fee	10,500	\$ 11,000	4.8%
Sub-Total	\$ 98,300	\$ 89,300	-9.2%
Debt Service	\$ 395,000	\$ 362,200	-9.06%
Capital			
Gen. System Improvements	\$ 325,000	\$ 325,000	0.0%
Vehicle	\$ 50,000	\$ -	0.0%
Meters	25,000	50,000	100.0%
Sub-Total	\$ 400,000	\$ 375,000	-6.3%
Total Expenditures	\$ 2,183,850	\$ 2,158,550	-1.2%
Total Revenue(Anticipated)	\$ 2,500,000	\$ 2,570,000	2.8%

April 28, 2020

To Whom It May Concern:

On April 28, 2020 the Grafton Water District held its annual election for officers in the following categories: one Commissioner, one Moderator and one Clerk.

The results are as follows:

Commissioner:

Ken Grew, seven votes

Moderator:

Dan Concaugh, seven votes

Clerk:

Rebecca Corda, seven votes

There were a total of seven ballots cast with seven being valid.

Respectfully submitted,

Rebecca Corda



Clerk

Grafton Water District

**COMMONWEALTH OF MASSACHUSETTS
GRAFTON WATER DISTRICT
SPECIAL MEETING MINUTES
July 15, 2020**

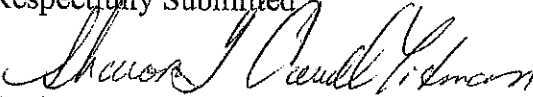
Moderator Dan Concaugh called the meeting to order at 12:00 PM.

Assistant Clerk, Sharon Carroll-Tidman read the clerks notice and posting.

Article 1. A motion was made by Robert Frederico to see if the District will vote to appropriate from the income of the district or borrow the sum of \$700,000.00 (seven hundred thousand dollars) for the purpose of replacing a portion of the waterline on Worcester Street, from approximately street # 82 to #104 or take any action relative thereto. Seconded by Michael Corda. The moderator called for discussion. There was none. The moderator called for a vote, and the article passed unanimously.

Ken Grew made a motion to adjourn the meeting. Seconded by Mike Corda. The moderator called for a vote, and the motion passed unanimously. The meeting adjourned at 12:05.

Respectfully Submitted


Assistant Clerk, Sharon Carroll-Tidman

Board of Water Commissioners

2020 Annual Report

The Board elected Ken Grew as Chairman of the Board. Appointed were Wendy Graves as Treasurer and Mary Bassett as District Counsel.

During the past year the Commissioners worked on many projects as well as the general management over the operations of the District.

1. The Board directed the Manager and staff to take all precautions relative to the outbreak of the Corona Virus. The District operated under limited hours or by remote off and on during the year depending upon the level of risk that was associated with the virus. The Board only met in person as needed such as the Annual meeting and limited Commissioners meetings. All other meetings were cancelled.
2. The Board acquired the services of Scanlon & Associates to perform a financial audit of the District finances and procedures. This audit is completed annually consistent with sound financial practice and in conformance with State and Federal reporting requirements.
3. The Board authorized the Manager to move forward with the replacement of the Worcester Street building. The project involves construction of a new building and demolition of the old building. New utilities will be provided to the site as well as a new submersible well pump. Project costs \$2,500,000
4. The Board has funded an additional \$50,000 into the "Other Post Employee Benefits" trust fund. The OPEB Trust committee continues to manage the "Trust Fund" and has realized a positive return on the investment.
5. The Board directed the Manager to facilitate the replacement of the watermain from the American Legion on Worcester street to Snow Road. This watermain has plagued the District with numerous watermain breaks. Businesses and residents continued to have poor water quality and service interruptions due to the frequent breaks. This project was completed in a timely manner during 2020. There will be limited final paving on Worcester street during 2021. As a result of this capital expense the Commissioners voted an increase in the service charge by \$25.00 a quarter for two years.
6. The Board worked with the Manager and Treasurer to produce a budget that was approved by the voters at the Annual Meeting in April.
7. The Board wishes to thank the staff of the Water District for operating the water system and maintaining it in great condition and continuing to provide safe dependable water to our customers.

Board of Water Commissioners

Ken Grew, Chairman
Robert Frederico, Commissioner
Michael Corda, Commissioner

MANAGERS REPORT 2020

The Grafton Water District (District) now has 4439 service connections. These include residential, commercial and industrial. This figure does not include fire services.

The District pumped a total of 436,917,000 gallons of water during the year 2020. A difference between years usually correlates to the type of weather we have during the summer and fall months, system leaks and water main breaks. During a dry year, the amount of water pumped is usually more and during a wet year it is usually less.

The District operations and office staff took extra precautions throughout this year due to the Covid-19 pandemic. None of our employees or operations were halted due to the virus.

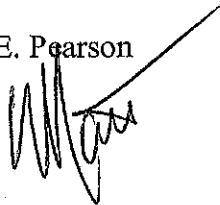
The following items address some of the projects that were worked on during the 2020 calendar year.

1. The District submitted its Consumer Confidence Report to the District customers. The report is now available online at www.graftonwaterdistrict.org. This report highlights the District and its water quality status. The District is pleased to report that the water in which the District supplies you meets or exceeds all of the required testing parameters required by State and Federal government.
2. The Trinity Avenue well pump station had been in service for several months when the office started getting calls for dirty water. After several months of investigating the well was shut off and the District applied for a reduction in chlorine levels at the well. New 4-Log chlorine levels were approved by DEP in 2020 to be used at different pumping rates.
3. There was 1,184 feet of 8-inch ductile iron pipe installed on Elmrock Drive by private developers at a cost \$248,640.00 or \$210.00 per foot and 3,537 feet of 8-inch ductile iron pipe installed as replacement pipe on Worcester Street by the District at a cost of approximately \$1,400,000.00 or \$395.00 per foot.
4. The Worcester Street pump station building replacement is continuing, with approvals from Planning Board and the Conservation Commission. Winston Builders of Westborough, MA was awarded the construction contract for \$1,675,889.00. Construction started in the fall of 2020 and is expected to be complete in the summer of 2021.
5. The District is investigating the replacement of the 600,000-gallon steel tank water storage tank on Pigeon Hill and the replacement of the underground booster station that feeds the top elevation of Pigeon Hill. It is anticipated that this project may go forward in 2021 depending upon costs and financing rates.

6. Due to the continued water main breaks along Worcester Street in front of Dunkin Donuts and Stop and Shop Plaza, Tighe and Bond engineering was hired to design, bid and provide construction management for the replacement of the water main. Haluch Construction and Oliveria Construction were contracted to replace the main. The total amount for construction and engineering was approximately \$1,400,000 dollars
7. Regular maintenance of the District facilities was done throughout the year.
8. John Hazelwood retired from the District in August after 27 years of service. We wish him well in his retirement and thank him for his years of service.
9. Employees of the District continue to take courses that keep them abreast of changes in the industry. Each employee is mandated by the State to attend a certain number of training class hours. This participation is required to keep their licenses valid and to be able to continue employment at the District. All of the District water operators carry the required State licenses. Recently adopted by the State Legislation, was the requirement that municipalities meet the requirements of OSHA. The District has always been proactive in assuring that its employees are trained and operate in a safe manner. Our workmen's compensation rates and our on-the-job injuries are very low. The District staff will be participating in new and additional training to meet any new requirements of this new law.
10. Hydrants in the system were flushed and checked for proper operation. Also, hydrants were greased, painted and maintained as needed throughout the year.
11. Leak detection of the entire water system was done in the fall of 2020. All leaks found were repaired. Leak detection is an annual task which is important to maintain water losses through leaks in the pipes.
12. All water testing sampled throughout the year has met the requirements of the Environmental Protection agency and the Massachusetts Department of Environmental. Our Consumer Confidence Report highlights the testing.

I would like to take this opportunity to thank the Commissioners and employees of the District for their assistance throughout the year. It is with their continued commitment to the District, the community and to their job that I can concentrate my efforts on the business management side of the District's operation.

Matthew E. Pearson
Manager



2020 WATER PRODUCTION (GALLONS)

	2019	2020
Total Used	453,150,000	436,917,000
Largest Day	1,994,000	2,151,000
Average Day	1,242,000	1,123,000

MAIN EXTENSIONS

Elmrock Drive	8"	1,184'
Worcester Street	8" (replacement)	3,452'

WATER MAIN REPAIRS

Worcester Street (3)	8"	Janet Circle	6"
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WATER SERVICE REPAIRS

Janet Circle	3/4"	Nichols Way	1"
Trinity Ave	3/4"	Blackstone Lane	1"
Barbara Jean Street	3/4"	Seaver Farm Lane	1"
Powerline Drive	3/4"	Providence Road	1"

SYSTEM MAINTENANCE

New Meters –	53	New Hydrants -	1
Replacement Meters –	129	Total Services -	4392

YEAR 2016-2020 COMPARISON

Year	# of Services	Gallons Pumped	Employees	Payroll
2020	4439	436,917,000	6.5	\$521,900.00
2019	4392	453,150,000	6.5	\$497,741.00
2018	4370	483,818,000	5.5	\$429,630.00
2017	4313	507,655,000	5.5	\$446,000.00
2016	4269*	452,210,000	5.5	\$435,626.00

Year	Income	Expenses	Debt Payments	Debt Balance
2020	\$2,820,768.00	\$2,556,802.00	\$362,200.00	\$2,542,200.00
2019	\$2,597,111.00	\$2,138,441.00	\$362,800.00	\$2,905,000.00
2018	\$2,655,694.00	\$1,982,096.00	\$453,725.00	\$2,950,677.00
2017	\$2,845,048.00	\$2,526,924.00	\$470,949.00	\$4,529,430.00
2016	\$2,738,437.00	\$2,096,950.00	\$471,149.00	\$4,648,265.00

Year	Extra Payments	Connection Improvements	Capital Improvements	Contributed Capital
2020	0	\$187,300.00	\$888,677.00	\$20,000.00
2019	0	\$133,000.00	\$755,216.00	\$242,000.00
2018	\$1,159,000.00	\$146,500.00	\$1,739,501.00	\$220,800.00
2017	0	\$245,500.00	\$616,076.00	\$126,000.00
2016	0	\$126,000.00	\$429,952.00	0

* fire services removed from total services

**GRAFTON WATER DISTRICT
TREASURER'S REPORT
YEAR ENDING JUNE 30, 2020**

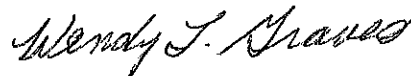
I am pleased to report that the Grafton Water District continues to operate on a sound financial basis. Operations were cost effectively managed to meet the short and long-range needs of the Grafton Community.

The accompanying financial reports provide additional information about the District's financial status.

The balance of this report consists of:

1. Independent Auditors Opinion
2. Audited Financial Statements
3. Notes to Financial Statements
4. List of Payments in Excess of \$4,000

Respectfully submitted,



Wendy Graves
Treasurer

Vendors Payments

>= \$4,000

7/1/2019 to 6/30/2020

Vendor	Amount	Vendor	Amount
A/D Instrument	\$ 30,885.96	Koopman	\$ 13,099.48
Aggregate	\$ 4,834.80	MIAA-PropertyCasual	\$ 28,360.00
Altus Dental	\$ 5,395.82	MWWA	\$ 5,045.00
Bank of America	\$ 6,143.98	Nashoba Analytical, LLC	\$ 13,430.00
Bau Hopkins	\$ 9,039.20	National Grid	\$ 31,568.69
Borden & Remington	\$ 35,413.68	Oliveira Construction Inc.	\$ 401,803.69
CUSI	\$ 20,925.00	P. J. Albert, Inc.	\$ 183,668.25
EarthWorks	\$ 81,470.50	Paldino Brothers Co	\$ 15,570.00
EIS	\$ 24,299.50	Peter Adams	\$ 4,352.50
Everett J. Prescott Inc.	\$ 5,814.30	PUTNAM PIPE	\$ 7,258.33
F.W. Webb Company	\$ 4,831.20	R H White	\$ 66,291.13
Fallon Health	\$ 95,183.12	Savers Bank	\$ 35,884.42
Flowrite	\$ 42,523.00	Scanlon & Associates	\$ 15,500.00
Geosphere, Inc.	\$ 5,458.50	Stiles Company	\$ 37,714.79
Grafton Police Department	\$ 19,962.50	SunLife	\$ 11,807.48
Gulf	\$ 8,789.14	Tata & Howard, Inc,	\$ 6,305.67
HACH Co.	\$ 4,851.33	TerraForm Power LLC	\$ 130,737.69
Haluch Water Contracting, Inc.	\$ 430,549.70	Tighe&Bond	\$ 318,544.00
Huhtala Oil & Propane	\$ 12,383.01	U.S. Postal Service	\$ 13,490.00
Hydra Tech, Inc	\$ 10,170.00	UNIVAR	\$ 34,126.26
Inframation Networks	\$ 9,099.00	USBankNA	\$ 357,500.00
J. D'Agostino Plumbing	\$ 5,560.00	Wendy Graves	\$ 10,705.00
JMR Water Services	\$ 9,720.00	Whitinsville Water Co.	\$ 6,491.02
Jones Chemicals, Inc.	\$ 16,249.50	Winston Builders	\$ 328,167.74
Kearsarge Energy	\$ 49,845.41		

MARY E. BASSETT
Attorney at Law

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Email: Mary@marybassetlaw.com

March 1, 2021

Board of Water Commissioners
Grafton Water District
44 Millbury Street
Grafton, MA 01519


RE: Legal Services

Dear Members of the Board:

Once again, I have been honored to serve as District Counsel to the Grafton Water District this past year. Although I have consulted with you and the District Manager on several legal matters, I am pleased to report to you that, to my knowledge, there are no pending or threatened legal actions.

Thank-you for the opportunity to serve you and I remain ready to act in accordance with your direction as District Counsel.

Sincerely yours,


Mary E. Bassett, Esq.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Report on the Examination of Basic Financial Statements
Fiscal Year Ended June 30, 2020

GRAFTON, MASSACHUSETTS WATER DISTRICT
Report on the Examination of Basic Financial Statements
For the Year Ended June 30, 2020

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Independent Auditor's Report

To the Commissioners
Grafton Water District
Grafton, Massachusetts

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the Grafton Water District in Grafton, Massachusetts, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Grafton, Massachusetts Water District'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 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 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the Grafton Water District, Massachusetts, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the other post employment benefit plan schedules as listed on the table of contents 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 sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Grafton, Massachusetts Water District's basic financial statements. The Supplementary Schedule, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

The Supplementary Schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements as a whole.

Scanlon and Associates, LLC

Scanlon & Associates, LLC
South Deerfield, Massachusetts

November 2, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the Grafton, Massachusetts Water District (the Water District), we offer readers of these financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2020. The District's performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The Water District's assets exceeded its liabilities by \$19,145,868 (net position) at the close of the 2020 fiscal year. This compares to the previous year when assets exceeded its liabilities by \$18,926,875 or an increase of \$218,993 (1%).
- Total liabilities of the Water District decreased during the year by \$145,575 to \$2,670,530. This net change resulted mainly from a net increase in the OPEB liability of \$78,995 and a decrease in the net long-term bonds payable of \$265,000 from the previous year.
- At June 30, 2020, the Water District's total current assets in the amount of \$2,849,112 exceeded its total current liabilities of \$495,197 by \$2,353,915. The relative value of the difference in those two amounts provides a good indication of the Water District's financial strength over the short-term.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Water District's basic financial statements. The Water District operates as a utility enterprise and presents its financial statements using the economic resources measurement focus and the full accrual basis of accounting. In layman's terms, this presentation means that financial information is reported using accounting methods similar to those followed by private sector companies. The statements offer both short-term and long-term financial information about the activities of the Water District.

Required Financial Statements for Business-Type Activities

In reporting on the operations of its enterprise funds, the Water District's basic financial statements include a Statement of Net Position; a Statement of Revenues, Expenses and Changes in Net Position; a Statement of Cash Flows, a Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The financial statements also include notes that are considered essential to a full understanding of the data that is being presented on the face of the statements. The primary purpose of the notes is to provide additional discussion, enhanced disclosures and tabular presentation of data to further explain information in the financial statements and to provide more detailed data.

The information contained in the Statement of Net Position represents all of the Water District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to the Water District's creditors (liabilities).

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the Water District's operations over the past year and can be used to determine whether the Water District has successfully recovered all of its costs through user fees and other charges. It provides the user with basic financial information about the profitability and credit worthiness of the Water District.

The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Water District's cash receipts and cash payments during the fiscal year. The statement reports cash receipts, cash payments and net changes in cash resulting from operating; noncapital financing; capital and related financing; and investing activities. The purpose of this statement is to tell the user where the Water District's cash came from, what the cash was used for, and by how much the cash balance changed over the course of the fiscal year.

In addition to the financial statements and accompanying notes, this report also presents as required supplementary information, a schedule of revenues and expenditures – budget and actual.

Financial Highlights

Statement of Net Position Highlights

	Business-Type Activities		
	2020	2019	Change
Assets:			
Current assets	\$ 2,849,112	\$ 2,752,366	\$ 96,746
Capital assets	18,967,286	18,990,614	(23,328)
Total assets	21,816,398	21,742,980	73,418
Liabilities:			
Current liabilities (excluding debt)	220,197	179,767	40,430
Current debt	275,000	265,000	10,000
Noncurrent liabilities (excluding debt)	270,333	191,338	78,995
Noncurrent debt	1,905,000	2,180,000	(275,000)
Total liabilities	2,670,530	2,816,105	(145,575)
Net Position:			
Net investment in capital assets	16,787,286	16,545,614	241,672
Unrestricted	2,358,582	2,381,261	(22,679)
Total net position	\$ 19,145,868	\$ 18,926,875	\$ 218,993

**Statement of Revenues, Expenses and
Changes in Net Position Highlights**

	2020	2019	Change
Operating Revenues:			
Charges for services - Rates	\$ 2,608,998	\$ 2,419,084	\$ 189,914
Service and entrance fees	187,300	133,000	54,300
Miscellaneous fees	24,470	45,027	(20,557)
Total revenues	2,820,768	2,597,111	223,657
Expenses:			
Salaries and wages	548,715	497,741	50,974
Employee benefits	335,577	164,549	171,028
Professional fees	47,901	38,570	9,331
Office expenses	29,921	37,233	(7,312)
Maintenance and operating	632,065	440,620	191,445
Depreciation	962,623	959,728	2,895
Total expenses	2,556,802	2,138,441	418,361
Non-operating revenues (expenses):			
Interest Income	31,944	40,401	(8,457)
Contributed Capital	20,000	242,000	(222,000)
Interest Expense	(96,917)	(107,298)	10,381
Total non-operating revenues (expenses)	(44,973)	175,103	(220,076)
Change in net position	218,993	633,773	(414,780)
Net position - beginning of year	18,926,875	18,293,102	633,773
Net position - end of year	\$ 19,145,868	\$ 18,926,875	\$ 218,993

The Water District's net position (i.e., the difference between assets and liabilities) is one way to measure financial health or financial position. Over time, increases or decreases in the Water District's net position are general indicators of whether its financial health is improving or deteriorating. In addition to the relative change in net position, readers will also have to take into consideration the impact on operations of other non-financial factors and external influences. These would include, but are not limited to, economic conditions, population growth, unusual rainfall patterns, changes in governmental legislation, restrictions on outdoor water use, the issuance of new regulations and the utilization of new technologies.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets exceeded liabilities by \$19,145,868 at the close of fiscal year 2020.

Net position of \$16,787,286 (88%) reflects its investment in capital assets (e.g., infrastructure); less any related debt used to acquire those assets that are still outstanding. The Water District uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance is *unrestricted net position* of \$2,358,582 (12%) and may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Water District is able to report positive balances in all categories of net position for its business-type activities.

The *Water Fund* is the financing and operations of the District's water system. The water fund shows an increase in net position of \$218,993 (1%) during the current fiscal year. This change was mainly due to operating revenues exceeding current operating costs by \$263,966, interest income of \$31,944, contributed capital of \$20,000 and interest expense of \$96,917. Operating revenues increased by \$223,657 (9%) and operating expenses also increased by \$418,361 (20%) from the prior year.

Capital Asset and Debt Administration

Capital Assets. The Water District's investment in capital assets as of June 30, 2020 amounts to \$18,967,286.

The investment in capital assets includes land, construction in progress, buildings and renovations, machinery, equipment and other and infrastructure.

Major capital events during the current fiscal year included the following:

- Land taking for \$20,000.
- Vehicle purchase for \$30,618.
- Infrastructure improvements for \$888,677.

Debt Administration. The Water District's outstanding governmental debt as of June 30, 2020, totaled \$2,180,000 for various water projects.

Please refer to note 2C and 2D for further discussion of the capital and debt activity.

Next Year's Annual District Meeting

The Water District operates under the "Open Meeting" concept where each registered voter has an equal vote in the adopting of Water District's budgets and appropriations. The financial statements for June 30, 2020 do not reflect the fiscal year 2021 Water District meeting with exception of the free cash amount used to fund the fiscal year 2021 budget. The annual Water District meeting on April 28, 2020 authorized a fiscal year 2021 operating budget as follows:

From Water receipts	\$ 2,173,550
Water retained earnings (Free Cash)	<u>350,000</u>
From Water receipts	<u>\$ 2,523,550</u>

Requests for Information

The financial report is designed to provide a general overview of the Water District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Treasurer, Grafton Water District, 44 Millbury Street, Grafton, Massachusetts 01519.

BASIC FINANCIAL STATEMENTS

GRAFTON, MASSACHUSETTS WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

	Business-Type Activity Enterprise Fund
	Water Fund
ASSETS	
CURRENT:	
Cash and Cash Equivalents	\$ 257,255
Investments	1,848,353
Receivables, net of allowance for uncollectibles:	
User Charges	703,826
Betterment Receivable	25,395
Due from Other Governments	14,283
Total current assets	2,849,112
NONCURRENT:	
Capital Assets, net of accumulated depreciation	
Nondepreciable	1,622,617
Depreciable	17,344,669
Total noncurrent assets	18,967,286
Total Assets	21,816,398
LIABILITIES	
CURRENT:	
Accounts Payable	212,930
Accrued Interest	7,267
Bonds Payable	275,000
Total current liabilities	495,197
NONCURRENT:	
Net Other Post Employment Benefits Liability	270,333
Bonds Payable	1,905,000
Total noncurrent liabilities	2,175,333
Total Liabilities	2,670,530
NET POSITION	
Net Investment in Capital Assets	16,787,286
Unrestricted	2,358,582
Total Net Position	\$ 19,145,868

The Notes to the Financial Statements are an integral part of this Statement.

**GRAFTON, MASSACHUSETTS WATER DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activity Enterprise Fund
	Water Fund
Operating Revenues:	
Charges for Services - Rates	\$ 2,608,998
Service and Entrance Fees	187,300
Miscellaneous Fees	24,470
Total Operating Revenues	2,820,768
Operating Expenses:	
Salaries & Wages	548,715
Employee Benefits	335,577
Professional Fees	47,901
Office Expenses	29,921
Maintenance and Operating	632,065
Depreciation	962,623
Total Operating Expenses	2,556,802
Operating Income (Loss)	263,966
Non-Operating Revenues (Expenses):	
Interest Income	31,944
Contributed Capital	20,000
Interest Expense	(96,917)
Total Non-Operating Revenues (Expenses)	(44,973)
Change in Net Position	218,993
Net Position at Beginning of Year	18,926,875
Net Position at End of Year	\$ 19,145,868

The Notes to the Financial Statements are an integral part of this Statement.

GRAFTON, MASSACHUSETTS WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	Business-Type Activity Enterprise Fund
	Water Fund
Cash Flows From Operating Activities:	
Receipts from Customers and Users	\$ 2,711,036
Payments to Vendors	(948,918)
Payments to Employees	(548,715)
Net Cash Provided by (Used for) Operating Activities	1,213,403
Cash Flows from Capital and Related Financing Activities:	
Acquisition and Construction of Capital Assets	(895,533)
Principal Payments on Bonds and Notes	(265,000)
Interest Expense	(97,800)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(1,258,333)
Cash Flows from Investing Activities:	
Investment Income	31,944
Sale of Investments	(30,557)
Net Cash Provided by (Used for) Investing Activities	1,387
Net Increase (Decrease) in Cash and Cash Equivalents	(43,543)
Cash and Cash Equivalents at Beginning of Year	300,798
Cash and Cash Equivalents at End of Year	\$ 257,255

**Reconciliation of Operating Income (Loss) to Net Cash
Provided by (Used For) Operating Activities:**

Operating Income (Loss)	\$	263,966
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation		962,623
Change in Assets and Liabilities:		
Increase (Decrease) in Accounts Payable		17,551
Increase (Decrease) in Other Post Employment Benefits Payable		78,995
Decrease (Increase) in Due from Other Governments		4,059
Decrease (Increase) in Betterment Receivable		1,210
Decrease (Increase) in User Charges Receivable		(115,001)
Total Adjustments		949,437
Net Cash Provided by (Used for) Operating Activities	\$	1,213,403

The Notes to the Financial Statements are an integral part of this Statement.

**GRAFTON, MASSACHUSETTS WATER DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020**

	Other Post Employment Benefits Trust Fund
ASSETS	
Investments	\$ 309,076
Total Assets	309,076
NET POSITION	
Held in Trust for Other Purposes	\$ 309,076

The Notes to the Financial Statements are an integral part of this Statement.

**GRAFTON, MASSACHUSETTS WATER DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Other Post Employment Benefits Trust Fund
Additions:	
Contributions:	
Employer	\$ 50,000
Investment Income	7,924
Total Additions	57,924
Deductions:	
Employee Benefits	-
Total Deductions	-
Change in Net Position	57,924
Net Position at Beginning of Year	251,152
Net Position at End of Year	\$ 309,076

The Notes to the Financial Statements are an integral part of this Statement

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Grafton, Massachusetts Water District (the Water District) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant Water District accounting policies are described herein.

A. Reporting Entity

The Water District was created pursuant to Chapter 135 of the Acts of 1984 and amended by Chapter 427 of the Acts of 1987 as a public entity, politic and corporate, for the purpose of acquiring, consolidating, improving, and operating the existing water systems serving the Town of Grafton. The Water District is governed by an elected three-member Board of Water Commissioners. The Water District is a separate governmental unit granted independent authority by the Commonwealth of Massachusetts to allow the Water District's Board to set rates, fees, and charges.

For financial reporting purposes, the Water District has included all funds, organizations, account groups, agencies, boards, commissions and institutions. The Water District has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and/or significance of their relationship with the Water District are such that exclusion would cause the basic financial statements to be misleading or incomplete. In fiscal year 2020, it was determined that no entities met the required GASB-39 and GASB-61 criteria for component units. The Water District is considered to be a special-purpose government.

B. Basis of Presentation

The business-type activities are financed in whole or in part by fees charged to external parties. The activities of the Water District are considered to be business-type and fiduciary activities.

Fund Financial Statements. The Government-wide Financial Statements provide information about the Water District's funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions. The Water District has one fund category – proprietary funds.

Enterprise Fund

The Enterprise Fund is used to account for those operations that (a) are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Water District operates as a singular enterprise fund.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

C. Measurement Focus and Basis of Accounting

The Water District uses the accrual method of accounting for financial reporting. Under this method, revenues are recognized when earned and expenses are recognized when incurred.

Operating revenues and expenses are distinguished from non-operating items. Operating revenues and expenses generally resulted from providing water and related services to residents and business entities. The principal operating revenues consist of charges for water usage, repair services and entrance fees. Operating expenses include payroll and benefits, power, chemicals, repairs and maintenance, and other operating expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Additionally, the Water District reports the following fund type:

Fiduciary Fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the District programs.

The *Other Post Employment Benefit Trust Fund (OPEB)* accounts for the activities of the District's OPEB plan, which accumulates resources for retiree medical and life insurance benefits.

D. Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition.

E. Investments

The Water District maintains investments according to Massachusetts General Laws and adopted policies. Investments are reported according to the fair value hierarchy established by generally accepted accounting principles. Investments are defined as securities or other assets that (a) a government holds primarily for the purpose of income or profit and (b) has a present service capacity based solely on its ability to generate cash or to be sold to generate cash. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The hierarchy is based upon valuation inputs, which are assumptions that market participants would use when pricing an asset or a liability, including assumptions about risk.

Level 1 inputs are quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 inputs are directly observable for an asset or a liability (including quoted prices for similar assets or liabilities), as well as inputs that are indirectly observable for the asset or liability.

Level 3 inputs are unobservable for the asset or liability.

Certain investments, such as money market investments and 2a7-like external investment pools, are reported at amortized cost. 2a7-like pools are external investment pools that operate in conformity with the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended and should be measured at the net asset value per share provided by the pool.

Additional investment disclosures are presented in these Notes.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

F. Receivables

The recognition of revenues related to accounts receivable reported in the government-wide financial statements are reported under the accrual basis of accounting and the modified accrual basis of accounting, respectively.

User Charges

User charges consist of water that is levied based on individual meter readings and usage and are subject to penalties and interest and sales if they are not paid by the respective due date. User charges also include sales and connections.

Receivables are reviewed periodically to establish or update the provision for uncollectible amounts. These provisions are estimated based on an analysis of the age of the various accounts. The District records as revenue the amount of earned but unbilled betterments.

Due from Other Governments

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, revenue is recognized as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, revenue is recognized when the qualifying expenditures are incurred and all other grant requirements are met.

These receivables are considered 100% collectible and, therefore, do not report an allowance for uncollectibles.

G. Capital Assets

Capital assets, which include land, construction in progress, buildings and renovations, machinery, equipment and other, and infrastructure assets (e.g. water mains), are reported in the applicable government wide financial statements. Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value.

All purchase and construction costs in excess of \$5,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

Capital assets (excluding land and construction in progress) are depreciated on a straight-line basis. The estimated useful lives of fixed assets are as follows:

Capital Asset Type	Years
Buildings and related improvements	10-25
Machinery, equipment and other	3-7
Infrastructure	30

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

H. Long-term Debt

Long-term debt is reported as liabilities in the government-wide statement of net position.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

I. Post Retirement Benefits

In addition to providing pension benefits, health insurance coverage is provided for retired employees and their survivors in accordance with Massachusetts General Law, Chapter 32, on a pay-as-you-go basis. The cost of providing health insurance is recognized by recording the employer's share of insurance premiums for retirees and spouses and surviving spouses in the general fund in the fiscal year paid.

J. Net Position

In the financial statements, the difference between the Water District's total assets and total liabilities represents net position. Net position in the proprietary fund financial statements are classified as net investment in capital assets, restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments imposed by law through State statute. Unrestricted net position represents the net position available for future operations.

Net position classified as net investment in capital assets, consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

K. Use of Estimates

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. DETAILED NOTES

A. Cash and Investments

Custodial Credit Risks – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. The government does not have a deposit policy for custodial credit risk. Deposits at June 30, 2020 were \$348,159. Of these, none are exposed to custodial credit risk as uninsured and uncollateralized.

Investment Policies

Investments of funds, except for trust funds, are generally restricted by Massachusetts General Laws, Chapter 44, Section 55. That statute permits investments of available revenue funds and bond and note proceeds in term deposits and certificates of deposit of banks and trust companies, in obligations issued or unconditionally guaranteed by the federal government or an agency thereof with a maturity of not more than one year, in repurchase agreements with a maturity of not more than 90 days secured by federal or federal agency securities, in participation units in the Massachusetts Municipal Depository Trust ("MMDT"), or in shares in SEC-registered money market funds with the highest possible rating from at least one nationally recognized rating organization.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

The MMDT is an investment pool created by the Commonwealth under the supervision of the State Treasurer's office. According to the State Treasurer, the Trust's investment policy is designed to maintain an average weighted maturity of 90 days or less and is limited to high-quality, readily marketable fixed income instruments, including U. S. Government obligations and highly-rated corporate securities with maturities of one year or less. The MMDT is an external investment pool that meets the criteria established under GASB Statement No. 79 to report its investments at amortized cost. MMDT's fair value is measured at amortized cost.

As of June 30, 2020, the Water District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years) Less Than 1
Debt Securities:		
Fixed income mutual funds	\$ 102,209	\$ 102,209
Money market mutual fund	1,520	1,520
	<u>103,729</u>	<u>\$ 103,729</u>
Other Investments:		
Equity mutual funds	205,347	
MMDT	1,848,353	
	<u>\$ 2,157,429</u>	

Custodial Credit Risks - Investments

For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the Water District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the Water District's \$2,157,429 in investments, none are uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department but not in the Water District's name. The Water District has no policy on custodial credit risk.

Interest Rate Risk

The Water District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Water District's exposure to credit risk as of June 30, 2020 is as follows:

Related Debt Instruments	Fair Value
Moody's Quality Ratings	
Fixed Income Mutual Funds:	
Not rated	\$ 102,209
Money Market Mutual Funds:	
Not rated	1,520
	<u>\$ 103,729</u>

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

Concentration of Credit Risk

The Water District places no limit on the amount the Water District may invest in one issuer. The Water District does not have more than 5 percent of the Water District's investments in one issuer.

Fair Value of Investments

The Water District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Water District has the following recurring fair value measurements as of June 30, 2020:

Investment Type	Fair Value	Fair Value Measurement		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
Equity mutual funds	\$ 205,347	\$ 205,347	\$ -	\$ -
Fixed income mutual fund	102,209	102,209	-	-
Money market mutual fund	1,520	1,520	-	-
	<u>309,076</u>	<u>\$ 309,076</u>	<u>\$ -</u>	<u>\$ -</u>
Investments Measured at Amortized Cost:				
External Investment Pools (MMDT)	<u>1,848,353</u>			
Total Investments	<u>\$ 2,157,429</u>			

Investments classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets for those securities.

B. Receivables

At June 30, 2020, receivables including the applicable allowances for uncollectible accounts are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
User charges	\$ 703,826	\$ -	\$ 703,826
Betterment receivable	25,395	-	25,395
Due from other governments	14,283	-	14,283
	<u>\$ 743,504</u>	<u>\$ -</u>	<u>\$ 743,504</u>

The composition of amounts due from other governments as of June 30, 2020 for business-type funds is a solar panel reimbursement from National Grid and Capital Dynamics; which passes through the Town of Grafton in the amount of \$14,283.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

C. Capital Assets

Capital asset activity for the year ended June 30, 2020, is as follows:

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,015,104	\$ 20,000	\$ -	\$ 1,035,104
Construction in progress	18,022	569,491	-	587,513
Total capital assets not being depreciated	1,033,126	589,491	-	1,622,617
Capital assets being depreciated:				
Buildings and renovations	278,077	-	-	278,077
Machinery, equipment and other	180,912	30,618	-	211,530
Infrastructure	33,082,683	319,186	-	33,401,869
Total capital assets being depreciated	33,541,672	349,804	-	33,891,476
Less accumulated depreciation for:				
Buildings and renovations	272,515	5,562	-	278,077
Machinery, equipment and other	156,432	27,212	-	183,644
Infrastructure	15,155,237	929,849	-	16,085,086
Total accumulated depreciation	15,584,184	962,623	-	16,546,807
Total capital assets being depreciated, net	17,957,488	(612,819)	-	17,344,669
Total business-type activities capital assets, net	\$ 18,990,614	\$ (23,328)	\$ -	\$ 18,967,286

Depreciation expense as charged to the Water District and recorded on the Statement of Activities resulting from water operations is \$962,623.

D. Long Term Debt

General Obligation Bonds

The Water District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for the business-type activities.

General obligation bonds currently outstanding of the business-type activities are as follows:

	Interest Rate	Date Issued	Final Maturity Date	Original Amount Issued	Outstanding June 30, 2020
Outside Debt:					
General Obligation Bond	1.83%	10/17/2017	6/1/2027	\$ 2,985,000	<u>\$ 2,180,000</u>

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

Future Debt Service

The annual principal and interest payments to retire all general obligation long-term debt outstanding as of June 30, 2020, are as follows:

Year	Principal	Interest	Total
2021	\$ 275,000	\$ 87,200	\$ 362,200
2022	290,000	76,200	366,200
2023	300,000	64,600	364,600
2024	310,000	52,600	362,600
2025	320,000	40,200	360,200
2026-2027	685,000	41,400	726,400
	<u>\$ 2,180,000</u>	<u>\$ 362,200</u>	<u>\$ 2,542,200</u>

A summary of the changes in long term liabilities during the year is as follows:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Amounts Due within One Year
Business-type activities:					
Bonds Payable:					
General obligation bonds	\$ 2,445,000	\$ -	\$ 265,000	\$ 2,180,000	\$ 275,000
Net OPEB liability	191,338	78,995	-	270,333	-
Governmental activity					
Long-term liabilities	<u>\$ 2,636,338</u>	<u>\$ 78,995</u>	<u>\$ 265,000</u>	<u>\$ 2,450,333</u>	<u>\$ 275,000</u>

Loans Authorized and Unissued - Memorandum Only

Under the general laws of the Commonwealth of Massachusetts a District must authorize debt at a District meeting. This authorized debt does not have to be actually issued at that time and remains authorized until the debt is actually issued or District meeting votes to rescind the authorized debt. The District has no loan authorizations that have not been issued as of June 30, 2020.

3. OTHER INFORMATION

A. Risk Management

The Water District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Water District has obtained a variety of commercial liability insurance policies which passes the risk of loss listed above to independent third parties.

Settlement claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

B. Contingent Liabilities

Litigation

Litigation is subject to many uncertainties, and the outcome of individual matters is not always predictable. Although the amount of the liability, if any, at June 30, 2020, cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the District at June 30, 2020.

The District has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under the terms of the grant. The amount, if any, of expenditures which may be disallowed cannot be determined at this time, although, based on prior experience, District management believes such disallowances, if any, will not be material.

C. Subsequent Events

The Covid-19 outbreak in the United States and across the globe has resulted in economic uncertainties. The disruption is expected to be temporary, but there is considerable uncertainty around the duration and scope. The extent of the impact of Covid-19 on our operational and financial performance will depend on certain developments, including the duration and spread of outbreak, impact on our customers, employees, and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which Covid-19 may impact our financial condition or results of operations is uncertain.

D. Other Post Employment Benefits Payable

GASB Statement No. 74 and GASB Statement No. 75

The cost of post employment benefits generally should be associated with the periods in which costs occur rather than in the future year when it will be paid. The Water District recognizes the cost of post employment benefits in the year when the employee services are received and provides information useful in assessing potential demands on the Water District's future cash flows.

Plan Description

The Water District offers continued medical coverage through the Water District's medical plan carrier, a single-employer defined benefit, to employees who retire from the Water District at age 55 or older with a minimum of 10 years of service. The Water District provides 50 percent (plus an additional 10 percent for each additional 5 years of service at retirement – not to exceed 100 percent) of the cost for medical coverage. This plan is authorized and may be amended by the Board of Commissioners. This plan is included in the Water District financial statements, thus separate financial statements are not issued. The benefits, benefit levels, employee and employer contributions are governed by Massachusetts General Law Chapter 32. As of the actuarial valuation date, there are approximately 9 active and retired employees, and spouses that meet the eligibility requirements. The plan does not issue a separate financial report.

Funding Policy

The contribution requirements of plan members and the Water District are established and may be amended through Water District policy and member contracts. The required contribution is based on the projected pay-as-you-go financing requirements. For the 2020 fiscal year, the Water District provided actual contributions of \$50,000 towards the annual OPEB cost, comprised of benefit payments made on behalf of retirees (net of reinsurance), administrative expenses and reinsurance payments, and net of retiree contributions.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

Investment Policy

The District's policy in regard to the allocation of invested assets is established and may be amended by the Board of Water Commissioners by majority vote of its members. The Water District did establish a trust fund in order to contribute funds to reduce the future OPEB liability. As of June 30, 2020, the trust balance is \$309,076.

Measurement Date

GASB Statement No. 74 and GASB Statement No. 75 require the net OPEB liability to be measured as of the OPEB Plan's most recent fiscal year-end. Accordingly, the net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

Plan Membership:

Current active members	6
Current retirees, beneficiaries and dependents	3
Total	9

Net OPEB Liability

The components of the net OPEB liability are as follows:

	6/30/2020
Total OPEB liability	\$ 579,409
Less: Plan fiduciary net position	(309,076)
District's Net OPEB liability	\$ 270,333
Plan fiduciary net position as a percentage of the total OPEB liability	53.3%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified;

Valuation date	June 30, 2020
Actuarial cost method	Entry Age Actuarial Cost Method
Discount rate	3.50% annually
Participant salary increases	3.0% annually
Healthcare cost trend rates	to an Ultimate trend rate of 5.5% annually in the second year
Mortality rates	Life expectancy by gender comes from the <i>Life Expectancy Table</i> from the National Center for Health Statistics updated in 2015.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return (which expresses investment performance), net of investment expense was not provided.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that member employer contributions will be made in accordance Massachusetts General Law Chapter 32. Based on those assumptions, the OPEB plan fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's net OPEB liability as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
\$ 332,376	\$ 270,333	\$ 212,234

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the District's net OPEB liability as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (amounts are in thousands):

1% Decrease	Healthcare Cost Trend Rates	1% Increase
\$ 202,379	\$ 270,333	\$ 349,239

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to the Financial Statements
Year Ended June 30, 2020

Summary of Significant Accounting Policies

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to or deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts (repurchase agreements) that have a maturity at the time of purchase of one year, which are reported at cost.

Expense, Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the GASB Statement No. 75 reporting period and fiscal year ending date, the District recognized an OPEB expense of \$128,129 and reported deferred outflows of resources related to OPEB of \$0 and deferred inflows of resources related to OPEB of \$0.

E. Implementation of New GASB Pronouncements

The GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This pronouncement postponed the effective dates of certain provisions in GASB statements and Implementation Guides that first became effective or are scheduled to be effective for periods beginning after June 15, 2018 or later.

F. Future GASB Pronouncements

Management is currently assessing the impact the implementation of the following pronouncements will have on the basic financial statements.

The GASB issued Statement No. 84, *Fiduciary Activities*, for implementation in fiscal year 2021.

The GASB issued Statement No. 87, *Leases*, for implementation in fiscal year 2022.

The GASB issued Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, for implementation in fiscal year 2021.

The GASB issued Statement No. 91, *Conduit Debt Obligations*, for implementation in fiscal year 2023.

The GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*, for implementation in fiscal 2022.

The GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, for implementation in fiscal year 2023.

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, for implementation in fiscal year 2023.

The GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, for implementation in fiscal year 2021 and 2022.

REQUIRED SUPPLEMENTARY INFORMATION

GRAFTON, MASSACHUSETTS WATER DISTRICT
Schedule of Revenues and Expenditures - Budgetary Basis (Non-GAAP) -
Budget and Actual - General Fund
For the Year Ended June 30, 2020

	Budgeted Amounts			Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance with Final Budget Positive (Negative)
	Budgeted Amounts Carried Forward from Prior Year	Original Budget	Final Budget			
Revenues:						
Charges for Services - Water	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 2,608,998	\$ -	\$ 108,998
Service and Entrance Fees	-	70,000	70,000	187,300	-	117,300
Miscellaneous Fees	-	16,000	16,000	24,470	-	8,470
Investment Income	-	14,000	14,000	31,944	-	17,944
Total Revenues	-	2,600,000	2,600,000	2,852,712	-	252,712
Expenditures:						
Current:						
Salaries and wages	-	567,900	567,900	548,715	-	19,185
Operations and maintenance	-	429,000	429,000	558,356	-	(129,356)
Professional fees	-	59,500	59,500	47,901	-	11,599
Office expenses	-	51,250	51,250	29,921	-	21,329
Employee and Pension Benefits	-	281,200	281,200	256,582	-	24,618
Capital Outlay	2,854,727	450,000	3,674,727	993,004	2,568,559	113,164
Debt Service	-	362,800	362,800	362,800	-	-
Principal	-	265,000	265,000	265,000	-	-
Interest	-	97,800	97,800	97,800	-	-
Total Expenditures	2,854,727	2,201,650	5,426,377	2,797,279	2,568,559	60,539
Excess of Revenues Over (Under) Expenditures	(2,854,727)	398,350	(2,826,377)	55,433	(2,568,559)	313,251
Other Financing Sources (Uses):						
Operating Transfers In (Out)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Budgetary Fund Balance	(2,854,727)	398,350	(2,826,377)	55,433	(2,568,559)	313,251
Other Budgetary Items:						
Budgeted Surplus	-	(398,350)	(398,350)	(398,350)	-	-
Use of Fund Balance - Capital	-	-	-	370,000	-	-
Prior Year Encumbrances	2,854,727	-	2,854,727	2,854,727	-	-
Total Other Budgetary Items	2,854,727	(398,350)	2,826,377	2,826,377	-	-
NET BUDGET	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See Notes to the Required Supplementary Information.

GRAFTON, MASSACHUSETTS WATER DISTRICT
Notes to Schedule of Revenues and Expenditures – Budget and Actual
For the Year Ended June 30, 2020

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Pursuant to the Massachusetts General Laws, the Water District adopts an annual budget for all of its Business-type Activities.

All portions of the annual budget are prepared under the direction of the Superintendent and Treasurer. The budget must be approved by the Water District's residents at the annual meeting.

The Statement of Revenues and Expenditures – Budgetary Basis (Non-GAAP) – Budget and Actual presented for the General Fund is displayed on the budgetary basis to provide a meaningful comparison of actual results with the budget.

	Operating and Non-Operating Revenues	Operating and Non-Operating Expenditures
Statement of Revenues, Expenditures and Changes in Net Position	\$ 2,872,712	\$ 2,653,719
<i>Adjustments:</i>		
Eliminate depreciation	-	(962,623)
Capital assets acquired through budgeted appropriations	-	-
Change in other post-employment benefit liability	-	(78,995)
Eliminate contributed capital	(20,000)	919,295
Principal payment of long-term debt	-	265,000
Change in accrued interest on long-term debt	-	883
Budgetary Basis	\$ 2,852,712	\$ 2,797,279

GRAFTON, MASSACHUSETTS WATER DISTRICT
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2020

Schedule of Changes in the Net OPEB Liability:

	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Total OPEB liability			
Service cost	\$ 37,664	\$ 24,533	\$ 20,681
Interest on net OPEB liability	15,487	18,211	18,271
Changes in Benefit terms	-	-	-
Changes in Assumptions	-	-	-
Difference between expected and actual experience	83,768	(55,541)	(59,693)
Benefit payments, including refunds of member contributions	-	-	-
Administrative expense	-	-	-
Net change in total OPEB liability	<u>136,919</u>	<u>(12,797)</u>	<u>(20,741)</u>
Total OPEB liability-beginning	442,490	455,287	476,028
Total OPEB liability-ending (a)	\$ 579,409	\$ 442,490	\$ 455,287
Plan fiduciary net position			
Net investment income	7,924	15,792	7,043
Employer contributions to Trust	50,000	50,000	100,000
Benefit payments, including refunds of member contributions	-	-	-
Administrative expense	-	-	-
Net change in plan fiduciary net position	<u>57,924</u>	<u>65,792</u>	<u>107,043</u>
Total fiduciary net position-beginning	251,152	185,360	78,317
Total fiduciary net position-ending (b)	\$ 309,076	\$ 251,152	\$ 185,360
District's net OPEB liability (a-b)	\$ 270,333	\$ 191,338	\$ 269,927

Note: These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

GRAFTON, MASSACHUSETTS WATER DISTRICT
 Required Supplementary Information
 Other Post Employment Benefit Plan Schedules
 For the Year Ended June 30, 2020

Schedule of Net OPEB Liability:

	6/30/2020	6/30/2019	6/30/2018
Total OPEB liability	\$ 579,409	\$ 442,490	\$ 455,287
Less: Plan fiduciary net position	(309,076)	(251,152)	(185,360)
District's Net OPEB liability	<u>\$ 270,333</u>	<u>\$ 191,338</u>	<u>\$ 269,927</u>
Plan fiduciary net position as a percentage of the total OPEB liability	53.3%	56.8%	40.7%
District's share of covered employee payroll	\$ 545,209	\$ 492,936	\$ 462,078
Participating employer net OPEB liability (asset) as a percentage of covered-employee payroll	49.6%	38.8%	58.4%

Schedule of Contributions:

	6/30/2020	6/30/2019	6/30/2018
Actuarially determined contribution	\$ -	\$ -	\$ -
Less: Contributions in relation to the actuarially determined contribution	(50,000)	(50,000)	(100,000)
Contribution deficiency (excess)	<u>\$ (50,000)</u>	<u>\$ (50,000)</u>	<u>\$ (100,000)</u>
District's share of covered employee payroll	\$ 545,209	\$ 492,936	\$ 462,078
Contributions percentage of covered-employee payroll	9.2%	10.1%	21.6%
Annual money-weighted rate of return net of investment expense	N/A	N/A	N/A

Note: These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

GRAFTON, MASSACHUSETTS WATER DISTRICT
 Required Supplementary Information
 Other Post Employment Benefit Plan Schedules
 For the Year Ended June 30, 2020

Schedule of Funding Progress:

Actuarial Reporting Date	Actuarial Fiduciary Net Position (A)		Actuarial Total OPEB Liability (B)		Actuarial Net OPEB Liability (B-A)		Actuarial Funded Ratio (A/B)	Actuarial Covered Payroll (C)	Actuarial Percentage of Covered Payroll ((B-A)/C)
6/30/2020	\$	309,076	\$	579,409	\$	270,333	53.3%	\$ 545,209	49.6%
6/30/2019	\$	251,152	\$	442,490	\$	191,338	56.8%	\$ 492,936	38.8%
6/30/2018	\$	185,360	\$	455,287	\$	269,927	40.7%	\$ 462,078	58.4%

Note: These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

SUPPLEMENTARY SCHEDULE

GRAFTON, MASSACHUSETTS WATER DISTRICT
SCHEDULE OF ACCOUNTS RECEIVABLE
JULY 1, 2019 TO JUNE 30, 2020

Accounts Receivable July 1, 2019	Accounts Receivable Per Detail June 30, 2020	Accounts Receivable June 30, 2020	Accounts Receivable Per Detail June 30, 2020
\$ 588,825	\$ 2,609,071	\$ 2,494,070	\$ 703,826
	-	-	-
\$ 4,568	-	-	\$ 4,568
19,545	-	-	19,545
2,492	-	1,210	1,282
\$ 26,605	-	1,210	\$ 25,395
			\$ 703,866

Water Rates

Betterments:
 North Street
 Stonebrook
 Cold Spring

**COMMONWEALTH OF MASSACHUSETTS
GRAFTON WATER DISTRICT
WARRANT**

Worcester, ss:

To the Clerk of the Grafton Water District, in the County of Worcester:

Greetings:

In the name of the Commonwealth of Massachusetts, you are directed to notify and warn the voters of the territory included within the boundaries of that Grafton Water District in the Town of Grafton, as established by Chapter 135 of the Acts of 1984 and amended by Chapter 427 of the Acts of 1987, to meet at the office of the Grafton Water District, 44 Millbury Street, Grafton, MA on Tuesday the 27th day of April 2021, at five thirty o'clock, p.m., to act on the following articles hereinafter mentioned.

Article 1. To see if the District will accept the Annual Report of the District Commissioners or take any action relative thereto.

Article 2. To see if the District will accept the Annual Report of the District Treasurer or take any action relative thereto.

Article 3. To see if the District will vote to appropriate from the income of the District and accept the sum of two million, two hundred thirty-eight thousand, fifty dollars and no cents (\$2,238,050.00) as the Fiscal 2022 budget as printed in the Annual Report or take any action relative thereto.

Article 4. To see if the District will vote to raise and appropriate, borrow or transfer from available sums in the treasury the sum of two hundred and fifty thousand dollars. (\$250,000.00) for the design and permitting of the Pigeon Hill steel storage tank and underground booster station replacement or take any action relative thereto.

Article 5. To see if the District will vote to appropriate from the income of the District fifteen thousand dollars (\$15,000) to hire an outside vender to perform a leak detection survey of the entire water distribution system or take any action relative thereto.

Article 6. To see if the District will vote to appropriate from the income of the District an additional seventy thousand dollars (\$70,000.00) as part of the replacement and transfer of water services as part of the Route 140 watermain replacement program from the old 10-inch cast iron water main to the 16-inch ductile iron water main or take any action relative thereto.

Article 7. To see if the District will appropriate from the income of the District the sum of twenty-five thousand dollars (\$25,000.00) for the replacement of backwash filter valves at the East Street treatment plant or take any action relative thereto.

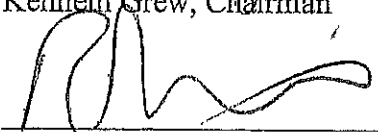
Article 8. To see if the District will vote to authorize the Treasurer, with the approval of the Board of Water Commissioners, to borrow in anticipation of revenue under MGL Chapter 44, Section 4, a sum or take any action relative thereto.

Article 9. To see if the District will vote to authorize the Board of Water Commissioners to make pre-payments against existing loans or take any action relative thereto.

And you are directed to serve the warrant by posting attested copies thereof in two or more public places in the territory of the Grafton Water District at least fourteen days before the time of said meeting.

Hereof fail not, and making do return of this warrant, with your doings thereon, to the Commissioners of the Grafton Water District before the opening of said meeting. Given under our hands this 8th day of April in the year two thousand and twenty.


Kenneth Grew, Chairman


Robert Frederico, Commissioner


Michael Corda, Commissioner

**Grafton Water District
Annual Budget**

	2020-2021 Budget	2021-2022 Proposal	Change
Maintenance & Operation			
Salaries	\$ 565,900	\$ 581,900	2.8%
Benefits	280,900	\$ 296,900	5.7%
Maintenance	246,500	\$ 331,500	34.5%
Utilities	130,000	\$ 130,000	0.0%
Chemicals	76,000	\$ 82,000	7.9%
Engineering Services	30,000	\$ 30,000	0.0%
Miscellaneous	2,750	\$ 2,750	0.0%
Sub Total	\$ 1,332,050	\$ 1,455,050	9.2%
Administrative Expenses			
Office & Supplies	\$ 41,500	\$ 41,500	0.0%
Insurance	20,000	\$ 22,000	10.0%
Accounting	8,000	\$ 9,500	18.8%
Legal	5,000	\$ 4,000	-20.0%
Officers Fee	3,500	\$ 3,500	0.0%
Moderator's Fee	300	\$ 300	0.0%
Treasurer's Fee	11,000	\$ 11,000	0.0%
Sub-Total	\$ 89,300	\$ 91,800	2.8%
Debt Service	\$ 362,200	\$ 366,200	1.09%
Capital			
Gen. System Improvements	\$ 325,000	\$ 325,000	0.0%
Vehicle	\$ -	\$ -	0.0%
Meters	50,000	0	-100.0%
Sub-Total	\$ 375,000	\$ 325,000	-13.3%
Total Expenditures	\$ 2,158,550	\$ 2,238,050	3.7%
Total Revenue(Anticipated)	\$ 2,570,000	\$ 2,810,000	9.3%

