

## Clerk's Report

The Annual Meeting of the Lynnfield Water District was held on April 12, 2017. At that meeting, the 2016 annual reports of the District officers were accepted as published. Richard H. Thorngren was elected moderator for a term of one year, and John K. Harrigan was elected to serve as Water Commissioner and as Treasurer, for terms of three years.

It was voted at the Annual Meeting to raise, transfer and appropriate the sum of \$1,855,770 for the fiscal year ending June 30, 2017, to cover the following projected expenses:

Maintenance & Operations	\$1,284,480
Salaries & Wages	\$ 359,633
Office Improvement and Renovations	\$ 152,000
Water Charges Incurred Fiscal Year '17	\$ 80,000
System Improvement and Repairs	\$ 50,000
Notes and Interest	\$ 65,000
Tank Repairs	\$ 40,000
Reserve Fund	\$ 15,000
OPEB Trust Fund	\$ 5,000
Total Voted	<u>\$1,855,770</u>

The above amount was funded as follows: \$832,660 from anticipated receipts; \$100,000 from Free Cash; \$152,000 from Land Sale Account; and \$43,000 from Office Improvement and Renovations Account. The balance of \$728,110 was to be raised in the tax levy.

Also at the Annual Meeting, the District approved the borrowing of \$1,000,000 to pay for the costs of purchasing a parcel of property and the construction of a new District office and garage facility to be located on such property. Negotiations for the subject property were subsequently unsuccessful.

Two special meetings of the District were held in 2016. On March 14, the District voted to authorize the borrowing of \$400,000 from the Massachusetts Water Resources Authority, to cover the cost of the Locust Street/Ingalls Terrace water main replacement project. On May 19, the District approved the sale of the \$400,000 bond associated with that project.

Ruth E. McMahon  
District Clerk

## Superintendent's Report

The Massachusetts Water Resources Authority supplied the District with 192,100,000 gallons of water in 2017.

The District continued to provide water to the City of Peabody through an emergency interconnection at Ward Terrace. The MWRA billed the City of Peabody directly for their water that passed through the District system.

**Distribution System.** Water is distributed through pipes sized at 2" through 12" consisting of 29 miles. The storage and delivery of water is from two above ground standpipes containing over two million gallons of water. Radio telemetry controls the pumping and storage to the system. The District has 118 commercial and 1,325 residential service connections.

**Maintenance & Projects.** During 2017, the District repaired six water main breaks, repaired a clogged water service, replaced a damaged hydrant, and cut and capped one water service to a building to be demolished. A large number of trees were removed from around the pump station and office. A leak detection survey was completed for the entire distribution system.

Work was completed on the following projects:

- Installation of new water mains on the Locust Street, Ingalls Terrace, and Lynnbrook Road. The project consisted of the replacement of approximately 1,850 feet of undersized, unlined 2, 6 and 8 inch cast iron water main with new 6 and 8 inch cement lined ductile iron water main. The project significantly strengthens the District's distribution system in that area, and ensures an adequate supply of water to our customers.
- Preparation of the Pump Station Energy Evaluation Project (funded by the Massachusetts Department of Energy Resources). As a result of the evaluation, the operation of the pumps was revised, resulting in a significant savings in energy costs. In addition, a request for grant funding for pump improvements was submitted to the MassDOER.
- Finalization of the Master Plan Update.

Work continued on the following projects:

- Preliminary design for the expansion of the existing office building.
- Construction of the new SCADA system.
- Cataloging and digitizing District plans, reports and data.

Work started on the following projects:

- Design of security screens for the windows at the pump station.
- Movement of paper cross connection data into electronic format.

The MWRA started the design of a new connection to the City of Peabody, which will be located within the District. The MWRA will be replacing some of the older, unlined District pipelines as part of the project.

James F. Finegan  
Superintendent



## Lynnfield Water District 2017 Annual Report

Board of Water Commissioners

Ruth E. McMahon, Chair  
John K. Harrigan, Treasurer  
Stephan F. Rondeau



## Commissioners' Report

The Board of Water Commissioners is pleased to present its report for the year ended December 31, 2017, the 93rd year of District operations.

The District strives for continual improvement of the water delivery system, and maintaining the high quality of water supplied to its residential and commercial customers. Information about the District's operations and improvement efforts in 2017 is detailed in the Superintendent's Report.

The District continues to participate in the MWRA Advisory Board, and works closely with the MWRA on projects affecting or involving our system.

Significantly this year, water consumption reverted to more typical demand levels, Consumption declined 8% compared to 2016, when the region was affected by drought conditions. The District continues to supplement the City of Peabody's water supply on a limited basis.

In accordance with its Bylaws, meetings of the Board of Water Commissioners are held on the 2<sup>nd</sup> Monday of each month. On an annual basis, the District holds a public hearing to discuss tax classification, and meets jointly with the Board of Selectmen to set certain salaries.

Additional information about the District can be found on its website, [www.lwdma.us](http://www.lwdma.us).

Ruth E. McMahon, Chair  
John K. Harrigan  
Stephan F. Rondeau, D.C.

Consolidated Balance Sheet		30-Jun-17
<b>ASSETS</b>		
Current Assets		
Total Checking/Savings		2,317,535
Other Current Assets		
Accounts Receivable		
Water Accounts Receivable		14,391
Misc Accounts Receivable		24,384
Kelly Jeep Reimbursements		3,412
Tax Lien Receivable		673
Tax Foreclosure		9,636
2017 Real Estate		5,159
Personal Property		21
Due From Commonwealth (DOER)		6,250
Total Accounts Receivable		63,926
Total Other Current Assets		63,926
Total Current Assets		2,381,461
Total Fixed Assets		5,661,846
<b>TOTAL ASSETS</b>		<b>8,043,307</b>
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
Other Current Liabilities		
Accounts Payable Year End Entry		2,936
Miscellaneous Liabilities		118
Levy Overlay		140,978
Security Deposit Payable		500
Total Other Current Liabilities		144,531
Total Current Liabilities		144,531
Long Term Liabilities		
Bond Payable		560,000
Total Long Term Liabilities		560,000
Total Liabilities		704,531
Equity		
Sys Imp & Rep Stabilization Fund		200,137
Invested Capita Assets Net Debt		5,101,846
OPEB Trust Fund Balance		30,046
Reserved System Development Acc		455,000
Reserved for Continued Approps		505,289
Retained Earnings (Surplus)		711,588
Stabilization Fund		26,410
Reserved for Subsequ Yr Expense		322,000
Net Income		-13,541
Total Equity		7,338,775
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>8,043,306</b>

Consolidated Profit & Loss		Jul '16 - Jun '17
Ordinary Income/Expense		
Income		
General Income		
Cross Connection Revenues		23,325
Fire Sprinkler Revenues		12,750
INTEREST ON LAND SALE ACCT		210
Interest Income		17,323
Miscellaneous		141
Payment in Lieu of Taxes (LIFE)		10,005
Rental		158,125
Water Revenue		804,816
Total General Income		1,026,695
Tax Levy		739,207
Total Income		1,765,902
Gross Profit		1,765,902
Expense		
Total All Salaries and Wages		332,570
Total General Expenses		1,056,121
Payroll Expenses		0
Total Expense		1,388,691
Net Ordinary Income		377,211
Other Income/Expense		
Other Expense		
Locust St, ET AL Project Borrow		190,304
Mapping & UDF SDC		1,200
MWRA Bond Principal Locust St		40,000
MWRA Bond Principal Summer St		25,000
Office Improvements		1,163
OPEB Trust Fund		5,000
SCADA System (New)		28,085
Sys Improvement & Repair Stabil		100,000
Total Other Expense		390,751
Net Other Income		-390,751
Net Income		-13,541