



Town of Carver, North Carver Water District Commission

APPROVED 3-13-17

Posted in accordance with the Provisions of M.G.L. Chapter 30A, Section 20B

Meeting minutes for February 28, 2017. The North Carver Water District Commissioners met, today, at the Carver Town Hall, meeting Room # 3, 108 Main Street, Carver, Massachusetts.

Attendees: Kevin Tracey, Chairman; William Sinclair, Commissioner; Stephen Romano, Commissioner

Also present: Marlene McCollem, Director of Planning and Community Development; Michael Milanoski (arrived at 6:00PM)

Meeting called to order at 5:02 PM, by Mr. Tracey

FY18 Draft Budget:

Ms. McCollem - This is the draft budget The numbers in red are the changes. The \$7,000 in CIP reserves is what was put aside for membranes. The CIP is Capital Improvement Plan. Mike Ohl will go over this with you; replacement costs, etc. It looks out 10 years. Every year you will get an idea of what's due. This way you will not fund major repairs under an operating budget. Your Operating budget should be things you do every year. I do not have a good handle on the Emergency numbers. Your capital plan will give us a better view for this and any emergency capital in the future. The Well Maintenance is listed as an operating line as it is typical an annual replacement. If there were the need to replace more than once in a year, it would then become a Capital Expense. The Total Operating is essentially the same as FY 17. Other Professional Services is used to pay our contractors which is why it is large. This may need revision as we finalize the Water Systems contract. Mr. Tracey – SWS may be taking care of the other water systems in town. We've become relatively stable for SWS; they know the work needed for us. Mr. Romano – Meadowbrook, town hall, police station, EMS and fire station are all handled by this system here. Mr. Romano – Where are your (Ms. McCollem's) expenses in this budget? Ms. McCollem - I am not

included in this. Mr. Tracey – Your indirect costs need to be included in this. The total costs that should come out of Indirect Costs are \$46,832. Ellen will be billing this board directly. Mr. Sinclair – How is the time being allocated in the Planning Department to do the billing? It is not in anyone's job description to do this. It is legislative upstairs. They are also not being compensated. At the last meeting, it was stated that they (Planning Department) were being compensated indirectly. From a budget standpoint, it doesn't work. If its not in their job description and we have an employee turnover, what happens? It still will not be in anyone's job description. Mr. Romano – The hours will vary. Mr. Sinclair – That is why it should be in Accounting and not in Planning. Last year, it went upstairs and it wasn't being handled properly so Planning took it over. Planning is doing a good job. We have outsourced the job by not paying for it. If we hire Steve Romano to do the billing, they will put a person on it and it will be in their job description. I know why its done the way it is, but it's not being allocated correctly. We are going to go to town meeting and say we are ok, but it's not showing the clear picture. The hours dedicated for the billing is extensive. Mr. Romano – How do you fix it? Mr. Sinclair – If the Planning Department is going to continue to do it, then we need to allocate for it. Ms. McCollem - This number is indirect – there is no change in anyone's salary. Go back to the May meeting, I made it clear that beginning June 30, the Planning Department was done with billing. For FY17 there is no NCWD expenses. It was all moved to Accounting. My budget does not include NCWD. I voluntarily took it back. It is mid fiscal year and we can't change it now. These numbers are telling you percentages of time allocated but you are not paying for it. Mr. Romano – So who gets the \$47,000? Ms. McCollem This number is backed into based on salary and % of time. It's still not in my job descriptions, budget, etc. Mr. Sinclair – if it's there, then it needs to be in the job description, we need to be accountable and not assume. We need to negotiate through the clerical union to add that piece as the clerical staff is union. Ms. McCollem my staff is cross trained, it needs to be across the department and not an individual position. Billing, invoices, etc. Mr. Romano- Why doesn't the union file a grievance? Mr. Sinclair – it's just always been. Mr. Romano – is the DPW in the legislation? Mr. Sinclair – I don't think it is. If we are going to be accountable for what we are spending, then this needs to fixed. Mr. Romano – If we change this it has to go through the legislation as it was created that way. Mr. Sinclair – Who dictates where it goes? Ms. McCollem it wasn't dictated; we took it on as we saw what was happening but feel we should be paid for that work. Mr. Sinclair –If it's going to be directed to a specific department, we make that decision - because if they are not accountable and incompetent to get our bills done then we need to outsource. Mr. Romano – When Jack was here, he didn't want all these people reporting to him. Jack was supposed to assume Board of Health, Conservation and Building. When they did all that, all the finance numbers change, everyone who assumed more received more. Mr. Sinclair – With the budget, if we are accountable, we need to fix it correctly. Now is a good time to do it. If we have to go to legislative, then we have to. Mr. Romano – This is more time consuming than you think. Mr. Sinclair – If we end up going to the Town Meeting asking for expansion, we need to report accurately.

6:00 – Mr. Milanoski entered the room.

Mr. Milanoski – What's the issue? Mr. Sinclair – The concern is with the administration costs. It's supposed to be upstairs with the tax collector's office but we don't allocate it correctly. Mr. Milanoski – What legislation piece? Mr. Sinclair – The funding part is right and we need to allocate correctly. If it needs to be in Planning, then... Mr. Romano – The NCWD was created with special legislation. Mr. Milanoski – You are an Enterprise Fund. A subset of the community that the community is liable for. You are supposed to pay all bills and collect all monies due. I haven't looked for individual responsibilities. There is a legal obligation to pay for any and all expenses. Mr. Sinclair – The people who are doing all our bills and paperwork should not be doing it. They are doing a great job but it shouldn't be there. There is no one defined to do that job in Planning. That time should be allocated. If it's not in their job description, why are they doing the work? If that department staffing changes, they are not part of us and no one has this in their job description. We are going to have to go back and ask for money for new well sources, now is a good time to fix it. Mr. Milanoski – So your saying that the legislation clearly states that the assessors / accounting pays all the bills, etc.? Mr. Sinclair – Yes. Mr. Milanoski – The Treasurer's office is doing some of it. I see an operating budget of \$275K. What is the revenue of your department? I currently have \$250K do we need to up it? Right now this argument is irrelevant as you are not self supported. The money never follows the staff person. Mr. Sinclair – If they are doing the work, it needs to be in the job description. When someone new comes on board, they know that this job is in their job description. Mr. Milanoski – In all job descriptions, it lists a "similar duties" line. Mr. Sinclair – How do we allocate for their time? In the indirect costs? Mr. Romano – Yes. Mr. Milanoski – There is a clause "any similar type uses" for other duties that need to be done. What is your objective? Mr. Sinclair – We need to be accountable for everything we spend. Mr. Milanoski – We don't fill out time cards which would only way to get data. Mr. Sinclair – I am not trying to cause issues; I just want to make sure that we are accountable. Just like to allocate time/\$ for Ellen, we need to be clear of the personnel we utilize for the NCWD. Mr. Milanoski – In the Planning Department, they are putting in 30% for Jill and 15 % for Ms. McCollem, then they are not being utilized for what they should be doing. I can increase the allocation and maybe increase the \$ amount on the budget. Mr. Sinclair – We need to do something to make sure their costs are accurate and accountable. The long term picture is that we are going to have to go bond for expansion in North Carver. Mr. Romano – Town Meeting 2014 notes. NCWD Enterprise fund – It request large \$ of \$335,592 which goes to operation of the NCWD It continues \$66,725 from estimated water receipts – Cranberry Village \$66000. It doesn't say individual department. Each of those amounts are dispersed as needed. Mr. Tracey – it's based off of budget. Mr. Sinclair – so we assume it gets taking care of? Mr. Milanoski – You are getting a deal with the percentages being charged back to you. The town is putting in more effort to support you guys. We need to budget one and a half times what we are doing then the town needs to subsidize this. Mr. Sinclair – The same as the town voted for a new school. Mr. Milanoski – No not the same thing. The town never agreed to put a penny into it. If you default, then the town will cover. You gave away town's protection by waving off betterments. You are bankrupt. Mr. Sinclair – So we should let the town take it over and let this board dissolve? Mr. Milanoski – We have been supporting you. Mr. Romano – Where we have indirect costs, what if positions and names are listed after it? Mr. Sinclair – I don't think it matters its still not accountable. Mr. Milanoski – its not a financial position, it goes in a general fund. Mr. Tracey – The only way to do this would be to hire an outside company. Mr. Sinclair – So, is this a realistic budget? Mr. Milanoski – No, your budget is low. Mr. Romano – we can't be realistic yet. We are just barely surviving without the debt. Mr. Milanoski – It becomes my problem as we are over-subsidizing you for the work to be done. Would you agree it's more than \$47000? Mr. Sinclair – Yes, but if we increase it then it becomes realistic. Mr. Milanoski – The opportunity lost is the staff isn't working on things they should be. If we put in a more realistic number, then you can not meet your operating costs. Mr. Milanoski – I would have no problem standing by these numbers. Mr. Tracey – Indirect Costs are hard to quantify. Mr. Tracey – Marlene, how far off would you estimate we are? Ms. McCollem – For me, you are pretty far off. Mr. Sinclair – It will require more time from Michael, Meg and the Planning Department. If it's not in the job description, how do we do that? Mr. Milanoski- That's not your job. It won't be done to the detail you want. Mr. Sinclair – For us, not knowing the responsible party bothers me. We need to be accountable for that. Mr. Milanoski – You have to make a decision in 30 min. as we are putting in the final budget

tonight to go to warrant. I am looking at your total operating budget – missing Debt Service and Indirect Costs. Which changes budget to 500,000+ budget – Now, what are you going to collect in receipts? Mr. Sinclair - Accountant should have estimate. Mr. Milanoski – How much are you billing? – Mr. Romano \$283,113. Mr. Sinclair – What is the realistic number to bring to Town Meeting? Mr. Milanoski - What was commitment that was voted? Mr. Tracey – July and Oct was combined and a single commitment in January. \$27709.80 (1y) Basically look at last 4 commitments and adjust accordingly. Mr. Tracey - We have to include Federal Reserves and Betterments and Diff Revenues. Mr. Milanoski – It appears you are not quite sure where you are at. I would like to ask you to vote to keep your budget that you did last year and we can figure out the rest after. Mr. Sinclair – Should we adjust for increase in expenses? Mr. Milanoski - You could add 2.5% for expenses as they will go up. Mr. Tracey – The nature of the Indirect Costs is difficult to follow.

Mr. Milanoski exited to attend another meeting.

Mr. Romano – You have to ask for each person that is doing work for us to keep track of it. Mr. Sinclair – If it's not allocated correctly, we won't have an accurate budget number. To estimate this number just to get a number to give to town meeting is something I am not comfortable with. Mr. Romano – The difference between is .07 or 7% of the budget. 7% of our entire budget is Indirect Costs and we don't know if it's accurate. Mr. Sinclair – We don't know who is responsible for the NCWD. Over the summer, the accounting department was not doing their job. Mr. Romano – We have to do something. Mr. Sinclair – We've had two meetings and should have started a little earlier. Mr. Tracey – I don't have a problem with the budget Marlene provided. I have requested the rest of the revenue numbers and did not hear back, so I have no idea what the revenue will look like. Mr. Romano – No one knows what their actual budget is going to look like. Mr. Tracey – I am guessing that revenue and expenses will be the same as last year. The one variable is whether or not Indian Head will bring in as much as Decas. Ms. McCollem - I do want to let you know that Indian Head is not paying their bills. They are getting billed monthly now but be careful with this contract. We sent out late notices today.

*Motion to accept Ms. McCollem estimate of \$275,107 as an operating budget with corrections, for NCWD. The town accountant will supply the town administrator with the debt service schedule: Mr. Romano
Second: Mr. Tracey
Approved: 2 Yes 1 No (Mr. Sinclair)*

Minutes: November 22, 2016, January 10, 2017 and February 14, 2017.

*Motion to approve minutes from November 22, 2016, as written: Mr. Sinclair
Second: Mr. Romano
Approved: Unanimous*

*Motion to approve minutes from January 10, 2017, as written: Mr. Sinclair
Second: Mr. Romano
Approved: Unanimous*

Motion to approve minutes from February 14, 2017, as written: Mr. Sinclair

Second: Mr. Romano

Approved: Unanimous

Bills Payable:

Ms. McCollem – The Verizon bill – We didn't get one month. When we got the next bill it had two month's worth of charges. Accounting wouldn't pay it with two months so we needed to request a copy of the previous bill. Accounting paid the current amount only and will pay past due upon receipt of duplicate invoice.

Motion was made to approve bills as submitted, \$3180.64 for North Carver Water District: Mr. Romano

Second: Mr. Sinclair

Approve: Unanimous

Correspondence:

- DEP is letting you know what your testing schedule will be.
- We have a statement for the bonds. These are listed as \$1,575,163.39 and \$2,711,504.
- We have an email for DECAS ramping down
- We have the statement from the auditors. What should we do with it? Mr. Tracey - We should send it back with a copy of the letter from K&P. Mr. Tracey will locate the letter. Ms. McCollem – Do you need to sign it or anything? Mr. Tracey – note that the information is incorrect because... see attached letter. Mr. Tracey will email the letter to Ms. McCollem.

Next meeting: *Has been set for March 13, 2017 at 5:00 PM*

Motion to approve meeting date of March 13, 2017: Mr. Romano

Second: Mr. Sinclair

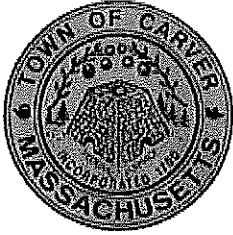
Approved: Unanimous

Meeting adjourned:

Motion to adjourn was made at 6:51 PM: Mr. Sinclair

Second: Mr. Romano

Approved: Unanimous



TOWN OF CARVER

North Carver Water District Commission

PUBLIC MEETING NOTICE

POSTED IN ACCORDANCE WITH THE PROVISIONS OF M.G.L. CHAPTER 30A, SECTION 20B

NORTH CARVER WATER DISTRICT COMMISSION

Tuesday, February 28, 2017

5:00 PM

Carver Town Hall Room #3

AGENDA

POSTED IN ACCORDANCE WITH THE PROVISIONS OF M.G.L. CHAPTER 30A, SECTION 20B

1. FY18 draft budget
2. Minutes: November 22, 2016, January 10 & February 14, 2017.
3. Bills Payable
4. Correspondence
5. Next meeting: March 13, 2017

