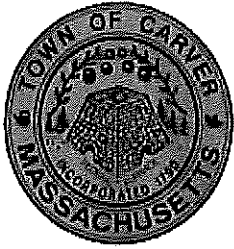


approved 1/13/2020



# TOWN OF CARVER

## North Carver Water District

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### North Carver Water District Minutes December 30, 2019

The North Carver Water District Commissioners met on December 30, 2019 at the Carver Town Hall, Meeting Room #3, 108 Main Street, Carver, MA. The meeting was opened by Mr. Kevin Tracey at 5:40pm.

**PRESENT:** Kevin Tracey, Chair; Stephen Romano, Commissioner.

**ALSO, PRESENT:** Craig Shoaf, Assistant to the Treasurer/Tax collector.

**NOT PRESENT:** William Sinclair.

#### 1. BUDGET FY21

The FY 21 budget was the only agenda item for the meeting. Mr. Romano asked how much of an impact the reduction in the Town side subsidy would have on the districts budget. Mr. Tracey replied that the Town subsidy would reduce by \$50,000.00 dollars. Additionally, there would be a reduction in the betterment income, due to payoffs of previous assessments, and also a reduction of the federal subsidy, due to a reduction in interest paid on the USDA loan. The impact on the District budget would be a total of \$55,102.00. The district has the option to increase revenue or cut expenses to cover the difference. Mr. Romano suggested an increase of 1.6% to the expense budget, which would be in line with the rate of inflation, an entirely reasonable request. A review of the FY19 budget indicated that the district finished the year with an unexpended balance of \$41,279.47. Additionally, the FY21 forecast for water revenue does not include the 5% increase that the district past at the start of the FY20, nor does it include the latest DIF figures. Also the district obtained a verbal agreement with the Town Administrator for the use of a portion of the districts retained earnings, that portion would be a calculation of the total retained earnings divided by the number of years left on the two USDA loans. The tail bond will drop off in FY21. Using rough math the district believes that by using water increases with retained earnings and updated DIF numbers we will increase revenue by \$25,000.00. Mr. Tracey suggested a level funded operations budget, based on the districts ability to consistently finish budgets with unexpended balances and anticipated FY21 revenue. Some adjustments will be needed for the electrical budget, the telephone budget, and the indirect costs. It was suggested

that the district could use the other professional services and the billing support to supplement those budget lines. Additionally, that if cuts are needed to the operational budget, the cuts could be applied to the other professional services or the reserve account. It should be noted that if the reserve account is cut, the district may not have the ability to respond to any budget crisis that may arise from any unanticipated expenditures, such as a water main break or a serious bacterial contamination of the water system. If any such issue should occur, the district is required to respond as a public health and safety issue regardless of any budget implications. As not all of the commission was present the chair deferred any vote on the FY21 budget until the next meeting. The meeting was adjourned at 6:22 pm on a motion by Mr. Romano and a second by Mr. Tracey, with a 2-0 vote.

Respectfully submitted by Kevin Tracey

Chair, North Carver Water District