

**CHERRY VALLEY SEWER DISTRICT  
&  
CHERRY VALLEY ROCHDALE WATER DISTRICT  
BOARD OF COMMISSIONERS' JOINT MEETING**

**VIRTUAL MEETING MINUTES  
December 1, 2020  
6:00 P.M.**

- I. CALL TO ORDER Chairman Bergin of CVRWD & Commissioner DellaCava of CVSD called the Virtual Joint Meeting to order with the following present:

Donald G. Manseau, Chairman - CVSD  
Kevin Bergin, Chairman - CVRWD  
Robert H. Lemieux Sr, Commissioner – CVSD & CVRWD  
Michael DellaCava, Commissioner – CVSD  
Arthur Levesque, Commissioner - CVWRD  
Benjamin J. Morris, Superintendent  
Jennifer Wood, Treasurer  
Cheryl Balkus, Recording Secretary  
Karen Spinelli, Auditor

Arthur Paquette - LCAC

II. FINANCE

A. **Auditors Presentation**

**CVSD Audit Review:** Presenter Karen Spinelli of Spinelli Accountants explains that the report consists of what Managements and the Auditors responsibilities are. The report is an unmodified clean opinion and there were no findings. Emphasis of matter is about the large losses that the organization has had and a large concern of the losses that CVSD has been having. Managements has reduced costs and have been working on other strategies including increase of rates, meetings with the Town Administrator, State Senators and Representatives which, yet, have not developed any resolutions.

The report is intended solely for the information and use of the Board of Sewer Commissioners and management of the CVSD and is not intended to be and should not be used by anyone other than these specified parties.

CVSD financial condition is not strong as June 30, 2020.

For years ended June 30, 2020

Total assets were \$6,033,293 and \$6,641,467 and Net assets were \$2,781,888 and \$3,138,434

Operating revenue for the years ended was \$619,522 and \$507.743

Changes in net assets were net losses of \$356,546 and \$518,086

The District's increase in operating revenue is due largely to a increase in sewer rates for the year.

Actual operating expenses were less than budgeted amounts by \$143,719 for the year ended June 30, 2020.

The financial report is designed to provide a general overview of the District's finances and demonstrate commitment to public accountability. If you have questions about this report or require additional information, contact the CVSD P.O. Box 138 Rochdale, Ma 01542.

Karen asks if there are any questions of the sewer side. Per Chairman Manseau he did not find anything out of order.

Per Commissioner Lemieux to be clear to the listeners that these audits are the standard accounting or normal to make sure that this is being done as a procedural basis, nothing to say that this is a forensic audit. It is not designed as forensic as it is more complicated. Testing is done by Spinelli and he wants to make sure of the listeners that this is a procedural audit of practices. There were no further questions.

Greg Buteau asked about page 9 and to comment to understand there is about \$510,000 of betterments to be received. Long term CVSD still must pay \$2,440,000. and that the amount, of betterments to come in will not pay the long-term debt. Greg asks if there are two service agreements. Per Treasurer Wood there is one service agreement. The way it is read in this audit implies that there are 2 service agreements. Karen will review to reword. Past audits it has always read the same.

Caller Frank asked where one can get access to this information. Per Treasurer Wood he may request via email or if has any further questions can be done at a meeting, email, call the office, or come into the office.

Chairman Manseau motions to accept the draft, seconded by Commissioner Lemieux. All in favor. Approved.

- III. CVSD ADJOURNMENT – Chairman Manseau motions to end the CVSD Joint Meeting @ 6:35 pm. Seconded by Commissioner DellaCava. All in favor. Approved.

**CVRWD Audit Review:**

Presenter Karen Spinelli of Spinelli Accountants explains that the report consists of what Managements and the Auditors responsibilities are. The report is an unmodified clean opinion and there were no findings.

**Financial Highlights:**

Managements believes the District's financial condition is strong

As of June 30, 2020 and 2019

Total assets were \$5,113,165 and \$5,103,977

Net assets were \$3,510,054 and \$3,407,924

Operating revenue WAS \$1,314,503 and \$1,490,457

Change in net assets were a net profit of \$102,130 and \$303,026

The decrease on operating revenue is primarily due to a decrease in the water rates and usage in the current year.

Actual operating expenses were less than budgeted amounts by \$144,095 for the year ended June 30, 2020.

The financial report is designed to provide a general overview of the District's finances and demonstrate commitment to public accountability. If you have questions about this report or require additional information, contact the CVRWD P.O. Box 138 Rochdale, Ma 01542.

Chairman Bergin asks the CVRWD Commissioners if any questions. Commissioners Levesque & Lemieux does not and the CVSD Board had no questions.

Listening Audience: Greg Buteau, page 10 operating expenses Rent \$31,000 is a wrong description – going to be changed repair.

Page 12 what is the adoption of new accounting standard? Per Karen of Spinelli, AICPA they came out with this and starting with this year audits needs to be adopted. This is not something new and that was out before.

Per Chairman Bergin we only have one agreement and page 19 reflects this and will be corrected on the sewer side.

CVRWD Communications Report: No material weakness found

Matter of improvement would be fixed assets has a capitalized and suggest a stronger knowledge of this for books and records. Per Treasurer Wood we can and will incorporate.

Per Chairman Bergin enters a motion to accept the draft with the changes being noted

Commissioner Levesque motioned to accept the draft, seconded by Chairman Bergin. All in favor. Approved.

ADJOURNMENT- Commissioner Levesque motioned to adjourn the meeting. Seconded by Commissioner Lemieux. All in Favor. Approved. Meeting adjourned at 7:01 P.M.