

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

**VIRTUAL MEETING MINUTES
February 1, 2022
6:30 P.M.**

- I. CALL TO ORDER Chairman Bergin of CVRWD & Commissioner Lemieux 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 - CVRWD
Benjamin J. Morris, Superintendent
Jennifer Wood, Treasurer
Cheryl Balkus, Recording Secretary
Karen Spinelli, Auditor Spinelli CPA, PC
Eva Akese, Auditor Spinelli CPA, PC
Arthur Paquette – LCAC

II. Administration

A. **Auditors Presentation**

- i. **CVRWD Audit Financial Statement** – The independent auditors' report completed by Spinelli CPA, PC. They audited the accompanying statement of governmental activities of Cherry Valley and Rochdale Water District as of and for the years ended June 30, 2021 and 2020.

The district's management is responsible for the preparation and fair presentations of the financial statements in accordance with accounting principles generally accepted in the United States of America.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Auditors Opinions: The financial statements present fairly, in all material respects, the respective financial and changes in net assets were applicable, cash flows ended in accordance with accounting principles.

They encountered no significant difficulties in dealing with management relating to the performance of the audit and there were no uncorrected misstatements.

Per Commissioner Lemieux for the listening audience that this is for the bookkeeping and accounting practices. It is not a deep dive of a forensic audit. It is not any kind of criminal activity. Years past there were calls for audits and some may misunderstand the scope of what this audit is. Karen confirmed that this is not to identify fraud and to do this the costs would be astronomical to the

budget. There were no further questions from the board and the listening audience. Commissioner Levesque motioned to accept the draft, seconded by Chairman Bergin. All in favor. Approved.

- ii. **CVSD Audit Financial Statement** - The independent auditors' report completed by Spinelli CPA, PC. They audited the accompanying statement of governmental activities of Cherry Valley Sewer District as of and for the years ended June 30, 2021 and 2020.

The district's management is responsible for the preparation and fair presentations of the financial statements in accordance with accounting principles generally accepted in the United States of America.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Auditors Opinions: The financial statements present fairly, in all material respects, the respective financial and changes in net assets were applicable, cash flows ended in accordance with accounting principles.

They encountered no significant difficulties in dealing with management relating to the performance of the audit and there were no uncorrected misstatements.

Long term debt decrease, \$187,000.00 due to payments, total net assets increased approximately \$4,000

There were no questions or comments from either of the board members.

Nonsubscriber Buteau commented last year there was a paragraph of opinions and matters. Basically, expressed concern if sewer district was going to be a growing concern. Per Karen of Spinelli due to the rate increase resolved the issues with the changes and increases brought it up to bring it into the positive. Part of this from prior year was because there were issues and if continued. Now that it has showing positive it is not a concern. Per Commissioner Lemieux the office and the field went out of their ways to go outside of the box for last few years to make a positive impact also and not just the rate increase. Buteau was also in agreement with this comment from Commissioner Lemieux. Auditors do not feel that there is a concern at this moment and time with the way the organization is moving. Commissioner Lemieux motioned to accept the draft, seconded by Chairman Manseau. All in favor. Approved.

B. **Town Wide Study Update**

Per Superintendent Morris the final presentation of the town wide study was completed he did not know if each of the Boards had anything that they would want to submit, have questions or concerns from Weston & Sampson.

Commissioner Lemieux asked would it be prudent to take a vote on what the commissioners take as a group? He was originally not a real supporter of spending state and federal money on a firm that he thought we could have done as a group and then realized and glad we did it and why. Looking at the choices does not see any other way we can scale our sewer organization to spread out the individual expenses and consolidation. He would not want to privatize; long term recommends getting into a town wide entity because it is a community wide issue. Town wide, to share expenses and make it more attractive to others moving in. Per Chairman Bergin the Town Administrator mentioned as individual rate districts while their current level of debt exists

and sometime in the future have a combined hybrid rate or if not then one rate for all. If the town did take over the town can grant taxation of the districts that are not covered by water and sewer and that *correction per Chairman Bergin* ~~this was~~ *correction per Chairman Bergin* not mentioned in the study.

Per Chairman Manseau cannot see the town getting everything together to much fighting between the older people, the younger people and does not see it happening but hopefully would like to see if happens.

Per Commissioner DellaCava we should think about combining CVRWD & CVSD as one and not in two. He does not believe it will be accepted and spread the rates across the entire town. He would like a vote to see if the town will approve to combine CVRWD & CVSD.

Per Chairman Bergin do we decide as all districts to proceed or should the town shepherd this in seeing the bigger picture.

Per Commissioner DellaCava feels as being separate from the town to take upon ourselves and get it on a town ballot.

Per Commissioner Levesque we should be as a unified water district. It will bring it closer as opposed to going to the annual meetings looking for funds. It 's too much. People who run the water and sewer districts must be licensed you can't just pull someone from anywhere to the work.

Per Chairman Bergin it will involve an immense amount of work that will not happen overnight and how do we legitimately do this. Does not know town wide unified per DPW will work maybe merge a couple of the districts that will involve legislation.

Example 1 wallet 1 vote did not work out and thinks more frustrations.

Since we have diverse comments perhaps, we may need to ask of this to each of the boards members to determine moving forward.

Per subscriber Buteau, there was a September meeting with slides of financials with how it would impact water/sewer users and it was omitted from the final report. In his opinion they did not fairly report the sewer districts. As for Moose hill the town does not have the money for this project, the report does not layout how this would all happen and does not agree with a massive DPW. Perhaps put all the water districts together and put the sewer districts together.

There were no additional comments from the listening audience. Per Chairman Bergin the takeaway is to have a question at our annual meetings because it is not up to the commissioners it is up to the subscribers.

- III. CVSD ADJOURMENT – Chairman DellaCava motions to end the CVSD Joint Meeting @ 8:00 pm. Seconded by Commissioner Lemieux. All in favor. Approved.
- IV. District Member Forum – There were no questions or comments from the commissioners or the listening audience. Commissioner Levesque motions to end forum. Chairman Bergin seconds. All in favor. The forum ends in 1 minute 48 seconds.
- V. Approve Minutes
 - A. January 4, 2022 Commissioner Levesque motions to approve the January 4, 2022 minutes, Chairman Bergin seconds. All in favor approved.
- VI. Finance
 - A. Approve January 10, 2022 Warrants - Commissioner Lemieux motions to approve the January 10, 2022 warrants. Commissioner Levesque seconds. All in favor. Approved.

- B. Approve January 17, 2022 Warrants - Commissioner Levesque motions to approve the January 17, 2022 warrants. Chairman Bergin seconds. All in favor. Approved.
- C. Approve January 24, 2022 Warrants – Commissioner Lemieux motions to approve the January 24, 2022 warrants. Chairman Bergin seconds. All in favor. Approved.
- D. Approve January 31, 2022 Warrants Commissioner Levesque motions to approve the January 31, 2022 warrants. Chairman Bergin seconds. All in favor. Approved.

Commissioner Lemieux asked about warrant, 5542 Deer Pond Auto in the amount of \$816.00. Per the Superintendent this is for a bill that they sent us for a Leicester repair. We stopped payment with proper documents sent to Leicester water.

Commissioner Lemieux asked about Ck 2628 \$2,152.10. Per the Superintendent one of trucks was taken in for a flat tire, the tires needed to be replaced, there was a blown rear axle seal and seized caliper. This was the truck we put the aluminum flat bed on. The truck is a 2006 with approximately 120,000 miles. When not in use it is parked inside of the garage.

Total amount of warrants \$91,076.93

- E. January Bank Transfer - Commissioner Levesque motions to move to the sewer funds from the water \$50,770.58. Seconded by Chairman Bergin. All in favor. Approved.

VII. Communications

- A. 1-12-22 12-month payment plan request – needed to pass over. Commissioner Levesque motioned to pass over. Seconded by Chairman Bergin. All in favor. Approved.

VIII. Operations Report

Superintendent Report – we have been working with frozen water meters, making calls to these customers to heat up the area to stop the codes and staff going out to the properties to listen or look for leaks. As things warm up this could change.

Energy audit - Mass Save came they took 2 years of fuel and electric bills. Our heating system is outdated. With geothermal they did not believe it would not be cost effective, There are two other systems available a garage propane fired infrared and electric in the office and pump station. We are waiting for information regarding costs.

Grindstone well – Tata & Howard received shop drawings. We are waiting for delivery dates from their vendors. Tata & Howard to reach out to Baystate. A preconstruction meeting pending with them waiting for them to hear back from their vendors.

Treasurer Wood and the Superintendent have been working on FY 23 budget and to have for the next meeting.

Rates looking at a light reduction in the user rates.

- IX. Date of next meeting February 15, 2022. Commissioner Lemieux motions to have the a Hybrid meeting at the Town Hall. Seconded by Chairman Bergin at 7:00 pm. All in favor. Approved.
- X. Adjournment – Commissioner Lemieux motions to adjourn. Seconded by Commissioner Levesque. All in favor. Approved. The meeting ended at 8:22 pm.