

**WAYLAND WASTEWATER MANAGEMENT DISTRICT COMMISSION
MEETING OF 13 JULY 2016**

In Attendance: Fred Knight, Rick Greene, Sam Potter, Jane Capasso

Absent: All Present

Guests: Mark Abrahams & Matt Abrahams (The Abrahams Group)

Meeting Location: 7:30 Wayland Town Building

MINUTES

Note: Items may not be discussed in the order listed or at the specific time. Times are approximate.

7:30 1. Call to order

7:31 2. Public comment - None.

7:31 3. Discussion with Mark Abrahams concerning contract to provide validation of long-term betterment finances and a Balance Sheet and Income Statement for operations.

Mark: The information presented tonight is a draft. A lot of the information was received from Cindy today on reconciling the old betterment numbers. He is waiting for input from Brian Keveny and Zoe Pierce. Mark is hoping Zoe will be able to validate the numbers over the next two weeks. The delay is due to the fiscal year closing.

Review of the Trial Balance, which is a list of Wastewater's accounts: Fixed assets are not part of the Munis system. Brian Keveny keeps track of the fixed assets separately, which includes design, construction costs, serviceable assets and equipment bought.

The Balance Sheet is a snapshot in time, based on a particular date.

- Municipal accounting does not have a "Cash" account. Instead the Due from/to Other Funds account is used as cash. Sam: Can we change this account to Cash for our purposes?
- Since Massachusetts is a cash basis system, revenue is not booked until received. Total Fund Balance is WW's cash on hand. The \$1,327,921 is operations and betterments. Sam: What piece of this can be used for paying off operations and paying off betterments? Mark is discussing this with Brian Keveny as well as what the restrictions are on the PILOB \$500,671.
- Betterments taken out total \$5,600,000 less \$600,000 in surcharge payments (from 2010-2012 received prior to the building of the plant and betterment assessment) less the PILOB \$500,671 resulting in \$4,499,329 to be apportioned for the betterment. Wastewater would like to see the betterments and PILOB's broken out separately, the balance of the liabilities in respect to bond payments and what cash is available to pay the bonds. Overall Sam would like to know WW's cash position to pay off liabilities in the long and short term.
- Mark's analysis of the old betterment found \$44,000 more had been received by WW.
- Sam: WW spent approximately \$325,000 less than they borrowed for the new Treatment Plant. How and what can we spend this money on? Mark: Any money remaining from the capital project account goes into a capital project

fund. This money can only be used for capital items exceeding \$10,000 and cannot be used to pay back the bonds. Interest cannot be earned on borrowed money. Mark: Massachusetts law states: if the balance is less than \$1,000 you can apply it to the principal. Greater than \$1,000 the money is transferred to another town capital project. Sam: Can The Town of Wayland borrow the \$325,000 from WW the next time they need money and pay us back for the money over time?

- Does Wayland require the betterment/lien get paid at the time a property is sold? The betterment/lien stays with the property.
- Mark: WW's betterment debt service (what is paid to the bank) versus the apportionment of payments over 5, 10, 15 and 20 years for the principal and interest will be approximately \$1,800,000 deficient over the period FY2017 to FY2031. Rick: WW has the PILOB \$500,671, surcharge payments in reserve \$600,000, the FY2016 reserve from revenue and expenses \$56,000 and the \$44,000 Mark found from the old betterment. Sam questioned whether these accounts should be a lower number since Treasury has been using the accounts. Mark will confirm this with Cindy Cincotta.
- Fred: Mark and Sam will talk about small modification to the Balance sheet. More detail is needed on the betterments and paying them off.
- Mark would like the board to make a list of questions. He will update the numbers with the information received from Cindy today and he will obtain more information from Zoe and Brian. Mark will find out if the \$325,000 in excess borrowings is in the capital project fund and how we can use this.
- For the next meeting: Sam: would like the Balance Sheet put into a more understandable format and have the betterment money separated from operations. Mark will work with Jane and Brian to change accounts in MUNIS to make it clearer and easier to record expenses.

9:30 4 Discussion of draft revision of WWMDR Rules and Regulations, specifically the modification of section on connections and alterations. No discussion.

9:32 5. Further discussion of what to do with 820 gpd of design flow, including potential meetings with Board of Selectmen, the status of payments and land transfer for the 380 gpd unused by Wayland Commons.

Sam and the Selectmen have been working on a draft agreement between Wastewater and Wayland Meadows for the 820 gpd. The Library is waiting for partial reimbursement from the state (maybe 45%) to help pay to connect to WW's sewer system. The library is considering another location and may not need the gpd. Nan spoke with the Selectmen and payment would be in 6 months for \$56,000 for 380 gpd. Sam will discuss this with Mark Lanza and include the payment terms in the draft agreement with Wayland Meadows.

9:42 6. Approve minutes from previous meetings – The June 15, 2016 minutes were approved by all. Jane will make two changes from Rick and post the minutes.

9:45 7. NPDES Permit renewal, OARS monitoring, and other monitoring

The OARS Water Quality Monitoring Program Final Report: 2015 Field Season was received on July 11, 2016.

- 9:50 8. Pay Bills, Monthly budget update, year-to-date finances and signing monthly commitments. Update on collection of \$3,590.42 from Brendon Homes for the reserved capacity for the 42 Lillian Way units.

Bills signed by Fred in advance of the meeting due to year-end deadlines: Abrahams Group \$3,000, Direct Energy \$27.59, Eversource \$173.02, Eversource \$3,094.88, National Grid \$34.80, National Grid \$10.33, Verizon \$55.07, Verizon \$43.94, WhiteWater \$2,879.75 Totaling \$9,319.38. Board approved the bills and signed the monthly commitment letter.

Brendon Homes received a detailed letter explaining the outstanding balance of \$3,590.42. Jane is talking with the Town Treasurer to include this with a final sign-off letter for Brendon Homes to ensure payment. Waiting for Leslie Carey to respond to the detailed letter.

- 10:02 9.. Topics not reasonably anticipated by chair 48 hours in advance of the meeting, if any.

No Discussion.

- 10:03 10. Website status: Recent postings and organization. Chair notes a request to organize the site better. No discussion.

- 10:05 11. Calendar: Upcoming meetings and events, including hearings.

Due to conflicts with vacations in August, the Board will email their availability and the best meeting date will be decided for either August 10 or 17, 2016?

- 10:11 12. Public Comment. None

- 10:12 13. Adjourn