

Edward Farrar Utility District
October 14, 2020
Minutes

Present:

Commissioners: P.H. Flanders, L. Sayah, C. Parks, R. Finucane, N. Sherman all by Zoom,
W. Shepeluk, B. Woodruff, K. Petrovic staff

Public: A. Johnson RW; W. Opuszynski

Chairperson Flanders called the meeting to order at 4:30 p.m.

Public: no comment

Consider Modification to the agenda: W. Shepeluk requested time at the end of the meeting to discuss a UDAG request. Agenda approved with additional item added.

Discussion on word on signs for watershed: W. Opuszynski spoke to the Commissioners about his experience as the District 4 Forest Recreation Specialist for the State of Vermont FPR. W. Opuszynski provided a visual image of the recreation currently happening in the watershed with the use of a website <https://www.strava.com/heatmap#14.83/-72.66716/44.41193/hot/ride>
The State of Vermont is working now to improve and install new signs on their sites. No action was taken to draft signs for the watershed but all parties agree activities in the area are heavy and signage is necessary

Commissioners agreed to move discussion of Audit reports to a later time to allow the PWD to leave

Discussion on existing water and sewer rates and ANR new rules for design flows for water supply and waste water: W. Shepeluk gave an overview of the history of allocation and base rates to the Commissioners and how they currently apply to Commercial and Residential customers which was a segue to how the newest supply rules from April 2019 are complicating his ability to assign allocations now. Commissioners are in agreement to explore revised allocations applied to all connections on the EFUD system and make a determination about an updated fee structure.

Briefing on draft Waste Water Discharge permit: There is no update at this time, EFUD has not been made aware it's out for public comment yet.

Consider draft or proposed new sewer ordinance: The Commissioners had been sent a DRAFT copy of a revised Sewer Ordinance drafted by A. Tuscany. Positive feedback for his work, C. Parks will be sending some internal comments back in the document. N. Sherman requested some additional time to study the document. Consensus that a new ordinance can be adopted by the end of the year.

Brief update on projects in design & oral monthly report by PWD: *see report

The Route 100 water line project will not be continued due to budgeting.

During the Main Street Reconstruction project, a 6" water line on Stowe Street has been uncovered as weak and in need of replacement. Staff and Commissioners agree it would be a detriment to leave this line in place knowing a repair is imminent and repaving this area is part of the Main Street Project.

Briefing on Annual Audit Results: EFUD maintains 6 funds in its chart of accounts. They are:
General Property Maintenance Fund
Water Fund
Sewer Fund
Community Development Block Grant Fund
UDAG Fund
Utility Capital Reserve Fund

While it is appropriate for EFUD to account for its financial activities this way, the auditors using Generally Accepted Accounting Principles recognize only 3 Funds, the Water, Sewer and CDBG Funds besides the General Fund. The General Fund includes the General Property Maintenance Fund, the UDAG Fund and the Utility Capital Reserve Funds.

W. Shepeluk reviewed several staple points in the report. He pointed out auditors findings that included a material weakness in the financial statements. Elements of standard accounting including reconciling capital expenditures, pension liabilities, accumulated depreciation, among others have not been posted in a timely manner by EFUD's accounting staff. Shepeluk pointed out that the municipal bookkeeper has not routinely posted the transactions in question over the course of his tenure here. The process has been "tightened" significantly over time and he will continue to work with the auditing firm and the staff to insure compliance with all accounting standards applicable to a municipality such as EFUD.

Discussion on 2021 Employee Health Insurance: W. Shepeluk recommended a 3% increase to Health Insurance benefits for the 2021 budget and an increase for employees that opt out of coverage to \$125/month. **N. Sherman made a motion to approve the Manager's recommendation of a 3% increase to health insurance benefits beginning in 2021 and an increase to \$125.00/month for employees opting not to use the offered benefit. L. Sayah seconded the motion; a vote was held and passed unanimously.**

UDAG request: W. Shepeluk has received an email from Jason Wolff representing Perry Hill Partners, LLC requesting consideration to borrow additional UDAG funds. W. Shepeluk provided the Commissioners with current account balances, there are currently funds available in the amount of \$500,000. W. Shepeluk explained to the Commissioners he is not looking for a decision now but whether they would be interested in considering this request. There are no other requests to borrow at this time. The Commissioners agreed to consider a new loan W. Shepeluk will update them at the next meeting.

Minutes: L. Sayah made a motion to approve the minutes of September 9, 2020 as written. R. Finucane seconded the motion; a vote was held and passed unanimously.

P. Flanders made a motion to adjourn, motion was seconded and passed unanimously.

The next meeting of the Edward Farrar Utility District is scheduled to be held on November 11, 2020