

Varick Town Board

April 29, 2010

The special joint meeting of the Varick Town Board and the Romulus Town Board was called to order by Deputy Supervisor Richard Peterson and Supervisor Dave Kaiser at 6:00 p.m. Present were Council members Kathy Russo, John Saeli, and Peter McDonald of the Varick Town Board with Supervisor Robert Hayssen arriving at 6:30 and Supervisor David Kaiser and Council Members Robert Gerlach, Ralph Walborn, Jr. Kyle Collinworth Sr., and Barbara McCall of the Town of Romulus board. Also present were Varick Town Clerk, Donna Karlsen, Varick Town Attorney, John Sipos, Varick Bookkeeper, Carol Sipos, and Town of Romulus Bookkeeper, Mary Farnsworth.

Peter McDonald stated the purpose of this meeting was to acknowledge that prior agreements between Varick Water District No. 1 and Varick Sewer District No. 1 and the Town of Romulus have been dissolved and to separate these districts' funds from the Town of Romulus accounts. Future maintenance and reading of meters is also now the responsibility of the Town of Varick for these two districts. It was the general consensus of the two boards that we move forward.

It was reported that there are sixty units in the Varick Water/Sewer District No. 1 and eighty-two units in Romulus' district. Mr. Kaiser and Mrs. Farnsworth reported that there are three separate balance sheets and bank accounts as follows, one for active revenue and expenses, one to reflect Varick payments and one to reflect Romulus payments. Peter McDonald reported that he did not receive copies of these accounts and Mary Farnsworth agreed to provide them to him.

Peter McDonald asked both boards to present a motion acknowledging any prior agreements pertaining to Varick Water District No. 1 and Varick Sewer District No. 1 have been dissolved effective December 31, 2009.

A discussion was held regarding payments and transactions that the Town of Romulus proceeded to do after January 1, 2010. The Town of Varick Bookkeeper, Mrs. Sipos reported that the Varick Town Board developed and adopted a 2010 budget for these two districts, but have been unable to pay any bills from it as the Town of Romulus has not turned over these districts' funds. The Town of Romulus' Bookkeeper, Mary Farnsworth questioned how the 2010 AUD would be completed since they took money in and paid bills since the beginning of the year on behalf of these two districts. It was determined that the State Comptroller should be contacted to see how they would want this done.

A motion by Peter McDonald, seconded by Richard Peterson and so carried unanimously to acknowledge that any prior Varick Water and Sewer District No. 1 Agreements with the Town of Romulus were dissolved effective December 31, 2009.

A motion by Robert Gerlach, seconded by David Kaiser and so carried unanimously to end joint contracts regarding Varick Water District No. 1 and Varick Sewer District No. 1 effective December 31, 2009.

A breakdown of expenditures and revenues from 2002 to 2010 were presented by Mrs. Farnsworth and their calculations as to what they feel the Town of Varick's share of fund

balance should be. There are abstracts that explain the expenses which are noted on this sheet filed at the Town of Romulus. The Town of Romulus is prepared to transfer our share of the funds balance or \$13,245.74 as reflected in their figures into a Town of Varick account on April 30.

A motion by Peter McDonald, seconded by Kathy Russo to direct the Town of Romulus to transfer \$13,245.74, which represents the Town of Romulus' calculated fund balance due to the Varick Water District No. 1 into a Town of Varick account Friday, April 30.

Discussion: Mr. McDonald noted that there are some questions regarding expenses that were paid and he would like the Varick Board be given the opportunity to review the vouchers that coincide with these expenses listed and to review the copy of the accounts Mrs. Farnsworth is to provide before the board agrees to accept the figures presented by the Town of Romulus as final.

Mr. Saeli asked the Romulus board members to consider adjusting the Varick's portion of expenses noting that Romulus has more units and collects a larger share of revenue, but splits the expenses 50/50. Mr. Kaiser referred to the prior agreement which stated this was how expenditures were to be done and Mr. Sipos agreed. Mr. Kaiser said that we can look at changing that if and when a new agreement is developed.

After discussion the original motion was revised as follows:

WHEREAS: The Town of Romulus provided a breakdown of expenses and revenues for the years of 2002 to April 29, 2010 according to their abstracts and accounting sheets for Varick Water District No. 1 and Romulus' Water District,

BE IT RESOLVED, that the Town of Romulus is directed to transfer \$13,245.74, which represents the Town of Romulus' calculated fund balance due to the Varick Water District No. 1 into a Town of Varick account Friday, April 30.

BE IT FURTHER RESOLVED, that The Town of Varick board will be given the opportunity to review the bank registers and abstracts thoroughly over a 60 day period. If no issue is challenged, the Town of Varick board will accept the fund balance as determined by the Town of Romulus as being accurate, and,

BE IT FURTHER RESOLVED, if an issue is found and cannot be resolved within the 60 day time frame, it can be carried forward.

Motion By: Peter McDonald
Seconded By: Kathy Russo

Roll Call:
Peter McDonald Yes
Kathy Russo Yes
John Saeli Yes
Richard Peterson Yes

Robert Hayssen: Absent
So Carried

A motion by David Kaiser, seconded by Robert Gerlach to allow the Town of Varick board 60 days to review abstracts and registers and if the Varick board finds items that require further review and discussion, the Town of Romulus board is willing to discuss and come to a resolution regarding these items and if these items cannot be resolved within the 60 day time limit, they can be carried forward.

Motion: Supervisor Kaiser
Seconded by: Councilman Gerlach

Roll Call:
Councilman Walborn: No
Councilman Gerlach Yes
Councilman Collinsworth No
Councilwoman McCall Yes
Councilman Kaiser Yes
So Carried

Peter McDonald noted that the Town of Varick will do the billing for Varick Water and Sewer District No. 1 as the agreements were dissolved as of December 31, 2009.

Mary Farnsworth questioned how the Town of Romulus was going to pay the County water and sewer bill now that the districts are separate, but the county's bill is not. Mrs. Farnsworth estimated the bill around \$16,000 which is due May 15. Mr. Kaiser stated that the Town of Romulus knows what their water meter readings are and Mrs. Farnsworth informed him we also have the Town of Varick's readings as well, as they were read at the same time as Romulus'. Discussion took place regarding water loss and how it should be figured. It was determined that any water line break in the Town of Romulus, would be the responsibility of the Town of Romulus to repair and absorb the cost. An example given would be a break that may occur in front of the school. Mr. Hayssen recommended that since both districts run along the line on Cayuga Street and Seneca Street, any maintenance on the main line could be split equally. Mr. Kaiser indicated that they might need to collect something to cover their maintenance on their line which brings water into Varick Water District No. 1.

A discussion took place regarding Varick's first quarter billing for 2010 and Mrs. Farnsworth is to provide the last quarter meter readings to Varick so they can move forward doing their own billings. Mrs. Farnsworth reiterated that the first quarter bills are ready to be sent and she would be willing to put a sticker on them changing the remittance address to the Town of Varick, Bookkeeper, 4782, Route 96, Romulus and change the due date to the end of May. She will also provide a list of what is owed to Carol Sipos. It was approved by both boards to have Mrs. Farnsworth change the remittance and due date on the bills for Varick Water District No. 1 and mail them. Mrs. Farnsworth indicated she thought she could have them mailed by Friday, April 30.

Mr. Hayssen indicated that he had asked Romulus to give us a price to do the billing, collection and deposit of payments into a Varick account via email and when he didn't receive any figures from Romulus, suggested using an agreement that was proposed by them in September 2002, but again never received a response from the Romulus board. Mr. Kaiser and Mrs. Farnsworth stated they never saw his emails. Mr. Hayssen stated that Varick board would still be interested in the Town of Romulus doing the billing, collection and depositing of funds into a Town of Varick account for a flat fee and would be willing to draw up a proposed agreement for the two boards to meet together and review. He also noted that Varick would be responsible for its own operation and maintenance costs. Mr. Kaiser indicated that the Town of Romulus would be receptive to a new agreement and Mr. Sipos will draw up a new agreement for both boards to review. Mr. Kaiser clarified for Mr. Sipos that Mr. Getman is the Town of Romulus' attorney.

Varick Sewer District No. 1: A discussion took place regarding the fund balance for this district which has never been separated from Romulus' sewer district. It was agreed that if the Town of Romulus continues to prepare a budget under an intermunicipal agreement between the two towns, a Romulus representative needs to present it and be present at a Varick board meeting to answer any questions that Varick board members may have.

Mr. Hayssen questioned how the units are assessed to Romulus Central School for the purpose of the debt service and water/sewer bills. Mrs. Farnsworth stated that the number of units being used for tax purposes is 28 and the units for water/sewer billing is 37. She was not sure why there is a difference between the two numbers or how they were determined. It was also unclear as to why these numbers had dropped over the years. It was agreed by both boards that there has to be some formula established for future reference on determining these units. Both supervisors did agree that seasonality should be considered when assessing units to the school. Mr. Hayssen also expressed his concern over the cost to the hamlet people with the adjustment of school units. It was determined that John Saeli will get the number of Romulus students and faculty and the sewer fund balance will remain in Romulus' accounts until further information can be gathered. Mrs. Farnsworth will get the actual unit numbers being assessed to the school currently and will work with Mrs. Sipos to refine her written reports to meet Mrs. Sipos' needs.

It was the consensus of both boards to move forward and to meet again once information is obtained.

A motion by Kathy Russo, seconded by Peter McDonald and so carried unanimously to adjourn the meeting at 8:20 p.m.

Respectfully Submitted,

Donna Karlsen
Varick Town Clerk