

Report of the Office  
of the  
NORTH SAGAMORE WATER DISTRICT



Articles of the Warrant  
for the  
ANNUAL MEETING

May 4, 2022

at 6:00 P.M.

SAGAMORE BEACH COLONY CLUB  
CLARK HALL  
30 ROBINSON ROAD  
SAGAMORE BEACH, MA 02562

**BOARD OF WATER COMMISSIONERS**

Mark Melchionda  
George Sala  
Mark Bergeron

**DISTRICT CLERK**

Maureen Fruci

**DISTRICT MODERATOR**

Ronald Morgan

**DISTRICT TREASURER**

Maureen Fruci

**DISTRICT SUPERINTENDENT**

Matt Sawicki

**LEGAL COUNSEL**

Robert Sweeney Troy

## Report of the Commissioners 2021

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To the Residents of the District:

The Board of Water Commissioners met monthly to transact the business of the District. Other meetings were held as deemed necessary. Last May, Mark Bergeron was elected to a three-year term as Water Commissioner, Maureen Fruci was appointed as the Clerk for a one-year term and Ronald Morgan was elected as Moderator for a one-year term. Mark Melchionda is currently serving as Chairperson of the Board.

In response to the COVID-19 pandemic, the Board instituted policies and procedures to assure there would be minimal impacts to the residents of the District. Day to day operations of the water system were maintained throughout the pandemic.

During the calendar year 2021, one hundred and fifty-eight million gallons of water were pumped from the District's three wells, a 7% decrease from the previous year. The James A. Morgan Water Treatment Plant, located on Church Lane and the Beach Well on Pilgrim Road continue to be our sources of water.

Last year, the District redeveloped the Church Lane Well and replaced the existing pump at this location. The Board is also investigating the prospect of future drinking water sources for residents by drilling test wells at locations on Black Pond Road, Church Lane and in Weldon Park. The District has continued to upgrade our meter reading system by installing new radio read meters. To date, 1,548 meters have been replaced. Customers will be receiving letters or door tags from the District to schedule meter installation appointments. Please make every effort to respond. Fourteen new water services were added to the distribution system to bring our total number of active services to 1,888.

The Commissioners would like to remind its residents of the importance of water conservation. Although mandatory watering bans are currently not in effect, customers should be mindful of their outdoor water use. Due to new Department of Environmental Protection regulations, water restrictions may be more prevalent in the coming years. During the summer months, please be attentive to announcements from the Board in regards to outdoor water use. The District has information and conservation tools available at our office for District customers.

The Board of Water Commissioners and District employees continue to work with the Department of Environmental Protection, New England Water Works Association, the Massachusetts Water Works Association and the Environmental Protection Agency to bring increased public awareness regarding our water supply into the community. In 2021 the District received a Public Water System Award from MassDEP for outstanding performance and achievement.

The Board would like to thank all its employees for their hard work and dedication to the District.

Please visit our website [www.northsagamorewaterdistrict.com](http://www.northsagamorewaterdistrict.com) for notices, meeting minutes, agendas and other useful information pertaining to the District.

### BOARD OF WATER COMMISSIONERS

Mark Melchionda, Chair	- 2022
George M. Sala	- 2023
Mark Bergeron	- 2024

**NORTH SAGAMORE WATER DISTRICT MEETING**  
**ANNUAL MEETING MINUTES FROM MAY 26, 2021**

The Annual Meeting of the North Sagamore Water District was held on Wednesday, May 26, 2021 at 6:00 pm following COVID-19 safety protocols and in accordance with the bylaws of the District and applicable statutes of the Commonwealth of Massachusetts for the purpose of acting on the articles of the warrant for said meeting issued by the Board of Water Commissioners of the District on May 10, 2021.

Moderator Ronald Morgan called the meeting to order at 6:04 pm at the Sagamore Beach Colony Club, Clark Hall, 30 Robinson Road, Sagamore Beach, MA. The quorum was met according to the Bylaws of the District. There were 25 registered voters verified with the official voting lists provided by the towns of Bourne and Sandwich. There were non-voters in attendance as well.

All articles in the warrant were presented and read by Moderator Ronald Morgan with the exception of Article 1 which was presented and read by District Counsel Robert Troy.

**Article 1 – To see if the District will vote to elect a Moderator for a term of one year**

Commissioner Bergeron made a motion that the District vote to elect Ronald Morgan as Moderator for a term of one year. Commissioner Sala seconded the motion. Ronald Morgan was elected by unanimous vote as Moderator for the term of one year.

**Article 2 – To see if the District will vote to elect by ballot a Water Commissioner for a term of three years**

Commissioner Melchionda made a motion to elect Mark Bergeron to the position of Water Commissioner for a term of 3 years. Commissioner Sala seconded the motion. Mark Bergeron was elected by unanimous vote to the position of Water Commissioner for a term of 3 years.

**Article 3 – To see if the District will vote to hear and act upon the reports of the District officers**

Commissioner Sala made a motion that the North Sagamore Water District vote to hear and act upon the reports of the District officers. The motion was seconded by Commissioner Melchionda. The article passed by a unanimous vote of the District.

**Article 4 – To see if the District will vote to fix the salary compensation of the Commissioners, Moderator and Clerk of the District as provided by Section 108, Chapter 41, General Laws as amended and that the District raise and appropriate or transfer from available funds a sum of money therefore for the Fiscal Year 2022 as presented in Exhibit A, or act anything thereon**

Commissioner Bergeron made a motion that the North Sagamore Water District vote to raise and appropriate the sum of \$1,450 for the purposes of this article, and to meet this appropriation, raise the sum of \$1,450. Commissioner Melchionda seconded the motion. The article passed by a unanimous vote of the District.

**Article 5 – To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate, borrow or transfer from available funds in the treasury a sum of money for the purposes of water main repairs, replacements and upgrades. Funds may be used for engineering, permitting, construction, pipes, valves, hydrants, police details and paving as they relate to the repairs, replacements and upgrades to the District’s water mains, or act anything thereon**

Commissioner Melchionda made a motion that the District vote to appropriate the sum of \$50,000 for the purpose of this article and to meet the appropriation, transfer the sum of \$50,000 from available free cash. Commissioner Sala seconded the motion. The article passed by a unanimous vote of the District.

**Article 6 – To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate, borrow or transfer from available funds in the treasury a sum of money for purposes of engineering, permitting, test well installation and pumping, water quality testing, well redevelopment, pump repairs or upgrades to the District’s current or future well sites, or act anything thereon**

Commissioner Sala made a motion that the District vote to appropriate the sum of \$220,000 for the purpose of this article and to meet this appropriation, transfer the sum of \$120,000 from available free cash and raise and appropriate the sum of \$100,000. Commissioner Melchionda seconded the motion. The article passed by a unanimous vote of the District.

**Article 7 – To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate, borrow or transfer from available funds in the treasury a sum of money for the purposes of purchasing a new heavy duty utility body pickup truck for the District to replace an existing heavy duty utility body pickup truck and upgrades and repairs to the District’s existing vehicles or act anything thereon**

Commissioner Bergeron made a motion that the District vote to appropriate the sum of \$65,000 for the purpose of this article and to meet this appropriation, transfer the sum of \$65,000 from available free cash. Commissioner Melchionda seconded the motion. The article passed by a unanimous vote of the District.

**Article 8 – To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate, borrow or transfer from available funds in the treasury a sum of money to deposit into the District’s Other Post-Employment Benefits Liability Trust Fund (OPEB) or act anything thereon**

Commissioner Melchionda made a motion that the District vote to appropriate the sum \$3,000 for the purpose of this article and to meet this appropriation, transfer the sum of \$3,000 from available free cash. Commissioner Sala seconded the motion. The article passed by a unanimous vote of the District.

**Article 9 – To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate or transfer from available funds in the treasury a sum of money to defray the operating budget of the District for Fiscal Year 2022 as presented in Exhibit A or act anything thereon**

Commissioner Sala made the motion that the District vote to appropriate the sum of \$1,175,816.47 for the purpose of this article and to meet this appropriation, raise and appropriate the sum of \$1,175,816.47 in the amounts and for the purposes as set forth on budget spreadsheet Exhibit A attached hereto and incorporated by reference. Commissioner Melchionda seconded the motion. The article passed by a unanimous vote of the District.

Commissioner Melchionda took the floor and commended the employees of the water district for the outstanding job they have done under difficult circumstances over the past year. He said personnel have worked hard to provide safe drinking water and keep protocols in place. He asked for a round of applause for the employees. The other Board members were in agreement.

Moderator Ronald Morgan established the business of the District was complete and asked for a motion to adjourn the meeting at 6:15 pm. District resident Stephen Mealy made a motion to adjourn the meeting, seconded by Commissioners Sala and Melchionda. The meeting was adjourned.

Respectfully submitted,

Maureen Fruci  
District Clerk



## **By-Laws of the District**

Updated April 27, 2016

### **ARTICLE 1 - OFFICERS**

**Section 1** There shall be a moderator, who shall be elected at each annual meeting for a period of one year. The other officers of the District shall be specified and directed by Chapter 290, Acts of 1939.

**Section 2** Any vacancy occurring in the offices of Moderator, Clerk, or Treasurer may be filled for the remainder of the unexpired term by appointment by the full Board of Water commissioners.

### **ARTICLE 2 - MEETINGS**

**Section 1** For the year 2014 and each year thereafter the annual meeting shall be held on a Wednesday in April or May of that year. The date of the Annual Meeting of the District shall be voted by the District Commissioners on or before March 30 of each year and the Warrant shall be posted in accordance with requirements of the District and Massachusetts General Laws.

**Section 2** Meetings of the District shall be called by the Clerk when requested in writing by at least a majority of the commissioners or by ten or more legal voters of the District. The Clerk shall give due notice of such meeting by posting copies of the warrant in two or more places in the District at least seven days before the time of the meeting.

**Section 3** Fifteen legal voters shall constitute a quorum at the annual meeting and any special meeting, but at such special meeting no business shall be transacted other than that set forth in the warrant for the meeting. A legal voter shall reside within the boundaries of the North Sagamore Water District and be registered to vote at said address 30 days prior to the District Meeting.

**Section 4** The election of a Water Commissioner shall be preceded by the filing of nomination papers with the District Clerk, containing thirty signatures of District residents, not less than thirty days prior to the date of the Annual Meeting of the District. No candidate shall be nominated for the position of Water Commissioner at the Annual Meeting of the District unless the Town Clerk certifies that thirty District residents have signed nomination papers for that candidate.

### **ARTICLE 3 - FINANCE**

**Section 1** The fiscal year shall be July 1 through June 30.

### **ARTICLE 4 - AMENDMENTS**

**Section 1** These by-laws may be altered, amended, added to or repealed at any meeting of the District provided notice of such proposal is set forth in the call for the meeting.

#### **ARTICLE 5**

Whenever any extension of a water main is requested upon any street, way or other property, the individuals, developers of subdivisions and/or business and industrial areas shall be required to install at their expense all water mains, hydrants, gates and appurtenances required to provide water from the public supply to such individuals, subdivisions and/or businesses and industrial areas located within the boundaries of such areas. The determination of the required size of all water mains, the specifications for materials, fittings and appurtenances used, the location, installation requirements, including easements, legal provisions, agreements and betterments, shall be specified and determined by the District Board of Water Commissioners and solely within their control and discretion.

#### **ARTICLE 6**

Interest at 14% may be charged on unpaid bills after 60 days from date of such bill provided that not less than 30 days notice of such action shall be given.





## North Sagamore Water District Rates and Regulations for Supplying Water

**Rates:** *Effective on October 2014 Water Bills*

**Basic Minimum:** \$60.00 per year

**Water Rates:** 1-20,000 gallons at \$1.25 per 1,000 gallons  
20,000-50,000 gallons at \$2.50 per 1,000 gallons  
Over 50,000 gallons at \$4.00 per 1,000 gallons

**Service Call:** Minimum one (1) hour and two (2) technicians,  
\$130.00 per hour plus cost of repair parts;  
Additional \$115.00 per hour for machine and operator  
*Updated July 13, 2021*

**Turn On's / Off's:** \$50.00

**Backflow Testing:** \$50.00 per device

**Connection Fees:** *Updated October 17, 2018*

### **Meter Size**

5/8" Meter -	\$ 2,500.00	typical residential 1" water service
1" Meter -	\$ 5,750.00	
1 ½" Meter -	\$ 11,500.00	
2" Meter -	\$ 18,400.00	
3" Meter -	\$ 36,800.00	
4" Meter -	\$ 57,500.00	
6" Meter -	\$ 115,000.00	

Connection fees are payable at the time of application.

**Service installation Fees (minimum):** *Updated November 28, 2018*

1" Service -	\$2,500.00	
1" Service -	\$1,200.00	- where the developer has installed the curb stop

1 ½" Service -	\$3,200.00
1 ½" Service -	\$1,675.00 – where the developer has installed the curb stop
2" Service -	\$3,625.00
2" Service -	\$2,100.00 - where the developer has installed the curb stop

Service Installation Fees are payable at the time the water service is turned on to the property and the meter is installed.

The above minimum charge covers: tap of main, cost of materials and labor to the lot line, and cost of cellar valve. The installation of the water service from the lot line to the cellar valve is the responsibility of the owner and must meet District specifications. The connections at the lot line and cellar valve will be made by District employees who will also install a meter. A minimum fee of \$100.00 is to be charged for a temporary service plus a meter will be installed and the amount of water used for this temporary service will be charged.

**Fire Service Connection Fees (unmetered):**

**Initial Review:** \$300.00 – includes internal plan review, fire flow testing and inspection of installation. All engineering is done by the applicant.

<b>Annual Standby Fees:</b> <i>(Effective July 2018)</i>	2" -	\$180.00
	4" -	\$360.00
	6" -	\$648.00
	8" -	\$1080.00

**Regulations:** *Updated July 13, 2021*

1. Applications for water service with proof of ownership must be in the hands of the Commissioners 30 days prior to action by the Board. Forms may be obtained at the Office. If application is made for more than a single unit on a single lot, subdivision regulations will apply. No permit will be granted unless property fronts a main. Approved applicants will be valid for 2 years.
2. A two-week notification is needed for installation at which time the installation charge must be deposited with the District Collector. Costs in excess of deposit must be paid in full before water is turned on.
3. Connection at the curb stop will be made with Polyethylene pipe-tubing or copper tubing of proper size at a five foot depth or better. The service is to be

- installed under supervision of the District's employees. Services will not be installed when the ground is frozen.
4. The Water District Board reserves the right to specify the size and type of pipe and meter dependent upon requirements that may be made upon them by fixtures installed on consumer's premises.
  5. If needed, a pressure increasing system to provide fire flow or other requirements will be the responsibility of the owner.
  6. All services will be metered. A meter will be purchased, installed and maintained by the District and shall not be removed or disturbed by others. All meters larger than 5/8 inch will be purchased by the owner.
  7. In no event will water be supplied to any premises where, through any fixtures or any connection, there is a possibility of mingling the water furnished by the District with water from any other source.
  8. District agents may enter any premises supplied with water by the District at all reasonable hours to examine the water pipes, meters and other fixtures; to install or read meters and to turn on or shut off water. Owners will be previously notified of the intention to install meters. It will be the responsibility of the owner to notify caretakers of such intention.
  9. The Water District employees may at any time shut off water for the purpose of making repairs or changes in piping system or for any other necessary purpose, and may also shut off water upon failure of consumers to observe the regulations as well as failure to pay water bills or service charges. The District shall not be liable for damage caused by shutting off water, for damage caused by any variations in pressure, or loss of water through damaged meters as aforesaid. Notice of intention to shut off water will be given whenever predictable.
  10. Bills will be rendered bi-annually. All bills are due and payable 30 days from billing date. Charge for usage will be billed in January and July and/or at the time of sale of property. Water will be shut off when bills are over 60 days in arrears. Consumers whom the records show to be repeatedly delinquent will be required to pay in advance.
  11. If a water service has to be repaired or replaced from the curb stop to the meter, the work will be done by the owner, but only approved water works material may be used and the work must be inspected by a representative of the District before the pipes are covered. Property owners will have ten (10) days from the date the leak is discovered to repair or replace a broken water service on their property. Any property owner requesting to relocate a water service owned by the District must pay the current Service Installation Fee.
  12. The District office shall be notified of sale or transfer of property. Bills will be rendered to the known owners who will be held liable for the bill. In no case

- will the District make any adjustment due to change of agent to remove meters and shut off water of all seasonal properties in the ownership.
13. The District office shall be notified by the owner or his authorized agent to remove meters and to shut off water of all seasonal properties in the fall of each year and to replace the meter and turn on the water in the spring. Advance notification of two weeks is necessary. Provision must be made for access to remove or install the meter and check cellar valve. Unprotected meters not removed from the premises when houses are closed for the season are retained at property owner's risk. Replacement of a damaged meter will be charged at cost plus labor. Curb stop shut off or turn on shall be done only by an employee of the District.
  14. Meter readings are done bi-annually by the District however it is ultimately the responsibility of the property owner to notify the District if their meter has not been read to either schedule an appointment or to call in the reading.
  15. Office hours of the North Sagamore Water District are Monday through Friday, 7:30 AM to 4:00 PM at 14 Squanto Road, PO Box 133, Sagamore Beach, MA 02562. The office telephone number is (508) 888-1085.
  16. The District shall not be held liable when providing a new service on private property with any repairs necessary to underground utilities and/or road repair (paving and/or flowable fill) as a result of this new service. All costs will be the sole responsibility of the applicant.
  17. The cellar valve installed at the time of a new service installation will be warrantied for a period of ten (10) years after which time replacement or repair of the valve will be the responsibility of the property owner.
  18. The District will not be liable for the repair or replacement of any hardscape, planting or structure within the water main layout, water service layout or hydrant layout that is damaged as a result of the construction or repair of the distribution system, with the exemption of grass, mulch and asphalt paving not pertaining to District Regulation # 16 (new services).
  19. If rental equipment is needed for road crossings for 1 ½" and 2" taps, the applicant will be responsible for the additional costs.
  20. Water Connections Larger than 2": Any water service larger than two inch (2") shall be the responsibility of the applicant to install and maintain at their expense from the tap to the building. If there is a leak within the road layout and/or water main easement on a private water service larger than two inch (2"), the District may perform the repair and bill the owner for parts and labor in accordance with NSWDRates and Regulations. This regulation shall pertain to domestic and fire service connections.
  21. District customers who do not respond to written requests and/or do not allow District personnel to replace meters, inspect meters or perform cross

- connection surveys during reasonable hours will be subject to an additional \$250.00 charge on their semi-annual water bill until the District's request is fulfilled. The District will make three written requests; the final request will be sent certified mail as well as hand delivered to the property.
22. Customers will be billed for the reading on the physical meter head. If there is a discrepancy with the billing system, outside register, touchpad or radio read transponder identification number, the customer shall be responsible for the water usage on the physical meter head.
  23. District customers may request an accuracy test for their meter. District personnel will conduct an onsite inspection and accuracy test. If the customer is still unsatisfied with the accuracy of their meter, they may request the meter be removed and sent to an independent party for further testing. If the meter is found to register over two percent (2%) more water than actually passes through it, the meter will be repaired or replaced. The District will pay for the meter test and the water bill for the current period will be adjusted in accordance with the result of the test. If the meter is found to be accurate, the customer will be responsible for the cost of the test and their water usage. A meter spacer will be installed while the meter is offsite being tested. Upon notification that the meter test is complete, the customer must allow the District to reinstall the meter within three (3) business days of said notification or a \$50.00 per day fee will be assessed to the property until District personnel is allowed access to reinstall the meter.
  24. Property owners or contractors causing damage to the water system due to negligence and resulting in the need for technicians to respond shall be charged for repairs in accordance with District Rates and Regulations, Service Call.
  25. The foregoing rates and regulations are subject to such additions and amendments from time to time as the Board of Water Commissioners may deem necessary. Appeals may be made to the Board of Water Commissioners who reserves the right to grant variances to the above regulations.



# NORTH SAGAMORE WATER DISTRICT FINANCIAL MANAGEMENT GUIDANCE DOCUMENT

*April 4, 2019*

## **Introduction**

The following financial management guidance document sets forth the framework for overall planning and management of the North Sagamore Water District's financial resources. The guidelines are intended to be advisory in nature and serve as a point of reference for all policymakers, administrators and advisors. It is fully understood that the Annual District Meeting retains the full right to appropriate funds and incur debt at levels it deems appropriate.

The guidelines are designed to ensure the District's sound financial condition now and in the future. Sound financial condition may be defined as:

- Cash Solvency: The ability to pay bills in a timely fashion
- Budgetary Solvency: The ability to annually balance the budget
- Long-Term Solvency: The ability to pay future costs
- Service Level Solvency: The ability to provide needed services
- Infrastructure Solvency: The ability to maintain infrastructure
- Market Accessibility: The ability to secure competitive bids/interest rates on debt issuance

It is equally important that the District maintain flexibility in its finances to ensure that the District is positioned to react and respond to changes in the economy and new service challenges without measurable financial stress.

## **Budget Guidelines**

The District defines a balanced budget as a budget in which revenues are greater than or equal to expenditures. The Commonwealth of Massachusetts requires all municipalities to present a balanced budget each year as a basic budgetary constraint intended to ensure that a government does not spend beyond its means and its use of resources for operating purposes does not exceed available resources over a defined period of time.

Operating Budget (OB) is defined as the annual operating budget of the District including Debt Service. It does not include general articles, off-budget expenses or Capital.

## **Fiscal Reserves Guidelines**

The District's accumulation of prudent reserves is critically important to the fiscal health of the community for many reasons. Reserves are a resource to sustain a community during an economic downturn and may provide for cash flow needs until major revenues are received, reducing or eliminating the need for short-term borrowing. Rating agencies and investors also view reserves favorably as evidence of the community's financial flexibility. The District will endeavor to establish and maintain the following reserve levels:

- A. **Free Cash:** To have a certified Free Cash balance of at least 4% of the current Fiscal Year Operating Budget at the beginning of each Fiscal Year. The Free Cash Balance will be maintained at 4% of the Operating Budget during the Fiscal Year.
- B. **Stabilization Fund:** To maintain a long term Stabilization Fund for unforeseen emergency expenses and capital projects in accordance with Mass. General Laws Chapter 40 Section 5B. To maintain a Stabilization Fund balance of at least 5% of the Operating Budget. The District may appropriate funds from the Stabilization Fund for any lawful purpose with a two-thirds vote of District Meeting.
- C. **Capital Stabilization Fund:** To maintain a Capital Stabilization Fund for large capital items and to support the annual capital plan. Once the Stabilization Fund reaches 5% of the Operating Budget funds may be accumulated in the Capital Stabilization Fund.
- D. **Overlay Allowance:** To maintain an annual Overlay Allowance for abatements and exemptions at an appropriate level based on an analysis of historical data and specific circumstances such as a property revaluation project. The Board of Assessors for the Towns of Bourne and Sandwich will recommend annually the amount required to be kept in the Overlay Allowance for next Fiscal Year.
- E. **Reserve Fund:** To budget an annual Reserve Fund under the authority of the District Commissioners for unexpected and unforeseen budget needs of at least 0.4% of the Operating Budget.
- F. **OPEB Trust Fund:** To maintain an OPEB Trust Fund to accumulate funds for Other Post-Employment Benefits. The long term goal for the Trust Fund is to fully fund the OPEB Liability. Once the District's pension obligations are fully funded, it is the District's intent to appropriate those funds to the OPEB Trust obligations.

## **Use of Reserves**

To the maximum extent possible, the District shall only appropriate reserves as follows:

Free Cash, Stabilization Fund and Overlay Reserve: funds in excess of reserve policies established for each may be used for one-time, non-recurring expenses such as capital projects and equipment, emergency expenses and to fund the OPEB Trust Fund.

Capital Stabilization Fund will be used to support the annual capital budget and to fund large capital expenditures.



## **Financial Planning & Monitoring Guidelines**

Long-term financial forecasting and constant monitoring of current revenue and expenditure trends are vitally important to maintain quality service levels and fiscal discipline. As a result, it is the policy of the District to undertake the following:

- A. **Multi-Year Financial Forecasting:** Establish and maintain an on-going financial planning model that projects revenues and expenses over the next five (5) years by using five (5) years of historical data and other fiscal trend analysis.
- B. **Monitor and Track Current Year Financial Activities:** Constantly monitor revenue and expenditure activities and publish periodic reports for policymakers, administrators and department heads. To meet this objective, the District should implement improved financial management systems to create the required revenue and expenditure reports, reduce duplication of effort, and maximize productivity of finance department staff.

## **Capital Planning & Debt Service Management Guideline**

The District's willingness and ability to address its capital needs (infrastructure, facilities, equipment, etc.) is very important to the community's quality of life and fiscal stability. At the same time, the District must maintain a sound debt structure and debt ratio to ensure that all debt obligations will be satisfied without sacrificing the quality of on-going operations and/or burdening future generations with large debt obligations. To that end, the District will undertake the following:

- A. **Capital Improvement Plan:** The District shall establish and maintain a five (5) year capital improvement plan, to update the plan annually, to develop capital financing strategies consistent with these policies, and to integrate any new operating costs associated with capital projects into the annual operating budget. The District should capitalize expenditures of at least \$20,000 and having a useful life of more than five years. The Capital Plan will detail the revenue sources for these expenditures.
- B. **Debt Service Guidelines:** The debt service payments for capital maintenance and equipment costs shall not exceed 30% of the District's annual operating budget.
- C. **Debt Maturity Guidelines:** The District will strive to limit the average maturity of its debt (adhering to useful life of the asset) to five (5) to ten (10) and not exceed twenty (20) years. By adopting a conservative maturity schedule, the District will not only reduce interest costs on its bonds but also recognize that capital needs will continue to be identified and recommended.
- D. **Connection Fees:** The District may recommend to the rate payers at the District Meeting an amount of money from Free Cash equal to the revenue from Connection Fees paid to the District the previous fiscal year be transferred to the Capital Stabilization Fund.
- E. **Alternative Financing Strategies:** The District will continually pursue opportunities to acquire capital by means other than conventional borrowing such as grants and low and no-interest loan programs.
- F. **Cash Flow:** For large capital projects that may entail the issuance of bonds and or notes, the District will review the cash flow analysis to ensure funds are borrowed efficiently and in a manner that results in the lowest debt impact as possible as well as adhering to financing guidelines.



- G. **Reconciliation & Record keeping:** The District will periodically reconcile debt related records of the District Treasurer, and will annually determine if any unissued bond authorizations needed to be rescinded at Annual District Meeting.
- H. **Internal Borrowing:** The District will utilize the option of internal borrowing when fiscally prudent to do so.
- I. **Debt Issuance:** The District will work closely with its Financial Advisor, Bond Counsel and District Counsel to ensure that all legal requirements are met and that the lowest possible interest rate can be obtained.
- J. **Capital Budget:** The total annual Capital Budget for the District includes direct cash expenditures as well as interest and principal of new bonds and debt service on prior bonded expenditures. The District will strive not to exceed 45% of the operating budget.

### **Post-Employment Benefit Liabilities**

**Pension Liabilities:** The District will fund pension liabilities on a pay as you go basis and will annually fund the recommended payments to the County Pension Fund.

**OPEB (Other Than Pension Post-Employment Benefits) Liabilities:** The District will fund OPEB Liabilities on a pay as you go basis and will strive to set aside annually 5% of the Normal Cost ARC (Annual Required Contribution) for the future OPEB Liability for current active employees into the OPEB Trust Fund. Once the District's pension obligation liability has been funded, it is the District's intent to appropriate those funds to the OPEB Trust obligations.

### **Revenue Enhancement Guidelines**

To continue to maintain a reasonable level of services to its rate payers and meet all future financial obligations, the District will proactively seek new revenue sources in the following manners:

- A. **Receivables:** The District will rapidly move all unpaid billing into a water lien when authorized by law. The District may also terminate water service to collect unpaid billing.
- B. **Non- Tax Revenue:** The District will annually review and analyze fees and charges such as new connection fees, water rates, etc. to determine if they are appropriate and comparable.
- C. **Revenue Ratio Structure:** The District shall strive to keep the revenue ratio between tax revenue and water revenue near 50% on an annual basis.

### **Investments Guidelines:**

Massachusetts law requires that public funds be invested at the highest possible rate of interest reasonably available, taking into account safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest return that is consistent with safety of principal while meeting the daily cash requirements for the operation of District business. The District will continue to invest funds within the scope of the Commonwealth's Legal List for prudent investments.

**North Sagamore Water District**  
**Balance Sheet**  
 As of June 30, 2021

Jun 30, 21

**ASSETS**

**Current Assets**

**Checking/Savings**

**1040 - Cash Unrestricted**

1040-01 - CC5 - General Fund	483,325.57
1040-06 - Rockland - MM	107,471.80
1040-09 - Unibank- Online Collection	94,304.93
1050-02 - Unibank - MM	152,112.64

**Total 1040 - Cash Unrestricted** 837,214.94

**1050 - Cash Restricted**

1040-04 - CC5 - Perf. Bonds Escrow	37,481.96
1050-01 - Cape Cod Five - Stabilization	255,537.35
1050-03 - Bartholomew & Co.-OPEB	9,539.60

**Total 1050 - Cash Restricted** 302,558.91

**Total Checking/Savings** 1,139,773.85

**Accounts Receivable**

**1400 - Accounts Receivable**

1400-01 - Water Accounts	11,656.16
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**Total 1400 - Accounts Receivable** 11,656.16

**1410 - Water Liens**

1410-05 - Bourne - FY20	1,207.84
1410-06 - Bourne - FY21	-386.98

**Total 1410 - Water Liens** 820.86

**1440 - Tax Receivables - Bourne**

1441-06 - Personal Property - 2006	-0.55
1441-07 - Personal Property - 2007	2.01
1441-08 - Personal Property - 2008	1.97
1441-09 - Personal Property - 2009	56.26
1441-10 - Personal Property - 2010	51.91
1441-11 - Personal Property - 2011	-119.59
1441-12 - Personal Property - 2012	40.25
1441-13 - Personal Property - 2013	-67.79
1441-14 - Personal Property - 2014	15.25
1441-15 - Personal Property - 2015	30.56
1441-16 - Personal Property - 2016	17.17
1441-17 - Personal Property - 2017	20.72
1441-18 - Personal Property - 2018	12.72
1441-19 - Personal Property - 2019	47.88
1441-20 - Personal Property - 2020	31.46
1441-21 - Personal Property - 2021	207.53
1445-91 - Real Estate - 1991	7.56
1445-94 - Real Estate - 1994	-1.30
1445-95 - Real Estate - 1995	-0.94
1445-98 - Real Estate - 1998	-0.77
1446-00 - Real Estate - 2000	67.16

**North Sagamore Water District**  
**Balance Sheet**  
 As of June 30, 2021

	<u>Jun 30, 21</u>
1446-02 · Real Estate - 2002	-0.01
1446-03 · Real Estate - 2003	-13.48
1446-04 · Real Estate - 2004	-0.67
1446-05 · Real Estate - 2005	-0.01
1446-06 · Real Estate - 2006	-0.31
1446-07 · Real Estate - 2007	-0.70
1446-09 · Real Estate - 2009	-3.37
1446-10 · Real Estate - 2010	11.78
1446-11 · Real Estate - 2011	10.23
1446-12 · Real Estate - 2012	5.87
1446-13 · Real Estate - 2013	-58.03
1446-14 · Real Estate - 2014	1.05
1446-16 · Real Estate - 2016	97.62
1446-17 · Real Estate - 2017	782.71
1446-18 · Real Estate - 2018	163.26
1446-19 · Real Estate - 2019	-6.77
1446-20 · Real Estate - 2020	2,681.77
1446-21 · Real Estate - 2021	<u>44,931.82</u>
<b>Total 1440 · Tax Receivables - Bourne</b>	<b>49,022.23</b>
<b>1460 · Tax Receivables - Sandwich</b>	
1461-15 · Personal Property 2015	9.06
1461-16 · Personal Property - 2016	2.44
1461-17 · Personal Property - 2017	13.43
1461-18 · Personal Property - 2018	18.29
1461-19 · Personal Property - 2019	4.53
1461-20 · Personal Property - 2020	1.64
1461-21 · Personal Property - 2021	22.11
1466-21 · Real Estate - 2021	<u>1,148.25</u>
<b>Total 1460 · Tax Receivables - Sandwich</b>	<b>1,219.75</b>
<b>1470 · Tax Titles</b>	
1470-01 · Bourne	10,748.98
1470-02 · Sandwich	-91.44
1470-03 · Bourne - Interest	<u>1,050.84</u>
<b>Total 1470 · Tax Titles</b>	<b>11,708.38</b>
<b>1480 · Tax Foreclosure</b>	
1480-01 · Bourne	<u>5,437.49</u>
<b>Total 1480 · Tax Foreclosure</b>	<b>5,437.49</b>
<b>Total Accounts Receivable</b>	<b>79,864.87</b>
<b>Total Current Assets</b>	<b>1,219,638.72</b>
<b>Other Assets</b>	
<b>1600 · Amts Need In Future Yrs for</b>	
1600-01 · Retirement of Debt	<u>446,375.28</u>
<b>Total 1600 · Amts Need In Future Yrs for</b>	<b>446,375.28</b>
<b>1700 · Loans Authorized / Unissued</b>	<u>1,414,808.96</u>
<b>Total Other Assets</b>	<b>1,861,184.24</b>

North Sagamore Water District  
**Balance Sheet**  
As of June 30, 2021

	Jun 30, 21
<b>TOTAL ASSETS</b>	<b><u>3,080,822.96</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 · Accounts Payable	21,637.81
<b>Total Accounts Payable</b>	<u>21,637.81</u>
<b>Other Current Liabilities</b>	
<b>2100 · Payroll Liabilities</b>	
2100-04 · County Retirement Withholding	2,066.66
2100-08 · Vision	-17.98
2100-50 · Health Insurance	-604.53
2100-51 · Dental Insurance	-108.21
2100-52 · Medex Insurance	-714.50
2100-53 · Life Insurance	10.00
<b>Total 2100 · Payroll Liabilities</b>	<u>631.44</u>
<b>2200 · Overlay Reser Abatements-Bourne</b>	
2201-00 · Levy of 2000	84.61
2201-05 · Levy of 2005	45.35
2201-06 · Levy of 2006	-2.98
2201-07 · Levy of 2007	-308.32
2201-08 · Levy of 2008	24.18
2201-09 · Levy of 2009	56.26
2201-10 · Levy of 2010	65.01
2201-11 · Levy of 2011	10.23
2201-12 · Levy of 2012	46.12
2201-13 · Levy of 2013	2,115.00
2201-14 · Levy of 2014	2,796.50
2201-15 · Levy of 2015	2,756.44
2201-16 · Levy of 2016	482.34
2201-17 · Levy of 2017	-212.26
2201-18 · Levy of 2018	3,202.42
2201-19 · Levy of 2019	103.74
2201-20 · Levy of 2020	563.08
2201-21 · Levy of 2021	612.87
<b>Total 2200 · Overlay Reser Abatements-Bourne</b>	<u>12,440.59</u>
<b>2300 · Overlay Res Abatements-Sandwich</b>	
2300-10 · Levy of 2010	-4.30
2300-11 · Levy of 2011	1,586.03
2300-12 · Levy of 2012	2,516.50
2300-13 · Levy of 2013	2,301.33
2300-14 · Levy of 2014	2,105.29
2300-15 · Levy of 2015	1,941.52
2300-16 · Levy of 2016	2,603.04
2300-17 · Levy of 2017	1,864.33

**North Sagamore Water District**  
**Balance Sheet**  
 As of June 30, 2021

	<u>Jun 30, 21</u>
2300-18 · Levy of 2018	1,692.23
2300-19 · Levy of 2019	345.24
2300-20 · Levy of 2020	394.74
2300-21 · Levy of 2021	<u>837.94</u>
<b>Total 2300 · Overlay Res Abatements-Sandwich</b>	<b>18,183.89</b>
<b>2400 · RevenueRes Until Collect-Bourne</b>	
2400-02 · Prop. Tax-Defer.Revenue-Bourne	36,581.64
2400-03 · Tax Title & Possession-Bourne	17,237.31
2400-04 · Water Tax Title - Bourne	<u>820.86</u>
<b>Total 2400 · RevenueRes Until Collect-Bourne</b>	<b>54,639.81</b>
<b>2500 · Rev. Res Until Collect-Sandwich</b>	
2500-02 · PropTax Def Revenue -Sandwich	-16,964.14
2500-03 · Tax Title & Possession-Sandwich	<u>-91.44</u>
<b>Total 2500 · Rev. Res Until Collect-Sandwich</b>	<b>-17,055.58</b>
<b>2600 · Rev. Res Until Collected -Water</b>	
2600-01 · Water Accounts	<u>11,656.16</u>
<b>Total 2600 · Rev. Res Until Collected -Water</b>	<b>11,656.16</b>
<b>3150 · Accrued Payroll</b>	<u>4,123.20</u>
<b>Total Other Current Liabilities</b>	<b>84,619.51</b>
<b>Total Current Liabilities</b>	<b>106,257.32</b>
<b>Long Term Liabilities</b>	
<b>2700 · Bonds Payable</b>	
2700-01 · Water Treatment - 2006 Refundin	<u>446,375.28</u>
<b>Total 2700 · Bonds Payable</b>	<b>446,375.28</b>
<b>2900 · BAN</b>	
2900-02 · FY21 Bournedale-BAN Borrowing	<u>100,000.00</u>
<b>Total 2900 · BAN</b>	<b>100,000.00</b>
<b>2950 · Loans Authorized &amp; Unissued</b>	<u>1,414,808.96</u>
<b>Total Long Term Liabilities</b>	<b>1,961,184.24</b>
<b>Total Liabilities</b>	<b>2,067,441.56</b>
<b>Equity</b>	
<b>3200 · Special Revenue Funds</b>	
3201 · Stabilization Fund	255,537.35
3204 · Perf Bond - Guarantee Deposits	37,481.96
<b>3205 · OPEB</b>	
3205-00 · OPEB Contributions	8,000.00
3205-01 · Interest Income	239.59
3205-02 · Taxes, Fees and Expenses	-73.55
3205-03 · Change in Market Value	<u>1,373.56</u>
<b>Total 3205 · OPEB</b>	<b>9,539.60</b>
<b>Total 3200 · Special Revenue Funds</b>	<b>302,558.91</b>
<b>3580 · Undesignate FB -Surplus Revenue</b>	121,281.51
<b>3590 · Designated Fund Balance</b>	
3590-02 · Reserve for Expenditure	<u>238,000.00</u>
<b>Total 3590 · Designated Fund Balance</b>	<b>238,000.00</b>

# North Sagamore Water District Balance Sheet

As of June 30, 2021

Jun 30, 21

3860 - Continued Appropriations	
3860-01 - General Fund	272,003.68
Total 3860 - Continued Appropriations	<u>272,003.68</u>
Net Income	79,537.30
Total Equity	<u>1,013,381.40</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,080,822.96</u></u>



**WARRANT FOR THE ANNUAL MEETING  
Fiscal Year 2023**

Commonwealth of Massachusetts  
Barnstable, SS

To the Clerk of the North Sagamore Water District:  
In the name of the undersigned Board of Water Commissioners, you are hereby directed to notify and warn the inhabitants of the North Sagamore Water District qualified to vote in said District to meet in the

**SAGAMORE BEACH COLONY CLUB  
CLARK HALL  
30 ROBINSON ROAD  
SAGAMORE BEACH, MA 02562  
WEDNESDAY, May 4, 2022  
6:00 P.M.**

And there act upon the following articles:

**Article 1** To see if the District will vote to elect a Moderator for a term of one year.

**Article 2** To see if the District will vote to elect by ballot a Water Commissioner for a term of three years.

**Article 3** To see if the District will vote to hear and act upon the reports of the District Officers.

**Article 4** To see if the District will vote to fix the salary compensation of the Commissioners, Moderator and Clerk of the District as provided by Section 108, Chapter 41, General Laws as amended and that the District raise and appropriate or transfer from available funds a sum of money therefore for the Fiscal Year 2023 as presented in Exhibit A, or act anything thereon.

**Article 5** To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate, borrow or transfer from available funds in the treasury a sum of money for purposes of District property maintenance to include but not limited to water main repairs and replacements, computer equipment and software upgrades, well rehabilitation, pump repair and upgrades, building and grounds repairs or upgrades, storage tank repairs or painting, engineering or anything incidental thereto, or act anything in relation thereon.

**Article 6** To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate, borrow or transfer from available funds in the treasury a sum of money for purposes of engineering, permitting, test well installation and pumping, water quality testing, well redevelopment, pump repairs or upgrades to the District’s current or future well sites, or act anything thereon.

**Article 7** To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate, borrow or transfer from free cash in the treasury a sum of money for the purposes of purchasing a new light duty pickup truck for the District and for upgrades and repairs to the District’s existing vehicles, or act anything thereon.

**Article 8** To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate, borrow or transfer from available funds in the treasury a sum of money to perform a rate study to forecast revenue requirements, calculate a new water rate structure and implement rate adjustments, or act anything thereon.

**Article 9** To see if the District will vote to authorize the Board of Water Commissioners to raise and appropriate or transfer from available funds in the treasury a sum of money to defray the operating budget of the District for Fiscal Year 2023 as presented in Exhibit A, or act anything thereon.

**Article 10** To see if the District will vote to authorize the Board of Water Commissioners, on behalf of the North Sagamore Water District, to accept an easement from MJG Nominee Trust, Mary Jo Gagnon Trustee in, along, and upon portions of said owner’s land situated on 337 Phillips Road in Sandwich, Barnstable County, Massachusetts, said land being the parcels designated as Town of Sandwich Assessors Map 95-Lot 28 and lots 115 and 212 on a Land Court plan 2903E, sheet 2 titled “subdivision of portion of lot A” dated December 8, 1951 said easement consisting of a perpetual easement in the area shown as “Prop. 5’ water easement” on “Plan of Land Showing Relocated Water Dept. Easement” dated March 8, 2022 (exhibit B) that may be used where water pipes are installed for the purposes of construction, laying, installing, maintaining, repairing, replacing, or removing water pipes, and further agree that all water pipes installed in said easement or any other part of said property shall be and remain the property of the North Sagamore Water District and that the North Sagamore Water District shall not be obligated in any way on account of the granting to it of this easement on the said property and the conveyance to it of all right, title and interest in and to the water pipes laid therein, or act anything thereon.



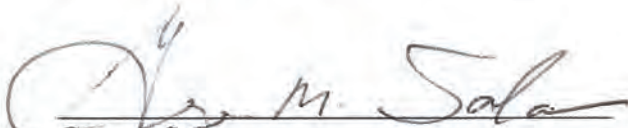
**Article 11** To see if the District will vote to authorize the Board of Water Commissioners, on behalf of the North Sagamore Water District, to hereby grant, convey and release any rights it might have in, along, and upon portions of land owned by MJG Nominee Trust, Mary Jo Gagnon Trustee situated on 337 Phillips Road in Sandwich, Barnstable County, Massachusetts, said land being the parcels designated as Town of Sandwich Assessors Map 95-Lot 28 and lots 115 and 212 on a Land Court plan 2903E, sheet 2 titled "subdivision of portion of lot A" dated December 8, 1951 with rights granted to North Sagamore Water District per Land Court Document # 39,611 dated June 30, 1953 with those areas being shown as "Existing 5' North Sagamore Water District Easement" located between "Prop. 5' water easement" on "Plan of Land Showing Relocated Water Dept. Easement" dated March 8, 2022 (exhibit B), or act anything thereon.

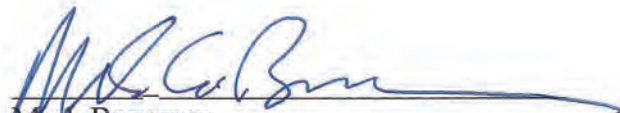
And you are hereby directed to serve this Warrant by posting attested copies thereof in two public places in North Sagamore Water District seven days at least before the time of holding said meeting.

Given under our hands on this 14th day of April, 2022.

A true copy, attest Board of Water Commissioners

  
Mark Melchionda, Chairperson

  
George Sala

  
Mark Bergeron

Charles D'Arco 4/25/2022  
Constable Town of Bourne

## Exhibit A

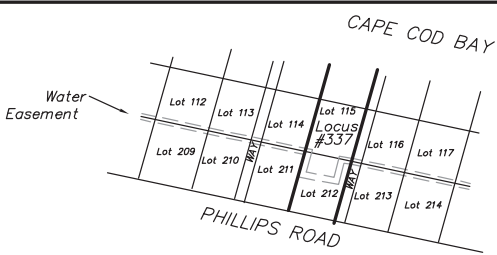
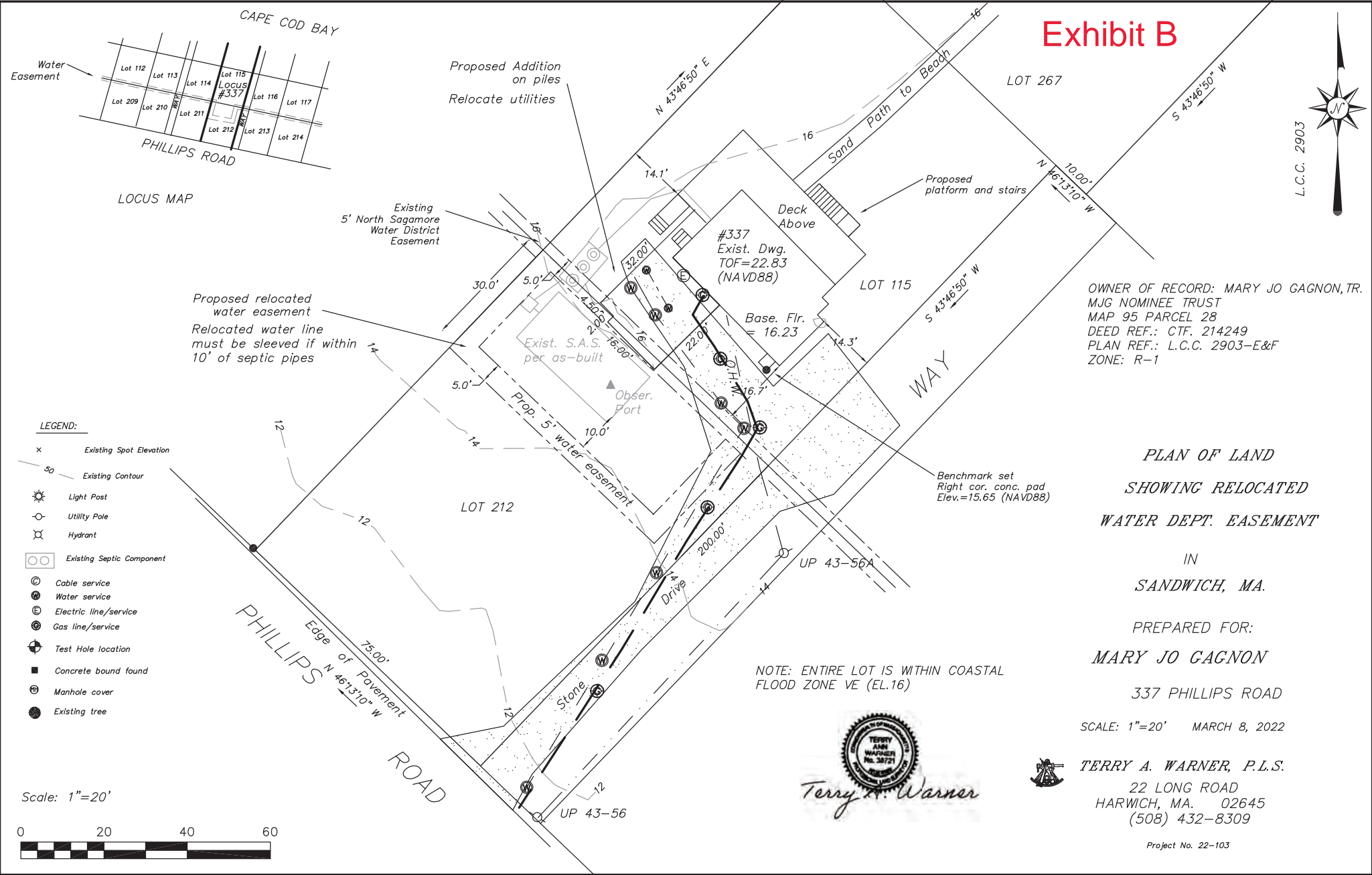
### North Sagamore Water District Proposed Funding for FY23

<b>Article 4</b>	<b><u>Salaries for Elected Officials</u></b>	<b>\$ 1,450.00</b>
	3 Commissioners at \$300.00 each	\$ 900.00
	Moderator	\$ 100.00
	Clerk	\$ 450.00
	<i>Raise and appropriate the sum of \$1,450.00 for the purposes of this article</i>	
<b>Article 5</b>	<b>District Property Maintenance</b>	<b>\$ 80,000.00</b>
	<i>Raise and appropriate the sum of \$80,000.00 for the purposes of this article.</i>	
<b>Article 6</b>	<b><u>New Source Test Wells and Engineering</u></b>	<b>\$ 40,000.00</b>
	<i>Transfer the sum of \$20,000.00 from available free cash and raise and appropriate the sum of \$20,000 for the purposes of this article</i>	
<b>Article 7</b>	<b><u>Purchase Light Duty Truck</u></b>	<b>\$ 44,000.00</b>
	<i>Transfer the sum of \$44,000.00 from available free cash for the purposes of this article</i>	
<b>Article 8</b>	<b><u>Rate Study</u></b>	<b>\$ 10,000.00</b>
	<i>Transfer the sum of \$10,000.00 from available free cash for the purposes of this article.</i>	
<b>Article 9</b>	<b><u>District Operating Budget</u></b>	<b>\$ 1,238,192.17</b>
	Salaries, Wages and Related Expenses	\$ 386,174.39
	Maintenance & Operations	\$ 301,480.00
	Treasurer Expenses	\$ 3,575.00
	Professional Services	\$ 12,500.00
	Insurance	\$ 171,292.85
	Long Term Debt	\$ 142,854.93
	Short Term Debt	\$ 52,000.00
	Miscellaneous Expense	\$ 168,315.00
	<i>Raise and appropriate the sum of \$1,238,192.17 for the purposes of this article.</i>	

# Exhibit B



L.C.C. 2903



OWNER OF RECORD: MARY JO GAGNON, TR.  
 MJG NOMINEE TRUST  
 MAP 95 PARCEL 28  
 DEED REF.: CTF. 214249  
 PLAN REF.: L.C.C. 2903-E&F  
 ZONE: R-1

*PLAN OF LAND  
 SHOWING RELOCATED  
 WATER DEPT. EASEMENT  
 IN  
 SANDWICH, MA.*

PREPARED FOR:  
**MARY JO GAGNON**  
 337 PHILLIPS ROAD

SCALE: 1"=20' MARCH 8, 2022

**TERRY A. WARNER, P.L.S.**  
 22 LONG ROAD  
 HARWICH, MA. 02645  
 (508) 432-8309

NOTE: ENTIRE LOT IS WITHIN COASTAL FLOOD ZONE VE (EL.16)



*Terry A. Warner*



- LEGEND:**
- x Existing Spot Elevation
  - 50- Existing Contour
  - ☀ Light Post
  - ⊕ Utility Pole
  - ⊕ Hydrant
  - ⊕ Existing Septic Component
  - ⊕ Cable service
  - ⊕ Water service
  - ⊕ Electric line/service
  - ⊕ Gas line/service
  - ⊕ Test Hole location
  - Concrete bound found
  - ⊕ Manhole cover
  - Existing tree

