

Rowley Municipal Lighting Plant



March 27, 2019 Commissioner's Meeting

7:00 PM – Town Hall Selectman's Room

Commissioners Present: Robert Snow, Bryan DiPersia. Also in attendance was General Manager Matthew Brown, Office Manager Eric Grover

See attendance sheet for the public sign-in.

Robert Snow opened the meeting at 7:00 PM

Revenues, Collections, Financials, Budgets

The purpose of this meeting is to discuss an email sent by the Town Treasure regarding the deficit of funds equaling \$432,822.97. Manager Matthew Brown said the reason for this was the increase in purchase power for the years 2017-2018 went from 4.9% to 5.6%, thus giving it an increase of \$633,000.00. The 2018 net loss was \$29,000.00 ending December 31st. At this time Brown handed out an O&M budget to the board along with the income statement from our accountant. Right now, we have a 7.3 million dollars in depreciation and we are adding \$22,000.00 every month to this fund totally \$264,000.00 yearly. We also have \$230,000.00 in fixed assets which means there are no loans or debt against this account. The department accountant said the RMLP is in good solid finances and looking good.

Robert Snow asked how we were going to get out of this issue. Brown said he spoke to Katie Tilton, our accountant, and she said this has happened in the past. Brown would like to have a cash flow statement at the end of each month, so he knows where the department stands along with the budget showing month end numbers. These are things that haven't been done in the past, but it will be helpful going forward.

Snow asked Bryan DiPersia if he had any questions or concerns. DiPersia just wanted to make sure the deficit was in fact from the purchase power. This deficit just wasn't at the RMLP, but some of our surrounding municipal lighting departments. Brown said that when the budget made, before him, the numbers were very conservative.

Karen Summit, Town Treasure, said the RMLP will have to make sure when June 2019 comes the RMLP will have enough money to pay their bills. Summit said ending March 31st, the total in expenses was roughly 623,000.00 and isn't sure what our collections process will be with the winter moratorium ending. After the transfer of the \$450,000.00 from the rate stabilization fund, it is going to leave the department roughly owing \$420,000.00. All this will have to be done before June 1st. Summit asked if there were statues, we must follow to fix the problem and Brown said he was going to work with Tilton to make sure it is rectified.

Snow asked how we were doing on collections. Brown said we are roughly \$80,000.00 in arrears of accounts but this isn't out of the ordinary because we are coming out of the winter season where bills weren't necessary to be up to date to worry about being shut off.

Bryan DiPersia made a motion for a moratorium for the RMLP for the next two weeks and at that time we will look and see where the financials stand. Robert Snow seconded. All voted in favor at 7:15

Snow requested that the 2017 audit can be added to the website along with the 2018 when complete.

Adjournment

Bryan DiPersia made the motion to adjourn. Robert Snow seconded. All voted in favor in favor at 7:16 PM.

Minutes submitted by Eric R. Grover

Robert Snow

Bryan DiPersia