

**MOUNTAIN LAKES DISTRICT
BUDGET COMMITTEE MEETING
December 15, 2015
*UNAPPROVED***

In Attendance: Dan Brady (Chairman), Barbara Keating, Chris Roberts, David Selent, Kristi Garofalo (Administrative Assistant), and Amy Baker (District Accountant).

Call to Order: Dan Brady called the meeting to order at 10:08 am.

REVIEW of WATER DEPT. BUDGET:

The Committee reviewed the latest version of the recommended budget with the following notes:

- Projected revenues are approximately \$1,962 more than projected expenditures; the Committee agreed to recommend that this excess be deposited into the Water Emergency Capital Reserve Fund.
- Water Fund Surplus – the Committee discussed using funds from the Water Fund Surplus to replenish monies spent from the Water Department Capital Improvement Capital Reserve Fund and agreed to the following statement: “The Committee is not aware of issues that drive a need for excess funds to be placed in the Capital Reserve Fund this coming year. Our position would change if interest rates rise and revenues could be gained by establishing more capital reserve funds.”

REVIEW of GENERAL FUND SURPLUS:

The 2014 audit shows the General Fund surplus to be about \$113,000. It is recommended that approximately \$75,000 be held in reserve for emergencies. The Committee discussed whether the difference should be used to pay off the 1998 French Pond Road & Dam Project loan (currently at just over \$50,000). David Selent moved to recommend using part of the surplus to pay off the loan; Chris Roberts seconded and motion was passed.

REVIEW of GENERAL OPERATION BUDGET:

The Committee reviewed the latest version of the recommended budget with the following notes:

- Line 5043-1 Health Insurance – this line should be reduced from \$6,000 to \$3,000 as Don Drew’s health insurance contributions are to be divided equally with Water Dept. in 2016.
- The assessment for 2016 will be about \$226,000; in 2015 the assessment was \$227,717.
- At the recent commissioners meeting, Kristi Garofalo passed along to the commissioners the Committee’s request for an update on the water sourcing project for planning purposes. Bob Long reported the MtBE site work is on hold until spring and the water sourcing project is also on hold. Ken King said that when a water source was found, the cost of developing it would depend on the location selected and the depth needed. Ken King said no funding would be needed for water sourcing in 2016.

REVIEW of WARRANT ARTICLES:

The Committee discussed the proposed warrant articles with the following notes:

- **Art. 4 – to add \$10,000 to the General Operating Legal Expense Capital Reserve Fund** – the Committee agreed to recommend adding \$10,000 to the fund with the following note: “We understand the need for this fund, but support minimal use of it”.
- **Art. 6 – to establish a Software Capital Reserve Fund** – the Committee agreed to recommend a \$3,000 deposit in 2016 to establish the Capital Reserve Fund. The balance of the software purchase is planned to be included in the 2017 budget.

OTHER NOTES:

- Dan Brady reported he attended the recent Haverhill selectboard meeting where they discussed the issue of ownership of the former MLD logging site. He said the selectboard has decided to sell the land with a minimum bid set at \$120,000. The commissioners sent a letter to Haverhill releasing claim to the land, offering to turn over the proceeds from the logging operation, and asking for 20% of that amount to reimburse the District for time and effort. Dan Brady said the selectboard wants invoices to prove the District’s claim, but he is not sure we can prove it.
- The Committee noted the Budget will be presented to the commissioners at their meeting on January 11, 2016. After discussion, the Committee agreed copies of their meeting minutes did not need to be included in the commissioners’ budget packets.
- Dan Brady thanked everyone for their hard work, dedication and attention in putting together the recommended 2016 budget.

Adjournment: Dan Brady moved to adjourn; Chris Roberts seconded. Meeting adjourned at 11:21 am.

Respectfully submitted by
Kristi Garofalo