



# Waterville Estates Village District

April 18, 2015

## Minutes

- I. Meeting called to order at 10 am by Moderator Samantha Ciaston.
- II. Pledge of Allegiance
- III. Introductions and Rules – Samantha reviewed the rules for speaking and voting:
  - A. Rules to speak – If people have a question to please raise their hand. When recognized, they should come to the microphone, state name and address, and they will have two minutes to speak.
  - B. Procedures for election– To vote, a person must live in Waterville Estates and be a registered voter in the Town of Campton or Thornton. Nominations will be taken by the moderator. Nominees will be given two minutes to talk about their qualifications.
- IV. Commissioner’s Report – Lloyd Willey welcomed everyone and thanked them for the greater than usual participation.
  - A. History/Organization – Lloyd gave a brief history of Waterville Estates in an effort to dispel some of the confusion and distrust that has arisen.

Waterville Estates was established in the 1970’s and a Village District (VD) was formed. The reason the District was established was to maintain the roads, provide water for residents, provide maintenance for the community structures, and for recreation.

Lloyd said he and his family came 30 years ago in the heyday of Waterville Estates; then in 1986, the Community Center burned to the ground. This created a lot of problems, and the Waterville Estates Association (WEA) became financially strapped. We couldn’t keep regular people on the WEA Board, and moneys were an issue, so the VD took over fiduciary control due to the fact that they were bringing in most of the funds through taxes. It was established that the dues would be controlled by the WEA Board. The staff salaries were all paid by the VD. Moving the employees to the Village District

has saved the organization close to \$20,000 in insurance cost alone on an annual basis.

Things started to improve dramatically, and we got out of the large bond debt from the rebuild of the Rec Center. Now, contrary to popular belief, we are not in debt and only have a small bond for the water tank that will be paid in two -years. All spending for the past five years or more has been paid for from Capital Reserves accumulated by good fiduciary practice.

Lloyd recounted some of the problems the Estates has had through the years, particularly with owners as managers and employees. Now based upon the advice of counsel and clear conflicts of interest, there is a policy that Owners cannot be employees of WE.

- B. Financial Structure – Lloyd presented a series of pie charts comparing the changing revenue sources (from appropriations, dues, recreation income, and miscellaneous income) and increasing expenses (water system, roads, maintenance, general government, food & beverage, and recreation operations) for the WEVD in 2007, 2010, and 2015. Based upon what the community requested, we’ve changed over the years to increase food services, reopening ski area, etc.; however the main priority of the VD is still to maintain the roads and water system. This has all been accomplished without asking for more money. The pie charts are attached to the minutes as an Appendix.
- V. Warrant Article I - To Choose one Commissioner for a three-year term, and a Clerk and Treasurer for a one-year term. – Samantha read the qualifications to become a Commissioner. The person must have a domicile in the Village District and be a registered voter in the town where he/she resides.
- A. Election of One Commissioner – Eric Wooster nominated Mike Baumann for Commissioner. Mike Mahoney seconded. Mike Baumann was voted in as Commissioner for a three-year term by a clear majority of hand votes.
  - B. Election of One Treasurer - Mike Mahoney nominated Barbara LaJeunesse. Eric Wooster seconded. Barbara was voted in as Treasurer for a one-year term by a clear majority of hand votes .
  - C. Election of One Secretary – Mike Mahoney nominated Barbara LaJeunesse. Eric Wooster seconded. Barbara was voted in as Secretary for a one-year term by a clear majority of hand votes.
- VI. WEVD General Manager Report 2013-14 – Corey
- Major projects – Corey reviewed some of the major projects - Bathroom renovation project, pool expansion and decking, new carpeting in Rec. Center (paid mostly

from insurance claim), parking lot expansion, new road for service access, new WE signage, etc.

- A. Corey mentioned there have been some comments made on Facebook about theft, and complaints about the general manager not working on weekends, etc. Corey said it is good to question authority, but asked if anyone hears any complaints about the community to know that the information on Facebook is one sided. We will be taking steps to be more transparent to the membership, such as considering videoing each meeting so everyone can see what goes on in the meetings. Corey also said when people make demands of him, he is not able to do things on his own without the approval of the VD Commissioners. They are the ones who make the decisions and manage all our programs.
  - B. Challenges of Management and Commissioners – Corey showed a graph of the dues increases since 1975 to present vs. the rate of inflation. Contrary to popular belief, we are forever going downhill in funds and not keeping up with inflation. This is a challenge as the members want more and more services and facilities, but we don't have the funds to support them. We have been maintaining services because we have been able to find ways to save money, but we have run out of places we can cut. The presentation of the graphs is attached as Appendix 2
  - C. Corey then went over the budget for 2015. One of the new items on the budget is enterprises, as we did with weddings, to find ways to get more income such as possibly having an indoor golf simulator business at the ski area in the off seasons. ADA compliance was added after it was brought up by a member. We have had no interest in HC access in the past, so it is a new area for us, and we are looking at every area to make sure we are in compliance – such as a family changing area with a sauna and roll-in showers.
  - D. Budget Review and Major Projects in 2015 – Corey talked about some of the major projects for 2015 such as the roof, ADA compliance changes, road paving, additional generators for the Rec. Center and ski area, tennis courts, and family changing area. The Major Projects Summary slides are attached as Appendix 3
  - E. At this time we are not planning on raising or lowering taxes. We looked at 1.6% based on inflation, but the budget today is based on an increase of just under 1%.
- VII. Warrant Article II – Samantha read the warrant article – To see if the District will vote to raise and appropriate the sum of one million, five hundred fifteen thousand, one hundred twelve dollars and no cents (\$1,515,112.00) to fund the remainder of the 2015 operating budget with an offset of two hundred thirty eight thousand six hundred sixty four dollar and no cents (\$238,664.00) to come from the unreserved fund balance. Samantha asked for a vote on Warrant Article II, 14 votes for, 2 against.
- VIII. The floor was opened to questions.

- A. Mark Melanson said he has someone looking at each line item on the budget. Mark asked if we could hold off the vote until after he is done. Lloyd said we will certainly use his advice; however, he is going to be a while, and we need to do the approval now so we can move forward. Mark then asked if we “break even” on the ski area. Lloyd said we don’t break even on any of the amenities – such as the tennis courts, or the pool, etc. Mark clarified that he meant are we breaking even on the liquor at the ski area. Lloyd said we have figures of overall purchases but not the cost and sale of just the liquor. Lloyd said the WEA Board of Directors will be providing that information as that is their responsibility.
- B. Harry Bertino asked what the ADA budget includes. Corey said it’s a process. The ADA specialist architect gave us a list of items we need to be ADA compliant. We are in the initial steps of implementing changes to the original building such as hand rails on ramps etc. and we will be making some of those changes this year. Harry said he thought the budgeted amount for ADA was \$125,000. Lloyd said that is the total for 2015 and 2016. We put some of the ADA items off to 2016.
- C. Jim Murphy asked how our trend of expenses impacts inside and outside of WE property values. Corey said that’s an important question, and that we don’t have control over the economy as a whole. The supply of buyers is impacted by the economy because most of the properties are second homes. He said years ago the tax ratio was 60 – 40 (WE taxes to Town taxes), now it is 40 - 60. Jim asked about WE purchasing land in the Estates. Corey said that purchase was done with the CIF funds without approval from the membership. Samantha added that the WEA Board is elected to be a representative for the membership, and they make decisions because they are voted in to do that. Samantha said if anyone wants to have input about the Board’s decision, he/she should come to the meetings and state his/her opinion there.
- D. Harry Bertino asked who the district manager is of the Village District. The answer is Corey.
- E. Corey mentioned that when he is on vacation, he often visits other district communities, and they have monthly fees that are equivalent to our yearly fee. He added that if we had been increasing dues yearly, we would not be short now.

IX. Adjournment 11:28 AM

Respectfully Submitted by Barbara LaJeunesse, Clerk \_\_\_\_\_