

Waterville Estates Village District

March 26, 2021

Minutes-Pre-Budget Hearing Meeting

Attendees: John Hurlihy, Gerry Panuczak, Maureen Patti, Ellen Witt, Judy Kinney, Corey Smith, Rob Diefenbach, John Scruton, Mark Canfield, Ned McElroy, Ryan Timms, Aaron Woods.

Guests: In person session: Jim Murphy, Harry Bertino. Other parties via Zoom.

Call to Order: Mr. Hurlihy called the meeting or order at 9:00 AM.

Covid Zoom Declaration: Ms. Patti read the declaration authorizing a zoom meeting per the Governor's orders.

Approval of Agenda: J. Hurlihy moved to adopt the Agenda, it was seconded by Mr. Panuczak and it was unanimously voted to adopt.

Review of Warrant Articles

Ms. Patti informed attendees that she had spent considerable time with IT setting up for the 3-29-21 Budget Hearing Zoom Webinar, and that it will be a different format than previous Zoom Meetings.

Mr. Hurlihy recognized the work R. Diefenbach did with C. Smith on this version of the budget which included new formatting and details. Ms. Patti asked C. Smith for a summary report on the facilities in the district that could be included in the Annual Report. C. Smith agreed. Ms. Patti moved to make a Motion to include a one page General Manager's Report on the Facilities to be included in the Annual Report. Mr. Hurlihy seconded and it was passed unanimously via roll call vote. It was noted that the deadline for printing was April 2nd.

Review of Proposed Budget

C. Smith presented the Draft Budget on screen. A discussion on the presentation of the budget followed including newly adopted procedures to present the budget as it applies to the proposed Warrant Articles. Ms. Patti asked C. Smith if we have an answer on the figure for the Unreserved Fund Balance yet? C. Smith said not yet, still trying to come up with figures with the auditors. R. Diefenbach said that there needs to be tracking of expenditures, Warrant Article by Warrant Article on a project by project basis. Mr. Hurlihy asked if we had met the criteria for a Bond? C. Smith pointed out that it is reflected in the budget as an off set against taxes. Mr. Hurlihy suggested a way to track cash vs. reserves with an additional tab to direct where funds have not been spent. R. Diefenbach said that there was a tab on this version and work is still being done to track Rec. Fund projects.

Ms. Patti opened a discussion about computer equipment figures and a schedule of disbursements.

Mr. Panuczak asked if there will be any extra charges comparing borrowing from bank vs. Bond Bank? C. Smith said that the bond rate was less than a traditional loan. J. Scruton remarked that he thought the Bond Counsel would more than offset any increase in interest rates and that to his thinking the bank

would be less than bond. C. Smith said it still was lower than bank. J. Scruton said that it was too late to do a bond at this point.

Ms. Patti referred to Warrant Articles and that the placement of Article 14 may have to be moved. She went on to Articles 5 and 6 and a discussion about the sequence and presentation of the Articles followed. Ms. Patti then asked about the operating budget as it applied to water projections included in the budget. A discussion followed. J. Scruton referenced the tax impact of the figure for the Courts. A discussion followed about the presentation of tax implications of projects in this current year and moving forward.

Ms. Hurlihy asked about the progress on setting up remote computer access for R. Diefenbach to our financial information. A discussion followed regarding security and remote access. J. Scruton pointed out that we must work with Primex Cyber Security on this. He said it was appropriate for the Treasurer to have remote access but all must comply with Red Flag laws. Security within the system must be in place and we must have a Red Flag policy. Mr. Hurlihy moved to make a Motion to provide remote access for the Treasurer and to work with Primex on this. Ms. Patti seconded and it was passed unanimously via roll call vote. J. Kenney said that the process was complicated with the Home Owners Association, the credit card payment process and the credit card companies. They are very strict and IT is working on it.

Mr. Hurlihy asked about changes in salaries. A discussion followed about the Municipal Assistant position. The two positions in Roads and Facilities were pointed out and that it would be advantageous to have the current employees make some recommendations as to a work statement for these new positions, and that a few months of research would be helpful. Mr. Panuczak stated that there is not enough detail or information at present regarding the two new positions to include in the budget. That facts are needed to build position descriptions. He went to say that it can be left in the budget but more research as to how to apply funds needs to be done. Ms. Patti suggested deleting the line 100 position. Mr. Hurlihy suggested that hiring a contractor vs. personnel may be a better allocation of funds and he would support striking that position. J. Kenney asked that line 99 not be removed. A discussion on new hiring followed. Mr. Panuczak moved to make a Motion to remove line 100 from the budget, Mr. Hurlihy seconded and it was passed unanimously via roll call vote.

Mr. Panuczak asked what COLA percentage was being used. A discussion followed and it was established that 1.3% was the figure. C. Smith added that we have always tried to govern based on keeping taxes lower and that we are significantly understaffed. Mr. Hurlihy asked if work orders are being used? C. Smith answered no to which Mr. Hurlihy said it would be a good practice. C. Smith said that we work in a reactionary mode and it is hard to predict. Ms. Patti added that this was a very productive discussion. M. Canfield added that the budget is quite favorable to prior years so why should we reduced it further? He went on to say that we should keep money in for what comes up and keep looking at the bottom line and see where we are regarding budget growth. A discussion followed about one half year funding of the positions in question considering we are almost half way through the year. J. Scruton added that including the positions in the budget, shows the public there is a need for them. M. Canfield recommended the budgeting of one half the amount of the salaries for this year's budget purposes. G. Panuczak said that that allows the time to revisit the positions, see what needs to be done, and have clarity as to what the job descriptions are. R. Diefenbach agreed to making changes in the budget. Mr. Hurlihy moved to make a Motion to vacate the earlier Motion and to budget half time positions in the budget for the two positions. It was seconded by Ms. Patti and passed unanimously via roll call vote.

Ms. Patti suggested a discussion on Warrant Articles that apply to the budget. A discussion regarding presentation of Article 14 and moving it to follow Article 4, then presenting Article 5 and 6, since they are competing continued. It included the issue of Capital Reserve Fund vs. Non Lapsing Fund into 2025. Further discussion followed regarding the order of presentation of the Articles and that the Moderator would have to be involved regarding the implications of each Article on another at the Annual Meeting.

C. Smith said that the flow of income is affecting the Unreserved Fund balance figure and further scrutiny and analysis is needed. A discussion followed regarding the impact of this on taxes. Ms. Patti asked that more work be done on this for the Budget Hearing on Monday. She discussed Article 3 and the implications on taxes and Article 2 regarding creating a savings account for our roads and facilities and asked how the Unreserved Fund will play into the funding of those and other Articles. It was agreed that it could not be solved today. J. Scruton suggested that a meeting be set up with the team including the auditor to establish a better analysis of the fund. It was agreed that a meeting would be arranged as soon as possible.

Set the Next Meeting: Mr. Hurlihy indicated that the Budget Hearing is scheduled for Monday, April 29, 2021.

Motion to Enter Non-Public Session: Mr. Hurlihy motioned to enter non-public session. Ms. Patti seconded and the motion passed unanimously by roll call vote at 11:04AM.

Convening of Non-Public Session: Mr. Hurlihy made a motion to convene Public Session at 11:10 AM. It was seconded by Mr. Panuczak and voted in. In attendance was Counsel.

Resumption of Public Session: Mr. Panuczak motioned to re-enter public session, Ms. Patti seconded and the motion passed unanimously by roll call vote at 12:17 PM.

Public Session Reconvened: Public Session was reconvened 12:18 PM. The non-public session minutes were voted to be sealed on the grounds it would adversely affect the reputation of any person other than this commission. The Motion was made by Mr. Panuczak and seconded by Ms. Patti. The Motion passed unanimously by roll call vote. C. Smith and J. Kinney joined the meeting. Mr. Panuczak made a Motion to amend the draft budget to make the position held by, Ben Demers, a full-time position, citing the need for a second full-time custodian. He went on to say that this was not just because of the COVID disinfection requirements but that the facilities need a dedicated, hard working, consistent and trustworthy full time employee so we do not have to hire so many part time cleaners who are not as capable and dedicated to their work. Ms. Patti seconded and stated that cleaning is an important tool for keeping an eye on the facilities-identifying issues right away. Mr. Hurlihy called for a vote and, by roll call, the vote passed unanimously.

Adjournment: Ms. Patti motioned to adjourn the meeting, Mr. Hurlihy seconded, and the motion passed unanimously by roll call vote at 12:49 PM.