562 Winterbrook Road Campton, NH 03223
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Waterville Estates Village District

August 27, 2022 Commissioners Meeting & Public Hearing (3) APPROVED Minutes

Attendees: Commissioners Gerri Panuczak and David Spinney. General Manager Ron Beard.

Attendees via Zoom: John Scruton, Dick Mayo.

Call to order: Commissioner Patti called the meeting to order at 8:00 AM.

Roll Call of Commissioners: Ms. Patti, Mr. Panuczak and Mr. Spinney were present at the Summit Lodge.

Non-Public Session
Ms. Patti motioned to enter non-public session for the purposes described in RSA 91A:3, II (a),(c), and (l). Mr. Spinney duly seconded and the motion passed at 8:00 AM by a unanimous roll call vote.
Non-public session was entered at AM. Commissioners Patti, Spinney, and Panuczak were present in person as well as GM Beard.

At 8:55 AM Ms. Patti motioned to exit non-public session, Mr. Spinney duly seconded and the motion passed by unanimous roll call vote.

Resumption of Public Session
Public session was entered at 9:01 AM. Commissioners Patti and Spinney, were present in person. Also present was GM Beard.

The nonpublic session minutes were sealed by a motion from Ms. Patti, a second by Mr. Spinney, as divulgence of the minutes would adversely affect the reputation of someone other than a Commisioner. Motion passed by a unanimous roll call vote.

Ms. Patti noted that Mr. Panuczak had to leave right after the non-public session.

Approval of the Agenda:
Ms. Patti suggested an amendment to the agenda in the form of adding item 11.C – Consultants, accounting and finance. She then referred everyone's attention to the General Calendar portion of the agenda.

General Calendar Items
a. Installation of Lighting for Campton Mountain Ski Trails – modification
Ms. Patti made said that in order to correct an action taken by the Commission on August 2, 2022, she, Maureen Patti, moves to allow DTL Electric to re-wire the lighting at Campton Mountain. The Commission has received notice from the WEA Board of their voting to expend CIF to cover the costs for the lights as well as installation. The Commission will, following District procedure and RSA 31:95-b, conduct a duly noticed public hearing to decide whether to accept and expend these funds for the purpose of installing lights on the Campton Mountain ski trails. Ms. Patti added to her motion that the Commission

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includes setting aside or rescinding the action taken at the August 2, 2022 meeting in which the Commission adopted the following motion – "to allow DTL Electric to re-wire the lighting at Campton Mountain. Funds are to be provided by CIF. The Commission will proceed with a duly noticed public hearing pursuant District procedures pertaining to acceptance of the resulting improvement to Campton Mountain". Mr. Spinney duly seconded. Motion carried with a unanimous roll call vote in favor.

b. Friends of Campton Mountain, expenditure for lights $3,497.19 [spending down the account to zero]

Ms. Patti made a motion to expend from the Friends of Campton Mountain account $3,497.19 paid to the order of ULTRA-TECH Lighting for lighting materials to be installed on the Campton Mountain ski trails. The WEA Board of Directors approved this expenditure from the Friends of Campton Mountain account on April 23, 2022. This expenditure will reduce the balance of the Friends of Campton Mountain account to zero ($0) allowing for the closing of this account. The WEA Board of Directors has repeatedly expressed its desire that the FOCM be exhausted and closed. Mr. Spinney duly seconded. Motion carried with a unanimous roll call vote in favor.

PUBLIC HEARING #1 Re: ACCEPT & EXPEND UNANTICIPATED FUNDS, $42,505 FROM CIF FOR 2 NEW HOT TUBS

Ms. Patti opened the public hearing at 9:06 AM.

Mr. Spinney said that the District had installed two hot tubs (one inside and the other one outside), and the WEA has offered to use the CIF funds to pay for that; therefore, the Commission needs to publicly accept those unanticipated funds. Ms. Patti added that she would like to express gratitude to WEA and to District staff for not only making this happen but also bringing the area into compliance with ADA accessibility standards.

Ms. Patti made a motion to accept and expend as unanticipated funds from CIF $42,505 for the cost of the two new hot tubs. Mr. Spinney duly seconded. Motion passed unanimously by a roll call vote.

Having nobody there to address the Commission by phone, email, Zoom or in person, Ms. Patti closed the public hearing at 9:10 AM.

PUBLIC HEARING #2 Re: ACCEPT & EXPEND UNANTICIPATED FUNDS, $90,000 FROM CIF FOR INSTALLING LIGHTS ON CAMPTON MOUNTAIN TRAILS.

Ms. Patti opened the public heating at 9:10 AM. She thanked WEA for committing to get this done and sending the funds to the District to get this done. Ms. Patti added that the total cost of this project will exceed the $90,000 and as directed by WEA, the District took a chunk of the funds from the Friends of Campton Mountain account and paid for half of the lights. Then the District took the balance of the FOMC account to pay for more of the lights and materials. This $90,000 will cover the remaining balance for the lights and cover the actual installation. Ms. Patti also asked Mr. Beard about the invoice for trenching that she had seen in the recent manifests and whether this would be covered from CIF funds. Mr. Beard confirmed.

Ms. Patti made a motion to accept and expend as unanticipated funds from CIF $90,000 for the cost of installing lights on the Campton Mountain ski trails. Mr. Spinney duly seconded. Motion passed unanimously by a roll call vote.

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Having nobody there to address the Commission by phone, email, Zoom or in person, Ms. Patti closed the public hearing at 9:13 AM.

PUBLIC HEARING #3 Re: ACCEPT & EXPEND UNANTICIPATED FUNDS, $65,000 FROM CIF FOR OUTDOOR COURTS

Ms. Patti opened the public heating at 9:14 AM and asked Mr. Spinney as the representative of the Outdoor Courts Committee to speak on the matter. Mr. Spinney said that the work has started on the Basketball half court next to the Community Center and should be done by October. He expressed his appreciation for the use of the CIF funds by WEA for this project. Ms. Patti provided clarification that this amount is for general use and that the hoops for the half court are already here. Discussion ensued about the funds used to purchase the basketball hoops and the correct account to record the transaction for the hoops.

Ms. Patti made a motion to accept and expend as unanticipated funds from CIF $65,000 for rebuilding of outdoor courts. Mr. Spinney duly seconded. Motion passed unanimously by a roll call vote.

Having nobody there to address the Commission by phone, email, Zoom or in person, Ms. Patti closed the public hearing at 9:19 AM.

Resumption of General Calendar Items:

a. FUND BALANCE to offset tax rate?

Mr. Spinney spoke about the fund balance as well as anticipated and unanticipated revenues and made a recommendation to use the $250,000 of the unreserve fund balance to protect the District from going overbudget. He continued to say that there may be an unanticipated revenue shortfall this year so this will make sure that the taxpayer does not pay for that shortfall this year. He noted that the District is trying to get to a more precise picture as to where it currently stands financially and that he thinks this is the right thing to do. Ms. Patti added that there has been a lot of changes in the past 18 months in the way the District operates and compared it to growing pains. She spoke about the shift from using the Rec Fund balance to pay for the District staff to perform WEA's administrative duties has necessitated a higher order of bookkeeping and accounting processes. Similarly, the changes to the RMA and adjusting the percentiles of operating recreational business have also added to the list of things the District's financial department has to deal with. Mr. Scruton provided a clarification that what used to be called unreserved fund balance is now called unassigned fund balance, and also when the District prepared the budget for the Annual Meeting, there was a form produced that predicted what the revenue from the Rec Management Agreement (RMA) and the Administrative Services Agreement (ASA)would be $481,424, and the use of unassigned fund balance to offset taxes was set at $0. This will change that $0 to $250,000 due to the revenue shortfall that is now anticipated compared to what had been predicted. He said that this should help the District remain close to the tax rate that was announced at the Annual Meeting. Ms. Patti asked a question about the form that is to be filed on September 1st. Mr. Scruton explained that it is form 434 and it allows the District to amend the numbers by using the unassigned fund balance to offset the tax rate.

Mr. Mayo asked whether the shortfall was due to operating expenses going up or simply lack of revenues. Ms. Patti and Mr. Spinney confirmed it is because operating expenses (especially electricity) are going up, the shift by WEA to use Evergreen (and ASA revenues will fall) and the District changed the RMA

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percentiles, taking a greater share of the costs to operate Rec than in the original (Annual Meeting) budget, that the Commission reviewed/considered using
unassigned fund balance to try to avoid a tax increase greater than what was discussed at the 2022 Annual Meeting.
Ms. Patti made a motion to authorize the use of $250,000 of unassigned fund balance to reduce any tax rate increase to the projected amount from the District Annual Meeting. Mr. Spinney duly seconded. Motion passed unanimously by a roll call vote.

c. Consultants, accounting and finance
Ms. Patti made a motion for the District to hire a consultant through MRI (Municipal Resources Inc.) to make recommendations for changes in District financial reporting. Mr. Spinney duly seconded.
Mr. Spinney said that the District needs a professional to evaluate what is happening with the financial reporting since so much has changed recently and guidance is needed. Mr. Beard concurred and said that with that much change it is necessary for someone who is a professional to come in and see if there are more efficient and streamlined ways to do both accounting and reporting. Discussion continued on the need to be more efficient and on how the third party review and guidance will eventually serve that goal and save the District money and staff time. Ms. Patti said that Mr. Spinney agreed to work with Mr. Beard on finding the right entity for that purpose and there is a line item to cover the cost when it comes to that. Mr. Mayo asked if the consultant would also look into the electronic accounting system that the District currently has in place. Ms. Patti confirmed and said that the auditor had spoken twice at public meetings about the District's procedures and how they make the audits more cumbersome, and that she is hoping that the consultant will be able to identify ways to streamline the accounting.
Ms. Patti called a vote and *motion carried with a roll call vote in favor by all.*
Mr. Scruton left the meeting at 9:30 AM.

b. Proposed Modification to the Water Department Collection Policy
Ms. Patti said that when the Water Department Collection Policy was adopted it was noted to the Commissioners that not all property owners will have an individual water shutoff valve, therefore, the policy would need to be modified to address that. This is the proposal modification to that policy, for which Ms. Patti thanked the Water Department Administrator Allison Smith, who prepared it.
Ms. Patti made a motion to amend the Water Department Collection Policy to correct some verbiage and address what to do if owners are delinquent on their water rate payments and the District cannot disconnect the property from service. The Water Department Collection Policy shall be amended as indicated by the italicized portions in the document that is available in the motion prepared for this meeting. Mr. Spinney duly seconded and motion passed unanimously by a roll call vote.

Approval of Minutes

August 2, 2022
Mr. Spinney made a motion to approve the seven edits to the August 2, 2022 minutes provided by Ms. Patti in the meeting packet (attached). Ms. Patti duly seconded. Motion passed with a unanimous roll call vote in favor.

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Ms. Patti made another motion to adopt the August 2, 2022 minutes as amended as the official minutes. Mr. Spinney duly seconded. Motion passed with a unanimous roll call vote in favor.

August 17, 2022
Approval of the August 17, 2022 were deferred to the next Commissioners' meeting on September 7th, 2022.

Upcoming Commissioner Meeting – September 7, 2022 at 6:00 PM.
Members discussed whether there should be some meetings held on Tuesday mornings as it gives the Commissioners a chance to meet with and include Department Heads and staff. Ms. Patti said that she will check with Mr. Panuczak.

Public comment period.
There was nobody to address the Commission and no one called in, and no one sent emails to GM Ron Beard or either Commissioner expressing a desire to participate in Public Comment and Ms. Patti closed the public comment.

Signing of previously approved minutes, policies, and/or procedures

Non-Public Session
At 9:49 AM Ms. Patti made a motion to enter non-public session for the purposes described in RSA 91A:3, II (c), and (l). Mr. Spinney duly seconded and the motion passed by a unanimous roll call vote.
Non-public session was entered at 10:08 AM. Commissioners Patti and Spinney were present in person as well as GM Beard.
At 11:30 AM Mr. Spinney motioned to exit non-public session, Ms. Patti duly seconded and the motion passed by unanimous roll call vote.

Resumption of Public Session
Public session was entered at 11:30 AM. Commissioners Patti and Spinney, were present in person. Also present was GM Beard.

The nonpublic session minutes were sealed by a motion from Mr. Spinney and a second by Ms. Patti, as divulgence of the minutes would adversely affect the reputation of someone other than a Commissioner and render a proposed action ineffective. Motion passed by a unanimous roll call vote.

Adjournment: *Mr. Spinney made a motion to adjourn the meeting; Ms. Patti duly seconded. Motion passed with a unanimous roll call vote.*

Meeting adjourned at 11:31 AM.

Prepared by Alvina Snegach