

AMSTON LAKE DISTRICT

Annual Meeting

MINUTES

May 19, 2018 10:00 A.M.

The Douglas Library of Hebron, 22 Main Street, Hebron, CT 06248

www.amstonlake.org

A. Call to Order:

The meeting was called to order at 10:03 A.M.

B. Roll Call of Officers and Directors:

M. Paul, F. Hoisl, A. Connor, L. Bowen, A. Stec, B. Pelegano present.

The meeting included a slide presentation which are attached to these minutes.

C. Introduction of Board of Directors:

President M. Paul introduced the current directors and thanked them for their service to the Board. He also made note of the three directors who were on the Board at the beginning of last year and who stepped down from their positions. M. Paul announced that he, too, will be stepping away from the BOD at the end of this fiscal year, after 13 years on the Board. With the current vacancies on the BOD, and the terms coming up for re-election, he outlined the seats on the BOD that we would be voting for later in the meeting.

D. Acknowledgements:

M. Paul acknowledged gifts of property in Lebanon from two residents, and also thanked a number of District volunteers: Maureen Dagon, Al Fichtel, Traci Burdick, Janice Grady, Candy & Andy Kozlak, and Dave Arnold. F. Hoisl presented M. Paul with a plaque to recognize Mark's contributions to the community since 2005, putting in hundreds of hours every year for 13 years. He was thanked for his leadership and friendship.

E. Approval of Previous Meeting Minutes:

Eileen Curtin made a motion to approve the May 20, 2017 meeting minutes. Seconded by A. Stec, unanimously approved.

F. Review Lake Operations:

M. Paul reviewed the slides and highlighted the enormous amount of work completed by the BOD despite not having a full complement of directors for much of the year.

G. Lake Health and Finance Committees:

F. Hoisl gave an overview of the Lake Health Committee and went through several slides. He explained that the committee was formed to help take the work load off of the BOD. Their charge is to put plans together and make recommendations to the Board, which this year could include a trade study to evaluate the costs of invasive weed intervention, and additional opinions from another limnologist or local colleges. The committee also wants to evaluate alternative methods of dredging; other lake's "best practices"; and fish, bathymetry, and sand migration studies. The proposed

budget includes \$10,000 for these additional studies.

Drew Gibson, 8 Rondaly Rd, Amston

Q: Are you still looking for volunteers for the Lake Health Committee? **A:** Yes.

Dave Arnold, 34 Ames Rd, Amston

Q: There have been many boats that have hit rocks – could we put together a map at some point of where the tallest rocks are? It would be especially helpful for new residents. **A:** We will look into that.

Heidi Delisle, 32 Ames Rd, Amston

Q: When you talk about the extra \$10K for Lake Health, have you put together an operating budget for making these decisions? **A:** There is currently a budget for committee, which is on the website, but during the course of the year, if a recommendation comes up that's not within the budget, we want to be able to do it in a timely manner.

Nick Salerno, 10 Turner Rd, Amston

Q: Can you just spend the \$10k on lake health any way you want? **A:** No. The Lake Health Committee will come back to the BOD with recommendations.

Laurel Hennebury, 458 Deepwood Dr, Lebanon

After the 10K is approved, you don't have to go back to the District for another vote, but if it's over the \$10K, we do have to have a special meeting.

Bob Blackmore 5 Rondaly Rd, Amston

The ALD did an engineering study a few years ago, which cost less than \$2K, to investigate the area of H-11 in Hebron, so we roughly know the cost of another one. The BOD can ask for further dollars if it becomes necessary. **Q:** Does the BOD intend to dredge? **A:** M. Paul and F. Hoisl both stated that the ALD has no plans to dredge at this time.

Sue Matyszyk, 12 Rondaly Rd, Amston

Q: Does the Lake Health Committee make recommendations to the BOD and why are you looking for a second opinion regarding the lake health study? **A:** Yes, the committee makes recommendations, and because it takes such a long time to get answers from our current limnologist, we'd like another data point.

H. Treasurer's Report:

A. Connor introduced the members of the Finance Committee, and reminded residents that they are always looking for new members. The committee's charge is to be good stewards of the District's money.

Larry Zimmerman, 183 Deepwood Dr, Amston

Q: Is the audit going to be discussed? **A:** Technically, it was an AUP (Agreed Upon Procedures) engagement, done by an independent CPA firm. A. Connor noted that the ALD is not required to have an audit. At a cost of \$3,000, the AUP covered a two-year period – the last year that Ray DeCormier was treasurer, and the first year of Anita Connor's term. Their report is on the website.

A. Connor explained each of the financial slides and answered many residents' questions. She noted that the District ended last fiscal year with a net surplus, much of it a result of timing differences regarding the purchase and installation of new docks. She went on to explain the current year's results through April 30 and the likelihood that ALD will meet its current budgeted revenues, while possibly overspending on certain items. She explained that the Board will consider postponing certain activities/expenses to minimize the possibility of overspending in the current year. She previewed the FY19 budget as recommended by the Board which she will describe in more detail later in the meeting.

She then introduced the Tax Collector.

I. Tax Collector's Report:

Eileen Curtin discussed the tax collector slide. We are at our budget as of today. There is always money coming in (dock fees, lien fees, etc.) that is over and above the current year's taxes. The ALD had a good month for collections in April due to the Demand Notice that was sent out. Some residents have asked for more frequent notification of delinquencies (or second billing) – an expense to the district for additional mailings – so Eileen asked the audience what they thought about mailing more frequent notices.

Ray Decormier 143 Deepwood Dr, Amston
He doesn't think we should send more frequent notices.

Mike Kelly, 47 Lake Rd, Amston
He suggested that we post signs to remind residents that taxes are due.

Steve Reagan, 6 Wood Acres, Amston
They bought their house in September 2017 and received a demand notice for overdue taxes, which they were unaware of. **A:** Their closing attorney should have let them know what taxes were outstanding.

Jeff Arpin, 225 Deepwood Dr, Amston
The delinquencies shown on the slide seem to be a staggering number. **A:** We have 126 delinquencies in total, with 80 from this year, which is about 10% of the accounts. In 2004, we had over \$70k in delinquencies, now it is only about \$24K. Liens will be filed next week.

Mike Kelly, 47 Lake Rd, Amston
Q: Who handles the violations for delinquent taxes and are fines for other violations being enforced – there are boats that have been on the beach all winter. **A:** We don't charge fines for tax delinquencies, instead they are charged interest per state statute. We do assess fines for violations of ordinances like leaving boats past the November 1 date.

A. Connor then continued the financial discussion by reviewing and explaining the spending plan and budget.

Barbara Lederer, 458 Deepwood Dr, Lebanon

What are the fund balances? **A:** The balance sheet is posted on the website every month which shows every fund balance.

Steve Reagan, 6 Deepwood Dr, Amston

Q: Is the District's accounting done on a cash or accrual basis? **A:** Modified Accrual Basis.

A. Connor then introduced B. Pelegano who is in charge of security. He discussed the security budget for this year and explained that in the past, we've had private residents doing security. A few years ago, we hired a professional company called Securitas. Last year, Securitas increased their prices by 50%, so we hired a different company for the summer of 2017, but they proved ineffective. This year we will be working with Aron Security, who are associated with Arrow Security in NY. Because of resident concerns, we have increased their hours, and consequently increased the budget. The budget also includes paying for opening and closing the gates at Main and Lollipop beaches 7 days a week.

Karen Wax, 25 West Woodland, Lebanon

Q: What about handicapped people? Can we drive down to the water after dark to fish – she needs to park close to the water. **A:** We will look into it.

Laurel Hennebury, 458 Deepwood Dr, Lebanon

Q: Is there a schedule of when security will be roaming? **A:** Yes, and the hours were discussed. B. Pelegano cautioned residents about directing the security staff, as liability then shifts back to the District.

Jeff Arpin, 225 Deepwood Dr, Amston

Perhaps we should put out an email blast out about not directing security personnel.

Sue Wilson – 27 Ames Road, Amston

Q: How do we contact someone if there's an immediate need? **A:** If it's an emergency, call 911. If it's something else like beach pass issue or someone blocking a ROW, simply inform the guard, but do not direct them.

A. Connor finished the financial discussion by reviewing the specific line items in the proposed FY19 budget as follows: Lake health: cleaning the plunge pools is now in this category – we have at least 10 of them at this point and will probably add more, and that's why the dollar amount has gone up from prior years; Repairs and Maintenance covers the cost of maintaining all of our properties; Lebanon Roads budget is the same as last year; and our administrative costs remain basically unchanged from year to year. We are proposing spending \$7,000 for a variety of items, including a new shed to be built at Main Beach, near the CT Water Company building, to house the ALD lake testing equipment, supplies, buoys, etc. We also need to replace our bulletin boards and signs.

Larry Zimmerman, 183 Deepwood Dr, Amston

Q: What is the mill rate? **A:** E. Curtin did the calculations based on the proposed budget and said the mill rates would be 1.38 for Hebron, and 2.80 for Lebanon.

Q: How much cash do we have in total? **A:** A. Connor read the cash balances for every bank account as of April 30 noting that they are on the website. **Q:** Isn't that too much money in reserve? **A:** M. Paul stated that each of our accounts, with the exception of the General Fund, has been committed to a specific purpose. He reported that our goal is not to accrue additional money – and that's why we are proposing to use some of the money in the General Fund surplus. Historically we have always kept 50% of our operating budget in the Emergency Fund, and the Invasive Weed Fund consists of an amount that would cover a 1st treatment only. The money is set aside in these funds so that we don't have to come back to the residents.

Janet Garret, 15 Cove Rd, Lebanon

Q: She quoted an article from the RiverEast about the town of Marlborough, saying that municipalities typically have 12-15% in rainy day funds. What kind of emergencies might we cover that are not covered by insurance and can we buy insurance for invasive weeds? **A:** A. Connor replied that you can't buy insurance for invasive weeds; and other emergencies could include a breach of the dam, and possible acts of terrorism. Marlborough's budget is in the millions, so their 15% is a much bigger number than our \$64,000 Emergency Fund – the two are not comparable.

Since there were no more questions, A. Connor returned control of the meeting to M. Paul.

J. Election of ALD Board of Directors:

The District had the following 6 positions open for the board of directors:

1. Three 3-year terms
2. Two 2-year terms
3. One 1-year term

The following residents ran unopposed, and were unanimously elected to the BOD:

- Allison Stec, 163 Deepwood Dr, Lebanon, 3-year term
- Brandon Pelegano, 260 Deepwood Dr, Lebanon, 3-year term
- Kevin Rockoff, 29 Lake Rd, Amston, 3-year term
- Maureen Dagon, 144 Deepwood Dr, Amston, 2-year term
- Barbara Lederer, 458 Deepwood Dr, Lebanon, 2-year term
- Nancy Nurge, 8 Rondaly Rd, Amston, 1-year term

K. Election of ALD Board Officers:

Lois DePalma, 15 Deepwood Drive, Lebanon

Q: Why doesn't the BOD elect their own officers? **A:** The by-laws state that the residents must elect them.

The following Directors ran unopposed, and were unanimously elected as the BOD officers:

- Frank Hoisl, President
- Brandon Pelegano, Vice President
- Anita Connor, Treasurer
- Liz Bowen, Clerk

L. Consider and Act Upon Proposed Budget for FY 2018-19:

Barbara Lederer made a motion to accept the General Fund budget as proposed, Drew Gibson seconded.

Larry Zimmerman made a motion to lower the budget by \$100,000. Bob Blackmore seconded. Larry Zimmerman amended his motion to lower the budget to 64,700.

Charlene Reagan, 6 Wood Acres, Amston

Q: If we were to reduce the budget now, wouldn't it be easier to have the money on hand, rather than have a special assessment? **A:** Yes, it is more difficult to collect additional funds via a special assessment.

Steve Reagan, 6 Wood Acres, Amston

Q: Are the funds in reserve restricted? **A:** Money in special funds can only be moved by a vote at a special meeting.

Barbara Lederer made a parliamentary comment that she would not allow her original motion to be amended.

Allison Stec, 163 Deepwood Dr, Lebanon

Q: If we reduce the budget by \$60,000, don't we also have to find out where in the budget that money is coming from? **A:** Yes, we'd have to dip into one of our funds in order to accommodate cutting the budget by that amount.

Brandon Pelegano, 260 Deepwood Dr, Lebanon

We have some really good people on this board who have gone through this budget, and it would be much more difficult to try to secure additional funds if we do have a problem.

Laurel Hennebury called the question – to accept the General Fund budget of \$124,700 as proposed.

Results: Yes 64, No 4. General Fund budget is approved as presented.

Allison Stec reviewed the year's activities of the Lebanon Roads. The Lebanon Roads has maintained surplus funds for a number of years and intends to continue that practice. ALD will maintain a minimum surplus of \$5,000 to be used only if needed for emergencies or cost overruns, and if used, replenished in the next budget cycle.

E. Curtin made a motion to approve the Lebanon Roads budget of \$35,000, B. Pelegano seconded.

Results: Yes 29, No 0. Lebanon Roads budget is approved as presented.

M. Establish Date for 2019 District Annual Meeting:

Laurel Hennebury made a motion to hold the 2019 Annual Meeting on May 18, 2019 at 10 AM at a location to be determined. B. Pelegano seconded. Barbara Lederer moved to amend the motion, setting the location at the Douglas Library. Laurel Hennebury didn't allow the amendment, saying we didn't know if the library would be available. Laurel Hennebury's original motion was voted on and unanimously approved.

N. Adjournment:

A. Stec moved to adjourn the meeting at 12:43 PM, seconded by Jeff Arpin, motion unanimously approved.

Respectfully submitted by
Liz Bowen, Clerk
Amston Lake District

Please refer to subsequent meeting minutes for approval of these minutes and any corrections hereto.