

Finance Committee Meeting
Acton Water District
693 Massachusetts Avenue
Acton, MA 01720

January 28, 2013 7:00 pm

In attendance were Finance Committee Members Chuck Bradley, David Butler, Bill Guthlein. Chris Allen, District Manager Mary Bassett, District Counsel and Mary J. Bates, District Treasurer were also present.

The meeting was called to order at 7:01 pm.

TREATMENT PLANT DESIGN

Mr. Allen informed the Committee that the June 2012 warrant article did include the design of the South Acton Treatment Plant. Subsequently we learned that design was not included in the \$12M, so there is no funding for the design. The borrowing timeline will put us behind on the design, which has already started. Mr. Allen suggested funding the project with \$200K from the Grace Fund and borrowing the balance, \$400,000. The other suggestion Mr. Allen made was to take \$100K from MTBE, which is currently available, \$100K from Free Cash, and borrow \$400K. This would bring the balance of Free Cash to \$141K. The Finance Committee is not in favor of utilizing the Grace Fund at this time. They would prefer that the Grace Fund remain invested and grow.

Mr. Butler made a motion to appropriate \$100K from Free Cash and borrow \$400K, with the remaining \$100K from currently available funds. Mr. Guthlein seconded the motion and it was unanimously approved.

AUTHORIZATION TO BORROW

Mr. Butler had questioned the ability to borrow funds in anticipation of a permanent financing. Attorney Bassett explained that the Treasurer has the authority to borrow once District Meeting authorizes the project. In this case, the engineering costs were not included in the original article, so if those funds had been borrowed, we would be short \$600K on the construction funding. Attorney Bassett also indicated that the current article for borrowing in anticipation of revenue is not necessary. The Treasurer and Finance Committee felt that it should remain as an article on the warrant. The District has not used that authorization.

Mr. Guthlein made a motion to adjourn the meeting at 7:29pm. It was seconded by Mr. Butler and unanimously approved.