

**Acton Water District
Finance Committee Meeting Minutes
May 26, 2023
693 Massachusetts Avenue
Acton, MA 01720**

In attendance were Finance Committee members Ron Parenti, Bill Guthlein, and John Petersen. Also in attendance, District Manager: Matthew Mostoller, District Treasurer: Christine McCarthy
Public Present: Kim Kastens

Mr. Ron Parenti called the Finance Committee meeting to order at 8:01 AM.

Accept Minutes from the February 14, 2023 meeting

Mr. Guthlein made a motion to approve the February 14, 2023 minutes. Mr. Parenti seconded, and it was approved by a roll call vote:

Mr. Guthlein, yes, Mr. Parenti, yes, Mr. Petersen, abstain

Comments from the Public

Kim Kastens requested an agenda item for a future meeting regarding the rate study. She also inquired about an email address for the Finance Committee. There currently isn't one, but this is something the staff will look into.

New Business

Welcome John Petersen to the Finance Committee

Mr. Petersen introduced himself and asked about the joint meetings between the finance committee and the board of water commissioners. Mr. Mostoller gave an overview of the District's practices.

Mr. Petersen also had questions about documentation and where to locate specific information. Mr. Parenti commented that some things are policy whereas other things are just practice and not necessarily documented but are institutional knowledge.

Mr. Petersen also spoke about PFAS and how it is a bigger issue than the Town of Acton. He would like the District finance committee, board of commissioners, and citizens to get involved and be a presence on the PFAS issue.

Mr. Parenti commented that he personally doesn't have a finance background and he hopes John will bring his knowledge to the finance committee.

Reorganization

Mr. Parenti nominated Mr. Guthlein to be the chair of the finance committee. There were no other nominations. Mr. Petersen seconded Mr. Parenti's nomination, and it was approved by a roll call vote:

Mr. Guthlein, yes, Mr. Parenti, yes, Mr. Petersen, yes

Review FY '23 3rd Quarter Actuals

The finance committee reviewed the report prepared by Ms. McCarthy. Mr. Petersen had a question about the reserve fund balance and how it is monitored. He would also like to see the District's statement of cash flows. Ms. McCarthy will include the statement of cash flows in future quarterly updates.

A discussion ensued about the District's different types of funds and Ms. McCarthy explained the various funds which include the General Fund, Grace Fund, OPEB Trust, and the Article 97 Stabilization Fund. Additionally, the reserve fund isn't a separate fund- it is a line item in the operating budget (reserve for contingency). For FY '23, \$100,000 was budgeted.

Mr. Mostoller commented that the District also has two revolving funds (within the General Fund)- Mitigation and New Service Meter installations.

The finance committee requested an update on the solar projects and Mr. Mostoller provided the update.

FY '23 Reserve Fund Transfer (recommend transfer of \$25,000 from the Reserve Fund to Lights, Power & Fuel)

Mr. Petersen made a motion to recommend the transfer of \$25,000 from the Reserve Fund line item to the Lights, Power, and Fuel line item. Mr. Parenti seconded and it was approved by a roll call vote:

Mr. Guthlein, yes, Mr. Parenti, yes, Mr. Petersen, yes

Review current investment policies and discuss/update

Ms. McCarthy referred to the document titled "Water Supply District of Acton Investment Guidelines". She would like the finance committee to review the guidelines, as the current version was last updated at some point in 2015. At a minimum, the document needs to be updated to reflect the current finance committee members and her as the District Treasurer/Collector. Mr. Petersen commented that a footer is needed on the document. Ms. McCarthy agreed and will add a footer to the document with the date of revision once revised.

The finance committee also discussed the Grace Fund and since it is nearing its end, something to explore is the establishment of a stabilization fund.

Ms. McCarthy also mentioned that we are due for an update from Boston Financial and asked the finance committee for input on when they would like the update to be scheduled. It was decided that the update should take place during a joint meeting between the finance committee and the board of water commissioners. Date to be determined.

Budgetary projections and impact of proposed PFAS regulations

Mr. Parenti presented his slides. Mr. Guthlein asked about Debt and Ms. McCarthy explained the current projections. Mr. Petersen would like Mr. Mostoller to provide him with 3 peer communities so he can see what their approach to PFAS has been.

Schedule for Future Finance Committee Meetings

Not discussed

Mr. Petersen motioned to adjourn the finance committee meeting at 10:25 AM. Mr. Guthlein seconded, and it was approved by a roll call vote:

Mr. Parenti, yes, Mr. Guthlein, yes, Mr. Petersen, yes.

All documents referred to in the minutes are available for inspection at the Acton Water District Office, 693 Massachusetts Avenue Acton, MA 978 263.9107