

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

October 24, 2013 12:00 noon

In attendance were Finance Committee Members Chuck Bradley, David Butler and Bill Guthlein. Chris Allen, District Manager, and Mary J. Bates, District Treasurer, Karen Bottar, Boston Financial, Bill Kingman and Brewster Conant were also present.

The meeting was called to order 12:04.

#### **Letter to Legislators**

Mr. Butler presented the Committee with copies of a letter that he has drafted to Legislators asking for their support of the Prudent Man Bill. Those will be mailed today.

#### **Approval of Minutes**

Mr. Guthlein made a motion to approve the minutes of the June 7, 2013 meeting as presented. Mr. Bradley seconded the motion and it was unanimously approved.

#### **Reserve Fund Transfer**

Mr. Allen presented the Committee with a request for transfer from the Reserve Fund in the amount of \$30,000 to the M&O Account. This would cover the cost of continued residuals disposal at the North Acton Water Treatment Plant. This has been an ongoing expense and this transfer will allow us to manage the remainder currently on site. Mr. Allen indicated that we are currently looking into alternative methods of removal. Because of the high aluminum content in the residuals, it is a costly process.

Mr. Bradley made a motion to approve the transfer. It was seconded by Mr. Guthlein and unanimously approved.

### **Boston Financial Update**

Karen Bottar of Boston Financial presented an update of the District's investments. The MTBE account has been drawn to 0 as of this month. The OPEB Fund had another deposit of \$150K and continues to grow, with a current market value of \$371,772. The Grace Fund has a current market value of \$2,236,014. Due to low interest rates, investments made in both funds are for short durations, averaging 2.9 years. Mr. Guthlein questioned why we are not increasing our equity investment in the current market. After discussion, Mr. Guthlein made a motion to recommend that Boston Financial move closer to a 40% equity investment as cash flow is available, at the discretion of Boston Financial. Mr. Bradley seconded the motion and it was unanimously approved. Ms. Bottar again stressed that she is hopeful that the prudent man legislation passes, which will allow a greater diversification of investments.

The next meeting of the Finance Committee, to be held in November, will include discussion of the FY 2015 Budget, allocation of the debt service fee, possible elimination of the winter rate, staggered billing and the request for an Associate member.

Mr. Guthlein made a motion to adjourn the meeting at 2:20 pm. It was seconded by Mr. Bradley and unanimously approved.

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