

## AMSTON LAKE DISTRICT MEETING MINUTES

### Long-Term Financial Planning Committee

June 20, 2024

**Call to Order:** The meeting was called to order at 6:34pm at the ALA Clubhouse 16 Wood Acres Rd.

**Roll Call:** Present were Karen Patterson (Chair), Lisa Gonsor, Jay Gallant, Jim Caines and guest Dave Arnold (Dock Master). Frank Hoisl and Teri Nixon are no longer on the committee.

#### **Review of Most Recent Committee Recommendations (revised 4/10/24):**

1. Rename Main Dam Fund to Dams Fund, and begin building balance to cover anticipated repairs to Duck Pond Dam (\$95-100K to repair; \$45-50K to remove)
2. Create a new fund to cover ALA Clubhouse Capital Improvements (\$14K roof replacement; \$4-8K furnace; \$5K shed)
3. Maintain a fixed dollar amount (expressed in a range of dollars) in Emergency/Rainy day Fund, rather than a percentage of fiscal year budget. The committee recommends \$65-75K. Up to \$10K could be moved to Dams Fund and ALA Clubhouse Fund to start building balances in those accounts. - Update: Maintaining \$75K balance was approved at May BOD meeting.
4. Reallocate funds remaining in General Fund at end of fiscal year to build/replenish fund balances. The amounts and funds to be credited would be decided in a Board meeting after the final fiscal year financials are available.
5. Boat pavers for boat ramp at Main Beach. Update: This recommendation was discussed by BOD and thought to be something that could be handled within the annual budget, so withdrawn as a long-term recommendation.

#### **Holdover Items to Discuss**

1. Main Beach & Lollipop Boat Docks
  - a. Dave Arnold shared a presentation on the current boat dock configurations and some options for enhancing existing docks, to make more room for larger boats and create better spacing between boats. Proposals were \$6600 each for the two docks (one at Main Beach and one at Lollipop).

- b. There are problems with expanding the existing dock structures by more than a couple of additional pieces (e.g., weight of the docks for moving to winter storage and during storms with heavy winds, depth of the water at Main Beach).
  - c. This year, all boat slips are spoken for (8 at Main Beach, mostly small boat slips and 9 at Lollipop, a mix of small and large boat slips). Two additional people expressed interest in boat slips after the boat slip lottery, one small slip and one large. We were not able to accommodate these residents.
  - d. The Committee asked Dave to look into the cost of adding an additional dock, rather than expanding/enhancing the existing docks. This would create an additional 6-9 boat slips for larger boats (e.g., pontoons). Last year, we received an estimate of \$38K to purchase parts to expand the Lollipop dock to create 7 additional boat slips, but this did not include a new gangway.
  - e. Committee felt strongly that the money collected for boat rentals should be set aside for future dock improvements. The consensus was that, starting in spring 2025, we could charge more for dock rentals than the current \$220 for large boats and \$110 for small boats, which would enable us to build a larger balance sooner.
  - f. Several options for expanding the boat docks were discussed, but we all agreed the LTFP committee will not be responsible for evaluating different boat dock configurations. We will leave that to the Board of Directors.
2. Recommendations from weed committee – no financial needs identified yet.
  3. Removal of diseased beach trees – no financial needs identified yet.

### **Fund Balances**

1. Invasive Weeds – balance as of 5/31/24 is \$114,820
2. Emergency/Rainy Day Fund – balance as of 5/31/24 is \$75,000
3. Main Dam Fund – balance as of 5/31/24 is \$100
4. Lebanon Roads – balance as of 5/31/24 is \$6,095

### **New Business**

1. **ALD Investment Strategy** – Lisa Gonsor works in the Finance Dept for the Town of Bolton and has familiarity with the CT Short-Term Investment Fund (STIF). This fund was created for municipalities and is managed by the Cash Management Division of the State of CT Office of the Treasurer. It is a Standard & Poor's AAAM rated investment pool of high quality, short-term money market instruments with interest rates comparable to Certificates of Deposit but is liquid so the money is always available. Current interest rates are around 5% (compared to the approximately 1.5% we are currently earning on bank savings accounts). Also, we currently have all of our bank accounts at one bank,

and the total (including money in the General Fund) often exceeds the FDIC insurance limit of \$250K. The hope is that if we can generate additional interest income, we will have more money to allocate to the other funds we are trying to build.

2. Possible grants to cover Duck Pond Dam repairs – moved to agenda for next meeting
3. Reallocation of non-tax revenue to add to fund balances – the group agreed that it would be a good idea to reallocate non-tax revenue back into other funds, rather than keeping it all in the general fund. For example, funneling boat slip rental income into a fund set up for boat dock expenses, and reallocating some of the interest income into the Invasive Plant Fund, Dam Fund and ALA Clubhouse Fund.

**Recap Committee Recommendations for discussion at July BOD meeting:**

1. Rename Main Dam Fund to Dams Fund (to include Duck Pond Dam).
2. Create a new fund to cover ALA Clubhouse capital improvements.
3. Create a new fund for Dock Repairs/Enhancements.
4. Once FYE '23-'24 financials are complete, determine if there is money in the general fund that can be reallocated to other funds (Dam Fund, ALA Clubhouse Capital Improvement Fund, Dock Repair/Enhancements Fund).

**Agenda (and timing) for Next Meeting:** Next meeting will be held in late August (date TBD) at the ALA Clubhouse. Agenda will include possible grants to cover Duck Pond Dam repair, ALD Investment Strategy and a recap of discussion/decisions made at July/Aug Board meetings related to the various funds.

**Adjournment:** Meeting adjourned at 8:24pm