

**VILLAGE OF LUDLOW  
WATER COMMISSION**

**Regular Meeting  
Monday, February 7, 2012  
5:00 pm**

**Board Present:**

David Rose, Richard Strong

**Staff Present:**

Frank Heald

**Call to Order:**

David Rose called the meeting to order at 5:00 pm.

**Approve Minutes:**

- a. **MOTION by Richard Strong and seconded by David Rose to accept the minutes from January 3, 2012. All in favor and the motion passed.**

**Comments from Citizens:**

- a. None present.

**Water Project Financial Update RE: ARRA GPR Forgiveness:**

- a. Frank Heald reported that the Village Water Project did receive the additional credit green of \$116,000. He said the State Loan would then go from \$2,000,000 to \$744,000 for a term of 20 years. Frank said the first year's payment at \$744,000 would be due in 2013.

**Consider Buy Down of State Note:**

- a. Frank Heald said the Water Commission could consider a buy down of the loan because based on the FY 2011 Financial Draft because there is just under \$600,000 in the water account. He said that would reduce the State Loan payment by \$13,000 and still leave \$400,000 in the account.
- b. David Rose asked how that would affect the water rates.
- c. Frank Heald said they originally had thought the basic rate would increase by \$80 or \$140 per year. He said it is now looking more like \$50/\$52.
- d. Frank Heald said the administrative staff is in the process of researching every water connection from residents to businesses to be sure we have the most current billing information.
- e. David Rose said they should consider a buy down so the rates for the next water billing will be lesser than we originally planned for.
- f. **MOTION by David Rose and seconded by Richard Strong to buy down the State ARRA Loan by \$200,000 using Capital Reserve funds. All in favor and the motion passed.**
- g. Richard Strong said the numbers for the Water Project look good.
- h. Frank Heald said the project went financially well with the cost under budget. He commended the Water Commission for making good decisions early so the project was shovel ready.

**Finalize FY 2013 Budget:**

- a. Frank Heald said that based on the decision that was just made and when the \$200,000 buy down is added, the bottom line for the water budget will be \$58,216.
- b. **MOTION by David Rose and seconded by Richard Strong to finalize the FY 2013 budget as amended. All in favor and the motion passed.**

**Other Business:**

- a. Frank Heald said he has a draft of the FY 2011 Financials. He said the Management Letter is clean with no issues. He said the Village Trustees will open the Audit proposals tonight.
- b. Frank Heald said the accounting firm we've been using for the past few years is currently the low bidder for the Town audit.

- c. Richard Strong said that the March meeting would be his last one as it was time to retire from the Water Commission Board.

**Set Date for Next Meeting:**

- a. Next meeting has been scheduled on Tuesday, March 6, 2012 at 5:00 pm.

**Adjourn:**

- a. **MOTION to adjourn by Richard Strong and seconded by David Rose. All in favor and the motion passed.**
- b. Meeting was adjourned at 5:17 pm.

Respectfully submitted,

Pam Cruickshank  
Recording Secretary

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David Rose, Chairman

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Richard Strong

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John Murphy, Sr.