

BRUNSWICK SEWER DISTRICT
Board of Trustees Annual Budget Meeting
29 November 2010
Approved Minutes

Call to Order

The annual budget meeting of the Board of Trustees of the Brunswick Sewer District was called to order by Chair Priest at 7:00 p.m. on Monday, 29 November 2010, in the conference room at District offices. Notice of the meeting was advertised in the 12 November 2010 edition of the *Times Record*. A prepared agenda was provided and the meeting was recorded.

Members present: Chair Priest, Trustees Schwindt, Green, Barbour, and Boochever.

Others present: General Manager Blanchette, Assistant General Manager Pontau, Finance Manager Nuttelman; camera operator Hedy Blauvelt.

Introduction of Parties Present

There were no members of the public in attendance.

Executive Session: To Discuss a Personnel Matter [1 M.S.R.A. §405 (6) (A)]

At the request of the General Manager,

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE BOARD TO ENTER INTO EXECUTIVE SESSION AT 7:03 PM TO DISCUSS A PERSONNEL MATTER UNDER M.R.S.A. TITLE 1, CHAPTER 13.1.405.6.A.

The meeting returned from executive session at 7:25 pm. No action was taken during the executive session. And no action was taken subsequent to the executive session.

Review Budget Approval Process

The General Manager reviewed for the Trustees the process by which the annual operations budget is drafted, reviewed, and approved. A description of the process is included in the budget document.

2011 Operations Budget

The Trustees considered the 2011 operations budget proposal dated 29 November 2010. The document includes an executive summary and a detailed summary analysis of budget funds and expenditures as well as projections of operating and non-operating revenues, division and annual operations maintenance and general expenses, capital and con-

struction, and bond principal and interest, for year-end 2010 and for 2011. Budgeted amounts have been developed based on data from prior years, current year to date, and planned activities in 2011.

The General Manager presented a balanced budget designed to cover all projected 2011 expenditures from expected 2011 revenues and projected a possible under expenditure of \$264,000 of the 2010 budget. Based on a Board inquiry it was noted that any end-of-year surplus or unexpended funds remain in the unallocated reserve fund. The proposed budget is a zero-based budget that does not carry over any funds from 2010. The budget proposal anticipates reduced revenue for 2011 for residential, commercial, Navy, Topsham, drainage, and septage. User rates are projected to remain unchanged throughout the budget period. The General Manager noted that the final budget proposal may include a request for an appropriation from the capital & depreciation reserve to fund some items currently removed from the capital budget.

The operational expense accounts have been budgeted in amounts less than expected to be expended in 2010. No increase in staffing is requested for 2011. The budget includes an allowance for overtime and merit increases. Larger capital items include a comprehensive upgrade of the Treatment Operations Division heating system, evaluations of its secondary clarifiers and the ventilation system, and replacement of a 1996 pick-up truck. The capital budget includes a pick-up truck for use by the new assistant general manager. It also includes an evaluation of the administrative office building to determine scope and preliminary cost for future renovation. The evaluations are a continuing effort for additional energy conservation and efficiency projects. A construction project to increase the diameter of an existing pipe is also included. Bond payments in 2011 total \$107,000 as compared to \$925,000 for 2010.

Board Discussion

The Trustees discussed revenue projections, major expense accounts and capital budget items, including labor, benefits, electric power, heating fuel, sludge utilization, and vehicle fuel. They also discussed the items that had been removed from the budget to obtain a revenue-based balanced budget. The Trustees stated their concern that required facilities and equipment maintenance not be reduced in light of budget reductions.

Staff noted that a number of items are still being reviewed and may change including year-end projections for revenue and expenses that will be amended once November numbers are known.

Public Comment

There were no members of the public in attendance. No oral or written comment regarding the budget or its development has been received.

Chair Priest declared the meeting in recess from 8:12 p.m. to 8:27 p.m.

Schedule of Upcoming Meetings, Events, etc.

- Trustees Regular Monday 13 December 2010 7:00 p.m.
- Trustees Regular Monday 10 January 2011 7:00 p.m.
- Trustees Regular Monday 14 February 2011 7:00 p.m.

Remarks from the Chair

Chair Priest thanked the Trustees and Staff for their assistance.

Adjournment

There being no further business before the Board,

*IT WAS MOVED BY TRUSTEE GREEN, SECONDED BY TRUSTEE BARBOUR,
AND UNANIMOUSLY VOTED BY THE TRUSTEES TO ADJOURN THE MEETING AT
8:33 P.M.*

Attest:

Emily Boochever
Trustee Clerk, Board of Trustees