

BRUNSWICK SEWER DISTRICT
Board of Trustees Annual Budget Meeting
01 November 2012

Approved Minutes

Call to Order

The annual budget meeting of the Board of Trustees of the Brunswick Sewer District was called to order by General Manager Blanchette at 7:15 pm on Thursday, 01 November 2012, in the conference room at the Maine Technology Institute building at 8 Ventura Boulevard, Brunswick Landing, Brunswick, Maine. Notice of the meeting was advertised in the Friday 10 October 2012 edition of the *Times Record*. A prepared agenda was provided and the meeting was recorded.

Introduction of Parties Present

Members present: Chair Priest, Vice Chair Sartoris, Trustees Green, Barbour, and Harvey.

Others present: General Manager (GM) Blanchette, Assistant General Manager (AGM) Pontau, and Finance Manager (FM) Caron; Camera Operator Madison Brownne; and Mrs. Bonnie Shippen (minute taker).

Introduction and Welcome of Trustee Harvey

Chair Priest welcomed Mr. Earle F. Harvey to the Board of Trustees.

Election of Officers

GM Blanchette noted that the District Charter notes at the first regular meeting of the Board of Trustees following the annual appointment of a new Trustee or reappointment of an existing Trustee, the Board shall elect a Chairman, Vice-Chairman, Clerk, Treasurer, and Assistant Treasurer.

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (5-0) TO ELECT TRUSTEE PRIEST AS CHAIRMAN, TRUSTEE SARTORIS AS VICE-CHAIRMAN, TRUSTEE BARBOUR AS CLERK, TRUSTEE GREEN AS TREASURER AND TRUSTEE HARVEY AS ASSISTANT TREASURER.

Review Budget Approval Process

GM Blanchette reviewed for the Trustees the process by which the annual operations budget is drafted, reviewed, and approved. This process is described in the budget document.

2013 Operations Budget

The Trustees considered the 2013 operations budget proposal dated 01 November 2012.

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GM Blanchette distributed to the Board the Budget Proposal Narrative. This document includes an executive summary and a detailed summary analysis of 2012 budget funds and expenditures, as well as 2013 projections for operating and non-operating revenues, division and annual operations maintenance and general expenses, capital, construction, bond principal and interest for year-end 2012 and for 2013. Budgeted amounts have been developed based on data from prior years, current year to date, and planned activities in 2013.

GM Blanchette presented a balanced budget designed to cover all projected 2013 expenditures from expected 2013 revenues, combined with a request for a 12% increase in residential and commercial rates and 3.45% increase in the septage and holding waste rate. The proposed budget is zero-based and does not carry over any funds from 2012. GM Blanchette noted the 2013 budget plans for the rate increase to be effective in April, 2013. The Budget also includes the bond payment for the 2005 SRF Loan and the 2012 MMBB payment for the Administrative Building construction. Overall division expenses are budgeted at 7.2% over anticipated 2012 year-end. The budget includes continuing the programs adopted in 2012 to promote, recognize, and reward employee performance and education. These additional costs are being offset with some substantial operational cost savings achieved through lower electrical, heating, and chemical cost and by not filling the current staff vacancy. Larger capital items include a new sludge truck, Pipe Lining Trailer and yard utility vehicle and completion of the Administrative Office Building project.

The budget proposes to use \$80,000 from the Entrance Charge Reserve to fund the MacMillan Drive Inflow/Infiltration Removal project. The budget also includes replacement of piping on College Street as part of the Public Works Department road construction project.

FM Caron noted with the removal of the administration building, the building and its contents that still had depreciable life has been written off in the fixed assets. This has accounted for a \$207,000 net loss giving the budget a (\$172,000) balance for Other Revenue. She also noted \$100,000 of the rate increase revenue has been assigned to replenish the Capital & Depreciation Reserves.

Board Discussion

The Trustees discussed revenue projections, major expense accounts, and capital budget items, including the purchase of a sludge truck, restoration of old maps, and construction of the administrative building. Additional information was requested regarding employee labor and benefit costs.

GM Blanchette noted that a number of items are still being reviewed and may change, as well as some items that will need to go to the Board for adoption as stand- alone programs.

Trustee Sartoris departed the meeting at 8:00 pm.

Schedule of Upcoming Meetings, Events, etc.

Trustees Regular	Monday	19 November 2012	7:00 pm
Trustees Regular	Thursday	13 December 2012	7:00 pm
Trustees Regular	Thursday	17 January 2013	7:00 pm

Remarks from the Chair

Chair Priest thanked the Trustees and staff for their assistance. Chair Priest welcomed

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Trustee Harvey and thanked him for joining the Board of Trustees.

Executive Session to Discuss a Personnel Matter

IT WAS MOVED BY TRUSTEE HARVEY, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES PRESENT (4-0) TO ENTER INTO AN EXECUTIVE SESSION AT 8:25 PM TO DISCUSS A PERSONNEL MATTER [MRSA 405 (6) (A) REGARDING THE ANNUAL PERFORMANCE EVALUATION OF THE GENERAL MANAGER.

AGM Pontau, FM Caron, Ms. Brownne and Ms. Shippen left the meeting at 8:25 pm.

The Trustees returned from executive session at 8:51 pm. There was no action taken in executive session.

There being no further business before the Board of Trustees,

IT WAS MOVED BY TRUSTEE BARBOUR, SECONDED BY TRUSTEE GREEN, AND UNANIMOUSLY VOTED BY THE TRUSTEES TO ADJOURN THE MEETING AT 8:52 PM.

Attest _____

David N. Barbour
Trustee Clerk