## NVC Utilities Committee Trustee Meeting Community Hall and by Zoom link Friday, December 9, 2022 2:30 p.m.

Trustees Present: Brady Brim-Deforest (by Zoom), David Crofoot, Jeffrey Wilt

Staff: Richard McElhaney, Bill Paige
NVC Officials: Janae Novotny, Wendy Huntoon

Trustees Absent: Judy Metcalf, Casey Brown

The December meeting of the NVC Utilities Trustees convened at 2:38. Utilities chair, Jeffrey Wilt called the meeting to order.

Approval of November minutes: David Crofoot moved (seconded by Brady Brim-Deforest) The motion was adopted with yes votes from David Crofoot, Brady Brim-Deforest, Jeffrey Wilt

**Superintendent's Report**: Richard McElhaney presented his report for October and November (see attachment). During the reporting period there were no exceedances.

Dirigo Engineering has not yet been contacted to determine (1) the reason for recent (August/September) exceedances and (2) plan for managing future exceedances. Richard McElhaney recommends engaging Dirigo in spring closer to the 2024 summer season.

## **Wastewater (Sewer) Department Financial Update:**

2022 Budget Overage: The wastewater (sewer) department is over its payroll budget by \$5418. The overage is the result of increased hours by collection and office personnel.

2022 "Due To" General Government: The wastewater (sewer) department owes approximately \$30,000 to general government for payroll reimbursements for the 2022 calendar year. As those funds were approved in the 2022 budget, there was a consensus among participating trustees that funds should be transferred from the wastewater account to the general government account.

2020 "Due To" General Government: The wastewater (sewer) department owes approximately \$64,000 (\$39,000 payroll, \$25,000 nonpayroll) to general government for related expense paid by general government in 2020 but not reimbursed by the wastewater. The wastewater (sewer) department does not have sufficient funds to transfer. Utilities Trustees will propose a 4-year payment plan to the Overseers. \$15,000 in funding for first payment will be included in the proposed 2023 wastewater (sewer) budget.

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2023 proposed wastewater budget: The trustees discussed the proposed budget which includes \$29,000 for new/replacement equipment, \$3,500 to replace outfall buoy lost in recent storm, \$15,000 to make first payment on 2020 "Due To" general government, \$7,000 in reserve funds required by USDA, and necessary funds for increased material and payroll expenses. The total proposed budget is \$268,000. If adopted, the budget will require \$361 per trimester (\$1,083 per year) for each wastewater's 248 costumers. This compares to current budget of \$176,000 which is funded by \$237 per trimester (\$711 per year) costumer fees.

The trustees had a long discussion considering options to fund the wastewater department including seeking budget support from future NVC general government budgets. The trustees expressed concern over a continued pattern of steep rate increases and the impact those increases have on costumers. In the end there is a realization that NVC cannot exist without the wastewater treatment facility and the proposed budget reflects the actual cost of managing the facility. In addition, the decision (2020) to fund the new waste water facility out of reserve funds has completely depleted those funds leaving no cushion for additional expenses.

Approval of 2023 Proposed Wastewater Budget: Brady Brim-Deforest moved (seconded by David Crofoot) approval of 2023 proposed budget. The motion was adopted with yes votes from David Crofoot, Brady Brim-Deforest, Jeffrey Wilt.

## **Waste Department Financial Update:**

2022 Budget Overage: The water department is over its payroll budget by \$1,322. The overage is the result of increased hours by collection and office personnel.

2022 "Due To" General Government: The water department owes approximately \$32,000 to general government for payroll reimbursements for the 2022 calendar year. As these funds were approved in the 2022 budget, there was a consensus among participating trustees that those funds should be transferred from the wastewater account to the general government account.

2020 "Due To" General Government: The water department owes approximately \$29,000 (\$1,000 payroll, \$28,000 nonpayroll) to general government for related expense paid by general government in 2020 but not reimbursed by the water department. As the water department has sufficient funds to transfer, there was a consensus among participating trustees that those transfers should occur immediately.

2023 proposed budget: The trustees discussed the proposed budget which includes necessary funds for increased payroll expenses. The total proposed budget is \$177,000.

Approval of 2023 Proposed Water Budget: Brady Brim-Deforest moved (seconded by David Crofoot) approval of 2023 proposed budget. The motion was adopted with yes votes from David Crofoot, Brady Brim-Deforest, Jeffrey Wilt.

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Other Business:

In executive session, Richard McElhaney announced his intention to retire effective January 15, 2023. The trustees ask him to consider a February 1, 2023, retirement date. Participating trustees thanked Dick for his years of service.

Trustees discussed plans for the transition. <u>Brady Brim-Deforest will reach out to Maine Rural</u> Water to determine how they may assist with the transition.

Trustees discussed the possibility of engaging an engineering firm to manage Utilities. Olver Associates was referenced as a possibility.

Approval of Utilities contribution to year-end bonus fund: Brady Brim-Deforest moved (seconded by David Crofoot) approval of \$1,026 contribution to bonus fund. The motion was adopted with yes votes from David Crofoot, Brady Brim-Deforest, Jeffrey Wilt.

The next meeting of the Trustees is a <u>January 6, 2023, 2:30 p.m.</u>, Community Hall and on-line (https://us02web.zoom.us/j/82961508196?pwd=ekpzTllZcml3cnJEZmlHRmlwR3ZSZz09).

The meeting adjourned at 4:00 p.m.

Respectfully submitted, Jeffrey Wilt, Chairman

NORTHPORT VILLAGE CORPORATION SEWER DEPARTMENT 2023 BUDGET - 7th DRAFT								
<u>SEWI</u>	<u>ER</u> DEPARIM	ENT 2023 BUI	DGET - 7th D	RAFI				
	2020	2021	2022	2022	2023	2023		
	ACTUAL	BUDGET	BUDGET	JAN-OCT	DRAFT	CHANGE		
4400 REVENUE								
OPERATING INCOME								
4510-SEWER FEES	175,013	174,260	175,688	ii.	267,960	92,272		
4520-SEWER LATE FEES	0	0	0		0	0		
TOAL OPERATING INCOME	175013	174260	175688	0	267960	92,272		
4600-NONOPERATING INCOME	-							
4910-INTEREST INCOME	0	0	0		0	0		
2520-NEW INSTALLATIONS	0	0	0		0	0		
TOTAL NON-OPERATING INCOME	0	0	0	0	0	0		
TOTAL INCOME	175,013	174,260	175,688	0	267,960	92,272		
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6000 EXPENSES								
ADMINISTRATION								
6260-OFFICE SUPPLIES	622	750	800		920	120		
6285-POSTAGE	384	250	275		300	25		
6210-LICENSES, PERMITS & FEES	1,819	1,200	1,900		2,185	285		
6060-BANK CHARGES	96	0	0		0	0		
6161-PROPERTY AND CASUALTY INSURANCE	1,611	1,470	2,500		2,500	0		
6240-MMA MEMBERSHIP	200	234	234		234	0		
6345-OFFICE SOFTWARE	600	600	600		600	0		
TOTAL ADMINISTRATION	5,332	4,504	6,309	0	6,739	430		
PROFESSIONAL SERVICES								
6035-FINANCIAL OFFICER	3,458	6,000	7,500	0	0	-7,500		
6036-BOOKKEEPING	1,947	4,200	1,300		6,800	5,500		
6191-AUDITORS	4,150	3,600	4,200		4,200	0		
6095-PAYROLL SERVICE	715	765	800		1,100	300		
6192-ENGINEERING	0	0	0		0	0		
6193-LEGAL FEES	0	0	0		0	0		
TOTAL PROFESSIONAL SERVICES	10,270	14,565	13,800	0	12,100	-1,700		
VILLAGE TRUCK								
6053-GAS	387	500	500		1,000	500		
6057-REPAIRS	62	300	300		450	150		
6059-ACCRUE FOR TRUCK REPLACEMENT	0	1,000	1,000		1,000	0		
TOTAL 6700-VILLAGE TRUCK	449	1,800	1,800	0	2,450	650		
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EMPLOYEE WAGES & BENEFITS								
6087-BILLING CLERK	5,363	4,100	4,100	0	3,170	-930		
6084-OFFICE MANAGER				0	15,477	15,477		
6037-OFFICE ASSISTANT		600	3,600	0	3,681	81		
5370-TRAINING/CERTIFICATION	0	0	0	0	0	0		
6081-COLLECTION SYSTEM OPERATOR	3,250	4,230	4,357	0	6,350	1,993		
****-ASSISTANT CSO		00	00	_	5,148	5,148		
6086-TREATMENT PLANT OPERATOR	30,306	30,500	30,500	0	30,500	0		
6046-UTILITIES SUPT	16,675	12,855	12,855	0	12,855	0		
6015-CASUAL LABOR	446	4,800	500	0	500	0		
6096-PAYROLL TAXES	3,111	6,100	3,700	0	6,900	3,200		
TOTAL EMPLOYEE WAGES	59,151	63,185	59,612	0	84,581	24,969		
EMPLOYEE BENEFITS								
6076-COMPANY PAID BENEFITS	1,623	2,450	1,600	0	1,600	0		
6162-WORKER'S COMPENSATION	1,546	1,204	750	0	750	0		
6077-INCOME PROTECTION	285	350	320	0	320	0		
TOTAL EMPLOYEE BENEFITS	3,454	4,004	2,670	0	2,670	0		

NORTHPORT VILLAGE CORPORATION SEWER DEPARTMENT 2023 BUDGET - 7th DRAFT							
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	2020	2021	2022	2022	2023	2023	
	ACTUAL	BUDGET	BUDGET	JAN-OCT	DRAFT	CHANGE	
BUILDING & UTILITIES							
6401-ELECTRICITY	2,937	2,400	3,000	0	3,900	900	
6406-PHONE/PAGER/INTERNET/DIALER	654	900	800	0	800	0	
6402-OIL/PROPANE	367	400	500	0	1,000	500	
6407-WATER/SEWER	1,267	450	1,200	0	1,200	0	
6325-BUILDING RENT	3,000	0	0	0	0	0	
6331-REPAIRS AND MAINTENANCE	73	204	200	0	200	0	
6332-COMMUNITY HALL CLEANING	275	300	300	0	300	0	
TOTAL BUILDING & UTILITIES	8,573	4,654	6,000	0	7,400	1,400	
OPERATION & MAINTENANCE							
6500-EFFLUENT TESTING	5,371	5,400	6,350	0	8,300	1,950	
6350-SUPPLIES/CHEMICALS	5,015	12,600	17,600	0	23,500	5,900	
6335-SLUDGE REMOVAL	9,080	10,250	27,000	0	27,000	0	
6342-REPAIRS AND MAINTENANCE	2,418	5,000	5,000	0	34,000	29,000	
6337-WHARFS, FLOATS & OUTFALL REPAIRS	0	1,500	1,500	0	3,500	2,000	
4840-HYDRANT RENTAL	150	150	150	0	150	0	
TOTAL OPERATION & MAINTENANCE	22,034	34,900	57,600	0	96,450	38,850	
TOTAL OPERATING EXPENSE	109,263	127,612	147,791	0	212,390	64,599	
LONG TERM DEBT SERVICE							
6810-2008 MMBB-INTEREST May 1/Nov 1	2,589	2,310	2,020		1,717	-303	
6811-2008 MMBB-PRINCIPAL Nov 1	5,072	5,288	5,499	0	5,774	275	
6814-2012 USDA RD-PRINCIPAL Jun 19	4,860	5,056	5,157	0	5,261	104	
6815-2012 USDA RD-INTEREST Jun 19	2,653	2,457	2,356	0	2,252	-104	
6816-2013 MMBB REFI-PRINCIPAL Nov 1	10,522	10,774	11,069	0	11,394	325	
6817-2013 MMBB REFI-INTEREST May 1/Nov 1	7,075	6,822	6,528	0	6,202	-326	
TOTAL LONG TERM DEBT	32,771	32,707	32,629	0	32,600	-29	
TOTAL EXPENSE	142,034	160,319	180,420	0	244,990	64,570	
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NET ORDINARY INCOME	32,979	13,941	-4,732	0	22.970	27,702	
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OTHER INCOME	=						
4610-INTEREST INCOME - RESERVES	972	100	100	0	300	200	
TOTO-INTENEST INCOME - RESERVES	312	100	100	l	300	200	
OTHER EXPENSE							
OTHER EXPENSE 3218-CONTINGENCIES	26.754	6 0 4 4	11 020	0	1.070	42.000	
	26,751	6,841	-11,832	0	1,070	12,902	
*****-DUE TO GENERAL (2022)	7 000	7 000	7 000	0	15,000	15,000	
8560 SEWER RESERVE FUND (USDA)	7,200	7,200	7,200	0	7,200	0	
FOTAL OTHER EXPENSE	^					I	
TOTAL OTHER EXPENSE	0	0	0	0	0	0	

NORTHPORT VILLAGE CORPORATION WATER DEPARTMENT 2023 BUDGET - 5th DRAFT								
	2020	2021	2022	2021	2023	2023		
	ACTUAL	BUDGET	BUDGET	JAN-OCT	DRAFT	CHANGE		
1700 REVENUEINCOME								
OPERATING INCOME								
4830-INTEREST	0	0	0	0	0	0		
4840-HYDRANT RENTAL	4,784	5,315	5,315	0	6,212	897		
4810-WATER SALES	164,581	160,866	161,838	0	162,792	954		
4820-SERVICE FEES	8,908	8,800	8,000	0	8,000	0		
TOTAL OPERATING INCOME	178,273	174,981	175,153	0	177,004	1851		
NON-OPERATING INCOME	-							
2510-NEW INSTALLATIONS	650	0	0	0	0	0		
TOTAL INCOME	178,923	174,981	175,153	0	177,004	1851		
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EXPENSE								
COST OF GOODS SOLD								
5100WATER PURCHASES	23,433	24,300	24,300	0	24,300	0		
TOTAL COGS	23,433	24,300	24,300	0	24,300	0		
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GROSS PROFIT	155,490	150,681	150,853	0	152,704	1851		
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ADMINISTRATION								
6350-OFFICE SUPPLIES	677	750	800	0	920	120		
6285-POSTAGE	270	250	275	0	300	25		
6210-LICENSES, PERMITS & FEES	1.786	1.750	1,800	0	1,800	0		
6060-BANK CHARGES	0	0	0	0	0	0		
6161-PROPERTY AND CASUALTY INS	1,525	1,575	1,625	0	1,625	0		
6240-MMA MEMBERSHIP	200	234	234	0	234	0		
6345-OFFICE SOFTWARE	600	600	600	0	600	0		
TOTAL ADMINISTRATION	5,058	5,159	5,334	0	5,479	145		
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PROFESSIONAL SERVICES								
6035-FINANCIAL OFFICER	3,458	6,000	7,500	0	0	-7500		
6036-BOOKKEEPING	1,947	4,200	1,300	0	6,800	5500		
6191-AUDITORS	5,150	4,600	4,600	0	4,600	0		
6095-PAYROLL SERVICE	715	765	750	0	1,100	350		
6192-ENGINEERING	0	0	0	0	0	0		
6193-LEGAL FEES	0	0	0	0	0	0		
TOTAL PROFESSIONAL SERVICES	11,270	15,565	14,150	0	12,500	-1650		
	,	10,000	,	· ·	.2,000			
VILLAGE TRUCK								
6053-GAS	388	500	500	0	1,000	500		
6057-REPAIRS	62	300	300	0	450	150		
6059-ACCRUE FOR TRUCK REPLACEMENT	0	1,000	1,000	0	1,000	0		
TOTAL VILLAGE TRUCK	450	1,800	1,800	0	2,450	650		
EMPLOYEE WAGES & BENEFITS	7							
6087-BILLING CLERK	5,405	4,100	4,100	0	3,170	-930		
6084-OFFICE PERSONNEL	-				15,477	15477		
6037-OFFICE ASSISTANT		600	3,600	0	3,681	81		
6082 DISTRIBUTION OPERATOR	18,542	19,500	20,085	0	29,250	9165		
****- ASSISTAND D. O.		•	_	0	5,148	5148		
6370-TRAINING/CERTIFICATION	0	0	0	0	0	0		
6047-UTILITIES SUPERINTENDENT	9,528	12,855	12,855	0	12,855	0		
6015-CASUAL LABOR	472	6,000	6,000	0	800	-5200		
6096-PAYROLL TAXES	1,731	4,500	1,800	0	6,000	4200		
TOTAL EMPLOYEE WAGES	35,678	47,555	48,440	0	76,381	27941		

NORTHPORT VILLAGE CORPORATION WATER DEPARTMENT 2023 BUDGET - 5th DRAFT								
	2020	2021	2022	2021	2023	2023		
	ACTUAL	BUDGET	BUDGET	JAN-OCT	DRAFT	CHANGE		
6076-COMPANY PAID BENEFITS	580	1,900	1,100	0	1,100	0		
6162-WORKER'S COMPENSATION	930	750	750	0	750	0		
6077-INCOME PROTECTION	285	315	320	0	320	0		
TOTAL EMPLOYEE BENEFITS	1,795	2,965	2,170	0	2,170	0		
6200-BUILDING & UTILITIES								
6401-ELECTRICITY	1,828	1,900	1,900	0	2,500	600		
6406-PHONE/PAGER/INTERNET	654	600	800	0	800	0		
6402-FUEL	368	300	300	0	600	300		
6407-WATER & SEWER	1,171	450	1,200	0	1,200	0		
6325BUILDING RENT	3,000	3,000	3,000	0	3,000	0		
6331-REPAIRS AND MAINTENANCE	48	200	200	0	200	0		
6332-CH CLEANING	275	300	300	0	300	0		
TOTAL BUILDING & UTILITIES	7,344	6,750	7,700	0	8,600	900		
OPERATION & MAINTENANCE								
6500-WATER TESTING	821	600	1,200	0	900	-300		
6350-SUPPLIES	8,873	3,500	13,500	0	5,000	-8500		
6342-REPAIRS & MAINTENANCE	5,802	4,400	6,000	0	6,550	550		
TOTAL OPERATION & MAINTENANCE	15,496	8,500	20,700	0	12,450	-8250		
TOTAL OPERATING EXPENSE	77,091	88,294	100,294	0	120,030	19736		
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LONG TERM DEBT								
6816-PRIN 2013 MMBB REFI 55% Oct	23 19,291	19.752	20,293	0	20.890	597		
6817-INT 2013 MMBB REFI 55% Oct 23		12,509	- '	0	-,	-597		
		· · · · · · · · · · · · · · · · · · ·	11,968		11,371			
TOTAL LONG TERM DEBT	32,261	32,261	32,261	0	32,261	0		
TOTAL EXPENSE	109352	120555	132555	0	152291	19736		
NET ORDINARY INCOME	46138	30126	18298	0	413	-17885		
OTHER INCOME		I.	1	1				
4610-INTEREST INCOME	216	500	500	135	500	0		
OTHER EXPENSE						-		
7100-CONTINGENCIES	46,354	30,626	18,798	135	913	-17885		
3565-WATER RESERVE FUND	0	0	0	0	0	0		
TOTAL OTHER EXPENSE	46,354	30,626	18,798	135	913	-17885		
NET INCOME	0	0	0	0	0	0		