

**Bangor Water District
Board of Trustees**

**Minutes of a Special Meeting
December 21, 2021**

A special meeting of the Bangor Water District Board of Trustees was held at 7:15 a.m. in the Hughes Building, 614 State Street. Trustees and staff participated in person and remotely with both audio and visual available to all participants. Remote participation for the public was provided, but no one joined the meeting. Present were:

Ralph Foss
Patty Hamilton
John Hwalek
Gerry Palmer
Robert Sypitkowski
Michael Timpson
Dan Wellington

being more than a quorum of Trustees. Also in attendance: General Manager Moriarty, Finance Manager Silva, and Office Manager Lobdell.

The single item on the agenda was approval of the 2022 budget for O&M and capital items.

O&M Budget: Finance Manager Silva presented the proposed O&M budget by discussing the financial highlights of revenue and expenses followed by a projection of the cash flow.

- Revenue: 2022 will represent a full year of the 13.9% rate increase. Using the same consumption as 2021, metered sales will increase by \$585,000 or 11% and fire protection will increase by \$208,000 or 10%.
- Expenses:
 - O&M Expenses are budgeted to increase by \$395,000 or 9%.
 - Salaries & Wages will increase \$217,000 or 11%. The increase includes a \$40,500 increase from the salary & wage study, the new Accounting Assistant position, and a partial salary overlap to prepare for the anticipated retirement of the Billing Clerk. It also includes a 5.9% COLA increase, effective 1/1/2022, which reflects the Social Security increase announced in October.
 - Chemicals will increase by \$44,000 or 29%, which includes an increase of 20% for chemical costs as well as the addition of LOX.
 - Materials & Supplies will increase by \$48,000 or 9%.
 - Depreciation Expense will increase by \$149,000 or 12% as a result of adding the Ozone and State Street projects.
 - Principal & Interest will increase by \$195,000 or 12%, due to closing the final Ozone and State Street bonds.
- Cash Flow: Silva discussed the projected cash flow for 2022 noting June may represent a low point in the year.

Capital Budget: General Manager Moriarty presented the 2022 capital budget, beginning with an overview of the budget process. She indicated depreciation is calculated annually and is funded by rates. Included in the process are purchases and projects over \$2,500 and assets with an expected useful life of more than one year

Moriarty then presented the finalized capital budget in detail by department, which was allocated as follows, with a total of \$1,314,255.

- Engineering (38%)
- Service (23%)
- Construction (22%)
- Maintenance (7%)
- Finance/Office (2%)
- Treatment (1%)
- Contingency (7%)

After discussion of both budgets, it was upon motion being made and duly seconded, unanimously VOTED: to approve the 2022 O&M budget as presented.
(All Trustees present were visible during voting.)

It was then upon motion being made and duly seconded, unanimously VOTED: to approve the 2022 capital budget as presented.
(All Trustees present were visible during voting.)

Hearing no further business to come before the meeting, it was upon motion being made and duly seconded, unanimously VOTED: to adjourn at 8:20 a.m.
(All Trustees present were visible during voting.)

Ralph Foss

Dan Wellington, clerk

Patty Hamilton

John Hwalek

Gerry Palmer

Robert Sypitkowski

Michael Timpson