

**TOWN OF EAST WINDSOR
WATER POLLUTION CONTROL AUTHORITY**

Minutes of Budget Workshop April 8, 2015

Members Present: Paul Anderson, Dave Tyler, Chuck Riggott and Kirk Montstream

Others Present: Superintendent E. Arthur Enderle III, Chief Operator Ed Alibozek and Recording Secretary Laura Michael

Time and Place

The Budget Workshop was held at 4:00 p.m. at the WPCA Admin Building, 192 South Water St, East Windsor, CT

Mr. Enderle handed out copies of the Proposed 2015/2016 WPCA Operating Budget and a Budget Rationale. He presented a budget with a rate of \$360, which is a \$4 increase, but he explained this is contingent on adopting the 50,000 gallon EDU and a collection rate of 98%. Each 1% not collected is \$18,000; 2% not collected equals \$36,000 of revenue not collected. Going forward, the WPCA will be more aggressive with collections. Beginning July 1st when the new bills go out, the delinquencies will not be allowed to get too big. Mr. Enderle explained that once this budget is adopted, he will do research on why the WPCA needs to build up funds. At some point the plant may need a major upgrade. Mr. Tyler stated that he is not in favor of a rainy day fund. If a major upgrade is needed, the WPCA can go to the Town for funding. Mr. Enderle explained that the only way for the WPCA to get money is through sewer use fees and facility connection charges. Mr. Tyler felt they could also get grant money. Mr. Enderle stated that grant money is getting hard to come by. Mr. Enderle explained that it is his responsibility to make the Board aware. Mr. Tyler explained that they can increase revenue by increasing users and increasing the sewer system. This will make the plant operate more efficiently. Mr. Alibozek reported that 3 properties have come in to connect this month. Mr. Tyler felt they need to think about the next area to sewer and look to the Town or State for money. Mr. Enderle explained that he didn't present a budget with a zero increase. He doesn't want to lose too much of the ground they've gained. He took a middle of the road approach. Mr. Tyler asked if it would cost less for the WPCA to do their financials instead of paying the Town Treasurer. Mr. Enderle explained that the WPCA gets a lot of services for the amount charged. Mr. Tyler questioned the Major Equipment Repair line; it has gone from \$25,000 to \$50,000. Mr. Enderle explained that in the revised budget, he decreased that line item to \$42,500. He is trying to do preventative maintenance. Mr. Tyler questioned the amount of the Pump Station Maintenance line, it had doubled. Mr. Enderle explained that in the revised budget, he decreased it to \$52,500. Mr. Tyler asked why the Sludge Removal line has increased but the Supplies & Chemicals line has decreased. Mr. Enderle explained that the flow is down; they've cut back on chemicals and are making better use of the belt thickener. The sludge cost has stayed the same. Mr. Tyler explained that he has looked at the budget to see where cuts could be made and it looks like Mr. Enderle has done that. He asked that they look to the Town for CIP money. They should ask even if the answer is no. The roofs and the driveway are Town assets. He feels they should put in a request and let the Town refuse it. The WPCA would have a record of the Town refusing their requests. If something major were to happen, the WPCA could list the repairs and projects they've funded themselves and explain that now they need help.

Mr. Anderson asked if the health insurance cost was an accurate number. Mr. Enderle replied that it was. It looks like the Town will be switching carriers; from Anthem to Cigna. The

coverage appears to be the same. Mr. Riggott felt it is a fair budget and agrees there is a need to get more aggressive with collections. Mr. Enderle said they would work toward a 98% collection rate. Mr. Anderson explained that in the past the budget contained an uncollectable line item; rate payers that were paying their bills were paying for those who didn't pay. That is not fair. Mr. Enderle explained he is attempting to repair equipment before there is a catastrophe. Mr. Alibozek explained they are rotating pumps; one goes in and the one that came out gets rebuilt. They have slowly been able to re-order parts to rebuild the pumps. Mr. Enderle reported they are managing their assets; they do not want to be at the mercy of the equipment. Mr. Enderle reported that the budget has gone up because the plant is getting older. Mr. Anderson asked about the asset management program. Mr. Alibozek explained that Diane Johnson is looking into it. The Board was in agreement that they have a realistic budget. There is no need to meet on April 15th for another budget workshop. The proposed 2015/2016 budget will be adopted at the April 29th meeting.

The workshop adjourned at 4:36 p.m.

Respectfully submitted,

Laura Michael
Recording Secretary