

CITIZENS' ADVISORY BOARD (CAB)
MEETING MINUTES
Regular Session

TIME: 7:00 P.M.
DATE: Tuesday, April 26, 2011
PLACE: Reading Municipal Light Department (RMLD) 230 Ash Street, Reading, MA Spurr/AV Room
PRESENT: CAB: A. Carakatsane, Chairman, (Lynnfield), J. Norton, Secretary, (North Reading),
G. Hooper (Wilmington), T. Ollila (Wilmington), T. Capobianco (Reading)
RMLD Board: R. Soli, P. Pacino
RMLD Staff: V. Cameron, P. O'Leary, K. Sullivan, R. Fournier, J. Donahoe, Bill Seldon,
B. Antonio

1. Call Meeting to Order – A. Carakatsane, Chairman

Chairman Carakatsane called the meeting to order at 7:00 P.M.

2. Minutes of Meeting – January 19, 2011 – A. Carakasane

Mr. Norton made a motion seconded by Mr. Hooper to approve the January 19, 2011 minutes as written.

Motion carried unanimously 5:0:0.

3. FY12 Operating Budget – V. Cameron, R. Fournier

Mr. Cameron introduced the staff present.

Mr. Fournier distributed his condensed (one page) summary of the Operating Budget and reiterated that it is not a line item budget. His summary outlines the total operating expenses, and then deducts the fixed costs and semi variable costs. He noted that two full tree crews are proposed for FY12, the head count will be at 76, and expected revenue projections are \$84.6 million. He also described the new format for the budget that no longer contains detail sheets, only Budget/Actual Comparison Summary sheets.

Each staff person present described his/her department's budget followed by questions from the CAB and responses from the staff.

Mr. Carakatsane asked if anything unusual was being projected for Outside Services, and Mr. Cameron replied, "No."

Mr. Ollila asked if any additional renewable projects are coming, and Mr. Seldon stated that the Energy Services Division will continue using its power supply strategy and continue to add renewable projects when the project fits into the strategy.

Discussion ensued.

Mr. Sullivan noted that the Meter Supervisor and a Sr. Technician retired in FY11, and an Operational Assistant in the Meter Department transferred to Materials Management, which reduces the labor amount.

Mr. Ollila referenced the Six Year Plan and the possibility of adding a substation in 2016.

Mr. Cameron stated that Ballardvale Street, an industrial area of Wilmington, could present a voltage problem in the future. He noted that Mr. Sullivan plans to have a study done, and Mr. Cameron thinks there may be a way to solve the problem more cost effectively such as looking at the size of the feeders and distribution generation.

Mr. Soli asked Mr. Fournier where the residential audits are in the budget, and Mr. Fournier responded that they are in Energy Services under Energy Conservation.

Mr. Fournier noted a new position in the MIS budget, a GIS Coordinator.

Mr. Carakatsane questioned the unfunded pension liability, and suggested the possibility of budgeting more for the pension contribution.

Mr. Cameron explained the pension trust and the increase in the expense. He stated that \$1.1 to \$1.4 million per year should be budgeted for the expense.

Mr. Norton thanked the staff who put the operating budget together. He liked the new format, and expressed that it was much easier to read and to follow.

Mr. Norton made the following motion seconded by Mr. Hooper:

MOVE that the CAB recommend to the RMLD Board of Commissioners the acceptance of the first draft of the FY12 Operating Budget based on a Net Income Amount of \$4,366,041 as presented. Any significant changes are to be submitted to the CAB for review and recommendation.
Motion carried unanimously 5:0:0.

4. FY12 Capital Budget – V. Cameron

Mr. Norton made the following motion seconded by Mr. Hooper:

MOVE that the CAB recommend to the RMLD Board of Commissioners the first draft of the FY12 Capital Budget in the amount of \$5,910,048 dated March 31, 2011 as presented. Any significant changes are to be submitted to the CAB for review and recommendation.
Motion carried unanimously 5:0:0.

5. Other Items for Discussion

None

6. Schedule Next Meeting

May 18, 2010, 7:00 P.M., at RMLD

7. Executive Session

Deferred to next meeting.

8. Adjournment

A motion was made at 8:15 P.M. by Mr. Norton and seconded by Mr. Hooper to adjourn the meeting.

Motion carried unanimously 5:0:0.

Respectfully submitted,

John Norton, Secretary

Minutes approved on: _____

/pmo