

# VEAZIE SEWER DISTRICT

34 HOBSON AVENUE

VEAZIE, MAINE 04401

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The past year has moved the Veazie Sewer District toward significantly improved financial stability. For the first time in the past several years, the District's revenues actually covered its expenses. The District is now in a position to pay off some of its previously unfunded obligations and is restoring necessary reserves allowing the District to address needed plant and system upgrades as well as set aside the needed funds to meet its Maine Bond Bank payment obligations.

It is the goal of the District to work toward reducing and eventually eliminating the assessment on local property taxes and hopefully the district will also be able to reduce rates or at a minimum keep them from rising again anytime soon. The reduction of the property tax assessment is currently happening. The previously undefined tax assessment was at \$150,000 per year and was reduced last year to \$110,000. This year the assessment has been further reduced to \$96,500 and is projected to be further reduced to \$60,000 the following year. The assessment this year would have been \$60,000, but funds had to be generated to pay a previously unfunded obligation to pay accrued sick leave (up to 180 days of sick leave per employee) to employees who resigned from the District. The district has revised its policies and no longer pays for unused sick leave, so this liability will not re-occur in the future. The District has also re-established a long time policy of defining its assessment to the Town what the assessed funds will actually be used for. For several years only an amount was given with no definition of where it would be used. The current Trustees believe the citizens of Veazie should be aware of how their tax dollars are being spent. This year, \$36,500 of the assessment will be directed towards paying the unfunded sick leave liability created by previous boards of Trustees. \$60,000 will be directed to replace capital reserve funds that were depleted to pay ever increasing operating costs. The operating cost increases were primarily driven by large annual increases in labor costs that occurred over a 10 year period.

The District has worked to clean up several liens on properties which were levied but never paid, or in some cases the outstanding balances were paid but liens were not discharged, creating potential issues for rate payers during title searches and property transactions.

Our fiscal audit for 2012-2013 is on-line at <http://www.veaziesewerdistrict.com/minutes.html>. Once the 2013-2014 audit is completed later this summer it will be posted as well.

As a result of Legislative changes initiated by the Trustees, election of Trustees is now carried out as part of the Town ballot on Election Day. All citizens of Veazie are now eligible to vote under the same laws and rules as every other municipal election in the town. The Trustees believe this change provides a better opportunity for citizen's voices to be heard in the elections for Trustees.

Plant operations have been streamlined as a result of a manpower evaluation conducted by an outside engineering firm - Woodard and Curran. As a result of the study, the District has reduced staffing from 4 employees to 2 full time employees. Wage rates are now appropriate for the position and facility. The District continues to meet its requirements under Dana McLaughlin, Supt. and Becky Chase, bookkeeper and assistant to the operator. This two person staff, along with part time help as required for special projects, has helped reduce the District's overhead and operating costs significantly while meeting the plant's license requirements.

Rob Tomilson, Trustee, Chairman

Jim Parker, Trustee, Treasurer

Norman Webb, Trustee