

LEBANON UTILITY SERVICE BOARD
Lebanon, Indiana

December 12, 2011

Utility Conference Center

4:00 P.M.

Present:

Board:

Allen Milburn, Chairman
Dan Lamar, Vice Chairman
Tom Temple, Secretary
Mike Thrine, Member
Jim Urban, Member

Staff:

Michael Martin
Sandra Morgan
Bob Waples
Mike Adams
Brian Hoskins
Linda Ridgway

Guests:

Legal Counsel: Larry Giddings

1. Chairman Allen Milburn called the regular meeting of the Lebanon Utility Service Board to order at 4:00 P.M. with a full quorum of members present. Confirmation of appropriate notification was acknowledged.

Chairman Milburn mentioned that an executive session was held at 2:00 before this Board Meeting. Personnel issues were discussed. No action or decisions were made.

2. Chairman Milburn requested comments or changes to the November 9th, 2011 minutes. Hearing no comments or corrections Member Jim Urban made a motion to approve the minutes as written. Secretary Tom Temple seconded. Motion carried.

3. General Manager Mike Martin provided explanation of the salary and wage scale as used to set salaries and wages for utility employees. This scale is based on the consumer price index containing a range of compensation for each position within the utilities. Manager Martin asked for Board approval of the 2012 Salary and Wage Scale. Member Mike Thrine made a motion to accept the 2012 salary and wage recommendation as presented and to allow General Manager Mike Martin to work within the 2012 Salary and Wage scale for mid-year adjustments as necessary. Secretary Tom Temple seconded the motion. Motion carried.

4. General Manager Mike Martin introduced Finance and Human Resource Manager Sandra Morgan to present to the Board the 2012 Budget for Board approval. General Manager Martin stated that the 2012 Budget also includes projections of the 2013-2017 capital and operating budgets for electric, telecommunications, wastewater, and water. From these budgets the cash flows for each utility are figured. It is a very disciplined and intricate process. Manager Morgan presented the budget highlights to the Board, expressing gratitude to the Budget Committee members and the staff for all the long hours each member contributed in the process. Chairman Milburn thanked everyone for the hard work and behind the scenes effort that it takes to develop the budget. Vice Chairman Dan Lamar made a motion to accept the 2012 budget and the 2013-2017 capital program. Member Jim Urban seconded. Motion carried.

6. Finance and Human Resource Manager Sandra Morgan presented to the Board information regarding a new insurance carrier. Five quotes were received this year and provided an opportunity for a savings of approximately \$87,769.08 from the 2011 rates and approximately \$143,246.88 from the renewal rates annually. Manager Morgan requested the Board accept the health insurance provider Nippon. Their plan design matches our current plan and the network is the same as we currently have. Manager Morgan also reported that Lebanon Utilities will

continue with the employer/employee contribution levels the same as in previous years of 90% by employer and 10% by employee. Member Jim Urban made a motion to accept Nippon as the health care provider for the utilities for 2012. Secretary Temple seconded. Motion carried.

7. Member Thrine made a motion to pay the claims dated November 30th, 2011 for \$144,984.23 and December 12th, 2011 for \$381,097.93. Vice Chairman Lamar seconded. Motion carried.

9. Chairman Milburn asked for any other business that should be brought before the Board.

Chairman Milburn closed the meeting by stating that on behalf of Lebanon Utilities employees and members of the Utility Service Board we wish our viewers and all our customers a very safe and Merry Christmas and Happy New year.

10. The meeting adjourned at 4:20pm.

The next Utility Board Meeting will be Wednesday, January 4th, 2012 at 4:00 pm.

APPROVED THIS _____ DAY OF _____, 2012

CHAIRMAN OF THE BOARD

ATTEST:

CLERK OF THE BOARD