

1963

2013

# Cherry Valley Sewer District



## Annual Report

June 30, 2013

**CHERRY VALLEY SEWER DISTRICT  
P.O. BOX 476  
LEICESTER, MA 01524**

**ANNUAL MEETING WARRANT**

To: Carla A. Davis, District Clerk  
Cherry Valley Sewer District

Greetings:

You are hereby directed to notify the Voters of the Cherry Valley Sewer District to meet at the American Legion, Cherry Valley Post #443, 167 Main Street, Cherry Valley, Massachusetts, 01611, Thursday, the 23<sup>rd</sup> day of May, 2013 at 7:00 P.M. then and there to act on the following:

- ARTICLE 1 To elect a Moderator to preside at said meeting and for a period of one (1) year thereafter.
- ARTICLE 2 To act on reports of the District.
- ARTICLE 3 To elect a Sewer Commissioner for a term of three (3) years.
- ARTICLE 4 To see if the District will vote to raise and appropriate transfer from available funds, or otherwise provide a sum of money from any available means, for the operating budget for Fiscal Year 2014, to provide for the District's annual operating requirements, including but not limited to, salaries, related services, office expenses, maintenance, construction and other items related thereto: to execute any instruments or documents necessary or appropriate to accomplish said purposes: and to take any other action thereon.
- ARTICLE 5 To see if the District will vote to raise and appropriate, transfer from available funds or free cash or otherwise provide the sum of ten thousand dollars (\$10,000.00) to create a reserve account, or take any action thereto.
- ARTICLE 6 To see if the District will vote to authorize the Board of Sewer Commissioners to establish a fund to receive and deposit fees paid pursuant to Chapter 33 of the Acts of 1998, and, from which expenditures may be made by the Board of Sewer Commissioners for legal services,

administrative services and engineering services (including but not limited to, design, plan review, and inspection of the project being constructed) in connection with any sewer system design, review, and construction, or to take any action thereon.

ARTICLE 7

To see if the District will vote to raise and appropriate, transfer from available funds or free cash, or otherwise provide a sum of money as may be necessary to enable the District to pay for professional engineering services and all costs incidental and related thereto to perform the year five (5) tasks of the “Five (5) Year I/I Implementation Plan” of the District’s sewer collection system, or take any action thereon.

ARTICLE 8

To see if the District will vote to raise and appropriate, transfer from available funds or free cash, or otherwise provide a sum of money, or any other sum as maybe necessary to enable the District to purchase and install emergency stand-by generators at the Redfield Road and Willow Hill Road sewer pump stations and to further pay all costs related thereto including but not limited to engineering, professional and construction services to complete said purchase and installation or take any action thereto.

ARTICLE 9

To see if the District will vote to seek to have Section 14 of Chapter 33 of the Acts of 1998 amended to delete the current provisions of said section and to replace the deleted provisions with the following: “All contracts made by the board of sewer commissioners shall be made in the name of the district and shall be signed by the board of sewer commissioners. The board of sewer commissioners shall have the authority to acquire, merge, consolidate, partner, combine, organize, reorganize, associate or otherwise join together or act in concert with any municipality, district, governmental unit or any other form of governmental body, company, or other entity under any form of agreement, contract, compact, consent or accord, including, without limitation, an intermunicipal agreement under section 4A of chapter 40 of the General Laws, for any and all purposes which would further the interests of the inhabitants of the district, as those interests may be determined by the board of sewer commissioners” or take any action thereto.

You are hereby directed to give notice of this Warrant by posting attested copies thereof at two public places within the limits of the Cherry Valley Sewer District and with the Clerk of the Town of Leicester seven days before time of said meeting.

Given under our hands this 2<sup>nd</sup> day of May 2013.

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Donald G. Manseau, Chairman

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Victor M. Taylor, Commissioner

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Michael L. DellaCava, Commissioner

A TRUE COPY ATTEST:

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Carla A. Davis  
Clerk – Cherry Valley Sewer District

(SEAL)

“This institution is an equal opportunity provider, and employer.”

**Cherry Valley Sewer District**  
**Statements of Net Assets**  
**June 30, 2012 and 2011**  
**Assets**

	<b>2012</b>	<b>2011</b>
Current Assets:		
Cash and cash equivalents	\$ 2,839,506	\$ 3,008,828
Accounts receivable	130,708	149,684
Interest receivable	74,766	79,120
Prepaid expenses	<u>7,865</u>	<u>8,578</u>
Total Current Assets	<u>3,052,845</u>	<u>3,246,210</u>
Non-Current Assets:		
Sewer betterments receivable	3,249,986	3,366,609
Capital assets, net	<u>7,860,967</u>	<u>8,277,345</u>
Total Non-Current Assets	<u>11,110,953</u>	<u>11,643,954</u>
Total Assets	<u>\$ 14,163,798</u>	<u>\$ 14,890,164</u>
<b>Liabilities and Net Assets</b>		
Current Liabilities:		
Accrued expenses	\$ 11,803	\$ 11,693
Accrued interest	65,855	67,972
Current portion of long-term debt	<u>129,636</u>	<u>123,853</u>
Total Current Liabilities	<u>207,294</u>	<u>203,518</u>
Non-Current Liabilities:		
Long-term debt, net of current portion	3,716,601	3,852,649
Deferred revenue	<u>3,249,986</u>	<u>3,366,609</u>
Total Non-Current Liabilities	<u>6,966,587</u>	<u>7,219,258</u>
Total Liabilities	<u>7,173,881</u>	<u>7,422,776</u>
Contingencies	-	-
Net Assets:		
Invested in capital assets, net of related debt	4,014,730	4,300,843
Restricted for debt service	2,598,242	2,785,714
Restricted for operations and maintenance	<u>376,945</u>	<u>380,831</u>
Total Net Assets	<u>6,989,917</u>	<u>7,467,388</u>
Total Liabilities and Net Assets	<u>\$ 14,163,798</u>	<u>\$ 14,890,164</u>

**Cherry Valley Sewer District**  
**Statements of Revenue, Expenses, and Changes in Net Assets**  
**Years Ended June 30, 2012 and 2011**

	<b>2012</b>	<b>2011</b>
Operating Revenue:		
Sewer user and connection fees	\$ 212,544	\$ 213,991
Sewer betterments, net	116,623	160,389
Tax title	24,649	30,512
Other revenue	<u>1,486</u>	<u>2,425</u>
Total Operating Revenue	<u>355,302</u>	<u>407,317</u>
Operating Expenses:		
Depreciation	416,378	435,452
Outside services	92,505	70,549
Sewerage and disposal fees	76,163	73,898
Payroll and related expenses	55,742	61,885
Insurance and surety bond	34,661	33,509
Dues	27,554	23,760
Supplies and materials	21,312	22,487
Utilities	14,143	16,609
Professional services	12,398	15,915
Other operating expenses	<u>14,681</u>	<u>6,717</u>
Total Operating Expenses	<u>765,537</u>	<u>760,781</u>
Operating Loss	<u>(410,235)</u>	<u>(353,464)</u>
Non-Operating Revenue (Expenses):		
Interest income	110,409	151,494
Interest expense	<u>(177,645)</u>	<u>(194,855)</u>
Total Net Non-Operating Expenses	<u>(67,236)</u>	<u>(43,361)</u>
Changes in Net Assets	(477,471)	(396,825)
Net Assets, beginning of year	<u>7,467,388</u>	<u>7,864,213</u>
Net Assets, end of year	<u>\$ 6,989,917</u>	<u>\$ 7,467,388</u>
Total Liabilities and Net Assets	<u>\$ 14,163,798</u>	<u>\$ 14,890,164</u>

**Cherry Valley Sewer District  
Statements of Cash Flows  
Years Ended June 30, 2012 and 2011**

	<b>2012</b>	<b>2011</b>
Cash Flows from Operating Activities:		
Received from property owners	\$ 138,816	\$ 255,255
Received from customers	209,327	215,361
Other operating revenue	26,135	36,685
Paid to employees and professional contractors for services	(148,137)	(136,670)
Paid to suppliers for goods and services	<u>(200,199)</u>	<u>(220,688)</u>
Net Cash Provided by Operating Activities	<u>25,942</u>	<u>149,943</u>
 Cash Flows from Capital & Related Financing Activities:		
Interest income	114,763	209,796
Principal paid on long-term debt	(130,265)	(115,173)
Interest paid on long-term debt	<u>(179,762)</u>	<u>196,879</u>
Net Cash Used for Capital and Related Financing Activities	<u>(195,264)</u>	<u>(102,256)</u>
 Net Changes in Cash and Cash Equivalents	(169,322)	47,687
 Cash and Cash Equivalents, beginning of year	<u>3,008,828</u>	<u>2,961,141</u>
 Cash and Cash Equivalents, end of year	<u>\$ 2,839,506</u>	<u>\$ 3,008,828</u>
 Reconciliation of Operating Loss to Net Cash provided by Operating Activities:		
Operating loss	\$ (410,235)	\$ (353,464)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Changes in assets and liabilities:		
Depreciation	416,378	435,452
Accounts receivable	18,976	99,983
Prepaid expenses	713	(2,346)
Accounts payable	-	(25,446)
Accrued expenses	<u>110</u>	<u>(4,236)</u>
Total Adjustments	<u>436,177</u>	<u>503,407</u>
 Net Cash Provided by Operating Activities	<u>\$ 25,942</u>	<u>\$ 149,943</u>

**CHERRY VALLEY SEWER DISTRICT**  
**Proposed FY 2014 Operating Budget**

<b>Operating Expenses</b>	<b>FY14 Proposed</b>	<b>FY13 Approved</b>
Abatements	\$ 100.00	\$ 100.00
Accounting	\$ 12,000.00	\$ 12,000.00
Administration	\$ 8,500.00	\$ 8,000.00
Allowance	\$ 25,315.00	\$ 21,610.00
Bank Fees	\$ 200.00	\$ 200.00
Computer	\$ 6,000.00	\$ 5,500.00
Electricity	\$ 7,000.00	\$ 7,000.00
Field Supplies	\$ 2,800.00	\$ 2,800.00
Insurance	\$ 42,000.00	\$ 36,000.00
Legal Advertising	\$ 500.00	\$ 500.00
Legal	\$ 7,000.00	\$ 7,000.00
Miscellaneous	\$ 200.00	\$ 200.00
Mission / SCADA	\$ 3,600.00	\$ 3,600.00
Motor Vehicle Expense	\$ 4,100.00	\$ 4,100.00
Office Supply	\$ 4,100.00	\$ 4,000.00
Officers' Salary	\$ 14,660.00	\$ 14,235.00
Payroll	\$ 94,360.00	\$ 81,400.00
Pipes	\$ 2,300.00	\$ 2,300.00
Postage	\$ 2,000.00	\$ 2,000.00
Rent	\$ 1,500.00	\$ 1,500.00
Repair/Maintenance	\$ 6,000.00	\$ 6,000.00
Septage Dumping Fees	\$ 500.00	\$ 500.00
Small Tools	\$ 3,000.00	\$ 3,000.00
Sub Contracts	\$ 13,500.00	\$ 13,500.00
Telephone	\$ 6,000.00	\$ 6,000.00
WCR Assessment	\$ 1,974.00	\$ 5,900.00
<b>Total Operating Expense</b>	<b>\$269,209.00</b>	<b>\$248,945.00</b>
Reserve	\$ 10,000.00	\$ 10,000.00
COW Transport./Treatment Expenses (\$3.298 per ccf)	\$ 98,940.00	\$ 88,500.00
UBWPAD (\$7,922.25 per qtr)	\$ 31,689.00	\$ 29,500.00
<b>Total Proposed Budget</b>	<b>\$409,838.00</b>	<b>\$376,945.00</b>



Cherry Valley Sewer District  
Annual Meeting  
May 23, 2013

**COMMISSIONERS REPORT**

To the people of the Cherry Valley Sewer District:

Greetings:

Your Board of Sewer Commissioners respectfully submits their Annual Report for the fiscal year ending June 30, 2013.

The Commissioners are pleased to report that 405 homes have connected to the sewer system.

The Contract for the Year 3 Infiltration and Inflow Control Plan and Sewer Rehabilitation was awarded to New Pipe Cleaning Company of Watertown, CT at the low bid of \$25,000.00. The contract work consisted of the rehabilitation of 20 sewer manholes that included new frames and covers, corbel rehabilitation and replacement, hydraulic cement repairs, manhole sealing, structural manhole sealing and manhole cleaning. Project was a

In accordance with Year 4 of the five (5) year Infiltration and Inflow (I/I) Control Plan, Tata & Howard conducted system wide CCTV (Closed Circuit T V) and is in the process of finalizing the next phase of sewer rehabilitation.

Infiltration and Inflow (I/I) will continue to be at the forefront of the District's Preventive Maintenance Plan. As many of you may know your sewer bill is based on your metered water usage. Revisions to the Upper Blackstone Water Pollution Abatement District (UBWPAD) Sewer Treatment Plant discharge permit mandate the reduction of (I/I) flowing into the wastewater treatment plant. As a contributing member, the Cherry Valley Sewer District is obligated to meet this I/I mandate. The ongoing I/I Control Plan is a positive tool to aid the District in the long term control and reduction of I/I flowing through the City of Worcester to the UPWPAD Sewer Treatment Plant.

Delinquent sewer user fees continue to be a concern of the District. The Commissioners view this trend as a burden on the District's finances. These trends along with the increasingly stringent requirements imposed by regulators without funding assistance will potential impact the Fiscal Year 2014 sewer rates.

Several notes of appreciation are in order;

Ms. Carla Davis our Office Administrator has performed her duties with the utmost efficiency and professionalism. Thank you, Carla.

Mr. John Graham, District Treasurer has done a most commendable job for the District this past year. Thank you, John.

Also, Leicester Highway Department, Board of Selectmen, Leicester Police and Fire Departments, City of Worcester D.P.W. and the Cherry Valley and Rochdale Water District, thank you all for your continued support.

Respectfully submitted,

*Donald G. Manseau, Chairman*

*Victor M. Taylor, Commissioner*

*Michael L. Della Cava, Sr., Commissioner*

**CHERRY VALLEY SEWER DISTRICT  
RECORD OF VOTE  
ANNUAL MEETING  
MAY 24, 2012**

A meeting of the Cherry Valley Sewer District was held at the American Legion, Cherry Valley Post # 443, 167 Main Street, Cherry Valley, Massachusetts, ten (10) were in attendance, all of whom were eligible voters.

The meeting was called to order at 7:15 P.M. by Moderator Kevin M. Bergin who entertained a motion by Commissioner Taylor and seconded by Chairman Manseau to waive the reading of the annual warrant, which was in the hands of the voters and Return of same.

**Voted: Unanimous. Approved.**

**ARTICLE 1 – MODERATOR**

Chairman Manseau motioned and seconded by Commissioner Taylor to nominate Mr. Kevin M. Bergin to the office of moderator for a term of one year.

**Voted: Approved - Seven (7), Abstained - Three (3). Majority Vote. Approved.**

**ARTICLE 2 – REPORTS**

Commissioner DellaCava motioned and seconded by Commissioner Taylor to vote to accept the Reports of the District as printed in the 2012 Annual Report, which was in the hands of the voters present.

**Voted: Approved - Seven (7), Abstained - Three (3). Majority Vote. Approved.**

**ARTICLE 3 – ELECTION OF OFFICERS**

Commissioner Taylor motioned and seconded by Commissioner DellaCava, to nominate Michael L. DallaCava, Sr., for the office of Commissioner for a term of three (3) years.

**Voted: Approved - Seven (7), Abstained - Three (3). Majority Vote. Approved.**

**ARTICLE 4 – FY 2013 BUDGET**

Chairman Manseau motioned and seconded by Commissioner Taylor that the District vote to appropriate from available funds, the sum of \$ 376,945.00, (Three-hundred and seventy-six thousand, nine hundred and forty-five dollars and no cents), for the operating budget of Fiscal Year 2013, to provide for the District's annual operating requirements, including but not limited to, salaries, related services, office expenses, maintenance, construction, sundry items and other items related thereto.

(The proposed budget was published on page 6 of the 2012 Annual Report, which was in the hands of the voters present.)

**Voted: Approved - Seven (7), Abstained - Three (3). Majority Vote.  
Approved.**

**ARTICLE 5 – RESERVE ACCOUNT**

Commissioner DellaCava motioned and seconded by Commissioner Taylor that the District vote to appropriate from available funds, the sum of \$10,000.00 (Ten thousand), to create a reserve account.

**Voted: Approved - Seven (7), Abstained - Three (3). Majority Vote.  
Approved.**

**ARTICLE 6 – ESTABLISH FUND TO RECEIVE AND DEPOSIT FEES  
SEWER SYSTEM REVIEW**

Commissioner Taylor motioned and seconded by Commissioner DellaCava that the District vote to authorize the Board of Sewer Commissioners to establish a fund to receive and deposit fees paid pursuant to Chapter 33 of the Acts of 1998, and, from which expenditures may be made by the Board of Sewer Commissioners for legal services, administrative services and engineering services (including but not limited to, design, plan review, and inspection of the project being constructed) in connection with any sewer system design, review, and construction.

**Voted: Approved - Seven (7), Abstained - Three (3). Majority Vote.  
Approved.**

**ARTICLE 7 –  
YEAR FOUR (4) INFILTRATION AND INFLOW PROGRAM**

Chairman Manseau motioned and seconded by Commissioner Taylor that the District vote to appropriate from available funds the sum of \$56,000.00 (fifty-six-thousand dollars and no cents) to enable the District to pay for professional engineering services and all costs incidental and related thereto to perform the year four (4) tasks of the five (5) year I/I implementation plan of the District's sewer collection system, or take any action thereon.

**Voted: Approved - Seven (7), Abstained - Three (3). Majority Vote.  
Approved.**

Chairman Manseau motioned and seconded by Commissioner Taylor to adjourn the meeting. The meeting adjourned at 7:24P.M.

I, Carla A. Davis, hereby certify that this is a true and accurate record of the votes taken by the votes of the Cherry Valley Sewer District at the Annual Meeting, May 24, 2012.

A TRUE COPY ATTEST:

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CARLA A. DAVIS, CLERK  
(SEAL)