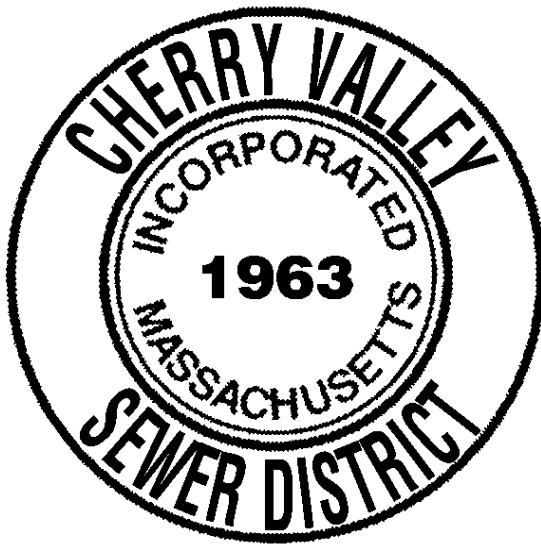


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2012

# Cherry Valley Sewer District



## Annual Report

June 30, 2012

**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 in the American Legion, Cherry Valley Post #443, 167 Main Street, Cherry Valley, Massachusetts, 01611, Thursday, the 24<sup>th</sup> day of May, 2012 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 2013, 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 four (4) tasks of the “Five (5) Year I/I Implementation Plan” of the District’s sewer collection system, or take any action thereon.

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 26<sup>th</sup> day of April 2012.

A TRUE COPY ATTEST:

\_\_\_\_\_  
Donald G. Manseau, Chairman

\_\_\_\_\_  
Carla A. Davis  
Clerk-Cherry Valley Sewer District

\_\_\_\_\_  
Victor M. Taylor, Commissioner

\_\_\_\_\_  
Michael L. DellaCava, Commissioner

(SEAL)

# CHERRY VALLEY SEWER DISTRICT

## Statements of Net Assets

June 30, 2011 and 2010

### Assets

	2011	2010
Current Assets:		
Cash and cash equivalents	\$ 3,008,828	\$ 2,961,141
Accounts receivable	149,684	249,667
Interest receivable	79,120	137,422
Prepaid expenses	<u>8,578</u>	<u>6,232</u>
Total Current Assets	<u>3,246,210</u>	<u>3,354,462</u>
Non-Current Assets:		
Sewer betterments receivable	3,366,609	3,456,162
Capital assets, net	<u>8,277,345</u>	<u>8,712,797</u>
Total Non-Current Assets	<u>11,643,954</u>	<u>12,168,959</u>
Total Assets	<u>\$ 14,890,164</u>	<u>\$ 15,523,421</u>

### Liabilities and Net Assets

Current Liabilities:		
Accounts payable	\$ -	\$ 25,446
Current portion of long-term debt	123,853	118,328
Accrued expenses	11,693	15,929
Accrued interest	<u>67,972</u>	<u>69,996</u>
Total Current Liabilities	<u>203,518</u>	<u>229,699</u>
Non-Current Liabilities:		
Long-term debt, net of current portion	3,852,649	3,973,347
Deferred revenue	<u>3,366,609</u>	<u>3,456,162</u>
Total Non-Current Liabilities	<u>7,219,258</u>	<u>7,429,509</u>
Total Liabilities	<u>7,422,776</u>	<u>7,659,208</u>
Contingencies	-	-
Net Assets:		
Invested in cap. assets, net of related debt	4,300,843	4,621,122
Restricted for debt service	2,785,714	2,911,586
Restricted for operations and maint.	<u>380,831</u>	<u>331,505</u>
Total Net Assets	<u>7,467,388</u>	<u>7,864,213</u>
Total Liabilities and Net Assets	<u>\$ 14,890,164</u>	<u>\$ 15,523,421</u>

## CHERRY VALLEY SEWER DISTRICT

### Statements of Revenue, Expenses, and Changes in Net Assets June 30, 2011 and 2010

	<b>2011</b>	<b>2010</b>
Operating Revenue:		
Sewer user and connection fees	\$ 213,991	\$ 229,522
Sewer betterments, net	160,389	240,176
Tax title	30,512	26,656
Other revenue	<u>2,425</u>	<u>1,200</u>
Total Operating Revenue	<u>407,317</u>	<u>497,554</u>
Operating Expenses:		
Depreciation	435,452	434,415
Sewerage and disposal fees	73,898	48,834
Outside services	70,549	73,846
Payroll and related expenses	61,885	78,116
Insurance and surety bond	33,509	31,979
Dues	23,760	20,265
Supplies and materials	22,487	19,941
Utilities	16,609	34,195
Professional services	15,915	18,907
Other operating expenses	<u>6,717</u>	<u>-</u>
Total Operating Expenses	<u>760,780</u>	<u>760,497</u>
Operating Loss	<u>(353,464)</u>	<u>(262,943)</u>
Non-Operating Revenue (Expenses):		
Interest income	151,494	123,714
Interest expense	<u>(194,855)</u>	<u>(192,641)</u>
Total Non-Operating Revenue (Expenses):	<u>(43,361)</u>	<u>(68,927)</u>
Loss Before Contributions	(396,825)	(331,869)
Capital Contributions	<u>-</u>	<u>307,949</u>
Changes in Net Assets	(396,825)	(23,920)
Net Assets, beginning of year	<u>7,864,215</u>	<u>7,888,135</u>
Net Assets, end of year	<u>\$ 7,467,390</u>	<u>\$ 7,864,215</u>

# CHERRY VALLEY SEWER DISTRICT

## Statements of Cash Flows

June 30, 2011 and 2010

	<b>2011</b>	<b>2010</b>
Cash Flows from Operating Activities:		
Received from property owners	\$ 255,255	\$ 135,233
Received from customers	215,361	207,625
Other operating revenue	36,685	27,856
Paid to employees and professional	(136,670)	(207,513)
Paid to suppliers for goods and services	<u>(220,688)</u>	<u>(105,359)</u>
Net Cash Provided by Operating	<u>149,943</u>	<u>57,842</u>
Cash Flows from Capital and Related		
Interest income	209,796	123,714
Acquisition and construction of capital	-	(38,781)
Principal paid on long-term debt	(115,173)	(117,387)
Interest paid on long-term debt	(196,879)	(192,641)
Capital contributions	-	307,949
Net Cash Provided By (Used for) and Related Financing Activities	<u>(102,256)</u>	<u>82,854</u>
Net Change in Cash and Cash Equivalents	47,687	140,696
Cash and Cash Equivalents, beginning of	<u>2,961,141</u>	<u>2,820,445</u>
Cash and Cash Equivalents, end of year	<u>\$ 3,008,828</u>	<u>\$ 2,961,141</u>
Reconciliation of Operating Loss to Net provided by Operating Activities:		
Operating loss	<u>\$ (353,464)</u>	<u>\$ (262,944)</u>
Adjustments to reconcile operating loss cash provided by operating activities:		
Changes in assets and liabilities:		
Depreciation	435,452	434,415
Accounts receivable	99,983	(87,589)
Interest receivable	-	(39,251)
Prepaid expenses	(2,346)	1,021
Accounts payable	(25,446)	9,469
Accrued expenses	<u>(4,236)</u>	<u>2,721</u>
Total Adjustments	<u>503,407</u>	<u>320,786</u>
Net Cash Provided by Operating	<u>\$ 149,943</u>	<u>\$ 57,842</u>

**CHERRY VALLEY SEWER DISTRICT**  
**Proposed FY 2013 Operating Budget**

<b>Operating Expenses</b>	<b>FY13</b>
Abatements	\$ 100.00
Accounting	\$ 12,000.00
Administration	\$ 8,000.00
Allowance	\$ 21,610.00
Bank Fees	\$ 200.00
Computer	\$ 5,500.00
Electricity	\$ 7,000.00
Field Supplies	\$ 2,800.00
Insurance	\$ 36,000.00
Legal Advertising	\$ 500.00
Legal	\$ 7,000.00
Miscellaneous	\$ 200.00
Mission / SCADA	\$ 3,600.00
Motor Vehicle Expense	\$ 4,100.00
Office Supply	\$ 4,000.00
Officers' Salary	\$ 14,235.00
Payroll	\$ 81,400.00
Pipes	\$ 2,300.00
Postage	\$ 2,000.00
Rent	\$ 1,500.00
Repair/Maintenance	\$ 6,000.00
Septage Dumping Fees	\$ 500.00
Small Tools	\$ 3,000.00
Sub Contracts	\$ 13,500.00
Telephone	\$ 6,000.00
WCR Assessment	\$ 5,900.00
<b>Total Operating Expense</b>	<b>\$ 248,945.00</b>
Reserve	\$ 10,000.00
COW Transport./Treatment Expenses (\$3.071 per ccf)	\$ 88,500.00
UBWPAD (\$7,372.25 per qtr)	\$ 29,500.00
<b>Total Proposed Budget</b>	<b>\$ 376,945.00</b>

Cherry Valley Sewer District  
Annual Meeting  
May 24, 2012

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, 2012.

The Commissioners are pleased to report that 396 homes have connected to the sewer system.

In accordance with Year 3 of the five (5) year Infiltration and Inflow (I/I) Control Plan, Tata & Howard conducted system wide smoke testing, prepared and submitted a report detailing the results and have prepared plans, specifications and bid documents for the repair and rehabilitation of manhole structures and sewer lines identified in the smoke test survey. The bids are scheduled to open on May 16, 2012.

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. This trend along with the increasingly stringent requirements imposed by regulators without funding assistance will push our sewer rates higher in the near future, possibly in FY2014. Previously, the District qualified and received funding to offset sewer rates via the Sewer Rate Relief Grant from the Massachusetts Department of Environmental Protection. Unfortunately, this program has not been funded in recent years. However, the District did receive \$439.00 for FY2012, which is minimal compared to prior years.

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.

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 26, 2011

A meeting of the Cherry Valley Sewer District was held at the American Legion, Cherry Valley Post # 443, 167 Main Street, Cherry Valley, Massachusetts, eleven (11) were in attendance, all of whom were eligible voters.

The meeting was called to order at 7:06 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: Unanimous. Approved.**

### ARTICLE 2 – REPORTS

Chairman Manseau motioned and seconded by Commissioner Taylor to vote to accept the Reports of the District as printed in the 2011 Annual Report, which was in the hands of the voters present.

**Voted. Unanimous. Approved.**

### ARTICLE 3 – ELECTION OF OFFICERS

Commissioner Taylor motioned and seconded by Chairman Manseau, to nominate Donald G. Manseau, for the office of Commissioner for a term of three (3) years.

**Voted: Unanimous. Approved.**

## **ARTICLE 4 – FY 2012 BUDGET**

Chairman Manseau motioned and seconded by Commissioner Taylor that the District vote to appropriate from available funds, the sum of \$ 380,831.00, (Three-hundred and eighty thousand, eight hundred and thirty-one dollars and no cents), for the operating budget of Fiscal Year 2012, 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 7 of the 2011 Annual Report, which was in the hands of the voters present.)

**Voted: Unanimous. Approved.**

## **ARTICLE 5 – RESERVE ACCOUNT**

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

**Voted: Unanimous. Approved.**

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

Commissioner Taylor motioned and seconded by Chairman Manseau 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: Unanimous. Approved.**

**ARTICLE 7 –  
YEAR THREE (3) INFILTRATION AND INFLOW  
PROGRAM**

Chairman Manseau motioned and seconded by Commissioner Taylor that the District vote to appropriate from available funds the sum of \$20,000.00 (twenty-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 three (3) tasks of the five (5) year I/I implementation plan of the District's sewer collection system, or take any action thereon.

**Voted: Unanimous. Approved.**

Chairman Manseau motioned and seconded by Commissioner Taylor to adjourn the meeting. The meeting adjourned at 7:22 P.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 26, 2011.

A TRUE COPY ATTEST:

---

CARLA A. DAVIS  
CLERK

(SEAL)

# CHERRY VALLEY SEWER DISTRICT

## RECORD OF VOTE SPECIAL DISTRICT MEETING OCTOBER 13, 2011

A meeting of the Cherry Valley Sewer District was held at the American Legion, Cherry Valley Post # 443, 167 Main Street, Cherry Valley, Massachusetts, twelve (12) were in attendance, all of whom were eligible voters.

The meeting was called to order at 7:00 P.M. by Moderator Kevin M. Bergin who entertained a motion by Commissioner Taylor and seconded by Commissioner DellaCava to waive the reading of the special meeting warrant, which was in the hands of the voters and Return of same.

**Voted: Unanimous. Approved.**

### MOTION ARTICLE # 1

Chairman Manseau motioned and seconded by Commissioner Taylor that the District vote to appropriate from available funds the sum of \$53,200.00 (fifty-three thousand two hundred 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 three (3) tasks of the five (5) year I/I implementation plan of the District's sewer collection system, or take any action thereon.

**Voted: Unanimous. Approved.**

### MOTION ARTICLE # 2

Commissioner DellaCava motioned and seconded by Commissioner Taylor that the District vote to petition the State Legislature to amend the District's Enabling Act, Chapter 33 of the Acts of 1998, by adding the following paragraph after Section 14 thereof: Section 14.a. the District acting by and through its Board of Sewer Commissioners, may 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, individual, or other entity pursuant to any form of agreement, contract, compact, consent, or accord (including, without limitation, an inter-municipal agreement pursuant to M.G.L. c.40, Section 4A), for any and all purposes which would further the interest of the inhabitants of the District, as those interests may be determined by the Board of Sewer Commissioners, as ratified by a vote of a majority of the voters of the District present and voting at a District meeting, or take any action thereon.

**Voted: Unanimous. Approved.**

Commissioner DellaCava motioned and seconded by Commissioner Taylor to adjourn the meeting. The meeting adjourned at 7:17 P.M.

**Voted: 11 Yea, 1 Nay. Approved.**

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 Special District Meeting, October 13, 2011.

A TRUE COPY ATTEST:

---

CARLA A. DAVIS  
CLERK

(SEAL)