

1963

2025

Cherry Valley Sewer District



Annual Report

June 30, 2025

To the people of the Cherry Valley Sewer District:

Greetings:

Your Board of Sewer Commissioners respectfully submits their 61st Annual Report for the fiscal year ending June 30, 2025.

The Commissioners are pleased to report that 453 homes have connected to the sewer system.

The Cherry Valley Sewer District operates its sewer system by discharging or transporting its sewage through the City of Worcester into the Upper Blackstone Wastewater Treatment Facility for treatment and release into the Blackstone River. This method of operation was proposed, discussed and accepted by the voters of the District in 2001 as the most cost-effective means of transporting and treating the sewage generated by the District. In turn, the City of Worcester assesses a transportation fee for sewage that flows from the District through the City of Worcester to Upper Blackstone. The Upper Blackstone assesses a treatment fee for that same sewage received from the District via the City of Worcester sewerage system.

The FY 2026 Budget reflects a fee increase of \$65,000. That is directly attributed to increased costs from vendors and suppliers to maintain the current operation of the sewer district.

The staff is working diligently to address issues within the system that come about. Sewer flows have continued to be a priority in monitoring and addressing the system for several years. Staff works constantly to monitor and make changes to the system to control flows that are not part of the normal sewer system operations. The district has been working in connection with the Leicester DPW to make sewer manhole repairs that coincide with paving projects. Furthermore, manhole repairs are being conducted in areas where poor conditions and obvious signs of inflow and infiltration are occurring. The staff has applied for grants to continue to research and monitor flows that will be discussed later in this report.

Daily flow rates into Worcester determine CVSD quarterly bill from the City of Worcester. The flows have been becoming more manageable through on-going inspection and Inflow/ Infiltration (I/I) repairs in the system. (Inflow/Infiltration refers to any non-sewer-related water that enters the system that the ratepayers must pay for). To minimize I/I operational staff inspects and repairs manhole structures that are in poor condition.

The Superintendent researched and began to implement a newer technology for sewer manhole rehabilitation that utilizes a recycled plastic material as the risers for the chimney portion of the sewer manholes, that eliminates the need for replacing and patching the traditionally used brick and mortar. Additional technologies are being investigated, and the staff continues to prioritize manholes in need of repair and rehabilitation within the means of the operations budget. During the course of the last year, manholes were upgrade with these riser sections on both Willow Hill Rd and Auburn St in conjunction with Leicester DPW paving projects.

The district began working with DPC Engineering to apply for a MassDEP grant dedicated to asset management of the Sewer Collection System, that is much more involved than the asset listing completed with RCAP. With DPC the District will be investigating the piping and manhole assets of the system. The goal is to use this as Inflow and Infiltration research and to make sure our buried assets are in proper working order. The district was successful in receiving this funding which totaled \$112,060.14. Of which roughly \$60,000 is grant funded and the remainder is financial contribution from the district and in-kind services (assistance of District staff). To keep the costs down the district will be using the \$25,000.00 we received from the Town of Leicester ARPA grant to cover any financial contribution of the district. The ability to utilize the ARPA grant came down to the scope of work under the two grants to be similar with the inclusion of smoke testing of the Sewer System. This work has been on going throughout the past year. Staff has assisted DPC with smoke testing the entire system, scanning manholes, and using cameras to inspect portions of the sewer system. The staff is working with DPC to finalize this project and look at potential future projects that could qualify under similar funded projects.

For the first time in Districts history, this year was the first time the District ever received a positive Free Cash (surplus funds). Having a positive amount of money now available to the District, there is a financial advantage to use some of these funds to start investing back into the system and Districts assets while additionally not utilizing some of the funds to maintain a strong financial standpoint for the District.

The largest issue that the District faces is the costs. While the history of the district has already been well documented about the financial situation. The District is close to being at complete build out of what the intended system was designed for. 453 of the 500 connections are completed. There is the possibility of additional units being added to the system if they are to be presented to the District. Development is reviewed by a District engineer at the cost of the developer to ensure that there will be no negative effects to the current users of the system and that the existing infrastructure will be able to handle the flow from increase in connections. The benefits of some development in the system is that it will add to the customer base that would assist in paying the operational costs the district has. While there is no current development proposed beyond a few small connections at this time, the community believes that there is development coming and the District is ready to review and consider it if it is to come before them.

Please know that the Commissioners and the District Staff take the issues facing the district very seriously and are continuously seeking viable solutions for the ratepayers. Future growth of the sewer system could potentially assist the current ratepayers. If you have any questions on this matter or anything else regarding the Sewer District, contact the district office and Staff will be able to assist you.

Respectfully submitted on behalf of the Commissioner's,

Benjamin Morris
Superintendent

**CHERRY VALLEY SEWER DISTRICT
P.O. BOX 138
ROCHDALE, MA 01542
ANNUAL MEETING
WARRANT**

To: Cheryl Balkus, 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 Town Hall Auditorium, 3 Washburn Square, Leicester, Massachusetts Thursday, and the 22nd day of May 2025 at 7:00 P.M. then and there to act on the following:

ARTICLE 1: MODERATOR

To elect a Moderator to preside at said meeting and for a period of one (1) year thereafter.

PROPOSED MOTION:

I move that the clerk of the District declares that the polls are open to cast ballots for the election of moderator for a term of one (1) year.

DESCRIPTION:

This article is an annual procedural article as the Moderator is the individual that will preside over tonight's meeting as well as the beginning of the 2026 Annual Meeting at which time the process is repeated.

ARTICLE 2: REPORTS

To act on reports of the District.

PROPOSED MOTION:

I move that the District vote to accept the Reports of the District as printed in the 2025 Annual Report, which is in the hands of the voters present.

DESCRIPTION:

The printed report of the Commissioners provides the District members with an annual update of the District's activities during fiscal year 2025 and the report of the District Treasurer provides the District members with an update of the District's audited activity during fiscal year ending 2024.

ARTICLE 3: COMMISSIONER

To elect a Sewer Commissioner for a term of three (3) years.

PROPOSED MOTION:

I move that the Clerk of the District declares that the polls are open to cast ballots for the election of Commissioner for a term of three (3) years.

DESCRIPTION:

The Board of Sewer Commissioners has three members each serving a three-year term.

The winner of the election will take effect when the annual meeting closed. Absent any directive in bylaw or enabling act.

ARTICLE 4: BUDGET

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 2026, 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.

PROPOSED MOTION:

I move that the District vote to appropriate from available funds (sewer revenue), the sum of \$745,714.50 (seven hundred forty five thousand seven hundred fourteen dollars and fifty cents and transfer from free cash \$100,000 (one hundred thousand dollars) for a total of \$845,714.50 (eight hundred forty five thousand seven hundred fourteen dollars and fifty cents) for the operating budget of Fiscal Year 2026, to provide for the District's annual operating requirements, including but not limited to, salaries, related services, office expenses, maintenance and construction.

DESCRIPTION:

This article funds the fiscal year 2026 operating budget, which includes funding all operations of the District, debt service payments, transportation costs (City of Worcester and Upper Blackstone).

ARTICLE 5: REVOLVING FUND FOR CONSTRUCTION

To see if the District will vote to authorize the Board of Sewer Commissioners to establish a fund to receive and deposit fee 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 take any action thereon.

PROPOSED MOTION:

I move 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.

DESCRIPTION:

This article establishes a "revolving account for review of new construction projects within the service area of the district". It provides the means for the District to collect funds from the proposer of the new construction project to pay costs including but not limited to, design, plan review, and inspection of the project being constructed and associated with new construction projects with no impact on the FY26 operating budget and no expense to the district rate payers.

For Example, if a new development came into the district our engineer has to review the plans to make sure it will allow us to supply sewer connections to the new development. This warrant article allows us to collect the fees from the new development in order to pay our engineering fees, so the cost is not absorbed by the district subscribers.

ARTICLE 6: PURCHASE OF TRUCK

To see if the District will vote to authorize the Board of Sewer Commissioners to transfer funds from free cash not exceeding eighty thousand dollars (\$80,000.00) to purchase a new ¾ ton or 1 ton pickup truck equipped with, but not limited to, plow and associated safety warning systems or to take any action thereon.

PROPOSED MOTION:

I move that the District vote to appropriate from free cash the amounts not to exceed eighty thousand dollars (\$80,000.00) to enable the District to purchase a new pickup truck equipped with, but not limited to, plow, and associated safety warning systems or to take any action thereon.

DESCRIPTION:

The District is looking to purchase a new pickup truck to replace a 2006 Ford F350. Vehicles are one of the main pieces of equipment that Staff rely-on daily to continue to maintain and operate the system. The truck manufacturer will be depending on the availability of the chassis due to supply. The truck will be equipped with a snowplow, and amber warning light systems.

ARTICLE 7: FEASIBILITY OF MERGING THE CHERRY VALLEY & ROCHDALE WATER DISTRICT AND CHERRY VALLEY SEWER DISTRICT

To authorize the board of Sewer commissioners to initiate discussions with the board of Water commissioners of the Cherry Valley & Rochdale Water District to consider the feasibility of merging the Cherry Valley & Rochdale Water District and the Cherry Valley Sewer District into a single Water and Sewer District within the town of Leicester, and, to draft legislation for consideration of the district's membership for voting in the coming year

PROPOSED MOTION:

I move to transfer \$30,000 from free cash to authorize the board of Sewer commissioners to initiate discussions with the board of Water commissioners of the Cherry Valley & Rochdale Water District to consider the feasibility of merging the Cherry Valley & Rochdale Water District and the Cherry Valley Sewer District into a single Water and Sewer District within the town of Leicester, and, to draft legislation for consideration of the districts membership for voting in the coming year.

DESCRIPTION:

This article will let commissioners of the Cherry Valley Sewer District know if District members are interested in the merging of the Cherry Valley & Rochdale Water District and The Cherry Valley Sewer District into one District. If this article passes the District's will work together to see what is needed and how to merge the two districts.

ARTICLE 8: STABILIZATION ACCOUNT

To see if the District will establish a Sewer Stations fund account pursuant to Mass General Law Chapter 40 Section 5B.

PROPOSED MOTION:

I move that the District vote to establish a Sewer Stations fund account pursuant to Mass General Law Chapter 40 Section 5B.

DESCRIPTION:

Creating a stabilization account for all of the District's Sewer Stations will allow the District to put monies aside for items such as but not limited to pumps, motors, drives, and communication equipment costs that are outside of the normal operational repairs. The purpose of the Stabilization Account allows the District to have dedicated funds for the specified purpose and not have to carry additional line items and increased costs in the annual operation budget. Once created voters will need to authorize the Commissioners to utilize the account during a given year. If funds are not spent in a given year, they will remain available and rolled over to the next year with a simple vote of the ratepayers.

ARTICLE 9 – FUNDING STABILIZATION ACCOUNT

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, from any available funding source or by available means to fund the Sewer stations fund accounts as described in the description under article 8.

PROPOSED MOTION:

I move that the District transfer \$40,000 from free cash and move it to the Sewer Stations fund account.

DESCRIPTION:

This will fund the Sewer Stations stabilization account.

ARTICLE 10: USE OF STABILIZATION ACCOUNT

To see if the District will allow the use of the Sewer Stations fund Stabilization account if any issues arise including but not limited to costs associated with pumps, motors, drives and communication equipment that are outside the normal operational repairs.

PROPOSED MOTION:

I move that the District be allowed to use up to \$30,000 out of the Sewer Stations Stabilization account on items such as but not limited to pumps, motors, drives, and communication equipment in the District's Sewer Stations.

DESCRIPTION:

This allows the District to authorize the board to use the funds that are set aside for Sewer Stations. THIS REQUIRES A 2/3 VOTE.

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 the time of said meeting.

Given under our hands this 17TH of April 2025.

A TRUE COPY ATTEST:

Donald G. Manseau, Chairman

Cheryl Balkus
Clerk-Cherry Valley Sewer District

Robert H. Lemieux, Sr. Commissioner

(SEAL)

Peter Cusolito, Commissioner

CHERRY VALLEY SEWER DISTRICT

Operating Expenses	FY 25 APPROVED	FY 26 PROPOSED
Accounting	\$ 15,000.00	\$ 19,000.00
Allowance	\$ 7,500.00	\$ 7,500.00
Bank Fees	\$ 200.00	\$ 200.00
Consulting Fees	\$ 3,000.00	\$ 10,000.00
Electricity	\$ 7,000.00	\$ 7,000.00
Field Supplies	\$ 3,619.94	\$ 4,000.00
Heat	\$ 1,320.00	\$ 1,320.00
Office Electricity	\$ 8,055.11	\$ 8,055.11
Insurance	\$ 18,000.00	\$ 21,600.00
Health Insurance	\$ 22,051.44	\$ 24,388.92
Workers Comp	\$ 1,683.47	\$ 1,200.00
Legal	\$ 7,000.00	\$ 7,000.00
Miscellaneous	\$ 200.00	\$ 200.00
Mission / SCADA	\$ 4,327.00	\$ 4,327.00
Motor Vehicle Expense	\$ 5,400.00	\$ 5,670.00
Office Supply	\$ 7,050.00	\$ 7,050.00
Officers' Salary	\$ 5,143.00	\$ 5,143.00
Payroll	\$ 84,152.65	\$ 95,014.17
Pipes	\$ -	\$ -
Postage	\$ 3,240.00	\$ 3,480.00
Repair/Maintenance	\$ 17,449.50	\$ 20,000.00
Sub Contracts	\$ 23,000.00	\$ 24,150.00
Technology	\$ 27,900.00	\$ 32,670.00
Telephone	\$ 1,635.00	\$ 1,635.00
Transport./Treatment Expenses	\$ 270,994.30	\$ 270,994.30
UBWPAD	\$ 76,176.00	\$ 82,098.00
Operating Expense	\$ 621,097.41	\$ 663,695.50
Reserve Account	\$ 20,000.00	\$20,000.00
Capital		\$20,000.00
Debt Service	\$ 142,019.00	\$ 142,019.00
Total with Debt Service	\$ 794,116.41	\$ 845,714.50

**Cherry Valley Sewer District
Statement of Net Position
June 30,2024**

CURRENT ASSETS:	
Cash and Cash Equivalents	\$ 847,719
Investments	628,112.00
Accounts Receivable	54,845.00
Intergovernmental Receivable	5,788.00
Sewer Betterment Receivable, Current Portion	55,978.00
Sewer Betterment Interest Receivable	2,005.00
Prepaid Expenses	25,522.00
Total Current Assets	1,619,969.00
NONCURRENT ASSETS:	
Sewer Betterment Receivable, Net of Current Portion	222,380.00
Right-of-Use Asset	13,112.00
Capital Assets, Net of Accumulated Depreciation	2,965,265.00
Total Noncurrent Assets	3,200,757.00
TOTAL ASSETS	4,820,726.00
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
CURRENT LIABILITES	
Accounts Payable	\$ 7,213
Bonds Payable, Current Portion	115,068
Lease Liability, Current Portion	2,430.00
Accrued Interest	14,598.00
Total Current Liabilities	139,309.00
NONCURRENT LIABILITIES:	
Lease Liability, Net of Current Portion	10,682.00
Bonds Payable, Net of Current Portion	2,041,015.00
Total Noncurrent Liabilities	2,051,697.00
TOTAL LIABILITIES	2,191,006.00
DEFERRED INFLOWS OF RESOURCES:	
Deferred Inflows Related to Pension	3,696.00
NET POSITION:	
Net Investment in Capital Assets, Net of Related Debt	809,182.00
Unrestricted	1,816,842.00
Total Net Position	2,626,024.00
TOTAL LIABILITES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 4,820,726

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR
THE YEAR ENDED JUNE 30, 2024**

REVENUES:

User Receipts	\$ 703,040
Betterment Revenue	17,406.00
Other Operating Revenue	13,043.00
Total Revenues	733,489.00

EXPENSES:

City of Worcester Transport & Treatment Expense	242,720.00
Upper Blackstone Water Pollution Abatement District Expense	73,625.00
Salaries and Wages Expense	87,871.00
Depreciation Expense	408,392.00
Employee Benefits Expense	16,647.00
Subcontractors	13,139.00
Supplies	297.00
Office Expense	7,889.00
Consulting	7,050.00
Utilities	14,491.00
Vehicle Expense	4,686.00
Insurance	17,734.00
Repairs and Maintenance	8,354.00
Accounting Fees	14,500.00
Legal Fees	716.00
Technology Expense	19,515.00
Monitoring Expense	2,961.00
Miscellaneous	16,194.00
Total Expenses	956,781.00

OPERATING LOSS -223,292.00

NON-OPERATING REVENUE (EXPENSES):

Interest Income	44,230.00
Grant Income	37,814.00
Interest Expense	-28,784.00
Total Non-Operating Revenue (Expenses)	53,260.00

CHANGE IN NET POSITION -170,032.00

Prior Period Adjustment -60,782.00

NET POSITION AT BEGINNING OF YEAR 2,856,838.00

NET POSITION AT END OF YEAR 2,626,024.00

**CHERRY VALLEY SEWER DISTRICT STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Customers	\$ 812,932
Cash Paid to Vendors	(588,900)
Cash Paid for Employee Benefits	(20,900)
Net Cash Provided by Operating Activities	203,132
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchase of Capital Assets	(16,314)
Repayment of Bond Payable	(113,647)
Payment of Bond Interest	(28,372)
Net Cash Used by Capital and Related Financing	(158,333)
CASHFLOWS FROM INVESTING ACTIVITIES:	
Interest Income	29,226
Purchase of Investments	<u>(250,000)</u>
Net Cash Used by Investing Activities	(220,774)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(175,975)
CASH AND CASH EQUIVALENTS - JULY 1	1,023,694
CASH AND CASH EQUIVALENTS - JUNE 30	\$ 847,719
Reconciliation of Changes in Net Position to	
Net Cash Provided by-Operating Activities:	
Operating Loss	\$ (223,292)
Adjustments to Reconcile Operating Income to Net Cash Provided by	
Operating Activities:	
Depreciation Expense	408,392
Pension Income	(4,253)
Grant Income	37,814
(Increase) Decrease in:	
Accounts Receivable	(5,917)
Betterment Receivables	26,315
Betterment Interest Income Receivable	(2,005)
Intergovernmental Receivable	23,236
Prepaid Expenses	(18,670)
Increase (Decrease) in:	
Accounts Payable	6,623
Accrued Expenses	(45,111)
Net Cash Provided by Operating Activities	203,132

CHERRY VALLEY SEWER DISTRICT

RECORD OF VOTE ANNUAL MEETING May 23, 2024

A meeting of the Cherry Valley Sewer District was held at the Leicester Town Hall Auditorium, 3 Washburn Square, Leicester, Massachusetts, ten (10) were in attendance, all of whom were eligible voters.

The meeting was called to order at 7:23 P.M. by Mr. John Shocik, Moderator. A motion was made and seconded that the District vote to waive the reading of the Annual Warrant, which was in the hands of the voters.

Voted: Unanimously. All in favor. Approved.

ARTICLE 1 – MODERATOR

A motion was made and seconded that the District vote to nominate John Shocik as moderator to preside at tonight's meeting and for a period of one (1) year hereafter.

Voted: Unanimously. Approved.

ARTICLE 2 – REPORTS

A motion was made and seconded that the District vote to accept the Reports of the District as printed in the 2024 Annual Report, which was in the hands of the voter's present.

Voted: Unanimously. Approved.

ARTICLE 3 – ELECTION OF OFFICERS

A motion was made and seconded that the District vote to nominate Peter Cusolito, for the office of Commissioner for a term of three (3) years.

Voted: Unanimously. Approved.

ARTICLE 4– FY 2024 BUDGET

A motion was made and seconded that the District vote to appropriate from available funds, the sum of \$794,116.41 for the operating budget of Fiscal Year 2025, to provide for the District's annual operating requirements, including but not limited to, salaries, related services, office expenses, maintenance and construction.

Voted: Unanimously. Approved

ARTICLE 5 – REVOLVING FUND FOR CONSTRUCTION

A motion was made and seconded 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: Unanimously. Approved.

ARTICLE 6 – SEWER NOTICE ASSISTANCE GRANT

A motion was made and seconded that the District vote to raise and appropriate transfer from available fund the sum of \$50,625 (Fifty thousand six hundred twenty five dollars) to pay out expenditures associated with the Sewage Notification Assistance Grant.

Voted: Unanimously, Approved.

ARTICLE 7 - AUTHORIZE THE SEWER SYSTEM ASSET MANAGEMENT PROJECT

A motion was made and seconded that the District vote to raise and appropriate transfer from available fund the sum of \$123,359.30 in order to pay expenditures associated with the Sewer System Asset Management Project

Voted: Unanimously, Approved.

ARTICLE 8 – ACCEPT GENERAL LAW CHAPTER 40 SECTION 8

A motion was made and seconded to accept the provisions of chapter 40 Section 58 of the Mass General Law, or take any other action relative thereto.

Voted: Unanimously, Approved.

ARTICLE 9: ACCEPT GENERAL LAW CHAPTER 83 SECTION 16A-16F

A motion was made and seconded to accept the provisions of General Law Chapter 83 Section 16A through 16F, or to take any other action relative thereto.

Voted: Unanimously, Approved.

A motion was made and seconded that the District vote to adjourn the meeting.

Voted: Unanimously. All in favor. Approved.

The meeting adjourned at 7:42 P.M.

I, Cheryl Balkus, 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 23, 2024.

A TRUE COPY ATTEST:

CHERYL BALKUS, CLERK

(SEAL)