

Minutes of November 28, 2007

Meeting of the Ashburnham Municipal Light Plant

Present Commissioners: George Ainsleigh, Richard Ahlin

Stan Herriott, Manager

Kevin Lashua Absent

The Meeting was called to order at 4:32 p.m.

Chairman Ainsleigh called for approval of the agenda, Manager Herriott made note that on the Manager's Expense Report the amount listed on the agenda was incorrect and should not be \$664.53. The actual amount should be \$82.87. Chairman Ainsleigh noted the change and asked for a motion to approve the Agenda. The motion was made by Commissioner Ahlin and seconded by Commissioner Ainsleigh. The vote was unanimous.

Chairman Ainsleigh called for a motion to approve the Minutes of October 24, 2007 meeting. A motion was made by Commissioner Ahlin and seconded by Commissioner Ainsleigh. The vote was unanimous. Secretary Ahlin signed the Minutes of October 24, 2007 meeting.

Manager Herriott reported that the grammatical error in the September 19, 2007 Minutes had been corrected and the Minutes needed to be voted on and signed. A motion was made by Commissioner Ahlin and seconded by Chairman Ainsleigh. The vote was unanimous. Secretary Ahlin signed the minutes of September 19, 2007.

Manager Herriott reviewed the financials and pointed out that receipts are tracking about 8% more than projections. With the expenses tracking about 4% greater

than expectations. The receipts are tracking over due mainly because of under estimating of sales for the year. As far as expenses the main cause is the increased cost in power supply due to the under estimating of the sales. All other expenses are within or are expected to end up within expectations at the year end. Commissioner Ahlin questioned the cost in the customer category of the budget of \$2,200.00. Manager Herriott could not recall what the charge represented but he retrieved the warrant book and found that it was monies paid to Victorian Stable for the reconfiguring of their electric service from 600 volts to 120/240.

Manager Herriott gave the Commissioners the 2008 operating budget for their review and recommendations. They will be asked to vote on the budget at the December 19, 2007 meeting. The total projected budget of \$4,667,686.00 with expenses projected to be \$4,581,413.00. The difference being, \$88,673.00. Manager Herriott went on to say that the one thing that should be noted is that he will be stopping the additional payment of \$5,055.14 to the Reserve Trust Account; he will be taking the interest earned by the Reserve Trust and applying it quarterly to the budget. The projected interest payments are expected to be about \$48,000.00. With the reduction in contribution to the Reserve Trust and applying the interest to the budget we should be able to stave off any rate increase that might be necessary until summer and maybe beyond. This is, if all things continue to remain stable throughout next year.

Commissioner Ahlin pointed out that there was still some monies left in the tool budget, Manager Herriott said that some of the \$400.00 that remained would be spent but probably not all of it. Commissioner Ahlin also asked if the rest of the budget in Safety and Training would be spent? Manager Herriott said that he did believe some would be spent but probably not all. The two bills that would be remaining are for Matt's Second Class school at National Grid and one more safety meeting. Commissioner Ahlin also mentioned that he felt that we should add some monies to the pole budget for 2008. Manager Herriott felt that costs would be going up. Manager Herriott said he would address this in the final Budget to be voted on in December.

Manager Herriott gave the Commissioners the latest communications from our attorneys covering the MASSPOWER lawsuit. These documents were just the memos sent describing where the suit stands today and were for the Commissioners information only there was no discussion on the information.

Manager Herriott went on to say that MMWEC has suspended most of the MASSPOWER billing. We are still paying the O&M cost associated with MASSPOWER. The feeling is there is no need to pay into escrow because if we do not prevail in the suit, the amount of money we would have expended will be so small compared to the over all settlement. It does not make sense to continue to collect. We would just include these monies in the borrowing that will be needed to complete the settlement. If we should prevail then we will not have to pay anyway.

Manager Herriott reported that at the request of Commissioner Lashua he wrote a letter to National Grid requesting permission to serve his new property located at 145 Ashburnham State Road in Westminster. Manager Herriott reported that the response back from National Grid was that they would not allow Ashburnham Light to service that property.

Manager Herriott reported on the 100th Anniversary Project. He reported on his first meeting with the Historical Commission with regard to them helping to select an appropriate light and pole for the project. The schedule is that we would like to be going out to bid sometime in March for delivery in the spring.

The Manager brought up for discussion by the Commissioners to consider whether to use a contractor to do the lighting job in the center of town. He brought this issue up because we have several projects in Town related to new construction, that may pull us away from the project and the goal is to have the lighting done before June 28th. After some discussion Commissioner Ahlin and Chairman Ainsleigh agreed that it might be better to use an outside contractor on the housing projects and let our own people do the lighting project. This would probably result in a better public image for the Light

Department. Also Commissioner Ahlin stated that there was no guarantee that any of the housing developments would be going forward because of the failing housing market. Although Manager Herriott had not considered this it might be a better idea, He said that he would be keeping the Commissioners informed as to the progress in the selecting the poles and lights.

A motion was made by Commissioner Ahlin and seconded by Chairman Ainsleigh to adjourn. The vote was unanimous.
The meeting adjourned at 6:00 p.m.

Respectfully submitted,

Rick Ahlin
Secretary