

Paxton Municipal Light Department
578 Pleasant Street
Paxton, MA 01612-1300
Light Commission Meeting
December 16, 2021

- I. Call to order: The meeting was called to order by Chairman Wheeler at 5:31 p.m. Members present: Emerson Wheeler, Yvette Orell, Mike Benoit, and Tara Rondeau, Manager. Public Attending: None.
- II. Approval of Agenda: Orell motioned to approve the agenda; Benoit seconded. Motion passed 3-0.
- III. Approval of Minutes: Benoit motioned to approve the November 9th, 2021, minutes; Orell seconded the motion. Motion passed 3-0.
- IV. Public Comment: None
- V. Managers' Report:
 - A. Operations and Electrical Systems Updates:
 - 1. The linemen have continued trimming and chipping on West Street and started on Asnebumskit.
 - 2. They:
 - a. Performed streetlight maintenance on Laurel St., Pleasant St., and Hill St..
 - b. Transferred over a temporary house service on Marshall St.
 - c. Installed a new pole on Marshall St., transferred over the primary and secondary.
 - d. Updated a house service on Forestdale.
 - e. Investigated flickering lights on West Street. No problems were found.
 - f. Ran a new service to a barn on Grove St.
 - g. Read meters and went back for rereads.
 - h. Performed streetlight maintenance in Spencer.
 - 3. The linemen got rid of the old poles piled up to the side of the building and received the shipment of new poles.
 - 4. 2 of the linemen attended a safety meeting in Holden.
 - 5. The linemen have started the year-end inventory count.
 - 6. They performed truck maintenance changing the oil in Trucks #63, 64 & 68.
 - 7. They hung the wreaths on the common and put up the lights on the tree.
 - 8. Outages:
 - a. November 12th: Grove St. Transformer cutout tripped due to a branch between the secondary bushings. Affected 5 customers and lasted half hour.
 - b. November 17th: Ridgewood Rd. Fuse blew. Unsure of the cause. Affected 40 customers and lasted less than an hour.
 - c. November 17th: Richards Ave. Library reported no power. A breaker had tripped.

d. December 7th: Grove Street and Camp Pike. A fuse blew affecting 5 customers.

B. Office and Operations

1. Final liens for year-end totaled \$2114 for 9 customers. PMLD also has an outstanding lien balance of \$3671. This is all from one customer who has not paid 3 years prior liens.
2. PMLD's accounts receivable 90 days past due balance is \$13,703. Last year at this same time, it was \$18,051.
3. At things stand now, PMLD's monthly insurance premium payment is going down \$2297.66 a month. If we hire a new employee who takes the family plan, our premiums will decrease by \$654. For the retirees on managed care it's going down by \$176.40 a month, retirees not on managed care will decrease by \$12.78. The one former employee who pays for their own insurance, which we reimburse them on, is increasing by \$5.
4. Landis & Gyr has advised us that the routers have shipped. Their techs are scheduled to fly in the week of January 17th.
5. Some of the linemen and office staff participated in the Town's first "Light Up Your Truck" contest held on Dec. 4th. PMLD also gave out plastic light bulbs filled with different candies as well as gave out fliers about the Santa letters.
6. Derek Peto, First Class Linemen, gave his notice. His last day was November 30th. This leaves us with only one First Class Linemen. There is a shortage of line workers across the state. Finding a replacement could prove to be a problem. Ben is graduating from NEPPA lineman school on December 17th, which will help, bringing PMLD to 2 First Class Linemen and one Apprentice.

Benoit suggested using contractors or job sharing with another Muni to assist with the on-call rotation so that the 2 First Class Linemen do not get burnt out. Orell noted that a contractor had been used in the past. The manager stated that Holden is a different union than PMLD's that could be tricky. WB has the same union but it has been rumored that they are experiencing on-call shortages as well. The manager will look into all options.

7. Matt has been going back over every work order since the first of the year looking for errors in the inventory. We are hoping to get all the inventory back on track and receive a more favorable audit.

VI. Proposed Budget 2022:

The manager provided the Board with an updated budget.

Starting with the 2021 Actuals to Date:

Operating revenue came in under budget by \$595,520 due to:

- Residential sales are down \$88,530 and AMC was down \$20,964.
- The budget had the PPA charge at our usual amount of \$550,000. With the rate changes and recent credits, PMLD only collected \$74,716.
- Finance charges were included in the budget, due to COVID, finance charges had been suspended. That was a loss of \$8000.

Other revenue was underbudget by \$20,227:

- The Town of Spencer did not utilize our services much this past year resulting in a loss of

\$11,629.

- PMLD's investments held with treasurer as well as our Reserve Trust held with MMWEC, saw overall losses for the year.
- Miscellaneous Nonoperating income came in \$42,328 over budget due to funds received by MMWEC as well as a state grant for the MAC EV charger and monies received from the CARES Act.

Expenses came in \$477,330 over budget due to:

- RCS Expenses which were \$7946 over budget. This was for increased auditing costs with a new system MMWEC is using and solar rebates to 2 customers.
- Actuary costs were all posted in 2021, half of the cost, \$4215, should have been posted in 2020 and the other half in 2021.
- IT vendor was over budget by \$1788. This was for an increased cost associated with the new tablet purchased for the lineman to use on the AMI meters and the cost of renewing our website domain for another 5 years, Microsoft license renewals and a Dell warranty extension.
- Employee benefits and pension expense was \$197812 over budget. This was based on the WCRR actuarial assessment. That large assessment had not been included in last year's budget.
- All distribution and maintenance expenses were underbudget. School safety was under budget by \$1000, maintenance of plant was under budget by \$5435, uncollectibles were under budget by \$4956, legal fees were underbudget by \$1700, mis. general expenses were underbudget by \$3915. And employee training was also underbudget by \$1700.
- Power costs were \$285900 over budget. Some of this is due to the summer generator rental but most is due to the unpredicted high natural gas costs.
- Payroll was overbudget by \$6828. This was due to 3 employees leaving or retiring in the year and the vacation time paid out to them that was not budgeted for. Benoit asked if monies should be set aside to account for this. The manger said that she would check into that with the auditors.
- Capital: 2021 capital expenses came in \$217,978 underbudget due to the meters not being delivered.

Proposed 2022 Budget

Revenue: With the new rates the operating income will increase by \$196373. Cable rental space charges will increase by \$2906, there will once again be finance charges, jobbing revenue increased due to many large upcoming projects, increasing nonoperating revenue by \$ 33,883.

Expenses: All distribution and maintenance expenses stayed roughly the same. RCS expenses decreased since there are no solar rebates this upcoming year. Employee benefits decreased by \$48,798 due to the lower health care costs, assuming a 4th linemen will be hired requiring the family plan, savings could be greater if an employee does not need health insurance. Power costs decreased by \$80,196, this is based on MMWEC's newest power cost projections which are \$117,000 higher than their first projections given in May 2021. Payroll and truck expenses will be decreased this year since much of the time the linemen will be installing the new AMI meters which will be capitalized and come out of our depreciation. Overall expenses decreased by \$227,923.

Capital: Capital budget increased by \$63,952. This is for a new server, poles, transformers and conduit. Benoit asked about hosting the server in the cloud, would it be cheaper? The manager will speak with IT.

Benoit motioned to accept the 2022 budget as proposed, Orell seconded the motion. Motion passed 3-0.

- VII. Managers Contract: The board signed the Managers contract as drafted by PMLD's legal counsel.
- VIII. Other Business: The board discussed skipping the January meeting since December's meeting was held a week later than normal and with the holidays coming up there will be not much to report. All agreed to skip the January meeting.
- IX. Adjourn-Benoit motioned to adjourn, Orell seconded the motion. Motion passed 3-0.

The meeting adjourned at 7:03 pm.

The Next Meeting is February 8th, 2022, at 5:30 pm.

Approved Minutes Submitted on behalf of the Paxton Light Commission

by Tara Rondeau on 2/22/22 Tara Rondeau

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