

FY10 Budget – DPW Enterprise Funds

At their Rate Hearing on March 31, 2009 the Board of Selectmen set the following rates, to be effective with the September 2009 billing:

	FY10	Change
Water rates*	\$7.73	+1.0%
Sewer rates*	\$8.02	+5.7%
Storm Water rates	\$36.88	unchanged

** per 100 cubic feet*

Water Enterprise Fund: The Water EF is comprised of Water Supply and Water Distribution. On a budget basis, the costs rose 4.2% to \$5,597,038 in FY10. The Selectmen voted to offset this increase with \$425,000 of reserves, which had been built up over time for this purpose. It is important to note that about half of this budget is costs related to the MWRA, consisting of \$1.7 million in water costs and \$1.2 million in debt service.

Water EF	FY10	Change
Salaries*	\$632,349	+3.3%
Expenses	2,734,455	+2.6%
Debt Service	1,890,234	-2.1%
Capital	340,000	+111%
TOTAL	\$5,597,038	+4.2%

**11 FTEs in FY10, unchanged from FY09*

Consistent with new budget rules from the state, the General Fund budgets are now voted on a gross basis – overhead and other charges to enterprise funds are not included. Revenues from the enterprise funds have been included to pay for these charges by the general fund. November 2008 Town Meeting voted these adjustments to the FY09 budgets.

Therefore Town Meeting will vote a number for Water that begins with the \$5.6 million figure, subtracts \$425,000 in reserves, and also subtracts \$377,367 in these indirect costs that have already been voted as part of the general fund, for a new total of \$4,794,671.

The Water Supply division is responsible for the administrative management, operation, maintenance, and security of the drinking water supply system in accordance with all Federal, State, and local regulations. This division also provides technical support to other divisions.

Water Distribution division is responsible for maintaining and operating the municipal water distribution system in accordance with industry standards promulgated by the American Water Works Association and all applicable state and federal regulations. The goals of the division are to provide adequate and reliable water for domestic use and fire protection while promoting the health, safety, and welfare of the community. In addition, the Water Division oversees water meter installation, repair, and meter reading.

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Sewer Enterprise Fund: On a budget basis, the Sewer EF costs rose 2.3% in FY10 to \$5,255,261 in FY10. The Selectmen voted to offset this increase with \$100,000 of reserves – a lower amount than was used in FY09. MWRA charges in the Sewer budget (\$3.9 million) represent a 74% share of this budget.

Sewer EF	FY10	Change
Salaries*	\$286,274	+2.4%
Expenses	4,394,780	+7.0%
Debt Service	124,207	-62%
Capital	450,000	+6.5%
TOTAL	\$5,255,261	+2.3%

**5 FTEs in FY10, unchanged from FY09*

Town Meeting will vote a number for Sewer that begins with the \$5.3 million figure, subtracts \$400,000 in reserves, and also subtracts \$259,004 in these indirect costs that have already been voted as part of the general fund, for a new total of \$4,896,257.

The Sewer division is responsible for maintaining and operating the municipal main sewer systems in accordance with all applicable state, federal, and Massachusetts Water Resources Authority regulations for the collection and discharge of wastewater. The specific functions are: Maintenance and repair of 100 miles of sewer mains and 12

pumping stations; respond to customer complaints for sewer backups and drainage problems.

Storm Water Enterprise Fund: The Storm Water EF budget is not charged any overhead from the general fund, nor will it use any reserves in the FY10 budget. The FY10 budget is \$291,391. Additional revenues will be charged to the fund in order to build up a small reserve fund, targeted at a minimum of \$150,000 over the next few years in anticipation of future large-scale capital drainage projects.

Storm Water EF	FY10	Change
Salaries*	\$70,076	+7.5%
Expenses	21,315	+4.9%
Debt Service		
Capital	200,000	-13%
TOTAL	\$291,391	-7.7%

**2 FTEs in FY10, unchanged from FY09*

Storm Water services are conducted by portions of the general fund and by portions of this enterprise fund. They are responsible for the construction, maintenance and repair of all catch basins and drainage systems.

