

Enterprise Funds

Section 8



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Solid Waste Enterprise Fund Statement

On January 1, 2003 the Town began a fee-based solid waste program commonly referred to as "Pay-As-You-Throw" (PAYT). The PAYT program is overseen by the Town Engineer and requires residents to use Town of Northborough designated trash bags in order to have their trash recycling collected at curbside by the Town's contractor. The PAYT program is operated as an enterprise fund intended to generate fee revenue to cover all solid waste and recycling collection and disposal costs previously provided within the tax base.

An enterprise fund, authorized by MGL Ch. 44 §53F½, is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery—direct, indirect, and capital costs—are identified. This allows the community the option to recover total service costs through user fees. Enterprise accounting also enables communities to reserve as unrestricted the "surplus" or net assets generated by the operation of the enterprise rather than closing it out to the General Fund at year-end. Services that may be treated as enterprises include, but are not limited to, solid waste, water and sewer services.

Significant FY2014 Budget Changes or Initiatives

The Solid Waste Enterprise Fund does not generate sufficient revenue to cover all its expenses. Total fee revenues are estimated in FY2014 to be \$470,000 and the expenses \$759,099, leaving a projected general fund subsidy of \$239,099 with a transfer from the Solid Waste Fund Free Cash of \$50,000. In FY2014, the appropriation will again contain a \$50,000 Contingency Reserve account within the Solid Waste Fund to ensure adequate funding for the potential of an unforeseen event in the coming year.

In 2010, the Engineering Department issued an Invitation for Bids (IFB) for solid waste and recyclable materials collection and disposal. As part of this IFB, alternate prices were sought for a container-based program with single-stream recycling. In January of 2011, after much discussion and a significant amount of feedback from the residents, the Board of Selectmen voted to retain the current Pay-As-You-Throw (PAYT) program. As a result of the IFB, a significant savings in the collection cost is being realized. FY2014 will be the third year of a five year contract which sets the collection costs at \$475,000 per year. This collection cost contract results in a significant savings of more than \$31,000 over the last year of the previous contract. As a result of the decision by the Board of Selectmen and the favorable prices in the contract, a \$239,099 General Fund subsidy is recommended in FY2014 in order to balance the Enterprise Fund. The total PAYT FY2014 budget is \$759,099. Below is a detailed explanation regarding overhead costs, projected waste tonnage tip fees, and collection cost.

PAYT Revenues and Overhead Costs:

The Town continues to offer two sizes of bags and anticipates the possibility of a significant increase in the cost of the bags from the manufacturer, due to the effect of increases in fuel costs and other factors affecting the resin used in the manufacture of the bags.



The bag fee was last revised in January of 2007 to better cover costs associated with the program and is currently set at \$3.00/large bag and \$1.50/small bag. Additional fees were also created to help reduce the shortfall between revenues and expenditures. A fee of \$10 per box was instituted for the disposal of hazardous waste at the annual Household Hazardous Waste Day event in September of 2005. In addition, a sticker fee of \$10 per item for the disposal of large/bulky items set out at the curb was instituted in March of 2006.

In an effort to minimize additional staff workload the Town has also contracted with Niman Paper Supply for the distribution of bags and bulk item labels to the authorized retailers. The distribution cost is \$.02 per bag or label.

Total projected FY2014 overhead costs for the Pay-As-You-Throw program (purchase of bags, stickers and their distribution) is estimated at \$75,000.

In the past the Town has received various grants from the Massachusetts Department of Environmental Protection (DEP) for a number of items in support of the recycling program such as bins, calendars and flyers. However, due to potential state budget cuts these grants may no longer be available and are anticipated to be paid by the Town. The approximate value of these items is \$4,000.

Disposal Costs and Projected Tip Fee:

In accordance with the Waste Disposal Agreement with Wheelabrator Millbury, Inc. which went into effect in 2006, the tip fee is adjusted each year on July 1st based upon the amount of change in the Consumer Price Index for urban wage earners and clerical workers-Northeast Urban. As outlined in the agreement the current tip fee is \$74.01/ton. Based upon the most recent information from the Bureau of Labor and Statistics and the formula in the agreement, the tip fee for FY2014 has been estimated at \$75.21/ton, which will apply to the amount of trash disposed of between 7/1/13 and 6/30/14.

Although the costs associated with solid waste disposal at Wheelabrator Millbury, Inc. have increased substantially due to the tip fee formula as outlined above, the new contract also included several changes which have resulted in some savings for the Town. The contractual clause regarding "pass through" costs resulting from regulatory changes has been removed, and therefore, the costs previously associated with ash processing, bag house improvements, mercury-bearing waste separation and the Section 4 landfill liner upgrade have all been eliminated resulting in a savings of approximately \$16,000 per year.

Projected Tonnage for FY2013:

Actual tonnage for the last 12 months (calendar year 2012) is 1816 tons (which is actually a 13.2% decrease from the previous 12 months). Based on the number of new building permits for single family homes during the last 12 months, the growth rate for this year was 37 new units ÷ 4830 existing homes = 0.8%. Projected Tonnage: (1816 x 1.008) = 1830, which is rounded to 1900 tons for budgeting purposes.



Solid Waste Enterprise Fund

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Collection Costs:

On July 1, 2011 the Town began a five year contract with Central Mass Disposal, Inc.(CMD) of Auburn, Massachusetts for solid waste and recycling collection. In March of 2012, CMD was subsequently bought out by Allied Waste Services, Inc., who will honor the original contract with CMD which contains collection costs in each of the remaining four years to be the same price with no increase. The FY2014 total collection contract cost of \$475,000 includes \$265,000 for Trash Collection and \$210,000 for Recycling Collection.

		FY2010 ACTUAL	FY2011 ACTUAL	FY2012 ACTUAL	FY2013 BUDGETED	FY2013 SIX MONTHS	FY2014 PROPOSED
SOLID WASTE ENTERPRISE FUND							
Expenses	Services						
52810	Unclassified	19,735	79,898	91,200	91,200	43,122	91,200
52910	Trash Collection/Hauler	530,444	504,884	475,000	475,000	197,916	475,000
57810	Trash Disposal-Wheelabrator	147,927	148,194	161,370	164,890	44,619	142,899
59810	Extra Ordinary & Unforeseen Exp	0	0	0	50,000	0	50,000
	SUBTOTAL	698,105	732,976	727,570	781,090	285,657	759,099
TOTAL:	SOLID WASTE	698,105	732,976	727,570	781,090	285,657	759,099

Additional Solid Waste Budget Detail

Unclassified :

Newsletter, training and misc. supplies:	\$4,000
Disposal of illegal dumping:	\$2,000
Household Hazardous Waste Day:	\$10,000
Pay-As-You-Throw costs:	\$75,000
SWANA Membership	\$100
SWANA Meetings	\$100
Sub-total	\$91,200

Solid Waste & Recycling Collection – Allied Waste Services :

Trash Collection:	\$265,000
Recycling:	\$210,000
Sub-total	\$475,000

Trash Disposal - Wheelabrator Millbury, Inc.:

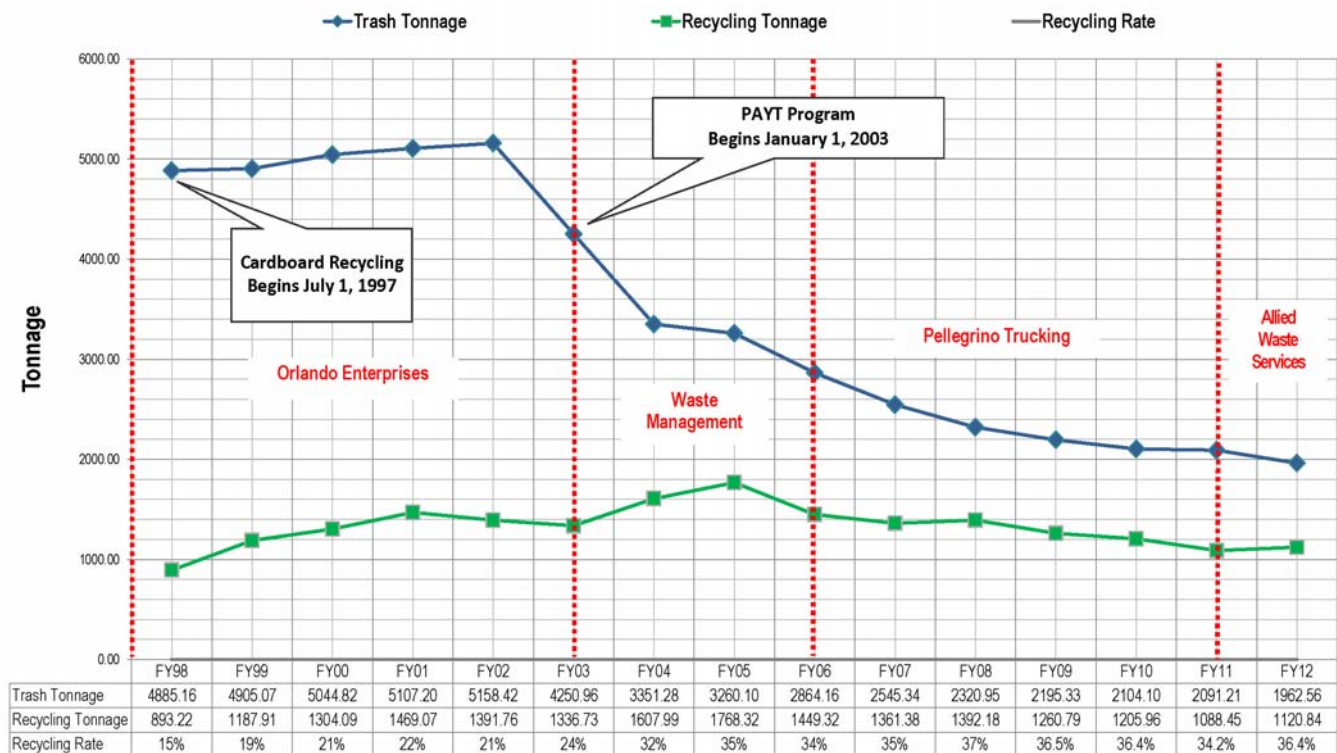
7/1/13 - 6/30/14: 1900 tons x \$75.21	\$142,899
Sub-total	\$142,899

Contingency Reserve	\$ 50,000
Sub-total	\$ 50,000

Grand Total \$759,099



Waste & Recycling Trends from FY1998 to FY2012



Since its inception on January 1, 2003 the PAYT program has provided significant incentive to participants to reduce waste and increase recycling. Trash went from a high of 5,158 tons in FY2002 steadily downward to 1,963 tons in FY2012. In addition, recycling rates over the same time period went from 21% in FY2002 to over 36% in FY2012. The difference between 5,158 tons of trash and 1,963 tons of trash is 3,195. In FY2013 that difference, multiplied by the projected tonnage disposal rate of \$75.21, represents approximately \$240,296 in cost avoidance. That cost avoidance will become increasingly more important as disposal costs continue to rise in the future.



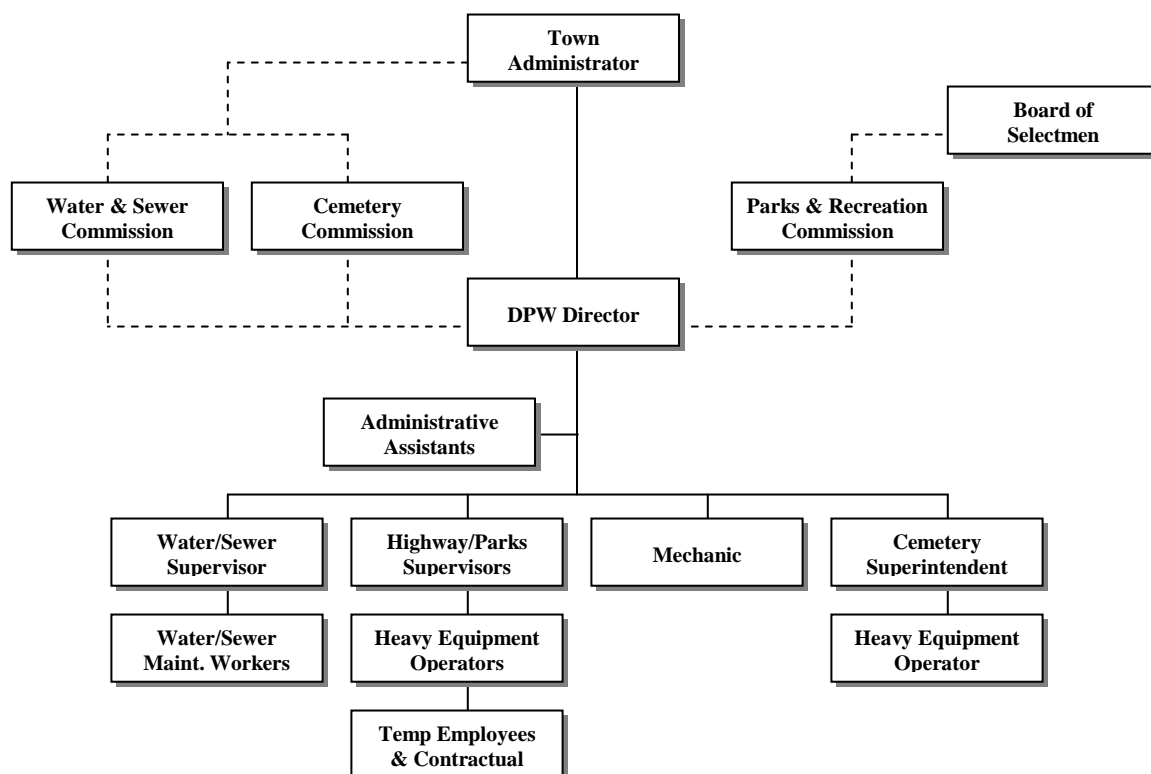
Water & Sewer Enterprise Funds

The Water and Sewer Divisions operate, maintain and develop the Town's public water and sewer systems and related facilities. The Water and Sewer Divisions are operated as enterprise funds. Briefly, an enterprise fund as authorized under MGL Ch. 44 §53F½ is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery—direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. For purposes of providing a departmental overview, personnel summary and goals/objectives, the Water & Sewer Divisions are included within Department of Public Works (DPW) Section 4 of the budget. The actual line item budgets associated with the Water and Sewer enterprise funds are contained here in Section 8 of this budget document.

Water & Sewer Commission

In addition to the DPW staff, the Water & Sewer Commission provides advisory oversight to the enterprise funds. The Water & Sewer Commission consists of three members appointed by the Town Administrator for three-year terms. The Commission is responsible for the development of policies, fees, rules and regulations pertaining to the care, superintendence, development and management of the Town's water supply and facilities and the Town's sewerage system. The DPW Director serves as the staff liaison to the Water & Sewer Commission.

DPW Organizational Chart





Background on the Northborough Water System

Northborough's Water System was first authorized by the State Legislature in 1882. A small portion of Town was originally served from the Northborough Reservoir located in Shrewsbury and Boylston before it was taken out of service in 1955. The connection to what is now called the Massachusetts Water Resources Authority (MWRA)¹ was initiated in 1954. The Town's four wells came online later. The Brigham Street well was brought online in 1956; the Lyman Street well was brought online in 1964; the Crawford Street well was brought online in 1969; and the Howard Street well was brought online in 1994.

In the past, the Town operated its own wells and supplemented production from the wells with water purchased from the MWRA. The MWRA water was originally provided directly from the Wachusett Aqueduct. When the Wachusett Aqueduct was shut down for repair in 2000, the water provided by the MWRA to the Town came through a connection in Bartlett Street. This is connected to the new MWRA Carroll Water Treatment facility in Marlborough.

From 2000 to 2009, all the Town's water was being purchased from the MWRA because the well water was chemically incompatible with the water being provided by the MWRA. The Town well water has a pH of 6.5, and the new MWRA water source has a pH of 9. The higher pH in the MWRA water causes the Town's well water to drop the naturally occurring iron and manganese out of solution and turn the water red.

To address requirements of the Safe Drinking Water Act and to make the Town's water compatible, treatment alternatives were evaluated. The Town's consultant designed a new chemical addition facility at the Lyman Street well which the Town subsequently built. The Lyman Street well was reactivated in 2009 and produced approximately 225,000 gallons per day of the necessary 1 million gallons per day of average daily water usage in Northborough. Unfortunately, in June 2011, routine testing of the Lyman Street well indicated the presence of bacteria and the well was taken offline.

The Town has recently contracted with an engineering consultant to evaluate the Town's water needs. The evaluation will use historical population data and regional studies to project future water system demands for a 20-year period. Raw and finished water quality data will be reviewed to determine required improvements for treatment facilities to comply with current and future drinking water standards. These local well supplies will be contrasted with MWRA interconnections and a cost-benefit analysis will be performed to see if the Town should:

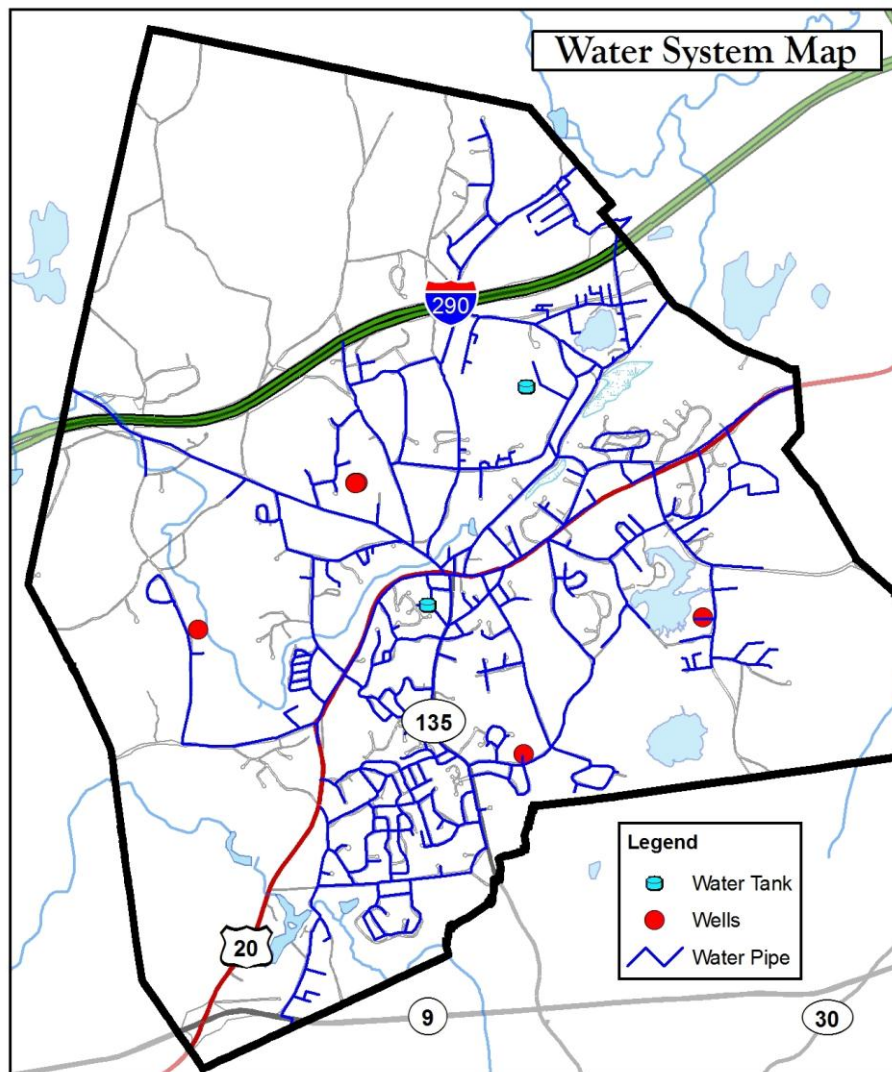
- Utilize the Town's existing wells (and possibly additional subsurface supplies through exploration) with added treatment facilities to meet the water consumption demands,
- Utilize the Town's existing wells along with MWRA interconnection for summer peak demands, or
- Utilize MWRA interconnection for all water supply needs.

¹ MWRA is the Massachusetts Water Resources Authority. It is a public authority established by an enabling act enacted in 1984. The enabling act is Chapter 372 of the Acts of 1984. MWRA is an independent authority that provides wholesale water and sewer services to its customer communities, and funds its operations primarily through user assessments and charges. The MWRA was created by the legislature in 1984 and inherited operations and facilities beginning in 1985 from the Metropolitan District Commission, a century-old department of state government.



In order to fully determine the preferred scenario outlined above, a water system master plan is being developed. This master plan focuses on the entire potable water system and its ability to provide the Town with the most cost effective method of delivering safe, clean potable water to the residents. The study includes reviewing sustainable sources of water supply as well as evaluating the current distribution model, calibrating the model and calculating storage and system operating pressures. Results from the water system master plan will govern the need to further assess the development of water treatment facilities throughout Town.

Approximately 80% of the Town receives water from the public water supply system. The map below shows the water system service area.





Significant FY2014 Budget Changes or Initiatives

The most important initiative for the DPW Water Division Enterprise Fund will be the reactivation of the Lyman Street well. Since there is a significant cost to the water currently purchased from the MWRA, by pumping and possibly treating our own well water in the future, the Town can minimize the amount of water purchased from MWRA and thereby reduce our Water Enterprise Fund expenses.

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 ACTUAL	FY2013 BUDGETED	FY2013 SIX MONTHS	FY2014 PROPOSED
WATER ENTERPRISE FUND						
Personnel Services						
² 51010 Full-time Wages	132,383	136,380	138,007	139,152	64,224	140,289
³ 51100 Full-time Salary	31,323	32,106	19,492	31,512	14,544	32,143
⁴ 51120 Full-time Permanent wages	27,719	28,480	31,829	31,154	14,378	33,463
51130 Part-time Salaries	1,350	1,350	1,080	1,080	0	1,080
⁵ 51135 GIS Salary	12,000	12,000	12,000	12,000	12,000	12,360
51300 Overtime	25,190	36,874	36,638	34,246	13,564	35,072
51410 Longevity Pay	1,605	1,785	1,590	1,635	1,635	1,815
51970 Stipends	1,275	1,020	1,020	1,020	0	800
SUBTOTAL	232,845	249,996	241,656	251,799	120,345	257,022

² Line 51010 represents the 60% of the Water/Sewer Supervisor salary as well a 60% of the Water/Sewer Maintenance Workers' wages. The other 40% of these personnel expenses are included in the Sewer Enterprise Fund budget.

³ Line 51100 represents 30% (12 hrs per week) of the DPW Director's salary. Another 20% is reflected in the Sewer Enterprise Fund Budget and the balance (50%) is included in the DPW budget Section 4 of this document.

⁴ Line 51120 represents 21 hours per week of an Administrative Assistant

⁵ Line 51135 represents 14.3% (6 hours per week) of the GIS Director's time supporting the Water Enterprise fund. Another 9.5% (4 hours per week) is reflected in the Sewer Enterprise Fund Budget.



Water & Sewer Enterprise Funds

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	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 ACTUAL	FY2013 BUDGETED	FY2013 SIX MONTHS	FY2014 PROPOSED
WATER ENTERPRISE FUND						
Expenses						
51710 Workers' Compensation	7,923	7,923	8,122	8,122	8,122	8,366
51730 F.I.C.A.	3,179	2,753	3,414	3,836	3,836	3,836
51740 Life Insurance	110	110	88	88	88	88
51750 Health Insurance	51,835	38,778	44,362	50,274	50,274	42,083
51920 Uniforms	1,676	1,680	1,751	1,680	561	1,680
52110 Electricity	1,696	1,717	1,690	2,300	387	2,000
52610 Building Maintenance	2,400	5,656	1,919	3,000	2,606	3,000
52620 Equipment Maintenance	11,391	12,913	13,105	20,000	3,043	18,000
52800 Contractual Services	5,510	33,352	59,098	73,000	1,446	84,000
52850 Audit	1,620	1,632	1,680	1,731	1,731	1,765
53020 Legal Services	7,129	3,986	2,378	9,000	908	9,000
53110 Printing	9,490	10,084	5,477	6,120	1,755	6,300
53170 Water Analysis	6,429	11,700	7,624	10,000	290	47,500
53190 Training	559	360	789	650	16	5,933
53410 Telephone	6,429	4,730	3,854	7,200	1,656	3,816
54290 Office Supplies	164	200	198	500	1,203	500
54350 Howard Street Well	0	0	686	0	0	0
54370 Private Work	540	1,555	25	1,000	0	0
54380 Brigham Street Well	0	0	750,478	1,000	0	120
54390 Hudson Street Well/MWRA	826,744	797,120	2,396	884,392	442,537	1,026,774
54400 Lyman Street Well	8,200	13,254	267	18,000	260	15,000
54410 Crawford Street Well	736	442	11,843	1,000	40	120
54420 Distribution of Materials	128	37,435	9,650	15,000	8,036	30,000
54820 Gasoline	12,051	12,051	2,693	9,650	9,650	9,939
54840 Natural Gas	3,005	3,620	0	5,000	362	5,000
55990 Chemicals	30,652	35,365	0	40,000	0	40,000
56220 Worcester Regional Retirement	25,608	33,044	29,372	31,786	31,786	32,609
57110 Travel/Mileage	0	0	71	360	82	360
57310 Dues	3,475	3,190	3,014	3,005	40	0
57340 Meetings	0	0	0	0	0	0
57410 Liability/Building Insurance	12,862	12,862	14,062	14,062	14,062	14,360
57810 Unclassified	84	104		0	0	0
59810 Extraordinary and Unforeseen	0	0	0	75,000	0	75,000
59990 Other Financing Uses	0	0	59,786	0	0	0
SUBTOTAL	1,041,624	1,087,615	1,039,892	1,296,756	584,776	1,487,149

Section 8-10 Water & Sewer Enterprise Funds



	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 ACTUAL	FY2013 BUDGETED	FY2013 SIX MONTHS	FY2014 PROPOSED
WATER ENTERPRISE FUND						
Expenses (Capital)						
58530 Capital Outlay	11,662	29,734	37,273	50,400	1,611	50,000
SUBTOTAL	11,662	29,734	37,273	50,400	1,611	50,000
	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 ACTUAL	FY2013 BUDGETED	FY2013 SIX MONTHS	FY2014 PROPOSED
WATER ENTERPRISE FUND						
Expenses (Debt Service)						
59100 Principal / Long Term Debt	292,400	300,616	361,524	308,700	15,000	278,770
59150 Interest / Long Term Debt	114,479	102,510	112,730	101,395	50,834	97,044
59270 Interest / Temporary Loans	8,451	8,451	0	8,580	0	0
SUBTOTAL	415,331	411,578	474,254	418,675	65,834	375,814
TOTAL: WATER ENTERPRISE FUND	1,701,463	1,778,922	1,793,074	2,017,630	772,566	2,169,985



Background on the Northborough Sewer System

The Town operates a collection system of sewer pipes that bring sewerage to the City of Marlborough's Westerly Wastewater Treatment Plant where it is treated and discharged into the Assabet River. When the sewer system was started in the mid 1960's it was designed to service only the central portion of Town. While sewer pipe installation did not start until the 1970's, in 1964 land was purchased for a Northborough sewage treatment plant on Boundary Street.

In the late 1960's when the Town of Northborough attempted to obtain approvals from the Massachusetts Department of Environmental Protection (DEP) and the Federal Environmental Protection Agency (EPA) regulators for a sewerage treatment plant, the Town was told that since Marlborough was building a plant across Boundary Street, that the regulators would not allow two plants across the street and side-by-side with each other on the river. As a result, the Town of Northborough was required to become a tenant in the Marlborough Westerly Wastewater Treatment Plant by entering into an Intermunicipal Agreement with the City of Marlborough for sewerage treatment.

In 1970, the Town of Northborough entered into the first of two twenty-year agreements with Marlborough for 800,000 gallons per day (gpd). The Marlborough Westerly Plant has a design capacity of 2.89 million gallons per day (mgpd). Therefore, Marlborough's portion is 2.09 mgpd and Northborough's is 0.80 mgpd. While our sewer pipe installation has continued into the present in accordance with a Master Plan initially generated in the early 1980's, the Town's sewer capacity at the Westerly Plant has not changed since the original 1970 agreement. It has remained at 0.80 mgpd for forty years.

Sewer service area and future capacity needs

In the late 1970's the Town hired the engineering firm of Camp Dresser & McKee (CDM) to begin developing the sewer system and mapping out the sewer service area for the Town. It was estimated that the sewerage to be contributed by the users in the original sewer service area would use the full 0.80 mgpd of sewer capacity. Therefore, as long as the Town's capacity at the treatment plant remains at 0.80 mgpd, it cannot provide sewer to any other parts of Town currently outside of the sewer service area.

During 2000, CDM updated the sewer service area and determined that there was only 50,000 gpd of sewer capacity for development of the southeast and southwest industrial areas. The Avalon Bay/Northborough Crossing development is projected to use 130,000 gpd of sewer capacity. Not only does this use up the 50,000 gpd allocated for industrial development, but it also uses 80,000 gpd more of capacity previously targeted for existing residential areas in Town. Therefore, it is critical for the Town to pursue additional capacity at the Marlborough Westerly Wastewater Treatment Plant. Should the Town not be successful in getting additional capacity, the amount of capacity previously designated for users within the sewer service area will need to be reduced by 80,000 gpd to stay within our 0.80 mgpd.

Section 8-12 Water & Sewer Enterprise Funds



Assabet Consortium Study

In 2000, Town Meeting authorized \$500,000 to study the Town's current sewer needs through the Assabet River Consortium Study. The Assabet Consortium Study is a collaboration of the six towns whose sewerage treatment plants discharge to the Assabet River; these include Northborough, Marlborough, Westborough, Shrewsbury, Hudson and Maynard. As part of the discharge permit for each sewerage treatment plant (there are four) each Town must produce a study that evaluates the effect of the treatment plant's discharge on the Assabet River. The engineering firm of Fay, Spofford & Thorndike (FST), was hired to do the study for the Town of Northborough. FST inventoried the Board of Health records for septic system failures, excessive pumping, Building Department records for building construction, soils maps, zoning and other applicable files and information to calculate the sewer capacity necessary to service the entire Town of Northborough. They determined that the Town, including existing users, would need 1.25 million gallons of sewer capacity per day. This means that there is not enough capacity in the existing sewage treatment plant for the Town to provide sewer to every area that needs it. Marlborough's consultant determined that Marlborough also needed additional capacity. Between Northborough & Marlborough the total sewage treatment capacity needed is 4.15 million gallons. With the plant capacity permitted for 2.89 mgpd, the deficit is 1.26 mgpd.

Through the Assabet Consortium Study process, the DEP and EPA originally informed the Town that no additional flows would be permitted into the Assabet River. Therefore, the additional 1.15 mgpd of capacity necessary for Northborough and Marlborough must be handled by infiltrating it into the ground through subsurface discharge. Even though the effluent water is treated to just about drinkable standards, the DEP and EPA goal is to replenish the ground water rather than let it flow away down the river.

Haitsma Property Acquisition

At the August 10, 2004 Special Town Meeting the Town opted to purchase, through the Chapter 61A tax relief statute, the Haitsma farm at 455 Main Street. The primary purpose of this land was to serve future sewer utility expansion, thus allowing proper build-out and economic development of the Town. According to the Town's consultants, the additional 1.5 million gallons per day of sewer capacity could be achieved through subsurface disposal on the Haitsma property, if needed. However, the cost would be significantly higher than discharging to the river. Consultants for Marlborough and Northborough proposed putting all the additional flows into the river because of the negative environmental impact of clearing all the land necessary to put the additional flows into the ground as well as the additional energy costs of the subsurface disposal.

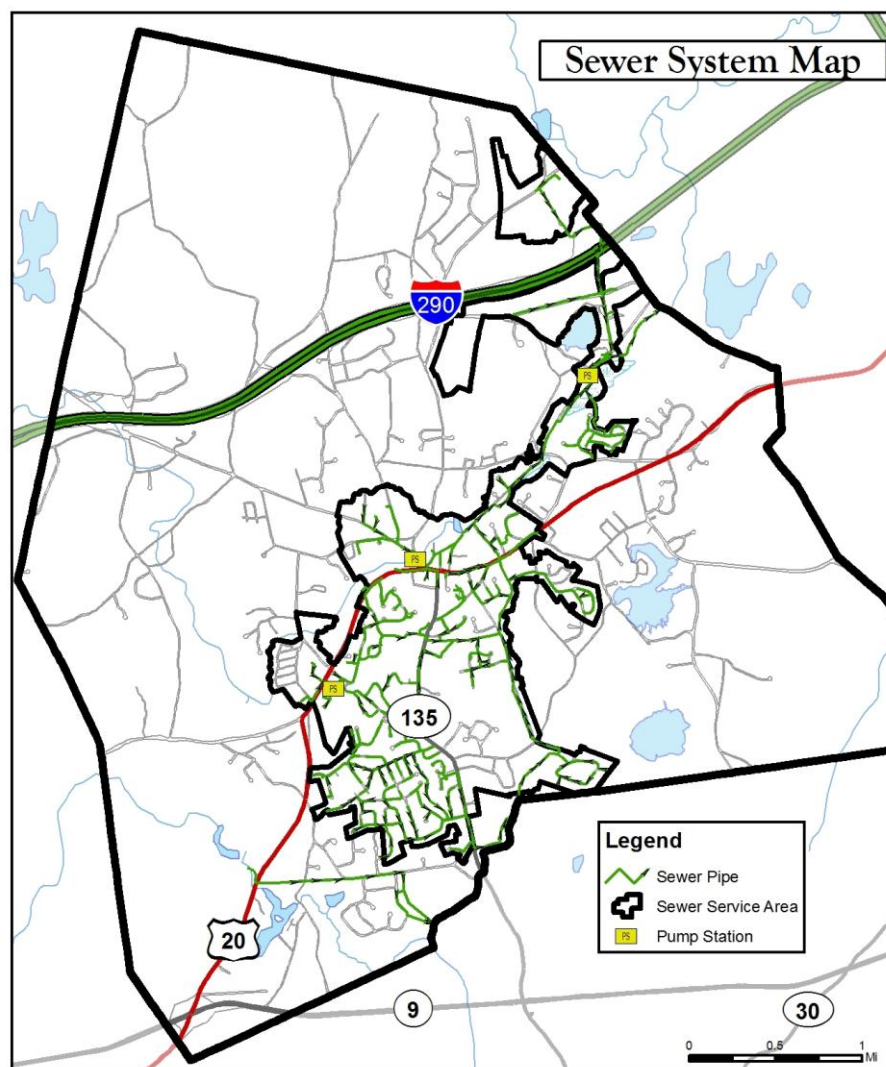
Status of the Marlborough Westerly plant expansion

On November 16, 2009, after spending more than 8 years working with both the State DEP and Federal EPA, the National Pollutant Discharge Elimination System (NPDES) Permit modification for the Marlborough Westerly Treatment Plant was finally granted. This is the permit that allows the Westerly Treatment plant additional flow into the Assabet River, instead of more expensive alternatives such as subsurface disposal on the Haitsma property. The NPDES permit modification also included significant and expensive upgrades to water treatment, particularly with regard to phosphorus discharge limits.



Unfortunately, after granting the increase in flow, the EPA abruptly and unexpectedly decided to rescind the NPDES permit on February 23, 2010. However, since the granting of the permit, Marlborough has completed the \$30 million expansion and upgrades to the plant and although the plant is seeing great results on the quality of the effluent, it is coming at a significant increase in operational costs. Pursuant to our Inter-municipal Agreement the Town of Northborough will owe 30% of the cost of construction. It remains to be seen how the issue of additional capacity will be resolved, but the EPA has indicated that it intends to take up the matter as part of the renewal process for the existing NPDES permit for the Marlborough Westerly Plant.

Approximately 30% of the Town has access to the sewer wastewater system. The map below shows the sewer system service area.



Section 8-14 Water & Sewer Enterprise Funds



Significant FY2014 Budget Changes or Initiatives

The most critical issue facing the DPW Sewer Division Enterprise Fund continues to be the acquisition of the NPDES permit modifications necessary for additional capacity at the Marlborough Westerly Plant. Currently under construction, we are continuing to plan for both the additional capacity as well as the potential for a significant sewer rate impact for Northborough's share of this \$30 million expansion project. Our current estimate is that sewer rates may need to double in coming years in order to finance the project. The Town is aggressively seeking all possible alternative funding sources.

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 ACTUAL	FY2013 BUDGETED	FY2013 SIX MONTHS	FY2014 PROPOSED
SEWER ENTERPRISE FUND						
Personnel Services						
51010 Full-time Wages	88,256	90,920	92005	92,768	42,816	93,526
51100 Full-time Salary	20,882	21,404	12995	21,008	9,696	21,429
51120 Full-time Permanent wages	18,479	18,987	21219	20,769	9,586	22,309
51130 Part-time Salaries	450	450	720	720	0	720
51135 GIS Salary	8,000	8,000	8000	8,000	8,000	8,240
51300 Overtime	16,793	25,843	24425	22,831	9,043	23,381
51410 Longevity Pay	1,070	1,190	1060	1,090	1,090	1,210
51970 Stipends	425	680	680	680	0	900
SUBTOTAL	154,355	167,475	161104	167,866	80,230	171,715



Water & Sewer Enterprise Funds

Section 8-15

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 ACTUAL	FY2013 BUDGETED	FY2013 SIX MONTHS	FY2014 PROPOSED
SEWER ENTERPRISE FUND						
Expenses						
51710 Workers' Compensation Ins.	5,282	5,282	5415	5,415	5,415	5,577
51730 F.I.C.A.	2,120	1,836	2275	2,813	2,813	2,813
51740 Life Insurance	37	37	59	59	59	59
51750 Health Insurance	34,557	25,851	29575	33,516	33,516	28,055
51920 Uniforms	834	1,109	1033	1,120	374	1,120
52110 Utilities	31,901	28,644	26165	33,000	5,672	41,500
52310 Marlborough Use Charge	148,625	132,275	169445	297,500	88,734	350,000
52600 Building Maintenance	4,290	17,408	16327	5,000	4,675	5,000
52620 Equipment Maintenance	0	0	5429	2,500	2,086	32,200
52800 Contractual Services	0	0	766	25,000	96	25,000
52850 Audit	1,080	1,088	1120	1,154	1,154	1,177
53020 Legal Services	3,043	3,416	3902	5,000	1,304	5,000
53080 Consultant Rate Studies	0	0	0	0	1,170	0
53110 Printing	0	0	3409	4,080	0	4,200
53170 Testing	0	0	1610	1,700	1,077	1,800
53190 Training, Dues and Licenses	0	0	0	0	0	1,720
53410 Telephone	2,115	2,201	2254	2,200	0	3,900
54290 Office Supplies	0	0	0	0	0	500
54420 Distribution of Materials	0	0	210	2,500	0	2,500
54820 Gasoline	4,017	4,017	6500	6,500	6,500	6,626
55990 Chemicals	0	0	0	2,500	0	0
56220 Worcester Regional Retirement	17,504	11,015	19583	21,192	21,192	21,741
57110 Mileage	0	0	47	240	54	240
57410 Liability/Building Insurance	8,575	8,575	9175	9,175	9,175	9,574
57810 Unclassified	0	0	0	0	802	0
59810 Extraordinary and Unforeseen	0	0	0	75,000	0	75,000
SUBTOTAL	263,980	242,753	304299	537,164	185,869	625,302

Section 8-16 Water & Sewer Enterprise Funds



	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 ACTUAL	FY2013 BUDGETED	FY2013 SIX MONTHS	FY2014 PROPOSED
SEWER ENTERPRISE FUND						
Expenses (Capital)						
58530 Capital Outlay	0	0	3532	33,600	1,074	40,000
SUBTOTAL	0	0	3532	33,600	1,074	40,000

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 ACTUAL	FY2013 BUDGETED	FY2013 SIX MONTHS	FY2014 PROPOSED
SEWER ENTERPRISE FUND						
Expenses (Debt Service)						
59100 Principal / Long Term Debt	344,641	443,590	444,638	451,690	170,563	448,008
59150 Interest / Long Term Debt	198,001	224,589	209,904	178,612	101,850	163,090
59270 Interest / Temporary Loans	192,596	1,047	0	0	0	0
59990 Other Financing Uses	0	0	0	75,000	75,000	0
SUBTOTAL	735,239	669,226	654,542	705,302	347,413	611,098

TOTAL: SEWER ENTERPRISE FUND	1,153,574	1,079,454	1,123,476	1,443,932	614,586	1,448,115
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