



TOWN OF MONTAGUE CWF

ENTERPRISE FUND SUMMARY




AN ENTERPRISE FUND IS A SEPARATE ACCOUNTING AND FINANCIAL REPORTING MECHANISM FOR WHICH REVENUES AND EXPENDITURES ARE SEPARATE FROM ALL OTHER GOVERNMENTAL ACTIVITIES. -MASS.GOV

(NOT TAX BASED)

EXPENSES

- Operations/Maintenance
- Short Term Debt (Principle and Interest)
- Long Term Debt (Principle and Interest)
- Mandated Reserves (Budgeted Surplus)



RESERVES

Reserves are like a savings account with money from a mix of:


- lower than anticipated expenses,
- higher than anticipated revenues,
- budgeted surplus

Capital Stabilization Fund:

- Long-term savings account
- Requires a 2/3 majority vote from Town Meeting Members to spend from

Retained Earnings:

- Any money left over after balancing budget expenses and revenues from prior fiscal year
- Requires simple majority (51%) vote to spend from
- Any funds not spent can be rolled into capital stabilization fund for future use



REVENUES

- Rate Payers (residential, commercial, industrial, whole sale)
- Outside Waste Treatment (septage, municipal sludge)
- Miscelaneous (refunds, scrap metal, surplus equipment sales, etc)



FACTS

- The majority of revenue stems from rate payers who utilize the service being provided (wastewater collection and treatment.)
- The Sewer Commission (currently the Selectboard) has authority over the enterprise fund, with Town Meeting Members responsible for approving final budget and capital requests.
- The Town currently has duties to the collection system and wastewater treatment split between DPW and CWF, respectively.

