



## TOWN OF CANTON, MASSACHUSETTS DEPARTMENT OF FINANCE

**WILLIAM R. SCOLLINS III**  
FINANCE DIRECTOR  
[rscollins@town.canton.ma.us](mailto:rscollins@town.canton.ma.us)  
(781) 575-6612

**KATHLEEN D. BUTTERS**  
TOWN ACCOUNTANT  
[kbutters@town.canton.ma.us](mailto:kbutters@town.canton.ma.us)  
(781) 575-6605

**MEMORIAL HALL**  
801 WASHINGTON STREET  
CANTON, MA 02021  
PHONE: 781-575-6610  
FAX: 781-575-6608  
[town.canton.ma.us](http://town.canton.ma.us)

**SUSAN E. DESJARDINS**  
ASST. TREASURER/COLLECTOR  
[sdesjardins@town.canton.ma.us](mailto:sdesjardins@town.canton.ma.us)  
(781) 821-5006

**LOUIS M. JUTRAS**  
INFORMATION  
SYSTEMS MANAGER  
[ljutras@town.canton.ma.us](mailto:ljutras@town.canton.ma.us)  
(781) 821-5069

**ALLYSON M. PODGURSKI**  
ASSISTANT TOWN ACCOUNTANT  
[apodgurski@town.canton.ma.us](mailto:apodgurski@town.canton.ma.us)  
(781) 821-5011

### MEMORANDUM

TO: Select Board  
FROM: Randy Scollins, Finance Director *WRS*  
DATE: September 15, 2021  
SUBJECT: **Enterprise Funds' Fiscal 2021 Operating Results**

The attached report shows the enterprise funds' operating results for fiscal 2021 compared to fiscal 2020. Also attached is a balance sheet report which was prepared for the Department of Revenue to certify the enterprise funds' "free cash reserve" balances as of June 30, 2021.

The water enterprise's budgeted deficit of \$65,700 was due to retained earnings appropriated for capital projects. The actual fiscal 2021 operating surplus was \$970,137. One of the primary drivers of the \$401K revenue surplus is a result of fiscal 2020 revenues received in FY '21. Collections were negatively impacted in FY '20 primarily by the decision to adopt the unique MGL statute allowed by the legislature and adopted by the Select Board to provide rate payers until June 30 to pay their water bills received during the 4<sup>th</sup> quarter of the fiscal year, as a form of relief. In addition, the MWRA assessment was \$500K less than budget.

Fiscal 2021's results have the water enterprise fund ending the year with an estimated cash reserve of \$1.3 million which is 16% of expenses. The current target is 50% of expenses.

The sewer enterprise's budgeted deficit of \$13,500 was due to retained earnings earmarked for cash capital. The actual fiscal 2021 operating surplus was \$952,434 primarily due to revenue coming in higher than budget by \$812K. Sewer's end of year cash reserve is estimated to be \$3.1 million which is 47% of expenses. The current target is 50% of expenses.

The rink enterprise's budgeted deficit of \$77,499 was due to \$17,000 in cash reserves used to fund a new skate sharpener, along with expenses budgeted at ~\$60K more than anticipated revenue as a function of a shortened season due to COVID19. However, despite revenue coming in \$69K less than budget, the rink enterprise was still able to come in \$2,721 ahead of plan as a result of excellent expense management. The rink's end of year cash reserve amounted to an estimated \$104K.

Please advise if you have any questions or comments concerning this information.

#### Attachments

cc: Charles Aspinwall, Town Administrator  
Kathy Butters, Town Accountant  
Liz Francis, Parks & Recreation Director  
Tim McKenna, Chair, Finance Committee  
Mike Trotta, DPW Superintendent

## ENTERPRISE FUNDS' OPERATING BUDGET

DESCRIPTION	CURRENT FISCAL YEAR			PRIOR FISCAL YEAR		
	FISCAL 2021	FISCAL 2021	Actuals VS.	FISCAL 2020	FISCAL 2020	Actuals VS.
	BUDGET	ACTUALS	Budget	BUDGET	ACTUALS	Budget
<b>WATER REVENUE</b>	7,386,658	7,787,484	400,826	7,058,470	6,601,546	(456,924)
SALARIES & WAGES	1,005,746	1,102,934	(97,188)	976,720	1,085,909	(109,189)
MWRA ASSESSMENT	2,137,222	1,637,287	499,935	2,137,222	2,147,100	(9,878)
DEBT SERVICE	2,361,866	2,356,899	4,967	2,265,970	2,198,295	67,675
CHARGES FROM GENERAL FUND	632,564	632,564	0	536,298	536,298	0
OTHER EXPENSES	1,249,260	1,021,963	227,297	1,142,260	1,093,694	48,566
<b>TOTAL WATER OPERATING EXPENSES</b>	7,386,658	6,751,647	635,011	7,058,470	7,061,296	(2,826)
CASH CAPITAL	65,700	65,700	0	235,000	110,490	124,510
<b>TOTAL WATER ENTERPRISE EXPENSES</b>	7,452,358	6,817,347	635,011	7,293,470	7,171,786	121,684
<b>WATER SURPLUS/(DEFICIT)</b>	(65,700)	970,137	1,035,837	(235,000)	(570,240)	(335,240)
<b>SEWER REVENUE</b>	6,619,067	7,431,333	812,266	6,734,962	6,717,068	(17,894)
SALARIES & WAGES	500,499	458,076	42,423	480,694	459,275	21,419
MWRA ASSESSMENT	4,661,549	4,629,513	32,036	4,661,549	4,633,404	28,145
DEBT SERVICE	663,465	663,465	0	863,566	862,506	1,060
CHARGES FROM GENERAL FUND	378,855	378,855	0	329,454	329,454	0
OTHER EXPENSES	414,699	335,490	79,209	399,699	185,498	214,201
<b>TOTAL SEWER OPERATING EXPENSES</b>	6,619,067	6,465,399	153,668	6,734,962	6,470,137	264,826
CASH CAPITAL	13,500	13,500	0	200,000	200,000	0
<b>TOTAL SEWER ENTERPRISE EXPENSES</b>	6,632,567	6,478,899	153,668	6,934,962	6,670,137	264,826
<b>SEWER SURPLUS/(DEFICIT)</b>	(13,500)	952,434	965,934	(200,000)	46,932	246,932
<b>RINK REVENUE</b>	238,660	169,736	(68,924)	0	40,331	40,331
SALARIES & WAGES	64,300	37,590	26,710	10,000	0	10,000
DEBT SERVICE	110,499	110,499	0	0	0	0
CHARGES FROM GENERAL FUND	5,460	5,460	0	0	0	0
OTHER EXPENSES	118,900	73,964	44,936	60,000	8,785	51,215
<b>TOTAL RINK OPERATING EXPENSES</b>	299,159	227,514	71,645	70,000	8,785	61,215
CASH CAPITAL	17,000	17,000	0	0	0	0
<b>TOTAL RINK ENTERPRISE EXPENSES</b>	316,159	244,514	71,645	70,000	8,785	61,215
<b>RINK SURPLUS/(DEFICIT)</b>	(77,499)	(74,778)	2,721	(70,000)	31,545	101,545

**Town of Canton**  
**Combining Balance Sheet - Enterprise Funds**  
**as of June 30, 2021 (Unaudited)**

	<b>WATER</b> Enterprise Fund	<b>SEWER</b> Enterprise Fund	<b>RINK</b> Enterprise Fund	Totals (Memorandum Only)
<b><u>ASSETS</u></b>				
Cash and cash equivalents	2,413,279.12	3,859,536.36	106,163.00	6,378,978.48
Receivables:				
User Fees	761,581.15	766,594.09		1,528,175.24
Special assessments	31,061.72	33,761.23		64,822.95
Utility liens added to taxes	35,656.95	38,688.12		74,345.07
Amounts to be provided -Payment of Bonds	17,694,800.00	3,862,065.00		21,556,865.00
<b>Total Assets</b>	<b>20,936,378.94</b>	<b>8,560,644.80</b>	<b>106,163.00</b>	<b>29,603,186.74</b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>				
Liabilities:				
Accounts payable	76,066.00	12,443.86	1,704.60	90,214.46
Accrued payroll and withholdings	27,888.64	13,373.61	255.39	41,517.64
Other liabilities	10,596.82			10,596.82
Deferred revenue:				
User Charges	761,581.15	766,594.09		1,528,175.24
Special assessments	31,061.72	33,761.23		64,822.95
Utility liens added to taxes	35,656.95	38,688.12		74,345.07
Bonds Payable	17,694,800.00	3,862,065.00		21,556,865.00
<b>Total Liabilities</b>	<b>18,637,651.28</b>	<b>4,726,925.91</b>	<b>1,959.99</b>	<b>23,366,537.18</b>
Fund Equity:				
Reserved for encumbrances	930,350.06	330,922.62		1,261,272.68
Reserved for expenditures	72,000.00	382,000.00		454,000.00
Reserved for petty cash	25.00	25.00		50.00
Unreserved retained earnings	1,296,352.60	3,120,771.27	104,203.01	4,521,326.88
<b>Total Fund Equity</b>	<b>2,298,727.66</b>	<b>3,833,718.89</b>	<b>104,203.01</b>	<b>6,236,649.56</b>
<b>Total Liabilities and Fund Equity</b>	<b>20,936,378.94</b>	<b>8,560,644.80</b>	<b>106,163.00</b>	<b>29,603,186.74</b>