



Town of  
**Longmeadow, Massachusetts**

20 Williams Street, Longmeadow, MA 01106

Tel. (413) 565-4110 ● Fax (413) 565-4112 ● E-mail [lsimmons@longmeadow.org](mailto:lsimmons@longmeadow.org)



**Town Manager Lyn N. Simmons**

**Select Board**

**TO:** Chairperson Thomas Lachiusa and Members of the Select Board

**FROM:** Lyn N. Simmons, Town Manager  
Paul J. Pasterczyk, Assistant Town Manager / Finance Director

**DATE:** March 1, 2021

**RE: FY 2022 Town Manager Budget Message**

We are pleased to present the Fiscal Year (FY) 2022 Budget for the Town of Longmeadow. In its final form, this budget will continue the budgeting best practices that has earned the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the last six fiscal years. The four principles of the GFOA budget process are:

Principle I – Establish Broad Goals to Guide Government Decision Making. A government should have broad goals that provide overall direction for the government and serve as a basis for decision making.

Principle II – Develop Approaches to Achieve Goals. A government should have specific policies, plans, programs, and management strategies to define how it will achieve its long-term goals.

Principle III – Develop a Budget with Approaches to Achieve Goals. A financial plan and budget that moves toward achievement of goals, within the constraints of available resources, should be prepared and adopted.

Principle IV – Evaluate Performance and Make Adjustments. Program and financial performance should be continually evaluated, and adjustments made, to encourage progress toward achieving goals.

**Budget Process: Initial Forecast:**

The preparation for the FY 2022 budget began in November 2020 with a joint meeting of the Select Board, School Committee and Finance Committee. Contents of the meeting included an update on the FY 2021 budget, including an update to the Town's current financial position. Updated FY 2021 budget numbers became the basis for the FY 2022 budget projection. Projections at that time indicated a budget shortfall of \$827,521. On the sources side, this projection included using only 1.75% of the Proposition 2 ½ allowable 2.50% tax levy increase, an \$84,000 increase in state aid (about 1.20%) and a \$40,223, less than 1.00% increase in local receipts. No use of reserve funds were in the budget projections.

On the expenditure side, wages were anticipated to increase 3.00% / \$1,018,488 covering both cost-of-living allowances and step increases. Expense line items were allotted 0.50% increase to cover inflation; employee benefits were expected to increase at various levels; debt service was to be funded at the actual amounts due, and capital at 3.00% of anticipated net general fund revenue in accordance with

Select Board policy, an increase of \$86,570 over FY 2021. The annual contribution to the OPEB trust fund was to increase by \$12,500 to a total of \$512,500.

### **Budget Directive**

The Town Manager's FY 2022 Town Budget directive to Town Departments stated that 1.75% of the allowable 2.50% tax levy increase would be used in the budget submitted to the Select Board. Given the initial budget forecast, a level service budget was asked to be produced. Any deviations from a level service request were asked to be submitted as a supplemental budget. The funding level for the Select Board's Capital policy remained at 3.00% of net general fund revenue. However, if a small amount of additional funding was needed, the Town Manager's FY 2022 recommended capital plan could still be fully funded with residual funds from the Capital Stabilization Fund and a small supplement from the Town's Free Cash. Attrition savings known, or reasonably predicted, were to be taken into consideration when budget amounts were calculated for personnel costs.

### **Budget Process: Revenue Summary**

The Town's General Fund, which excludes enterprise funds (Water, Sewer, and Stormwater), has four major sources of funds categories: Property Taxes, State Aid, Local Receipts, and Reserves. As the budget process evolved, the estimates made in November 2020 were modified to include: updated Property Tax data (+\$101,640), to adjust the State aid estimate to align with the Governor's State Aid proposal within his FY 2022 State budget proposal (+\$63,892) and to include some Day Care revenues (+\$150,000) that will be equally offset by Day Care General Fund appropriations.

### **Revenues: Property Taxes**

Property taxes are the largest revenue source of the Town comprising 82.47% of the FY 2022 General Fund revenue budget. Property taxes are levied on real property (land and buildings) and personal property (equipment) used by business firms. The Board of Assessors' main responsibility is to determine the value of all real and personal property. The Department of Revenue's (DOR) required five-year (formerly every three years) revaluation was last completed in FY 2019. In the last three fiscal years, property values increased 1.44% in FY 2021, 3.18% in FY 2020, and 4.68% in FY 2019. On an annual basis between the five year revaluations, interim adjustments are performed and, finally, every 9 years the Town is required to complete "measure and list" valuation that requires a physical inspection of each taxable property in town. The next "measure and list" valuation needs to be completed by FY 2024 and is currently under way with an anticipated 20% of the properties being inspected annually. To date, the "measure and list" valuation is approximately 40% complete. The cost of this "measure and list" revaluation is currently built into the operating budget.

The amount of property taxes the Town can raise is regulated under Proposition 2½. In the aggregate the Town may not raise more than 2.50% of the Town's taxable "full and fair cash" valuation. This is known as the levy ceiling. In the absence of market growth in the Town's valuation, the Town could hit the levy ceiling by FY 2026. This possibility is the driving force in the Select Board's initiatives not to raise / spend tax dollars at the highest level allowed. Additionally, the annual levy increase may not exceed 2.50% more than the previous year's levy limit plus the additional taxes from any new growth and, if voted by the electorate, amounts approved for operating overrides. Any Proposition 2 ½ operating override or exclusions for debt or capital would be added to the tax levy. Overrides require a majority vote at a Town election.

Property taxes in FY 2022 are expected to rise by \$1,803,456 / 3.20% to \$58,298,398. The increase includes 1.75% of the allowable 2.50%, an estimated \$125,000 in new growth, an increase in the Town's excludable debt of \$466,228 and \$385,225 in unused levy capacity. The FY 2022 taxes from previously voted debt exclusions will go from \$5,445,328 in FY 21 to \$5,911,556 in FY 22. The

increase is attributable to the debt service on the new DPW facility and the new Adult Center. Absent any new debt excluded authorizations, increases in the amount of excludable debt will cease in FY 23 as the excludable debt service will level off before beginning to decline in FY 27.

|                           | <b>FY2021 Actual</b> | <b>FY2022 Estimated</b> | <b>\$ Change</b> | <b>% Change</b> |
|---------------------------|----------------------|-------------------------|------------------|-----------------|
| Prior Year Levy Limit     | \$48,857,396         | \$51,362,992            |                  |                 |
| Add 2.50%                 | \$1,246,435          | \$1,284,075             |                  |                 |
| Add New Growth            | \$259,161            | \$125,000               |                  |                 |
| Add Operating Overrides   | 0                    | 0                       |                  |                 |
| Levy Limit                | \$51,362,992         | \$52,772,067            |                  |                 |
| Add Net Debt Exclusion    | \$5,445,328          | \$5,911,556             | +\$466,228       | +8.57%          |
| Add Capital Exclusion     | 0                    | 0                       |                  |                 |
| Maximum Allowable Limit   | \$56,808,320         | \$58,683,623            | +\$1,875,303     | +3.31%          |
| Actual Levy               | \$56,494,942         | \$58,298,398 (est)      | +\$1,803,456     | +3.20%          |
| Unused Levy*              | \$313,378            | \$385,225               | +\$71,847        | +28.93%         |
| Levy Ceiling              | \$57,088,665         | \$57,214,979            |                  |                 |
| Remaining Taxing Capacity | \$6,039,051          | \$4,828,137             |                  |                 |

The FY 2022 unused levy of \$385,225 or 1.75% of the allowable Proposition 2½'s 2.50% increase was the goal of the Select Board, Town Manager and Finance Committee. The goal was met even with the minimal increases in State Aid and Local Receipts. Meeting the goal entailed a lot of belt tightening in the operating budget and the sacrifice of , or reduction of other goals (Operational Stabilization Fund appropriation from operating revenues, the funding of only 50% of the Select Board's policy on OPEB funding and no increase in the percentage of revenues to fund capital needs).

The Town's taxable valuation in FY 2021 was \$ **2,283,546,608**, an increase of 1.44% over FY 2020. The FY 2021 tax rate was \$24.74. With the estimated \$125,000 in FY 2022 new growth and 0.0% change in market value, the Town's taxable valuation is estimated to be **\$2,288,599,158**. If the projected revenue amounts in this budget hold and the expense budget approved, the FY 2022 tax rate will be \$25.47 utilizing the FY 2022 estimated valuation. While it is a common belief that the tax rate cannot be greater than \$25.00 that is simply not true. The amount of excludable debt a municipality has is not included in the calculation. In Longmeadow's case, the tax rate that would be compared to the \$25 tax rate would be \$22.89 as the excludable debt account for an estimated \$2.58

### **Revenues: State Aid**

State Aid is the second largest revenue source of the Town comprising approximately 10.02% of the FY 2022 General Fund revenue budget. The Town is using the FY 2022 net State Aid amounts proposed in the Governor's FY 2022 state budget proposal. The net State Aid amount is \$7,109,612, an increase of only \$63,892 or 0.91%. For comparison purposes the FY 20 increase was \$432,814 / 6.60% and the FY 2019 increase was \$588,081 or 9.85%. While State Aid is not a large percentage of the Town's operating revenues, minimal increases do have an impact on the level of Town services able to be offered in the proposed budget.

### **Revenues: Local Receipts**

Local Receipts comprise approximately 7.51% of the General Fund revenue budget with Motor Vehicle Excise Taxes (MVET) being the largest category of Local Receipts. Other significant General Fund Local Receipts include Ambulance Fees, Interest Revenue, Penalties and Interest on late payments, Rentals (mainly attributable from our cell tower leases), Other Departmental Revenue, Licenses and Permits and Reimbursements. In general nearly all categories are level funded at this point and being monitored to address any required modification resulting from FY 21 actual receipts. FY 21 Motor Vehicle Excise Taxes are currently stagnant at best. Building Permits have slipped from last year's pace which would also impact the FY 2022 estimated new growth in property taxes. Interest rates have dropped dramatically over the last year which has impacted the Town's Interest Revenue category. To some degree these revenue categories have been directly impacted by the Covid 19 pandemic.

The estimated amount of the FY 21 Local Receipts (adjusted for Recycling and Day Care revenues) was \$5,145,272. This is expected to increase in FY 2022 by \$37,223 or 0.73% to \$5,182,495. FY 2019 was the first year of receiving annual mitigation funds from MGM Springfield. The FY 2019 amount was \$275,000 and this amount increases 2.50% annually. The FY 22 amount anticipated is \$296,145, an increase of \$7,223 over FY 21. Ambulance revenues are anticipated to increase \$50,000 while Recycling revenues are anticipated to drop \$20,000. Overall, there will be both positive and negative changes in the individual category amounts with the overall goal of being close the sum of all categories.

### **Revenues: Reserves**

The last category of General Fund funding sources is Reserves. Reserves are mainly comprised of Free Cash and the Operational Stabilization Fund. Free Cash develops when actual receipts exceed estimates and expenditures are less than estimates (appropriations). These amounts are added to any unexpended prior year's Free Cash. Free Cash is certified annually by the State Department of Revenue as of July 1 of the fiscal year. The amount is based on the previous fiscal year's ending operations and resulting financial statements. The impact of Covid-19 over the last three and half months of fiscal year 2020 saw services slow down (school custodial, DPW operations) or in some cases postponed (crossing guards, Day Care). Unexpended appropriations at the end of FY 2020 were at a near all-time high at nearly \$2.19 million. These unexpended appropriations were huge part of the town's FY 2021 certified Free Cash amount of \$2,458,516.

The Town's Operational Stabilization Fund was established through Article #15 of the Town Meeting held on November 18, 2003 in accordance with Massachusetts General Law Chapter 40 Section 5B. The balance in the Town's Operational Stabilization Fund as of January 31, 2021 is \$4,214,249. Under normal times, additional amounts would have been added to the Operational Stabilization Fund during the previous fall's Special Town Meeting but we did not have a true fall Special Town Meeting in FY 21. It is planned that the upcoming Annual Town Meeting will ask that \$1.00 million +/- be added to the Operational Stabilization Fund.

The combination of Free Cash and the Operational Stabilization Fund is known as our General Reserves. The policy of the Select Board calls for the total of both to be in the 5 - 10% range of General Fund operating revenues. General Reserves within this level are an indicator that our financial health is favorable. As of July 1, 2020 (FY 2021), the General Reserves were \$6.67 million or 9.73% of the General Fund operating revenues. It is anticipated that as of July 1, 2021 (FY 2022) the General Reserves as a percentage of operating revenues should stabilize because of the rising operating revenues and a slight increase in the General Reserve balance. The Town's Operational Stabilization Fund is slowly increasing. Within certain departments, tight budgeting margins are being eased with the influx of Federal and State assistance geared towards operations under pandemic conditions. As with the end of FY 2020 unexpended appropriations we anticipate a higher than normal amount of turn backs at the end of FY 2021

General reserves are not a reliable recurring source of revenue and, therefore, it is the policy of the Select Board not to utilize anticipated reserves to fund predictably recurring expenses in the operational budget. No reserves are used to balance the recommended FY 2022 Town Budget.

### **Budget Recommendations by the Town Manager:**

The following is summary of the FY 2022 Town Manager's recommended budget. It follows the guidelines of the Town Charter by being balanced without the use of reserves and achieves the goal of increasing taxes only 1.75% of the full 2.50% permitted under Proposition 2 ½. This year's budget was very challenging as a result of the demand on services and services being further exasperated as a result of Covid-19 while estimating stagnant State and local receipts.

### **GENERAL FUND**

**General Government** – The Town Manager's recommended FY 2022 budget for General Government is \$1,734,841 an increase of \$27,743 or 1.62%. The budget is basically level service but does introduce a full time Assistant Town Manager (funded 2/3 in the General Government function and 1/3 in the Planning and Community Development function) to focus on planning, sustainability, and community development projects – think green communities, the Energy and Sustainability Committee, Municipal Vulnerability Projects (MVP), etc.... One clerical position within the Treasurer / Collector and Town Clerk's Offices is not recommended at this time due do the limited public interaction resulting from the pandemic. This matter will be monitored as the pandemic eases. The Town will continue with reducing the utilization of consulting services in the Assessors' Office by bringing the services back in-house. Certain services will continue to remain outsourced through the 5-year reorganization plan. One major component of the out-sourcing is the completion of the "measure and list" revaluation which is required to be done for the FY 24. This revaluation requires a physical inspection of each taxable property in Town. Election costs are down because FY 22 has no Federal or State elections scheduled. Collective Bargaining Agreements associated with General Government services have been funded in the FY 22 budget but no wage adjustments for non-union staff have been budgeted for within the budget recommendation. A separate warrant article will be voted at the Annual Town Meeting to address FY 22 wage adjustments for non-union personnel.

**Public Safety** – The Town Manager's recommended FY 2022 budget for Public Safety is \$5,556,634 a decrease of \$47,130 or -0.84%. This is a level service budget. The Police Department's FY 22 recommended budget is \$66,594 less than the FY 21 budget because of a \$100,000 reduction in the Town's assessment to the regional dispatch center – WESTCOMM. The State E911 Department, through a grant to WESTCOMM, has agreed to pay for the FY 22 assessment up to certain levels. The \$30,000 budgeted is to cover any assessment above what the State agency will not. The State grant will cover, on a sliding scale downward, a portion of the Town's assessment through FY 25. The Fire Department recommended budget is up \$13,464. Both departments have witnessed staff turnover that

minimized their bottom line. The Fire Collective Bargaining Agreement (CBA) expires June 30, 2021. No wage adjustments for Fire CBA personnel or any other non-union personnel within the Public Safety function have been budgeted for. A separate warrant article will be voted at the Annual Town Meeting to address FY 22 wage adjustments for non-union personnel.

**Planning and Community Development** - The Town Manager's recommended FY 2022 budget for Planning and Community Development is \$233,273 an increase of \$39,755 or 20.54%. The increase is attributable to two factors. The recommendation to fund, \$25,000, 1/3 of an Assistant Town Manager whose responsibilities will include Planning and Community Development oversight (see General Government section for more details) and \$13,235 to increase the hours of the Department of Inspection and Zoning Enforcement's clerical staff to 40 hours / week from 30 hours / week. No wage adjustments for non-union staff have been budgeted for within the budget recommendation. A separate warrant article will be voted at the Annual Town Meeting to address FY 22 wage adjustments for non-union personnel.

**Schools** – The Town Manager's recommended FY 2022 General Fund budget for the Schools is \$36,426,490, an increase of \$749,223 or 2.10%. This amount is \$90,932 or 0.25% less than the School Committee's budgetary request. As previously mentioned, stagnant State and local receipts created immense competition for budgetary dollars. However, the 2.10% increase is more than the 1.49% increase in FY 2021. Contractual obligations (\$903,776) and Out-of-District Tuitions – Special Education (\$625,940 offset by an additional \$352,814 in State reimbursements) are the largest driver of additions/increases in the FY 2022 School budget.

**Public Works** – This narrative regarding the Department of Public Works assumes that Town Meeting will pass the warrant article ceasing the accounting of the Solid Waste / Recycling Enterprise Fund as an enterprise fund and combining the solid waste / recycling operations into General Fund – Department of Public Works / Solid Waste / Recycling division. The Town Manager's recommended FY 2022 General Fund budget for the Department of Public Works (DPW) is \$4,714,816, an increase of \$155,439 or 3.41%. \$86,000 or over 50% of the increase is attributable to the addition of two laborer positions. One in the Town Buildings division and the other in the Grounds division. As our buildings age and square footage increases with the opening of the new Adult Center demands for maintenance work follows. Likewise, as the demand for Town's athletic fields and other grounds grows, coupled with the renovations at Wolf Swamp Field and more specialized attention at the Adult Center, needs for services follow. The Town will also try on an experimental basis to bring back custodial services in-house as opposed to the current out-sourcing of these services for most non-school buildings. Funds allotted for the out-sourced custodial services are now applied towards in-house custodians. New line items (GIS Services, Line Striping and Architect and Engineering Services) with small dollar amounts have been added for services that the DPW personnel can no longer maintain in-house. The DPW Collective Bargaining Agreement has been funded in the FY 22 budget but no wage adjustments for non-union staff have been budgeted for within the budget recommendation. A separate warrant article will be voted at the Annual Town Meeting to address FY 22 wage adjustments for non-union personnel.

**Community Services** – The Town Manager's recommended FY 2022 budget for Community Services is \$1,628,475 a decrease of \$48,826 or -5.95%. Day Care operations are funded at \$150,000 or approximately 50% of the costs of prior year under normal conditions. It is seed money to restart the program and if the results of operations require additional funding it will be sought at the Fall 2021 Special Town Meeting. This is a cautious approach, as operations may be amidst the continued pandemic requiring certain additional precautions. The Day Care program is revenue neutral so the bottom line to the General Fund will not be impacted if the anticipated Day Care revenues do not equate to the budgeted expense dollars. Realistic budgeted revenues will need to be proven to the Department

of Revenue in order to set the Town's tax rate. The Parks / Recreation Revolving Fund will absorb any year end actual excess / deficiencies in the Day Care operations. The remaining departments within the Community Services function are budgeted at level service amounts. No wage adjustments for non-union staff have been budgeted for within the budget recommendation. With the new Adult Center expected to come online in FY 2022, a staff reorganization is presented in this budget. A full time clerical position will replace two part time positions; this full time position will assist with the increased responsibilities and hours associated with the new facility. It is anticipated that additional revenues will materialize through the rental of the facility and added programming that will help offset the associated costs of the staff reorganization.. A separate warrant article will be voted at the Annual Town Meeting to address FY 22 wage adjustments for non-union personnel.

**Debt Service** – The Town Manager's recommended FY 2022 budget for Debt Service is \$6,246,399 an increase of \$518,680 or 9.06%. The increase is specifically attributable to the increase in debt service on the new DPW and the Adult Center. FY 22 will be last year of these rising debt service amounts on the projects and total debt service and, maybe more importantly, the excludable debt service contained within the total will level off through FY 26 and thereafter begin to decline absent any large new bond authorizations

**Employee / Retiree Benefits / Liability and Property Insurance** – The Town Manager's recommended FY 2022 budget for Employee / Retiree Benefits / Liability and Property Insurance is \$11,309,621, an increase of \$419,496 or 3.85%. This is one of the lowest increases in quite some time. It was fed by the level funding of the Town's retirement assessment to the Hampden County Regional Retirement Board. The FY 22 assessment is based upon wages subject to retirement on September 30, 2020. At that time, the Day Care program was suspended, other town-wide furloughs were still in place and the participation in the regional dispatch center eliminated dispatchers on the Town's payroll. Health insurance has a modest 5% increase and our Liability Insurance, which includes property insurance, is expected to rise 7.50% because of the added valuation covered (new DPW and Adult Center). The increase to the Town's OPEB contribution, \$81,021 or 16.20% was limited to 50% of what the Select Board's revised policy called for as a result of limited operating revenues. It is suggested that a warrant article be placed on the May 2021 Annual Town Meeting to additional fund the OPEB Trust.

**Capital** - The FY 2022 allocation for the Town's capital program is \$1,924,148, or 3.00% of the net General Fund operating revenues less the Town taxes related to excluded debt, an increase above FY 21 Covid amended final allocation of \$89,048 or 4.86%. The Town Manager's FY 2022 capital plan is fully funded with this allocation and funds left over from prior years' capital projects. The Capital Planning Committees' recommended FY 22 capital plan is slightly more than the Town Manager's and will require a small supplemental appropriation from sources other than the capital allotment and the Capital Stabilization Fund.

**Enterprise Funds - Water, Sewer, Solid Waste / Recycling and Stormwater**- The Town Manager's recommended FY 2022 enterprise fund budgets are: Water \$3,046,611, an increase of \$93,833 or 3.18%; Sewer \$2,262,789, an increase of \$97,126 or 4.48%, and the fourth year of the Stormwater budget, \$1,015,541, an increase of \$125,851 or 14.15%. The Water and Sewer budget increases are driven by the estimated additional costs of purchasing of our water and the processing of our sewage by the Springfield Water and Sewer Commission. Over 40% of the Water budget increase is related to increase costs of purchasing our water. Over 90% of the Sewer budget increase is related to the increase costs of processing our sewage. In both enterprise funds, GIS services encompass \$7,500 of the increase.

The Stormwater enterprise fund was established by Town Meeting vote in May 2017 Annual Town Meeting. In the absence of this new fund, the recommended line items would have been appropriated in

Town’s General Fund – DPW Highway and Debt Service sections. The purpose of the fund is to promote the health and safety of the public, to protect property from flooding and damage caused by stormwater runoff, and to protect and manage water quality by controlling the level of pollutants in stormwater runoff and the flow of water as conveyed by man-made and by natural stormwater management systems and facilities. In compliance with Generally Accepted Accounting Principles and by policy of the Select Board the Stormwater utility fee will gradually cover more and more of the true costs of the Stormwater Enterprise Fund

The Stormwater utility fee was expected to cover \$200,000 or 31.0% of the total direct costs associated with the Stormwater Enterprise Fund in FY 19. In FY 20, the fees were projected to cover \$292,000 or 35.0% of the total direct costs. In FY 21, the fees were projected to cover \$378,120 or 42.50% of the Stormwater Fund budget. In FY 22, the fee is anticipated to cover 46.61% of the budget or \$ 473,344 of the Stormwater Fund budget. A Select Board policy was recently created that set the goal of having the Stormwater fees cover 100% of the costs by FY 2036. The indirect costs (employee benefits and liability) associated with the Stormwater Fund are budgeted in the General Fund in FY 2022 and remain as such until the revenues generated by the funds are ample to fully cover costs.

**Available Balances as of January 31, 2021:**

|   |             |
|---|-------------|
| Free Cash                               | \$2,458,516 |
| Operational Stabilization Fund          | \$4,214,249 |
| Capital Stabilization Fund              | \$61,910    |
| Water Retained Earnings                 | \$217,003   |
| Sewer Retained Earnings                 | \$799,084   |
| Solid Waste Recycling Retained Earnings | \$78,273    |
| Stormwater Retained Earnings            | \$12,867    |
| Ambulance Reserve                       | \$171,177   |
| OPEB Trust Fund                         | \$3,792,546 |

**Conclusion**

The FY 2022 General Fund operating budget of \$66,444,152, is an increase of \$1,784,676 or 2.76%.as compared to the FY 2021 budget. Nearly 95% of the increase is within three functions: School, Debt Service and Employee / Retiree Benefits / Liability Insurance. It maintains level service while meeting many of the budget goals established at the beginning of the budget cycle. It is funded without the use of reserves and has met the primary goal of utilizing only 1.75% of the 2.50% allowable property tax increase allowed under Proposition 2 ½. This goal is estimated to leave \$385,225 in unused levy capacity or have the impact of lowering the tax rate by 16 cents. Stagnant State and local receipts prevented meeting all the established goals and service expansion. The FY 2022 budgets for the Water and Sewer Enterprise funds impacted mainly be the costs of our water purchased and sewage processed by the Springfield Water and Sewer Commission. The increase in the Stormwater Enterprise fund budget is mainly driven by debt service costs related to fixing the stormwater infrastructure.