Town of Amherst Massachusetts
ASSISTANT TOWN MANAGER / FINANCE DIRECTOR
Town Hall
4 Boltwood Avenue
Amherst, MA 01002-2301
www.amherstma.gov
Phone: 413-259-3022
Facsimile: 413-259-2401
finance@amherstma.gov

April 24, 2009

TO: Select Board
Finance Committee
Larry Shaffer, Town Manager

FROM: John P. Musante, Assistant Town Manager/Finance Director

CC: Sonia Aldrich, Comptroller

SUBJECT: FY 09 Municipal Budget Quarterly Budget/Actual Report for Quarter Ending March 31, 2009

Attached please find two reports detailing year to date performance versus budget for revenues and expenditures for the General Fund and Enterprise Funds. We are 75% thru the fiscal year. Overall, revenues are in good shape (with the notable exception of a $978,298 mid-year reduction in state aid), but expenditures are very tight. Key items/issues are highlighted below.

1. GENERAL FUND

Revenues: Thru March 31, 2009, the Town has collected 77% of budgeted revenues. Locally generated revenues are on track to exceed budgeted revenues for the fiscal year, but state aid receipts will be lower than originally budgeted.

- Golf Course: Receipts total 49% of budget, but are on pace to roughly equal prior FY 08 total of $263,000. FY 09 budgeted at $250,000.
- Investment Income: Watching carefully due to economic downturn and resulting lower interest rates on liquid investments. While at only 37% YTD, earnings for March are not yet posted and several CDs mature later in fiscal year that will boost earnings closer to budgeted amount.
- Licenses & Permits: Will exceed budget. While building activity overall is down, institutional projects are generating permit revenues.
- Misc Non-Recurring: The Town received a $550,311 grant reimbursement in September from the Massachusetts School Building Authority (MSBA) for a roof replacement project at Wildwood School funded originally in the Town's capital plan. This is unanticipated revenue that will contribute to free cash at fiscal year end. In April, the Town was informed by the Department of Revenue that only a portion of the grant ($362,198) can be posted as revenue in the current fiscal year with the balance reserved for remaining fiscal years of the bond issue associated with this project. The fourth

quarter report will reflect this adjustment to revenue. This unanticipated revenue will partially offset the mid-year state aid reduction.

- Motor Vehicle Excise: 88% collected year to date and on pace to meet budget of $1,380,000. The Town is closely monitoring this billing as the economy has weakened.
- Property Tax: 75% collected. On pace to again exceed 98% collection rate thru fiscal year end.
- State Aid: Due to the rapidly deteriorating economy and resulting decline in state tax receipts, Governor Patrick enacted mid-year $128 million in "9C cuts" to Lottery and Additional Assistance to cities and towns, including $978,298 to Amherst. The cuts are being made to the 3/31 and 6/30 quarterly distributions of state aid. To keep the Town's FY 09 adopted budget in balance, the Town is implementing a 3-part strategy: a budget cut of $462,125 to health insurance via a premium holiday in April, applying $362,198 from the unanticipated Wildwood School roof grant (see above), and an appropriation of $153,975 from overlay surplus as a replacement financing source. That will be included in Article 14 of the 2009 annual town meeting warrant.

Expenditures: Thru March 31, 2009, expenditures total 78% [1] of budgeted expenditures. Prospective surpluses in health insurance, Leisure Services, and General Services will help to reduce expected shortfalls in the Legal Services, Town Clerk, Public Safety, Snow & Ice, and Veterans Services budgets.

- Legal: YTD expenditures exceed budget by $22,196.
- Town Clerk: Costs from the November presidential election and the special town election called to fill Ms. Awad's Select Board vacancy will result in a $19,000 shortfall.
- Employee Benefits: While YTD expenditures are at 84% of budget, that figure includes 100% of the annual retirement assessment from the Hampshire County Retirement System. I expect a small surplus in this account ($80-100,000) thru June 30 in addition to the savings from the April premium holiday.
- Public Safety: Police facility utility costs exceeding budget.
- Snow & Ice: The harsh winter exhausted this $189,410 budget. Actual shortfall of $104,196. The report lists a shortfall of $162,656, but that was subsequently reduced when encumbrances were liquidated.
- Veterans Services: Benefits claims on pace to exceed budget. State eventually reimburses Town for 75% of eligible claims.

2. ENTERPRISE FUNDS

Thru March 31, 2009, revenues and expenditures are within a reasonable range for each of the Enterprise Funds (Water, Sewer, Solid Waste, and Transportation). Variances are due more to timing issues than any trend.

[1] Note: The General Fund expenditure report (pages 2-3 of the attached printout) includes an expenditure labeled "Interfund Transfers" totaling $22,988,830. This is an accounting entry for the Elementary Schools budget and the adopted capital plan for the Town. This report treats these expenditures as 100% "expended" because they are transferred out of the General Fund. Not including Interfund Transfers, YTD expenditures are at 78% of budget, not 86%.

TOWN OF AMHERST
Year to Date Budget Report
FY2009 REVENUES
Through March 31, 2009

	REVISED EST REVENUES	ACTUAL YTD REVENUE	REMAINING REVENUE	PCT COLL
TOWN GENERAL FUND				
CHARGES FOR SERVICES	$ (777,492.00)	$ (777,492.00)	$ -	100%
DEPART-CEMETERIES	$ (5,000.00)	$ (4,625.00)	$ (375.00)	93%
DEPART-GOLF COURSE	$ (250,000.00)	$ (122,660.64)	$ (127,339.36)	49%
DEPART-RECREATION	$ (385,781.00)	$ (360,535.02)	$ (25,245.98)	93%
FINES AND FORFIETS	$ (169,000.00)	$ (109,801.04)	$ (59,198.96)	65%
INVESTMENT INCOME	$ (342,500.00)	$ (126,613.67)	$ (215,886.33)	37%
LICENSES AND PERMITS	$ (791,535.00)	$ (701,980.28)	$ (89,554.72)	89%
MISC NON-RECURRING	$ (1,332,841.00)	$ (1,873,150.00)	$ 540,309.00	141%
MOTOR VEHICLE EXCISE	$ (1,380,000.00)	$ (1,214,648.76)	$ (165,351.24)	88%
OTHER DEPT REVENUE	$ (582,500.00)	$ (597,500.89)	$ 15,000.89	103%
OTHER EXCISE	$ (70,000.00)	$ (60,992.00)	$ (9,008.00)	87%
PENALTY AND INTEREST	$ (150,000.00)	$ (111,776.47)	$ (38,223.53)	75%
PL PILOT	$ (918,458.00)	$ (818,846.17)	$ (99,611.83)	89%
PROPERTY TAXES	$ (34,529,398.00)	$ (25,805,392.69)	$ (8,724,005.31)	75%
RENTALS	$ (56,254.00)	$ (49,359.00)	$ (6,895.00)	88%
SPECIAL ASSESSMENTS	$ (653,187.00)	$ (186,444.00)	$ (466,743.00)	29%
STATE AID	$ (17,037,696.00)	$ (12,205,221.00)	$ (4,832,475.00)	72%
TRANSFERS IN	$ (2,956,600.00)	$ (2,956,600.00)	$ -	100%
TOTAL TOWN GENERAL FUND	**$ (62,388,242.00)**	**$ (48,083,638.63)**	**$ (14,304,603.37)**	77%
6001 SEWER FUND				
R4440 SF OPERATING BUDGET REV	$ (3,670,647.00)	$ (2,817,760.19)	$ (852,886.81)	77%
TOTAL SEWER FUND	**$ (3,670,647.00)**	**$ (2,817,760.19)**	**$ (852,886.81)**	77%
6002 WATER FUND				
60021990 WF INTERFUND TRANSFERS	$ (250,000.00)	$ (250,000.00)	$ -	100%
R4450 WF OPERATING BUDGET REV	$ (3,974,006.00)	$ (3,136,878.17)	$ (837,127.83)	79%
TOTAL WATER FUND	**$ (4,224,006.00)**	**$ (3,386,878.17)**	**$ (1,986,552.32)**	80%
6003 SOLID WASTE FUND				
60031990 SWF INTERFUND TRANSFER	$ (189,224.00)	$ (189,224.00)	$ -	100%
R4435 SWF OPERATING BUDGET REVE	$ (516,300.00)	$ (354,029.92)	$ (162,270.08)	69%
TOTAL SOLID WASTE FUND	**$ (705,524.00)**	**$ (543,253.92)**	$ (162,270.08)	77%
6005 TRANSPORTATION FUND				
60051990 TRANS INTERFUND TRANSFI	$ (109,016.00)	$ (109,016.00)	$ -	100%
R4480 PARKING OPERATING REVENUE	$ (912,000.00)	$ (672,687.95)	$ (239,312.05)	74%
TOTAL TRANSPORTATION FUND	**$ (1,021,016.00)**	**$ (781,703.95)**	$ (239,312.05)	77%

TOWN OF AMHERST
Year to Date Budget Report
FY2009 Expenses
Through March 31, 2009

	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOWN GENERAL FUND					
SELECT BOARD	$ 56,014.00	$ 42,300.84	$ -	$ 13,713.16	76%
TOWN MANAGER	$ 182,313.00	$ 140,868.19	$ -	$ 41,444.81	77%
FINANCE COMMITTEE	$ 100,800.00	$ 448.21	$ 100,000.00	$ 351.79	100%
DIRECTOR OF FINANCE & ADMIN	$ 226,594.00	$ 156,757.87	$ 4,325.00	$ 65,511.13	71%
ACCOUNTING	$ 211,183.00	$ 151,664.25	$ -	$ 59,518.75	72%
ASSESSOR	$ 174,300.00	$ 127,520.87	$ -	$ 46,779.13	73%
COLLECTOR/TREASURER	$ 217,108.00	$ 156,270.07	$ 1,810.00	$ 59,027.93	73%
LEGAL SERVICES	$ 95,000.00	$ 117,195.95	$ -	$ (22,195.95)	123%
HUMAN RESOURCES	$ 197,010.00	$ 149,628.07	$ 6,250.03	$ 41,131.90	79%
EMPLOYEE BENEFITS	$ 6,014,521.00	$ 5,060,822.11		$ 953,698.89	84%
INFORMATION SYSTEMS	$ 467,585.00	$ 411,267.32	$ 12,339.79	$ 43,977.89	91%
TOWN CLERK	$ 152,827.00	$ 119,079.88	$ -	$ 33,747.12	78%
ELECTIONS	$ 48,074.00	$ 47,057.53	$ 5,479.00	$ (4,462.53)	109%
REGISTRATIONS	$ 6,750.00	$ 6,030.95	$ -	$ 719.05	89%
TOWN HALL FACILITY	$ 201,432.00	$ 139,612.40	$ 30,960.49	$ 30,859.11	85%
BANGS COMMUNITY CENTER	$ 211,537.00	$ 149,298.12	$ 27,230.86	$ 35,008.02	83%
NORTH AMHERST & CUSHMAN SCHOOL	$ 3,550.00	$ 571.49	$ 180.00	$ 2,798.51	21%
AMHERST COMM CHILDCARE FACILIT	$ 4,200.00	$ 842.48	$ 553.85	$ 2,803.67	33%
MUNSON LIBRARY	$ 40,578.00	$ 29,075.47	$ 2,699.38	$ 8,803.15	78%
MISCELLANEOUS AND INSURANCE	$ 222,561.00	$ 130,309.63	$ 70,653.00	$ 21,598.37	90%
GENERAL SERVICES	$ 182,800.00	$ 135,542.77	$ 15,524.87	$ 31,732.36	83%
INTERFUND TRANSFERS	$ 22,988,830.00	$ 22,988,830.00	$ -	$ -	100%
POLICE FACILITY	$ 181,997.00	$ 149,154.67	$ 44,669.24	$ (11,826.91)	106%
POLICE DEPARTMENT	$ 3,886,529.00	$ 2,761,955.31	$ 78,092.60	$ 1,046,481.09	73%
FIRE DEPARTMENT	$ 3,583,492.00	$ 2,730,391.28	$ 65,750.82	$ 787,349.90	78%
DISPATCH CENTER	$ 564,575.00	$ 434,627.78	$ 2,755.13	$ 127,192.09	77%
ANIMAL CONTROL	$ 49,223.00	$ 35,358.80		$ 13,864.20	72%
REGIONAL SCHOOLS ASSESSMENT	$ 12,395,375.00	$ 9,326,645.34	$ -	$ 3,068,729.66	75%
PUBLIC WORKS ADMINISTRATION	$ 256,589.00	$ 188,063.44	$ 22,144.57	$ 46,380.99	82%
CONSTRUCTION AND MAINTENANCE	$ 554,017.00	$ 369,815.19	$ 30,682.79	$ 153,519.02	72%
SNOW AND ICE	$ 189,410.00	$ 275,922.99	$ 76,142.52	$ (162,655.51)	186%
STREET LIGHTS	$ 90,575.00	$ 57,322.44	$ 36,892.55	$ (3,639.99)	104%
TRAFFIC LIGHTS	$ 21,673.00	$ 9,818.09	$ 7,295.54	$ 4,559.37	79%
EQUIPMENT MAINTENANCE	$ 252,530.00	$ 177,937.74	$ 37,420.78	$ 37,171.48	85%
CEMETERY MAINTENANCE	$ 18,773.00	$ 11,832.52	$ -	$ 6,940.48	63%
PARKS AND COMMONS	$ 250,166.00	$ 205,305.52	$ 12,469.69	$ 32,390.79	87%
TREE CARE	$ 123,267.00	$ 91,027.90	$ 5,962.00	$ 26,277.10	79%
CONSERVATION OPERATIONS	$ 228,464.00	$ 163,940.76	$ 3,545.58	$ 60,977.66	73%
PLANNING DEPARTMENT OPERATIONS	$ 286,094.00	$ 221,526.79	$ 820.00	$ 63,747.21	78%
INSPECTION SERVICES OPERATIONS	$ 345,098.00	$ 223,737.90	$ 6,911.70	$ 114,448.40	67%
PUBLIC HEALTH OPERATIONS	$ 278,543.00	$ 201,165.01	$ 7,959.41	$ 69,418.58	75%
COUNCIL ON AGING OPERATIONS	$ 192,584.00	$ 148,085.52	$ 492.00	$ 44,006.48	77%
COMMUNIT SERVICES OPERATIONS	$ 17,161.00	$ 10,923.20	$ 90.00	$ 6,147.80	64%
VETERANS SERVICES OPERATIONS	$ 156,388.00	$ 149,448.68		$ 6,939.32	96%
HUMAN SERVICES AGENCIES	$ 66,000.00	$ 30,215.79	$ 32,866.66	$ 2,917.55	96%
LEISURE SERVICES AND SUP ED	$ 628,544.00	$ 356,211.50	$ 99,569.32	$ 172,763.18	73%
OUTDOOR POOL OPERATIONS	$ 169,887.00	$ 156,823.94	$ 14,823.05	$ (1,759.99)	101%
CHERRY HILL OPERATIONS	$ 209,381.00	$ 153,768.54	$ 19,506.34	$ 36,106.12	83%
COMMEMORATIONS	$ 875.00	$ -	$ 1,264.00	$ (389.00)	144%

TOWN OF AMHERST
Year to Date Budget Report
FY2009 Expenses
Through March 31, 2009

	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
DEBT SERVICE	$ 829,991.00	$ 401,058.38	$ -	$ 428,932.62	48%
REGIONAL DEBT ASSESSMENTS	$ 616,370.00	$ 447,457.79	$ -	$ 168,912.21	73%
STATE ASSESSMENTS	$ 959,609.00	$ 716,392.00	$ -	$ 243,217.00	75%
COUNTY AND SPECIAL ASSESSMENTS	$ 1,369,800.00	$ 1,046,683.10	$ -	$ 323,116.90	76%
APPROPRIATION DEFICITS	$ 18,110.00	$ 18,109.65	$ -	$ 0.35	100%
JONES LIBRARY OPERATIONS	$ 1,591,585.00	$ 1,252,238.68	$ -	$ 339,346.32	79%
TOTAL TOWN GENERAL FUND	**$ 62,388,242.00**	**$ 52,783,960.71**	**$ 886,132.56**	**$ 8,718,148.73**	86%
SEWER FUND					
INTERFUND TRANSFERS	$ 707,264.00	$ 707,264.00	$ -	$ -	100%
WASTE WATER TREATMENT PLANT	$ 2,792,754.00	$ 2,123,210.27	$ 282,391.73	$ 387,152.00	86%
SEWER MAINTENANCE	$ 170,629.00	$ 101,276.69		$ 69,352.31	59%
TOTAL SEWER FUND	**$ 3,670,647.00**	**$ 2,931,750.96**	**$ 282,391.73**	**$ 456,504.31**	88%
WATER FUND					
INTERFUND TRANSFERS	$ 830,111.00	$ 830,111.00	$ -	$ -	100%
WATER DEPARTMENT OPERATIONS	$ 3,393,895.00	$ 2,814,417.26	$ 161,069.87	$ 418,407.87	88%
TOTAL WATER FUND	**$ 4,224,006.00**	**$ 3,644,528.26**	**$ 161,069.87**	**$ 418,407.87**	90%
SOLID WASTE FUND					
INTERFUND TRANSFERS	$ 88,000.00	$ 88,000.00	$ -	$ -	100%
SOLID WASTE FUND				$ -	
SOLID WASTE FACILITIES	$ 617,524.00	$ 458,620.17	$ 50,689.54	$ 108,214.29	82%
TOTAL SOLID WASTE FUND	**$ 705,524.00**	**$ 546,620.17**	**$ 50,689.54**	**$ 108,214.29**	85%
TRANSPORTATION FUND					
INTERFUND TRANSFERS	$ 175,117.00	$ 175,117.00	$ -	$ -	100%
PARKING FACILITIES	$ 483,756.00	$ 373,422.63	$ 4,681.67	$ 105,651.70	78%
PUBLIC TRANSPORTATION	$ 362,143.00	$ 303,619.00	$ -	$ 58,524.00	84%
TOTAL TRANSPORTATION FUND	**$ 1,021,016.00**	**$ 852,158.63**	**$ 4,681.67**	**$ 164,175.70**	84%