

**Joint Meeting of the
Select Board, Finance Committee,
School Committee, & Library Trustees**

October 6, 2008

**Preliminary Financial Projections for
FY 10 Budget Planning**

(July 1, 2009 – June 30, 2010)

John P. Musante, Assistant Town Manager/Finance Director
Town of Amherst

Financial & Budget Focus: Tonight

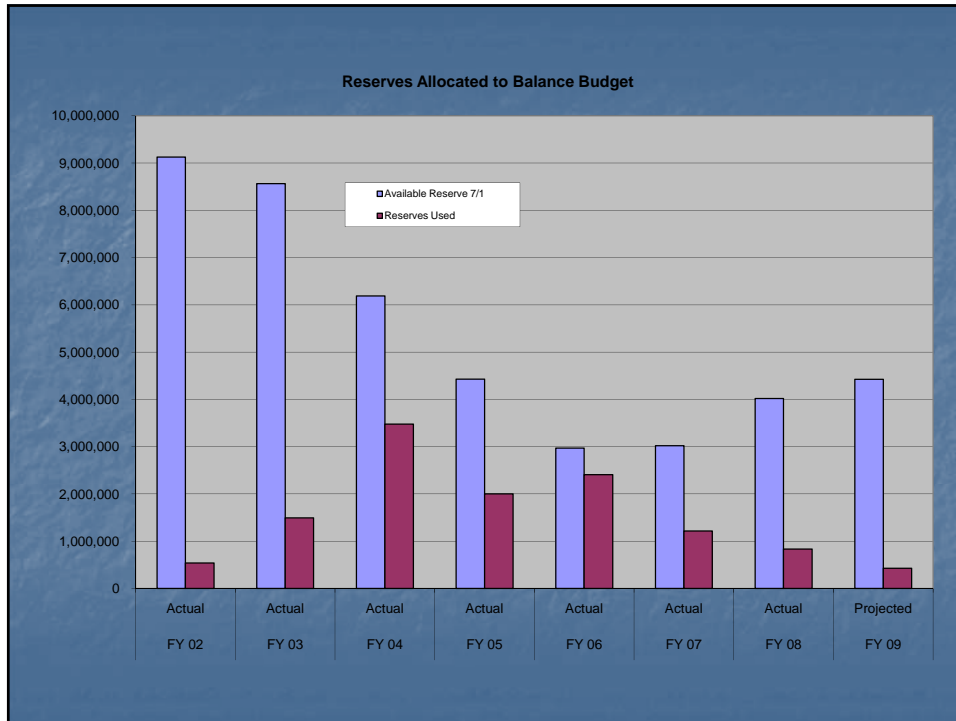
- Current Situation and Outlook
 - FY 08 Operating Results
 - FY 09 Approved Budgets
 - FY 09 (current year) Issues
- Community Voices/Budget Choices
 - Community education & feedback on service priorities
 - Long Term Financial Plan to Help Get Us There!
- Revenue & Expenditure Trends and Projections for Next Five Years: FY 10 -14
- FY 10 Budget Process

Current Situation and Outlook

- FY 08 Operating Results were positive
 - \$1.4 million net excess revenues over expenditures
 - Property tax collections consistently >98%
 - Motor vehicle excise receipts and investment earnings strong, but will be affected by weak economy
 - Increased payments from U Mass for Fire/EMS
 - One-time revenues helped
 - Health Claims Trust Fund reimbursement to General Fund
 - Building permit receipts (Amherst College)
 - Unspent appropriations closed to fund balance

Current Situation and Outlook

- FY 08 Operating Results (continued)
 - Employee Health Claims Trust Fund has stabilized
 - Negotiated plan design changes and increased employee contributions
 - Deficit eliminated. Trust Fund balance restored to \$2.4 million as of June 30, 2008 with adequate reserves
 - Reserves (Free Cash + Stabilization Fund)
 - Despite appropriation of \$425,000 to balance FY 09 budget, reserves increased by over \$400,000 from last year
 - \$4.4 million as of July 1, 2008
 - Now equals 7.2% of operating revenue
 - Financial policies adopted January 2008
 - Maintain reserves between 5 - 15% of operating revenue
 - Increase Stabilization Fund to a level "large enough to buffer the General Fund from the impact of 2-3 years of reduced state aid and/or declining local receipts."



Current Situation and Outlook

- FY 09 Budgets voted by Town Meeting
 - Cuts and consolidations of services
 - Small use of reserves (\$400,000) as a “bridge” to a long term plan
 - Town
 - 3.6% budget increase
 - Elementary
 - 6.3% budget increase (transportation cost shift from Region budget)
 - + 4.7% without transportation
 - Region
 - 2% budget increase (+0.1% to Amherst assessment)
 - + 3.7% including transportation
 - Library
 - 1.3% budget increase
 - + 2% increase from tax support
 - Capital Plan
 - Small increase in allocation to 7.25% of tax levy (from 7%)
 - Financial policy: increase funding to 10% of annual tax levy over next several years

Current Situation and Outlook

- FY 09 (current year) Issues
 - Economic Downturn
 - State Tax Collections down \$143M vs budget thru September
 - Governor initiating mid-year state budget cuts; aid to communities "a priority"
 - Amherst property values: so far so good
 - Watching local excise receipts (lodging and MVE) and investment earnings
 - Access to credit (bond market)

Current Situation and Outlook

- FY 09 (current year) Issues
 - Question 1 - Eliminate State Income Tax?
 - Would reduce state revenues by 40% (\$12.7B) when fully implemented
 - After funding its legal obligations such as debt service, state would need to cut elsewhere disproportionately higher to balance its budget
 - Education Aid, Lottery Aid (for municipal services), and infrastructure funds at risk of severe cuts of 27% – 100% (see Mass Municipal Association & Mass Taxpayers Foundation analyses)
 - Town of Amherst potential aid cuts estimated at \$5 – 14M plus another \$3.5 – 11.3M in cuts to A-P Regional Schools



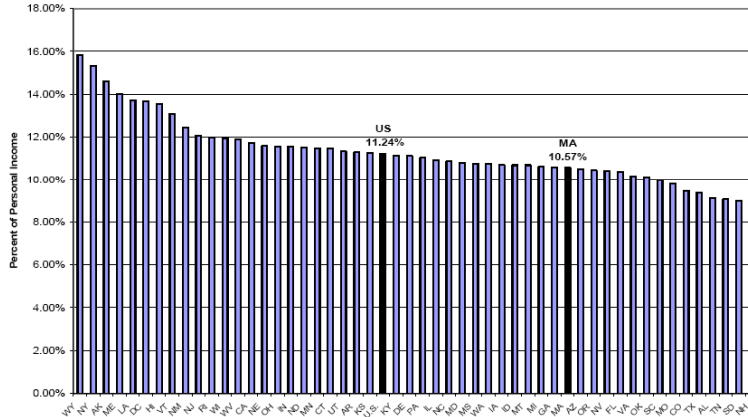
FACTS AT A GLANCE

MAY 21, 2008

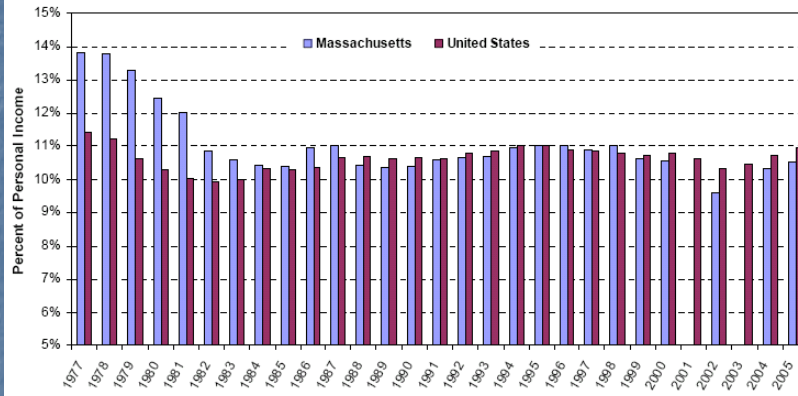
U.S. CENSUS BUREAU – STATE & LOCAL TAX COLLECTIONS FY 2006 Massachusetts' state and local tax ranks 36th

On May 16, the U.S. Census Bureau released its most recent state and local tax collection data for the US (FY 2006). Because this Census report incorporates both state and local taxes, it allows for comparisons among the states. (Since states differ in the share of taxes collected at different levels of government, to compare among states this data should be combined.)

Total State and Local Taxes, FY 2006



Tax Revenue, Massachusetts and the United States
 FY 1977 - FY 2005



Note: The Census Bureau did not release state-by-state data for FY 2001 or FY 2003.



Hard Choices Ahead

A presentation to the public by the
Facilitation of Community Choices Committee
Fall 2008

Voice Your Choices!

Review the presentation, then complete an
on-line Town, School, and Library Services
Questionnaire

www.amherstchoices.org

Facilitation of Community Choices Committee Our Committee Mandate

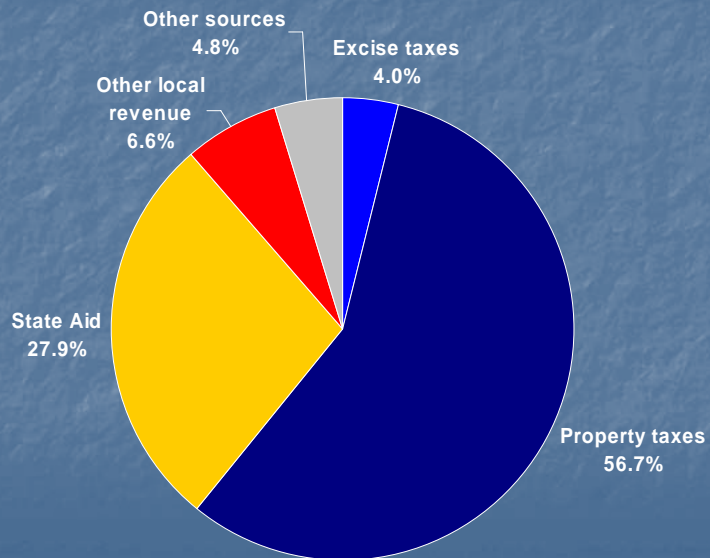
- Review and understand the dynamics of the five components (Capital Budget, Library, Municipal, Elementary and Regional Schools) of the Amherst Budget
- Present possible budget scenarios to the public
- Answer questions and gather feedback
- Clarify public misconceptions about our budget and revenue stream

Our ultimate goal is to assist the Town in formulating a five-year financial plan (FY10-FY14) that will reflect the values of the community

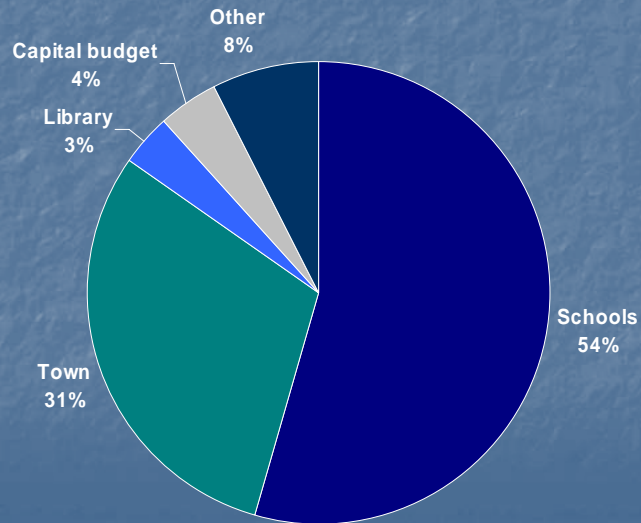
Revenue & Expenditure Trends and Projections: The Basics...

- Where the \$ comes from...
 - Property Tax
 - State Aid
 - Local Receipts & Charges
 - Investment Income
 - Jones Library, Inc.
 - Supports portion of library budget
 - Reserves
- Where the \$ goes...
 - Education
 - Region
 - Elementary
 - Libraries
 - Municipal
 - Town Hall
 - Public Safety
 - Public Works
 - Community Services
 - Planning/Conservation
 - Debt & Capital
 - Gov't Assessments & Misc.

What Are Our Baseline Sources of Revenue? FY09



What Are Our Current Expenditures? FY09



What Are the Assumptions for the Baseline Revenue “Level Funding” Scenarios?

Similar level of financial support available each year

- Property taxes continue to grow at the 2.5% limit per year
- 10-year average new growth of ~1.5% per year
- Chapter 70 state aid (for education) increases 1.5%/year
- Other types of state aid will remain flat
- Other local revenue grows at a rate of 2.2% per year
- Other, smaller sources of revenue grow at a rate of 4.0% per year
- As of FY10, we would spend none of our reserves.

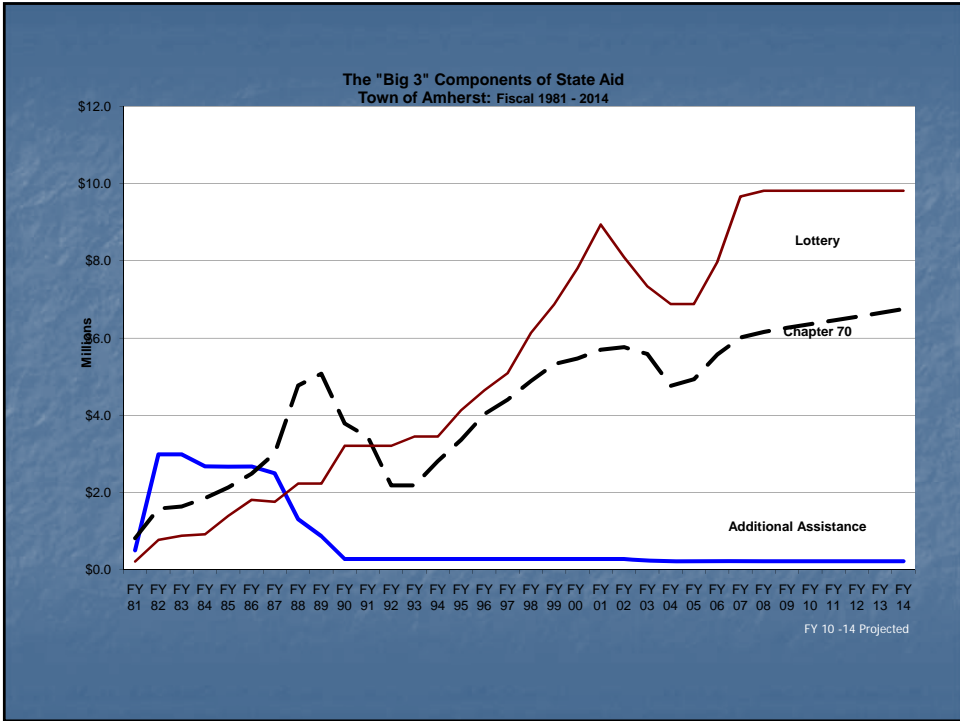
Cuts would be necessary

Revenues

- Property Tax
 - Proposition 2 ½ limits annual increase to +2.5% plus new growth
 - New growth forecast for FY 10 -14 at historical average of +\$600,000/year
 - Project 3.8% increase in tax levy (+\$1.4M) in FY 10

Revenues

- State Aid
 - Assume +1% Chapter 70 Aid and No Increase in Lottery Aid
 - Close to historic average last five years, but...
 - Boom/bust cycle of state aid saw range of 16.7% decrease (FY 04) to 14.6% increase (FY 06)
 - FY 09 only increased by +1%
 - State Lottery revenues below current allocation
 - FY 09 estimated increase of 0.5% adds only \$87,000 to help support a \$61M municipal, school, and library budget!
 - Need for new model for financing local government in Massachusetts (long-term)
 - Reduce reliance on property tax
 - Municipal Partnership Act
 - Local option meals and lodging taxes
 - Close telecommunications tax loopholes
 - Governor's Readiness Project to Improve Public Education
 - Infrastructure investments (public transportation, roads, bridges)



- ## Revenues
- Local Receipts & Charges
 - Strategic Partnership Agreement with UMass
 - +\$140,000 to General Fund for Fire/EMS services
 - Amherst College contributed \$120,000 for FY 09
 - Increased Fire /EMS fees paid by surrounding towns
 - All programs: user fee cost recovery where feasible

Reserves

- To provide flexibility to weather economic downturns (with specific targets)
- Influences Bond Rating (currently a strong Aa3)
- Assumes no use of reserves in FY 10+ to support operating budgets
- \$425,000 was appropriated in current year from Free Cash to balance FY 09 operating budget

Revenues

- Bottom Line
 - Projected FY 10 net revenue increase of \$1.3 million, an increase of 2.1%
 - Projected FY 10 – 13 increases only 2.9% per year
 - Insufficient to maintain level services

Three Possible Five-Year Scenarios

Scenario 1: Level Funding
(requiring substantial cuts)

Scenario 2: Level Services
(requiring additional revenue)

Scenario 3: Priority Restorations and Additions
(requiring substantial additional revenue)

We will explain the three possible scenarios for our
Library
Municipal Government
Elementary Schools
Regional Schools
Capital Budget

Expenditures

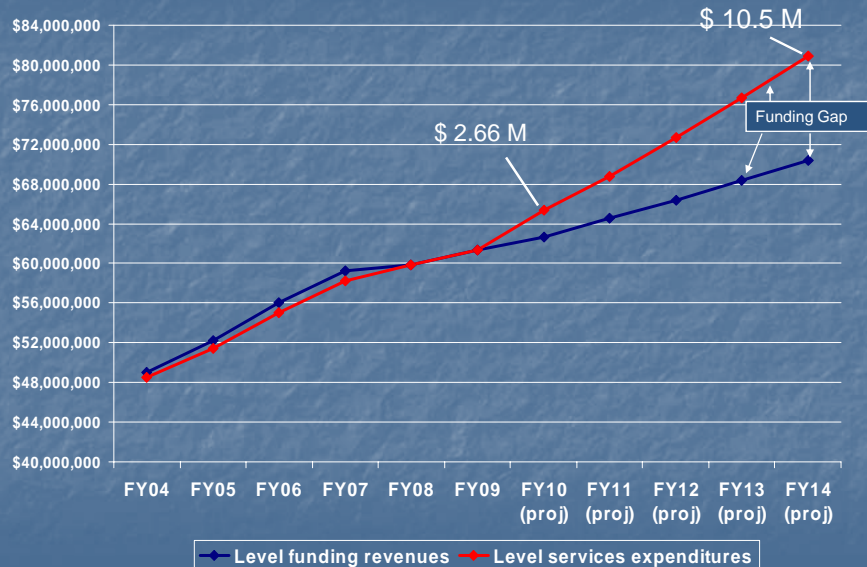
- **Collective Bargaining**
 - All but one town/school contract settled for FY 08 – 11; contracts average 2.5% increase/year for 4 years
 - Employee / Retiree Health Insurance Costs stabilizing
 - Estimate +5% for FY 10 and FY 11, then 10% for FY 12-14 to fund claims and reserve requirement
- **Utilities increase 10 – 15%/year**
 - Heating Oil
 - Gasoline / Diesel
 - Energy conservation initiatives (i.e. electricity)
- **Retirement Assessment +4.3% (\$125,000)**
- **Capital Needs**
 - Fire Station(s), DPW facility, schools
 - % Allocation from tax levy
 - Policy decision

Expenditures

■ Bottom Line

- “Level Services” in FY 10 requires an estimated increase of \$4.0 million, or 6.5%, which assumes:
 - Town: +5.2%
 - Elementary: +5.8%
 - Region: +6.5% (requires +11.7% to Amherst’s assessment)
 - Library: +4.4% (requires +6.1% Amherst tax support)
 - Capital: Increases tax levy allocation from 7.25% in FY 09 by 0.25% per year (to 8.5% by FY 14)
- \$2.68 million shortfall from FY 10 projected revenues
- Balanced budget with no new revenues would necessitate overall increase to 4 operating budgets of 2.1% on average.

Funding Gap for Level Services Budget



Consolidations Already in Place

- Facilities Management department head shared between Town and Schools, **resulting in lower costs and energy conservation**
- Consolidation of Human Rights/Human Resources
- Consolidation of LSSE and Cherry Hill Golf Course
- Cooperation in Information Technology between Library, Town and Schools
- Expansion of the MUNIS software platform throughout Town, Library, and Schools
- Consolidation of Planning, Conservation, and Inspection—September 2008

Regionalization—Current and Planned

- Current
 - Police: UMass/Town cross-jurisdictional authority
 - Fire/Ambulance: reimbursement for fire and ambulance service was part of the overall agreement with UMass resulting in payment of \$425,000 per year; negotiations continue with Hadley and other local towns
 - Employee Health Insurance: Town of Amherst, Amherst-Pelham Regional School District, Town of Pelham
 - Veterans Services: partnering with Pelham; other towns in consideration
- Planning/Researching Savings & Improved Services Opportunities
 - Regional Dispatch System: current discussions ongoing with UMass and Hadley
 - Property Assessment: surrounding town(s)
 - Health Department: current negotiations with local towns

What's Next? Potential Relative Impact on Various Gap-Closing Ideas

- Potentially **high impact**
 - Proposition 2^{1/2} Override
- Potentially **moderate impact**
 - Increases in State Aid
 - Local Option Taxes (Meals, Lodging)
 - Increase Economic Development
- Potentially **low impact**
 - Increased reduction in costs through efficiencies, consolidation and regionalization
 - Increased revenue from ambulance service
 - Increased fees for services
- **Unknown impact**
 - Negotiations with UMass, Amherst College, and Hampshire College to increase support of town (PILOTS)

Summary of Potential Gap-Closing Measures: Additional Expected Revenues per Year and Remaining Balance (best case scenario)

	FY10	FY11	FY12	FY13	FY14
Economic Development	\$ 80K	\$160K	\$320K	\$320K	\$320K
3% Increase in State Aid	\$425K	\$431K	\$455K	\$462K	\$491K
Telecom. Tax Loophole			\$230K	\$230K	\$230K
Local Option Meals Tax			\$1.2M	\$1.2M	\$1.2M
Local Option Lodging Tax			\$25K	\$25K	\$25K
Low Impact Measures (total)	\$200K	\$200K	\$200K	\$200K	\$200K
TOTAL POTENTIAL	\$. 7M	\$.8M	\$2.4M	\$2.4M	\$2.4M
Total budget gap—level services	\$2.7M	\$4.2M	\$6.3M	\$8.4M	\$10.5M
AMOUNT REMAINING (cuts, override, or a combination needed to balance budgets)	\$2.0M	\$3.4M	\$3.9M	\$6.0M	\$8.1M

**Supplemental
Financial Data**

TOWN OF AMHERST, MASSACHUSETTS
Statement of Revenues and Other Sources and Expenditures and Other Uses
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2008
(Unaudited)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues and Other Sources:			
Property taxes	33,052,285.00	33,251,759.40	199,474.40
Excise	1,475,000.00	1,631,329.30	156,329.30
Penalties, interest and other taxes	1,085,958.00	1,074,819.11	(11,138.89)
Licenses and permits	784,035.00	888,616.10	104,581.10
Intergovernmental	17,450,199.00	17,473,199.40	23,000.40
Fines and forfeits	163,000.00	151,061.61	(11,938.39)
Interest earnings	350,000.00	431,421.35	81,421.35
Miscellaneous	2,059,073.00	2,842,881.74	783,808.74
Contributions	0.00	0.00	0.00
Transfers in	2,542,290.00	2,542,290.00	0.00
Other Sources (free cash and overlay)	831,423.00	831,423.00	0.00
Total Revenues and Other Sources	<u>59,793,263.00</u>	<u>61,118,801.01</u>	<u>1,325,538.01</u>
Expenditures and Other Uses:			
General Government	5,644,074.00	5,627,680.99	16,393.01
Special Appropriations	2,920,979.00	2,920,979.00	0.00
Public Safety	8,075,970.00	8,063,272.41	12,697.59
Public Works	1,859,566.00	1,859,422.91	143.09
Planning, Conservation and Inspections	802,881.00	802,422.66	458.34
Community Services	1,680,604.00	1,680,488.08	115.92
Library Services	1,569,084.00	1,563,910.15	5,173.85
Education	31,841,903.00	31,840,942.85	960.15
Debt Service	976,002.00	958,973.24	17,028.76
Region and Deferred Teachers Pay	515,357.00	530,605.41	(15,248.41)
Intergovernmental-Assessments	2,095,258.00	2,038,739.96	56,518.04
Transfers Out	1,811,585.00	1,811,585.00	0.00
Total Expenditures and Other Uses	<u>59,793,263.00</u>	<u>59,699,022.66</u>	<u>94,240.34</u>
Excess of revenues and other sources over expenditures and other uses	<u>0.00</u>	<u>1,419,778.35</u>	<u>1,419,778.35</u>

TOWN OF AMHERST, MASSACHUSETTS
Statement of Revenues and Other Sources,
and Expenses and Other Uses
Budget and Actual - Sewer Fund
For the Fiscal Year Ending June 30, 2008
(Unaudited)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues and Other Sources:			
Charges for services	\$ 3,571,878	\$ 3,563,437	\$ (8,441)
Interest earnings	31,000	66,793	35,793
Other sources	54,000	66,606	12,606
Total Revenues and Other Sources	<u>3,656,878</u>	<u>3,696,836</u>	<u>39,958</u>
Expenses and Other Uses:			
Personnel	\$ 1,276,593	1,128,095	148,498
Purchase of services	912,700	909,023	3,677
Supplies	38,700	38,423	277
Other charges and expenses	322,007	300,275	21,732
Transfers	296,400	296,400	-
Capital outlay	462,000	462,000	-
Debt service	348,478	343,728	4,751
Other uses	-	-	-
Total Expenses and Other Uses	<u>3,656,878</u>	<u>3,477,944</u>	<u>178,934</u>
Excess of revenues and other sources over expenses and other uses	<u>\$ -</u>	<u>\$ 218,893</u>	<u>\$ 218,893</u>

TOWN OF AMHERST, MASSACHUSETTS
Statement of Revenues and Other Sources,
and Expenses and Other Uses
Budget and Actual - Water Fund
For the Fiscal Year Ending June 30, 2008
(Unaudited)

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues and Other Sources:			
Charges for services	\$ 3,720,000	\$ 3,731,484	\$ 11,484
Interest earnings	60,000	73,084	13,084
Other sources	127,453	178,618	51,165
Total Revenues and Other Sources	<u>3,907,453</u>	<u>3,983,186</u>	<u>75,733</u>
Expenses and Other Uses:			
Personnel	1,070,948	995,965	74,983
Purchase of services	524,800	547,911	(23,111)
Supplies	124,950	132,225	(7,275)
Other charges and expenses	651,022	640,289	10,733
Transfers	385,742	385,742	-
Capital outlay	425,000	425,000	-
Debt service	724,991	724,991	(0)
Other uses	-	-	-
Total Expenses and Other Uses	<u>3,907,453</u>	<u>3,852,124</u>	<u>55,329</u>
Excess of revenues and other sources over expenses and other uses	<u>\$ -</u>	<u>\$ 131,062</u>	<u>\$ 131,062</u>

TOWN OF AMHERST, MASSACHUSETTS
Statement of Revenues and Other Sources,
and Expenses and Other Uses
Budget and Actual - Solid Waste Fund
For the Fiscal Year Ending June 30, 2008
(Unaudited)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues and Other Sources:			
Charges for services	\$ 390,300	\$ 338,455	(51,845)
Intergovernmental			-
Interest earnings	30,000	31,205	1,205
Other sources (sale of fixed assets)	102,951	114,782	11,831
Total Revenues and Other Sources	<u>523,251</u>	<u>484,443</u>	<u>(38,808)</u>
Expenses and Other Uses:			
Personnel	244,615	230,525	14,091
Purchase of services	212,200	236,006	(23,806)
Supplies	5,200	4,080	1,120
Other charges and expenses	61,236	48,502	12,734
Transfers			-
Capital outlay		-	-
Debt service			-
Other uses			-
Total Expenses and Other Uses	<u>523,251</u>	<u>519,113</u>	<u>4,138</u>
Excess of revenues and other sources over expenses and other uses	<u>\$ -</u>	<u>\$ (34,670)</u>	<u>(34,670)</u>

TOWN OF AMHERST, MASSACHUSETTS
Statement of Revenues and Other Sources,
and Expenses and Other Uses
Budget and Actual -Transportation Fund
For the Fiscal Year Ending June 30, 2008
(Unaudited)

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues and Other Sources:			
Charges for services	\$ 897,453	\$ 871,424	(26,029)
Intergovernmental			-
Interest earnings	10,000	11,725	1,725
Other sources			-
Total Revenues and Other Sources	907,453	883,149	(24,304)
Expenses and Other Uses:			
Personnel	203,962	201,105	2,857
Purchase of services	58,857	59,739	(882)
Supplies	13,000	8,259	4,741
Other charges and expenses	443,811	437,321	6,490
Transfers	88,949	88,949	-
Capital outlay			-
Debt service	98,874	98,874	0
Other uses			-
Total Expenses and Other Uses	907,453	894,247	13,206
Excess of revenues and other sources over expenses and other uses	\$ -	\$ (11,098)	(11,098)

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25-Sep-2008

TOWN OF AMHERST, MASSACHUSETTS
FINANCIAL PROJECTIONS - GENERAL FUND
Projected Town Reserves (Free Cash + Stabilization Fund)

	FY 06 Actual	FY 07 Actual	FY 08 Actual	FY 09 Projected	FY 10 Projected	Assumptions
Total Revenues (Budgeted)	54,294,020	58,370,266	59,803,518	61,354,428	62,673,546	FY 10 State Aid : Ch70 +1.5%, Lottery 0%
IMPACT ON RESERVES:						
7/1/xx Certified Free Cash	1,240,133	2,216,935	3,154,033	3,528,863		7/1/08 estimated Free Cash = 5.7% of Total Revenues; \$ amount > 5% = \$461,142; \$ amount > \$3% = \$1,688,230
7/1/xx Stabilization Fund	1,729,647	801,720	863,153	894,542		Includes investment earnings thru 6/30/08
7/1/xx Free Cash + Stabilization	2,969,780	3,018,655	4,017,186	4,423,405	5,110,181	Feb 2006 revised FinCom guideline was to grow reserves to >=8% of operating revenue by FY 10. 8% = \$5,015,000
Reserves % General Fund Revenues	5.5%	5.2%	6.7%	7.2%	8.2%	
Current Year Operating Budget xfers	(705,443)	(216,087)	(593,530)	0	0	FY 08 = \$562,207 to HCTF + \$31,323 Regional Lockup
Balance Next FY Operating Budget	(1,000,000)	(237,893)	(425,000)	0	0	FY 09 Budget: \$400,000 operating + \$25,000 250th Celebration
Capital Plan	0	0	0	0	0	
Appropriation Turnbacks (1)	77,089	106,615	109,891	100,000	100,000	
Revenues in Excess of Budget (2)	421,479	669,074	879,121	300,000	300,000	
Other DOR Adjustments (3)	311,457	49,040	(10,679)	0	0	
Other DOR Adjustments - HCTF (3)	705,443	166,087	0	0	0	
HCTF Reimbursement (4)	238,850	461,695	446,416	286,776	0	FY 09: assumes 7 months HCTF for FY 07 IBNR shortfall
6/30/xx Free Cash + Stabilization	3,018,655	4,017,186	4,423,405	5,110,181	5,510,181	

(1) Unexpended appropriations that are not being carried forward (encumbered) into the next fiscal year.

(2) Revenues in excess of the amounts estimated in the budget.

(3) DOR Adjustments can include the net change in real estate/personal property tax receivables and other receivables and/or overdrawn accounts or deficits. EOY FY 06 and FY 07 restores \$705,443 and \$166,087 deducted 7/1/05 and 6/30/06, respectively, for Health Claims Trust Fund deficit.

(4) Reimbursements to the general fund from temporary rate surcharge to employers/employees from HCTF 6/30/05 and 6/30/06 deficits and 6/30/07 DOR-required reserve for IBNR claims.

3 COMPOSITE SCENARIOS

TOWN OF AMHERST, MASSACHUSETTS

FINANCIAL PROJECTIONS - GENERAL FUND LEVEL FUNDING WITH BASELINE REVENUE GROWTH

DRAFT For Discussion Purposes Only
11-Sep-2008
Updated Projections

REVENUES	FY 08 Budget	FY 09 Budget	\$ Chg	% Chg	FY 10 Projected	FY 11 Projected	FY 12 Projected	FY 13 Projected	FY 14 Projected
TAXES									
Base Levy	31,713,076	33,066,697	1,353,621	4.3%	34,363,364	35,822,449	37,318,010	38,850,960	40,422,234
2.5% Allowable Increase	792,827	826,667	33,841	4.3%	859,084	895,561	932,950	971,274	1,010,556
Estimated New Growth	560,794	470,000	(90,794)	-16.2%	600,000	600,000	600,000	600,000	600,000
General Override	0	0	0	#DIV/0!	0	0	0	0	0
Levy Limit	33,066,697	34,363,364	1,296,667	3.9%	35,822,449	37,318,010	38,850,960	40,422,234	42,002,790
Debt Exclusion	33,407,722	34,411,321	1,003,599	29.6%	400,837	352,486	305,688	259,373	213,522
Maximum Allowable Levy	33,407,722	34,804,685	1,397,683	4.2%	36,223,286	37,670,476	39,156,648	40,681,607	42,246,312
Excess Levy Capacity	(11,964)	0	11,964	-100.0%	0	0	0	0	0
Other Taxes	2,393,458	2,438,458	45,000	1.9%	2,438,458	2,499,419	2,561,905	2,625,953	2,691,601
Subtotal Taxes	35,788,616	37,243,143	1,454,527	4.1%	38,661,744	40,169,895	41,718,953	43,307,560	44,937,913
OTHER LOCAL REVENUES									
Charges for Services	771,091	777,492	6,401	0.8%	796,929	816,853	837,274	858,206	879,661
Departmental Revenue	930,009	981,356	51,347	5.5%	1,005,890	1,031,037	1,056,813	1,082,233	1,107,314
Rentals	56,254	56,254	0	0.0%	56,254	56,254	56,254	56,254	56,254
Licenses and Permits	784,035	791,535	7,500	1.0%	811,323	831,606	852,397	873,707	895,549
Special Assessments	626,545	653,187	26,642	4.3%	669,517	686,255	703,411	720,996	739,021
Fines and Forfeits	163,000	169,000	6,000	3.7%	173,225	177,556	181,995	186,544	191,208
Penalties and Interest	167,500	167,500	0	0.0%	171,688	175,980	180,379	184,889	189,511
Investment Income	350,000	350,000	0	0.0%	350,000	350,000	350,000	350,000	350,000
Miscellaneous	190,727	130,000	(60,727)	-31.8%	130,000	130,000	130,000	130,000	130,000
Subtotal Other Local Revenues	4,038,161	4,076,324	37,163	0.9%	4,184,826	4,255,540	4,348,522	4,443,828	4,541,518
STATE AID									
Charter 70	8,158,796	6,266,707	(1,892,089)	-23.2%	6,360,708	6,456,118	6,552,960	6,651,264	6,751,023
Lottery	9,816,456	9,816,456	0	0.0%	9,816,456	9,816,456	9,816,456	9,816,456	9,816,456
Additional Assistance	222,910	222,910	0	0.0%	222,910	222,910	222,910	222,910	222,910
State Aid - Other Cherry Sheet	625,493	685,359	59,866	9.6%	685,359	685,359	685,359	685,359	685,359
State Aid - Library & School Offsets	89,515	89,515	0	0.0%	89,101	89,101	89,101	89,101	89,101
State Aid - Other	0	7,848	7,848	#DIV/0!	0	5,580	0	8,000	0
Subtotal State Revenues	16,913,170	17,068,381	155,211	1.0%	17,174,534	17,275,524	17,366,766	17,473,080	17,564,849
OTHER FINANCING SOURCES									
Special Revenue Funds	1,619,811	1,863,818	264,207	16.3%	2,009,171	2,089,538	2,173,119	2,260,044	2,350,446
Jones Library, Inc.	811,537	637,762	(173,775)	-21.4%	663,272	689,803	717,396	746,091	775,935
Overlay Surplus	0	0	0	#DIV/0!	0	0	0	0	0
Free Cash	831,423	425,000	(406,423)	-48.9%	0	0	0	0	0
Stabilization Fund	0	0	0	#DIV/0!	0	0	0	0	0
Subtotal Other Financing	3,062,571	2,946,580	(115,991)	-3.8%	2,672,443	2,779,341	2,890,515	3,006,135	3,126,381
TOTAL REVENUES	59,803,518	61,354,428	1,550,911	2.6%	62,673,546	64,480,300	66,324,376	68,230,604	70,170,661
% Change from Prior year					2.1%	2.9%	2.9%	2.8%	2.8%
\$ Change from Prior year					1,319,118	1,806,754	1,844,075	1,906,228	1,940,057

Assumptions

- FY 09 - 08 avg \$600,000/year new growth
- High School debt. Adjusted FY 09+ per MSEA audit.
- FY 09: 10% property revaluation
- FY 10 no increase (LJI closed for renovations), then +2.5%/yr
- Motor Vehicle, Hotel/Motel Excise, AHA PLO's
- 2.5% Enterprise Fund reimbursements to Gen Fund
- 2.5% FY07: 1-line revenues in-line actuals, FY 07+ incl. Cherry Hill
- 0.0%
- 0.0%
- FY 07: Inspection fee increases, but permit activity decreased
- 2.5% PVTA assessment contributions from UMass's College Inc
- 2.5% FY 09: Court fines estimate closer to prior year actuals
- 2.5% Continued strong collections of delinquent taxes (tax file)
- 0.0%
- 0.0% FY 07+ Higher interest rates
- 0.0%
- 0.0% FY 09+ includes \$120,000/year from Amherst College
- 1.5% FY 09: 3rd year of 5 year phase in of "aggregate wealth" model
- 0.0%
- 0.0% State budget funding gap from actual to budgeted Cherry Revs
- 0.0%
- 0.0% No increases since 1990's
- 0.0%
- 0.0% PILOT, Police Career Incentive, etc.
- 0.0%
- 0.0% Revenue are offset by expenditures
- FY 07, 09, 11, & 13: state elections reimbursement
- Each 1% increase to Chap 70A Lottery = +\$100,000
- Ambulance Fund includes UMass Strategic Partnership Agmt
- 4.0% FY 08: Ambulance increase local match SAFER Grant
- 4.0%
- 4.0% Supports Jones Library budget, fundraising, direct exp. offset
- FY 08: Region 3% budget, HCIF deficit, & Reg'l Lookup Assmt

DRAFT For Discussion Purposes Only
11-Sep-2008
Updated Projections

TOWN OF AMHERST, MASSACHUSETTS
FINANCIAL PROJECTIONS - GENERAL FUND LEVEL FUNDING WITH BASELINE REVENUE GROWTH

	FY 08 Budget	FY 09 Budget	FY 10 Projected	FY 11 Projected	FY 12 Projected	FY 13 Projected	FY 14 Projected	% Chg
EXPENDITURES								
OPERATING BUDGETS								
Town	17,953,095	18,591,563	18,981,966	19,532,463	20,098,905	20,681,773	21,281,545	2.8%
Elementary Schools	19,488,715	20,689,430	21,723,908	21,736,507	22,366,860	23,015,469	23,662,948	2.8%
Annerst-Pelham Regl School Dist.	12,385,188	12,395,375	12,665,678	13,022,693	13,400,357	13,788,961	14,188,841	2.9%
Jones Library	2,097,199	2,128,147	2,172,838	2,235,850	2,300,690	2,367,410	2,436,065	2.8%
Subtotal Operating Budgets	51,892,197	53,804,515	54,934,410	56,527,507	58,166,806	59,853,643	61,589,399	2.8%
CAPITAL BUDGET (Tax Funded Only)								
Debt Service - Debt Exclusion	340,425	441,321	400,837	352,466	305,688	259,373	213,522	-17.7%
Debt Service - Current	1,007,717	820,136	793,297	759,588	691,604	663,402	663,402	0.0%
Debt Service - Projected	99,008	98,322	709,895	709,085	1,369,505	1,342,619	1,342,619	0.0%
Other Tax Funded Capital	1,249,378	1,572,888	1,093,956	1,245,883	755,566	924,591	1,041,356	12.8%
Subtotal Tax Funded Capital	2,696,528	2,932,665	2,997,965	3,058,022	3,122,363	3,709,965	3,260,999	2.2%
Tax Capital Less Debt Excl	2,356,103	2,491,344	2,597,128	2,705,556	2,816,695	2,930,612	3,047,377	4.0%
% Net Tax Levy	7.1%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
OTHER GOVT ASSESSMENTS								
State & PVPC Assessments	592,639	536,022	549,423	563,158	577,237	591,668	606,460	2.5%
Pioneer Valley Transit Authority	653,496	592,219	607,024	622,200	637,755	653,699	670,941	2.5%
Retirement - Hampshire County	2,920,979	2,917,009	3,042,440	3,173,265	3,309,716	3,452,034	3,600,471	4.3%
Subtotal Other Govt Assmnts.	4,167,114	4,045,250	4,198,887	4,358,624	4,524,708	4,697,400	4,876,972	3.8%
MISCELLANEOUS								
Annerst Comm. Television (ACTV)	0	0	0	0	0	0	0	0.0%
State Aid - Library & School Offsets	89,515	89,101	89,101	89,101	89,101	89,101	89,101	0.0%
Reserve for Abatements & Exemptio	342,873	347,898	362,233	376,705	391,566	406,816	422,463	3.8%
Reserve Fund	100,000	100,000	100,000	100,000	100,000	100,000	100,000	0.0%
Other Miscellaneous	574,833	35,000	10,000	10,000	10,000	10,000	10,000	0.0%
Subtotal Miscellaneous	1,107,221	571,999	561,334	573,806	590,667	605,917	621,564	2.8%
TOTAL EXPENDITURES	59,863,060	61,354,429	62,692,596	64,519,958	66,404,564	68,346,945	70,348,934	2.8%
SURPLUS / (SHORTFALL)	(59,542)	(0)	(19,050)	(39,659)	(80,188)	(116,341)	(178,173)	

All: Per July 2008 estimates FY 10-14 Level Services

Funded via debt exclusion. Offsetting prop tax revenue
Per JCPC 5-Year Capital Plan - Spring 2007
Fire station(s), DPW facility, Bangs Cr. schools

JCPC: phase in restoration to 10% of levy over 5 years
FY 10: if 7.25% vs 8%, reduce by -\$268,668

2.5% School choice/charter school assessments; other misc
2.5% Beginning FY 06: Portion budgeted in Transportation Fund
4.3% FY 09 per updated actualized funding schedule 1/1/07.

Expenditures are offset by revenues
Equals 1% of tax levy
FY 08: restore to \$100,000
0.0%, FY 09: \$582,207 free cash to HCTF to fund IBNR reserve

**TOWN OF AMHERST, MASSACHUSETTS
FINANCIAL PROJECTIONS - GENERAL FUND**

LEVEL SERVICES WITH BASELINE REVENUE GROWTH

REVENUES

TAXES

OTHER LOCAL REVENUES

STATE AID

OTHER FINANCING SOURCES

TOTAL REVENUES

	FY 08 Budget	FY 09 Budget	\$ Chg	% Chg	FY 10 Projected	% Chg	FY 11 Projected	% Chg	FY 12 Projected	% Chg	FY 13 Projected	% Chg	FY 14 Projected	% Chg
REVENUES														
TAXES														
Base Levy	31,713,076	33,066,697	1,353,621	4.3%	34,363,364		35,822,449		37,318,010		38,850,960		40,422,234	
2.5% Allowable Increase	792,827	828,667	33,841	4.3%	859,084		895,561		932,950		970,274		1,010,566	
Estimated New Growth	580,794	470,000	(90,794)	-16.2%	600,000		600,000		600,000		600,000		600,000	
General Override	0	0	0	#DIV/0!	0		0		0		0		0	
Levy Limit	33,066,697	34,363,364	1,296,667	3.9%	35,822,449		37,318,010		38,850,960		40,422,234		42,032,700	
Debt Exclusion	340,425	441,321	100,896	29.6%	600,837		362,456		305,688		259,373		213,522	
Maximum Allowable Levy	33,407,122	34,804,685	1,397,563	4.2%	36,223,286		37,670,476		39,156,648		40,681,607		42,246,312	
Excess Levy Capacity	(11,964)	0	11,964	-100.0%	0		0		0		0		0	
Other Taxes	2,393,458	2,438,458	45,000	1.9%	2,438,458		2,499,419		2,561,905		2,625,953		2,691,601	
Subtotal Taxes	35,788,616	37,243,143	1,454,527	4.1%	38,661,744	3.8%	40,169,895	3.9%	41,718,553	3.9%	43,307,560	3.8%	44,937,913	3.8%
OTHER LOCAL REVENUES														
Charges for Services	771,091	777,492	6,401	0.8%	796,929		816,853		837,274		858,206		879,661	
Departmental Revenue	630,009	981,356	51,347	5.5%	1,065,890		1,031,037		1,056,813		1,083,233		1,110,314	
Rentals	56,254	56,254	0	0.0%	56,254		56,254		56,254		56,254		56,254	
Licenses and Permits	784,035	791,535	7,500	1.0%	811,323		831,606		852,397		873,707		895,049	
Special Assessments	628,645	653,187	26,642	4.3%	669,577		686,255		703,411		720,996		739,021	
Fines and Forfeits	163,000	189,000	6,000	3.7%	173,225		177,556		181,995		186,544		191,208	
Penalties and Interest	167,500	187,500	6,000	3.7%	171,688		175,960		180,379		184,889		189,511	
Investment Income	350,000	350,000	0	0.0%	350,000		350,000		350,000		350,000		350,000	
Miscellaneous	190,727	130,000	(60,727)	-31.8%	130,000		130,000		130,000		130,000		130,000	
Subtotal Other Local Revenues	4,039,161	4,076,324	37,163	0.9%	4,164,826	4.2%	4,255,540	4.2%	4,348,522	4.2%	4,443,829	4.2%	4,541,518	4.2%
STATE AID														
Chapter 70	6,158,796	6,266,707	107,911	1.8%	6,360,708		6,456,118		6,552,960		6,651,254		6,751,023	
Lottery	9,816,456	9,816,456	0	0.0%	9,816,456		9,816,456		9,816,456		9,816,456		9,816,456	
Additional Assistance	222,910	222,910	0	0.0%	222,910		222,910		222,910		222,910		222,910	
State Aid - Other Cherry Street	625,493	685,359	59,866	9.6%	685,359		685,359		685,359		685,359		685,359	
State Aid - Library & School Offsets	89,515	89,515	0	0.0%	89,101		89,101		89,101		89,101		89,101	
State Aid - Other	0	7,848	(414)	-5.5%	0		5,580		0		6,000		0	
Subtotal State Revenues	16,913,170	17,088,381	175,211	1.0%	17,174,534	0.5%	17,275,524	0.6%	17,366,786	0.5%	17,473,980	0.6%	17,564,849	0.5%
OTHER FINANCING SOURCES														
Special Revenue Funds	1,619,811	1,883,818	264,207	16.3%	2,009,171		2,089,538		2,173,119		2,260,044		2,350,446	
Jones Library, Inc.	611,537	637,762	26,225	4.3%	663,272		689,803		717,396		746,091		775,935	
Overlay Surplus	0	0	0	#DIV/0!	0		0		0		0		0	
Free Cash	831,423	425,000	(406,423)	-48.9%	0		0		0		0		0	
Stabilization Fund	0	0	0	#DIV/0!	0		0		0		0		0	
Subtotal Other Financing	3,062,571	2,946,580	(115,991)	-3.8%	2,672,443	-9.3%	2,779,341	4.0%	2,890,515	4.0%	3,006,135	4.0%	3,126,381	4.0%
TOTAL REVENUES	59,803,518	61,354,428	1,550,911	2.6%	62,673,546	2.1%	64,480,300	2.9%	66,324,376	2.9%	68,230,604	2.9%	70,170,661	2.9%
% Change from Prior year														
\$ Change from Prior year														

Assumptions

FY 09 - 08 avg \$600,000/year new growth

High School debt. Adjusted FY 09: per MSSA audit.

FY 09: Inflationary property revaluation

2.5% FY 10 no increase (LJ closed for renovations), then +2.5%/yr.

Motor Vehicle, Hotel/Motel Excise, AHA, PILOTs

2.5% Enterprise Fund reimbursements to Gen Fund

2.5% FY07: 1-time revenues initials actual, FY 07+ incl. Cherry Hill

0.0%

2.5% FY 07: Inspection fee increases, but permit activity decreased

2.5% FY 08: FYTA assessment contributions from UMass6 College Inc

2.5% FY 08: Court fine estimates closer to prior year actuals

2.5% Continued strong collections of delinquent taxes (tax lile)

0.0% FY 07: Higher interest rates

0.0% FY 09+ includes \$120,000/year from Amherst College

1.5% FY 09: 3rd year of 5 year phase in of aggregate wealth model

0.0% State budget funding loss from actual to budgeted lottery revs

0.0% No increases since 1008's

0.0% PILOT, Police Career Incentive, etc.

0.0% Revenues are offset by expenditures

FY 07, 09, 11, & 13: state elections reimbursement

Each 1% increase to Chap 70/Lottery = \$160,000

Ambulance Fund includes Unisys Strategic Partnership Agmt

4.0% FY 08: Ambulance increase local match SAFER Grant

4.0% Supports Jones Library budget; fundraising, direct exp. offset

FY 08: Region 3% budget, HCTF deficit, & Reg/Lockup Assmt

FY 10 Projected

FY 11 Projected

FY 12 Projected

FY 13 Projected

FY 14 Projected

% Chg

% Chg

% Chg

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	FY 08 Budget	FY 09 Budget	FY 10 Projected	FY 11 Projected	FY 12 Projected	FY 13 Projected	FY 14 Projected	% Chg	% Chg	% Chg	% Chg	% Chg	% Chg	Assumptions
EXPENDITURES														
OPERATING BUDGETS														
Town	17,953,095	18,591,583	19,557,722	20,526,971	21,583,567	22,632,455	23,708,498	5.2%	5.0%	5.1%	4.9%	4.8%	4.8%	All FY 2008 estimates FY 10-14 Level Services
Elementary Schools	19,486,715	20,689,430	21,884,589	22,911,381	24,213,280	25,523,723	26,914,508	5.6%	4.7%	5.7%	6.4%	5.4%	5.4%	
Amherst-Pelham Reg'l School Dist.	12,385,188	12,395,375	13,845,040	14,834,086	15,881,601	17,149,980	18,370,529	11.7%	7.1%	7.7%	7.3%	7.1%	7.1%	
Jones Library	2,097,189	2,128,147	2,222,637	2,315,335	2,402,292	2,497,709	2,595,958	4.4%	4.2%	3.8%	4.0%	3.9%	3.9%	
Subtotal Operating Budgets	51,892,197	53,804,515	57,509,988	60,587,783	64,186,740	67,803,867	71,589,493	6.9%	5.4%	5.9%	5.6%	5.6%	5.6%	
CAPITAL BUDGET (Tax Funded Only)														
Debt Service - Debt Exclusion	340,425	441,321	400,837	352,466	305,688	259,373	213,522	-9.2%	-12.1%	-13.3%	-15.2%	-17.7%	-17.7%	Funded via debt exclusion. Offsetting prop tax revenue
Debt Service - Current	1,007,717	820,138	793,287	759,588	691,604	663,402	663,402	-3.3%	-4.2%	-6.0%	-4.1%	0.0%	0.0%	Per JCPC 5-Year Capital Plan - Spring 2007
Debt Service - Projected	98,008	98,322	709,885	700,085	1,369,505	1,342,619	1,342,619	822.0%	-1.4%	86.6%	-2.0%	0.0%	0.0%	Fire station(s), DPW facility, Blaine Ctr, schools
Other Tax Funded Capital	1,249,378	1,372,886	1,163,512	1,432,473	1,046,968	1,328,813	1,586,766	-24.0%	21.0%	-20.9%	26.8%	17.9%	17.9%	
Subtotal Tax Funded Capital	2,696,528	2,932,665	3,067,521	3,244,612	3,413,765	3,594,207	3,786,309	5.3%	5.1%	6.2%	5.3%	5.3%	5.3%	JCPC: phase in restoration to 10% of levy over 5 years FY 10: 8.7.25% vs 6%, reduce by -\$268,688
Tax Capital Less Debt Excl	2,356,103	2,491,344	2,666,684	2,892,146	3,108,077	3,334,834	3,572,787	7.8%	7.8%	7.5%	7.3%	7.4%	7.4%	
% Net Tax Levy	7.1%	7.25%	7.50%	7.75%	8.00%	8.25%	8.50%							
OTHER GOVT ASSESSMENTS														
State & PVPC Assessments	592,839	536,022	549,423	563,158	577,237	591,668	606,460	2.5%	2.5%	2.9%	2.5%	2.5%	2.5%	School choice/charter school assessments; other misc
Pioneer Valley Transit Authority	653,496	592,219	607,024	622,200	637,765	653,699	670,041	2.5%	2.5%	2.9%	2.5%	2.5%	2.5%	Beginning FY 08: Portion budgeted in Transportation Fund
Retirement - Hampshire County	2,820,979	2,917,009	3,042,440	3,173,265	3,303,716	3,452,034	3,600,471	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	FY 08 per updated actuarial funding schedule-7/1/07.
Subtotal Other Govt Assmts.	4,167,314	4,045,250	4,198,887	4,358,624	4,524,708	4,697,400	4,876,972	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	
MISCELLANEOUS														
Amherst Comm. Television (ACTV)	0	0	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Expenditures are offset by revenues
State Aid - Library & School Offsets	89,515	89,101	89,101	89,101	89,101	89,101	89,101	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Equals 1% of tax levy
Reserve for Abatements & Exempt Reserve Fund	342,873	347,898	362,233	376,705	391,566	406,816	422,463	4.1%	4.0%	3.9%	3.9%	3.8%	3.8%	FY 08: restore to \$100,000
Other Miscellaneous	574,833	35,000	10,000	10,000	10,000	10,000	10,000	-91.4%	0.0%	0.0%	0.0%	0.0%	0.0%	FY 08: \$582,207 free cash to HCTF to fund IBNR reserve
Subtotal Miscellaneous	1,107,221	571,999	561,334	575,805	590,667	605,917	621,564	-1.9%	2.8%	2.8%	2.6%	2.6%	2.6%	
TOTAL EXPENDITURES	59,863,060	61,354,429	65,357,730	68,766,824	72,715,880	76,701,392	80,874,338	6.6%	5.2%	5.7%	5.5%	5.4%	5.4%	
SURPLUS / (SHORTFALL)	(59,542)	(0)	(2,684,184)	(4,286,824)	(6,391,509)	(8,478,788)	(10,703,677)							

TOWN OF AMHERST, MASSACHUSETTS
FINANCIAL PROJECTIONS - GENERAL FUND PRIORITY RESTORATIONS & ADDITIONS WITH BASELINE REVENUE GROWTH

	FY 08 Budget	FY 09 Budget	FY 10 Projected	FY 11 Projected	FY 12 Projected	FY 13 Projected	FY 14 Projected	% Chg	% Chg	% Chg	% Chg	% Chg
REVENUES												
Base Levy	31,713,076	33,066,697	34,363,364	35,622,449	37,318,010	38,850,960	40,422,234	4.3%	4.3%	4.3%	4.3%	4.3%
2.5% Allowable Increase	792,827	826,667	859,084	895,561	932,950	971,274	1,010,556	4.3%	4.3%	4.3%	4.3%	4.3%
Estimated New Growth	580,794	470,000	(90,784)	(90,784)	600,000	600,000	600,000	-16.2%	-16.2%	0.0%	0.0%	0.0%
General Override	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Levy Limit	33,086,637	34,363,364	35,822,449	37,318,010	38,660,960	40,422,234	42,032,790	3.9%	3.9%	3.9%	3.9%	3.9%
Maximum Allowable Levy	34,425	441,321	1,296,667	352,466	305,688	259,373	213,622	29.8%	29.8%	29.8%	29.8%	29.8%
Excess Levy Capacity	(11,964)	34,804,665	1,397,563	37,670,476	39,156,648	40,681,607	42,246,312	100.0%	100.0%	100.0%	100.0%	100.0%
Other Taxes	2,393,458	2,438,458	2,438,458	2,499,419	2,561,905	2,625,953	2,691,601	1.9%	1.9%	1.9%	1.9%	1.9%
Subtotal Taxes	35,768,616	37,243,143	38,661,744	40,169,895	41,718,553	43,307,960	44,937,913	4.1%	4.1%	4.1%	4.1%	4.1%
OTHER LOCAL REVENUES												
Charges for Services	771,091	777,492	796,929	816,853	837,274	858,206	879,661	0.8%	0.8%	0.8%	0.8%	0.8%
Departmental Revenue	930,009	981,356	1,005,890	1,031,037	1,056,813	1,083,233	1,110,314	5.5%	5.5%	5.5%	5.5%	5.5%
Rentals	56,254	56,254	56,254	56,254	56,254	56,254	56,254	0.0%	0.0%	0.0%	0.0%	0.0%
Licenses and Permits	784,035	791,535	791,535	831,606	862,397	873,707	895,549	4.8%	4.8%	4.8%	4.8%	4.8%
Special Assessments	626,545	653,187	653,187	686,255	703,411	720,996	739,021	3.7%	3.7%	3.7%	3.7%	3.7%
Fines and Forfeits	163,000	169,000	173,225	177,566	181,995	186,544	191,208	3.7%	3.7%	3.7%	3.7%	3.7%
Penalties and Interest	167,500	167,500	171,698	175,980	180,379	184,889	189,511	0.0%	0.0%	0.0%	0.0%	0.0%
Investment Income	350,000	350,000	350,000	350,000	350,000	350,000	350,000	0.0%	0.0%	0.0%	0.0%	0.0%
Miscellaneous	190,727	130,000	130,000	130,000	130,000	130,000	130,000	-28.8%	-28.8%	-28.8%	-28.8%	-28.8%
Subtotal Other Local Revenues	4,039,161	4,076,324	4,164,826	4,255,524	4,348,522	4,443,829	4,541,518	0.9%	0.9%	0.9%	0.9%	0.9%
STATE AID												
Chapter 70	6,188,796	6,266,707	6,360,708	6,456,118	6,552,960	6,651,254	6,751,023	1.8%	1.8%	1.8%	1.8%	1.8%
Lottery	9,816,456	9,816,456	9,816,456	9,816,456	9,816,456	9,816,456	9,816,456	0.0%	0.0%	0.0%	0.0%	0.0%
Additional Assistance	222,910	222,910	222,910	222,910	222,910	222,910	222,910	0.0%	0.0%	0.0%	0.0%	0.0%
State Aid - Other Cherry Sheet	625,493	59,866	685,359	685,359	685,359	685,359	685,359	9.6%	9.6%	9.6%	9.6%	9.6%
State Aid - Library & School Offsets	89,515	89,101	89,101	89,101	89,101	89,101	89,101	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
State Aid - Other	0	7,848	7,848	5,580	89,101	89,101	89,101	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Subtotal State Revenues	15,913,170	17,068,381	17,174,534	17,275,524	17,366,766	17,473,080	17,564,849	1.0%	1.0%	1.0%	1.0%	1.0%
OTHER FINANCING SOURCES												
Special Revenue Funds	1,619,611	1,883,818	2,009,171	2,089,538	2,173,119	2,260,044	2,350,446	16.3%	16.3%	16.3%	16.3%	16.3%
Jones Library, Inc.	611,537	637,762	663,272	689,803	717,396	746,091	775,935	4.3%	4.3%	4.3%	4.3%	4.3%
Overlay Surplus	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Free Cash	831,423	425,000	(406,423)	0	0	0	0	-48.9%	-48.9%	0.0%	0.0%	0.0%
Stabilization Fund	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Subtotal Other Financing	3,062,571	2,946,580	2,672,443	2,779,341	2,890,515	3,006,135	3,126,381	-3.8%	-3.8%	-3.8%	-3.8%	-3.8%
TOTAL REVENUES	59,803,518	61,354,428	62,873,546	64,480,300	66,324,376	68,230,604	70,170,661	2.6%	2.6%	2.6%	2.6%	2.6%
% Change from Prior Year			2.1%	2.9%	2.9%	2.9%	2.8%					
\$ Change from Prior Year			1,319,118	1,806,754	1,844,075	1,906,228	1,940,057					

FY 08 - 08 avg \$600,000/year new growth
High School debt. Adjusted FY 09+ per MSBA audit.
FY 08: Rental property revaluation
FY 10 no increase (LJ closed for renovations), then 1.9%/yr.
Motor Vehicle, Hotel/Motel Excise, AHA PILOTs
2.5% Enterprise Fund reimbursements to Gen Fund
FY07: Feline revenues finite actual; FY 07+ incl. Cherry Hill
0.0%
2.5% FY 07: Inspection fee increases, but permit activity decreased
2.5% FY08 assessment contributions from UMass/5 College Inc
2.5% FY 09: Court fines estimate closer to prior year actuals
2.5% Confirmed strong collections of delinquent taxes (tax file)
0.0% FY 07: Higher interest rates
0.0% FY 09+ includes \$120,000/year from Amherst College
1.5% FY 08: 3rd year of 5 year phase in of "upgrade-waiver" model
0.0% State budget funding gap from actual to budgeted lottery revs
0.0% No increases since 10/03
0.0% PILOT, Police Career Incentive, etc.
0.0% Revenues are offset by expenditures
FY 07, 09, 11, & 13: state elections reimbursement
Each 1% increase to Chap 70A Lottery = +\$180,000
Ambulance Fund includes UMass Strategic Partnership Agmt
4.0% FY 08: Ambulance increase local match SAFER Grant
4.0% Supports Jones Library budget, fundraising, travel exp, offset
FY 08: Region 3% budget, HCTF deficit, & Rpt/Lockup Assmt

TOWN OF AMHERST, MASSACHUSETTS
 FINANCIAL PROJECTIONS - GENERAL FUND PRIORITY RESTORATIONS & ADDITIONS WITH BASELINE REVENUE GROWTH

DRAFT For Discussion Purposes Only
 11-Sep-2008
 Updated Projections

EXPENDITURES OPERATING BUDGETS	FY 08 Budget		FY 09 Budget		FY 10 Projected		FY 11 Projected		FY 12 Projected		FY 13 Projected		FY 14 Projected		% Chg
	Budget	% Chg	Budget	% Chg	Projected	% Chg	Projected	% Chg	Projected	% Chg	Projected	% Chg	Projected	% Chg	
Town	17,953,095	3.6%	18,591,563	13.4%	22,137,579	5.0%	23,274,705	5.1%	24,409,151	4.0%	25,572,978	4.8%	25,572,978	4.8%	
Elementary Schools	19,456,715	6.3%	20,689,430	10.9%	24,003,893	4.7%	25,366,417	5.7%	26,729,216	5.4%	28,179,226	5.4%	28,179,226	5.4%	
Amherst-Pelham Reg'l School Dist.	12,385,188	0.1%	12,395,375	19.1%	15,700,999	7.0%	16,895,799	7.6%	18,214,868	7.2%	19,488,683	7.0%	19,488,683	7.0%	
Jones Library	2,097,199	1.5%	2,128,147	4.4%	2,314,672	4.2%	2,417,059	4.4%	2,529,002	4.6%	2,656,353	5.0%	2,656,353	5.0%	
Subtotal Operating Budgets	51,892,197	3.7%	53,804,515	13.4%	64,296,143	5.3%	68,054,579	5.8%	71,880,257	5.6%	75,897,240	5.6%	75,897,240	5.6%	
CAPITAL BUDGET (Tax Funded Only)	340,425	29.6%	441,321	-9.2%	352,466	-12.1%	305,688	-13.3%	259,373	-15.2%	213,622	-17.7%	213,622	-17.7%	
Debt Service - Debt Exclusion	1,007,717	-18.6%	820,136	-3.9%	759,689	-4.2%	691,604	-9.0%	663,402	-4.1%	653,402	0.0%	653,402	0.0%	
Debt Service - Current	99,008	-0.7%	98,322	622.0%	700,085	-1.4%	1,369,505	98.0%	1,342,619	-2.0%	1,342,619	0.0%	1,342,619	0.0%	
Other Tax Funded Capital	1,248,578	25.9%	1,572,866	-13.4%	1,712,358	25.7%	1,435,477	-15.2%	1,834,091	27.8%	2,197,299	19.8%	2,197,299	19.8%	
Subtotal Tax Funded Capital	2,696,528	8.8%	2,932,665	11.4%	3,524,497	7.9%	3,892,214	7.9%	4,099,485	7.8%	4,416,807	7.7%	4,416,807	7.7%	
Tax Capital Less Debt Excl	2,356,103	5.7%	2,491,344	15.0%	3,172,031	10.7%	3,496,566	10.2%	3,840,112	9.8%	4,203,279	9.8%	4,203,279	9.8%	
% Net Tax Levy	7.1%	7.25%			8.5%		9.0%		9.5%		10.0%		10.0%		
OTHER GOVT ASSESSMENTS	592,639	-8.6%	586,022	2.5%	563,158	2.8%	577,237	2.9%	591,668	2.9%	606,460	2.5%	606,460	2.5%	
Slate & PVPIC Assessments	653,496	-9.4%	592,219	2.5%	622,200	2.6%	637,755	2.6%	653,699	2.8%	670,041	2.6%	670,041	2.6%	
Pioneer Valley Transit Authority	2,920,979	-0.1%	2,917,009	4.3%	3,173,265	4.3%	3,309,716	4.3%	3,452,034	4.3%	3,600,471	4.3%	3,600,471	4.3%	
Retirement - Hampshire County	4,167,114	-2.9%	4,045,290	3.8%	4,358,624	3.8%	4,524,708	3.8%	4,697,400	3.8%	4,876,972	3.8%	4,876,972	3.8%	
MISCELLANEOUS	0	#DIV/0!	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	
Amherst Comm. Television (ACTV)	89,515	-0.5%	89,101	6.0%	89,101	0.0%	89,101	0.0%	89,101	0.0%	89,101	0.0%	89,101	0.0%	
State Aid - Library & School Offsets	342,873	1.5%	347,898	4.1%	376,705	4.0%	391,566	3.9%	406,816	3.9%	422,463	3.8%	422,463	3.8%	
Reserve for Abatements & Exempt	100,000	0.0%	100,000	0.0%	100,000	0.0%	100,000	0.0%	100,000	0.0%	100,000	0.0%	100,000	0.0%	
Reserve Fund	574,833	-93.9%	35,000	(539,833)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	0.0%	
Other Miscellaneous	1,107,221	-48.3%	571,999	(535,222)	575,806	2.6%	590,667	2.6%	605,917	2.6%	621,564	2.6%	621,564	2.6%	
Subtotal Miscellaneous	1,107,221	-48.3%	571,999	-1.9%	575,806	2.6%	590,667	2.6%	605,917	2.6%	621,564	2.6%	621,564	2.6%	
TOTAL EXPENDITURES	59,863,060	2.5%	61,354,429	12.5%	72,715,969	5.3%	76,972,229	6.9%	81,263,060	5.6%	85,812,577	5.8%	85,812,577	5.8%	
SURPLUS / (SHORTFALL)	(69,542)	(0)	(8,234,769)	(8,234,769)	(10,647,853)	(10,647,853)	(13,052,456)	(13,052,456)	(15,641,916)	(15,641,916)					

Assumptions
 All Per July 2008 estimates FY 10-14 Level Services
 Funded via debt exclusion. Offsetting prop tax revenue
 Per JCPC 5-Year Capital Plan - Spring 2007
 Fee station(s), DPW facility, Bangs Ch. schools
 JCPC: phase in restoration to 10% of levy over 5 years
 FY 10: # 7.25% vs 8%, reduce by -\$268,668
 2.5% School ches/bkater school assessments; other misc
 2.5% Beginning FY 08: Portion budgeted in Transportation Fund
 4.3% FY 09 per updated actuarial funding schedule 1/107.
 Expenditures are offset by revenues
 Equals 1% of tax levy
 0.0%, FY 08: restore to \$100,000
 0.0%, FY 08: \$562,207 free cash to HCITF to fund IBNR reserve