

DEBT SERVICE

7701: DEBT & INTEREST

	FY 11 Actual	FY 12 Actual	FY 13 Actual	FY 14 Budget	FY 15 Manager	Change FY 14 - 15	Percent Change
Principal	1,031,274	1,412,210	1,432,240	1,587,253	1,863,595	276,342	17.4%
Interest	265,536	442,392	359,215	374,638	393,763	19,125	5.1%
Deferred Payments	56,514	0		0	0	0	0.0%
TOTAL APPROPRIATION	1,353,324	1,854,602	1,791,455	1,961,891	2,257,358	295,467	15.1%
SOURCES OF FUNDS							
Taxation	1,286,913	1,678,751	1,623,122	1,797,804	2,074,621	276,817	15.4%
CPAC Funds	66,411	175,851	168,333	164,087	182,737	18,650	11.4%

MAJOR COMPONENTS:

	<u>Principal</u>	<u>Interest</u>	<u>TOTAL</u>
Town Hall Refunding	\$155,000	\$12,200	\$167,200
Regional High School Debt*	98,557	72,923	171,480
Regional High School Roof	94,263	1,885	96,148
ARMS Re-pointing & Windows	114,765	45,906	160,671
Crocker Farm Renovation	210,000	25,500	235,500
South Amherst School Renovation & Roof	20,000	3,900	23,900
Portable Class Rooms	30,000	4,050	34,050
Plum Brook Athletic Fields	48,000	720	48,720
Bangs Community Center Roof/HVAC	31,500	7,774	39,274
Town Hall Exterior – GF	28,000	4,550	32,550
Town Hall Exterior – CPA	22,500	3,656	26,156
Hawthorne Property Acquisition - CPA	50,000	9,625	59,625
Road Improvements, 2011	450,000	86,625	536,625
Joint Project, Affordable Housing Renovations - CPA	35,000	7,700	42,700
Police Communication Equipment	25,000	2,500	27,500
Central Fire Station Renovations	18,400	4,416	22,816
DPW Large Truck	30,000	3,000	33,000
Trees, part I	61,200	6,120	67,320
Roads, 2013	100,000	24,000	124,000
Trees, part II	61,200	7,650	68,850
3 DPW Trucks	85,000	8,500	93,500
Pumper Truck	40,000	14,000	54,000
Wildwood Boiler Repair	38,210	11,463	49,673
South East St Land Acquisition – CPA	6,000	1,800	7,800
Anne Whalen Housing Renovations – CPA	11,000	3,300	14,300
Interest on Temporary Debt		20,000	20,000
TOTAL	\$1,863,595	\$393,763	\$2,257,358

* Debt funded through Proposition 2 ½ overrides

SIGNIFICANT BUDGET CHANGES:

Debt service includes the first year of permanent debt service for the second half of tree installations, three new DPW trucks, a Fire pumper truck, the Wildwood boiler, the South East Street land acquisition, and a joint project with the Housing Authority to make safety improvements to apartments in the Ann Whalen building. The bond issue for this slate of projects is planned for March 2014. FY 15 is also the first year of debt service for the Middle School windows and re-pointing project. The debt for sidewalk and Town center improvements was retired in FY 14. The debt for Plum Brook Athletic Fields will be retired in FY 15.

DEBT SERVICE**7701: DEBT & INTEREST**

SERVICE LEVELS:	FY 09 <u>Actual</u>	FY 10 <u>Actual</u>	FY 11 <u>Actual</u>	FY 12 <u>Actual</u>	FY 13 <u>Actual</u>
Number of New Issues:					
School Debt	4	4	0	2	1
Town Debt	4	4	2	1	5
Library Debt	1	1	0	0	0

GENERAL FUND**OTHER EXPENDITURES**

MISSION: Reserve Fund To provided funding and/or services for purposes which have not been recognized as being a routine part of Town operations and, therefore, have not been incorporated in the operating budget.

OPEB To provide funding for Other Post Employment Benefits, i.e., health insurance and other non-pension benefits for future retirees.

LONG RANGE OBJECTIVES:

- To maintain a reserve fund to provide for unforeseen expenditures.
- To set aside adequate funding to cover long-term OPEB liabilities.

FY 15 OBJECTIVES:

- To provide a conservative, but adequate appropriation to the Finance Committee's Reserve Fund for extraordinary and/or unforeseen expenditures that may occur during the year.
- To begin regular annual funding of the OPEB liability.

SERVICE LEVELS:

	<u>FY 09 Actual</u>	<u>FY 10 Actual</u>	<u>FY 11 Actual</u>	<u>FY 12 Actual</u>	<u>FY 13 Actual</u>
Reserve Fund Transfers	1	1	1	1	1

GENERAL FUND**OTHER EXPENDITURES**

		FY 11 Actual	FY 12 Actual	FY 13 Actual	FY 14 Budget	FY 15 Manager	Change FY 14 - 15	Percent Change
Reserve Fund	\$	15,000	37,420	3,185	100,000	100,000	0	0.0%
OPEB						100,000	100,000	--
TOTAL APPROPRIATION	\$	15,000	37,420	3,185	100,000	200,000	100,000	100.0%
SOURCES OF FUNDS								
Taxation	\$	15,000	37,420	3,185	100,000	200,000	100,000	100.0%

MAJOR COMPONENTS:

See above.

SIGNIFICANT BUDGET CHANGES:

FY 15 will be the first year of funding OPEB in the operating budget. This is part of a long-term policy to adequately fund this liability.

GENERAL FUND

OTHER ASSESSMENTS

MISSION: To pay for charges assessed by other governmental entities.

LONG RANGE OBJECTIVES:

FY 15 OBJECTIVES:

- To participate in management of transportation services and retirement benefits through membership on the governing boards of the Pioneer Valley Transit Authority and the Hampshire County Retirement Board.
- To evaluate the efficiency and effectiveness of services provided to the Town by other agencies.

SERVICE LEVELS:

	<u>FY 09 Actual</u>	<u>FY 10 Actual</u>	<u>FY 11 Actual</u>	<u>FY 12 Actual</u>	<u>FY 13 Actual</u>
Number of Programs:					
State	7	7	7	7	7
County	1	1	1	1	1
Pioneer Valley Planning Commission	1	1	1	1	1
Hampshire County Retirement System	1	1	1	1	1

SIGNIFICANT BUDGET CHANGES:

Hampshire County Retirement Assessment increases by 7.1%, or \$278,582, to total of \$4,204,149 allocated to the General Fund for Town, Library, and non-teacher School employees. In addition, the Enterprise Funds are allocated their share of the total assessment of \$4,696,388 in their respective budgets. We will achieve a savings of approximately \$88,989 (about 2%) by again paying 100% of the assessment by July 1 instead of two 50% payments on July 1 and January 1. This assessment also includes an annual payment of \$233,994 to fund the liability created by the Early Retirement Incentive program adopted by the Town in 2002 and 2003. The pension funding schedule is based upon an updated January 1, 2012 actuarial study.

The PVTA assessment estimate increased from previous FY 14, where the assessment had been lower due to a one time reduction from PVTA. The FY 15 figure is in line with previous assessments. UMass and the Five Colleges Inc. pay \$728,688 of this assessment. The remaining \$94,695, the Town share of the estimated PVTA assessment, is funded within the Transportation Fund.

State assessments assume a 2.5% increase in RMV non-renewal charges Charter School Sending Tuition assessment. Based on data from the School Department, the School Choice sending tuition is projected to increase by 11.3%.

**** NOTE:** Per DOR accounting requirements, this budget depicts gross cherry sheet assessments. Miscellaneous Receipts now include reimbursements to the Town from the Elementary Schools (school choice/charter school tuition) and Transportation Enterprise Fund (RMV non-renewal surcharge and Town share of PVTA assessment) to reimburse the Town for cherry sheet assessments.

GENERAL FUND

OTHER ASSESSMENTS

		FY 11 Actual	FY 12 Actual	FY 13 Actual	FY 14 Budget	FY 15 Manager	Change FY 14 - 15	Percent Change
State Assessments:	\$							
Retired Teacher Health Insurance	\$	1,008,999	663,018	0	0	0	0	0.0%
Air Pollution Districts	\$	7,347	7,717	8,193	8,383	8,593	210	2.5%
RMV Non-Renewal Surcharge	\$	64,480	66,800	60,560	60,560	62,074	1,514	2.5%
Regional Transit (PVTA)	\$	868,120	854,981	845,287	710,738	823,383	112,645	15.8%
Special Education	\$	0	3,994	724	739	705	(34)	0.0%
School Choice Sending Tuition	\$	174,881	166,698	157,217	158,273	176,082	17,809	11.3%
Charter School Sending Tuition	\$	593,883	764,363	879,835	1,017,482	1,042,919	25,437	2.5%
County Regional Lockup Assessment	\$	31,323	31,323	31,323	31,323	31,323	0	0.0%
PVPC	\$	5,231	5,673	5,673	5,673	5,673	0	0.0%
Retirement Assessment	\$	3,156,174	3,250,310	3,442,941	3,925,567	4,204,149	278,582	7.1%
TOTAL APPROPRIATION	\$	5,910,438	5,814,877	5,431,753	5,918,738	6,354,901	436,163	7.4%
SOURCES OF FUNDS								
Reimbursement of Cherry								
Sheet Assessments	\$	1,648,937	1,556,661	929,001	1,023,341	992,535	(30,806)	-3.0%
Taxation	\$	3,565,515	3,586,405	3,854,212	4,312,271	4,633,678	321,407	7.5%
UMass/Five Colleges	\$	695,986	671,811	648,540	583,126	728,688	145,562	25.0%

MAJOR COMPONENTS:

State Assessments include fees payable to the Registry of Motor Vehicles that the Town collected for the Registry, the assessment due as a member of the Air Pollution Control District, and costs for retired teacher's health insurance.

County assessments include an assessment instituted in FY 08 for operations the Regional Lockup Facility by the Hampshire County Sheriff.

Estimated school choice and charter school sending tuition assessment increases are budgeted here.

Pioneer Valley Planning Commission (PVPC) provides regional planning services in the Pioneer Valley. The amount budgeted is the assessment to the Town for membership.

The Retirement Assessment covers General Fund municipal and library employees as well as non-teaching school employees.