

Town of



Amherst Massachusetts

OFFICE OF THE COMPTROLLER

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May 5, 2020

TO: Paul Bockelman, Town Manager

FROM: Sonia Aldrich, Comptroller/Interim Finance Director
Holly Bowser, Asst. Comptroller

SUBJECT: FY 20 Municipal Budget/Actual Reports for Quarter Ending March 31, 2020

I am pleased to present the third quarter budget report for FY20

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% through the fiscal year. Overall, actual revenues and expenditures versus budget are in good shape through the third quarter. **We will need to pay special attention to the fourth quarter, as our revenues and expenditures during this last 3 months will be significantly affected by the COVID-19 pandemic.** Key items are highlighted below, COVID-19 affected revenues are indicated by **bold type**.

1. GENERAL FUND

Revenues: Through March 31, 2020, the Town has collected 78% of budgeted revenues.

- **Investment Income:** at 118% is timing of when investments are realized. **We should be fine for the remainder of this year as funds are currently invested.**
- **Cherry Hill Golf Course:** Revenues were up 30% from last year at this time, however, they continue to be lower, as golf participation rates continue to decline at both the regional and national level. **The course is closed but the Governor is expected to announce the option to reopen in the near future.**
- **Medicaid Reimbursements:** these typically come in twice a year, the larger amount usually in June. **Calculated in arrears and should be collected.**
- **Misc. Non-Recurring:** This includes Amherst College and UMass funds to support the operating budget, usually received in third or fourth quarter. It also includes the payment in lieu of Hotel/Motel taxes included in the Strategic Partnership Agreement with UMass. We have received \$141,036 to date. **The payment in lieu of H/M taxes will be affected through June 2020 and perhaps longer.**
- **Other Departmental:** This category is where most of the Town's non-recurring revenue is recorded, it is not budgeted. This is the first year that Medicare D reimbursements are not included. We will no longer be receiving these funds as we are no longer self-insured.
- **Hotel/Motel, Meals and Cannabis Taxes:** \$740,698 collected reflects the third quarter distribution of local option hotel/motel, meals and now cannabis excise taxes (period of December – February 2020). The Hotel/Motel Tax collected to date is \$194,373, Meals Tax is \$385,119 and Cannabis \$161,205. **The H/M taxes have and will continue to be affected through June 2020 and perhaps longer. We have not included Cannabis tax**

in the budget projections at this point, we typically wait for some trend data. This means any amounts collected will help offset deficits in what was budgeted.

- **Penalty and Interest:** At 102%, this is higher than usual at this time due to the payment of a large deferred tax bill. **Even though we met our projection, this revenue source will be lower due to the extension of due dates and waiving of interest and fees through June 2020. However, typically this would increase in a bad economy.**
- **PILOT:** The bulk of these come in as a transfer from the Enterprise Funds. The remaining will typically be collected in June.
- **Property Tax:** 76.9% collected is on pace through the end of the third quarter but we will be monitoring this closely. **Property Tax revenues may come in later, however they will be collected and credited to this fiscal year.**
- **Special Assessments:** This is PVTAs assessments, the UMass share, and the Five College share will come in later in the year. **These assessments are okay for this fiscal year, however they are based on ridership using data two years prior. This will be a concern in future fiscal years.**
- **State Aid:** 74.2% received through March 31, per the Cherry Sheet distribution schedule. **The million dollar question. There has been no indication of cuts for the remainder of this year, and no information for the upcoming year other than the state is projecting decreases of approximately 15% in State receipts.**

Expenditures: Through March 31, 2020, expenditures total 74.8% of budgeted expenditures. This figure includes funds that have been encumbered, but not yet expended. Not including encumbered funds, actual year to date expenditures equal 73.9% of budget. Variances from the 75% benchmark in most cases reflect the fact that funds have been encumbered for anticipated expenditures later in the fiscal year. **Departments continue to be very conservative with their operational spending and will continue this practice into the future. The Accounting Department is maintaining a close watch over all spending activity.**

**Also note that not all salary increases for FY20 are allocated to the individual departments. These funds are sitting in a budgetary control account to be allocated before year end.

- **Town Council:** This budget is still evolving as we figure out what the needs are going forward.
- **Finance and Town Clerks Department:** There have been retirements, vacancies and staff turnover, which has resulted in savings throughout these departments.
- **Legal Services:** Legal invoices have been paid through February 2020 we are only 28.9% expended due to allocating costs to the Enterprise Funds.
- **Employee Benefits:** While YTD expenditures are at 81.1% of budget, this figure includes the annual retirement assessment from the Hampshire County Retirement System, which we pay in one lump sum at the beginning of the fiscal year in order to receive a two percent (2%) discount on our assessment. Also included in this budget is the Town's appropriation for Health Insurance premiums.
- **Information Technology:** IT expenditures suggest 93.4% "expended", but this includes funds reserved for contractual service and licensing agreements for the remainder of the fiscal year.
- **Snow and Ice:** The 142.6% expended includes a large encumbrance for sand and salt. This may or may not be needed depending on the weather and is adjusted closer to fiscal year end.

2. ENTERPRISE FUNDS

Through March 31, 2020 revenues are down in the Water, Sewer, and Transportation funds.

This will continue through June 2020 and into the new fiscal year most due to COVID-19

because of closures. The Transportation fund is mostly due to loss of parking meter revenue as well as violations. Water and Sewer revenues were trending down as consumption was decreasing due to conservation efforts. With the Colleges closed this will significantly affect the revenues through June 2020 and into the next fiscal year.

Expenditures are within a reasonable range for each of the Enterprise Funds (Water, Sewer, Solid Waste, and Transportation).

TOWN OF AMHERST
Year to Date Budget Report
FY2020 REVENUES
Through March 31, 2020

	EST REVENUES	ACTUAL YTD REVENUE	REMAINING REVENUE	PCT COLL
TOWN GENERAL FUND				
DEPART-CEMETERIES	\$ (4,000.00)	(3,050)	\$ (950.00)	76.3%
DEPART-GOLF COURSE	\$ (227,638.00)	(95,060)	\$ (132,577.90)	41.8%
DEPART-RECREATION	\$ (324,000.00)	(231,097)	\$ (92,903.50)	71.3%
FEES	\$ -	(134,800)	\$ 134,800.14	#DIV/0!
FINES AND FORFEITS	\$ (87,700.00)	(48,773)	\$ (38,927.09)	55.6%
INVESTMENT INCOME	\$ (90,000.00)	(106,185)	\$ 16,185.45	118.0%
LICENSES AND PERMITS	\$ (984,344.00)	(739,749)	\$ (244,595.31)	75.2%
MEDICAID REIMBURSEMENTS	\$ (260,549.00)	(76,446)	\$ (184,103.36)	29.3%
MISC NON-RECURRING	\$ (575,000.00)	(268,795)	\$ (306,204.97)	46.7%
MOTOR VEHICLE EXCISE	\$ (1,930,373.00)	(1,469,976)	\$ (460,397.22)	76.1%
OTHER DEPT REVENUE	\$ (333,493.00)	(272,216)	\$ (61,276.75)	81.6%
HOTEL/MOTEL	\$ (200,000.00)	(194,373)	\$ (5,626.98)	97.2%
MEALS TAX	\$ (500,000.00)	(385,119)	\$ (114,880.52)	77.0%
CANNABIS TAX	\$ -	(161,205)	\$ 161,205.40	#DIV/0!
PENALTY AND INTEREST	\$ (232,229.00)	(237,478)	\$ 5,248.79	102.3%
PILOT	\$ (951,277.00)	(822,184)	\$ (129,093.10)	86.4%
PROPERTY TAXES	\$ (54,413,404.00)	(41,855,288)	\$ (12,558,115.58)	76.9%
RENTALS	\$ (135,806.00)	(111,372)	\$ (24,433.73)	82.0%
SPECIAL ASSESSMENTS	\$ (974,155.00)	(264,933)	\$ (709,222.00)	27.2%
STATE AID	\$ (15,687,128.00)	(11,642,154)	\$ (4,044,974.00)	74.2%
TRANSFERS IN	\$ (7,322,875.00)	(7,322,876)	\$ 1.00	100.0%
TOTAL TOWN GENERAL FUND	\$ (85,233,971.00)	\$ (66,443,129.77)	\$ (18,790,841.23)	78.0%
6001 SEWER FUND				
60011990 SF INTERFUND TRANSFERS	\$ (15,578.00)	\$ (15,578.00)	\$ -	
R4440 SF OPERATING BUDGET REV	\$ (4,492,000.00)	\$ (2,846,181.51)	\$ (1,645,818.49)	63.4%
TOTAL SEWER FUND	\$ (4,507,578.00)	\$ (2,861,759.51)	\$ (1,645,818.49)	63.5%
6002 WATER FUND				
60021990 WF INTERFUND TRANSFERS	\$ -	\$ (200,000.00)	\$ 200,000.00	#DIV/0!
R4450 WF OPERATING BUDGET REV	\$ (4,492,576.00)	\$ (3,029,615.35)	\$ (1,462,960.65)	67.4%
TOTAL WATER FUND	\$ (4,492,576.00)	\$ (3,229,615.35)	\$ (1,262,960.65)	71.9%
6003 SOLID WASTE FUND				
60031990 SWF INTERFUND TRANSFERS	\$ (6,392.00)	\$ (6,392.00)	\$ -	100.0%
R4435 SWF OPERATING BUDGET REVENUE	\$ (487,270.00)	\$ (417,634.32)	\$ (69,635.68)	85.7%
TOTAL SOLID WASTE FUND	\$ (493,662.00)	\$ (424,026.32)	\$ (69,635.68)	85.9%
6005 TRANSPORTATION FUND				
60051990 TRANS INTERFUND TRANSFERS		\$ -	\$ -	#DIV/0!
R4480 PARKING OPERATING REVENUE	\$ (1,071,617.00)	\$ (715,231.34)	\$ (356,385.66)	66.7%
TOTAL TRANSPORTATION FUND	\$ (1,071,617.00)	\$ (715,231.34)	\$ (356,385.66)	66.7%

TOWN OF AMHERST
Year to Date Budget Report
FY2020 EXPENSES
Through March 31, 2020

	BUDGET	YTD EXPENDED	ENCUMBRANCE	AVAILABLE BUDGET	PCT USED
TOWN GENERAL FUND					
TOWN COUNCIL	\$ 100,000.00	91,478.69	455.68	\$ 8,065.63	91.9%
TOWN MANAGER	\$ 369,179.00	271,515.04	741.79	\$ 96,922.17	73.7%
FINANCE DIRECTOR	\$ 166,126.00	1,196.10	565.00	\$ 164,364.90	1.1%
ACCOUNTING	\$ 363,111.00	277,358.80	0.00	\$ 85,752.20	76.4%
ASSESSOR	\$ 230,944.00	129,239.93	1,220.18	\$ 100,483.89	56.5%
COLLECTOR/TREASURER	\$ 431,235.00	256,989.96	4,450.00	\$ 169,795.04	60.6%
LEGAL SERVICES	\$ 110,000.00	31,779.65	0.00	\$ 78,220.35	28.9%
HUMAN RESOURCES	\$ 280,352.00	194,810.21	1,507.37	\$ 84,034.42	70.0%
EMPLOYEE BENEFITS (includes Hlth Ins. & Retirement Assessment)	\$ 10,443,703.00	8,468,844.40	0.00	\$ 1,974,858.60	81.1%
INFORMATION SYSTEMS	\$ 662,526.00	603,869.92	15,232.84	\$ 43,423.24	93.4%
TOWN CLERK	\$ 227,015.00	146,723.30	0.00	\$ 80,291.70	64.6%
ELECTIONS	\$ 61,328.00	49,279.99	0.00	\$ 12,048.01	80.4%
REGISTRATIONS	\$ 6,500.00	5,734.42	0.00	\$ 765.58	88.2%
TOWN HALL FACILITY	\$ 165,107.00	124,656.47	1,264.00	\$ 39,186.53	76.3%
BANGS COMMUNITY CENTER	\$ 246,955.00	197,089.37	744.00	\$ 49,121.63	80.1%
NORTH AMHERST	\$ 26,662.00	14,526.16	250.00	\$ 11,885.84	55.4%
AMHERST COMM CHILDCARE FACILIT	\$ 5,200.00	1,735.81	2,000.00	\$ 1,464.19	71.8%
MUNSON LIBRARY	\$ 49,341.00	37,820.33	180.00	\$ 11,340.67	77.0%
EAST STREET SCHOOL	\$ 28,662.00	16,061.96	0.00	\$ 12,600.04	56.0%
MISCELLANEOUS AND INSURANCE	\$ 269,032.00	181,367.93	8,000.00	\$ 79,664.07	70.4%
GENERAL SERVICES	\$ 146,660.00	70,507.27	16,160.42	\$ 59,992.31	59.1%
INTERFUND TRANSFERS	\$ 6,449,203.00	6,449,203.00	0.00	\$ -	100.0%
POLICE FACILITY	\$ 220,340.00	201,167.16	2,580.00	\$ 16,592.84	92.5%
POLICE DEPARTMENT	\$ 5,040,035.00	3,344,196.74	68,195.94	\$ 1,627,642.32	67.7%
FIRE DEPARTMENT	\$ 4,875,396.00	3,640,292.65	52,233.49	\$ 1,182,869.86	75.7%
DISPATCH	\$ 682,526.00	503,229.33	0.00	\$ 179,296.67	73.7%
ANIMAL CONTROL	\$ 63,692.00	43,220.72	0.00	\$ 20,471.28	67.9%
EDUCATION (Region)	\$ 16,444,279.00	12,333,209.25	0.00	\$ 4,111,069.75	75.0%
EDUCATION (Elementary)	\$ 23,838,855.00	14,854,100.05	449,018.11	\$ 8,535,736.84	64.2%
PUBLIC WORKS ADMINISTRATION	\$ 399,152.00	302,105.35	0.00	\$ 97,046.65	75.7%
CONSTRUCTION AND MAINTENANCE	\$ 810,333.00	590,490.79	7,275.98	\$ 212,566.23	73.8%
SNOW AND ICE	\$ 280,410.00	268,592.07	131,146.50	\$ (119,328.57)	142.6%
STREET LIGHTS	\$ 95,421.00	52,454.61	1,469.86	\$ 41,496.53	56.5%
TRAFFIC LIGHTS	\$ 26,051.00	9,000.55	0.00	\$ 17,050.45	34.5%
EQUIPMENT MAINTENANCE	\$ 271,506.00	188,261.84	10,268.04	\$ 72,976.12	73.1%
TREE & GROUNDS MAINTENANCE	\$ 518,793.00	401,998.95	7,834.64	\$ 108,959.41	79.0%
CONSERVATION OPERATIONS	\$ 406,208.00	290,127.97	3,834.14	\$ 112,245.89	72.4%
PLANNING DEPARTMENT OPERATIONS	\$ 345,338.00	216,037.28	0.00	\$ 129,300.72	62.6%
INSPECTION SERVICES OPERATIONS	\$ 770,531.00	573,101.26	0.00	\$ 197,429.74	74.4%
PUBLIC HEALTH OPERATIONS	\$ 132,464.00	103,783.25	0.00	\$ 28,680.75	78.3%
SENIOR CENTER OPERATIONS	\$ 229,425.00	144,081.66	0.00	\$ 85,343.34	62.8%
VETERANS SERVICES OPERATIONS	\$ 330,769.00	209,164.03	0.00	\$ 121,604.97	63.2%
PUBLIC ASSISTANCE	\$ 20,000.00	8,341.81	0.00	\$ 11,658.19	41.7%
LEISURE SERVICES AND SUP ED	\$ 595,293.00	382,547.18	5,684.00	\$ 207,061.82	65.2%
OUTDOOR POOL OPERATIONS	\$ 219,111.00	165,561.84	260.00	\$ 53,289.16	75.7%
CHERRY HILL OPERATIONS	\$ 240,476.00	173,650.88	0.00	\$ 66,825.12	72.2%
DEBT SERVICE	\$ 1,630,438.00	\$ 1,096,127.00	0.00	\$ 534,311.00	67.2%
REGIONAL DEBT ASSESSMENTS	\$ 302,042.00	\$ 294,160.00	0.00	\$ 7,882.00	97.4%
STATE ASSESSMENTS & CHARGES	\$ 61,097.00	\$ 50,499.00	0.00	\$ 10,598.00	82.7%
TRANSPORTATION AUTHORITIES	\$ 1,107,115.00	\$ 1,614,330.00	0.00	\$ (507,215.00)	145.8%
TUITION ASSESSEMENTS	\$ 2,318,358.00	\$ 1,565,832.00	0.00	\$ 752,526.00	67.5%
OTHER LOCAL ASSESSMENTS	\$ 76,374.00	\$ 67,833.64	0.00	\$ 8,540.36	88.8%
JONES LIBRARY OPERATIONS	\$ 2,043,302.00	\$ 1,677,642.37	0.00	\$ 365,659.63	82.1%
TOTAL TOWN GENERAL FUND	\$ 85,233,971.00	\$ 62,986,929.94	\$ 792,571.98	\$ 21,454,469.08	74.8%

TOWN OF AMHERST
Year to Date Budget Report
FY2020 EXPENSES
Through March 31, 2020

	BUDGET	YTD EXPENDED	ENCUMBRANCE	AVAILABLE BUDGET	PCT USED
SEWER FUND					
INTERFUND TRANSFERS	\$ 497,324.00	\$ 497,324.00		\$ -	100.0%
WASTE WATER TREATMENT PLANT	\$ 3,801,698.00	\$ 2,640,715.44	\$ 233,193.06	\$ 927,789.50	75.6%
SEWER MAINTENANCE	\$ 208,556.00	\$ 135,078.47	\$ -	\$ 73,477.53	64.8%
TOTAL SEWER FUND	\$ 4,507,578.00	\$ 3,273,117.91	\$ 233,193.06	\$ 1,001,267.03	77.8%
WATER FUND					
INTERFUND TRANSFERS	\$ 687,325.00	\$ 687,325.00		\$ -	100.0%
WATER DEPARTMENT OPERATIONS	\$ 3,805,251.00	\$ 2,814,783.40	\$ 184,654.81	\$ 805,812.79	78.8%
TOTAL WATER FUND	\$ 4,492,576.00	\$ 3,502,108.40	\$ 184,654.81	\$ 805,812.79	82.1%
SOLID WASTE FUND					
INTERFUND TRANSFERS	\$ -	\$ -	\$ -	\$ -	0.0%
SOLID WASTE FUND				\$ -	
SOLID WASTE FACILITIES	\$ 493,662.00	\$ 403,613.59	\$ 30,763.36	\$ 59,285.05	88.0%
TOTAL SOLID WASTE FUND	\$ 493,662.00	\$ 403,613.59	\$ 30,763.36	\$ 59,285.05	88.0%
TRANSPORTATION FUND					
INTERFUND TRANSFERS	\$ 307,973.00	\$ 307,973.00		\$ -	100.0%
PARKING FACILITIES	\$ 729,644.00	\$ 541,642.78	\$ 2,829.70	\$ 185,171.52	74.6%
PUBLIC TRANSPORTATION	\$ 34,000.00	\$ 32,063.50		\$ 1,936.50	94.3%
TOTAL TRANSPORTATION FUND	\$ 1,071,617.00	\$ 881,679.28	\$ 2,829.70	\$ 187,108.02	82.5%