

**GENERAL  
FUND**

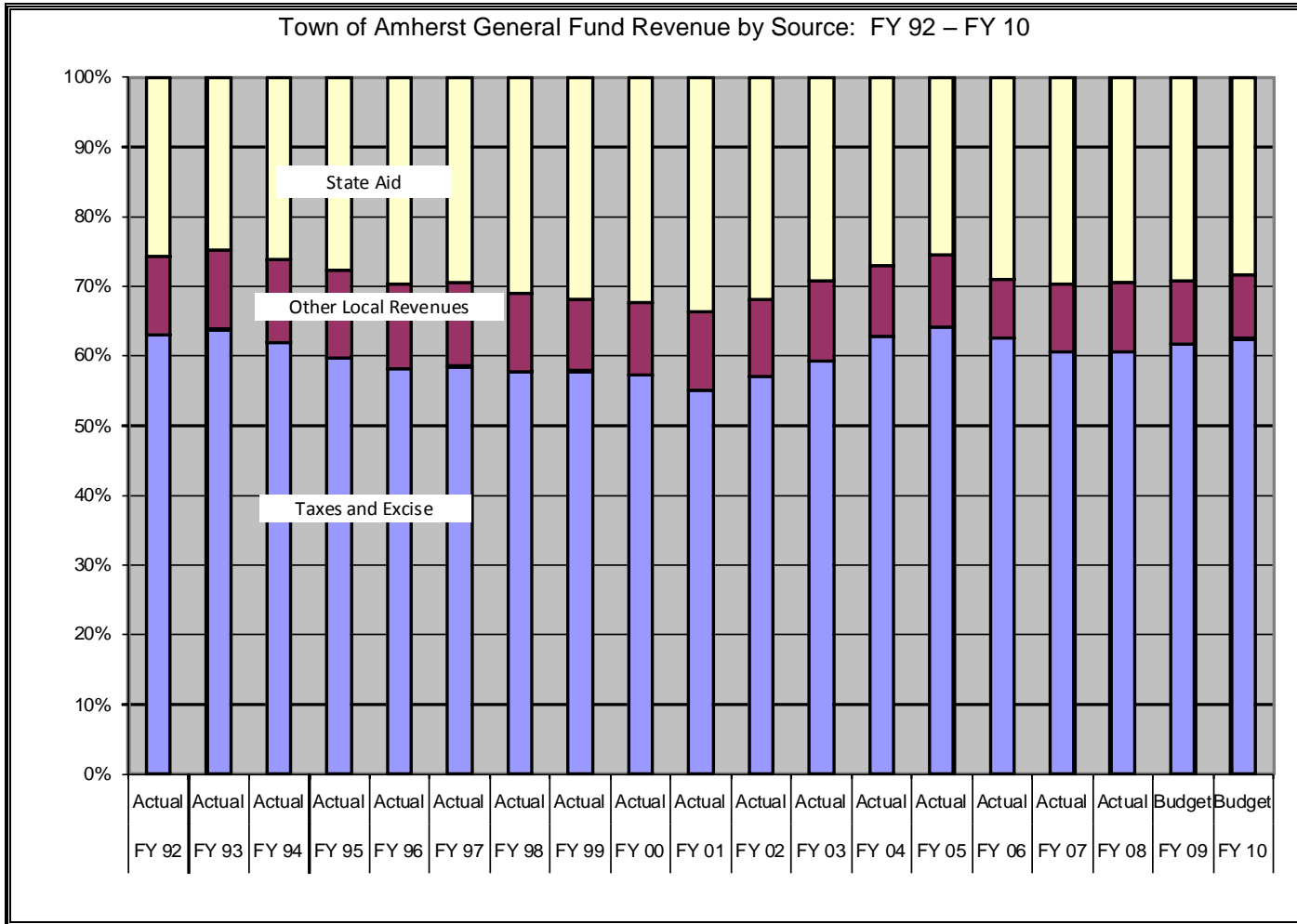
## GENERAL FUND RESOURCES SUMMARY

**MISSION STATEMENT:** To provide funds to meet the on-going needs of General Fund services.

**CONTINUING OBJECTIVES:**

- To increase the tax levy within constraints of Proposition 2½.
- To monitor state aid and local aid distributions and formulas.
- To monitor availability of Federal and State Grants.
- To develop fees, charges and other local sources of funding wherever possible.

<b>SERVICE LEVELS:</b>	<b>FY 04 <u>Actual</u></b>	<b>FY 05 <u>Actual</u></b>	<b>FY 06 <u>Actual</u></b>	<b>FY 07 <u>Actual</u></b>	<b>FY 08 <u>Actual</u></b>
<u>As % of Total Resources</u>					
Taxes	57	60	58	57	58
Other Local Source Revenues	7	7	7	9	10
State Revenues	26	25	26	28	28
Other Financial Sources	10	8	9	6	4



## GENERAL FUND RESOURCES SUMMARY

		FY 07 Actual	FY 08 Budget	FY 08 Actual	FY 09 Budget	FY 10 Proposed	Change FY 09 - 10	Percent Change
Taxes and Excise	\$	34,535,028	35,788,616	35,807,468	37,239,884	38,669,418	1,429,534	3.8%
Other Local Source Revenues	\$	5,481,653	4,921,244	5,949,743	5,496,090	5,647,966	151,876	2.8%
State Revenues	\$	16,895,173	17,413,170	17,417,189	17,629,832	17,602,014	(27,818)	-0.2%
Other Financing Sources	\$	3,902,329	3,690,337	3,186,722	3,710,062	3,447,718	(262,344)	-7.1%
<b>TOTAL REVENUES</b>	<b>\$</b>	<b>60,814,182</b>	<b>61,813,367</b>	<b>62,361,122</b>	<b>64,075,868</b>	<b>65,367,116</b>	<b>1,291,248</b>	<b>2.0%</b>

### MAJOR COMPONENTS:

Revenues include all local sources of taxation and fees that are constitutionally allowed and assessed on an annual basis. Other Financing Sources include funds available for expenditure by the General Fund that are drawn from reserves or represent assessments to other operating funds of the Town. These may be funds available only once, e.g., when an asset is sold, or they may be available each year that the services are provided to other funds.

### SIGNIFICANT BUDGET CHANGES:

See following pages.

**RESOURCES**

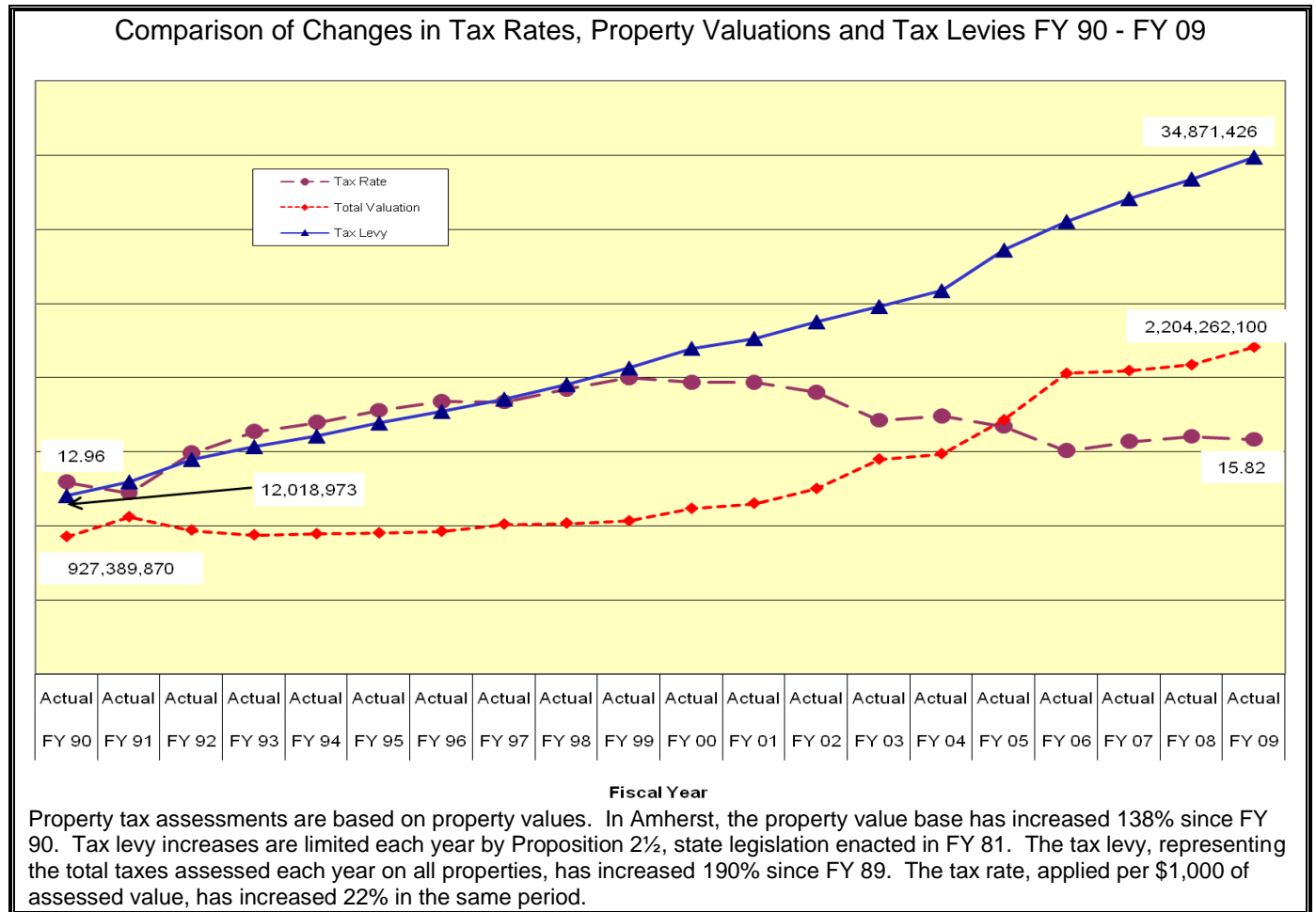
**TAXATION**

**MISSION STATEMENT:** To provide tax support for General Fund services.

**CONTINUING OBJECTIVES:**  
To manage the tax levy within constraints of Proposition 2½.

**FY 10 OBJECTIVES:**  
To consider the need for and type of Proposition 2 ½ override, if necessary, to balance the FY 10 Budget.

<b>SERVICE LEVELS:</b>	<b>FY 04 Actual</b>	<b>FY 05 Actual</b>	<b>FY 06 Actual</b>	<b>FY 07 Actual</b>	<b>Actual</b>
Taxes as % of Total Resources					
Real and Personal Property Taxes	52	55	54	52	54
Other Taxes	5	5	4	4	4



## RESOURCES

## TAXATION

		FY 07 Actual	FY 08 Budget	FY 08 Actual	FY 09 Budget	FY 10 Proposed	Change FY 09 - 10	Percent Change
Real & Personal								
Property Taxes	\$	32,080,051	33,395,158	33,251,759	34,871,426	36,300,960	1,429,534	4.1%
Payments In Lieu of Taxes	\$	919,723	918,458	924,380	918,458	918,458	0	0.0%
Excise Taxes	\$	1,535,254	1,475,000	1,631,329	1,450,000	1,450,000	0	0.0%
<b>TOTAL TAXES &amp; EXCISE</b>	<b>\$</b>	<b>34,535,028</b>	<b>35,788,616</b>	<b>35,807,468</b>	<b>37,239,884</b>	<b>38,669,418</b>	<b>1,429,534</b>	<b>3.8%</b>

**MAJOR COMPONENTS:**

Real and Personal Property Taxes are the Town's largest source of revenue. Payments in lieu of taxes include taxes assessed to municipal enterprise funds (approximately 90% of total payments). Excise taxes include motor vehicle, hotel/motel, farm animal and boat excise.

**SIGNIFICANT BUDGET CHANGES:**

## CALCULATION OF TAX LEVY:

	FY 09 Actual Tax Levy	FY 10 Estimated Tax Levy
Base Levy (Prior Year Levy Limit)	\$ 33,066,697	34,439,144
2 ½ % Allowable Increase	826,667	860,979
New Growth	545,780	600,000
General Override	0	0
Levy Limit	34,439,144	35,900,123
Regional School Debt Override	441,321	400,837
Levy Limit	34,880,465	36,300,960
Actual Tax Levy	34,871,426	36,300,960
Excess Levy Capacity	9,039	0

This budget assumes the Town will increase the tax levy to the Proposition 2 ½ levy limit in FY 10.

**RESOURCES****OTHER LOCAL SOURCE REVENUES****MISSION STATEMENT:**

To provide revenues to support General Fund services.

**FY 10 OBJECTIVES:**

To review current fee levels in relation to FY 10 costs of services.

**SERVICE LEVELS:**

	<u>FY 04 Actual</u>	<u>FY 05 Actual</u>	<u>FY 06 Actual</u>	<u>FY 07 Actual</u>	<u>FY 08 Actual</u>
Revenues as % of Local Source Revenues					
Charges for Services	22	19	15	14	13
Departmental Revenue	19	19	24	34	28
Rentals	1	1	1	1	1
Licenses and Permits	22	25	25	14	15
Special Assessments	18	16	15	11	11
Fines and Forfeits	4	4	4	3	3
Penalties and Interest	5	6	4	3	3
Investment Income	6	6	8	8	7
Miscellaneous	3	3	3	10	20

**MAJOR COMPONENTS:**Charges for Services:

Sewer Fund	\$ 306,144
Water Fund	394,416
Transportation Fund	96,907
Total Charges for Services	<u>\$ 797,467</u>

Special Assessments:

UMASS PVTA Assessment	\$ 487,211
Five College PVTA Assessment	182,306
Total Special Revenue Funds	<u>\$ 669,517</u>

Departmental Revenue:

General Government	\$ 210,100
Public Safety	55,100
Public Works	7,000
Conservation, Planning, Inspections	68,400
Community Services	840,855
Total Departmental Revenues	<u>\$ 1,181,455</u>

Miscellaneous

Reimbursements of	
Cherry Sheet Assessments **	1,423,223
Amherst College	120,000
Real Estate Tax Supplemental	10,000
Total Miscellaneous	<u>\$ 1,553,223</u>

Licenses & Permits

General Government	\$ 159,550
Public Safety	96,000
Public Works	19,800
Inspection Services	456,000
Community Services	79,700
Total Licenses & Permits	<u>\$ 811,050</u>

## RESOURCES

## OTHER LOCAL SOURCE REVENUES

		FY 07 Actual	FY 08 Budget	FY 08 Actual	FY 09 Budget	FY 10 Proposed	Change FY 09 - 10	Percent Change
Charges for Services	\$	781,147	771,091	771,091	777,492	797,467	19,975	2.6%
Departmental Revenue	\$	1,848,826	930,009	1,653,953	1,223,281	1,181,455	(41,826)	-3.4%
Rentals	\$	57,899	56,254	56,856	56,254	56,254	0	0.0%
Licenses and Permits	\$	792,491	784,035	888,616	791,535	811,050	19,515	2.5%
Special Assessments	\$	611,263	626,545	644,640	653,187	669,517	16,330	2.5%
Fines and Forfeits	\$	190,056	163,000	151,062	169,000	169,000	0	0.0%
Penalties and Interest	\$	187,490	167,500	150,439	150,000	150,000	0	0.0%
Investment Income	\$	439,706	350,000	431,421	342,500	260,000	(82,500)	-24.1%
Miscellaneous	\$	572,774	1,072,810	1,201,665	1,332,841	1,553,223	220,382	16.5%
<b>TOTAL OTHER LOCAL SOURCE REVENUES</b>	<b>\$</b>	<b>5,481,653</b>	<b>4,921,244</b>	<b>5,949,743</b>	<b>5,496,090</b>	<b>5,647,966</b>	<b>151,876</b>	<b>2.8%</b>

**SIGNIFICANT BUDGET CHANGES:**

Charges for Services includes Enterprise Fund reimbursements for services provided by various departments of the General Fund (for detail, see Sewer, Water, and Transportation Fund Enterprise budgets). Departmental revenue increase includes \$12,000 from Cherry Hill Golf Course primarily from increased greens and membership fees receipts, a \$181,174 increase (+56%) in the LSSE administrative reimbursement to the General Fund generated by increased program user fees and reduced program costs per a program by program fiscal analysis that was just completed. Special assessments receipts are estimated to increase by \$16,330 (2.5%) from increased reimbursements from UMass Transit and Five College, Inc for the PVTa assessment. Fines receipts include \$25,000 from Library fines as the Jones Library Trustees as of January 2009 have not decided whether to propose an article at Town Meeting to create a revolving fund. Investment income is projected to decrease by 40% from FY 08 actual earnings due to market conditions. Miscellaneous revenues assume Amherst College donates at least \$120,000 to support Town services (the same amount as FY 09) and includes \$1,423,223 in reimbursements to the Town from the Elementary Schools (for retired teachers health insurance, 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, an estimated increase of \$220,382 from FY 09. This increase is more than offset by projected FY 10 increases in cherry sheet assessments for retired teachers' health insurance costs and charter school sending tuition. See Note.

\*\* NOTE: Per DOR accounting requirements, Miscellaneous Receipts now include reimbursements to the Town from the Elementary Schools (for retired teachers health insurance, 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. The budget reflects this accounting change beginning in FY 08. Previously, these reimbursements were deducted from cherry sheet assessments budgeted in the Other Assessments section of the budget.

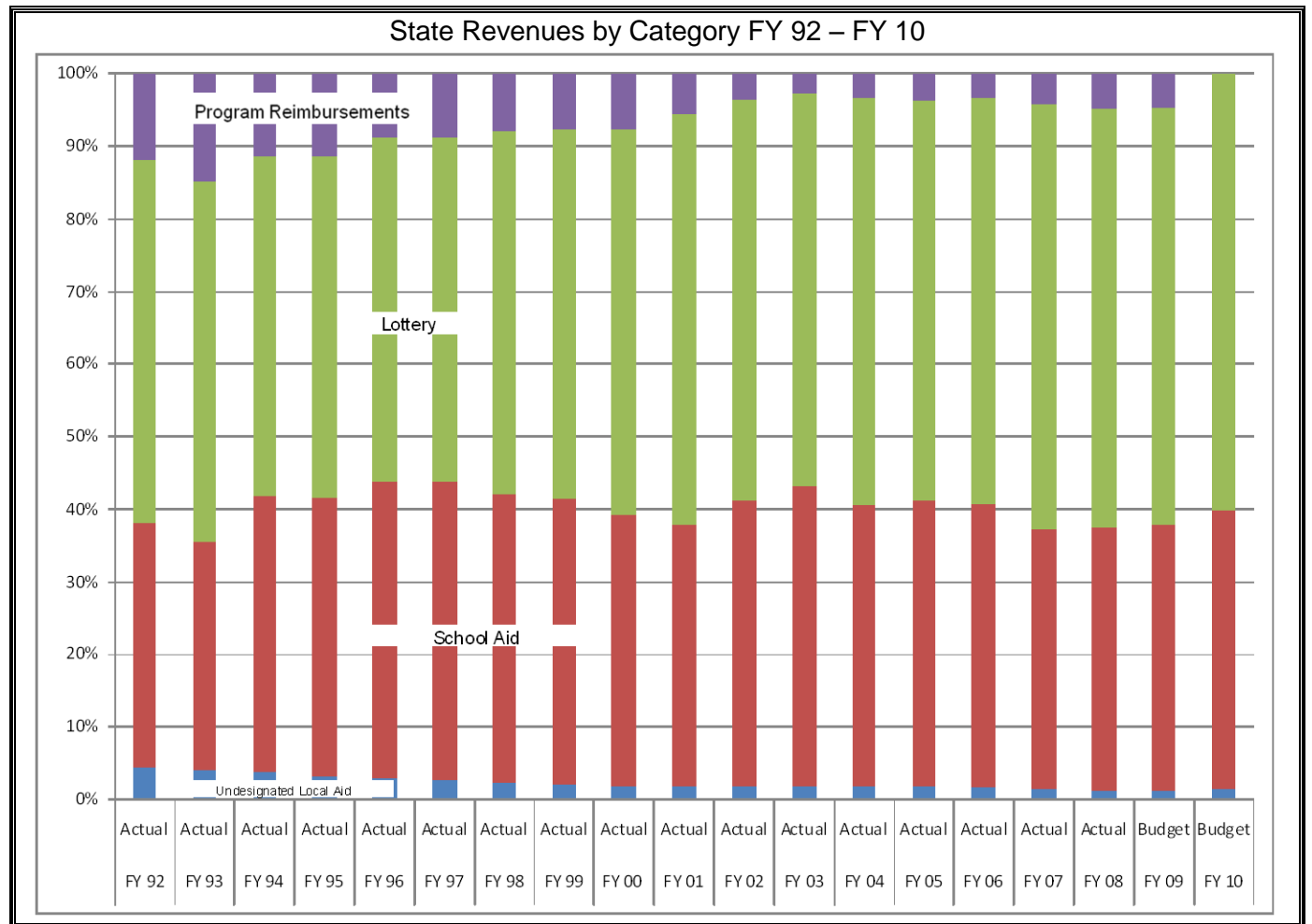
## RESOURCES

## STATE REVENUES

**MISSION STATEMENT:** To administer state revenues received for general purposes and purposes related to specific grants.

**CONTINUING OBJECTIVES:**  
To review and monitor Local Aid distributions, the availability of other State and Federal funds and the Local Aid and Education Reform formulas.

<b>SERVICE LEVELS:</b>	<u>FY 04 Actual</u>	<u>FY 05 Actual</u>	<u>FY 06 Actual</u>	<u>FY 07 Actual</u>	<u>FY 08 Actual</u>
State revenues as a % of Total Resources	26	25	26	28	28





**RESOURCES****STATE REVENUES**

		FY 07 Actual	FY 08 Budget	FY 08 Actual	FY 09 Budget	FY 10 Proposed	Change FY 09 - 10	Percent Change
Chapter 70	\$	5,933,998	6,158,796	6,158,796	6,266,707	6,266,707	0	0.0%
Lottery	\$	9,665,752	9,816,456	9,816,456	9,816,456	9,816,456	0	0.0%
Additional Assistance	\$	222,910	222,910	222,910	222,910	222,910	0	0.0%
Other Cherry	\$							
Sheet Revenues	\$	377,357	625,493	626,473	731,623	703,805	(27,818)	-3.8%
Other State Revenue	\$	695,156	589,515	592,553	592,136	592,136	0	0.0%
<b>TOTAL STATE &amp; FEDERAL</b>	<b>\$</b>	<b>16,895,173</b>	<b>17,413,170</b>	<b>17,417,189</b>	<b>17,629,832</b>	<b>17,602,014</b>	<b>(27,818)</b>	<b>-0.2%</b>

**MAJOR COMPONENTS:**

State Revenue – Cherry Sheet	
Lottery	\$ 9,816,456
Chapter 70 School Aid	6,266,707
Additional Assistance	222,910
Abatements	35,774
Veterans Benefits	100,873
Charter School Assessment Reimbursement	200,543
Police Career Incentive	193,159
State-Owned Land	173,456
Subtotal Cherry Sheet	\$ 17,009,878
Other State Revenue	
Public Libraries	\$ 85,576
School Lunch Program	6,560
Chapter 90	500,000
	\$ 592,136

**SIGNIFICANT BUDGET CHANGES:**

Assumes state aid is level funded with the exception of the Charter School Assessment Reimbursement. A lower Charter School Assessment Reimbursement is based upon estimated enrollments as of December 2009 and a declining state reimbursement per the funding formula. These estimates will be revised as the state budget process unfolds, beginning with the expected release of the Governor's FY 10 state budget proposal on January 28. The Chapter 90 grant program supports street resurfacing and road equipment components of the Capital Plan.

**RESOURCES****OTHER FINANCING SOURCES**

**MISSION STATEMENT:** To make use of sources other than recurring revenues to finance government services and specific major capital projects.

**CONTINUING OBJECTIVES:**

To transfer appropriate amounts from enterprise funds for services provided by General Fund departments.  
To manage debt financing in accordance with the Capital Plan.

**FY 10 OBJECTIVES:**

Maximize Ambulance Fund receipts to support EMS operating and capital costs and thereby reduce tax support needed.  
To eliminate the use of reserves (Free Cash and/or Stabilization Fund) to balance the FY 10 budget, if possible.

**SERVICE LEVELS:**

	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>	<b>FY 08</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>
<b>% of Total Resources</b>					
Borrowing Authorization	0	0	0	0	0
Special Revenue Funds	2	2	3	3	3
Stabilization from 10% Plan	0	0	0	0	0
Overlay Reserve Account	1	0	0	0	0
Available Funds	0	0	1	1	0
Surplus Funds:					
Free Cash	7	0	3	0	0
Stabilization	0	4	1	2	1
Other Interfund Transactions	0	0	0	0	0
Jones Inc	1	1	1	1	0

## RESOURCES

## OTHER FINANCING SOURCES

	FY 07 Actual	FY 08 Budget	FY 08 Actual	FY 09 Budget	FY 10 Proposed	Change FY 09 - 10	Percent Change
<b>OTHER FINANCING SOURCES</b>							
Borrowing Authorization (memo only) \$	0	555,000	555,000	525,000	0	(525,000)	0.0%
Special Revenue Funds \$	1,771,375	1,619,611	1,619,611	1,883,818	2,094,262	210,444	11.2%
Prior Yr Unused Articles - Capital \$	0	0	0	190,000	0	(190,000)	-100.0%
Community Preservation Act \$	380,000	627,766	627,766	573,482	690,184	116,702	20.3%
<b>Surplus Funds:</b>							
Free Cash \$	216,087	831,423	831,423	425,000	0	(425,000)	-100.0%
Stabilization Fund	1,000,000	0	0	0	0	0	0.0%
Other Interfund Transactions \$	0	0	0	0	0	0	0.0%
Jones Inc \$	534,867	611,537	107,922	637,762	663,272	25,510	4.0%
<b>TOTAL OTHER FINANCING SOURCES</b>							
	\$ 3,902,329	3,690,337	3,186,722	3,710,062	3,447,718	(262,344)	-7.1%

**MAJOR COMPONENTS:**

Special Revenue Funds – Ambulance

Jones, Inc. - Jones Library fundraising, direct expenditures, and prior year state library aid offset

**SIGNIFICANT BUDGET CHANGES:**

The increase in Special Revenue Funds is attributable to an increase in Ambulance Receipts of \$210,444 to support the Fire Department budget and other administrative support costs (billing, IT, etc.). Effective in FY 09, all payments from UMass for EMS services are credited to the Ambulance Fund in addition to payments from Hadley, Pelham, Leverett, and Shutesbury. An anticipated ambulance rate increase effective February 1, 2009 is expected to generate approximately \$182,000 of the budgeted revenue increase.

Available funds include a projected \$690,184 in Community Preservation Act funds available for appropriation in FY 10 (November 2007 estimate) for CPA-eligible projects. Consistent with Finance Committee budget guidelines, no contribution from Free Cash/Stabilization Fund reserves is included to balance the FY 10 budget. In FY 09, a total of \$425,000 was appropriated from Free Cash, including \$400,000 to support the operating budget and \$25,000 for the 250<sup>th</sup> Celebration.

Jones Library, Inc. receipts assume a 4% increase, but the Library Trustees have not yet presented a detailed FY 10 revenue/expense budget proposal.

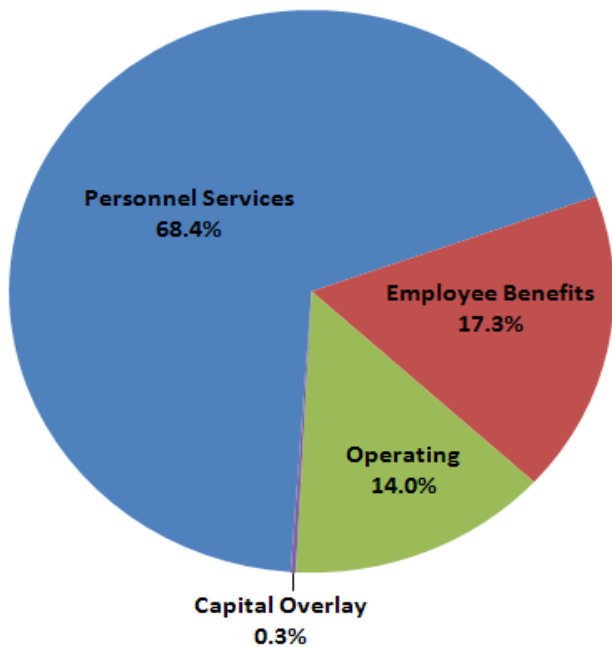
## GENERAL FUND EXPENDITURES SUMMARY

	FY 07 Actual	FY 08 Budget	FY 08 Actual	FY 09 Budget	FY 10 Manager	Change FY 09 - 10	Percent Change
General Government	\$ 5,423,700	5,765,139	5,627,681	5,989,728	6,237,576	247,848	4.1%
Public Safety	\$ 8,020,321	8,071,970	8,063,272	8,265,817	8,567,069	301,252	3.6%
Public Works	\$ 1,735,257	1,690,501	1,859,422	1,756,999	1,843,942	86,943	4.9%
Planning, Conservation & Inspections	\$ 837,407	871,881	802,423	859,656	886,562	26,906	3.1%
Community Services	\$ 1,861,638	1,743,604	1,680,488	1,719,363	1,649,091	(70,272)	-4.1%
<b>TOTAL APPROPRIATION</b>	<b>\$ 17,878,322</b>	<b>18,143,095</b>	<b>18,033,287</b>	<b>18,591,563</b>	<b>19,184,240</b>	<b>592,678</b>	<b>3.2%</b>

### SIGNIFICANT BUDGET CHANGES:

The proposed FY 10 Town of Amherst General Fund budget is crafted within the 2% guideline established by the Finance Committee, once consideration of new revenue is calculated. The General Fund Budget has increased by 3.2% or \$592,678. This budget engages all of the recommendations made by the Select Board in its memo of December 16, 2008. The budget anticipates regionalization (Ambulance contracts, Dispatch study, Health Department contracts, property assessment services contract, and Veterans' Services contract), reorganization (Inspections, Police, DPW), and reassigning the cost of certain services (Health Claims Trust Fund, Outreach Services and Community Development) to sources other than the property tax. New revenue is pursued (Ambulance contracts, University and Amherst College), and economic development is advanced through a number of initiatives and partnerships. This budget also considers the potential that certain capital projects may be eligible for anticipated federal stimulus funding. The single largest increase in the General Fund budget is for employee pay and benefits. That increase is \$197,212 and includes an estimated increase in the town's health insurance cost of 3%. The funding plan also assumes the Town levies property taxes to the maximum allowed under Proposition 2 ½, level-funded state aid, and no use of reserves to balance the operating budget.

**FY 10 Expenditures  
By Type**



**FY 10 Expenditures  
By Functional Area**

