

Memo

To: The Board of Selectmen
From: John Murray 
CC: Don Johnson
Date: July 11, 2003
Re: Preliminary Budget Results for FY'03

On the expense side, the Town Manager was charged with accommodating the over expenditure in the Snow and Ice Budget within the bottom-line. The Town Manager accommodated the \$240,000 deficit + or -, by temporary personnel reductions. Preliminary results indicate that the Town overspent its budget by approximately \$9,000 (please see the attached detail). The Financial Team is reviewing the preliminary results and if necessary, encumbrances will be reallocated to FY '04.

The revenue side of the house is more complicated to explain than the expense side. The revenue side is a combination of property taxes and non-property tax collections. In the case of property tax collections, the Town is allowed to count the total amounts committed as revenue for the appropriate budget year. Collections in excess of the commitment result as an increase factor in the free cash calculation and collections less than the amounts committed result as a negative factor in the Free Cash calculation. Per the Tax Recap the Town Collected approximately \$81K less than it committed. Included in the Total received is approximately \$135K of tax title collections. Please see the attached detail.

On the non-tax revenue side of the house the Town Manager was charged with covering the "9C" reductions in State Aid (\$135K). The Town Manager initiated an aggressive delinquent tax collection program. Unplanned receipts (\$189K) and municipal fees collected in excess of budget generated revenues in excess of budget of \$65K generated total revenues in excess of budget. Unplanned receipts consist primarily of:

- Teacher Pay Deferral Revenue of \$43K
- 111F insurance recovery of \$36K
- Medicare Payments of \$54K
- Roll-back taxes of \$30K
- Pilots of \$11K and
- Assorted receipts of \$15K

The primary sources of the excess fees are:

- Treasurer \$13K – Delinquent tax penalties
- Police \$19K – Traffic enforcement fines
- Building \$33K – Building permits

Revenues categories, which resulted in less collections than the amount contained on the tax recap are:

- Cherry Sheets – (\$159K)
- Motor Vehicle Excise – (\$16)
- Interest Income – (\$70)

In total, if the Schools and the Town spend to their appropriation amounts, expenditures will exceed revenue collections by \$71K

**BUDGET STATUS AS OF
JULY 11, 2003**

Dept Org #	Dept	AVAILABLE BALANCE 7/11/03	Comments
1114	Moderator	160.00	
1123	Manager	-25,748.53	
1131	Fincom	620.00	
1132	Findr	25,007.41	
1133	Acctg	3,162.72	
1137	Assessors	6,225.35	
1139	Collector	21,854.57	
1152	HR	41,061.97	
1154	IT	-16,613.71	
1161	Town Clerk	28,166.80	
1162	Elections	3,825.30	
1172	Planning Board	2,072.46	
1173	ZBA	27.00	
1192	Mun. Prop.	14,523.25	
2100	Police	-48,930.28	
2200	Fire	50,958.27	
2400	Police Dispatch	-1,548.01	
2510	Building Dept	0.00	
2910	Civil Defense	14,747.14	
2920	Dog Officer	-460.00	
4100	Engineering	46,582.33	
4200	Highway	396.86	
4230	Snow & Ice	-236,991.88	
5120	Health	5,199.69	
5410	COA	35.03	
5430	Veterans	12,027.62	
5490	Comm. On Disabilities	985.06	
5500	Nat. Resources	44,077.25	
6100	Mem. Library	0.00	
6101	West Acton Library	1,201.71	
6500	Historical Commission	490.00	
6600	Celebrations	184.13	
	Budget Deficit Total	-8,680.49	

Legal expenses exceeded budget

Unbudgeted cruiser cameras

Beaver Control lumbback generated \$1

Note #1

Staff is reviewing encumbrances and will bring a final balanced budget forward

Note #2

The Town Manager covered the snow and ice deficit by planned temporary labor force reductions.

	FY03 PER ALG	FY03 PER TAX RECAP	FY03 ACTUAL RECEIPTS TO DATE	ESTIMATED COLLECTIONS	TOTAL EXPECTED REVENUE	VARIANCE TO FY 03 ALG PLAN	VARIANCE TO FY 03 TAX RECAP
Net Cherry Sheet	4,288,000.00	4,278,373.00	4,010,593.32	109,203.00	4,119,796.32	(168,203.68)	(158,576.68)
Motor Vehicle Excise	2,725,000.00	2,600,000.00	2,584,375.44	0.00	2,584,375.44	(140,624.56)	(15,624.56)
Municipal Fees for Services	825,000.00	878,503.00	987,702.88	0.00	943,275.88	118,275.88	64,772.88
Interest Income Town	320,000.00	275,000.00	187,073.92	18,000.00	205,073.92	(114,926.08)	(69,926.08)
Misc Revenue	1,925,000.00	1,925,000.00	188,867.18	0.00	188,867.18	188,867.18	188,867.18
Free Cash			1,925,000.00		1,925,000.00		
NON-TAX LEVY TOTALS	10,083,000.00	9,956,876.00	9,883,612.74	127,203.00	9,966,388.74	(116,611.26)	9,512.74
TAX LEVY-TAX TITLE C/R	0.00	0.00	134,614.84	-	134,614.84	134,614.84	134,614.84
TAX LEVY-PROPERTY TAXES	41,424,000.00	41,774,071.06	41,558,458.64	-	41,558,458.64	134,458.64	(215,612.42)
Subtotal Levy	41,424,000.00	41,774,071.06	41,693,073.48	-	41,693,073.48	269,073.48	(80,997.58)
TOTAL REVENUE	51,507,000.00	51,730,947.06	51,576,686.22	127,203.00	51,659,462.22	152,462.22	-71,484.84