



Town of Natick
Massachusetts 01760

Office of the Comptroller

TO: Board of Selectmen
FROM: Virginia Cahill, Interim Comptroller *V. Cahill*
DATE June 19, 2014
SUBJECT: FY14 Year to Date Expenditure and Revenue Review as of March 31, 2014

Enclosed are reports that give a financial overview of the General Fund, Water/Sewer and Sassamon Trace Enterprise fund operations through the third quarter of Fiscal Year 2014 ended March 31, 2014.

General Fund Operations:

General Fund Revenues closed at 76.4% of budget as of March 31, 2014

- Local Receipts are at 86.97% of target as of March 31.

Local receipts that are significantly below the 75% target at the end of the third quarter and bear monitoring are:

- ✓ "Charges for Services-Trash Disposal" – This is at 66.72%. The trend for the rest of FY14 needs to be monitored to determine if the FY15 revenue budget needs revision for this line item
- ✓ "Rentals" are at 64.07% of target. This is partially due to the timing of some March rental income being posted to April. However, the FY15 budget also needs to be revised to the expected rental income for the year
- ✓ "Special Assessments" are at 38.73% of budget. This amount will increase when the balance of assessments are collected with the fourth quarter tax bills due 5/1/14



- ✓ "Investment Income" is at 41.93% of budget. The Treasurer/Collector did not start investing excess funds until directed to do so during March 2014. In addition, investment rates are still low.

Other Local Receipts below, or above target, are as follows:

- ✓ "Miscellaneous Recurring" - This line is at 5.41% of target. The practice has been to budget this at \$100,000 each fiscal year. The actual receipts will vary depending on a variety of factors and will fluctuate each year. The revenue collected in this line in FY14 is largely charges departments are allowed to collect for making copies, printing bills or producing other documents
 - ✓ "Miscellaneous Non-Recurring" – Through the third quarter of FY14, we have collected approximately \$92,000. The majority of this is from tax title collections. However, this revenue also includes the close out of special capital article small balances due to project completion, a bit of additional reimbursement collected for the February 2013 blizzard and the balance represents recognition of credits due from vendors from prior years for cancelled classes or adjusted charges
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- State Aid received is as expected at 74.15% of projections
 - All Enterprise Fund revenue for both the water/sewer and golf funds has been recognized, and booked, as of March 31
 - 100% of "Other Available Funds" must be booked once Town Meeting is certified. This represents Town Meeting votes to transfer money from other funds which include:
 - a) Parking Meter Receipts - \$60,000
 - b) School Building Assistance - \$123,167
 - c) Title V Septic - \$7,684
 - d) Capital Stabilization - \$699,079
 - e) Reserved Bond Premiums - \$106,758
 - f) Reduction in Golf Enterprise Subsidy - \$20,000
 - Real Estate and Personal Property Tax Collections closed at an average of 75.74% of target for both types of taxes which is a good collection rate.

General Fund Expenditures closed at 69% of the budget as of March 31, 2014

Overall, the general fund budget is being well managed. There are specific departments within the overall budget that exceed 75% of the budget at this point in the Fiscal Year. However, these fall into four expected types of categories:

- 1) Items paid for the entire year at the beginning of the fiscal year for insurance premiums, software maintenance contracts and annual lease of the church parking lot in the following departments respectively:
 - ✓ Insurance Property & Liability – Line 117
 - ✓ Information Systems – Line 155
 - ✓ Parking Enforcement – Line 246
- 2) Encumbrances recorded for future period expenditures for:
 - ✓ Assessors – Line 141
 - ✓ Legal Services – Line 151
 - ✓ Public Works Building Maintenance – Line 425
 - ✓ Veteran's Services – Line 543
 - ✓ Morse Library – Line 610
- 3) Snow & Ice expenditures are included in Line 429 – Public Works-Highway Maintenance. The FY14 deficit is at \$892,542 as of March 31st
- 4) Other Financing Uses – This is for items voted at the FY14 Spring and Fall Town Meetings that are transferred out of the general fund for various purposes. These amounts voted include transfers to the capital and operating stabilization funds, the OPEB fund, the Kennedy Middle School Feasibility Study and the subsidy for the Sassamon Trace Enterprise Fund

Enterprise Operations:

Water and Sewer Operations

Water/Sewer Fund revenues are at 75.8% of target with the following items noted:

- ✓ "User Charges" are running ahead of target at 76.8%
- ✓ "Connection Fee" revenues are at 205.9% of target due to the early completion of some large projects including South Natick Hills and Hunters Hill
- ✓ "Other Departmental Revenue" is mainly from collections of Utility Betterments and Liens that are added to the third and fourth quarter tax bills. This line item will need monitoring the last quarter of FY14
- ✓ "Investment Income" is calculated and recorded at the end of the fiscal year
- ✓ 100% of items voted at the FY14 Town Meetings are recognized. These include \$96,000 voted for capital projects from Retained Earnings and \$150,000 transferred from Infiltration & Inflow

Water/Sewer Fund expenditures are at 69.7% of budget. Overall, the expenditure budget is being well managed in FY14.

Sassamon Trace Operations

Golf Enterprise Fund revenues are at 79.6% of budget with the following:

- ✓ Golf Course Fees are below target at 68.9% but this is to be expected with the winter months included in this quarter.
- ✓ 100% of items voted at the FY14 Town Meetings are recognized. These include a \$312,246 subsidy from the General Fund and \$45,171 voted from Retained Earnings to support the FY14 budget

Golf Enterprise expenditures are at 58.4% of budget. Overall the expenditure budget has been well managed thus far in FY14.

If you have any questions about the enclosed reports, please feel free to contact me at 508-647-6437 or vcahill@natickma.org so that I may research any open issues you have.

TOWN OF NATICK
FY14 BUDGET VS. EXPENSE AS OF MARCH 31, 2014
GENERAL FUND

	ORIGINAL APPROP	TRANFRS ADJSTMTS	REVISED BUDGET	ACTUALS	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
GENERAL FUND EXPENSES AS OF March 31, 2014							
Lines 300 to 390 are School Budget Lines							
115	PRINTING TOWN REPORT	5,500.00	0.00	5,500.00	0.00	5,500.00	0.00%
117	INSURANCE PROPERTY/LIABILITY	588,175.00	25,000.00	613,175.00	495,234.47	0.00	80.80%
123	BD SELECTMEN/TN ADMINISTRATOR	1,101,098.00	345,480.00	1,446,578.00	642,184.76	217,534.68	59.40%
131	FINANCE COMMITTEE	22,000.00	0.00	22,000.00	5,392.52	0.00	24.50%
132	RESERVE FUND	300,000.00	0.00	300,000.00	0.00	300,000.00	0.00%
134	COMPTROLLER	446,231.00	33,533.00	479,764.00	294,396.87	1,275.00	61.60%
135	FINANCE DEPARTMENT	55,212.00	2,621.00	57,833.00	41,283.86	0.00	71.40%
141	ASSESSORS	427,462.00	334,877.00	762,339.00	263,039.28	317,666.47	76.20%
145	TREASURER	181,095.00	27,000.00	208,095.00	111,283.74	1,935.50	54.40%
146	COLLECTOR OF REVENUE	372,070.00	4,786.00	376,856.00	248,401.45	4,131.25	67.00%
151	LEGAL SERVICES -TOWN COUNSEL	280,000.00	179,201.00	459,201.00	195,048.08	154,948.61	76.20%
152	PERSONNEL BOARD	1,000.00	0.00	1,000.00	0.00	1,000.00	0.00%
155	INFORMATION SYSTEMS	996,725.00	85,332.00	1,082,057.00	769,603.88	108,345.46	81.10%
161	TOWN CLERK	245,300.00	14,707.00	260,007.00	166,754.81	14,400.00	69.70%
162	BOARD OF REGISTRARS	60,980.00	9,869.00	70,849.00	39,598.96	0.00	55.90%
180	COMMUNITY DEVELOPMENT	849,209.00	15,207.00	864,416.00	549,957.51	0.00	63.60%
192	PUBLIC BLDGS PROP MAINT	1,509,448.00	83,637.00	1,593,085.00	1,055,630.90	39,898.53	68.80%
210	POLICE DEPARTMENT	6,376,820.00	27,308.00	6,404,128.00	4,367,690.96	645.18	68.20%
220	FIRE DEPARTMENT	7,504,158.00	6,129.00	7,510,287.00	5,446,662.74	1,766.26	72.50%
244	WEIGHTS/MEASURES	15,534.00	0.00	15,534.00	11,228.14	0.00	72.30%
246	PARKING ENFORCEMENT	122,661.00	45,096.00	167,757.00	96,480.41	38,325.00	80.40%
251	NATICK EMERGENCY MANAGEMENT	35,600.00	0.00	35,600.00	21,957.60	0.00	61.70%
300	ADMINISTRATION	8,356,924.00	447,321.00	8,804,245.00	5,819,283.72	25,344.51	66.40%
310	REGULAR EDUCATION	26,163,949.00	170,389.00	26,334,338.00	15,923,145.44	176,733.82	61.10%
320	SPECIAL EDUCATION	11,569,992.00	89,606.00	11,659,598.00	7,601,972.16	1,187,187.27	75.40%
330	ENGLISH LANGUAGE LEARNERS	283,857.00	0.00	283,857.00	181,758.33	0.00	64.00%
350	504	167,784.00	7,096.00	174,880.00	73,707.68	10,330.21	48.10%
360	PRESCHOOL	603,213.00	101.00	603,314.00	349,898.46	2,843.14	58.50%
370	NORTHSTAR	495,666.00	0.00	495,666.00	279,808.13	972.75	56.60%
380	OTHER	162,164.00	103.00	162,267.00	105,342.94	0.00	64.90%
390	TECHNOLOGY	2,055,975.00	(33,032.00)	2,022,943.00	1,517,956.03	40,520.12	77.00%
410	PUBLIC WORKS ENGINEERING	512,697.00	37,184.00	549,881.00	343,651.51	40,469.70	69.90%
420	PUBLIC WORKS - ADMIN	300,035.00	8,084.00	308,119.00	168,499.89	1,190.55	55.10%
425	PUBLIC WORKS BLDG MAINTENANCE	358,400.00	35,796.00	394,196.00	287,770.31	34,359.00	81.70%
426	PUBLIC WORKS EQUIP MAINT	826,741.00	323.00	827,064.00	541,113.56	22,438.23	68.10%
427	PUBLIC WORKS LF & NR	730,893.00	37,694.00	768,587.00	511,408.85	23,594.30	69.60%
429	PUB WKS HWY MAINT/SANT/RECYCLE	2,853,435.00	187,073.00	3,040,508.00	2,746,819.70	150,408.98	95.30%
450	FACILITIES MANAGEMENT	2,590,381.00	18,320.00	2,608,701.00	1,839,528.52	16,240.00	71.10%
512	BOARD OF HEALTH	445,136.00	14,204.00	459,340.00	301,187.27	588.96	65.70%
540	COMMUNITY SERVICES	119,454.00	0.00	119,454.00	72,573.28	0.00	60.80%
541	COUNCIL ON AGING	484,655.00	19,815.00	504,470.00	331,558.81	6,797.67	67.10%
543	VETERANS SERVICES	370,432.00	1,562.00	371,994.00	256,598.25	44,301.30	80.90%
549	COMMISSION ON DISABILITY	1,810.00	0.00	1,810.00	351.43	0.00	19.40%
610	MORSE INSTITUTE LIBRARY	1,965,777.00	8,732.00	1,974,509.00	1,495,152.04	5,188.23	76.00%
615	BACON FREE LIBRARY	139,582.00	2,999.00	142,581.00	98,962.36	0.00	69.40%
630	RECREATIONS AND PARKS	563,244.00	11,556.00	574,800.00	377,708.81	3,086.27	66.20%
690	ARTS COUNCIL	700.00	0.00	700.00	0.00	700.00	0.00%
691	HISTORIC COMMISSION	1,000.00	0.00	1,000.00	0.00	1,000.00	0.00%
692	HISTORIC DISTRICT COMMISSION	550.00	0.00	550.00	216.04	0.00	39.30%
710	INTEREST AND MATURING DEBT	10,587,531.00	373,512.00	10,961,043.00	3,898,130.55	1,567.50	35.60%
800	STATE AND COUNTY CHRGS	0.00	1,526,412.00	1,526,412.00	977,508.00	0.00	64.00%
910	OTHER EMPLOYEE BENEFITS	15,361,236.00	(135,428.00)	15,225,808.00	10,852,878.79	6,301.01	71.30%
911	RETIREMENT BOARD	6,567,165.00	0.00	6,567,165.00	6,567,165.00	0.00	100.00%
912	NON-CONTRIBUTORY PENSIONS	42,903.00	0.00	42,903.00	32,904.12	0.00	76.70%
990	OTHER FINANCING USES	0.00	6,433,303.00	6,433,303.00	6,433,303.00	0.00	100.00%
TOTAL GENERAL FUND		116,179,559.00	10,502,509.00	126,682,068.00	84,809,693.92	2,701,335.46	69.08%
TOTAL BY CATEGORY							
MUNICIPAL		32,873,025.00	1,598,125.00	34,471,150.00	23,699,697.10	1,249,535.13	72.38%
EDUCATION		49,859,524.00	681,584.00	50,541,108.00	30,899,733.89	1,443,931.82	63.99%
SHARED		33,447,010.00	263,084.00	33,710,094.00	22,799,451.93	7,868.51	67.66%
OTHER - Lines 800 and 990		0.00	7,959,715.00	7,959,715.00	7,410,811.00	0.00	93.10%
TOTAL GENERAL FUND		116,179,559.00	10,502,508.00	126,682,067.00	84,809,693.92	2,701,335.46	69.08%

**TOWN OF NATICK
REVENUE FY14
July 1, 2013 thru March 31, 2014**

PAGE 1 of 2; GENERAL FD REVENUE

	Projected 2013	Actual 2013	Projected 2014	Actual 2014	\$ Amount FY14 Actual minus FY14 Projected	Percent of Target (estimate) in-house
Local Receipts:						
Motor Vehicle Excise **	3,795,250.00	4,338,121.24	4,023,000.00	3,254,950.92	(768,049.08)	80.91%
Other Excise **	700,000.00	2,153,684.36	700,000.00	1,681,142.81	981,142.81	240.16%
Penalties and interest	426,065.00	529,699.91	455,000.00	345,914.15	(109,085.85)	76.03%
Payments in lieu of taxes	24,931.00	35,300.88	35,000.00	35,150.18	150.18	100.43%
Charges for Services - trash disposal	865,603.00	1,019,244.40	1,050,000.00	700,577.12	(349,422.88)	66.72%
Other Charges for Services - Ambulance	1,500,000.00	1,492,334.71	1,460,000.00	1,128,236.86	(331,763.14)	77.28%
Rentals	40,041.00	49,779.96	50,000.00	32,034.64	(17,965.36)	64.07%
Departmental Revenue - Recreation**	176,000.00	184,072.61	186,750.00	0.00	(186,750.00)	0.00%
Other departmental revenue	670,000.00	751,739.54	660,000.00	576,702.32	(83,297.68)	87.38%
Licenses and permits	1,350,000.00	1,847,846.87	1,425,000.00	1,050,090.85	(374,909.15)	73.69%
Special Assessments **	20,000.00	13,130.47	14,000.00	5,422.02	(8,577.98)	38.73%
Fines and Forfeits	195,000.00	193,105.62	183,000.00	141,367.45	(41,632.55)	77.25%
Investment Income	150,000.00	89,485.32	150,000.00	62,887.79	(87,112.21)	41.93%
Misc Recurring	100,000.00	19,550.71	100,000.00	5,407.02	(94,592.98)	5.41%
Medicaid Reimbursement	-	-	100,000.00	100,000.00	-	100.00%
Misc - Non Recurring	-	1,171,661.92	-	92,174.67	92,174.67	
TOTAL LOCAL RECEIPTS	10,012,890.00	13,888,758.52	10,591,750.00	9,212,058.80	(1,379,691.20)	86.97%

	Projected 2013	Actual 2013	Net of Offset Receipts Projected 2014	Actual 2014	\$ Amount FY14 Actual minus FY14 Projected	Percent of Target (estimate) in-house
State Aid:						
Chapter 70	7,640,286.00	7,640,286.00	8,312,752.00	6,234,561.00	(2,078,191.00)	75.00%
Charter Tuition Reimbursements	210,583.00	134,391.00	125,484.00	51,432.00	(74,052.00)	40.99%
Unrestricted General Government Aid	3,223,110.00	3,223,110.00	3,299,298.00	2,474,472.00	(824,826.00)	75.00%
Veterans Benefits	124,841.00	126,844.00	147,113.00	112,117.00	(34,996.00)	76.21%
Exemptions: Vets, Blind, Surviving Spouse & I	109,940.00	105,658.00	109,155.00	19,827.00	(89,328.00)	18.16%
State Owned Land	110,187.00	110,187.00	112,366.00	84,274.00	(28,092.00)	75.00%
TOTAL STATE AID	11,518,947.00	11,440,476.00	12,106,168.00	8,976,683.00	(3,129,485.00)	74.15%

PAGE 2 of 2; GENERAL FD REVENUE

	Projected 2013	Actual 2013	Projected 2014	Actual 2014	Percent of Target (estimate) in-house
Water/Sewer Enterprise Revenue: (Voted at Town Meeting)	2,581,514.00	2,581,514.00	2,323,579.00	1,742,684.22	75%
Sassamon Trace Golf Revenue: (Voted at Town Meeting)			32,246.00	24,184.53	75%
Other Available Funds: **	299,101.00	299,101.00	1,016,688.00	1,016,688.00	100%
Personal Property: FY2014	1,697,863.60	1,691,821.15	1,715,801.00	1,312,061.97	76.47%
Previous Fiscal Years Collected in FY14	-	(170,970.94)		(7,527.12)	
Real Estate Tax: FY2014	87,625,581.40	86,433,643.65	91,720,864.00	67,887,057.05	75.00%
Previous Fiscal Years Collected in FY14		1,180,124.27		1,120,862.28	
TOTAL RECEIPTS COLLECTED THROUGH 03-31-14			119,507,096.00	91,284,752.73	76.4%

**** PLEASE REMEMBER:**
"OTHER EXCISE" PROJECTION DOES NOT INCLUDE \$1.3 MILLION BUDGETED FOR LOCAL OPTION TAXES
DESIGNATED FOR TRANSFER TO THE CAPITAL STABILIZATION FUND
RECREATION DEPARTMENT REVENUE IS RECOGNIZED IN A YEAR END CLOSING ENTRY
OTHER AVAILABLE FUNDS ARE FUNDS VOTED AT TOWN MEETING TO BE TRANSFERRED TO THE GEN. FUND
REAL/PERSONAL PROPERTY TAX - COLLECTED QUARTERLY
SPECIAL ASSESSMENTS ARE ADDED TO THE THIRD & FOURTH QUARTER TAX BILLS
MOTOR VEHICLE EXCISE - 1ST FY14 BILL IS GENERATED IN THIRD QUARTER

TOWN OF NATICK
WATER/SEWER ENTERPRISE FUND
March 31, 2014

	ORIGINAL APPROP	TRANFRS ADJSTMTS	REVISED BUDGET	YTD ACTUAL	Percent of target (estimate) in-house
WATER/SEWER ENTERPRISE FUND REVENUE:					
TOTAL USER CHARGE	12,362,753.00	-	12,362,753.00	9,499,949.07	76.8%
TOTAL CONNECTION FEE	70,000.00	-	70,000.00	144,130.00	205.9%
TOTAL OTHER DEPARTMENTAL REVENUE	1,104,900.00	-	1,104,900.00	567,605.96	51.4%
TOTAL INVESTMENT INCOME	15,000.00	-	15,000.00	-	0.0%
(This is calculated at year-end)			-		
RETAINED EARNINGS - Voted Fall Town Meeting	-	96,000.00	96,000.00	96,000.00	100.0%
OTHER AVAILABLE FUNDS (Infiltration & Inflow)	150,000.00		150,000.00	150,000.00	100.0%
TOTAL WATER/SEWER REVENUE	13,702,653.00	96,000.00	13,798,653.00	10,457,685.03	75.8%



	ORIGINAL APPROP	TRANFRS ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCE	AVAILABLE BALANCE	% EXPENDED COMPARED TO REVISED BUDGET
TOTAL SEWER/WATER SHARED RESERVE	200,000.00	(36,000.00)	164,000.00	-	-	164,000.00	0.0%
TOTAL WATER/SEWER SALARIES	107,433.00	-	107,433.00	48,578.46	-	58,854.54	45.2%
TOTAL SEWER/WATER EXPENSE	129,950.00	-	129,950.00	17,980.33	4,320.00	107,649.67	17.2%
TOTAL SEWER SALARIES	750,160.00	-	750,160.00	379,810.61	-	370,349.39	50.6%
TOTAL SEWER EXPENSES	5,136,721.00	65,059.00	5,201,780.00	4,026,975.16	24,628.21	1,150,176.63	77.9%
TOTAL WATER SALARIES	979,065.00	-	979,065.00	734,943.01	-	244,121.99	75.1%
TOTAL WATER EXPENSES	1,106,000.00	109,908.00	1,215,908.00	698,220.21	55,495.78	462,192.01	62.0%
TOTAL WATER SEWER DEBT	2,082,138.00	54,773.00	2,136,911.00	1,211,343.33	-	925,567.67	56.7%
TOTAL EMPLOYEE BENEFITS	682,835.00	-	682,835.00	523,174.64	-	159,660.36	76.6%
TRANS TO G/F - INDIRECTS	2,323,579.00	-	2,323,579.00	1,742,684.22	-	580,894.78	75.0%
RETAINED EARNINGS - Reserved for Capital	150,000.00	96,000.00	246,000.00	246,000.00	-	-	100.0%
TOTAL WATER/SEWER EXPENDITURES	13,647,881.00	193,740.00	13,937,621.00	9,629,709.97	84,443.99	4,223,467.04	69.7%

TOWN OF NATICK
 SASSAMON TRACE GOLF COURSE
 March 31, 2014

	ORIGINAL APPROP	TRANFRS ADJSTMTS	REVISED BUDGET	ACTUAL RECEIPTS THRU 3/31/2014	Percent of Target (estimate) in house		
SASSAMON TRACE GOLF COURSE RECEIPTS							
TOTAL SASSAMON TRACE GOLF COURSE FEES	529,163.00	-	529,163.00	364,565.61	68.9%		
TOTAL SASSAMON TRACE GOLF COURSE SUBSIDY TRANSFER IN FROM GEN'L FUND; voted at Town Meeting	332,246.00	(20,000.00)	312,246.00	312,246.00	100.0%		
RETAINED EARNINGS; voted at Town Meeting to Support the Budget	45,171.00		45,171.00	45,171.00	100.0%		
TOTAL REVENUE SASSAMOM TRACE 3-31-14	906,580.00		886,580.00	721,982.61	79.6%		
SASSAMON TRACE GOLF COURSE EXPENSES THROUGH 3-31-14							
	ORIGINAL APPROP	TRANFRS ADJSTMTS	REVISED BUDGET	ACTUAL EXPENDITURE 3/31/2014	FY14 ENCUMBRANCE	AVAILABLE	% expended from revised budget
SALARIES	265,450.00	-	265,450.00	188,420.45		77,029.55	71.0%
TOTAL EXPENSES	255,508.00	6,853.00	262,361.00	148,779.16	5,000.00	108,581.84	58.6%
TOTAL CAPITAL - FACILITY UPGRADES	2,000.00	-	2,000.00	116.54		1,883.46	5.8%
TOTAL DEBT SERVICE	286,797.00	(41,636.00)	245,161.00	68,568.66		176,592.34	28.0%
LEASE PAYMENT LAND	65,750.00	-	65,750.00	66,050.13		(300.13)	100.5%
RETIREMENT ASSESSMENT	10,466.00	-	10,466.00	10,466.00		-	100.0%
TRANSFER TO GEN'L FUND - INDIRECT COSTS	-	32,246.00	32,246.00	24,184.53		8,061.47	75.0%
TRANSFER TO CAPITAL FUND FROM RETAINED EARNINGS PAVE GOLF COURSE PATHS		10,000.00	10,000.00	10,000.00		-	100.0%
TOTAL SASSAMON TRACE EXPENSES	885,971.00	7,463.00	893,434.00	516,585.47	5,000.00	363,787.06	58.4%