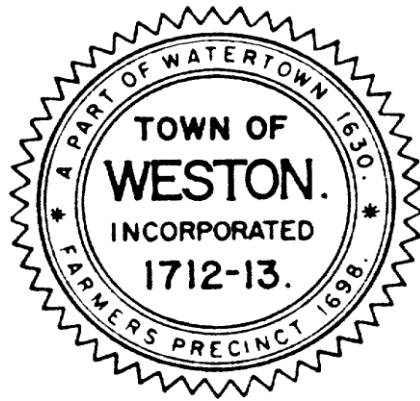


TOWN OF WESTON

FY2015 REVENUE PROJECTIONS



*Prepared by the Town Manager's Office and
Finance Department
January 8, 2014*

Fiscal Year 2015 Revenue Projections

This revenue projection is being submitted to the Board of Selectmen and Finance Committee as required under Section 2 (f) (ii) (5) of Chapter 80 of the Acts of 2001, the Town Manager Act for the Town of Weston.

Revenue projecting is a dynamic process. These projections will be revised as additional data becomes available. The specific revenue projections likely to be revised are noted throughout the assumptions.

This revenue projection is organized as follows:

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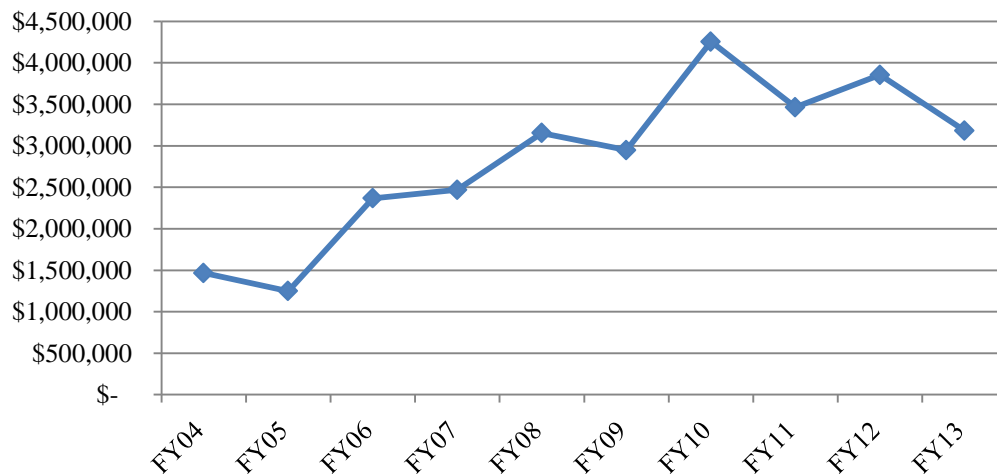
FY2015 Revenue Projection Summary

The Town's General Fund revenue excludes Enterprise Fund revenue (i.e. Water Divison, Brook School Apartments, and Recreation). General Fund revenue is broken down into four categories: property taxes (86.2%), state aid (4.9%), local receipts (6.3%), prior year balances (4.6%) and other (0.7%). The final General Fund revenue figure is reached by factoring in revenue offsets (-2.7%) which include State assessments and offsets, overlay for abatements, school reimbursements and the General Fund contribution to the Recreation Enterprise Fund.

FY15 revenues are projected to increase by \$1,207,227 or 1.7% over FY14 Estimated Revenues. This increase, by revenue source, is shown in the table below. Some of the revenue sources may be revised over the coming weeks as better data becomes available. Aspects of this projection which should be highlighted include:

1. **Property Taxes:** The increase in the tax levy of \$1,704,695 or 2.8% is due to \$684,428 or 1.1% of the allowed 2.5% increase plus \$1,020,267 in unused levy capacity being carried forward from new growth in FY14 (Also see Appendix 1).
2. **State Aid:** At this time, a 5% decrease in all categories of state aid except school building assistance is projected. Final State Aid numbers may not be known by Town Meeting.
3. **Local Receipts:** Local receipts are projected to increase by \$41,529 or .93%. This increase is related primarily to increases in licenses and permits revenue.
4. **Prior Year Balances/Other:** This projection assumes the use of \$2,400,000 of the Town's 6/30/13 certified Free Cash for the operating budget and an additional \$325,000 for one-time capital projects. The Board of Assessors has released \$280,000 of overlay surplus, an increase of \$67,000. It is also assumed that \$250,000 in principal from the Well Litigation Settlement will again be used to help fund reserves in the FY15 budget.

Certified Free Cash FY04 - FY13



FY2015 Funding Source by Revenue Type

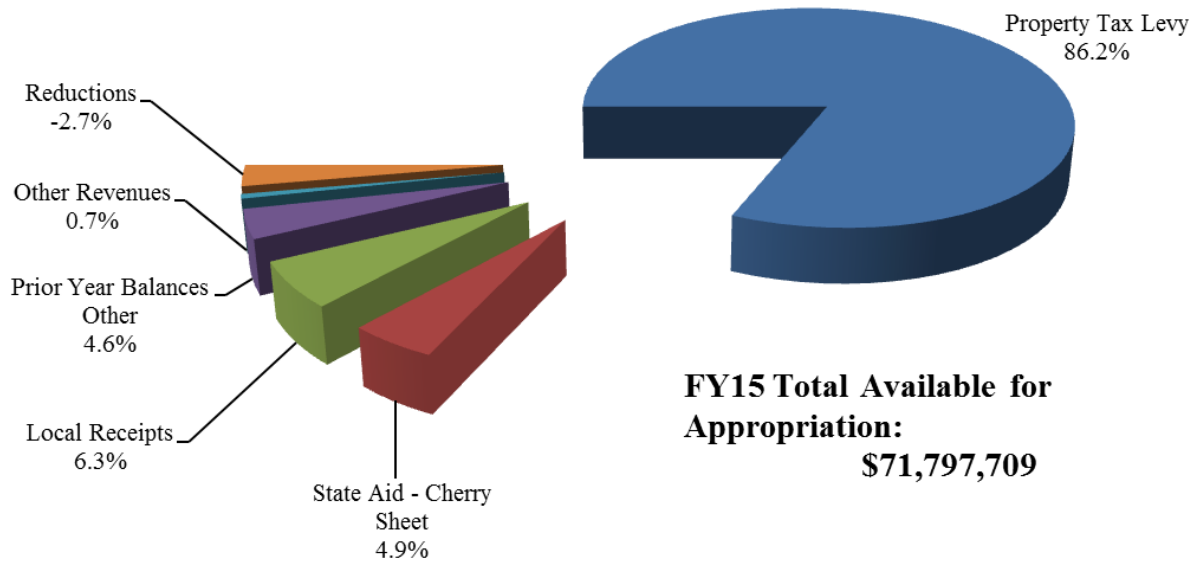


TABLE I: FY2015 REVENUE PROJECTION SUMMARY				
	FY2014	FY2015	DOLLAR	PERCENT
	Estimated	Projected	CHANGE	CHANGE
			FY14 - 15	FY14 - 15
PROPERTY TAX LEVY	\$60,190,558	\$61,895,253	\$1,704,695	2.8%
STATE AID - CHERRY SHEET	\$3,705,368	\$3,556,311	(\$149,057)	-4.0%
LOCAL RECEIPTS	\$4,459,168	\$4,500,697	\$41,529	0.9%
PRIOR YEAR BALANCES/OTHER	\$3,689,000	\$3,306,000	(\$383,000)	-10.4%
TOTAL PROJECTED REVENUES	\$72,044,094	\$73,258,261	\$1,611,005	2.3%
REDUCTIONS IN REVENUES	(1,929,113)	(1,945,562)	(\$16,449)	0.9%
OTHER REVENUES	475,501	485,011	9,510	2.0%
AVAILABLE FOR APPROPRIATION	\$70,590,482	\$71,797,709	\$1,207,227	1.7%

Property Tax - Projections and Assumptions

Table 2

	FY2012 ACTUAL	FY2013 ACTUAL	FY2014 TAX RECAP	FY2015 PROJ	\$CHG	%CHG
PROPERTY TAX LEVY	55,971,915	57,762,432	60,190,558	61,895,253	1,704,695	2.8%
new growth	897,752	1,156,485	1,020,267	600,000		
(unused levy capacity)	(897,752)	(1,156,485)	(1,020,267)	(600,000)		
override	-	-	-	-		
Total Tax Levy	\$55,971,915	\$57,762,432	\$60,190,558	\$61,895,253	\$1,704,695	2.8%

Assumptions:

1. Property Tax Levy - \$61,895,253: Weston’s property tax levy is anticipated to increase by \$1,704,695 or 2.8%. Of this amount, \$1,020,267 is from FY14 unused tax levy capacity (new growth). There is additional unused levy capacity of more than \$3.18 million that carries forward.

As provided under Proposition 2 ½, local governments are permitted to increase property taxes 2.5% over the previous years’ tax levy limit. In addition, a community may increase its property tax levy by what is known as “new growth.” New growth reflects an increase in the property tax levy resulting from new residential and commercial construction in the community. FY15 new growth is projected at \$600,000.

It has been the Town’s practice not to include estimated new growth in preparing revenue projections for the Annual Town Meeting. By using this conservative revenue projection approach, Weston has consistently had “unused levy capacity” each year.

A historical analysis of the property tax levy including unused levy capacity can be found in Appendix 1. The Reserve Policy defines the annual amount of unused tax levy capacity as an unrestricted revenue source to be used prior to setting the tax rate each year for the following purposes: to fund snow and ice deficits from the prior year; to offset any estimated local receipts shortfall or state aid reduction; to be used instead of appropriating from the Stabilization Fund; and to be used in revenue estimates prior to annual town meeting after taking into consideration other uses previously stated.

State Aid - Projections and Assumptions

Table 3

	FY2012 ACTUAL	FY2013 ACTUAL	FY2014 TAX RECAP	FY2015 PROJ	\$CHG	%CHG
STATE AID						
Chapter 70 (school aid)	\$2,419,859	\$2,512,979	\$2,571,779	\$2,443,190	(\$128,589)	-5.0%
Lottery Aid	\$293,515	\$316,391	\$323,870	\$307,677	(\$16,194)	-5.0%
Dist., reimb., offsets	\$112,465	\$101,748	\$85,493	\$81,218	(\$4,275)	-5.0%
School Construction	798,603	798,607	724,226	724,226	\$0	0.0%
Total State Aid	\$ 3,624,442	\$ 3,729,725	\$ 3,705,368	\$ 3,556,311	(\$149,057)	-4.0%

Assumptions:

State Aid - \$3,556,311: State aid, which is also referred to as Cherry Sheet aid, is a function of the state budget. At this time, each category of state aid except school construction assistance is projected to decrease by 5% in FY15.

Weston's first indication of state aid for FY15 will come when Governor Patrick submits his FY15 budget to the Legislature. This happens at the end of January 2014. This budget is known as "House 1" and includes the Governor's proposal on education aid (Chapter 70) and lottery distributions, two of Weston's largest categories of state aid.

1. Distributions, Reimbursements and Offsets - \$81,218: This category includes amounts reserved for direct expenditure for School Lunch and Public Libraries, as well as reimbursement for charter school tuition, veterans' benefits paid, and real estate exemptions.

2. Chapter 70 Aid - \$2,443,190: Chapter 70 education assistance is Weston's largest category of state aid. This assistance is provided through the use of a state formula that sets a target of 59% local funding and 41% state funding of the "foundation" budget for education. Weston regularly provides local funding at a much higher level.

3. School Construction - \$724,226: This aid is a function of partial reimbursements for the Field School and High School renovation projects. These amounts, however, must be directly used to reduce the amount of the Proposition 2 ½ debt exclusion for these projects and, therefore, are not available for appropriation for other purposes. Consequently, this amount is shown as a reduction in revenue in Table 6 of this projection.

4. Lottery Aid - \$307,677: Under State law, cities and towns share in the proceeds of the State lottery. A decrease in the amount of \$16,194 or 5% is projected.

Local Receipts - Projections and Assumptions

Table 4

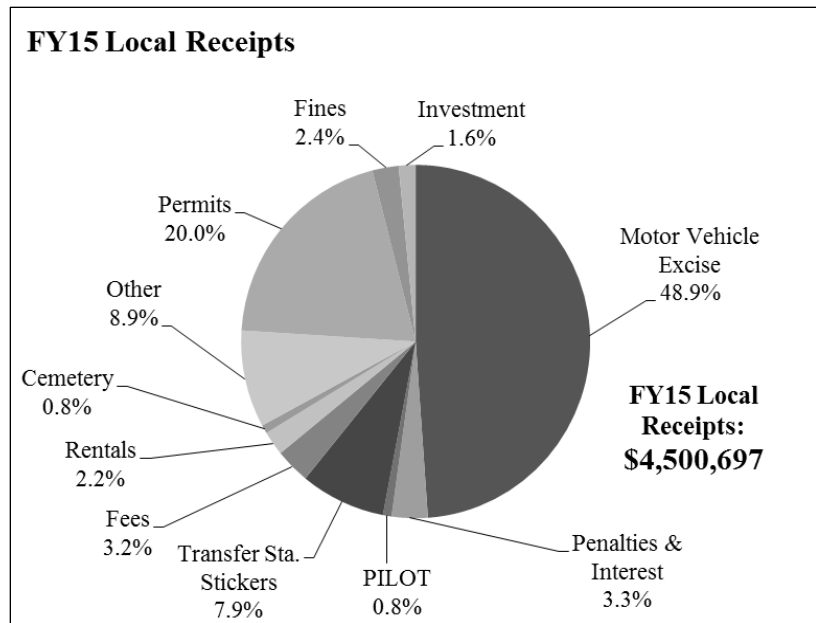
LOCAL RECEIPTS

	FY2012 ACTUAL	FY2013 ACTUAL	FY2014 TAX RECAP	FY2015 PROJ	\$CHG	%CHG
motor vehicle excise	2,418,787	2,200,000	2,200,000	2,200,000	\$0	0.0%
penalties and interest	164,055	245,849	150,000	150,000	\$0	0.0%
payment in lieu of taxes	30,148	32,652	34,168	35,697	\$1,529	4.5%
charges for services-solid waste	368,855	359,353	360,000	355,000	(\$5,000)	-1.4%
fees	162,027	151,011	145,000	145,000	\$0	0.0%
rentals	113,575	222,101	100,000	100,000	\$0	0.0%
departmental revenue-cemeteries	36,230	40,165	30,000	35,000	\$5,000	16.7%
other departmental revenue	440,600	465,540	400,000	400,000	\$0	0.0%
licenses and permits	1,172,782	1,053,013	855,000	900,000	\$45,000	5.3%
finest and forfeits	118,775	123,993	110,000	110,000	\$0	0.0%
investment income	80,770	73,613	75,000	70,000	(\$5,000)	-6.7%
misc. non recurring	230,683	152,776	-	-	\$0	0.0%
misc. recurring	-	-	-	-	\$0	0.0%
Total Local Receipts	\$ 5,337,286	\$ 5,120,065	\$ 4,459,168	\$ 4,500,697	\$ 41,529	0.9%

Assumptions:

Local Receipts - \$4,500,697:

Local receipts are those fees and charges which may be imposed by a municipality. Massachusetts General Law Chapter 40 Section 22f provides that “any municipal board or officer empowered to issue a license, permit, certificate or to render a service to perform work for a person or class of persons may, from time to time, fix reasonable fees...” This is a local acceptance statute that Town Meeting approved in May 1996.



1. Motor Vehicle Excise - \$2,200,000: Motor vehicle excise receipts are largely dependent on the sale of new vehicles, which is generally tied to economic conditions. No increase in motor vehicle excise receipts is projected. A historical analysis of the number of bills issued and collection rates can be found in Appendix 2.

2. Penalties and Interest - \$150,000: This category includes penalties charged for the late payment of real estate and motor vehicle excise bills, tax lien redemptions and interest accrued on deferred taxes. Large changes in this receipt category are due to payments in deferred taxes (elderly deferral), which cannot be projected with any certainty.

3. PILOT-Payment in Lieu of Taxes - \$35,697: The Town has a payment-in-lieu-of-taxes agreement with Weston Community Housing, Inc. for Merriam Village. In FY09, the PILOT was \$19,044. Because of financial difficulties at Merriam Village, the Board of Selectmen voted to approve a 50% reduction in the PILOT for FY10-FY12. In FY13, the payment increased to \$12,000 and in FY14 to \$13,000. The FY15 payment is expected to be \$14,000. The Town also receives a PILOT for Brook School Apartments, which is \$21,697, a 2.5% increase over FY14.

4. Charges for Service - Solid Waste - \$355,000: This amount reflects transfer station sticker fees. The current fee is \$215 per year with a reduced fee of \$132 for senior citizens. In addition, households that meet certain income requirements are eligible for a waiver of the fee. In FY13, 46 people took advantage of the transfer station fee waiver. In FY13, transfer station sticker fee revenue funded approximately 75% of the cost of this operation. The Board of Selectmen has set a goal of funding 70-75% of costs with fee revenue. Approximately \$12,000 of transfer station revenue is estimated to be received from recycling of certain materials.

5. Fees - \$145,000: This category includes Town Clerk fees, municipal lien certificate fees, Planning Board filing fees, police detail administration fees, stormwater review fees, and certain Board of Health inspection fees. A five year historical average can be found in Appendix 3.

6. Rentals - \$100,000: This category consists primarily of lease payments for two cell towers located at the Police Station, and the rental income for the Library, two Town-owned housing units, and the Melone homestead.

7. Departmental Revenue - Cemeteries - \$35,000: This category includes revenues from interments and foundations. The projection is conservatively based on a five-year historical average. (Also see, Cemetery Trust Fund in Table 5)

8. Other Departmental Revenue - \$400,000: This category primarily includes ambulance fees, but also includes emergency alarm system fees, false burglar and fire alarm fees, and other miscellaneous revenue.

9. Licenses and Permits - \$900,000: This category includes Building Department permit fees, Board of Health and Fire Department permit fees. A five-year historical average can be found in Appendix 4.

10. Fines and Forfeits - \$110,000: This category includes parking ticket, court, library and motor vehicle non-renewal fines and fees. The projection is conservatively based on a five-year historical average.

12. Investment Income - \$70,000: This projection is based on an average rate of return on the Town's average monthly cash balance. The average rate of return to date in FY14 is .07 %.

Prior Year Balances/Other - Projections and Assumptions

Table 5

	FY2012 ACTUAL	FY2013 ACTUAL	FY2014 TAX RECAP	FY2015 PROJ	\$CHG	%CHG
PRIOR YR BAL/OTHER						
unresv.fund bal. (free cash)	2,400,000	2,300,000	2,300,000	2,400,000	100,000	4.3%
free cash for capital projects	863,479	720,949	860,000	325,000	(535,000)	-62.2%
overlay surplus	250,000	210,000	213,000	280,000	67,000	31.5%
reserved for approp. (accrued inc. litigation settlement)	75,000	50,000	25,000	10,000	(15,000)	-60.0%
reserved for appropriation (well litigation settlement)	250,000	250,000	250,000	250,000	\$0	0.0%
cemetery trust fund	40,000	35,000	35,000	35,000	\$0	0.0%
Josiah Smith Tavern trust fund	6,000	6,000	6,000	6,000	\$0	0.0%
Total Reserves	\$ 3,884,479	\$ 3,571,949	\$ 3,689,000	\$ 3,306,000	(383,000)	-10.4%

Assumptions:

Prior Year Balances/Other - \$3,306,000: This category includes those accounts that are either required by State law or established by Town Meeting. Appropriating funds from the accounts shown requires Town Meeting approval.

While not shown in this table, the Town Meeting annually votes to appropriate funds to a number of “continuing balance” accounts. These continuing balance accounts also function as a type of dedicated reserve account as the unexpended balance at the close of a fiscal year is carried forward to the next fiscal year. The Town established these continuing balance accounts to provide for annual level funding for a variety of capital type expenditures, such as facilities maintenance and technology-related replacements. The balances in these continuing balance accounts are shown in Appendix 5.

In addition, in 2006 the Board of Selectmen approved a Reserve Policy creating eleven different reserve categories to address specific needs. Funding of the reserves began in FY06. The status of the various Reserves is shown in Appendix 7.

1. Unreserved Fund Balance/Free Cash - \$2,400,000: The Department of Revenue certified Weston’s Free Cash as of June 30, 2013 at \$3,182,126.

Undesignated fund balance/free cash is largely a function of:

- prior year revenue collections in excess of estimates, and
- prior year expenditures less than appropriations.

Appendix 6 provides a history of the Town’s unreserved fund balance.

2. Free Cash for Capital Projects - \$325,000: An additional amount of free cash is proposed to be used for certain capital projects that are generally one-time in nature, not recurring. The list of capital projects to be proposed for approval can be found in Table II of the Capital Improvement Plan, Section 18.

3. Overlay Surplus - \$280,000: A reserve for property tax abatements and exemptions is created each year by way of the Overlay account. Overlay Surplus becomes available when it is determined that all claims for abatements and exemptions of a specific fiscal year have been resolved. Per state statute, this amount must be formally voted by the Board of Assessors before it is available for appropriation. The Board of Assessors has voted to declare surplus of \$280,000 from the FY13, FY12, FY11, FY07 and FY06 Overlay accounts. The Reserve Policy has created a reserve for property tax abatements that is funded by setting aside \$20,000 of overlay surplus each year, until a balance of \$200,000 is reached.

4. Reserved for Appropriation - Accrued Income - Well Litigation Settlement - \$10,000: This reserve account reflects the investment income from a settlement with the Turnpike Authority over the pollution of Town wells. Over the last three years, this trust fund has earned an average of \$35,405 in investment income per year, and has an accumulated balance of \$106,384 as of June 30, 2013. The amount recommended for FY15 has been reduced by \$15,000 in recognition of declining interest earned as a result of the market and a declining principal balance. These funds can be used for any municipal purpose.

5. Reserved for Appropriation - Well Litigation Settlement - \$250,000: This reserve account reflects the principal from a settlement with the Turnpike Authority over the pollution of Town wells. When the Town's reserve policy was implemented in FY06, the Finance Committee proposed using funds from this account to help fund the reserve policy recommendations. The rationale was that this is an undesignated reserve account and town meeting would simply be transferring the funds over time to designated reserve accounts. Since then, an annual appropriation from the Well Litigation Settlement principal has been made. The balance in this account as of June 30, 2013 is \$821,171.

6. Cemetery Trust Fund - \$35,000: This trust fund is the income earned from the perpetual care charge paid by residents purchasing cemetery plots in the Weston Cemetery. The June 30, 2013 balance in the perpetual care fund is \$1,085,749 (non-expendable).

7. Josiah Smith Tavern Trust Fund - \$6,000: This amount reflects the investment income from the Josiah Smith Tavern Trust Fund. The June 30, 2013 balance in this trust fund is \$199,992. This is a fully expendable trust fund.

Reductions in Revenues - Projections and Assumptions

Table 6

	FY2012 ACTUAL	FY2013 ACTUAL	FY2014 TAX RECAP	FY2015 PROJ	\$CHG	%CHG
REDUCTIONS IN REVENUES						
cherry sheet assessments	321,454	289,019	275,070	275,070	-	0.0%
cherry sheet offsets	34,590	34,144	33,519	31,843	(1,676)	-5.0%
overlay (abatements)	458,354	430,916	434,643	450,000	15,357	3.5%
school reimbursements	798,603	798,607	724,226	724,226	-	0.0%
overlay deficits	-	-	-	-	-	0.0%
contribution to recreation enterprise fund	<u>458,825</u>	<u>461,718</u>	<u>461,655</u>	<u>464,423</u>	2,768	0.6%
Total Reductions in Rev.	\$ 2,071,826	\$ 2,014,404	\$ 1,929,113	\$ 1,945,562	16,449	0.9%

Assumptions:

Reductions in Revenues - \$1,945,562: This table reflects offsets to revenues for certain accounts that do not require Town Meeting appropriation but are, in fact, expenditures of the Town.

1. State (Cherry Sheet) Assessments - \$275,070: Cherry Sheet Assessments are charges levied for services provided to the Town by State and other governmental agencies (e.g., MBTA). These charges are projected to be level funded in FY15.

2. State (Cherry Sheet) Offsets - \$31,843: State Aid distributions (see Table 3) include certain State categorical grants. The programs that comprise this category include School Lunch and Library grants. These grants must be used for specific purposes and may be expended without Town Meeting appropriation. While they are a component of State Aid revenue (see Table 3), these amounts are shown as a reduction in revenue available for Town Meeting appropriation because of their specific categorical nature. This amount is projected to be reduced by 5% in FY15.

3. Overlay - \$450,000: The Overlay is a reserve account used for property tax abatements and statutory tax exemptions. The preliminary estimate for this account, subject to approval by the Board of Assessors, has been set at \$450,000. Approximately \$45,000 is to fund statutory tax exemptions that are granted to the elderly, infirm and veterans. The State reimburses the Town approximately \$15,000 for these exemptions. Any Overlay amount not needed in a particular year is released as overlay surplus by the Board of Assessors for use in funding future operating budgets (see Table 5).

4. School Building Reimbursements - \$724,226: As part of Weston’s State Aid (Table 3), the Town receives reimbursements for the construction costs associated with the Field School and High School renovation projects. Since these projects are funded through Proposition 2 ½ debt exclusions, the reimbursements must be used to offset the debt service payments associated with these projects. The debt service is being refunded in February 2014 and the actual debt service figures will be updated and reduced prior to the Annual Town Meeting.

5. Overlay Deficits - \$0: There is no overlay deficit contemplated at this time. As recommended by the Reserve Policy, \$180,000 has been retained in the overlay account in case of an overlay deficit. The Town also has the ability to fund an overlay deficit from unused levy capacity.

6. Contribution to Recreation Enterprise Fund - \$464,423: Approximately 70% of the Recreation Department budget is covered by fee revenue. The remaining 30%, or \$464,423 allocated for FY15, is funded by the tax levy. We show this tax contribution in the “reduction in revenues” section since these funds are not otherwise available to fund the general fund portion of the budget.

Other Revenues – Projections and Assumptions

Table 7

	FY2012 ACTUAL	FY2013 ACTUAL	FY2014 TAX RECAP	FY2015 PROJ	\$CHG	%CHG
OTHER REVENUES						
transfer from water enterprise fund	314,322	300,184	319,825	326,222	6,397	2.0%
transfer from brook school apts enterprise fund	136,133	136,930	155,676	158,790	3,114	2.0%
reappropriate continuing balances	-	-	-	-	-	0.0%
Total Other Revenues	\$ 450,455	\$ 437,114	\$ 475,501	\$ 485,011	\$ 9,510	2.0%

Assumptions:

- 1. Transfer from Water Enterprise Fund - \$326,222:** This is the amount that the Water Enterprise fund contributes to the General Fund to offset those Enterprise Fund expenses that are included in the General Fund (e.g., health insurance, pension, liability insurance, billing and collection costs, etc.). A 2% increase is projected.
- 2. Transfer from Brook School Apartments Enterprise Fund - \$158,790:** This is the amount that the Brook School Apartments Enterprise fund contributes to the General Fund to offset those Enterprise Fund expenses that are included in the General Fund (e.g., health insurance, pension, liability insurance, etc.). A 2% increase is projected.
- 3. Re-appropriate Continuing Balances - \$0:** There are no balances available to be re-appropriated in FY15.

Appendix 1: Levy Limit 25-Year History: Fiscal Years 1990-2014

A	B	C	D	E	F	G	H	I	J		
Fiscal Year	Starting Balance	Annual 2 1/2% Increase	Amount of Override	Increase From New Construction	Total Levy Limit	Exempt Debt Exclusion	Community Preservation Act Surcharge	Allowable Amount which may be Raised from the Property Tax	Unused Levy Capacity	Actual Tax Levy	% +/-
1990					\$16,400,270	\$1,101,576		\$17,501,846			
1991	\$16,400,270	\$410,007	\$800,000	\$138,363	\$17,748,640	\$1,263,054		\$19,011,694	\$95,980	\$18,915,714	
1992	\$17,748,640	\$443,716	\$700,000	\$86,219	\$18,978,575	\$1,454,928		\$20,433,503	\$87,498	\$20,346,005	7.56%
1993	\$18,978,575	\$474,464	\$0	\$203,406	\$19,656,445	\$1,463,929		\$21,120,374	\$347,706	\$20,772,668	2.10%
1994	\$19,656,445	\$491,411	\$200,000	\$261,247	\$20,609,103	\$1,483,922		\$22,093,025	\$366,096	\$21,726,929	4.59%
1995	\$20,609,103	\$515,228	\$300,000	\$455,789	\$21,880,120	\$1,884,404		\$23,764,524	\$899,271	\$22,865,253	5.24%
1996	\$21,880,120	\$547,003	\$0	\$474,531	\$22,901,654	\$2,270,573		\$25,172,227	\$686,855	\$24,485,372	7.09%
1997	\$22,901,654	\$572,541	\$0	\$460,225	\$23,934,420	\$2,392,836		\$26,327,256	\$727,019	\$25,600,237	4.55%
1998	\$23,934,420	\$598,361	\$0	\$654,277	\$25,187,058	\$2,439,162		\$27,626,220	\$598,084	\$27,028,136	5.58%
1999	\$25,187,058	\$629,676	\$0	\$732,355	\$26,549,089	\$2,816,518		\$29,365,607	\$702,499	\$28,663,108	6.05%
2000	\$26,549,089	\$663,727	\$0	\$682,631	\$27,895,447	\$2,806,386		\$30,701,833	\$880,621	\$29,821,212	4.04%
2001	\$27,895,447	\$697,386	\$590,000	\$676,910	\$29,859,743	\$4,083,299		\$33,943,042	\$1,143,212	\$32,799,830	9.99%
2002	\$29,859,743	\$746,494	\$500,000	\$1,140,934	\$32,247,171	\$4,625,636	\$935,343	\$37,808,150	\$667,493	\$37,140,657	13.23%
2003	\$32,247,171	\$806,179	\$0	\$1,222,514	\$34,275,864	\$5,556,443	\$1,051,629	\$40,883,936	\$258,924	\$40,625,012	9.38%
2004	\$34,275,864	\$856,897	\$0	\$1,944,757	\$37,077,518	\$5,599,897	\$1,122,336	\$43,799,751	\$1,056,079	\$41,621,336	2.45%
2005	\$37,077,518	\$926,938	\$0	\$1,051,747	\$39,056,203	\$5,664,033	\$1,189,090	\$45,909,326	\$961,844	\$43,758,392	5.13%
2006	\$39,056,203	\$976,405	\$1,370,000	\$1,322,894	\$42,725,502	\$5,921,946	\$1,315,380	\$49,962,828	\$334,825	\$48,312,623	10.41%
2007	\$42,725,502	\$1,068,138	\$1,100,000	\$1,420,504	\$46,314,144	\$6,476,639	\$1,487,807	\$54,278,591	\$1,348,450	\$51,442,333	6.48%
2008	\$46,314,143	\$1,157,854	\$0	\$1,049,715	\$48,521,712	\$7,463,699	\$1,487,807	\$57,473,218	\$1,544,858	\$54,440,553	5.83%
2009	\$48,521,712	\$1,213,043	\$0	\$1,122,064	\$50,856,819	\$7,391,435	\$1,559,964	\$59,808,218	\$1,249,920	\$56,998,334	4.70%
2010	\$50,856,820	\$1,271,421	\$0	\$1,111,655	\$53,239,896	\$7,205,908	\$1,592,001	\$62,037,805	\$2,370,474	\$58,075,330	1.89%
2011	\$53,239,896	\$1,330,997	\$0	\$1,470,272	\$56,041,165	\$6,810,118	\$1,640,490	\$64,491,774	\$2,930,717	\$59,920,567	3.18%
2012	\$56,041,165	\$1,401,029	\$0	\$897,752	\$58,339,946	\$7,266,714	\$1,730,733	\$67,337,393	\$2,350,404	\$63,256,256	5.57%
2013	\$58,339,946	\$1,458,499	\$0	\$1,156,485	\$60,954,930	\$6,747,256	\$1,774,072	\$69,476,258	\$3,278,852	\$64,423,334	1.85%
2014	\$60,954,930	\$1,523,873	\$0	\$1,020,267	\$63,499,070	\$7,671,685	\$1,876,970	\$73,047,725	\$3,180,739	\$67,990,016	5.54%

Appendix 2: Motor Vehicle Excise Revenue

Comm. #	FY2010			FY2011			FY2012			late commi ment	FY2013			late commi tment
	# of bills	Amt. billed	Avg. per bill	# of bills	Amt. billed	Avg. per bill	# of bills	Amt. billed	Avg. per bill		# of bills	Amt. billed	Avg. per bill	
2	451	188,946	419	2	260	130								
3				374	203,551	544								
4	529	195,285	369	412	188,295	457	259	89,390	345	2011	332	111,409	336	2012
5	296	70,718	239	359	86,555	241	320	93,477	292	2011	255	56,824	223	2012
6	288	37,036	129	295	46,597	158	270	34,486	128	2011	320	44,696	140	2012
7	200	14,114	71	256	16,613	65	264	18,241	69	2011	265	15,439	58	2012
8	3	7,992	2,664	18	3,301	183	23	2,471	107	2011	8	4,690	586	2012
9				3	568	189	6	3,456	576	2011	1	66	66	2012
901														
901														
901														
902														
903														
903														
906														
50														
99				15	1,883	126	10	1,173	117	2012				
101	3	563	188	6	1,209	126	7	2,040	291	2012	6	1,235	206	2013
102				4	1,228	307	5	809	162	2012				
103	5	561	112	1	54	54	2	715	358	2011	1	124	124	2012
104	4	1,137	284	3	1,025	342	4	1,616	404		2	387	194	2012
105				2	227	113	1	86	86	2009				
106							1	754	754	2010				
107											1	10.31	10	2012
108														
9				83	8,403	101								
10	11	2,225	202											
11	9	88	10	7	1,054	151								
12														
13														
1	9,110	1,606,119	176	9,218	1,694,221	184	9,257	1,751,898	189	2012	9,433	1,891,195	200	2013
2				589	316,958	538	565	319,335	565	2012	528	304,993	578	2013
3				313	131,589	420	352	165,380	470	2012	466	213,689	459	2013
4														
5														
6														
7														
8														
9											8	1,093	137	2013
99				14	1,488	106					2	633	316	2013
102				1	3,044	3,044								
104														
105							3	147	49					
106							2	205	103	2011				
totals	10,909	2,124,783	195	11,975	2,708,122	226	11,351	2,485,679	219		11,628	2,646,482	228	

Appendix 3: Fees

	Actual FY09	Actual FY10	Actual FY11	Actual FY12	Actual FY13	Proj. FY14	FY09-13 average
municipal liens (Finance)	11,000	11,375	14,850	14,600	14,675	14,000	13,300
alarm systems - one-time initial fee (Fire)	6,700	5,600	6,300	7,800	6,910	5,000	6,662
crescent st historic district commission	-	-	-	-	-	-	0
town clerk fees/service (Clerk)	11,395	13,210	15,448	15,416	13,120	15,000	13,718
town clerk fees/justice of the peace (Clerk)	-	300	500	200	500	-	300
board of appeals	11,562	12,900	11,250	9,600	9,700	11,000	11,002
planning board filings	13,760	28,780	21,475	20,150	10,900	17,100	19,013
police misc.	1,787	1,518	1,689	1,587	1,913	1,500	1,699
engineer prints & plans (DPW)	400	186	280	146	455	250	293
BOH flu	-	-	-	-	-	-	0
conservation-sale of firewood	540	230	215	-	100	200	217
conservation- community gardens	957	1,060	1,470	1,341	1,435	900	1,253
police detail	47,215	35,931	42,581	46,789	38,578	41,000	42,219
constable fees (Police)	70	135	125	128	100	50	112
BOH soil testing fee	18,450	19,350	17,000	20,500	23,250	17,000	19,710
BOH Title 5 fee	3,055	4,750	4,050	3,895	4,350	3,000	4,020
historical commission-demolition app.	2,830	4,425	3,375	3,825	3,375	2,000	3,566
emergency alarm fees* (Fire)	19,200	17,400	900	-	-	17,000	7,500
false burglar alarm charges	-	-	-	-	-	-	0
stormwater review fees (DPW)	-	450	4,200	16,050	21,650	-	8,470
TOTAL	148,920	157,599	145,709	162,027	151,011	145,000	157,288

Appendix 4: Permits and Licenses Revenue

BUILDING DEPT. FEES	Actual FY09	Actual FY10	Actual FY11	Actual FY12	Actual FY13	FY09-13 average
Bldg. Permits						
July	48,451	169,176	118,118	36,814	39,302	82,372
August	40,346	79,223	88,724	98,494	66,460	74,649
September	109,303	8,165	31,329	47,701	78,417	54,983
October	29,565	47,674	97,759	83,716	86,221	68,987
November	27,421	27,643	64,015	107,234	95,158	64,294
December	76,704	27,418	51,999	76,878	19,327	50,465
January	122,358	15,055	64,074	23,925	36,577	52,398
February	480,104	34,608	27,005	32,821	20,840	119,076
March	19,308	16,357	67,531	72,680	9,090	36,993
April	20,059	60,372	89,621	59,916	87,391	63,472
May	75,764	9,971	27,429	137,018	66,284	63,293
June	33,570	117,092	115,682	46,969	88,016	80,266
Bldg. Permits Subtotal	1,082,953	612,754	843,286	824,166	693,083	817,932
Wiring inspection fees	63,605	154,225	84,023	83,363	65,950	91,341
Gas/plumbing fees	37,616	33,143	31,894	38,255	43,368	36,193
Sheetmetal fees	0	0	0	23,141	24,466	4,628
TOTAL BLDG. DEPT. FEES	1,184,174	800,122	959,203	968,925	826,867	950,094
BOARD OF HEALTH FEES						
Bd of Health permits	47,600	41,975	46,300	52,325	61,750	49,245
Bd of Health septic system application permits	38,100	32,550	35,100	47,300	43,350	39,760
TOTAL BD OF HEALTH FEES	85,700	74,525	81,400	99,625	105,100	89,005
TOTAL FEES	1,269,874	874,647	1,040,603	1,068,550	931,967	1,039,099
Permits & Licenses						
fish & game licenses (ACO)	55	121	207	43	-	109
victuallers/liquor licenses (Selectmen)	4,550	2,400	2,400	2,400	15,850	2,430
town clerk licenses	920	1,030	815	500	495	886
Bd of Health licenses	17,200	17,825	18,000	19,600	19,575	18,090
dog licenses (ACO)	6,569	14,826	14,910	15,675	15,710	11,577
commercial dog walker licenses	-	10,100	9,425	10,875	17,500	6,080
late fee - dog licenses	-	300	1,025	400	50	345
firearm permits (Police)	1,275	825	2,350	2,988	3,025	1,713
sealer weights measures permits (Building)	540	288	2,075	2,555	1,300	1,174
cable rental permits (Selectmen)	34,230	1,813	1,840	1,848	1,864	8,343
street opening permits (DPW)	1,000	14,350	12,400	12,900	11,700	8,417
ch. 148 fire permits (Fire)	3,375	3,305	4,505	6,019	6,385	3,965
oil burner install permits (Fire)	1,200	2,450	2,475	1,560	150	1,737
fire alarm system permits (Fire)	12,881	14,770	15,579	13,714	16,967	14,315
trench/excavation permits (DPW & BOH)	3,135	6,205	12,140	12,855	10,350	6,867
taxi permits (Selectmen)		-	50	50	-	25
raffle permits (Clerk)	50	175	125	250	125	135
TOTAL PERMITS & LICENSES	86,981	90,783	100,320	104,232	121,046	86,207
TOTAL-ALL	1,356,855	965,430	1,140,923	1,172,782	1,053,013	1,079,756

Appendix 5: Continuing Balance Accounts

		FISCAL YEAR 2014 (July 1, 2013 - December 31, 2013)					
Department	Account Name	FY14 APPROP.	CARRY FWD. BALANCE	AVAIL. BUDGET	YTD EXPEND.	12/31/13 BALANCE	
Selectmen	Professional/Consulting	55,000	43,703	98,703	20,239	78,464	
	Equipment-Town Hall	3,000	8,177	11,177	5,367	5,810	
Insurance	Uninsured Losses/Deductibles	-	154,119	154,119	500	153,619	
	Compensated Absence Fund	110,000	210,073	320,073	32,640	287,434	
Facilities	Facilities Improvements - Town-Wide	439,898	681,009	1,120,907	337,129	783,777	
Information Systems	Computer Hardware & Maintenance	162,000	4,514	166,514	97,833	68,681	
	Telephone Consultant (Town-Wide)	-	800	800	-	800	
	Fiber Network Improvements/Expansions	-	29,003	29,003	7,090	21,912	
Police	Equipment	91,000	21,234	112,234	63,931	48,303	
	Dispatch Area (Art.12, 07)	-	294	294	-	294	
Fire	Emergency Management	2,000	13,248	15,248	-	15,248	
	Equipment	45,000	21,790	66,790	24,728	42,062	
	Replacement Vehicle (Art 22E) 5/12	-	5,457	5,457	-	5,457	
	Pumper Truck	600,000	-	600,000	-	600,000	
Police/Fire	PD Injured Personnel	5,000	41,111	46,111	5,017	41,095	
	FD Injured Personnel	15,000	509	15,509	544	14,965	
Public Works	Dept. Equip (Art15A) 5/11	-	153,616	153,616	153,616	-	
<i>Sidewalks, Foot Paths</i>	Sidewalks	-	99,402	99,402	-	99,402	
<i>Highways</i>	Construction of Public Ways	300,000	138,989	438,989	267,733	171,256	
	Sidewalk Maintenance	120,000	160,070	280,070	127,891	152,179	
	Access to 40 Acre Field	-	149	149	-	149	
	Stone Retaining Wall Repairs	10,000	36,375	46,375	-	46,375	
	Equipment	235,000	-	235,000	-	235,000	
	Guard Rails	50,000	1,500	51,500	50,902	598	
	Dept. Equip (Art22A) 5/12	-	218,000	218,000	70,656	147,344	
	<i>Parks & Cemeteries</i>	Improve/Develop Cemetery Land	-	17,076	17,076	-	17,076
		Roadway Improvements	-	45,000	45,000	45,000	-
	<i>Solid Waste</i>	Monitoring Groundwater-Landfill	21,675	1,894	23,569	-	23,569
<i>Water</i>	Transfer Station Paving (Art15B) 5/11	-	207,194	207,194	207,194	-	
	Transfer Station Bridge (Art22B) 5/12	-	259,455	259,455	259,380	75	
	Transfer Station Bridge (Art17B) 5/13	110,000	-	110,000	110,000	-	
<i>Traffic</i>	Case's Corner Roundabout Design	-	705	705	-	705	
	Kendall Green (Art 17A) 5/13	25,000	-	25,000	-	25,000	
	Traffic Sign Design (Art 17C) 5/13	75,000	-	75,000	-	75,000	
	Wellesley/Brown Intersection	-	830	830	-	830	
Conservation	College Pond Dam	-	51	51	-	51	
Recreation	Equipment	-	142	142	-	142	
Schools	1 Ton Truck	-	4,897	4,897	-	4,897	
	Arsenic Field School (Art5 STM) 5/12	-	49,641	49,641	-	49,641	
	School Bus Replacements (Art15F) 5/11	-	2,334	2,334	-	2,334	
TOTAL		2,474,573	2,632,362	5,106,935	1,887,390	3,219,544	

Appendix 6: Unreserved Fund Balance (Free Cash) History

fiscal year	A local receipts in excess of estimates	B expenditures less than appropriations	C prior year closeouts/other	D contribution to surplus	E 7/1 free cash certification	F Supplemental free cash cert.	G total free cash
FY97	347,184	632,474	247,415	1,227,073	1,771,707	856,598	2,628,305
FY98	975,985	619,354	18,551	1,613,890	1,552,996	369,260	1,922,256
FY99	972,015	576,753	190,483	1,739,251	1,083,836	745,643	1,829,479
FY00	1,187,520	513,235	40,836	1,741,591	1,427,227	872,236	2,299,463
FY01	1,795,835	1,661,708	337,000	3,794,543	2,161,718	501,195	2,662,913
FY02	1,022,844	1,499,938	2,950	2,525,732	1,676,247	229,102	1,905,349
FY03	1,108,115	947,051	-	2,055,166	2,067,415	not filed w ith DOR	2,067,415
FY04	822,688	430,520	-	1,253,208	1,467,051	not filed w ith DOR	1,467,051
FY05	654,804	587,933	-	1,242,737	1,248,088	not filed w ith DOR	1,248,088
FY06	1,797,073	1,184,804	30,225	3,012,102	2,366,638	not filed w ith DOR	2,366,638
FY07	1,728,638	560,002	366,638	2,655,278	2,469,546	not filed w ith DOR	2,469,546
FY08	1,691,958	1,212,677	35,922	2,940,557	3,153,673	not filed w ith DOR	3,153,673
FY09	1,408,221	2,305,508	-	3,713,729	2,948,558	not filed w ith DOR	2,948,558
FY10	921,353	1,814,665	22,010	2,758,028	4,255,473	not filed w ith DOR	4,255,473
FY11	1,445,168	1,799,743	3,905	3,248,816	3,463,758	not filed w ith DOR	3,463,758
FY12	1,135,712	2,228,684	-	3,364,396	3,853,659	not filed w ith DOR	3,853,659
FY13	931,332	1,612,777	370,212	2,914,320	3,182,126	not filed w ith DOR	3,182,126

Appendix 7: Summary of Reserves

	Reserve	11/30/13 Balance	FY15 Recommended Appropriation	FY15 Appropriation + Balance Carried Forward	Reserve Balances When Policy Fully Implemented (FY14 Dollars)	Target Date	Notes
1	Finance Committee Reserve Fund (balance does not carry forward each year)	540,000	565,000	565,000	565,000	met	Balance does not carry forward for Reserve Fund.
2	Stabilization Fund	2,494,561	250,000	2,744,561	2,000,000	met	Target was for FY13; target to be raised by FinComm in FY14
3	Facilities Maintenance	783,777	461,893	1,245,670	1,245,670	met	The policy calls for the appropriation to increase by 5 percent annually.
4	Property and Liab. Insurance-Uninsured Losses	153,619	-	153,619	150,000	met	Target has been met. No request for FY14.
5	Workers' Comp (Police & Fire)	56,060	20,000	76,060	50,000	met	Town to also review purchasing stop-loss insurance.
6	Pension Obligation (in addition to annual assessments from Middlesex Retirement System)	406,719	-	406,719	406,719	FY2035	Annual assessments to meet requirement for full funding are determined by Middlesex Retirement System. In FY10 and FY11, \$200k set aside each year in anticipation of higher than normal future assessments.
7	Compensated Absence Fund	287,434	120,000	407,434	2,000,000	FY2024	Increase appropriation by \$10,000 each year.
8	Overlay Reserve for Abatements	200,000	-	200,000	200,000	FY2014	\$20,000 set aside each year
	Total Reserves	\$4,922,170	\$1,416,893	\$5,799,063	\$6,617,389		
	Prior Year Operating Revenues			\$68,517,802	\$68,517,802		
	Total Reserves as a % of Oper. Rev.			8.5%	9.7%		<i>GFOA guidelines recommend maintaining reserves of 5-15% general fund revenues.</i>
9	Continuing Balance Accounts	2,435,767	1,202,375	3,638,142			These accounts also serve as a reserve for a variety of purposes.
10	Post Employment Benefits (OPEB) Trust Fund	6,915,567	1,648,512	8,564,079	Total OPEB liability is estimated at \$69 million or \$41 million with pre-funding. By 6/30/13, amount that should have been set aside is \$5.5 million, assuming funding over 30 years.	FY2039	Annual appropriation to meet ARC specified in most recent actuarial study

APPENDIX 8: CONSOLIDATED FY2015 REVENUE PROJECTIONS

	(A) FY2012	(B) FY2013	(C) FY2014	(D) FY2015	(E) FY2015	(F) FY2015
	ACTUAL	ACTUAL	ESTIMATED TAX RECAP	PROJECTED	\$ CHANGE	% CHANGE
PROPERTY TAX LEVY	55,971,915	57,762,432	60,190,558	61,895,253		
new growth	897,752	1,156,485	1,020,267	600,000		
(unused levy capacity)	(897,752)	(1,156,485)	(1,020,267)	(600,000)		
override	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		
Total Tax Levy	55,971,915	57,762,432	60,190,558	61,895,253	\$1,704,695	2.83%
STATE AID - CHERRY SHEET						
Chapter 70 (school aid)	2,419,859	2,512,979	2,571,779	2,443,190	(\$128,589)	-5.00%
Lottery Aid	293,515	316,391	323,870	307,677	(\$16,194)	-5.00%
Dist., reimb., offsets	112,465	101,748	85,493	81,218	(\$4,275)	-5.00%
School Construction	<u>798,603</u>	<u>798,607</u>	<u>724,226</u>	<u>724,226</u>	<u>\$0</u>	<u>0.00%</u>
Total State Aid	3,624,442	3,729,725	3,705,368	3,556,311	(\$149,057)	-4.02%
LOCAL RECEIPTS						
motor vehicle excise (00015)	2,418,787	2,448,919	2,200,000	2,200,000	\$0	0.00%
penalties and interest	164,055	245,849	150,000	150,000	\$0	0.00%
payment in lieu of taxes (00013-418**)	30,148	32,652	34,168	35,697	\$1,529	4.47%
charges for services-solid waste	368,855	359,353	360,000	355,000	(\$5,000)	-1.39%
fees	162,027	151,011	145,000	145,000	\$0	0.00%
rentals	113,575	222,101	100,000	100,000	\$0	0.00%
departmental revenue-cemeteries	36,230	40,165	30,000	35,000	\$5,000	16.67%
other departmental revenue	440,600	465,540	400,000	400,000	\$0	0.00%
licenses and permits	1,172,782	1,053,013	855,000	900,000	\$45,000	5.26%
finances and forfeits	118,775	123,993	110,000	110,000	\$0	0.00%
investment income (00017-41700)	80,770	73,613	75,000	70,000	(\$5,000)	-6.67%
misc. non recurring (00081-48*)	230,683	152,776	0	0	\$0	0.00%
misc. recurring	0	0	0	0	\$0	0.00%
cherry sheet overestimates	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>0.00%</u>
Total Local Receipts	5,337,286	5,368,984	4,459,168	4,500,697	\$41,529	0.93%

APPENDIX 8: CONSOLIDATED FY2015 REVENUE PROJECTIONS

	(A) FY2012	(B) FY2013	(C) FY2014	(D) FY2015	(E) FY2015	(F) FY2015
	ACTUAL	ACTUAL	ESTIMATED TAX RECAP	PROJECTED	\$ CHANGE	% CHANGE
PRIOR YEAR BALANCES/OTHER						
unreserved fund balance (free cash)	2,400,000	2,300,000	2,300,000	2,400,000	\$100,000	4.35%
free cash to be used for capital projects	863,479	720,949	860,000	325,000	(\$535,000)	-62.21%
overlay surplus	250,000	210,000	213,000	280,000	\$67,000	31.46%
reserved for appropriation (accr'd inc. litigation settlement)	75,000	50,000	25,000	10,000	(\$15,000)	-60.00%
reserved for appropriation (well litigation settlement - FY18 last year)	250,000	250,000	250,000	250,000	\$0	0.00%
cemetery trust fund	40,000	35,000	35,000	35,000	\$0	0.00%
Josiah Smith Tavern trust fund	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	\$0	0.00%
Total Prior Year Balances/Other	3,884,479	3,571,949	3,689,000	3,306,000	(\$383,000)	-10.38%
TOTAL PROJECTED REVENUES	68,818,122	70,433,089	72,044,094	73,258,261	\$1,611,005	2.29%
REDUCTIONS IN REVENUES						
cherry sheet assessments	321,454	289,019	275,070	275,070	\$0	0.00%
cherry sheet offsets	34,590	34,144	33,519	31,843	(\$1,676)	-5.00%
overlay (abatements)	458,354	430,916	434,643	450,000	\$15,357	3.53%
school reimbursements	798,603	798,607	724,226	724,226	\$0	0.00%
overlay deficits	0	0	0	0	\$0	0.00%
contribution to recreation enterprise fund	<u>458,825</u>	<u>461,718</u>	<u>461,655</u>	<u>464,423</u>	<u>\$2,768</u>	<u>0.60%</u>
Total Reductions in Revenue	2,071,826	2,014,404	1,929,113	1,945,562	\$16,449	0.85%
SUBTOTAL	66,746,296	68,418,685	70,114,981	71,312,698	\$1,197,717	1.71%
OTHER REVENUES						
transfer from water enterprise fund	314,322	300,184	319,825	326,222	\$6,397	2.00%
transfer from brook school apts enterprise fund	136,133	136,930	155,676	158,790	\$3,114	2.00%
reappropriate continuing balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	\$0	0.00%
Total Other Revenues	450,455	437,114	475,501	485,011	\$9,510	2.00%
TOTAL AVAILABLE FOR APPROP.	67,196,751	68,855,799	70,590,482	71,797,709	1,207,227	1.71%