

TOWN OF WESTON

FY2017 REVENUE PROJECTIONS



*Prepared by the Town Manager's Office and
Finance Department
January 21, 2016*

Fiscal Year 2017 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:

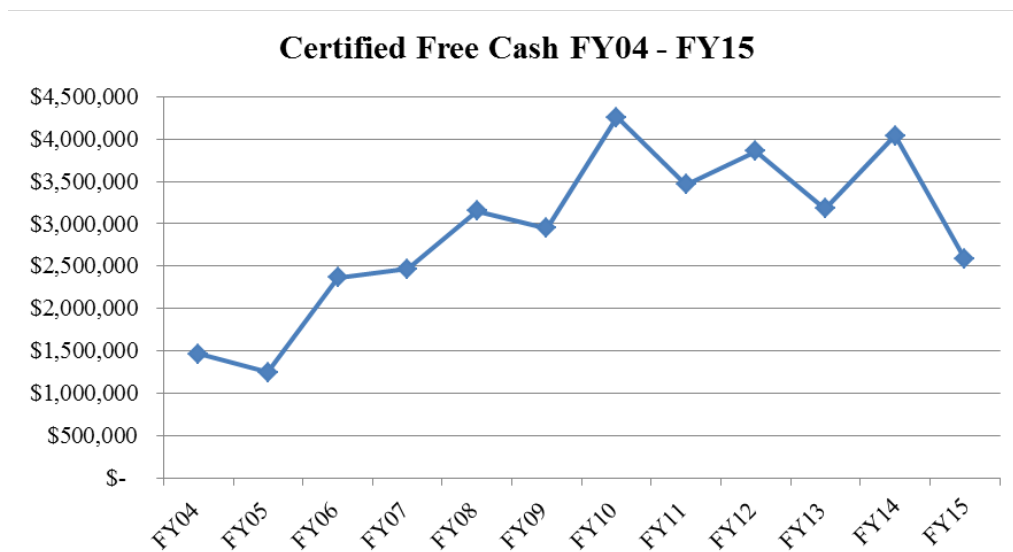
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FY2017 Revenue Projection Summary

The Town's General Fund revenue excludes Enterprise Fund revenue (i.e. Water Division, Brook School Apartments, and Recreation). General Fund revenue is broken down into four categories: property taxes (86.2%), state aid (5.4%), local receipts (6.6%), prior year balances (3.4%) and other (0.8%). The final General Fund revenue figure is reached by factoring in revenue offsets (-2.5%) which include State assessments and offsets, overlay for abatements, school reimbursements and the General Fund contribution to the Recreation Enterprise Fund.

FY17 revenues are projected to increase by \$1,438,463 or 1.9% over FY16 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 \$2,525,954 or 3.99% consists of the allowed 2.5% increase plus \$927,176 in unused levy capacity being carried forward from new growth in FY16 (Also see Appendix 1).
2. **State Aid:** At this time, state aid is projected to be level funded. Final State Aid numbers may not be known by Town Meeting.
3. **Local Receipts:** Local receipts are projected to increase by \$340,897 or 7.2%. This increase is related primarily to increases in motor vehicle excise tax and licenses and permits revenue.
4. **Prior Year Balances/Other:** This projection assumes the use of \$2,000,000 of the Town's 6/30/15 certified Free Cash for the operating budget. The Board of Assessors has released \$335,000 in surplus overlay. It is also assumed that \$250,000 in principal from the Well Litigation Settlement will again be used to help fund reserves in the FY17 budget.
5. **Other Revenues:** This category includes contributions from two enterprise funds for costs budgeted in the general fund, as well as balances in two continuing balance accounts that are no longer needed and can be re-appropriated.



FY2017 Funding Source by Revenue Type

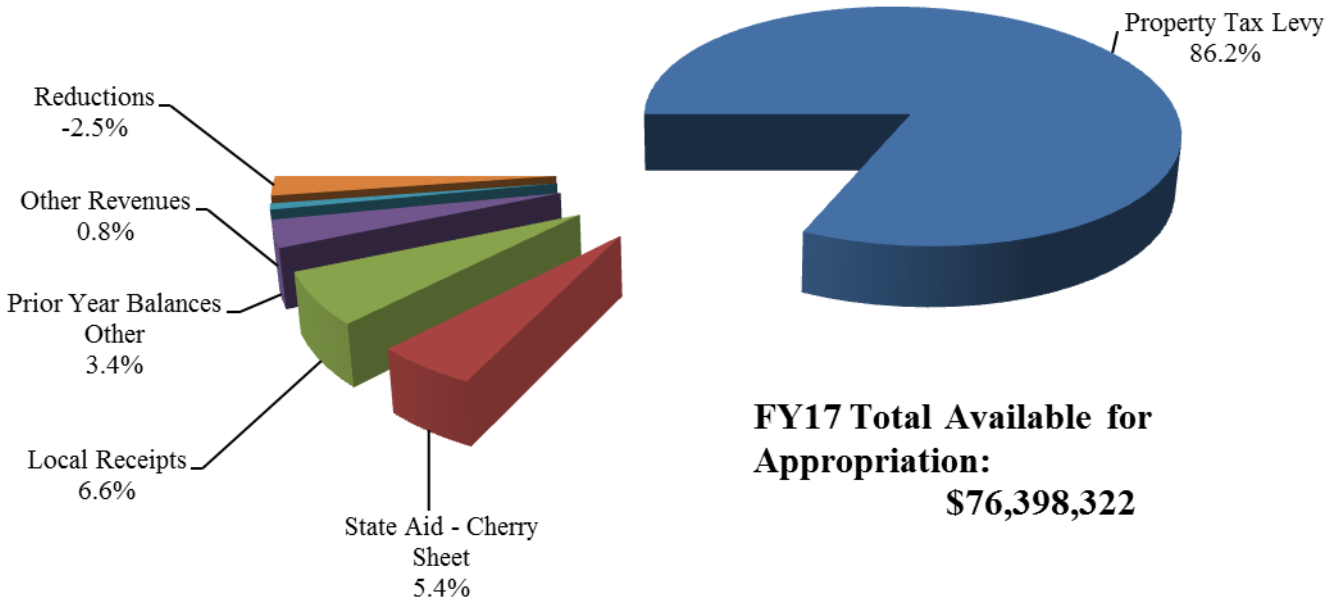


TABLE I: FY2017 REVENUE PROJECTION SUMMARY				
	FY2016 Estimated	FY2017 Projected	DOLLAR CHANGE FY16- 17	PERCENT CHANGE FY16- 17
PROPERTY TAX LEVY	\$63,348,917	\$65,874,871	\$2,525,954	4.0%
STATE AID - CHERRY SHEET	\$4,124,869	\$4,124,869	\$0	0.0%
LOCAL RECEIPTS	\$4,734,897	\$5,075,794	\$340,897	7.2%
PRIOR YEAR BALANCES/OTHER	\$4,101,000	\$2,633,500	(\$1,467,500)	-35.8%
TOTAL PROJECTED REVENUES	\$76,309,683	\$77,709,034	\$1,399,351	1.8%
REDUCTIONS IN REVENUES	(1,850,303)	(1,898,711)	(\$48,408)	2.6%
OTHER REVENUES	500,479	587,999	87,520	17.5%
AVAILABLE FOR APPROPRIATION	\$74,959,859	\$76,398,322	\$1,438,463	1.9%

Property Tax - Projections and Assumptions

Table 2

	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 TAX RECAP	FY2017 PROJ	\$CHG	%CHG
PROPERTY TAX LEVY	60,190,558	61,700,758	63,348,917	65,874,871	2,525,954	3.99%
new growth	1,020,267	1,196,208	927,176	600,000		
(unused levy capacity) override	(1,020,267)	(1,196,208)	(927,176)	(600,000)		
	-	-	-	-		
Total Tax Levy	\$60,190,558	\$61,700,758	\$63,348,917	\$65,874,871	\$2,525,954	3.99%

Assumptions:

1. Property Tax Levy - \$65,874,871: Weston’s property tax levy is anticipated to increase by \$2,525,954 or 3.99%. Of this amount, \$927,176 is from FY16 unused tax levy capacity (new growth). There is additional unused levy capacity of more than \$5.7 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. FY17 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

	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 TAX RECAP	FY2017 PROJ	\$CHG	%CHG
STATE AID						
Chapter 70 (school aid)	\$2,571,779	\$2,988,929	\$3,045,154	\$3,045,154	\$0	0.0%
Lottery Aid	\$323,870	\$332,852	\$344,835	\$344,835	\$0	0.0%
Dist., reimb., offsets	\$85,493	\$89,482	\$69,342	\$69,342	\$0	0.0%
School Construction	<u>741,853</u>	<u>724,226</u>	<u>665,538</u>	<u>665,538</u>	<u>\$0</u>	0.0%
Total State Aid	\$ 3,722,995	\$ 4,135,489	\$ 4,124,869	\$ 4,124,869	\$ -	0.0%

Assumptions:

State Aid - \$4,124,869: State aid, which is also referred to as Cherry Sheet aid, is a function of the state budget. At this time, state aid is projected to be level funded in FY17.

Weston's first indication of state aid for FY17 will come when Governor Baker submits his FY17 budget to the Legislature. This happens at the beginning of March 2016. 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 - \$69,342: This category includes amounts reserved for direct expenditure for Public Libraries, as well as reimbursement for charter school tuition, veterans' benefits paid, and real estate exemptions.

2. Chapter 70 Aid - \$3,045,154: 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 - \$665,538: This aid is a function of partial reimbursements for the High School renovation project. This amount, however, must be directly used to reduce the amount of the Proposition 2 ½ debt exclusion for this project and, therefore, is 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 - \$344,835: Under State law, cities and towns share in the proceeds of the State lottery.

Local Receipts - Projections and Assumptions

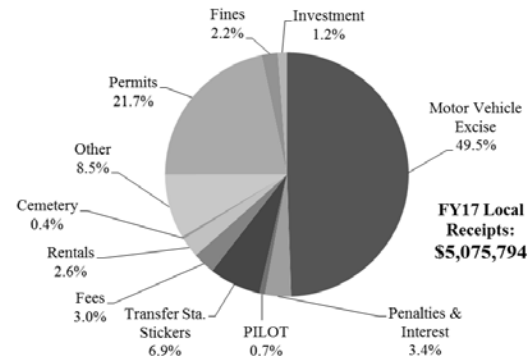
Table 4

	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 TAX RECAP	FY2017 PROJ	\$CHG	%CHG
LOCAL RECEIPTS						
motor vehicle excise	2,808,327	2,910,707	2,300,000	2,510,000	\$210,000	9.1%
penalties and interest	206,604	233,333	150,000	175,000	\$25,000	16.7%
payment in lieu of taxes	34,168	81,697	35,897	36,794	\$897	2.5%
charges for services-solid waste	354,262	371,197	360,000	350,000	(\$10,000)	-2.8%
fees	220,953	151,977	150,000	150,000	\$0	0.0%
rentals	141,532	134,484	115,000	134,000	\$19,000	16.5%
departmental revenue-cemeteries	20,820	38,100	20,000	20,000	\$0	0.0%
other departmental revenue	552,418	476,740	434,000	430,000	(\$4,000)	-0.9%
licenses and permits	1,483,132	1,369,115	1,000,000	1,100,000	\$100,000	10.0%
finest and forfeits	118,766	120,370	110,000	110,000	\$0	0.0%
investment income	74,336	61,097	60,000	60,000	\$0	0.0%
misc. non recurring	294,628	162,552	-	-	\$0	
misc. recurring	-	-	-	-	-	0.0%
Total Local Receipts	\$ 6,309,945	\$ 6,111,369	\$ 4,734,897	\$ 5,075,794	\$ 340,897	7.2%

Assumptions:

Local Receipts - \$5,075,794: 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.

FY17 Local Receipts



1. Motor Vehicle Excise - \$2,510,000: Motor vehicle excise receipts are largely dependent on the sale of new vehicles, which is generally tied to economic conditions. An increase in motor vehicle excise receipts of \$210,000 is projected. A historical analysis of the number of bills issued and collection rates can be found in Appendix 2.

2. Penalties and Interest - \$175,000: 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 - \$36,794: The Town has a payment-in-lieu-of-taxes agreement with Weston Community Housing, Inc. for Merriam Village. The FY17 payment is

expected to be \$13,999. The Town also receives a PILOT for Brook School Apartments, which is \$22,795, a 2.5% increase over FY16.

4. Charges for Service - Solid Waste - \$350,000: This amount reflects a reduction of \$10,000 in transfer station sticker fees and revenue from recycling. The current fee is \$225 per year with a reduced fee of \$140 for senior citizens. In addition, households that meet certain income requirements are eligible for a waiver of the fee. In FY15, 38 people took advantage of the transfer station fee waiver. In FY15, transfer station sticker fee revenue funded approximately 76% of the cost of this operation. The Board of Selectmen has set a goal of funding 70-75% of costs with fee revenue. Approximately \$11,000 of transfer station revenue is estimated to be received from recycling of certain materials.

5. Fees - \$150,000: 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 - \$134,000: This category consists primarily of lease payments for two cell towers located at the Police Station, and the rental income for the Library and the Melone homestead. This category is increased by \$19,000 due to additional revenue from rental of the two cell towers.

7. Departmental Revenue - Cemeteries - \$20,000: 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 - \$430,000: 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 – \$1,100,000: This category is increased by \$100,000 and 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 - \$60,000: 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 FY16 is .13 %.

Prior Year Balances/Other - Projections and Assumptions

Table 5

	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 TAX RECAP	FY2017 PROJ	\$CHG	%CHG
PRIOR YR BAL/OTHER						
unresv.fund bal. (free cash)	2,300,000	2,300,000	2,300,000	2,000,000	(300,000)	-13.0%
free cash for capital projects	860,000	325,000	900,000	0	(900,000)	-100.0%
overlay surplus	213,000	280,000	600,000	335,000	(265,000)	-44.2%
reserved for approp. (accrued inc. litigation settlement)	25,000	10,000	10,000	7,500	(2,500)	-25.0%
reserved for appropriation (well litigation settlement)	250,000	250,000	250,000	250,000	-	0.0%
cemetery trust fund	35,000	35,000	35,000	35,000	-	0.0%
Josiah Smith Tavern trust fund	6,000	6,000	6,000	6,000	-	0.0%
Total Reserves	\$ 3,689,000	\$ 3,206,000	\$ 4,101,000	\$ 2,633,500	(1,467,500)	-35.8%

Assumptions:

Prior Year Balances/Other - \$2,633,500: 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 - \$2,000,000: The Department of Revenue certified Weston’s Free Cash as of June 30, 2015 at \$2,581,323.

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. Overlay Surplus - \$335,000: 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 \$335,000 from the FY03 - FY15 Overlay accounts. The Reserve Policy calls for a reserve for property tax abatements of \$200,000 that is maintained in the overlay accounts.

3. Reserved for Appropriation - Accrued Income - Well Litigation Settlement - \$7,500:

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 \$21,906 in investment income per year, and has an accumulated balance of \$121,129 as of June 30, 2015. The amount recommended for FY17 is lower than that recommended in FY16, due to declining interest earned as a result of the market and a declining principal balance. These funds can be used for any municipal purpose.

4. 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, 2015 is \$490,873.

5. 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, 2015 balance in the perpetual care fund is \$1,220,668 (non-expendable).

6. Josiah Smith Tavern Trust Fund - \$6,000: This amount reflects the investment income from the Josiah Smith Tavern Trust Fund. The June 30, 2015 balance in this trust fund is \$240,311. This is a fully expendable trust fund.

Reductions in Revenues - Projections and Assumptions

Table 6

	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 TAX RECAP	FY2017 PROJ	\$CHG	%CHG
REDUCTIONS IN REVENUES						
cherry sheet assessments	275,070	285,122	277,595	277,595	-	0.0%
cherry sheet offsets	33,519	35,583	21,509	21,509	-	0.0%
overlay (abatements)	434,643	450,988	406,511	450,000	43,489	10.7%
school reimbursements	724,226	724,226	665,538	665,538	-	0.0%
overlay deficits	-	-	-	-	-	
contribution to recreation enterprise fund	461,655	464,423	479,150	484,069	4,919	1.0%
Total Reductions in Rev.	\$ 1,929,113	\$ 1,960,342	\$ 1,850,303	\$ 1,898,711	48,408	2.6%

Assumptions:

Reductions in Revenues - \$1,898,711: 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 - \$277,595: 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 FY17.

2. State (Cherry Sheet) Offsets - \$21,509: 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 level funded in FY17.

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 \$16,000 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 - \$665,538: As part of Weston's State Aid (Table 3), the Town receives reimbursements for the construction costs associated with the High School renovation project. Since this project is funded through Proposition 2 ½ debt exclusions, the reimbursements must be used to offset the debt service payments associated with this project.

5. Overlay Deficits - \$0: There is no overlay deficit contemplated at this time. As recommended by the Reserve Policy, \$200,000 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 - \$484,069: Approximately 70% of the Recreation Department budget is covered by fee revenue. The remaining 30%, or \$484,069 allocated for FY17, 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

	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 TAX RECAP	FY2017 PROJ	\$CHG	%CHG
OTHER REVENUES						
transfer from water enterprise fund	319,825	349,510	317,833	321,011	3,178	1.0%
transfer from brook school apts enterprise fund	155,676	169,119	182,646	184,472	1,826	1.0%
reappropriate continuing balances	-	-	-	82,515	82,515	0.0%
Total Other Revenues	\$ 475,501	\$ 518,629	\$ 500,479	\$ 587,999	\$ 87,520	17.5%

Assumptions:

- 1. Transfer from Water Enterprise Fund - \$321,011:** 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 1% increase is projected.
- 2. Transfer from Brook School Apartments Enterprise Fund - \$184,472:** 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 1% increase is projected.
- 3. Re-appropriate Continuing Balances - \$82,515:** Balances in two continuing balance accounts can be re-appropriated in FY17.

Appendix 1: Levy Limit 26-Year History: Fiscal Years 1990-2016

Fiscal Year	A	B	C	D	E	F	G	H	I	J	% +/-
	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	\$1,154,030	\$50,888,785	\$7,391,435	\$1,559,964	\$59,840,184	\$1,281,886	\$56,998,334	4.70%
2010	\$50,888,786	\$1,271,421	\$0	\$1,105,302	\$53,265,509	\$7,205,908	\$1,592,001	\$62,063,418	\$2,396,087	\$58,075,330	1.89%
2011	\$53,265,509	\$1,331,638	\$0	\$1,470,272	\$56,067,419	\$6,810,118	\$1,640,490	\$64,518,027	\$2,956,970	\$59,920,567	3.18%
2012	\$56,067,419	\$1,401,685	\$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	\$3,278,851	\$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%
2015	\$63,499,070	\$1,587,477	\$0	\$1,196,208	\$66,282,755	\$7,027,037	\$1,899,998	\$75,209,790	\$4,388,793	\$68,920,999	1.37%
2016	\$66,282,755	\$1,657,069	\$0	\$927,176	\$68,867,000	\$8,105,064	\$1,966,817	\$78,938,881	\$5,696,394	\$71,275,670	3.42%

Appendix 2: Motor Vehicle Excise Revenue

Comm. #	FY2012				FY2013				FY2014				FY2015			
	# of bills	Amt. billed	Avg. per bill	late commi tment	# of bills	Amt. billed	Avg. per bill	late commi tment	# of bills	Amt. billed	Avg. per bill	late commi tment	# of bills	Amt. billed	Avg. per bill	late commi tment
2																
3																
4	259	89,390	345	2011	332	111,409	336	2012	294	87,174	297	2013	366	147,829	404	2014
5	320	93,477	292	2011	255	56,824	223	2012	375	89,292	238	2013	359	89,106	248	2014
6	270	34,486	128	2011	320	44,696	140	2012	269	36,383	135	2013	261	40,612	156	2014
7	264	18,241	69	2011	265	15,439	58	2012	289	17,907	62	2013	273	17,377	64	2014
8	23	2,471	107	2011	8	4,690	586	2012								
9	6	3,456	576	2011	1	66	66	2012								
901																
901																
901																
902																
903																
903																
906																
50																
99	10	1,173	117	2012					9	1,230	137					
101	7	2,040	291	2012	6	1,235	206	2013	10	3,916	392	2013	3	1276.25	425	2015
102	5	809	162	2012					2	433	216					
103	2	715	358	2011	1	124	124	2012	9	5,189	577	2013	1	416.77	417	2014
104	4	1,616	404		2	387	194	2012								
105	1	86	86	2009												
106	1	754	754	2010												
107					1	10.31	10	2012								
108																
9																
10																
11																
12																
13																
1	9,257	1,751,898	189	2012	9,433	1,891,195	200	2013	9,648	2,059,340	213	2014	9,537	2,138,233	224	2015
2	565	319,335	565	2012	528	304,993	578	2013	512	326,771	638	2014	537	353,297	658	2015
3	352	165,380	470	2012	466	213,689	459	2013	404	201,741	499	2014	376	182,380	485	2015
4																
5																
6																
7																
8																
9					8	1,093	137	2013					9	1380	153	2015
99					2	633	316	2013					4	3825	956	2015
102																
104																
105	3	147	49													
106	2	205	103	2011												
totals	11,351	2,485,679	219		11,628	2,646,482	228		11,821	2,829,375	239		11,726	2,975,732	254	

Appendix 3: Fees

	Actual FY11	Actual FY12	Actual FY13	Actual FY14	Actual FY15	Proj. FY16	Proj. FY17	FY11-15 average
municipal liens (Finance)	14,850	14,600	14,675	9,875	9,650	10,000	9,500	12,730
alarm systems - one-time initial fee (Fire)	6,300	7,800	6,910	5,810	6,200	5,000	5,500	6,604
crescent st historic district commission	-	-	-	-	-	-	-	0
town clerk fees/service (Clerk)	15,448	15,416	13,120	11,241	12,477	11,000	12,000	13,540
town clerk fees/justice of the peace (Clerk)	500	200	500	400	400	-	-	400
board of appeals	11,250	9,600	9,700	8,300	6,750	8,000	8,000	9,120
planning board filings	21,475	20,150	10,900	21,960	9,150	18,500	15,000	16,727
police misc.	1,689	1,587	1,913	1,946	1,837	1,500	1,500	1,795
Fire - Banner fees	0	0	0	200	1,150	500	1,000	270
engineer prints & plans (DPW)	280	146	455	910	750	250	500	508
BOH flu	-	-	-	-	-	-	-	0
conservation-sale of firewood	215	-	100	295	384	200	200	199
conservation- community gardens	1,470	1,341	1,435	1,530	1,533	1,000	1,500	1,462
police detail	42,581	46,789	38,578	39,581	25,387	37,000	31,750	38,583
constable fees (Police)	125	128	100	105	60	50	50	104
BOH soil testing fee	17,000	20,500	23,250	20,250	28,400	19,000	22,000	21,880
BOH Title 5 fee	4,050	3,895	4,350	4,850	4,425	4,000	4,000	4,314
historical commission-demolition app.	3,375	3,825	3,375	2,850	3,375	2,000	3,000	3,360
emergency alarm fees* (Fire)	900	-	-	69,000	17,700	17,000	17,000	17,520
false burglar alarm charges	-	-	-	-	-	-	-	0
stormwater review fees (DPW)	4,200	16,050	21,650	21,850	22,350	15,000	17,500	17,220
TOTAL	145,709	162,027	151,011	220,953	151,977	150,000	150,000	166,335

Appendix 4: Permits and Licenses Revenue

BUILDING DEPT. FEES		Actual	Actual	Actual	Actual	Actual	Budget	Actual	FY11-15
Bldg. Permits	acct. no.	FY11	FY12	FY13	FY14	FY15	FY16	FY16	average
July	00042-44208	118,118	36,814	39,302	33,833	41,811		39,268	53,976
August		88,724	98,494	66,460	108,393	41,884		46,610	80,791
September		31,329	47,701	78,417	92,947	77,833		64,876	65,645
October		97,759	83,716	86,221	59,606	54,575		122,162	76,375
November		64,015	107,234	95,158	52,634	67,903		105,159	77,389
December		51,999	76,878	19,327	120,375	149,501			83,616
January		64,074	23,925	36,577	61,413	62,803			49,758
February		27,005	32,821	20,840	96,056	27,611			40,867
March		67,531	72,680	9,090	75,579	96,727			64,321
April		89,621	59,916	87,391	32,001	156,228			85,031
May		27,429	137,018	66,284	193,779	103,339			105,570
June		115,682	46,969	88,016	104,665	100,462			91,159
Bldg. Permits Subtotal		843,286	824,166	693,083	1,031,281	980,677	716,550	378,075	874,499
Wiring inspection fees	00042-44209	84,023	83,363	65,950	133,078	79,065	70,000	33,925	89,096
Gas/plumbing fees	00042-44210	31,894	38,255	43,368	47,705	61,765	35,000	25,660	44,597
Sheetmetal fees	00042-44225	0	23,141	24,466	19,389	18,869	23,275	8,662	17,173
TOTAL BLDG. DEPT. FEES		959,203	968,925	826,867	1,231,453	1,140,376	844,825	446,322	1,025,365
BOARD OF HEALTH FEES									
Bd of Health permits	00042-44212	46,300	52,325	61,750	67,895	62,275	40,000		58,109
Bd of Health septic system application permits	00042-44213	35,100	47,300	43,350	47,625	41,300	30,000		42,935
TOTAL BD OF HEALTH FEES		81,400	99,625	105,100	115,520	103,575	70,000		101,044
TOTAL FEES		1,040,603	1,068,550	931,967	1,346,973	1,243,951	914,825		1,126,409
Permits & Licenses									
fish & game licenses (ACO)	00041-43220	207	43	-	-	-	150		50
victuallers/liquor licenses (Selectmen)	00041-44200	2,400	2,400	15,850	12,160	10,850	5,450		8,732
town clerk licenses	00041-44204	815	500	495	520	450	750		556
Bd of Health licenses	00041-44215	18,000	19,600	19,575	18,300	16,900	18,000		18,475
dog licenses (ACO)	00041-44217	14,910	15,675	15,710	14,601	16,131	14,000		15,405
commercial dog walker licenses	00041-44223	9,425	10,875	17,500	28,025	25,450	10,000		18,255
late fee - dog licenses	00041-44224	1,025	400	50	-	-	275		295
firearm permits (Police)	00042-44205	2,350	2,988	3,025	2,450	2,175	2,025		2,598
sealer weights measures permits (Building)	00042-44211	2,075	2,555	1,300	3,005	1,640	250		2,115
cable rental permits (Selectmen)	00042-44214	1,840	1,848	1,864	1,888	1,862	1,500		1,860
street opening permits (DPW)	00042-44216	12,400	12,900	11,700	12,400	13,550	10,000		12,590
ch. 148 fire permits (Fire)	00042-44218	4,505	6,019	6,385	4,000	6,964	3,300		5,575
oil burner install permits (Fire)	00042-44219	2,475	1,560	150	425	300	750		982
fire alarm system permits (Fire)	00042-44220	15,579	13,714	16,967	19,732	17,647	9,500		16,728
trench/excavation permits (DPW & BOH)	00042-44222	12,140	12,855	10,350	11,570	10,795	9,075		11,542
street access permits	00042-44228					325	-		325
taxi permits (Selectmen)	00042-44501	50	50	-	50	100	-		50
raffle permits (Clerk)	00042-44502	125	250	125	150	25	150		135
TOTAL PERMITS & LICENSES		100,320	104,232	121,046	129,276	125,164	85,175		116,268
TOTAL - ALL		1,140,923	1,172,782	1,053,013	1,476,249	1,369,115	1,000,000		1,242,676

Appendix 5: Continuing Balance Accounts

		FISCAL YEAR 2016 (July 1, 2015 - December 31, 2015)				
Department	Account Name	FY16 APPROP.	CARRY FWD. BALANCE	AVAIL. BUDGET	YTD EXPEND.	12/31/15 BALANCE
Selectmen	Professional/Consulting	57,050	20,066	77,116	16,927	60,190
	Equipment-Town Hall	3,000	6,045	9,045	-	9,045
	Document Management System	50,000	-	50,000	-	50,000
Insurance	Uninsured Losses/Deductibles	15,000	125,206	140,206	1,338	138,869
	Compensated Absence Fund	130,000	228,299	358,299	50,162	308,137
Facilities	Facilities Improvements - Town-Wide	484,988	502,231	987,219	381,429	605,790
Information Systems	Computer Hardware & Maintenance	90,500	61,097	151,597	20,807	130,791
	Telephone Consultant (Town-Wide)	-	-	-	-	-
	Fiber Network Improvements/Expansions	-	12,622	12,622	-	12,622
Police	Equipment	140,000	21,133	161,133	132,749	28,384
	Dispatch Area (Art.12, 07)	-	-	-	-	-
Fire	Emergency Management	2,000	7,223	9,223	-	9,223
	Equipment	345,000	35,498	380,498	6,602	373,896
	Replacement Vehicle (Art 22E) 5/12	-	1,336	1,336	-	1,336
	Fire Equipment Art 24A 5/14	-	42,515	42,515	-	42,515
Police/Fire	PD Injured Personnel	5,000	29,021	34,021	4,733	29,288
	FD Injured Personnel	15,000	2,175	17,175	3,218	13,957
Public Works						
<i>Sidewalks, Foot Paths</i>	Sidewalks	-	79,786	79,786	36,158	43,628
<i>Highways</i>	Construction of Public Ways	400,000	393,270	793,270	57,098	736,172
	Sidewalk Maintenance	110,000	268,048	378,048	-	378,048
	Stone Retaining Wall Repairs	10,000	56,375	66,375	-	66,375
	Equipment	240,000	208,023	448,023	90,905	357,118
	Guard Rails	50,000	-	50,000	-	50,000
	Dept. Equip (Art22A) 5/12	-	59,090	59,090	11,090	48,000
	Easements, Art. 19 5/13	-	10,000	10,000	-	10,000
<i>Parks & Cemeteries</i>	Improve/Develop Cemetery Land	-	17,076	17,076	-	17,076
	Equipment	10,140	67	10,207	10,134	73
<i>Solid Waste</i>	Monitoring Groundwater-Landfill	25,500	8,849	34,349	22,595	11,754
<i>Traffic</i>	Kendal Green (Art 17A) 5/13	-	25,000	25,000	3,000	22,000
	Traffic Sign Design (Art 17C) 5/13	-	3,701	3,701	2,683	1,018
	Wellesley/Brown Intersection	-	-	-	-	-
	Traffic Pedestrian Signal (Art 24B) 5/14	14,200	50,000	64,200	6,745	57,455
	Traffic/Sidewalk Comm	15,000	-	15,000	-	15,000
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		2,212,378	2,330,624	4,543,002	858,372.28	3,684,630

Appendix 6: Unreserved Fund Balance (Free Cash) History

	A	B	C	D	E	F	G
fiscal year	local receipts in excess of estimates	expenditures less than appropriations	prior year closeouts/other	contribution to surplus	7/1 free cash certification	Supplemental free cash cert.	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 with DOR	2,067,415
FY04	822,688	430,520	-	1,253,208	1,467,051	not filed with DOR	1,467,051
FY05	654,804	587,933	-	1,242,737	1,248,088	not filed with DOR	1,248,088
FY06	1,797,073	1,184,804	30,225	3,012,102	2,366,638	not filed with DOR	2,366,638
FY07	1,728,638	560,002	366,638	2,655,278	2,469,546	not filed with DOR	2,469,546
FY08	1,691,958	1,212,677	35,922	2,940,557	3,153,673	not filed with DOR	3,153,673
FY09	1,408,221	2,305,508	-	3,713,729	2,948,558	not filed with DOR	2,948,558
FY10	921,353	1,814,665	22,010	2,758,028	4,255,473	not filed with DOR	4,255,473
FY11	1,445,168	1,799,743	3,905	3,248,816	3,463,758	not filed with DOR	3,463,758
FY12	1,135,712	2,228,684	-	3,364,396	3,853,659	not filed with DOR	3,853,659
FY13	931,332	1,612,777	370,212	2,914,320	3,182,126	not filed with DOR	3,182,126
FY14	1,811,995	1,988,078	348,770	4,148,843	4,039,334	not filed with DOR	4,039,334
FY15	1,610,672	1,067,951	(174,085)	2,504,539	2,581,323	not filed with DOR	2,581,323

Appendix 7: Summary of Reserves

	Reserve	Balance 12/31/2015	FY17 Recommended Appropriation	FY17 Appropriation + Balance Carried Forward	Reserve Balances When Policy Fully Implemented (FY16 Dollars)	Target Date	Notes
1	Finance Committee Reserve Fund (balance does not carry forward from year to year)	574,000	595,000	595,000	595,000	met	Balance does not carry forward
2	Stabilization Fund	3,068,617	250,000	3,318,617	3,000,000	met	Specific dollar target or % of revenues?
3	Facilities Maintenance	605,790	509,237	1,115,027	1,115,027	met	The policy calls for the appropriation to increase by 5 percent annually.
4	Property and Liab. Insurance- Uninsured Losses	138,869	15,000	153,869	150,000	met	
5	Workers' Comp (Police & Fire)	43,245	20,000	63,245	50,000	met	
6	Pension Obligation (in addition to annual assessments from Middlesex Retirement System)	409,149	-	409,149	409,149	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	308,137	140,000	448,137	2,000,000	FY2024	Increase appropriation by \$10,000 each year.
8	Overlay Reserve for Abatements	200,000	-	200,000	200,000	met	
	Total Reserves	\$5,347,808	\$1,529,237	\$6,303,045	\$7,519,176		
	Prior Year Operating Revenues			\$68,565,146	\$68,565,146		
	Total Reserves as a % of Oper. Rev.			9.2%	11.0%		<i>GFOA guidelines recommend maintaining reserves of 5-15% general fund revenues.</i>
9	Continuing Balance Accounts	2,588,589	1,739,250	4,327,839			These accounts also serve as a reserve for a variety of purposes.
10	Post Employment Benefits (OPEB) Trust Fund	11,116,716	1,652,517	12,769,233	Total OPEB liability is estimated at \$79 million or \$47 million with pre-funding.	FY2040	Annual appropriation to meet ARC specified in most recent actuarial study

APPENDIX 8: CONSOLIDATED FY2017 REVENUE

	(A) FY2014	(B) FY2015	(C) FY2016	(D) FY2017	(E) FY2017	(F) FY2017
	ACTUAL	ACTUAL	TAX RECAP	PROJECTED	\$ CHANGE	% CHANGE
PROPERTY TAX LEVY	60,190,558	61,700,758	63,348,917	65,874,871	\$2,525,954	3.99%
new growth	1,020,267	1,196,208	927,176	600,000	(\$327,176)	-35.29%
(unused levy capacity)	(1,020,267)	(1,196,208)	(927,176)	(600,000)	\$327,176	-35.29%
override	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	\$0	
Total Tax Levy	60,190,558	61,700,758	63,348,917	65,874,871	\$2,525,954	3.99%
STATE AID - CHERRY SHEET						
Chapter 70 (school aid)	2,571,779	2,988,929	3,045,154	3,045,154	\$0	0.00%
Lottery Aid	323,870	332,852	344,835	344,835	\$0	0.00%
Dist., reimb., offsets	85,493	89,482	69,342	69,342	\$0	0.00%
School Construction	<u>741,853</u>	<u>724,226</u>	<u>665,538</u>	<u>665,538</u>	<u>\$0</u>	<u>0.00%</u>
Total State Aid	3,722,995	4,135,489	4,124,869	4,124,869	\$0	0.00%
LOCAL RECEIPTS						
motor vehicle excise (00015)	2,808,327	2,910,707	2,300,000	2,510,000	\$210,000	9.13%
penalties and interest	206,604	233,333	150,000	175,000	\$25,000	16.67%
payment in lieu of taxes (00013-418**)	34,168	81,697	35,897	36,794	\$897	2.50%
charges for services-solid waste	354,262	371,197	360,000	350,000	(\$10,000)	-2.78%
fees	220,953	151,977	150,000	150,000	\$0	0.00%
rentals	141,532	134,484	115,000	134,000	\$19,000	16.52%
departmental revenue-cemeteries	20,820	38,100	20,000	20,000	\$0	0.00%
other departmental revenue	552,418	476,740	434,000	430,000	(\$4,000)	-0.92%
licenses and permits	1,483,132	1,369,115	1,000,000	1,100,000	\$100,000	10.00%
finances and forfeits	118,766	120,370	110,000	110,000	\$0	0.00%
investment income (00017-41700)	74,336	61,097	60,000	60,000	\$0	0.00%
misc. non recurring (00081-48*)	294,628	162,552	0	0	\$0	
misc. recurring	0	0	0	0	\$0	
cherry sheet overestimates	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	
Total Local Receipts	6,309,945	6,111,369	4,734,897	5,075,794	\$340,897	7.20%

APPENDIX 8: CONSOLIDATED FY2017 REVENUE

	(A) FY2014	(B) FY2015	(C) FY2016	(D) FY2017	(E) FY2017	(F) FY2017
	ACTUAL	ACTUAL	TAX RECAP	PROJECTED	\$ CHANGE	% CHANGE
PRIOR YEAR BALANCES/OTHER						
unreserved fund balance (free cash)	2,300,000	2,300,000	2,300,000	2,000,000	(\$300,000)	-13.04%
free cash to be used for capital projects	860,000	325,000	900,000	0	(\$900,000)	-100.00%
overlay surplus	213,000	280,000	600,000	335,000	(\$265,000)	-44.17%
reserved for appropriation (accr'd inc. litigation settlement)	25,000	10,000	10,000	7,500	(\$2,500)	-25.00%
reserved for appropriation (well litigation settlement - FY18 last year)	250,000	250,000	250,000	250,000	\$0	0.00%
cemetery trust fund	35,000	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	3,689,000	3,206,000	4,101,000	2,633,500	(\$1,467,500)	-35.78%
TOTAL PROJECTED REVENUES	73,912,498	75,153,616	76,309,683	77,709,034	\$1,399,351	1.83%
REDUCTIONS IN REVENUES						
cherry sheet assessments	275,070	285,122	277,595	277,595	\$0	0.00%
cherry sheet offsets	33,519	35,583	21,509	21,509	\$0	0.00%
overlay (abatements)	434,643	450,988	406,511	450,000	\$43,489	10.70%
school reimbursements	724,226	724,226	665,538	665,538	\$0	0.00%
overlay deficits	0	0	0	0	\$0	
contribution to recreation enterprise fund	<u>461,655</u>	<u>464,423</u>	<u>479,150</u>	<u>484,069</u>	<u>\$4,919</u>	<u>1.03%</u>
Total Reductions in Revenue	1,929,113	1,960,342	1,850,303	1,898,711	\$48,408	2.62%
SUBTOTAL	71,983,385	73,193,274	74,459,380	75,810,323	\$1,350,943	1.81%
OTHER REVENUES						
transfer from water enterprise fund	319,825	349,510	317,833	321,011	\$3,178	1.00%
transfer from brook school apts enterprise fund	155,676	169,119	182,646	184,472	\$1,826	1.00%
reappropriate continuing balances	<u>0</u>	<u>0</u>	<u>0</u>	<u>82,515</u>	<u>\$82,515</u>	
Total Other Revenues	475,501	518,629	500,479	587,999	\$87,520	17.49%
TOTAL AVAILABLE FOR APPROP.	72,458,886	73,711,903	74,959,859	76,398,322	1,438,463	1.92%