

TOWN OF WESTON

FY2013 REVENUE PROJECTIONS



*Prepared by the Town Manager's Office
and Finance Department
January 10, 2012*

Fiscal Year 2013 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.

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FY2013 Revenue Projection Summary

FY13 revenues are projected to increase by \$2,226,599 or 3.4% over FY12 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 \$2,319,498 or 4.1% is due to the allowed 2.5% increase plus \$897,752 in unused levy capacity being carried forward from new growth in FY12 (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 \$241,875 or 5.7%. This increase is related primarily to higher motor vehicle excise and ambulance revenue.
4. **Prior Year Balances/Other:** This projection assumes the use of \$2,300,000 of the Town's 6/30/11 certified Free Cash, a decrease of \$100,000. The Board of Assessors has released \$210,000 of overlay surplus, a decrease of \$40,000. It is also assumed that \$250,000 in principal from the Well Litigation Settlement will again be used to help fund reserves in the FY13 budget.

TABLE I: FY2013 REVENUE PROJECTION SUMMARY				
	FY2012	FY2013	DOLLAR	PERCENT
	Estimated	Projected	CHANGE	CHANGE
			FY12 - 13	FY12 - 13
PROPERTY TAX LEVY	\$55,972,078	\$58,291,576	\$2,319,498	4.1%
STATE AID - CHERRY SHEET	\$3,624,442	\$3,483,150	(\$141,292)	-3.9%
LOCAL RECEIPTS	\$4,219,205	\$4,461,080	\$241,875	5.7%
PRIOR YEAR BALANCES/OTHER	\$3,021,000	\$2,851,000	(\$170,000)	-5.6%
TOTAL PROJECTED REVENUES	\$66,836,725	\$69,086,806	\$2,250,081	3.4%
REDUCTIONS IN REVENUES	(2,089,457)	(2,098,340)	(\$8,883)	0.4%
OTHER REVENUES	450,455	435,856	(14,599)	-3.2%
AVAILABLE FOR APPROPRIATION	\$65,197,723	\$67,424,322	\$2,226,599	3.4%

Property Tax - Projections and Assumptions

Table 2

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 TAX RECAP	FY2013 PROJ	\$CHG	%CHG
PROPERTY TAX LEVY	50,728,963	53,136,633	55,972,078	58,291,576	2,319,498	4.1%
new growth	1,111,655	1,470,272	897,752	600,000		
(unused levy capacity)	(1,111,655)	(1,470,272)	(897,752)	(600,000)		
override	-	-	-	-	-	
Total Tax Levy	\$50,728,963	\$53,136,633	\$55,972,078	\$58,291,576	\$2,319,498	4.1%

Assumptions:

1. Property Tax Levy - \$58,291,576: Weston’s property tax levy is anticipated to increase by \$2,319,498 or 4.1%. Of this amount, \$897,752 is from FY12 unused tax levy capacity (new growth). There is additional unused levy capacity of more than \$2 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. FY13 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

STATE AID-CH. SHEET

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 TAX RECAP	FY2013 PROJ	\$CHG	%CHG
Chapter 70 (school aid)	2,556,275	2,406,938	\$2,419,859	\$2,298,866	(\$120,993)	-5.0%
Lottery Aid	329,574	316,391	\$293,515	\$278,839	(\$14,676)	-5.0%
Dist., reimb., offsets	95,284	92,138	\$112,465	\$106,842	(\$5,623)	-5.0%
School Construction	<u>1,454,017</u>	<u>1,454,017</u>	<u>798,603</u>	<u>798,603</u>	\$0	0.0%
Total State Aid	\$ 4,435,150	\$ 4,269,484	\$ 3,624,442	\$ 3,483,150	\$ (141,292)	-3.9%

Weston's first indication of state aid for FY13 will come when Governor Patrick submits his FY13 budget to the Legislature. This happens at the end of January 2012. 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 - \$106,842: 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 - \$2,298,866: 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. The state has attempted to provide additional Chapter 70 aid to Weston in recent years to make up for its shortfalls in the past, but that effort has been thwarted by the economy.

3. School Construction - \$798,603: 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 - \$278,839: Under State law, cities and towns share in the proceeds of the State lottery. A decrease in the amount of \$14,676 or 5% is projected.

Local Receipts - Projections and Assumptions

Table 4

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 TAX RECAP	FY2013 PROJ	\$CHG	%CHG
LOCAL RECEIPTS						
motor vehicle excise	2,039,944	2,614,061	2,100,000	2,200,000	100,000	4.8%
penalties and interest	344,411	190,437	110,000	150,000	40,000	36.4%
payment in lieu of taxes	28,699	29,178	30,000	30,174	174	0.6%
charges for services-solid waste	348,022	385,128	365,000	360,000	(5,000)	-1.4%
fees	169,599	145,709	145,000	145,000	-	0.0%
rentals	103,866	113,544	95,000	95,000	-	0.0%
departmental revenue-cemeteries	31,993	40,040	30,000	30,000	-	0.0%
other departmental revenue	387,969	449,392	340,000	425,000	85,000	25.0%
licenses and permits	965,430	1,140,923	750,000	773,275	23,275	3.1%
finances and forfeits	133,570	116,691	110,000	110,000	-	0.0%
investment income	311,240	141,369	126,574	125,000	(1,574)	-1.2%
misc. non recurring	42,891	52,238	-	-	-	0.0%
misc. recurring	15,392	-	17,631	17,631	-	0.0%
Total Local Receipts	\$ 4,923,027	\$ 5,418,710	\$ 4,219,205	\$ 4,461,080	\$ 241,875	5.7%

Assumptions:

Local Receipts - \$4,461,080: 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. After a reduction in this revenue source of nearly \$500,000 in FY10, the amount collected in FY11 was back to a more normal level. The FY12 projection is conservative, and FY13 receipts are projected to be slightly higher than in FY12. 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 - \$30,174: The Town has a payment-in-lieu-of-taxes agreement with Weston Community Housing, Inc. for Merriam Village. Because of financial difficulties at Merriam Village, the Board of Selectmen voted to approve a 50% reduction in the PILOT for FY10-FY12. For FY13, it is expected that this payment may remain at the reduced level. The Town also receives a PILOT for Brook School Apartments, which is \$20,652, a 2.5% increase over FY12.

4. Charges for Service - Solid Waste - \$360,000: 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 FY11, 57 people took advantage of the transfer station fee waiver. In FY11, transfer station sticker fee revenue funded approximately 79% of the cost of this operation. The Board of Selectmen has set a goal of funding 70-75% of costs with fee revenue. Approximately \$16,000 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 - \$95,000: This category includes lease payments for two cell towers located at the Police Station, and the rental income for the Library, a Town-owned housing unit, and the Melone house.

7. Departmental Revenue - Cemeteries - \$30,000: 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 - \$425,000: 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 - \$773,275: This category includes Building Department permit fees, Board of Health and Fire Department permit fees. Sheet metal permitting is now required, which is expected to generate new permit revenue of at least \$23,275 annually. 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 - \$125,000: 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 FY12 is .15 %.

Prior Year Balances/Other - Projections and Assumptions

Table 5

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 TAX RECAP	FY2013 PROJ	\$CHG	%CHG
PRIOR YR BAL/OTHER						
unresv.fund bal. (free cash)	2,400,000	2,200,000	2,400,000	2,300,000	(100,000)	-4.2%
overlay surplus	120,000	315,000	250,000	210,000	(40,000)	-16.0%
reserved for appropriation (accrued inc. litigation settlement)	85,000	85,000	75,000	50,000	(25,000)	-33.3%
reserved for appropriation (well litigation settlement)	250,000	250,000	250,000	250,000	-	0.0%
cemetery trust fund	40,000	40,000	40,000	35,000	(5,000)	-12.5%
Josiah Smith Tavern trust fund	6,000	6,000	6,000	6,000	-	0.0%
Total Reserves	\$ 2,901,000	\$ 2,896,000	\$ 3,021,000	\$ 2,851,000	\$ (170,000)	-5.6%

Assumptions:

Prior Year Balances/Other - \$2,851,000: 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 8.

1. Unreserved Fund Balance/Free Cash - \$2,300,000: The Department of Revenue certified Weston’s Free Cash as of June 30, 2011 at \$3,463,758.

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 - \$210,000: 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 \$210,000 from the FY11, FY10 and FY09 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.

3. Reserved for Appropriation - Accrued Income - Well Litigation Settlement - \$50,000: This reserve account reflects the investment income from a settlement with the Turnpike Authority over the pollution of Town wells. Over the last five years, this trust fund has earned an average of \$64,110 in investment income per year, and has an accumulated balance of \$68,908 as of June 30, 2011. The amount recommended for FY13 has been reduced by \$25,000 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.

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, 2011 is \$1,356,789.

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, 2011 balance in the perpetual care fund is \$1,119,562 (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, 2011 balance in this trust fund is \$198,204. This is a fully expendable trust fund.

Reductions in Revenues - Projections and Assumptions

Table 6

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 TAX RECAP	FY2013 PROJ	\$CHG	%CHG
REDUCTIONS IN REVENUES						
cherry sheet assessments	272,370	285,461	321,454	337,527	16,073	5.0%
cherry sheet offsets	30,969	29,108	34,590	32,861	(1,730)	-5.0%
overlay (abatements)	385,361	423,816	458,354	450,000	(8,354)	-1.8%
school reimbursements	1,454,017	1,454,017	816,234	816,234	-	0.0%
overlay deficits	-	-	-	-	-	0.0%
contribution to recreation						
enterprise fund	475,477	475,477	458,825	461,718	2,893	0.6%
Total Reductions in Rev.	\$ 2,618,194	\$ 2,667,879	\$ 2,089,457	\$ 2,098,340	\$ 8,883	0.4%

Assumptions:

Reductions in Revenues - \$2,098,340: 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 - \$337,527: 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 increase in FY13 by 5%.

2. State (Cherry Sheet) Offsets - \$32,861: 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 FY13.

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 - \$816,234: 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.

5. Overlay Deficits - \$0: There is no overlay deficit contemplated at this time. As recommended by the Reserve Policy, \$160,000 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 the additional property tax revenues generated in the FY13 property tax levy limit from new construction.

6. Contribution to Recreation Enterprise Fund - \$461,718: Approximately 70% of the Recreation Department budget is covered by fee revenue. The remaining 30%, or \$461,718 allocated for FY13, 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

	FY2010 ACTUAL	FY2011 ACTUAL	FY2012 TAX RECAP	FY2013 PROJ	\$CHG	%CHG
OTHER REVENUES						
transfer from water enterprise fund	241,555	286,684	314,322	297,000	(17,322)	-5.5%
transfer from brook school apts enterprise fund	112,750	136,627	136,133	138,856	2,723	2.0%
reappropriate continuing balances	7,837	9,662	-	-	-	0.0%
Total Other Revenues	\$ 362,142	\$ 432,973	\$ 450,455	\$ 435,856	\$ (14,599)	-3.2%

1. Transfer from Water Enterprise Fund - \$297,000: 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.).

2. Transfer from Brook School Apartments Enterprise Fund - \$138,856: 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.).

3. Re-appropriate Continuing Balances - \$0: There are no balances available to be re-appropriated in FY13.

Appendix 1: Levy Limit History: Fiscal Years 1991-2012

Fiscal Year	A Starting Balance	B Annual 2 1/2% Increase	C Amount of Override	D Increase From New Construction	E Total Levy Limit	F Exempt Debt Exclusion	G Community Preservation Act Surcharge	H Allowable Amount which may be Raised from the Property Tax	I Unused Levy Capacity	J Actual Tax Levy	% +/-
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	\$932,125	\$37,804,932	\$667,493	\$37,137,439	13.22%
2003	\$32,247,171	\$806,179	\$0	\$1,222,514	\$34,275,864	\$5,556,443	\$1,044,068	\$40,876,375	\$258,924	\$40,617,451	9.37%
2004	\$34,275,864	\$856,897	\$0	\$1,944,757	\$37,077,518	\$5,599,897	\$1,147,521	\$43,824,936	\$1,056,079	\$41,621,336	2.47%
2005	\$37,077,518	\$926,938	\$0	\$1,051,747	\$39,056,203	\$5,664,033	\$1,160,288	\$45,880,523	\$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	\$1,314,821	\$49,962,268	\$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	\$1,382,903	\$54,173,687	\$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	\$1,488,000	\$57,473,411	\$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	\$1,574,790	\$59,823,045	\$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	\$1,605,810	\$62,051,614	\$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	\$1,754,389	\$64,605,673	\$2,930,717	\$59,920,567	3.18%
2012	\$56,041,165	\$1,401,029	\$0	\$897,752	\$58,339,946	\$7,266,714	\$1,746,010	\$67,352,670	\$2,350,404	\$63,256,256	5.57%

Appendix 2: Motor Vehicle Excise Revenue

Comm. #	FY2008			FY2009			FY2010			FY2011		
	# 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				781	232,917	298	451	188,946	419	2	260	130
3				403	205,998	511				374	203,551	544
4	503	218,579	435	411	215,021	523	529	195,285	369	412	188,295	457
5	344	123,999	360	340	88,980	262	296	70,718	239	359	86,555	241
6	319	82,486	259	217	32,587	150	288	37,036	129	295	46,597	158
7	199	47,754	240	247	21,440	87	200	14,114	71	256	16,613	65
8	46	5,855	127	2	1,759	880	3	7,992	2,664	18	3,301	183
9				91	15,196	167				3	568	189
901												
901												
901												
902	1	12	12									
903												
903												
906												
50				24	2,201	92						
99				8	2,200	275				15	1,883	126
101	5	801	160	9	2,085	232	3	563	188	6	1,209	126
102				1	421	421				4	1,228	307
103	5	741	148	1	554	554	5	561	112	1	54	54
104	1	360	360				4	1,137	284	3	1,025	342
105	3	193	64							2	227	113
106				4	321	80						
107												
108												
9										83	8,403	101
10	91	110,083	1210	11	1,303	118	11	2,225	202			
11				10	3,576	358	9	88	10	7	1,054	151
12	13	7,235	557									
13	18	23,904	1328									
1	9,088	1,747,264	192	8,696	1,662,120	191	9,110	1,606,119	176	9,218	1,694,221	184
2	396	187,758	474							589	316,958	538
3				229	92,732	405				313	131,589	420
4												
5												
6												
7												
8				25	2,753	110						
9												
99										14	1,488	106
102				4	3,297	824				1	3,044	3,044
104	1	70	70									
totals	11,033	2,557,093	232	11,514	2,587,461	225	10,909	2,124,783	195	11,975	2,708,122	226

Appendix 3: Fees

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Actual FY11	FY07-11 average
municipal liens	10,950	11,825	11,000	11,375	14,850	12,000
alarm systems - one-time initial fee	6,200	7,900	6,700	5,600	6,300	6,540
crescent st historic district commission	20	40	-	-	-	12
town clerk fees/service	17,244	15,246	11,395	13,210	15,448	14,509
town clerk fees/justice of the peace	-	-	-	300	500	160
board of appeals	11,750	10,027	11,562	12,900	11,250	11,498
planning board filings	12,710	18,225	13,760	28,780	21,475	18,990
police misc.	1,810	1,318	1,787	1,518	1,689	1,624
engineer prints & plans	493	363	400	186	280	344
BOH flu	4,800	-	-	-	-	960
conservation-sale of firewood	275	245	540	230	215	301
conservation- community gardens	975	907	957	1,060	1,470	1,074
police detail	38,825	56,427	47,215	47,931	42,581	46,596
constable fees	29	45	70	135	125	81
BOH soil testing fee	27,500	18,950	18,450	19,350	17,000	20,250
BOH Title 5 fee	4,300	3,150	3,055	4,750	4,050	3,861
historical commission-demolition app.	480	1,360	2,830	4,425	3,375	2,494
emergency alarm fees*	35,700	19,200	19,200	17,400	900	18,480
false burglar alarm charges	4,000	-	-	-	-	800
stormwater review fees	-	-	-	450	4,200	930
TOTAL	178,061	165,229	148,920	169,599	145,709	159,288

*Alarm fees were not billed in FY06; the bills for FY06 and FY07 were both sent in FY07.

Appendix 4: Permits and Licenses Revenue

	Actual FY07	Actual FY08	Actual FY09	Actual FY10	Actual FY11	FY07-11 average
BUILDING DEPT. FEES						
Bldg. Permits						
July	41,821	71,377	48,451	169,176	118,118	89,789
August	145,981	71,857	40,346	79,223	88,724	85,226
September	39,044	28,916	109,303	8,165	31,329	43,351
October	27,290	90,803	29,565	47,674	97,759	58,618
November	67,080	41,433	27,421	27,643	64,015	45,518
December	54,584	61,110	76,704	27,418	51,999	54,363
January	94,990	113,051	122,358	15,055	64,074	81,906
February	26,794	20,520	480,104	34,608	27,005	117,806
March	30,628	54,938	19,308	16,357	67,531	37,752
April	31,772	64,261	20,059	60,372	89,621	53,217
May	70,842	45,488	75,764	9,971	27,429	45,899
June	47,409	62,748	33,570	117,092	115,682	75,300
Bldg. Permits Subtotal	678,235	726,502	1,082,953	612,754	843,286	788,746
Wiring inspection fees	76,557	71,490	63,605	154,225	84,023	89,980
Gas/plumbing fees	32,942	40,055	37,616	33,143	31,894	35,130
TOTAL BLDG. DEPT. FEES	787,734	838,047	1,184,174	800,122	959,203	877,042
BOARD OF HEALTH FEES						
Bd of Health permits	51,150	58,025	47,600	41,975	46,300	49,010
Bd of Health septic system application permits	51,050	45,750	38,100	32,550	35,100	40,510
TOTAL BD OF HEALTH FEES	102,200	103,775	85,700	74,525	81,400	89,520
TOTAL FEES	889,934	941,822	1,269,874	874,647	1,040,603	1,003,376
Permits & Licenses						
fish & game licenses	287	119	55	121	207	158
victuallers licenses	350	400	4,550	2,400	2,400	2,020
town clerk licenses	640	1,165	920	1,030	815	914
Bd of Health licenses	20,225	17,825	17,200	17,825	18,000	18,215
dog licenses	6,224	5,903	6,569	14,826	14,910	9,686
commercial dog walker licenses	-	-	-	10,100	9,425	3,905
late fee - dog licenses	-	-	-	300	1,025	265
firearm permits	2,225	1,125	1,275	825	2,350	1,560
sealer weights measures permits	180	414	540	288	2,075	699
cable rental permits	1,736	1,983	34,230	1,813	1,840	8,320
street opening permits	2,450	1,435	1,000	14,350	12,400	6,327
ch. 148 fire permits	3,570	2,620	3,375	3,305	4,505	3,475
oil burner install permits	995	1,000	1,200	2,450	2,475	1,624
fire alarm system permits	16,040	14,629	12,881	12,818	15,579	14,390
trench/excavation permits	-	-	3,135	6,205	12,140	4,296
taxi permits	-	-	-	-	50	10
raffle permits	200	75	50	175	125	125
TOTAL PERMITS & LICENSES	55,122	48,692	86,981	88,831	100,320	75,989
TOTAL-ALL	945,056	990,514	1,356,855	963,478	1,140,923	1,079,365

Appendix 5: Continuing Balance Accounts

		FISCAL YEAR 2012 (July 1, 2011 - June 30, 2012)				
Department	Account Name	FY12 APPROP.	CARRY FWD. BALANCE	AVAIL. BUDGET	YTD EXPEND.	12/31/11 BALANCE
Selectmen	Professional/Consulting	20,000	100,359	120,359	14,467	105,892
	Equipment-Town Hall	5,000	3,044	8,044	615	7,429
Insurance	Uninsured Losses/Deductibles	45,000	125,673	170,673	500	170,173
	Compensated Absence Fund	90,410	93,554	183,964	9,722	174,242
Facilities	Facilities Improvements - Town-Wide	399,000	352,653	751,653	207,578	544,075
Information Systems	Computer Hardware & Maintenance	71,295	24,969	96,264	26,366	69,898
	Telephone Consultant (Town-Wide)	-	800	800	-	800
	Fiber Network Improvements/Expansion	112,541	-	112,541	61,308	51,233
Police	Equipment	158,500	2,223	160,723	31,731	128,992
	Dispatch Area (Art.12, 07)	-	294	294	-	294
Fire	Emergency Management	2,000	9,417	11,417	-	11,417
	Equipment	45,000	14,383	59,383	27,678	31,705
	Brush Truck	100,000	-	100,000	-	100,000
Police/Fire	PD Injured Personnel	10,000	33,801	43,801	2,692	41,109
	FD Injured Personnel	10,000	(11,649)	(1,649)	2,730	(4,379)
Public Works	Departmental Equipment	235,000	-	235,000	-	235,000
<i>Sidewalks, Foot Paths</i>	Sidewalks	-	99,402	99,402	-	99,402
<i>Highways</i>	Construction of Public Ways	200,000	247,595	447,595	364,873	82,722
	Sidewalk Maintenance	120,000	120,000	240,000	66,087	173,913
	Access to 40 Acre Field	-	49,110	49,110	48,961	149
	Stone Retaining Wall Repairs	10,000	63,028	73,028	13,762	59,266
	Guard Rails	100,000	15,000	115,000	113,500	1,500
<i>Parks & Cemeteries</i>	Cemetery Tree Maintenance	-	1,775	1,775	1,775	-
	Parks Tree Maintenance	-	1,947	1,947	1,947	-
	Improve/Develop Cemetery Land	-	22,829	22,829	5,753	17,076
	Roadway Improvements	45,000	45,000	90,000	90,000	-
	Equipment	-	1,601	1,601	-	1,601
<i>Solid Waste</i>	Monitoring Groundwater-Landfill	19,400	2,964	22,364	-	22,364
	Transfer Station Paving	222,000	-	222,000	-	222,000
<i>Traffic</i>	School Zone Speed Signs	30,000	-	30,000	-	30,000
	Case's Corner Roundabout Design	75,000	-	75,000	9,660	65,340
	Wellesley/Brown Intersection	30,000	-	30,000	1,267	28,733
Conservation	College Pond Dam	-	72,228	72,228	72,177	51
Schools	1 Ton Truck	-	4,897	4,897	-	4,897
	School Bus Replacements	226,399	-	226,399	224,065	2,334
TOTAL		2,381,545	1,496,895	3,878,440	1,399,217	2,479,224

Appendix 6: Unreserved Fund Balance (Free Cash) History

surplus revenue based on excess local receipts and unexpended appropriations

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 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

Appendix 7: Revenue Enhancement/Savings Options

Over the past several fiscal years, all Town Boards, at the urging of the Board of Selectmen and Finance Committee, have made a number of adjustments to various fees and charges. The opportunities for new fees or fee adjustments, therefore, are limited. The following revenue enhancements or saving opportunities are recommended for consideration:

- 1. Leo J. Martin Golf Course** – Negotiate an in-lieu of tax payment with the State which operates this golf course, a portion of which is on Town owned land.

Appendix 8: Summary of Reserves

	Reserve	12/31/11 Balance	FY13 Recommended Appropriation	FY13 Appropriation + Balance Carried Forward	Reserve Balances When Policy Fully Implemented (FY13 Dollars)	Target Date	Notes
1	Finance Committee Reserve Fund (balance does not carry forward each year)	507,000	530,000	530,000	530,000	met	Balance does not carry forward for Reserve Fund.
2	Stabilization Fund	1,954,584	250,000	2,204,584	2,000,000	FY2013	This target should be increased.
3	Facilities Maintenance	544,075	418,950	963,025	963,025	met	The policy calls for this amount to increase by 5 percent annually.
4	Property and Liab. Insurance- Uninsured Losses	170,173	-	170,173	150,000	met	Target has been met. No request for FY13.
5	Workers' Comp (Police & Fire)	36,730	20,000	56,730	50,000	met	Town to also review purchasing stop-loss insurance.
6	Pension Obligation (in addition to annual assessments from Middlesex Retirement System)	401,992	-	401,992	401,992	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	174,242	100,000	274,242	2,000,000	FY2010	Under review. Original 5 year funding plan is not sufficient to keep up with current retirements and meet funding target
8	Overlay Reserve for Abatements	160,000	20,000	180,000	200,000	FY2015	\$20,000 set aside each year
9	Continuing Balance Accounts	1,554,004	835,375	2,389,379			These accounts also serve as a reserve for a variety of purposes.
	Total Reserves	\$5,502,800	\$2,174,325	\$7,170,125	\$6,295,017		
	Prior Year Operating Revenues			\$62,209,073	\$62,209,073		
	Total Reserves as a % of Oper. Rev.			11.5%	10.1%		<i>GFOA guidelines recommend maintaining reserves of 5-15% general fund revenues.</i>
10	Post Employment Benefits (OPEB) Trust Fund	3,504,266	1,356,000	4,860,266	Total OPEB liability is estimated at \$67 million or \$42 million with pre-funding. By 6/30/13, amount that should have been set aside is \$5.8 million, assuming funding over 30 years.	FY2039	

APPENDIX 9: CONSOLIDATED FY2013 REVENUE PROJECTIONS

	(A) FY2010	(A) FY2011	(B) FY2012	© FY2013	(D) FY2012	(E) FY2012
	ACTUAL	ACTUAL	ESTIMATED TAX RECAP	PROJECTION	\$ CHANGE	% CHANGE
PROPERTY TAX LEVY						
PROPERTY TAX LEVY	50,728,963	53,136,633	55,972,078	58,291,576		
new growth	1,111,655	1,470,272	897,752	600,000		
(unused levy capacity)	(1,111,655)	(1,470,272)	(897,752)	(600,000)		
override	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		
Total Tax Levy	50,728,963	53,136,633	55,972,078	58,291,576	\$2,319,498	4.14%
STATE AID - CHERRY SHEET						
Chapter 70 (school aid)	2,556,275	2,406,938	2,419,859	2,298,866	(\$120,993)	-5.00%
Lottery Aid	329,574	316,391	293,515	278,839	(\$14,676)	-5.00%
Dist., reimb., offsets	95,284	92,138	112,465	106,842	(\$5,623)	-5.00%
School Construction	<u>1,454,017</u>	<u>1,454,017</u>	<u>798,603</u>	<u>798,603</u>	\$0	0.00%
Total State Aid	4,435,150	4,269,484	3,624,442	3,483,150	(\$141,292)	-3.90%
LOCAL RECEIPTS						
motor vehicle excise	2,039,944	2,614,061	2,100,000	2,200,000	\$100,000	4.76%
penalties and interest	344,411	190,437	110,000	150,000	\$40,000	36.36%
payment in lieu of taxes	28,699	29,178	30,000	30,174	\$174	0.58%
charges for services-solid waste	348,022	385,128	365,000	360,000	(\$5,000)	-1.37%
fees	169,599	145,709	145,000	145,000	\$0	0.00%
rentals	103,866	113,544	95,000	95,000	\$0	0.00%
departmental revenue-cemeteries	31,993	40,040	30,000	30,000	\$0	0.00%
other departmental revenue	387,969	449,392	340,000	425,000	\$85,000	25.00%
licenses and permits	965,430	1,140,923	750,000	773,275	\$23,275	3.10%
finances and forfeits	133,570	116,691	110,000	110,000	\$0	0.00%
investment income	311,240	141,369	126,574	125,000	(\$1,574)	-1.24%
misc. non recurring	42,891	52,238	0	0	\$0	0.00%
misc. recurring	15,392	0	17,631	17,631	\$0	0.00%
cherry sheet overestimates	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	\$0	0.00%
Total Local Receipts	4,923,027	5,418,710	4,219,205	4,461,080	\$241,875	5.73%
PRIOR YEAR BALANCES/OTHER						
unreserved fund balance (free cash)	2,400,000	2,200,000	2,400,000	2,300,000	(\$100,000)	-4.17%
overlay surplus	120,000	315,000	250,000	210,000	(\$40,000)	-16.00%
reserved for appropriation (accr'd inc. litigation settlement)	85,000	85,000	75,000	50,000	(\$25,000)	-33.33%
reserved for appropriation (well litigation settlement)	250,000	250,000	250,000	250,000	\$0	0.00%
cemetery trust fund	40,000	40,000	40,000	35,000	(\$5,000)	-12.50%
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	2,901,000	2,896,000	3,021,000	2,851,000	(\$170,000)	-5.63%
TOTAL PROJECTED REVENUES	62,988,140	65,720,827	66,836,725	69,086,806	\$2,250,081	3.37%

APPENDIX 9: CONSOLIDATED FY2013 REVENUE PROJECTIONS

	(A) FY2010	(A) FY2011	(B) FY2012	© FY2013	(D) FY2012	(E) FY2012
	ACTUAL	ACTUAL	ESTIMATED TAX RECAP	PROJECTION	\$ CHANGE	% CHANGE
REDUCTIONS IN REVENUES						
cherry sheet assessments	272,370	285,461	321,454	337,527	\$16,073	5.00%
cherry sheet offsets	30,969	29,108	34,590	32,861	(\$1,730)	-5.00%
overlay (abatements)	385,361	423,816	458,354	450,000	(\$8,354)	-1.82%
school reimbursements	1,454,017	1,454,017	816,234	816,234	\$0	0.00%
overlay deficits	0	0	0	0	\$0	
contribution to recreation enterprise fund	<u>475,477</u>	<u>475,477</u>	<u>458,825</u>	<u>461,718</u>	<u>\$2,893</u>	<u>0.63%</u>
Total Reductions in Revenue	2,618,194	2,667,879	2,089,457	2,098,340	\$8,883	0.43%
					\$0	
SUBTOTAL	60,369,946	63,052,948	64,747,268	66,988,466	\$2,241,198	3.46%
OTHER REVENUES						
transfer from water enterprise fund	241,555	286,684	314,322	297,000	(\$17,322)	-5.51%
transfer from brook school apts enterprise fund	112,750	136,627	136,133	138,856	\$2,723	2.00%
reappropriate continuing balances	<u>7,837</u>	<u>9,662</u>	<u>0</u>	<u>0</u>	\$0	
Total Other Revenues	362,142	432,973	450,455	435,856	(\$14,599)	-3.24%
TOTAL AVAILABLE FOR APPROP.	60,732,088	63,485,921	65,197,723	67,424,322	2,226,599	3.42%