

TOWN OF WESTON

FY2012 REVENUE PROJECTIONS



*Prepared by the Town Manager's Office
and Finance Department
January 11, 2011*

Fiscal Year 2012 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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FY2012 Revenue Projection Summary

FY12 revenues are projected to increase by \$2,817,340 or 4.54% over FY11 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 \$2,835,445 or 5.3% is due to the allowed 2.5% increase plus \$1,470,272 in unused levy capacity being carried forward from new growth in FY11 (Also see Appendix 1).
2. **State Aid:** At this time, a 15% decrease in all categories of state aid except school building assistance is projected. Final State Aid numbers may not be known by Town Meeting. The amount for the Middle School construction reimbursement is eliminated, because it was paid in full by the State at the time of the bond refunding in November 2010.
3. **Local Receipts:** Local receipts are projected to increase by \$228,032 or 5.7%. This increase is related primarily to higher ambulance revenue and new stormwater review fees to be collected if a proposed new stormwater by-law is adopted at May 2011 annual town meeting.
4. **Prior Year Balances/Other:** This projection assumes the use of \$2,400,000 of the Town's 6/30/10 certified Free Cash, an increase of \$200,000. The Board of Assessors has released \$250,000 of overlay surplus, a decrease of \$65,000. It is also assumed that \$250,000 in principal from the Well Litigation Settlement will again be used to help fund reserves in the FY12 budget.

TABLE I: FY2012 REVENUE PROJECTION SUMMARY				
	FY2011 Estimated	FY2012 Projected	DOLLAR CHANGE FY11 - 12	PERCENT CHANGE FY11 - 12
PROPERTY TAX LEVY	\$53,136,633	\$55,972,078	\$2,835,445	5.3%
STATE AID - CHERRY SHEET	\$4,269,484	\$3,209,377	(\$1,060,107)	-24.8%
LOCAL RECEIPTS	\$3,973,542	\$4,201,574	\$228,032	5.7%
PRIOR YEAR BALANCES/OTHER	\$2,896,000	\$3,021,000	\$125,000	4.3%
TOTAL PROJECTED REVENUES	\$64,275,659	\$66,404,029	\$2,128,370	3.3%
REDUCTIONS IN REVENUES	(2,694,063)	(2,003,897)	\$690,166	-25.6%
OTHER REVENUES	432,973	431,777	(1,196)	-0.3%
AVAILABLE FOR APPROPRIATION	\$62,014,569	\$64,831,909	\$2,817,340	4.5%

Property Tax - Projections and Assumptions

Table 2

	FY2009 ACTUAL	FY2010 ACTUAL	FY2011 TAX RECAP	FY2012 PROJ	\$CHG	%CHG
PROPERTY TAX LEVY	49,734,755	50,728,963	53,136,633	55,972,078	2,835,445	5.3%
new growth	1,122,064	1,111,655	1,470,272	600,000		
(unused levy capacity)	(1,249,920)	(1,111,655)	(1,470,272)	(600,000)		
override	-	-	-	-	-	
Total Tax Levy	\$49,606,899	\$50,728,963	\$53,136,633	\$55,972,078	\$2,835,445	5.3%

Assumptions:

1. Property Tax Levy - \$55,972,078: Weston's property tax levy is anticipated to increase by \$2,835,445 or 5.3%. Of this amount, \$1,470,272 is from FY11 unused tax levy capacity (new growth), approximately \$434,000 of which is attributed to the Biogen Idec development. There is additional unused levy capacity from not taking advantage of the allowable 2.5% increase in FY10 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. FY12 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

	FY2009 ACTUAL	FY2010 ACTUAL	FY2011 TAX RECAP	FY2012 PROJ	\$CHG	%CHG
STATE AID-CH. SHEET						
Chapter 70 (school aid)	2,608,444	2,556,275	2,406,938	\$2,045,897	(361,041)	-15.0%
Lottery Aid	465,553	329,574	316,391	\$268,932	(47,459)	-15.0%
Dist., reimb., offsets	194,838	95,284	92,138	\$78,317	(13,821)	-15.0%
School Construction	<u>1,454,017</u>	<u>1,454,017</u>	<u>1,454,017</u>	<u>816,230</u>	(637,787)	-43.9%
Total State Aid	\$ 4,722,852	\$ 4,435,150	\$ 4,269,484	\$ 3,209,377	(\$1,060,107)	-24.8%

Assumptions:

State Aid - \$3,209,377: 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 15% in FY12.

Weston's first indication of state aid for FY12 will come when Governor Patrick submits his FY12 budget to the Legislature. This happens at the end of January 2011. 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 - \$78,317: This category includes Police Career Incentive payments and amounts reserved for direct expenditure for School Lunch and Public Libraries. The Police Career Incentive payment or Quinn Bill reimbursement was always intended to cover 50% of the amounts paid to police officers for attaining certain qualifying college degrees, however there is no longer support by the state legislature to fund this program. In FY11, this amount was reduced to \$11,322 from \$127,019 in FY09, and it is likely to be reduced to zero in FY12. Regardless of how much money is received from the state for this program, the Town is contractually bound to pay the full 100% to police personnel.

2. Chapter 70 Aid - \$2,045,897: Chapter 70 assistance is Weston's largest category of State aid. In FY07, a new formula was implemented setting a target of 59% local funding and 41% state funding of the "foundation" budget. Because Weston's local funding had been at a much higher level, we received additional Chapter 70 aid for three years. The plan to increase Chapter 70 aid was to be phased in over 5 years, FY10 being the fourth year; however, instead there have been reductions of 2% in FY10 and 5.8% in FY11 due to the state's budget problems as a result of the economy.

3. School Construction - \$816,230: 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. This amount is reduced from FY11 by the amount of reimbursement for the Middle School project, which was paid in full by the State at the time the bonds were refunded in November 2010.

4. Lottery Aid - \$268,932: Under State law, cities and towns share in the proceeds of the State lottery. A decrease in the amount of \$47,459 or 15% is projected.

Local Receipts - Projections and Assumptions

Table 4

	FY2009 ACTUAL	FY2010 ACTUAL	FY2011 TAX RECAP	FY2012 PROJ	\$CHG	%CHG
LOCAL RECEIPTS						
motor vehicle excise	2,521,676	2,039,944	1,880,000	1,850,000	(30,000)	-1.6%
penalties and interest	125,869	344,411	110,000	136,025	26,025	23.7%
payment in lieu of taxes	37,754	28,699	28,542	29,670	1,128	4.0%
charges for services-solid waste	356,160	348,022	315,000	325,000	10,000	3.2%
fees	154,066	146,624	145,000	224,767	79,767	55.0%
rentals	95,648	103,866	95,000	95,000	-	0.0%
departmental revenue-cemeteries	37,160	31,993	30,000	30,000	-	0.0%
other departmental revenue	311,887	387,969	286,000	416,112	130,112	45.5%
licenses and permits	1,356,855	965,430	725,000	725,000	-	0.0%
finest and forfeits	126,210	133,570	109,000	120,000	11,000	10.1%
investment income	414,383	311,240	250,000	250,000	-	0.0%
misc. non recurring	68,584	42,891	-	-	-	
misc. recurring	4,792	15,392	-	-	-	
Total Local Receipts	\$ 5,611,044	\$ 4,900,052	\$ 3,973,542	\$ 4,201,574	\$228,032	5.7%

Assumptions:

Local Receipts - \$4,201,574: 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 - \$1,850,000: Motor vehicle excise receipts are largely dependent on the sale of new vehicles, which is generally tied to economic conditions. In FY10, we experienced a significant reduction in this revenue source from \$2,521,676 in FY09 to \$2,039,944. FY12 receipts are projected to be slightly less than in FY11. A historical analysis of the number of bills issued and collection rates can be found in Appendix 2.

2. Penalties and Interest - \$136,025: 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 - \$29,670: 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 and FY11. For FY12, it is expected that this

payment will remain at the reduced level. The Town also receives a PILOT for Brook School Apartments, which is estimated to be \$20,148, a 2.5% increase over FY11.

4. Charges for Service - Solid Waste - \$325,000: 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 FY10, 51 people took advantage of the transfer station fee waiver. In FY10, transfer station sticker fee revenue funded approximately 67% of the cost of this operation. The Board of Selectmen has set a goal of funding 70-75% of costs with fee revenue. Approximately \$14,000 of transfer station revenue is estimated to be received from recycling of certain materials.

5. Fees - \$224,767: This category includes Town Clerk fees, municipal lien certificate fees, Planning Board filing fees, police detail administration fees and certain Board of Health inspection fees. An additional \$83,767 is included in estimated stormwater review fees that will be collected if a proposed new stormwater by-law is adopted at the May 2011 annual town meeting. 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, three Town-owned housing units, 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 - \$416,112: This category primarily includes ambulance fees, but also includes emergency alarm system fees, false burglar and fire alarm fees, and other miscellaneous revenue. Effective December 1, 2009, the Board of Selectmen increased ambulance fees significantly to more closely reflect the cost of providing this service.

9. Licenses and Permits - \$725,000: 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 - \$120,000: This category includes parking ticket, court, library and motor vehicle non-renewal fines and fees. The amount for library fines is increased by \$11,000 to reflect actual receipts resulting from increased circulation of library materials. The projection is based on a five-year historical average.

11. Investment Income - \$250,000: 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 FY11 is .45 %.

Prior Year Balances/Other - Projections and Assumptions

Table 5

	FY2009 ACTUAL	FY2010 ACTUAL	FY2011 TAX RECAP	FY2012 PROJ	\$CHG	%CHG
PRIOR YR BAL/OTHER						
unresv.fund bal. (free cash)	2,100,000	2,400,000	2,200,000	2,400,000	200,000	9.1%
overlay surplus	105,000	120,000	315,000	250,000	(65,000)	-20.6%
reserved for appropriation (accrued inc. litigation settlement)	100,000	85,000	85,000	75,000	(10,000)	-11.8%
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	40,000	-	0.0%
Josiah Smith Tavern trust fund	6,500	6,000	6,000	6,000	-	0.0%
Total Reserves	\$ 2,601,500	\$ 2,901,000	\$ 2,896,000	\$ 3,021,000	\$125,000	4.3%

Assumptions:

Prior Year Balances/Other - \$3,021,000: 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 January 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 - \$2,400,000: The Department of Revenue certified Weston’s Free Cash as of June 30, 2010 at \$4,255,473.

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 - \$250,000: 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 \$250,000 from the FY10, 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.

3. Reserved for Appropriation - Accrued Income - Well Litigation Settlement - \$75,000: 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 \$74,429 in investment income per year, and has an accumulated balance of \$111,895 as of June 30, 2010. The amount recommended for FY12 has been reduced by \$10,000 in recognition of declining interest generated by 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, 2010 is \$1,486,137.

5. Cemetery Trust Fund - \$40,000: 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, 2010 balance in the perpetual care fund is \$980,568 (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, 2010 balance in this trust fund is \$194,531. This is a fully expendable trust fund.

Reductions in Revenues - Projections and Assumptions

Table 6

	FY2009 ACTUAL	FY2010 ACTUAL	FY2011 TAX RECAP	FY2012 PROJ	\$CHG	%CHG
REDUCTIONS IN REVENUES						
cherry sheet assessments	267,380	272,370	285,461	299,734	14,273	5.0%
cherry sheet offsets	34,574	30,969	29,108	29,108	-	0.0%
overlay (abatements)	436,493	385,361	450,000	400,000	(50,000)	-11.1%
school reimbursements	1,454,017	1,454,017	1,454,017	816,230	(637,787)	-43.9%
overlay deficits	-	-	-	-	-	-
contribution to recreation enterprise fund	450,507	475,477	475,477	458,825	(16,652)	-3.5%
Total Reductions in Rev.	\$ 2,642,971	\$ 2,618,194	\$ 2,694,063	\$ 2,003,897	\$ (690,166)	-25.6%

Assumptions:

Reductions in Revenues - \$2,641,684: 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 - \$299,734: 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 FY12 by 5%.

2. State (Cherry Sheet) Offsets - \$29,108: 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 FY12.

3. Overlay - \$400,000: 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 \$400,000. 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 - \$816,230: 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. This amount is reduced from FY11 by the amount of reimbursement for the Middle School project, which was paid in full by the State at the time the bonds were refunded in November 2010.

5. Overlay Deficits - \$0: There is no overlay deficit contemplated at this time. As recommended by the Reserve Policy, \$140,000 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 FY12 property tax levy limit from new construction.

6. Contribution to Recreation Enterprise Fund - \$458,825: Approximately 70% of the Recreation Department budget is covered by fee revenue. The remaining 30%, or \$458,825 allocated for FY12, 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

	FY2009 ACTUAL	FY2010 ACTUAL	FY2011 TAX RECAP	FY2012 PROJ	\$CHG	%CHG
OTHER REVENUES						
transfer from water enterprise fund	257,829	241,555	286,684	292,418	5,734	2.0%
transfer from brook school apts enterprise fund	135,720	112,750	136,627	139,360	2,733	2.0%
reappropriate continuing balances	-	7,837	9,662	-	(9,662)	-100.0%
Total Other Revenues	\$ 393,549	\$ 362,142	\$ 432,973	\$ 431,777	\$ (1,196)	-0.3%

Assumptions:

1. Transfer from Water Enterprise Fund – \$292,418: 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 - \$139,360: 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, billing and collection costs, etc.).

3. Re-appropriate Continuing Balances - \$0: There are no balances available to be re-appropriated in FY12.

Appendix 1: Levy Limit History: Fiscal Years 1991-2011

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	
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%

Appendix 2: Motor Vehicle Excise Revenue												
	FY2007			FY2008			FY2009			FY2010		
Comm. #	# 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
3	289	93506	324				403	205,998	511			
4	351	130,486	372	503	218,579	435	411	215,021	523	529	195,285	369
5	289	79,309	274	344	123,999	360	340	88,980	262	296	70,718	239
6	251	48,734	194	319	82,486	259	217	32,587	150	288	37,036	129
7	284	40,920	144	199	47,754	240	247	21,440	87	200	14,114	71
8				46	5,855	127	2	1,759	880	3	7,992	2,664
9	1	310	310				91	15,196	167			
901												
902				1	12	12						
50							24	2,201	92			
99							8	2,200	275			#DIV/0!
101	2	416	208	5	801	160	9	2,085	232	3	563	188
102	5	2,066	413				1	421	421			#DIV/0!
103	3	109	36	5	741	148	1	554	554	5	561	112
104	13	1,479	114	1	360	360				4	1,137	284
105				3	193	64						
106	2	279	140				4	321	80			
107												
108												
9												
10	23	2,653	115	91	110,083	1210	11	1,303	118	11	2,225	202
11	5	791	158				10	3,576	358	9	88	10
12	6	1,867	311	13	7,235	557						
13				18	23,904	1328						
1	8,794	1,575,308	179	9,088	1,747,264	192	8,696	1,662,120	191	9,110	1,606,119	176
2	503	279,098	555	396	187,758	474						
3	393	184,777	470				229	92,732	405			
4												
8							25	2,753	110			
9	104	12,025	116									
102							4	3,297	824			
104				1	70	70						
totals	11,318	2,454,132	217	11,033	2,557,093	232	11,514	2,587,461	225	10,909	2,124,783	195

Appendix 3: Fees

	Actual FY06	Actual FY07	Actual FY08	Actual FY09	Actual FY10	FY06-10 average
municipal liens	11,350	10,950	11,825	11,000	11,375	11,300
alarm systems - one-time initial fee	8,600	6,200	7,900	6,700	5,600	7,000
crescent st historic district commission	-	20	40	-	-	12
town clerk fees/service	17,404	17,244	15,246	11,395	13,210	14,900
town clerk fees/justice of the peace	-	-	-	-	300	60
board of appeals	9,925	11,750	10,027	11,562	12,900	11,233
planning board filings	20,985	12,710	18,225	13,760	28,780	18,892
police misc.	1,553	1,810	1,318	1,787	1,518	1,597
engineer prints & plans	165	493	363	400	186	321
BOH flu	-	4,800	-	-	-	960
conservation-sale of firewood	689	275	245	540	230	396
conservation- community gardens	855	975	907	957	1,060	951
police detail	25,299	38,825	56,427	47,215	47,931	43,139
constable fees	60	29	45	70	135	68
BOH soil testing fee	44,350	27,500	18,950	18,450	19,350	25,720
BOH Title 5 fee	4,075	4,300	3,150	3,055	4,750	3,866
historical commission-demolition app.	1,000	480	1,360	2,830	4,425	2,019
emergency alarm fees*	300	35,700	19,200	19,200	17,400	18,360
false burglar alarm charges	1,600	4,000	-	-	-	1,120
stormwater review fees	-	-	-	-	450	90
TOTAL	148,210	178,061	165,229	148,920	169,599	162,004

*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 FY06	Actual FY07	Actual FY08	Budget FY09	Actual FY09	Actual FY10	FY06-10 average
BUILDING DEPT. FEES							
Bldg. Permits							
July	199,635	41,821	71,377	55,000	48,451	169,176	106,092
August	69,977	145,981	71,857	55,000	40,346	79,223	81,477
September	44,437	39,044	28,916	55,000	109,303	8,165	45,973
October	65,550	27,290	90,803	55,000	29,565	47,674	52,176
November	75,840	67,080	41,433	50,000	27,421	27,643	47,883
December	11,075	54,584	61,110	40,000	76,704	27,418	46,178
January	28,796	94,990	113,051	25,000	122,358	15,055	74,850
February	36,109	26,794	20,520	25,000	480,104	34,608	119,627
March	32,420	30,628	54,938	40,000	19,308	16,357	30,730
April	52,938	31,772	64,261	50,000	20,059	60,372	45,880
May	44,652	70,842	45,488	60,000	75,764	9,971	49,343
June	60,947	47,409	62,748	55,950	33,570	117,092	64,353
Bldg. Permits Subtotal	722,376	678,235	726,502	565,950	1,082,953	612,754	776,136
Wiring inspection fees	94,166	76,557	71,490	50,000	63,605	154,225	92,009
Gas/plumbing fees	45,801	32,942	40,055	30,000	37,616	33,143	37,911
TOTAL BLDG. DEPT. FEES	862,343	787,734	838,047	645,950	1,184,174	800,122	888,625
BOARD OF HEALTH FEES							
Bd of Health permits	54,750	51,150	58,025	35,000	47,600	41,975	50,700
Bd of Health septic system application permits	55,000	51,050	45,750	40,000	38,100	32,550	44,490
TOTAL BD OF HEALTH FEES	109,750	102,200	103,775	75,000	85,700	74,525	95,190
TOTAL FEES	972,093	889,934	941,822	720,950	1,269,874	874,647	989,674
Permits & Licenses							
fish & game licenses	238	287	119	200	55	121	164
victuallers licenses	-	350	400	-	4,550	2,400	1,540
town clerk licenses	920	640	1,165	700	920	1,030	935
Bd of Health licenses	14,650	20,225	17,825	15,000	17,200	17,825	17,545
dog licenses	6,688	6,224	5,903	6,000	6,569	14,826	8,042
commercial dog walker licenses	-	-	-	-	-	10,100	2,020
late fee - dog licenses	-	-	-	-	-	300	60
firearm permits	1,975	2,225	1,125	2,000	1,275	825	1,485
sealer weights measures permits	366	180	414	200	540	288	358
cable rental permits	1,705	1,736	1,983	1,500	34,230	1,813	8,293
street opening permits	2,100	2,450	1,435	2,000	1,000	14,350	4,267
ch. 148 fire permits	2,640	3,570	2,620	2,500	3,375	3,305	3,102
oil burner install permits	1,350	995	1,000	800	1,200	2,450	1,399
fire alarm system permits	9,760	16,040	14,629	8,000	12,881	12,818	13,226
trench/excavation permits	-	-	-	-	3,135	6,205	1,868
raffle permits	225	200	75	150	50	175	145
TOTAL PERMITS & LICENSES	42,617	55,122	48,692	39,050	86,981	88,831	64,449
TOTAL-ALL	1,014,710	945,056	990,514	760,000	1,356,855	963,478	1,041,731

Appendix 5: Continuing Balance Accounts

		FISCAL YEAR 2011 (July 1, 2010 - June 30, 2011)				
Department	Account Name	FY11 APPROP.	FWD. BALANCE	AVAIL. BUDGET	YTD EXPEND.	6/30/10 BALANCE
Selectmen	Professional/Consulting	20,000	116,609	136,609	26,434	110,175
	Vehicle/Pedestrian Study	-	1,786	1,786	1,786	-
	Equipment-Town Hall	5,000	676	5,676	294	5,382
Insurance	Uninsured Losses/Deductibles	40,000	101,537	141,537	10,000	131,537
	Compensated Absence Fund	90,410	63,276	153,686	43,076	110,610
Facilities	Facilities Improvements - Town-Wide	380,363	375,652	756,015	125,566	630,449
Information Systems	Computer Hardware & Maintenance	67,150	27,798	94,948	59,581	35,367
	Telephone Consultant (Town-Wide)	-	800	800	-	800
Police	Equipment	131,500	511	132,011	19,376	112,636
	Dispatch Area (Art.12, 07)	-	294	294	-	294
	Radio Equip (Art. 12, 07)	-	1,023	1,023	771	253
Fire	Emergency Management	2,000	7,417	9,417	-	9,417
	Equipment	45,000	2,691	47,691	17,065	30,627
Police/Fire	PD Injured Personnel	15,000	21,110	36,110	1,032	35,078
	FD Injured Personnel	5,000	(2,414)	2,586	6,046	(3,460)
Public Works						
<i>Sidewalks, Foot Paths</i>	Sidewalks	-	99,402	99,402	-	99,402
<i>Highways</i>	Construction of Public Ways	200,000	91,250	291,250	43,656	247,595
	Sidewalk Maintenance	120,000	-	120,000	-	120,000
	Access to 40 Acre Field	-	50,000	50,000	89	49,911
	Stone Retaining Wall Repairs	10,000	53,028	63,028	-	63,028
	Guard Rails	15,000	-	15,000	-	15,000
<i>Parks & Cemeteries</i>	Cemetery Tree Maintenance		3,275	3,275	-	3,275
	Parks Tree Maintenance		1,947	1,947	-	1,947
	Improve/Develop Cemetery Land		28,257	28,257	5,428	22,829
	Roadway Improvements	45,000	-	45,000	-	45,000
	Equipment	10,600	-	10,600	8,999	1,601
<i>Solid Waste</i>	Monitoring Groundwater-Landfill	19,400	9,359	28,759	16,685	12,074
Schools	1 Ton Truck	-	4,897	4,897	-	4,897
TOTAL		1,221,423	1,060,182	2,281,605	385,883	1,895,722

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

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.
- 2. Payments In Lieu of Taxes** - Other towns have started implementing payments in-lieu of taxes for tax exempt properties. Weston should explore this possibility.
- 3. Unused Town Buildings** – There are several Town-owned buildings that are no longer needed for Town government purposes. It is recommended that each building be evaluated to determine whether or not they could be disposed of or allowed to be used in a way that would generate revenue.

Appendix 8: Summary of Reserves

	Reserve	7/1/10 Balance	FY12 Recommended Appropriation	FY12 Appropriation + Balance Carried Forward	Reserve Balances When Policy Fully Implemented (FY12 Dollars)	Target Date	Notes
1	Finance Committee Reserve Fund	488,005	507,000	507,000	507,000	met	Balance does not carry forward for Reserve Fund.
2	Stabilization Fund	1,654,907	250,000	1,904,907	2,000,000	FY2013	This target should be increased.
4	Facilities Maintenance	756,015	399,000	1,155,015	1,155,015	met	The policy calls for this amount to increase by 5 percent annually.
5	Property and Liab. Insurance- Uninsured Losses	141,537	45,000	186,537	150,000	met	Appropriated \$40,000 in FY11, increasing by \$5,000/yr.
6	Health Insurance Claims Trust (transfer Town balance to OPEB trust fund)	2,459,132	-	-	NA	NA	As of FY10, the health claims trust is no longer needed due to switch to state Group Insurance Commission. When all claims have been paid, the Trust balance will be returned to the Town and employees in proportion to the contributions made.
7	Workers' Comp (Police & Fire)	38,696	20,000	58,696	50,000	met	Town to also review purchasing stop-loss insurance.
8	Pension Obligation	401,992	-	401,992	401,992	FY2028	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.
9	Compensated Absence Fund	153,686	90,410	244,096	2,000,000	FY2013	Under review. Original 5 year funding plan is not sufficient to keep up with current retirements and meet funding target
10	Overlay Reserve for Abatements	140,000	20,000	160,000	200,000	FY2015	\$20,000 set aside each year
	Total Reserves	\$6,233,970	\$1,331,410	\$4,618,243	\$6,464,007		
	Prior Year Operating Revenues			\$59,747,294	\$59,747,294		
	Total Reserves as a % of Oper. Rev.			7.7%	10.8%		<i>GFOA guidelines recommend maintaining reserves of 5-15% general fund revenues.</i>
	Post Employment Benefits (OPEB) Trust Fund	217,153	2,529,671	2,746,824	4,495,868	TBD	The Town's total OPEB liability is estimated at \$42 million. By 6/30/12, the annual required contribution that should have been set aside in addition to the current year funding totals nearly \$4.5 million. The Town's share of the balance in the health trust fund will be transferred to the OPEB trust fund.

APPENDIX 9: CONSOLIDATED FY2012 REVENUE PROJECTIONS

	(A) FY2010	(B) FY2011	(C) FY2012	(D) FY2012	(E) FY2012
	ACTUAL	ESTIMATED TAX RECAP	PROJECTION	\$ CHANGE	% CHANGE
PROPERTY TAX LEVY	50,728,963	53,136,633	55,972,078		
new growth	1,111,655	1,470,272	600,000		
(unused levy capacity)	(1,111,655)	(1,470,272)	(600,000)		
override	<u>0</u>	<u>0</u>	<u>0</u>		
Total Tax Levy	50,728,963	53,136,633	55,972,078	\$2,835,445	5.34%
STATE AID - CHERRY SHEET					
Chapter 70 (school aid)	2,556,275	2,406,938	2,045,897	(\$361,041)	-15.00%
Lottery Aid	329,574	316,391	268,932	(\$47,459)	-15.00%
Dist., reimb., offsets	95,284	92,138	78,317	(\$13,821)	-15.00%
School Construction	<u>1,454,017</u>	<u>1,454,017</u>	<u>816,230</u>	(\$637,787)	-43.86%
Total State Aid	4,435,150	4,269,484	3,209,377	(\$1,060,107)	-24.83%
LOCAL RECEIPTS					
motor vehicle excise	2,039,944	1,880,000	1,850,000	(\$30,000)	-1.60%
penalties and interest	344,411	110,000	136,025	\$26,025	23.66%
payment in lieu of taxes	28,699	28,542	29,670	\$1,128	3.95%
charges for services-solid waste	348,022	315,000	325,000	\$10,000	3.17%
fees	146,624	145,000	224,767	\$79,767	55.01%
rentals	103,866	95,000	95,000	\$0	0.00%
departmental revenue-cemeteries	31,993	30,000	30,000	\$0	0.00%
other departmental revenue	387,969	286,000	416,112	\$130,112	45.49%
licenses and permits	965,430	725,000	725,000	\$0	0.00%
finances and forfeits	133,570	109,000	120,000	\$11,000	10.09%
investment income	311,240	250,000	250,000	\$0	0.00%
misc. non recurring	42,891	0	0	\$0	
misc. recurring	15,392	0	0	\$0	
cherry sheet overestimates	<u>0</u>	<u>0</u>	<u>0</u>	\$0	
Total Local Receipts	4,900,052	3,973,542	4,201,574	\$228,032	5.74%

APPENDIX 9: CONSOLIDATED FY2012 REVENUE PROJECTIONS

	(A) FY2010 ACTUAL	(B) FY2011 ESTIMATED TAX RECAP	(C) FY2012 PROJECTION	(D) FY2012 \$ CHANGE	(E) FY2012 % CHANGE
PRIOR YEAR BALANCES/OTHER					
unreserved fund balance (free cash)	2,400,000	2,200,000	2,400,000	\$200,000	9.09%
overlay surplus	120,000	315,000	250,000	(\$65,000)	-20.63%
reserved for appropriation (accr'd inc. litigation settlement)	85,000	85,000	75,000	(\$10,000)	-11.76%
reserved for appropriation (well litigation settlement)	250,000	250,000	250,000	\$0	0.00%
cemetery trust fund	40,000	40,000	40,000	\$0	0.00%
Josiah Smith Tavern trust fund	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>\$0</u>	0.00%
Total Prior Year Balances/Other	2,901,000	2,896,000	3,021,000	\$125,000	4.32%
TOTAL PROJECTED REVENUES	62,965,165	64,275,659	66,404,029	\$2,128,370	3.31%
REDUCTIONS IN REVENUES					
cherry sheet assessments	272,370	285,461	299,734	\$14,273	5.00%
cherry sheet offsets	30,969	29,108	29,108	\$0	0.00%
overlay (abatements)	385,361	450,000	400,000	(\$50,000)	-11.11%
school reimbursements	1,454,017	1,454,017	816,230	(\$637,787)	-43.86%
overlay deficits	0	0	0	\$0	-
contribution to recreation enterprise fund	<u>475,477</u>	<u>475,477</u>	<u>458,825</u>	<u>(\$16,652)</u>	<u>-3.50%</u>
Total Reductions in Revenue	2,618,194	2,694,063	2,003,897	(\$690,166)	-25.62%
SUBTOTAL	60,346,971	61,581,596	64,400,132	\$2,818,536	4.58%
OTHER REVENUES					
transfer from water enterprise fund	241,555	286,684	292,418	\$5,734	2.00%
transfer from brook school apts enterprise fund	112,750	136,627	139,360	\$2,733	2.00%
reappropriate continuing balances	<u>7,837</u>	<u>9,662</u>	<u>0</u>	<u>(\$9,662)</u>	<u>-100.00%</u>
Total Other Revenues	362,142	432,973	431,777	(\$1,196)	-0.28%
TOTAL AVAILABLE FOR APPROP.	60,709,113	62,014,569	64,831,909	2,817,340	4.54%