

Fiscal Year 2014 Proposed Budget

Revenue Summary

Town of Needham
Revenue Summary
Table 2.1

Description*	FY2012 Recap	FY2013 Recap	FY2014 Estimate	\$ Change
General Fund	117,323,963	125,282,714	126,523,441	1,240,726
Enterprise Funds	17,203,266	16,806,244	17,756,758	950,514
CPA	2,179,771	2,902,000	2,190,000	(712,000)
Total Revenues	136,706,999	144,990,958	146,470,199	1,479,240

* Revenue before adjustments, reimbursements, and subsidies

GENERAL FUND

The General Fund accounts for revenues and expenditures necessary to provide governmental services and expenses. By definition, all financial resources that are not required to be accounted for in other funds are accounted for in the General Fund.

Total revenue available for General Fund appropriations is projected at **\$126,203,659** (Table 2.2) **or approximately \$1.95 million more than FY2013**. Revenue from property tax is estimated to grow by approximately \$4.0 million; state aid to increase by \$443,367, and the local receipts estimate will be increased by \$538,818. The amount from of Other Available Funds is lower by \$543,769. Free Cash has been certified by the Department of Revenue at \$2,153,808 which is \$3.2 million lower than the current year. It is important to note that these are preliminary revenue projections. They are subject to change and should be viewed in this context for reasons discussed later.

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Summary of General Fund Resources
Table 2.2

Description	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Recap	FY2014 Estimate	\$ Change
Property Taxes	87,311,147	92,977,737	95,712,032	100,442,271	104,457,493	4,015,222
State Aid	8,374,544	9,078,042	9,287,432	10,059,745	10,503,112	443,367
Local Receipts	8,945,903	9,867,827	10,679,567	7,654,632	8,193,450	538,818
Other Available Funds	1,376,871	1,823,779	788,442	1,759,346	1,215,577	(543,769)
Free Cash	3,145,416	3,568,037	3,380,269	5,366,720	2,153,808	(3,212,912)
Total General Fund Revenue	109,153,881	117,315,422	119,847,743	125,282,714	126,523,441	1,240,726
<i>Adjustments to General Fund Revenue</i>						
Other Amounts Required to be Provided	(78,278)	(82,096)	(74,054)	(74,736)	(74,736)	0
State & County Assessments	(1,068,405)	(1,080,311)	(1,198,244)	(1,238,429)	(1,269,390)	(30,961)
Provisions for Abatements & Exemptions	(960,626)	(1,584,557)	(2,135,466)	(1,876,905)	(1,256,656)	620,249
Adjustments, Reimbursements & Subsidies	1,760,595	1,659,715	1,615,715	1,608,539	1,570,000	(38,539)
CPA Share of Debt Service			300,000	550,000	711,000	161,000
Total	(346,714)	(1,087,249)	(1,492,049)	(1,031,531)	(319,782)	711,749
Available for GF Appropriation	108,807,167	116,228,173	118,355,694	124,251,183	126,203,659	1,952,475

Property Taxes

Under Massachusetts General Laws, property taxes overall are restricted to increases of 2.5% plus tax revenues derived from new growth. This is referred to as the annual levy limit. An additional taxing limitation under Proposition 2½ is the levy ceiling. The levy ceiling is equal to 2.5% of the Town's valuation. The total taxable value as of January 1, 2012 is \$7,923,989,930. This puts the tax levy ceiling at \$198,099,748. The current tax levy including debt exclusions for FY2013 is \$100,442,271, so the Town is well below its legal ceiling.

The new growth tax revenue is derived from improvements to property by its use, reconstruction, or new construction, and is added to the tax base. The annual levy limit may also be increased by the amount of any general override (usually operating), and capital exclusion override. The annual levy limit is also increased by the amount of debt service that is payable during the year for debt which has been approved by the voters as a debt exclusion override. The increase in the FY2014 tax levy attributable to new growth is estimated based upon consultation with the Assessing and Building Department staff.

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State Aid

Most state aid, especially Cherry Sheet aid, is a function of the state budget. The FY2014 State Aid estimate is \$443,367 higher than the current year, or approximately 4.4% more. The Governor's budget was released on Wednesday, January 23, 2013; however the actual detail lines were not available until Friday, January 25, 2013. The Governor's budget provides more local aid than our budget estimate provides. The Governor's budget plan is based on approval of his entire budget package which calls for broad-based tax increases. Planning on funds that are tied to a significant change in the state income tax structure would not be prudent, as much debate is to follow, and based on history, it would be unlikely that the Legislature will approve the budget plan as is. During the winter and spring months, the Legislature will review the Governor's budget proposal, and will release its own budget proposal. In past years, such changes to local aid have altered both the amount of aid and the method of distribution.

The Governor's budget is presented to the Legislature, and the House of Representatives reviews it. The House Ways and Means Committee will develop its own recommendations to present to the full House for debate and amendment. After the House adopts a budget plan, it is forwarded to the Senate for a similar process. After the Senate prepares and votes on its budget plan, the House and Senate conference by way of a committee to resolve any differences between the two budgets plans. A single budget document is then presented to the full body of the House and subsequently to the Senate for final debate and vote. The approved budget is then sent to the Governor for approval or veto. During this entire process, amendments are usually made which can alter the amount of aid the Town will actually receive.

The Town is also expecting the eighth annual contract assistance payment for the Broadmeadow School project. The payment has decreased from \$745,381 to \$695,148 a change of \$50,233. The decrease reflects the amendment to the total grant amount by the Massachusetts School Building Authority (MSBA) to capture its share of the lower debt costs the Town realized by refunding the outstanding bonds for the project with a lower interest rate bond. The Town's total debt service expense dropped as well. The Town also issued refunding bonds for the Library project. The effect of the two refunding bonds was a decrease in the overall interest expense, and the annual interest expense. Because both projects were funded by debt exclusion votes, this means the amount that is paid by the taxpayers of Needham is also less. The MSBA will continue making payments for its share of the school project at \$695,148 annually through FY2023, the last year of the bond. The payment is applied as a credit against the annual debt service for the Broadmeadow School and hence reduces the amount that is paid on the property tax bill.

Local Receipts

Our time-honored approach of conservatively estimating local receipts is a target range approach. Our goal is to have a local estimate, by the time the tax rate is sent to the Department of Revenue (DOR) for review, that is less than 80 percent of the prior year's actual receipts excluding non-recurring revenue. This estimate, excluding nonrecurring revenue, is now projected at 85% of the 2012 amount. Local receipts in FY2012 showed improvement over FY2011, but not as well as FY2011 showed over the previous several years. There are exceptions; the Town's actual receipts through December are again lower now than they were at this same time last year. Economic reports still suggest that the economy is recovering, but still at a slow pace. This was said last year, and the year before, at this time.

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The FY2010 local receipts were sluggish and ran behind FY2009 revenues. FY2010 actual receipts were more than \$379,000 less than FY2009 actual receipts. However, FY2011 receipts recovered and increased by more than \$921,000, most notably from meals and room excises, permits, and premiums received on the sale of bonds. FY2012 actual receipts were \$811 thousand more than FY2011. The FY2014 estimate of \$8,193,450 is \$538,818 more than FY2013, or 7.0% higher. The FY2013 local receipts estimate was decreased from the original estimate at the time the FY2013 budget plan was released but within the target range for estimating. Therefore the higher percentage increase in the FY2014 local receipts estimate over the FY2013 budget figure is not too aggressive.

Consequences of overly aggressive local receipt estimation include a reduction in the margin between budgeted and actual receipts to cover unanticipated drops in other revenue sources and unexpected increases in expenses (particularly non-appropriated costs), and lower Free Cash certification for the future year than would otherwise be possible.

We prepare the projections of local receipts by comparing FY2012 estimated receipts to actual receipts; FY2012 actual receipts to FY2011 actual receipts, and FY2013 estimated receipts to the FY2012 actual and FY2013 year-to-date numbers. The Department of Revenue will only allow a community to forecast local revenue up to the level of collection in the previous fiscal year. Under certain circumstances and with appropriate documentation, the DOR will allow a community to exceed its prior year actual revenue, e.g., for establishing a new fee or significantly increasing an existing fee or charge. During this analysis, the FY2013 estimated receipts were revised. As the year progresses, further analysis of collections will be performed to determine if fiscal year 2013 activity demonstrates a trend that deviates from projections. It is also important to note that if certain budgetary reductions are made to departments that generate or manage the collection of receipts, the estimate may need to be revisited.

Other Available Funds and Free Cash

Projections of reserves follow past budget methodology. Free Cash has been certified at \$2,153,808, which is much lower than it has been in a long while. Overlay surplus is assumed at \$1,000,000 but must be approved by the Board of Assessors. The use of the funds is based on historical uses of these funds. Other reserves are correlated to expenses. The overlay estimate at this point is lower for FY2014 than it is for FY2013.

FY2014 GENERAL FUND REVENUE ESTIMATE ASSUMPTIONS

PROPERTY TAX LEVY

The property tax levy (Table 2.3) represents approximately 83% of all general fund revenues before adjustments. The FY2014 property tax limit is estimated to increase approximately 4.0% over the FY2013 actual tax levy, or approximately \$4.0 million. The limit is calculated by increasing the FY2013 levy limit, exclusive of debt exclusions, by 2.5% and then adding a component for new growth. New growth is a function of the additional value generated by construction during the preceding year. The additional tax dollar amount for new growth is determined by the value on the January 1 assessment date and is then multiplied by the applicable FY2013 tax rate. There is no operating override proposed for FY2014; therefore the increase in the

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levy limit above the allowable annual limit and new growth is limited to the amount to be raised to pay the debt that has been excluded from the levy limit by the voters of Needham. The base tax levy, before accounting for debt exclusions, is expected to increase by \$3.6 million over the FY2013 base levy. The amount of debt that is to be paid by property taxes is expected to be 6% higher or \$404,545 for FY2014. The increase is due to the issuance of series four Newman School project bonds, but was mitigated by the approximate \$100 thousand in debt service savings (after netting out the MSBA share) that resulted from the refunding of the Broadmeadow and Library project bonds last year. The tax revenue to support operations within the level limit is increasing by an estimate of 4% over FY2013.

The real estate market, especially residential, remains solid in Needham compared to many areas in the state and the nation. New Growth in FY2013 had improved over FY2012 and reversed a three year decline in New Growth revenue. There are several projects planned in the commercial districts in Town which should keep property tax revenue stable, and therefore at this point in the budget process, we have estimated tax revenue from new growth at a higher amount than we would had otherwise. The actual New Growth figure will not be finalized until the fall, and cannot be incorporated in the tax recap until certified by the Massachusetts Department of Revenue. Any additional property tax revenue that may be realized above the estimate for this budget plan would be used to lower the percentage of the estimated local receipts compared to the prior fiscal year actual, and to increase the overlay reserve for FY2014 as an added hedge should the economy slow or stop in its tepid recovery, and to mitigate the loss of State Aid assumed in this plan.

Fiscal Year Tax Levy
Table 2.3

Description	FY2010 Recap	FY2011 Recap	FY2012 Recap	FY2013 Recap	FY2014 Estimate	\$ Change
Prior Year Base	76,202,247	82,052,951	85,840,586	89,636,531	93,756,886	
2-1/2 Allowance	1,905,056	2,051,324	2,146,015	2,240,913	2,343,922	
New Growth	1,870,805	1,731,827	1,649,930	1,879,442	1,246,700	
General Override	1,887,929					
Excess Levy (Taxes Not Raised)	(38,375)	(20,250)	(16,314)	(20,055)		
General Tax Levy Limit	81,827,662	85,815,852	89,620,217	93,736,831	97,347,508	3,610,677
Total Excluded Debt	7,196,912	8,438,590	7,461,721	7,507,149	7,927,640	
Less Excluded Debt Offsets	(1,192,448)	(1,182,696)	(835,487)	(801,709)	(817,655)	
Excluded Debt to be Raised on Tax Levy	6,004,464	7,255,894	6,626,234	6,705,440	7,109,985	404,545
Property Tax Levy	87,832,127	93,071,745	96,246,451	100,442,271	104,457,493	4,015,222
Collections by Year End	87,311,147	92,977,737	95,712,032			

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STATE AID

The Governor released his budget on January 23, 2013. The budget proposes that Needham receive more than a 15% increase in Chapter 70 (education) and level dollar in Unrestricted General Government Aid (UGGA). However, as mentioned previously, the Governor’s plan depends on an increase in taxes with major changes to the structure and tax rates on income and sales. Therefore we have not incorporated the Governor’s budget figures, but rather relied upon our estimation which is based on recent history and assumption that demands on the State (by Federal cutbacks) may put some aid at jeopardy. We estimate Chapter 70 will be increased at 8.4% which is the average over four years. We have assumed a 10% reduction in UGGA from FY2013, and that all other aid programs that the Town receives through the Cherry Sheet will be level dollar. Reimbursement programs are a factor of both the amount the program is funded by the state and the Town’s actual expense.

Cherry Sheet Aid
Table 2.4

Description	FY2010 Recap	FY2011 Recap	FY2012 Recap	FY2013 Recap	FY2014 Estimate	\$ Change
Chapter 70	5,996,469	6,590,957	6,991,720	7,633,990	8,275,245	641,255
School Transportation						
Charter School Tuition Reimbursement	5,865	4,479	61,276	42,269	42,269	
School Lunch	29,573	27,019	31,899	32,448	32,448	
State Aid for Education	6,031,907	6,622,455	7,084,895	7,708,707	8,349,962	641,255
Unrestricted General Government Aid	1,538,073	1,476,550	1,369,789	1,476,550	1,328,895	(147,655)
Police Career Incentive	22,071	12,624				
Veterans Benefits	5,875	9,724	16,077	17,735	17,735	
Exemption Reimbursements	85,661	76,620	77,398	81,584	81,584	
Public Library Aid	27,163	29,040	30,114	29,788	29,788	
State Aid for General Government	1,678,843	1,604,558	1,493,378	1,605,657	1,458,002	(147,655)
Total Cherry Sheet Aid	7,710,750	8,227,013	8,578,273	9,314,364	9,807,964	493,600
MSBA Payments	745,381	745,381	745,381	745,381	695,148	(50,233)
Total State Aid	8,456,131	8,972,394	9,323,654	10,059,745	10,503,112	443,367

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State aid (Table 2.4) represents approximately 8.3% of the total general fund before adjustments and offsets. Total state aid for FY2014 is projected to increase by \$443,367. As noted earlier, the Governor's budget plan is subject to review and amendment, and assumes certain actions to be approved by the Legislature. The final figures are not expected until late spring.

Key State Aid Programs:

Chapter 70 aid is commonly referred to as general school aid. The Town of Needham saw an increase in Chapter 70 funding each fiscal year since Education Reform was enacted, until FY2003, when it was level funded at \$4,054,497, then reduced during the year. Beginning again in FY2006, Chapter 70 funding increased: in FY2006 the Town received \$234,950 more, in FY2007 \$527,325 additional, and the increase was \$757,934 in FY2008. It is important to note that the Town's budget for FY2009 was approved based on the final Cherry Sheet (which is released after the State Budget is signed into law by the Governor) which set the Chapter 70 amount for Needham at \$6,118,846. This amount was cut by the Governor during the year as the State's revenues deteriorated. The loss was \$643,484. The State made other Cherry Sheet cuts in aid which totaled over \$900,000. Federal ARRA funds were distributed by the State at the end of FY2009 to backfill the loss of Chapter 70 funds. The Town received \$5,996,469 in FY2010, a reduction of \$122,377 from that which was originally proposed by the State in FY2009. The Town received \$6,590,957 in FY2011 or \$594,488 more than FY2010 and \$6,991,720 in FY2012, an increase of \$400,763. The FY2013 State Budget allocation is \$7,633,990 for the Town.

Based on the funding stream to the Town over the past four years and the fact that the State still has not yet met its foundation payment obligation (minimum state share per the Education Reform law) to the Town of Needham, we are estimating an 8.4% increase for FY2014 or \$8,275,245 (the Governor's figure is \$8,798,677). Although state aid may be and probably will be reduced from the Governor's plan, the belief is that the Legislature intends to keep to its prior funding promise of bringing all school districts to at least their foundation budget.

The Additional Assistance Cherry Sheet program was level funded by the Legislature for more than ten years before being reduced in FY2003 to \$219,686. This was a 15.3% reduction from the prior year. It is important to note that the Town's budget for FY2003 was approved based on the final Cherry Sheet (which is released after the State Budget is signed into law by the Governor) which set the figure for Needham at \$242,345 but the amount was further reduced by the Governor to \$219,686. This reduction had to be offset by other revenues. Additional Assistance was further reduced in FY2004 to \$205,993, a reduction of another 6.2%. The Town was budgeted to receive \$205,993 for FY2009, the same as FY2008, but this too was cut \$20,073 by the Governor. Lottery distribution aid program was cut in FY2009 from that which was scheduled to be paid to the Town. This reduction was \$191,645. The Additional Assistance and the Lottery aid programs were consolidated into a new aid category called **Unrestricted General Government Aid (UGGA)** in FY2010. The combination of these two programs resulted in a net loss of \$422,882 from what the Town actually received in FY2009, and \$634,600 from what the State had budgeted for the Town. The Town received \$1,476,550 in FY2011, a loss of \$61,523 from FY2010. The FY2012 UGGA aid was \$1,369,789 or \$106,761 less than FY2011. The Town is scheduled to receive \$1,476,550 in FY2013. The FY2014 UGGA estimate is \$147,655 less than FY2013, or 10%.

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The Quinn program (police career incentive) has been cut significantly from \$121,907 for FY2007 to \$22,071 for FY2010, a \$99,836 reduction or a loss of nearly 82%. The Town is scheduled to receive \$12,624 in FY2011, but received \$13,368. There was no funding for FY2012 or FY2013. The Governor’s plan shows no funding line for Quinn in FY2014 and we have estimated no revenue.

We have a assumed level dollar funding for all other Cherry Sheet programs that the Town is budgeted to receive during FY2013.

LOCAL RECEIPTS

Local Receipts
Table 2.5

Description	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Recap	FY2014 Estimate	\$ Change
Motor Vehicle Excise	3,879,790	4,256,790	4,357,996	3,670,000	3,850,000	180,000
Other Excise	389,215	802,840	858,786	690,000	706,000	16,000
Penalties & Interest	310,910	336,773	285,450	265,000	265,000	
Payment in Lieu of Tax	82,040	47,109	65,687	45,000	48,000	3,000
Charges for Services	1,045,245	901,013	620,195	555,000	620,000	65,000
Fees	92,046	104,778	110,196	90,000	90,000	
Rents	172,796	176,478	199,772	150,000	160,000	10,000
Library Department Income	61,491	57,901	56,770	50,000	50,000	
Recreation Department Income	278,220	274,830	285,697	250,000	254,450	4,450
Other Department Income	371,067	371,291	407,870	334,000	335,000	1,000
Licenses & Permits	1,150,532	1,441,264	1,950,768	1,115,000	1,440,000	325,000
Special Assessments	4,854	1,594	1,594			
Fines & Forfeits	189,098	201,391	177,315	156,000	160,000	4,000
Investment Income	497,129	222,981	103,130	80,000	80,000	
Miscellaneous Income	85,863	228,690	159,796	135,000	135,000	
Nonrecurring Income	335,606	442,104	1,038,545	69,632		(69,632)
Total	8,945,903	9,867,827	10,679,567	7,654,632	8,193,450	538,818

Local receipts represent approximately 6.5% of the total general fund before adjustments and offsets. Local receipts consist of items such as other taxes and excises, licenses, permits, and penalties, fines and forfeitures, investment income, and income from departmental activities and services. The estimate for FY2014 of **\$8,193,450** (Table 2.5) is an increase of \$538,818 from the revised FY2013 budget. When completing the tax rate setting process, we reduced some of the estimates and increased others for the FY2013 receipts based on FY2012 results. Building permit and license revenue were very strong last year and local economic activity still looks promising. Other key local receipts categories through the first six months of FY2013 (excise, interest, services) are running behind the same period last year. Local receipts in FY2012 were \$ 811,740 higher than FY2011

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an increase of more than 8%; however, backing out the nonrecurring revenue of \$1,038,545 received in FY2012 and the \$442,104 posted in FY2011, the growth in actual over actual was only 2.3%. The FY2011 actual receipts were \$921,924 more than FY2010; recurring receipts were \$815,426 more than FY2010 recurring receipts. FY2010 receipts were \$379,746 lower than the FY2009 actual receipts.

We also knew that one revenue stream would disappear in FY2012. The Town maintained and managed the commuter lots since the MBTA reinstated the commuter rail service to Needham. This arrangement worked well for the Town, after accounting for the expenses to maintain the lots and the lease payments to the MBTA, the Town realized a surplus which helped to pay for other services. The Town and the MBTA had been in negotiations for a new lease arrangement. However, the MBTA has decided to assume control of its properties and will operate and manage the commuter parking lots in Needham. The revenue lost is approximately \$300,000, and the net "profit" (revenues less expenses) was more than \$80,000.

All vehicle owners who have their vehicles registered in the Commonwealth of Massachusetts pay an annual **Motor Vehicle Excise** tax to the community in which the vehicle is principally garaged. The Registry of Motor Vehicle provides listings several times during the year with the vehicles that are registered in Needham, along with the value for each. The Town relies on this information to calculate and issue excise bills. The motor vehicle excise tax rate is set by State law at \$25 per \$1,000 valuation. The rate is uniform through the Commonwealth. Motor vehicle excise receipts for FY2013 are projected at approximately **\$3.7 million**, or 16% below the FY2012 actual. This is a revenue source that we continue to monitor closely. We have assumed approximately a 5% increase or \$180,000 over the FY2013 figure. We do not anticipate increasing this revenue estimate any higher because a negative swing with this revenue item can have a notable impact on Free Cash.

In 1986, the Town of Needham adopted a local option room excise tax at 4%; the Town increased the rate to 6% effective January 1, 2010. This change was approved by Town Meeting on November 2, 2009. Hotels, motels, and certain other establishments collect this excise on the taxable portion of rents they collect. The businesses remit the funds to the State. The State sends payments to the Town twice a year, which payment is accounted for as **Other Excise** under the local receipts group. From FY2005 to FY2008 the actual room excise revenue increased, but declined in FY2009, a reflection of the economy. The Town of Needham also accepted the local option meals tax at the November 2, 2009 Special Town Meeting. The Department of Revenue notified local establishments to begin collecting the additional 0.75% meals tax effective January 1, 2010. The local establishments report and remit the sales tax to the Department of Revenue (DOR). The Town received its first distribution of meals tax revenue from DOR in the spring of 2010. Collections from both the room excise and the meals excise have been positive and growing, but should slow in its growth as now we have a full year activity and the Department of Revenue has successfully notified all establishments of the need to collect and turnover the proceeds to the state for distribution to the Town. The total receipts in FY2010 were \$389,215 and in FY2011 \$802,840. FY2012 actual receipts was \$858,786. The budget estimate for FY2013 is \$690,000. The estimate for FY2014 is **\$706,000** which is 82% of the FY2012 actual.

The **Penalties & Interest** 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. The fluctuations in actual collections reflect the

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unpredictability of the timing of payments, particularly settlements on deferred taxes and tax title accounts. The estimate for FY2014 is level at **\$265,000**.

Payment In Lieu of Tax is a voluntary payment made by certain tax-exempt entities. Based on the actual collection and agreements in place, the FY2014 estimate is \$3,000 more than the FY2013 budget of \$45,000.

The category of **Charges for Services** includes charges for ambulance services, fire alarm connections, parking permits and charges by the DPW. The significant drop in this revenue from FY2010 is related to the MBTA take back of the control and management of the commuter lots and hence the revenue. The FY2014 estimate is \$65,000 more than the current year based on the higher collection rates seen through the first six months of the year. The amount for FY2014 is **\$620,000**.

The category of **Licenses and Permits** includes licenses issued by the Selectmen and Town Clerk, and permits issued by the Building, Fire, and Health Departments. The Town has increased many of its fees in this category, some due to added demands on the departments, which provide the related services and others, because they had not been adjusted for a number of years. The changes were made after analysis of the costs, comparable rates in other communities, and market demands. Some of the changes were effective immediately, while others were phased in over a two or three year period. As expected, total receipts are up; the actual FY2008 revenue was due to both higher fees and some extraordinary permits issued. The FY2009 revenue dropped significantly by nearly \$900,000 (\$2,086,461 to \$1,192,088) as few new large building projects have been permitted. FY2010 revenues declined further by \$41,556, but did show strong improvement in FY2011 growing by \$290,732. FY2012 actual was \$1,950,768 or \$509,504 more than FY2011. Building permit activity still remains strong, with some increase in commercial activity. The estimate for FY2014 is **\$1,440,000** or \$325,000 more than FY2013, a 29% increase.

The Town collects various **Fees** which include returned checks, FID cards, administrative fees for details, and Registry of Motor Vehicle license and registration non-renewal releases. The total collected in FY2010 was \$92,046, \$104,778 was collected in FY2011, and \$110,196 was collected in FY2012. The estimate for FY2013 is **\$90,000** and the same is estimated for FY2014.

The category of **Fines and Forfeits** includes parking ticket and court fines. Revenue in this category has fluctuated due to staff resources over the years, FY2010 showed a decrease of \$17,855 from FY2009 to \$189,098. FY2011 revenue increased to \$201,391 but only to decline in FY2012 to \$177,315. The Police Department began using temporary help to provide greater enforcement coverage in the downtown areas during the business day. This has been successful in ensuring business district customer parking spots are not tied up by all-day parking. The estimate for FY2013 is \$156,000 and the estimate for FY2014 is **\$160,000**.

Recreation fees are collected by the Park and Recreation Department for Rosemary Pool, summer programs, and rental of fields. Other Park and Recreation programs are accounted for separately in a revolving fund. The FY2014 projection is inclusive of a fee increase that was adopted last year to provide funding for the athletic facility stabilization fund established to set aside capital funds for renovation and reconstruction of the Town's athletic facilities. The estimate for FY2014 is \$254,450 or approximately 89% of the FY2012 actual.

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Special Assessments are usually one-time events and are projected as they become known.

The Town had enjoyed a period of increased **Investment Income** in FY2006 and FY2008 from \$1,041,352 earned during FY2006 to \$1,253,286 for FY2008. In FY2007 \$1,573,613 in interest income was generated, due to a number of significant one-time cash flow events during the year which resulted in the Town's average invested balance to be higher, earning greater amount of interest income than would normally be expected. The Town was in the middle phase of its \$62 million High School reconstruction project during FY2007. Between the notes issued during the year and the payments from the MSBA, the Town had a higher cash balance earning interest. This money is no longer available now that funds have been used to retire debt and pay the general contractor for the work that was performed. Interest rates have continued to remain low; therefore, the earnings on the Town's funds continue to decline. The Town's estimate for FY2010 was reduced from the \$650,000 estimate to \$545,000; the FY2010 estimate of \$545,000 was \$169,066 less than FY2009 actual. The total General Fund interest income received in FY2010 was \$497,129 or \$284,937 less than FY2009. The FY2011 estimate was further reduced to \$325,000, yet the actual revenue still came in under at \$222,981. The original estimate for FY2012 of \$325,000 had to be reduced to \$150,000, yet the total for the year came in at \$103,130. The FY2013 original estimate of \$150,000 was dropped to \$80,000 which we believe is at the bottom that it can drop. The estimate for FY2014 is also **\$80,000**.

Other Department Income includes revenue collected by the various Town departments, which are not properly accounted for in the other accounts. This would include amounts received by planning and conservation departments. The budget estimate for FY2013 is \$334,000 and is increased by \$1,000 to **\$335,000** for FY2014, which is 82% of FY2012 actual.

Library Income includes book fines and other fees charged by the Needham Free Public Library. The new and larger library opened in the spring of 2006, and as expected revenues increased. However since FY2010 revenues have declined for three consecutive years. FY2010 was \$61,491, FY2011 was \$57,901, and FY2012 was \$56,770. The estimate for FY2013 is \$50,000 and the same is estimated for FY2014.

Rental Income is collected on a lease with the Needham Golf Club. No income has been realized from the Ridge Hill facility since mid 2008 when use of the site ceased. The Town has a long term lease with the Needham Golf Club (NGC) which runs for twenty years. The land which the NGC leases is considered taxable. The rental income in FY2009 was \$151,887 and increased to \$172,796 in FY2010, and increased again to \$176,478 all attributable to the lease with the NGC. Rental income in FY2012 also increased to \$199,772 which is due to both the Golf Course and use of Powers Hall at Town Hall. The estimate for FY2013 is \$150,000 and FY2014 is increased to \$160,000 or 80% of FY2012 actual.

Miscellaneous Income represents various revenues that are not associated with one of the recognized local receipt categories. One major component of this category is Medicaid reimbursement, which often fluctuates from year to year. In FY2007 \$259,951 was collected, but only \$219,811 was received in FY2008. FY2009 saw even a greater drop to \$143,747. Total miscellaneous revenue (including Medicaid) was \$280,770 in FY2007 which declined in FY2008 to \$269,448 with a significant decrease in FY2009 to \$185,544 or a 34% drop in revenue. This revenue continued to decline in FY2010 with only

Fiscal Year 2014 Proposed Budget

\$85,863 being received. The FY2011 revenue reversed the trend with the Town receiving \$228,690, but declined again in FY2012 with only \$159,796 received. The estimate for FY2014 is the same as FY2013 at **\$135,000**.

Nonrecurring Income represents funds that may be received but are not expected to reoccur, e.g., one-time grants, financial assistance for an event, etc. The fiscal 2012 actual receipts of \$1,038,545 are revenues that are classified as nonrecurring which consisted of \$311,319 from a Medicare Part D reimbursement to the Town and \$35,122 in legal settlements that the Attorney General secured related to prescription drug overcharges. The Town received premiums on the sale of bonds/notes in the amount of \$137,238. The Town received reimbursements for expenses incurred in prior fiscal years from FEMA \$145,936, property and casualty premium credits of \$130,049; and prior year revenue recovery of \$104,777. The Town received \$10,618 in energy efficiency rebates, \$9,277 from the sale of surplus equipment, and various other low dollar payments, refunds, and recoveries that totaled approximately \$19,151. The balance of the nonrecurring revenue came from the Commonwealth which was \$106,761 identified by the State as one time and the other was a storm damage reimbursement distribution of \$28,297. At this time we are anticipating \$69,632 in nonrecurring receipts for FY2013 is \$20,920 from the sale or surplus equipment that the Town has received and \$46,224 of premiums received on debt issued this fiscal year. No other revenue meeting this criterion has been identified for FY2014.

OTHER AVAILABLE FUNDS AND FREE CASH

Other available funds represent 1.0% of the total general fund before adjustments and offsets, and Free Cash represents approximately 1.7%.

Free Cash balance is largely a function of actual revenue collections in excess of estimates and expenditures less than appropriations. Given the nature of Free Cash, it should not be depended upon as an operating revenue source, but rather a supplemental source. We have taken deliberate steps to reduce the level of Free Cash that is used to support ongoing operating expenses, and recommend using it to improve reserves, invest in capital assets, and support one-time or short duration programs, or as a temporary funding source for recurring expenses if an increase in recurring revenue is anticipated.

The Free Cash that will be available for FY2014 was certified at **\$2,153,808**, which as stated earlier is much lower than it has been in the past ten years (Table 2.6). This is a decrease of \$3,212,912 over the current year - nearly a 60% drop. This decrease is not attributable to the typical timing differences but from the scheduling of two major construction projects - the Newman School HVAC and Pollard School Roof. The reduction in Free Cash resulted from a combination of the timing of reimbursements from the MSBA, and the timing of the borrowing for those projects. The funds are not lost - but the

Free Cash History Table 2.6		
Certification Year	Budget Year Use	Certified Free Cash
FY2003	FY2004	\$3,473,452
FY2004	FY2005	\$3,270,834
FY2005	FY2006	\$3,260,346
FY2006	FY2007	\$3,895,235
FY2007	FY2008	\$3,266,326
FY2008	FY2009	\$5,810,170
FY2009	FY2010	\$3,145,416
FY2010	FY2011	\$3,568,037
FY2011	FY2012	\$3,380,269
FY2012	FY2013	\$5,366,720
Five Year Average (2008 - 2012)		\$4,254,122
Ten Year Average (2003 - 2012)		\$3,843,681
FY2013	FY2014	\$2,153,808

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Town may not legally use those funds until certified. The Town will recapture those funds with the next certification which will happen after the new fiscal year has started. The effect of this delay is that one, the amount that is available to appropriate in May 2013 is extraordinarily low, and two, the amount available for appropriation after July 2013 will be exceptionally high.

Given that the Town of Needham develops its annual operating and capital budgets in such a way that Free Cash can be counted upon each year, some amount of Free Cash can be expected to support operating expenses. Our practice now is that not more than 2% of the adjusted departmental operating budget of the prior fiscal year or the actual turn back, whichever is less be used for operating expenses in the next fiscal year. The FY2012 final adjusted General Fund departmental operating budgets totaled \$80,961,180. Two percent of this amount equaled \$1,619,224; the actual FY2012 departmental budget turn back was \$1,767,497 (Table 2.7). Therefore the maximum amount of Free Cash that should be used to support the FY2014 operating budget is \$1,619,224. The budget plan has approximately \$1.6 million of the estimated Free Cash being used for operating expenses. The balance of the Free cash for FY2013 is proposed to be used to fund cash capital. The Town has been following the recommended practice of limiting the amount of Free Cash that supports the operating budget by using the funds to pay not only for needed cash capital, but also to put aside funds for future demands that may arise unexpectedly and for various one-time financial warrant articles (Table 2.8).

Operating Budget Maximum Table 2.7		
Fiscal Year Activity	Departmental Budgets Turn Back	Departmental Budgets Two Percent
FY2009	\$1,497,814	\$1,458,937
FY2010	\$1,642,570	\$1,543,308
FY2011	\$1,141,375	\$1,567,324
FY2012	\$1,767,497	\$1,619,224

Effective Use of Certified Free Cash Table 2.8							
Certification Year	Amount Certified	Operating Statement Maximum	Appropriated Reserves	Cash Capital	Financial Warrant Articles	Operating Budget (OB)	OB Allocation Variance
FY2010	\$3,568,037	\$1,458,937	\$82,761	\$1,500,564	\$182,715	\$1,801,997	\$343,060
FY2011	\$3,380,269	\$1,543,308	\$450,000	\$1,703,859	\$524,339	\$702,071	(\$841,237)
FY2012	\$5,366,720	\$1,141,375	\$473,098	\$3,421,633	\$168,353	\$1,303,636	\$162,261
FY2013	\$2,153,808	\$1,619,224		\$534,584		\$1,619,224	

Overlay Surplus is generated when it is determined that all claims for abatements and exemptions on property tax levies of a particular fiscal year have been resolved, and uncollected taxes for the year have been secured with a tax taking lien filed with the Registry of Deeds or Land Court, depending upon the type of property, leaving a balance in the overlay account of that fiscal year. When the Board of Assessors makes that determination, it can declare the balance surplus and available for appropriation by Town Meeting.

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We anticipate that \$1,000,000 in residual overlay account balances will be available for declaration as overlay surplus to fund FY2014 appropriations. Per state statute, the Board of Assessors must formally vote this estimate before it is available for appropriation. As of the date of this projection, this vote has not yet occurred. The use of the funds would be \$500,000 for the operating budget; a similar amount has been appropriated for a number of years and the other \$500,000 to be used to fund cash capital for the Needham Public Schools.

The **Parking Meter Fund** is reserved for appropriation and the revenues are derived from parking meters, which under State Law must be used for parking-related purposes. \$40,000 is proposed for appropriation from the Parking Meter Fund to support parking enforcement and ticket processing, maintenance, and snow removal from affected parking lots. The Board of Selectmen approved a parking meter fee holiday during November and December of 2012 which lowered the amount of revenue that will be collected in FY2013.

FY2014 is the third operating budget that will include **CPA** supported debt service. The Town Hall financing plan calls for debt service paid by CPA funds to be \$711,000 in FY2014. This is the peak year for debt service. The annual payment will decline thereafter for the Town Hall project. We reflect \$711,000 as another financing source for the CPA debt as the debt service is reflected under the general operating budget of the Town.

Revenue Group as a % of Total General Fund Revenue
Table 2.9

Description	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Recap	FY2014 Estimate
Property Taxes	80.0%	79.3%	79.9%	80.2%	82.6%
State Aid	7.7%	7.7%	7.7%	8.0%	8.3%
Local Receipts	8.2%	8.4%	8.9%	6.1%	6.5%
Other Available Funds	1.3%	1.6%	0.7%	1.4%	1.0%
Free Cash	2.9%	3.0%	2.8%	4.3%	1.7%
Total General Fund Revenue*	100%	100%	100%	100%	100%

*May not equal 100% due to rounding

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ADJUSTMENTS TO GENERAL FUND REVENUE

While the majority of solid waste and recycling center service costs are accounted for in the Recycling Center and Transfer Station (RTS) Enterprise Fund, certain costs of the department are reflected in the general fund budgets of other Town departments (e.g., treasurer/collector, information technology, personnel, insurance, etc.). These RTS-related general fund expenditures are funded with transfers of revenue from the enterprise fund to the general fund. The amount projected for FY2014 is based on the current year and is estimated at \$270,000.

Enterprise Reimbursements to the General Fund
Table 2.10

Description	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Recap	FY2014 Estimate	\$ Change
Solid Waste	134,180	241,778	250,625	267,128	270,000	2,872
Sewer	632,483	480,971	420,647	389,453	350,000	(39,453)
Water	993,932	936,966	944,443	951,958	950,000	(1,958)
Total	1,760,595	1,659,715	1,615,715	1,608,539	1,570,000	(38,539)

As with the RTS fund, while the majority of sewer and water related service costs are accounted for in the Sewer Enterprise Fund and Water Enterprise Fund, certain costs of the departments are reflected in the general fund budgets of other Town departments (e.g., treasurer/collector, information technology, personnel, insurance, etc.). These general fund expenditures are funded with transfers of revenue from the sewer and water enterprise funds. The projected amounts for FY2014 for sewer and water are estimated at \$350,000 and \$950,000, respectively.

The total estimate is lower due the continued restructuring of the DPW and fewer expenses being incurred by the general fund and positive trends with employee benefit costs. Some of the lower cost is related to the move of the drains program from the DPW operating budget to the sewer enterprise. The work that is performed in the drains program is performed by sewer and water personnel. In prior years, a portion of those two enterprise fund personnel budgets was funded in the DPW operating budget. The drains program is now accounted for in the sewer enterprise budget, but the salary and expenses will still continue to be supported by General Funds. This will be accomplished by a transfer appropriation vote by Town Meeting at the time Town Meeting acts on the Sewer Enterprise Fund operating budget article.

Because other indirect costs associated with the three funds are a factor of Town Meeting appropriations, the actual FY2014 transfers may be adjusted accordingly.

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Cherry Sheet Assessments are charges levied for services provided to the Town by State and other governmental agencies (e.g., MBTA assessment, county tax, mosquito control, etc.). The estimate of **\$1,269,390** for FY2014 is an increase of 2.5% over FY2013.

Cherry Sheet Offsets are the programs that are classified by the State as "offset items"; that is, these funds are expended without appropriation for specific purposes (i.e., remediation assistance, school lunches and public libraries). As they are estimated as a component of State Aid, they must be shown as a reduction in revenue because of their categorical nature (i.e., they are not available for general appropriation purposes). Expenditure of these funds does not require Town Meeting appropriation. The figure for FY2014 is estimated at **\$62,236**, the same as FY2013.

Allowance for Abatements and Exemptions are funds reserved for property tax abatements and statutory exemptions. The preliminary estimate, subject to the approval of the Board of Assessors and the Department of Revenue, has been set at **\$1,256,656**. This is \$620,249 lower than FY2013. The final amount is determined by the Department of Revenue when it approves the tax rate in December. Approximately \$210,000 is intended to fund statutory exemptions that are granted to the elderly, the infirmed, and veterans. The State should reimburse the Town approximately \$80,000 of this amount through the Cherry Sheet for these exemptions. The projection is the minimum recommended for the year; should additional new growth tax revenue be realized for FY2014, the amount of overlay may be increased.

The **Solid Waste Enterprise Fund** was established pursuant to a vote of the Special Town Meeting held on November 19, 1997, which established an enterprise fund to account for receipts and expenditures of the Town's solid waste operation at the Recycling and Transfer Station (RTS) effective July 1, 1998. Sticker and bag fees help support tipping and recycling expenses. A transfer from the tax levy has historically funded the general operations of the RTS; however, the amount had been declining since the inception of the enterprise fund until recent years. The Board of Selectmen and the Finance Committee approved a policy to determine the amount that should be used to offset costs incurred by the RTS. The transfer for FY2010 was \$535,681, FY2011 was \$654,216, FY2012 was \$547,673 and the current year was based on \$547,100. However, due to amount of RTS revenue and given the restrictions on estimating revenue above the actual amount of the prior year, an additional \$29,838 of General Fund revenue was required in order to balance the RTS budget. During 2010, the Board of Selectmen held several public meetings regarding the rates and methods of charging for use of the RTS. The Board last year approved increases in the RTS sticker rates, and changed the discount sticker program by lowering the fee and allowing residents to buy discounted RTS stickers at any time. Previously, a resident had to purchase the discounted sticker at the time the primary sticker was purchased, and the discount was limited to one sticker per household. Even with the increase in the rates, the adjustments to the budget, and the use of retained earnings, the FY2013 transfer needed to be supplemented. The Board of Selectmen appointed an ad hoc committee to review the funding structure of the operation and it is anticipated that a change in the funding policy may be presented. The estimate for FY2014 is **\$780,000**.

The Town approved a change effective with the FY2012 budget that the expenses associated with the Drains Program that were carried in the DPW General Fund Operating Budget are now part of the **Sewer Enterprise Fund Budget**. The staff who perform a majority of the drains-related work are assigned to either the water or sewer division. There are benefits for the

Fiscal Year 2014 Proposed Budget

Town to have the water and sewer staff perform the drains-related work rather than hiring additional staff for the sole purpose of drain work. The drains program is considered a general fund expense and not a sewer or water fund expense. The weekly tracking and processing of drains related procurement, accounts payable, and payroll, as well as the budgeting process is easier and more efficient (less cross-fund accounting work) to process the finance-related tasks through one of the enterprise funds, rather than the prior three fund process (general fund, sewer fund, and water fund). The General Fund still pays the drains-related costs, but the appropriation will now be made from the General Fund to the Sewer Enterprise Fund Budget. The General Fund appropriation to the Sewer Fund will be **\$508,936** for FY2014. The payment in FY2013 was \$493,932 and for FY2012 was \$469,610.

Other Amounts to be provided for on the Tax Recap is a contingency amount for those items that are required to be raised but as of this date are not known. Expenses such as overlay deficits for prior years, snow and ice deficits, or revenue deficits are items provided for in this allowance. No amount has been set aside for this purpose for FY2014. However, the amount certified by the tax collector for tax title purposes is assumed to be level dollar for FY2014 at \$12,500.

OTHER RESERVES AVAILABLE FOR APPROPRIATION

The available balance in the **Stabilization Fund** as of December 31, 2012 is \$3,693,298. The Stabilization Fund may be appropriated, by a two-thirds vote of Town Meeting, for any municipal purpose. No assumption about an appropriation from the Stabilization Fund to support the Town's operating budget is made in this projection.

The Town also established a **Capital Improvement Fund** for the purpose of general fund capital equipment. The balance in the fund as of December 31, 2012 is \$648,336.

The Town also established a **Capital Facility Fund** for the purpose of reserving funds for future extraordinary capital facility maintenance costs. The balance in the fund as of December 31, 2012 is \$1,292,178.

The Town also established an **Athletic Facility Fund** for the purpose of reserving funds for future extraordinary athletic field and artificial turf replacement and maintenance costs. The balance in the fund as of December 31, 2012 is \$283,020.

ENTERPRISE FUNDS

An enterprise fund is used to account for those operations that are financed and operated in a manner similar to a private business. The Department of Revenue states that Enterprise Funds allow a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy or other available funds, if any. The Town has established an Enterprise Fund for its water operation, sewer operation, and for the Recycling Center and Transfer Station. The enterprise funds are fully reimbursing the general fund for their related indirect costs (e.g., enterprise employee benefits, property insurance, shared staff, etc).

Fiscal Year 2014 Proposed Budget

For FY2014, enterprise fund revenues will be estimated at \$17,756,758 although \$2,469,100 of this amount reflects use of retained earnings for capital investment in the three operations and another \$200,000 of retained earnings used to fund non-capital appropriations. Although there has been an increase in recycling revenues for the RTS Enterprise it still is not at the level necessary to keep rates at current levels, therefore **\$85,000** in retained earnings is proposed to be used to offset RTS expenses in FY2014. The plan also provides for **\$115,000** in Sewer Enterprise retained earnings to be used to mitigate MWRA and debt expenses. At the time of release of the budget plan, the water use assessment was not yet released by the MWRA, so the amount was level-funded. We do expect the assessment to be lower for FY2014 due to the lesser amount of water used by the Town from the MWRA system. The budget plan also provides for a **\$780,000** general fund appropriation to the RTS Enterprise (payment for avoided general fund related costs). The \$273,483 of RTS retained earnings that was used to fund the RTS operation for FY2013 can not be sustained and therefore rates will need to be increased or other external funding sources secured. In FY2011 an additional subsidy of \$138,457, in FY2012 an additional subsidy of \$33,000, and in FY2013 an additional subsidy of \$29,838 by the General Fund was necessary because RTS revenues could not be estimated at the amount required for approval by the Department of Revenue. The budget plan also provides for a **\$508,936** General Fund appropriation to the Sewer Enterprise for the costs for the Drains Program that was transferred to the Enterprise in FY2012. This \$508,936 payment represents approximately a 3.2% increase over the FY2013 payment.

ENTERPRISE FUND RETAINED EARNINGS

These sources are not available to support the General Fund and are shown for informational purposes only.

Similar to the Free Cash, retained earnings are a function of the operations of the prior fiscal year and are generated by revenues collected in excess of estimates and unexpended balances of appropriations, as of June 30th. Once certified by the Massachusetts Department of Revenue, retained earnings are then available for appropriation or reserved to support the enterprise. Retained earnings have been certified by the Department of Revenue.

RTS Enterprise Fund -	\$ 442,722
Sewer Enterprise Fund -	\$1,951,436
Water Enterprise Fund -	\$2,740,398

COMMUNITY PRESERVATION FUNDS

Town voters approved a 2% Community Preservation Act surcharge on real estate property tax bills effective July 1, 2005. The 2% surcharge is assessed on the total property tax due, adjusted for certain exemptions. The tax on the first \$100,000 of residential valuation is not included in the CPA surcharge, and there are also exemptions for certain low and/or moderate-income taxpayers. Actual CPA revenues collected by the Town in the prior year are eligible for matching funds from the State. The match is equal to a percentage determined annually based on available funds for distribution, not to exceed 100% of the receiving community's actual receipts. The distribution rate that Needham received on its FY2011 CPA surcharge revenue in October 2011 was 26.64% and the rate was 26.83% on the FY2012 CPA surcharge revenue. We believe the distribution range

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in FY2014 will be between 20% and 30% and our revenue estimate is at the middle. The current estimate based on FY2013 collections that will be received as state matching funds in FY2014 is \$429,000 or 25%. The 2% CPA surcharge on FY2014 property tax bills is estimated at \$1,761,000. The total estimated FY2014 CPA revenue is \$2,190,000.

The \$2,190,000 estimate provides for a budget plan of \$82,000 to be appropriated to the Community Preservation Committee's (CPC) administrative budget and \$240,900 credited to both the Community Housing Reserve and Open Space Reserve. The \$240,900 figure is approximately 11% of the new revenue estimate for FY2014. Because the final revenue estimate is usually not known until the actual tax rate has been approved and the bills calculated, the practice has been to appropriate an amount of 11% of the revenue estimate to each of the required reserves to better ensure that the minimum CPA use requirement is satisfied. The FY2014 debt budget includes \$711,000 of debt service for the Town Hall project. The amount that is recommended is usually adjusted downward to reflect amounts that may be appropriated to specific qualifying projects. The Town Hall project was previously designated as a historic preservation project, and therefore the \$711,000 appropriation to the General Fund operating budget will satisfy minimum requirement for Historic Resources. The balance of the CPA revenue estimate of \$915,200 would be transferred to the Community Preservation Fund General Reserve for FY2014. The amount that is actually appropriated to each reserve would be adjusted as needed based on the CPC's project funding recommendations and Town Meeting votes on those recommendations.

The certified CPA Free Cash balance as of December 31, 2012 is **\$2,925,435** and remains available for appropriation until June 30, 2013. The CPC has not yet made any funding recommendations for FY2014. The amounts currently held in the three required reserves as of December 31, 2012 are as follows:

Open Space Reserve -	\$180,320
Community Housing Reserve -	\$498,520
Historic Reserve -	\$ 68,320

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**Town of Needham
Community Preservation Fund
Revenue and Appropriations
FY2014**

<u>FY2014 Community Preservation Fund Revenue Estimates</u>	
FY2014 Surcharge Revenue Estimate	1,761,000
State Trust Fund Distribution Estimate	429,000

Total CPA Revenue Estimate	2,190,000
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<u>FY2014 Community Preservation Fund Appropriation Estimates without Projects</u>	
Community Preservation Committee Administrative Budget	82,000
Community Housing Reserve	240,900
Historic Resources Reserve	0
Open Space Reserve	240,900
Community Preservation Fund Reserve	915,200
Specific Appropriations (see below)	711,000

Total	2,190,000
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<u>Specific Appropriation Requests</u>	
Town Hall Project Debt Service (GF Debt Operating Budget)	711,000

Total	711,000
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