



Town of Natick

FY 2014 Preliminary Budget

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FY 2014 Budget Schedule & Process

	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June
External												
Votes										☒		
Town Meeting				Town Meeting							Town Meeting	
BOS				★	Review of Budget Goals & Challenges		Selectmen Review of Budget					
SC								Hearing on Budget				
FinComm			Warrant Hearings				FinComm Hearings on Budget & Warrant					
Internal												
Municipal		Capital Develop.		Operating Budget Development & Refinement								
School		Capital Develop.		Operating Budget Development & Refinement								

2012 | 2013

Significant Dates

August 2012

Capital Development (Internal - Schools & Municipal)

September 2012

Capital Update Submitted

September 1st

October 2012

Operating Budget Development (Internal Schools & Municipal)
2012 Fall Town Meeting

All October
Began October 16th

November 2012

Operating Budget Development (Internal Schools & Municipal)
BOS - Review of Budget Goals & Objectives

All November
November Meetings

December 2012

Operating Budget Refinement (Internal Schools & Municipal)
BOS - Review of Budget Goals & Objectives
SC - Superintendent's Presentation of School Budget

All December
December Meetings
Early December

January 2013

Submittal of FY 2013 Administrator's Preliminary Budget to BOS & FC
Finance Committee Public Hearings on Budget
BOS - Review of Budget

January 2nd
All January

February 2013

BOS - Review of Budget
SC - Public Hearings on Budget
Finance Committee Public Hearings on Budget

February
February
All February

March 2013

Finance Committee Public Hearings on Budget
Preparation of Materials for Town Meeting

to March 20
March 20-27

April - May 2013

☒ Municipal Election
Town Meeting

April 9th
Starting April 23rd

July 2013

Start of FY 2014

July 1, 2013

FY 2014 Budget Schedule & Process

The legislative body of the Town of Natick is a representative Town Meeting comprised of 180 elected Town Meeting Members. Town Meeting has the sole authority to appropriate funds for the operating budget and capital projects. The Town Administrator is required to submit a Proposed Budget to the Board of Selectmen and Finance Committee on January 2, 2013. An **Open Process** is utilized in developing the budget. Internally, input is elicited and encouraged from all staff levels. Externally more and more citizen participation is encouraged and sought after. The open process allows for greater inclusion in decision-making and in the overall development of the budget.

The process begins in the early fall with the internal budget process. Late in October, Town staff work together to develop individual Department Budget Requests that support the operations of the Town's programs and services, as well as address the needs and objectives that are identified in the Goal Setting Meeting. Department Heads will meet in December with the Town Administrator to review the budget requests and refine disparate proposals into a cohesive whole.

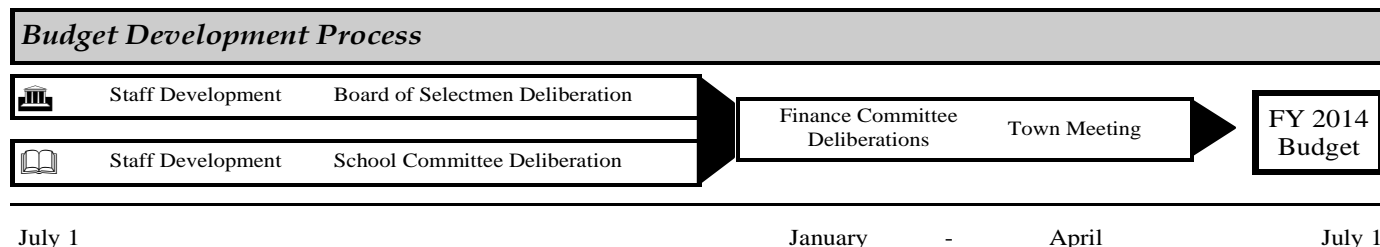
While the municipal staff is developing one part of the operating budget, the School Department begins a separate process for developing the operating budget of the Natick Public Schools. The Town Administrator is responsible for making budget recommendations for all Town programs, including a total School budget. The Superintendent submits his final budget request to the School Board in December.

The Capital Budget and the five-year Capital Improvement Program is just one component of the Town's Budget. The Town instituted the five-year plan to develop and maintain a healthy relationship between the operating and capital budgets. The goal of the plan is to focus on ensuring that adequate resources are available each year to meet the capital needs of the Town without overburdening the operating budget.

Once the Town Administrator presents her recommended budget to the Board of Selectmen and the Finance Committee on January 1, a series of hearings is held between January and March to vet the budget and allow for the Finance Committee to review and propose a series of recommendations to Town meeting. The members of each of the major committees are involved in and help guide the decision making process from beginning to end. Through this process, the Town Administrator is able to consider the input of all of these groups when preparing the Proposed Budget.

The Finance Committee need time to review the proposal and develop their recommendations, which they are required to present at Town Meeting. Their final recommendations along with the recommended Budget is sent to town Meeting members at least 7 days prior to the start of the Spring Annual Town Meeting, usually the second Tuesday in April. It is through the Representative Town Meeting that funds are appropriated and the Town's Annual Budget is adopted.

The end result is a collaborative effort involving the Citizens, Board of Selectmen, School Committee, Finance Committee, and Town and School staff and in which the needs of the community are identified and represented. The quality of the outcome is dependent on the process.



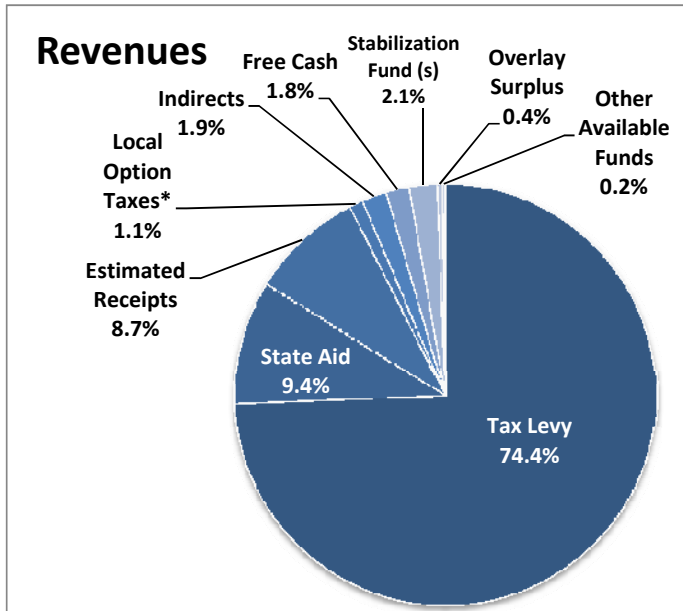
General Fund Revenue/Expenditure Summary

	2011	2012	2013	2014	2013 vs. 2014	
General Fund Revenues	Actual	Actual	Appropriated	Preliminary	\$	%
Tax Levy	\$ 79,684,179	\$ 85,587,087	\$ 89,323,445	\$ 91,804,040	2,480,595	2.78%
State Aid	\$ 11,711,879	\$ 11,449,436	\$ 11,657,952	\$ 11,657,952	0	0.00%
Estimated Receipts	\$ 11,922,815	\$ 13,080,747	\$ 10,012,890	\$ 10,696,750	683,860	6.83%
Local Option Taxes*	\$ 1,170,876	\$ 1,275,551	\$ 1,300,000	\$ 1,300,000	0	0.00%
Other Local Receipts						
Indirects	\$ 2,449,757	\$ 2,535,683	\$ 2,581,514	\$ 2,355,825	-225,689	-8.74%
Free Cash	\$ 3,425,336	\$ 5,466,393	\$ 6,343,030	\$ 2,200,000	-4,143,030	-65.32%
Stabilization Fund (s)	\$ 98,550	\$ 689,340	\$ 1,062,152	\$ 2,633,259	1,571,107	147.92%
Overlay Surplus		\$ 1,000,000	\$ -	\$ 500,000	500,000	100.00%
Other Available Funds	\$ 190,851	\$ 281,532	\$ 460,407	\$ 281,532	-178,875	-38.85%
Total General Fund Revenues	110,654,243	121,365,769	122,741,389	123,429,358	687,969	0.56%
General Fund Expenses						
Education & Learning						
Natick Public Schools	\$ 44,364,711	\$ 46,622,656	\$ 46,558,714	\$ 49,833,125	3,274,411	7.03%
Keefe Tech	\$ 1,469,598	\$ 1,396,865	\$ 1,271,613	\$ 1,291,338	19,725	1.55%
Morse Institute Library	\$ 1,739,131	\$ 1,852,078	\$ 1,884,687	\$ 1,965,777	81,090	4.30%
Bacon Free Library	\$ 109,706	\$ 118,675	\$ 130,082	\$ 139,582	9,500	7.30%
Public Safety	\$ 12,052,297	\$ 12,920,185	\$ 13,723,417	\$ 14,101,739	378,322	2.76%
Public Works	\$ 7,445,952	\$ 7,351,758	\$ 7,394,083	\$ 7,091,649	-302,434	-4.09%
Health & Human Services	\$ 1,560,965	\$ 1,712,263	\$ 1,856,338	\$ 1,982,921	126,583	6.82%
Administrative Support Services	\$ 3,831,269	\$ 4,094,438	\$ 4,820,673	\$ 4,937,416	116,743	2.42%
Committees	\$ 23,853	\$ 17,178	\$ 26,010	\$ 26,060	50	0.19%
Shared Expenses						
Fringe Benefits	\$ 14,200,952	\$ 14,167,955	\$ 15,109,016	\$ 15,488,574	379,558	2.51%
Prop & Liab. Insurance	\$ 451,853	\$ 471,865	\$ 553,175	\$ 588,175	35,000	6.33%
Retirement	\$ 5,475,739	\$ 5,701,675	\$ 6,150,200	\$ 6,610,068	459,868	7.48%
Debt Services	\$ 6,787,251	\$ 11,055,991	\$ 10,208,521	\$ 10,587,531	379,010	3.71%
Reserve Fund	\$ -	\$ -	\$ 400,000	\$ 300,000	-100,000	-25.00%
Facilities Management	\$ -	\$ -	\$ 2,479,630	\$ 2,655,958	176,328	7.11%
General Fund Oper. Expenses	\$ 99,513,276	\$ 107,483,582	\$ 112,566,158	\$ 117,599,913	\$ 5,033,756	4.47%
Capital Improvements	\$ 543,120	\$ 1,401,900	\$ 1,282,777	\$ 1,934,180	651,403	50.78%
School Bus Transportation	\$ 290,014	\$ 330,137	\$ 340,041	\$ 350,243	10,201	3.00%
State & County Assessments	\$ 1,351,044	\$ 1,360,929	\$ 1,524,561	\$ 1,524,561	0	0.00%
Cherry Sheet Offsets	\$ 131,434	\$ 155,298	\$ 239,005	\$ 239,005	0	0.00%
Tax Title	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	-25,000	-100.00%
Snow Removal Supplement	\$ 448,991	\$ 765,163	\$ 102,008	\$ 800,000	697,992	684.25%
Overlay	\$ 1,112,323	\$ 1,133,967	\$ 1,463,310	\$ 1,150,000	-313,310	-21.41%
Golf Course Deficit	\$ 334,500	\$ 320,000	\$ 310,000	\$ 332,246	22,246	7.18%
General Stabilization Fund	\$ 1,634,439	\$ -	\$ -	\$ -	0	0.00%
Operational Stabilization Fund	\$ -	\$ 856,478	\$ -	\$ -	0	0.00%
Capital Stabilization Fund	\$ 307,913	\$ 1,859,511	\$ 3,275,551	\$ -	-3,275,551	-100.00%
FLSA Settlement	\$ -	\$ 593,032	\$ -	\$ -	0	0.00%
Misc. Articles	\$ 85,000	\$ 100,000	\$ 312,977	\$ -	-312,977	-100.00%
Collective Barg./Non-Union Adj.	\$ 63,512	\$ -	\$ -	\$ -	0	0.00%
Anticip. Local Opt. Taxes for FY 14 CSF*	\$ -	\$ -	\$ 1,300,000	\$ 1,300,000	0	0.00%
Total General Fund Expenses	\$ 105,840,566	\$ 116,384,997	\$ 122,741,389	\$ 125,230,148	2,488,759	2.03%
Net Excess / (Deficit)	4,813,677	4,980,772	0	-1,800,790		

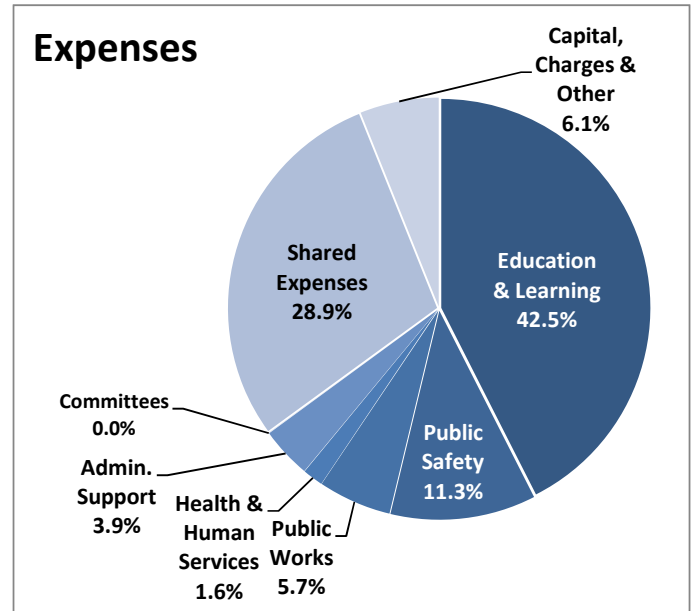
General Fund Revenue/Expenditure Summary

The following charts detail the overall revenues and expenditures for the General Fund for the Town of Natick.

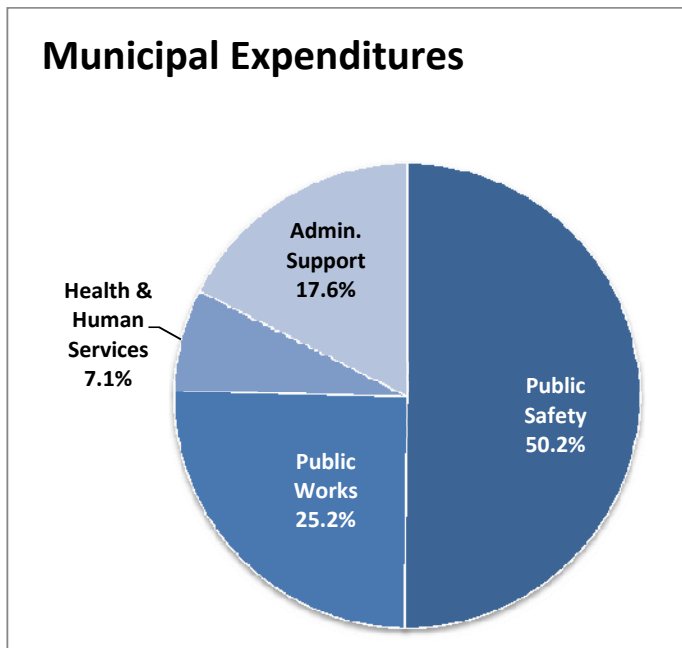
General Fund Revenues - FY 2014



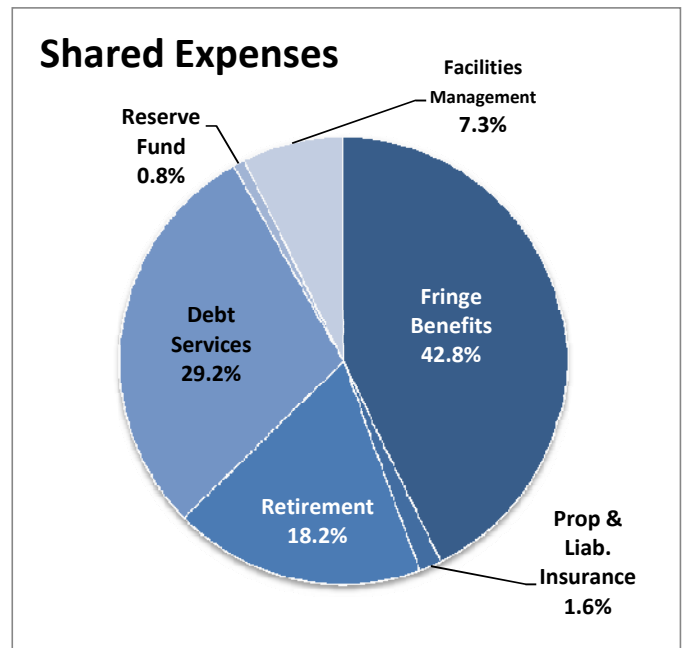
General Fund Expenditures - FY 2014



Municipal Expenditures - FY 2014



Shared Expenditures - FY 2014



General Fund Appropriation Summary

This spreadsheet details the appropriations to be made at Town Meeting by department.

	2011 Actual	2012 Actual	2013 Appropriated	2014 Preliminary	2013 vs. 2014	
					\$	%
Education & Learning						
Section III - Education & Learning						
Natick Public Schools						
Total Natick Public Schools	\$ 44,364,711	46,622,656	46,558,714	49,833,125	\$ 3,274,411	7.03%
Keefe Tech						
Expenses (Assessment)	\$ 1,469,598	\$ 1,396,865	\$ 1,271,613	\$ 1,291,338	\$ 19,725	1.55%
Total Keefe Tech	\$ 1,469,598	\$ 1,396,865	\$ 1,271,613	\$ 1,291,338	\$ 19,725	1.55%
Morse Institute Library						
Salaries & Expenses	\$ 1,739,131	\$ 1,852,078	\$ 1,884,687	\$ 1,965,777	\$ 81,090	4.30%
Total Morse Institute Library	\$ 1,739,131	\$ 1,852,078	\$ 1,884,687	\$ 1,965,777	\$ 81,090	4.30%
Bacon Free Library						
Salaries & Expenses	109,706	118,675	130,082	139,582	9,500	7.30%
Total Bacon Free Library	\$ 109,706	\$ 118,675	\$ 130,082	\$ 139,582	\$ 9,500	7.30%
Total Education & Learning	\$ 47,683,146	\$ 49,990,275	\$ 49,845,096	\$ 53,229,822	\$ 3,384,726	6.79%
Public Safety						
Section IV - Public Safety						
Emergency Management						
Expenses	\$ 2,020	\$ 3,779	\$ 35,600	\$ 35,600	\$ -	0.00%
Total Emergency Management	\$ 2,020	\$ 3,779	\$ 35,600	\$ 35,600	\$ -	0.00%
Parking Enforcement						
Salaries	\$ 19,199	\$ 25,969	\$ 31,950	\$ 49,661	\$ 17,711	55.43%
Expenses	\$ 68,624	\$ 82,656	\$ 73,000	\$ 73,000	\$ -	0.00%
Total Parking Enforcement	\$ 87,823	\$ 108,625	\$ 104,950	\$ 122,661	\$ 17,711	16.88%
Police						
Salaries	\$ 4,983,409	\$ 5,415,962	\$ 5,966,224	\$ 6,216,982	\$ 250,758	4.20%
Expenses	\$ 194,016	\$ 232,688	\$ 226,188	\$ 214,838	\$ (11,350)	-5.02%
Other Chgs. & Expenses	\$ 2,797	\$ 6,090	\$ 7,500	\$ 7,500	\$ -	0.00%
Total Police	\$ 5,180,222	\$ 5,654,740	\$ 6,199,912	\$ 6,439,320	\$ 239,408	3.86%
Fire						
Salaries	\$ 6,614,962	\$ 6,982,138	\$ 7,187,556	\$ 7,279,508	\$ 91,952	1.28%
Expenses	\$ 167,269	\$ 170,902	\$ 195,400	\$ 224,650	\$ 29,250	14.97%
Total Fire	\$ 6,782,231	\$ 7,153,040	\$ 7,382,956	\$ 7,504,158	\$ 121,202	1.64%
Total Public Safety	12,052,297	12,920,185	13,723,417	14,101,739	\$ 378,322	2.76%
Public Works						
Section V - Public Works						
Salaries	\$ 3,002,073	\$ 3,030,673	\$ 2,989,561	\$ 3,157,394	\$ 167,833	5.61%
Expenses	\$ 2,252,324	\$ 2,679,338	\$ 2,717,674	\$ 2,274,807	\$ (442,867)	-16.30%
Municipal Energy	\$ 1,323,892	\$ 1,342,239	\$ 1,536,848	\$ 1,509,448	\$ (27,400)	-1.78%
Snow & Ice	\$ 867,663	\$ 299,508	\$ 150,000	\$ 150,000	\$ -	0.00%
Total Public Works	\$ 7,445,952	\$ 7,351,758	\$ 7,394,083	\$ 7,091,649	\$ (302,434)	-4.09%

General Fund Appropriation Summary

This spreadsheet details the appropriations to be made at Town Meeting by department.

	2011 Actual	2012 Actual	2013 Appropriated	2014 Preliminary	2013 vs. 2014	
					\$	%
Health & Human Services						
Section VI - Health & Human Services						
Community Services						
Salaries	\$ 919,714	\$ 1,032,320	\$ 1,121,526	\$ 1,182,189	\$ 60,663	5.41%
Expenses	\$ 283,803	\$ 279,905	\$ 291,677	\$ 355,596	\$ 63,919	21.91%
Total Community Services	\$ 1,203,517	\$ 1,312,226	\$ 1,413,203	\$ 1,537,785	\$ 124,582	8.82%
Board of Health						
Salaries	\$ 332,982	\$ 367,974	\$ 393,185	\$ 395,186	\$ 2,001	0.51%
Expenses	\$ 17,127	\$ 20,346	\$ 34,950	\$ 34,950	\$ -	0.00%
Other Changes & Expenditures	\$ 7,339	\$ 11,718	\$ 15,000	\$ 15,000	\$ -	0.00%
Total Board of Health	\$ 357,448	\$ 400,038	\$ 443,135	\$ 445,136	\$ 2,001	0.45%
Total Health & Human Services	\$ 1,560,965	\$ 1,712,263	\$ 1,856,338	\$ 1,982,921	\$ 126,583	6.82%
Administrative Support Services						
Section VII - Administrative Support Services						
Board of Selectmen						
Salaries	\$ 512,395	\$ 564,807	\$ 591,168	\$ 616,264	\$ 25,096	4.25%
Expenses	\$ 179,887	\$ 202,242	\$ 248,750	\$ 247,250	\$ (1,500)	-0.60%
Other Charges & Expenditures	\$ 18,357	\$ 18,357	\$ 18,357	\$ 18,357	\$ -	0.00%
Contract Settlements	\$ -	\$ -	\$ 173,319	\$ 199,227	\$ 25,908	14.95%
Total Board of Selectmen	\$ 710,639	\$ 785,407	\$ 1,031,594	\$ 1,081,098	\$ 49,504	4.80%
Personnel Board						
Other Charges & Expenditures	\$ -	\$ 419	\$ 1,000	\$ 1,000	\$ -	0.00%
Total Personnel Board	\$ -	\$ 419	\$ 1,000	\$ 1,000	\$ -	0.00%
Town Report						
Professional Services	\$ 4,374	\$ 4,695	\$ 5,500	\$ 5,500	\$ -	0.00%
Total Town Report	\$ 4,374	\$ 4,695	\$ 5,500	\$ 5,500	\$ -	0.00%
Legal						
Expenses	\$ 216,995	\$ 198,253	\$ 294,480	\$ 270,000	\$ (24,480)	-8.31%
Other Charges & Expenditures	\$ 1,576	\$ 500	\$ 10,000	\$ 10,000	\$ -	0.00%
Total Legal Services	\$ 218,571	\$ 198,753	\$ 304,480	\$ 280,000	\$ (24,480)	-8.04%
Finance						
Salaries	\$ 867,294	\$ 926,893	\$ 991,204	\$ 1,083,270	\$ 92,066	9.29%
Expenses	\$ 285,539	\$ 296,848	\$ 395,300	\$ 323,800	\$ (71,500)	-18.09%
Other Charges & Expenditures	\$ 6,792	\$ 18,902	\$ 75,000	\$ 75,000	\$ -	0.00%
Total Finance	\$ 1,159,625	\$ 1,242,643	\$ 1,461,504	\$ 1,482,070	\$ 20,566	1.41%
Information Technology						
Salaries	\$ 219,219	\$ 238,944	\$ 241,759	\$ 291,950	\$ 50,191	20.76%
Expenses	\$ 290,053	\$ 407,849	\$ 374,100	\$ 394,100	\$ 20,000	5.35%
Other Chgs. & Expenditures	\$ 233,578	\$ 218,792	\$ 265,000	\$ 310,675	\$ 45,675	17.24%
Total Information Technology	\$ 742,851	\$ 865,585	\$ 880,859	\$ 996,725	\$ 115,866	13.15%
Town Clerk						
Salaries	\$ 192,509	\$ 202,871	\$ 212,219	\$ 223,450	\$ 11,231	5.29%
Expenses	\$ 19,901	\$ 14,798	\$ 21,750	\$ 21,850	\$ 100	0.46%
Total Town Clerk	\$ 212,410	\$ 217,669	\$ 233,969	\$ 245,300	\$ 11,331	4.84%

General Fund Appropriation Summary

This spreadsheet details the appropriations to be made at Town Meeting by department.

	2011 Actual	2012 Actual	2013 Appropriated	2014 Preliminary	2013 vs. 2014	
					\$	%
Administrative Support Services (con't)						
Elections						
Salaries (Registrars)	\$ 45,592	\$ 28,457	\$ 59,565	\$ 22,230	\$ (37,335)	-62.68%
Expenses (Registrars)	\$ 35,916	\$ 35,923	\$ 62,500	\$ 38,750	\$ (23,750)	-38.00%
Total Elections	\$ 81,508	\$ 64,380	\$ 122,065	\$ 60,980	\$ (61,085)	-50.04%
Sealer of Weights & Measures						
Salaries	\$ 14,317	\$ 14,658	\$ 14,659	\$ 14,659	\$ -	0.00%
Expenses	\$ 841	\$ 763	\$ 850	\$ 875	\$ 25	2.94%
Total Sealer Weights/Meas.	\$ 15,157	\$ 15,420	\$ 15,509	\$ 15,534	\$ 25	0.16%
Community Development						
Salaries	\$ 662,149	\$ 676,671	\$ 740,382	\$ 745,398	\$ 5,016	0.68%
Expenses	\$ 23,985	\$ 22,796	\$ 23,811	\$ 23,811	\$ -	0.00%
Total Community Development	\$ 686,134	\$ 699,467	\$ 764,193	\$ 769,209	\$ 5,016	0.66%
Total Admin. Support Services	\$ 3,831,269	\$ 4,094,438	\$ 4,820,673	\$ 4,937,416	\$ 116,743	2.42%
Commissions & Committees						
Section VIII - Commissions & Committees						
Finance Committee						
Expenses	\$ 21,979	\$ 15,202	\$ 22,000	\$ 22,000	\$ -	0.00%
Total Finance Committee	\$ 21,979	\$ 15,202	\$ 22,000	\$ 22,000	\$ -	0.00%
Commission on Disability						
Expenses	\$ 743	\$ 202	\$ 1,810	\$ 1,810	\$ -	0.00%
Total Commission on Disability	\$ 743	\$ 202	\$ 1,810	\$ 1,810	\$ -	0.00%
Natick Cultural Council						
Expenses	\$ 570	\$ 382	\$ 700	\$ 700	\$ -	0.00%
Total Natick Cultural Council	\$ 570	\$ 382	\$ 700	\$ 700	\$ -	0.00%
Historical Commission						
Expenses	\$ 198	\$ 858	\$ 1,000	\$ 1,000	\$ -	0.00%
Total Historical Commission	\$ 198	\$ 858	\$ 1,000	\$ 1,000	\$ -	0.00%
Historic District Commission						
Expenses	\$ 363	\$ 535	\$ 500	\$ 550	\$ 50	10.00%
Total Historic District Comm.	\$ 363	\$ 535	\$ 500	\$ 550	\$ 50	10.00%
Total Section VIII: Comm.	\$ 23,853	\$ 17,178	\$ 26,010	\$ 26,060	\$ 50	0.19%
Shared Expenses (Unclassified)						
Section IX - Shared Expenses						
Employee Fringe						
Other Personnel Services	\$ 14,182,202	\$ 14,136,205	\$ 15,085,009	\$ 15,338,574	\$ 253,565	1.68%
Other Personnel Services	\$ 18,750	\$ 31,750	\$ 24,007	\$ 150,000	\$ 125,993	524.82%
Total Employee Fringe	\$ 14,200,952	\$ 14,167,955	\$ 15,109,016	\$ 15,488,574	\$ 379,558	2.51%
Property & Liability Insurance						
Purchased Services	\$ 451,853	\$ 471,865	\$ 553,175	\$ 588,175	\$ 35,000	6.33%
Total Prop. & Liab. Insurance	\$ 451,853	\$ 471,865	\$ 553,175	\$ 588,175	\$ 35,000	6.33%

General Fund Appropriation Summary

This spreadsheet details the appropriations to be made at Town Meeting by department.

	2011 Actual	2012 Actual	2013 Appropriated	2014 Preliminary	2013 vs. 2014 \$	%
Shared Expenses (Unclassified) (con't)						
Contributory Retirement						
Pension Assessment	\$ 5,384,366	\$ 5,626,663	\$ 6,082,991	\$ 6,567,165	\$ 484,174	7.96%
ERI Assessment	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Total Contributory Retirement	\$ 5,384,366	\$ 5,626,663	\$ 6,082,991	\$ 6,567,165	\$ 484,174	7.96%
Non-Contributory Retirement						
Pensions	\$ 91,373	\$ 75,012	\$ 67,209	\$ 42,903	\$ (24,306)	-36.16%
Total Non-Contributory Retire.	\$ 91,373	\$ 75,012	\$ 67,209	\$ 42,903	\$ (24,306)	-36.16%
Debt Service						
Leased Equipment	\$ 38,066	\$ 68,590	\$ 82,000	\$ 82,000	\$ -	0.00%
Principal	\$ 4,685,812	\$ 7,575,385	\$ 7,511,321	\$ 7,901,367	\$ 390,046	5.19%
Interest	\$ 2,063,373	\$ 3,412,016	\$ 2,615,200	\$ 2,604,164	\$ (11,036)	-0.42%
Total Debt Service	\$ 6,787,251	\$ 11,055,991	\$ 10,208,521	\$ 10,587,531	\$ 379,010	3.71%
Reserve Fund						
Other Charges	\$ -	\$ -	\$ 400,000	\$ 300,000	\$ (100,000)	-25.00%
Total Reserve Fund	\$ -	\$ -	\$ 400,000	\$ 300,000	\$ (100,000)	-25.00%
Facilities Management						
Salaries	\$ -	\$ -	\$ 2,354,646	\$ 2,530,974	\$ 176,328	7.49%
Expenses	\$ -	\$ -	\$ 124,984	\$ 124,984	\$ -	0.00%
Total Facilities Management	0	0	2,479,630	2,655,958	\$ 176,328	7.11%
Total Shared Expenses	26,915,794	31,397,485	34,900,542	36,230,307	\$ 1,329,765	3.81%
Total General Fund Operations	99,513,276	107,483,582	112,566,158	117,599,913	5,033,756	4.47%
Reconciliation						
Total General Fund Operations	\$ 99,513,276	\$ 107,483,582	\$ 112,566,158	\$ 117,599,913	5,033,756	4.47%
Other General Fund Appropriations						
FLSA Labor Settlements	-	593,032	-	-	-	0.00%
Capital Equipment	543,120	1,401,900	1,282,777	1,934,180	651,403	50.78%
School Bus Subsidy	290,014	330,137	340,041	350,243	10,201	3.00%
Misc. Articles	85,000	100,000	312,977	-	(312,977)	-100.00%
Golf Course Deficit	334,500	320,000	310,000	332,246	22,246	7.18%
General Stabilization Fund	1,634,439	-	-	-	-	0.00%
Capital Stabilization Fund	307,913	1,859,511	4,575,551	1,300,000	(3,275,551)	-71.59%
Operational Stabilization Fund	-	856,478	-	-	-	0.00%
Contract Settlements/Salary Adjust.	63,512	-	-	-	-	0.00%
Total Other G/F Appropriations	3,258,498	5,461,058	6,821,346	3,916,669	(2,904,678)	-42.58%
Other General Fund Expenses (Not appropriated by Town Meeting)						
State & County Assessments	1,351,044	1,360,929	1,524,561	1,524,561	-	0.00%
Cherry Sheet Offsets	131,434	155,298	239,005	239,005	-	0.00%
Tax Title	25,000	25,000	25,000	-	(25,000)	-100.00%
Snow Removal Supplement	448,991	765,163	102,008	800,000	697,992	684.25%
Overlay	1,112,323	1,133,967	1,463,310	1,150,000	(313,310)	-21.41%
Total Other G/F Expenses	3,068,792	3,440,357	3,353,884	3,713,566	359,682	10.72%
Total General Fund	105,840,566	116,384,997	122,741,389	125,230,148	2,488,759	2.03%

Enterprise Fund Revenue/Expenditure Summary

	2011 Actual	2012 Actual	2013 Appropriated	2014 Preliminary	2013 vs. 2014	
					\$	%
Water/Sewer Enterprise Fund						
Revenues						
User Charges	12,353,351	11,127,657	12,143,096	12,314,742	171,646	1.41%
Connection Fees	104,470	71,064	114,290	70,000	(44,290)	-38.75%
Other Departmental Income	758,698	1,100,812	1,120,000	1,100,000	(20,000)	-1.79%
Investment Income	66,356	19,980	25,000	20,000	(5,000)	-20.00%
Capital Article Closeouts	150,000	-	-	-	-	#DIV/0!
I & I Fund	-	-	39,369	-	(39,369)	-100.00%
Retained Earnings	-	410,000	1,291,746	147,000	(1,144,746)	-88.62%
Total Revenues	13,432,875	12,729,513	14,733,501	13,651,742	(1,081,759)	-7.34%
Expenses						
Water & Sewer Operations	7,021,847	7,743,788	7,798,124	7,971,946	173,822	2.23%
Utility Billing	167,179	224,318	233,568	237,383	3,815	1.63%
Fringe Benefits	627,467	675,431	652,593	695,857	43,264	6.63%
Debt Service	2,287,229	1,800,816	2,096,702	2,075,978	-20,724	-0.99%
Reserve Fund	0	200,000	200,000	200,000	0	0.00%
Indirects (included in G/F)	2,449,757	2,535,885	2,581,514	2,323,579	-257,935	-9.99%
Capital	312,000	410,000	1,171,000	147,000	-1,024,000	-87.45%
Total Expenses	12,865,480	13,590,238	14,733,501	13,651,742	-1,081,759	-7.34%

Sassamon Trace Enterprise Fund

Revenues						
User Charges	400,946	406,398	405,829	410,800	4,971	1.2%
Other Departmental Revenue	110,618	145,002	130,000	140,000	10,000	7.7%
Retained Earnings	56,422	48,366	36,363	40,171	3,808	10.5%
Town Subsidy (Original)	334,500	320,000	310,000	305,000	(5,000)	-1.6%
Town Subsidy (Indirects)				32,246	32,246	100.0%
Total Revenues	902,486	919,766	882,192	928,217	46,025	5.22%
Expenses						
Operations	576,351	574,856	554,441	548,481	-5,960	-1.07%
Fringe Benefits	22,331	25,545	44,609	50,693	6,084	13.64%
Debt Service	295,257	286,314	283,144	296,797	13,653	4.82%
Indirects (included in G/F)	0	0	0	32,246	32,246	100.00%
Total Expenses	893,940	886,715	882,194	928,217	46,023	5.22%

Enterprise Fund - Appropriation Summary

This spreadsheet details the appropriations to be made at Town Meeting by department.

	2011 Actual	2012 Actual	2013 Appropriated	2014 Preliminary	2013 vs. 2014	
					\$	%
Water/Sewer Enterprise Fund						
Section X - Water & Sewer Enterprise Fund						
Water & Sewer Operations						
Salaries	\$ 1,465,811	\$ 1,558,514	\$ 1,688,524	\$ 1,721,525	\$ 33,001	1.95%
Expenses	\$ 5,556,036	\$ 5,774,099	\$ 6,109,600	\$ 6,250,421	\$ 140,821	2.30%
Total Sanitary Sewer	\$ 7,021,847	\$ 7,332,613	\$ 7,798,124	\$ 7,971,946	\$ 173,822	2.23%
Utility Billing						
Salaries	\$ 98,349	\$ 101,777	\$ 103,618	\$ 107,433	\$ 3,815	3.68%
Expenses	\$ 68,830	\$ 120,700	\$ 129,950	\$ 129,950	\$ -	0.00%
Total Utility Billing	\$ 167,179	\$ 222,477	\$ 233,568	\$ 237,383	\$ 3,815	1.63%
Fringe Benefits						
Other Personal Services	\$ 448,014	\$ 413,949	\$ 452,634	\$ 479,902	\$ 27,268	6.02%
Other - Chgs. & Expenditures	\$ 179,453	\$ 187,526	\$ 199,959	\$ 215,955	\$ 15,996	8.00%
Total Benefits	\$ 627,467	\$ 601,475	\$ 652,593	\$ 695,857	\$ 43,264	6.63%
Water & Sewer Debt Service						
Principal	\$ 1,745,640	\$ 1,777,864	\$ 1,602,757	\$ 1,609,869	\$ 7,112	0.44%
Interest	\$ 541,589	\$ 502,324	\$ 493,945	\$ 466,109	\$ (27,836)	-5.64%
Total Debt Service	\$ 2,287,229	\$ 2,280,188	\$ 2,096,702	\$ 2,075,978	\$ (20,724)	-0.99%
Water & Sewer Reserve Fund						
Expenses	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ -	0.00%
Total W & S Reserve Fund	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ -	0.00%
Total W&S Enterprise	\$ 10,103,723	\$ 10,436,753	\$ 10,980,987	\$ 11,181,164	\$ 200,177	1.82%
Sassamon Trace Golf Course Enterprise Fund						
Section XI - Sassamon Trace Enterprise Fund						
Sassamon Trace Operations						
Salaries	\$ 129,238	\$ 149,153	\$ 195,689	\$ 265,450	\$ 69,761	35.65%
Expenses	\$ 447,113	\$ 437,947	\$ 358,752	\$ 283,031	\$ (75,721)	-21.11%
Total Sassamon Trace	\$ 576,351	\$ 587,100	\$ 554,441	\$ 548,481	\$ (5,960)	-1.07%
Sassamon Trace Fringe Benefits						
Other Personal Services	\$ 10,532	\$ 6,863	\$ 34,918	\$ 40,227	\$ 5,309	15.20%
Other - Chgs. & Expenditures	\$ 11,799	\$ 12,331	\$ 9,691	\$ 10,466	\$ 775	8.00%
Total GC Fringe Benefits	\$ 22,331	\$ 19,194	\$ 44,609	\$ 50,693	\$ 6,084	13.64%
Sassamon Trace Debt Service						
Principal	\$ 191,482	\$ 195,931	\$ 201,330	\$ 217,580	\$ 16,250	8.07%
Interest	\$ 103,775	\$ 99,402	\$ 81,814	\$ 79,217	\$ (2,597)	-3.17%
Total GC Debt Service	\$ 295,257	\$ 295,333	\$ 283,144	\$ 296,797	\$ 13,653	4.82%
Total Sassamon Trace	\$ 893,940	\$ 901,627	\$ 882,194	\$ 895,971	\$ 13,777	1.56%

Fund Summary

The table below shows all appropriations, actual and planned, for FY 2014.

	General	Golf Course Enterprise	Stabilization Fund (Capital)	Parking Meter	Misc.	Total
Sec. III: Education & Learning	\$ 53,229,822					\$ 53,229,822
Sec. IV: Public Safety	\$ 14,041,739			\$ 60,000		\$ 14,101,739
Sec. V: Public Works	\$ 7,091,649					\$ 7,091,649
Sec. VI: Health & Human Services	\$ 1,982,921					\$ 1,982,921
Sec. VII: Administrative Support Services	\$ 4,937,416					\$ 4,937,416
Sec. VIII: Committees and Commissions	\$ 26,060					\$ 26,060
Sec. IX: Shared Expenses	\$ 32,948,871	\$ 37,246	\$ 699,079		\$ 221,532	\$ 36,230,307
Sec. X: Water & Sewer Enterprise						\$ 11,181,163
Sec. XI: Sassamon Trace Enterprise	\$ 332,246	\$ 595,971				\$ 928,217
Sec. XII: Capital			\$ 1,921,180			\$ 2,068,180
Misc. Assessments, Overlay & Articles	\$ 4,063,809					\$ 4,063,809
Stabilization Funds	\$ 1,300,000					\$ 1,300,000

Total All Funds	\$ 119,954,532	\$ 633,217	\$ 2,620,259	\$ 60,000	\$ 221,532	\$ 137,141,282
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METHODOLOGY

The table on the next pages shows projections of total expenditure requirements and revenues for the next three years, FY 2014-FY 2016. Projections are calculated in the aggregate, using conservative assumptions, with the intention of giving an overall perspective on the Town's budget outlook. The projections are presented in sequence with the current year for comparison.

Revenues

Revenues are comprised of four primary components: the Tax Levy, State Aid, Local Receipts and Other Available Funds. The Tax Levy will remain constantly growing at the Proposition 2.5% level annually and minimal new growth due to construction. State Aid is projected to remain level at FY 2013 House 1 amounts. Local receipts are also projected to remain essentially level over the period of FY 2014 through FY 2016; although these will obviously be revisited when the economy begins to pick back up. Other Available Funds vary; indirects are proposed to decrease annually for the next three fiscal years as attempts are made to be less "aggressive" on costs charged against the Water/Sewer Enterprise Fund. \$2,000,000 in Free Cash and Overlay Surplus are proposed to be applied to operations annually and small amounts of other revenue expect to support small parts of operations. Finally, the Capital Stabilization Fund, using revenues generated from local option taxes, will support new cash capital projects, new within-levy debt service and increasing portions of the debt service attributable to the High School and Community Senior Center projects.

Expenses

In the operating budget, wage projections are modeled using agreed to contracts FY 2013-2015 and applied to those unions who have not settled at this time. On the whole, we have calculated a 4.5% increase in total expenses for the Natick Public Schools, a 10% increase for the Keefe Tech Assessment and a 2.5% increase for all municipal departments, consistent with past forecast practices of the Town. These increases may not be sustainable into future years; it is incumbent on the Town and School administrations and elected officials to budget responsibly and identify areas for cost reduction and revenue enhancement to ensure Natick's sound financial future.

The greatest changes going forward rest within the categories of Shared Expenses. While great savings has been achieved within municipal health care over the last several years through the shift of retirees to Medicare active employees to cheaper health care models, health care overall will increase more than 5% annually. So too will pension costs, as the new assessment will require a minimum of 8% annual increases in the municipal contribution to meet the funding deadlines for the foreseeable future. Finally, the shift of cost of Facilities Management from separate to a shared department represents a significant restructuring of financial operations.

RESULTS

These projections forecast a sizable gap between the cost of providing the current level of services and the revenue that may be generated over the next several years. In FY2015 and 2016, the preliminary gap is projected to be over \$4,000,000 annually. This large deficit will come down; as the FY 2014 budget is brought into balance, the out year forecasted gaps will also come down significantly. Though just a forecast, and with the realization that the community must produce a balanced budget, these forecasts demonstrate one clear reality: The Town of Natick has a sizeable structural budget imbalance. This can be filled with one-time resources, but not sustainably. In order to achieve sustainability within Town services in the future, either efficiencies will have to be found, services reduced, or new revenue streams developed. As we move forward, Town Officials will continue to monitor revenue receipts, examine new ways of doing business and continue working to make Natick's government more sustainable.

Three-Year Projection

revised 2/25/2013

	2013 Appropriated	2014 Projection	2015 Projection	2016 Projection	Comments
General Fund Revenues					
1 Tax Levy	89,323,445	91,804,040	94,558,161	96,298,906	2.5% allowable; .5% for growth + Excluded Debt Service for C/SC & NHS
2 State Aid	11,657,952	11,657,952	11,657,952	11,657,952	Level-funded @ FY 2013 Final Level
3 Estimated Receipts	10,012,890	10,696,750	10,696,750	10,696,750	Assumes stabilization of local receipts, level-funded @ FY 2014 level
4 Local Option Taxes	1,300,000	1,300,000	1,300,000	1,300,000	Used for Capital Debt Service related to Excluded Projects
5 Other Local Receipts					
6 Indirects	2,581,514	2,355,825	2,120,242	2,014,230	Dependent Upon General Fund Operating Budget
7 Free Cash	6,343,030	2,200,000	1,750,000	1,750,000	\$1.5 M Recurring F.C. assured; add'l F.C. less certain
8 Stabilization Fund	1,062,152	2,633,259	2,410,747	1,826,000	CSF funds spent on cash capital, new within-levy debt and C/SC & HS
9 Overlay Surplus	0	500,000	500,000	500,000	Can change based upon final settlement of outstanding ATB cases
10 Other Available Funds	460,407	281,532	281,532	281,532	Parking Meter Receipts, Other State Remb., Bond Premiums for HS/CSC
Total General Fund Revenues	122,741,390	123,429,358	125,275,384	126,325,370	
General Fund Expenses					
Education & Learning					
11 Natick Public Schools	46,558,714	49,833,125	52,075,616	54,419,018	4.5% increase
12 Keefe Tech	1,271,613	1,291,338	1,420,472	1,562,519	10% Increase: Assumes increase of Natick students & lower total pop.
13 Morse Institute Library	1,884,687	1,965,777	2,014,921	2,065,294	Assumes 2.5% increase
14 Bacon Free Library	130,082	139,582	143,072	146,648	Assumes 2.5% increase
15 Public Safety	13,723,417	14,101,739	14,454,282	14,815,640	Assumes 2.5% increase
16 Public Works	7,394,083	7,091,649	7,268,940	7,450,664	Assumes 2.5% increase
17 Health & Human Services	1,856,338	1,982,921	2,032,494	2,083,306	Assumes 2.5% increase
18 Administrative Support Services	4,820,673	4,937,416	5,060,851	5,187,372	Assumes 2.5% increase
19 Committees	26,010	26,060	26,712	27,379	Assumes 2.5% increase
20 Shared Expenses	0	0			
21 Fringe Benefits	15,109,016	15,488,574	16,327,660	17,633,873	8% increase in health premiums; higher rates in FY 2015 & 2016
22 Prop & Liab. Insurance	553,175	588,175	617,584	648,463	Assumes higher rates in FY 2015 & 2016 (5% annually)
23 Retirement	6,150,200	6,610,068	7,138,873	7,709,983	Assumes 8% increase annually
24 Debt Services	10,208,521	10,587,531	10,854,454	9,806,000	Includes debt exclusion costs for HS & CSC
25 Reserve Fund	400,000	300,000	300,000	300,000	Level-Funded
26 Facilities Management	2,479,630	2,655,958	2,722,357	2,790,416	Assumes 2.5% increase
General Fund Oper. Expenses	112,566,158	117,599,913	122,458,288	123,856,161	
26 Capital Improvements	1,282,777	1,934,180	1,085,000	480,000	Capital Stab. Fund provides cash funding moving forward.
27 School Bus Transportation	340,041	350,243	360,750	371,572	3% annual increase
28 State & County Assessments	1,524,561	1,524,561	1,577,921	1,633,148	Assumes 3.5% increase from FY 2013 House 1 Levels
29 Cherry Sheet Offsets	239,005	239,005	247,370	256,028	Assumes 3.5% increase from FY 2013 House 1 Levels
30 Tax Title	25,000	0	0	0	
31 Snow Removal Supplement	102,008	800,000	800,000	800,000	
32 Overlay	1,463,310	1,150,000	1,150,000	1,450,000	
33 Golf Course Deficit	310,000	332,246	364,351	364,351	Includes offset for indirects starting in FY 2014
34 General Stabilization Fund	0	0	0		
35 Operational Stabilization Fund	0	0	0		
36 Capital Stabilization Fund	3,275,551	0	0		
37 FLSA Settlement	0	0	0		
38 Misc. Articles	312,977	0	0		
39 Collective Barg./Non-Union Adj.	1,300,000	1,300,000	1,300,000	1,300,000	Funds raised from local option taxes
Total General Fund Expenses	122,741,389	125,230,148	129,343,680	130,511,260	
Net Excess / (Deficit)	0	-1,800,790	-4,068,295	-4,185,890	