



TOWN-WIDE FINANCIAL PLAN FOR 2014 ANNUAL TOWN MEETING

Submitted by the Board of Selectmen

March 12, 2014

Dear Town Meeting Members:

We are pleased to submit this report on the Town-Wide Financial Plan (TWFP). This report provides summary financial information for the current fiscal year (FY14), the proposed budget for FY15, and projected financial information for the years FY16-18.

Overview

The Town of Wellesley is at an inflection point with regard to our financial planning and budgeting processes. Following seven years (FY08 – FY14) without a Proposition 2½ override, cost growth resulting from wage increases and demand for new investments has created the need for additional revenue in the form of an override. Accordingly, the FY15 budget to be presented at the upcoming 2014 Annual Town Meeting assumes favorable action by Town Meeting and the voters on a \$3,345,000 override.

During the past year, the School Committee completed work on a new strategic plan for the Wellesley Public Schools, which identified several areas requiring additional investment. These investments combined with the ongoing budget pressure associated with union wage increases and employee benefit costs outweigh the Town's ability to balance the budget without additional revenue in the form of an override. The structure and amount of the override is a topic of ongoing discussion. An override of \$3,345,000 is sufficient to balance the budget for FY15, but based on current projections would not be sufficient to balance the budget in the following year.

Growth in the School budget and employee benefit costs has the greatest impact on the Town's financial projections. The School budget is nearly twice the size of all of the other departmental budgets combined, and it is projected to continue to grow at nearly twice the annual rate. Employee benefit costs now exceed \$25 million annually. Health insurance, the largest component, is projected to continue growing at a rate well in excess of inflation. The recurring growth in these uses of funds is projected to continue to outpace the growth in the Town's revenues from property taxes, state aid and other sources, resulting in a recurring, structural deficit. During the period from FY01 – FY07, the Town addressed similar deficits by approving six overrides. As we reflect on the need for an override to balance the FY15 budget, and the possibility of further overrides in subsequent years, we remain mindful of the debt exclusions planned for the next few years to fund the cost of various school renovation projects and the Tolles-Parsons Center. Town Meeting and the voters need to evaluate each appropriation request in light of these financial pressures.

Key Financial Planning Issues

As in prior years, the key issues impacting the Town's financial planning include:

- Growth in personnel costs
- Increasing employee benefit costs
- Facilities maintenance needs
- Other capital projects

A short discussion of each of these items follows.

Growth in personnel costs

The largest recurring item in the year-over-year growth of the Town budget is the cost of pay increases for existing employees. The vast majority of Town employees are unionized, and their increases are the subject of collective bargaining. At the time of this writing, the following contracts remain unsettled for the next fiscal year:

- Teachers (open since July 1, 2013)
- DPW Production
- Firefighters
- School Custodians
- Library Association (open since July 1, 2011)

Provisions for the anticipated cost of the contract settlements have been included in the FY15 budget. Better projections of the Town's overall personnel costs for FY16 and later years will not be available until the open union contracts are settled. Such projections will take account of general cost of living increases, as well as the cost of "step" increases for teachers and other employees who have not yet reached the top step, and "lane" increases for teachers as they achieve additional academic degrees.

The following table illustrates some of the key variables for a sample of the Town's union contracts:

	Superior	DPW		
	Patrolmen	Officers	Firefighters	Production
Budgeted positions	32	9	53	80
Steps	4	1	4	6
Average step value	5.6%	N/A	5.6%	5.3%
% of employees on steps	22%	N/A	21%	6%
FY15 Contract increase	2%	2-2.5%	TBD	TBD
FY15 Budget increase	2.2%	2.2%	2.1%	3.2%

For employees who are not yet at the top step, the total annual wage increase is the sum of the step increase, which ranges from 4.2% - 5.6% for the bargaining units summarized in the above chart, plus the contract increase. Thus, it is not unusual for employees who have not reached the top step to receive total annual wage increases in the range of 7-8%.

The cost of step increases is partially offset by the savings resulting from the retirement or termination of employees who are subsequently replaced by new employees at a lower step level. Thus, each department must have a clear understanding of the composition of its workforce when developing its budget. In the case of the School Department, the higher percentage of employees on steps has contributed to the greater growth of the School budget in comparison to other departments' budgets.

Increasing employee benefit costs

Employee benefit costs total \$25.8 million in FY15 (21% of the Town's total budget) and are the fastest growing component of the budget. The principal components of this cost are:

- Health insurance premium costs for active and retired employees - \$16.2 million
- Pension plan contribution - \$5.9 million
- Other Postemployment Benefits (OPEB) - \$3 million

The health insurance budget for FY15 reflects premium rate increases ranging from 1.6% - 17.8% for active employees and 3.0% for retirees. All employees and retirees previously enrolled in the "Legacy" plans have been transitioned to the less costly "Rate Saver" plans, and all retirees who are eligible for Medicare Part A have been transitioned to Medicare supplement plans. The Town is continuing to monitor the potential savings to be gained by transitioning active employees and retirees to either the new "Benchmark" plans offered by the West Suburban Health Group (the Town's joint purchase group for health insurance) or to the Group Insurance Commission (the entity that provides health insurance benefits for State employees and certain municipalities). We expect this issue to receive considerable focus over the coming months.

In response to resident input that we should hold individual departments more accountable for the employee benefits implications of staffing additions, the Board has implemented a new requirement for any board seeking funding for additional full time staff to also seek funding for a \$20,000 increase to the Town's Group Insurance budget (\$7,500 for a Teaching Assistant). This is intended to cover the average cost of health insurance and other employee benefits for a full time employee. This procedure was first implemented at the December 2013 Special Town Meeting. The FY15 School budget request shown later in this report includes a \$370,000 provision for such costs, which corresponds to 32 new full time positions.

The Town maintains a defined benefit pension plan for retired employees other than teachers (teachers participate in a similar plan operated by the State). The benefits provided by the plan are identical to those offered by other cities and towns in Massachusetts. Municipal employees in Massachusetts are not eligible for Social Security as a result of their employment with a municipality. Thus, the pension benefit is provided in lieu of a retirement allowance provided under Social Security. Unlike a defined benefit pension plan in the private sector, municipal employees contribute toward the cost of their pension. Any municipal employee hired after 1996 is required to contribute 9% of pay plus 2% of pay over \$30,000 to the plan. Employee contributions to the Town of Wellesley's pension plan during calendar 2013 totaled \$3.1 million. These contributions are in addition to the Town's contribution, which is expected to be \$5.9 million in FY15. During the years FY97-FY09 when the pension liability was fully funded, the Town made no contributions to the pension plan.

The Town is obligated to subsidize a portion of the health insurance premiums for retirees. Eligible retirees are required to enroll in Medicare and the Town pays 50% of the cost of a

Medicare supplement plan and 50% of the Medicare Part B premium. This obligation is the basis for the Town's OPEB liability.

The following table summarizes the Town's unfunded liabilities related to pension and OPEB, based on employee service to-date:

	<u>Pension</u>	<u>OPEB</u>
<i>Valuation date</i>	1/1/13	7/1/12
Accrued liability	\$ 186,235,650	\$ 127,911,942
Actuarial value of assets	125,714,763	21,315,461
Unfunded liability	<u><u>\$ 60,520,887</u></u>	<u><u>\$ 106,596,481</u></u>
MV of assets at 12/31/13	\$ 141,265,918	\$ 32,926,530

The actuarial funding schedule for the pension plan, which is intended to fully fund the plan by 2030, calls for a \$1.0 million increase in pension funding in FY15 (inclusive of enterprise funds) and more modest increases thereafter. The latest actuarial valuation of the pension plan performed as of January 1, 2013, reflected an investment return assumption of 7.0%, which is more conservative than the 7.75% assumption used in the previous valuation. The actual investment return during 2013 exceeded the amount assumed in the valuation, but this does not warrant a change in the funding schedule. The next valuation will be performed as of January 1, 2015.

The actuarial funding schedule for the OPEB liability, which is intended to fully fund the plan by 2037, requires the Town to contribute \$3 million each year (funded currently by \$1.2 million inside the levy and a \$1.8 million Proposition 2½ Funding Exclusion authorized at the May 2007 Special Election) in addition to the increasing pay-as-you-go costs (*i.e.*, the premium subsidies for current retirees). Despite this funding, the unfunded OPEB liability is projected to continue growing until 2019. The most recent actuarial valuation of the OPEB liability performed as of July 1, 2012, reflected an investment return assumption of 7.5%. This assumption will likely be reduced for purposes of the next valuation, which will be performed as of July 1, 2014. Lowering this assumption will increase the unfunded liability, but we do not believe it will impact the current funding schedule.

The \$1.8 million annual OPEB Funding Exclusion is scheduled to expire June 30, 2017. The Board has had preliminary discussions regarding whether to seek voter approval of an extension of this funding approach, or alternatively, to replace it with additional funding inside the levy beginning in FY16. No decision has been made on this matter.

Unlike many other communities, Wellesley is fully funding the ARC (Annual Required Contribution), as defined in the Government Accounting Standards Board pronouncements related to OPEB. As a result, the Town is allowed to discount the unfunded OPEB liability using an assumed market rate of return, whereas communities that are not funding the ARC are required to use a risk-free rate of return. Looking forward, as bond rating agencies and other analysts pay greater attention to how communities are dealing with their OPEB obligations, the Town's proactive funding approach will continue to be viewed favorably.

Facilities maintenance needs

At the 2013 Annual Town Meeting, funds were appropriated to design a series of facilities maintenance projects including:

- Middle School – Donizetti entrance repairs and replacement of auditorium seating
- Sprague School – Partial roof replacement and repairs to Oak Street entrance
- Hunnewell School – Roof repairs
- Fire Station #2 – Resurfacing of apparatus floor and HVAC renovations
- Police Station – HVAC renovations
- Warren Building – Flooring replacement and other miscellaneous repairs

At the time of this writing, the Permanent Building Committee is awaiting bids for the construction phase of these projects. The total cost of this work is estimated to be in the range of \$4-5 million, and this cost will be funded with inside the levy borrowing.

At the December 2013 Special Town Meeting, the School Facilities Committee presented a ten year plan for the renovation of the Town's elementary schools and WMS. In addition, funds were appropriated for the following projects:

- \$2.4 million for design work related to renovations to the Fiske and Schofield elementary schools
- \$90,000 for further scenario analysis related to the renovation and/or replacement of the Hardy, Hunnewell and Upham elementary schools
- \$75,000 for further study of the mechanical systems at WMS

It is expected that further appropriations for the construction cost of the Fiske and Schofield renovation projects will be requested at a fall 2014 Special Town Meeting. The latest estimate of the cost of this work is \$19 million, which will be the subject of a debt exclusion vote.

Other capital projects

A brief update with respect to the Town's most significant other capital projects is as follows:

- High School

The Permanent Building Committee intends to restore the exterior basketball courts that served as parking areas during the construction of the new High School this spring. Completion of this work is required before the Town will be able to finalize the Massachusetts School Building Authority (MSBA) reimbursement. Spending to-date on the project totals \$105.8 million and reimbursements from the MSBA total \$35.1 million (the total cost incurred to-date includes certain costs not eligible for MSBA reimbursement, such as the purchase of the Seaver Street properties). Borrowings to-date for this project total \$72 million, and we do not foresee a need to borrow any additional funds. This level of borrowing is approximately \$14.1 million lower than the amount originally approved by Town Meeting. In addition, the weighted average interest rate on the borrowings to-date is approximately 3.7%, which compares favorably to the 4.5% rate used in the original projections presented at Town Meeting. The debt service cost for the project peaked in FY14, and will decline each year thereafter. The budgeted FY15 debt service cost related to the High School project is \$5.4 million.

- Middle School (\$3.7 million) – The Town has filed a Statement of Interest with the MSBA under the Accelerated Repair Program to replace most of the windows in the building. The exact scope, timing and cost of this project are subject to further discussion with the MSBA. While we have included a placeholder for this project in the FY15 debt capital plan, no Town Meeting action is contemplated until the fall of 2014, at the earliest.
- Tolles-Parsons Center (\$6.9 million) – This week the Board signed a Purchase & Sale Agreement to acquire the property at 494 Washington Street for \$1,365,000, and an appropriation for this amount will be sought at the Special Town Meeting scheduled for April 8, 2014. The Board believes the combination of this site and the Town's existing property at 496 Washington Street (the former American Legion property) results in a better project and may help address the traffic and parking issues cited by the Planning Board in its recent denial of a PSI special permit application for this project. Funds to continue the planning with respect to the construction of a new Senior Center (the Tolles-Parsons Center) at 496 Washington Street were appropriated at the December 2013 Special Town Meeting. It is currently envisioned that an appropriation for construction costs will be requested at a Special Town Meeting in the fall of 2014 or at a subsequent date. This appropriation will be the subject of a debt exclusion vote.
- Fuller Brook Park (\$5.4 million) – Bids for the construction phase of this project have been received and an appropriation for this work will be requested at Town Meeting. \$4.5 million is to be funded with CPA funds, and the balance (\$970,205) is to be funded with inside the levy borrowing.
- 900 Worcester Street – At the Special Town Meeting in June 2012, a total of \$4.16 million was appropriated to acquire this property, demolish the church and fund other costs incidental to the acquisition. \$2.6 million of this cost is to be funded by Community Preservation Act (CPA) funds and the balance of \$1.56 million is to be funded by a General Fund borrowing. Pending resolution of the ongoing canon law appeal, the Town's due diligence related to this acquisition is on-hold. The projected Sources & Uses of Funds shown elsewhere in this report includes the debt service associated with the funds appropriated to date. Otherwise, the Five Year Capital Budget Program does not include any estimate of additional costs to be incurred on this project.

The original appropriation for this project included funds to cover the cost of property taxes for two years. In light of the ongoing canon law appeal, the Board will seek an appropriation of \$47,000 at Town Meeting to fund property taxes for an additional year (\$27,000) and additional legal fees (\$20,000).

FY15 Budget

At the 2013 Annual Town Meeting, we projected deficits of \$4.2 million and \$4.6 million in FY15 and FY16, respectively, and suggested an override of \$3.5 million in FY15 to offset these deficits. The FY15 School budget request is approximately \$1.4 million higher than in our prior year projections. This has been offset by the use of \$2.25 million of Free Cash, which was not included in the projection.

The proposed FY15 budget is summarized in the following table (more complete versions of the FY15 Sources & Uses are presented in Exhibits A & B):

	FY14 Budget		FY15 Request		\$ Inc/(Dec)	% Inc/(Dec)
<i>Sources of Funds</i>						
Taxes	\$ 101,404,728	\$ 105,477,347	\$ 4,072,619	4.0%		
State Aid	9,022,255	8,996,255	(26,000)	-0.3%		
Local Revenue	10,208,477	10,443,703	235,226	2.3%		
Free Cash	2,866,108	2,250,000	(616,108)	-21.5%		
Other Sources	3,954,445	1,619,819	(2,334,626)	-59.0%		
Exclusions & Exemptions	11,169,533	10,942,965	(226,568)	-2.0%		
Total Sources	\$ 138,625,546	\$ 139,730,089	\$ 1,104,543	0.8%		
<i>Uses of Funds</i>						
School	\$ 60,139,338	\$ 63,894,619	\$ 3,755,281	6.2%		
Facilities Maintenance	6,432,097	6,624,780	192,683	3.0%		
Other Town Departments	26,074,611	26,696,771	622,160	2.4%		
Employee Benefits	22,174,678	23,667,021	1,492,343	6.7%		
Cash Capital	3,872,341	4,282,768	410,427	10.6%		
Debt Service (inside Levy)	3,179,465	3,728,096	548,631	17.3%		
Other Uses	5,390,495	3,238,070	(2,152,426)	-39.9%		
Exclusions & Exemptions	11,362,521	10,942,965	(419,556)	-3.7%		
Total Uses	\$ 138,625,546	\$ 143,075,090	\$ 4,449,544	3.2%		
<i>Surplus/(Deficit)</i>	\$ 0	\$ (3,345,000)				

Sources of Funds: The 4% increase in Taxes reflects the allowed growth in the levy limit (2.5%) and \$1.5 million of new levy growth. The small decrease in State Aid is attributable to the expiration of the Interlibrary Loan contract between the Wellesley Free Library and the Commonwealth, partially offset by increased Chapter 70 and other aid. The 2.3% increase in Local Revenue reflects modest increases in excise taxes and permit fees. The large decrease in Other Sources is due to decreases in the utilization of CPA (Community Preservation Act) funds and Free Cash for capital projects. The decrease in Exclusions & Exemptions reflects the continuing pay down of the Town's excluded debt.

Uses of Funds: The 6.2% increase in the School budget reflects the cost of contractual step and lane increases; provision for a cost of living increase; and, funding for full-day kindergarten, introduction of a house system at the High School, and various other strategic investments. Of the total FY15 School budget shown above, \$370,000 will be appropriated to the Group Insurance budget. This represents the estimated employee benefits cost related to the added personnel. The 3.0% increase in Facilities Maintenance includes provisions for wage increases and a 12% increase in natural gas prices, half of which is assumed to be offset by conservation measures. The 2.4% increase in Other Town Departments includes the cost of wage increases and higher fuel costs. The 6.7% increase in Employee Benefits is primarily due to the \$1 million increase in pension funding (excluding enterprise funds) and increases in health insurance premium rates. Facilities maintenance accounts for \$359,000 (88%) of the increase in Cash Capital, consistent with the plan to raise the recurring level of facilities maintenance capital spending. Debt Service inside-the-levy is up as a result of additional borrowing for Facilities Maintenance and Public Works projects. The decline in Other Uses reflects the decreased utilization of CPA funds and Free Cash for capital projects.

The Board is continuing to assess the final amount and structure of the proposed override. As currently proposed, it is envisioned that the following budget reductions would be made in the event of a failed override:

<u>Department</u>	<u>FY15 Budget Reduction</u>
Schools	\$ 2,830,000
Selectmen	222,000
Public Works	100,000
PBC	92,000
Library	82,000
Recreation	12,000
NRC	7,000
	<u>\$ 3,345,000</u>

The above reductions were largely based on the variances from the FY15 budget guidelines, which provided for a 1.75% increase in personal services, and level funding of expenses.

The Town is also anticipating requests to fund the following additional amounts from Free Cash, subject to appropriation at Town Meeting:

- \$500,000 supplemental FY13 appropriation for Snow & Ice Removal costs (Article 7)
- \$47,000 for additional property taxes and legal fees related to the pending acquisition of 900 Worcester Street (see above)

Debt Capital

The Town's Five-Year Capital Budget Program is presented in Exhibit D. The following debt capital projects will be considered at the 2014 Annual Town Meeting:

- Fuller Brook Park - \$970,205 (Article 15)
- Construction costs for various facilities maintenance projects - The PBC is continuing to analyze the scope and cost of this work (Article 16)
- Acquisition of 494 Washington Street - \$1,365,000 (Article 2, April 8 Special Town Meeting)
- Fire Engine - \$500,000 (Article 23)

The debt service cost for these projects will not significantly impact the Town budget until FY16.

Reserves

Mindful of the need to maintain sufficient financial reserves to support the Town's favorable AAA bond rating, we continue to carefully monitor the level of revenues and expenses versus budget, and the resulting impact on reserve levels.

Of particular concern are the balances in the Town's Stabilization Fund (a separate reserve fund) and the balance of Free Cash. Under Massachusetts Department of Revenue (DOR)

rules, these are the reserve balances specifically available for appropriation by Town Meeting for any lawful purpose. Appropriations from the Stabilization Fund require a two-thirds vote by Town Meeting, whereas appropriations from Free Cash require a majority vote. The Stabilization Fund balance as of June 30, 2013, was \$3.1 million and we do not anticipate any requests for appropriations from this fund. The level of Free Cash, as certified by the DOR, was \$10.95 million as of July 1, 2013.

The following chart summarizes the changes in Free Cash for the years FY09-13:

Free Cash	FY09	FY10	FY11	FY12	FY13
Beginning of year	\$ 10,692,354	\$ 9,145,674	\$ 9,471,751	\$ 8,439,070	\$ 10,499,623
Uses	(4,007,626)	(982,734)	(3,715,184)	(3,112,757)	(3,630,881)
Net Free Cash generated	2,460,946	1,308,811	2,682,503	5,173,310	4,082,040
End of year	<u>\$ 9,145,674</u>	<u>\$ 9,471,751</u>	<u>\$ 8,439,070</u>	<u>\$ 10,499,623</u>	<u>\$ 10,950,782</u>

Free Cash is “generated” by revenues in excess of budget, budget “turn-back” (amounts budgeted but not spent), and other timing differences. The Town’s ability to generate Free Cash has enabled the rebuilding of the Town’s financial reserves, and funded a number of operating and capital investments, as reflected in the “Uses” quantified above. The potential for generating additional Free Cash in FY14 is an important factor in our evaluation of the proposed use of these reserves to balance the FY14 and FY15 budgets.

The following chart summarizes an initial projection of the Town’s reserve balances at June 30, 2014 and 2015:

	FY14	FY15
Reserves @ Beginning of Year		
Free Cash	\$ 10,950,782	\$ 8,160,768
Stabilization Fund	3,094,076	3,094,076
Total	14,044,858	11,254,844
Revenue	123,796,817	130,734,055
Reserves as % of Revenue	11.3%	8.6%
Projected Sources (Uses) of Free Cash		
Appropriated at December 2013 STM	(890,014)	-
900 Worcester	-	(47,000)
Used to balance next year's budget	(2,250,000)	(1,150,000)
Snow and Ice supplemental appropriation	(500,000)	(600,000)
Cost of union contract settlements	(150,000)	
Free Cash generated	1,000,000	1,000,000
Net Increase (Decrease)	(2,790,014)	(797,000)
Projected Reserves @ End of Year	\$ 11,254,844	\$ 10,457,844
Reserves @ End of Year as % of Revenue	9.09%	8.00%

(Note: Amounts appropriated from Free Cash serve to reduce the Free Cash balance during the year of appropriation vs. the year of the related expenditure.)

The Town's Financial Reserves Policy requires that the sum of the balances in the Stabilization Fund and Free Cash be maintained in the range of 8-12% of budgeted operating revenues. Reserves in excess of 8% but less than 12% may be used to stabilize tax rates, meet anticipated capital needs, and to avoid or defer an override. The Board believes the use of Free Cash in the proposed FY15 budget is consistent with this policy.

Based on the above projection, Wellesley's reserves at June 30, 2014 would be approximately 9%. It is also important to note that the Town's financial position is reinforced by the Town's proactive approach to funding the pension and OPEB liabilities.

Looking Ahead to FY16-18

For purposes of projecting the Town's Sources and Uses of funds for the years FY16-18, we have used the following annual growth rate assumptions:

• Levy growth	2.5% plus \$1.5 million of new growth
• State aid & local revenue	2%
• School budget	4.5%
• Other Town departments.	2.5%
• Pension	Per approved funding schedule
• Health insurance	5%
• Other employee benefits	2.5%

Given the relative size of the School budget, the assumptions regarding the growth in School spending has the greatest impact. It is important to note that this assumption is contingent on the outcome of the current round of collective bargaining with the Teachers union.

Based on these assumptions and assuming no overrides, the projected deficits for the years FY16-18 are summarized as follows:

	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>
Projected Deficit	\$ (2,805,650)	\$ (3,075,733)	\$ (4,048,805)

We will continue to refine these projections over the next few weeks and provide an update at Town Meeting. The projected deficits underscore the need for further planning to better balance service expectations against taxpayers' willingness to pay. They also provide a clear context for the current round of collective bargaining with several of the Town's large unions. Reducing or eliminating these deficits without an override would require some combination of the following:

- Lower rates of spending growth achieved through:
 - Service or staff reductions
 - Structural change in union salary or wage schedules; e.g., a reduction in the number or value of "step" wage increases
 - Operational efficiencies from outsourcing and/or consolidation
 - Further energy conservation measures
 - Deferral of planned capital projects

- Further growth in revenues, such as:
 - New and/or increased permit fees
 - Incremental payments in lieu of taxes (PILOT's)

Absent a reduction in the pace of spending growth or some other financial change, another override will be required for FY16. The Board discussed the possibility of a larger override (e.g., \$5 million) in FY15 to avoid the need for a further override next year, but concluded that would be inappropriate at this time.

The following table illustrates the potential impact of a \$3,345,000 override in FY15 and the planned debt exclusions on the median tax bill (*i.e.*, the tax bill for a home valued at \$896,000):

Median Tax Bill		
	<u>FY15</u>	<u>FY16</u>
Prior year	\$ 10,340	\$ 10,891
Levy growth	259	272
Override	307	-
Exclusions	(15)	305
Other	-	-
	<u>\$ 10,891</u>	<u>\$ 11,468</u>
<i>% Increase</i>	5.3%	5.3%

Further details regarding the projections for FY16-18 are provided in Exhibit C.

This Town-Wide Financial Plan is a continual work-in-progress. As in prior years, we will provide further updates on these matters through the start of Town Meeting.

We would like to express our sincere appreciation to all of the Town boards and their respective staffs for their cooperation in working with us to create a plan that will ensure the continued financial health of our community.

Sincerely yours,



Terri Tsagaris, Chair
 Barbara D. Searle, Vice Chair
 Ellen F. Gibbs, Secretary
 Donald S. McCauley
 David Murphy

Exhibits:

- A - FY15 Summary Sources & Uses of Funds
- B - FY15 Detail Sources & Uses of Funds
- C - Projected Sources & Uses of Funds

EXHIBIT A – FY15 SUMMARY SOURCES & USES OF FUNDS

	FY2014 Tax Rate	FY2015 Request	% Change
*** SOURCES OF FUNDS ***			
Tax & Other Current Revenues			
Within Levy Limits			
Real Estate & Per. Prop. Tax	101,404,728	105,477,346	4.02%
From the Commonwealth	9,022,255	8,996,255	-0.29%
Local Revenue	10,208,477	10,443,703	2.30%
Sub-Total (Tax & Cur. Rev.)	120,635,460	124,917,305	3.55%
Outside Levy Limits			
Real Estate & Pers. Prop. Tax	9,369,533	9,142,965	-2.42%
OPEB	1,800,000	1,800,000	0.00%
Available Funds			
Parking Meter Receipts	855,846	903,819	5.61%
Appropriated/Reserved CPA Surcharge	1,767,355	549,140	-68.93%
Free Cash- balance budget	2,866,108	2,250,000	-21.50%
Free Cash- Park Hwy HVAC/ STM items	1,204,787	-	100.00%
Free Cash Fall STM/2015 Free Cash 900 Worcester		47,000	100.00%
Unencumbered/Transfers from other funds	126,457	127,000	100.00%
Sub-Total (Available Funds)	6,820,553	3,876,959	-43.16%
TOTAL SOURCES OF FUNDS	138,625,546	139,737,229	0.80%
 *** USE OF FUNDS ***			
Personal Services (Non-School)	19,423,893	20,035,132	3.15%
Expenses (Non-School)	6,650,718	6,661,639	0.16%
Subtotal (Non-School)	26,074,611	26,696,771	2.39%
Personal Services (Facilities Maintenance)	3,537,909	3,687,002	4.21%
Expenses (Facilities Maintenance)	2,894,188	2,937,778	1.51%
Subtotal (Facilities Maintenance)	6,432,097	6,624,780	3.00%
Personal Services (School)	52,764,096	55,688,507	5.54%
Additional Benefits cost for new positions		370,000	
Expenses (School)	7,375,242	7,836,112	6.25%
Subtotal (School)	60,139,338	63,894,619	6.24%
Sub-Total (Pers. Svcs.& Exp)	92,646,046	97,216,170	4.93%
Capital & Debt:			
Within Levy Limits			
Capital/Extraord./Special Items	3,872,341	4,282,768	10.60%
Debt Service	3,179,465	3,728,096	17.26%
Sub-Total (Within Levy Limits)	7,051,806	8,010,864	13.60%
Outside Levy Limits			
Debt Service	9,562,521	9,142,965	-4.39%
SUB-TOTAL (CAPITAL & DEBT)	16,614,327	17,153,829	3.25%
Employee Benefits:			
Health Insurance & other	15,966,473	16,523,644	3.49%
Pension Contribution	5,008,205	5,943,377	18.67%
OPEB Liability Fund	3,000,000	3,000,000	0.00%
Sub-Total (Shared Costs)	23,974,678	25,467,021	6.22%
SUB-TOTAL (OPERATIONS)	133,235,051	139,837,020	4.96%
Special Items:			
Traffic & Parking Management	843,846	849,069	0.62%
Appropriated/Reserved CPA Surcharge	1,767,355	549,140	-68.93%
Provision for Contract Settlements			
900 Worcester		47,000	
State & County Assessments	1,170,420	1,200,000	2.53%
Property Tax Abatements	593,594	600,000	1.08%
Free Cash- Park Hwy/Tolles/Contracts	1,015,280	-	100.00%
Sub-Total (Special Items)	5,390,495	3,245,209	-39.80%
TOTAL USE OF FUNDS	138,625,546	143,082,229	3.21%
TOTAL SOURCE OF FUNDS	138,625,546	139,737,229	0.80%
SURPLUS (DEFICIT)	0	(3,345,000)	

EXHIBIT B – FY15 DETAIL SOURCES & USES OF FUNDS

SOURCES OF FUNDS		FY14 SOURCES OF FUNDS	FY15 SOURCES OF FUNDS	CHANGE - FY14 to FY15	
				\$ Change	% Change
Real Estate & Personal Property Tax					
Within the Levy Limit		101,404,728	105,477,346	4,072,618	4.02%
Outside the Levy Limit - OPEB		1,800,000	0	0	0.00%
Outside the Levy Limit		9,369,533	9,142,965	(226,568)	-2.42%
Subtotal - Real Estate & Personal Property Tax		112,574,261	116,420,311	3,846,050	3.42%
<i>From the Commonwealth</i>					
Chapter 70 Aid		7,526,408	7,770,408	244,000	3.24%
Lottery Aid		1,121,617	1,121,617	0	0.00%
Regional Public Libraries		270,000	0	(270,000)	-100.00%
Other Aid		104,230	104,230	0	0.00%
Subtotal - From the Commonwealth		9,022,255	8,996,255	(26,000)	-0.29%
<i>Local Revenue</i>					
Motor Vehicle Excise		4,300,000	4,399,330	99,330	2.31%
Licenses and Permits		1,745,000	1,783,390	38,390	2.20%
MLP Payment in Lieu of Taxes		1,000,000	1,000,000	0	0.00%
Interest Earnings		200,000	204,400	4,400	2.20%
RDF Revenue		635,000	648,970	13,970	2.20%
Fines & forfeits		495,000	505,890	10,890	2.20%
Recreation		95,000	125,000	30,000	31.58%
Meals Tax		50,000	541,660	11,660	22.00%
Pilot Payments		225,000	229,850	4,950	2.20%
Other Local Revenues		983,477	1,005,113	21,636	2.20%
Subtotal - Local Revenue		10,208,477	10,443,703	235,226	2.30%
<i>Other Sources</i>					
Parking Meter Receipts		855,846	903,819	47,973	
Free Cash to balance budget		2,866,108	2,250,000	(616,108)	
Free Cash - (2013) Park Hwy design.(2104) Tolles Parsons design, Hills Chimney		314,773	0	(314,773)	
Free Cash Fall STM/2015 Free cash 900 Worcester		890,014	47,000	(843,014)	
Appropriated CPA Surcharge		1,767,355	549,140	(1,218,215)	
Police detail		126,457	127,000	543	
Subtotal - Other Sources		6,820,553	3,876,959	-2,943,594	
TOTAL SOURCES OF FUNDS		138,625,546	139,737,229	1,111,663	0.80%

USES OF FUNDS	FY14 USE OF FUNDS (Tax Rate)			FY15 USE OF FUNDS (Request)			CHANGE - FY14 to FY15			
	Pers Svrs	Expenses	Total Ops	Pers Svrs	Expenses	Total Ops	Variance Pers Svrs	Variance Expenses	Variance Total - \$	Variance Total - %
GENERAL GOVERNMENT										
Board of Selectmen - Administration										
Executive Director's Office	395,233	30,550	425,783	398,708	30,550	429,258	3,475	0	3,475	0.82%
Sustainable Energy	0	15,033	15,033	0	15,033	15,033	0	0	0	0.00%
Central Administrative Services	0	38,500	38,500	0	38,500	38,500	0	0	0	0.00%
Finance Department	369,312	8,000	377,312	380,314	8,000	388,314	11,002	0	0	2.92%
Information Technology	475,905	215,563	691,468	468,458	219,009	687,467	(4,001)	3,446	(4,001)	-0.58%
Treasurer & Collector	285,011	123,853	388,874	265,011	123,863	388,874	0	0	0	0.00%
Parking Fines Processing				Integrated with Traffic & Parking Operations						
Town Report	0	4,000	4,000	0	4,000	4,000	0	0	0	0.00%
Board of Selectmen - Human Services										
Council on Aging	228,183	130,683	358,866	236,455	122,438	358,893	8,272	(8,245)	27	0.01%
Fair Housing Committee	0	200	200	0	200	200	0	0	0	0.00%
West Suburban Veterans District	0	107,261	107,261	0	104,875	104,875	0	(2,386)	(2,386)	-2.22%
Youth Commission	73,309	17,190	90,499	73,309	17,190	90,499	0	0	0	0.00%
Board of Selectmen - Maintenance Services										
Facilities Maintenance	3,537,909	2,894,188	6,432,097	3,619,002	2,937,778	6,556,780	81,093	43,590	124,683	1.94%
Board of Selectmen - Other Services										
Housing Development Corporation	0	6,000	6,000	0	6,000	6,000	0	0	0	0.00%
Historical Commission	0	750	750	0	750	750	0	0	0	0.00%
Historical District Commission	0	250	250	0	250	250	0	0	0	0.00%
Memorial Day	0	2,500	2,500	0	2,500	2,500	0	0	0	0.00%
Celebrations Committee	0	4,700	4,700	0	4,700	4,700	0	0	0	0.00%
Zoning Board of Appeals	49,559	7,115	56,674	49,559	7,115	56,674	0	0	0	0.00%
Board of Selectmen - Shared Services										
Law	0	300,000	300,000	0	250,000	250,000	0	(50,000)	(50,000)	-16.67%
Audit Committee	0	56,250	56,250	0	56,250	56,250	0	0	0	0.00%
Risk Management	0	479,000	479,000	0	504,000	504,000	0	25,000	25,000	5.22%
Street Lighting	0	225,300	225,300	0	227,000	227,000	0	0	0	0.75%
Subtotal - Board of Selectmen - General Government	5,394,421	4,666,896	10,061,317	5,490,816	4,680,001	10,170,817	96,395	13,105	109,500	1.08%
Other General Government										
Town Clerk/Election & Registration	226,880	48,090	274,970	249,314	49,790	299,104	22,434	1,700	24,134	8.78%
Board of Assessors	285,981	82,770	338,751	258,644	89,700	348,344	2,663	6,930	9,593	2.83%
Planning Board	225,321	42,600	267,921	226,522	42,600	269,122	1,201	0	1,201	0.43%
Advisory Committee	8,782	14,000	22,782	7,205	16,692	23,897	(1,577)	2,692	1,115	4.88%
Reserve Fund	0	175,000	175,000	0	175,000	175,000	0	0	0	0.00%
Permanent Building Committee	27,781	6,450	34,231	121,557	6,450	128,007	93,776	0	93,776	273.95%
Human Resources Board	277,966	18,803	296,769	279,408	18,803	298,211	1,442	0	1,442	0.49%
HR Salary adjustments	36,724	0	36,724	150,000	0	150,000	113,276	0	113,276	308.45%
Subtotal - Other General Government	1,059,735	387,713	1,447,148	1,292,650	399,035	1,691,665	233,215	11,322	244,537	16.90%
GENERAL GOVERNMENT TOTAL	6,483,857	5,054,609	11,508,466	6,783,466	5,079,036	11,862,502	329,909	24,427	354,036	3.08%

USES OF FUNDS	FY14 USE OF FUNDS (Tax Rate)			FY15 USE OF FUNDS (Request)			CHANGE - FY14 to FY15			
	Pers Svcs	Expenses	Total Ops	Pers Svcs	Expenses	Total Ops	Variance Pers Svcs	Variance Expenses	Total - \$	Variance Total - %
PUBLIC SAFETY - BOARD OF SELECTMEN										
Police Department	4,786,437	633,294	5,419,731	4,963,989	636,494	5,600,483	177,552	3,200	180,752	3.34%
Injured on Duty	99,950	2,926	102,876	101,730	2,955	104,685	1,780	29	1,809	1.76%
Special School Police	4,571,638	262,749	4,834,387	4,583,169	262,749	4,855,918	21,531	0	21,531	0.45%
Fire Department	430,220	26,350	456,570	432,860	26,350	459,210	2,640	0	2,640	0.58%
Building Department	0	0	0	0	0	0	0	0	0	0.00%
Emergency Medical Services	15,660	2,800	18,460	15,660	2,800	18,460	0	0	0	0.00%
Sealer of Weights & Measures										
PUBLIC SAFETY TOTAL - BOARD OF SELECTMEN	9,903,905	923,119	10,832,024	10,107,408	931,348	11,038,756	203,503	3,229	206,732	1.91%
DEPARTMENT OF PUBLIC WORKS										
Engineering	491,488	67,639	559,127	491,672	69,489	561,161	184	1,850	2,034	0.36%
Highway	1,020,032	455,762	1,475,794	1,023,366	505,950	1,529,316	3,334	50,188	53,522	3.63%
Fleet Maintenance	133,561	56,462	190,023	133,561	56,462	190,023	0	0	0	0.00%
Park	1,072,505	287,770	1,360,275	1,076,014	295,370	1,371,384	3,509	7,600	11,109	0.82%
Recycling & Disposal	951,295	1,269,593	2,220,888	985,268	1,301,443	2,256,711	3,973	31,750	35,723	1.61%
Management	345,635	385,388	343,076	343,076	48,295	391,371	(2,559)	8,542	5,983	1.55%
Winter Maintenance	0	348,703	0	348,703	0	348,703	0	0	0	0.00%
PUBLIC WORKS TOTAL	4,014,516	2,525,782	6,540,298	4,022,957	2,625,712	6,648,669	8,441	99,330	108,371	1.66%
WELLESLEY FREE LIBRARY										
Library Trustees	1,596,671	458,557	2,055,228	1,635,027	484,845	2,119,872	38,356	26,288	64,644	3.15%
Regional Services (Non-Tax Impact)	143,637	106,663	250,000	0	0	0	(143,637)	(106,363)	(250,000)	-100.00%
LIBRARY TOTAL	1,740,308	564,920	2,305,228	1,635,027	484,845	2,119,872	(105,281)	(80,075)	(185,356)	-8.04%
RECREATION										
Recreation Commission	301,531	20,000	321,531	312,824	20,000	332,824	11,293	0	11,293	3.51%
RECREATION TOTAL	301,531	20,000	321,531	312,824	20,000	332,824	11,293	0	11,293	3.51%
HEALTH										
Board of Health	351,440	68,540	419,980	352,946	68,540	421,486	1,506	0	1,506	0.36%
Mental Health Services	0	215,691	0	215,691	0	215,691	0	0	0	0.00%
HEALTH TOTAL	351,440	284,231	635,671	352,946	284,231	637,177	1,506	0	1,506	0.24%
NATURAL RESOURCES										
Natural Resources Commission	184,500	18,575	203,075	185,761	18,575	204,336	1,261	0	1,261	0.62%
Morses Pond Project - (NRC, DPM, Rec)	11,745	148,670	160,415	11,745	155,670	167,415	0	7,000	7,000	4.36%
NATURAL RESOURCES TOTAL	196,245	167,245	363,390	197,506	174,245	371,751	1,261	7,000	8,261	2.27%
NON-SCHOOL TOTAL										
22,961,802	9,544,906	32,506,708	23,412,134	9,589,417	33,011,551	450,332	54,511	504,843	1.55%	

USES OF FUNDS	FY14 USE OF FUNDS (Tax Rate)			FY15 USE OF FUNDS (Request)			CHANGE - FY14 to FY15			
	Pers Svcs	Expenses	Total Ops	Pers Svcs	Expenses	Total Ops	Variance Pers Svcs	Variance Expenses	Variance Total - \$	Variance Total - %
WELLESLEY PUBLIC SCHOOLS										
Instruction	45,734,691	1,858,246	47,592,937	40,790,340	2,274,263	43,064,603	(4,944,351)	416,017	(4,528,334)	-9.51%
Administration	894,780	137,468	1,032,248	922,076	150,528	1,072,604	27,296	13,060	40,356	3.91%
Operations	1,445,603	348,226	1,793,829	750,725	530,047	1,280,772	(694,878)	181,821	(513,057)	-28.60%
Special Tuition/Transportation/Inclusion	4,689,022	5,031,302	9,720,324	13,225,366	4,881,274	18,106,640	8,536,344	(150,028)	8,386,316	86.28%
SCHOOL TOTAL	52,764,096	7,375,242	60,159,338	55,688,507	7,836,112	63,524,619	2,924,411	460,870	3,385,281	5.63%
EMPLOYEE BENEFITS										
Group Insurance	0	15,659,773	15,659,773	0	16,216,944	16,216,944	0	557,171	557,171	3.56%
Group Insurance for 32 new school employees	0	0	0	0	370,000	370,000	0	370,000	370,000	0.00%
OPEB Liability Fund	0	3,000,000	3,000,000	0	3,000,000	3,000,000	0	0	0	0.00%
Retirement Contribution	0	5,008,205	5,008,205	0	5,943,377	5,943,377	0	935,172	935,172	18.67%
Unemployment Compensation	0	200,000	200,000	0	200,000	200,000	0	0	0	0.00%
Compensated Absences	0	90,000	90,000	0	90,000	90,000	0	0	0	0.00%
Non-Contributory Pensions	0	16,700	16,700	0	16,700	16,700	0	0	0	0.00%
EMPLOYEE BENEFITS TOTAL	-	23,974,678	23,974,678	0	25,837,021	25,837,021	0	1,862,343	1,862,343	7.77%
ALL PERSONAL SERVICES & EXPENSES	75,725,898	40,694,826	116,620,724	79,100,641	43,272,550	122,373,191	3,374,743	2,377,724	5,762,467	4.93%

USES OF FUNDS	FY14 USE OF FUNDS (Tax Rate)			FY15 USE OF FUNDS (Request)			CHANGE - FY14 to FY15					
	Pers Svcs	Expenses	Total Ops	Pers Svcs	Expenses	Total Ops	Pers Svcs	Expenses	Total - \$	Variance	Variance	Variance
CAPITAL & DEBT												
<i>Departmental Cash Capital</i>												
Public Works Capital	0	1,524,000	1,524,000	0	1,611,000	1,611,000	0	87,000	87,000	5,71%		
School Capital	0	803,134	803,134	0	791,030	791,030	0	(12,104)	(12,104)	-1.51%		
Facilities Capital - School	0	811,200	811,200	0	929,400	929,400	0	118,200	118,200	14.57%		
Facilities Capital - Town	0	350,000	350,000	0	570,600	570,600	0	240,600	240,600	72.91%		
Facilities ramp up	0	0	0	0	0	0	0	0	0	0.00%		
Selectionen Capital	0	206,457	206,457	0	262,238	262,238	0	55,781	55,781	27.02%		
Library Capital	0	43,000	43,000	0	46,000	46,000	0	3,000	3,000	6.98%		
Town Clerk	0	79,550	79,550	0	7,000	7,000	0	(72,550)	(72,550)	100.00%		
NRC Capital	0	75,000	75,000	0	65,500	65,500	0	(9,500)	(9,500)	-12.67%		
Morses Pond Capital	0	0	0	0	0	0	0	0	0	0.00%		
Subtotal - Cash Capital	0	3,872,341	3,872,341	0	4,282,768	4,282,768	0	410,427	410,427	10.60%		
 <i>Debt Service</i>												
Current Inside Levy Debt Service - Issued	0	3,090,676	3,090,676	0	2,923,614	2,923,614	0	(167,062)	(167,062)	-5.41%		
New Debt Service - Inside Levy	0	88,789	88,789	0	804,482	804,482	0	715,693	715,693	88.96%		
Current Outside Levy Debt Service - Issued	0	9,369,534	9,369,534	0	9,142,965	9,142,965	0	(226,569)	(226,569)	-2.42%		
New Debt Service - Outside Levy	0	192,987	192,987	0	0	0	0	(192,987)	(192,987)			
Subtotal - Debt Service	0	12,741,986	12,741,986	0	12,871,061	12,871,061	0	129,075	129,075	1.01%		
 CAPITAL & DEBT TOTAL	16,614,327	16,614,327	0	17,153,829	17,153,829	0	539,502	539,502	3.25%			
 SPECIAL ITEMS												
<i>Receipts Reserved for Appropriation</i>												
Traffic & Parking Operations	235,396	608,450	843,846	240,619	608,450	849,069	5,223	0	5,223	0.62%		
Community Preservation Appropriated	0	1,797,355	1,797,355	0	310,000	549,140	0	(1,218,215)	(1,218,215)	-68.93%		
Provision for Contract Settlements	0	0	0	0	47,000	310,000	310,000	0	310,000			
900 Worcester	0	0	0	0	0	0	0	47,000	47,000			
Free Cash - (13) Park Hwy Design, (14) Tolles Parsons, Hills Chimney	0	291,425	291,425	0	0	0	0	(291,425)	(291,425)	-100.00%		
BOS/SchConfilities, Tolles Parsons, Stabil Fund	0	723,855	723,855	0	600,000	600,000	0	(723,855)	(723,855)	-100.00%		
Property Tax Abatements	0	593,594	593,594	0	1,200,000	1,200,000	0	6,406	6,406	1.08%		
State & County Assessments	0	1,170,420	1,170,420	0	0	0	0	29,580	29,580	2.53%		
SPECIAL ITEMS TOTAL	235,396	5,155,099	5,390,495	550,619	3,004,590	3,555,209	315,223	(1,150,509)	(1,835,286)	-34.05%		
 TOTAL USES OF FUNDS	138,625,546						143,082,729		4,456,663	3.21%		
 TOTAL SOURCES OF FUNDS	138,625,546						139,737,729		1,111,663	0.80%		
 SURPLUS (DEFICIT)							0		(3,345,000)			

EXHIBIT C – PROJECTED SOURCES & USES OF FUNDS

	<i>Preliminary</i> <i><u>FY15</u></i>	<i>Assumed</i> <i><u>Growth</u></i>	<i><u>FY16</u></i>	<i><u>FY17</u></i>	<i><u>FY18</u></i>
Sources					
Property Taxes	\$ 105,477,346		\$ 113,042,905	\$ 117,368,977	\$ 121,803,202
Override	3,345,000		-	-	-
State Aid	8,996,255	2.0%	9,176,180	9,359,704	9,546,898
Local Revenue	10,443,703	2.0%	10,652,577	10,865,629	11,082,941
Free Cash	2,250,000		1,150,000	1,150,000	1,150,000
Other	181,751		12,044	12,300	11,251
	<hr/> 130,694,055		134,033,706	138,756,610	143,594,292
Uses					
Schools	63,524,619	4.5%	66,383,227	69,370,472	72,492,143
School Benefits	370,000		-	-	-
Facilities Maintenance	6,624,780	2.5%	6,790,400	6,960,159	7,134,163
Other Town Depts.	26,696,771	2.5%	27,364,190	28,048,295	28,749,502
	<hr/> 97,216,170		100,537,817	104,378,927	108,375,809
Cash Capital	4,282,768	**	5,371,385	5,689,000	5,984,822
Debt Service (Inside)	3,728,096		4,032,179	3,784,252	4,171,976
Pension	5,943,377		6,150,754	6,365,574	6,587,912
Health Insurance	14,031,250	5.0%	15,147,518	15,904,893	16,700,138
OPEB (Inside)	1,200,000		1,200,000	1,200,000	1,200,000
Other Employee Benefits	2,492,394	2.5%	2,554,704	2,618,571	2,684,036
State & County Assmts.	1,200,000	2.5%	1,230,000	1,260,750	1,292,269
Abatements	600,000	2.5%	615,000	630,375	646,134
Other	-		-	-	-
	<hr/> 130,694,055		136,839,356	141,832,343	147,643,096
<hr/> Projected Deficit					
	<hr/> \$ -		\$ (2,805,650)	\$ (3,075,733)	\$ (4,048,805)

**REPORT OF THE BOARD OF SELECTMEN ON THE
FIVE YEAR CAPITAL BUDGET PROGRAM**

Town of Wellesley Capital Overview

As part of the annual budget process, boards and departments submit detailed information for capital requests for the upcoming fiscal year, along with capital requirements for the following four fiscal years. The Board of Selectmen, through the Executive Director, gains an understanding of individual board needs and facilitates the discussions about funding the current budget, as well as the longer-term Town-Wide Financial Plan (TWFP). Projects are subject to multi-year discussion and analysis, and may not, ultimately be funded. Projects are categorized by funding source: cash capital, other sources of funding, debt financed inside the tax levy, and debt capital exclusions. Following are the capital project requests for FY15 (*i.e.*, the year ended June 30, 2015) by funding source:

FY15 Recommended Capital Projects by Funding Source		
Department	Project	Amount
	Cash Capital:	
Fire	Air-Pak, Hose Equipment, Bottle Cascade System, Training Equip.	63,250
Info. Technology	Microsoft License Upgrades, Telephone Replacement Upgrade (VoIP)	100,000
Police	Server Replacement, MILO Range System, Switch Replacement	83,988
Library	Computer Replacement, Servers, Furnishings, Switch Replacement	46,000
NRC	Tree Planting, Sidewalk/Paths Repairs, Hunnewell Pavement Main.	65,500
Town Clerk	Voting Booths	7,000
DPW	Street Resurface, Equip. Replacement, Athletic/Playground Improvements	1,611,000
Selectmen	Town Government Study Committee	15,000
Schools	Instructional Equipment, Safety, Technology, Renovations	791,030
Facilities-Town	Roof repairs, carpet/flooring, temperature controls & renovations	570,600
Facilities-School	Roof, flooring, plumbing & heating ventilation	929,400
	Total Cash Capital	\$ 4,282,768
	Other Funding Sources:	
DPW	DPW Street Resurfacing (Chapter 90 Funds)	542,000
NRC	Fuller Brook (CPC Funds)	4,500,000
	School Facilities Master Plan (Free Cash)	465,000
	Total Other Sources	\$ 5,507,000
	Debt Capital Inside Levy:	
Fire	Fire Engine	500,000
FMD	School and Other	4,366,925
NRC	Fuller Brook	970,205
	Total Borrowed Inside Levy	\$ 5,837,130
	Debt Capital Exclusion	
	Tolles Parsons (Senior Center)	6,857,433
	School Facilities Master Plan	19,250,000
	Fiske/Schofield	3,685,000
	Middle School	
	Total Borrowed Outside Levy	\$ 29,792,433
	Grand Total	\$ 45,419,331

The attached Exhibit D is a Summary and Detail Schedule of prior year Capital authorizations and a five year schedule of Capital requests for FY15– FY19.

Cash Capital

Cash capital is defined as investments, assets, or special studies not normally included in a department's operating budget. Cash capital may include items such as equipment replacement (vehicles and computers), street improvements, facilities maintenance and building repairs, or a one-time analysis. Capital expenditures are by definition more "lumpy" than routine operating needs. Cash capital is not synonymous with fixed assets, because the Town does not capitalize items under \$25,000 (such as computers). Police vehicles are a notable exception: these are budgeted in the Police operating budget because they have been deemed critical and the Town has elected to fund them in this fashion for many years.

DPW FY15

The Board of Public Works has recommended a FY15 cash capital budget of \$1,611,000. Highlights of the DPW FY15 capital requests are as follows:

- Replacement or refurbishment of ten vehicles including Park & Highway Maintenance vehicles, an Engineering inspection vehicle and other equipment - \$701,000
- Street Improvements - \$542,500
- Athletic Fields/Playground Improvements - \$176,000
- Sidewalk Restoration - \$100,000

DPW FY15 – FY19

A major cash capital expense for DPW is the periodic scheduled replacement of 200 pieces of equipment and 130 vehicles. The Board of Public Works will continue to fund street improvements in the out years, with the goal of resurfacing 9-10 miles per year with a combination of cash capital and Chapter 90 funds. As a percentage of the DPW Capital budget, vehicle replacement makes of 42%, street rehabilitation makes up 30%, and sidewalk and catch basin rehabilitation represent 15% of ongoing costs.

FACILITIES MAINTENANCE FY15

Combined cash capital budget request for town and school facilities maintenance is \$1,500,000 for FY15. Projects are listed in the accompanying chart.

FACILITIES MAINTENANCE FY15-FY18

Known projects are identified on the accompanying chart. The Town has done benchmark studies which suggest that the level of capital funding for facilities maintenance should be increased. The necessary increase has been estimated and included in the plan, with specific projects to follow at subsequent Town Meetings.

SCHOOL FY15

The School Committee requests \$791,030 for cash capital in FY15, comprised primarily of technology items (\$627,468) and instructional equipment (\$100,068).

SCHOOL FY15– FY19

The School capital request for FY15-19 includes an average of \$812,361 per year for Technology. Technology represents 79% of the School Department's FY15 Capital request and continues to be a majority of the budget in the out years. Additionally, instructional equipment in FY15 represents 12% of the capital request due to a significant investment in science equipment. Instructional equipment then becomes about 1% of the capital budget in the out years with the exception of FY19 where it then becomes 12% for further equipment replacement.

Other Funding Sources

DPW Street Maintenance and Resurfacing – The Board of Public Works is requesting \$542,000 in FY15 for street maintenance and resurfacing. This funding request is being submitted as follows:

- In addition to funds allocated in cash capital for street resurfacing, the Town anticipates using \$542,000 of Chapter 90 monies.

Fuller Brook Park – Fuller Brook Park Coordinating Committee is requesting funds to implement Fuller Brook Park Preservation Plan, which is a project to remedy erosion and disrepair of pathways, bridges, and brooks in the Fuller Brook Park. This project has been included in the NRC's Capital Plan since FY04. The total project cost is estimated at \$5.4 million. This funding request is being submitted as follows:

- Implement Fuller Brook Plan in FY15 – \$4.5 million funded by CPC and with remaining balance of \$970,205 to be borrowed inside the levy.

Debt Capital inside the Levy FY15-FY19

The Town borrows for larger (capitalized) assets having a useful life of typically ten years or more. The Town has employed a prudent fiscal practice of amortizing this debt as rapidly as practical within the levy limit.

Facilities Maintenance Requests (\$4-\$5 million) to be borrowed inside the levy as follows:

- School Committee:
Construction School Buildings - TBD
- Board of Selectmen:
Construction funds for Police and Fire HVAC - TBD
Fire Headquarters Flooring - TBD
Warren Building – TBD

Fire Department borrowing capital request includes the following:

- Fire Engine Apparatus: \$500,000

Further information on these projects will be presented at Town Meeting.

Debt Capital Exclusion(s) FY15 - FY19

Because of competing operating requests, there is not enough room within the levy (town's taxing authority) to fund all of the necessary ongoing capital needs. The Middle School upgrade, Elementary School Infrastructure improvements, Pond Dredging, Drainage Construction, and most recently, a new High School have all been financed through exempt debt. The Town also approved a capital exclusion to fund 10 years (expiring in 2017) of contributions towards its Other Post-Employment Benefits (OPEB) liability. It is anticipated that most future large capital projects will need to be funded in this fashion.

The most significant borrowing requests in the next several years include the proposed new Tolles-Parsons Center and facilities projects forthcoming from the recent SMMA school facilities assessment, and possible costs associated with the eventual purchase of the 900 Worcester Street property.

EXHIBIT D – CAPITAL PLAN

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY15-19 Total
Cash Capital	2,881,134	3,520,073	3,872,342	4,282,768	5,371,385	5,689,000	5,984,822	5,123,676	\$ 26,451,651
Free Cash	-	-	291,425	465,000	-	575,000	75,000	-	\$ 1,115,000
CPC Funding	3,000,000	-	151,125	4,500,000	-	-	-	-	\$ 4,500,000
Chapter 90	1,000,000	1,274,000	907,300	542,000	601,000	720,000	720,000	720,000	\$ 3,303,000
Debt Capital Inside Levy	2,580,000	1,305,000	2,582,030	5,837,130	2,015,000	4,175,000	7,342,000	-	\$ 19,369,130
Debt Capital Exclusion *	3,596,000	-	-	29,792,433	-	28,700,000	6,975,000	13,760,000	\$ 79,227,433
Grand Total	\$ 13,057,134	\$ 6,099,073	\$ 7,804,222	\$ 45,419,331	\$ 7,987,385	\$ 39,859,000	\$ 21,096,822	\$ 19,603,676	\$ 133,966,214

* Further proposals expected from SMMA Study

Town of Wellesley
FY15- FY19 Capital Improvement Plan
Detail Summary Schedule

Department	FY14	FY15	FY16	FY17	FY18	FY19	FY15-19 Total
Cash Capital:							
Fire	50,000	63,250	120,000	130,000	110,000	40,000	463,250
Information Technology	20,000	100,000	208,000	25,000	-	-	333,000
Police	126,457	83,988	90,836	83,357	58,824	93,996	411,031
Council on Aging	10,000	-	-	-	-	-	-
Library	43,000	46,000	46,000	46,000	46,000	46,000	230,000
Morse Pond	-	-	35,000	95,200	124,200	45,200	299,600
Natural Resources Commission	75,000	65,500	85,500	110,500	325,500	85,500	672,500
Town Clerk	79,550	7,000	7,000	6,000	-	-	20,000
Planning Board	-	-	30,000	30,000	-	-	60,000
Department of Public Works (DPW)	1,524,000	1,611,000	2,275,000	2,256,900	2,443,000	2,001,000	10,586,900
Selectmen	-	15,000	-	-	-	-	15,000
Schools	803,135	791,030	849,049	1,156,013	1,002,298	811,980	4,610,370
Facilities Maintenance	1,141,200	1,500,000	1,625,000	1,750,000	1,875,000	2,000,000	8,750,000
Total Cash Capital	<u>3,872,342</u>	<u>4,282,768</u>	<u>5,371,385</u>	<u>5,689,000</u>	<u>5,984,822</u>	<u>5,123,676</u>	<u>26,451,651</u>
Other Funding Sources:							
DPW Street Resurfacing (Chap 90)	907,300	542,000	601,000	720,000	720,000	720,000	3,303,000
Hills Br Library Chimney (CPC Funds /Free Cash)	252,250	-	-	-	-	-	-
Fuller Brook (CPC funds)	-	4,500,000	-	-	-	-	4,500,000
Tolles Parsons (Free Cash)	165,300	-	-	-	-	-	-
Perrin Park (CPC)	25,000	-	-	-	-	-	-
School Facilities Master Plan (Free Cash)	-	465,000	-	575,000	75,000	-	1,115,000
Total Other Sources	<u>1,349,850</u>	<u>5,507,000</u>	<u>601,000</u>	<u>1,295,000</u>	<u>795,000</u>	<u>720,000</u>	<u>8,918,000</u>
Debt Capital Inside Levy:							
Fire Apparatus	-	500,000	-	-	625,000	-	1,125,000
DPW Facility Renovations	1,000,000	-	855,000	1,150,000	1,000,000	-	3,005,000
DPW Street Rehabilitations	400,000	-	150,000	1,400,000	1,750,000	-	3,300,000
Hunnewell Field Master Plan	-	-	-	175,000	2,742,000	-	2,917,000
Facilities - School and Other	1,182,030	4,366,925	1,010,000	1,450,000	1,225,000	-	8,051,925
Fuller Brook	-	970,205	-	-	-	-	970,205
Total Borrowed Inside Levy	<u>2,582,030</u>	<u>5,837,130</u>	<u>2,015,000</u>	<u>4,175,000</u>	<u>7,342,000</u>	<u>-</u>	<u>19,369,130</u>
Debt Capital Exclusion:							
Tolles Parsons (Senior Center)	-	6,857,433	-	-	-	-	6,857,433
School Facilities Master Plan	-	19,250,000	-	-	-	-	19,250,000
Fiske/Schofield	-	3,685,000	-	-	-	-	10,660,000
Middle School	-	-	28,700,000	-	13,760,000	-	42,460,000
Hardy/Hunnewell/Upham	-	-	-	-	-	-	-
Total Capital Exclusion	<u>-</u>	<u>29,792,433</u>	<u>-</u>	<u>28,700,000</u>	<u>6,975,000</u>	<u>13,760,000</u>	<u>79,227,433</u>
Grand Total	\$ 7,804,222	\$ 4,419,331	\$ 7,987,385	\$ 39,859,000	\$ 21,096,822	\$ 19,603,676	\$ 133,966,214

Town of Wellesley
FY15 - FY19 Capital Improvement Plan
Board of Selectmen Department Schedule

Capital Project	FY14	FY15	FY16	FY17	FY18	FY19	FY15-19 Total	
Information Technology								
- Microsoft Office License Upgrades	20,000	20,000	20,000	-	-	-	40,000	
- Aerial Photography and Contours	-	-	43,000	-	-	-	43,000	
- Server Upgrade	-	-	25,000	25,000	-	-	50,000	
- Telephone Replacement Upgrade (VoIP)	-	80,000	120,000	-	-	-	200,000	
	20,000	100,000	208,000	25,000	-	-	\$ 333,000	
Police								
- Weapon Replacement	49,965	-	-	-	-	-	-	
- Uniform Shirt Replacement	20,000	-	-	-	-	-	-	
- Cruiser Hands Free System	32,945	-	-	-	-	-	-	
- Automated License Plate Reader	23,547	-	22,300	-	22,300	-	44,600	
- Server Replacement	-	13,996	-	13,996	-	13,996	41,988	
- MILO Interactive Range system	-	58,260	-	-	-	-	58,260	
- Network Switch Replacement	-	11,732	-	-	-	-	11,732	
- Cruise Video Recording System	-	-	68,536	-	-	-	68,536	
- Electronic Control Devices	-	-	-	69,391	-	-	69,391	
- Digital Fingerprint Capturing Station	-	-	-	-	36,524	-	36,524	
- Security Camera Replacement	-	-	-	-	-	80,000	80,000	
	126,457	83,988	90,836	83,387	58,824	93,996	\$ 411,031	
Fire								
- Radio System Equipment	25,000	-	-	-	-	-	-	
- Scott Air-Pak	25,000	25,000	25,000	-	-	-	50,000	
- Command vehicle(s)	-	-	45,000	-	45,000	-	90,000	
- Fire Hose Equipment	-	9,000	-	-	10,000	-	19,000	
- Air bottle cascade system	-	9,250	-	-	-	-	9,250	
- Training Room Equipment	-	20,000	-	-	-	-	20,000	
- Engine Rehabilitation	-	-	50,000	-	-	-	50,000	
- Fire Turnout Gear	-	-	-	115,000	-	-	115,000	
- Vehicle Exhaust Recovery	-	-	-	15,000	-	-	15,000	
- Rescue Boat & Trailer	-	-	-	-	-	30,000	30,000	
- Light Tower/Generator Trailer	-	-	-	-	-	10,000	10,000	
- Radio System/Portables	-	-	-	-	55,000	-	55,000	
	50,000	63,250	120,000	130,000	110,000	40,000	\$ 463,250	
Selectmen								
- Town Government Study Committee	-	15,000	-	-	-	-	\$ 15,000	
- Online Registration Database	10,000	-	-	-	-	-	-	
	10,000	15,000	-	-	-	-	\$ 15,000	
	BOS Subtotal	\$ 206,457	\$ 262,238	\$ 418,836	\$ 238,387	\$ 168,824	\$ 133,996	\$ 1,222,281
Facilities Maintenance (see attached)	1,141,200	1,500,000	1,625,000	1,750,000	1,875,000	2,000,000	\$ 8,750,000	
Total Cash Capital	\$1,347,657	\$ 1,762,238	\$2,043,836	\$1,988,387	\$2,043,824	\$2,133,996	\$ 9,972,281	
Fire								
- Apparatus Replacement	-	500,000	-	-	625,000	-	1,125,000	
Total Borrowed and/or Inside Levy	-	\$ 500,000	-	-	\$ 625,000	-	\$ 1,125,000	
Grand Total Selectmen	\$1,347,657	\$ 2,262,238	\$2,043,836	\$1,988,387	\$2,668,824	\$2,133,996	\$ 11,097,281	

Town of Wellesley
FY15 - FY19 Capital Improvement Plan
Facilities Maintenance Department Schedule

Building Description	FY15	FY16	FY17	FY18	FY19	5 Year Total
Townwide (Municipal)	34,400	24,500	17,000	47,000	13,000	135,900
Town Hall	114,000	20,000	193,000	126,000	178,000	631,000
Police	118,000	45,000	25,000	127,500	200,000	515,500
Fire Department Main (Headquarters)	143,000	68,000	78,000	89,000	165,000	543,000
Fire Department Central (Station 1)	20,000	20,000	43,000	-	15,000	98,000
Warren (Recreation and Health)	43,500	-	106,000	62,000	34,500	246,000
Morses Pond	5,000	2,750	10,000	3,000	-	20,750
Main Library	84,700	98,900	259,100	128,300	128,500	699,500
Hills Library	-	37,000	30,000	-	30,000	97,000
Fells Library	8,000	22,000	20,000	9,500	7,000	66,500
Subtotal Cash Capital - Municipal	570,600	338,150	781,100	592,300	771,000	3,053,150
Districtwide (Schools)	169,700	139,500	107,500	135,500	100,000	652,200
Preschool at Wellesley (PAWS)	23,700	10,000	-	-	-	33,700
Bates Elementary	168,500	8,000	99,000	139,000	56,000	470,500
Field House		17,000	15,000	8,000		40,000
Fiske Elementary	4,500	-	-	-	-	4,500
Hardy Elementary	173,000	30,000	-	-	-	203,000
Hunnewell Elementary	40,000	-	-	-	-	40,000
Sprague Elementary	52,000	55,000	99,000	99,000	99,000	404,000
Schofield Elementary	20,000	-	-	-	-	20,000
Upham Elementary	176,000	40,000	5,000	-	-	221,000
Middle School	90,000	550,000	250,000	325,000	150,000	1,365,000
High School	12,000	80,000	-	-	-	92,000
Subtotal Cash Capital - Districtwide	929,400	929,500	575,500	706,500	405,000	3,545,900
<i>Other Unidentified Cash Capital</i>	-	357,350	393,400	576,200	824,000	2,150,950
Total Cash Capital Requests	1,500,000	1,625,000	1,750,000	1,875,000	2,000,000	8,750,000
Middle School Donizetti Entrance	578,943	-	-	-	-	578,943
Middle School Auditorium Seating	512,000	-	-	-	-	512,000
Sprague Roof	596,334	-	-	-	-	596,334
Sprague Entry Plaza	596,334	-	-	-	-	596,334
Hunnewell Roof Repairs	201,278	-	-	-	-	201,278
District-wide Security Upgrades	-	910,000	-	-	-	910,000
Fire HQ Flooring	147,808	-	-	-	-	147,808
Fire HQ HVAC	660,000	-	-	-	-	660,000
Police HVAC	629,000	-	-	-	-	629,000
Warren Repairs	445,228	-	-	-	-	445,228
Design for New FMD Office	-	100,000	850,000	-	-	950,000
Warren HVAC	-	-	600,000	-	-	600,000
Fire Roof	-	-	-	615,000	-	615,000
Hills Library Roof Replacement	-	-	-	610,000	-	610,000
Total Borrowed Inside	4,366,925	1,010,000	1,450,000	1,225,000	-	8,051,925
Total FMD Capital Requests	5,866,925	2,635,000	3,200,000	3,100,000	2,000,000	16,801,925

Town of Wellesley
FY15- FY19 Capital Improvement Plan
NRC, Morses Pond & Library Departments

Capital Project		FY14	FY15	FY16	FY17	FY18	FY19	FY15-19 Total
Natural Resources	Tree Planting	40,000	40,000	40,000	40,000	40,000	40,000	200,000
	Trail System Improvements	-	-	5,000	5,000	5,000	5,000	20,000
	Park Sidewalk/Paths Emergency Repairs	20,000	20,000	20,000	20,000	20,000	20,000	100,000
	IPM Turf Plan Implementation	10,000	-	10,000	10,000	10,000	10,000	40,000
	Encroachment Boundary Markers	5,000	-	5,000	5,000	5,000	5,000	20,000
	Morses Pond Shore Erosion Study	-	-	-	15,000	-	-	15,000
	Kelley Tennis Court Assess. & Design Plan	-	-	-	10,000	-	-	10,000
	Comprehensive Pond Management	-	-	-	-	100,000	-	100,000
	Kelley Tennis Court Renovation	-	-	-	-	100,000	-	100,000
	Hunnewell Field Pervious Pavement Maint.	-	5,500	5,500	5,500	5,500	5,500	27,500
Natural Resources Subtotal	Abbott Pond Restoration Study	-	-	-	-	40,000	-	40,000
		75,000	65,500	85,500	110,500	325,500	85,500	672,500
Total Natural Resources	Perrin Park Play Structure Replacement (FC)	25,000	-	-	-	-	-	-
	Fuller Brook (CPC and Borrowing)	-	5,470,205	-	-	-	-	5,470,205
		100,000	5,535,705	85,500	110,500	325,500	85,500	6,142,705
Morses Pond	Web Design/Education, Education Program Development, Bylaw review, design permitting, construction/demo & monitoring of LID, hand harvesting support, planting	-	-	35,000	95,200	124,200	45,200	299,600
	Morses Pond Subtotal	-	-	35,000	95,200	124,200	45,200	299,600
Library	Computer Replacement	22,000	28,000	-	-	-	-	28,000
	Servers	8,000	8,000	-	-	-	-	8,000
	Replacement of Furnishings	5,000	5,000	-	-	-	-	5,000
	Replace Switches	8,000	5,000	-	-	-	-	5,000
	Total Library	43,000	46,000	46,000	46,000	46,000	46,000	230,000
Town Clerk	Election Equipment - hardware	62,550	-	-	-	-	-	-
	Voting Booths	7,000	7,000	7,000	6,000	-	-	20,000
	Election Software	10,000	-	-	-	-	-	-
	Total Town Clerk	79,550	7,000	7,000	6,000	-	-	20,000
Planning Board	Comprehensive	-	-	30,000	30,000	-	-	60,000
	Total Planning Board	-	-	30,000	30,000	-	-	60,000

Town of Wellesley
FY15- FY19 Capital Improvement Plan
School Department

Furniture/Fixtures/Equipment	FY14	FY15	FY16	FY17	FY18	FY19	FY15-19 Total
Instructional Equipment	28,720	100,068	10,000	10,000	10,000	100,000	230,068
Equipment							
Photocopiers	-	-	-	-	-	-	-
General Equipment	15,568	5,700	5,000	5,000	5,000	50,000	70,700
Infrastructure	34,256	10,371	-	-	-	-	10,371
Total General Equipment	49,824	16,071	5,000	5,000	5,000	50,000	81,071
Furniture/Furnishings	134,122	47,423	30,000	30,000	30,000	100,000	237,423
Subtotal FF&E	212,666	163,562	45,000	45,000	45,000	250,000	548,562
Technology	590,469	627,468	804,049	1,111,013	957,298	561,980	4,061,808
Grand Total - All Capital	803,135	791,030	849,049	1,156,013	1,002,298	811,980	4,610,370

Town of Wellesley
FY15- FY19 Capital Improvement Plan
Department of Public Works

Capital Project	FY14	FY15	FY16	FY17	FY18	FY19	FY15-19 Total
Cash Capital:							
Street Improvement	457,700	542,500	721,000	630,000	635,000	635,000	3,163,500
Sidewalk Restoration	80,000	100,000	160,000	160,000	160,000	160,000	740,000
Private Ways	20,000	20,000	20,000	20,000	20,000	20,000	100,000
Catch Basin Rehabilitation	-	-	200,000	200,000	200,000	200,000	800,000
RDF Container Replacement	22,500	22,500	25,000	25,000	25,000	-	97,500
Other Improvements	13,000	19,000	38,000	13,000	13,000	13,000	96,000
Vehicle/Equipment Procurement	718,800	701,000	811,000	928,900	1,220,000	833,000	4,493,900
Athletic/Playground Improvements	182,000	176,000	180,000	180,000	110,000	110,000	756,000
RDF Resurface Paved Areas	30,000	-	30,000	-	30,000	-	60,000
Hunnewell Football Field Fencing	-	-	-	70,000	-	-	70,000
Park/Highway Building Improvements	-	30,000	30,000	30,000	30,000	30,000	150,000
Park/Highway Washbay for Small Equipment	-	-	60,000	-	-	-	60,000
Total Cash	1,524,000	1,611,000	2,275,000	2,256,900	2,443,000	2,001,000	10,586,900
Other Funding Sources:							
DPW Street Resurfacing (chapter 90 funds)	207,300	542,000	601,000	720,000	720,000	720,000	3,303,000
Street Resurfacing - Washington Street (chap	700,000	-	-	-	-	-	-
Total Other:	907,300	542,000	601,000	720,000	720,000	720,000	3,303,000
Debt Capital Inside Levy:							
Street Rehabilitation - Cliff Road		-	150,000	1,250,000	-	-	1,400,000
Street Rehabilitation - Grove Street	-	-	-	150,000	1,750,000	-	1,900,000
Wales Street Bridge Reconstruction	400,000	-	-	-	-	-	-
Hunnewell Field Restroom Facility	-	-	175,000	-	-	-	175,000
Hunnewell Field Artificial Playing Surface	-	-	-	150,000	1,500,000	-	1,650,000
Hunnewell Field Reno Baseball Field	-	-	-	25,000	1,242,000	-	1,267,000
Park/Hwy Building Roof	-	-	680,000	-	-	-	680,000
Park/Hwy Building HVAC Rehab	1,000,000	-	-	-	-	-	-
Replacement/Renovation DPW Yard	-	-	-	900,000	1,000,000	-	1,900,000
DPW Fuel Depot Rehabilitation	-	-	-	250,000	-	-	250,000
Total Borrowed	1,400,000	-	1,005,000	2,725,000	5,492,000	-	9,222,000
Grand Total DPW	3,831,300	2,153,000	3,881,000	5,701,900	8,655,000	2,721,000	23,111,900