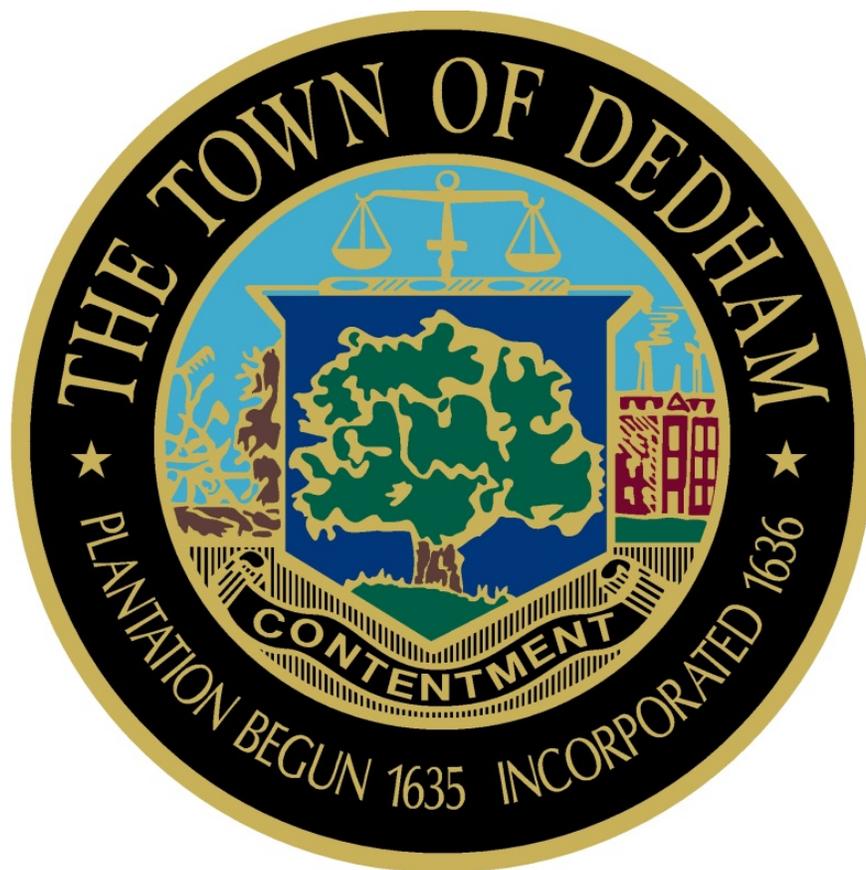


DEDHAM, MASSACHUSETTS



FISCAL YEAR 2015 BUDGET

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Section I. Introduction

Town Profile

The Town of Dedham is located in Norfolk County, Massachusetts. It was first settled in 1635 by inhabitants of Roxbury and Watertown, and incorporated in 1636. It has a total area of 10.6 square miles, of which 10.4 is land and 0.2 is water. It is bordered by Boston on the northeast, Needham on the northwest, Westwood on the southwest and Canton on the southeast, and is within close proximity to Routes 128, 1, 93 and 95, and interstate 109. The population at the 2010 census was 24,729.

The Town provides a full range of traditional municipal services, including police and fire protection, education, road maintenance, solid waste collection, health and human services, and cultural and recreational services. Sewer services are provided in conjunction with the Massachusetts Water Resources Authority (MWRA), and water is provided by the Dedham-Westwood Water District (DWWD). Commuter rail service to Boston's South Station is provided by the Massachusetts Bay Transportation Authority (MBTA).

Dedham is governed by a Home Rule Charter, certain provisions of which were amended during the FY2015 budget process. At the outset of FY2014, the Charter provided for a Representative Town Meeting / Board of Selectmen / Town Administrator form of government, with Town Meeting as the Legislative body, Board of Selectmen as the Executive body, and Town Administrator as the chief administrative officer. The Charter also provides for other two elected officials, the Town Clerk and Town Moderator. Town Meeting voted in November 2013 to amend the Charter by changing the title of Town Administrator to Town Manager, and to grant the Town Manager authority for appointment and supervision of all department head-level positions. In April 2014 the changes were approved by Town voters.

In addition to elected and appointed officials, Town policy and programs are impacted by the Town's various boards and committees, which vary in size, responsibility, and authority. In addition to the Board of Selectmen, the Charter provides for eight elected boards: the Board of Assessors; Planning Board; School Committee; Board of Health; Board of Library Trustees; Parks & Recreation Commission; Commissioners of Trust Funds; and Dedham Housing Authority. Additional boards and committees are appointed by the Town Moderator, Board of Selectmen, and Town Manager.

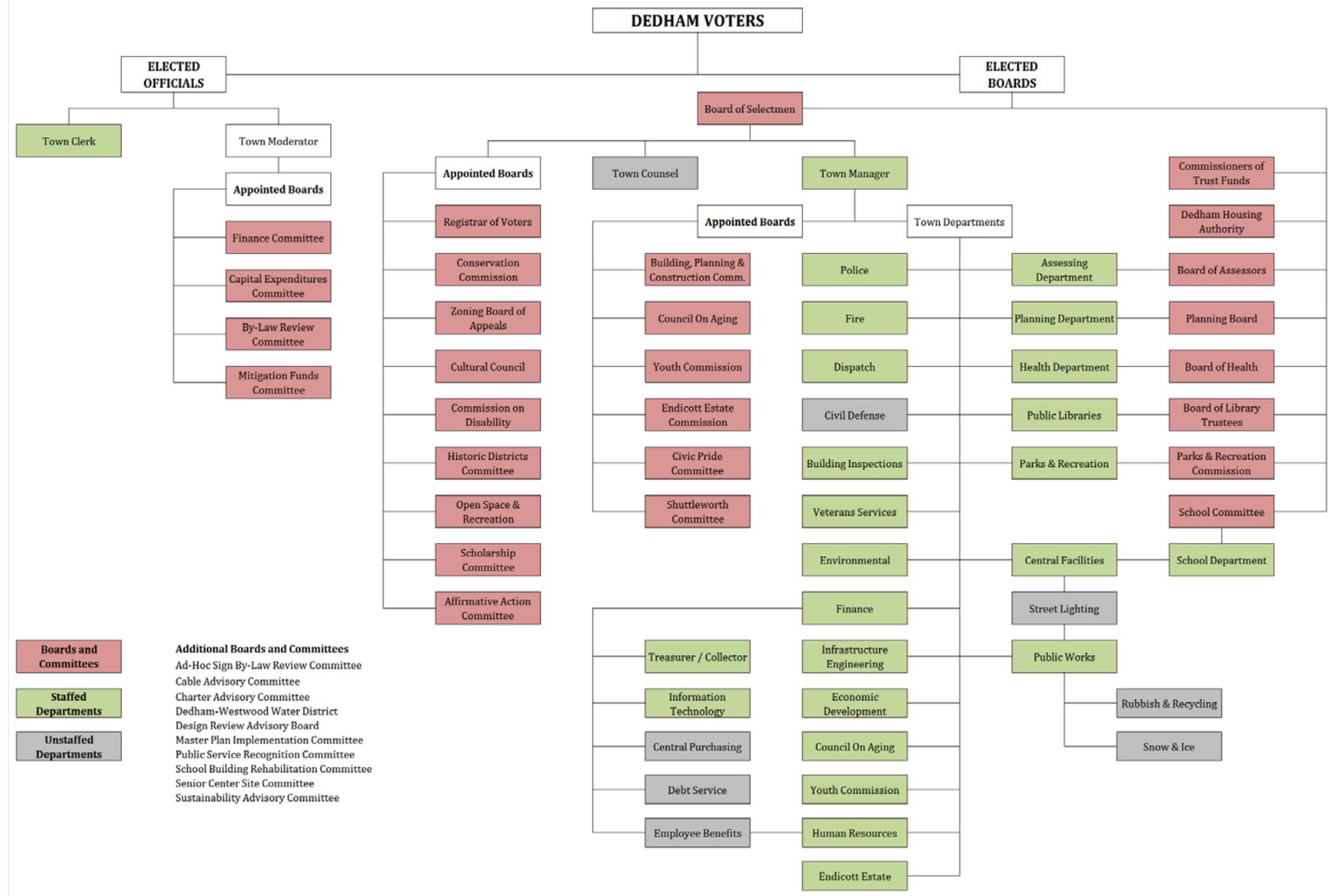
The seven-member School Committee appoints a School Superintendent who administers the public school system of the Town, with programs in seven schools:

1. Dedham High School
2. Dedham Middle School
3. Avery Elementary School
4. Greenlodge Elementary School
5. Oakdale Elementary School
6. Riverdale Elementary School
7. Capen Early Childhood Education Center

The School Committee also has custody and control of the former Dexter Elementary School.

School enrollment during the 2013-2014 school year was 2,818. Construction of the new Dedham Middle School was completed in 2007, and the new Avery Elementary School was occupied in 2013. The Town has also made renovations to the High School and other elementary schools.

Organization Chart



Boards and Committees

Staffed Departments

Unstaffed Departments

Additional Boards and Committees
 Ad-Hoc Sign By-Law Review Committee
 Cable Advisory Committee
 Charter Advisory Committee
 Dedham-Westwood Water District
 Design Review Advisory Board
 Master Plan Implementation Committee
 Public Service Recognition Committee
 School Building Rehabilitation Committee
 Senior Center Site Committee
 Sustainability Advisory Committee

Principal Officials, Boards, and Committees

As of May 19, 2014

Elected Officials

Board of Selectmen	James MacDonald, Chair Carmen Dellolacono, Vice Chair Michael Butler Dennis Guilfoyle Dennis Teehan
Town Moderator	Daniel Driscoll
Town Clerk	Paul Munchbach
School Committee	Joseph Heisler, Chair Jennifer Barsamian, Vice Chair Mayanne Briggs Susan Butler-Walko Kevin Coughlin Rachel McGregor Thomas Ryan

Finance Committee, appointed by Town Moderator

Russell C. Stamm, Chair
William A. Podolski, Vice Chair
Steve Bilafer
Susan Carney
Maureen Hanlon
John Heffernan
David Martin
Derek Moulton
Laura Timmins

Principal Executive Officers

Interim Town Manager	Nancy Baker
School Superintendent	June Doe

Management Officials

Department	Title	Name
Town Manager	Town Manager	Vacant
	Interim Town Manager	Nancy Baker
	Assistant Town Manager	Nancy Baker
Finance	Assistant to Administration	Marie Rizzo
	Director of Finance	Vacant
	Acting Director of Finance	Carol Coppola
	Treasurer/Collector	Jane Lepardo
	Assistant Director of Finance	William Ralph
	Town Accountant	Susan Shaw
	Budget Office	Chris Howell
	Information Technology Director	Veronica Barnes
	Assistant Information Technology Director	Vacant
	Assessors	Director of Assessments
Acting Director of Assessments		Richard Henderson
Human Resources	Human Resources Director	Miriam Johnson
Town Clerk	Town Clerk	Paul Munchbach
Conservation Commission	Conservation Consultant	Cynthia O'Connell
Environment	Environmental Coordinator	Virginia LeClair
Planning	Town Planner	Richard McCarthy
Economic Development	Economic Development Director	Karen O'Connell
Facilities	Facilities Director	Denise Moroney
Police	Police Chief	Michael D'Entremont
	Principal Department Assistant	Karen Camerano
	Acting Fire Chief	William Spillane
Fire	Building Commissioner	Ken Cimeno
Building	Superintendent	June Doe
School	Assistant Superintendent	Cynthia Kelly
	Director of Special Education	Kathy Gaudreau
	Asst to Superintendent, Business & Finance	Michael LaFrancesca
	Town Engineer	Jason Mammone
	Infrastructure Engineer	Deborah Finnigan
Engineering	GIS Manager	Leon Scott
	Project Engineer	Ronald Lawrence
	Public Works Director	Joseph Flanagan
	Health Director	Catherine Cardinale
Public Works	Health Director	Catherine Cardinale
Health	Council On Aging Director	Laura Leventhal
Council On Aging	Veterans Services Officer	William Aitken
Veterans Services	Youth Commission Director	Robert Blaney
Youth Commission	Library Director	Mary Ann Tricarico
Library	Parks & Recreation Director	Robert Stanley
Parks & Recreation	Assistant Parks & Recreation Director	Debra Anderson
	Endicott Estate Director	Erin Perron
Endicott Estate		

Section II. Budget Overview

The annual budget document outlines the Town's services to be provided and their financing, and is a key statement of the Town's policies, priorities, goals, and operations for the fiscal year. It is designed to communicate to a broad range of readers such as Town residents and businesses, other governmental entities, and the financial community.

Because of the time required to read and understand the entire document, the Budget Summary section is presented as a concise guide to key issues and aspects of the budget.¹ The budget summary describes:

- Key priorities and issues for the new fiscal year
- Major changes from the prior fiscal year
- Major financial factors and trends
- Financial summary data
- Balanced budget definition and discussion

Following the Budget Summary, three subsequent sections of the overview provide additional detail:

- Long-Term Strategic Goals and Strategies
- Short-Term Organization Factors: Those that influenced decisions during the development of the budget;
- Priorities and Issues: A budget message describing economic and policy issues facing the Town, actions taken to address them, and the evolution of priorities from the prior fiscal year

Budget Summary

Key Priorities and Issues for the New Fiscal Year

During the previous budget process, the key priorities were to take significant action to address the Town's long-term liabilities of OPEB, pensions, facilities, and infrastructure. These accomplishments in the prior fiscal year resulted in the Town's bond rating being upgraded to AAA in May 2013.²

While the overall national and local economic conditions have stabilized since the recession of the previous decade, certain ongoing uncertainties give the Town reason for caution. These include: the impact of possible federal budget reductions on local and state governments; increasing energy costs and their impact on inflation; and the impact of increasing health insurance costs.

¹ Government Financial Officers Association, Best Practice, Providing a Concise Summary of the Budget, approved by the Executive Board, 1996

² Standard & Poor's Ratings Services, Dedham, MA Bond Ratings Raised To 'AAA' On Robust Operations And Very Strong Reserves; Outlook Stable, May 23, 2013.

During the FY2015 budget process, Town leaders focused on limiting growth in the property tax rate while maintaining the long-term sustainability of costs and avoiding service reductions. With a budgetary theme of “Continuous Improvement”, the Town Administrator made concerted efforts to address the goals expressed in its Overall Financial Management Policies of long term solvency, service level solvency, and maintaining the highest possible bond rating.

To maintain service level solvency, the FY2015 budget includes full funding for all positions budgeted in FY2014 in all departments, as well as funding for the continuation of the following initiatives:

- Roads and Sidewalks: Dedham has made great strides in correcting previous decades worth of deferred maintenance to its infrastructure. The Town’s annual investment of \$2 million in its pavement management program has improved the pavement condition index (PCI) from 70 in 2006 to 79 in 2012. The pavement program is scheduled to move from improvement to a maintenance level at reduced cost within two years. The May 2014 Annual Town Meeting approved a process by which the Town’s private roads may be accepted as public ways, which may require the roads program to be sustained at level cost. The Capital Improvement Plan includes \$1,500,000 for the Roads program, \$400,000 for the annual Sidewalks & Miscellaneous Repairs program, and \$300,000 for the Rustcraft Road sidewalk design.
- Sewer Improvements: Through no-interest loans from the MWRA, the Town has improved its sewer system from one of the leakiest in that agency’s system to one of the most secure. The Capital Improvement Plan includes \$1,000,000 for the annual Inflow and Infiltration program and \$600,000 for the annual Drains & Sewer Repairs program.
- Cemeteries: Maintenance and improvements for the Town’s two cemeteries is fully funded, with \$25,000 funding for the active Brookdale Cemetery and \$50,000 for the inactive historic Village Cemetery, \$37,500 being transferred from the Perpetual Care Fund.
- Police Vehicles: The Police Department’s Cruiser Replacement program is fully funded, with \$152,000 for four vehicles and \$46,200 for two motorcycles.
- Fire Equipment: The Fire Department’s equipment replacement program is funded with \$104,000 for rescue equipment and \$30,000 for truck equipment. The department’s non-response vehicle replacement program is funded with \$40,000 to replace Car 2, the Deputy’s vehicle.
- School Facilities: With many of its schools having outlived their expected useful life, Dedham maintains its school facilities with annual programs to repair and replace their building systems. The Capital Improvement Plan includes \$150,000 for exterior door replacements, and \$300,000 for ceiling repairs and replacements.

- Technology: The Town's hardware replacement program is fully funded at \$100,000, and Dedham Public Schools' Technology program is fully funded with \$272,450 for computer and technology replacements.

Major Changes from the Prior Fiscal Year

The following new initiatives are reflected in the FY2015 budget:

- Dedham Coalition for Alcohol and Drug Awareness: In 2013, members of the Board of Selectmen, School Committee, Police Department, Board of Health, Youth Commission, and Parks and Recreation Commission visited nearby towns that have established coalitions to reduce drug and alcohol problems through education and assistance programs. In January 2014, the Board of Selectmen voted to form the Dedham Coalition for Drug and Alcohol Awareness, in order to raise awareness and educate residents about substance abuse problems in the community, work with residents to address the public health and public safety issue, and formally coordinate much of the work by Town departments in these areas that is already underway. The mission of the Coalition is to increase awareness of substance abuse within the community and enhance communication between parents, youth, educators, and residents utilizing evidence-based data in order to promote education, encourage prevention, and provide access to resources. The Board of Selectmen's FY2015 budget for Professional & Technical Services includes \$15,000 for the pilot program to cover the costs of outreach, education, and meetings.
- Human Resources Initiatives: The FY2014 budget established for the first time a stand-alone Human Resources Department, a long-standing goal of the Town. The Human Resources Director was hired in October 2013, and the department's first initiatives have included: review of all Town employees' classification and compensation; developing a Human Resources Information System (HRIS), a database for employees and employment information; developing a pilot performance evaluation program with the Engineering Department; reviewing the Town's employee benefits package; assisting in labor negotiations; and addressing regular issues related to personnel management with all Town departments. The FY2015 budget includes an increase of approximately \$15,000 for five new initiatives: bi-annual on-site offerings through the existing employee assistance program; intermediate and advanced employee trainings in Microsoft Office products; employment law postings at all worksites for state and federal compliance; a performance evaluation program for employees; and support service for the HRIS. The department's budget for Personnel Services also includes approximately \$7,500 as an allocated cost of 20% of an Administrative Assistant's salary that will be shared with the Veterans Services Department, to support maintenance of the HRIS, personnel files, and job descriptions; leave of absence tracking and coordination; new hire processing; and additional administrative functions.
- Environmental Programs: Using operating funds to establish a wildlife management program, the department completed an inventory of beaver management devices in FY2014 which it is now maintaining. Having established the wildlife program, the

department's funds were reallocated in the FY2015 budget to support programs run in conjunction with the Sustainability Advisory Committee, and for the annual Water Trail event, both of which were previously funded through mitigation funds. These programs include: recycling events for shredding, textiles, metals, and Styrofoam; a gardening program; and maintenance of the beaver management inventory.

- Funding for one additional Firefighter: In FY2014, the Fire Department received funding for an additional Firefighter position, which brought the department to a staffing level five below National Fire Protection Association (NFPA) standards. The FY2015 budget included funds for one additional Firefighter, bringing the department closer to full staffing by one, and each workgroup to equivalent staffing levels. A fuller description of the department's staffing is presented in the Departmental Section.
- Replace Engine 4: The Fire Department's front-line response vehicles include three engines and one ladder. In addition, one engine and one ladder are kept in reserve for periods when front-line vehicles undergo maintenance. With a useful life of 15 years, Engine 4, a 1999 American LaFrance, was due for replacement in 2014. The budget includes an authorized borrowing of \$500,000 to replace Engine 4.
- Increase for Dedham Public Schools: The FY2015 budget includes an increase of \$711,215 or 2.18% for the Dedham Public Schools operating budget, which was \$200,000 lower than requested. The Schools' budget proposal noted contractual obligations of \$831,520 for personnel, with no new positions. The reduction from the department's requested budget to the Town Administrator's budget recommendation was made in conjunction with several other areas of reduced funding during the budget process.

Still, the Town is maintaining a strong investment in its public school system. As calculated by the Department of Revenue,³ the Town's FY2014 contribution to its schools will be \$3,841,257 more than required by the State's Education formula.

A. FY2014 Foundation Budget	\$28,125,717
B. Maximum Local Contribution (A x 82.5%)	\$23,203,716
C. FY2013 Required Local Contribution	\$25,661,802
D. Municipal Revenue Growth Factor (Mass. Department of Revenue)	5.39%
E. FY2014 Preliminary Contribution (C x D)	\$27,044,973
F. Excess Local Effort (E - B)	\$3,841,257

- Blue Hills Regional School District (BHRSD): Dedham's enrollment in BHRSD is increasing by 21, from 56 students in FY2014 to 77 in FY2015, which accounts for 88% of the district's increase in pupil enrollment. As a result, the district's

³ Massachusetts Department of Revenue, Determination of City and Town Total Required Contribution FY14, Preliminary

assessment to Dedham increased by 49%, from \$973,390 to \$1,453,067. The FY2015 budget includes funding of \$1,410,353, the difference being due to projected enrollment.

- Engineering Design of Rustcraft Road Sidewalk: Since May 2009, the Department of Public Works has annually requested capital funding for the installation of a sidewalk on Rustcraft Road. Pedestrian traffic has grown considerably on the street following the development of Legacy Place, a 675,000 square foot shopping center, and the lack of a sidewalk has created significant public safety concerns. The project had failed to gain funding due to the estimated design and construction costs of over \$700,000. The FY2015 budget includes \$300,000 funding for project design, after which it will be submitted to the Massachusetts Department of Transportation's State Transportation Improvement Plan (STIP) for construction funding.
- Funding for additional Library Staff: The Dedham Public Libraries requested funding for various additional professional and support staffing. The FY2015 budget includes an additional \$23,260 in funding for salaries to increase two part-time Library Assistant positions to full-time.
- Parks & Recreation: The Parks & Recreation Department continues to become increasingly self-supporting, with program revenues funding an increasing share of seasonal program workers' wages. The FY2015 budget includes funding of \$120,635 for seasonal parks and recreation staff, equivalent to the FY2014 budget. The department will use \$49,903 of program revenues to fund 41.4% of these wages, an increase from FY2014 of \$10,347 or 8.6%. The FY2015 budget also includes funding for the following new initiatives:
 - *Parks lighting and security*: The department requested \$71,050 in capital funding for remote lighting and security systems for Memorial, Condon, and Fairbanks Parks. The budget includes \$25,500 for a pilot system installation at Memorial Park.
 - *Geotechnical Study for Manor Fields*: The budget includes \$25,000 for an engineering study of the Manor Fields as part of the Striar Property construction project.
 - *Increased funding for field maintenance*: The budget includes funding for improved parks and fields supplies and maintenance. By shifting the procurement of goose control services, custodial supplies, and office supplies to departments with greater budgetary flexibility through aggregated purchasing, the Parks & Recreation FY2015 Supplies budget retained approximately \$12,500 for seed, fertilizer, lime, paint, mulch, and infield mix. The department's Purchase of Services budget also includes new funding of \$10,000 for maintenance of the Mill Pond Park trails, trails developed by the Sustainability Advisory Committee and Environmental Department, and School fields.
- Endicott Estate: The Endicott Estate has also become more self-supporting through program revenues. Since the reorganization of the department in FY2013 with the hiring of the Endicott Estate Director, annual rental revenues have grown to nearly

double what was received in prior years. With the operations being run more in the manner of a business venture, the May 2014 Annual Town Meeting voted to create an Endicott Estate Enterprise Fund. While the department's FY2015 budget is appropriated in the General Fund, the Finance Department and Endicott Estate will work with the Massachusetts Department of Revenue to establish a methodology for the budget and accounting of the new enterprise fund for FY2016. The Estate continues to remain available for use by community and civic groups.

The department's FY2015 budget includes funding for a new position, Event Planner, which would provide event planning services and administrative support, as well as billable day-of coordination service for wedding parties. With this position, the department's staffing will have changed from positions for a property manager and security guard in FY2012, to a Director and Event Planner position, with per-diem support for daily operations.

- Debt Service: The FY2014 budget included the final debt payments on 13 borrowings with principal and interest over \$500,000. The FY2015 budget includes payment on 10 new borrowings with principal and interest of approximately \$400,000. The FY2015 budget includes \$8,257,386 in debt service funding, \$3,449,708 of which is for excluded debt. The Town's financial policies guide the Town to maintain non-excluded debt between 2% and 10% of the operating budget. The Town's FY2015 non-excluded debt of \$4,755,433 represents 5.2% of the operating budget.
- Other Post-Employment Benefits (OPEB): The FY2014 budget was the first in which the Town budgeted full funding of its actuarial Annual Required Contribution (ARC) in the operating budget. Having fully funded the ARC in FY2013 through savings from Municipal Health Insurance Reform, FY2015 will be the third consecutive year the Town has met this goal, with full funding of the ARC budgeted at \$1,674,110. As of the 6/30/12 valuation, when the Town had only partially pre-funded its liability, its funded ratio was 4.1%. Having fully funded the ARC for three years, that liability is projected to be 10.5% funded, an increase of 6.4%.

With the Town having begun full pre-funding in FY2012, the ARC for FY2015 as of the new valuation is reduced by approximately \$500,000 in comparison to the fully pre-funded ARC in the report as of 6/30/2012. These funds were appropriated in the FY2015 budget and will be available to further reduce this liability or to offset health insurance rate increases.

OPEB Funding Progress, 2012-2014⁴

	Partial Pre-Funding	Full Pre-Funding	Variance
(a) Actuarial valuation date	6/30/2012	6/30/2014	
Discount Rate	5.75%	7.50%	
(b) Actuarial Value of Assets	\$ 3,180,875	\$ 5,876,987	\$ 2,696,112
(c) Actuarial Accrued Liability (AAL)			
Active participants	\$ 44,026,248	\$ 26,661,085	
Retired participants	\$ 33,696,618	\$ 29,410,190	
Total AAL	\$ 77,722,866	\$ 56,071,275	
(d) Unfunded Actuarial Liability (UAL) (c-b)	\$ 74,541,991	\$ 50,194,288	\$ (24,347,703)
(e) Funded Ratio (b/c)	4.1%	10.5%	6.4%
(h) Normal Cost for FY	\$ 2,685,450	\$ 1,349,617	
(i) Amortization of UAL for FY	\$ 3,132,141	\$ 2,595,933	
(k) Annual Req. Contrib. (ARC) for FY (h+i)	\$ 5,817,591	\$ 3,945,550	\$ (1,872,041)

- Employee Benefits:

- *Health Insurance:* Among the Town's four health insurance plans, rates for FY2015 increased by an average of 9%, ranging from 18% (Blue Cross/Blue Shield) to 1.4% (Fallon). In addition to industry increases, a second factor in this increase was the West Suburban Health Group's (WSHG) ability to subsidize rates using fund reserves. In FY2014, WSHG used \$6 million to keep rate increases low. WSHG voted to use \$2 million of its \$16 million reserves to mitigate FY2015 rate increases. The Town's Human Resources Department has planned an education initiative to raise employee awareness of lower-cost plans, to encourage migration and savings for employees and the Town. The FY2015 budget reflects projected migration of 15%, in proportion to each plan's cost increase and current enrollment, for a budgetary increase of \$300,000 or 3.7%.
- *Deferred Compensation:* A deferred compensation program proposed by the Human Resources Director is a new benefit for the Town's management employees, in which longevity payments and days off are replaced by a deferred compensation package. Previously, regular full-time employees were eligible for a paid day off and an annual payment of \$150 after five years of employment with the Town, increasing by one paid day off and \$80 upon each subsequent five year period of employment up to a maximum of \$630 per year. These benefits were replaced by an annual contribution to a deferred compensation account for each management employee, beginning at \$250 for employees with less than five years of employment with the Town and increasing by \$250 for each subsequent five year period of employment. The cost of deferred compensation contributions is a cost increase of approximately \$14,000 over otherwise-scheduled longevity payments; however, the value of days worked with the elimination of longevity days would reduce the cost of this new benefit.
- *Life Insurance:* A second new employee benefit, also proposed by the Human Resources Director, is the increased payment for burial benefits from \$5,000

⁴ Data Source: Post Retirement Benefits Actuarial Valuations of Town of Dedham, Sherman Actuarial Services.

to \$15,000. This benefit is covered through the optional life insurance policy available to Town employees, and increases the Town's monthly premium from \$1,800 to \$5,400 for a total increase of \$43,200.

- **Operating Capital:** At the May 2013 Annual Town Meeting, the passage of Article 26 amended Town By-Laws Chapter 3, Section 9, Capital Expenditures Committee. This amendment defined "Operating Capital Expenditure" as a physical betterment costing at least \$10,000 with a useful life of at least three years, and directed that operating capital expenditures that are recurring, such as department vehicles, should be financed from the respective department operating budget in a separate line item. Certain programs for the maintenance and repairs of facilities and the acquisition of particular operating capital expenditures are appropriated for the first time in the operating budget as Operating Capital, whereas in previous years these requests would have been funded in the Capital Improvement Plan. In the first year of this manner of appropriations, Town Meeting approved \$1,611,150 toward all departments' Operating Capital, of \$2,033,200 requested.

Major Financial Factors and Trends

The past decade has been one of aggressive economic development and growth in Dedham. The two primary developments have been Legacy Place, a 675,000 square foot shopping center with an assessed valuation of \$91.5 million; and NewBridge on the Charles, an independent living retirement community and medical research facility with a taxable valuation of \$89.7 million. Other projects include retail redevelopment and upscale residential complexes. A trend toward mixed use development has generated significant increases in assessed property values, and the Town also completed a \$6.1 million infrastructure investment in the Dedham Square Improvement project.

Guided by the Town's financial policies, the Town continued to build reserves. The Town's unassigned fund balance in the General Fund is estimated to have grown \$4.3 million from FY2012 through the end of FY2014. During this period, fund balances in the General Stabilization and Robin Reyes Major Capital Facilities Stabilization Funds have grown almost \$4 million:

Unassigned fund balance and Reserves

	General Fund, Unassigned Fund Balance	General Stabilization Fund, Not committed	Robin Reyes Fund, Committed (Facilities)	Total
FY2012	\$7,249,350	\$3,949,260	\$2,604,861	\$13,803,471
FY2013	\$10,009,312	\$5,107,070	\$3,819,913	\$18,936,295
FY2014	\$11,558,940	\$5,466,924	\$5,051,157	\$22,077,021

The Robin Reyes Major Capital Facilities Stabilization Fund was established in November 2009 when Town Meeting adopted local option taxes on Meals and an additional 2% of Room Occupancy, and dedicated these new revenues to this new stabilization fund for facility projects. Through the third quarter of FY2014, the hotel/motel and meals taxes have generated \$4,697,889, with \$1,212,839 in annual trailing revenue. The May 2014

Annual Town Meeting approved a borrowing of \$28,250,000, the debt service to be paid with these revenues, which will be the first use of the fund. The borrowing will include costs for the acquisition of the Ames Schoolhouse, formerly a Town-owned property, its renovation to a combined Town Hall and Senior Center, followed by the renovation of the current Town Hall for a new Police Station.

The Town has also made efforts to fund its long-term liabilities for employee pensions and OPEB. Both of the liabilities' funding schedules project full funding prior to statutory requirements, providing the Town an additional area of moderate financial flexibility.

Long-term liability funding ratios

	OPEB liability	Pension liability
FY2006	0.0%	78.7%
FY2008	0.0%	92.0%
FY2010	1.9%	79.4%
FY2012	4.1%	71.9%
FY2014	10.5%	80.2%
Fully funded	2041	2026

In May 2013, Standard & Poor's raised the Town's long-term bond rating from AA+ to AAA, the agency's highest rating. In its bond rating rationale, the agency noted that the Town's long-term rating was upgraded based on credit strengths including Dedham's proximity to Boston, diverse tax base, economic demographics, financial policies, fund balance levels, low-to-moderate overall net debt burden, manageable capital needs, and well-funded pension system. In affirming the AAA rating in May 2014, the agency noted the following factors of the Town:

- Very strong economy;
- Very strong management;
- Very strong budgetary flexibility;
- Strong budgetary performance;
- Very strong liquidity;
- Very strong debt and contingent liabilities position; and
- Strong institutional framework.⁵

The following represents the Town's five-year revenue projections:

	2015	2016	2017	2018	2019
Property Tax	81,211,462	82,571,650	83,954,620	85,360,752	86,790,436
State Aid	7,406,676	7,667,687	7,937,896	8,217,627	8,507,216
Local Receipts	6,727,995	6,799,485	6,871,735	6,944,752	7,018,545
Other Sources	9,462,150	9,746,015	10,038,395	10,339,547	10,649,733
	104,808,283	106,784,837	108,802,645	110,862,678	112,965,930

⁵ Standard & Poor's Ratings Services, Dedham, Massachusetts: General Obligation, May 29, 2014.

The FY2015 budget includes \$8,257,386 in debt service funding, \$3,449,708 of which is for excluded debt. The Town's financial policies guide the Town to maintain non-excluded debt between 2% and 10% of the operating budget. The Town's FY2015 non-excluded debt of \$4,755,433 represents 5.2% of the operating budget.

Financial Summary Data
Sources of Funds (Revenues)

	FY2011	FY2012	FY2013	FY2014	FY2015
	Actual	Actual	Actual	Budget	Recommended
PROPERTY TAXES					
Prior Year Levy Limit	63,057,453	68,099,488	71,008,352	73,915,450	76,698,653
Amended New Growth	-	-	10,228	-	-
2.5% Increase	1,576,436	1,702,487	1,775,465	1,847,886	1,917,466
New Growth	3,465,599	1,206,377	1,121,405	1,198,803	750,000
New Growth Adjustment	-	-	-	(263,486)	-
Subtotal	68,099,488	71,008,352	73,915,450	76,698,653	79,366,119
Debt Exclusion	3,263,955	3,753,295	3,742,766	3,654,036	3,449,708
Levy Capacity (Unused)	-	-	-	(479,007)	(1,604,365)
Other Adjustment	-	(250,790)	-	-	-
PROPERTY TAX LEVY	71,363,443	74,510,857	77,658,216	79,873,682	81,211,462
LOCAL RECEIPTS					
Excise & Other Taxes	4,714,481	4,795,772	4,469,351	4,547,995	4,322,995
Motor Vehicle & Boat Excise	2,714,681	2,564,801	2,167,773	2,200,000	2,000,000
Local Option Room Occupancy Tax	923,802	1,054,932	1,104,535	1,174,578	1,174,578
Local Option Meals Tax	753,938	803,528	825,156	821,317	821,317
Penalty & Interest On Taxes	296,260	345,562	344,787	325,000	300,000
Payment In Lieu of Taxes	25,800	26,949	27,100	27,100	27,100
Departmental Revenue	1,049,953	1,035,088	1,080,751	1,002,500	917,500
Transfer Station & Stack Rentals	264,354	263,555	298,616	275,000	275,000
Medicaid Reimbursement	258,021	293,311	274,333	275,000	250,000
Health Department Fees	109,080	107,720	103,810	105,000	105,000
Police & Fire Details	88,269	77,673	77,861	77,500	77,500
Cemetery Fees	82,000	92,135	81,685	85,000	85,000
Other Departmental Revenue	248,229	200,694	244,446	185,000	125,000
Licenses & Permits	964,050	968,456	1,012,208	985,000	985,000
Building Permits & Inspections	742,677	741,120	768,350	750,000	750,000
Alcoholic Beverage Licenses	124,874	127,867	123,444	125,000	125,000
Fire Permits	43,189	44,331	49,240	45,000	45,000
Street Openings & Sewer Permits	20,765	22,055	28,088	25,000	25,000
Dog Permits	16,930	16,295	23,477	20,000	20,000
Other Licenses & Permits	15,615	16,788	19,609	20,000	20,000
Investment Income	446,605	344,161	150,132	225,000	225,000
Fines & Forfeits	139,328	156,348	163,100	157,500	157,500
RMV Fines Imposed By Court	126,583	141,056	141,486	135,000	135,000
Parking Fines	12,645	15,292	12,282	12,500	12,500
All Other Fines & Forfeits	100	-	9,332	10,000	10,000
All Other Misc / Non-Recurring	402,230	67,675	4,853	10,000	120,000
LOCAL RECEIPTS	7,716,647	7,367,500	6,880,395	6,927,995	6,727,995
STATE AID					
Education Aid	3,693,376	3,701,136	3,917,589	4,121,935	4,358,925
Chapter 70	3,631,768	3,651,265	3,890,648	4,078,925	4,312,268
Charter Tuition Reimbursement	48,695	34,411	10,917	26,920	30,238
School Lunch	12,913	15,460	16,024	16,090	16,419
Unrestricted General Municipal Aid	2,765,940	2,565,951	2,765,940	2,831,321	2,831,321
General Govt Programs & Offsets	253,037	207,498	226,595	201,294	216,430
Exemptions	146,319	143,409	139,302	135,828	134,800
Veterans Benefits	60,216	43,498	67,371	45,448	61,208
Public Libraries	20,780	20,591	19,922	20,018	20,422
Police Career Incentive	25,722	-	-	-	-
STATE AID	6,712,353	6,474,585	6,910,124	7,154,550	7,406,676
OTHER SOURCES					
Sewer Receipts	7,452,968	7,333,925	7,619,071	7,613,174	7,600,000
Free Cash	2,127,161	2,031,815	2,240,295	1,624,916	1,552,150
Other Available Funds	338,500	379,272	632,073	677,250	310,000
Mitigation Stabilization	775,000	722,802	334,454	-	-
OTHER SOURCES	10,693,629	10,467,814	10,825,893	9,915,340	9,462,150
TOTAL REVENUE	96,486,072	98,820,756	102,274,628	103,871,567	104,808,283

Uses of Funds (Expenditures)

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Budget	FY2015 Recommended
OPERATING BUDGET					
Administrative Services	4,527,298	4,368,084	4,263,471	4,743,976	5,085,833
Community Services	2,630,838	2,655,272	2,626,696	2,770,201	2,860,378
Debt Service	7,514,745	8,698,763	8,838,817	9,125,570	8,257,386
Education	33,317,377	34,233,520	32,865,486	33,663,090	34,757,605
Employee Benefits	13,070,257	13,755,352	14,091,708	14,607,730	15,698,650
Facilities	-	-	4,034,813	4,944,858	5,081,529
Public Safety	10,756,933	11,093,685	10,971,676	11,448,509	11,539,586
Public Works	6,347,701	5,307,983	6,211,801	6,357,089	6,045,597
Operating Capital	-	-	-	-	1,611,150
OPERATING EXPENSES	78,165,149	80,112,660	83,904,469	87,661,023	90,937,714
LOCAL ASSESSMENTS					
Non-Bonded Capital	3,540,796	2,990,700	4,026,495	2,932,166	1,600,000
Overlay Reserve	2,800,787	2,805,000	2,575,947	2,500,000	2,250,000
Reserve for Special Articles	125,000	769,685	705,363	773,157	486,340
Transfer to Robin Reyes Fund	1,061,872	1,155,172	1,193,334	1,220,261	1,425,033
Transfer to Mitigation Stabilization	750,000	722,802	334,454	-	-
MWRA Assessment	4,715,220	4,809,110	4,918,346	4,924,268	5,028,656
Snow & Ice Deficit	275,378	-	570,000	700,500	650,500
LOCAL ASSESSMENTS	13,269,053	13,252,469	14,323,939	13,050,352	11,440,529
STATE ASSESSMENTS (NON-DISCRETIONARY)					
Retired Teachers Health Insurance	1,464,276	1,357,280	1,380,182	1,392,520	1,397,499
MBTA/Transit Assessment	502,371	498,691	522,543	528,210	531,471
County Assessment	186,263	191,997	196,797	200,840	205,861
Charter School Sending Tuition	164,933	151,224	106,270	179,097	180,075
Mosquito Control	54,746	57,414	59,148	62,105	63,859
School Choice Sending Tuition	-	15,000	15,000	19,900	13,250
RMV Non-Renewal Surcharge	24,600	31,640	29,820	19,880	21,660
Air Pollution	7,712	7,987	8,198	8,484	8,464
Metropolitan Area Planning Council	7,247	7,373	7,604	7,794	7,901
Special Ed. Charges Against Receipts	2,051	2,152	1,656	359	-
STATE ASSESSMENTS	2,414,199	2,320,758	2,327,218	2,419,189	2,430,040
TOTAL EXPENSES	93,848,401	95,685,887	100,555,625	103,130,564	104,808,283

As adopted by Annual Town Meeting, May 19, 2014

Balanced Budget

The Massachusetts Department of Revenue approves municipal tax rates to ensure that municipalities have balanced budgets and tax levies within statutory limits. In order for the tax rate to be certified, all anticipated expenditures must be offset with revenues available to offset those expenditures. The amount of revenue necessary for that reconciliation establishes the amount of revenue that must be raised through property taxation within the constraints of Proposition 2½, which establishes the maximum amount of property tax that a city or town may levy each year. Thus, a balanced budget is defined as one in which revenues are greater than or equal to expenditures.

The FY2015 budget is balanced, with \$104,808,283 in revenues and \$104,808,283 in expenditures.

Long-Term Goals and Strategies

A long-term goal of the Town stated in its Overall Financial Management Policies has been to maintain the highest possible bond rating (see Section III, Financial Policies). Over the previous decade, the Town's bond rating had been upgraded from AA to AA+ and from AA+ to AAA. Over this time, the Town has worked to develop and maintain practices to support the long-term sustainability of its finances and services.

Meaningful steps that the Town had taken during this period include:

- Concentrated focus on economic development
- Funding long-term pension and OPEB liabilities
- Completing Municipal Health Insurance Reform
- Adopting local option taxes dedicated to facilities
- Maintaining capital infrastructure and increasing investment
- Updating and enhancing financial policies

Economic Development

The past decade has been one of aggressive economic development growth in Town. During this period, the Town has issued nearly 12,000 building permits that have generated over \$1 billion in assessed tax valuation.

The major developments that have emerged over this period are:

- Legacy Place, a 675,000 square foot shopping center with an assessed valuation of \$91.5 million;
- Dedham Square Improvement, a \$6.1 million infrastructure investment in the downtown completed in 2013, supported by a \$1.7 million grant to the Town from the Commonwealth;
- NewBridge on the Charles, an independent living retirement community and medical research facility with a total valuation of \$180 million, of which \$89.7 million is taxable;
- OCW Retail, a redevelopment of the Dedham Mall with a new assessed value of \$46.2 million; and
- Dedham at Jefferson Station and Station 250, two upscale apartment complexes with proximity to Legacy Place and commuter options.

With a recent trend toward mixed use development, the Town has realized several significant increases in assessed property values.

Property	Units	Pre-Development Value	Post-Development Value
125 Washington Street	42	\$402,300	\$4,600,000
420 Washington Street	26	\$483,000	\$4,882,500
439 Washington Street	10	\$167,100	\$1,613,900

Additional mixed use projects are ongoing as well, with a 27-unit property at 333 East Street and a 12-unit property at 321 High Street. The Town has also identified medical office space and outpatient facilities as a key growth area for economic development.

Pension Funding

The Town contributes to the Town of Dedham Contributory Retirement System, a defined benefit pension plan for the Town and Dedham Housing Authority. Substantially all employees of the Town, except teachers and certain administrative personnel of the School Department, participate in the Retirement System. The Town has adopted provisions of Massachusetts General Laws (“MGL”) Chapter 32, Section 22D, which require that a funding schedule be established to fully fund the accrued pension liability by June 30, 2040. The Town’s actuarial funding schedule is calculated to fully fund the accrued liability by June 30, 2026. As of January 1, 2014, the Town had funded 78.5% of its accrued actuarial liability.⁶

OPEB Funding

In addition to pension benefits, the Town provides health and life insurance benefits to current and future retirees, their dependents and beneficiaries in accordance with MGL Chapter 32B. The Town’s annual OPEB cost is calculated based on the annual required contribution (ARC), an actuarially determined amount calculated in accordance with GASB Statement #45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded liabilities over a period of up to 30 years.

The Town has made significant efforts to increase its contribution to the plan from a pay-as-you-go basis to fully fund the actuarial accrued liability. The Town’s funding progress through FY2014 is illustrated below:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio
6/30/2014	\$5,876,987	\$56,071,275	\$50,194,288	10.5%
6/30/2012	\$3,180,875	\$77,722,866	\$74,541,991	4.1%
6/30/2010	\$1,403,793	\$74,018,559	\$72,614,766	1.9%
1/1/2008	\$0	\$112,625,512	\$112,625,512	0.0%

⁶ Town of Dedham Contributory Retirement System Primary Results Comparison, Sherman Actuarial Services, March 10, 2014.

In FY2013, the Town used savings from Municipal Health Insurance Reform to fully fund the ARC for the first time. The FY2014 budget was the first to include full funding of the ARC, and the ARC is fully funded in the FY2015 budget as well.

Municipal Health Insurance Reform

In March 2012, the Town reached agreement with a committee of employees to restructure the Town's health insurance plans through the state's Health Insurance Reform Act of 2011. By moving to Rate Saver Plans with lower monthly premiums and higher copays, the Town saved \$1.7 million in FY2013 health insurance costs. From those savings, \$484,445 went to a mitigation account for impacted employees. The balance was used to fund the Town's OPEB cost, which enabled the Town to fully fund its ARC for the first time.

Local Option Taxes

In 2009, the Commonwealth created new legislation in MGL Chapter 64L, Section 2 and Chapter 64G, Section 3A, which allow an additional allocation of 0.75% of the Meals Excise tax and an increase from 4% to 6% in the Hotel/Motel Excise tax upon local acceptance. In November 2009, Town Meeting approved warrant articles submitted by the Board of Selectmen to adopt each of these local options, effective January 1, 2010. With the acceptance of these local option taxes, Town Meeting approved an additional article establishing the Major Capital Facilities Stabilization Fund for the purpose of segregating funds for major facility improvements, replacements, or construction.

Following the creation of this fund, the Board of Selectmen voted to form the Major Capital Facilities Stabilization Fund Use Policy Committee, to determine a policy for use of these funds. The Committee recommended that the fund be used solely for the major renovation of existing buildings, the construction of new buildings, or acquisition of existing buildings that meet the Town's needs, with a minimum threshold of \$4,000,000, and that the fund maintain a minimum fund balance of \$1,000,000 (See Section III, Financial Policies).

Through the third quarter of FY2014, the hotel/motel and meals taxes have generated \$4,697,889, with \$1,212,839 in annual trailing revenue.

Capital Improvements

The Town has continued to invest in capital improvements. In the past decade, the Town has invested over \$120 million in improving facilities and infrastructure. The following were key capital initiatives:

- Public works: Street, sidewalk, and sewer infrastructure maintenance funded principally through the Massachusetts Highway Department Chapter 90 program, MWRA, and MWPAT notes, and bond issuances over \$35 million.
- Schools: Upgrades to educational facilities including construction of the Dedham Middle School and Avery Elementary School, over \$60 million funded principally through bond issuances and MSBA reimbursements.
- Energy efficiency improvements to public buildings over \$14 million.
- Various other improvements and additions of equipment for public safety, culture, and recreation, over \$11 million.

Updated and Codified Financial Policies

In August of 1998, the Town established three financial policies: Overall Financial Management; Debt Management; and Investment. These were each reviewed and revised in February of 2003, and again in May of 2012, by members of the Board of Selectmen, Finance Committee, and School Committee, and the Town Administrator, Finance Director, Town Treasurer, and School Superintendent. A fourth policy was established in May of 2012, defining and outlining the process for capital improvements.

Following the recommendation of Standard & Poor's in May 2013, these policies were codified into By-law at the May 2014 Annual Town Meeting.

Short-Term Organization Factors

The primary factor in developing the FY2015 budget was the desire to limiting growth in the property tax rate; however this did not preclude the simultaneous desire to maintain service levels and implement new initiatives.

Following an analysis of comparable communities' staffing levels and the Town's desired services, the Town Administrator's budget recommendations included the addition of three new positions: one additional Firefighter; one additional Library Assistant; and one Event Planner, a new position for the Endicott Estate. Also, the Town's practice has been to analyze vacant positions as they occur to identify opportunities to achieve initiatives that require organizational restructuring. Following the promotion of the Veterans Services Administrative Assistant to Inspections' Building Clerk, 20% of the position in Veterans Services was allocated to Human Resources to support the new department's administrative projects.

The 2014 Annual Town Meeting approved funding for each of the Town's nine collective bargaining unit contracts, all of which except for the Parks Unit had been unsettled since June 30, 2012. The Town's two Public Works bargaining units were approved cost of living adjustments of 1%, 2%, and 2% for Fiscal Years 2013, 2014, and 2015, with employees' share of health insurance premiums reduced from 25% to 20%. With all other units' share of health insurance already at 20%, cost of living adjustments of 1%, 2%, and 3% were approved. The Town views these as modest but reasonable increases given the current level of economic growth and employee benefit packages in place.

Priorities and Issues during the Budget Process

Growth of the Town's main source of revenues, property taxes, is capped by Proposition 2½ and can only be overridden through a ballot by the voters. While revenue increases have been limited in recent years, fixed costs, including health insurance and pension costs, have increased more proportionally.

Controlling the rate of growth in the residential property tax was the foremost priority during the budget process. The Town Administrator's initial budget recommendation of \$105,834,263 represented a 2.9% increase from FY2014, with a property tax levy of \$82,815,827. Following the direction of the Board of Selectmen, the Town Administrator's revised the budget recommendation to \$104,808,283, a 1.6% increase with a property tax levy of \$81,211,462.

The reduction in the budget was accomplished with reduced funding for:

- \$363,500 Capital projects as recommended by Capital Expenditures Committee
- \$250,000 General Stabilization Fund
- \$250,000 Overlay Reserve
- \$200,000 Finance Committee Reserve Fund
- \$100,000 Snow & Ice Deficit
- \$100,000 Reserve for Special Articles

The 2.5% increase in the property tax levy allowed Proposition 2½ for FY2015 was \$1,917,466. Of this, \$313,101, or 0.4%, was used. This marks the second consecutive year the Town will leave unused levy capacity. In FY2014, the Town levied \$479,007 less than was allowed. That amount and the \$1,604,365 balance of levy capacity unused in FY2015 give the Town \$2,083,372 in available levy capacity for future years should it be needed.

The Board of Selectmen's commitment to long-term sustainability of costs and services has been a major priority for the budget cycles of the past few years. Building on the FY2014 budget theme of "A Sustainable Framework for Dedham", the FY2015 budget's theme of "Continuous Improvement" further addressed issues of long-term financial, environmental, capital, and social sustainability. In summary, as mentioned earlier in the Budget Overview the following new initiatives are reflected in the budget:

- Dedham Coalition for Alcohol and Drug Awareness
- Human Resources Initiatives
- Environmental Programs
- Funding for additional Fire, Library, and Endicott Estate positions
- Increased funding for Dedham Public Schools and Blue Hills Regional School District
- Engineering Design of Rustcraft Road Sidewalk
- Parks & Recreation lighting and security system, Geotechnical study for Manor Fields, and increased funding for field maintenance
- Endicott Estate Enterprise Fund
- Improved deferred compensation and life insurance employee benefits
- Operating capital

Section III. Financial Structure, Policy, and Process

Fund Descriptions and Fund Structure

The Town adopts an annual appropriated budget for its General Fund and Sewer Enterprise Fund. In May 2014, Annual Town Meeting approved the creation of an enterprise fund for operating the Endicott Estate as well. The FY2015 Endicott Estate operating budget was adopted in the General Fund; in future years it will be segregated in the enterprise fund.

The budget presents the General Fund and Sewer Enterprise Fund, which are required to be appropriated by Town Meeting in accordance with Massachusetts General Laws, as well as capital and stabilization funds. Funds that are appropriated in the FY2015 budget are highlighted in **bold**.

The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Each of the funds of the Town can be categorized as governmental, proprietary, or fiduciary funds.

Governmental funds

Governmental funds are used to account for the functions reported as governmental activities in the financial statements: General government; Public safety; Education; Public Works; Human services; Culture and recreation; and Debt Service. There are five types of governmental funds: the General Fund; stabilization funds; special revenue funds; capital project funds; and permanent funds.

- The **General Fund** (Fund 001) is a common pool for all revenues collected by any department of the Town. It is the Town's primary operating fund and its only major fund. It accounts for all financial resources of the general government except those segregated for a specific purpose authorized by statute or a special act. The General Fund also contains appropriations in the **Special Articles Fund** (Fund 002), which consists of non-revenue-generating activities that are restricted to expenditures for a specific purpose.
- Capital project funds are used to account for financial resources and activities that are restricted or committed to the acquisition, renovation, or construction of significant capital assets, excluding those associated with business-type activities.
- Stabilization Funds: Used to maintain reserves to enhance the Town's fiscal stability. Stabilization funds include: **General Stabilization**; the **Robin Reyes Major Capital Facilities Stabilization Fund**; and Mitigation Stabilization.
- Special revenue funds are used to account for the proceeds of revenue-generating activities that are legally or programmatically restricted or committed to expenditures for specific purposes other than debt service or capital projects. Special revenue fund activities are categorized as grants, gift funds, revolving funds, and receipts reserved for appropriation. These funds do not require appropriation, and are generally not involved in the annual budget process.
- Permanent funds hold funds that are restricted so that only the earnings and not the principal may be used for purposes that support governmental programs. These funds are not involved in the annual budget process.

A full list of the Town's governmental funds is listed in the Appendix.

Proprietary funds

Proprietary funds are used to account for services that are operated as business-like activities and reported as such in the financial statements, and for which the Town intends to fund the services through user charges. The Town maintains one proprietary fund, the **Sewer Enterprise Fund**, to account for user charges collected to finance costs associated with maintaining the related infrastructure within Town boundaries by which the sewer activities are processed. A second proprietary fund, the Endicott Estate Enterprise Fund, was created by vote of the May 2014 Annual Town Meeting, to segregate revenues generated by use and rental of the Endicott Estate. The Endicott Estate Enterprise Fund budget will be adopted in that fund in FY2016.

Fiduciary funds

Fiduciary funds are used to account for resources held in a trustee capacity for the benefit of parties outside the government that may not be used for governmental programs. These include expendable trusts, non-expendable trusts, pension trusts, and other agency funds.

The Town maintains two trust funds for the long-term liabilities of its employees' pension and retirement benefits:

- The Pension Trust Fund is used to account for the activities of the retirement system, which accumulates resources for pension benefits to retired Town employees. The Pension Trust is under the management of the Dedham Retirement Board, a legally separate entity from the Town.
- The **Other Post-Employment Benefits Liability Trust Fund** is used to accumulate funds for future payments of retiree benefits such as health and life insurance.

In addition, the Town's fiduciary funds include:

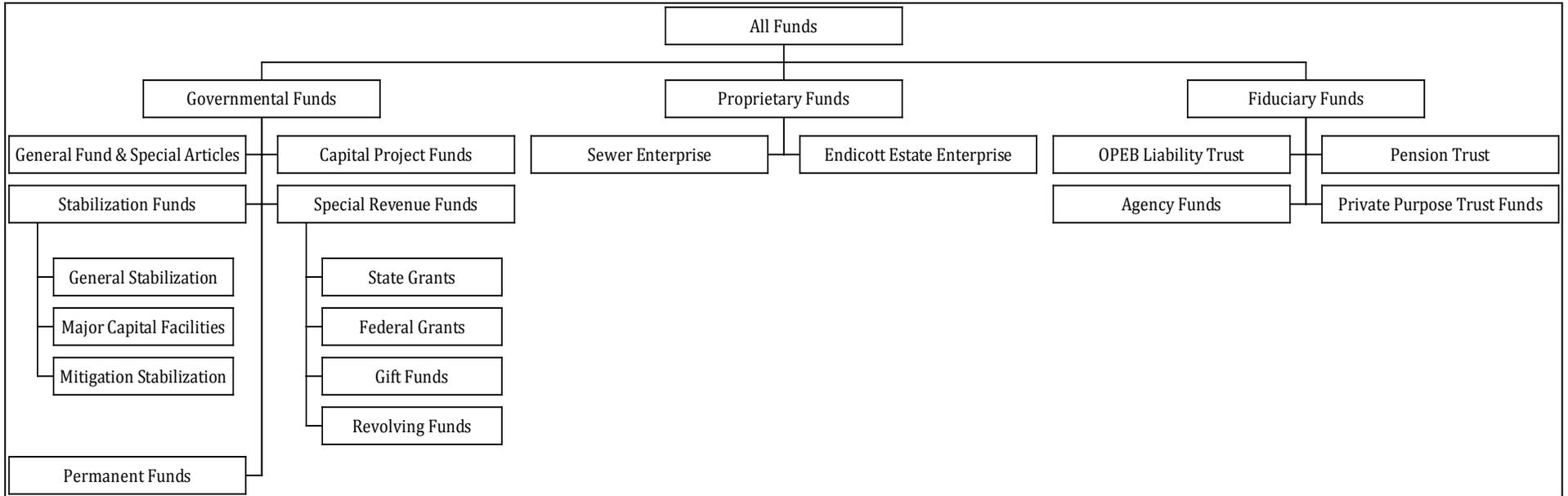
- Agency funds: Used to account for assets held by the Town in a custodial capacity. These are used primarily for private public safety details, developer deposits, scholarships, and student activities;
- Private purpose trust funds: Used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments. These funds are used for educational scholarships and needy citizens.

A full list of the Town's fiduciary funds is listed in the Appendix.

Basis of Budgeting

The Town uses fund accounting to ensure and demonstrate compliance with legal requirements. The basis of budgeting is the same as the basis of accounting used in the Town's audited financial statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Proprietary funds and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Department/Fund Relationship
Fund Structure



Financial Policies

The Town of Dedham has adopted four financial policies:

1. Overall Financial Management Policies;
2. Debt Management Policy;
3. Investment Policy; and
4. Capital Policy & Process

The Overall Financial Management, Debt Management, and Investment Policies were originally created in 1998, and revised in 2003 and again in 2012. The Capital Policy and Process was written in 2012 in order to describe the process and participants in the capital budget process. In May 2014, Town Meeting codified these four policies into By-law.

In addition, the executive summary of the Major Capital Facilities Stabilization Fund Use Policy Committee's report is included, as its recommendations guide the use of those funds.

Balanced budget

The Overall Financial Management Policies defines a balanced budget in the terms required by statute. The Massachusetts Department of Revenue approves municipal tax rates to ensure that municipalities have balanced budgets and tax levies within statutory limits. In order for the tax rate to be certified, all anticipated expenditures must be reconciled with revenues available to offset those expenditures. The amount of revenue necessary for that reconciliation establishes the amount of revenue that must be raised through property taxation within the constraints of Proposition 2½, which establishes the maximum amount of property tax that a city or town may levy each year. Thus, a balanced budget is defined as one in which revenues are greater than or equal to expenditures.

TOWN OF DEDHAM OVERALL FINANCIAL MANAGEMENT POLICIES

Introduction

Recognizing the importance of sound financial policies and continuity in their application, the policy makers and senior management of the Town of Dedham adopted broad policies on finance, investment, and debt. Although the basic principles that were previously adopted still guide the Town's financial management, we have evaluated the policies based upon our experience and changes in law, the economy and market conditions. The codification of these principles demonstrates our resolve to affirm to Town meeting and the taxpayers that Dedham will continue to conduct business on a fiscally responsible basis.

The following financial principles set forth the broad framework for overall fiscal planning and management of the Town of Dedham's resources. In addition, these principles address both current activities and long-term planning. The principles are intended to be advisory in nature and serve as a point of reference for all policy-makers, administrators and advisors. It is fully understood that Town Meeting retains the full right to appropriate funds and incur debt at levels it deems appropriate, subject of course to statutory limits such as Proposition 2½.

The principles outlined in this policy are designed to ensure the Town's sound financial condition now and in the future. Sound Financial Condition may be defined as:

- *Cash Solvency* - the ability to pay bills in a timely fashion
- *Budgetary Solvency* - the ability to annually balance the budget
- *Long Term Solvency* - the ability to pay future costs
- *Service Level Solvency* - the ability to provide needed and desired services

It is equally important that the Town maintain flexibility in its finances to ensure that the Town is in a position to react and respond to changes in the economy and new service challenges without measurable financial stress.

Financial Goals

1. It shall be the Town's goal to maintain the highest possible bond rating.
2. It shall be the goal of the Town to achieve and maintain a balance in the General Stabilization Fund of from 5% to 10% of its operating budget.
3. In order to assure long-term solvency, it shall be the goal of the annual budget to meet the actuarial annual required contribution (ARC) necessary to fully fund the Town's future pension, health care and other post-retirement benefits.

The financial goals are necessary to maintain a sustainable budget model and provide complete disclosure of current and future conditions. Annually the Town Administrator shall include a statement in the comprehensive Annual Budget Message identifying our progress toward meeting the above goals. The Finance Committee shall include a similar statement in the Annual Town Meeting Warrant Book.

Policy Principles

1. The Town Administrator shall annually prepare a balanced budget and comprehensive Budget Message as required by state law and town charter. The Budget Message shall include a detailed examination of trends in tax levy "new growth" revenues, local receipts, state aid, and available funds and a report on the status of maintaining or achieving the goals stated herein.
2. The town will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing expenditures, accruing future years' revenues, rolling over short-term debt.
3. Ongoing operating costs will be funded by ongoing operating revenue sources. This protects the Town from fluctuating service levels and avoids concern when one-time revenues are reduced or removed. In addition:
 - a. Fund balances should be used only for one-time expenditures such as capital improvements, capital equipment and unexpected or extraordinary expenses such as unbudgeted snow and ice removal expenses.
 - b. New operating costs associated with capital projects should be funded through the operating budget but reflected in the capital improvement plan.
 - c. The annual unrestricted fund balance shall not be considered in balancing the current year budget. Once certified, however, the Free Cash from the prior year shall be available for appropriation at any Town Meeting.
4. The Town will maintain a Stabilization Fund as its main financial reserve in the event of an emergency or extraordinary need. Expenditures of the General Stabilization Fund shall be made only upon the recommendation of a two-thirds majority of the Board of Selectmen and of the Finance Committee.
5. Annual debt service, exclusive of debt exempt from Proposition 2 $\frac{1}{2}$ limits and financed directly with additional taxes, should be no more than 10% nor less than 2% of the annual operating budget. The Town should strive to issue debt for shorter periods than the maximum allowable when the statutory limit exceeds 10 years. Please refer to the Town's "Debt Management Policy" for a more complete discussion of this subject matter.
6. Investment practices will be in accordance with the Town's "Investment Policy."

Policy Endorsement

Signed, Dated May 2, 2012

James A. MacDonald, Chairman, Board of Selectmen

William Keegan, Town Administrator

Robin Reyes, Town Treasurer

Mariellen P. Murphy, Finance Director

David N. Martin, Chairman, Finance Committee

June M. Doe, School Superintendent

Mayanne MacDonald Briggs, Chairman, School Committee

Revisions

Rev 0: August 8, 1998

Rev 1: February 5, 2003

TOWN OF DEDHAM DEBT MANAGEMENT POLICY

A. Introduction

The use of long-term debt is a common and often necessary way for a community to address major infrastructure and equipment needs. It is also a means of spreading the cost of large capital projects over a larger, changing population base. However, when a local government incurs long-term debt, it establishes a fixed obligation for many years. Accumulation of such fixed burdens can become so great that a local government finds it difficult to pay both its operational costs and debt service charges. Great care and planning must therefore be taken when incurring long-term debt to avoid placing a strain on future revenues. The purpose of this policy is to establish guidelines governing the use of long-term debt and demonstrate our commitment to full and timely repayment of all debt issued.

Massachusetts General Laws, Chapter 44, Sections 7 & 8 regulate the purposes for which municipalities may incur debt, and the maximum maturity for bonds issued for each purpose. MGL Ch 44, Sec 10 specifies the debt limit for towns as a percentage of Equalized Valuation. There are two "annual" limitations applicable to municipal debt. First, if a municipality borrows \$5 million in a fiscal year, it may be subject to a federal arbitrage penalty, unless the money raised by borrowing is spent within certain time periods (10% within 6 months; 45% within 12 months; 75% within 18 months; 100% within 2 years-5% contingency allowed). If a borrowing is over \$10 million (in one calendar year), it is considered not to be "bank qualified." (N B. These limitations do not apply to loans from a state agency, such as the MWRA and MWPAT.) "Non-qualified" issues prohibit some banking and underwriting institutions from bidding on the Town's debt, since the bidder, if holding the security in portfolio will not be allowed to deduct the interest expense (IRS Code 1986 Section 265 (b) (3)).

Massachusetts General Law allows communities, subject to voter approval, to exclude certain debt from the limits imposed by Proposition 2½ ("excluded debt"). A voter-approved exclusion for the purpose of raising funds for debt service costs is referred to as a debt exclusion. The Town considers this to be an important component of its debt management program. All references to debt service ceiling limits and debt strategies which follow are exclusive of such voter approved exclusions.

B. Capital Improvement Plan

It is the goal of the Town to provide a safe, pleasant and sustainable physical environment for its residents and businesses. The Town will establish and maintain a five (5) year Capital Improvement Plan (CIP), which will support that goal and which will include all proposed projects and acquisitions that meet the Town's criteria for capital items. Projects and acquisitions within the CIP will be prioritized as to the needs of the Town, the ability to fund them and foreseeable circumstances. The Town will establish policies for the verification of costs and schedules, for the

addition and removal of items, for the review of long-standing low priority items, and other procedures that will ensure long-term foresight, stability and fairness.

For the purposes of the CIP, "capital items" are assets or improvements to assets acquired through construction or purchase, each of which is non-recurring and has a useful life greater than one year. Design or feasibility studies directly related to such assets may be included in the CIP. The funding of capital items should reflect the prioritized needs of the departments, the financial circumstances of the Town, and the economic environment of the region. However, the following are the recommended guidelines.

C. Capital Improvement Financing

Capital items costing less than \$10,000 each need not be included in the CIP and should be funded in the annual operating budget.

Capital items costing more than \$10,000 but less than \$250,000, including improvements of a scheduled and recurring nature, such as safety equipment and vehicles, may be funded from available funds: free cash, prior year special article surpluses, grants, etc., unless they are improvements to buildings.

Improvements to buildings and capital items costing more than \$250,000, such as large vehicles and roofs, roads and sidewalks, should be paid by borrowing. The debt service for that borrowing would be paid from the operating budget until the maturity of the bonds.

Very large building projects, such as new, replacement or improvements to buildings costing \$4,000,000 or more, may be funded by borrowing paid for from debt exclusions or town reserves. The Town will maintain a Major Capital Facilities Stabilization Fund for such a purpose.

Lease-purchase agreements may be authorized to allow the Town to take advantage of special conditions or circumstances, where the terms are advantageous to the Town.

Short-term debt may be used to provide necessary cash flow prior to bond sales, in order to start capital projects on optimal construction or acquisition schedules. However, when possible and economic, the Town will use its cash on hand to fund projects until bonds are issued.

The scheduling of bond issues will be arranged to provide the necessary on-going funds for each capital project.

D. Debt Guidelines

General Fund Debt Service: A limit on debt service costs as a percentage of the town's total budget is especially important because of Proposition 2½ constraints on the town's budget. At the same time, the community's regular and well-structured use of long-term debt signifies the municipality's commitment to

maintaining and improving its infrastructure. Municipal credit analysts often use 10% as a maximum benchmark for financial soundness.

The Town will observe a debt service "ceiling" of 10% for non-excluded debt service, meaning that annual debt service payable on non-excluded bonded debt should not exceed 10% of the annual operating budget. The ceiling of 10% is calculated based on the Town Operating Budget as stated in Article 3 of the Annual Town Meeting. The Town will also plan for a debt service "floor" of 2% as an expression of support for continued investment in the town's roads, sewers, public facilities and other capital assets

Debt Maturity Schedule: As previously stated, Chapter 44 of the General Laws specifies the maximum maturity for bonds issued for various purposes. A town may choose to borrow for a shorter period than allowed by the statutory limit. A reasonable maturity schedule not only reduces interest costs but balances the need to continually address capital improvements. The Town will, by policy, establish a goal of issuing debt for shorter periods than the maximum allowable when the statutory limit exceeds 10 years. Exceptions may be made when grants, reimbursements or other situations warrant.

E. Debt Strategies

Alternative Financing Strategies: The Town will continually pursue opportunities to acquire capital by means other than conventional borrowing, such as grants, and low-or zero-interest loans from state agencies such as the Massachusetts Water Pollution Abatement Trust (MWPAT), Massachusetts School Building Authority (MSBA) or the Massachusetts Water Resources Authority (MWRA).

Debt Issuance: The Town will work closely with the Town's Financial Advisor and Bond Counsel to ensure that all legal requirements are met. This includes preparation of the all-important disclosure document (official statement), as well as preparation of the required documents to be signed by the Board of Selectmen and the Treasurer, and signed and notarized by the Town Clerk. The Town will obtain the lowest possible interest rate on its debt through the use of competitive bidding, unless in the opinion of the Treasurer and the Financial Advisor a lower rate can be settled in a negotiated sale.

F. Debt Monitoring

The Town will maintain adequate internal controls to monitor the use of borrowed funds so as to provide reasonable assurance as to compliance with appropriate laws and regulations and covenants associated with the debt. The Town Administrator's annual budget message will include a detailed analysis of outstanding debt and authorized and unissued debt.

G. Bond Rating

The community's bond rating is important because it influences the rate of interest the Town pays when selling bonds and notes as well as the level of market participation (number of bidders). Other things being equal, the higher the bond

rating, the lower the interest rate. Bond analysts (Moody's, Standard & Poor's, Fitch) typically look at the following sets of factors in assigning a credit rating:

Debt Factors: debt per capita, debt as a percentage of equalized valuation, rate of debt amortization and the amount of exempt versus non-exempt debt.

Financial Factors: operating surpluses or deficits, free cash as a percent of revenue, state aid reliance, property tax collection rates, unfunded pension and other post-employment benefits liabilities.

Economic and Demographic Factors: property values, personal income levels, tax base growth, tax and economic base diversity, unemployment rates and population growth.

Management Factors: governmental structure, the existence of a capital improvement plan, the quality of accounting and financial reporting, etc.

The town will continually strive to improve its bond rating through sound financial management, improved receivables management, accounting and financial reporting, and increased reserves such as the Stabilization Fund.

H. Policy Endorsement

Signed, Dated May 2, 2012

James A. MacDonald, Chairman, Board of Selectmen

William Keegan, Town Administrator

Robin Reyes, Town Treasurer

Mariellen P. Murphy, Finance Director

David N. Martin, Chairman, Finance Committee

Mayanne MacDonald Briggs, Chairman, School Committee

June M. Doe, Superintendent of Schools

Revisions:

Rev 0: August 18, 1998

Rev 1: February 5, 2003

TOWN OF DEDHAM INVESTMENT POLICY

SECTION I: The Investment of General Funds, Special Revenue Funds, and Capital Projects funds.

A. Scope

This section of the policy applies only to short term operating funds such as general funds, special revenue funds, enterprise funds and capital project funds. Section Two will deal with trust funds, bond proceeds, and any other funds with special circumstances such as stabilization funds. The Town Retirement Board is responsible for the investment of the pension funds.

B. Objectives

Massachusetts General Laws, Chapter 44, section 55B requires the municipal treasurer to invest all public funds except those required to be kept uninvested for the purpose of immediate distribution. Modern banking systems enable the public treasurer to maintain even these funds in interest bearing form until the date a disbursement order clears through the banking system. The state law further requires that invested funds be placed at the highest possible rate of interest reasonably available, taking into account safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest return that is consistent with safety of principal while meeting the daily cash requirements for the operation of Town's business.

Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital through the mitigation of credit risk and interest rate risk. These risks shall be lessened by diversification and prudent selection of investment instruments, and choice of bank or brokerage house. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.

Liquidity is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the treasurer shall carry out investment activities in a manner that provides for meeting unusual cash demands without the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal in some cases.

Yield is the third, and last, objective. Investments shall be made so as to achieve the best rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

C. Investment Instruments

Public investments in Massachusetts are not protected through provisions in State law. Therefore, they are largely uncollateralized. Many banking institutions are

willing to put up collateral, albeit at a cost to the town of a lower interest rate. The Treasurer negotiates for the highest rates possible, consistent with safety principles.

The Treasurer may legally invest in the following instruments:

1. Massachusetts State pooled fund: Unlimited amounts (pool is liquid). The Massachusetts Municipal Depository Trust (MMDT), an investment pool for state, local, county and other independent governmental authorities, is under the auspices of the State Treasurer. The Trust invests in high quality "2a-7"-like eligible money market instruments of domestic and foreign issuers, U.S. Government securities, and repurchase agreements. Under Government Accounting Standards Board Regulation (GASB III), it is not considered an uncollateralized product.
2. U.S. Treasuries that will be held to maturity. Unlimited amounts (up to one year maturity from date of purchase).
3. U.S. Agency obligations that will be held to maturity. Unlimited amounts (up to one year maturity from date of purchase).
4. Bank accounts or Certificates of Deposit (C.D.'s). Unlimited amounts (up to one year) fully collateralized through a third party agreement.
5. Bank accounts and C.D.'s (up to one year) fully insured by F.D.I.C. and in some cases also Depository Insurance Fund of Massachusetts (D.I.F.) or Share Insurance Fund (S.I.F.). All bank accounts and C.D.'s in one institution are considered in the aggregate to receive the \$250,000 insurance coverage.
6. Unsecured bank deposits of any kind such as other checking, savings, money market, or Certificates of Deposit accounts at Banks that do not fit the above categories. These investments are subject to the following limitations: These investments will be limited to no more than 5% of an institution's assets and no more the 25% of the Town's cash. Their credit worthiness will be tracked by Veribanc, Sheshunoff, or other bank reporting systems. They will be diversified as much as possible. As a general rule, C. D.s will be purchased for no more than three months and will be reviewed frequently. These limits do not apply to fully insured deposits.
7. Repurchase Agreements ("Repos") not to exceed ninety days.
8. Certain mutual funds, under Chapter 44 , Sec. 55 of MGL, as amended by Chapter 314 of the Acts of 1996.

D. Diversification

Diversification should be interpreted in two ways: in terms of maturity, as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities as well as concentration in a specific

institution. With the exception of U.S. Treasuries or agencies, and MMDT, no more than 25% of the Town's investments should be invested in a single financial institution unless that institution's investment is fully insured or collateralized, except during periods of increased cash flows but not longer than two months.

E. Authorization

The Treasurer and Assistant Treasurer have authority to invest the Town's funds, subject to the statutes of the Commonwealth cited above.

F. Ethics

The Treasurer-Collector and Assistant Treasurer, the Commissioners of Trust Funds, and any other officers authorized to invest town funds, shall refrain from any personal activity that may conflict or appear to conflict with the proper execution of the investment program or which could impair their ability to make impartial investment decisions. Said individuals shall disclose to the Town Administrator any material financial interest in financial institutions that do business with the town . They shall also disclose any personal financial investment positions or loans that could be related to the performance of the town's investments.

G. Relationship with Financial Institutions

Financial institutions should be selected first and foremost with regard to safety. The Town should subscribe to and use one or more of the recognized bank rating services, such as Veribanc or Sheshunoff. Brokers should be licensed, reputable dealers.

The Treasurer shall require any brokerage houses and broker/dealers, wishing to do business with the municipality, to supply the following information to the Treasurer:

Audited financial statements

Proof of National Association of Security Dealers certification. Proof of credit worthiness (minimum standards: at least five years in operation and a minimum capital of 10 million dollars)

H. Reporting Requirements

An annual report containing the following information will be prepared by the Treasurer and given to the Town Administrator and Finance Director. The report will include the following information, as a minimum requirement:

A listing of the individual accounts and individual securities held at the end of the reporting period.

A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this investment Policy.

The Treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the Town's cash position.

The report should demonstrate the degree of compliance with the tenets set forth in the Investment Policy.

SECTION II: The Investment of Trust Funds and Bonds Proceeds

A. Scope

This section of the policy applies only to funds that could be invested long term (i.e.: bond proceeds, trust funds, and stabilization funds).

B. Bond Proceeds

Investment of Bond proceeds is governed by the same restrictions as general funds, with the additional caveat of federal arbitrage regulations. The investment goals are the same as those for general funds.

C. Trust Funds

The investment of trust funds for library purposes is subject to the direction of the Board of Library Trustees. Unless otherwise directed by the terms of the trust instrument, all other trust funds are under the jurisdiction of the Commissioners of Trust Funds. The investment goals are long-term preservation of capital and delimited liquidity.

Trust Funds may be co-mingled and invested according to the prudent investor rule set forth in Chapter 203C of the General Laws. Each trust fund must be accounted for separately as to its unexpendable principal (if any), its expendable balance and its income.

D. Stabilization Funds

This paragraph shall apply to all general and special purpose stabilization funds of the Town. The total of all Stabilization Funds shall not exceed ten per cent of the equalized valuation of the town, and any interest shall be added to and become a part of the fund. The treasurer may invest the funds according to the prudent investor rule set forth in Chapter 203C of the General Laws.

Stabilization Funds can be expended only upon a two-thirds vote of Town Meeting. Therefore, the investment goals are mid-term preservation of capital with foreseeable liquidity horizons.

E. Other Post-Employment Benefits Liability Trust Fund

The OPEB Trust Fund was established by vote of Town Meeting on May 18, 2009 in accordance with section 20 of Chapter 328 of the General Laws. The Trust Fund shall be invested and reinvested by the Treasurer consistent with the prudent investor rule set forth in Chapter 203C of the General Laws.

The OPEB Trust Fund is intended to ensure the long-term availability of funding of benefits. Current benefit expenditures are not paid from the Fund. Therefore, the investment goals are long-term preservation and appreciation of capital.

Policy Endorsement

Signed, Dated May 2, 2012

Robin Reyes, Town Treasurer

William Keegan, Town Administrator

James A. MacDonald, Chairman, Board of Selectmen

Mariellen P. Murphy, Finance Director

David N. Martin, Chairman, Finance Committee

Mayanne MacDonald Briggs, Chairman, School Committee

June M. Doe, Superintendent of Schools

Revisions:

Rev 0: August 18, 1998

Rev 1: February 5, 2003

TOWN OF DEDHAM CAPITAL POLICY & PROCESS

Section I: Purpose and Scope

Purpose: The purpose of the Capital Policy is to document the capital process as that is currently in use by the Town and provide a step by step explanation of how capital expenditures are presented to Town Meeting for approval.

Definition: A capital improvement is defined as a physical betterment, including but not limited to the construction of a new buildings or facilities and the alteration of buildings or facilities, the purchase of land, or items of equipment having a useful life of 3 years or more. Any physical betterment having a cost of less than \$10,000 and is not of a unusual or non-recurring nature shall not be considered capital improvement.

Scope: This policy is intended to be comprehensive and cover all capital items including land acquisition, construction of buildings, building improvements, furniture, fixtures, equipment, roads, sewer and other infrastructure of the Town, including Schools.

Section II: Committees involved in the Capital Process

Building, Planning and Construction Committee (Chapter 26 of the Town Bylaws) is responsible for surveying the growth of the Town/ the building needs of the community and the physical condition of all existing town buildings. There are seven members appointed by the Town Administrator, one member of the Planning Board, a registered professional engineer or architect, an attorney, a person employed in the construction industry or a related trade, and three other persons. The BPCC supervises the implementation of approved projects for the addition to or renovation of existing Town buildings and the construction of new Town buildings. The BPCC does not have jurisdiction over roads, bridges, sewer, sidewalks, parks and buildings under the control of the School Department.

Capital Expenditure Committee (Sections 8 & 9 of Chapter Three of the Town Bylaws) is responsible to make recommendations to the Finance Committee on all matters relating to expenditures for capital improvements in the Town. The Capital Expenditure Committee shall ascertain the annual expenditures for capital improvements and what will be required for the ensuing five years after conferring with the Finance Committee, Director of Finance, any Town boards, commissions, committees, officers, employees, etc. There are 5 members, three appointed by the Moderator, one member appointed by the Finance Committee and one member appointed by the Planning Board.

Finance Committee (Sections 1-6 of Chapter 3 of the Town Bylaws) is responsible for hearing and making recommendations on all articles which are to be considered by Town Meeting, including accepting a report of the Capital Expenditure Committee. There are nine members, all appointed by the Moderator, one from each district and two at large.

Mitigation Funds Committee (Section 21 of Chapter 4 Financial Affairs of Town Bylaws), advises and makes recommendations to the Finance Committee and Town Meeting as to the expenditure of funds on deposit in the Mitigation Stabilization Fund. The recommendations may be, but are not required to be Capital in nature. The committee is made up of five members, three appointed by the Moderator, one appointed by the Board of Selectmen and one appointed by the Planning Board. The Mitigation Stabilization Fund was established to accept funds received from parties pursuant to developments in town.

School Building Rehabilitation Committee, established by a vote of Town Meeting in December of 2000, to initiate and direct engineering/architectural studies to determine the current physical condition of school buildings and to make recommendations as to rehabilitation and/or expansion. There are ten members: Superintendent of Schools or designee, School Principal, two members of the School Committee, one member of the Board of Selectmen, one member of the Finance Committee, one member of the Capital Expenditures Committee and four citizens of the Town appointed by the Moderator. The SBRC supervises the rehabilitation, expansion or construction of school buildings.

In addition to the above committees, depending on the nature of the project, a capital project may, prior to implementation, require permits from the Board of Appeals, Building Department, Conservation Committee and Planning Board.

Section III: Sources of Funding for Capital Expenditures

General Obligation Bonds, issued for purposes and payable over periods as specified by law, as authorized by a two-thirds vote of Town Meeting. They are required to be payable in equal or declining principal payments. State law permits a Town to authorize debt up to 5% of its equalized valuation. Payments on the bonds are made within the Town's operating budget; debt payments for bonds issued on a Debt Exclusion are made from the additional taxes levied for that purpose.

Debt Exclusion, allows the town to raise additional taxes to pay for the debt incurred for a particular project. The amount of the payment is added to the tax levy for the life of the debt. Debt exclusion requires a two-thirds majority vote at Town Meeting and, once placed on the ballot by the Selectmen, a majority of the voters.

Free Cash, the net unrestricted balances of funds from operations of the previous year as a result of revenues collected in excess of estimates and unspent amounts from budgeted line items. The amount is certified by the Department of Revenue and is available for appropriation by Town Meeting.

Stabilization Fund, a fund designed to accumulate funds as a general reserve, for capital or for other future spending purposes, although it may be appropriated for any lawful purpose by a two-thirds vote of Town Meeting. The Town has a General Stabilization Fund (for a reserve), a Mitigation Stabilization Fund (for payments from developers) and a Major Capital Facilities Stabilization Fund.

Overlay Reserve (Allowance for Abatements)/Overlay Surplus, an account established annually to fund anticipated property tax abatements, exemptions and to offset the amount of uncollected taxes. Any balance in the account in excess of the amount remaining to be collected or abated can be transferred into an Overlay Surplus account by the Assessors and may be appropriated by Town Meeting for any lawful purpose.

Operating Budget, capital expenditures can be funded within the regular operating budget. To accomplish this, other budget items would have to be reduced or increases in revenues allocated to a capital budget funding source.

Other Available Funds, prior special article appropriation balances, receipts reserved for appropriation, FEMA/MEMA reimbursements, insurance proceeds and other items authorized by law to be specifically used to fund appropriations.

General Proposition 2½ Override, residents can vote to increase the tax levy beyond the current limit and if approved, the increase is included in the budget for all future years.

Capital Outlay Expenditure Exclusion, a temporary increase in the tax levy to fund a capital item. Exclusions require a two thirds vote of the Selectmen and a majority of the voters. The exclusion is added only during the year when the project is funded.

Section IV: Current Capital Approval Process

Each year, the Town Administrator sends every Department, Board, Commission and Committee guidelines and forms for Capital Expenditure submissions for the current year and the four years following. Department Heads complete a capital equipment request, detail the need for the equipment, whether it is replacement or new, and the estimated useful life for the equipment given the historical use and method of replacement.

The Director of Facilities prepares an assessment of each facility and assigns a priority and recommended timeframe for completion. A consolidated 5 year capital plan is prepared by the Town Administrator in conjunction with the Director of Facilities and department heads. If a Capital request involves a Town Building it is also provided to the Building, Planning and Construction Committee for a hearing and recommendation.

The Mitigation Committee, using similar guidelines and forms, solicits requests for the current year if mitigation funds are available. The Mitigation Committee will hold a public hearing and make recommendations to the Town Administrator.

The Director of Finance will prepare a five year financial plan including grants, current revenues, mitigation, free cash, available funds, and bonding capacity. Bonding capacity is defined as that amount of principal finally maturing and whether the capacity is from the operating budget or excluded debt. The Treasurer/Collector shall estimate the cost of issuing debt including the maturity schedule, interest rate and timeframe of bond offering.

The requests are summarized by the Finance Department, and a detailed capital expenditure request book by department is assembled and distributed to the Capital

Expenditures Committee (CEC) for hearings. Once the hearings are complete, the Town Administrator, after consultation with the Finance Director on the amount of funds available for Capital purposes proposes an overall capital budget to the CEC. The CEC deliberates, approves/alters the proposal and makes a recommendation to the Finance Committee. The Finance Committee holds a hearing on the recommendation of the CEC and then votes its recommendation to Town Meeting.

All of the above applies to the School Department capital projects, unless they relate to building rehabilitation or the construction of a new school. The School Building Rehabilitation Committee (SBRC) develops the plan for the renovation or expansion of school buildings and only when they have approved a project does it become part of the School Department's annual capital expenditure request.

Policy Endorsement

Signed, Dated May 2, 2012

James A. MacDonald, Chairman, Board of Selectmen

William Keegan, Town Administrator

Robin Reyes, Town Treasurer

Mariellen P. Murphy, Finance Director

David N. Chairman, Finance Committee

June M. Doe, School Superintendent

Mayanne MacDonald Briggs, Chairman, School Committee

Revisions

Rev 0: N/A

MAJOR CAPITAL FACILITIES STABILIZATION FUND POLICY USE COMMITTEE
Excerpted Report

In July 2009 the Commonwealth of Massachusetts passed legislation which gave communities the option of instituting a local meals tax and increasing an existing hotel room occupancy tax. In the following months, the Board of Selectmen discussed this tax in several public meetings. The Board in particular viewed the taxes as a means of providing a predictable funding source for major capital improvements, as recommended in the 2009 Master Plan. The Board voted to submit warrant articles to Special Town Meeting.

In November, 2009 Special Town Meeting approved the warrant articles submitted by the Board of Selectmen. Article 6 authorized the town to collect a local meals excise tax. Article 7 authorized an increase in the room occupancy tax. Additionally Town Meeting voted Article 4 to establish a Special Purpose Stabilization Fund, into which the tax revenue would be deposited. Money can be added to or disbursed from the fund only with a two-thirds vote of Town Meeting.

In 2010 the Board of Selectmen voted to form the Major Capital Facilities Stabilization Fund Use Policy Committee. The Board directed the committee to formulate a policy that the Town could use for deciding what types of projects should qualify to receive money from the fund.

Throughout the process the Committee received expert input and analysis from the Town Administrator, Director of Finance, Collector of Taxes and the Assistant Director of Finance. In particular they provided analysis that showed the estimated taxes could support relatively significant investments in new buildings or renovations about every 10 years. Appendix 4 shows one scenario: a \$15,000,000 project in 2015, \$10,000,000 in 2024 and \$5,000,000 in 2034.

The Committee recommends that this fund be used solely for the major renovation of existing buildings, the construction of new buildings or purchasing an existing building that meets the town's needs. The minimum project size shall be \$4,000,000. The fund is available for all town-owned buildings, whether they are managed by the schools or general government.

It is the intent of this fund to finance major renovations, additions, or new buildings, which cannot be funded in the annual capital budget, and which otherwise would require a debt exclusion vote. It is intended that this fund substantially reduces the need for debt exclusions. This policy should be reviewed every five years to adjust dollar values based on economic conditions.

Respectfully Submitted,
Carmen DelloIacono, Chair, Board of Selectman
John Bethoney, Planning Board
Michael Butler, Board of Selectmen
Kevin Coughlin, School Committee
Derek Moulton, Finance Committee
Christopher Polito, At-Large
James Sullivan, Building, Planning and Construction Committee

Budget Process and Timeline

The budget preparation process for all towns is governed by MGL Chapter 44. The Town's preparation of the annual budget is also governed by the provisions of Article 5A of the Town Charter and Chapter 3 of the Town By-laws.

The budget cycle for FY2015 was initiated in January 2014. Each department prepared operating budget requests, which were submitted to the Town Administrator by January 31, 2014.

Budget requests were reviewed by the Town Administrator and Budget Office. During the month of February the Town Administrator's budget recommendations were finalized for a recommended budget presentation to the Board of Selectmen on February 20 and the Finance Committee on March 8.

From the time of submission until Town Meeting in May, the Finance Committee holds a series of public reviews of the Manager's recommended budget to solicit citizen participation regarding departmental budget requests. The Finance Committee submits a recommendation on the Town Administrator's budget request to the Annual Town Meeting in May. Town Meeting has the authority to approve reductions and additions to the proposed budget without the consent of the Board of Selectmen, Finance Committee, or Town Administrator.

After the budget is approved at the Annual Town Meeting, it can only be adjusted during the fiscal year by the Finance Committee or subsequent Town Meeting. The Finance Committee is authorized by MGL Chapter 40, Section 6 to authorize transfers from the Reserve Fund for unanticipated needs. Town Meeting may transfer funds from one appropriated line item to another during the fiscal year, and may add to the total appropriation.

Town of Dedham FY2015 Budget

FY2015 Budget Calendar

January 3, 2014	Operating and capital budget forms and instructions distributed to department heads
January 31, 2014	Department Operating Budget and Capital requests due
February-March	Capital Expenditures Committee hearings and deliberations
February 14, 2014	Warrant for Annual Town Meeting closes
February 28, 2014	Town Administrator's Recommended Budget Presentation to Board of Selectmen
March 5, 2014	Capital Expenditures Committee votes capital budget recommendations to Finance Committee
March 8, 2014	Town Administrator's Recommended Budget Presentation to Finance Committee
March-April	Finance Committee public hearings for Operating Budget and Capital Improvement Program
April 15, 2014	Finance Committee deliberation and votes recommendations to Town Meeting
April 25, 2014	Warrant to printer
May 5, 2014	Warrant delivered to Town Meeting Representatives
May 12, 2014	District Chairs Meeting ("Mini Town Meeting")
May 19, 2014	Annual Town Meeting

Town of Dedham FY2015 Budget

Section IV. Financial Summaries

Consolidated Financial Schedule

Sources of Funds (Revenues)

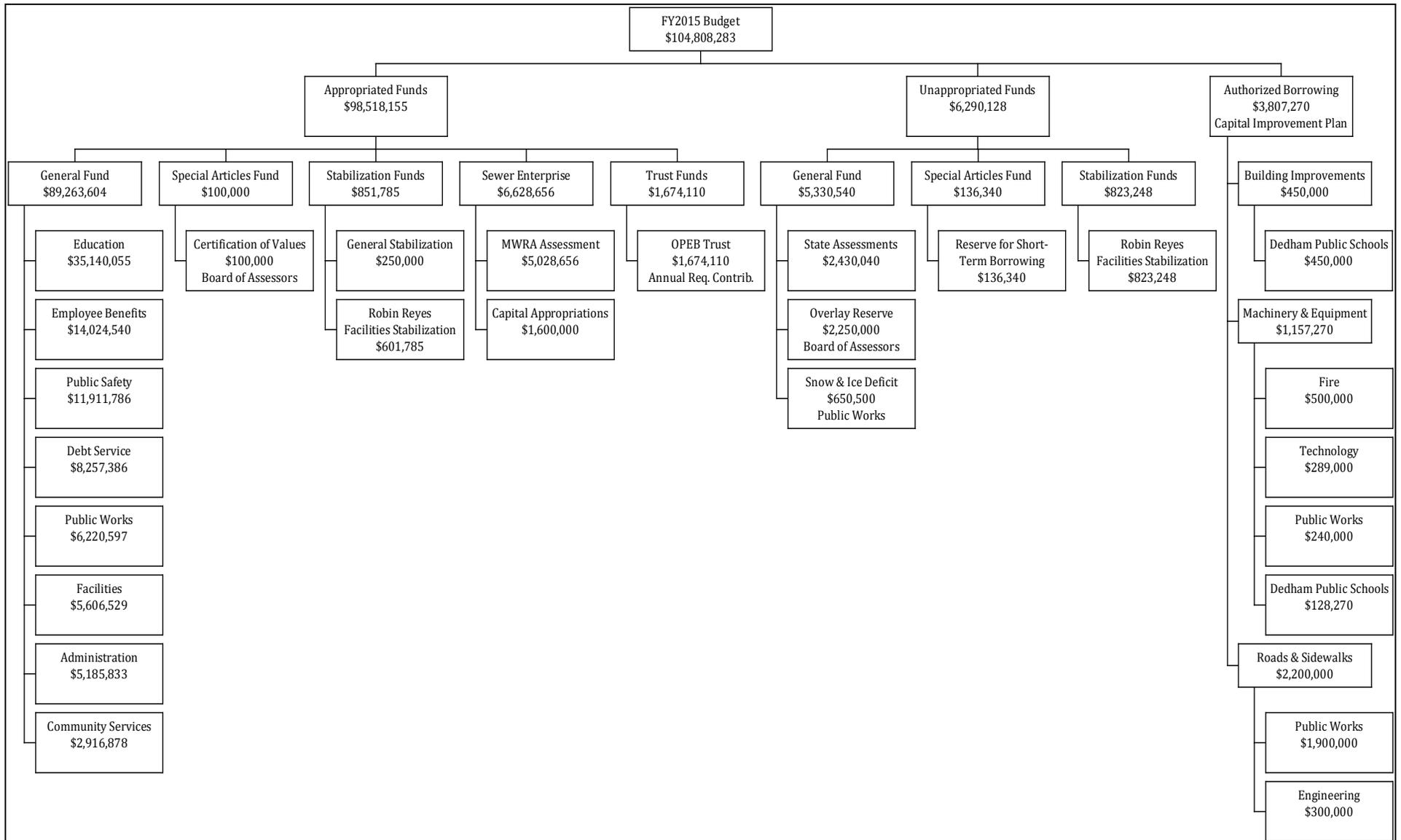
	FY2011	FY2012	FY2013	FY2014	FY2015
	Actual	Actual	Actual	Budget	Recommended
PROPERTY TAXES					
Prior Year Levy Limit	63,057,453	68,099,488	71,008,352	73,915,450	76,698,653
Amended New Growth	-	-	10,228	-	-
2.5% Increase	1,576,436	1,702,487	1,775,465	1,847,886	1,917,466
New Growth	3,465,599	1,206,377	1,121,405	1,198,803	750,000
New Growth Adjustment	-	-	-	(263,486)	-
Subtotal	68,099,488	71,008,352	73,915,450	76,698,653	79,366,119
Debt Exclusion	3,263,955	3,753,295	3,742,766	3,654,036	3,449,708
Levy Capacity (Unused)	-	-	-	(479,007)	(1,604,365)
Other Adjustment	-	(250,790)	-	-	-
PROPERTY TAX LEVY	71,363,443	74,510,857	77,658,216	79,873,682	81,211,462
LOCAL RECEIPTS					
Excise & Other Taxes	4,714,481	4,795,772	4,469,351	4,547,995	4,322,995
Motor Vehicle & Boat Excise	2,714,681	2,564,801	2,167,773	2,200,000	2,000,000
Local Option Room Occupancy Tax	923,802	1,054,932	1,104,535	1,174,578	1,174,578
Local Option Meals Tax	753,938	803,528	825,156	821,317	821,317
Penalty & Interest On Taxes	296,260	345,562	344,787	325,000	300,000
Payment In Lieu of Taxes	25,800	26,949	27,100	27,100	27,100
Departmental Revenue	1,049,953	1,035,088	1,080,751	1,002,500	917,500
Transfer Station & Stack Rentals	264,354	263,555	298,616	275,000	275,000
Medicaid Reimbursement	258,021	293,311	274,333	275,000	250,000
Health Department Fees	109,080	107,720	103,810	105,000	105,000
Police & Fire Details	88,269	77,673	77,861	77,500	77,500
Cemetery Fees	82,000	92,135	81,685	85,000	85,000
Other Departmental Revenue	248,229	200,694	244,446	185,000	125,000
Licenses & Permits	964,050	968,456	1,012,208	985,000	985,000
Building Permits & Inspections	742,677	741,120	768,350	750,000	750,000
Alcoholic Beverage Licenses	124,874	127,867	123,444	125,000	125,000
Fire Permits	43,189	44,331	49,240	45,000	45,000
Street Openings & Sewer Permits	20,765	22,055	28,088	25,000	25,000
Dog Permits	16,930	16,295	23,477	20,000	20,000
Other Licenses & Permits	15,615	16,788	19,609	20,000	20,000
Investment Income	446,605	344,161	150,132	225,000	225,000
Fines & Forfeits	139,328	156,348	163,100	157,500	157,500
RMV Fines Imposed By Court	126,583	141,056	141,486	135,000	135,000
Parking Fines	12,645	15,292	12,282	12,500	12,500
All Other Fines & Forfeits	100	-	9,332	10,000	10,000
All Other Misc / Non-Recurring	402,230	67,675	4,853	10,000	120,000
LOCAL RECEIPTS	7,716,647	7,367,500	6,880,395	6,927,995	6,727,995
STATE AID					
Education Aid	3,693,376	3,701,136	3,917,589	4,121,935	4,358,925
Chapter 70	3,631,768	3,651,265	3,890,648	4,078,925	4,312,268
Charter Tuition Reimbursement	48,695	34,411	10,917	26,920	30,238
School Lunch	12,913	15,460	16,024	16,090	16,419
Unrestricted General Municipal Aid	2,765,940	2,565,951	2,765,940	2,831,321	2,831,321
General Govt Programs & Offsets	253,037	207,498	226,595	201,294	216,430
Exemptions	146,319	143,409	139,302	135,828	134,800
Veterans Benefits	60,216	43,498	67,371	45,448	61,208
Public Libraries	20,780	20,591	19,922	20,018	20,422
Police Career Incentive	25,722	-	-	-	-
STATE AID	6,712,353	6,474,585	6,910,124	7,154,550	7,406,676
OTHER SOURCES					
Sewer Receipts	7,452,968	7,333,925	7,619,071	7,613,174	7,600,000
Free Cash	2,127,161	2,031,815	2,240,295	1,624,916	1,552,150
Other Available Funds	338,500	379,272	632,073	677,250	310,000
Mitigation Stabilization	775,000	722,802	334,454	-	-
OTHER SOURCES	10,693,629	10,467,814	10,825,893	9,915,340	9,462,150
TOTAL REVENUE	96,486,072	98,820,756	102,274,628	103,871,567	104,808,283

Uses of Funds (Expenditures)

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Budget	FY2015 Recommended
OPERATING BUDGET					
Administrative Services	4,527,298	4,368,084	4,263,471	4,743,976	5,085,833
Community Services	2,630,838	2,655,272	2,626,696	2,770,201	2,860,378
Debt Service	7,514,745	8,698,763	8,838,817	9,125,570	8,257,386
Education	33,317,377	34,233,520	32,865,486	33,663,090	34,757,605
Employee Benefits	13,070,257	13,755,352	14,091,708	14,607,730	15,698,650
Facilities	-	-	4,034,813	4,944,858	5,081,529
Public Safety	10,756,933	11,093,685	10,971,676	11,448,509	11,539,586
Public Works	6,347,701	5,307,983	6,211,801	6,357,089	6,045,597
Operating Capital	-	-	-	-	1,611,150
OPERATING EXPENSES	78,165,149	80,112,660	83,904,469	87,661,023	90,937,714
LOCAL ASSESSMENTS					
Non-Bonded Capital	3,540,796	2,990,700	4,026,495	2,932,166	1,600,000
Overlay Reserve	2,800,787	2,805,000	2,575,947	2,500,000	2,250,000
Reserve for Special Articles	125,000	769,685	705,363	773,157	486,340
Transfer to Robin Reyes Fund	1,061,872	1,155,172	1,193,334	1,220,261	1,425,033
Transfer to Mitigation Stabilization	750,000	722,802	334,454	-	-
MWRA Assessment	4,715,220	4,809,110	4,918,346	4,924,268	5,028,656
Snow & Ice Deficit	275,378	-	570,000	700,500	650,500
LOCAL ASSESSMENTS	13,269,053	13,252,469	14,323,939	13,050,352	11,440,529
STATE ASSESSMENTS (NON-DISCRETIONARY)					
Retired Teachers Health Insurance	1,464,276	1,357,280	1,380,182	1,392,520	1,397,499
MBTA/Transit Assessment	502,371	498,691	522,543	528,210	531,471
County Assessment	186,263	191,997	196,797	200,840	205,861
Charter School Sending Tuition	164,933	151,224	106,270	179,097	180,075
Mosquito Control	54,746	57,414	59,148	62,105	63,859
School Choice Sending Tuition	-	15,000	15,000	19,900	13,250
RMV Non-Renewal Surcharge	24,600	31,640	29,820	19,880	21,660
Air Pollution	7,712	7,987	8,198	8,484	8,464
Metropolitan Area Planning Council	7,247	7,373	7,604	7,794	7,901
Special Ed. Charges Against Receipts	2,051	2,152	1,656	359	-
STATE ASSESSMENTS	2,414,199	2,320,758	2,327,218	2,419,189	2,430,040
TOTAL EXPENSES	93,848,401	95,685,887	100,555,625	103,130,564	104,808,283

As adopted by Annual Town Meeting, May 19, 2014

Consolidated Financial Schedule: Total FY2015 Budget



Fund Financial Schedules

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Budget	FY2015 Recommended
General Fund					
<u>Revenues</u>	87,196,232	89,608,857	93,127,769	95,038,132	95,783,250
Property Taxes	71,363,443	74,510,857	77,658,216	79,873,682	81,211,462
Local Receipts	6,654,775	6,212,328	5,687,061	5,707,734	5,302,962
State Aid	6,712,353	6,474,585	6,910,124	7,154,550	7,406,676
Free Cash	2,127,161	2,031,815	2,240,295	1,624,916	1,552,150
Receipts Reserved	338,500	379,272	632,073	677,250	310,000
 <u>Expenses</u>	 87,321,309	 88,998,803	 94,109,492	 96,986,035	 98,104,594
Administrative Services	4,527,298	4,368,084	4,263,471	4,743,976	5,085,833
Community Services	2,630,838	2,655,272	2,626,696	2,770,201	2,860,378
Debt Service	7,514,745	8,698,763	8,838,817	9,125,570	8,257,386
Education	33,317,377	34,233,520	32,865,486	33,663,090	34,757,605
Employee Benefits	13,070,257	13,755,352	14,091,708	14,607,730	15,698,650
Facilities	-	-	4,034,813	4,944,858	5,081,529
Public Safety	10,756,933	11,093,685	10,971,676	11,448,509	11,539,586
Public Works	6,623,079	5,307,983	6,781,801	7,057,589	6,696,097
Non-Bonded Capital	3,540,796	2,990,700	4,026,495	2,932,166	3,211,150
Local Assessments	2,925,787	3,574,685	3,281,310	3,273,157	2,486,340
State Assessments	2,414,199	2,320,758	2,327,218	2,419,189	2,430,040
Proprietary Funds					
Revenues: Sewer Receipts	7,452,968	7,333,925	7,619,071	7,613,173	7,600,000
Expenses: MWRA Assessment	4,715,220	4,809,110	4,918,346	4,924,268	5,028,656
Other Governmental Funds					
<u>Revenues</u>	1,836,872	1,877,974	1,527,788	1,220,261	1,425,033
Mitigation Stabilization	775,000	722,802	334,454	-	-
Local Option Taxes	1,061,872	1,155,172	1,193,334	1,220,261	1,425,033
 <u>Expenses</u>	 1,811,872	 1,877,974	 1,527,788	 1,220,261	 1,675,033
Transfers To Stabilization					
Consolidated Fund Financial Schedules Summary					
Revenues	96,486,072	98,820,756	102,274,628	103,871,566	104,808,283
Expenses	93,848,401	95,685,887	100,555,626	103,130,564	104,808,283

Fund Balance

Fund balance is defined as the portion of fund equity available for appropriation, fund equity being the fund's excess of assets and resources over liabilities. A portion of the equity of a governmental fund may be reserved or designated; the remainder is considered fund balance.

The following fund balances are for the funds for which appropriations are made in the FY2015 Budget: the General Fund, Sewer Enterprise Fund, General Stabilization Fund, Robin Reyes Major Capital Facilities Stabilization Fund, and OPEB Liability Trust Fund. Balances and activity data for Fiscal Years 2012 and 2013 are from the Town's audited financial statements and the Department of Revenue. Data for FY2014 are based on unaudited revenues and expenditures for the fiscal year.

General Fund

A fundamental principle of municipal finance in Massachusetts is that all revenues received from any source by any department of the Town belong to a common pool referred to as the General Fund. These revenues are unrestricted and available for appropriation by Town Meeting. These include real and personal property taxes, excise taxes, special assessments and betterments, unrestricted local aid, investment and rental income, payments in lieu of taxes, and other local receipts not dedicated by statute. The Town may segregate money for specific purposes if authorized to do so by another general law or special act.

The Town's unassigned fund balance in the General Fund is estimated to have grown by \$4.3 million from FY2012 through the end of FY2014:

Fund Balance

Fiscal Year	Start Balance	Net Activity	End Balance	Unassigned
FY2012	\$8,359,415	\$3,130,093	\$11,489,508	\$7,249,350
FY2013	\$11,489,508	\$1,781,279	\$13,270,787	\$10,009,312
FY2014	\$13,270,787	(\$565,008)	\$12,705,779	\$11,558,940

Sewer Enterprise Fund

In May 2009, Annual Town Meeting accepted MGL Chapter 44 Section 53F½ to establish the operation, maintenance, and extension of the sewer system, and the billing and collection of sewer use fees as an enterprise fund known as the Sewer Enterprise Fund. The fund includes all expenditures related to the operation of the sewer system, including debt service on the bonds issued to finance construction of the water treatment plant, as well as other improvements to the water system and transfers to the Capital Fund to finance certain capital projects.

Fund Balance

Fiscal Year	Start Balance	Net Activity	End Balance
FY2012	\$2,786,357	\$379,710	\$3,166,067
FY2013	\$3,166,067	\$762,731	\$3,928,798
FY2014	\$3,928,798	\$976,670	\$4,905,468

Town of Dedham FY2015 Budget

General Stabilization Fund

Municipalities were authorized to establish stabilization funds for capital expenditures in 1945, and any lawful purpose was authorized as a permitted use in 1991. Town documents indicate the existence of a Stabilization Fund in the early 1980s. Data from the Department of Revenue show that in FY1994, the Town's Stabilization Fund had a balance of \$272,346, equivalent to 0.68% of that year's operating budget.

In 1998, Town officials adopted an Overall Financial Management Policy, which included the statement that "It shall be the goal of the Town to achieve and maintain a balance in the General Stabilization Fund of from 5% to 10% of its operating budget." The fund balance as of the beginning of FY2015 is 6.0% of the operating budget.

Fund Balance*

Fiscal Year	Start Balance	Net Activity	End Balance
FY2012	\$4,341,975	(\$392,715)	\$3,949,260
FY2013	\$3,949,260	\$1,157,810	\$5,107,070
FY2014	\$5,107,070	\$359,854	\$5,466,924

* FY2014 activity and fund balance include \$250,000 authorized by May 2014 Annual Town Meeting for transfer into the fund.

Robin Reyes Major Capital Facilities Stabilization Fund

Amendments to MGL Chapter 40 Section 5B in 2003 allowed municipalities to create multiple stabilization funds with differing purposes and funding options. In November 2009, Town Meeting accepted MGL Chapter 40 Section 5B to establish a stabilization fund for major facility improvements, facility replacements, new facilities, or for debt service on bonds and notes issued for these purposes. The fund known as the Major Capital Facilities Stabilization Fund was later renamed in honor of the Town's former Deputy Director of Finance and Selectman, Robin Reyes, who passed in 2012.

The same Town Meeting voted to accept MGL Chapter 64L to impose a local meals tax of 0.75% and to amend its local room occupancy excise under MGL Chapter 64G from 4% to 6%. Since establishing the fund, Town Meeting has transferred the full amount of revenues generated by these two taxes into the fund every May and November.

Fund Balance*

Fiscal Year	Start Balance	Net Activity	End Balance
FY2012	\$1,402,420	\$1,202,440	\$2,604,861
FY2013	\$2,604,861	\$1,215,052	\$3,819,913
FY2014	\$3,819,913	\$1,231,244	\$5,051,157

* FY2014 activity and fund balance include revenues disbursed to the Town in December 2013 and March 2014 totaling \$601,785 authorized by May 2014 Annual Town Meeting for transfer into the fund.

Revenues to the Robin Reyes Major Capital Facilities Stabilization Fund are treated as designated funds.

Town of Dedham FY2015 Budget

OPEB Liability Trust Fund

In May 2009, Annual Town Meeting accepted MGL Chapter 32B Section 20 to establish the Other Post-Employment Benefits Liability Trust Fund for the accumulation of funds to reduce the unfunded actuarial liability of health care and other post-employment benefits. That Town Meeting transferred \$250,000 from Free Cash and authorized the transfer of any balance remaining in FY2009 health insurance after all liabilities of the year were paid.

Fund Balance*

Fiscal Year	Start Balance	Net Activity	End Balance
FY2012	\$2,554,073	\$626,801	\$3,180,875
FY2013	\$3,180,875	\$2,187,866	\$5,368,741
FY2014	\$5,368,741	\$2,208,246	\$7,576,987

* FY2014 activity and fund balance include \$1,700,000 encumbrance for the FY2014 ARC to be transferred to fund at November 2014 Special Town Meeting.

The Town has also established a Pension Trust Fund, whose assets are under the control of the Dedham Retirement Board, a separate legal entity from the Town. These funds are invested in the Pension Reserves Investment Trust (PRIT), a pooled investment trust fund managed by the Pension Retirement Investment Management (PRIM) board. As of 2013, the PRIT fund included full or partial investments from the State Teachers, State Employees, Boston Teachers, and 90 of the 103 remaining local retirement boards' in the Commonwealth.

Revenues

The following narrative is a summary of major revenue sources for the Town Budget, including highlights of significant changes. Detailed descriptions for each revenue source, including FY2013 Actual, FY2014 Projected and FY2015 Budget, are contained in this section. Revenue projections for FY2015 are based on FY2013 actual and FY2014 projected collections, historical trends, and anticipated changes that impact particular revenues.

The total property tax levy is projected to increase by 1.68%% in FY2015, or \$1,337,780. The budget uses the State Aid estimates for the two major categories of State Aid that were provided (Unrestricted General Government Aid (UGGA) and Chapter 70 School Aid) in the Governor's Proposed Budget released in January 2014. The House of Representatives and State Senate prepare and adopt separate State Budgets, which are reconciled in Conference Committee before being forwarded to the Governor for approval. On July 11, 2014, the Governor approved the Legislature's budget, which included \$82,871 in additional aid to Dedham, and \$1,203 in additional assessments to Dedham, for a net increase of \$81,668 to what was budgeted. Adjustments to State Aid figures, based on the adopted State Budget, will be made in the fall of 2014 when the Board of Selectmen set the final property tax levy amount, as part of the tax rate setting process.

The following table summarizes FY2015 revenues by category in the budget.

Town of Dedham FY2015 Budget

Revenue Category	FY2015 Budget	% of Total
Property Taxes	\$81,211,462	77.5%
State Aid	\$7,406,676	7.1%
Local Receipts	\$6,727,995	6.4%
Other Sources	\$9,462,150	9.0%
TOTAL	\$104,808,283	100%

Major changes in revenues are highlighted by category on the following pages.

Property Taxes

The property tax levy is the Town's largest and most stable source of revenue. Overall, FY2015 property tax revenues total \$81,211,462, which includes a portion of the 2½ percent increase over the prior year levy limit allowed by Proposition 2½, estimated new growth, and the authorized debt exclusion. Property taxes are estimated to fund 77.5% of the budget. There are three categories of property tax:

- Real and personal property taxes. Proposition 2½, voted into state law in 1980, limits the property tax levy to 2.5% of total fair market value of all taxable real and personal property. In addition, it limits the increase in the total property tax levy to 2.5% over the prior year's levy limit, excluding new growth. Following the FY2014 levy limit of \$76,698,653, the allowed 2.5% increase in FY2015 is \$1,917,466. The budget includes \$313,101 of that allowed increase, leaving \$1,604,365 in the allowed increase unused.
- New growth is the taxable portion of new construction completed prior to January 1 of the prior year. New growth for FY2015 is based on new construction as of January 1, 2014. The FY2015 budget includes the Director of Assessment's estimate of an additional \$750,000 in spending capacity from new growth.
- Excluded debt is the borrowing costs of projects that voters have directly approved. Dedham voters have authorized debt exclusions for sewer rehabilitation projects, the acquisition of the Striar property, the new Dedham Middle School, a portion of the reconstruction of East Street (Phase II), and the land acquisition and improvements of the Society of African Missions Fathers (SMA) property. Details of the debt service requirements for these projects are included in Section VI. The FY2015 budget includes \$3,449,708 in debt service on excluded debt, raised through property taxes.

Property tax revenues for FY2015 are estimated based on the Town's property tax levy allowed by Proposition 2½. The Town has historically collected approximately 97% of its property tax levy in the current fiscal year. Approximately 2.6% of the uncollected portion is due to abatements and exemptions, which are offset by delinquent collections from prior fiscal years and penalties and interest.

Town of Dedham FY2015 Budget

State Aid

The FY2015 budget estimates a 3.5% increase in revenues in State Aid from the FY2014 budget. The estimate of \$7,406,676 represents 7.1% of total budgeted revenues. There are two primary categories of state aid:

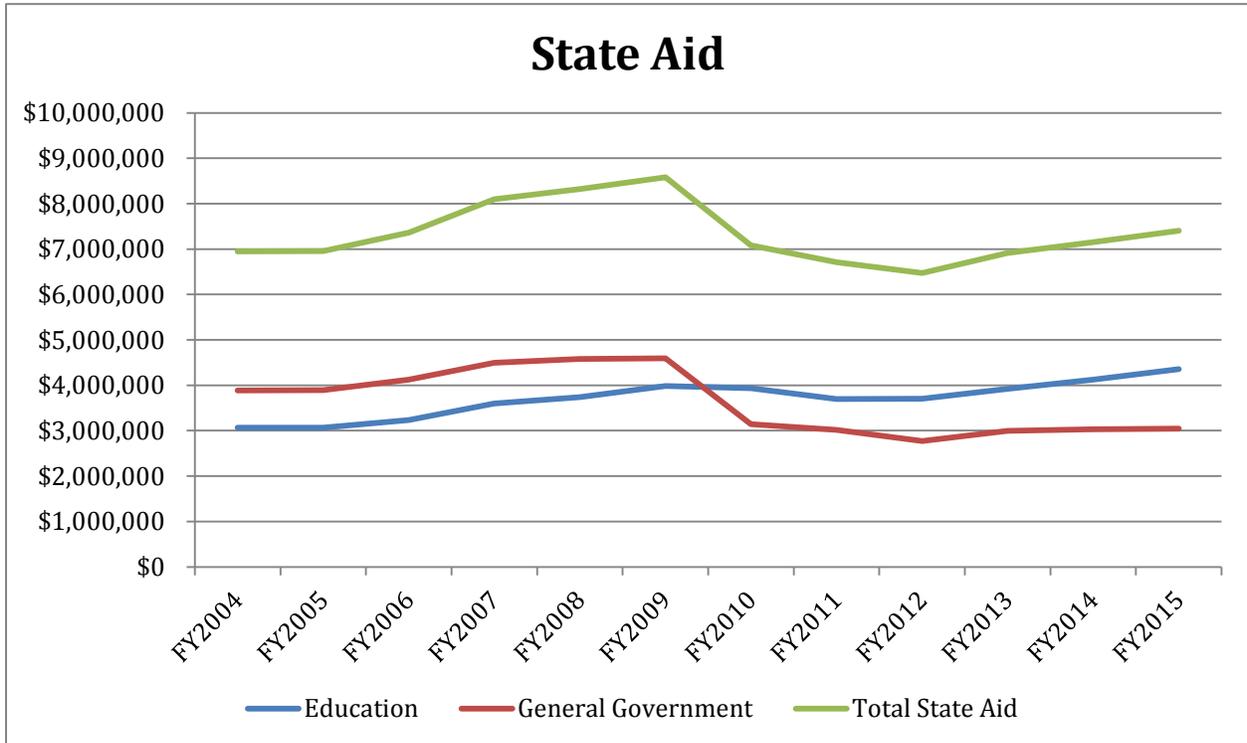
- Unrestricted General Government Aid (UGGA) is a formula-based distribution. The FY2015 budget includes \$2,831,321 in UGGA, representing 38.2% of budgeted State Aid, and 2.7% of total budgeted revenues.
- Chapter 70 Education Aid is also a formula-based distribution. The FY2015 budget includes \$4,312,268 in Chapter 70 aid, representing 58.2% of budgeted State Aid, and 4.1% of total budgeted revenues.

Revenue estimates from State Aid for FY2015 are based on the two major categories of State Aid that were provided (Unrestricted General Government Aid (UGGA) and Chapter 70 School Aid) in the Governor's Proposed Budget released in January 2014. The House of Representatives and State Senate prepare and adopt separate State Budgets, which are reconciled in Conference Committee before being forwarded to the Governor for approval. On July 11, 2014, the Governor approved the Legislature's budget, which included \$82,871 in additional aid to Dedham, and \$1,203 in additional assessments to Dedham, for a net increase of \$81,668 to what was budgeted.

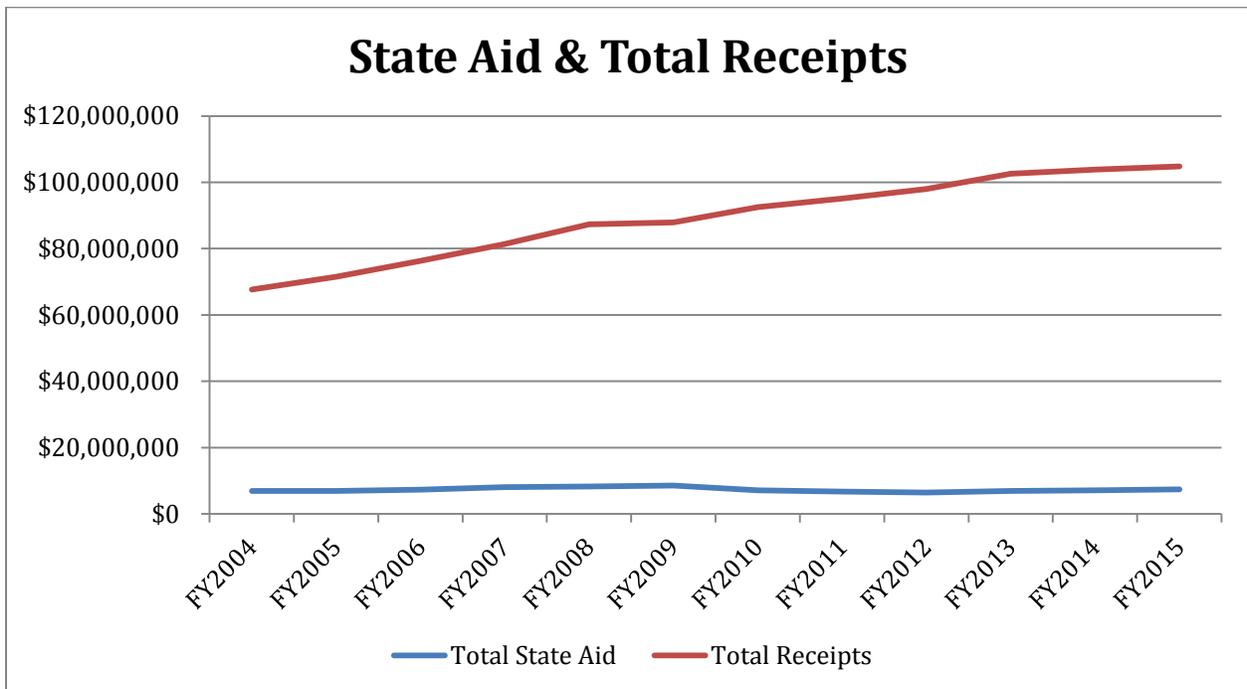
The charts below illustrate the revenues Dedham has received in State Aid from FY2004 through FY2015.

	Education Programs	General Govt. Programs	Total State Aid	Total Receipts	State Aid % of Total
FY2004	\$3,064,675	\$3,884,750	\$6,949,425	\$67,710,918	10.3%
FY2005	\$3,063,787	\$3,892,690	\$6,956,477	\$71,541,242	9.7%
FY2006	\$3,236,967	\$4,126,256	\$7,363,223	\$76,282,938	9.7%
FY2007	\$3,599,900	\$4,498,304	\$8,098,204	\$81,389,289	10.0%
FY2008	\$3,742,182	\$4,579,386	\$8,321,568	\$87,295,642	9.5%
FY2009	\$3,984,427	\$4,594,883	\$8,579,310	\$87,940,199	9.8%
FY2010	\$3,936,362	\$3,145,930	\$7,082,292	\$92,557,380	7.7%
FY2011	\$3,693,376	\$3,018,977	\$6,712,353	\$95,072,492	7.1%
FY2012	\$3,701,136	\$2,773,449	\$6,474,585	\$98,002,126	6.6%
FY2013	\$3,917,589	\$2,992,535	\$6,910,124	\$102,554,265	6.7%
FY2014	\$4,121,935	\$3,032,615	\$7,154,550	\$103,871,567	6.9%
FY2015	\$4,358,925	\$3,047,751	\$7,406,676	\$104,808,283	7.1%

Town of Dedham FY2015 Budget



As the Town's revenues have grown as a whole, State Aid has decreased as a percent of the total, from 10.3% in FY2004 to 7.1% in FY2015.



The Town also receives other smaller amounts in State Aid through reimbursements or offset funds for specific programs. The FY2015 budget includes \$216,430 for these other

Town of Dedham FY2015 Budget

amounts, representing 2.9% of budgeted State Aid, and 0.2% of total budgeted revenues. These other estimated amounts are for: Veterans' Benefits (\$61,208, a 75% reimbursement for the Town's pre-funded expense); Exemptions (\$134,800); and Public Libraries (\$20,422).

Local Receipts

The FY2015 budget estimates a decrease of \$200,000 in Local Receipts from the FY2014 budget. The estimate of \$6,727,995 represents 6.4% of total budgeted revenues. Revenue estimates from local receipts are based on historic data, and budgeted conservatively. There are three significant categories of local receipts:

- Excise and other taxes are the largest source of local receipts. The FY2015 budget includes an estimate of \$4,322,995 in excise tax, representing 64.3% of local receipts, and 4.1% of total budgeted revenues. Motor vehicle and boat excise represents \$2,000,000 of these revenues. Local option taxes on Room Occupancy and Meals, discussed further below, represent \$1,995,895 of these revenues. Other estimated amounts include \$300,000 in penalty and interest on taxes, and a \$27,100 payment in lieu of taxes from the Massachusetts Institute of Technology.
- Licenses and permits are the second largest source of local receipts. The FY2015 budget includes an estimate of \$985,000 in licenses and permits, representing 14.6% of local receipts and 0.9% of total budgeted revenues. Building permits and inspections represent \$750,000 of these revenues. Other estimated amounts include \$125,000 in alcoholic beverage licenses, and \$110,000 in all other licenses and permits.
- Departmental revenues are the third largest source of local receipts. The FY2015 budget includes an estimate of \$917,500 in departmental revenues, representing 13.6% of local receipts, and 0.9% of total budgeted revenues. Transfer station and stack rentals represent \$275,000 of these revenues. Other estimated amounts include \$250,000 in Medicaid reimbursements, \$105,000 in Health Department fees, and \$287,500 in all other departmental revenues.
- The FY2015 budget includes these additional amounts of local receipts:
 - \$225,000 in Investment Income;
 - \$157,500 in Fines and Forfeits; and
 - \$120,000 in Miscellaneous/Non-Recurring, which are transfers from the FY2014 budget to fund various capital requests.

Local Option Taxes

In FY2010, the Commonwealth provided municipalities with a tool to offset the reduction in State Aid, by allowing an additional allocation of 0.75% of the Meals Excise tax and an increase from 4% to 6% in the Hotel/Motel Excise tax, upon local acceptance. In November 2009, Town Meeting approved warrant articles submitted by the Board of Selectmen to adopt each of these local options, effective January 1, 2010.

Town of Dedham FY2015 Budget

With the acceptance of these local option taxes, Town Meeting approved an additional article establishing the Major Capital Facilities Stabilization Fund for the purpose of segregating funds for major facility improvements, replacements, or construction.

Following the creation of this fund, the Board of Selectmen voted to form the Major Capital Facilities Stabilization Fund Use Policy Committee, to determine a policy for use of these funds. The Committee recommended that the fund be used solely for the major renovation of existing buildings, the construction of new buildings, or acquisition of existing buildings that meet the Town's needs, with a minimum threshold of \$4,000,000, and that the fund maintain a minimum fund balance of \$1,000,000.

The FY2015 budget includes \$1,995,895 in local option tax revenue. Per the recommendation of the Committee, these funds are to be transferred into the fund upon receipt from the state and with 2/3 approval of Town Meeting, rather than being used as revenue to support operations.

Other Sources

Sewer Receipts

The Sewer Enterprise Fund is a proprietary fund, accounting for activities related to sewer services in Dedham. Sewer receipts support the full operations of the department, as well as certain operating budgets and related capital projects.

Because of budgetary timing requirements, sewer rates are set prior to the adoption of the Town's and the Massachusetts Water Resources Authority (MWRA) budgets. As a result, the Town's budgeted revenues for sewer receipts are based upon estimated expenditures. Historically, sewer rates have been set so that the revenues generated fully cover the projected costs. The Board of Selectmen set the sewer rate each year in March. The sewer rate has not changed since FY2008, making FY2015 the seventh consecutive year that rates have not increased.

The FY2015 budget includes \$7,600,000 in total Sewer Receipts. These revenues will fund the full estimated MWRA assessment, certain sewer-related costs in the operating budget, and capital improvements. The FY2015 MWRA estimated assessment to Dedham is \$5,028,656, an increase of \$104,388 or 2.1%. Sewer revenue estimates are based on prior year receipts, with the assumption that rates remain stable.

Sewer revenues will support \$1,600,000 in the following capital improvements:

- Inflow & Infiltration, \$1,000,000: Sewer receipts will fully support the annual program to reduce inflow and infiltration from the sanitary sewer system; and
- Sewer Improvements, \$600,000: Sewer receipts will fully support repairs to existing sewer mains.

Free Cash

Free cash consists of funds remaining from the operations of the previous fiscal year, which are certified as available for appropriation annually by the Department of Revenue's

Town of Dedham FY2015 Budget

Director of Accounts. Remaining funds include unexpended Free Cash from the previous year, receipts in excess of estimates shown on the tax recapitulation sheet and unspent amounts in budget line items. Unpaid property taxes and certain deficits reduce the amount of remaining funds that can be certified.

The FY2015 budget includes the use of \$1,552,150 in Free Cash. The Town's certified Free Cash as of the May 2014 Annual Town Meeting was \$3,101,778.

Other Available Funds

The FY2015 budget includes \$310,000 in other available funds, which are restricted for particular purposes to support various operating expenditures. Endicott Estate receipts represent \$260,000 of these revenues. Other estimated amounts include \$25,000 in parking meter receipts, and \$25,000 in sale of lots and graves. These revenue estimates are based on prior year receipts.

Town of Dedham FY2015 Budget

Long-Range Financial Plans

Beginning in 2009, the Town implemented a policy of rolling five-year financial projections. The Town believes this will provide better insight when preparing annual budgets and will alert the Town to any potential budgeting issues far ahead of when these become major problems.

Financial projections indicate that the Town will be able to produce future budgets that will reflect a moderate growth in the property tax levy, the Town's primary revenue stream. In addition, valuations are projected for stability in the near term with moderate increases in the out years based on new construction, appreciation in values of existing property and major rehabilitation.

The following represents the Town's five-year revenue projections:

	2015	2016	2017	2018	2019
Property Tax	81,211,462	82,571,650	83,954,620	85,360,752	86,790,436
State Aid	7,406,676	7,667,687	7,937,896	8,217,627	8,507,216
Local Receipts	6,727,995	6,799,485	6,871,735	6,944,752	7,018,545
Other Sources	9,462,150	9,746,015	10,038,395	10,339,547	10,649,733
	104,808,283	106,784,837	108,802,645	110,862,678	112,965,930

Revenue projections for FY2015 are based on budgeted figures. The Town expects that annual budget sources as forecasted will be sufficient to fund annual appropriations.

Future years' property tax revenues are estimated to increase 1.7% annually, which includes a portion of the 2.5% allowed over the prior year's levy limit as well as an allowance for new growth. This growth forecast aligns with the Town's strategic goal of regulating growth in the property tax rate.

Slow growth of the national economy is expected to provide increased revenues to the State in sales tax and capital gains. As a result, State aid revenues are estimated to increase by 3.5% annually, in accord with the annual percentage increase the Town received in these revenues from FY2013 to FY2014, and from FY2014 to FY2015's projected revenues.

Local receipts are estimated to increase by 1.0% annually, with 2.0% growth in local option taxes offsetting level revenues in other areas. Other revenue sources are estimated to increase by 3.0% annually, primarily due to the Sewer Enterprise Fund retained earnings.

Town of Dedham FY2015 Budget

Section V. Capital Expenditures

The Town's Capital Improvement Plan (CIP) is a blueprint for the community's capital expenditures and infrastructure maintenance. It is a fiscal planning tool that documents the Town's capital asset needs and schedules projects for funding and implementation.

Definition of Capital Expenditures

As defined in the Town By-laws Section 39-8, Capital budget process; definitions⁷:

For the purposes of this bylaw, a "Capital Improvement" is defined as a physical betterment, including, but not limited to, the construction of new buildings or facilities, the alteration of buildings or facilities now or hereafter existing, and the purchase of land, or items of equipment, provided that any such physical betterment shall have a cost of at least \$10,000. Capital Improvements include both "Operating Capital Expenditures" and "Debt Capital."

An "Operating Capital Expenditure" is defined as a physical betterment of items or equipment costing at least \$10,000 with a useful life of at least three years. Operating capital expenditures that are recurring, such as department vehicles, should be financed from the respective department operating budget in a separate line item.

"Debt Capital" includes but is not limited to the construction of new buildings or facilities now and hereafter existing, the purchase of land, or items of equipment, provided that it has a cost of at least \$100,000 with a useful life of at least five years. On an annual basis, detailed estimates of the expenditures necessary for Debt Capital should be identified by each department for the ensuing five years and such projects should be financed as a separate capital expense of the Town annually in a capital expenditure warrant article.

Items that are regularly classified as capital improvements include:

- New construction or additions to buildings
- Land acquisition
- Motor equipment acquisition or replacement
- Technology and equipment acquisition or replacement
- Infrastructure improvements such as roads, sidewalks, drains, and sewer

Study or design services for these types of capital improvements are also capitalized.

The current Capital Process is outlined in the Capital Policy and Process (see Section III, Financial Policies).

⁷ <http://ecode360.com/15753282>

FY2015 Capital Improvement Plan

The total amount of approved capital expenditures for FY2015 is \$5,407,270. These funds are from the following sources:

- Sewer Enterprise Fund, \$1,600,000
- Borrowing, \$3,807,270

The following capital projects were approved by Town Meeting:

DEPARTMENT Project	FUNDING SOURCE		TOTAL
	Sewer	Borrowing	
INFORMATION TECHNOLOGY			
Software License Renewal		\$289,000	\$289,000
			\$289,000
FACILITIES – SCHOOL BUILDINGS			
Exterior Door Replacements		\$150,000	\$150,000
DHS & Greenlodge School Ceilings		\$300,000	\$300,000
			\$450,000
FIRE			
Replace Engine 4		\$500,000	\$500,000
			\$500,000
SCHOOLS			
Network Infrastructure Upgrade		\$128,270	\$128,270
			\$128,270
ENGINEERING			
Design Rustcraft Road Sidewalk		\$300,000	\$300,000
Inflow & Infiltration	\$1,000,000		\$1,000,000
			\$1,300,000
PUBLIC WORKS			
Roads Program		\$1,500,000	\$1,500,000
Sidewalks & Miscellaneous Repairs		\$400,000	\$400,000
Drain & Sewer Repairs	\$600,000		\$600,000
Motor Vehicles & Heavy Equipment		\$240,000	\$240,000
			\$2,740,000
TOTAL	\$1,600,000	\$3,807,270	\$5,407,270

Significant Nonrecurring Capital Expenditures

Of these approved projects, two are considered significant (greater than \$100,000) and non-recurring:

- Design Rustcraft Road Sidewalk, \$300,000
- Network Infrastructure Upgrade, \$128,270

Software License Renewals are for an anticipated six-year term. All other appropriations are for regular anticipated repairs and replacements.

FY2015-2019 Five-Year Capital Improvement Plan

Project	Capital Type	Requested FY2015	Approved FY2015	FY2016	FY2017	FY2018	FY2019	Total
TOWN MANAGER								
Records Management Program	Operating	50,000	50,000	-	-	-	-	50,000
Interactive Online Budget Program	Operating	25,000	-	-	-	-	-	-
		75,000	50,000	-	-	-	-	50,000
INFORMATION TECHNOLOGY								
Software License Renewal	Debt	289,000	289,000	-	-	-	-	289,000
Hardware Replacements	Debt	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Software Programs	Operating	60,000	-	60,000	60,000	60,000	60,000	240,000
Mobile Technology	Operating	30,000	-	30,000	30,000	30,000	30,000	120,000
		479,000	389,000	190,000	190,000	190,000	190,000	1,149,000
TOWN CLERK								
Election Machine Replacements	Operating	-	-	72,000	-	-	-	72,000
		-	-	72,000	-	-	-	72,000
ENVIRONMENTAL								
Abandoned Rail Trail	Debt	-	25,000	2,000,000	-	-	-	2,025,000
		-	25,000	2,000,000	-	-	-	2,025,000
PLANNING BOARD								
Open Space & Recreation Plan	Operating	-	20,000	-	-	-	-	20,000
Master Plan	Debt	-	-	-	-	-	100,000	100,000
		-	20,000	-	-	-	100,000	120,000
ECONOMIC DEVELOPMENT								
East Dedham Square Redesign	Operating	10,000	-	-	-	-	-	-
		10,000	-	-	-	-	-	-
FACILITIES - MUNICIPAL BUILDINGS								
Town Hall Interior Renovations	Operating	50,000	-	-	-	-	-	-
Town Hall Building Systems	Operating	50,000	-	-	-	-	-	-
Police Station Building Systems	Operating	30,000	-	-	-	-	-	-
Main Fire Station Building Systems	Operating	30,000	-	-	-	-	-	-
East Dedham Fire Station Building Systems	Operating	-	-	20,000	-	-	-	20,000
Public Works Interior Renovations	Operating	50,000	50,000	50,000	50,000	50,000	50,000	250,000
Main Library Exterior Renovations	Operating	30,000	30,000	20,000	-	-	-	50,000
Main Library Building Systems	Operating	15,000	15,000	-	-	-	-	15,000
Dolan Center Interior Renovations	Operating	-	-	20,000	20,000	20,000	-	60,000
Mucciaccio Pool Interior Renovations	Operating	20,000	20,000	20,000	20,000	-	-	60,000

Town of Dedham FY2015 Budget

Project	Capital Type	Requested FY2015	Approved FY2015	FY2016	FY2017	FY2018	FY2019	Total
FACILITIES - MUNICIPAL BUILDINGS, cont.								
Endicott Estate Exterior Renovations	Operating	80,000	-	90,000	260,000	60,000	60,000	470,000
Endicott Estate Interior Renovations	Operating	30,000	-	30,000	30,000	30,000	30,000	120,000
Endicott Estate Building Systems	Operating	-	125,000	30,000	30,000	-	-	185,000
Vehicles & Equipment	Operating	225,000	75,000	135,000	30,000	30,000	30,000	300,000
		610,000	315,000	415,000	440,000	190,000	170,000	1,530,000
FACILITIES - SCHOOL BUILDINGS								
DHS Building Systems	Operating	110,000	110,000	-	-	150,000	-	260,000
DHS Interior Renovations	Debt	155,000	-	50,000	-	-	-	50,000
DHS Exterior Renovations	Debt	-	-	-	250,000	-	-	250,000
DMS Exterior Renovations	Operating	50,000	30,000	-	-	1,000,000	1,000,000	2,030,000
DMS Building Systems	Operating	20,000	20,000	150,000	-	-	-	170,000
Elem. Schools Interior Renovations	Operating	50,000	50,000	50,000	50,000	50,000	50,000	250,000
Elem. Schools Exterior Renovations	Debt	-	-	500,000	500,000	-	-	1,000,000
Systemwide Exterior Doors	Debt	150,000	150,000	150,000	150,000	-	-	450,000
Systemwide Ceiling Replacements	Debt	300,000	300,000	300,000	300,000	-	-	900,000
Systemwide Interior Renovations	Debt	-	-	-	150,000	150,000	150,000	450,000
		835,000	660,000	1,200,000	1,400,000	1,350,000	1,200,000	5,810,000
POLICE								
Police Vehicles	Operating	198,200	198,200	152,000	152,000	189,200	152,000	843,400
Communications Equipment	Operating	-	-	30,337	-	21,836	74,237	126,410
Computer Hardware	Operating	-	-	12,256	12,256	12,256	4,085	40,853
Force Options	Operating	-	-	-	-	95,263	12,000	107,263
Software	Operating	13,000	-	50,000	-	-	-	50,000
		211,200	198,200	244,593	164,256	318,555	242,322	1,167,926
FIRE								
Engine & Ladder Replacements	Debt	525,000	500,000	-	525,000	900,000	-	1,925,000
Department Vehicles	Operating	40,000	40,000	40,000	80,000	80,000	40,000	280,000
Rescue Equipment	Operating	109,000	104,000	79,000	54,000	79,000	79,000	395,000
Truck Equipment	Operating	38,500	30,000	13,500	32,500	32,500	32,500	141,000
		712,500	674,000	132,500	691,500	1,091,500	151,500	2,741,000

Town of Dedham FY2015 Budget

Project	Capital Type	Requested FY2015	Approved FY2015	FY2016	FY2017	FY2018	FY2019	Total
DEDHAM PUBLIC SCHOOLS								
Computer Replacements	Operating	272,450	272,450	280,500	284,500	284,500	284,500	1,406,450
Network Infrastructure Upgrade	Debt	128,270	128,270	128,270	-	-	-	256,540
IT Data Center Cooling System	Operating	60,000	60,000	-	-	-	-	60,000
Tennis Court Resurfacing	Operating	50,000	50,000	-	-	-	-	50,000
Vehicle Replacement	Operating	-	-	30,000	-	-	-	30,000
Security Surveillance & Access	Debt	-	-	-	125,000	-	-	125,000
		510,720	510,720	438,770	409,500	284,500	284,500	1,927,990
ENGINEERING								
Computer Workstations	Operating	15,000	15,000	15,000	-	-	-	30,000
Design Rustcraft Road Sidewalk	Debt	300,000	300,000	-	-	-	-	300,000
Design Elm & Bussey St Sidewalk	Debt	-	-	250,000	-	-	-	250,000
Inflow & Infiltration	Debt	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Department Vehicles	Operating	-	-	34,000	-	40,000	-	74,000
Field Equipment	Operating	-	-	40,000	-	-	-	40,000
Geographic Information System	Debt	-	-	-	-	-	100,000	100,000
		1,315,000	1,315,000	1,339,000	1,000,000	1,040,000	1,100,000	5,794,000
PUBLIC WORKS								
Roads Program	Debt	1,500,000	1,500,000	1,000,000	750,000	750,000	750,000	4,750,000
Sidewalks & Miscellaneous Repairs	Debt	500,000	400,000	500,000	500,000	500,000	500,000	2,400,000
Drain & Sewer Repairs	Debt	600,000	600,000	600,000	600,000	600,000	600,000	3,000,000
Gateway to the Manor	Debt	550,000	-	-	-	-	-	-
Motor Vehicle & Heavy Equipment	Debt	240,000	240,000	300,000	200,000	200,000	200,000	1,140,000
Communications System	Operating	85,000	85,000	-	-	-	-	85,000
Brookdale Cemetery Improvements	Operating	25,000	25,000	25,000	25,000	25,000	25,000	125,000
Village Cemetery Improvements	Operating	50,000	50,000	50,000	50,000	50,000	50,000	250,000
		3,550,000	2,900,000	2,475,000	2,125,000	2,125,000	2,125,000	11,750,000
STREET LIGHTING								
Bucket Van	Operating	50,000	50,000	-	-	-	-	50,000
		50,000	50,000	-	-	-	-	50,000

Town of Dedham FY2015 Budget

Project	Capital Type	Requested FY2015	Approved FY2015	FY2016	FY2017	FY2018	FY2019	Total
PARKS & RECREATION								
Parks Lighting & Security	Operating	71,050	25,500	-	-	60,000	-	85,500
Pool Equipment & Maintenance	Operating	15,000	12,000	-	-	15,000	15,000	42,000
Parks & Rec Equipment	Operating	19,000	19,000	77,000	50,000	-	50,000	196,000
Parks & Rec Master Plan Study	Operating	50,000	-	-	-	-	-	-
Field Improvements	Operating	-	-	30,000	115,000	265,000	10,000	420,000
Parks Improvements	Operating	-	-	20,000	25,000	5,500	58,000	108,500
		155,050	56,500	127,000	190,000	345,500	133,000	852,000
ENDICOTT ESTATE								
Historic Renovation & Restoration	Operating	15,000	-	15,000	15,000	15,000	15,000	60,000
Event Equipment	Operating	-	-	80,000	-	-	-	80,000
		15,000	-	95,000	15,000	15,000	15,000	140,000
TOWN OF DEDHAM FY2015-2019 CAPITAL IMPROVEMENT PLAN								
		Requested FY2015	Approved FY2015	FY2016	FY2017	FY2018	FY2019	Total
		8,528,470	7,163,420	8,728,863	6,625,256	6,950,055	5,711,322	35,178,916

Section VI. Debt

Debt Limits

The General Debt Limit of the Town consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is set by MGL Chapter 44, Section 10 at 5% of the Town's total most recent assessed valuation by the Department of Revenue. With a valuation of \$4.267 billion, the Town's Normal Debt Limit is approximately \$213 million. The Town can authorize debt up to the Normal Debt Limit without state approval, and up to twice that amount (the Double Debt Limit) with the approval of the state Municipal Finance Oversight Board, which is composed of the State Treasurer, the State Auditor, the Attorney General, and the Director of Accounts.

The Town's total outstanding debt service as of July 1, 2014 was \$65,223,352. This amount is within the Town's Normal Debt Limit of \$213 million, and thus is subject to the Normal Debt Limit and not the Double Debt Limit.

Principal and Interest Payments for FY2015

All of the Town's debt service is paid from the General Fund, including debt for the School Construction and Sewer Enterprise funds. The chart below lists the projects for which principal and interest payments on debt service are budgeted for FY2015.

Project	Date of Issue	Borrowing	Final Payment	Principal	Interest
EXCLUDED DEBT					
Sewer	12/15/00	1,765,000	2016	115,000	8,625
Land Acquisition, Manor Estate	12/15/01	2,000,000	2022	100,000	35,925
Sewer	6/15/03	2,172,000	2023	110,000	35,073
Middle School Construction	6/1/05	10,000,000	2025	500,000	214,250
Road Repairs	6/1/05	2,500,000	2015	250,000	8,750
Road Repairs	6/1/05	2,000,000	2015	200,000	7,000
SMA Fathers	11/1/06	3,750,000	2022	250,000	74,375
Middle School Construction	10/15/07	4,000,000	2027	210,000	103,373
Avery School Construction	5/15/10	3,400,000	2030	170,000	90,738
Turf Performance Fields	5/15/10	2,000,000	2030	100,000	53,375
Avery School Construction	6/15/11	5,000,000	2031	250,000	164,063
Turf Performance Fields	6/15/11	1,100,000	2026	75,000	34,625
Avery School Construction	5/15/12	3,870,000	2032	195,000	94,538
TOTAL EXCLUDED DEBT				2,525,000	924,708
NON-EXCLUDED DEBT					
MWPAT Title V Loan, Series 3	10/25/00	121,105	2019	6,726	-
MWPAT, Series 4	2/1/05	2,038,195	2019	111,054	9,431
MWPAT, Series 5	2/1/05	603,549	2020	31,912	3,848
Endicott Estate Repairs	6/1/05	750,000	2015	75,000	2,625
Greenlodge & Riverdale Boilers	6/1/05	450,000	2015	45,000	1,575
Road Repairs	11/1/06	3,000,000	2016	330,000	20,460
Road Repairs	11/1/06	1,000,000	2016	110,000	6,820
Dedham HS Masonry Repairs	11/1/06	630,000	2022	40,000	11,900
Salt Shed	11/1/06	350,000	2017	35,000	3,483
Public Works Roof	11/1/06	300,000	2017	30,000	2,985
Capen Center Roof	11/1/06	170,000	2017	15,000	1,493
East Dedham Fire Repairs	11/1/06	120,000	2017	10,000	995
Fairbanks Soccer Field Lights	11/1/06	100,000	2017	10,000	995
Road Repairs	10/15/07	900,000	2017	100,000	9,625
Endicott Estate Repairs	10/15/07	750,000	2018	75,000	10,031
Greenlodge & Oakdale Repairs	10/15/07	425,000	2018	40,000	5,350
High School Admin Relocation	10/15/07	200,000	2018	20,000	2,675
Central Fire Apparatus Floors	10/15/07	130,000	2018	13,000	1,739
Town Hall HVAC	10/15/07	120,000	2018	12,000	1,605
Town Hall Remodel	10/15/07	100,000	2018	10,000	1,338
Roads & Sidewalks	11/1/08	1,000,000	2018	110,000	16,280
High School Roof	11/1/08	750,000	2019	75,000	14,663
Public Works Building Repairs	11/1/08	100,000	2019	10,000	1,955

Town of Dedham FY2015 Budget

Project	Date of Issue	Borrowing	Final Payment	Principal	Interest
Roads & Sidewalks	6/1/09	1,500,000	2019	150,000	19,500
Roads & Sidewalks	6/1/09	750,000	2019	75,000	9,750
Land Acquisition, 347 High Street	6/1/09	675,000	2019	67,500	8,775
East Dedham Fire Repairs	6/1/09	300,000	2019	30,000	3,900
Roads & Sidewalks	6/1/09	225,000	2019	22,500	2,925
Sewer, Nancy Rd/Zoar Ave	6/1/09	170,000	2019	15,000	1,950
Town Hall HVAC	6/1/09	100,000	2019	10,000	1,300
Elementary Schools Masonry	6/1/09	95,000	2019	10,000	1,150
Road Repairs	5/15/10	1,500,000	2020	150,000	25,125
Fire Truck, Replace Engine 3	5/15/10	435,000	2015	85,000	2,550
Dexter School Roof	5/15/10	265,000	2020	25,000	4,188
Oakdale School Boiler	5/15/10	230,000	2015	45,000	1,350
DHS Kitchen Equipment	5/15/10	120,000	2015	20,000	600
MWRA Sewer	5/17/10	272,800	2015	54,560	-
Avery School Feasibility Study	11/15/10	110,000	2015	20,000	600
ESCO/Energy Bonds	6/15/11	8,000,000	2031	400,000	191,000
Roads & Sidewalks	6/15/11	2,000,000	2020	200,000	62,000
Fire Truck, Refurbish Ladder 1	6/15/11	300,000	2016	60,000	6,000
Town Hall Solar Project	6/15/11	250,000	2020	25,000	6,700
Dexter School Roof	6/15/11	225,000	2020	25,000	6,700
Condon Park Parking Lot	6/15/11	35,000	2016	5,000	500
Road Repairs	5/15/12	1,500,000	2020	150,000	37,500
Land Acq., 437 Washington St	5/15/12	425,000	2020	45,000	10,450
Sidewalks	5/15/12	350,000	2020	35,000	8,750
Public Works Equipment	5/15/12	150,000	2017	30,000	2,700
MWRA Sewer	5/20/13	260,150	2018	52,030	-
Dedham Square	6/15/13	4,800,000	2028	320,000	96,400
Roads & Sidewalks	6/15/13	2,000,000	2028	135,000	40,081
Riverdale Roof	6/15/13	106,000	2023	10,000	1,838
Pool Roof	6/15/13	82,000	2018	15,000	1,200
Road Repairs	6/15/14	1,500,000	2029	100,000	45,000
Dedham Square	6/15/14	1,006,000	2024	71,000	30,180
Sidewalks & Misc Repairs	6/15/14	500,000	2029	35,000	15,000
DPW Motor Equipment	6/15/14	320,000	2019	65,000	9,600
Old Avery School Boiler	6/15/14	125,000	2024	15,000	3,750
DHS Rooftop Units	6/15/14	95,000	2019	20,000	2,850
Snow Removal Vehicle	6/15/14	40,000	2018	10,000	1,200
Pool Rooftop Units	6/15/14	25,000	2017	10,000	750
Brookdale Cemetery	6/15/14	25,000	2017	10,500	465
Striar Property	6/15/14	25,000	2024	10,000	750
TOTAL NON-EXCLUDED DEBT				3,947,782	796,895

Town of Dedham FY2015 Budget

The FY2015 budget includes final payments on the following borrowings:

Project	Date of Issue	Borrowing	Final Payment	Principal	Interest
EXCLUDED DEBT					
Road Repairs	6/1/05	2,500,000	2015	250,000	8,750
Road Repairs	6/1/05	2,000,000	2015	200,000	7,000
TOTAL EXCLUDED DEBT				450,000	15,750
NON-EXCLUDED DEBT					
Greenlodge & Riverdale Boilers	6/1/05	450,000	2015	45,000	1,575
Endicott Estate Repairs	6/1/05	750,000	2015	75,000	2,625
Fire Truck, Replace Engine 3	5/15/10	435,000	2015	85,000	2,550
Oakdale School Boiler	5/15/10	230,000	2015	45,000	1,350
DHS Kitchen Equipment	5/15/10	120,000	2015	20,000	600
MWRA Sewer	5/17/10	272,800	2015	54,560	-
Avery School Feasibility Study	11/15/10	110,000	2015	20,000	600
TOTAL NON-EXCLUDED DEBT				344,560	9,300
TOTAL				794,560	25,050

The chart below shows the Town's scheduled debt service through FY2019.

	2015	2016	2017	2018	2019	Thereafter
Non-Excluded	3,449,708	2,903,963	2,731,650	2,635,630	2,557,180	17,807,788
Excluded	4,744,678	4,282,680	3,645,981	3,328,785	2,881,908	14,253,402
	8,194,385	7,186,643	6,377,631	5,964,415	5,439,088	32,061,189

Section VII. Departmental Information

Position Summary Schedules

The following summarizes departmental staffing levels from FY2013 to FY2015:

Department	FY2013	FY2014	FY2015
Board of Selectmen/Town Manager	4.0	4.0	4.0
Finance Department	15.0	14.0	14.0
Assessors Department	5.0	5.0	5.0
Human Resources	0.0	2.0	2.2
Town Clerk	4.0	4.0	4.0
Conservation Commission	1.0	1.0	1.0
Environment	1.0	1.0	1.0
Planning Board	2.0	2.0	2.0
Economic Development	1.0	1.0	1.0
Facilities	31.5	31.5	31.5
Police	62.0	63.0	63.0
Fire	61.0	62.0	63.0
Dispatch	9.0	9.0	9.0
Building Inspections	6.0	6.0	6.0
Canine Control	1.0	0.0	0.0
Dedham Public Schools	530	519.6	520.6
Engineering	5.0	5.0	5.0
Public Works	22.0	23.0	23.0
Health Department	3.6	3.6	3.6
Council On Aging	3.8	3.8	3.8
Youth Commission	4.0	4.0	4.0
Veterans Services	2.0	2.0	1.8
Library	15.1	15.1	16.0
Parks & Recreation	8.0	8.0	8.0
Endicott Estate	2.4	1.4	2.4
TOTAL	799.4	791.0	794.9

The following describes changes in staffing levels from FY2014 to FY2015.

Department	Position	FY2014	FY2015	Description
Human Resources	Admin. Assistant	0.0	0.2	Allocated hours to share position with Veterans Services department.
Fire	Firefighters	43.0	44.0	Added one Firefighter position.
Dedham Public Schools	Teachers	184.5	185.5	Increased hours for Teachers in Math, Music, and World Languages equivalent to one FTE.
Veterans Services	Admin. Assistant	1.0	0.8	Allocated hours to share position with Human Resources department.
Library	Library Assistants	6.1	7.0	Increased two part-time positions to full-time.
Endicott Estate	Event Planner	0.0	1.0	Established position to provide billable services and support administration.

Town of Dedham FY2015 Budget

Department Descriptions

The FY2015 Operating Budget contains funding for 24 staffed departments, 13 non-staffed departments, and two regional school districts.

Staffed Departments

1. Board of Selectmen/Town Manager
2. Finance
3. Board of Assessors
4. Human Resources
5. Town Clerk
6. Conservation Commission
7. Environment
8. Planning Board
9. Economic Development
10. Facilities
11. Police
12. Fire
13. Dispatch
14. Building Inspections
15. Dedham Public Schools
16. Engineering
17. Public Works
18. Board of Health
19. Council On Aging
20. Youth Commission
21. Veterans Services
22. Board of Library Trustees
23. Parks & Recreation Commission
24. Endicott Estate

Unstaffed Departments

1. Finance Committee
2. Central Purchasing
3. Legal
4. Building, Planning, and Construction Committee
5. Sealer of Weights and Measures
6. Civil Preparedness
7. Street Lighting
8. Rubbish & Recycling
9. Snow & Ice
10. Civic Pride
11. Cultural Council
12. Debt Service
13. Employee Benefits

Town of Dedham FY2015 Budget

The following information is presented for each department as applicable:

- Department Description, Programs, and Services
- Staffing and Organization
- Budget Detail from FY2014 and FY2015
- Significant Changes from Prior Fiscal Years
- Significant Changes for FY2015

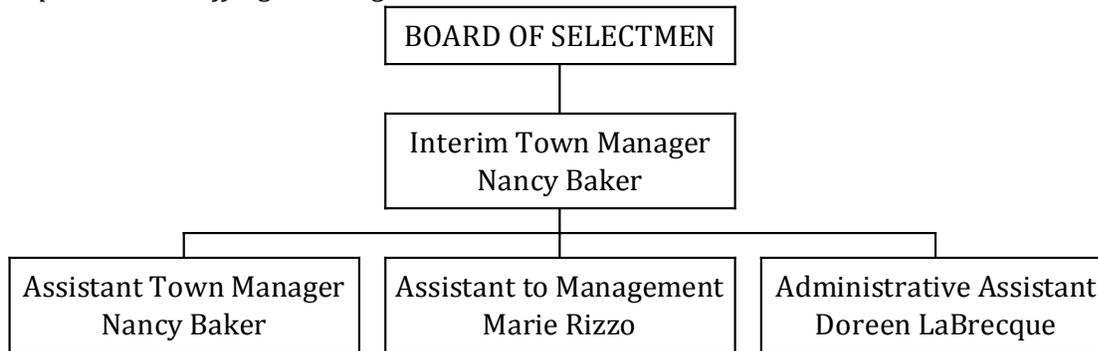
Town of Dedham FY2015 Budget

BOARD OF SELECTMEN / TOWN MANAGER (TOWN ADMINISTRATOR)

Department Description, Programs, and Services

The Board of Selectmen is a five-member elected board. In accordance with the Dedham Home-Rule Charter, the board serves as the chief policy making agency and licensing authority of the Town. The Charter was amended at the May 2013 Annual Town Meeting and approved by the voters in April 2014 to change the title of the Town Administrator to the Town Manager. The Board of Selectmen appoints the Town Manager, who serves as the chief administrative officer of the Town. Under the Town Charter, the Town Manager is responsible for managing the Town's personnel system, property and liability insurance coverage, preparing the annual budget, and serves as the Town's chief procurement officer.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Town Administrator / Town Manager	1	1	1
Assistant Town Administrator / Assistant Town Manager	1	1	1
Assistant to Administration	1	1	1
Administrative Assistant II	1	1	1
Department Total	4	4	4

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$366,690.00	\$376,997.00
Purchase of Services	\$45,345.00	\$61,345.00
Supplies	\$600.00	\$600.00
Other Charges & Expenses	\$24,606.00	\$13,465.00
Bus Service Contract	\$99,485.00	\$100,000.00
Annual Town Audit	\$75,000.00	\$75,000.00
SNARC	\$5,750.00	\$5,750.00
Liability & Property Insurance	\$712,761.00	\$858,223.00
TOTAL	\$1,330,237.00	\$1,491,380.00

Significant Changes from Prior Fiscal Years

The Town Charter was updated at the May 2013 Annual Town Meeting, completing two years of work by the Charter Advisory Committee. Following the State Legislature's review, approved changes will be subject to a vote by registered Town voters during the April 2014

Town of Dedham FY2015 Budget

general election. Ongoing codification of the By-Laws has been shifted to the Town Clerk's office, with costs reflected in each budget.

The Board and the Town's financial team accomplished a long-term goal in FY2013 by completing Dedham's first Comprehensive Annual Financial Report (CAFR) for FY2012, for which the Town was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association. The second annual CAFR was published in May 2014.

The Town is in the process of evaluating various bus routes with the assistance of the Planning Board and Economic Development Director, and will continue providing bus service while new routes are under analysis.

Significant Changes for FY2015

Liability insurance rates are projected to increase by 6%, and Workers Comp by \$100,000, for a total cost increase of approximately \$120,000.

Funding of \$15,000 for a Dedham Coalition for Alcohol and Drug Awareness and of \$6,000 to continue the Town's Performance Management program is budgeted within Purchase of Services. Funding for the Coalition will be used to support a pilot group of Dedham boards, departments, and community partners, focused on outreach and education around substance abuse in the community.

The Town initiated a Performance Management program with the Collins Center at UMass Boston in FY2014, at a cost of \$500, with an initial focus on Police and Public Works services. The Town's goal for FY2015 is to focus on discrete projects with the support of a Collins Center analyst, such as fleet maintenance and technological solutions to work management. This project-based approach is more cost-effective than alternative options for broader services that are available as the program develops.

These costs are offset by a reduction of \$25,000 for printing costs, with the completion of the Town Charter update and codification in progress.

Town of Dedham FY2015 Budget

FINANCE DEPARTMENT

Department Description, Programs, and Services

The Finance Department consists of four divisions: accounting; treasury and collections; budget; and information technology. The Director of Finance serves as the Chief Financial Officer of the Town, appointed by the Town Manager. In accordance with the Town Charter, the Director of Finance appoints the Treasurer/Collector with the approval of the Town Manager.

Accounting

The accounting office is responsible for processing and maintaining records of all financial transactions of the Town; processing all accounts payable, payroll, and vendor warrants; federal and state reporting; maintaining records of all funds available for expenditure; maintaining ledgers of cash balances for reconciliation to the treasury; maintaining custody of all Town contracts; and maintaining ledgers of debt classified by purpose.

Treasurer/Collector

The Treasurer/Collector's Office is responsible for the billing and collection of real estate and personal property taxes, motor vehicle excise taxes, police and fire details and alarm fees, sewer use fees, building and street opening permits, municipal lien certificates, and various other permit or license receipts. Other responsibilities include: paying all bills, including payroll and vendor warrants; administering employees' health and life insurance programs; administering the Town's trust funds in conjunction with the Commissioners of Trust Funds; and management of Town properties in tax title or foreclosure; investing the Town's funds in accordance with MGL Chapter 44, Section 55; issuing all the short- and long-term debt authorized by Town Meeting with the approval of the Board of Selectmen.

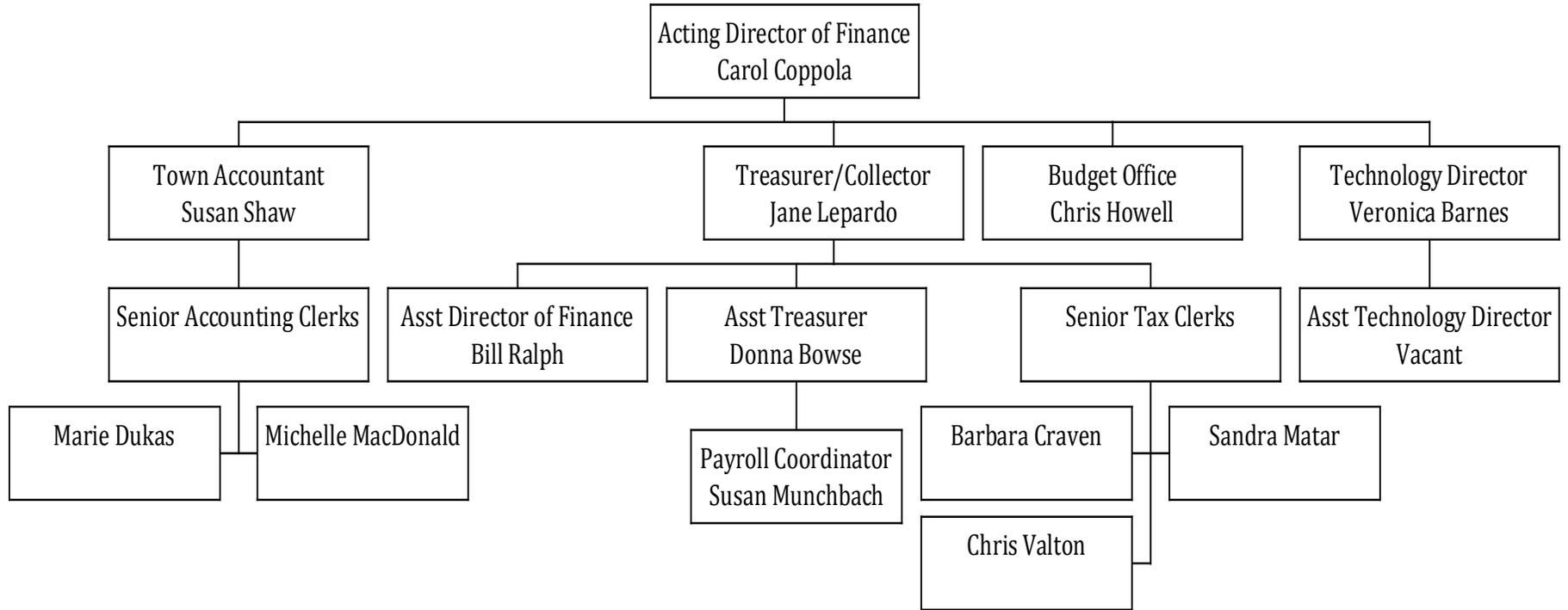
Budget Office

The budget office is responsible for operating and capital budget development for all Town departments; analysis of budget and management systems, processes, and financial plans; and long-range financial planning.

Information Technology

The Information Technology office is responsible for coordinating the implementation and application of information technology for Town departments, boards, and committees.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Director of Finance	1	1	1
Deputy Director of Finance	1	0	0
Treasurer/Collector	0	1	1
Assistant Director of Finance	1	1	1
Town Accountant	1	1	1
Budget Office	1	1	1
Director of Technology	1	1	1
Assistant Director of Technology	1	1	1
Assistant Treasurer	1	1	1
Payroll Administrator	1	1	1
Senior Office Clerk	1	0	0
Senior Tax Clerk	3	3	3
Senior Accounting Clerk	2	2	2
Department Total	15	14	14

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$947,254.00	\$961,331.00
Purchase of Services	\$518,410.00	\$573,155.00
Supplies	\$31,900.00	\$50,000.00
Other Charges & Expenses	\$19,376.00	\$8,704.00
Operating Capital	\$0.00	\$100,000.00
TOTAL	\$1,516,940.00	\$1,693,190.00

Significant Changes from Prior Fiscal Years

There were numerous changes in department staffing from the prior fiscal year.

Robin Reyes, the Town's Deputy Finance Director who served as Treasurer/Collector, and who previously served as a member of the Board of Selectmen and Finance Committee, after serving the Town for 23 years passed away on October 13, 2012.

Mariellen Murphy, the Town's Director of Finance who had previously served as the Department of Revenue's Director of Accounts and MassPort Authority's Director of Administration, after serving the Town for 12 years passed away on April 14, 2014.

Robin and Mariellen were instrumental in helping the Town fully fund its OPEB liability and attain its AAA bond rating. The Town's Major Capital Facilities Stabilization Fund was renamed in Robin's honor at the May 2013 Annual Town Meeting; the Finance Department will ask Town Meeting to rename the OPEB Stabilization Trust Fund in Mariellen's honor at the November 2014 Special Town Meeting.

Jane Lepardo was hired as the Town's Treasurer/Collector in August 2013, after serving as Treasurer/Collector in the Towns of Cohasset and Scituate.

Susan Shaw was hired as the Town Accountant in December 2012 to replace Sheila Bowler, the Town's Staff Accountant who retired earlier that year. Susan previously worked as the

Town of Dedham FY2015 Budget

Town Accountant in the Town of Wayland, and served on the Finance Committee in the Town of Westwood.

Chris Pohl, the Assistant Technology Director, left employment with the Town in order to start a business providing technology services to municipal governments. He will be missed by all of the Town's departments that he supported.

Finally, two new Senior Tax Clerks were hired to replace employees in the Collector's office: Sandra Matar in January 2013 and Chris Valton in March 2014.

Significant Changes for FY2015

Funding for the Town's hardware, software, and network support increased by approximately \$50,000, primarily due to cost increases for Apple Joint Venture membership and services, and Symantec computer security software. The budget also includes funding for BoardPaq, a program that will help Town boards and committees prepare and conduct meetings.

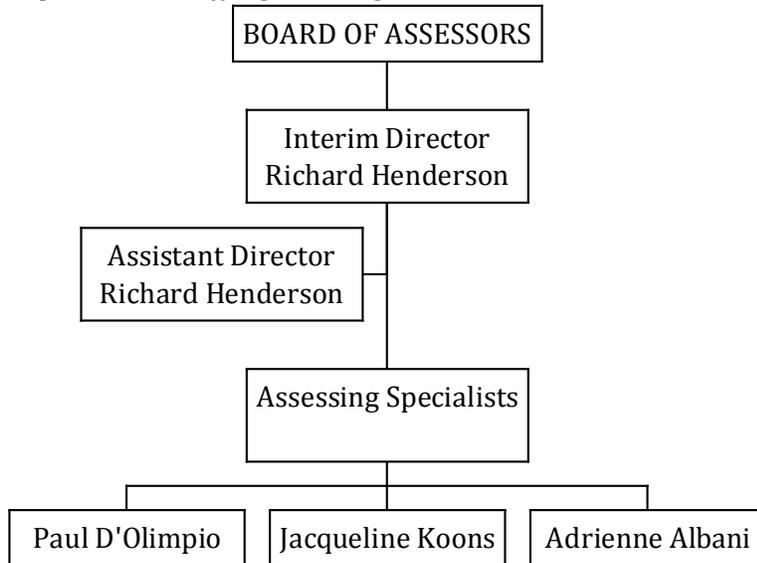
Town of Dedham FY2015 Budget

BOARD OF ASSESSORS

Department Description, Programs, and Services

The Board of Assessors is a three-member elected board, its powers and duties established by MGL Chapter 44, Sections 24 through 30B. The role of the Board is to list and value all real and personal property in the Town. The State Department of Revenue requires that all property be valued at full and fair cash value to ensure that property taxes are equitably distributed. The Board is required revalue all properties annually and to submit the values to the Department of Revenue for certification every three years. In addition to appraisal, the department processes abatements, exemptions, and betterments, maintains records of deeds and exempt properties, and works with the Board of Selectmen to annually set the tax rate. The Board appoints the Director of Assessments to manage the daily operations of the department.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Director of Assessing	1	1	1
Assistant Director of Assessing	1	1	1
Assessing Specialist	3	3	3
Department Total	5	5	5

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$328,879.00	\$315,767.00
Purchase of Services	\$1,400.00	\$2,300.00
Supplies	\$0.00	\$1,100.00
Other Charges & Expenses	\$10,198.00	\$5,838.00
TOTAL	\$340,477.00	\$325,005.00

Town of Dedham FY2015 Budget

Significant Changes from Prior Fiscal Years

The department's field assessor, working with assessors paid through the annual revaluation appropriation, has continued working to address the Town's backlog of valuations. This work should enable the department to achieve a maintenance level for assessments by FY2017, which will reduce the cost of the revaluation.

One of the department's Assessing Specialists, Maureen Flynn, retired in the fall of 2013. Maureen had worked for the Town since 2000; she will be missed.

Significant Changes for FY2015

The department did not request funding for Substitutes, as it plans to fund the final two years of field work through the appropriation for revaluation. The request for Other Charges & Expenses has increased due to required trainings by the Department of Revenue for a newly elected Board member, and trainings for Adrienne Albani, a new member of the department staff who transferred from the Town Clerk's office to replace Maureen Flynn.

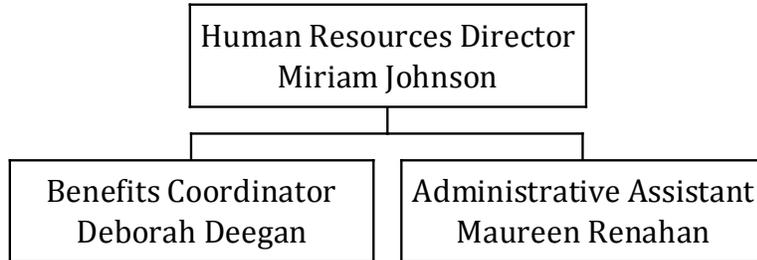
Town of Dedham FY2015 Budget

HUMAN RESOURCES

Department Description, Programs, and Services

The Human Resources department was newly established in the FY2014 budget. The responsibilities of the department are to centrally administer a variety of human resource functions in accordance with statute and collective bargaining agreements, such as mediation, employee benefits, developing policies and procedures, and hiring processes. The department is also a confidential resource for employees.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Human Resources Director	0	1	1
Benefits Coordinator	0	1	1
Administrative Assistant	0	0	0.2
Department Total	0	2	2.2

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$134,884.00	\$162,648.00
Purchase of Services	\$12,350.00	\$26,600.00
Other Charges & Expenses	\$1,810.00	\$4,191.00
TOTAL	\$149,044.00	\$193,439.00

Significant Changes From Prior Fiscal Years

The Town's Human Resources department was established in FY2014, and Miriam Johnson, Dedham's first Human Resources Director, was hired in September 2013. The department's first initiatives have included: review of all Town employees' classification and compensation; developing a Human Resources Information System (HRIS), a database for employees and employment information; developing a pilot performance evaluation program with the Engineering Department; reviewing the Town's employee benefits package; assisting in labor negotiations; and addressing regular issues related to personnel management with all Town departments.

Significant Changes for FY2015

The budget includes funding for five new initiatives: bi-annual on-site offerings through the existing employee assistance program; intermediate and advanced employee trainings in Microsoft Office products; employment law postings at all worksites for state and federal

Town of Dedham FY2015 Budget

compliance; a performance evaluation program for employees; and support service for the HRIS.

To address the department's request for additional administrative support staff, a vacant administrative position in the Veterans Services department will be shared between the departments when filled, with 20% allocated to Human Resources. This position will more fully support the following functions of the Human Resources department: maintenance of the HRIS, personnel files, and job descriptions; leave of absence tracking and coordination; new hire processing (i.e., CORI, reference checks, employment verification, recruitment scheduling, and correspondence); and additional administrative functions, such as administering I-9s and coordinating workplace injury medical care.

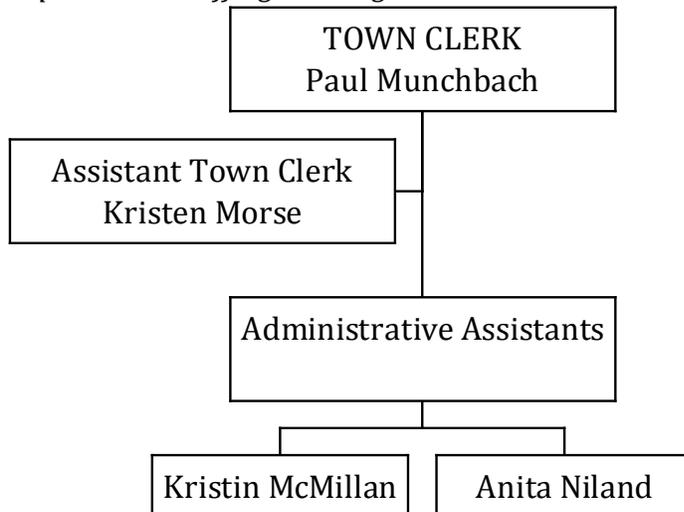
Town of Dedham FY2015 Budget

TOWN CLERK

Department Description, Programs, and Services

The Town Clerk is an elected official, responsible for maintaining, recording, and certifying vital public records and information, including: the annual census; list of residents; officials actions of the Town; and birth, death, and marriage statistics; by-laws and zoning ordinances. The Town Clerk also serves as the Town's chief election official, with responsibilities including: overseeing polling places, election officers, and the general conduct of all elections; directing preparation of ballots, voting equipment, and voting lists; certifying nomination papers and initiative petitions; supervising voter registration and absentee balloting; and administering the oath of office to all elected and appointed members of local Committees and boards. In addition, the Town Clerk is responsible for issuing licenses for raffles and bazaars, business certificates, fuel storage permits and dog licenses.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Town Clerk	1	1	1
Assistant Town Clerk	1	1	1
Administrative Assistant II	2	2	2
Department Total	4	4	4

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$236,431.00	\$236,244.00
Purchase of Services	\$38,988.00	\$68,264.00
Supplies	\$750.00	\$750.00
Other Charges & Expenses	\$1,445.00	\$1,450.00
TOTAL	\$277,614.00	\$306,708.00

Town of Dedham FY2015 Budget

Significant Changes from Prior Fiscal Years

The Town Clerk's office has installed new software programs that have made transactions in the office much more efficient. The programs include dog license, business certificates, raffle permits, underground storage, and ethic commission requirements. The Town Clerk's office has also led the way with a record management inventory database that is now being implemented throughout Town Hall. We have also continued to budget money for the preservation of our historic records.

Significant Changes for FY2015

There are three elections scheduled for FY2015: State Primary, 9/6/14; State Election, 11/4/14; and the annual Town Election, 4/13/15. These added elections account for a majority of the 8% increase in the total budget. There has also been a small increase in Census mailing and Town Meeting postcards, as well as equipment maintenance. Dog tags and By-law maintenance have also been added to the supply budget, transferred from the Police Department and Board of Selectmen.

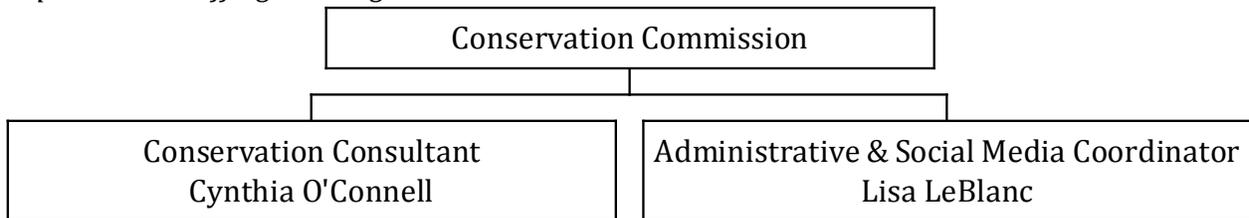
Town of Dedham FY2015 Budget

CONSERVATION COMMISSION

Department Description, Programs, and Services

The Conservation Commission is a seven-member body appointed by the Board of Selectmen. The responsibilities of the Conservation Commission are to oversee and protect the Town's natural resources as mandated by the Wetlands Protection Act and the Town's Stormwater Management By-Law. The Commission's permitting process is designed to minimize the impact of development on wetlands. The Commission employs a consultant to manage the daily operations of the department.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Administrative & Social Media Coordinator	0	1	1
Administrative Assistant	1	0	0
Department Total	1	1	1

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$48,430	\$48,319
Purchase of Services	\$30,878	\$37,917
Other Charges & Expenses	\$2,271	\$2,710
TOTAL	\$81,579	\$88,946

Significant Changes from Prior Fiscal Years

The Conservation Commission has completed the inventory of beaver and wildlife management devices with the Environmental department; the Environmental department will maintain the wildlife management program in FY2015.

Significant Changes for FY2015

The Purchase of Services budget includes an increase in the Conservation Consultant's pay rate, which has not been adjusted since her initial service agreement. The rate increase is comparable to the rate of increase that the Town's management salaries have increased since FY2011. Purchase of Services also includes funding of \$5,000 to initiate a By-law review program, a project that would continue in future years for approximately \$1,500 annually.

Town of Dedham FY2015 Budget

ENVIRONMENTAL DEPARTMENT

Department Description, Programs, and Services

The mission of the Environmental Department is to protect the sustainability of the Town's natural resources and oversee an array of environmental issues including climate change, recycling, stormwater, and wildlife management by actively engaging residents and businesses in environmental issues affecting the community. The department was established in 2007 with the appointment of an Environmental Coordinator.

Department Staffing and Organization

PERSONNEL LISTING	FY13	FY14	FY15
Environmental Coordinator	1	1	1
Department Total	1	1	1

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$81,711.00	\$80,557.00
Purchase of Services	\$11,460.00	\$11,521.00
Other Charges & Expenses	\$1,777.00	\$1,186.00
TOTAL	\$94,948.00	\$93,264.00

Significant Changes from Prior Fiscal Years

Using operating funds to establish a wildlife management program, the department completed an inventory of beaver management devices which it is now maintaining. The department's Mass Energy Insight database, which is used for annual reporting to DOER, was updated by a college intern who also assisted with preparations for the grand opening of the Water Trail. Funding from the DCR Recreational Trails and DOER Green Communities grants have ceased with the completion of the Water Trail and LED streetlight installation projects.

Significant Changes for FY2015

Operating funds were shifted from the wildlife management program, which requires only maintenance having been established in FY2014, and reallocated to maintain the operating cost of programs run in conjunction with the Sustainability Advisory Committee, and for the annual Water Trail event. These programs include: recycling events for shredding, textiles, metals, and Styrofoam; a gardening program; and maintenance of the beaver management inventory.

Town of Dedham FY2015 Budget

PLANNING BOARD

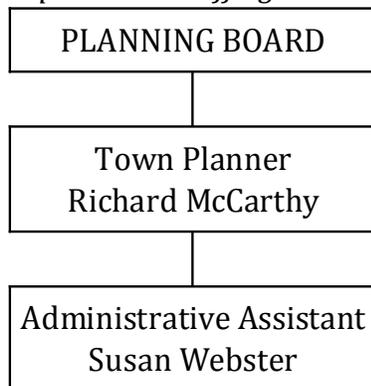
Department Description, Programs, and Services

The Planning Board is an elected five-member body, its powers and duties established by MGL Chapter 40A and 41, the Town Charter, and Town By-Laws. The Planning Board's responsibilities include: preparation and updating of the Town's Master Plan; review and approval of the construction of new subdivisions; review and approval of parking plans and site plans; and proposal of amendments to the Zoning By-Law and reporting on amendments filed by others.

The Town Planner manages the daily operations of the department. In addition to the Planning Board, the department provides technical and administrative support to the following boards and committees:

- Zoning Board of Appeals: appointed by the Board of Selectmen to hear petitions for appeal to either affirm or reverse the actions of the Building Commissioner or Planning Board; for variances or special permits which are required under the Town of Dedham Zoning Bylaw; and for special permits required under the Town of Dedham Sign Bylaw. The Board functions in accordance with MGL Chapter 40A.
- Design Review Advisory Board: appointed by the Board of Selectmen to provide information, recommendations, and professional design review for individual projects as determined by the Town Charter and Chapter 18, Section 9.6 of the Zoning By-Laws.
- Master Plan Implementation Committee: Formed after completion of the Town's Master Plan in April 2009 to monitor progress of action items in the Master Plan.
- Open Space & Recreation Committee: Created by Town Meeting in 2009 to guide the update of the Open Space and Recreation Plan and manage appropriated funding for associated consulting services.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Town Planner	1	1	1
Administrative Assistant I	1	1	1
Department Total	2	2	2

Town of Dedham FY2015 Budget

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$130,967.00	\$132,451.00
Purchase of Services	\$11,000.00	\$11,000.00
Other Charges & Expenses	\$1,277.00	\$1,282.00
TOTAL	\$143,244.00	\$137,788.00

Significant Changes from Prior Fiscal Years

The department's planning projects of the past year included the Washington Street corridor plan, a pedestrian and bicycle network plan, study for Dedham Square redevelopment, preliminary analysis of greenway trail for a former abandoned rail bed, an East Dedham Charette that analyzed redevelopment opportunities around the creative economy, priority protection and development mapping with the regional planning agency, evaluating improved local bus service, and drafting a zoning by-law for the regulation of medical marijuana.

Significant Changes for FY2015

The budget includes funding to carry forward some of last year's projects, and for technical assistance with zoning by-law changes related to parking and zoning clusters in keeping with the Master Plan, implementation and publication of the Housing Study by Northeastern University, and the five-year Master Plan Update.

Town of Dedham FY2015 Budget

ECONOMIC DEVELOPMENT

Department Description, Programs, and Services

The Economic Development department's mission is to develop and maintain a broad based, Town-wide economic development plan. The department was established in 2007 with the appointment of an Economic Development Director. The Director's role is to explore the full range of economic development tools available to the Town and provide the information, resources and public-private partnerships necessary to manage the Town's economic growth and maintain a strategic plan for sustainable development.

Department Staffing and Organization

PERSONNEL LISTING	FY13	FY14	FY15
Economic Development Director	1	1	1
Department Total	1	1	1

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$79,874.00	\$79,021.00
Purchase of Services	\$300.00	\$300.00
Other Charges & Expenses	\$8,700.00	\$8,700.00
TOTAL	\$88,874.00	\$88,021.00

Significant Changes from Prior Fiscal Years

None

Significant Changes for FY2015

None

Town of Dedham FY2015 Budget

FACILITIES

Department Description, Programs, and Services

The mission of the Facilities Department is to provide for the safety, cleanliness, and comfortable use of all Town and School buildings in the Town of Dedham. The Director of Facilities, appointed by the Town Administrator, supervises the maintenance and custody of the following facilities:

Dedham Public Schools

Dedham High School, 100 Whiting Ave.
 Dedham Middle School, 70 Whiting Ave.
 Avery Elementary, 336 High St.
 Greenlodge Elementary, 191 Greenlodge St.
 Oakdale Elementary, 147 Cedar St.
 Riverdale Elementary, 143 Needham St.
 Early Childhood Education Center, 322 Sprague St.

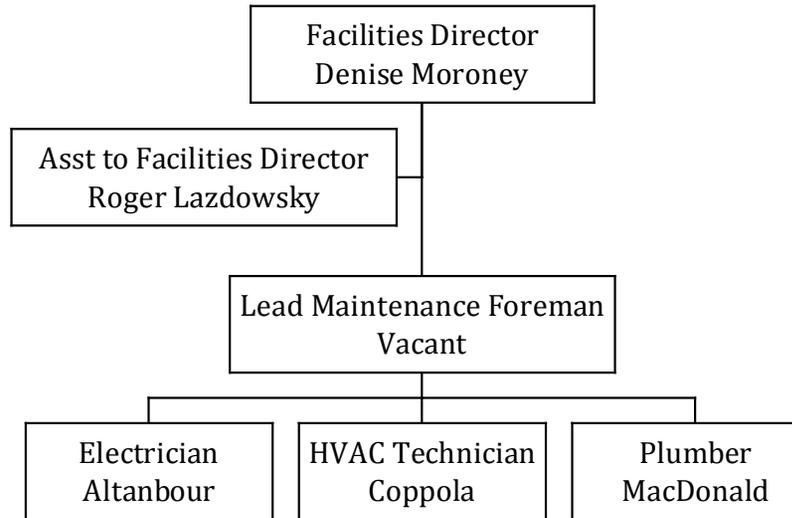
Municipal Facilities

Town Hall, 26 Bryant St.
 Police Station, 600 High St.
 Main Fire Station, 436 Washington St.
 East Dedham Fire Station, 230 Bussey St.
 Public Works Facility, 55 River St.
 Brookdale Cemetery Office, 86 Brookdale Ave.
 Main Library Branch, 43 Church St.
 Endicott Library Branch, 257 Mt. Vernon St.
 Dolan Recreation Center, 269 Common St.
 Mucciaccio Pool, 4 Recreation Rd.
 Endicott Estate, 656 East St.

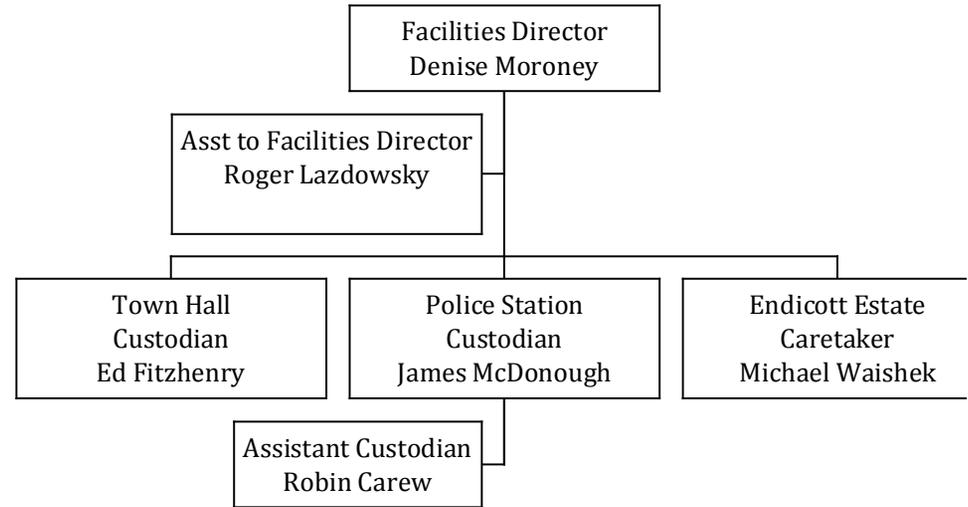
PERSONNEL LISTING	FY13	FY14	FY15
Facilities Director	1	1	1
Assistant to Director	1	1	1
Electrician	1	1	1
HVAC Technician	1	1	1
Plumber	1	1	1
Carpenter	1	1	0
Lead Foreman	0	0	1
Senior Custodian	1	1	1
Head Custodian	4	4	4
Custodian	20	20	20
Assistant Custodian	0.5	0.5	0.5
Department Total	31.5	31.5	31.5

Department Staffing and Organization

Maintenance Division

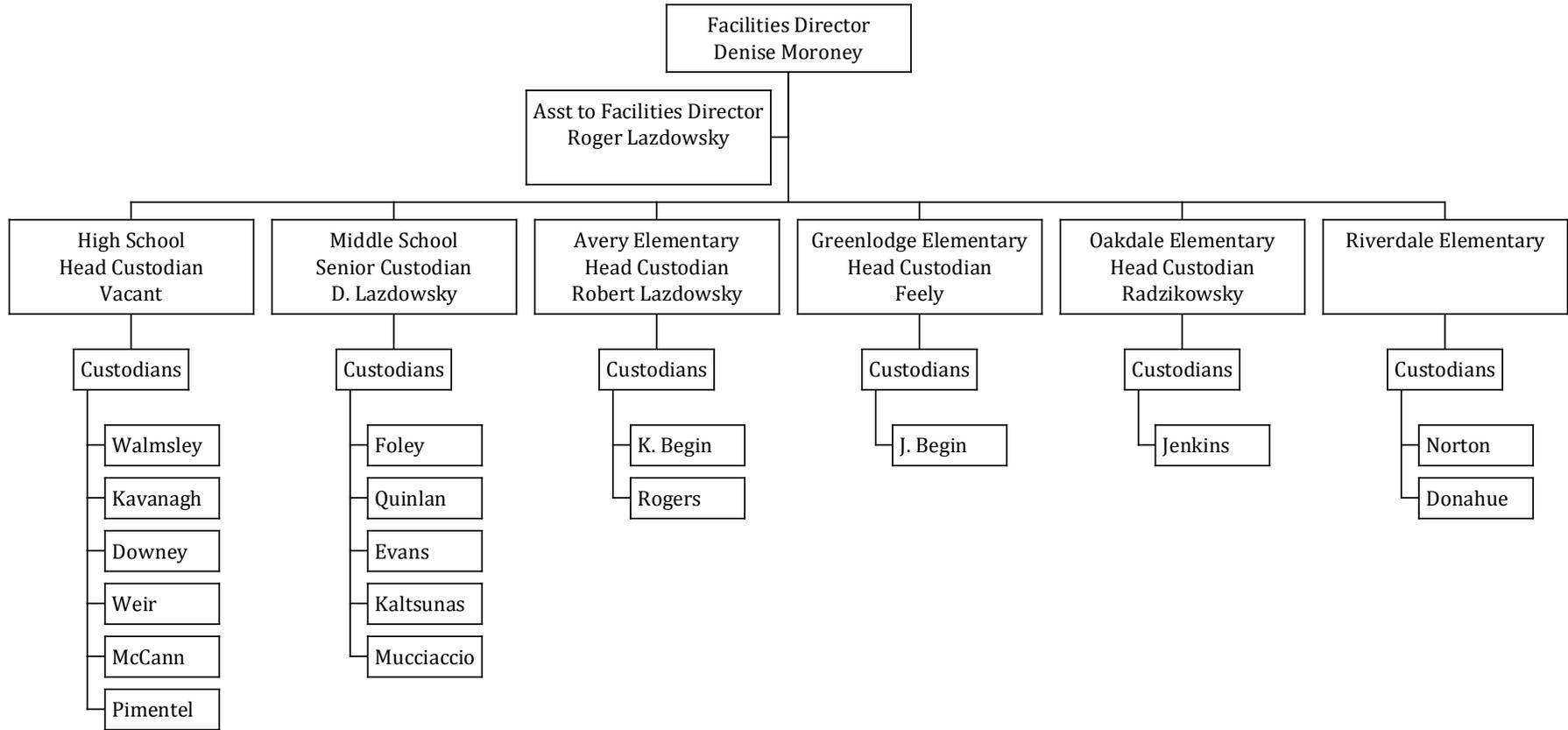


Town Facilities



Town of Dedham FY2015 Budget

School Facilities



Budget Detail

For the School Department's reporting purposes, the costs to maintain and operate School facilities are budgeted separately within the Facilities department budget.

School Facilities

Line Item	FY2014	FY2015
Personnel Services	\$1,512,933.00	\$1,566,005.00
Overtime & Substitutes	\$69,991.00	\$100,467.00
Utilities	\$1,269,000.00	\$1,274,000.00
Telephone	\$42,800.00	\$42,800.00
Purchase of Services	\$232,000.00	\$237,000.00
Supplies	\$171,700.00	\$172,200.00
Other Charges & Expenses	\$2,000.00	\$2,500.00
Operating Capital	\$0.00	\$210,000.00
TOTAL	\$3,300,424.00	\$3,604,972.00

Municipal Facilities

Line Item	FY2014	FY2015
Personnel Services	\$222,176.00	\$214,660.00
Substitutes	\$31,648.00	\$32,640.00
Utilities	\$658,902.00	\$746,302.00
Telephone	\$133,700.00	\$129,173.00
Purchase of Services	\$335,690.00	\$466,484.00
Supplies	\$73,845.00	\$76,034.00
Other Charges & Expenses	\$2,100.00	\$1,264.00
Operating Capital	\$0.00	\$315,000.00
TOTAL	\$1,458,061.00	\$1,981,557.00

Significant Changes from Prior Fiscal Years

Taissir Alani, the Town's first Facilities Director of the combined department, left his employ with the Town in March 2014 to take the equivalent position in the Town of Bedford, closer to his home; he will be missed.

Denise Moroney, formerly Assistant Director of Finance and Administration for Bentley University's Facilities Management Department and Supervisor of Building and Station Maintenance at the MBTA, was hired as the new Facilities Director in April 2014.

Significant Changes for FY2015

The department has initiated contracted cleaning services for the Dolan Center, Public Works Offices, and Endicott Estate. Costs for pest control have been transferred to the Facilities budget for aggregated purchasing and a reduction in cost to the Town. The cost of services to maintain the new parking meters in Dedham Square, and all Town departments' copy machine maintenance contracts have been transferred to the Facilities budget as well.

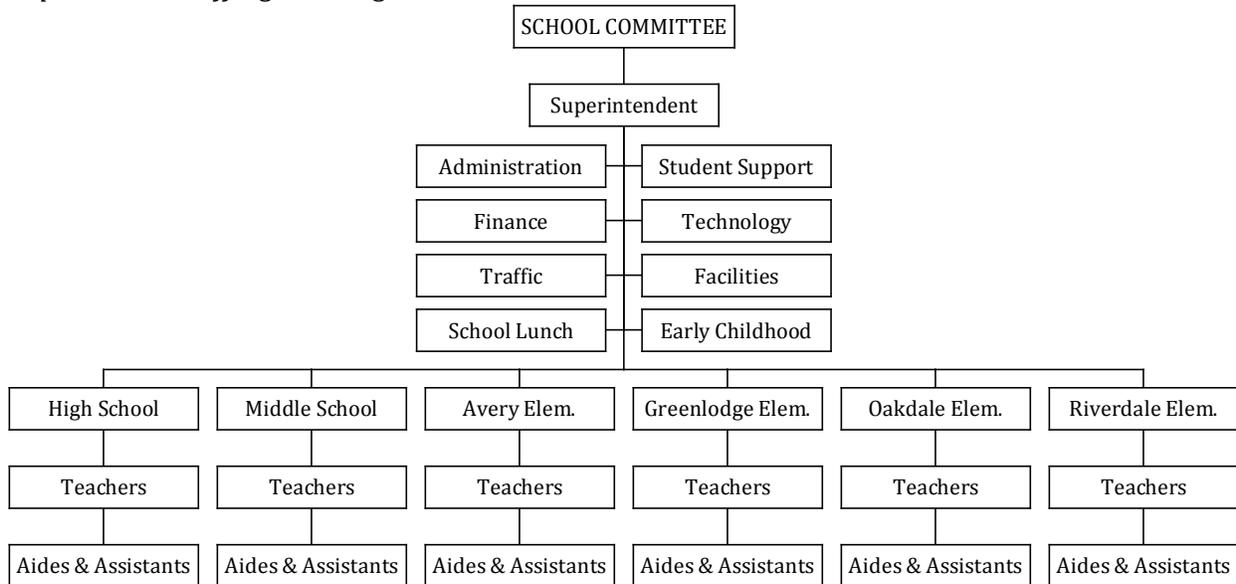
Town of Dedham FY2015 Budget

DEDHAM PUBLIC SCHOOLS

Department Description, Programs, and Services

The mission of the Dedham Public Schools, in partnership with the community, is to promote excellence in learning, self-discipline, and motivation. The School Committee is a seven-member elected body, which appoints the School Superintendent and Assistant Superintendents of Business and Curriculum.

Department Staffing and Organization



The following chart illustrates the School Department's staffing levels from FY2011 through FY2015, including Facilities staff.

DEPARTMENT	FY11	FY12	FY13	FY14	FY15
ADMINISTRATION					
Superintendent	1	1	1	1	1
Assistant Superintendent	1	1	1	1	1
Assistant to Superintendent, Business	1	1	1	1	1
Director of SPED / Pupil Services	1	1	1	1	1
Director of Technology	0.6	0.6	0.6	0.6	0.6
Principals	6.5	6.5	6.5	6.5	6.5
Assistant Principal	3	3	3	3	3
Director Athletics	1	1	1	1	1
Director Guidance	1	1	1	1	1
Director Art & Music	0.6	0.6	0.6	0.6	0.6
Department Head, K-12	0.6	0.6	0.6	0.6	0.6
Department Head, 6-12	3.6	3	3	3	3
Administration Subtotal	20.9	20.3	20.3	20.3	20.3

Town of Dedham FY2015 Budget

DEPARTMENT	FY11	FY12	FY13	FY14	FY15
TEACHERS					
Kindergarten	4.5	5	5.5	5.5	5.5
Grade 1-5	57	58	53.5	53.5	53.5
Computer Education	6.4	6.4	6.4	6.4	6.4
English	14.4	14.4	15.4	15.4	15.4
Math	16	17	18	18.8	19
Science	16.6	16	16.4	16.4	16.4
Social Studies	14.4	14.4	14.4	14.4	14.4
ESL	3.5	4.1	5.1	5.1	5.1
Industrial Technology	3.4	3.4	3	3	3
Art	7	7	7	7	7
Music	5.7	5.5	5.5	5.3	5.5
Health & Physical Education	9.3	9.3	9.3	9.3	9.3
Reading	10.8	11	12.4	12.4	12.4
World Language	12	12	12	12	12.6
Teachers Subtotal	181	183.5	183.9	184.5	185.5
STUDENT SUPPORT					
SPED Coordinator, Elementary	1	1	1	1	1
SPED Out-of-District Coordinator	0.7	0.7	0.7	0.7	0.7
SPED Teaching	37.5	39.1	41.6	41.6	41.6
Speech/Therapeutic Program	9.3	7	7	7	7
Physical Therapist	0	0.8	0.8	0.8	0.8
Adj. Counselor	6.3	6	6	6	6
Psychologist	3.5	4	4	5	5
Alternative Program	2.8	2.8	2.6	2.6	2.6
Tech. Trainer	1	1	1	1	1
Library/Media Specialist	4	6	6	6	6
Guidance Counselor	6	6	6	6	6
Nurses	7	7	7	7	7
Student Support Subtotal	79.1	81.4	83.7	84.7	84.7
FINANCE					
Admin Assistants	4	4	4	4	4
Secretaries/Clerks	12.5	12.5	11.5	11.5	11.5
Accountant	1	1	1	1	1
Payroll	1	1	1	1	1
Finance Clerk	1	1	1	1	1
Substitute Caller	1	1	1	1	1
Finance Subtotal	20.5	20.5	19.5	19.5	19.5

Town of Dedham FY2015 Budget

DEPARTMENT	FY11	FY12	FY13	FY14	FY15
AIDES & ASSISTANTS					
Teacher Assistants	5	4	4	4	4
Regular Aides	6	7	7	7	7
Special Ed Aides	82	81.5	89.1	80.85	80.85
COTA	0	0	0	0	0
Occupational Therapist	1	1	1	0	0
Library Assistant	2	2	2	2	2
Aides & Assistants Subtotal	96	95.5	103.1	93.85	93.85
TECHNOLOGY					
Computer Technician	2	2	2	2	2
Network Technician	1	1	1	1	1
Tech Help Desk	3	3	3	3	3
Technology Subtotal	6	6	6	6	6
TRAFFIC					
Traffic Director	14	14	15	15	15
Traffic Subtotal	14	14	15	15	15
FACILITIES					
Director of Facilities & Maintenance	1	1	1	1	1
Procurement / Adm. Asst. Facilities	1	1	1	1	1
Maintenance Personnel	3	4	4	4	4
Head Custodian	1	1	1	1	1
Custodians	20	20	21	21	21
Facilities Subtotal	26	27	28	28	28
EARLY CHILDHOOD EDUCATION					
Principals	0.5	0.5	0.5	0.5	0.5
Full-Day Kindergarten Teaching	2.5	2.5	3	3	3
Nurses	1	1	1	1	1
Childcare Supervisors	2	2	1	1	1
Secretaries/Clerks	1	1	1	1	1
Custodians	1.5	1.5	1.5	1.5	1.5
Library Assistant	1	1	1	1	1
Instructional Aides	6.5	6	5	5	5
Childcare Aides	9	7	7	7	7
Early Childhood Education Subtotal	25	22.5	21	21	21
SCHOOL LUNCH					
School Lunch Director	1	1	1	1	1
Secretaries/Clerks	1	1	1	1	1
Lunch Workers	25	28	31	31	31
School Lunch Subtotal	27	30	33	33	33

Town of Dedham FY2015 Budget

DEPARTMENT	FY11	FY12	FY13	FY14	FY15
GRANT FUNDED					
SPED Grant Coordinator, Secondary	1	1	1	1	1
SPED Grant, Teaching	3	3	3	3	3
SPED Grant, Speech Therapist	1.24	2.7	2.7	2.7	2.7
SPED Grant, Adj. Counselor	0.75	1	1	1	1
SPED Grant, Psychologist	0.5	0	0	0	0
SPED Grant, OT/PT	1.6	0.8	0.8	1	1
SPED Grant, Clerk	1	1	1	1	1
SPED Grant, Aides	4	5	3	0	0
Title I Grant, Teaching	3.5	3	3	3	3
ARRA Title I Stimulus, Teaching	1.5	0	0	0	0
ARRA ECEC Stimulus, Adj. Counselor	0.1	0	0	0	0
ARRA IDEA Stimulus, Teaching	2.2	0	0	0	0
ARRA IDEA Stimulus, Aide	1	0	0	0	0
Early Childhood Grant, Speech Therapist	1	1	1	1	1
Education Jobs Fund Grant, Teaching	1.6	2.5	0	0	0
Education Jobs Fund Grant, Aide	0	2	0	0	0
Grant Funded Subtotal	23.99	23	16.5	13.7	13.7
GRAND TOTAL	519.49	523.7	530	519.55	520.55

Town of Dedham FY2015 Budget

Budget Detail

Education: Salaries	FY2014 Budget	FY2015 Request	FY2015 Budget
Superintendent & Central Office	418,616	430,239	
Asst Supt, SPED, Pupil Service	114,736	121,857	
Principals	700,844	726,409	
Directors	829,758	860,834	
Admin Assistants	352,218	360,578	
Secretaries & Clerks	590,708	598,680	
Specialists & Help Desk Assts	294,024	297,040	
Teachers	19,344,037	20,012,464	
Degree Change	106,654	107,705	
Nurses	509,248	508,557	
Mentor Stipends	33,220	34,051	
Instructional Aides	1,666,551	1,723,518	
Substitutes	237,736	235,356	
Coaches	297,730	300,658	
Faculty Manager	6,336	6,398	
Extracurricular Activities	89,040	89,917	
Traffic Directors, Attendance Officer	102,182	95,659	
Lunch Aides	19,880	20,474	
SPED Summer Program	53,580	54,920	
Sick Leave Buyback	29,740	16,646	
Retirement Incentive	-	-	
General Reserve	20,000	-	
Subtotal	25,816,838	26,601,960	
Education: Other Expenses			
Regular Instruction	825,982	827,682	
Special Instruction	4,608,400	4,539,165	
Instructional Support Services	254,530	259,530	
Operations Services	448,250	585,950	
Administrative Services	642,700	665,000	
Transportation Subsidy	25,000	25,000	
Subtotal	6,804,862	6,902,327	
TOTAL: DPS EDUCATION	32,621,700	33,504,287	33,304,288

Significant Changes from Prior Fiscal Years

Superintendent June Doe retired at the end of FY2014, after having previously served in the district as a foreign language teacher and Assistant Principal. School Business Manager Michael A. LaFrancesca left his position at the end of FY2014 to take an equivalent role in his hometown of Medfield.

Town of Dedham FY2015 Budget

The FY2014 budget includes funding for one new FTE, as the result of increasing the hours of teachers in math, music, and world languages.

Significant Changes for FY2015

Michael Welch, previously Principal of Framingham High School, was selected as the new Superintendent in March 2014. Samuel Rippin, previously serving roles in Finance and Operations at Billerica, Saugus, and Winchester Public Schools, was hired as the new Assistant to the Superintendent for Business and Finance.

Town of Dedham FY2015 Budget

POLICE DEPARTMENT

Department Description, Programs, and Services

The mission of the Dedham Police Department is to protect and serve the citizens of Dedham through collaboration, preventative programs and the judicious enforcement of the laws of the Commonwealth of Massachusetts and the By-laws of the Town of Dedham. The department is managed by the Police Chief, who is appointed by the Town Manager. The department provides patrol, community, investigation, court, traffic enforcement, and administrative programs and services.

PERSONNEL LISTING	FY13	FY14	FY15
Chief	1	1	1
Lieutenant	4	4	4
Sergeant	9	9	9
Patrol Officer	46	46	46
Animal Control Officer / Meter Attendant	0	1	1
Principal Department Assistant	0	0	1
Administrative Assistant I	2	2	1
Department Total	62	63	63

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$4,729,518.00	\$4,710,508.00
Overtime	\$579,665.00	\$555,371.00
Purchase of Services	\$80,583.00	\$73,589.00
Supplies	\$238,238.00	\$161,554.00
Other Charges & Expenses	\$28,837.00	\$13,230.00
Operating Capital	\$0.00	\$198,200.00
TOTAL	\$5,656,841.00	\$5,712,452.00

Significant Changes from Prior Fiscal Years

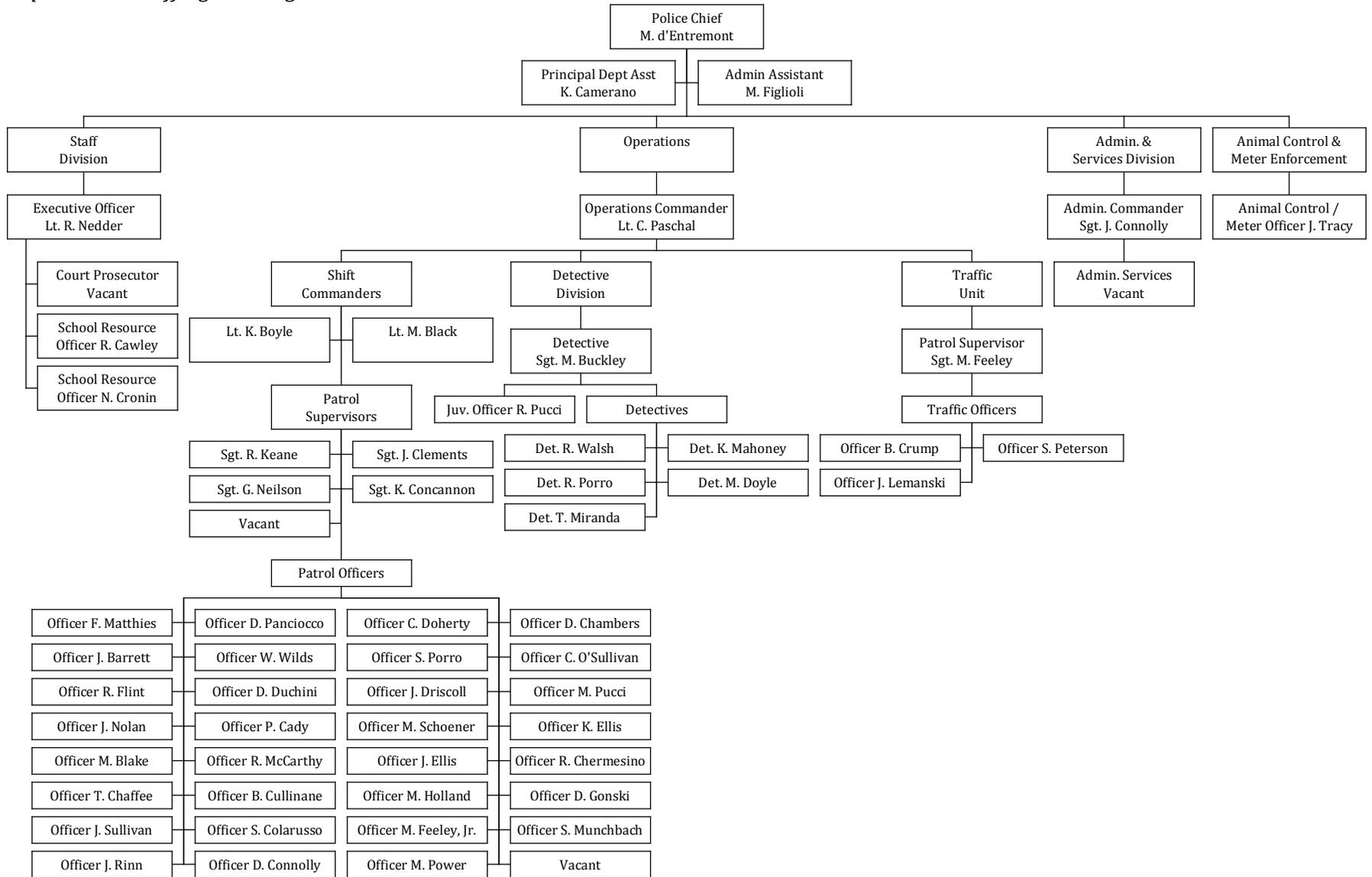
The function of Animal Control was transferred from the Canine Control budget to the Police Department. One investigator was assigned to a federal task force; an additional patrol officer was assigned in a Community and School Resource Officer role; one officer joined the Massachusetts Association of Crime Analysts; and an additional officer has become a member of the Metropolitan Law Enforcement Law Enforcement Council's SWAT team. Ford Crown Victoria patrol vehicles are being replaced with new models.

During FY2014, Officer Michael McMillan, a nine-year veteran of the force, passed unexpectedly. Officer McMillan worked in training new officers, and his work was described as ideal. His passing was an immense loss to the department and the Town.

Significant Changes for FY2015

The budget includes funding for attendance at the annual Massachusetts Association of Crime Analysts conference. In addition, the Animal Control Officer will support the Board of Health's animal control services.

Department Staffing and Organization



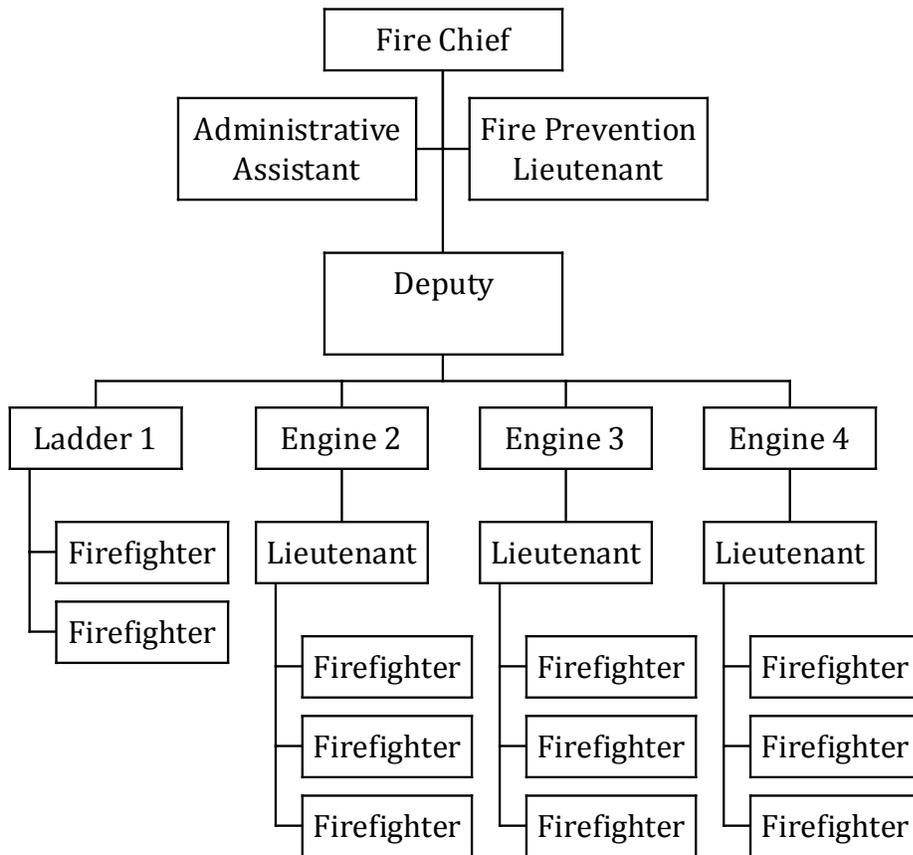
FIRE DEPARTMENT

Department Description, Programs, and Services

The role of the Fire Department is to protect life and property from fire, through emergency response and prevention activities such as code enforcement, inspection, permitting, and education. The department also provides emergency medical service in cooperation with a private ambulance carrier under contract with the Town. Daily Department operations are managed by the Fire Chief, appointed by the Town Manager.

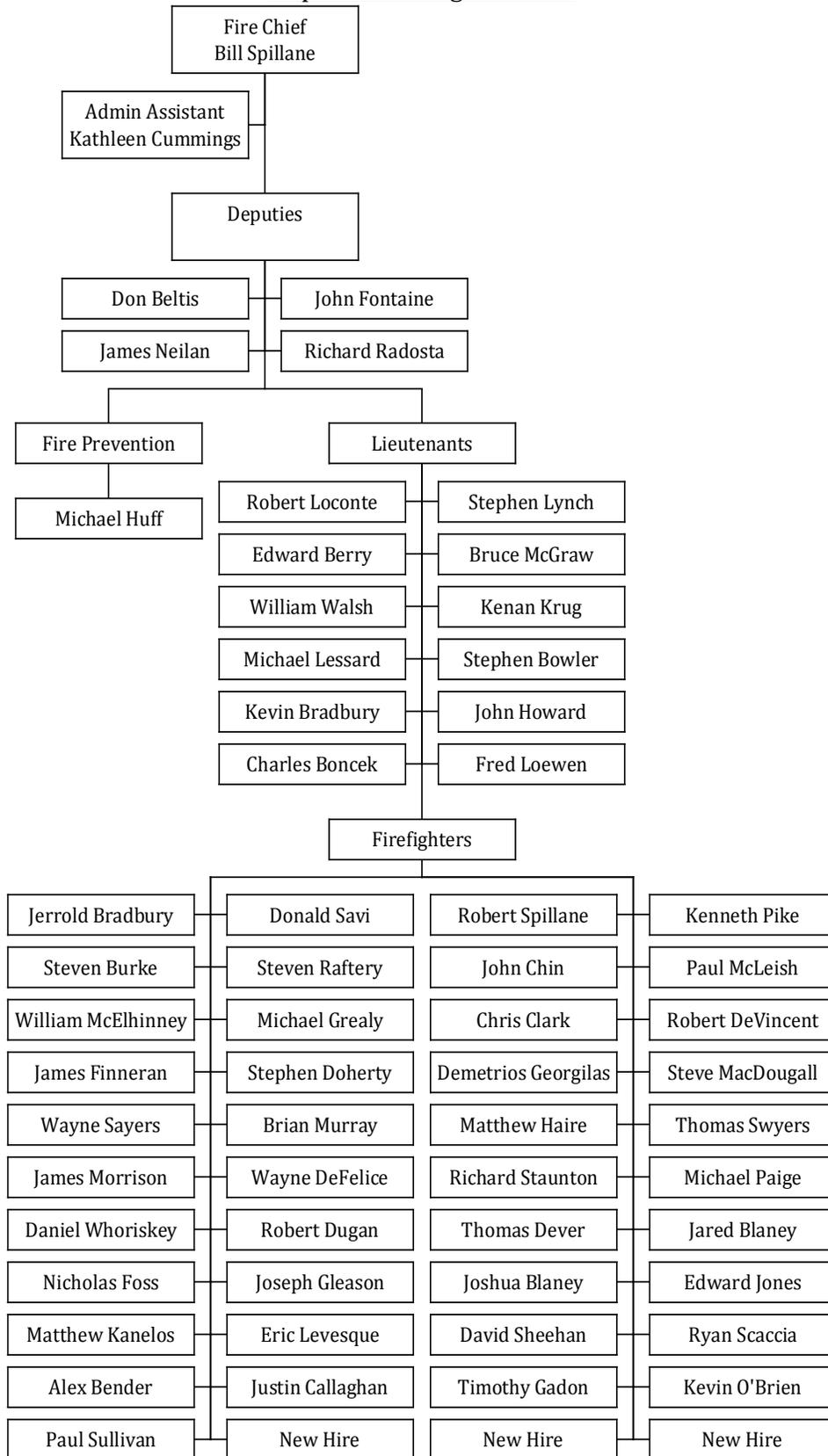
Department Staffing and Organization

Operational Staffing



Town of Dedham FY2015 Budget

Department Organization



Town of Dedham FY2015 Budget

PERSONNEL LISTING	FY13	FY14	FY15
Chief	1	0	0
Acting Chief	0	1	1
Deputy Chief	4	4	4
Lieutenant	9	13	13
Firefighter	46	43	44
Administrative Assistant I	1	1	1
Department Total	61	62	63

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$4,252,804.00	\$4,244,699.00
Overtime	\$697,686.00	\$592,002.00
Purchase of Services	\$56,194.00	\$128,350.00
Supplies	\$101,235.00	\$66,752.00
Other Charges & Expenses	\$7,060.00	\$8,610.00
Operating Capital	\$0.00	\$174,000.00
TOTAL	\$5,114,979.00	\$5,214,413.00

Significant Changes from Prior Fiscal Years

The Department hired five Firefighters in July 2013 for retirement replacements. Firefighters Jones, Kaneolos, Levesque, Sheehan, and Scaccia graduated from the Brookline Fire Academy in October, and the Department is pleased to have them on board.

During FY2014, seven members of the Department have left or will be leaving service. Replacement Firefighters for Chief William Cullinane, Lieutenants Richard Beltis, Bryan Smith, and George McMahon, and Firefighters Kevin Davis, Wayne DeFelice Sr., and Kenneth Sailsman will be hired in the current fiscal year.

Significant Changes for FY2015

The budget includes funding for one additional Firefighter position, which will enable each of the department's four workgroups to operate the three Engines with one Lieutenant and three Firefighters apiece, and the Ladder with two Firefighters. At full staffing, each Engine Company would be operated by one Lieutenant and three Firefighters, and the Ladder would be operated by three Firefighters. The budget also includes increased funding for overtime.

In other areas of the budget request, the Firefighter/Mechanic has returned to a Firefighter role, so funds that had been used for the mechanic's stipend and overtime are diverted to outsourced service.

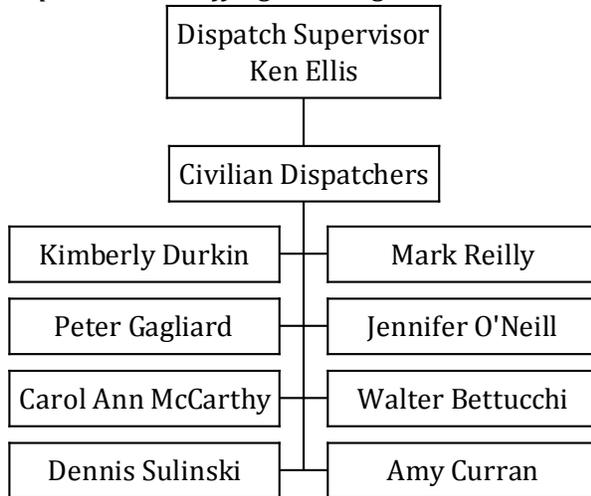
Town of Dedham FY2015 Budget

CENTRAL DISPATCH

Department Description, Programs, and Services

Dispatch is a public safety division that supports the Police and Fire Departments. The department members are certified E-911 operators. In addition to its operating budget, the department receives reimbursement and grants from the Federal government and Commonwealth that support its employees' required trainings and the department's workstations and furniture.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Dispatch Supervisor	1	1	1
Civilian Dispatcher	8	8	8
Department Total	9	9	9

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$485,631.00	\$470,096.00
Overtime & Substitutes	\$68,537.00	\$69,000.00
Purchase of Services	\$19,100.00	\$27,475.00
Supplies	\$4,500.00	\$0.00
Other Charges & Expenses	\$75.00	\$75.00
TOTAL	\$577,843.00	\$566,646.00

Significant Changes from Prior Fiscal Years

In FY2014, the department began to oversee the maintenance and repair of communication equipment for the Fire Department in addition to the Police Department's equipment.

Significant Changes for FY2015

The cost of equipment repair and maintenance has increased by approximately \$4,800 from FY2014, due to the expiration of certain equipment warranties.

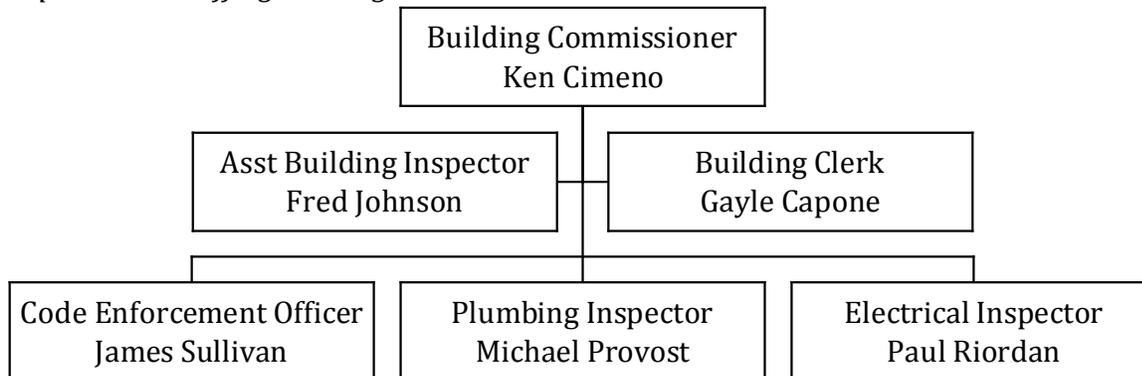
Town of Dedham FY2015 Budget

BUILDING

Department Description, Programs, and Services

The responsibility of the Building Department is to administer and enforce state and local code, and regulations of the Massachusetts Architectural Access Board. The daily operations of the department are managed by the Building Commissioner, appointed by the Town Manager. The department conducts inspections and plan review to ensure compliance and cite violations of the Town Zoning By-Laws, State Building Code, Sign Code, State Electrical Code, and State Plumbing Code.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Building Commissioner	1	1	1
Assistant Building Inspector	1	1	1
Building Inspector / Code Enforcement Officer	1	1	1
Electrical Inspector	1	1	1
Plumbing / Gas Inspector	1	1	1
Senior Clerk	0	1	1
Administrative Assistant	1	0	0
Department Total	6	6	6

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$400,017.00	\$397,485.00
Overtime & Substitutes	\$8,400.00	\$4,000.00
Supplies	\$1,600.00	\$525.00
Other Charges & Expenses	\$24,410.00	\$1,910.00
TOTAL	\$434,427.00	\$403,920.00

Significant Changes from Prior Fiscal Years

None

Significant Changes for FY2015

None

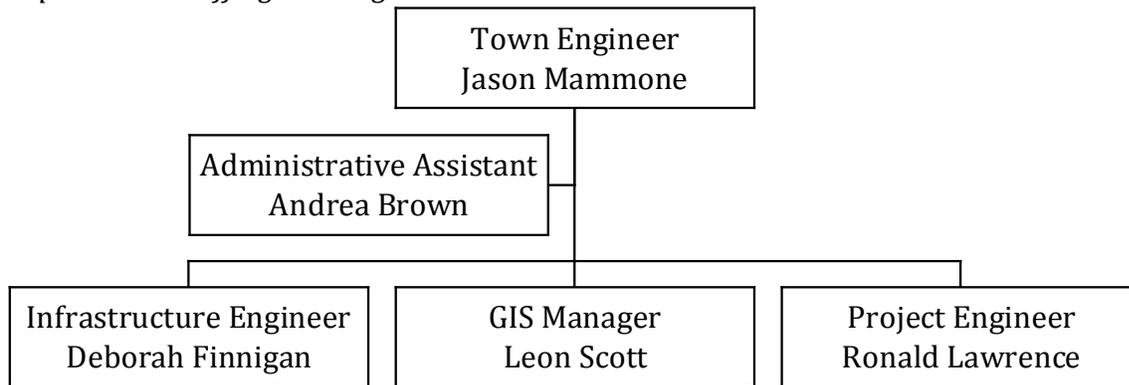
Town of Dedham FY2015 Budget

ENGINEERING

Department Description, Programs, and Services

The Engineering Department was established in 2005 after the reorganization of the Public Works Department, and is responsible for the engineering, construction, development, and oversight of improvement, reconstruction, and repair of the capital infrastructure of the Town, such as roads, bridges, drains, and sewers. The department also maintains the Town's Geographic Information System (GIS) to manage and update infrastructure data, as well as survey information collected with AutoCAD, ArcGIS, and various engineering design software programs.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Town Engineer	1	1	1
Infrastructure Engineer	1	1	1
Project Engineer	1	1	1
GIS Manager	1	1	1
DPW Administrative Assistant I	1	1	1
Department Total	5	5	5

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$420,753.00	\$426,400.00
Purchase of Services	\$77,087.00	\$77,087.00
Supplies	\$25,860.00	\$23,200.00
Other Charges & Expenses	\$6,110.00	\$8,762.00
Operating Capital	\$0.00	\$15,000.00
TOTAL	\$529,810.00	\$550,449.00

Significant Changes from Prior Fiscal Years

None

Significant Changes for FY2015

None

Town of Dedham FY2015 Budget

PUBLIC WORKS

Department Description, Programs, and Services

The Department of Public Works is responsible for the operation and maintenance of the Town's infrastructure in the areas of streets, sidewalks, cemeteries, sanitary sewers, storm drains, shade trees, and various components of the Town's motor fleet. The department also manages operations of the Snow and Ice, Street Lighting, and Rubbish and Recycling budgets.

PERSONNEL LISTING	FY13	FY14	FY15
Director of Public Works	1	1	1
Highway Superintendent	1	1	1
Cemetery Superintendent	1	1	1
Public Works Foreman	5	5	5
Special Motor Equipment Operator	12	12	12
Motor Equipment Repairman	1	2	2
DPW Administrative Assistant I	1	1	1
Department Total	22	23	23

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$1,564,195.00	\$1,519,108.00
Overtime	\$160,000.00	\$160,000.00
Purchase of Services	\$720,000.00	\$670,500.00
Supplies	\$344,351.00	\$281,040.00
Other Charges & Expenses	\$3,500.00	\$1,500.00
Operating Capital	\$0.00	\$160,000.00
TOTAL	\$2,792,046.00	\$2,792,148.00

Significant Changes from Prior Fiscal Years

In FY2014, the department expanded its use of seasonal employees to more effectively allocate personnel resources during the summer. The department also filled a newly authorized position for a second Motor Equipment Repairman position. A new work order system, Cartegraph, was purchased and implemented, to improve the department's ability to monitor workflow and streamline administrative operations. The department was also able to allocate increased resources to tree maintenance on roadways, with increased funding for tree maintenance in FY2014.

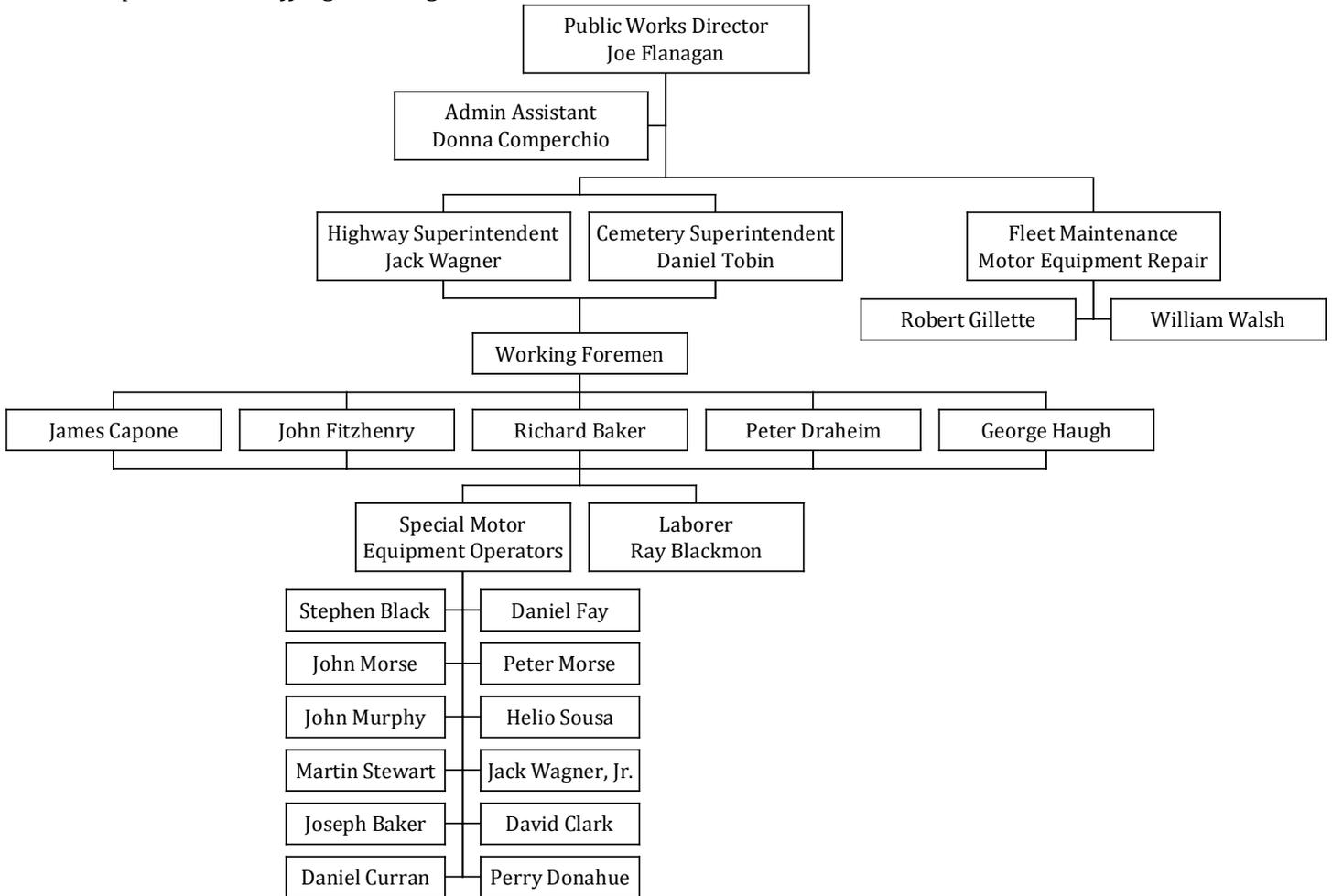
Significant Changes for FY2015

The FY2015 budget for seasonal workers is increased by approximately \$3,000 in order to hire students from the Norfolk County Agricultural School during the summer to support Civic Pride's landscaping efforts. The Professional/Technical budget includes \$25,000 to complete the implementation of the Cartegraph work order system and for support services. Materials disposal costs remain higher than recent years due to the clearing of the Striar Property, and paving material costs are expected to continue fluctuating from year to

Town of Dedham FY2015 Budget

year as affected by the price of oil. The cost of maintaining the new parking meters in Dedham Square is transferred to the Facilities Department.

Department Staffing and Organization



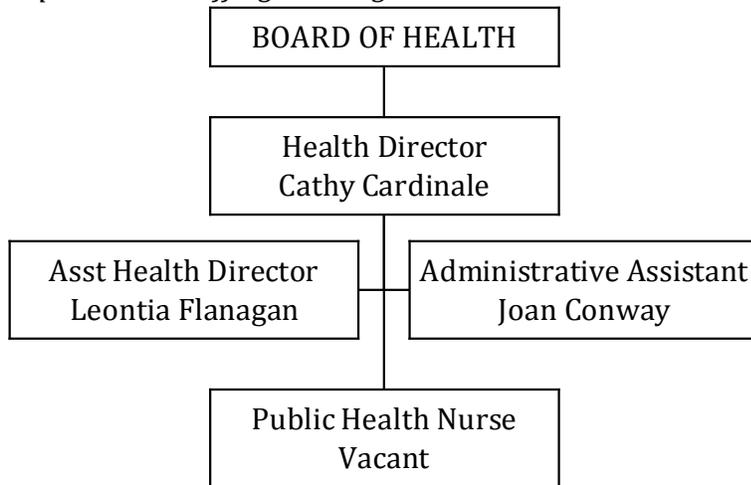
Town of Dedham FY2015 Budget

BOARD OF HEALTH

Department Description, Programs, and Services

The Board of Health is a three-member elected board, its powers and duties authorized by MGL Chapter 111, Sections 26 through 33. The department conducts inspections and issues permits for food establishments, housing and environmental structures, and other operations within its authority. The department's Public Health Nurse conducts immunization programs, blood pressure clinics, school programs and home visits. The Board appoints the Health Director to manage the daily operations of the department.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Health Director	1	1	1
Assistant Health Director	1	1	1
Public Health Nurse	0.6	0.6	0.6
Administrative Assistant I	1	1	1
Department Total	3.6	3.6	3.6

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$232,991.00	\$237,720.00
Purchase of Services	\$3,100.00	\$3,600.00
Supplies	\$1,690.00	\$840.00
Other Charges & Expenses	\$11,875.00	\$2,160.00
Hazardous Waste Collection	\$9,043.00	\$9,043.00
TOTAL	\$258,699.00	\$255,363.00

Significant Changes from Prior Fiscal Years

None

Significant Changes for FY2015

None

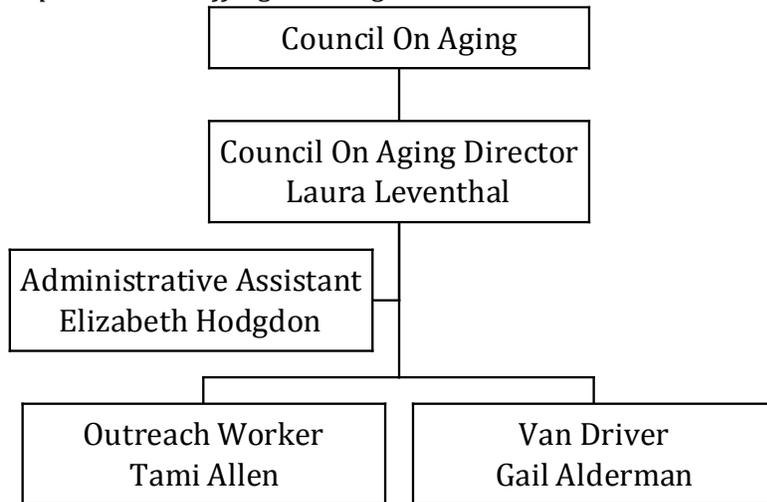
Town of Dedham FY2015 Budget

COUNCIL ON AGING

Department Description, Programs, and Services

The Council on Aging is a seven-member body appointed by the Town Administrator. The role of the Council is to serve the quality of life needs for the Town's older population by identifying needs and available resources, providing community education and outreach, and implementing services and programs that promote independence, health, and life changes. In addition to programs, the department provides outreach and transportation services. The daily operations of the department are managed by the Council on Aging Director, appointed by the Town Administrator.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
COA Director	1	1	1
Administrative Assistant II	1	1	1
COA Outreach Worker	1	1	1
Van Driver	0.75	0.75	0.75
Department Total	3.75	3.75	3.75

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$214,384.00	\$213,607.00
Purchase of Services	\$1,865.00	\$1,865.00
Supplies	\$7,048.00	\$5,900.00
Other Charges & Expenses	\$367.00	\$1,324.00
TOTAL	\$223,664.00	\$222,696.00

Significant Changes from Prior Fiscal Years

During the FY2014 budget process, the Town Administrator proposed altering the local bus program from a contracted service in the Board of Selectmen's budget to an internal

Town of Dedham FY2015 Budget

service provided by the Council on Aging. This plan was altered at Town Meeting by a motion to maintain the appropriation for the program in its established form, which passed. The Town Administrator has established a sub-committee to evaluate the bus transportation route, which includes the Council on Aging Director, Town Planner, and Economic Development Director.

Significant Changes for FY2015

With approval of the municipal campus project and construction of the Town's first Senior Center in the Town Hall at the Ames Schoolhouse, the local bus program will require further study to meet seniors' needs for transportation to Dedham Square.

Town of Dedham FY2015 Budget

YOUTH COMMISSION

Department Description, Programs, and Services

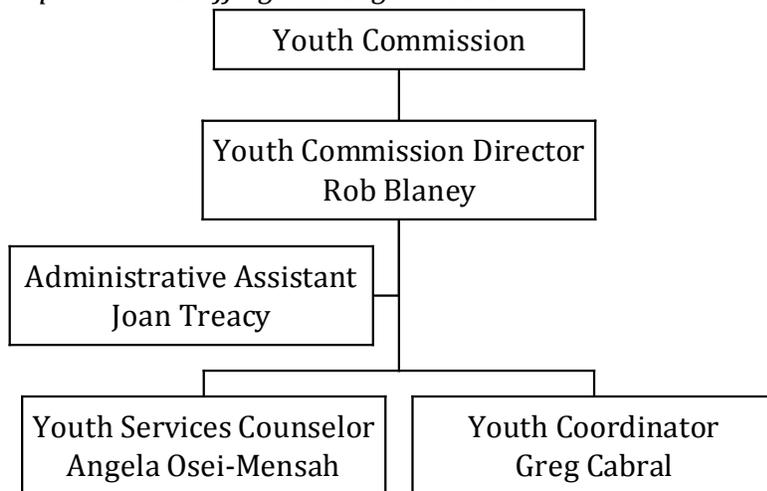
The Youth Commission is a five-member board appointed by the Town Administrator. The department's daily operations are managed by the Youth Commission Director, also appointed by the Town Administrator.

The commission was established pursuant to MGL Chapter 40, Section E, to provide social services, referrals, and programs for youth in Dedham. Social services include individual and group counseling to teens and their families on issues such as family, social, peer, stress, loss, alcohol, drug, among other concerns. Referral services include counseling and social services, job placement for teenagers, and community service opportunities. In conjunction with the Dedham Police Department and District Court, the department conducts a community service program for first time juvenile offenders. The department also provides programs, such as after-school and holiday activities, community service projects, seasonal and cultural programs, and a holiday gift program for families in need.

The Youth Commission's major programs are:

- BEAT (Be A Tutor), a student tutoring and mentoring program
- RISE, a four-week summer program for incoming high school freshmen
- College Bound, a three-week social and educational summer program for low-income or first generation Dedham middle school students
- An annual holiday donation program serving over 450 individuals.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Youth Commission Director	1	1	1
Youth Coordinator	2	2	2
Administrative Assistant II	1	1	1
Department Total	4	4	4

Town of Dedham FY2015 Budget

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$248,409.00	\$253,419.00
Purchase of Services	\$2,975.00	\$2,975.00
Supplies	\$1,221.00	\$1,221.00
Other Charges & Expenses	\$6,660.00	\$360.00
TOTAL	\$259,265.00	\$257,975.00

Significant Changes from Prior Fiscal Years

None

Significant Changes for FY2015

None

Town of Dedham FY2015 Budget

VETERANS SERVICES

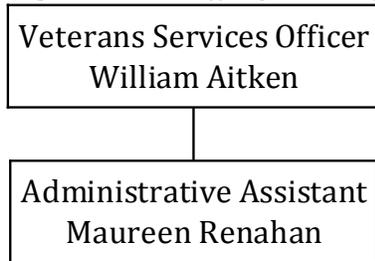
Department Description, Programs, and Services

The Veterans Services Officer is appointed by the Town Administrator. The department of Veteran's Services oversees the local administration of state and federal benefit programs available to eligible veterans and their dependents. The department provides outreach, counseling, service referral, assistance with employment searches, application and eligibility determination, and informational assistance for benefit opportunities. State benefits are made available by the Massachusetts Department of Veterans Services, pursuant to Massachusetts General Laws, Chapter 115, for which the Town is reimbursed 75%. Federal benefits are available through the U.S. Veterans Administration. Benefits include: employment; service and non-service connected pensions; disability compensation; hospitalization; long term care; outpatient treatment; vocational rehabilitation; education; and others.

In addition, the department coordinates local events to honor and support the Town's past and present veterans, such as memorial activities and the annual Memorial Day event, and group trips for veterans to national monuments and tribute sites.

In addition to serving veterans, the department also processes parking tickets.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Veteran's Agent	1	1	1
Administrative Assistant II	1	1	0.8
Department Total	2	2	1.8

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$98,891.00	\$84,092.00
Memorial Day Program	\$4,810.00	\$5,700.00
Purchase of Services	\$5,000.00	\$5,000.00
Supplies	\$229.00	\$300.00
Other Charges & Expenses	\$2,794.00	\$3,365.00
Veterans Benefits	\$87,300.00	\$92,400.00
TOTAL	\$199,024.00	\$190,857.00

Town of Dedham FY2015 Budget

Significant Changes from Prior Fiscal Years

At the end of FY2014, the department's caseload for state benefits has increased from 11 recipients to 18, with four applications pending.

Significant Changes for FY2015

The number of benefit recipients is anticipated to continue to grow as the Veterans Services Officer increases outreach and as more veterans return home from overseas.

Town of Dedham FY2015 Budget

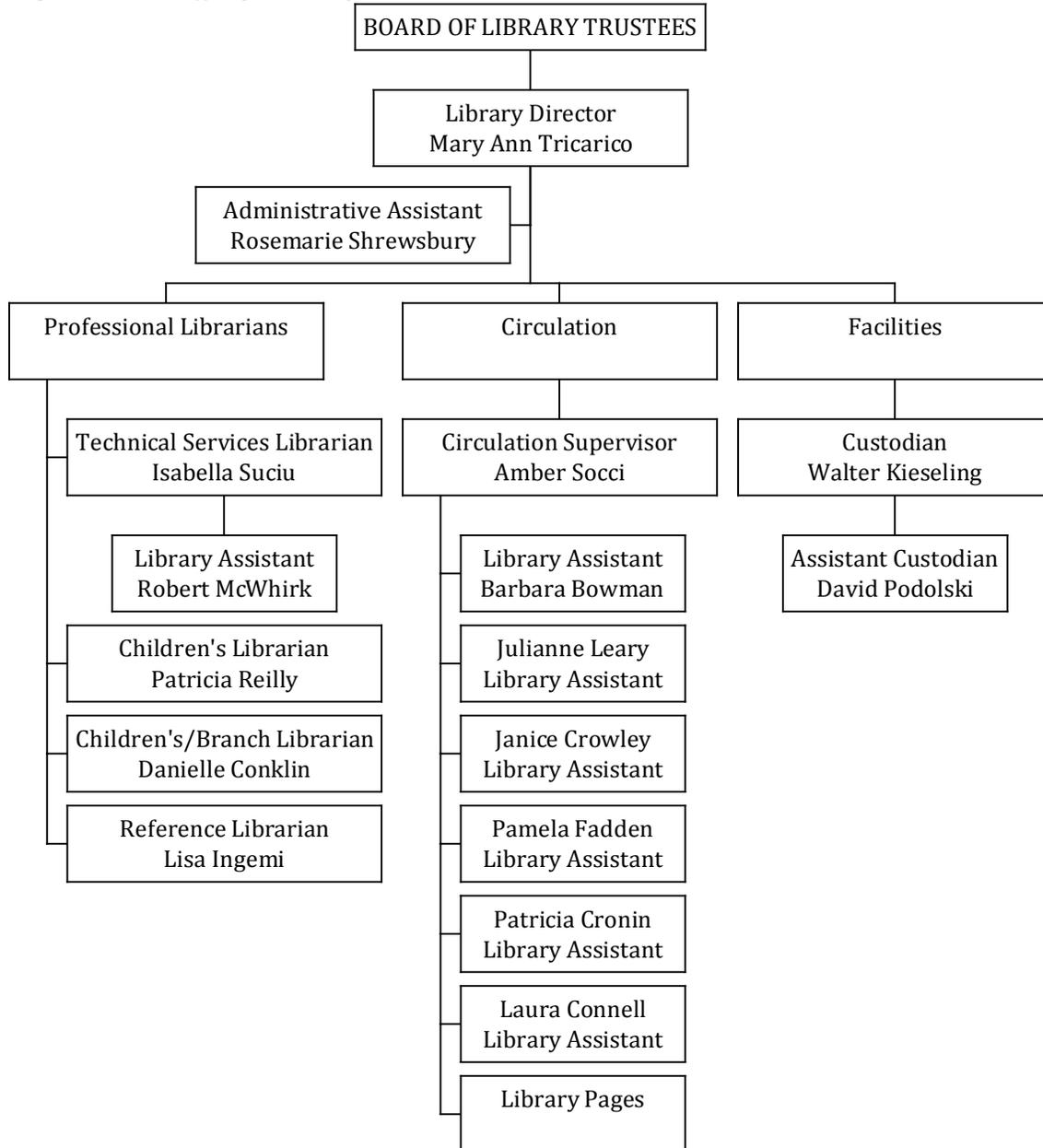
LIBRARY

Department Description, Programs, and Services

The Library Board of Trustees is a five-member elected body. The Board appoints the Library Director to manage the daily operations of the department.

The mission of the Dedham Public Library is to provide for the informational, educational, cultural, and entertainment needs of the community. The Library seeks to promote knowledge, understanding, and wisdom by providing all residents with free access to a variety of materials and services. The department operates two library branches: the Main Library near Dedham Square, and the Endicott Branch at the Endicott Estate.

Department Staffing and Organization



Town of Dedham FY2015 Budget

PERSONNEL LISTING	FY13	FY14	FY15
Library Director	1	1	1
Circulation Supervisor	1	1	1
Reference Librarian	1	1	1
Technical Service Librarian	1	1	1
Branch & Community Services Librarian	0	0	1
Children's Librarian	1	1	1
Children's / Branch Librarian	1	1	0
Library Assistants	6.1	6.1	7
Administrative Assistant I	1	1	1
Custodian	1	1	1
Assistant Custodian	1	1	1
Department Total	15.1	15.1	16

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$806,540.00	\$808,275.00
Overtime & Substitutes	\$11,000.00	\$11,000.00
Books, Periodicals & Bindings	\$156,905.00	\$160,290.00
Purchase of Services	\$66,569.00	\$66,569.00
Supplies	\$16,865.00	\$15,865.00
Other Charges & Expenses	\$11,100.00	\$6,900.00
TOTAL	\$1,068,979.00	\$1,068,899.00

Significant Changes from Prior Fiscal Years

The department has experienced turnover in FY2014. Laura Bowler, previously a library page, was hired upon Barbara Bowman's retirement as a Library Assistant. The Professional Librarian position of Children's/Branch Librarian is unfilled pending review of the job description. John Flynn, the department's long-serving custodian, retired in November 2013. Walter Kieseling was promoted internally to the Custodian position, and David Podolski was hired as the Library's Assistant Custodian.

Significant Changes for FY2015

With the pending retirements of two part-time Library Assistants, the FY2015 budget includes funding for both positions as full-time employees, a salary increase for FY2015 of approximately \$35,000, and an increase of 0.9 FTEs.

Town of Dedham FY2015 Budget

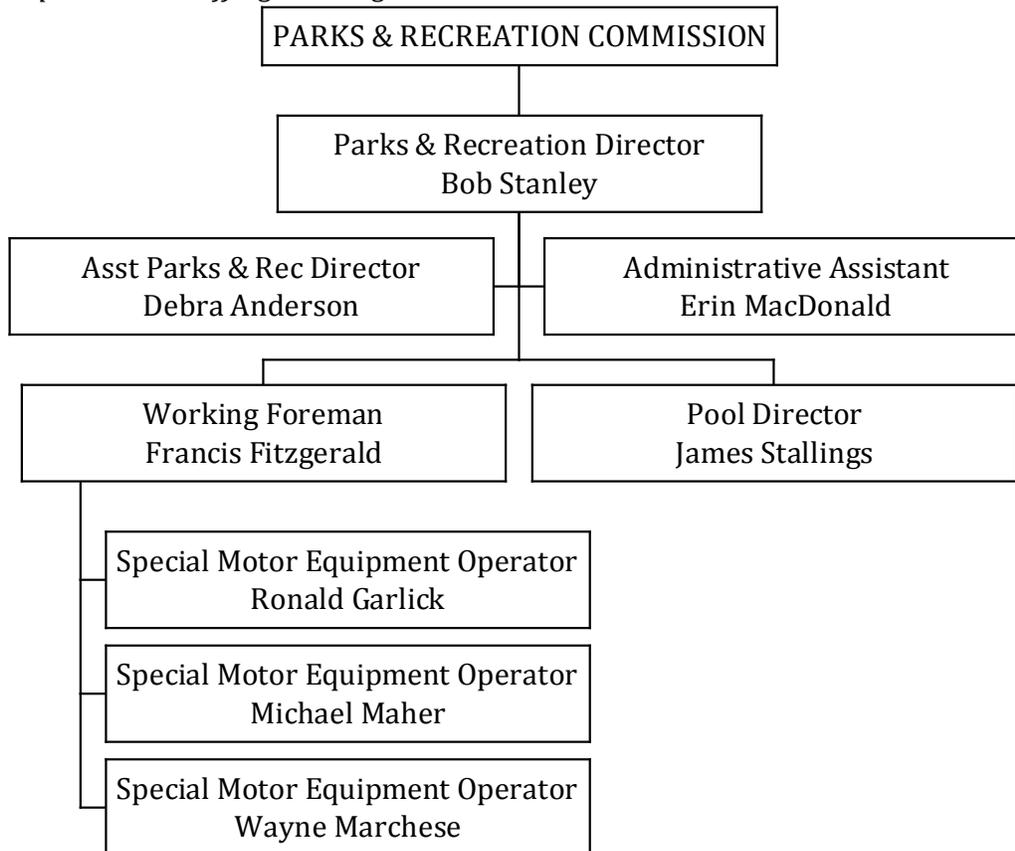
PARKS & RECREATION

Department Description, Programs, and Services

The Parks and Recreation Commission is a five-member elected body, responsible for recreational and physical education programs for all age groups. The Parks and Recreation Departments were combined by Town Meeting in May of 2012. The Commission appoints the Parks and Recreation Director to manage the daily operations of the department.

The department maintains approximately 45 acres of Town parks, and four school fields. Recreation programming includes a variety of year-round recreation programs, swim programs at the Dedham Pool, and summer playground programs. In conjunction with various community groups, the department also runs the annual Flag Day Parade with the Flag Day Committee, the annual Dedham Day with Friends of Dedham Recreation and Friends of The Dedham Pool, and the annual Bike Rodeo at St Mary's parking lot with the Police Department.

Department Staffing and Organization



Town of Dedham FY2015 Budget

PERSONNEL LISTING	FY13	FY14	FY15
Parks & Recreation Director	1	1	1
Assistant Parks & Recreation Director	1	1	1
Swimming Pool Director	1	1	1
Working Foreman	1	1	1
Special Motor Equipment Operator	3	3	3
Administrative Assistant I	1	1	1
Department Total	8	8	8

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$526,396.00	\$526,143.00
Overtime & Substitutes	\$9,496.00	\$9,500.00
Purchase of Services	\$35,500.00	\$70,500.00
Supplies	\$97,288.00	\$87,863.00
Other Charges & Expenses	\$4,870.00	\$371.00
Operating Capital	\$0.00	\$56,500.00
TOTAL	\$673,550.00	\$750,877.00

Significant Changes from Prior Fiscal Years

The construction of a canoe and kayak launch was completed in FY2014 at the Dolan Recreation Center. This launch connects to the walking trails at Whitcomb Woods and Wilson Mountain, and features a new road from the Dolan Center to the river with eight parking spots. The department provides weekend rentals of canoes and kayaks that were generously donated by LL Bean.

Significant Changes for FY2015

The department continues to become increasingly self-supporting, contributing program revenues to fund 41% of seasonal program workers' wages in FY2015, an increase from its contribution of 33% in FY2014 and 22% in FY2013.

The FY2015 Supplies budget includes funding for improved parks and fields supplies and maintenance. By shifting the procurement of goose control services, custodial supplies, and office supplies to departments with greater budgetary flexibility through aggregated purchasing, the Supplies budget retained approximately \$12,500 for seed, fertilizer, lime, paint, mulch, and infield mix. The Purchase of Services budget also includes new funding of \$10,000 for maintenance of the Mill Pond Park trails, trails developed by the Sustainability Advisory Committee and Environmental Department, and School fields.

Town of Dedham FY2015 Budget

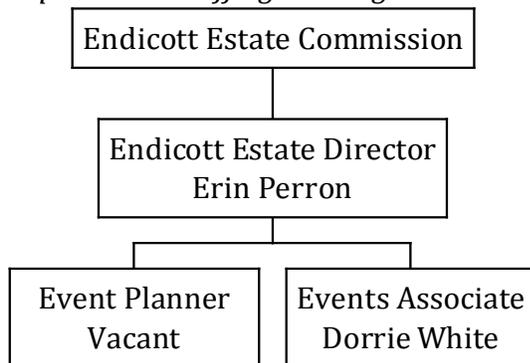
ENDICOTT ESTATE

Department Description, Programs, and Services

The Endicott Estate, built in 1904 on the 15 acres of land bounded by Mt. Vernon Street, Sanderson Avenue, East Street, and Walnut Street, was left to the town under the will of the late Katherine Endicott, to be used for public educational purposes, public recreational purposes, or other exclusively public purposes. The Estate is listed on the National Register of Historic Places.

Chapter 20 of the Town By-Laws established the Endicott Estate Commission, a five-member board appointed by the Town Administrator. The role of the commission is to make rules and regulations for the use of the land and buildings on the Estate, make recommendations to the Town Administrator with respect to specific uses, and recommend to the Town Administrator policies governing the use of the Estate for private social events. The Town Administrator appoints an estate manager to coordinate the daily operations of the Estate.

Department Staffing and Organization



PERSONNEL LISTING	FY13	FY14	FY15
Endicott Estate Director	1	1	1
Event Planner	0	0	1
Events Associate	0.4	0.4	0.4
Security Guard	1.0	0.0	0
Department Total	2.4	1.4	2.4

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$99,646.00	\$133,177.00
Purchase of Services	\$11,380.00	\$15,415.00
Supplies	\$3,465.00	\$4,144.00
Other Charges & Expenses	\$1,694.00	\$1,175.00
TOTAL	\$116,185.00	\$153,911.00

Town of Dedham FY2015 Budget

Significant Changes from Prior Fiscal Years

Since the reorganization of the department in FY2013 with the hiring of the Endicott Estate Director, the department's annual rental revenues have grown to nearly double what was received in prior years. The Estate continues to remain available for use by community and civic groups.

Significant Changes for FY2015

The May 2014 Annual Town Meeting voted to establish the Endicott Estate Enterprise Fund, which will allow the Town to evaluate the cost structure of operating the Estate in a business-like manner and to identify target levels for use of the Estate. While the department's FY2015 budget is appropriated in the General Fund, the Finance Department and Endicott Estate will work with the Massachusetts Department of Revenue to establish a methodology for the budget and accounting of the new enterprise fund for FY2016. The Estate continues to remain available for use by community and civic groups.

The department's FY2015 budget includes funding for a new position, Event Planner, which will provide event planning services and administrative support, as well as billable day-of coordination service for wedding parties.

Town of Dedham FY2015 Budget

Non-Staffed Departmental Budgets

FINANCE COMMITTEE

Department Description

The Finance Committee is a nine-member body appointed by the Town Moderator. The committee's prime responsibility is to make recommendations on all financial matters, including the budget, to Town Meeting. The committee has oversight responsibility for all municipal financial matters, as well as other statutory authority granted to them by Town By-Law. The Finance Committee is authorized by MGL Chapter 40, Section 6 to authorize transfers from the Reserve Fund for extraordinary and unforeseen expenditures.

Budget Detail

Line Item	FY2014	FY2015
Purchase of Services	\$6,935.00	\$4,820.00
Supplies	\$150.00	\$150.00
Other Charges & Expenses	\$673.00	\$673.00
Reserve Fund*	\$540,000.00	\$250,000.00
TOTAL	\$545,323.00	\$255,643.00

* Reserve Fund budget indicates appropriations. After transfers out during the fiscal year the budget was \$139,213.

Significant Changes from Prior Fiscal Years

The Committee's representative from Precinct Seven, Eric Chambers, resigned from the committee to move out of state. The Moderator appointed Matthew Donovan, and then Susan Carney, to fill the vacancy.

Significant Changes for FY2015

The reduction by half of the Reserve Fund was made as part of the Committee's efforts with the Town Administrator to achieve a total budget increase below 2.0%. The primary use of the Reserve Fund in FY2013 and FY2014 has been to support overtime costs in the Fire Department. With additional funding in the department's budget for overtime as well as a new position, it is anticipated that overtime will be less of a need in FY2015, and that the Reserve Fund is adequately funded. Elsewhere, the Committee's Purchase of Services line has increased due to the increased cost of printing the Annual and Special Town Meeting Warrant books. Costs have grown due to the larger size of recent books, and the inclusion of color maps.

Town of Dedham FY2015 Budget

CENTRAL PURCHASING

Department Description

Central Purchasing is a non-staffed budget, managed by the Town Administrator and Finance department. The budget includes funds for postage and office supplies for all Town departments, new and replacement equipment that falls below the threshold for capital items, and the Public Service Recognition Committee's annual ceremony.

Budget Detail

Line Item	FY2014	FY2015
Central Overtime & Sick Leave	\$48,970.00	\$82,103.00
Central Postage	\$107,394.00	\$87,431.00
Purchase of Services	\$14,500.00	\$1,000.00
Supplies	\$32,533.00	\$36,420.00
Non-Capital Equipment	\$25,000.00	\$58,000.00
TOTAL	\$228,397.00	\$264,954.00

Significant Changes from Prior Fiscal Years

The Town has continued Phase 2 of the comprehensive Records Management Program, at a cost of \$10,000 in Purchase of Services. The program is planned to continue, but is budgeted under the Town Administrator for FY2015. The Town has continued its participation in collaborative purchasing agreement through The Educational Collaborative (TEC), with all Town departments' office supply budgets consolidated in Central Purchasing.

Significant Changes for FY2015

The budget for Central Overtime includes funds for the Police Department's administrative projects, which were transferred from the department's operating budget.

Central Postage has decreased, due to the cost of sewer tax bill mailings being transferred to the Finance Department as a service provided by the Deputy Collector. Other mailings remain in the central budget, with costs slightly increasing due to the increase in the postage rate.

The Purchase of Services budget request includes only costs for the Town's Public Service Recognition Committee. The records management program was funded in this budget in FY2014, and is planned to continue as a capital initiative in preparation for the move of Town Hall departments to the Ames Schoolhouse.

Town of Dedham FY2015 Budget

LEGAL

Department Description

The Legal budget is managed by the Board of Selectmen. Town Counsel is appointed by the Board of Selectmen to an annual one-year term. In accordance with Town By-Laws, counsel represents the Town and its officers in court actions or other legal proceedings, advises boards and committees on legal matters, prepares and approves contracts, bonds, deeds, and other legal instruments involving the town, and provides legal services related to acquisition and disposition of land owned by the Town. Counsel also serves as a resource to the Town during all Town Meeting proceedings.

Budget Detail

Line Item	FY2014	FY2015
Purchase of Services	\$290,000.00	\$215,550.00
Litigation & Damages	\$15,000.00	\$25,000.00
TOTAL	\$305,000.00	\$240,550.00

Significant Changes from Prior Fiscal Years

None

Significant Changes for FY2015

None

Town of Dedham FY2015 Budget

BUILDING, PLANNING & CONSTRUCTION COMMITTEE

Department Description

The Building, Planning & Construction Committee is a seven-member board, appointed by the Town Administrator. Per the Town By-laws, the Committee includes one member of the Planning Board, a registered professional engineer or architect, an attorney admitted to practice in Massachusetts, a person employed in the construction industry, and three other members. The Committee is responsible for surveying the growth and building needs of the Town and the physical condition of all Town buildings.

Budget Detail

Line Item	FY2014	FY2015
Purchase of Services	\$26,860.00	\$20,000.00
TOTAL	\$26,860.00	\$20,000.00

Significant Changes from Prior Fiscal Years

The Town's cost of building and construction planning studies increased in FY2014 due to the investigation of potential acquisition and relocation of Town offices to the property at 180 Rustcraft Road.

Significant Changes for FY2015

Due to the potential acquisition of the Ames Schoolhouse and subsequent relocation and construction projects associated with a municipal campus, the Town Administrator's budget recommendation of \$20,000 for potential building and planning studies that may arise in FY2015.

Town of Dedham FY2015 Budget

SEALER OF WEIGHTS AND MEASURES

Department Description, Programs, and Services

The Sealer of Weights and Measures enforces MGL Chapter 98, and Chapter 295 (1998) of the Consumer Merchant Protection Act. These statutory requirements are to ensure that measuring devices such as scales, scanners, pumps, and meters take accurate measurements to ensure fair transactions between buyers and sellers. The Sealer is appointed by the Town Administrator, to conduct random and mandatory inspections and tests, investigate complaints, and issue citations for non-compliance regarding measurements, price representation, and use of illegal or non-conforming devices as necessary.

Budget Detail

Line Item	FY2014	FY2015
Personnel Services	\$0.00	\$10,000.00
Purchase of Services	\$14,000.00	\$0.00
TOTAL	\$19,000.00	\$10,000.00

Significant Changes from Prior Fiscal Years

The Sealer of Weights and Measures was transferred in the FY2014 budget from a service contracted to the State to a service of the Town, which will be performed by the Building Department's Code Enforcement Officer on overtime at a lower cost than the contracted service.

Significant Changes for FY2015

None

Town of Dedham FY2015 Budget

CIVIL PREPAREDNESS

Department Description

The Civil Defense Department assists the Police and Fire Departments by maintaining the equipment necessary for emergency shelter, security, and communication during natural disasters, as well as the equipment used by the Town's auxiliary police. The department's budget is managed by Constable Anthony Zollo, a volunteer appointed by the Town Administrator.

Budget Detail

Line Item	FY2014	FY2015
Purchase of Services	\$1,395.00	\$1,395.00
Supplies	\$2,760.00	\$2,760.00
Other Charges & Expenses	\$200.00	\$200.00
TOTAL	\$4,355.00	\$4,355.00

Significant Changes from Prior Fiscal Years

None

Significant Changes for FY2015

None

Town of Dedham FY2015 Budget

SNOW & ICE

Department Description

Snow & Ice is a non-staffed department. The budget is managed by the Public Works Department, and includes funds for snow and ice removal, road supplies such as salt and sand, and the maintenance and repair of vehicles and equipment used in snow removal operations.

Budget Detail

Line Item	FY2014	FY2015
Snow & Ice Removal	\$1,300,500.00	\$650,000.00
TOTAL	\$600,000.00	\$650,000.00

Significant Changes from Prior Fiscal Years

Dedham experienced several snowstorms during FY2013, bringing snow and ice removal costs over \$1 million. The FY2014 budget was increased by \$50,000 to provide a fuller accounting of snow and ice costs. During FY2014 the Town continued to experience heavy snowstorms. Starting the year with a budget of \$600,000, the Board of Selectmen approved additional transfers of \$700,500 to cover the Snow & Ice deficit, for a total FY2014 budget of \$1,300,500.

Significant Changes for FY2015

In keeping with the Town's commitment to incrementally increasing the annual Snow & Ice budget to reflect the full anticipated costs of the service, the FY2015 budget is increased by \$50,000 from the prior year.

Town of Dedham FY2015 Budget

STREET LIGHTING

Department Description

Street Lighting is a non-staffed department. The budget managed by the Facilities and Public Works departments, and includes funds for the utilities to operate and maintain the Town's street lights.

Budget Detail

Line Item	FY2014	FY2015
Street Lighting	\$225,000.00	\$250,000.00
Operating Capital	\$100,000.00	\$0.00
TOTAL	\$325,000.00	\$250,000.00

Significant Changes from Prior Fiscal Years

The Town has continued its transition to LED street lights. Using a \$186,000 state grant, the Town completed the installation of approximately 800 of its 2,602 street lights in FY2013. During FY2014, the Town implemented the second phase of the project, with LED replacements being paid from savings generated by the lower cost of utilities used by lights replaced in the program's first year.

Significant Changes for FY2015

Due to the energy efficiency and cost savings of the LED street lighting program, the budget reflects a reduction of \$25,000 from prior years' original adopted budgets.

Town of Dedham FY2015 Budget

RUBBISH & RECYCLING

Department Description

Rubbish & Recycling is a non-staffed department. The budget is managed by the Public Works Department, and includes funds for the Town's contracted service for rubbish disposal and recycling, and for the residential equipment associated with the program.

Budget Detail

Line Item	FY2014	FY2015
Rubbish & Recycling Contract	\$2,134,454.00	\$1,950,000.00
Supplies	\$15,778.00	\$28,000.00
TOTAL	\$2,150,232.00	\$1,978,000.00

Significant Changes from Prior Fiscal Years

Dedham implemented single-stream recycling and automated trash collection in 2009. In November 2013, Town Meeting authorized the Town to enter a five-year contract in for rubbish services, which was awarded to Waste Management. Through a federal grant, the company is converting its fleet to run on compressed natural gas (CNG) rather than diesel fuel, which is more cost-effective and environmentally sustainable.

Significant Changes for FY2015

As a result of the lower cost of Waste Management's CNG fleet, the FY2015 budget is approximately \$250,000 lower than the prior year's original budget.

Town of Dedham FY2015 Budget

CIVIC PRIDE

Department Description

Chapter 32 of the Town By-laws establishes the Civic Pride Committee, appointed by the Town Administrator. The committee considers programs, projects, and policies which (a) foster, encourage, and promote civic pride within the town and (b) preserve, improve, and upgrade the overall physical beauty and aesthetic appearance of the town. The committee makes recommendations to the Town Administrator for the implementation of such programs, with consideration for the coordinated and cooperative efforts of various town departments.

Budget Detail

Line Item	FY2014	FY2015
Other Charges & Expenses	\$10,000.00	\$10,000.00
TOTAL	\$10,000.00	\$10,000.00

Significant Changes from Prior Fiscal Years

The FY2014 budget included an increase of \$5,000 for expanded services.

Significant Changes for FY2015

None

Town of Dedham FY2015 Budget

CULTURAL COUNCIL

Department Description

The Cultural Council is appointed by the Board of Selectmen to plan, coordinate, and monitor funding for community arts programs in Town. The Council also receives state funding.

Budget Detail

Line Item	FY2014	FY2015
Cultural Council	\$6,300.00	\$6,300.00
TOTAL	\$6,300.00	\$6,300.00

Significant Changes from Prior Fiscal Years

None

Significant Changes for FY2015

None

Town of Dedham FY2015 Budget

DEBT SERVICE

Department Description

Debt service appropriations provide for the payment of principal and interest costs for long- and short-term bonds issued by the Town for capital projects. The budget is managed by the Finance Department.

Budget Detail

Line Item	FY2014	FY2015
Principal & Interest On Debt	\$8,850,570.00	\$8,257,386.00
TOTAL	\$9,125,570.00	\$8,257,386.00

Significant Changes from Prior Fiscal Years

During FY2014, the final payments were made for the following borrowings:

Project	Date of Issue	Borrowing	Final Payment	Principal	Interest
EXCLUDED DEBT					
Roads & Sidewalks	6/04	2,000,000	2014	200,000	8,000
TOTAL EXCLUDED DEBT				200,000	8,000
NON-EXCLUDED DEBT					
Main Fire Station Floor Repair	11/08	50,000	2014	10,000	250
Riverdale School Boiler	6/09	40,000	2014	7,000	140
DHS Doors & Security System	6/09	55,000	2014	11,000	220
Police Station HVAC	6/09	55,000	2014	6,000	120
DHS Communication System	6/09	195,000	2014	39,000	780
Public Works Equipment	6/09	145,000	2014	29,000	580
Public Works Equipment	6/09	140,000	2014	25,000	500
Avery School Design	6/09	40,000	2014	8,000	160
Brookdale Cemetery	6/09	100,000	2014	5,000	100
Condon Park	6/09	110,000	2014	15,000	300
Roads & Sidewalks	6/09	500,000	2014	100,000	2,000
Roads & Sidewalks	6/09	250,000	2014	50,000	1,000
TOTAL NON-EXCLUDED DEBT				305,000	6,150
TOTAL				505,000	14,150

Town of Dedham FY2015 Budget

Significant Changes for FY2015

The FY2015 budget includes principal and interest payments on existing debt issues (See Section VI) as well as the following newly authorized debt issued during FY2014, all non-excluded:

Project	Date of Issue	Borrowing	Final Payment	Principal	Interest
Public Works Motor Equipment	5/14	320,000	2019	65,000	9,500
Road Repairs	5/14	1,500,000	2029	100,000	45,000
Sidewalks & Misc Repairs	5/14	500,000	2029	35,000	15,000
DHS Rooftop Units	5/14	95,000	2019	20,000	2,850
Pool Rooftop Units	5/14	25,000	2017	10,000	750
Facilities Snow Removal Vehicle	5/14	40,000	2018	10,000	1,200
Old Avery School Boiler	5/14	125,000	2024	15,000	3,750
Dedham Square Improvements	5/14	200,000	2029	20,000	6,000
Brookdale Cemetery	5/14	25,000	2016	10,000	750
Striar Property	5/14	235,000	2017	25,000	7,050
TOTAL				310,000	91,950

The FY2015 budget includes final payments on the following borrowings:

Project	Date of Issue	Borrowing	Final Payment	Principal	Interest
EXCLUDED DEBT					
Road Repairs	6/1/05	2,500,000	2015	250,000	8,750
Road Repairs	6/1/05	2,000,000	2015	200,000	7,000
TOTAL EXCLUDED DEBT				450,000	15,750
NON-EXCLUDED DEBT					
Greenlodge & Riverdale Boilers	6/1/05	450,000	2015	45,000	1,575
Endicott Estate Repairs	6/1/05	750,000	2015	75,000	2,625
Fire Truck, Replace Engine 3	5/15/10	435,000	2015	85,000	2,550
Oakdale School Boiler	5/15/10	230,000	2015	45,000	1,350
DHS Kitchen Equipment	5/15/10	120,000	2015	20,000	600
MWRA Sewer	5/17/10	272,800	2015	54,560	-
Avery School Feasibility Study	11/15/10	110,000	2015	20,000	600
TOTAL NON-EXCLUDED DEBT				344,560	9,300
TOTAL				794,560	25,050

Town of Dedham FY2015 Budget

EMPLOYEE BENEFITS

Department Description, Programs, and Services

Employee Benefits is a non-staffed department. The budget is managed by the Town Manager, Finance, and Human Resources departments, and includes funds for active employees' health insurance and fringe benefits such as unemployment, Medicare, and deferred compensation, and for retired employees' pensions and health insurance.

Pension benefits

Employee's pension benefits are managed by the Dedham Contributory Retirement System's five-member board. The system is governed by MGL Chapter 32, and its investments are managed by the Pension Reserves Investment Management (PRIM) board.

Unemployment

The State Division of Unemployment Assistance assesses the Town for up to 30 weeks of unemployment benefits paid to the Town's former employees.

Health Insurance

Pursuant to MGL Chapter 32B, any permanent active employee of the Town who works 20 or more hours per week is eligible for health insurance coverage as a benefit of employment. The Town offers health insurance plans to its active employees through four providers: Harvard Pilgrim, Blue Cross Blue Shield, Tufts, and Fallon. As a benefit of retirement, former Town employees are eligible for health insurance coverage. Retirees under age 65 are covered on the active employee plans with the same contribution rates. The Town offers plans for Medicare-eligible retirees with the same providers.

Medicare Tax

Federal Insurance Contributions Act (FICA) tax is a payroll tax imposed by the federal government on both employees and employers. All local government employees hired after March 31, 1986 are considered Medicare Qualified Government Employees and are required to be covered under the Medicare program. The Town is responsible for matching Medicare payroll tax of 1.45% on these employees. Annual increases in this liability reflect a rise in total payroll, as more senior employees depart and are replaced by newly hired employees whose wages are subject to the tax.

Collective Bargaining Reserve

Each of the Town's 10 collective bargaining agreements expired as of June 30, 2012, with only two agreements, those of the Teacher's and Parks bargaining units, settled as of the FY2015 budget adoption. The Teachers settled a three-year contract with salary increases of 1%, 1.5%, and 2.5%. The FY2015 budget included a reserve for all employees of other bargaining units, as well as a reserve for unsettled employment contracts for the Town Manager, Finance Director, Police Chief, and Fire Chief. With the settlement of the Town's eight bargaining units, Town Meeting authorized the Director of Finance to distribute the salary reserve among department budgets to fund the agreements, which will result in amended budgets for all staffed departments.

Town of Dedham FY2015 Budget

Budget Detail

Line Item	FY2014	FY2015
Pensions, Contributory	\$3,951,350.00	\$4,107,233.00
Pensions, Non-Contributory	\$16,015.00	\$15,000.00
Unemployment Payments	\$10,000.00	\$50,000.00
Health Insurance	\$8,193,765.00	\$8,521,025.00
Life Insurance	\$21,600.00	\$64,800.00
OPEB	\$1,700,000.00	\$1,674,110.00
Insurance Subtotal	\$9,916,380.00	\$10,259,935.00
Medicare Tax	\$630,000.00	\$686,566.00
Collective Bargaining Reserve	\$299,525.00	\$560,416.00
Deferred Compensation	\$0.00	\$19,500.00
TOTAL	\$14,822,255.00	\$15,698,650.00

Significant Changes from Prior Fiscal Years

The FY2014 budget was the first in which the Town budgeted full funding of its ARC to OPEB. Having used the savings from Municipal Health Insurance Reform to fully fund the ARC in FY2013, this was the second consecutive year the Town met this goal. The Town's annual assessment for retiree pensions has continued to rise as the annual cost of benefits increases, but by fully funding the ARC the Town will be better able to control future increases to annual costs.

Significant Changes for FY2015

Health insurance rates increased an average of 9%, with the following cost increases by plan: Blue Cross, 18%; Tufts, 13%; Harvard Pilgrim, 5.4%; Fallon, 1.4%. In addition to industry increases, a second factor in this increase was the West Suburban Health Group's (WSHG) ability to subsidize rates using fund reserves. In FY2014, WSHG used \$6 million to subsidize rate increases. WSHG voted to use \$2 million of its \$16 million reserves to mitigate FY2015 rate increases. The Human Resources Department conducted an education initiative to raise employee awareness of lower-cost plans, to encourage migration and savings for both employees and the Town. It was estimated that through this effort, 15% of employees would migrate to Fallon. The FY2015 budget reflects migration in proportion to each plan's cost increase and current enrollment. However, only approximately 5% of employees did migrate to lower-cost plans, which will require supplementary funding for health insurance of approximately \$200,000. This is projected to be offset by the decrease in the Town's FY2015 ARC for OPEB, as the new valuation of the Town's unfunded liability is anticipated to result in a cost reduction for FY2015 of approximately \$500,000.

The Employee Benefits budget also contains a new benefit for the Town's management employees, in which longevity payments and days off will be replaced by deferred compensation package. In FY2014, regular full-time employees are eligible for a paid day off and an annual payment of \$150 after five years of employment with the Town, increasing by one paid day off and \$80 upon each subsequent five year period of employment up to a maximum of \$630 per year. These benefits are proposed to be

Town of Dedham FY2015 Budget

replaced by an annual contribution to a deferred compensation account for each management employee. Contributions will begin at \$250 for employees with less than five years of employment with the Town, and increase by \$250 for each subsequent five year period of employment. The cost of deferred compensation contributions is a cost increase of \$14,270 over otherwise-scheduled longevity payments of \$5,230; however, the value of days worked with the elimination of longevity days reduces the cost of this new benefit.

Town of Dedham FY2015 Budget

Regional School Districts

BLUE HILLS REGIONAL SCHOOL DISTRICT

Department Description

The Blue Hills Regional School is a secondary-level technical training and college-preparatory institute located in the Town of Canton, Massachusetts.

The School's mission is "To continue its history of academic achievement, technical training and character development through a curriculum which emphasizes the integration of cutting-edge technical programs and challenging academic courses; enabling its students to become competent, caring and productive people in a diverse and changing world."

Budget Detail

Line Item	FY2014	FY2015
Blue Hills Regional School District	\$973,390.00	\$1,410,353.00
TOTAL	\$973,390.00	\$1,410,353.00

Significant Changes from Prior Fiscal Years

Dedham's enrollment increased from 46 to 50 students in FY2012, and from 50 students in FY2013 to 56 in FY2014, increasing the District's annual assessments to the Town by \$95,150 and \$63,014.

Significant Changes for FY2015

Dedham's enrollment is projected to increase from 56 students in FY2014 to 77 in FY2015, increasing the District's assessment to the Town by \$479,677. Dedham's increase of 21 students is by far the largest of the District's nine communities. The Town of Avon's enrollment increased by five students, and three other towns' enrollment increased by one.

Town of Dedham FY2015 Budget

NORFOLK COUNTY AGRICULTURAL SCHOOL

Department Description

Norfolk County Agricultural High School is a public high school that offers academic and vocational training, located in the Town of Walpole, Massachusetts. The School offers training in animal and marine science, plant and environmental science, and diesel and mechanical technology.

The school's philosophy states, "The Norfolk County Agricultural High School believes agriculture and agribusiness are essential to regional, national, and global economies. We recognize that agricultural and environmental technologies are vital to global survival. Therefore, it is our mission to offer progressive agricultural education, a challenging academic curriculum, and work experiences that prepare our students for continued learning. We are committed to providing a quality educational environment that recognizes diversity in student backgrounds, individual learning styles, and varying abilities. It is the responsibility of the school community to provide a positive learning environment fostered through mutual respect and dignity."

Budget Detail

Line Item	FY2014	FY2015
Norfolk County Agricultural High School	\$53,486.00	\$42,964.00
TOTAL	\$68,000.00	\$42,964.00

Significant Changes from Prior Fiscal Years

FY2013 was the first year that the District billed the Town for student enrollment, at a cost of \$2,000 per pupil. Dedham's enrollment in FY2013 was 20 students, and increased in FY2014 to 29. One student left the district during the school year.

Significant Changes for FY2015

The District's assessment per pupil decreased from \$2,000 to \$1,868 in FY2015. Because the District's enrollment process was not finalized when Dedham's budget was adopted, the FY2015 budget includes funding for the 23 students from Dedham enrolled in the prior year who were not seniors. Funds for the District's assessment for any new students accepted for the FY2015 school year will be transferred from reserves. The District had 12 applicants from the Town, for a total potential budget increase of \$22,416.

Town of Dedham FY2015 Budget

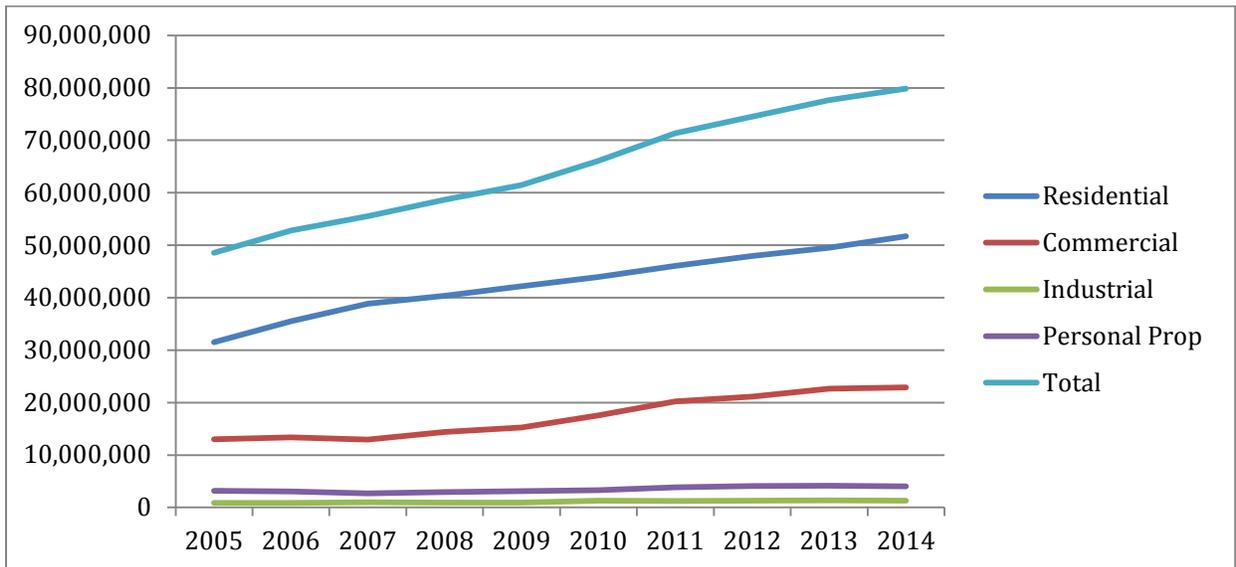
Section VIII. Statistical / Supplemental Information

Tax Rates by Class

FY	Residential	Commercial	Industrial	Personal Property
2005	10.48	26.15	26.15	26.15
2006	11.15	26.07	26.07	26.07
2007	10.93	23.89	23.89	23.89
2008	12.05	25.18	25.18	25.18
2009	12.62	26.43	26.43	26.43
2010	13.57	28.87	28.87	28.87
2011	14.37	31.06	31.06	31.06
2012	15.43	32.2	32.2	32.2
2013	15.79	34.37	34.37	34.37
2014	16.08	34.72	34.72	34.72

Tax Levy by Class

FY	Residential	Commercial	Industrial	Personal Property	Total
2005	31,490,783	13,023,165	847,875	3,166,946	48,528,769
2006	35,519,847	13,365,762	874,813	3,040,793	52,801,215
2007	38,871,794	12,970,622	985,240	2,712,708	55,540,364
2008	40,383,797	14,378,853	958,346	2,955,814	58,676,810
2009	42,162,077	15,274,561	938,889	3,120,031	61,495,558
2010	43,961,906	17,537,774	1,281,885	3,301,681	66,083,246
2011	46,076,061	20,206,337	1,224,392	3,845,595	71,352,385
2012	47,972,876	21,139,919	1,274,744	4,094,159	74,481,698
2013	49,490,747	22,645,681	1,375,175	4,124,665	77,636,268
2014	51,682,067	22,880,308	1,272,596	4,038,711	79,873,682



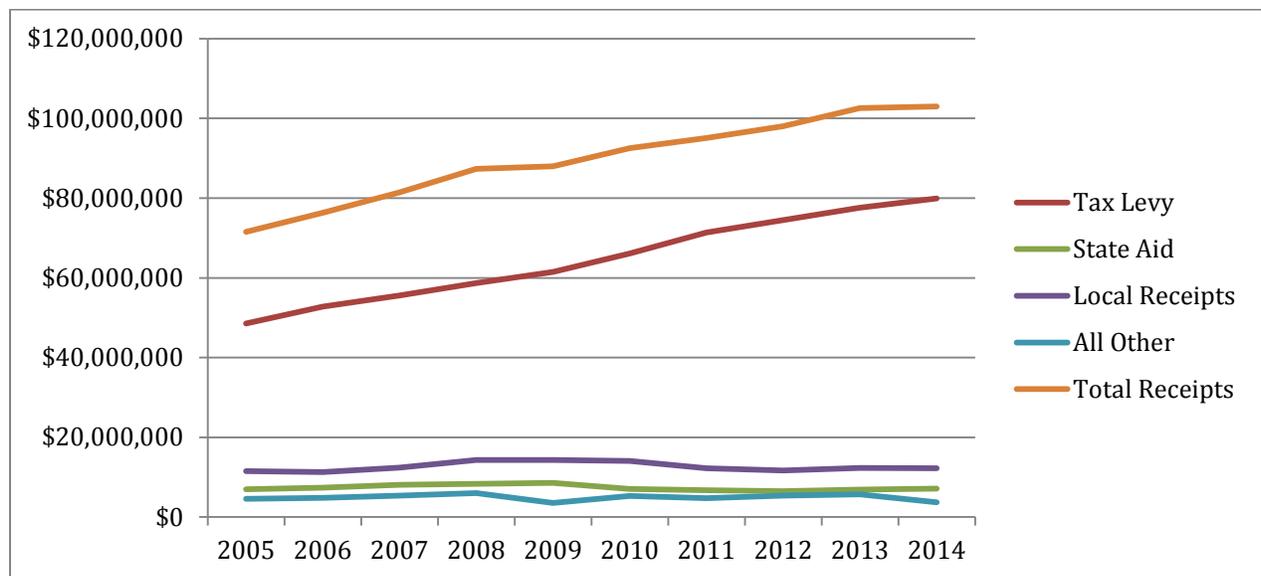
Town of Dedham FY2015 Budget

Property Tax Levy Limit and Unused Capacity

FY	Levy Limit	Unused Capacity	Capacity / Limit
2005	46,855,245	13,674	0.0%
2006	49,784,688	6,080	0.0%
2007	52,942,325	37,723	0.1%
2008	55,630,801	17,743	0.0%
2009	58,402,801	22,162	0.0%
2010	63,057,453	3,396	0.0%
2011	68,099,488	11,058	0.0%
2012	71,008,352	29,159	0.0%
2013	73,915,450	21,948	0.0%
2014	76,698,653	479,007	0.6%
2015	79,366,119	1,604,365	2.0%

Revenue History

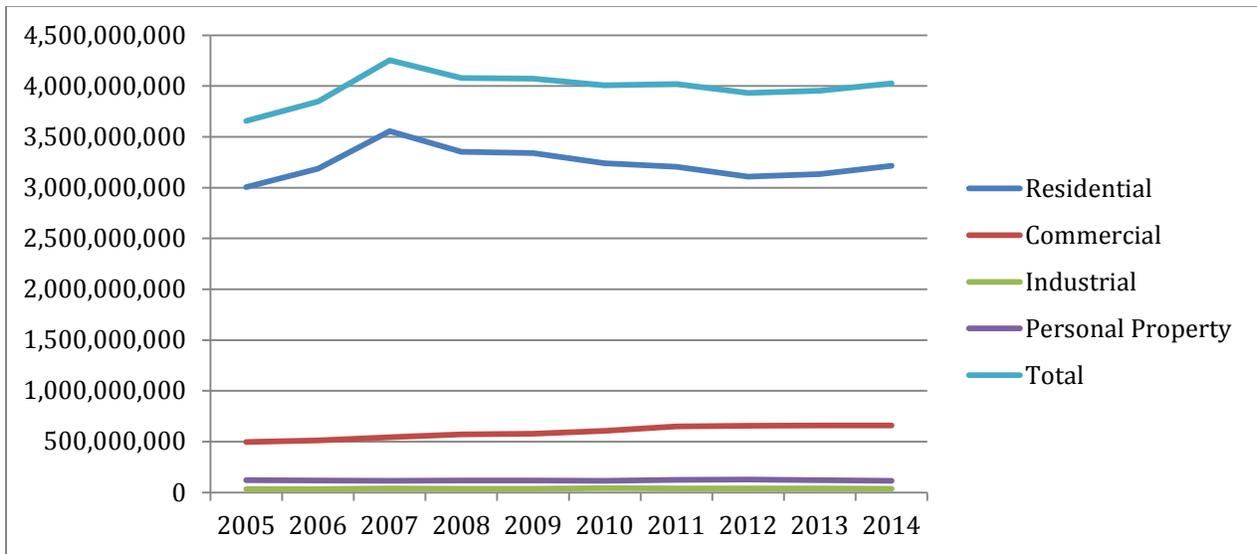
FY	Tax Levy	State Aid	Local Receipts	All Other	Total
2005	48,528,769	6,956,477	11,489,261	4,566,735	71,541,242
2006	52,801,215	7,363,223	11,302,845	4,815,655	76,282,938
2007	55,540,364	8,098,204	12,363,489	5,387,232	81,389,289
2008	58,676,810	8,321,568	14,301,163	5,996,101	87,295,642
2009	61,495,558	8,579,310	14,301,287	3,564,044	87,940,199
2010	66,083,247	7,082,292	14,108,900	5,282,941	92,557,380
2011	71,352,386	6,712,353	12,270,920	4,736,833	95,072,492
2012	74,481,697	6,474,585	11,645,614	5,400,230	98,002,126
2013	77,636,268	6,910,124	12,319,071	5,688,802	102,554,264
2014	79,873,681	7,154,550	12,213,174	3,712,561	102,953,966



Town of Dedham FY2015 Budget

Assessed Values by Class

FY	Residential	Commercial	Industrial	Personal Property	Total
2005	3,004,845,701	498,017,799	32,423,500	121,106,920	3,656,393,920
2006	3,185,636,525	512,687,475	33,556,300	116,639,530	3,848,519,830
2007	3,556,431,280	542,931,020	41,240,700	113,549,940	4,254,152,940
2008	3,351,352,480	571,042,620	38,059,800	117,387,370	4,077,842,270
2009	3,340,893,561	577,925,139	35,523,600	118,048,860	4,072,391,160
2010	3,239,639,379	607,473,987	44,401,980	114,363,740	4,005,879,086
2011	3,206,406,499	650,558,181	39,420,220	123,811,820	4,020,196,720
2012	3,109,065,167	656,519,213	39,588,320	127,147,780	3,932,320,480
2013	3,134,309,527	658,879,273	40,010,900	120,007,710	3,953,207,410
2014	3,214,058,863	658,995,037	36,653,100	116,322,320	4,026,029,320



Single-Family Homes

FY	Assessed Values	Parcels	Average Value	Average Tax Bill
2005	2,505,309,600	6,519	384,309	4,028
2006	2,625,792,900	6,526	402,359	4,486
2007	2,916,850,500	6,530	446,685	4,882
2008	2,728,099,600	6,542	417,013	5,025
2009	2,699,365,100	6,547	412,306	5,203
2010	2,523,045,200	6,550	385,198	5,227
2011	2,503,778,300	6,562	381,557	5,483
2012	2,456,186,900	6,568	373,963	5,770
2013	2,471,790,700	6,574	375,995	5,937
2014	2,543,229,800	6,578	386,627	6,217

Town of Dedham FY2015 Budget

Parcel Counts

FY	Single Family	Multi Family	Condo	Apt.	Misc	Vacant	Comm.	Indus- trial	Other	Total
2005	6,519	604	412	34	29	365	312	68	68	8,411
2006	6,526	596	485	35	30	383	311	66	69	8,501
2007	6,530	591	502	34	33	372	303	67	71	8,503
2008	6,542	583	545	32	30	380	301	65	72	8,550
2009	6,547	574	562	32	30	374	298	63	74	8,554
2010	6,550	579	567	46	29	365	298	67	75	8,576
2011	6,562	576	568	51	28	356	302	64	75	8,582
2012	6,568	574	568	55	24	357	302	63	75	8,586
2013	6,574	576	572	54	24	346	300	64	74	8,584
2014	6,578	577	578	55	21	330	302	56	82	8,579

Motor Vehicles

Motor Vehicle Excise Tax

	Actual	Budgeted	Variance	Vehicles
2005	2,909,495	2,750,000	159,495	23,270
2006	2,851,973	2,900,000	-48,027	23,050
2007	2,648,435	2,800,000	-151,565	22,908
2008	2,470,402	2,500,000	-29,598	23,258
2009	2,839,750	2,200,000	639,750	24,174
2010	2,451,315	2,400,000	51,315	26,489
2011	2,714,442	2,200,000	514,442	23,892
2012	2,563,860	2,000,000	563,860	22,638
2013	2,394,888	2,000,000	394,888	
2014	2,455,699	2,000,000	455,699	
2015		2,000,000		

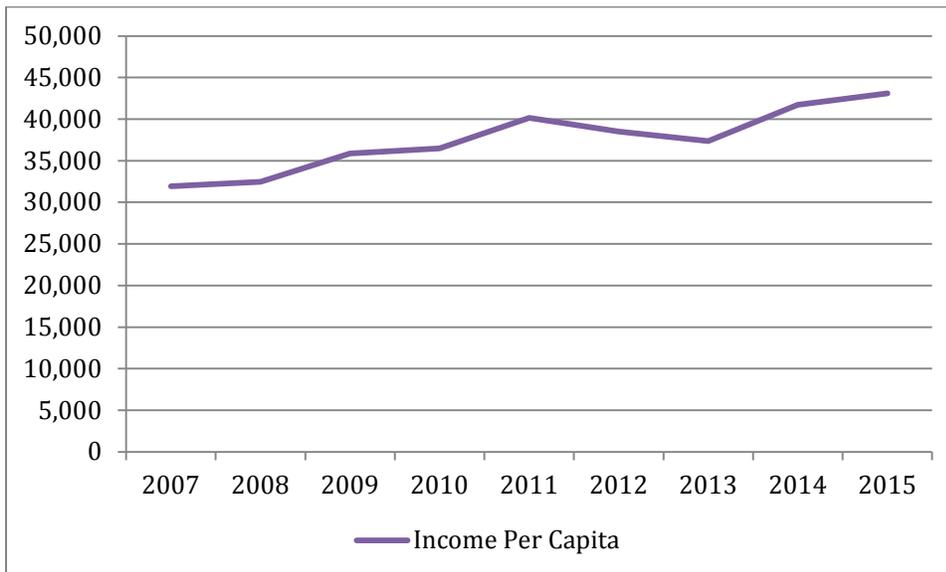
Town of Dedham FY2015 Budget

Labor Force and Employment

Year	Population	Labor Force	Employment	Unemployment	Rate
2005	23,736	12,051	11,529	522	4.3
2006	23,615	12,244	11,681	563	4.6
2007	24,132	12,529	11,978	551	4.4
2008	24,630	12,523	11,820	703	5.6
2009	24,825	12,848	11,924	924	7.2
2010	24,729	13,249	12,246	1,003	7.6
2011	24,884	13,023	12,149	874	6.7
2012	24,974	13,096	12,333	764	5.8
2013		13,036	12,284	752	5.8

Income Per Capita

FY	Census Year	Population	DOR	Income	Per Capita
2007	2004	23,225	2003	741,784,000	31,939
2008	2005	23,736	2004	770,357,000	32,455
2009	2006	23,615	2005	847,335,000	35,881
2010	2007	24,132	2006	880,389,000	36,482
2011	2008	24,630	2007	988,727,000	40,143
2012	2009	24,825	2008	955,852,000	38,504
2013	2010	24,729	2009	923,773,000	37,356
2014	2010	24,729	2010	1,031,741,000	41,722
2015	2012	24,974	2011	1,072,933,000	43,117



Principal Taxpayers

Taxpayer	Nature of Business	2013			2004		
		Assessed Valuation	Rank	Value Taxable	Assessed Valuation	Rank	Value Taxable
Legacy Place, LLC	Shopping Center/Mall	88,580,200	1	2.24%			
OCW Retail - Dedham, LLC	Shopping Center/Mall	46,202,500	2	1.17%			
Dedham at Jefferson	Apartments	43,135,400	3	1.09%			
Archstone Legacy Place	Apartments	41,399,200	4	1.05%			
Federal Realty Investment	Shopping Center/Mall	30,097,000	5	0.76%	28,300,300	2	0.82%
National Amusements	Theater/Commercial Real Estate	25,612,400	6	0.65%	13,603,700	8	0.39%
Pearl Realty Trust	Retail	21,273,300	7	0.54%	22,001,300	3	0.64%
Liberty MA Portfolio	Office/Warehouse	20,663,200	8	0.52%			
Dedham Fee LLC	Offices	14,271,800	9	0.36%			
Lowe's Home Center's Inc.	Retail	14,015,800	10	0.35%			
Rustcraft Road Assoc.	Commercial Real Estate				34,123,060	1	0.99%
Dedham Holdings, Inc.	Commercial Real Estate				21,362,000	4	0.62%
Wells Ave Senior	Commercial Real Estate				17,717,000	5	0.51%
Thomas Flatley	Shopping Center/Mall				17,501,300	6	0.51%
P-LR SALP	Commercial Real Estate				14,987,900	7	0.43%
HCRI Mass Prop	Hospital/Medical/Medical Office				12,033,900	9	0.35%
William Davison	Commercial Real Estate				10,335,400	10	0.30%
	Totals	345,250,800		8.73%	191,965,860		5.57%

Town of Dedham FY2015 Budget

Principal Employers

Employer	Nature of Business	2013		2014	
		Employees	Rank	Employees	Rank
Newbridge on the Charles	Assisted Living	650	1		
Dedham Medical Associates	Medical Center	500	2		
Norfolk County	County Government	500	3	458	2
Whole Foods	Grocery	300	4		
Sears, Roebuck & Co.	Retail	250	5	250	4
American Red Cross	Emergency Relief/Blood Bank	250	6	250	5
Dedham Executive Center	Offices	250	7		
Dedham Savings Bank	Banking	220	8	220	6
Fox Television	Broadcasting	205	9		
Hilton at Dedham	Hotel	202	10	202	8
Stop & Shop	Retail			550	1
Fleet Bank	Banking			325	3
Care Matrix	Nursing Home			212	7
Commonwealth of MA Court System	State Government			190	9
Eastwood Care Center	Nursing Home			150	10

Section IX. Appendices

Glossary of Terms

Abatement: A complete or partial cancellation of a tax levy imposed by a governmental unit; Administered by the local Board of Assessors.

Accounting Period: A period at the end of which and for which financial statements are prepared; Also known as a fiscal period.

Accounting System: A system of financial recordkeeping that records, classifies, and reports information on the financial status and operations of an organization.

Adopted Budget: The resulting budget that has been approved by Town Meeting.

Annual Budget: An estimate of expenditures for specific purposes during the fiscal year (July 1-June 30) and the proposed means (estimated revenues) for financing those activities.

Appropriation: An authorization granted by Town Meeting to incur liabilities for purposes specified in the appropriation act.

Arbitrage: Investing funds borrowed at a lower interest cost in investments providing a higher rate of return.

Assessed Valuation: A valuation set upon real or personal property by the local Board of Assessors as a basis for levying taxes.

Audit: An examination of documents, records, reports, system of internal control, accounting and financial procedures to ensure that financial records are fairly presented and in compliance with all legal requirements for handling of public funds, including state and federal laws and the Town charter.

Balanced Budget: A budget in which receipts are greater than (or equal to) expenditures; A requirement for all Massachusetts cities and towns.

Bond Anticipation Notes (BAN): Notes issued in anticipation of later issuance of bonds, usually payable from the proceeds of the sale of the bonds or renewal notes.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given time period and the proposed means of financing them, usually indicating a financial plan for a single fiscal year.

Budget Calendar: A schedule of certain steps to be followed in the budgeting process and the dates by which each step must be complete.

Budget Message: A general discussion of the submitted budget presented in writing by the Town Administrator to the legislative body as part of the budget document.

Capital Budget: A plan of proposed outlays for acquiring long-term assets and the means of financing those acquisitions during the current fiscal period.

Capital Improvement Plan (CIP): A plan for capital expenditure to be incurred each year over a fixed period of years to meet capital needs arising from the long term work program. It sets forth each project and specifies the full resources estimated to be available to finance the projected expenditures.

Charges for Service: The charges levied on the users of particular goods or services provided by local government requiring individuals to pay for the private benefits they receive. Such charges reduce the reliance on property tax funding.

Cherry Sheet: A form showing all state and county charges and reimbursements to the Town as certified by the state director of accounts. Years ago this document was printed on cherry colored paper, hence the name. A copy of this manual can be found at: <http://www.mass.gov/Ador/docs/dls/cherry/CSManual.pdf>

Town of Dedham FY2015 Budget

- Cost Center:** The lowest hierarchical level of allocating monies; Often referred to as a program, project or operation.
- Debt Limits:** The general debt limit of a Town consists of normal debt limit, which is 2½ percent of the valuation of taxable property and a double debt limit which is five percent of that valuation. Cities and towns may authorize debt up to the normal limit without state approval. Certain categories of debt are exempt from these limits.
- Debt Service:** Payment of interest and repayment of principal to holders of a government's debt instruments.
- Enterprise Fund:** A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the full costs of providing the goods or services be financed primarily through charges and fees thus removing the expenses from the tax rate. Governmentally owned utilities and hospitals are ordinarily accounted for by enterprise funds.
- Equalized Value (EQV):** The full and fair cash value of property within a municipality per MGL Chapter 58 Section 10C.
- Exemptions:** A statutory reduction in the assessed valuation of taxable property accorded to certain taxpayers, such as senior citizens, widows, and war veterans.
- Expenditures:** The amount of money, cash or checks, actually paid or obligated for payment from the treasury when liabilities are incurred pursuant to authority given in an appropriation.
- Financial Accountability:** The obligation of government to justify the raising of public resources and what those resources were expended for.
- Financial Condition:** The probability that a government will meet its financial obligations as they become due and its service obligations to constituencies, both currently and in the future.
- Financing Plan:** The estimate of revenues and their sources that will pay for the service programs outlined in the annual budget.
- Fiscal Period:** Any period at the end of which a governmental unit determines its financial position and the results of its operations.
- Fiscal Year:** The 12-month financial period used by all Massachusetts municipalities, beginning July 1st and ending June 30th of the following calendar year. The year is represented by the date on which it ends.
- Fixed Asset:** Assets of a long-term character intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.
- Full and Fair Market Valuation:** The statutory requirement that all real and personal property be assessed at 100% of market value for taxation purposes. "Proposition 2 ½" laws set the Town's tax levy limit at 2 ½ % of the full market (assessed) value of all taxable property.
- Fund:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities, and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
- Fund Balance:** The portion of Fund Equity available for appropriation.

Town of Dedham FY2015 Budget

- Fund Equity:** The excess of fund assets and resources over fund liabilities. A portion of the equity of a governmental fund may be reserved or designated; the remainder is referred to as Fund Balance.
- General Fund:** A fund used to account for all transactions of a governmental unit that are not accounted for in another fund. The General Fund is used to account for the ordinary operations of a governmental unit that are financed from taxes and other general revenues.
- Government Accounting Standards Board (GASB):** The Governmental Accounting Standards Board (GASB) was organized in 1984 as an operating entity of the Financial Accounting Foundation (FAF) to establish standards of financial accounting and reporting for state and local governmental entities. Its standards guide the preparation of external financial reports of those entities. The Foundation's Trustees are responsible for selecting the members of the GASB and its Advisory Council, funding their activities and exercising general oversight with the exception of the GASB resolution of technical issues. The GASB function is important because external financial reporting can demonstrate financial accountability to the public and is the basis for investment, credit and many legislative and regulatory decisions. The mission of the Governmental Accounting Standards Board is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports. More information, including all statements, can be found at www.gasb.org.
- Inter-fund Transactions:** Payments from one administrative budget fund to another or from one trust fund to another, which result in the recording of a receipt and an expenditure.
- Intra-fund Transactions:** Financial transactions between activities within the same fund. An example would be a budget transfer.
- Levy:** The amount of taxes, special assessments, or service charges imposed by a governmental unit.
- Levy Ceiling:** The limit imposed by Proposition 2 ½ that equals 2 ½ percent of the total full and fair cash value of all taxable property.
- Levy Limit:** The amount that a municipality may raise in taxes each year which is based on the prior year's limit plus 2½ percent increase on that amount plus the amount certified by the State that results from "new growth".
- License and Permit Fees:** The charges related to regulatory activities and privileges granted by government in connection with regulations.
- Line-item Budget:** A format of budgeting which organizes costs by object of expenditure such as supplies, equipment, maintenance or salaries.
- MBTA (Massachusetts Bay Transportation Authority):** The MBTA is the state authority responsible for all aspects of transportation throughout the Commonwealth of Massachusetts. A description of the assessment charged to municipalities can be found at <http://www.mass.gov/Ador/docs/dls/cherry/CSManual.pdf>.
- MGL (Massachusetts General Laws):** The General Laws of the Commonwealth of Massachusetts. These laws can be found at <http://www.mass.gov/legis/>.

Town of Dedham FY2015 Budget

- MSBA (Massachusetts School Building Authority):** The MSBA is the state authority that oversees all school building projects and funding. The web site is www.mass.gov/msba.
- Modified Accrual Basis:** Under the modified accrual basis of accounting, required for use by governmental funds, revenue are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.
- New Growth:** The additional tax revenue generated by new construction, renovations, and other increases in the property tax base during a calendar year.
- Non-expendable Trust Fund:** A fund, the principal, and sometimes also the earnings, of which may not be expended.
- Non-Tax Revenue:** All revenue coming from non-tax sources including licenses and permits, intergovernmental revenue, charges for service, fines and forfeits and various other miscellaneous revenue.
- Other Financing Sources:** An operating statement classification in which financial inflows other than revenues are reported, for example, proceeds of long-term debt and operating transfers-in.
- Other Financing Uses:** An operating statement classification in which financial outflows other than expenditures are reported, for example, operating transfers-out.
- Operating Budget:** A budget that applies to all outlays other than capital outlays. See Budget.
- Overlay:** The amount raised by the Board of Assessors in excess of appropriation and other charges for the purpose of creating a fund to cover abatements and exemptions.
- Overlay Surplus:** Any balance in the overlay account of a given year in excess of the amount remaining to be collected or abated can be transferred into this account. Overlay surplus may be appropriated for any lawful purpose.
- PILOT (Payment in Lieu of Taxes):** Money received from exempt (non-profit) organizations who are otherwise not obligated to pay property taxes. Federal, state, municipal facilities, hospitals, churches and colleges are examples of tax exempt properties.
- Program Budget:** A budget format which organizes expenditures and revenues around the type of activity or service provided and specifies the extent or scope of service to be provided, stated whenever possible in precise units of measure.
- Proposition 2½:** Massachusetts law that became effective on December 4, 1980. The two main components of the tax law relating to property taxes are: 1) the tax levy cannot exceed 2½ percent of the full and fair cash value, and 2) for cities and towns at or below the above limit, the tax levy cannot exceed the maximum tax levy allowed for the prior by more than 2½ percent (except in cases of property added to the tax rolls and for valuation increases of at least 50% other than as part of a general revaluation).
- Rating Agencies:** Agencies which issue credit ratings on municipal bonds. Moody's Investors Service and Standard and Poor's Corporation are the two major agencies.
- Registered Bonds:** Bonds that are registered on the books of the issuer as to ownership; the transfer of ownership must also be recorded on the books of the issuer. Recent changes in federal tax laws mandate that all municipal bonds be registered if their tax exempt status is to be retained.

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- Reserves:** An account used to indicate that portion of fund equity which is legally restricted for a specific purpose or not available for appropriation and subsequent spending.
- Reserve for Contingencies:** A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.
- Retained Earnings:** The accumulated earnings of an Enterprise or Internal Service Fund that have been retained in the fund and are not reserved for any specific purpose.
- Revenue:** Additions to the Town's financial assets such as taxes and grants other than from inter-fund transfers and debt issue proceeds.
- Revolving Fund:** A fund established to finance a continuing cycle of operations in which receipts are available for expenditure without further action by Town Meeting.
- RMV (Registry of Motor Vehicles):** The Massachusetts RMV is responsible for all aspects of motor vehicles including but not limited to registration, sales tax, and licensing.
- Service Level:** The extent or scope of the Town's service to be provided in a given budget year. Whenever possible, service levels should be stated in precise units of measure.
- Special Revenue Fund (SRF):** A fund used to account for revenues from specific revenue sources that by law are designed to finance particular functions or activities of government.
- Supplemental Appropriations:** Appropriations approved by Town Meeting after an initial appropriation to cover expenditures beyond original estimates.
- Tax Anticipation Notes (TAN):** Notes issued in anticipation of collection of taxes, usually retired only from tax collections, and only from the proceeds of the tax levy whose collection they anticipate.
- Tax Levy:** The amount of taxes, special assessments, or service charges imposed by a governmental unit.
- Tax Rate:** The amount of tax stated in terms of a unit of the tax base. Prior to a 1978 amendment to the Massachusetts Constitution, a single tax rate applied to all of the taxable real and personal property in a City or town. The 1978 amendment allowed the legislature to create three classes of taxable property: 1) residential real property, 2) open space land, and 3) all other (commercial, industrial, and personal property). Within limits, cities and towns are given the option of determining the share of the levy to be borne by the different classes of property. The share borne by residential real property must be at least 65% of the full rate. The share of commercial, industrial, and personal property must not exceed 150% of the full rate. Property may not be classified until the State Department of Revenue has certified that all property has been assessed at its full value.
- Unit Cost:** A term used in cost accounting to denote the cost of producing a unit of product or rendering a unit of service, for example, the cost of treating and purifying a thousand gallons of sewage.
- Valuation (100%):** Requirement that the assessed valuation must be the same as the market value for all properties.
- Warrant:** An order drawn by a municipal officer directing the treasurer of the municipality to pay a specified amount to the bearer, either after the current or some future date.
- Warrant Payable:** The amount of warrants outstanding and unpaid.

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Full List of Funds

Governmental Funds

- General Funds
 - General Fund
 - Special Articles
- Stabilization Funds
 - General Stabilization Fund
 - Robin Reyes Major Capital Facilities Stabilization Fund
 - Mitigation Stabilization
- Special Revenue Funds: Used to account for the proceeds of certain revenue-generating activities that are legally and/or programmatically restricted or committed to expenditures for specific purposes other than debt service or capital projects. These activities can be categorized as:
 - Town Grants: These funds account for non-school grant programs received either directly from federal and state agencies or indirectly through pass-through entities. Town Grant funds include: Federal Community Policing; Federal Police Fast; Federal FEMA Energy; Community Development Block Grants; Ultra High Frequency Radios; DPH Emergency Preparedness; Police Emergency Preparedness; Federal Paul Park; Federal Hazmat; Census Voter Registration; Council On Aging State Grant; Board of Health Tobacco Control; Library LIG/MEG State Grant; DEP Recycling Program; Police DARE Grant; Youth Violence Prevention; Police Safety Vests; SATURN Police Safety Equipment; Police State Grants; MA Preservation Library Roof; MEMA; Environmental State Grants; Fire Safety Imagine; Fire Safety Defibrillators; Fire Safety Miscellaneous; Public Safety Miscellaneous; Mass Relief Grant Program; Hazmat Regional Grant; Economic Development State Grants; and Miscellaneous Grant Funds.
 - School Grants: These funds account for education-based grant programs received either directly from federal and state agencies or indirectly through pass-through entities. School Grant funds include: School Achievement; SPED Grant; Early Childhood; Title 1; Enhancing Education Through Technology; Language Instruction Grant; Improve Educator Quality; Education Jobs Grant; Safe & Drug Free School; SPED Curriculum Professional Development; SPED Language & Literacy; SPED Reimbursement Fund; IDEA Stimulus; Title 1 Stimulus Program; Federal Stimulus Recovery; School E-Rate; Academic Support Services; SPED Corrective Action; SPED Resident Tuition Reimbursement; Safe School Gay & Lesbian; and Enhanced Health Services.
 - Gifts: These funds account for donated monies for particular activities. Gift funds include: DARE Gift; Dedham Savings Literacy; Leuders Gifts; School PTO; Miscellaneous School Gifts; Dedham Women's Exchange; Town Scholarship; School Gifts; Council On Aging Gifts; Endicott Estate Gifts; Board of Health Gifts; Police Gifts; Community School Resource; Board of Selectmen Gifts; Youth Commission Gifts; Miscellaneous Gifts; Project Drive High School; Blue Hills Grant; Conservation Gifts; and Concession Stand Stone Park.

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- School Lunch: The School Lunch Fund, a segregated revolving fund, accounts for the activities of child nutrition programs; amounts collected from services include federal and state meal reimbursements and meal charges.
- Town Revolving: These funds account for non-school activities; established in accordance with MGL Chapter 44, Section 53E½. Town revolving funds include: Miscellaneous Funds Revolving; Parking Meters; Endicott Estate Receipts; Sewer Mitigation; Wetland Filing Fees; Waterways Fund; Title V; Sale of Lots & Graves; Insurance Receipts Reserved DPW; Insurance Receipts Reserved Fire; Insurance Receipts Reserved Police; Insurance Receipts Reserved Endicott; Insurance Receipts Reserved Miscellaneous; Cultural Council; Commission On Disabilities; Recycling Revolving; Council On Aging Revolving; Board of Health Revolving; Firearms Revolving; Pool Revolving; Sustainability Revolving; Recreation Program Revolving; Cruiser Detail Revolving; Veterans Revolving; and Surplus Vehicles and Equipment.
- School Revolving: These funds account for educational activities; established in accordance with MGL Chapter 44, Section 53E½ and Chapter 71. School revolving funds include: School Athletics; School Lunch; School Property; After School Rentals; Adult Continuing Education; Dexter School Lease; Early Childhood Education Tuition; Technology Fees Revolving; Non-Residential Foster Student; School Bus; Restitution / Insurance; Lost School Books; After School Activity; and School Miscellaneous Accounts.
- Receipts Reserved for Appropriation: These funds account for receipts collected, which are reserved until appropriated for a specific purpose segregated by statute or administrative action. Receipts reserved funds include: Dedham 375th Celebration; Youth Grant Programs; Regional Health Host Community; Police Reimbursement Special Events; Fire Department Force Account; Library Miscellaneous Grants; and Norfolk County Summer Work.
- Capital Project Funds
 - Land: for specific land acquisition projects;
 - Land Improvements: for specific land improvement projects;
 - Buildings: for specific building acquisition projects;
 - Building Improvements: for specific building and construction activities;
 - ESCO Project: for the Town's Energy Savings project activities;
 - Roads & Sidewalks: for specific road and sidewalk improvement projects;
 - Chapter 90 Roads: for specific road projects enabled through Chapter 90 funding;
 - Sewers & Drains: for specific sewer and drain project activities;
 - MWRA I/I Local Assistance: for specific inflow and infiltration projects enabled through MWRA local assistance funding;
 - Machinery & Equipment: for specific equipment acquisition for various Town activities; and
 - Fixed Asset Account Group: for capital assets and depreciation.
- Permanent Funds
 - Cemetery Perpetual Care: This fund accounts for contributions earmarked for the perpetual care and maintenance of cemetery facilities and property;

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- Washington Painting Trust: This fund accounts for contributions earmarked for the maintenance of the painting of George Washington at Dorchester Heights donated to the Town in 1868; and
- Library Trust Funds: These funds account for contributions earmarked for the support of the Town's libraries. Library trust funds include: Mary Denny Williston Library; Charles Bullard Library; James Foord Library; George Hutton Library; Katherine M. Lawson Library; Edward Peneman Library; Caroline B. Wade Library; Danforth P. Wight Library; Sophia Wight Library; and Library Trusts.

Proprietary Funds

- Sewer Enterprise Fund
- Endicott Estate Enterprise Fund

Fiduciary Funds

- Pension Trust Fund
- OPEB Liability Trust Fund
- Health Reimbursement Accounts: An employment trust fund used to account for resources held on behalf of employees, created by the agreement of Municipal Health Insurance Reform of 2012
- Agency Funds: Student Activities; Escrow Accounts; Custodian Off-Duty School Details; Police Details; Fire Details; Town Hall Details; and Flexible Spending Accounts.
- Private Purpose Trust Funds: Judge Andrew Geishecker; Frederick E. Clapp Memorial; Frederick J. Muster Scholarship; H. Holton Wood Scholarship; Bullock Family Scholarship; Andrew Galvin Scholarship; Riverdale Congregational Scholarship; Anne & Donald Corcoran Trusts; Harry Amos Charity; James Foord Charity; Calvin W. Capen; Elizabeth Fuller Capen Hospital; Hugh H. & Liza McQuillen; Shuttleworth Charity; Inez E. Bonemort Flower; Frances G.P. Miller Flower; Cora M. Onion Flower; Gertrude L. Morse Flower; Emma E. Bestwick Flower; and Council On Aging Trust Funds.
- Other trust funds: Workers Compensation; Municipal Buildings; Conservation Wetlands; Law Enforcement; and Publication of Ancient Records.

