



Town Manager's FY2024 Budget Message: We Can Do a Few Things

"There is no power for change greater than a community discovering what it cares about."
— Margaret J. Wheatley

"A city isn't so unlike a person. They both have the marks to show they have many stories to tell. They see many faces. They tear things down and make new again."
— Rasmenia Massoud

Table 1.1
Overall General Fund Budget Summary

Description	FY2022 Actual	FY2023 Budget	FY2024 Proposed	\$ Change	% Change
Sources					
Property Tax	\$170,417,731	\$178,892,914	\$183,728,090	\$4,835,176	2.7%
State Aid	\$13,852,710	\$15,221,089	\$15,802,127	\$581,038	3.8%
Local Receipts	\$16,217,044	\$12,411,662	\$12,908,128	\$496,466	4.0%
Free Cash	\$11,526,630	\$14,644,455	\$15,000,000	\$355,545	2.4%
Other Funds	\$1,324,796	\$3,912,320	\$1,937,668	(\$1,974,652)	-50.5%
Reimbursements	\$2,428,812	\$2,186,147	\$2,293,631	\$107,484	4.9%
Total Sources	\$215,767,723	\$227,268,587	\$231,669,644	\$4,401,057	1.9%
Uses					
Municipal Departments	\$46,544,096	\$51,667,529	\$54,253,629	\$2,586,100	5.0%
Minuteman School	\$1,230,287	\$1,367,739	\$1,641,773	\$274,034	20.0%
Needham Schools	\$81,607,641	\$87,277,798	\$92,155,973	\$4,878,175	5.6%
Townwide Expenses	\$58,760,463	\$63,823,003	\$64,175,434	\$352,431	0.6%
Reserve Fund	\$0	\$2,052,091	\$2,346,825	\$294,734	14.4%
Capital Budget	\$6,849,744	\$13,210,814	\$11,667,107	(\$1,543,707)	-11.7%
Financial Warrant Articles	\$2,376,066	\$2,041,507	\$2,138,288	\$96,781	4.7%
Other Appropriations	\$1,232,083	\$1,220,249	\$843,891	(\$376,358)	-30.8%
Other Amounts to be Raised	\$4,196,987	\$4,607,857	\$2,446,724	(\$2,161,133)	-46.9%
Total Uses	\$202,797,367	\$227,268,587	\$231,669,644	\$4,401,057	1.9%

INTRODUCTION

The pace of change in local government can feel glacial. Those new to the process are incredulous when told that just about anything we want to do takes at least 18 months. That is why looking back can be startling (and satisfying). So much has changed, and yet much remains to be done. Another fact of local government is that there really is limited bandwidth, even when all boards, committees, commissions, and departments are fully staffed and moving forward. It can be frustrating that our community is not at the forefront of the many noble ambitions and causes that we value. American culture is full of inspirational plaques

and memes asserting that “we can do it all.” That “if we dream it, we can do it,” or “if we just try harder, work harder, and work smarter we can have it all.” Actually, we can’t. We can only do a few things at a time if we want to do them well.

So, what has changed in Needham over the past dozen years? What has our community done well? The Public Services Administration Building was constructed, and Town Hall was completely renovated. The old Rosemary Pool has been disconnected from the Lake, and the Rosemary Recreation Complex is open. The senior center moved out of the moldy, waterlogged basement of the Stephen Palmer building into a brand-new Center at the Heights. The diseased “blue tree” has been replaced, and the Town Common has been totally reconstructed and will reopen this spring.

Owens Poultry Farm is now the Sunita Williams Elementary School. The 125-year-old Emery Grover School Administration Building is finally being updated. The “new” Needham High School has an expanded cafeteria and a new classroom wing.

The Police & Fire Station and Fire Station #2 are brand new. The Memorial Park Building is brand new. The Town now has its own salt shed, and a new storage facility adjacent to the Recycling/Transfer Station. The St. Mary’s Pumping Station was completely rebuilt, as was the Reservoir B Sewer Pumping Station.

The built environment in the business districts has changed as well, including additions to Beth Israel Deaconess Needham Hospital, the TripAdvisor World Headquarters, NBCUniversal, and the pending Children’s Hospital and 557 Highland Avenue Innovation Center. Businesses have opened and closed, and landmark signs have come and gone.

Decisions made in operating budgets, capital budgets, and at Town Meeting have a real impact on the community where we live, work and play. The past decade has been characterized by building and rebuilding. The future likely includes a focus on housing, sustainability, climate, safety, and transportation (to name a few). I look forward to continuing to discover what we care about as a community, and helping staff and volunteers put those plans into action - a few great projects at a time

BUDGETING BEST PRACTICES

1. Current revenues must be sufficient to support current expenditures. *The FY2024 operating budget is supported by current revenues. These are revenues that are reasonably expected to recur annually and can be relied on to fund on-going operations during strong and weak economic periods.*
2. The Operating and Capital Budgets must be developed in conformance with the Town’s comprehensive financial policies and must not be reliant on one-time revenue or unsustainable practices. *Revenue that cannot reasonably be expected to recur annually is allocated to one-time costs and reserves and is not used to support the operating budget except as provided under the Town’s Free Cash best practice.*
3. The five-year Pro Forma budget should be reviewed on a regular basis to ensure that the underlying assumptions are adjusted based upon changing conditions and data. *The Pro Forma budget is a planning tool that provides early opportunity for the Town to anticipate and prepare contingency plans for the operation of the government and the continuation of primary services.*
4. Debt must not be used to fund on-going operating expenses and will only be issued

for capital improvements greater than \$250,000 with a useful life of five years or more. *The FY2024 – FY2028 Capital Improvement Plan included four projects funded by debt. Our current recommendation is to fund two projects with debt as outlined below.*

5. The use of Free Cash to fund operations will be minimized by limiting such use to no more than 2% of the prior year's appropriated operating budget, or the actual turn back, *whichever is lower. The amount of Free Cash used to support on-going operations for FY2024 is in compliance with this best practice.*
6. Adequate contingency funds must be maintained. *This proposed balanced budget allocates funding to the Athletic Facility Improvement Fund.*
7. Sufficient maintenance and replacement funds will be allocated to ensure that capital facilities and equipment are properly maintained. *The recommended operating budget and the Capital Improvement Plan include investment in facilities, equipment, and infrastructure, including a continued investment in the Facilities Maintenance Program.*
8. The Operating and Capital Budgets must be resilient and allow the Town to maintain existing service levels, withstand typical local and regional economic disruptions, and meet the demands of natural growth, decline, and change. *The Town's ability to pivot and use alternative revenue sources to maintain the original approved budget for FY2021 during pandemic uncertainty is an example of budgetary resiliency.*
9. The Operating and Capital Budgets must be sustainable and meet the needs of the present without compromising the ability of future generations to meet their own needs. *Proposed increases in service delivery are focused and affordable within historical revenue growth assumptions. The Town's funding of its post-employment employee benefits liability is an example of sustainability in that currently accruing expenses are being funded with current revenue.*

TRADITIONAL BUDGET DRIVERS: ENROLLMENT, EMPLOYEE BENEFITS, AND STAFFING

As is true every year, expenditures relating to growth in the population served and the costs associated with providing those services are key drivers of budget growth.

School Enrollment School enrollment declined by 3.9% in 2020/2021, ticked up 0.6% for the 2021/2022 school year, and increased again slightly by 0.2% for the 2022/2023 school year. While enrollment has not fully recovered from pre-COVID levels, students remain impacted by the pandemic and continue to require critical support services. Table 1.2 details school enrollment from 2013/2014 to 2022/2023.

Employee Benefits The submitted FY2024 employee benefits budget includes an increase of 0.4%. The recommended budget is increasing 2.0% based on increases in employee headcount. The Town has managed to keep its employee benefits line fairly stable for the past several years, which has a positive impact on the operating budget. Table 1.3 highlights group insurance enrollment for the last five years.

Staffing Targeted staffing increases are recommended to meet existing and growing service delivery needs, safety, and sustainability of Town assets. The recommended FTE increase is one Municipal FTE and 14.3 School FTEs. Table 1.4 details the growth in Full-time Equivalent Employees from FY2019 to FY2023 – 23.3 or 6.3% on the Municipal side, and 92.8 or 12.3% on the School side.

BALANCED BUDGET HIGHLIGHTS

The recommended FY2024 budget was developed with the Select Board's voted budget priorities in-mind. A full list of the Select Board's Budget Priorities is included as Appendix A.

The following is a summary of significant changes from prior years and recommended changes to the submitted budgets. A full discussion of each department is included in the submitted departmental spending requests in Section 3.

Casualty, Liability, Property, & Self-Insurance Program – \$922,490 The Insurance budget recommendation is 10.6% higher than FY2023. This increase is primarily attributed to the increased insured value of Town property.

General Fund Debt Service - \$17,543,250 The recommended debt budget is 13.9% lower than FY2023. This decrease is primarily attributable to a decline in excluded debt service for the public safety project.

Group Insurance, Employee Benefits, and Administrative Cost – \$17,599,022 The submitted budget is 0.4% higher than FY2023. The submitted budget is recommended to increase by \$343,626 for a recommended budget that is 2.0% higher than the FY2023 budget. This increase reflects the cost of additional headcount contained in the FY2024 budget recommendation.

Needham Electric Light & Gas Program – \$5,655,057 The recommended budget is 37.2% higher than FY2023. This increase is primarily attributable to significantly increased energy costs along with higher consumption estimates due to the increased number of municipal facilities, increased use of power in school facilities, and a reduction in billable solar generation.

Retiree Insurance and Insurance Liability Fund - \$8,199,280 The recommended budget is 7.3% lower than FY2023. This line funds the on-going health insurance program for retirees and the reserve for Other Post-Employment Benefits (OPEB) liability. The funding schedule is consistent with the actuarial analysis as of June 30, 2022 (measurement date). The line item is declining because Town Meeting appropriated an additional \$1 million in Free Cash to this fund in FY2023. This recommendation includes an additional \$57,974 to account for the cost of additional headcount contained in the FY2024 budget recommendation.

Contributory Retirement Assessment – \$12,319,665 The recommended budget is 8% higher than FY2023. The Retirement Assessment is based on the most recent actuarial analysis as of January 1, 2022.

Workers Compensation – \$779,255 The recommended budget is 5.5% higher than FY2023 to reflect the expected cost of salary and wage growth, and higher costs for medical services and reinsurance. This recommendation includes an additional \$6,923 to account for the cost of additional headcount contained in the FY2024 budget recommendation.

Injury on Duty & 111F – \$159,415 The recommended budget is 5.5% higher than FY2023 to reflect the expected cost of salary and wage growth and higher costs for medical services.

Classification, Performance, and Settlements (CPS) – \$998,000 This line provides a reserve for funding General Government personnel-related items as they occur during the year and fluctuates annually depending on the number of collective bargaining agreements

that have not been settled for a given year. The Needham Fire Union contract is not settled for FY2023 and FY2024.

Reserve Fund – \$2,346,825 The recommended budget is 14.4% higher than FY2023. The recommended Reserve Fund Budget is consistent with the Finance Committee’s method for projecting the Reserve Fund.

Office of the Town Manager/Select Board – \$1,498,648 The recommended budget for the Office of the Town Manager/Select Board is 11.8% higher than FY2023. The increase is primarily attributable to transition of the Public Information Officer position from a financial warrant article to the operating budget.

Town Clerk/Board of Registrars - \$501,754 The recommended budget for the Office of the Town Clerk/Board of Registrars is 1.8% higher than FY2023. The increase is primarily attributable to the procurement of additional election hardware and polling location rentals, and a reduction in the number of elections in FY2024.

Legal Services – \$329,140 The recommended budget for Legal Services in FY2024 is the same as FY2023. The entire amount is allocated to the expense line reflecting the decision by the Select Board to hire a law firm – not an individual – to serve as Town Counsel.

Finance Department – \$3,853,919 The recommended budget for the Finance Department budget is 2.3% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel and an increase in the professional services lines.

Finance Committee – \$44,971 The recommended budget for the Finance Committee is 3.7% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel.

Planning & Community Development – \$613,707 The recommended budget for the Planning and Community Development Department is 9.6% higher than FY2023. The increase is primarily attributable to the transfer of a portion of the funding for the Community Housing Specialist that was previously funded through Community Preservation funds.

Police Department – \$8,704,162 The recommended budget for the Police Department is 4.5% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel.

Fire Department – \$10,695,558 The recommended budget for the Fire Department is 4% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel. The recommended budget does not factor in any potential increase which may result from the conclusion of ongoing collective bargaining – provision is made for these costs in the Classification, Performance, and Settlements recommended budget.

Building Department – \$894,312 The recommended budget for the Building Department is 4.7% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel.

Minuteman School Assessment - \$1,641,773 The recommended budget for the Minuteman School Assessment is 20% higher than FY2023. The increase is based on budget growth assumptions and Needham’s share of the total enrollment, as well as Needham’s share of the capital investment in the new High School. The amount of the assessment may change once the Minuteman School Committee votes its final budget for FY2024.

Needham Public Schools – \$92,155,973 The Superintendent’s recommended budget for the Needham Public Schools is 5.6% higher than FY2023. The increase is primarily attributable to the addition of 14.3 FTEs. The Superintendent has stated that he believes the needs of our students and schools have been exacerbated by the pandemic, and he expects these needs to continue into the next academic year and beyond. The voted budget of the Needham School Committee was not available at the time of the distribution of this proposed budget and will be included as an addendum if the voted budget is different from this recommendation, in accordance with the General By-laws of the Town.

Building Design & Construction – \$351,476 The recommended budget for the Building Design and Construction Department is 1.75% lower than FY2023. The reduction is primarily attributable to changes in staffing. A request for an additional project ma will be considered in FY2025.

Public Works – \$20,340,339 The recommended budget for the Public Works Department is 6.0% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel and increased cost of repair and maintenance services required to sustain Town facilities. The recommended budget includes \$89,000 to rent a trailer for employees assigned to the RTS. Performance Improvement requests for salary/wages and benefits for a Custodian (\$98,214), Heavy Motor Equipment Operator (\$111,874), and Assistant Fleet Supervisor (\$132,307) have been deferred and will be considered in FY2025. The Department submitted a request for a Sustainability Coordinator for a future year. It is not clear whether this position will reside in Public Works but will be strongly considered for inclusion in the operating budget in FY2025.

Municipal Parking - \$159,654 The recommended budget for Municipal Parking is 5.2% higher than FY2023. The increase is primarily attributable to increased lease costs.

Health & Human Services (HHS) Department – \$2,548,252 The recommended budget for the HHS Department is 3.7% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel, and an increase of \$40,000 to support the Traveling meals program, which may be transitioning away from a long-time provider. The Department submitted funding requests for a part-time clinician (\$41,086), part-time environmental health inspector (\$24,814) and a front desk administrative assistant at the Center at the Heights (\$27,579). These item are not recommended in the FY2024 budget because the Department has identified grant funding to support these operations. Finally, the Department submitted future requests for the continuation of positions currently funded through ARPA funding. These include a data analyst/epidemiologist (\$101,674), a public health nurse (\$100,174) and a full-time clinician (\$88,692). Recognizing that the Town is likely to want to continue these positions in the future, we have recommended that several one-time financial warrant articles be funded by the Tax Levy – which would then be available to transfer to the public health positions in FY2025. These include the Human Resources Fellowship Program, Outside Recruiting Services and Temporary Staffing.

Commission on Disabilities – \$2,050 The recommended budget for the Commission on Disabilities in FY2024 is the same as FY2023.

Historical Commission – \$1,050 The recommended budget for the Historical Commission in FY2024 is the same as FY2023.

Public Library – \$2,231,134 The recommended budget for the Public Library is 3.4% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel.

Park and Recreation – \$1,474,453 The recommended budget for the Park and Recreation Department in FY2024 is 10.2% higher than FY2023. The increase is primarily attributable to increased playground repair funding, increased cost of required water treatment chemicals, and salary and wage increases for existing personnel.

Memorial Park Trustees – \$750 The recommended budget for the Memorial Park Trustees in FY2024 is the same as FY2023.

ENTERPRISE FUNDS

Sewer – \$9,438,768 The recommended budget for the Sewer Enterprise Fund in FY2024 is 1.4% higher than FY2023. The increase is primarily attributable to salary and wage increases for existing personnel. The MWRA Sewer Assessment, which represents a significant portion of the Sewer Enterprise Fund Budget, has been level-funded as preliminary assessments are not yet available.

Water – \$6,005,947 The recommended budget for the Water Enterprise Fund in FY2024 is 6.2% higher than FY2023. The increase is primarily attributable to significantly increased cost of required water treatment chemicals. The MWRA Water Assessment, which represents a significant portion of the Water Enterprise Fund Budget, has been level-funded as preliminary assessments are not yet available.

BEYOND THE OPERATING BUDGET

Capital Improvement Budget – The Capital Improvement Plan Executive Summary is contained in Section 4 of this document. The recommended FY2024 Capital Budget has been updated to include the following items previously included under the “Tier 2” cash category:

- General Fund Fleet Replacement – Additional \$773,179;
- Public Works Infrastructure – Additional \$581,500;
- NPDES Support Projects – \$260,000;
- Sewer Fleet Replacement – Specialized Equipment – Additional \$52,059; and
- Action Sports Complex Feasibility Study – \$35,000.

In addition, we recommend that the following items, previously recommended to be funded through General Fund debt, be funded by cash:

- Fire Department Ladder 1 – \$2,000,000; and
- Athletic Facility Improvements/McLeod Field – \$1,310,000.

Other Financial Warrant Articles Given the amount of cash available for appropriation, and consistent with the Town’s policy to minimize the use of Free Cash for recurring operating expenses, the FY2024 proposed budget includes the allocation of funds to one-time programs, projects, and reserves. Changes to the funding recommendations may be made during the coming months depending on updated revenue estimates.

Facilities Maintenance Program – \$1,000,000 This recurring warrant article funds the annual maintenance of public buildings throughout the Town and School department, including, but not limited to asbestos abatement, duct cleaning, painting, and other repairs and necessary upgrades. (source: \$700,000 Tax Levy & \$300,000 Free Cash)

Compensated Absences Fund – \$250,000 Upon retirement, certain employees are compensated for a portion of their unused sick leave. All employees are entitled to payment of unused vacation leave upon termination of Town service. (source: Free Cash)

Town-Owned Land Surveys – \$ 100,000 Over time, the Town has acquired yet-to-be surveyed land or has land for which surveys are antiquated and unable to be used. In order to avoid delays in any potential development, or to enable the Town to respond to unforeseen circumstances, these lands should be surveyed to meet current engineering standards. (Recommended funding source: Free Cash)

Property Tax Assistance Program – \$50,000 The Property Tax Assistance Program provides small grants to taxpayers in need. (source: Overlay Surplus)

Small Repair Grant Program – \$50,000 The Small Repair Grant Program provides financial assistance to low- and moderate-income Needham residents to make repairs and alterations to their homes for health and safety reasons. Up to \$5,000 in grant funding is available per participant, and applications will be evaluated and prioritized based on the extent of the health and safety problems and the financial need of the applicants. (source: Overlay Surplus)

Athletic Facility Improvement Fund – \$33,533 The purpose of the Athletic Facility Improvement Fund is to set aside capital funds for renovation and reconstruction of the Town's athletic facilities and associated structures. Table 1.5 outlines appropriations to the fund over the past five years and is included at the end of this section. The funding recommendation is based on the amount appropriated in FY2023 from the Tax Levy. (source: Tax Levy)

Local Government Fellowship Program – \$221,000 These funds support the hiring of a local government management fellow to assist the Human Resources Department on long-term recruitment and retention programming. This fellowship would be facilitated by the International City/County Manager Association who would assist in nationwide recruitment. The fellow would assist the department in supporting multiple Select Board goals relative to workforce diversity and good governance in the context of an extremely competitive labor market that has impacted all Town departments. The cost includes salary, benefits, and associated expenses for the two-year period. (source: Tax Levy)

Recruiting Services – \$60,000 These funds will support targeted recruitment for high-level vacancies within Town government. Given the structural changes in the labor market since the pandemic and the decision of numerous retirement-eligible managers to leave the workforce, outside assistance has been vital to hiring managers for recent vacancies. (source: \$31,500 Tax Levy & \$28,500 Overlay Surplus)

Temporary Staffing – \$40,000 These funds will be used for short-term, temporary assistance to fill unexpected vacancies in critical staff positions while the formal hiring process takes place. Such funds approved by the 2020 Town Meeting were critical in supporting Town departments impacted by vacancies caused by worker illness, lateral promotions, military activation, and other unexpected situations. (source: Tax Levy)

Opioid Recovery & Mitigation Fund - \$217,288 A nationwide settlement with opioid distributors will result in funds being distributed to the Commonwealth, and subsequently to cities and towns for the next 30 or so years. These funds must be used on programming for prevention, harm reduction, treatment, and recovery. Current Massachusetts General Law mandates that these funds be distributed as General Fund receipts. As such, Town Meeting must annually appropriate these monies from the General Fund unless and until the Commonwealth allows the use of a Special Revenue Fund for this purpose. (source: Free Cash)

Fleet Refurbishment – \$300,000 These funds would provide refurbishment for vehicles to extend their useful life. This should improve operational safety and reduce active

maintenance issues. (source: \$150,000 Free Cash and \$150,000 Sewer Enterprise Fund Retained Earnings)

Drains/Sewer Contribution – \$810,358 The annual contribution to the Sewer Enterprise Fund offsets the cost of the drains program. The drains program - a General Fund expense – is appropriated to the Sewer Enterprise Fund as it is more efficient to account for the program in that manner. The Town continues to evaluate the benefits and challenges of funding the drains/stormwater program within the General Fund and will be recommending changes to the financial structure in the coming years. (source: Tax Levy)

Allowance for Abatements and Exemptions – \$693,892 These funds are reserved for property tax abatements and statutory exemptions. After the actual new growth revenue for FY2024 is known, the amount of overlay may change. The final amount of the reserve is determined by the Department of Revenue when it approves the tax rate in December. (source: Tax Levy).

CONCLUSION

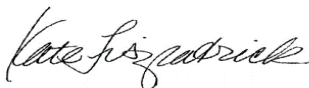
This balanced budget proposal is promulgated prior to the completion of the budget process for the Commonwealth. As revenue estimates are refined in the winter and spring, we will work with the various Town boards and committees in preparing the final budget to be presented to Town Meeting.

Our entire management team has worked collectively to implement creative ways of meeting the Town's sustainability goals. Efforts have been made to implement measures that will maximize the productivity of our organization and deliver the highest quality of services within available resources, aligned with stated goals of elected and appointed boards, committees, and commissions. I would especially like to thank Superintendent of Schools Dan Gutekanst, Assistant Town Manager David Davison, Assistant Town Manager Katie King, and Support Services Manager Myles Tucker for their work in the development of this budget.

I appreciate the spirit of cooperation that has been demonstrated by the Select Board, School Committee, and Finance Committee in the development of this budget, and applaud the commitment to sustainability on the part of Town boards and committees, Town Meeting, and ultimately the community. We are fortunate to have dedicated staff working every day to maintain the high quality of life our residents expect and deserve.

I couldn't be prouder to be associated with local government and the Town of Needham. I thank you for the opportunity to serve the residents and businesses in the Town of Needham.

Respectfully submitted,



Town Manager

Appendix A

Select Board Budget Priorities

The Select Board has adopted the following core budget priorities for general government operations. These priorities serve as a key guideline in the evaluation of departmental spending requests.

1. Support for investment in safe, well-maintained and attractive buildings and infrastructure and accommodate a diverse set of community needs. (SB Goal #1).
 - a. Prioritize the installation of a new, modernized phone system for the Needham Free Public Library and other Town Buildings.
 - b. Identify funding for School Master Plan projects.
2. Ensure that Needham has the economic opportunities and resources for residents and businesses to thrive in our community. (SB Goal #2)
3. Creating or strengthening a multi-modal transportation system that gets people where they want to go, when they want to get there, safely and cost-effectively. (SB Goal #3).
 - a. Seek funding for noise reduction/Quiet Zone feasibility, design and construction.
4. Support initiatives to ensure that Needham residents enjoy high levels of physical and mental well-being and abundant recreational, cultural and educational opportunities in an environment where human rights are respected, diversity is celebrated, and neighbors feel connected. (SB Goal #4).
 - a. Support funding for expanded services for mental and behavioral health needs.
5. Support for initiatives that ensure that Needham is a welcoming and inclusive community that fosters personal and community safety and ensures that all residents are secure and cared for during emergencies and natural disasters. (SB Goal #5)
6. Support for an excellent customer experience, responsible management of the Town's assets, data-driven decision-making, and community engagement. (SB Goal #6)
 - a. Support for employee recruitment and retention initiatives.
 - b. Support the continuation of the communications role (PIO) through the operating budget.
 - c. Support for the maintenance of a debt service plan that balances capital needs with the Town's ability to pay, identification of alternative funding sources for capital needs, evaluation of financing alternatives, and alignment of capital and maintenance needs with appropriate funding sources.
 - d. Maximizes resources within the limits of Proposition 2 ½ to avoid operating overrides.
7. Ensuring that Needham is a sustainable, thriving and equitable community that benefits from and supports clean energy; preserves and responsibly uses the earth's resources; and cares for ecosystems. (SB Goal #7)
8. Achieving greater coordination and efficiency among Town departments and providing adequate resources to address identified service delivery and general administrative needs of the Town in a cost-effective manner.

Table 1.2
School Enrollment 2013/2014 to 2022/2023

School Year	Enrollment	Percentage Change
2013/2014	5,523	0.9%
2014/2015	5,519	-0.1%
2015/2016	5,581	1.1%
2016/2017	5,588	0.1%
2017/2018	5,666	1.4%
2018/2019	5,721	1.0%
2019/2020	5,706	-0.3%
2020/2021	5,483	-3.9%
2021/2022	5,515	0.6%
2022/2023	5,525	0.2%

Source: DESE

Table 1.3
Group Health Insurance Enrollment FY2019 to FY2023

Fiscal Year	Town	% Increase over Prior Year	School	% Increase over Prior Year	Total Actives	% Increase over Prior Year
FY2014	284	0.00%	509	-6.09%	793	-4.00%
FY2015	286	0.70%	531	4.32%	817	3.03%
FY2016	294	2.80%	530	-0.19%	824	0.86%
FY2017	286	-2.72%	544	2.64%	830	0.73%
FY2018	291	1.75%	540	-0.74%	831	0.12%
FY2019	291	0.00%	540	0.00%	831	0.00%
FY2020	298	2.41%	557	3.15%	855	2.89%
FY2021	293	-1.68%	563	1.08%	856	0.12%
FY2022	288	-1.71%	565	0.36%	853	-0.35%
FY2023	290	0.69%	560	-0.88%	850	-0.35%

10-Year Change (FY2014-FY2023)	6	2.11%	51	10.02%	57	7.19%
5-Year Change (FY2019-FY2023)	-1	-0.34%	20	3.70%	19	2.29%
1-Year Change (FY2022-FY2023)	2	0.69%	-5	-0.88%	-3	-0.35%

Table 1.4

**General and Enterprise Fund Full-time Equivalent Benefit-Eligible Positions
FY2019 – FY2023 (excluding grant funded positions)**

Function	Funded FY19	Funded FY20	Funded FY21	Funded FY22	Funded FY23	FY19 - FY23 # Change	Proposed FY2024
General Government & Land Use	42.9	43.3	43.4	43.4	44.5	1.6	45.5
Public Safety	140.8	144.8	148.8	150.8	152.8	12.0	152.8
Public Works and Facilities	149.0	150.0	152.0	152.3	156.0	7.0	156.0
Community Services	36.6	37.1	38.0	38.3	39.3	2.7	39.3
Municipal Departments	369.3	375.2	382.2	384.8	392.6	23.3	393.6
School Department#	749.3	794.2	808.4	839.0	842.1	92.8	856.4

Proposed FY24 reflects the Superintendent's submitted budget

Fiscal Year 2024 Proposed Budget

Table 1.5

Athletic Facility Improvement Fund					
Year	Start	Earnings	Appropriations to the Fund	Appropriations from the Fund	Balance
2019	\$4,409,021	\$68,830	\$63,378	(\$1,855,000)	\$2,686,229
2020	\$2,686,229	\$8,469	\$75,000	(\$2,500,000)	\$269,698
2021	\$269,698	\$506			\$270,204
2022	\$270,204	\$2,689	\$705,715		\$978,608
2023*	\$978,608	\$8,247	\$85,659		\$1,072,514
* Balance as of October 31, 2022					

Table 1.6

Capital Facility Fund					
Year	Start	Earnings	Appropriations to the Fund	Appropriations from the Fund	Balance
2019	\$26,926	\$42,451	\$1,817,000		\$1,886,377
2020	\$1,886,377	\$31,712			\$1,918,089
2021	\$1,918,089	\$3,598			\$1,921,687
2022	\$1,921,687	\$6,168			\$1,927,855
2023*	\$1,927,855	\$16,248			\$1,944,103
* Balance as of October 31, 2022					

Table 1.7

Capital Improvement Fund					
Year	Start	Earnings	Appropriations to the Fund	Appropriations from the Fund	Balance
2019	\$747,226	\$21,937	\$141,413		\$910,576
2020	\$910,576	\$17,827	\$166,612		\$1,095,015
2021	\$1,095,015	\$2,054			\$1,097,069
2022	\$1,097,069	\$3,521			\$1,100,590
2023*	\$1,100,590	\$9,276	\$351,662		\$1,461,528
* Balance as of October 31, 2022					

Table 1.8

Debt Service Stabilization Fund					
Year	Start	Earnings	Appropriations to the Fund	Appropriations from the Fund	Balance
2019	\$2,062,952	\$51,554			\$2,114,506
2020	\$2,114,506	\$35,545			\$2,150,051
2021	\$2,150,051	\$4,033			\$2,154,084
2022	\$2,154,084	\$6,913			\$2,160,997
2023*	\$2,160,997	\$18,213			\$2,179,210
* Balance as of October 31, 2022					

Fiscal Year 2024 Proposed Budget

							Town Manager Recommendation		
Line #	Description	FY2022 Expended	FY2023 Current	FY2024 Total Request	Change from FY2023		Balanced Budget	Change from FY2023	
Townwide Expenses									
1	Casualty, Liability, Property & Selfinsurance Program	742,594.00	834,262	922,490	88,228	10.6%	922,490	88,228	10.6%
2	Debt Service	20,754,996.62	20,366,317	17,543,250	(2,823,067)	-13.9%	17,543,250	(2,823,067)	-13.9%
3	Group Health Insurance, Employee Benefits & Administrative Costs	14,777,854.33	17,255,396	17,749,773	494,377	2.9%	17,599,022	343,626	2.0%
4	Needham Electric, Light & Gas Program	3,953,245.96	4,121,023	5,655,057	1,534,034	37.2%	5,655,057	1,534,034	37.2%
5	Retiree Insurance & Insurance Liability Fund	7,426,237.00	8,844,474	8,219,985	(624,489)	-7.1%	8,199,280	(645,194)	-7.3%
6	Retirement Assessments	10,276,804.00	11,407,096	12,319,665	912,569	8.0%	12,319,665	912,569	8.0%
7	Workers Compensation	828,731.00	732,070	786,657	54,587	7.5%	779,255	47,185	6.4%
8	Injury on Duty & 111F		151,105	159,415	8,310	5.5%	159,415	8,310	5.5%
9	Classification Performance & Settlements	Transfers Only	111,260	998,000	886,740	####	998,000	886,740	####
10	Reserve Fund	Transfers Only	2,052,091	2,346,825	294,734	14.4%	2,346,825	294,734	14.4%
Group Total		58,760,462.91	65,875,094	66,701,117	826,023	1.3%	66,522,259	647,165	1.0%
Select Board and the Office of the Town Manager									
11A	Salary & Wages	1,004,172.98	1,085,382	1,225,793	140,411		1,225,793	140,411	
11B	Expenses	154,072.41	255,076	272,855	17,779		272,855	17,779	
	Total	1,158,245.39	1,340,458	1,498,648	158,190	11.8%	1,498,648	158,190	11.8%
Office of the Town Clerk									
12A	Salary & Wages	371,629.53	411,017	415,274	4,257		415,274	4,257	
12B	Expenses	55,427.84	81,720	86,480	4,760		86,480	4,760	
	Total	427,057.37	492,737	501,754	9,017	1.8%	501,754	9,017	1.8%
Legal Services									
13A	Salary & Wages								
13B	Expenses	272,689.05	329,140	329,140			329,140		
	Total	272,689.05	329,140	329,140			329,140		
Finance Department									
14A	Salary & Wages	1,904,969.00	2,339,188	2,398,879	59,691		2,398,879	59,691	
14B	Expenses	1,190,243.05	1,331,273	1,355,040	23,767		1,355,040	23,767	
14C	Capital	94,723.44	95,000	100,000	5,000		100,000	5,000	
	Total	3,189,935.49	3,765,461	3,853,919	88,458	2.3%	3,853,919	88,458	2.3%
Finance Committee									
15A	Salary & Wages	40,138.27	41,904	43,381	1,477		43,381	1,477	
15B	Expenses	370.00	1,460	1,590	130		1,590	130	
	Total	40,508.27	43,364	44,971	1,607	3.7%	44,971	1,607	3.7%
Planning and Community Development									
16A	Salary & Wages	493,083.71	522,888	575,257	52,369		575,257	52,369	
16B	Expenses	15,852.61	36,850	38,450	1,600		38,450	1,600	
	Total	508,936.32	559,738	613,707	53,969	9.6%	613,707	53,969	9.6%

Fiscal Year 2024 Proposed Budget

						Town Manager Recommendation	
Line #	Description	FY2022 Expended	FY2023 Current	FY2024 Total Request	Change from FY2023	Balanced Budget	Change from FY2023
Police Department							
17A	Salary & Wages	6,636,200.26	7,559,784	8,003,770	443,986	8,003,770	443,986
17B	Expenses	373,601.05	507,827	565,498	57,671	565,498	57,671
17C	Capital	101,856.81	257,884	134,894	(122,990)	134,894	(122,990)
	Total	7,111,658.12	8,325,495	8,704,162	378,667	8,704,162	378,667
					4.5%		4.5%
Fire Department							
18A	Salary & Wages	9,614,854.58	9,805,101	10,145,850	340,749	10,145,850	340,749
18B	Expenses	357,247.53	445,467	509,681	64,214	509,681	64,214
18C	Capital	25,508.00	35,334	40,027	4,693	40,027	4,693
	Total	9,997,610.11	10,285,902	10,695,558	409,656	10,695,558	409,656
					4.0%		4.0%
Building Department							
19A	Salary & Wages	733,766.01	803,103	843,272	40,169	843,272	40,169
19B	Expenses	25,076.17	51,040	51,040		51,040	
	Total	758,842.18	854,143	894,312	40,169	894,312	40,169
					4.7%		4.7%
Minuteman Regional High School Assessment							
20	Assessment	1,230,287.00	1,367,739	1,641,773	274,034	1,641,773	274,034
	Total	1,230,287.00	1,367,739	1,641,773	274,034	1,641,773	274,034
					20.0%		20.0%
Needham Public Schools							
21	Budget	81,607,641.44	87,277,798	92,155,973	4,878,175	92,155,973	4,878,175
	Total	81,607,641.44	87,277,798	92,155,973	4,878,175	92,155,973	4,878,175
					5.6%		5.6%
Building Design and Construction Department							
22A	Salary & Wages	289,201.28	342,389	442,788	100,399	336,301	(6,088)
22B	Expenses	5,723.03	15,175	20,295	5,120	15,175	
	Total	294,924.31	357,564	463,083	105,519	351,476	(6,088)
					29.5%		-1.7%
Department of Public Works							
23A	Salary & Wages	9,419,198.81	10,480,457	11,248,710	768,253	10,915,518	435,061
23B	Expenses	7,139,070.09	8,167,639	8,806,520	638,881	8,793,620	625,981
23C	Capital	170,726.02	115,499	193,731	78,232	193,731	78,232
23D	Snow and Ice	727,027.61	433,139	437,470	4,331	437,470	4,331
	Total	17,456,022.53	19,196,734	20,686,431	1,489,697	20,340,339	1,143,605
					7.8%		6.0%
Municipal Parking Program							
24	Program	131,103.32	151,818	159,654	7,836	159,654	7,836
	Total	131,103.32	151,818	159,654	7,836	159,654	7,836
					5.2%		5.2%
Health and Human Services Department							
25A	Salary & Wages	1,864,780.20	2,023,343	2,144,834	121,491	2,070,327	46,984
25B	Expenses	375,012.89	434,735	490,325	55,590	477,925	43,190
	Total	2,239,793.09	2,458,078	2,635,159	177,081	2,548,252	90,174
					7.2%		3.7%
Commission on Disabilities							
26A	Salary & Wages	1,500.00	1,500	1,500		1,500	
26B	Expenses	543.14	550	550		550	
	Total	2,043.14	2,050	2,050		2,050	
Historical Commission							
27	Program	60.00	1,050	1,050		1,050	
	Total	60.00	1,050	1,050		1,050	
Public Library							
28A	Salary & Wages	1,632,992.31	1,766,194	1,814,034	47,840	1,814,034	47,840
28B	Expenses	372,557.86	390,863	417,100	26,237	417,100	26,237
	Total	2,005,550.17	2,157,057	2,231,134	74,077	2,231,134	74,077
					3.4%		3.4%
Park and Recreation Department							
29A	Salary & Wages	742,718.33	1,074,354	1,149,013	74,659	1,149,013	74,659
29B	Expenses	206,398.49	263,336	325,440	62,104	325,440	62,104
	Total	949,116.82	1,337,690	1,474,453	136,763	1,474,453	136,763
					10.2%		10.2%
Memorial Park Trustees							
30	Program		750	750		750	
	Total		750	750		750	

Fiscal Year 2024 Proposed Budget

						Town Manager Recommendation		
Line #	Description	FY2022 Expended	FY2023 Current	FY2024 Total Request	Change from FY2023	Balanced Budget	Change from FY2023	
Needham Council for Arts and Culture								
31	Program		8,300	8,300		8,300		
	Total		8,300	8,300		8,300		
Department Budget Total		129,382,024.12	140,313,066	148,595,981	8,282,915	5.9%	148,051,375	7,738,309 5.5%
Total Operating Budget		188,142,487.03	206,188,160	215,297,098	9,108,938	4.4%	214,573,634	8,385,474 4.1%
Sewer Enterprise								
201A	Salary & Wages	887,688.13	1,080,247	1,144,544	64,297		1,144,544	64,297 6.0%
201B	Expenses	437,214.93	770,691	823,367	52,676		823,367	52,676 6.8%
201C	Capital	44,600.00	51,000	65,000	14,000		65,000	14,000 27.5%
201D	MWRA	6,614,690.00	6,760,857	6,760,857			6,760,857	
201E	Debt Service	603,692.88	610,000	610,000			610,000	
202	Reserve Fund		35,000	35,000			35,000	
	Total	8,587,885.94	9,307,795	9,438,768	130,973	1.4%	9,438,768	130,973 1.4%
Water Enterprise								
301A	Salary & Wages	1,229,012.89	1,503,306	1,598,687	95,381		1,598,687	95,381 6.3%
301B	Expenses	1,126,064.56	1,361,349	1,564,469	203,120		1,564,469	203,120 14.9%
301C	Capital	28,715.00		53,605	53,605		53,605	53,605
301D	MWRA	1,670,433.00	1,464,186	1,464,186			1,464,186	
301E	Debt Service	849,217.98	1,250,000	1,250,000			1,250,000	
302	Reserve Fund		75,000	75,000			75,000	
	Total	4,903,443.43	5,653,841	6,005,947	352,106	6.2%	6,005,947	352,106 6.2%

Blank Insert