COMMUNITY PRESERVATION COMMITTEE
TOWN OF NEEDHAM, MASSACHUSETTS

Minutes of Meeting
March 22, 2017

PRESENT:	Gary Crossen - Chair, Mark Gluesing – Vice Chair, Paul Alpert, Robert Boder, Artie Crocker, Chris Gerstel, Peter Pingitore
STAFF:	Patricia Carey, Staff Liaison Kristen Wright, Recording Secretary
GUESTS:	Finance Committee: Rick Zimbone, Dick Reilly Public Facilities-Construction: Mike Retzky, Hank Haff Newton CPC: Alice Ingerson Community Center of Needham: Amy Hurley, Jo-Anne Ochalla Echo Bridge Fund: Lee Fisher Town Meeting Member: Paul Siegenthaler

Mr. Crossen called the meeting to order at 7:30 PM in the Highland Room at Town Hall.

Chairman's Updates: Mr. Crossen noted that discussions on some projects had been held since the public hearing, and he will provide updates during the review of each proposal. Mr. Pingitore provided a Housing Authority update. After last year's renovations of the homes on Seabeds Way, the similar structures on Robert Cook Drive are being reviewed, and it is likely the next major project will be renovating those structures, at a cost likely to be $500,000 to $1 million. The Seabeds Way project was funded through emergency repair funds, primarily from HUD, which are not available for proactive renovations. The Housing Authority is also looking at a project for the units at Linden/Chambers for elderly and disabled. It is likely there would be a $2-4 million request for the future project.

Financial Review: Mr. Crossen noted that Assistant Town Manager provided an updated debt option and Mr. Crossen's request. The new option shows funding the Rosemary Recreation Complex project at $4 million cash and $8 million debt, and can be seen in Appendices A - C. Mr. Gluesing noted the following amounts were available for spending: $1,470,573 in the Housing Reserve; $15,820 in the Historic Reserve; $835,954 in the Open Space Reserve; $1,537,037 in the General Reserve; and $4,150,727 in Free Cash.

Discussion and Vote:

FY2017-2 Rosemary Lake Sediment Removal
Mr. Crossen reported that the DPW and Town Manager decided to withdraw this application for funding, while it continues to work through the permitting process. The project will re-apply in December 2017 for construction funds.

FY2017-3 Cricket Field Renovations
Mr. Crossen reported that the DPW and Town Manager decided to change the funding request to just design funds of $35,000. The project would re-apply for construction funds in December 2017. Mr. Gluesing stated that the Board of Selectmen spoke in support of this request. Mr. Crossen noted that the Finance Committee did not have specific input on this project, but in general felt that the six projects were spending more than what was necessary at this time. *Mr. Gluesing made a motion to recommend funding to Town Meeting of FY2017-3: Cricket Field Renovations, in the amount of*

$35,000 from CPA Free Cash. The motion was seconded by Mr. Crocker. On a vote of 7-0, the motion was passed unanimously.

FY2017-4 New School Walking Trails

Mr. Gluesing noted that the Board of Selectmen were supportive of this project, and understood that the timing was important, to get the work done prior to the major site construction starting. Ms. Carey noted that the Student Conservation Association has agreed to assist on the project for two weeks, which could likely reduce some of the estimate. Mr. Alpert noted that the savings could be substantial, but Project Manager Hank Haff noted that the Order of Conditions would require some unexpected plantings, so some savings would go towards that additional work. Mr. Boder asked if an adjustment had been made to access to the trail to avoid passing through the school site. Mr. Pingitore noted that there wasn't room to move the trail, so signs will need to provide guidance. Mr. Crossen noted that the Finance Committee asked about the timing of the project. *Mr. Gluesing made a motion to recommend funding to Town Meeting of FY2017-4: New School Walking Trails, in the amount of $210,000 from CPA Free Cash. The motion was seconded by Mr. Crocker. On a vote of 7-0, the motion was passed unanimously.*

FY2017-5 Needham Accessible Reservoir Trail

Mr. Gluesing reported that the Board of Selectmen noted the number of years of work on this project, and expressed their support. Mr. Crossen noted that the Finance Committee expressed concern with the timing of the project. Ms. Carey noted that the project is waiting to hear about a $50,000 trail grant requested, and recently found a second grant and a funding request will likely be submitted. If either grant is received, it will reduce the overall cost of the project, and unused funds would be returned to CPC. *Mr. Boder made a motion to recommend funding to Town Meeting for FY2017-5: Needham Accessible Reservoir Trail, in the amount of $860,000 from CPA Free Cash. The motion was seconded by Mr. Gerstel. On a vote of 7-0, the motion was passed unanimously.*

FY2017-6 Echo Bridge Railings

Mr. Gluesing reviewed the project, noting that it did meet funding criteria, including a mixture of funding sources so that it didn't solely depend on CPA funding. But, at this time, he did not support funding the project that still had limited approved funding options, and the timing of the request while CPC is looking at funding other projects. Mr. Crossen noted that the Finance Committee suggested that Option 4B should be pursued by the MWRA at this time. Mr. Boder asked if providing funding for this project obligated the Town of Needham to continue to fund replacements in the future, and Mr. Crossen stated that MWRA would remain responsible. Mr. Alpert stated that he had a philosophical objection, stating that the bridge was owned by the Commonwealth, and that the state shouldn't look to municipalities to fund their projects. Mr. Pingitore agreed with Mr. Alpert, noting the state should maintain its assets. Mr. Crocker would like to see the fundraising effort move forward, and would want the Newton CPC to review the project to see if they might consider funding a portion of the project. Mr. Gerstel noted the public support for the project heard at the public hearing, but was concerned with the timing. Mr. Crossen noted his opposition to funding. The CPC has funded Town Hall as a major historic project, and likely will have the Emery Grover building coming in the near future seeking historic preservation funds. Mr. Crossen does not feel the funds are available at this time. *Mr. Gluesing made a motion to recommend funding to Town Meeting for FY2017-6: Echo Bridge Railings, in the amount of $250,000 from CPA Free Cash. The motion was seconded by Mr. Crossen. On a vote of 0-7, the motion did not pass.* The CPC agreed that the proponents are welcome to request funding in the future.

FY2017-1 Rosemary Recreation Complex

Mr. Gluesing noted that the Board of Selectmen restated their support for the project, and have it listed as a top priority facility project. Assistant Town Manager David Davison reviewed the funding options with the Selectmen, and Mr. Gluesing noted that Mr. Davison recommended funding with partial cash and partial debt, as it gave the most flexibility for funding future projects. Mr. Crossen noted the Finance Committee's concern with financing. They will vote on whether to support or not at their March 29th meeting. Ms. Carey shared a letter of support for the project from the Community Center of Needham *(Appendix D)*. Mr. Pingitore reviewed the funding options, and suggested that the Housing Authority will later likely request funding that would exceed the amount of funds in the Housing Reserve. *Mr. Gluesing made a motion to recommend funding to Town Meeting of FY2017-1: Rosemary Recreation Complex, in the amount of $12,000,000 as follows: $1,435,000 from CPA Free Cash, $1,535,000 from FY 2017 General Reserve, $1,030,000 from FY 2018 Receipts, and $8,000,000 by CPA funded debt. The motion was seconded by Mr. Gerstel. On a vote of 6-0-1 abstention, the motion passed.*

Next Steps - Preparation for Town Meeting:

Mr. Crossen stated that the liaisons will now serve as proponents and present the projects to Town Meeting. The applicants will be available to answer technical questions. The actual date and time of presentation is not known, but Ms. Carey will keep members who are not Town Meeting members updated through Town Meeting. At this time, no additional CPC meetings are scheduled. Town Meeting begins on May 1st.

Minutes: The CPC reviewed the minutes from the March 8, 2017 Public Hearing. Mr. Gerstel made a motion to approve the minutes of the March 8, 2017 Public Hearing. The motion was seconded by Mr. Crocker and approved unanimously.

Adjournment:

Mr. Crocker made a motion to adjourn the meeting at 8:32 PM. Mr. Gerstel seconded the motion and the meeting adjourned at 8:32 PM.

Respectfully submitted,

Kristen Wright,
Recording Secretary

Keeping the same assumptions which were used for the February report, except that $8M would be financed by CPA debt and $4M would be funded by CPA cash, as shown in the table below, there is no year that the available funds to pay debt service is less than the amount shown for Emery Grover.

CPA Debt Service Scenario III
Estimated Maximum Annual Debt Service Allowance/Obligations

Fiscal Year	Surcharge Revenue Estimate	Max Debt Service (70% of Surcharge)	Town Hall Actual	Rosemary Assumption $8M	Total	Available for Add'l DS	Emery Grover**
2017	$2,316,970	$1,621,879	$456,313		$456,313	$1,165,567	
2018	$2,407,332	$1,685,132	$449,163		$449,163	$1,235,970	
2019	$2,501,218	$1,750,852	$441,494		$441,494	$1,309,359	
2020	$2,598,765	$1,819,136	$430,525	$765,000	$1,195,525	$623,611	
2021	$2,700,117	$1,890,082	$416,675	$998,475	$1,415,150	$474,932	
2022	$2,805,422	$1,963,795	$405,041	$975,325	$1,380,366	$583,430	
2023	$2,914,833	$2,040,383	$395,256	$941,525	$1,336,781	$703,602	$259,000
2024	$3,028,512	$2,119,958	$384,906	$762,725	$1,147,631	$972,327	$888,000
2025	$3,146,624	$2,202,636	$374,763	$738,350	$1,113,113	$1,089,524	$862,100
2026	$3,269,342	$2,288,539	$364,681	$713,975	$1,078,656	$1,209,883	$836,200
2027	$3,396,846	$2,377,792	$354,306	$689,600	$1,043,906	$1,333,886	$810,300
2028	$3,529,323	$2,470,526	$259,997	$665,225	$925,222	$1,545,304	$784,400
2029	$3,666,967	$2,566,877	$241,638	$640,850	$882,488	$1,684,389	$758,500
2030	$3,809,979	$2,666,985	$51,813	$616,475	$668,288	$1,998,697	$732,600
2031	$3,958,568	$2,770,997	$50,625	$592,100	$642,725	$2,128,272	$706,700
2032	$4,112,952	$2,879,066		$567,725	$567,725	$2,311,341	$680,800
2033	$4,273,357	$2,991,350		$543,350	$543,350	$2,448,000	$654,900
2034	$4,440,018	$3,108,013		$518,975	$518,975	$2,589,038	$629,000
2035	$4,613,179	$3,229,225		$494,600	$494,600	$2,734,625	$603,100
2036	$4,793,093	$3,355,165		$470,225	$470,225	$2,884,940	$577,200
2037	$4,980,023	$3,486,016		$445,850	$445,850	$3,040,166	$551,300
2038	$5,174,244	$3,621,971		$421,475	$421,475	$3,200,496	$525,400
2039	$5,376,040	$3,763,228		$362,100	$362,100	$3,401,128	$499,500
2040	$5,585,705	$3,909,994			$0	$3,909,994	$473,600
2041	$5,803,548	$4,062,483			$0	$4,062,483	$447,700
2042	$6,029,886	$4,220,920			$0	$4,220,920	$421,800
2043	$6,265,052	$4,385,536			$0	$4,385,536	$395,900
2044	$6,509,389	$4,556,572			$0	$4,556,572	

David Davison
Assistant Town Manager/Director of Finance
Town Hall
1471 Highland Avenue
Needham, MA 02492

Patricia Carey

From:	Dave Davison
Sent:	Saturday, January 14, 2017 1:22 PM
To:	Patricia Carey
Cc:	Kate Fitzpatrick
Subject:	CPA - FY2018

Hi Patty

Here is the revenue estimate for FY2018 (42,440,994) and the recommended minimum amount to the reserves. The CPA Free Cash available for appropriation this spring is $4,150,727.

Town of Needham Community Preservation Fund Revenue and Appropriations FY2018	
Community Preservation Fund Revenue Estimates	
Surcharge Revenue Estimate	2,230,000
State Trust Fund Distribution Estimate	210,994
Revenue Estimate	2,440,994
Community Preservation Fund Appropriation Estimates without Projects	
Town Hall Project Debt Service (GF Debt Operating Budget)	449,163
Community Preservation Committee Administrative Budget	82,000
Community Housing Reserve	269,000
Historic Resources Reserve	0
Open Space Reserve	269,000
Community Preservation Fund Reserve	1,371,831
Appropriation Estimates	2,440,994

David Davison
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www.needhamMA.gov/finance

Town of Needham
Finance Department

Memorandum

To: Community Preservation Committee

From: David Davison, ATM/Director of Finance

CC: Board of Selectmen; Kate Fitzpatrick, Town Manager; Christopher Coleman, Assistant Town Manager/Director of Operations; Patty Carey, Director of Park and Recreation

Date: February 17, 2017

Re: Rosemary Complex Project CPA Funding

We have provided two funding scenarios for the Rosemary Complex project for your consideration. The first is an update of the previous analysis done last year. The second presents an alternative scenario for the CPA share of the project expense which includes cash and debt funding, whereas the first scenario was all CPA debt. The purpose of these documents is to layout the possible impact on CPA revenue and reserves for the various projects that have been identified and may be presented for CPA funding in the coming years. The project list is based on submitted capital projects for the FY2018 – FY2022 timeframe which are being recommended for funding and an application would be filed with the CPC. We have also listed other projects that have been identified, but costs, timing, scope, and eligibility, are inconclusive or are not available. This report is meant to be illustrative and not necessarily what will be requested in the out years or that the CPC is supportive of funding of these projects as most have not been presented to the CPC for consideration. As we get nearer to the funding year, amounts may change, scope could be different, and the year that funding is actually requested may be different. The timing assumption for each project is based on the information provided by the requester.

For the purpose of this analysis, we have assumed a 2.5% annual increase in the CPC administrative budget from the $82,000 level-funded request for FY2018. Usually there are other CPA funding requests which do not come through the Town's capital budget process as they may not be capital or do not originate from the Town, so we have included an allowance of $100,000 starting in FY2019 for such requests which is increased by 4% annually. We do not have any specific details on future funding requests for community housing projects so no amount is reflected in the analysis, but we assume any such requests would be funded from the Community Housing Reserve.

The use of CPA funds must be appropriated by Town Meeting, but Town Meeting may not appropriate CPA funds without the positive recommendation and support of the CPC.

CPA Revenue
CPA revenues are derived primarily from two sources: property tax surcharges and state aid matches. The CPA revenue estimates in the out years are built off of the preliminary estimate for FY2018. The CPA surcharge revenue is assumed to grow at 3.9% annually, and the State revenue match is assumed at 10%. Both revenue assumptions are lower than the prior report. The annual increase in the

surcharge revenue is approximately 85% of the average actual growth rate in surcharge revenue over the last eleven years.

The State's match is based on the net committed surcharge by the community. The net amount reflects reductions in the committed surcharge due to abatements and exemptions. We assume a two percent allowance for this activity for purposes of forecasting the revenue; previously we assumed one percent. However, the figure submitted to the State is based on the actual net commitment for the year, which is not known until after the end of the fiscal year. The calculation starts with the prior year surcharge estimate multiplied by a .98 factor then the 10% match is determined. With passage of the Community Preservation Act in a number of communities this past November, including the City of Boston, it is prudent to assume the match rate will be lower because of the greater number communities that now will share the state funds. The state distribution match this past fall was 20.6% of the Town's surcharge revenue in FY2016. For the purposes of this analysis, we assume a 10% match; in the previous report we assumed 18%.

CPA Reserves

In accordance with the Community Preservation Act, at least 10% of the annual revenue estimate (surcharge and state match) is to be appropriated to each of the required three categories: community housing (affordable housing); historic preservation, and open space. The balance (70%) may be appropriated in any amount to any of the three categories and for certain recreation purposes. In any year which there is not a sufficient identified appropriation for the required purposes, the amount by which the annual appropriation falls below the 10% target is to be reserved for future appropriations that satisfied that expenditure type requirement. The amount credited to the reserve may only be spent on projects that relate to the purpose, and the amount must be appropriated by Town Meeting. The amount in each specific reserve carries over into the next fiscal year.

As a safeguard against under reserving funds required to be spent for either a specific purpose, since the actual surcharge and state match are not known at the time of developing the CPA estimates for the coming year, we set the annual reservation at approximately 11% of the revenue estimate for the coming year. For the purposes of this analysis, we have assumed 11% of the revenue estimate in each year will be appropriated to both the Community Housing and Open Space reserves. Because the annual debt service expense for Town Hall qualifies as historic preservation spending and the payment amount is more than 11% of the estimated revenue in each year, no appropriation to the Historic Preservation reserve is necessary. However, in FY2027 the estimated minimum amount to be appropriated or reserve for historic preservation will be more than the debt service on the Town Hall, a contribution to the reserve will be necessary if other historic preservation projects are not funded to satisfy the minimum requirement. The difference between the calculated minimum spending/reservation requirement of $378,776 and the Town Hall debt service expense of $354,306 for FY2027 is $24,470. We have assumed that the $24,470 will be added to the Historic Preservation reserve.

The estimated CPA revenue which is not appropriated to administrative expenses, debt service, projects, or the specific reserves, is appropriated to a "General Reserve". Unlike the specific reserve accounts (Historic, Housing, and Open Space), the General Reserve remains available only for the fiscal year. Any balance in the General Reserve at the end of the fiscal year, is closed out to the CPA fund balance. The CPA fund balance is the source from which the annual CPA Free Cash is calculated. Any project shown to be funded by CPA Free Cash but is not would effectively increase the amount of Free Cash available as well.

Rosemary Complex Funding Scenarios

Funding for the Rosemary Complex is based upon a recent timeline provided by PPBC. The construction funding will be presented at the Annual Town Meeting and will have an emergency preamble attached to the motion, which if approved, will allow the project to commence soon after the Town Meeting vote. The project cost is estimated at $15.8 million. The cost allocation between the General Fund and CPA is $3.8 million funded by the General Fund (debt and cash) and $12 million by CPA. We present two scenarios to fund the CPA share of the project cost. The first scenario assumes the entire CPA share is borrowed. The second scenario assumes the CPA share is funded by a combination of cash and debt.

The first scenario assumes the entire $12 million is funded by debt. With the emergency preamble, spending from the authorization may begin in FY2017 and so therefore the Town would have debt service payments in FY2019. The first two years of financing are assumed to be with bond anticipation notes (temporary financing) that would carry a 3.5% interest rate and then bonds for 18 years which would have a 6.5% interest rate. We assume principal will be paid every year, including the two years of temporary financing, which is strategy we use to help manage the Town's debt expense and to lower overall interest costs. This scenario assumes all the other identified projects with amounts will be funded by CPA Free Cash.

The second scenario assumes $3 million will be funded by cash and $9 million by debt. The $3,000,000 was derived from the following assumptions 1) that all the other submitted projects for FY2018 will be recommended and funded with CPA Free Cash, which will leave $435,000 available to be used to fund the Rosemary project; 2) that $1,535,000 in the FY2017 General Reserve would be used to fund the project; and 3) that $1,030,000 of the estimated FY2018 CPA receipts would be used to fund the project for a total of $3,000,000. The remaining $9,000,000 would be funded by CPA debt. Because under this scenario there would be $3 million in cash to pay the immediate expenses, the first borrowing could be delayed so that the first debt payment is not required until FY2020. The interest rate assumptions are the same as in the first scenario, except that temporary borrowing would be for one year followed by bonds over 19 years. There would be principal payments every year as with the first scenario. The overall debt service expense would be less than in the first scenario, and would provide more flexibility sooner than the first option. However, under this scenario the estimated CPA Free Cash available for appropriations in FY2019 and FY2020 would be insufficient to fund the identified other projects. Therefore, if those projects were to be funded, they would likely be from current receipts and not CPA Free Cash.

Funding Scenario Tables

The funding scenario tables reflect the estimated amounts to be appropriated based on the assumptions stated above. Line A is the total estimated debt service by year for the Town Hall and Rosemary Complex projects. We show the projects submitted to CPC for funding consideration for FY2018 and the projects currently recommended in the out years with the amount. As stated earlier, we have included an amount for other small projects not known. We also list other projects that have been identified, but lack cost and/or other details to calculate. The projects that have been identified with amounts are totaled on Line B. Amounts that are shaded and in blue are assumed to be funded by

CPA Free Cash; amounts that are shaded and in red are assumed funded by various cash sources. Line C is the assumed CPC administrative budget amount. The next page shows the annual amounts assumed to be appropriated to the required reserves. The total is on Line D. Line E shows the estimated amount to be appropriated to the General Reserve. The total of the estimated appropriations (Lines A, B, C, D, and E) is on Line F.

The estimated total CPA revenue is on Line H, and the state match percent assumption for each year is indicated below the revenue total. We compare the estimated appropriations to the total revenue (line F minus line H). Other sources to fund the difference between revenue and expense are Line I) Restricted Reserves, Line J) General Reserve, Line K) CPA Free Cash, and Line L) adjustments. The last page of each funding scenario shows all the estimated funding resources available for the Annual Town Meeting. The last section reflects the estimated amounts to roll to CPA Free Cash for the following year. For the purposes of this analysis, we assume only the total of the General Reserve fund balance remaining at the end of the fiscal year and the unappropriated balance of CPA Free Cash will be available to be certified as CPA Free Cash for the following year.

CPA Revenue Available for Debt Service

The Emery Grover Building rehabilitation project estimated cost is uncertain based on costs estimates the Town has received from architects on other building projects which are further along for funding consideration. So we have not included any amount into the funding scenario tables. However, for purpose of measuring the estimated available revenue for CPA debt service, we included an estimated amount for Emery Grover. The project cost is estimated at $14.8 million. We assume that only 50% or $7.4 million of the total would be eligible for funding from CPA, and that the $7.4 million would be borrowed. The interest rate assumption is 3.5% on the temporary financing which would be one year, and the bonds would carry a 7% interest rate. We assume the first debt payment is in FY2023 and the last payment is in FY2043.

Based on the assumption that 70% of the surcharge revenue could be used for CPA debt service, the combined debt payments for the Town Hall and Rosemary Complex projects are manageable within that restriction. However, with Emery Grover project based on the assumptions above, the total estimated CPA debt service obligations would exceed the estimated maximum annual debt service allowance for four years (FY2024, FY2025, FY2026, and FY2027) if the Rosemary project was funded by $12 million in CPA debt, but only for two years (FY2024 and FY2025) if the Rosemary project was funded by $9 million in CPA debt.

Please do not hesitate to contact me if you have any questions or wish to provide additional information. Thank you.

Attachments

Funding Scenario I Rosemary CPA Share Debt Only (3 pages)
Funding Scenario II Rosemary CPA Share Cash and Debt (3 pages)
Estimated Maximum Annual Debt Service Allowance/Obligations Scenario I $12M and Scenario II $9M (2 pages)

Funding Scenario I (Rosemary CPA Share Debt Only)

	FY18 - Pending	2019	2020	2021	2022	2023	2024	2025	2026	2027
Appropriations										
Town Hall	$449,163	$441,494	$430,525	$416,675	$405,041	$395,256	$384,906	$374,763	$364,681	$354,306
Rosemary Complex ($12M)		$960,000	$1,058,750	$1,278,025	$1,239,675	$1,201,325	$1,162,975	$1,124,625	$1,086,275	$1,047,925
A) Debt Service	$449,163	$1,401,494	$1,489,275	$1,694,700	$1,644,716	$1,596,581	$1,547,881	$1,499,388	$1,450,956	$1,402,231
Central Avenue School Walking Trails	$210,000									
Echo Bridge Railings	$250,000									
Fields - Cricket	$305,000									
Rosemary Lake Sediment Removal	$2,100,000									
Trail - Reservoir	$850,000									
Asa Small Field		$141,000								
Claxton Field		$207,000								
Rosemary Camp Facility		$250,000								
Town Common Redesign		$600,300								
Public Playgrounds			$600,000							
Other Small Projects^		$100,000	$104,000	$108,160	$112,486	$116,986	$121,665	$126,532	$131,593	$136,857
Future Potential Projects - No Cost Estimate										
Boat Launch Construction										
Broadmeadow Field Improvements										
Cricket Field and Grounds										
DeFazio Complex Walking Path										
Dwight Field Upgrades										
Emery Grover (multiple funding sources)										
Fields - Master Plan										
Fields - McLeod										
High Rock Field Improvements										
Memorial Park (multiple finding sources)										
Parcel Acquisition ^5										
Perry Park Upgrades										
Public Playgrounds										
Town Reservoir Sediment Removal										
B) Projects	$3,715,000	$1,298,300	$704,000	$108,160	$112,486	$116,986	$121,665	$126,532	$131,593	$136,857
C) Administration Budget^^	$82,000	$84,050	$86,151	$88,305	$90,513	$92,775	$95,095	$97,472	$99,909	$102,407

Funding Scenario I (Rosemary CPA Share Debt Only)

	FY18 - Pending	2019	2020	2021	2022	2023	2024	2025	2026	2027
Annual Obligation^^^										
Housing Reserve	$269,000	$278,906	$289,783	$301,085	$312,827	$325,028	$337,704	$350,874	$364,558	$378,776
Historic Reserve										$24,470
Open Space Reserve	$269,000	$278,906	$289,783	$301,085	$312,827	$325,028	$337,704	$350,874	$364,558	$378,776
D) Appropriation to Reserves	$538,000	$557,812	$579,567	$602,170	$625,655	$650,055	$675,407	$701,748	$729,116	$782,022
E) CPA General Reserve	$1,371,831	$492,154	$479,402	$351,961	$483,001	$615,385	$751,650	$891,156	$1,034,184	$1,156,488
F) Total Appropriations (A+B+C+D+E)	$6,155,994	$3,833,810	$3,338,395	$2,845,296	$2,956,371	$3,071,782	$3,191,698	$3,316,296	$3,445,759	$3,580,005
Revenue										
CPA Local Surcharge*	2,230,000	2,316,970	2,407,332	2,501,218	2,598,765	2,700,117	2,805,422	2,914,833	3,028,512	3,146,624
Other Revenue										
State Revenue	210,994	218,540	227,063	235,919	245,119	254,679	264,611	274,931	285,654	296,794
H) CPA Revenue Total	2,440,994	2,535,510	2,634,395	2,737,136	2,843,885	2,954,796	3,070,033	3,189,764	3,314,165	3,443,418
State Aid % Match	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*
Appropriations v Revenue [F-H]	-$3,715,000	-$1,298,300	-$704,000	-$108,160	-$112,486	-$116,986	-$121,665	-$126,532	-$131,593	-$136,587
I) Appropriation Funded by Restricted Reserves	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
J) Appropriation Funded by General Reserve	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
K) Appropriation Funded by Free Cash***	$3,715,000	$1,298,300	$704,000	$108,160	$112,486	$116,986	$121,665	$126,532	$131,593	$136,587
L) Final Commitment Adjustment										
M) Appropriations v Revenue (with the use of reserves)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Funding Scenario I (Rosemary CPA Share Debt Only)

	FY18 - Pending	2019	2020	2021	2022	2023	2024	2025	2026	2027
Estimated Funding Resources Available Prior to Appropriations										
CPA Revenue	$2,440,994	$2,535,510	$2,634,395	$2,737,136	$2,843,885	$2,954,796	$3,070,033	$3,189,764	$3,314,165	$3,443,418
Community Housing Reserve**	$1,470,573	$1,739,573	$2,018,479	$2,308,263	$2,609,348	$2,922,175	$3,247,202	$3,584,906	$3,935,780	$4,300,338
Historic Resources Reserve**	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820
Open Space Reserve**	$835,954	$1,104,954	$1,383,860	$1,673,644	$1,974,729	$2,287,556	$2,612,583	$2,950,287	$3,301,161	$3,665,719
General Reserve	$1,537,037	$1,371,831	$492,154	$479,402	$351,961	$483,001	$615,385	$751,650	$891,156	$1,034,184
CPA Free Cash	$4,150,727	$1,972,764	$2,046,295	$1,834,449	$2,205,691	$2,445,166	$2,811,181	$3,304,901	$3,930,019	$4,689,582
TOTAL	$10,451,105	$8,740,452	$8,591,003	$9,048,713	$10,001,433	$11,108,514	$12,372,205	$13,797,329	$15,388,102	$17,149,061
Appropriations	$6,155,994	$3,833,810	$3,338,395	$2,845,296	$2,956,371	$3,071,782	$3,191,698	$3,316,296	$3,445,759	$3,580,005
Current year Free Cash rolling to the following year	$485,727	$674,464	$1,342,295	$1,726,289	$2,093,205	$2,328,180	$2,689,516	$3,178,369	$3,798,426	$4,552,995
General Reserve rolling to the following year Free Cash	$1,537,037	$1,371,831	$492,154	$479,402	$351,961	$483,001	$615,385	$751,650	$891,156	$1,034,184
Estimated Free Cash base for the following year	$1,972,764	$2,046,295	$1,834,449	$2,205,691	$2,445,166	$2,811,181	$3,304,901	$3,930,019	$4,689,582	$5,587,179

^Other small project requests assumption of $100K for FY19 increasing annually at 4%.

^^ CPC administrative budget assumed to increase by 2.5% annually.

^^^Annual contribution FY18 forward; assumed at 11% of the revenue estimate or the difference between the 11% and the appropriations which satisfies the annual obligation.

^5 No parcel acquisition has been identified.

* Surcharge revenue growth rate assumption for FY19 forward is 3.9% annually.

** Available balance as of 01/31/17; the balances going forward are calculated based on the assumed appropriations to and from the reserves.

***An appropriation vote which uses CPA Free Cash must occur before June 30 of the prior fiscal year. For example, a FY18 appropriation vote must occur prior to June 30, 2017.

Projects assumed funded by CPA free cash in blue and shaded

CPA Debt Service Scenario I

Estimated Maximum Annual Debt Service Allowance/Obligations

Fiscal Year	Surcharge Revenue Estimate	Max Debt Service (70% of Surcharge)	Town Hall Actual	Rosemary Assumption $12M	Total	Available for Add'l DS	Emery Grover**
2017	$2,153,000	$1,507,100	$456,313		$456,313	$1,050,788	
2018	$2,230,000	$1,561,000	$449,163		$449,163	$1,111,838	
2019	$2,316,970	$1,621,879	$441,494	$960,000	$1,401,494	$220,385	
2020	$2,407,332	$1,685,132	$430,525	$1,058,750	$1,489,275	$195,857	
2021	$2,501,218	$1,750,852	$416,675	$1,278,025	$1,694,700	$56,152	
2022	$2,598,765	$1,819,136	$405,041	$1,239,675	$1,644,716	$174,420	
2023	$2,700,117	$1,890,082	$395,256	$1,201,325	$1,596,581	$293,501	$259,000
2024	$2,805,422	$1,963,795	$384,906	$1,162,975	$1,547,881	$415,914	$888,000
2025	$2,914,833	$2,040,383	$374,763	$1,124,625	$1,499,388	$540,996	$862,100
2026	$3,028,512	$2,119,958	$364,681	$1,086,275	$1,450,956	$669,002	$836,200
2027	$3,146,624	$2,202,636	$354,306	$1,047,925	$1,402,231	$800,405	$810,300
2028	$3,269,342	$2,288,539	$259,997	$1,009,575	$1,269,572	$1,018,967	$784,400
2029	$3,396,846	$2,377,792	$241,638	$971,225	$1,212,863	$1,164,930	$758,500
2030	$3,529,323	$2,470,526	$51,813	$932,875	$984,688	$1,485,839	$732,600
2031	$3,666,967	$2,566,877	$50,625	$894,525	$945,150	$1,621,727	$706,700
2032	$3,809,979	$2,666,985		$856,175	$856,175	$1,810,810	$680,800
2033	$3,958,568	$2,770,997		$817,825	$817,825	$1,953,172	$654,900
2034	$4,112,952	$2,879,066		$779,475	$779,475	$2,099,591	$629,000
2035	$4,273,357	$2,991,350		$741,125	$741,125	$2,250,225	$603,100
2036	$4,440,018	$3,108,013		$702,775	$702,775	$2,405,238	$577,200
2037	$4,613,179	$3,229,225		$664,425	$664,425	$2,564,800	$551,300
2038	$4,793,093	$3,355,165		$591,075	$591,075	$2,764,090	$525,400
2039	$4,980,023	$3,486,016			$0	$3,486,016	$499,500
2040	$5,174,244	$3,621,971			$0	$3,621,971	$473,600
2041	$5,376,040	$3,763,228			$0	$3,763,228	$447,700
2042	$5,585,705	$3,909,994			$0	$3,909,994	$421,800
2043	$5,803,548	$4,062,483			$0	$4,062,483	$395,900
2044	$6,029,886	$4,220,920			$0	$4,220,920	

Funding Scenario II (Rosemary CPA Share Cash and Debt Funding)

	FY18 - Pending	2019	2020	2021	2022	2023	2024	2025	2026	2027
Appropriations										
Town Hall	$449,163	$441,494	$430,525	$416,675	$405,041	$395,256	$384,906	$374,763	$364,681	$354,306
Rosemary Complex ($9M)			$765,000	$1,005,750	$976,500	$947,250	$918,000	$888,750	$859,500	$830,250
A) Debt Service	$449,163	$441,494	$1,195,525	$1,422,425	$1,381,541	$1,342,506	$1,302,906	$1,263,513	$1,224,181	$1,184,556
Rosemary Complex ($3M Cash $9M Debt)	$3,000,000									
Trail - Improvements through SCA										
Central Avenue School Walking Trails	$210,000									
Echo Bridge Railings	$250,000									
Fields - Cricket	$305,000									
Rosemary Lake Sediment Removal	$2,100,000									
Trail - Reservoir	$850,000									
Asa Small Field		$141,000								
Claxton Field		$207,000								
Rosemary Camp Facility		$250,000								
Town Common Redesign		$600,300								
Public Playgrounds			$600,000							
Other Small Projects^		$100,000	$104,000	$108,160	$112,486	$116,986	$121,665	$126,532	$131,593	$136,857
Future Potential Projects - No Cost Estimate										
Boat Launch Construction										
Broadmeadow Field Improvements										
Cricket Field and Grounds										
DeFazio Complex Walking Path										
Dwight Field Upgrades										
Emery Grover (multiple funding sources)										
Fields - Master Plan										
Fields - McLeod										
High Rock Field Improvements										
Memorial Park (multiple finding sources)										
Parcel Acquisition ^5										
Perry Park Upgrades										
Public Playgrounds										
Town Reservoir Sediment Removal										
B) Projects	$6,715,000	$1,298,300	$704,000	$108,160	$112,486	$116,986	$121,665	$126,532	$131,593	$136,857
C) Administration Budget^^	$82,000	$84,050	$86,151	$88,305	$90,513	$92,775	$95,095	$97,472	$99,909	$102,407

Funding Scenario II (Rosemary CPA Share Cash and Debt Funding)

	FY18 - Pending	2019	2020	2021	2022	2023	2024	2025	2026	2027
Annual Obligation^^^										
Housing Reserve	$269,000	$278,906	$289,783	$301,085	$312,827	$325,028	$337,704	$350,874	$364,558	$378,776
Historic Reserve										$24,470
Open Space Reserve	$269,000	$278,906	$289,783	$301,085	$312,827	$325,028	$337,704	$350,874	$364,558	$378,776
D) Appropriation to Reserves	$538,000	$557,812	$579,567	$602,170	$625,655	$650,055	$675,407	$701,748	$729,116	$782,022
E) CPA General Reserve	$341,831	$153,854	$69,152	$624,236	$746,176	$869,460	$996,625	$1,127,031	$1,260,959	$1,374,163
F) Total Appropriations (A+B+C+D+E)	$8,125,994	$2,535,510	$2,634,395	$2,845,296	$2,956,371	$3,071,782	$3,191,698	$3,316,296	$3,445,759	$3,580,005
Revenue										
CPA Local Surcharge*	2,230,000	2,316,970	2,407,332	2,501,218	2,598,765	2,700,117	2,805,422	2,914,833	3,028,512	3,146,624
Other Revenue										
State Revenue	210,994	218,540	227,063	235,919	245,119	254,679	264,611	274,931	285,654	296,794
H) CPA Revenue Total	2,440,994	2,535,510	2,634,395	2,737,136	2,843,885	2,954,796	3,070,033	3,189,764	3,314,165	3,443,418
State Aid % Match	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*	*10%*
Appropriations v Revenue [F-H]	-$5,685,000	$0	$0	-$108,160	-$112,486	-$116,986	-$121,665	-$126,532	-$131,593	-$136,587
I) Appropriation Funded by Restricted Reserves	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
J) Appropriation Funded by General Reserve	$1,535,000	$0	$0	$0	$0	$0	$0	$0	$0	$0
K) Appropriation Funded by Free Cash***	$4,150,000	$0	$0	$108,160	$112,486	$116,986	$121,665	$126,532	$131,593	$136,587
L) Final Commitment Adjustment										
M) Appropriations v Revenue (with the use of reserves)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Funding Scenario II (Rosemary CPA Share Cash and Debt Funding)

	FY18 - Pending	2019	2020	2021	2022	2023	2024	2025	2026	2027
Estimated Funding Resources Available Prior to Appropriations										
CPA Revenue	$2,440,994	$2,535,510	$2,634,395	$2,737,136	$2,843,885	$2,954,796	$3,070,033	$3,189,764	$3,314,165	$3,443,418
Community Housing Reserve**	$1,470,573	$1,739,573	$2,018,479	$2,308,263	$2,609,348	$2,922,175	$3,247,202	$3,584,906	$3,935,780	$4,300,338
Historic Resources Reserve**	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820	$15,820
Open Space Reserve**	$835,954	$1,104,954	$1,383,860	$1,673,644	$1,974,729	$2,287,556	$2,612,583	$2,950,287	$3,301,161	$3,665,719
General Reserve	$1,537,037	$341,831	$153,854	$69,152	$624,236	$746,176	$869,460	$996,625	$1,127,031	$1,260,959
CPA Free Cash	$4,150,727	$2,764	$344,595	$498,449	$459,441	$971,191	$1,600,381	$2,348,176	$3,218,269	$4,213,707
TOTAL	$10,451,105	$5,740,452	$6,551,003	$7,302,463	$8,527,458	$9,897,714	$11,415,480	$13,085,579	$14,912,227	$16,899,961
Appropriations	$8,125,994	$2,535,510	$2,634,395	$2,845,296	$2,956,371	$3,071,782	$3,191,698	$3,316,296	$3,445,759	$3,580,005
Current year Free Cash rolling to the following year	$727	$2,764	$344,595	$390,289	$346,955	$854,205	$1,478,716	$2,221,644	$3,086,676	$4,077,120
General Reserve rolling to the following year Free Cash	$2,037	$341,831	$153,854	$69,152	$624,236	$746,176	$869,460	$996,625	$1,127,031	$1,260,959
Estimated Free Cash base for the following year	$2,764	$344,595	$498,449	$459,441	$971,191	$1,600,381	$2,348,176	$3,218,269	$4,213,707	$5,338,079

^Other small project requests assumption of $100K for FY19 increasing annually at 4%.
^^ CPC administrative budget increase is assumed at 2.5% annually.
^^^Annual contribution FY18 forward; assumed at 11% of the revenue estimate or the difference between the 11% and the appropriations which satisfies the annual obligation.
^5 No parcel acquisition has been identified.
* Surcharge revenue growth rate assumption for FY19 forward is 3.9% annually.
** Available balance as of 01/31/17; the balances going forward are calculated based on the assumed appropriations to and from the reserves.
***An appropriation vote which uses CPA Free Cash must occur before June 30 of the prior fiscal year. For example, a FY18 appropriation vote must occur prior to June 30, 2017.
Projects assumed funded by CPA free cash in blue and shaded

CPA Debt Service Scenario II

Estimated Maximum Annual Debt Service Allowance/Obligations

Fiscal Year	Surcharge Revenue Estimate	Max Debt Service (70% of Surcharge)	Town Hall Actual	Rosemary Assumption $9M	Total	Available for Add'l DS	Emery Grover**
2017	$2,153,000	$1,507,100	$456,313		$456,313	$1,050,788	
2018	$2,230,000	$1,561,000	$449,163		$449,163	$1,111,838	
2019	$2,316,970	$1,621,879	$441,494		$441,494	$1,180,385	
2020	$2,407,332	$1,685,132	$430,525	$765,000	$1,195,525	$489,607	
2021	$2,501,218	$1,750,852	$416,675	$1,005,750	$1,422,425	$328,427	
2022	$2,598,765	$1,819,136	$405,041	$976,500	$1,381,541	$437,595	
2023	$2,700,117	$1,890,082	$395,256	$947,250	$1,342,506	$547,576	$259,000
2024	$2,805,422	$1,963,795	$384,906	$918,000	$1,302,906	$660,889	$888,000
2025	$2,914,833	$2,040,383	$374,763	$888,750	$1,263,513	$776,871	$862,100
2026	$3,028,512	$2,119,958	$364,681	$859,500	$1,224,181	$895,777	$836,200
2027	$3,146,624	$2,202,636	$354,306	$830,250	$1,184,556	$1,018,080	$810,300
2028	$3,269,342	$2,288,539	$259,997	$801,000	$1,060,997	$1,227,542	$784,400
2029	$3,396,846	$2,377,792	$241,638	$771,750	$1,013,388	$1,364,405	$758,500
2030	$3,529,323	$2,470,526	$51,813	$742,500	$794,313	$1,676,214	$732,600
2031	$3,666,967	$2,566,877	$50,625	$713,250	$763,875	$1,803,002	$706,700
2032	$3,809,979	$2,666,985		$684,000	$684,000	$1,982,985	$680,800
2033	$3,958,568	$2,770,997		$654,750	$654,750	$2,116,247	$654,900
2034	$4,112,952	$2,879,066		$625,500	$625,500	$2,253,566	$629,000
2035	$4,273,357	$2,991,350		$596,250	$596,250	$2,395,100	$603,100
2036	$4,440,018	$3,108,013		$567,000	$567,000	$2,541,013	$577,200
2037	$4,613,179	$3,229,225		$537,750	$537,750	$2,691,475	$551,300
2038	$4,793,093	$3,355,165		$508,500	$508,500	$2,846,665	$525,400
2039	$4,980,023	$3,486,016		$479,250	$479,250	$3,006,766	$499,500
2040	$5,174,244	$3,621,971			$0	$3,621,971	$473,600
2041	$5,376,040	$3,763,228			$0	$3,763,228	$447,700
2042	$5,585,705	$3,909,994			$0	$3,909,994	$421,800
2043	$5,803,548	$4,062,483			$0	$4,062,483	$395,900
2044	$6,029,886	$4,220,920			$0	$4,220,920	

Community Center of Needham

PO Box 920-819
Needham, MA 02492
Bringing together individuals and organizations to promote the health and well-being of the entire Needham community through recreational, social, educational, cultural and community activities.

March 21, 2017

Gary Crossen, Chairman
Community Preservation Committee
Town of Needham

Dear Mr. Crossen:

It is with great pleasure that we are writing on behalf of the Community Center of Needham Board of Directors, to express our continued support for the Rosemary Recreation Complex. It is our hope that the vote taken by your Committee will be one of the final steps needed to bring the dream of a pool and recreation complex to fruition for to all members of our Needham community. This vision was has been years in the making and we appreciate the commitment of the CPC to address this longstanding need in our community. In addition to the attached letter, which was submitted last year to the finance committee and outlines the rationale for our steadfast support, we would like to update you on what we are hearing from members of our community regarding this issue since article 40 passed at Town Meeting 2016.

1. Thank you! The enthusiasm among many in town for a new pool, community recreation room, expanded programs, use of the lake, trails and surrounding property is tangible. As a matter of fact, as much as we try to educate folks that a few more votes are needed to make this project a reality, most people believe it's already a 'done deal' and only want to know when it will open!

2. What will we do this summer? Families, seniors, teens, daycare staff, swimmers of all ages are beginning to feel the loss of Rosemary pool when making plans for swimming lessons, training, volunteering, summer jobs, recreation and just cooling off and getting out of the heat this year. This summer is a real reminder to us of important it is for Needham to have an affordable swimming option where all members of our community are welcome.

3. How about those Rockets? The Needham High School Boy Swim Team won the state championship! Many of these swimmers began their swimming career with lessons at Rosemary or competitive swimming with the Sharks. We want to ensure our next

Community Center of Needham

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Bringing together individuals and organizations to promote the health and well-being of the entire Needham community through recreational, social, educational, cultural and community activities.

Ms. Louise Miller, Chair,
Finance Committee
Town of Needham

Dear Madame Chair,

We are writing, on behalf of the Community Center of Needham, Inc. to address Article 40, the request for design funds for the Rosemary Recreation Project, currently before the Finance Committee for approval.

As a grass roots citizen organization since 2010, CCN has engaged residents and community partners around the issues of recreation and swimming for the past six years. Our 'New Pool, So Cool' campaign has hundreds of supporters and as an organization we have hosted community roundtables, meetings and engaged residents in conversations around this subject at grocery stores, NBA Fairs, THE town dump and any place anyone will talk to us. During these conversations with our fellow residents and through a survey we conducted in 2013, we identified indoor and outdoor swimming, and more programming space for community recreation and youth as priority needs in our community. With this experience behind us, we feel confident in saying unequivocally…

"If you build it, they will come!"

So, why the low utilization of the pool at the moment? Well, in 1972 the pool was built as a 10-year solution with promises by the town to find a longer-term solution to the problem that the Lake was no longer clean enough for swimming. Over the years, other priorities, such as schools, Town buildings and economic downturns made it difficult to re-invest in this vital recreation asset. The low numbers today at Rosemary are a direct result of disinvestment and neglect of the facility over the years. Also, the feasibility study by Westin and Sampson outlined the way in which run off from all over Town drains into Rosemary Lake, and this current pool continues to use water from the Lake.

A new public pool, separate from the Lake with clean water, will be attractive to many in Town, parents, children, teens, seniors, athletes, tri-athletes, divers, swimmers and more. It will bring in new members of our community and those who have had ties to Rosemary for a generation or two.