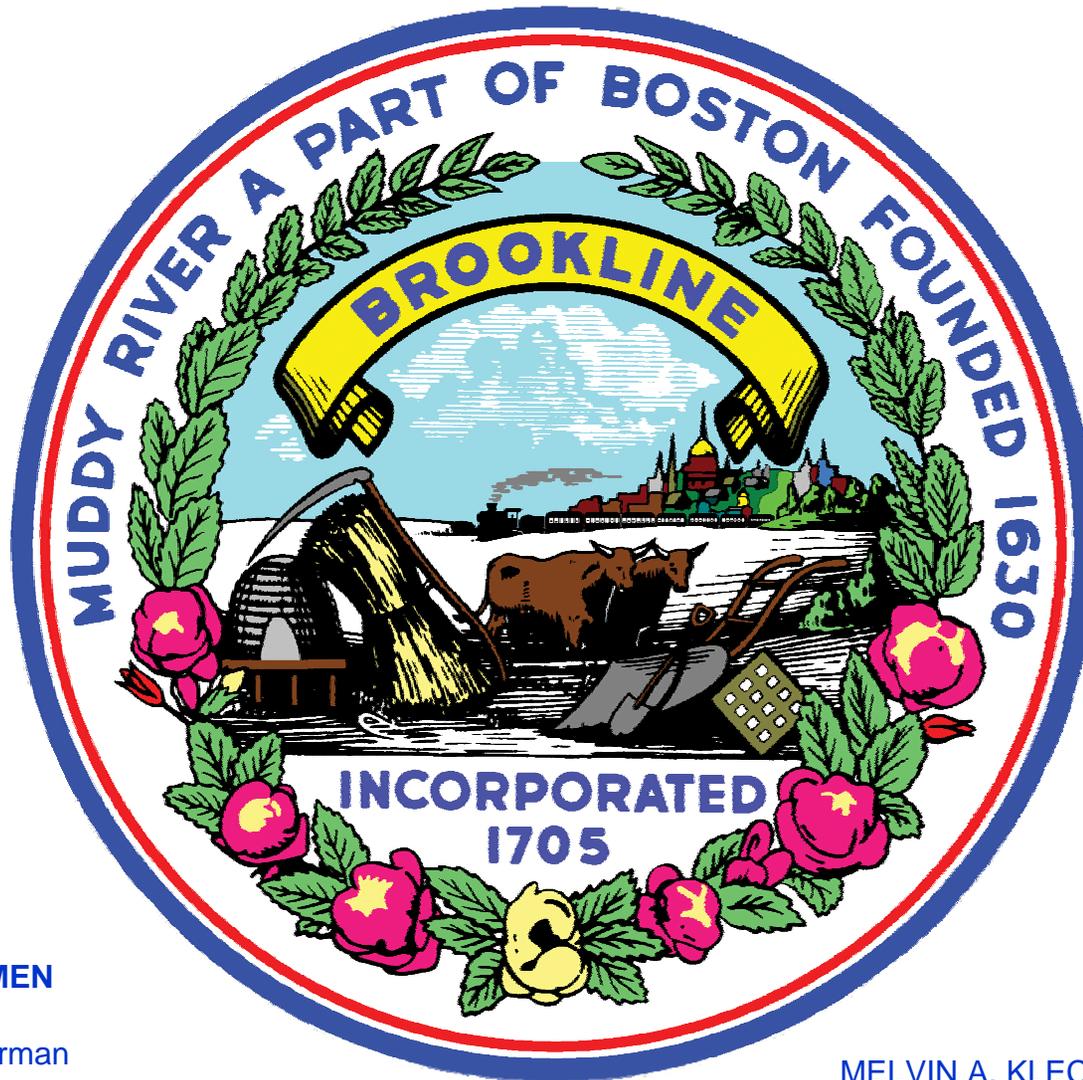


FY2012 FINANCIAL PLAN



BOARD OF SELECTMEN

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STEPHEN E. CIRILLO, Finance Director



FY 2012 BUDGET OVERVIEW

- \$234.2 million budget, representing a 3.6% increase over FY 2011
- Increases in property taxes and other locally generated revenues offset loss of federal stimulus funding, reduction in state aid and increases in health insurance costs
- Municipal department operations maintain programs and services
- School department faces challenges despite a 3.7% budget increase
- Capital Improvement Plan is fully funded and OPEB reserve funding is enhanced
- Free Cash Policy and reserves policy must be reviewed - Fiscal Policy Review Committee has been convened



FY 2012 BUDGET - FISCAL PLANNING AND DISCIPLINE

- The Town of Brookline has avoided drastic reductions in programs/services, loss of reserves, layoffs of incumbent personnel and additional tax overrides
- We have maintained our Aaa Bond Rating
- This is the result of solid fiscal discipline and good long-term budget planning



KEY FACTORS

- ❑ Control of Health Insurance Costs (GIC)
- ❑ Prudent allocation of one-time funds
- ❑ Diversification of revenues (Hotel and Meals taxes)
- ❑ Negotiation of PILOTs
- ❑ Investment in energy efficiency and technology
- ❑ Selective privatization of programs and services
- ❑ Consolidation and reorganization
- ❑ Efficiencies in operations



RECENT INITIATIVES

- ❑ Outsourced all School Grounds Maintenance (FY08)
- ❑ Consolidation of Town/School Payroll functions (FY09)
- ❑ Reduced Haul & Disposal Rates (FY09)
- ❑ Re-Organized Sanitation / Leaf Collection Operations (FY09)
- ❑ Consolidation of Health and Human Service administration (FY10)
- ❑ Consolidation of Arborist / Conservation functions (FY10)
- ❑ Reduction and civilianization of firefighters assigned to Fire Prevention (FY10)
- ❑ Civilianization of Parking Meter Collections (FY10)
- ❑ Merger of Fire and DPW Wires / Signals Divisions (FY10)
- ❑ New meter system and additional Parking Control Officers (FY11)
- ❑ Consolidation of DPW / ITD position (FY11)
- ❑ Outsourced custodial services at Municipal Service Center (FY11)
- ❑ Invested in IT (VoIP, parking tax handhelds, RFID, Fire) (multiple FY's)
- ❑ Recreation Cost Recovery (multiple FY's)

THE FY 2012 BUDGET

	<u>FY 2011</u>	<u>FY 2012</u>	<u>\$\$\$ CHANGE</u>	<u>% CHANGE</u>
REVENUES				
Property Tax	157,878,286	163,159,994	5,281,708	3.3%
Local Receipts	19,718,475	20,525,792	807,317	4.1%
State Aid	13,796,542	13,302,525	(494,017)	-3.6%
Free Cash	4,590,079	5,380,264	790,185	17.2%
Other Available Funds	5,059,259	6,218,966	1,159,708	22.9%
Enterprises (net)	24,995,838	25,618,474	622,636	2.5%
TOTAL REVENUES	226,038,478	234,206,016	8,167,538	3.6%
EXPENDITURES				
Municipal Departments	61,886,857	63,203,477	1,316,620	2.1%
School Department	72,043,133	74,740,587	2,697,454	3.7%
Non- Departmental	52,532,109	56,128,482	3,596,372	6.8%
Special Appropriations	7,102,000	6,979,000	(123,000)	-1.7%
Enterprises (net)	24,995,838	25,618,474	622,636	2.5%
Non-Appropriated	7,478,540	7,535,997	57,457	0.8%
TOTAL EXPENDITURES	226,038,478	234,206,016	8,167,538	3.6%



REVENUES

- Property Tax increases by 3.3%, reflecting a stable source of revenue
- State Aid is down by \$500,000, using a modified projection from Governor's Budget
- Local Receipts is up, reversing a three-year trend of declining revenues. Includes a \$330,000 PILOT payment from BU
- Free Cash is certified at \$7.1 million, but it is recommended that only \$5.38 million be used for CIP and Reserves
- Other Available Funds increased by over \$1 million resulting from Parking Meter increase.



EXPENSES

- Municipal Departments up 2.1 % including salary reserve

- School Department up 3.7%, inclusive of a salary reserve.
 - 75% of Parking Meter revenue was allocated to make up for loss of federal funds and in recognition of increasing enrollment
 - Hope for greater State Aid and/or lower Health Insurance

- Health Insurance up 10%, plus the increased share of premium contributions
 - New HRA, subject to negotiation with PEC and approval of GIC

- Enterprises up 2.5%.
 - Focus on cost recovery and accounting

FY12 POLICY ISSUES & INITIATIVES

□ Employee Health Insurance

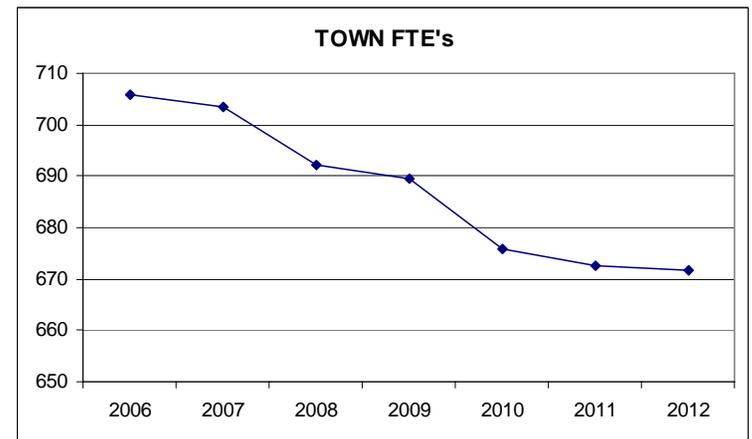
- Continues to be major cost center
- FY12 budget \$5.5M less than it would have been without move to GIC
- Average employee to benefit over 3-yr period
- Recommend \$250K HRA

AVG FAMILY PLAN SUBSCRIBER (3-YR PER.)

	<u>PPO</u>	<u>HMO</u>
Premium Savings	(\$9,452)	(\$10,489)
<u>Out of Pocket Increase</u>	<u>\$4,300</u>	<u>\$4,300</u>
Net Savings	(\$5,152)	(\$6,189)

□ Staffing & Compensation

- 5% reduction in Town FTE's since FY06
- FY12 net staffing reduction of 1 FTE
 - Elimination of vacant Comptroller's Office position and vacant Motor Equipment Repairman; reduced hours of one position in the Selectmen's Office so no longer benefits eligible
- \$15K increase in Training funding for increased professional development



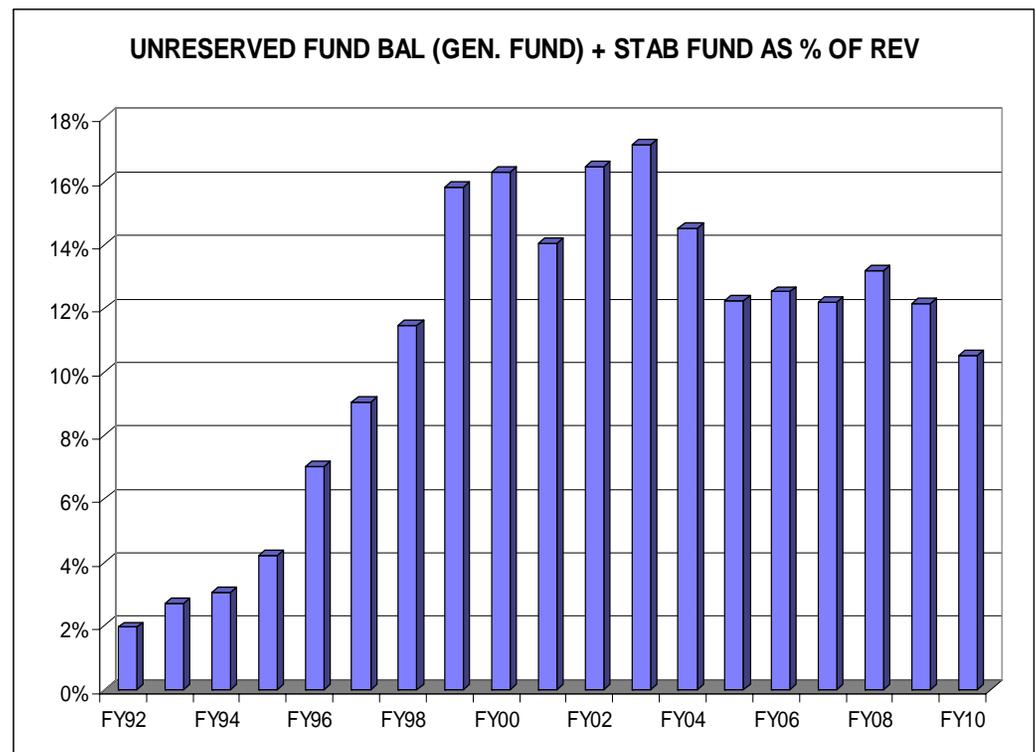
FY12 POLICY ISSUES & INITIATIVES

□ Recreation Cost Recovery

- Continue to implement the cost recovery “pyramid” model
- Simplified accounting of programs (all operating expenses in Rec budgets now instead of having funds in Rec, DPW, and Building Dept)
- Shift \$52K from General Fund to Revolving Fund

□ Financial Reserves

- Continue 1% reserve fund
- Leave \$1.7M of the \$7.1M Free Cash certification unappropriated instead of augmenting the CIP
- Steps taken to prepare for the “Pension bump” paid off: FY12 increase of \$657K instead of \$1.8M, while only increasing funding date from 2025 to 2028
- Increase on-going funding stream for OPEB’s to \$1.25M (+\$500K)





FY12 POLICY ISSUES & INITIATIVES

- Energy Conservation & Efficiency
 - Electricity contract - “Blend and Extend” saved \$100K
 - 5 new hybrid vehicles, including 1 Volt
 - W&S costs built into departmental budgets instead of in water/sewer rate

- Operating Efficiencies
 - EIC recommendations that have been implemented save \$1.3M in FY12
 - Moving to mobile-based citizen interaction system
 - Handhelds in the field for various departments
 - Increased use of GPS (DPW, Building Dept)
 - Increased savings from VoIP (eliminating phone lines)

- Expanded Revenue Capacity
 - New Growth of \$1.5M (increases property tax growth from 2.5% to 3.4%)
 - Increase in PILOT’s of \$330K (BU agreement)
 - +\$1M in Parking Meter revenue



LONG-RANGE FINANCIAL PLAN

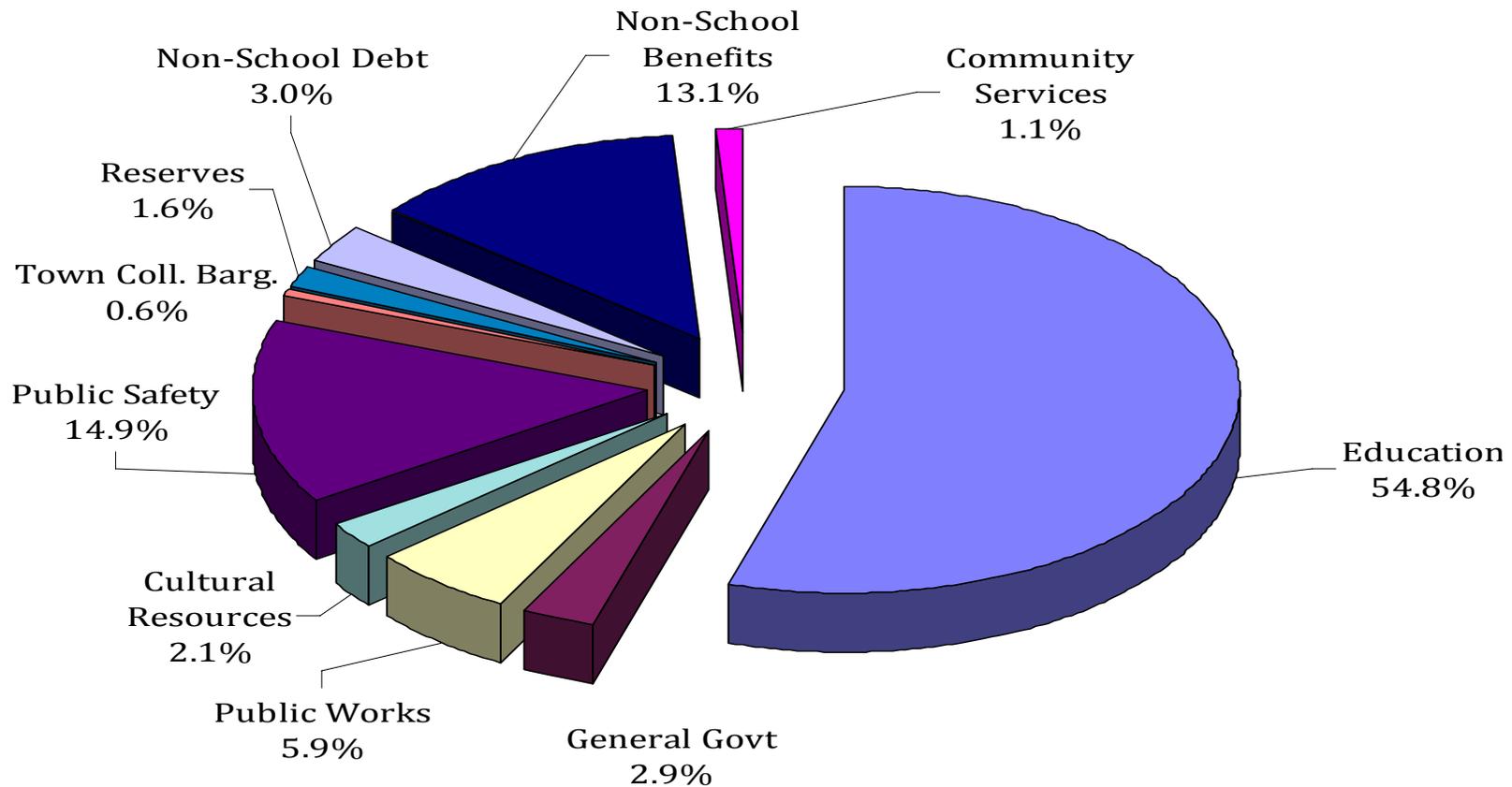
- Important to take a longer outlook on financial and budget issues
- Consistent with our longer range capital planning process
- The Plan is based upon assumptions. The nature of long range budget forecasting is conservative and cumulative
- Deficits beginning in FY 2013 ranging from \$3.3 million to \$7.1 million in FY 2016, representing a structural gap between revenue growth of 3.0% and expenditure growth of 3.75%
- Our goal is to eliminate that gap in a way that balances revenue growth and expenditure control

FINANCIAL PLAN SUMMARY

	General Fund	Water & Sewer Enterprise Fund	Golf Enterprise Fund	Recreation Revolving Fund	Parking Meter Fund	Cemetery Trust	State Library Aid	TOTAL	% of Total
REVENUES									
Property Taxes	163,159,995							163,159,995	69.7%
Local Receipts	20,525,792							20,525,792	8.8%
State Aid	13,302,525							13,302,525	5.7%
Parking Meter Receipts					3,800,000			3,800,000	1.6%
Walnut Hill Cemetery Fund						50,000		50,000	0.0%
State Aid for Libraries							41,555	41,555	0.0%
Golf Receipts			1,204,000					1,204,000	0.5%
Recreation Program Revenue				2,054,280				2,054,280	0.9%
Water and Sewer Receipts		24,687,606						24,687,606	10.5%
Free Cash	5,380,264							5,380,264	2.3%
TOTAL FINANCIAL PLAN REVENUE	202,368,576	24,687,606	1,204,000	2,054,280	3,800,000	50,000	41,555	234,206,016	
EXPENDITURES *									
General Government	7,530,240							7,530,240	3.2%
Public Safety	32,041,400				1,875,000			33,916,400	14.5%
Public Works	11,122,912	20,484,255			1,875,000	50,000		33,532,167	14.3%
Library	3,501,308						41,555	3,542,863	1.5%
Health & Human Services	2,283,803							2,283,803	1.0%
Recreation	992,259		854,469	1,758,368				3,605,096	1.5%
Schools	74,740,587							74,740,587	31.9%
Personal Services Reserve	715,000							715,000	0.3%
Collective Bargaining (Town)	1,175,000							1,175,000	0.5%
Personnel Benefits *	40,641,073	1,867,647	93,806	291,742				42,894,268	18.3%
Non-Departmental *	2,755,577		70,046	4,170				2,829,793	1.2%
Debt Service *	10,404,421	2,335,704	185,679					12,925,804	5.5%
Special Appropriations (Revenue-Financed CIP)	6,929,000				50,000			6,979,000	3.0%
Non-Appropriated	7,535,997							7,535,997	3.2%
TOTAL FINANCIAL PLAN EXPENDITURES	202,368,576	24,687,606	1,204,000	2,054,280	3,800,000	50,000	41,555	234,206,016	
% OF TOTAL FINANCIAL PLAN	86.4%	10.5%	0.5%	0.9%	1.6%	0.0%	0.0%		

* For purposes of this analysis, the reimbursements from the enterprise funds and revolving fund are deducted from the General Fund and re-allocated within that particular fund. Accounts with an * had amounts deducted from them in the General Fund.

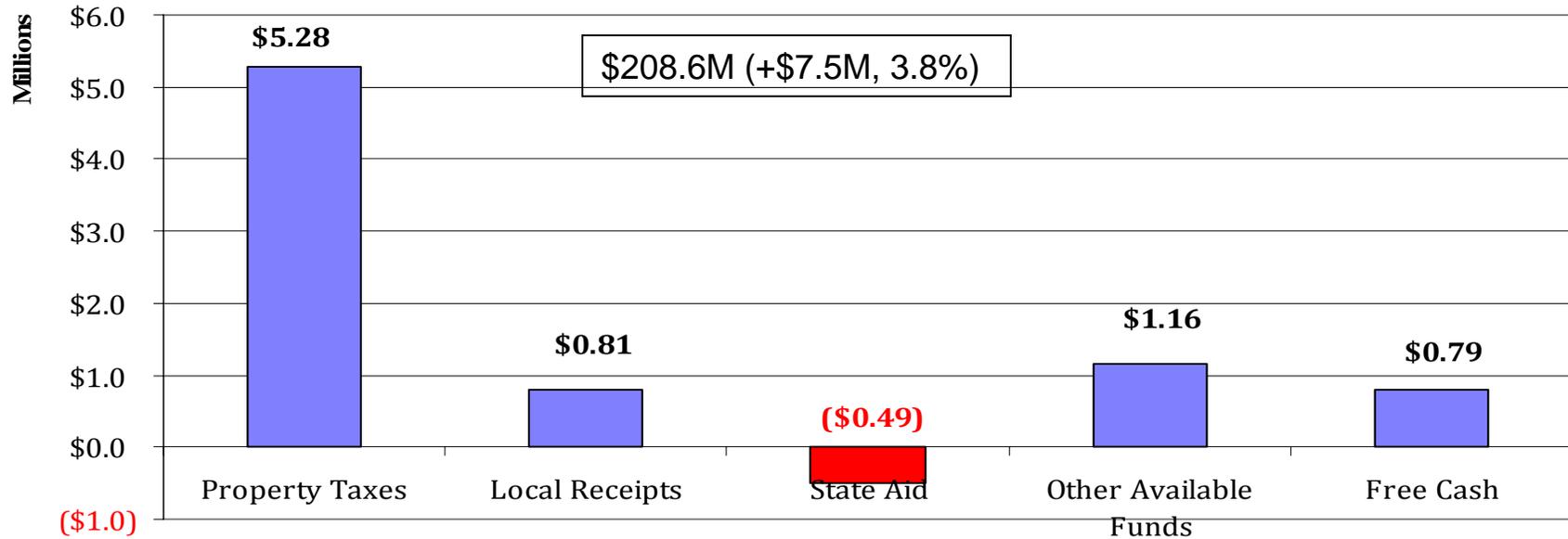
FULLY ALLOCATED FY2012 GENERAL FUND OPERATING BUDGET



GENERAL FUND SUMMARY

	FY2011 BGT.	FY2012 BGT.	INCR./DECR.	
			\$	%
REVENUE				
Property Tax	157,878,286	163,159,994	5,281,708	3.3%
Local Receipts	19,718,475	20,525,792	807,317	4.1%
State Aid	13,796,542	13,302,525	(494,017)	-3.6%
Free Cash	4,590,079	5,380,264	790,185	17.2%
Other Available Funds	5,059,259	6,218,966	1,159,708	22.9%
TOTAL REVENUE	201,042,641	208,587,542	7,544,901	3.8%
(LESS) NON-APPROPRIATED EXPENSES				
State & County Charges	5,556,335	5,704,158	147,823	2.7%
Tax Abatement Overlay	1,795,169	1,700,000	(95,169)	-5.3%
Deficits & Judgments	25,000	25,000	0	0.0%
Cherry Sheet Offsets	102,036	106,839	4,803	4.7%
TOTAL NON-APPROPRIATED EXPENSES	7,478,540	7,535,997	57,457	0.8%
AMOUNT AVAILABLE FOR APPROPRIATION	193,564,101	201,051,545	7,487,444	3.9%
APPROPRIATIONS				
Town Departments	61,886,857	63,203,477	1,316,620	2.1%
School Department	72,043,133	74,740,587	2,697,454	3.7%
Non-Departmental Total	52,532,109	56,128,482	3,596,372	6.8%
General Fund Non-Departmental	50,214,405	53,801,071	3,586,665	7.1%
Water and Sewer Enterprise Fund Overhead	1,869,338	1,867,647	(1,691)	-0.1%
Golf Enterprise Fund Overhead	191,161	163,852	(27,309)	-14.3%
Recreation Revolving Fund Overhead	257,205	295,912	38,707	15.0%
OPERATING BUDGET SUBTOTAL	186,462,101	194,072,545	7,610,444	4.1%
Revenue-Financed Special Appropriations	7,102,000	6,979,000	(123,000)	-1.7%
TOTAL APPROPRIATIONS	193,564,101	201,051,545	7,487,445	3.9%
BALANCE	0	0	0	

GENERAL FUND REVENUE CHANGES

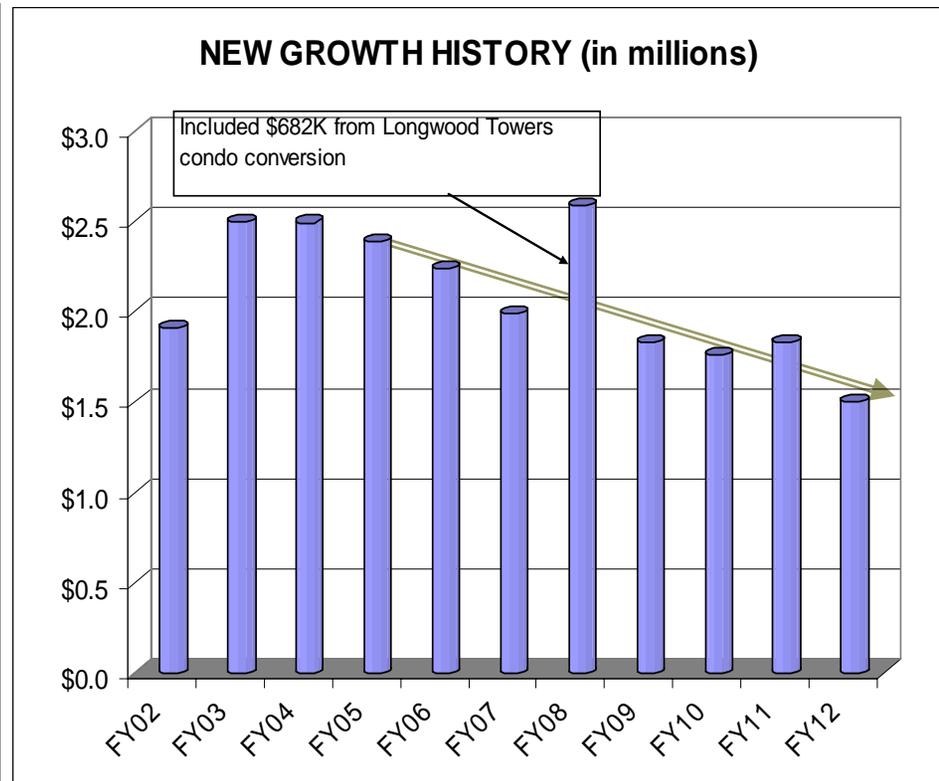


	FY11	FY12	\$ Change	% Change
Total General Fund Revenue	201,042,640	208,587,543	7,544,903	3.8%
<u>Less:</u>				
SBA Reimbursements	1,227,634	1,227,634	0	0.0%
Net Debt Exclusions	1,258,944	1,090,408	(168,536)	-13.4%
Revenue for CIP	4,590,079	5,380,264	790,185	17.2%
Free Cash	4,590,079	5,380,264	790,185	17.2%
Tax Abatement Reserve Surplus	0	0	0	-
Capital Project Surplus	0	0	0	-
OPERATING REVENUE	193,965,983	200,889,236	6,923,253	3.6%

PROPERTY TAX – NEW GROWTH

- Has been a critical component of the Town’s overall fiscal health

	2.5% Growth	New Growth	New Growth as % of 2.5% Growth
FY02	\$2.46	\$1.91	78%
FY03	\$2.57	\$2.49	97%
FY04	\$2.69	\$2.49	92%
FY05	\$2.82	\$2.39	84%
FY06	\$2.95	\$2.23	76%
FY07	\$3.08	\$1.99	65%
FY08	\$3.21	\$2.58	80%
FY09	\$3.36	\$1.83	54%
FY10	\$3.64	\$1.76	48%
FY11	\$3.78	\$1.83	48%
FY12 (est.)	\$3.92	\$1.50	38%
TOTAL	\$39.10	\$26.47	68%

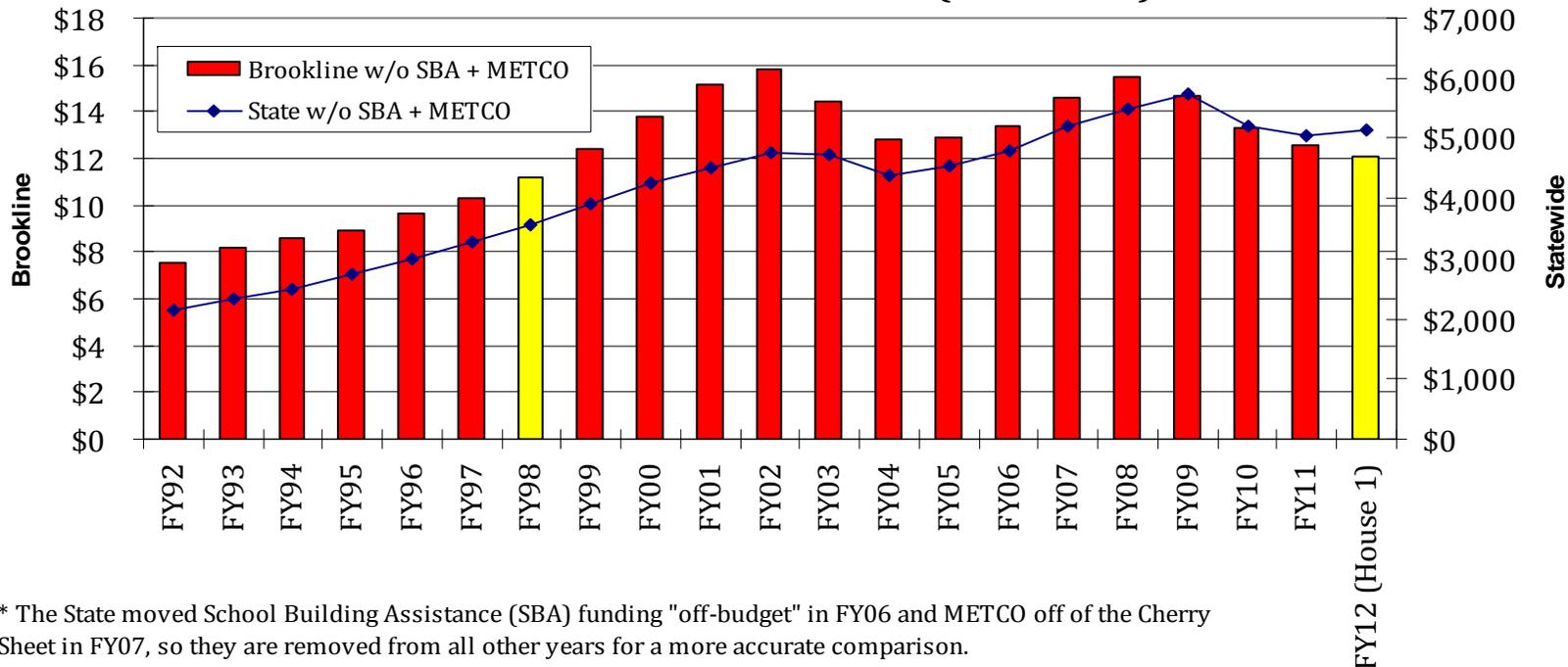


- In FY12, estimating \$1.5 million, which would be the lowest since FY99.

STATE AID

- Partially following Governor's budget: assuming proposed increase in Ch. 70 (\$37K), but a larger cut (10%, \$537K) in Unrestricted General Gov't Aid than proposed (7.2%, \$388K)
- FY12 decrease of \$494K (3.6%), exclusive of SBA reimbursements

CHERRY SHEET AID HISTORY (in millions)

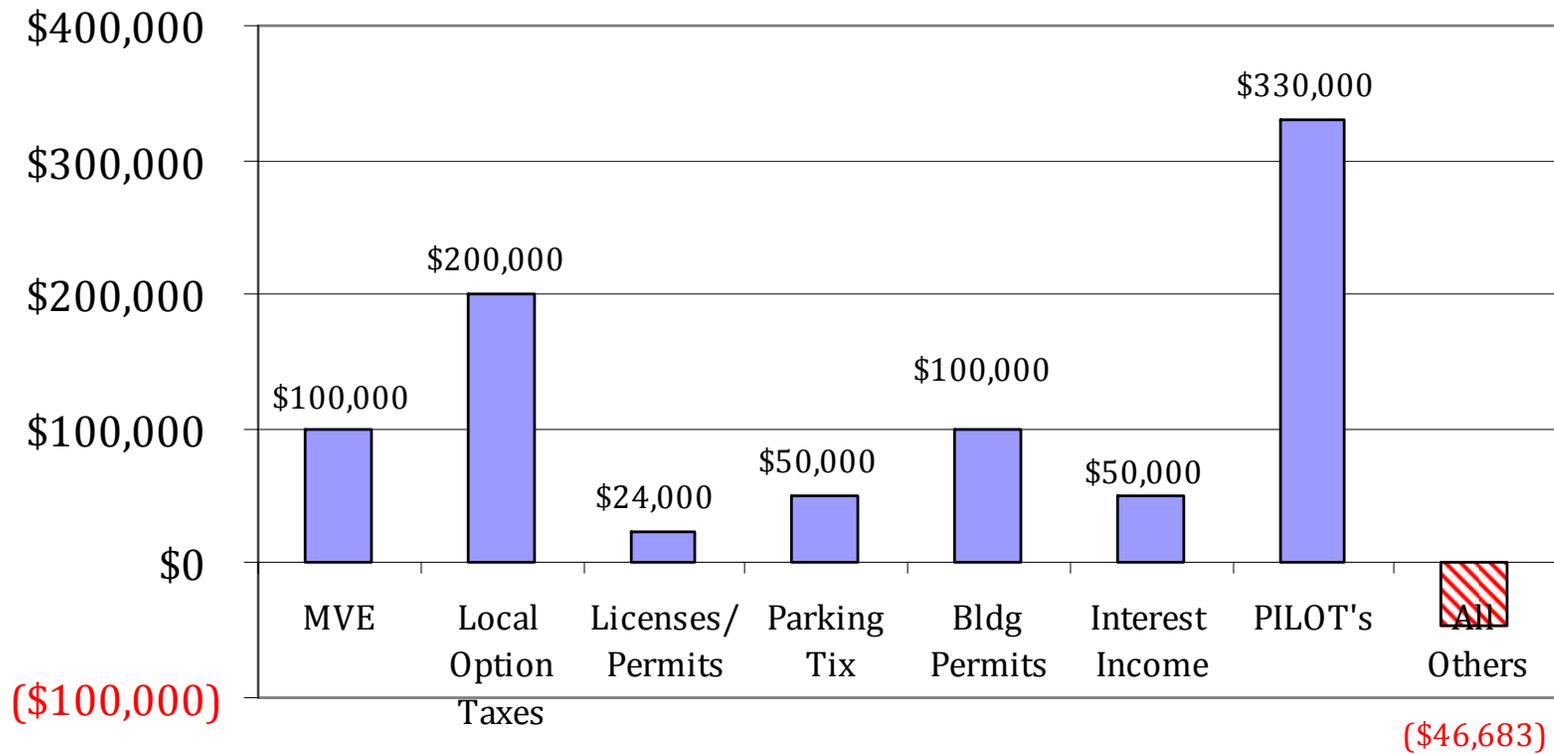


* The State moved School Building Assistance (SBA) funding "off-budget" in FY06 and METCO off of the Cherry Sheet in FY07, so they are removed from all other years for a more accurate comparison.

LOCAL RECEIPTS

- FY12 increase of \$807K (4.1%)

FY12 LOCAL RECEIPT CHANGES





PARKING METER RECEIPTS

- FY12 increase of \$1.15M (43.4%)

- \$1M is from the meter rate increase / time extension approved by the Selectmen and Transportation Board, respectively
 - \$50K recommended to augment CIP funding for Commercial Area Improvements
 - \$950K split 75% School (\$712,500) / 25% Town (\$237,500)

- \$100K from a change in the accounting of Guest Overnight Parking from a Local Receipt to Parking Meter Receipts

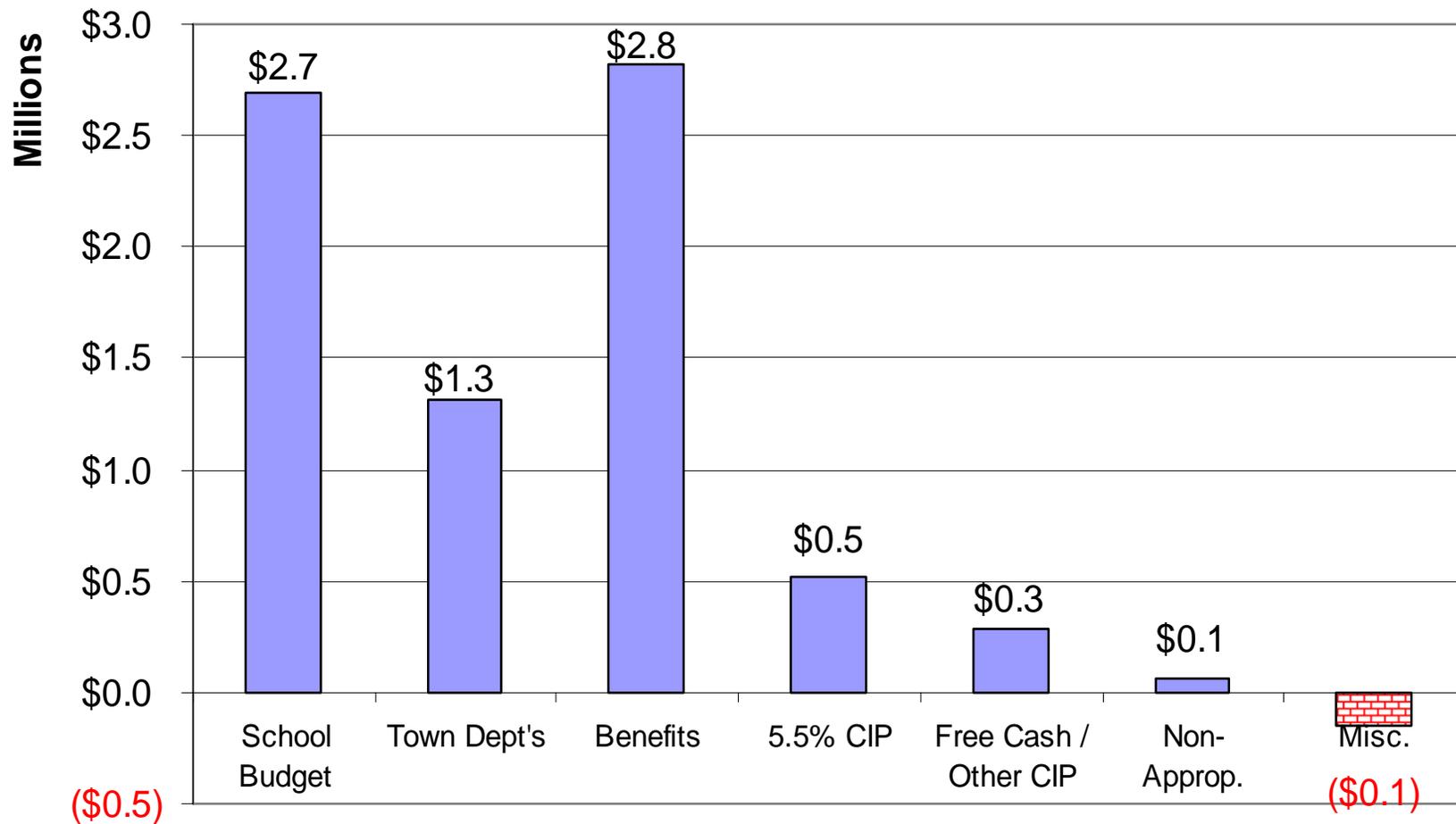
- \$50K increase based on FY10 actual collections



FREE CASH

- Free Cash as of 7/1/10 certified at \$7.1M
- For FY12, recommending using \$5.38 million, leaving \$1.7 million unappropriated to help improve the undesignated fund balance situation
- Moody's 2011 credit report: "available reserve levels declined (to) 10.5% of revenues...this represents the town's lowest available reserve balance as a percent of revenues since at least 2003."
- Used in accordance with the Town's Free Cash Policies
 - \$469,288 for the Operating Budget Reserve Fund
 - \$355,264 for the Affordable Housing Trust Fund
 - \$141,959 for the Liability/Catastrophe Fund
 - \$4,413,753 for the CIP

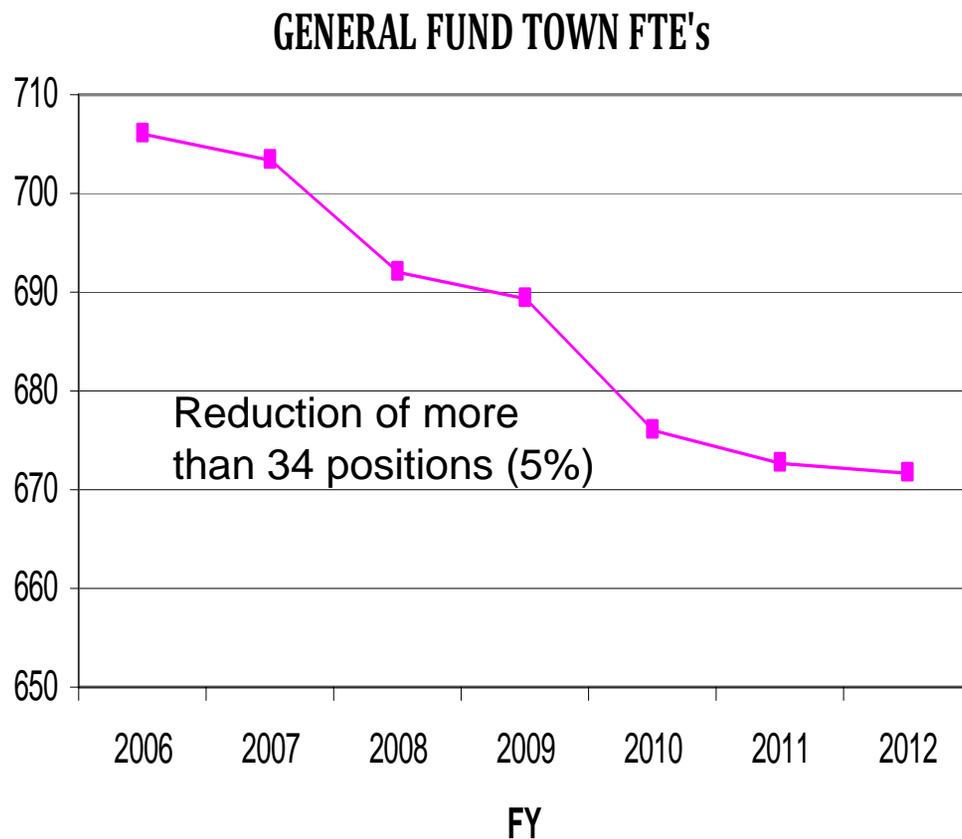
GENERAL FUND EXPENDITURE GROWTH



DEPARTMENTAL CHANGES

<u>DEPARTMENT</u>	<u>FY12 BUDGET</u>	<u>% OF DEPT'AL TOTAL</u>	<u>FY12 vs FY11</u>	
			<u>\$</u>	<u>%</u>
Selectmen's Office	\$611,303	1.0%	(\$2,503)	-0.4%
Human Resources Department	\$527,139	0.8%	\$23,728	4.7%
Information Technology	\$1,419,821	2.2%	\$11,328	0.8%
Finance Department	\$2,951,163	4.7%	\$1,404	0.0%
Legal Services	\$773,090	1.2%	\$10,129	1.3%
Advisory Committee	\$19,509	0.0%	(\$15)	-0.1%
Town Clerk	\$564,494	0.9%	(\$39,495)	-6.5%
Planning & Community Development	\$663,720	1.1%	\$2,592	0.4%
Police Department	\$14,730,072	23.3%	\$39,073	0.3%
Fire Department	\$12,343,063	19.5%	\$123,273	1.0%
Building Department	\$6,843,265	10.8%	(\$14,456)	-0.2%
Public Works	\$13,047,912	20.6%	\$285,722	2.2%
Library	\$3,542,863	5.6%	\$100,000	2.9%
Health	\$1,128,426	1.8%	\$34,661	3.2%
Veterans' Services	\$245,409	0.4%	\$1,727	0.7%
Council on Aging	\$806,952	1.3%	\$31,593	4.1%
Human Relations Youth Resources	\$103,016	0.2%	(\$43)	0.0%
Recreation Department	\$992,259	1.6%	\$48,410	5.1%
Personal Services Reserve	\$715,000	1.1%	(\$40,507)	-5.4%
Collective Bargaining	\$1,175,000	1.9%	\$700,000	
TOTAL	\$63,203,477		\$1,316,620	

STAFFING LEVELS

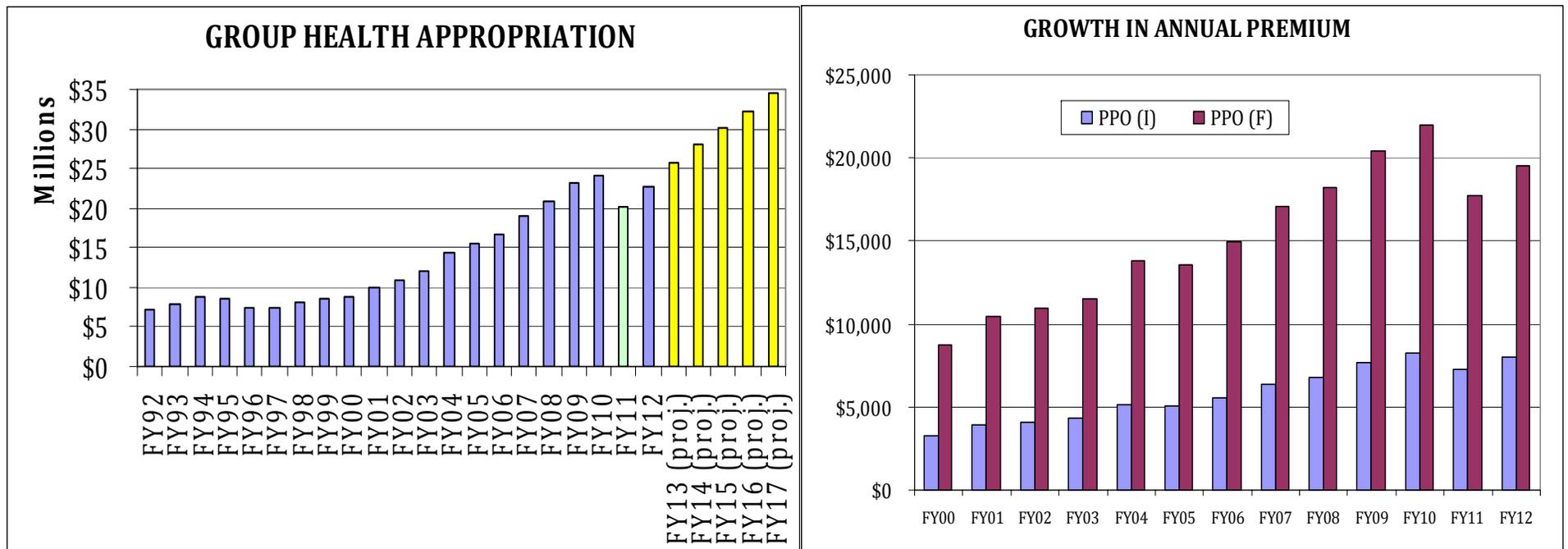


EXAMPLES

- 7 in DPW from privatization efforts
- 2 in DPW from consolidation efforts (1 from combining Fire Wires w/Highway and 1 from combining IT position w/ITD)
- 6 more in DPW from eliminating vacant positions
- 3 in Police/Fire from civilianization efforts
- 7 more cut from Police/Fire
- 2 from investment in IT (Police and Library)
- 4 from A&F Dept's

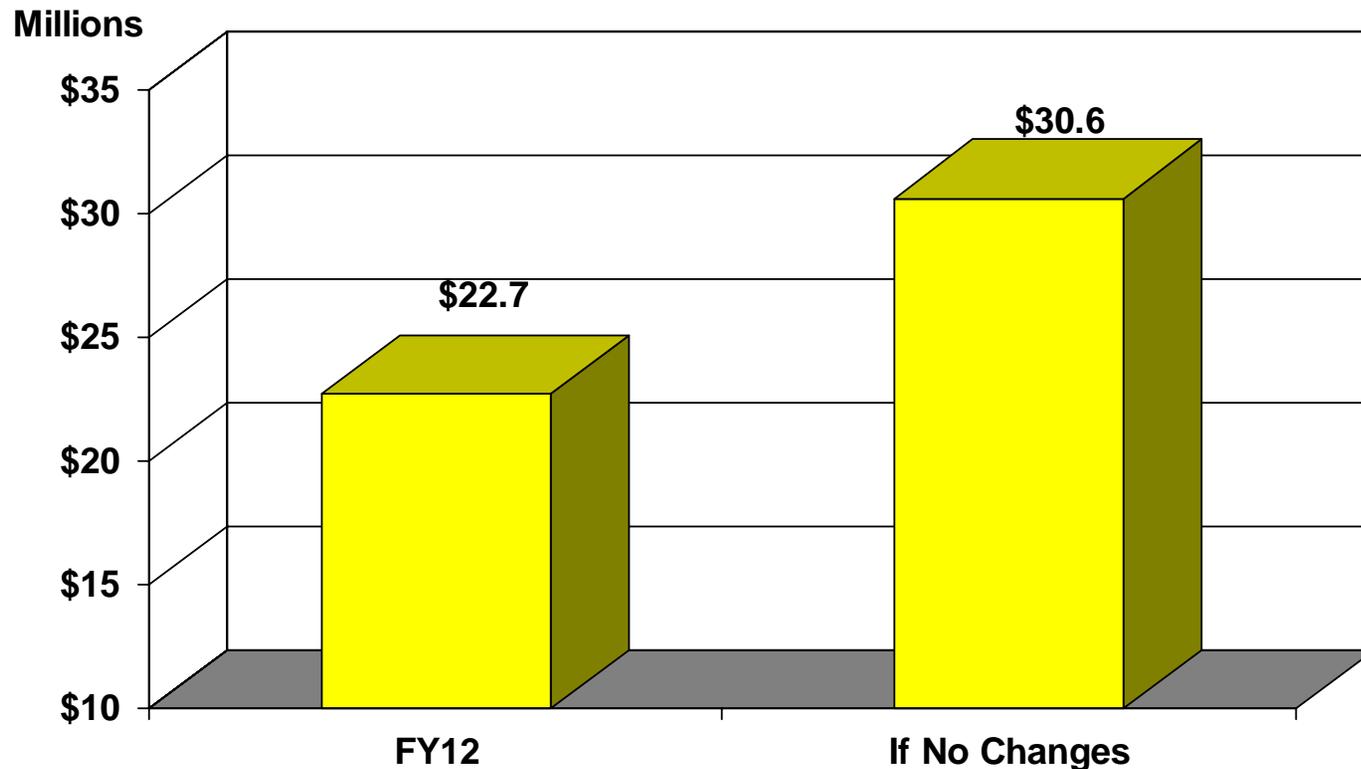
HEALTH INSURANCE

- Estimated FY12 increase of \$2.5M (12.3%)
- Budgeted a separate \$250K HRA



- Health insurance now consumes 12% of the Operating Budget vs 6% in FY00.
- Budgetary growth of \$14M (161%) during the same period.
- Since 2000, enrollment has grown by 288 (11%), due primarily to Schools.
- FY11 total cost of Hvd PPO family plan is \$17,733; FY12 total cost est of \$19,506.

HEALTH INSURANCE EFFORTS



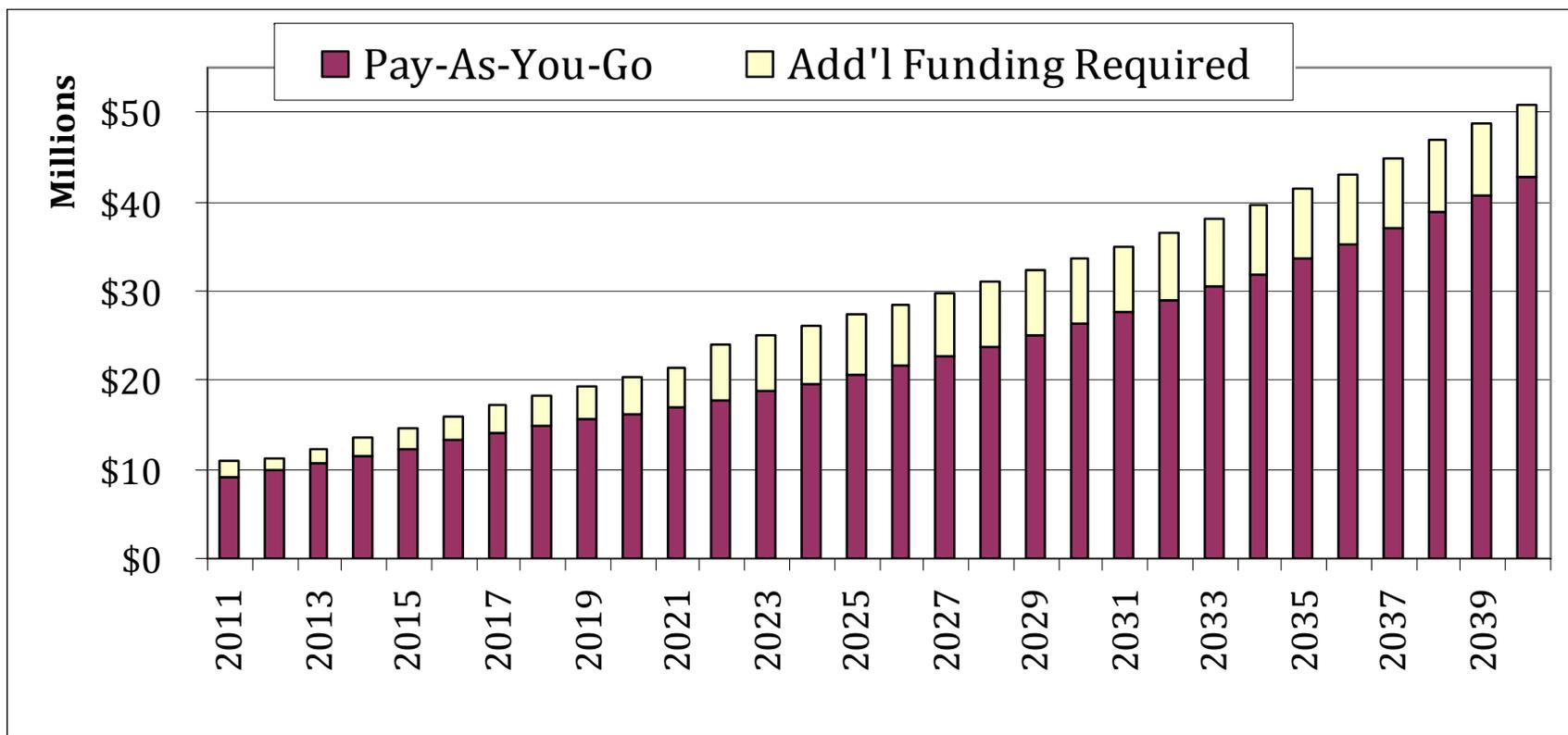
- Consolidation in FY05 saved approx. \$1.2M
- Plan Design Changes in FY08 saved approx. \$1.1M
- Move to GIC in FY11 saved approx. \$5.6M

OPEB'S

- FY12 Financial Plan includes the following:
 - Increase in funding from operating revenue by \$500K to \$1.25M
 - Full assessment of Town special revenue funds for their liability
 - Use of “run-off” from funding for Non-Contributory retirees

	<u>2012</u>
Non-Contributory (Pensions) Savings	60,000
Special Rev Funds	138,435
School Spec Rev Funds	100,000
Operating Revenue	1,250,000
TOTAL	1,548,435

OPEB FUNDING SCHEDULE



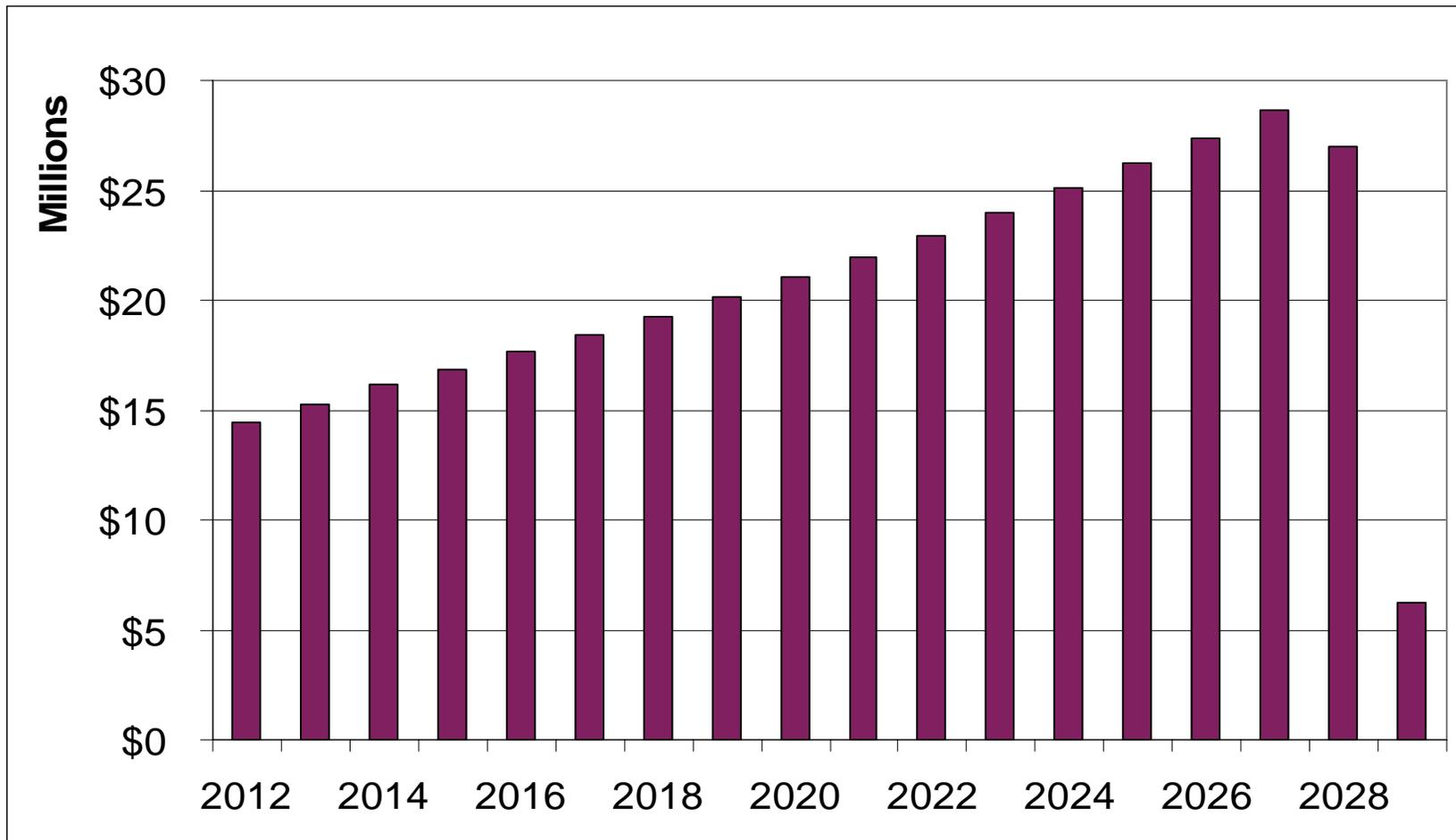
- Will be fully-funding the ARC (Annual Required Contribution) in approx. 10 yrs.

PENSIONS

- ❑ CY08 loss of 28% followed by CY09 gain of 23%
- ❑ Over same period, funding schedule assumed 16.5% return (8.25%/yr)
- ❑ Result was an increase in unfunded liability and a spike in funding requirements
- ❑ Took steps in FY10 and FY11 to begin addressing this problem by using the local option taxes; result is FY12 growth of \$657K compared to what would have been close to \$1.9 million
- ❑ Allowed the Town to more honestly address the funding spike instead of significantly extending the funding schedule (went from 2025 to 2028)

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Original funding schedule	12,063,565	12,565,355	13,083,124
Augmented with local option taxes	13,028,716	13,784,954	
FY12			14,442,334
FY12 vs Original FY11			1,876,979
FY12 vs Augmented FY11			657,380

PENSIONS FUNDING SCHEDULE



FY2012 WATER & SEWER ENTERPRISE FUND

	FY2011 BUDGET	FY2012 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
REVENUE					
Rate Revenue	23,990,300	24,485,606	495,306	2.1%	99.2%
Late Payment Fees	110,000	110,000	0	0.0%	0.4%
Water Service Charges	82,000	82,000	0	0.0%	0.3%
Misc.	10,000	10,000	0	0.0%	0.0%
TOTAL REVENUE	24,192,300	24,687,605	495,306	2.0%	
EXPENDITURES					
Personnel	2,238,681	2,266,701	28,020	1.3%	9.2%
Services	309,381	319,089	9,708	3.1%	1.3%
Supplies	118,815	122,415	3,600	3.0%	0.5%
Other	6,400	6,400	0	0.0%	0.0%
Utilities	162,998	160,625	(2,373)	-1.5%	0.7%
Capital Outlay	140,300	254,650	114,350	81.5%	1.0%
Inter-Governmental (MWRA)	16,611,594	17,109,942	498,348	3.0%	69.3%
Benefits	1,324,326	1,304,915	(19,411)	-1.5%	5.3%
Inter-Departmental Overhead	545,013	562,732	17,719	3.3%	2.3%
Debt Service	2,495,199	2,335,704	(159,494)	-6.4%	9.5%
Reserve	239,595	244,432	4,837	2.0%	1.0%
TOTAL EXPENDITURE	24,192,300	24,687,605	495,305	2.0%	
BALANCE	0	0	0		

FY2012 GOLF COURSE ENTERPRISE FUND

	FY2011 BUDGET	FY2012 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
REVENUE					
Greens Fees	1,045,000	980,000	(65,000)	-6.2%	81.4%
Golf Cart Rentals	82,000	75,000	(7,000)	-8.5%	6.2%
Pro Shop Sales	75,000	50,000	(25,000)	-33.3%	4.2%
Concessions	30,000	46,000	16,000	53.3%	3.8%
Golf Clinics	17,500	30,000	12,500	71.4%	2.5%
Other	16,700	23,000	6,300	37.7%	1.9%
TOTAL REVENUE	1,266,200	1,204,000	(62,200)	-4.9%	
EXPENDITURES					
Personnel	431,548	425,885	(5,663)	-1.3%	35.4%
Services	125,242	116,566	(8,676)	-6.9%	9.7%
Supplies	132,975	118,200	(14,775)	-11.1%	9.8%
Other	4,100	4,100	0	0.0%	0.3%
Utilities	91,398	89,817	(1,581)	-1.7%	7.5%
Capital Outlay	85,580	83,900	(1,680)	-2.0%	7.0%
Debt Service	189,130	185,679	(3,452)	-1.8%	15.4%
Benefits / Other	138,164	131,152	(7,012)	-5.1%	10.9%
Town Fee (Transfer to Town for general use)	52,997	32,700	(20,297)	-38.3%	2.7%
Reserve	15,065	16,000	935	6.2%	1.3%
TOTAL EXPENDITURE	1,266,200	1,204,000	(62,200)	-4.9%	32
BALANCE	0	0	0		

FY2012 RECREATION REVOLVING FUND

	FY2011 BUDGET	FY2012 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
REVENUE					
Adult Programs	41,200	0	(41,200)	-100.0%	0.0%
Aquatic	432,600	281,920	(150,680)	-34.8%	13.7%
Community Programs	16,931	0	(16,931)	-100.0%	0.0%
Eliot Center	0	327,690	327,690	-	16.0%
Environmental Programs	30,900	75,439	44,539	144.1%	3.7%
Ice Skating	113,300	243,232	129,932	114.7%	11.8%
Outdoor Recreation	0	271,309	271,309	-	13.2%
Outdoor Athletics	0	168,211	168,211	-	8.2%
Permits	72,100	0	(72,100)	-100.0%	0.0%
School-Based Programs	490,869	0	(490,869)	-100.0%	0.0%
Soule Center	0	537,946	537,946	-	26.2%
Soule Gym	0	22,325	22,325	-	1.1%
Summer Camp	281,190	0	(281,190)	-100.0%	0.0%
Tappan Facility	0	126,207	126,207	-	6.1%
Teen Programs	51,500	0	(51,500)	-100.0%	0.0%
Tennis/Open Basketball Programs	82,400	0	(82,400)	-100.0%	0.0%
Youth Programs	242,050	0	(242,050)	-100.0%	0.0%
TOTAL REVENUE	1,855,040	2,054,280	199,240	10.7%	
EXPENDITURES					
Personnel	1,180,767	1,291,160	110,393	9.3%	62.9%
Services	188,206	192,108	3,902	2.1%	9.4%
Supplies	135,169	108,073	(27,097)	-20.0%	5.3%
Other	41,135	40,338	(797)	-1.9%	2.0%
Utilities	28,689	120,321	91,631	319.4%	5.9%
Capital Outlay	23,870	6,369	(17,501)	-73.3%	0.3%
Benefits / Other	257,205	295,912	38,707	15.0%	14.4%
TOTAL EXPENDITURE	1,855,040	2,054,280	199,240	10.7%	
BALANCE	0	0	0		

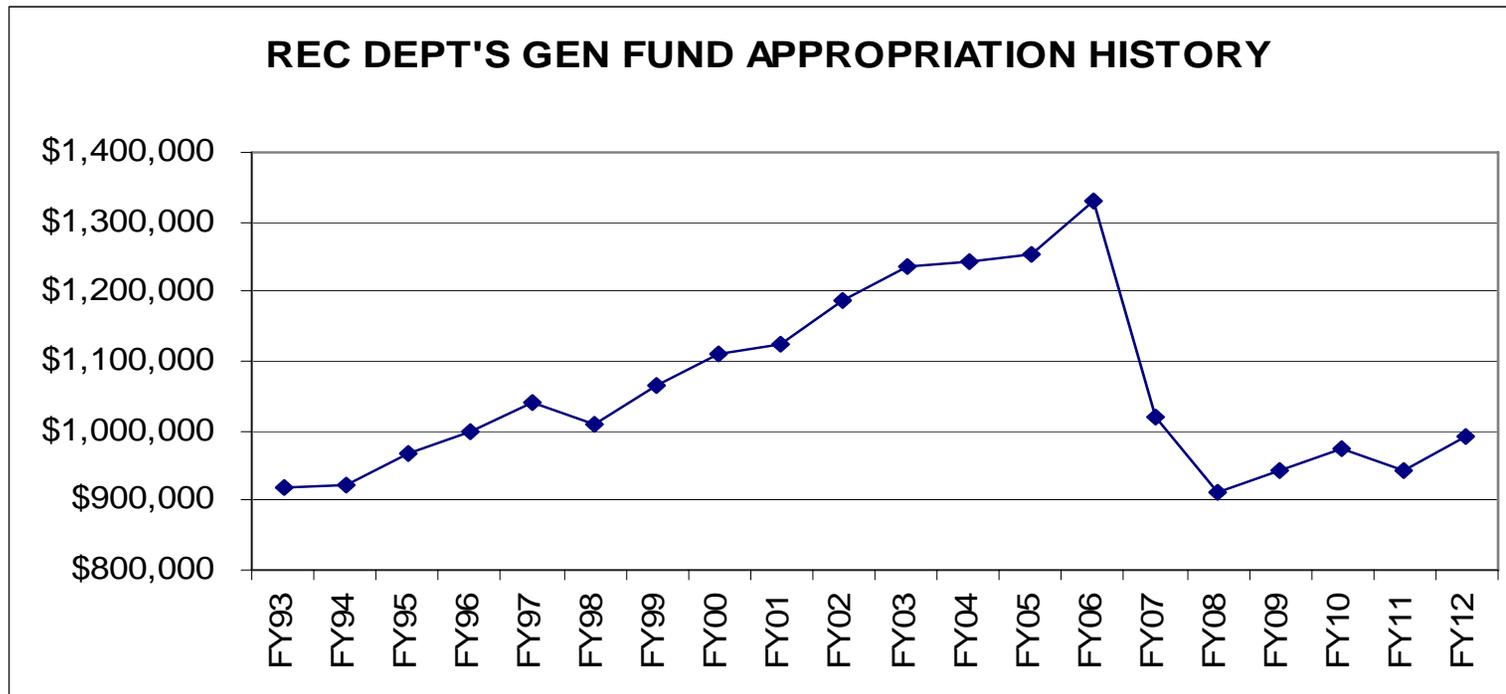
RECREATION – COST RECOVERY

GENERAL FUND BUDGETS					
Category of Expenditure	Recreation Revolving Fund	GENERAL FUND BUDGETS			Impact on General Fund
		Recreation	Building	Public Works	
Swimming pool Electricity		64,590	(64,590)		0
Swimming pool Natural Gas		39,900	(39,900)		0
Rec Facilities Electricity	53,940	(53,940)			(53,940)
Rec Facilities Natural Gas	14,052	(14,052)			(14,052)
Skating Rink Personnel	41,997			(41,997)	(41,997)
Skating Rink R&M	8,500			(8,500)	(8,500)
Skating Rink Supplies	1,500			(1,500)	(1,500)
Services/Supplies/Other	(67,637)	67,637			67,637
TOTAL	52,352	104,135	(104,490)	(51,997)	(52,352)

RECREATION – COST RECOVERY

	ACTUAL	BUDGET	REQUEST
	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>
<u>REVENUES</u>			
General Fund	0	0	0
Revolving Fund	1,828,737	1,855,041	2,054,280
<u>Golf Enterprise Fund</u>	<u>1,132,976</u>	<u>1,266,200</u>	<u>1,204,000</u>
TOTAL	2,961,713	3,121,241	3,258,280
<u>EXPENDITURES</u>			
General Fund	905,021	943,849	992,259
General Fund Benefits (est.)	215,647	212,628	225,045
Revolving Fund	1,731,011	1,855,041	2,054,280
<u>Golf Enterprise Fund</u>	<u>1,160,829</u>	<u>1,266,200</u>	<u>1,204,000</u>
TOTAL	4,012,507	4,277,718	4,475,584
Cost Recovery	73.8%	73.0%	72.8%
General Fund Subsidy	26.2%	27.0%	27.2%

RECREATION – COST RECOVERY



- Increase of just \$75K (8%) over a 20-yr period
- Due to shifting more costs to the Revolving Fund (fees)



CAPITAL IMPROVEMENT PROGRAM

- Developed within the parameters of the Board of Selectmen's CIP Policies
- At full funding (5.5%)
- Calls for an investment of \$157.4 million over the next six years, for an average of \$26.2 million/yr
- \$4.4 million of Free Cash is used to support the CIP in FY12
- 2008 Override included \$750K for streets / sidewalks. These funds increased 2.5% each year of the CIP (\$808K in FY12)
- Recommending \$50K/yr from the increase in Parking Meter rates be dedicated to the CIP for Commercial Area Improvement program
- Financing plan includes \$41M of outside funding sources
 - \$3.25 million from the sale of the Town-owned Fisher Hill Reservoir to be used to fund the construction of a playing field on the State-owned site
 - \$37 million in State / Federal grants (mostly MSBA)



MAJOR CIP PROJECTS

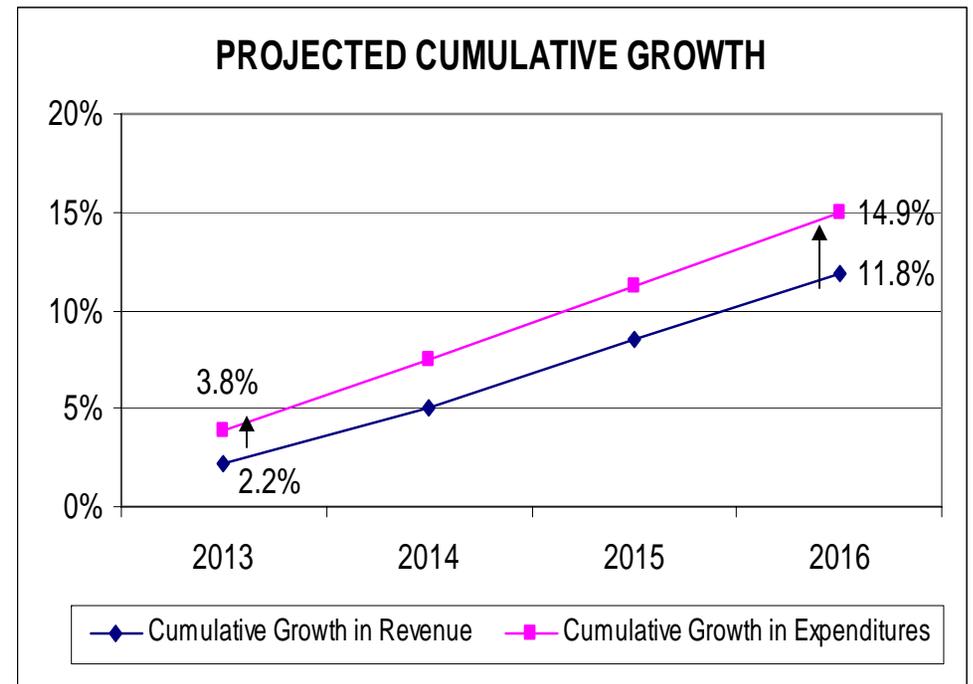
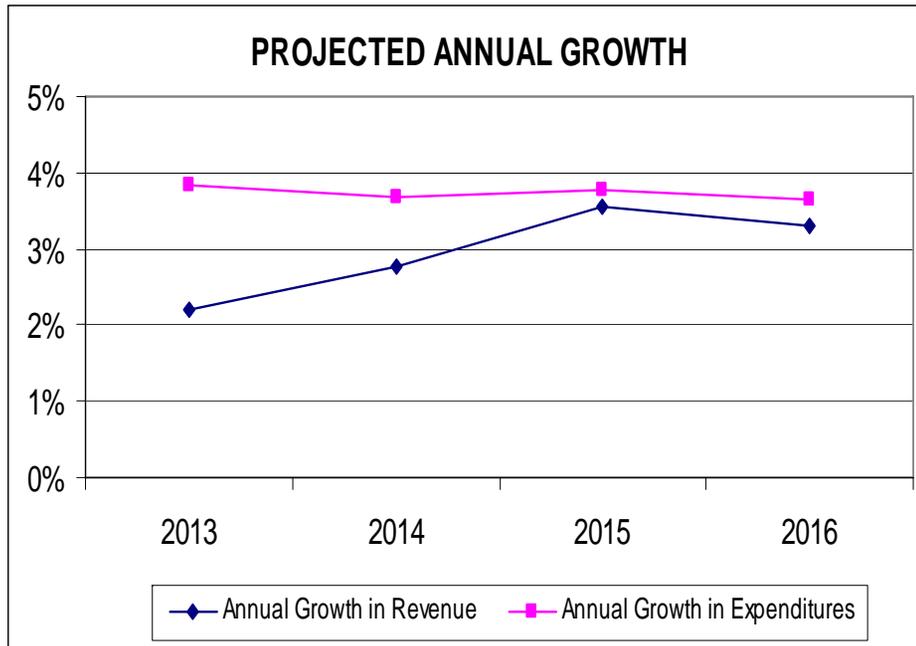
- ❑ Devotion School Rehab - \$50 million of Town funding plus the possibility of \$26 million of State funding (FY14-FY15)
- ❑ Heath School Rehab - \$5.25 million of Town funding plus \$3.25 million of State funding (FY12)
- ❑ Newton St. Landfill (Rear Landfill Closure) - \$4.6 million (FY15)
- ❑ Village Square - \$4.5 million (FY13) - - all outside funding
- ❑ Fire Station Renovations - \$3.3 million (all fiscal years)
- ❑ Fisher Hill Reservoir Re-Use - \$3.25 million (FY14) - - all outside funding
- ❑ Waldstein Playground & Warren Field - \$2.1 million (FY12-FY13)
- ❑ Baldwin School - \$2 million (FY14-FY15)
- ❑ Driscoll School HVAC - \$1.65 million (FY16-FY17)
- ❑ UAB - \$1.4 million (FY12-FY13)
- ❑ Brookline Reservoir Park - \$1.4 million (FY16)
- ❑ Pierce School - \$1.1 million (FY12-FY14)

CIP FUNDING SUMMARY

	2012	2013	2014	2015	2016	2017
5.5% Policy	10,321,062	10,701,948	11,005,282	11,350,155	11,769,159	12,171,768
Net-Debt *	8,613,482	8,821,366	8,771,069	8,374,169	8,816,518	10,933,630
% of Prior Yr Net Rev	4.59%	4.53%	4.38%	4.06%	4.12%	4.94%
Pay-as-you-Go	1,707,580	1,880,582	2,234,212	2,975,986	2,952,640	1,238,137
% of Prior Yr Net Rev	0.91%	0.97%	1.12%	1.44%	1.38%	0.56%
2008 Override Funds	807,668	827,860	848,556	869,770	891,514	913,802
Free Cash	4,413,752	3,145,144	3,139,269	3,093,320	3,023,810	3,021,623
Parking Meter Receipts	50,000	50,000	50,000	50,000	50,000	50,000
TOTAL	15,592,483	14,724,952	15,043,107	15,363,245	15,734,483	16,157,193

* Defined as General Fund debt less debt supported by a debt exclusion.

FUTURE REVENUE & EXPENDITURE GROWTH



	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
REVENUE					
Property Taxes	163,159,994	169,352,134	174,767,159	181,890,118	188,691,611
Local Receipts	20,525,792	21,090,551	21,217,964	21,446,626	21,696,194
State Aid	13,302,525	12,662,016	12,956,163	13,257,664	13,566,702
Other Available Funds	6,218,966	6,334,277	6,430,656	6,562,445	6,693,799
Free Cash	5,380,264	3,750,000	3,750,000	3,750,000	3,750,000
TOTAL REVENUE	208,587,542	213,188,978	219,121,943	226,906,852	234,398,307
\$\$ Increase	7,544,902	4,601,436	5,932,964	7,784,910	7,491,454
% Increase	3.8%	2.2%	2.8%	3.6%	3.3%
EXPENDITURES					
Departmental	62,503,477	63,884,120	65,360,716	66,910,915	68,477,368
Coll. Barg. / Unfunded Liabilities- Town	700,000	940,000	950,000	960,000	970,000
Schools	74,740,587	76,490,587	79,440,587	82,451,587	85,471,587
Coll. Barg. / Unfunded Liabilities- School	0	1,200,000	1,211,000	1,220,000	1,231,000
Non-Departmental - Benefits	42,894,268	47,384,707	50,872,423	54,164,734	57,384,821
Non-Departmental - General	952,643	587,882	594,726	640,485	707,200
Non-Departmental - Debt Service	10,404,420	10,512,174	9,943,869	9,528,569	9,952,518
Non-Departmental - Reserve Fund	1,877,151	1,945,809	2,000,960	2,063,665	2,139,847
Special Appropriations	6,979,000	5,903,586	6,272,038	6,989,076	6,917,964
Non-Appropriated	7,535,997	7,712,141	7,892,688	8,077,749	8,267,437
TOTAL EXPENDITURES	208,587,542	216,561,006	224,539,007	233,006,779	241,519,744
\$\$ Increase	(1,180,804)	7,973,463	7,978,001	8,467,772	8,512,965
% Increase	-0.6%	3.8%	3.7%	3.8%	3.7%
CUMULATIVE SURPLUS/(DEFICIT)					
	0	(3,372,027)	(5,417,064)	(6,099,927)	(7,121,437)
DEFICIT AS A % OF OP REV					
	0.0%	-1.6%	-2.5%	-2.7%	-3.1%
Surplus / (Deficit) Prior to Collective Bargaining	700,000	(1,232,027)	(3,256,064)	(3,919,927)	(4,920,437)
Town Share of Surplus / (Deficit)	700,000	(429,164)	(973,577)	(790,178)	(782,539)
Town Collective Bargaining	700,000	940,000	950,000	960,000	970,000
Total Town Surplus / (Deficit)	0	(1,369,164)	(1,923,577)	(1,750,178)	(1,752,539)
School Share of Surplus / (Deficit)	0	(802,863)	(2,282,487)	(3,129,749)	(4,137,898)
School Collective Bargaining	0	1,200,000	1,211,000	1,220,000	1,231,000
Total School Surplus / (Deficit)	0	(2,002,863)	(3,493,487)	(4,349,749)	(5,368,898)