

CAPITAL IMPROVEMENTS PROGRAM

Capital planning and budgeting is a critical undertaking for any government and is "central to economic development, transportation, communication, delivery of other essential services, and environmental management and quality of life", as stated in ICMA's "Capital Budgeting: A Guide for Local Governments". In fact, without a sound plan for long-term investment in infrastructure and equipment, the ability of local government to accomplish its goals is greatly hampered. Developing a financing plan for capital investments that fits within the overall framework of a community is of equal importance, as poor decisions regarding the use of debt can negatively impact a community's financial condition for many years.

In Brookline, the preparation of the annual Capital Improvements Program (CIP) is mandated by state statute. Massachusetts General Law Chapter 41 provides that the Planning Board shall prepare and submit annually a CIP for the Town. Chapter 270 of the Acts of 1985 (special legislation known as the "Town Administrator Act") directs the Town Administrator to prepare and recommend an annual financial plan that includes a CIP. The Deputy Town Administrator and the Director of Planning and Community Development co-chair a working committee of department heads that reviews and evaluates all project requests. A number of these requests arise from public input received by Boards and Commissions. A more detailed description of the CIP process can be found on page VII-3.

The Town has a set of formal CIP policies that define what a capital improvement project is, how projects are evaluated and prioritized, and how the CIP is financed. The complete text of these policies can be found in the Appendix of this Financial Plan. It is important that a governmental body comply with its policies, as it makes little sense, if any, to adopt policies only not to follow them. In that regard, the table on the following page, presents the indicators that are to be monitored per the Debt Management Policies portion of the CIP Financing Policies, along with other standard debt measurement variables. There are numerous summary tables and graphs in the pages that follow. With the notable exception of temporarily departing from the policy of dedicating an amount equivalent to 5.5% of the prior year's net revenue for FY11*, the recommendations contained herein are in compliance with the Board of Selectmen's CIP Policies.

INTRODUCTION

The financial foundation of the Town's CIP is the policy that states an amount equivalent to 5.5% of the prior year's net revenue be dedicated to the CIP, plus the \$750,000 included in the 2008 Override for CIP purposes inflated annually by 2.5%. This key policy places both a floor and a ceiling on the amount of debt supported by the tax levy that can be authorized, thereby limiting the impact on the Operating Budget. The goal is to have the 5.5% consist of both a debt-financed component and a revenue (or pay-as-you-go) component, with 4.25% for debt-financed CIP and 1.25% for pay-as-you-go CIP.

In addition to the 5.5% policy, there is a Free Cash Policy, also included in the Appendix of this Financial Plan, that dedicates this revenue source to the CIP after funding various strategic reserves. In summary, the states that after being used to help fund a 1% Operating Budget Reserve (25% of the Reserve Fund is funded with Free Cash) and bring up the Town's Stabilization Fund and the Catastrophe and Liability Fund to their respective funding levels, the balance of Free Cash is dedicated to the CIP **. This important funding source allows for the expansion of the pay-as-you-go component of the CIP. Without Free Cash, the Town would be unable to fund many of the projects being recommended.

* In FY10, the 5.5% funding level was reduced to 5% to limit the level of cuts in the Operating Budget. In FY11, it increases to 5.25%, then reaches 5.5% in FY12.

** The Free Cash policy also calls for a.) supporting the Affordable Housing Trust Fund when Free Cash exceeds \$6 million and b.) supporting other trust funds related to fringe benefits and unfunded liabilities related to employee benefits, if necessary.

MEASUREMENT OF CIP FINANCING POLICIES

VARIABLE	FY10	FY11	FY12	FY13	FY14	FY15	FY16
<u>Legal Limit for Out. Debt = 5% of Equalized Valuation (EQV)</u>							
EQV for 1/1/08 = \$15.524 billion. Assume 2.5% annual growth. (In millions)	\$15,912.1	\$16,309.9	\$16,717.6	\$17,135.5	\$17,563.9	\$18,003.0	\$18,453.1
Outstanding Debt as a % of EQV	0.6%	0.6%	0.6%	0.5%	0.5%	0.6%	0.6%
General Fund Outstanding Debt as a % of EQV	0.5%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%
Net General Fund Outstanding Debt as a % of EQV	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%
Total Outstanding Debt (in millions)	\$92.4	\$94.7	\$98.0	\$91.6	\$86.2	\$99.1	\$103.6
General Fund Outstanding Debt (in millions)	\$78.5	\$81.9	\$85.2	\$79.7	\$75.4	\$88.8	\$95.4
Net General Fund Outstanding Debt (in millions)	\$56.4	\$61.9	\$67.4	\$64.0	\$61.6	\$75.1	\$83.7
Total Debt Service (in millions)	\$14.6	\$14.6	\$15.8	\$15.8	\$15.3	\$14.8	\$16.5
General Fund Debt Service (in millions)	\$11.9	\$11.9	\$13.3	\$13.0	\$12.5	\$12.3	\$13.9
Net General Fund Debt Service (in millions)	\$8.6	\$8.6	\$10.0	\$10.4	\$9.9	\$9.6	\$11.3
Total Debt Service Per Capita	\$266	\$266	\$289	\$287	\$279	\$270	\$302
General Fund Debt Service Per Capita	\$217	\$216	\$242	\$238	\$229	\$224	\$254
Net General Fund Debt Service Per Capita	\$158	\$157	\$183	\$190	\$181	\$176	\$206
Total Debt Service as a % of Revenue	6.4%	6.3%	6.7%	6.4%	6.1%	5.7%	6.2%
General Fund Debt Service as a % of General Fund Revenue	5.8%	5.8%	6.3%	6.0%	5.6%	5.4%	5.9%
Net General Fund Debt Service as a % of General Fund Revenue	4.2%	4.2%	4.8%	4.8%	4.5%	4.2%	4.8%
A. Total Outstanding Debt Per Capita as a % of Per Capita Income	2.6%	2.6%	2.7%	2.4%	2.2%	2.5%	2.5%
General Fund Outstanding Debt Per Capita as a % of Per Capita Income	2.2%	2.3%	2.3%	2.1%	1.9%	2.2%	2.3%
Net General Fund Outstanding Debt Per Capita as a % of Per Capita Income	1.6%	1.7%	1.8%	1.7%	1.6%	1.9%	2.1%
B. Total Outstanding Debt Per Capita	\$1,686	\$1,727	\$1,789	\$1,671	\$1,573	\$1,809	\$1,890
General Fund Outstanding Debt Per Capita	\$1,432	\$1,493	\$1,555	\$1,454	\$1,375	\$1,620	\$1,741
Net General Fund Outstanding Debt Per Capita	\$1,029	\$1,129	\$1,229	\$1,167	\$1,124	\$1,370	\$1,527
C. Total Outstanding Debt as a %age of Assessed Value (AV)	0.6%	0.6%	0.6%	0.6%	0.5%	0.6%	0.6%
General Fund Outstanding Debt as a %age of Assessed Value (AV)	0.5%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%
Net General Fund Outstanding Debt as a %age of Assessed Value (AV)	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%
D. Total Debt Maturing Within 10 Years	89%	88%	84%	85%	86%	83%	80%
General Fund Debt Maturing Within 10 Years	88%	86%	82%	83%	84%	81%	79%
E. CIP Financing as a %age of Prior Year's Net Revenue	5.00%	5.25%	5.50%	5.50%	5.50%	5.50%	5.50%
Debt-Financed CIP as a %age of Prior Year's Net Revenue	4.28%	4.11%	4.80%	4.58%	4.45%	4.19%	4.83%
Revenue-Financed CIP as a %age of Prior Year's Net Revenue	0.72%	1.14%	0.70%	0.92%	1.05%	1.31%	0.67%

Town Policies

- A. Total Outstanding Debt Per Capita = shall not exceed 6% of Per Capita Income.
- B. Total Outstanding Debt Per Capita = shall not exceed \$2,452 (for FY10).
- C. Total Outstanding Debt = shall not exceed 2.5% of Assessed Value (AV).
- D. Bond Maturities = 60% of General Fund principal shall mature within 10 years.
- E. CIP Financing = 5.5% of Prior Year's Net Revenue, with a goal of 4.25% from Debt-Financed and 1.25% from Revenue-Financed.

NOTE: "Net General Fund Debt" is total General Fund Debt less the share paid for by the State for the Lincoln, Heath, Baker and High School projects.

**TOWN OF BROOKLINE
FY2011 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

Another key CIP financing policy is that the Water and Sewer Enterprise Fund and the Golf Course Enterprise Fund cover 100% of their debt service. When additional capital work to the water and sewer infrastructure or to the golf course is requested, the impact debt service has on those enterprise funds is taken into consideration. Since they are both 100% cost recovery funds, any growth in debt service may well necessitate increases in fees. Therefore, the decision to authorize additional debt is made carefully.

The table below details how much funding is made available for the CIP, exclusive of enterprise fund supported debt and projects funded from non-Town sources (e.g., grants):

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total Gen Fund Rev	202,868,146	207,688,666	213,823,888	219,684,214	226,508,649	233,058,176
LESS:						
Non Appropriations	7,331,939	7,503,677	7,679,707	7,860,139	8,045,082	8,234,648
Net Debt Exclusions	1,637,286	1,532,067	2,109,552	1,611,719	1,606,819	1,598,870
Free Cash	4,590,079	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Stabilization Fund	0	0	0	0	0	0
Overlay Surplus	0	0	0	0	0	0
Capital Project Surplus	0	0	0	0	0	0
Sale of Town-owned Land Fund	0	0	0	0	0	0
Net Revenue	189,308,841	194,902,922	200,284,628	206,462,356	213,106,749	219,474,658
Prior Year Net Revenue	185,695,598	189,308,841	194,902,922	200,284,628	206,462,356	213,106,749
Net Debt Financed ¹	7,635,328	9,119,130	8,960,264	8,944,544	8,692,634	10,343,646
Net Debt Financed as a % of Prior Yr Net Rev	4.11%	4.82%	4.60%	4.47%	4.21%	4.85%
Revenue Financed	2,113,691	1,292,856	1,759,396	2,071,111	2,662,796	1,377,225
Revenue Financed as a % of Prior Yr Net Rev	1.14%	0.68%	0.90%	1.03%	1.29%	0.65%
SUB-TOTAL 5.5% Dedicated to CIP (5.25% in FY11)	9,749,019	10,411,986	10,719,661	11,015,655	11,355,430	11,720,871
2008 Override Funds	787,969	807,668	827,860	848,556	869,770	891,514
Free Cash for CIP	3,670,340	3,276,728	3,191,453	3,189,943	3,146,963	3,116,627
Capital Project Surplus -- Re-approp. of Funds	0	0	0	0	0	0
Other Funds (e.g., Overlay Surplus, Sale of Town-owned land)	0	0	0	0	0	0
TOTAL FUNDS AVAILABLE FOR CIP THROUGH GEN. FUND	14,207,328	14,496,382	14,738,974	15,054,153	15,372,162	15,729,013

¹ As defined in the CIP Policies, "Net Debt" is total debt service exclusive of debt service related to a Debt Exclusion and debt service funded by enterprise fund revenues.

BROOKLINE'S CIP PROCESS

The preparation of the annual CIP is mandated by statute: MGL Chapter 41 provides that the Planning Board shall prepare and submit annually a CIP for the Town. Chapter 270 of the Acts of 1985 (special legislation known as the "Town Administrator Act") directs the Town Administrator to prepare and recommend an annual financial plan that includes a CIP. The annual process for Brookline begins with the

submission of project requests by departments, which in many cases are the result of various board/commission (Park and Recreation Commission, Library Trustees, etc.) public hearings. The requests are then reviewed by a working group that is co-chaired by the Deputy Town Administrator and the Director of the Department of Planning and Community Development and is comprised of all department heads that have requested projects. After reviewing all project requests, a Preliminary CIP is recommended to the Town Administrator, who then presents it to the Board of Selectmen as part of a public hearing on the Town's Operating and Capital budgets in December. The Town Administrator's Preliminary CIP is then reviewed by both the Planning Board and the Capital Sub-Committee of the Advisory Committee. Any modifications to the Preliminary CIP are reflected in the formal CIP publication that is published by the Planning Board. Similarly, any changes to the first year of the CIP are factored into the budget that is presented to Town Meeting by the Advisory Committee.

PROPOSED FY11 - FY16 CIP

The recommended FY11 - FY16 CIP calls for an investment of \$126.3 million, for an average of approximately \$21.1 million per year. This continues the Town's commitment to prevent the decline of its infrastructure, upgrade its facilities, and improve its physical appearance. Over the last 10 years (FY00 - FY09), the Town has authorized expenditures of more than \$175 million, for an average of close to \$18 million per year. These efforts, which have been supported by the Board of Selectmen, the Advisory Committee, Town Meeting, and, ultimately, the taxpayers of Brookline, have gone a long way toward addressing the backlog of capital projects, have dramatically improved the Town's physical assets, and have helped yield savings in the Operating Budget through investment in technology and energy efficiency.

As previously noted, part of the Town Administrator's plan to balance the FY10 budget was to reduce the 5.5% funding level to 5% for FY10, freeing-up \$917,000 for the Operating Budget. Those funds were used to reduce the level of cuts in the Operating Budget. This CIP follows the plan to phase back-up to 5.5%, reaching 5.25% in FY11 and 5.5% in FY12. It is critical to return to the 5.5% level, as the amount of projected debt service in the out-years requires that level of funding for projects such as the Devotion School and Classroom Capacity.

There were a number of challenges presented during the development of the CIP that made balancing it difficult, including space needs for the schools, additional funding for Town Hall/Main Library Garages, and increased Runkle costs, which placed pressure on each of the out-years of the CIP. This required the deferral of numerous projects. The issue of classroom space in the elementary schools is one of the most pressing matters for the Town, and this Proposed CIP addresses it more comprehensively than in the past. The \$5 million programmed for FY12 follows the \$400,000 approved in both FY08 and FY10 for carving out additional classrooms in various schools and the \$29.1 million approved in FY10 for the renovation of and addition to the Runkle School.

The core of any CIP should be the maintenance / repair of and improvement to a community's infrastructure, and that is the case with this Proposed CIP. Governmental jurisdictions across the country continue to struggle with the issue of funding infrastructure needs, especially in these economic and budgetary times. Fortunately, Brookline's CIP policies (dedicated CIP funding) and taxpayer support (debt exclusions for Schools and an Override that included infrastructure needs) have allowed the community to fund these needs far more adequately than would otherwise be the case.

In addition to the 5.5% financing, Free Cash, CDBG, and state/federal grants are the other key components of the overall financing strategy of the CIP. The Town's certified Free Cash for the fiscal year ending June 30, 2009 was \$4.6 million, providing the CIP with \$3.7 million of additional pay-as-you-go capacity for FY11. For the out-years of the CIP, \$3.75 million is estimated for Free Cash, which yields approximately

\$3 million per year for the CIP. CDBG funds add \$2.25 million over the six-year CIP, a level of funding that reflects the Town's plans to utilize the CDBG Section 108 Loan Program. This program allows the Town to take a loan for the Village Square Project and pay it back with future CDBG funds. The "Other" funds category totals \$4.2 million, the largest piece being an expected \$3.25 million from the sale of the Town-owned Fisher Hill Reservoir that will be used to fund the construction of an active and passive recreation site on the State-owned land across the street.

State/Federal grants are a critical component of the CIP, totaling \$27.3 million over the six-year period. Of this amount, \$22.5 million represents the potential State share of the Devotion School Renovation Project. This CIP assumes 40% funding by the Massachusetts School Building Authority (MSBA) for the Devotion School project; the Town must wait at least a couple of years to see if MSBA funding will be awarded. If the MSBA does not approve funding for the Devotion School, then the total project will be \$33.8 million, not a \$56.3 million project, unless additional funding was made available through a Debt Exclusion vote.

Some of the major projects being proposed in the CIP include:

- Devotion School Rehab - \$33.8 million of Town funding plus the possibility of \$22.5 million of State funding in FY14-FY15 for feasibility / schematic design and design / construction
- Classroom Capacity - \$5 million in FY12
- Newton St. Landfill (Rear Landfill Closure) - \$4.5 million in FY15
- Fisher Hill Reservoir Re-Use - \$3.25 million in FY14 (outside funding)
- Village Square - \$3 million in FY12 (outside funding)
- Wastewater System - \$3 million in FY14
- Baldwin School - \$2 million in FY14-FY15
- Town Hall/Main Library Garages - \$1.8 million in FY11, bringing the total project cost to \$3 million
- UAB - \$1.4 million in FY12-FY13
- Brookline Reservoir Park - \$1.4 million in FY16
- Parking Meters - \$1.4 million in FY11
- Pierce School - \$1 million in FY12-FY14
- Ladder #2 Replacement - \$1 million in FY15

Continued major investments include:

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|---|--|
| • <u>Street and Sidewalk Rehab</u> - \$15.6 million | • <u>Public Safety Equipment</u> - \$1.3 million |
| • <u>Parks and Open Space</u> - \$12.4 million | • <u>Tree Replacement</u> - \$1 million |
| • <u>General Town/School Building Repairs</u> - \$7.6 million | • <u>Energy Conservation</u> - \$750 thousand |
| • <u>Water and Sewer Infrastructure</u> - \$5 million | • <u>Branch Libraries</u> - \$505 thousand |
| • <u>Information Technology</u> - \$1.6 million | |

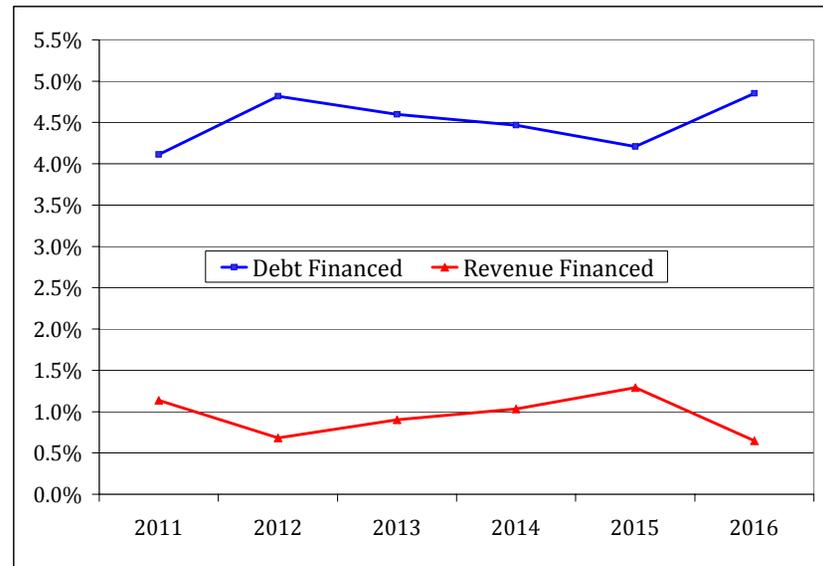
The table on the following page details the funding source for each year of the Proposed CIP. As it shows, \$52.9 million (42%) of the funding comes from General Fund bonds, \$34.7 million (28%) comes from cash (Property Tax and Free Cash), and \$27.3 million (22%) comes from state/federal grants.

GRAND TOTAL BY SOURCE (in thousands)

	FY11	FY12	FY13	FY14	FY15	FY16	TOTAL	% OF TOTAL
Property Tax	2,901.7	2,141.7	2,239.9	2,992.3	3,561.8	2,053.8	15,891.2	12.6%
Free Cash	3,670.3	3,057.3	3,041.1	3,030.7	3,008.2	2,988.2	18,795.8	14.9%
General Fund Bond	950.0	5,000.0	2,900.0	2,350.0	40,280.0	1,400.0	52,880.0	41.9%
State / Federal Grants	699.6	699.6	699.6	1,799.6	22,699.6	699.6	27,297.3	21.6%
Utility Budget	0.0	0.0	275.0	255.0	0.0	0.0	530.0	0.4%
Utility Bond	0.0	1,500.0	0.0	3,000.0	0.0	0.0	4,500.0	3.6%
CDBG	0.0	2,250.0	0.0	0.0	0.0	0.0	2,250.0	1.8%
Other	200.0	750.0	0.0	3,250.0	0.0	0.0	4,200.0	3.3%
TOTAL	8,421.6	15,398.6	9,155.6	16,677.6	69,549.6	7,141.6	126,344.3	100.0%

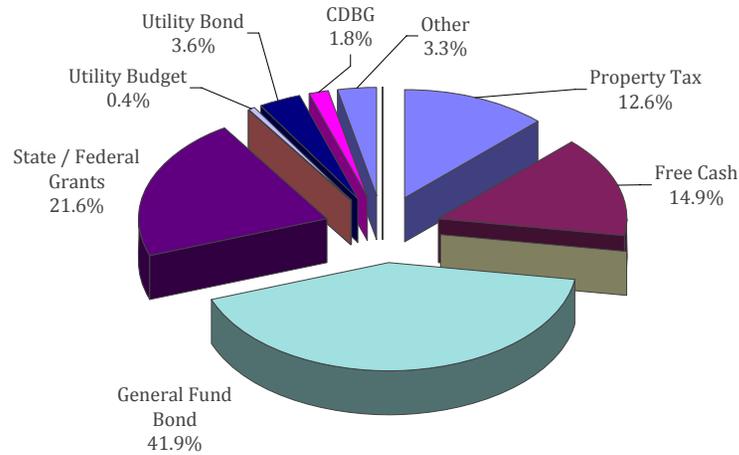
Given the reliance on \$52.9 million of bonds supported by the General Fund, there is an impact on the Town's operating budget. However, because the CIP complies with the Town's CIP Financing Policies, the impact on the debt service budget is offset by a decrease in the tax-financed component. As the portion of the 5.5% that is utilized for borrowing increases or decreases, the portion supported by the tax-financed monies moves in the opposite direction. The graph to the right shows how the 5.5% is apportioned between debt-financed and pay-as-you-go for each of the six years of the Proposed CIP.

As the graph shows, the portion being funded through debt results in a spike in FY12 because of Runkle School debt, followed by a downward trend until FY16, when the debt from the Devotion School project comes on-line.

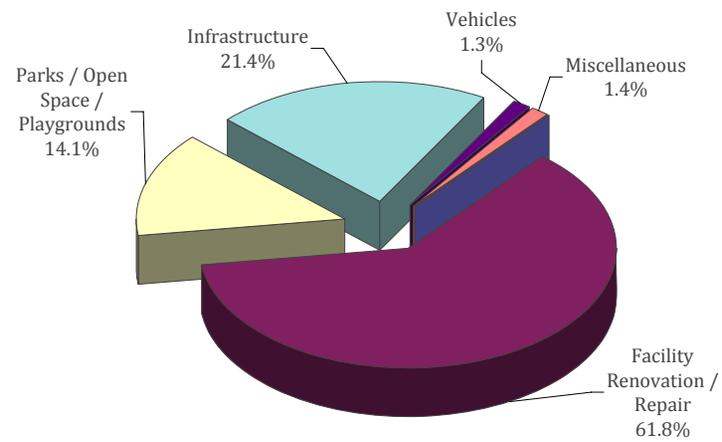


The graphs on the following page summarize the FY11 - FY16 CIP by revenue source, by category (i.e., facility repair / renovation, infrastructure, parks/open spaces), and by allocation group (e.g., schools, engineering / highway). As shown in the left graph, 42% of the six-year CIP is funded from General Fund-supported bonds, 22% is funded by State / Federal Grants, and 28% is funded via property tax / free cash. The right graph breaks out the six-year CIP by category: 62% of the CIP goes toward facility renovations / repairs (e.g., Devotion School, Classroom Capacity), 21% for infrastructure repairs (streets, sidewalks, water and sewer system), and 14% for Parks / Open Space / Playgrounds. The graph on the following page breaks out the CIP by allocation group and shows that 59% is for Schools, 18% is for Engineering / Highway, and 11% is for Parks / Playgrounds / Conservation / Open Space.

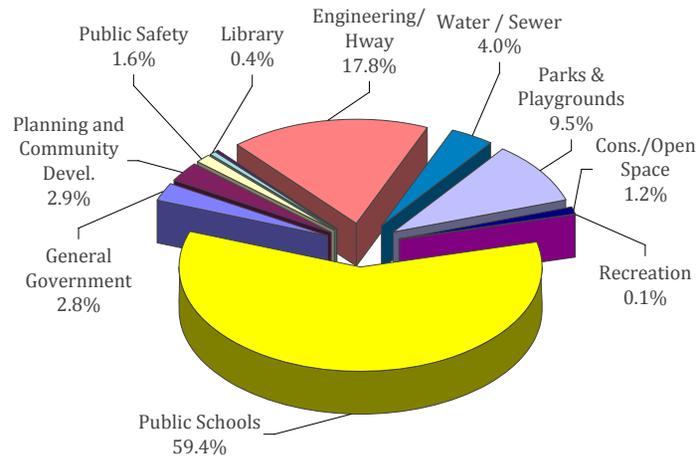
CIP FUNDING BY SOURCE - 6 YR. TOTAL



CIP BY CATEGORY - 6 YR. TOTAL



CIP BY ALLOCATION - 6 YR. TOTAL



It is important to note that the recommendations contained in the CIP are based upon current best estimates of future revenues and future project costs. The amount of Free Cash available for the CIP can fluctuate drastically from year to year. Also, budget reductions at the federal and state levels could require significant cutbacks in the recommended program for future years. The CIP recommendations would have to be revisited should the actual amounts be less than anticipated and / or the project costs are greater than anticipated.

While it is important that we maintain our commitment to the CIP, it is equally important that we be committed to staying within our CIP financing policies. Despite the large levels of expenditures for the CIP, there will inevitably be pressure to accelerate and / or add projects. Given the Town's debt load, it is crucial that we maintain fiscal discipline in this process. The fundamentally sound policies approved by the Board of Selectmen are only effective if followed. The FY11 - FY16 CIP is tightly balanced, but the fiscal prudence dictated by the CIP policies will help meet the challenges that lie ahead.

DEBT & DEBT SERVICE

This portion of Section VII is dedicated to the role debt plays in the CIP and its relationship to the Operating Budget. For all entities, both public and private, debt financing is a primary method of financing large capital projects, as it enables these projects to be undertaken now with the costs spread out over a period of years. However, if used in an imprudent and / or poorly constructed manner, debt can have a disastrous impact on the Operating Budget and negatively impact the level and quality of services. This is why the Town's CIP Financing Policies are a vital component of the Town's overall Financial Planning guidelines. A well-planned and properly devised debt management plan is critical to maintaining the Town's positive financial condition and to maintaining the much-valued Aaa bond rating. It should be noted that the Town is in the process of refinancing debt, including the High School Renovation bond. All of the figures in the tables and graphs that follow do not include the savings in debt service and reduction in outstanding debt that will result from the refinancing.

The bond authorization process is laid out in Massachusetts General Laws (MGL), specifically Chapter 44, Sections 7 and 8. General Obligation (GO) Bonds are secured by a pledge of revenues through property taxes and are authorized by Town Meeting via a 2/3's vote. Bond Anticipation Notes (BANs) can be utilized prior to the permanent issuance of bonds and are included as part of the Town's 5.5% funding policy. The Town's credit was most recently reviewed in March, 2009 by Moody's and the Town was able to maintain its Aaa rating. Among the reasons stated by Moody's for the Aaa rating were "[W]hile near term fiscal operations will be pressured by reductions in state aid, declining local receipts and ongoing expenditure demands, Moody's expects Brookline's well managed financial position to remain healthy given the town's proactive and conservative budgeting strategies" and "Moody's expects Brookline's below average 0.6% net direct debt burden to remain affordable due to conservative debt policies, above-average rate of amortization (84.2% within 10 years), significant school construction assistance, and steady but manageable future borrowing plans."

Chapter 44, Section 10 limits the authorized indebtedness to 5% of the Town's equalized valuation (EQV). The Town's most recent EQV, approved by the State as of 1/1/2008, is \$15.56 billion. Therefore, the Town's debt limit is \$778 million. Obviously, the Town has no plans to come near this limit. In fact, the Town's CIP Financing Policies would not allow outstanding debt to reach that level, as a number of measurement variables would not be met.

Debt can further be broken into "exempt debt" and "non-exempt debt". Exempt debt is paid for outside of the property tax levy limit of Proposition 2 1/2. Stated another way, it is paid for with taxes raised outside of the property tax limit. In order to have exempt debt, a Debt Exclusion Override is required, and that can only be approved by the local electorate. Non-Exempt debt, or "within-levy debt", must be raised and paid for within the property tax levy. In Brookline, two projects are funded with exempt debt: the High School Renovation (\$43.8 million) and the New Lincoln School (\$13 million).

Debt is issued on behalf of the Water and Sewer Enterprise Fund and the Golf Course Enterprise Fund. The tax levy does not fund any enterprise fund debt. The table on the following page breaks out outstanding debt by fund, with exempt and non-exempt debt of the General Fund separated, for each of the past six years. Looking at FY09, this shows that the Town's total outstanding debt was \$98 million, of which \$39.2 million (40%) was owed by either the State (\$24.1 million) or enterprise funds (\$15.1 million), leaving \$58.7 million of outstanding debt.

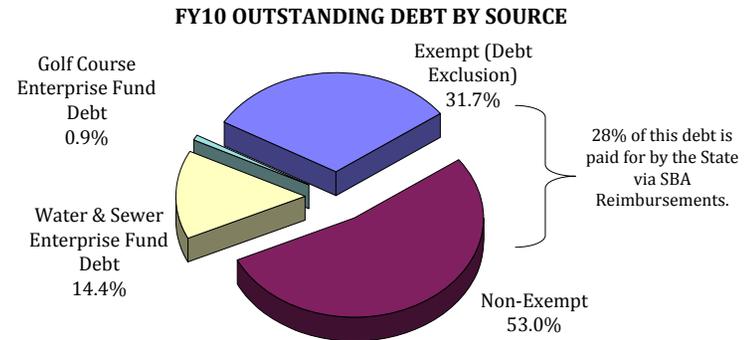
OUTSTANDING DEBT

DESCRIPTION	FY04	FY05	FY06	FY07	FY08	FY09
Total General Fund Outstanding Debt	81,517,732	85,508,601	85,262,645	79,792,568	82,984,105	82,876,289
a.) Exempt (Debt Exclusion) ¹	44,155,268	41,859,857	39,492,216	37,054,223	34,553,585	31,966,160
b.) Non-Exempt	37,362,464	43,648,744	45,770,429	42,738,345	48,430,520	50,910,129
Minus State (SBA) Reimbursed Debt ²	33,595,750	31,865,180	29,991,458	28,077,028	26,128,742	24,129,458
Net General Fund Outstanding Debt	47,921,982	53,643,421	55,271,187	51,715,540	56,855,363	58,746,831
Water & Sewer Enterprise Fund Outstanding Debt	17,536,416	15,573,545	18,233,854	16,526,895	14,892,054	14,215,027
Golf Course Enterprise Fund Outstanding Debt	1,326,287	1,167,202	1,012,262	1,008,710	1,032,428	883,684
Enterprise Fund Outstanding Debt	18,862,703	16,740,747	19,246,116	17,535,605	15,924,482	15,098,711
TOTAL Outstanding Debt	100,380,435	102,249,348	104,508,761	97,328,173	98,908,587	97,975,000

¹ The Lincoln School and High School projects were financed via a Debt Exclusion.

² The following school projects are being reimbursed by the State: Lincoln, Heath, High School, and Baker.

The graph to the right depicts the FY10 figures. As it shows, 53% of the Town's debt is covered within the levy while 32% is covered outside the levy via Debt Exclusion Overrides. The remaining 15% is covered by enterprise fund revenues. The graph also notes how the State covers 28% (\$22.1 million) of the General Fund debt.



The projected level of outstanding debt based upon the Proposed CIP is shown in the table below. Also, there is a graph on page VII-21 that shows both a history and a projection of outstanding debt.

OUTSTANDING DEBT (PROJECTED)

DESCRIPTION	FY10	FY11	FY12	FY13	FY14	FY15	FY16
Total General Fund Outstanding Debt	78,249,547	81,655,298	85,070,309	79,534,663	75,258,062	88,741,755	95,357,447
a.) Exempt (Debt Exclusion) ¹	29,284,685	26,506,963	23,706,500	20,835,000	18,315,000	15,655,000	12,850,000
b.) Non-Exempt	48,964,862	55,148,335	61,363,809	58,699,663	56,943,062	73,086,755	82,507,447
Minus State (SBA) Reimbursed Debt ²	22,078,758	19,972,597	17,855,615	15,695,300	13,752,450	11,727,250	9,793,550
Net General Fund Outstanding Debt	56,170,789	61,682,700	67,214,694	63,839,363	61,505,612	77,014,505	85,563,897
Water & Sewer Enterprise Fund Outstanding Debt	13,297,953	12,289,702	12,390,191	11,604,074	10,605,477	10,160,114	8,064,752
Golf Course Enterprise Fund Outstanding Debt	860,000	707,500	585,000	462,500	345,000	247,500	150,000
Enterprise Fund Outstanding Debt	14,157,953	12,997,202	12,975,191	12,066,574	10,950,477	10,407,614	8,214,752
TOTAL Outstanding Debt	92,407,500	94,652,500	98,045,500	91,601,237	86,208,539	99,149,369	103,572,199

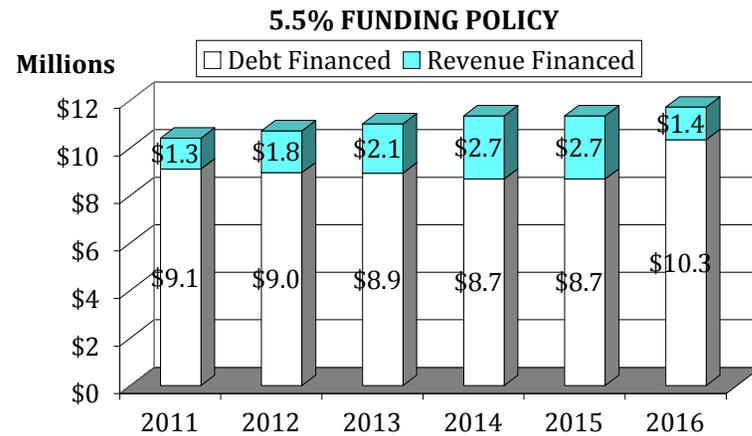
¹ The Lincoln School and High School projects were financed via a Debt Exclusion.

² The following school projects are being reimbursed by the State: Lincoln, Heath, High School, and Baker.

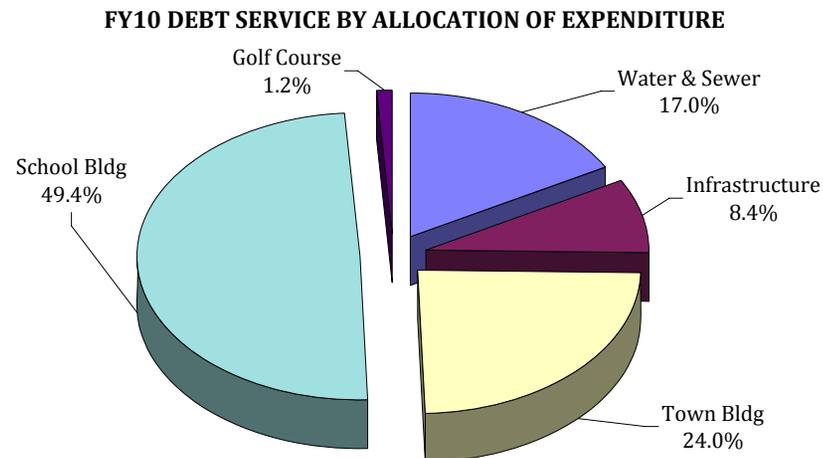
Once debt is incurred, an amount must be set aside annually to fund the principal and interest payments, known as Debt Service. As previously noted, if debt is used in an imprudent and / or poorly constructed manner, it can have a negative impact on the Operating Budget. This is because of debt service: debt service takes away funding that would otherwise be available for other areas of the Operating Budget. If decision makers are not made aware of the impact debt service has on the Operating Budget (via long-range forecasting), then the authorization of debt is being made in a vacuum. Governmental bodies can cripple their finances if bonds are authorized and issued without a full understanding of the impact they have on the overall finances of the entity.

In Brookline, both the Long Range Financial Plan and the planning process for the CIP clearly show decision makers the impact debt service has on the Operating Budget. Since the Town's CIP Financing Policies set a limit on the overall amount of debt that can be issued -- basically the 5.5% policy plus the other debt management variables that are to be measured -- the impact on the Operating Budget is both known and within an expected range.

The graph to the right illustrates how the Town's 5.5% policy works. In each year, the amount available for the CIP is 5.5% of the prior year's net revenue. This amount represents the total impact on the Operating Budget. For FY11, \$10.4 million is dedicated to the CIP (\$9.1 million for net debt service and \$1.3 million for pay-as-you-go), and, therefore, unavailable for the operating budget. The graph also shows the balance between pay-as-you-go CIP and debt-financed CIP: as debt service increases, pay-as-you go capacity decreases, and vice versa.



The graph below breaks out existing debt service by allocation of expenditure (e.g., school buildings, water and sewer, etc.). As it shows, close to one-half of all debt service is for school buildings.



As was previously mentioned, debt is issued on behalf of the Water and Sewer Enterprise Fund and the Golf Course Enterprise Fund. Those debt service costs are budgeted for within both enterprise funds and are covered by enterprise fund revenues. As a result, the tax levy does not fund any enterprise fund debt service. The table below breaks out debt service by fund, with exempt and non-exempt debt of the General Fund separated, for each of the past six years. Looking at FY10, it shows that the Town's total debt service was \$14.9 million, of which \$6 million (40%) was reimbursed by either the State (\$3.3 million) or enterprise funds (\$2.7 million), leaving \$8.9 million of debt service.

DEBT SERVICE

DESCRIPTION	FY05	FY06	FY07	FY08	FY09	FY10
Total General Fund Supported Debt Service	10,047,359	11,146,070	11,406,382	10,752,370	12,248,349	12,203,202
a.) Exempt (Debt Exclusion) ¹	4,507,187	4,479,537	4,445,657	4,399,750	4,372,943	4,347,320
b.) Non-Exempt	5,540,172	6,666,533	6,960,725	6,352,620	7,875,406	7,855,882
Minus State (SBA) Reimbursed Debt ²	3,442,794	3,442,794	3,442,794	3,442,794	3,267,371	3,267,371
Net General Fund Debt Service	6,604,565	7,703,276	7,963,588	7,309,576	8,980,978	8,935,831
Water & Sewer Enterprise Fund Supported Debt Svc.	2,629,240	2,360,635	2,725,576	2,622,276	2,511,192	2,472,352
Golf Course Enterprise Fund Supported Debt Svc.	208,744	209,219	202,566	193,369	190,037	184,135
Enterprise Fund Debt Service	2,837,984	2,569,855	2,928,142	2,815,645	2,701,229	2,656,487
TOTAL Debt Service	12,885,343	13,715,925	14,334,524	13,568,015	14,949,578	14,859,688

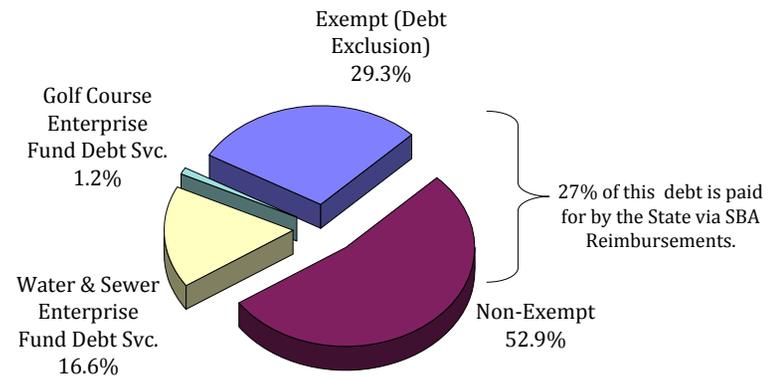
¹ The Lincoln School and High School projects were financed via a Debt Exclusion.

² The following school projects are being reimbursed by the State: Lincoln, Heath, High School, and Baker.

The graph to the right depicts the FY10 figures. As it shows, 53% of the Town's debt service is covered within the levy while 29% is covered outside the levy via Debt Exclusion Overrides. The remaining 18% is covered by enterprise fund revenues. The graph also notes how the State reimburses 27%, or \$3.3 million, of the General Fund debt service.

The projected level of debt service based upon the Proposed CIP is shown in the table below. Also, there is a graph on page VII-22 that shows both a history and a projection of debt service.

FY10 DEBT SERVICE BY SOURCE



DEBT SERVICE (PROJECTED)

DESCRIPTION	FY11	FY12	FY13	FY14	FY15	FY16
Total General Fund Supported Debt Service	11,952,861	13,375,131	13,147,441	12,628,088	12,365,477	14,002,739
a.) Exempt (Debt Exclusion) ¹	4,317,532	4,212,313	4,149,289	3,651,456	3,646,556	3,638,606
b.) Non-Exempt	7,635,328	9,162,817	8,998,152	8,976,631	8,718,921	10,364,133
Minus State (SBA) Reimbursed Debt ²	3,267,371	3,267,371	2,626,862	2,626,862	2,626,862	2,626,863
Net General Fund Debt Service	8,685,490	10,107,760	10,520,579	10,001,226	9,738,615	11,375,876
Water & Sewer Enterprise Fund Supported Debt Svc.	2,538,312	2,402,727	2,628,714	2,651,882	2,433,563	2,564,529
Golf Course Enterprise Fund Supported Debt Svc.	184,135	148,362	143,702	133,871	109,196	105,202
Enterprise Fund Debt Service	2,722,446	2,551,089	2,772,416	2,785,753	2,542,759	2,669,731
TOTAL Debt Service	14,675,307	15,926,220	15,919,857	15,413,840	14,908,236	16,672,470

¹ The Lincoln School and High School projects were financed via a Debt Exclusion.

² The following school projects are being reimbursed by the State: Lincoln, Heath, High School, and Baker.

Great care has gone into the crafting of the Debt Management Plan for the FY11 - FY16 CIP and is detailed in the table on the following page. As mentioned at the beginning of this Section VII, this debt management plan results in the Town complying with all of its CIP Financing Policies, except for the fundamental policy of dedicating an amount equivalent to 5.5% of the prior year net revenue to the CIP: for FY11, the amount is set at 5.25% and increases to 5.5% in FY12. This follows the plan crafted as part of the FY10 budget, when the 5.5% funding level was reduced to 5% in an effort to reduce the level of cuts in the Operating Budget.

A common indicator used to measure debt service levels is comparing it to revenue, since it is those revenues that are needed to pay the principal and interest payments. For general funds, ratings agencies tend to consider ratios of between 5% - 10% as being prudent. The table on page VII-14 shows debt service as a percent of revenue for the General Fund, Water and Sewer Enterprise Fund, and the Golf Course Enterprise Fund.

IMPACT ON OPERATING BUDGET

The "Debt and Debt Service" section above details the impact of debt service on the Operating Budget. Another potential impact of a CIP on a community's Operating Budget is an increase or decrease in operating expenses. For example, adding another facility in the community will add costs for utilities and building maintenance. Conversely, undertaking energy conservation projects will help reduce costs in the Operating Budget. The proposed CIP contains a number of projects that will impact the Operating Budget, both positively and negatively. They are listed below:

- Craftsmen Garage Construction / Parks Facility Improvements– if a new garage were to be constructed, there would be additional maintenance and utility expenses associated with the building. Depending on what the feasibility study's recommendations are for improvements to the park facility, there could be a reduction in operating budget expenses (the current facility is inefficient in terms of energy consumption) or there could be an increase (if additional space is recommended, that space would have maintenance and utility expenses). The feasibility study is certain to take these issues into account.

TOWN OF BROOKLINE FY2011 PROGRAM BUDGET				CAPITAL IMPROVEMENTS PROGRAM						
Project	Authorization	Bond Amt	Term	2011	2012	2013	2014	2015	2016	2017
Fisher Hill (previously authorized)	1,350,000	1,350,000	10	172,125	168,413	164,700	160,988	157,275	153,563	149,850
TH/Main Library Garages (previously authorized)	1,200,000	1,200,000	10	153,000	149,700	146,400	143,100	139,800	136,500	133,200
Runkle School (previously authorized)	17,580,000	1,600,000	10	202,125	199,600	195,200	190,800	186,400	182,000	177,600
Landfill Corr Action (previously authorized)	3,275,000	350,000	10		49,875	48,388	46,900	45,413	43,925	42,438
Fisher Hill (previously authorized)	1,350,000	350,000	10		49,875	48,388	46,900	45,413	43,925	42,438
Muddy River (previously authorized)	745,000	745,000	10		106,163	102,996	99,830	96,664	93,498	90,331
TH/Main Library Garages (seeking authorization)	950,000	950,000	10		135,375	131,338	127,300	123,263	119,225	115,188
Runkle School (previously authorized)	17,580,000	8,040,000	20		1,481,900	694,913	677,563	660,213	642,863	625,513
Carlton St. Footbridge (previously authorized)	1,400,000	1,400,000	10		199,500	193,550	187,600	181,650	175,700	169,750
Classroom Capacity (seeking authorization)	5,000,000	5,000,000	20			487,500	475,625	463,750	451,875	440,000
Runkle School (previously authorized)	17,580,000	8,040,000	20			783,900	764,805	745,710	726,615	707,520
UAB Roof/Chimney/Gutters & Downspouts (future authorization)	1,275,000	1,275,000	10				181,688	176,269	170,850	165,431
Waldstein Playground + Warren Field (future authorization)	1,600,000	1,600,000	10				228,000	221,200	214,400	207,600
Devotion School Feas. & Sch. Des. (future authorization)	750,000	750,000	10				106,875	103,688	100,500	97,313
Devotion School (future authorization)	33,000,000	3,000,000	15					335,000	326,000	317,000
Roof Repairs / Replacements (future authorization)	1,600,000	1,600,000	10					228,000	221,200	214,400
Ladder #2 (future authorization)	1,000,000	1,000,000	10						142,500	138,250
Devotion School (future authorization)	33,000,000	15,000,000	20						1,462,500	1,426,875
Baldwin School (future authorization)	1,780,000	1,780,000	10						253,650	246,085
Rear Landfill (future authorization)	4,500,000	4,500,000	20						438,750	428,063
Brookline Reservoir Park (future authorization)	1,400,000	1,400,000	10							199,500
Devotion School (future authorization)	33,000,000	15,000,000	20							1,462,500
NEW GEN FUND DEBT SERVICE (cumulative)				527,250	2,540,400	2,997,272	3,437,973	3,909,706	6,100,038	7,596,843
Wastewater (previously authorized)	5,500,000	1,000,000	10	145,000	140,500	136,000	131,500	127,000	122,500	118,000
Wastewater (previously authorized)	5,500,000	1,000,000	10		145,000	140,500	136,000	131,500	127,000	122,500
Wastewater (previously authorized)	5,500,000	1,000,000	10			145,000	140,500	136,000	131,500	127,000
Wastewater (previously authorized)	5,500,000	1,000,000	10				145,000	140,500	136,000	131,500
Wastewater (previously authorized)	5,500,000	1,124,000	10					162,989	157,931	152,873
Wastewater (future authorization)	3,000,000	1,500,000	10						217,500	210,750
Water Main Improvements (future authorization)	1,000,000	1,000,000	10			145,000	140,500	136,000	131,500	127,000
Golf Course (previously authorized)	2,840,000	125,000	15	13,958	13,583	13,208	12,833	12,458	12,083	11,708
NEW ENTERPRISE FUND DEBT SERVICE (cumulative)				158,958	299,083	579,708	706,333	846,448	1,036,014	1,001,331
TOTAL NEW DEBT SERVICE (cumulative)				686,208	2,839,483	3,576,980	4,144,306	4,756,153	7,136,053	8,598,174

**TOWN OF BROOKLINE
FY2011 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

DEBT SERVICE AS A PERCENTAGE OF REVENUE

DESCRIPTION	FY08 (Act.)	FY09 (Act.)	FY10 (Bud.)	FY11 (Proj.)	FY12 (Proj.)	FY13 (Proj.)	FY14 (Proj.)	FY15 (Proj.)	FY16 (Proj.)
Total General Fund Supported Debt Service	10,752,370	12,248,349	11,913,802	11,852,861	13,231,443	13,009,553	12,496,000	12,239,190	13,882,252
a.) Exempt (Debt Exclusion) ¹	4,399,750	4,372,943	4,347,320	4,317,532	4,212,313	4,149,289	3,651,456	3,646,556	3,638,606
b.) Non-Exempt	6,352,620	7,875,406	7,566,482	7,535,328	9,019,130	8,860,264	8,844,544	8,592,634	10,243,646
Minus SBA Reimbursements	3,442,794	3,267,372	3,267,371	3,267,371	3,267,371	2,626,862	2,626,862	2,626,862	2,626,861
Net General Fund Debt Service	7,309,576	8,980,977	8,646,431	8,585,490	9,964,072	10,382,691	9,869,138	9,612,328	11,255,391
Water & Sewer Enterprise Fund Supported Debt Svc.	2,622,276	2,511,192	2,472,352	2,538,312	2,402,727	2,556,214	2,581,632	2,365,563	2,498,779
Golf Course Enterprise Fund Supported Debt Svc.	193,369	190,037	184,484	184,135	148,362	143,702	133,871	109,196	105,202
TOTAL Debt Service	13,568,015	14,949,578	14,570,638	14,575,307	15,782,532	15,709,469	15,211,503	14,713,948	16,486,233
General Fund Revenue	189,738,706	198,229,185	204,081,593	202,976,939	207,800,737	213,939,335	219,803,139	226,631,157	233,184,374
General Fund Revenue Without SBA Reimbursement	186,295,912	194,961,813	200,814,222	199,709,568	204,533,366	211,312,473	217,176,277	224,004,295	230,557,513
Water & Sewer Enterprise Fund Revenue	22,537,785	22,958,486	23,953,372	24,511,340	25,402,882	26,684,284	27,625,478	28,501,227	29,832,539
Golf Course Enterprise Fund Revenue	1,253,066	1,197,302	1,266,200	1,251,200	1,261,200	1,271,200	1,281,200	1,291,200	1,301,200
TOTAL Revenue of Funds Supporting Debt Svc.	213,529,557	222,384,973	229,301,165	228,739,479	234,464,819	241,894,819	248,709,817	256,423,584	264,318,113
General Fund Debt Service as a % of General Fund Revenue	5.7%	6.2%	5.8%	5.8%	6.4%	6.1%	5.7%	5.4%	6.0%
Net General Fund Debt Service as a % of General Fund Revenue ²	3.9%	4.6%	4.3%	4.3%	4.9%	4.9%	4.5%	4.3%	4.9%
Water & Sewer Enterprise Fund Debt Service as a % of Revenue	11.6%	10.9%	10.3%	10.4%	9.5%	9.6%	9.3%	8.3%	8.4%
Golf Course Enterprise Fund Debt Service as a % of Revenue	15.4%	15.9%	14.6%	14.7%	11.8%	11.3%	10.4%	8.5%	8.1%
TOTAL Debt Service as a % of Total Rev. Supporting Debt Svc.	6.4%	6.7%	6.4%	6.4%	6.7%	6.5%	6.1%	5.7%	6.2%

¹ The Lincoln School and High School projects were financed via a Debt Exclusion.

² Excludes both the debt service (expense) reimbursed by the State for school projects and the reimbursement from the State (revenue).

IMPACT ON OPERATING BUDGET (con't.)

- Technology Applications – these projects undertaken by the Information Technology Department (ITD) are focused on improving efficiencies in numerous departments. While it is difficult to put a dollar figure on savings, past applications have proven to yield savings in the Operating Budget.
- Wireless Master (Fire) Boxes – moving to a wireless network of fire boxes will reduce operating expenses in the DPW budget, as the resources required to maintain wireless system are significantly less than those required to manage a below-ground wireless system.
- Coolidge Corner Library Rear Windows – these nine large panels of glass windows in the rear of the building date from the original construction in 1970. The glass is not insulated and is loose in a number of areas. New windows are certain to help reduce energy consumption.
- Streetlight Replacement - ARRA Funds – these funds are going toward the conversion of streetlights to LEDs, which will reduce energy consumption.

- Parking Meter System Replacement – this initiative holds great promise for operating budget relief, ranging from additional revenues to fewer resources required to manage and maintain the parking meter system.
- Fisher Hill Reservoir Acquisition / Conversion to Active and Passive Recreation – this project calls for the Town to purchase this property and develop it for park and recreation purposes with the intent of incorporating an athletic field, parking, tree lined walking paths, naturalistic buffers, native woodlands, and restoration of the gatehouse. The FY09 Override provided additional funds in the DPW budget to care for the new 10-acre recreation site.
- Town / School Energy Management Systems and Energy Conservation - these on-going items are meant to yield savings in the operating budget. With large increases in utility costs over the past few years, it is imperative that monies be invested to decrease energy consumption in buildings. Programs would include, but are not limited to, lighting retrofit and controls, energy efficient motors, insulation, and temperature equipment. This program would augment existing gas and electric utility conservation programs. Monies would also go toward more efficient heating and cooling equipment.
- Town / School Emergency Generator Replacement, Elevator Replacement, Roof Replacement, and Masonry Repairs - these items represent an approach to systematically replace various core facility needs that only become more expensive to maintain if not replaced in a timely manner. In terms of Masonry Repairs, they will help eliminate the need for larger expenditures that might arise if the masonry on buildings is allowed to deteriorate.
- Baldwin School HVAC / Windows – the heating system at the Baldwin School is over 70 years old and many pipes are failing due to age. The monies for this project would replace the piping and HVAC system and convert the system to forced hot water. This would allow for better control, more even temperatures, zoning, and energy savings. In addition, there will be less spent on fixing the system. The building also has its original windows, which are wooden, single pane, and leak air. This project would replace those windows with energy efficient, thermal pane style windows.
- Devotion School Renovation – new electrical and HVAC systems and new windows will be more efficient. In addition, there will be less spent on fixing the system.
- Runkle School Renovation – since the building square footage will be nearly doubling, energy and maintenance costs will increase.
- Classroom Capacity – if square footage is increased in one or more schools to help offset the continued enrollment growth at the Kindergarten level, there will be additional utility and maintenance costs.

RECOMMENDED PROJECTS

The following pages contain the FY11 - FY16 CIP as proposed by project. Commencing on page VII-23 is a project description for each project.

**TOWN OF BROOKLINE
FY2011 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2011 - FY2016

REVENUE CODES:

A = Property Tax/Free Cash/Overlay Surplus D = Golf Budget G = Utility Bond J = Re-Approp. of Funds
 B = General Fund Bond E = Golf Bond H = CDBG
 C = State / Federal Aid F = Utility Budget I = Other

CATEGORY CODES (CC):

1 = New Facility Construction 4 = Infrastructure
 2 = Facility Renovation / Repair 5 = Vehicles
 3 = Parks/Open Space/Playgrounds 6 = Miscellaneous

CC		Total	Prior Year (FY10)	2011	2012	2013	2014	2015	2016	Future Years
<u>GENERAL GOVERNMENT</u>										
2	Senior Ctr Recarpeting	95,000			95,000	A				
2	Parking Garage (Town Hall & Pierce Sch) Rep.	850,000 2,150,000	1,200,000	850,000 950,000	A B					
2	Craftsmen Garage Constr/Parks Facil Improv	-			NA					
6	Public Bldg Furnishings & Equipment	75,000				25,000	A	25,000	A	25,000 A
2	Reservior Buildings	75,000	75,000							
6	Technology Applications	2,114,000	239,000	250,000	A	250,000	A	275,000	A	275,000 A
	General Government Total	5,359,000	1,514,000	2,050,000		345,000	300,000	275,000	300,000	275,000 300,000
<u>PLANNING & COMMUNITY DEVEL</u>										
4	Village Square Circulation Improv. - CD	2,250,000			2,250,000	H				
4	Village Square Circulation Improv. - Other	750,000			750,000	I				
4	Gateway West (Chestnut Hill) District Plan	75,000								75,000 A
4	Cypress Village Zoning Analysis	50,000								50,000 A
4	Riverway Park Pedestrian/Bike Path - Fed	600,000					600,000	C		
4	Riverway Park Pedestrian/Bike Path - Town	80,000				80,000	A			
	Planning & Community Development Total	3,805,000	-	-	3,000,000	80,000	600,000	-	-	125,000
<u>PUBLIC SAFETY</u>										
5	Fire Apparatus Rehab	895,000	350,000		50,000	A	150,000	A	160,000	A
5	New Quint (Ladder/Pumper combo)	1,000,000	1,000,000							
5	Ladder #2 Replacement	1,000,000						1,000,000	B	
5	Rescue/Special Operations Truck	150,000		150,000	A					
2	Master Boxes - Wireless	300,000			300,000	A				
	Public Safety Total	3,345,000	1,350,000	150,000	350,000	150,000	160,000	1,000,000	185,000	-

**TOWN OF BROOKLINE
FY2011 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2011 - FY2016															
REVENUE CODES:										CATEGORY CODES (CC):					
A = Property Tax/Free Cash/Overlay Surplus		D = Golf Budget		G = Utility Bond		J = Re-Approp. of Funds		1 = New Facility Construction		4 = Infrastructure					
B = General Fund Bond		E = Golf Bond		H = CDBG				2 = Facility Renovation / Repair		5 = Vehicles					
C = State / Federal Aid		F = Utility Budget		I = Other				3 = Parks/Open Space/Playgrounds		6 = Miscellaneous					
CC		Total	Prior Year (FY10)	2011	2012	2013	2014	2015	2016	Future Years					
LIBRARY															
2	Coolidge Corner - Elevator / Rear Windows	355,000					220,000	A	135,000	A					
2	Library Interior Painting / Facelift	200,000			100,000	A								100,000	A
2	Main Library Front Entrance	50,000		50,000	A										
	Library Total	605,000	-	50,000	100,000	-	220,000		135,000		-			100,000	
PUBLIC WORKS:															
Transportation															
4	Traffic Calming / Safety Improvements	500,000	100,000	100,000	A	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A
4	Bicycle Access Improvements	25,000		25,000	A										
4	Dean / Chestnut Hill Ave Signal	315,000				35,000	A							280,000	A
4	Cypress / High Traffic Signal Study	30,000				30,000	A								
	Public Works - Transportation Sub-Total	870,000	100,000	125,000	50,000	115,000	50,000	50,000	50,000	50,000	50,000			330,000	
Engineering/Highway															
4	Street Rehab - Town	12,960,000	1,720,000	1,740,000	A	1,750,000	A	1,470,000	A	1,510,000	A	1,550,000	A	1,590,000	A
4	Street Rehab - State	5,596,416	699,552	699,552	C	699,552	C	699,552	C	699,552	C	699,552	C	699,552	C
4	Sidewalk Repair	2,237,000	256,000	262,000	A	269,000	A	276,000	A	283,000	A	290,000	A	297,000	A
4	Path Reconstruction	120,000		120,000	A										
4	Streetlight Repair/Replacement Program	250,000		50,000	A	50,000	A	50,000	A	50,000	A	50,000	A		
4	Streetlight Repair/Repl. Program-ARRA Funds	145,000	145,000												
4	Parking Meter System Replacement	1,460,000	60,000	1,400,000	A										
4	Newton St. Steel Guardrail Repl.	35,000		35,000	A										
4	Parking Lot Rehab.	450,000	120,000			45,000	A	85,000	A					200,000	
4	Newton St. Landfill - Rear Landfill Closure	4,500,000								4,500,000	B				
4	Newton St. Landfill - Corrective Action (Town)	3,275,000	3,275,000												
4	Newton St. Landfill - Corrective Action (State)	1,000,000	1,000,000												
2	Municipal Service Ctr Floor	150,000				150,000	A								
4	Lincoln School/Kennard House Parking Area Rep	250,000		250,000	A										
	Public Works - Engineering/Highway Sub-Total	32,428,416	7,275,552	4,556,552	2,813,552	2,730,552	2,542,552	7,089,552	2,786,552					2,633,552	
Water / Sewer															
4	Singletree Tank Exterior Rehab.	275,000				275,000	F								
4	Water Dept. Garage - Roof Repl.	255,000					255,000	F							
4	Storm Drain Improvements	500,000			500,000	G									
4	Wastewater System Improvements	3,000,000					3,000,000	G							
4	Water Main Improvements	1,000,000			1,000,000	G									
	Public Works - Water / Sewer Sub-Total	5,030,000	-	-	1,500,000	275,000	3,255,000							-	

**TOWN OF BROOKLINE
FY2011 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2011 - FY2016

REVENUE CODES:

A = Property Tax/Free Cash/Overlay Surplus D = Golf Budget G = Utility Bond J = Re-Approp. of Funds
 B = General Fund Bond E = Golf Bond H = CDBG
 C = State / Federal Aid F = Utility Budget I = Other

CATEGORY CODES (CC):

1 = New Facility Construction 4 = Infrastructure
 2 = Facility Renovation / Repair 5 = Vehicles
 3 = Parks/Open Space/Playgrounds 6 = Miscellaneous

CC	Total	Prior Year (FY10)	2011	2012	2013	2014	2015	2016	Future Years
<u>Parks and Playgrounds</u>									
3	Billy Ward Playground	660,000			60,000	A	600,000	A	
3	Brookline Ave Playground	835,000					60,000	A	775,000
3	Brookline Reservoir Park	1,400,000							1,400,000
3	Clark Playground	510,000					40,000	A	470,000
3	Corey Hill Playground	570,000					40,000	A	530,000
3	Fisher Hill - Acquisition, Design & Field	3,250,000				3,250,000	I		
3	Harry Downes Field & Playground	825,000						75,000	A
3	Larz Anderson Park	1,100,000			100,000	A	250,000	A	750,000
3	Pierce Playground	850,000							850,000
3	Riverway Park	425,000							425,000
3	Schick Playground	750,000							750,000
3	Soule Athletic Fields	560,000				60,000	A	500,000	A
3	Waldstein Playground	880,000		80,000	A	800,000	B		
3	Warren Field / Playground	860,000		60,000	A	800,000	B		
3	Carlton St. Footbridge - Muddy River Project	1,400,000	1,400,000						
3	Parks/Playgrounds Rehab/Upgrade	2,360,000	260,000	270,000	A	280,000	A	290,000	A
3	Town/School Ground Rehab.	1,135,000	120,000	130,000	A	135,000	A	140,000	A
3	Tennis Courts / Basketball Courts	350,000				100,000	A	150,000	A
2	Comfort Stations	200,000				50,000	A	50,000	A
	Public Works - Parks and Playground Sub-Total	18,920,000	1,780,000	400,000		555,000		2,340,000	
<u>Conservation/Open Space</u>									
3	Tree Removal/Repl - Town	1,340,000	150,000	155,000	A	160,000	A	165,000	A
3	Old Burial Ground	350,000				250,000	A		
3	Walnut Hills Cemetery	200,000		200,000	I				
	Public Works - Conser /Open Space Sub-Total	1,890,000	150,000	355,000		160,000		415,000	
	Public Works Total	59,138,416	9,305,552	5,436,552		5,078,552		5,875,552	
<u>RECREATION</u>									
2	Tappan St. Gym Enhancements	30,000				30,000	A	NA	
2	Swimming Pool - Shower Renov./Pool Repointing	550,000							550,000
2	Waldstein Building	115,000					115,000	A	
	Recreation Total	695,000	-	-		30,000		115,000	

**TOWN OF BROOKLINE
FY2011 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2011 - FY2016

REVENUE CODES:

A = Property Tax/Free Cash/Overlay Surplus D = Golf Budget G = Utility Bond J = Re-Approp. of Funds
 B = General Fund Bond E = Golf Bond H = CDBG
 C = State / Federal Aid F = Utility Budget I = Other

CATEGORY CODES (CC):

1 = New Facility Construction 4 = Infrastructure
 2 = Facility Renovation / Repair 5 = Vehicles
 3 = Parks/Open Space/Playgrounds 6 = Miscellaneous

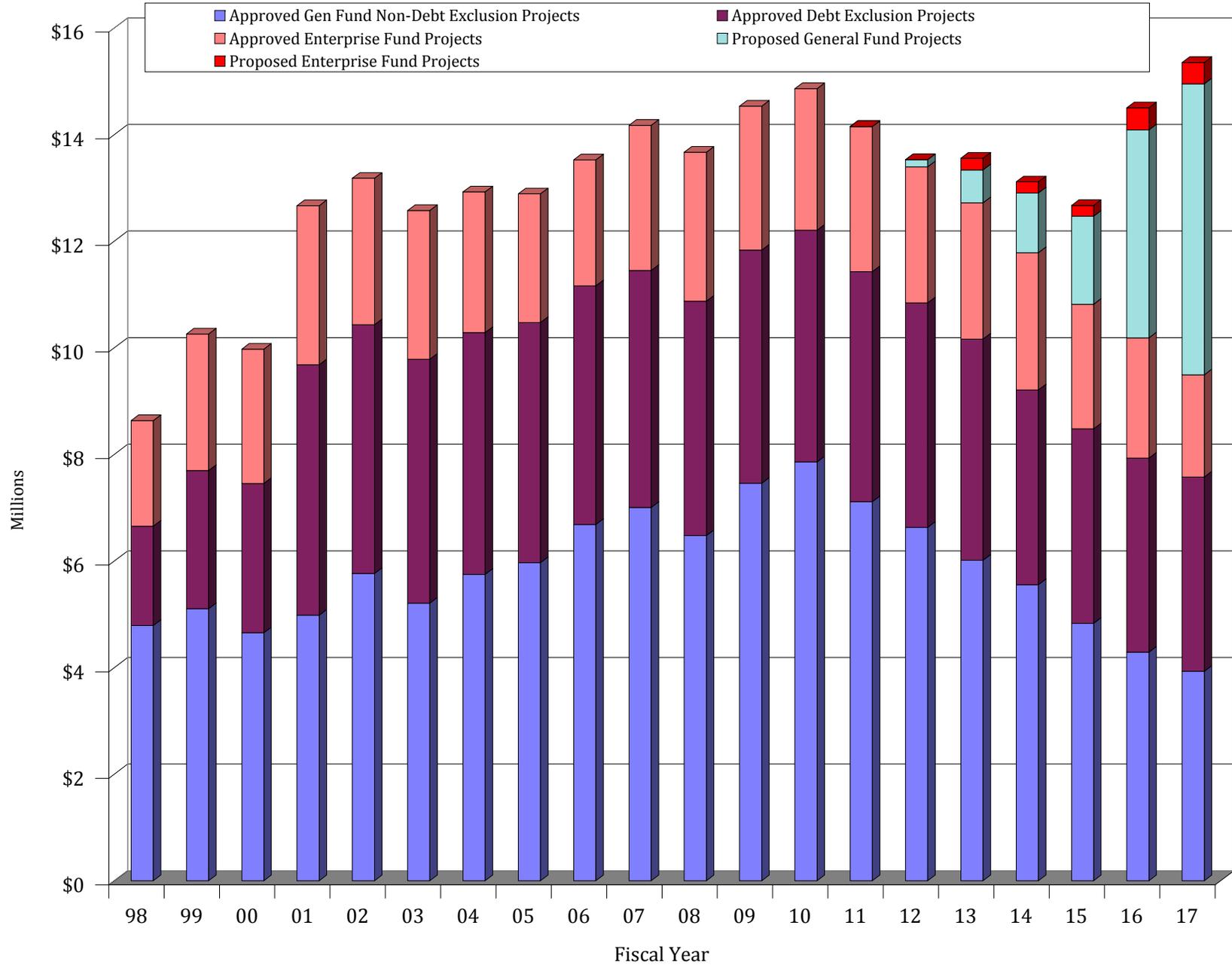
CC		Total	Prior Year (FY10)	2011	2012	2013	2014	2015	2016	Future Years
	SCHOOL									
6	Furniture Upgrades	200,000	25,000	25,000 A	25,000 A	25,000 A	25,000 A	25,000 A	25,000 A	25,000 A
2	Town/School Asbestos Removal	495,000	50,000	55,000 A	60,000 A	60,000 A	65,000 A	65,000 A	70,000 A	70,000 A
2	Town/School ADA Renovations	495,000	50,000	55,000 A	60,000 A	60,000 A	65,000 A	65,000 A	70,000 A	70,000 A
2	Town/School Bldg Masonry Rep/Chimney Liners	2,250,000			250,000 A		500,000 A	500,000 A	500,000 A	500,000 A
2	Town/School Building Security / Life Safety	650,000	100,000	100,000 A		150,000 A	150,000 A	150,000 A		
2	Town/School Elevator Renov. Program	1,650,000				275,000 A	300,000 A	325,000 A	350,000 A	400,000 A
2	Town/School Emer Generator Repl	625,000			125,000 A	125,000 A	125,000 A	125,000 A	125,000 A	
2	Town/School Energy Conservation Projects	1,055,572	105,572	100,000 A	125,000 A	150,000 A	175,000 A	200,000 A		200,000 A
2	Town/School Energy Cons. Proj.-ARRA Funds	143,000	143,000							
2	Town/School Energy Management System	300,000	100,000			200,000 A				
2	Town/School Roof Repair/Repl. Program	3,050,000	625,000	300,000 A			1,600,000 B		525,000 A	
2	High School - Campus Ventilation (Cooling)	125,000				125,000 A				
2	High School - Stage & Dance Studio	80,000				80,000 A				
2	High School Quad	525,000				25,000 A		500,000 A		
2	UAB - Roof&Chimney/Pointing/Gutters & Downsp.	1,430,000			130,000 A	1,300,000 B				
2	Baldwin-Boiler/HVAC/Elec./Elev./Windows/ADA	1,950,000					170,000 A	1,780,000 B		
2	Devotion Rehab. - Town Share (60%)	33,750,000					750,000 B	33,000,000 B		
2	Devotion Rehab. - State Share (40%)	22,500,000					500,000 C	22,000,000 C		
2	Runkle Rehab. - Town Share	17,420,000	17,420,000							
2	Runkle Rehab. - State Share	11,680,000	11,680,000							
2	Runkle School - Sch Facil Fund Match	120,000				120,000 A				
2	Old Lincoln Surface Structural Repairs	100,000		100,000 A	NA					
2	Pierce - Renov. Aud./ Elec. Distrib. Upgrade	1,100,000	75,000		750,000 A	25,000 A	250,000 A			
2	Classroom Capacity	5,400,000	400,000		5,000,000 B					
	School Total	107,093,572	30,773,572	735,000	6,525,000	2,720,000	4,675,000	58,735,000	1,665,000	1,265,000
	GRAND TOTAL	180,040,988	42,943,124	8,421,552	15,398,552	9,155,552	16,677,552	69,549,552	7,141,552	10,753,552

**TOWN OF BROOKLINE
FY2011 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2011 - FY2016												
REVENUE CODES:				CATEGORY CODES (CC):								
A = Property Tax / Free Cash / Overlay Surplus		D = Golf Budget	G = Utility Bond	J = Re-Approp. of Funds		1 = New Facility Construction			4 = Infrastructure			
B = General Fund Bond		E = Golf Bond	H = CDBG		2 = Facility Renovation / Repair			5 = Vehicles				
C = State / Federal Aid		F = Utility Budget	I = Other		3 = Parks / Open Space / Playgrounds			6 = Miscellaneous				
CC	Total	Prior Year (FY10)	2011	2012	2013	2014	2015	2016	Future Years			
GRAND TOTAL BY SOURCE												
A = Property Tax / Free Cash / Overlay Surplus	49,891,572	5,150,572	6,572,000 78%	5,199,000 34%	5,281,000 58%	6,023,000 36%	6,570,000 9%	5,042,000 71%	10,054,000 93%			
B = General Fund Bond	76,175,000	23,295,000	950,000 11%	5,000,000 32%	2,900,000 32%	2,350,000 14%	40,280,000 58%	1,400,000 20%	-			
C = State / Federal Grants	41,664,416	13,667,552	699,552 8%	699,552 5%	699,552 8%	1,799,552 11%	22,699,552 33%	699,552 10%	699,552 7%			
D = Golf Budget	-	-	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%	-			
E = Golf Bond	-	-	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%	-			
F = Utility Budget	530,000	-	- 0%	- 0%	275,000 3%	255,000 2%	- 0%	- 0%	-			
G = Utility Bond	4,500,000	-	- 0%	1,500,000 10%	- 0%	3,000,000 18%	- 0%	- 0%	-			
H = CDBG	2,250,000	-	- 0%	2,250,000 15%	- 0%	- 0%	- 0%	- 0%	-			
I = Other	4,200,000	-	200,000 2%	750,000 5%	- 0%	3,250,000 19%	- 0%	- 0%	-			
J = Re-Approp. of Existing Funds	830,000	830,000	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%	-			
Grand Total	180,040,988	42,943,124	8,421,552	15,398,552	9,155,552	16,677,552	69,549,552	7,141,552	10,753,552			
GRAND TOTAL BY ALLOCATION												
General Government	5,359,000	1,514,000	2,050,000 24%	345,000 2%	300,000 3%	275,000 2%	300,000 0%	275,000 4%	300,000 3%			
Planning and Community Development	3,805,000	-	- 0%	3,000,000 19%	80,000 1%	600,000 4%	- 0%	- 0%	125,000 1%			
Public Safety	3,345,000	1,350,000	150,000 2%	350,000 2%	150,000 2%	160,000 1%	1,000,000 1%	185,000 3%	-			
Library	605,000	-	50,000 1%	100,000 1%	- 0%	220,000 1%	135,000 0%	- 0%	100,000 1%			
DPW - Transportation	870,000	100,000	125,000 1%	50,000 0%	115,000 1%	50,000 0%	50,000 0%	50,000 1%	330,000 3%			
Engineering/Highway	32,428,416	7,275,552	4,556,552 54%	2,813,552 18%	2,730,552 30%	2,542,552 15%	7,089,552 10%	2,786,552 39%	2,633,552 24%			
Water / Sewer	5,030,000	-	- 0%	1,500,000 10%	275,000 3%	3,255,000 20%	- 0%	- 0%	-			
Parks & Playgrounds	18,920,000	1,780,000	400,000 5%	555,000 4%	2,340,000 26%	4,615,000 28%	2,065,000 3%	2,000,000 28%	5,165,000 48%			
Conservation/Open Space	1,890,000	150,000	355,000 4%	160,000 1%	415,000 5%	170,000 1%	175,000 0%	180,000 3%	285,000 3%			
Recreation	695,000	-	- 0%	- 0%	30,000 0%	115,000 1%	- 0%	- 0%	550,000 5%			
Public Schools	107,093,572	30,773,572	735,000 9%	6,525,000 42%	2,720,000 30%	4,675,000 28%	58,735,000 84%	1,665,000 23%	1,265,000 12%			
Grand Total	180,040,988	42,943,124	8,421,552	15,398,552	9,155,552	16,677,552	69,549,552	7,141,552	10,753,552			
GRAND TOTAL BY CATEGORY												
1 New Facility Construction	-	-	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%	-			
2 Facility Renovation / Repair	112,013,572	32,023,572	2,560,000 30%	6,995,000 45%	2,925,000 32%	5,035,000 30%	58,845,000 85%	1,690,000 24%	1,940,000 18%			
3 Parks / Open Space / Playgrounds	25,110,000	1,930,000	755,000 9%	715,000 5%	2,705,000 30%	4,735,000 28%	6,740,000 10%	2,130,000 30%	5,400,000 50%			
4 Infrastructure	37,483,416	7,375,552	4,681,552 56%	7,363,552 48%	3,050,552 33%	6,447,552 39%	2,639,552 4%	2,836,552 40%	3,088,552 29%			
5 Vehicles	3,045,000	1,350,000	150,000 2%	50,000 0%	150,000 2%	160,000 1%	1,000,000 1%	185,000 3%	-			
6 Miscellaneous	2,389,000	264,000	275,000 3%	275,000 2%	325,000 4%	300,000 2%	325,000 0%	300,000 4%	325,000 3%			
Grand Total	180,040,988	42,943,124	8,421,552	15,398,552	9,155,552	16,677,552	69,549,552	7,141,552	10,753,552			
6-Year Total	126,344,312											

DEBT SERVICE BASED ON EXISTING AUTHORIZATIONS AND PROJECTS IN FY11 - FY16 CIP



TOTAL OUTSTANDING DEBT (as of June 30 each year) BASED ON EXISTING AUTHORIZATIONS AND
PROJECTS IN FY11 - FY16 CIP

