

CAPITAL IMPROVEMENTS PROGRAM

The preparation of the annual Capital Improvements Program (CIP) is mandated by statute. Massachusetts General Law (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 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. Further, the Selectmen themselves hold a public hearing each year to take citizen comments about capital improvements.

The recommendations contained herein are in compliance with the Board of Selectmen's Capital Improvement Program (CIP) Policies, including the key provision of dedicating an amount equivalent to 5.5% of the prior year's net revenue. These policies 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 critical that a governmental body comply with its policies, as it makes little, if any, sense to adopt policies only not to follow them. In that regard, the table below, which is based on the Proposed CIP, 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. **The Town is in compliance with all of its CIP Financing Policies.** There are numerous summary tables and graphs in the pages that follow.

VARIABLE	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Legal Limit for Out. Debt = 5% of Equalized Valuation (EQV) EQV for 1/1/04 = \$12.676 billion. Assume 2.5% annual growth. (In millions)	\$12,993.2	\$13,318.0	\$13,651.0	\$13,992.3	\$14,342.1	\$14,700.6	\$15,068.1
Outstanding Debt as a % of EQV	0.8%	0.9%	0.8%	0.7%	0.8%	0.7%	0.6%
Total Outstanding Debt (in millions)	\$105.2	\$116.8	\$109.9	\$104.2	\$110.7	\$102.4	\$97.7
General Fund Outstanding Debt (in millions)	\$85.3	\$96.4	\$91.0	\$85.0	\$92.7	\$84.6	\$82.0
Total Debt Service (in millions)	\$13.5	\$14.2	\$15.8	\$15.6	\$15.7	\$16.8	\$16.4
General Fund Debt Service (in millions)	\$11.0	\$11.3	\$12.7	\$12.6	\$12.7	\$13.8	\$13.3
Total Debt Service Per Capita	\$210	\$249	\$277	\$273	\$274	\$295	\$287
General Fund Debt Service Per Capita	\$161	\$195	\$220	\$219	\$221	\$242	\$233
A. Total Outstanding Debt Per Capita as a % of Per Capita Income	3.2%	3.4%	3.2%	2.9%	3.0%	2.7%	2.5%
General Fund Outstanding Debt Per Capita as a % of Per Capita Income	2.6%	2.8%	2.6%	2.4%	2.5%	2.3%	2.1%
B. Total Outstanding Debt Per Capita	\$1,846	\$2,049	\$1,928	\$1,825	\$1,943	\$1,797	\$1,713
General Fund Outstanding Debt Per Capita	\$1,496	\$1,692	\$1,597	\$1,492	\$1,627	\$1,484	\$1,439
C. Total Outstanding Debt as a %age of Assessed Value (AV)	0.9%	0.9%	0.9%	0.8%	0.8%	0.7%	0.7%
General Fund Outstanding Debt as a %age of Assessed Value (AV)	0.7%	0.8%	0.7%	0.6%	0.7%	0.6%	0.6%
D. Total Debt Maturing Within 10 Years	75%	76%	80%	84%	84%	85%	85%
General Fund Debt Maturing Within 10 Years	73%	75%	79%	83%	84%	84%	85%
E. CIP Financing as a %age of Prior Year's Net Revenue	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Debt-Financed CIP as a %age of Prior Year's Net Revenue	4.37%	4.36%	5.11%	4.90%	4.82%	5.33%	4.96%
Revenue-Financed CIP as a %age of Prior Year's Net Revenue	1.12%	1.14%	0.39%	0.60%	0.68%	0.17%	0.54%

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 \$2,230 (for FY07).
- 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.

INTRODUCTION

The 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. (As previously noted, the complete text of these policies can be found in the Appendix of this Financial Plan.) 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. As stated in the CIP polices, the goal is to have the 5.5% be split into 4.25% for debt-financed CIP and 1.25% for pay-as-you-go CIP.

In addition to the 5.5%, there is a Free Cash policy, also shown in its entirety in the Appendix of this Financial Plan, that dedicates this revenue source to the CIP, after funding various strategic reserves. In summary, the Free Cash Policy 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.

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 the 5.5% policy and the Free Cash policy work and 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).

* It should be noted that 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.

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Total Gen Fund Rev	181,148,044	184,841,928	190,099,380	195,487,389	201,068,495	206,584,172
LESS:						
Non Appropriations	8,103,309	8,265,946	8,432,650	8,603,521	8,778,664	8,958,186
Net Debt Exclusions	1,614,854	1,568,947	1,542,140	1,516,517	1,486,729	1,381,510
Free Cash	5,227,897	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Stabilization Fund	0	0	4,948	0	98,500	117,088
Overlay Surplus	0	0	0	0	0	0
Capital Project Surplus	413,960	0	0	0	0	0
Chapter 90	0	0	0	0	0	0
Net Revenue	165,788,024	171,007,035	176,119,643	181,367,351	186,704,601	192,127,389
Prior Year Net Revenue	159,377,514	165,788,024	171,007,035	176,119,643	181,367,351	186,704,601
5.5% Total Dedicated to CIP	8,765,763	9,118,341	9,405,387	9,686,580	9,975,204	10,268,753
Net Debt Financed ¹	6,955,944	8,467,990	8,383,632	8,494,123	9,666,678	9,269,024
Revenue Financed	1,809,819	650,351	1,021,755	1,192,458	308,526	999,729
Free Cash for CIP	4,331,638	3,301,294	3,312,105	3,304,539	3,296,136	3,182,638
TOTAL AVAILABLE FOR GEN. FUND-SUPPORTED CIP	13,097,401	12,419,635	12,717,492	12,991,120	13,271,340	13,451,391

¹ As defined in the CIP Policies, "Net Debt" is total debt service exclusive of debt service related to projects funded via 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, which 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 on capital projects. The requests are then reviewed by a committee 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 and the after the Board of Selectmen holds a public hearing on both the Operating Budget and the CIP, the committee approves a preliminary CIP that is presented to the Town Administrator and the Board of Selectmen.

The Planning Board and the Capital Sub-Committee of the Advisory Committee then hold separate hearings at which all projects included in the preliminary CIP are reviewed. All comments, recommendations, and suggestions from the public hearings, the Board of Selectmen, the Planning Board, and the Capital Sub-Committee of the Advisory Committee are taken into consideration and factored into the formal CIP proposed as part of this Financial Plan. After publication, the Advisory Committee holds public hearings on the CIP and makes its recommendations. The Planning Board's final recommendations are published in an annual CIP booklet that is prepared and distributed prior to the Annual Town Meeting. Town Meeting then takes action on the projects included in the first year of the CIP as part of its budget vote. (This process is also shown in the chart included in the Appendix.)

PROPOSED FY07 - FY12 CIP

The recommended FY07 - FY12 CIP calls for an investment of \$104.1 million, for an average of approximately \$17.4 million per year. This continues the Town's commitment to prevent the decline of its infrastructure. Over the last 10 years (FY97 - FY06), the Town has authorized close to \$115 million, for an average of \$11.5 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 and have dramatically improved the Town's physical assets.

The most significant challenge in the preparation of this CIP was complying with the Town's CIP Financing Policies while funding major facility rehab projects in a difficult bid environment, coupled with the significant change in the assumption surrounding School Building Assistance (SBA) funding by the State. Further complicating this challenge was the need for additional funding for projects previously approved (e.g., the Swimming Pool and Landfill Closure) and the surfacing of projects at levels that last year were not anticipated (e.g., work at the High School).

These cost factors have placed such a burden on the CIP that some projects included in last year's CIP had to be delayed (e.g., work at the Old Lincoln School) or cancelled (e.g., work on the High School Quad). In addition, a number of new projects requested by departments for the "out-years" could not be included in this CIP.

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, 2005 was \$5.39 million, providing the CIP with additional pay-as-you-go capacity for FY07. Lower levels of Free Cash are estimated for the out-years of the CIP, due to a projected reduction in revenue surpluses and expenditure turnbacks. CDBG funds add \$2.9 million over the six-year CIP, a level of funding that is greater than in years past, the result of the Town's plans to utilize the CDBG Section 108 Loan Program. This program allows the Town to take a loan of \$1.5 million for the Gateway East Project, and pay it back with future CDBG funds. State/Federal grants total \$16 million over the six-year period. Of this amount, \$12 million represents the potential State share of the Runkle School Renovation Project. If the School Building Authority (SBA) does not approve the Runkle School for funding, then the total project will be \$12 million -- the Town's share of the project -- not a \$24 million project (Town and State funding combined).

Water and Sewer projects total \$6.75 million over the six years. The major project (\$6 million) is the continuation of the Wastewater System Improvement plan. While debt service payments for water and sewer projects are actually paid for out of the General Fund, it should be clearly noted that a transfer from the Water and Sewer Enterprise Fund is made to reimburse the General Fund. The same holds true for any Golf projects. The debt service payments are built into the water and sewer rates and golf fee structure. No tax revenue supports either water and sewer or golf projects.

The other significant funding component of the CIP is "Other" funds, the largest piece being an expected \$3.25 million from the sale of the Town-owned Fisher Hill Reservoir that would be used to fund the construction of a playing field on the State-owned site across the street.

Some of the major projects being proposed include:

- . Devotion School Rehab – Needs Assessment programmed for FY07, with \$24 million of Town funding plus the possibility of \$24 million of State funding in FY13 for construction.
- . Runkle School Rehab - Feasibility Study programmed for FY07, with \$12 million of Town funding plus the possibility of \$12 million of State funding in FY10 for construction.
- . Town Hall Rehab - \$13 million in FY07.
- . Wastewater System - \$6 million in FY07.
- . Newton St. Landfill - a total of \$5.7 million for FY07 and FY10.
- . Fisher Hill Reservoir Re-Use - a total of \$4.6 million (of which \$3.25 million is from "Other" funds) for FY07 and FY08.
- . High School / UAB Projects - a total of \$4.1 million for FY08 and FY11 for the roof, pointing, wiring, floors, and the Tappan St. Gym Windows.
- . Gateway East - a total of \$2 million for FY07 and FY08, all but \$100,000 funded via grants and other outside funding.

Continued major investments include:

- . Parks/Playgrounds - \$11.7 million for a number of projects, including the above referenced Newton St. Landfill and Fisher Hill Reservoir projects. Other parks / playgrounds included are Billy Ward, Corey Hill, Eliot Rec Center, Soule, Waldstein, and Winthrop Square / Minot Rose Garden.
- . Street and Sidewalk Rehab - \$11.1 million, with more than \$4 million supported by state grants.
- . Police Officer and Firefighter Equipment / Apparatus - \$2 million for bullet proof vests, the replacement of Firefighter Turnout Gear, and a new front-line piece of Fire Department apparatus.
- . Information Technology - \$1.5 million.
- . General Town/School Building Repairs - \$1.375 million for ADA, security, and roofs.
- . Parking Meters - \$1.3 million over an eight -year period (FY08-FY15).
- . RFID Technology in Library - \$617,000 commencing in FY08.
- . Branch Library Improvements - \$500,000 for the Coolidge Corner and Putterham branches.

The table on the next page details the funding source for each year of the Proposed CIP. As it shows, \$47.4 million, or 45.5%, of the funding comes from General Fund bonds.

**TOWN OF BROOKLINE
FY2007 PROGRAM BUDGET**

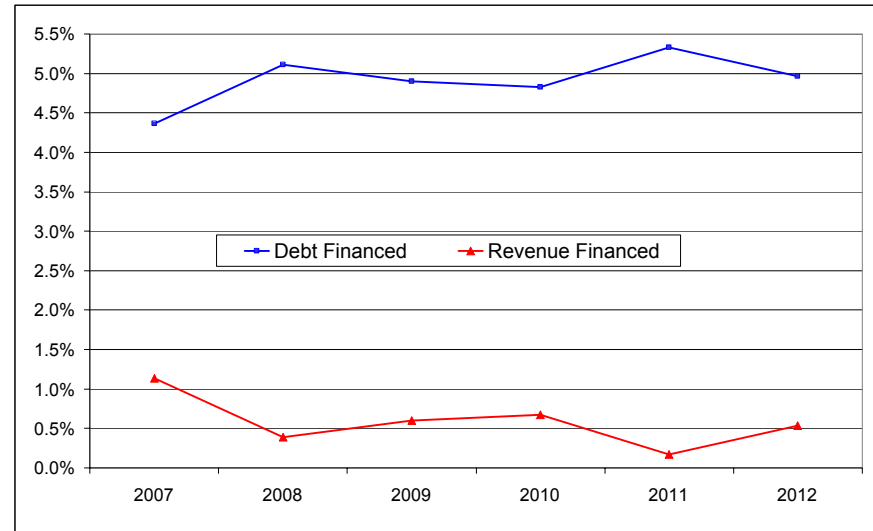
CAPITAL IMPROVEMENTS PROGRAM

GRAND TOTAL BY SOURCE (in thousands)

	FY07	FY08	FY09	FY10	FY11	FY12	TOTAL	% OF TOTAL
Property Tax	1,809.8	650.3	1,021.7	1,192.4	308.5	1,007.4	5,990.2	5.7%
Free Cash	4,491.2	3,281.2	3,294.8	3,294.3	3,213.0	3,205.1	20,779.6	19.9%
General Fund Bond	17,950.0	2,875.0	2,400.0	16,400.0	1,200.0	6,600.0	47,425.0	45.5%
State / Federal Grants	568.8	1,068.8	568.8	13,168.8	568.8	568.8	16,512.7	15.8%
Utility Bond	6,000.0	250.0	0.0	500.0	0.0	0.0	6,750.0	6.5%
CDBG	325.0	1,720.0	220.0	220.0	220.0	220.0	2,925.0	2.8%
Other	0.0	3,500.0	0.0	0.0	0.0	0.0	3,500.0	3.4%
Re-Appropriation of Funds	414.0	0.0	0.0	0.0	0.0	0.0	414.0	0.4%
TOTAL	31,558.7	13,345.3	7,505.3	34,775.5	5,510.3	11,601.3	104,296.4	100.0%

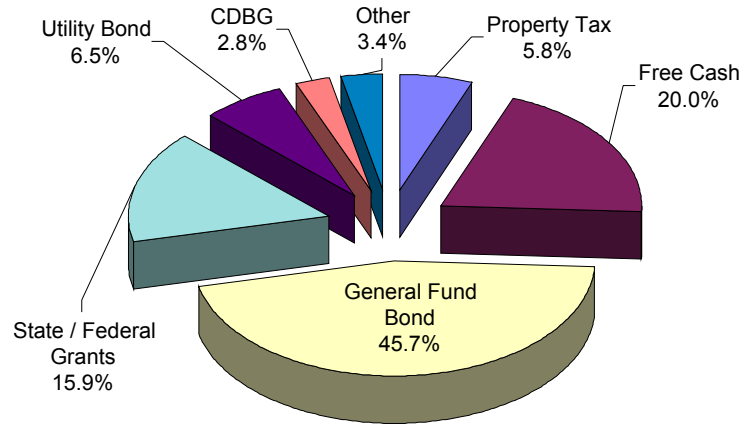
Given the reliance on \$47.4 million of bonds supported by the General Fund, there is an effect on the Town's operating budget. However, because the CIP complies with the Town's CIP Financing Policies, the impact on the debt service budget is offset by a decrease in the tax-financed component. As the 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 debt service associated with the projects included in the CIP results in an increase in FY08 of the portion being funded through debt. That portion then begins to decline through FY10, resulting in an increase in the amount of pay-as-you-go available for the CIP in those years. The debt component then spikes again in FY11 due to the Runkle School debt coming on-line.

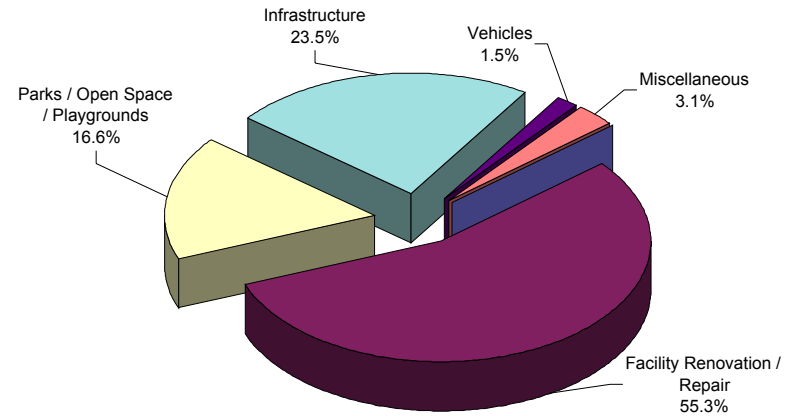


The three graphs on the following page summarize the FY07 - FY12 CIP by revenue source, by category (i.e., facility repair / renovation, infrastructure, parks/open spaces), and by allocation group (e.g., schools, engineering/highway). As shown in the left graph, more than 45% of the six-year CIP is funded from General Fund-supported bonds, more than 25% is funded via property tax / free cash, nearly 16% is funded by State / Federal Grants, and more than 6% from bonds supported by the Water and Sewer Enterprise Fund. The remaining funding comes from CDBG, outside sources, and the re-appropriation of existing project balances. The right graph breaks out the six-year CIP by category. More than one-half of the CIP goes toward facility renovations/repairs (e.g., Town Hall and Runkle School), with close to 24% for infrastructure repairs (streets, sidewalks, water and sewer system) and close to 17% for Parks / Open Space / Playgrounds. The final categories are Miscellaneous (e.g., IT, Firefighter Turnout gear) at 3.1% and Vehicles (Fire apparatus) at 1.5%. The lower right graph breaks out the CIP by allocation group and shows that close to 39% is for Schools, 19% is for Engineering / Highway, 14% is for General Government, and 10% is for Parks / Playgrounds.

CIP FUNDING BY SOURCE - 6 YR. TOTAL



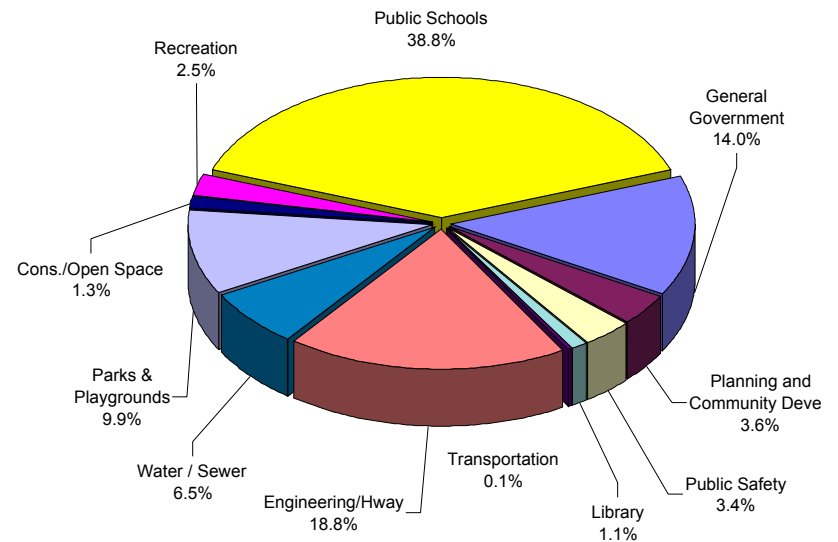
CIP BY CATEGORY - 6 YR. TOTAL



It is important to note that the recommendations contained in the CIP are based upon our 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 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, and recently reaffirmed by the Fiscal Policy Review Committee (FPRC), are only effective if followed. Continued challenges lie ahead. The FY07 - FY12 CIP is tightly balanced, but the fiscal prudence dictated by the CIP policies will help meet the challenge.

CIP BY ALLOCATION - 6 YR. TOTAL



DEBT & DEBT SERVICE

This portion of Section VI 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. 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.

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) are 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 May, 2005 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 "prudent financial planning and policies teamed with capable management" and "Moody's expects... [the] overall debt burden will remain affordable due to modest direct obligations (0.8% of equalized valuation), significant school construction aid (61%), a rapid amortization of principal (73.2% in 10 years), 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, as approved by the State as of 1/1/2004, is \$12.676 billion. Therefore, the Town's debt limit is \$633.8 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 at that level.

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 in addition to the property tax limit. In order to do 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).

As was previously mentioned, debt is issued on behalf of the Water and Sewer Enterprise Fund and the Golf Course Enterprise Fund. While it is paid for from the General Fund, both enterprise funds reimburse the General Fund 100% for those costs. As a result, the tax levy funds no enterprise fund debt. The table below 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 FY05, this shows that the Town's total outstanding debt was \$102.2 million, of which \$48.6 million (47.5%) was owed by either the State (\$31.9 million) or enterprise funds (\$16.7 million).

OUTSTANDING DEBT

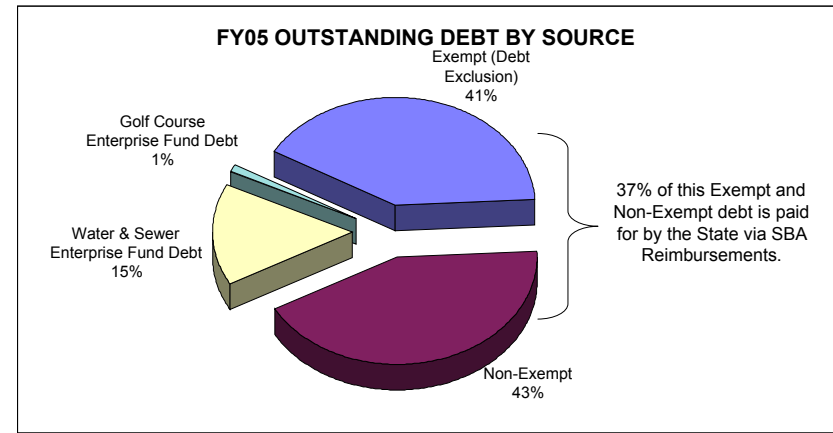
DESCRIPTION	FY00	FY01	FY02	FY03	FY04	FY05
Total General Fund Outstanding Debt (not incl Debt reimbursed by Enterprise Funds)	81,070,000	76,860,001	75,071,000	81,814,000	81,517,732	85,508,601
a.) Exempt (Debt Exclusion) ¹	52,180,000	50,265,000	48,280,000	46,383,507	44,155,268	41,859,857
b.) Non-Exempt	28,890,000	26,595,001	26,791,000	35,430,493	37,362,464	43,648,744
Minus State (SBA) Reimbursed Debt ²	33,293,800	32,028,050	30,773,585	35,364,750	33,595,750	31,865,180
Net General Fund Outstanding Debt	47,776,200	44,831,951	44,297,415	46,449,250	47,921,982	53,643,421
Water & Sewer Enterprise Fund Outstanding Debt	19,412,963	19,609,554	19,972,036	18,046,518	17,536,416	15,573,545
Golf Course Enterprise Fund Outstanding Debt	335,000	590,000	1,395,000	1,480,000	1,326,287	1,167,202
Enterprise Fund Outstanding Debt	19,747,963	20,199,554	21,367,036	19,526,518	18,862,703	16,740,747
TOTAL Outstanding Debt	100,817,963	97,059,555	96,438,036	101,340,518	100,380,435	102,249,348

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 FY05 figures. As it shows, 43% of the Town's debt is covered within the levy while 41% is covered outside the levy via Debt Exclusion Overrides. The remaining 16% is covered by enterprise fund revenues. The graph also notes how the State covers 37%, or \$31.9 million, of the General Fund debt.

The projected level of outstanding debt based upon the Proposed CIP is shown in the table below. Lastly, there is a graph at the end of this Section VI that graphs both a history and a projection of outstanding debt.



OUTSTANDING DEBT (PROJECTED)

DESCRIPTION	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Total General Fund Outstanding Debt (not incl Debt reimbursed by Enterprise Funds)	85,262,645	96,440,818	91,027,033	85,042,473	92,744,047	84,595,131	82,004,976
a.) Exempt (Debt Exclusion) ¹	39,492,216	37,054,223	34,553,585	31,966,160	29,284,685	26,506,963	23,706,500
b.) Non-Exempt	45,770,429	59,386,595	56,473,448	53,076,313	63,459,362	58,088,168	58,298,476
Minus State (SBA) Reimbursed Debt ²	29,991,458	28,077,028	28,077,028	26,128,742	24,129,458	22,078,758	19,972,597
Net General Fund Outstanding Debt	55,271,187	68,363,790	62,950,005	58,913,731	68,614,589	62,516,373	62,032,379
Water & Sewer Enterprise Fund Outstanding Debt	18,947,354	19,005,041	17,222,016	17,288,551	15,856,711	15,878,689	13,893,579
Golf Course Enterprise Fund Outstanding Debt	1,012,262	1,328,705	1,660,000	1,868,667	2,146,667	1,951,334	1,756,000
Enterprise Fund Outstanding Debt	19,959,616	20,333,746	18,882,016	19,157,218	18,003,378	17,830,023	15,649,580
TOTAL Outstanding Debt	105,222,261	116,774,564	109,909,049	104,199,691	110,747,425	102,425,154	97,654,556

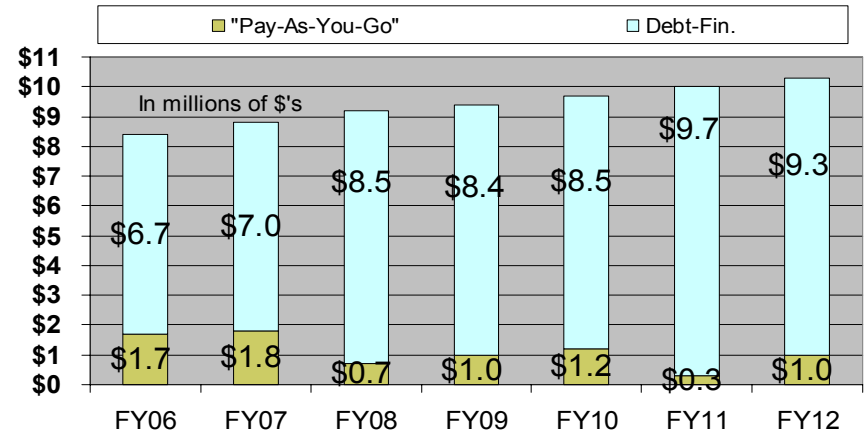
¹ The Lincoln School and High School projects were financed via a Debt Exclusion.

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 disastrous 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 body.

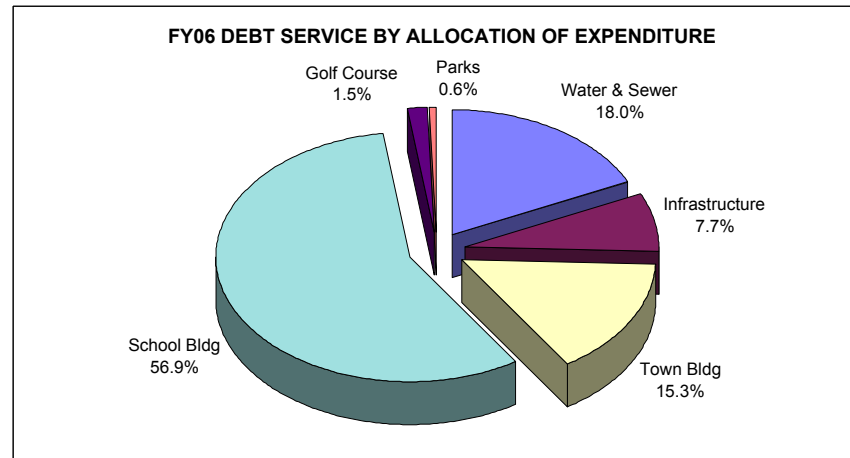
In Brookline, both the Long Range Financial Plan and the planning process for the CIP clearly show decision makers the impact debt service has on the Operating Budget. Since the Town's CIP Financing Policies set a limit on the overall amount of debt that can be issued -- basically the 5.5% policy plus 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 FY07, \$8.8 million is dedicated to the CIP (\$7.0 million for debt service and \$1.8 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.



5.5% FUNDING POLICY

The graph below breakouts existing debt service by allocation of expenditure (e.g., school buildings, water and sewer, etc.). At is shows, more than 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. While it is paid for from the General Fund, both enterprise funds reimburse the General Fund 100% for those costs. As a result, the tax levy funds no enterprise fund debt service. The table on the following page 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 FY05, it shows that the Town's total debt service was \$12.9 million, of which \$6.2 million was reimbursed by either the State (\$3.4 million) or enterprise funds (\$2.8 million).

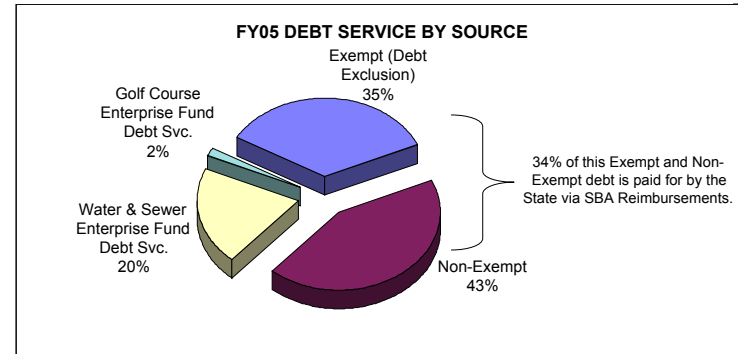
DEBT SERVICE

DESCRIPTION	FY00	FY01	FY02	FY03	FY04	FY05
Total General Fund Supported Debt Service (not incl Debt reimbursed by Enterprise Funds)	8,222,653	11,421,583	10,501,280	10,405,198	10,594,155	10,047,359
a.) Exempt (Debt Exclusion) ¹	1,125,650	4,698,448	4,668,390	4,575,673	4,536,146	4,507,187
b.) Non-Exempt	7,097,003	6,723,136	5,832,890	5,829,525	6,058,008	5,540,172
Minus State (SBA) Reimbursed Debt ²	902,448	3,116,964	3,116,964	3,606,860	3,570,791	3,442,794
Net General Fund Debt Service	7,320,205	8,304,619	7,384,316	6,798,338	7,023,364	6,604,565
Water & Sewer Enterprise Fund Supported Debt Svc.	1,539,625	1,684,376	2,112,288	2,590,702	2,422,855	2,629,240
Golf Course Enterprise Fund Supported Debt Svc.	63,538	61,378	109,430	194,969	214,848	208,744
Enterprise Fund Debt Service	1,603,163	1,745,754	2,221,718	2,785,671	2,637,703	2,837,984
TOTAL Debt Service	9,825,816	13,167,337	12,722,998	13,190,869	13,231,858	12,885,343

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 FY05 figures. As it shows, 43% of the Town's debt service is covered within the levy while 35% is covered outside the levy via Debt Exclusion Overrides. The remaining 22% is covered by enterprise fund revenues. The graph also notes how the State reimburses 34%, or \$3.4 million, of the General Fund debt service.



The projected level of debt service based upon the Proposed CIP is shown in the table below. Lastly, there is a graph at the end of this Section VI that graphs both a history and a projection of debt service.

DEBT SERVICE (PROJECTED)

DESCRIPTION	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Total General Fund Supported Debt Service (not incl Debt reimbursed by Enterprise Funds)	10,951,185	11,291,201	12,682,540	12,576,575	12,661,442	13,804,210	13,301,337
a.) Exempt (Debt Exclusion) ¹	4,479,537	4,445,657	4,399,750	4,372,943	4,347,320	4,317,532	4,212,313
b.) Non-Exempt	6,471,647	6,845,544	8,282,790	8,203,632	8,314,123	9,486,678	9,089,024
Minus State (SBA) Reimbursed Debt ²	3,442,794	3,442,794	3,442,794	3,442,794	3,442,794	3,442,794	3,442,794
Net General Fund Outstanding Debt	7,508,391	7,848,407	9,239,746	9,133,781	9,218,648	10,361,416	9,858,543
Water & Sewer Enterprise Fund Supported Debt Svc.	2,360,635	2,732,454	2,894,812	2,732,722	2,757,714	2,745,152	2,767,885
Golf Course Enterprise Fund Supported Debt Svc.	209,219	202,566	172,405	206,213	256,059	282,019	297,767
Enterprise Fund Debt Service	2,569,855	2,935,020	3,067,216	2,938,935	3,013,773	3,027,172	3,065,652
TOTAL Debt Service	13,521,039	14,226,221	15,749,756	15,515,510	15,675,215	16,831,382	16,366,989

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.

**TOWN OF BROOKLINE
FY2007 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

Great care has gone into the crafting of the Debt Management Plan for the FY07 - FY12 CIP. Due to three significant factors -- the difficult bid environment, the significant change in the assumption surrounding School Building Assistance (SBA) funding by the State, and the need for additional funding for projects previously approved -- developing a debt management plan for this Proposed CIP that lives within the Town's CIP Financing Policies was challenging. An outcome of having a number of large projects requiring debt financing is that the pay-as-you-go component of the CIP is minimal in FY08 and FY11. The debt management plan is detailed in the table below. As mentioned at the beginning of this Section VI, this debt management plan results in the Town complying with all of its CIP Financing Policies.

<u>Project</u>	<u>Yrs</u>	<u>Authorization</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Lawrence School/Longwood Playground - (\$1M from previous authorization)	10	17,075,000	145,000	140,500	136,000	131,500	127,000	122,500
Health Dept (previously authorized)	20	4,100,000	410,000	399,750	389,500	379,250	369,000	358,750
Town Hall Design (previously authorized)	10	1,260,000	182,700	177,030	171,360	165,690	160,020	154,350
Muddy River (previously authorized)	10	745,000		109,888	106,349	102,810	99,271	95,733
Town Hall (seeking authorization)	20	13,000,000		1,332,500	1,298,375	1,264,250	1,230,125	1,196,000
Fisher Hill (seeking authorization)	10	1,350,000		199,125	192,713	186,300	179,888	173,475
Landfill / Transfer Station (seeking authorization)	10	2,000,000		295,000	285,500	276,000	266,500	257,000
Swimming Pool (seeking authorization)	10	1,600,000		236,000	228,400	220,800	213,200	205,600
HS Projects (seeking authorization)	10	2,875,000			424,063	410,406	396,750	383,094
Runkle School Design (seeking authorization)	10	2,400,000				354,000	342,600	331,200
Runkle School - TOWN @ 50% (seeking authorization)	20	12,000,000					1,230,000	1,198,500
Devotion School Windows (seeking authorization)	10	700,000					103,250	99,925
Rear Landfill (seeking authorization)	15	3,700,000					431,667	419,333
UAB Roof/Chimney/Gutters & Downspouts (seeking auth.)	10	1,200,000						177,000
NEW GEN FUND DEBT SERVICE (cumulative)			739,707	2,891,801	3,234,268	3,493,016	5,151,281	5,174,472
Water Meters (previously authorized)	15	2,000,000	228,333	222,000	215,667	209,333	203,000	196,667
Storm Drains (previously authorized)	10	1,000,000	71,250	69,125	67,000	64,875	136,500	132,000
Wastewater ¹ (see footnote)	15	12,000,000	380,632	603,407	586,183	802,291	778,400	987,842
Singletree Tank (seeking authorization)	10	250,000			36,875	35,688	34,500	33,313
Golf Course ² (previously authorized)	15	2,840,000			57,183	111,457	150,599	200,657
NEW ENTERPRISE FUND DEBT SERVICE (cumulative)			680,215	894,532	962,907	1,223,644	1,303,000	1,550,479
TOTAL NEW DEBT SERVICE (cumulative)			1,419,922	3,786,333	4,197,175	4,716,660	6,454,281	6,724,950

¹ Of the \$12M authorization, \$2.74M has already been borrowed from a FY02 \$6M authorization, leaving \$3.34M, plus a new \$6M authorization for FY07.

² Of the \$2.84M authorization, \$1.1M has already been borrowed from the FY02 authorization, leaving \$1.74M phased-in.

RECOMMENDED PROJECTS

The following pages contain the FY07 - FY12 CIP as proposed by project. Commencing on page VI-19 is a project description for each project.

**TOWN OF BROOKLINE
FY2007 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2007 - FY2012

REVENUE CODES:

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

CATEGORY CODES (CC):

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

CC	Total	Prior Year (FY06)	Future Capital Improvement Plan										Future Years			
			2007	2008	2009	2010	2011	2012								
GENERAL GOVERNMENT																
2	Town Hall Renovations	14,260,000	1,260,000	13,000,000	B											
2	Health Dept Renovations	4,350,000	4,350,000													
6	Public Bldg Furnishings & Equipment	131,774	29,017	27,757	A		25,000	A		25,000	A		25,000	A		
2	Reservoir Gatehouse Stabilization	50,000											50,000	A		
6	DRE Voting Machines	110,000	110,000													
6	Technology Applications	2,000,000	250,000	250,000	A	250,000	A	250,000	A	250,000	A	250,000	A	250,000	A	
	General Government Total	20,901,774	5,999,017	13,277,757		250,000		275,000		250,000		275,000	250,000	325,000		
PLANNING & COMMUNITY DEVEL																
4	Commercial Areas Streetscape Improv.	895,000				150,000	A			175,000	A		250,000	A	320,000	A
4	Gateway East Circulation Improv. - Town	100,000		100,000	A											
4	Gateway East Circulation Improv. - CD	1,605,000		105,000	H	1,500,000	H									
4	Gateway East Circulation Improv. - Other	250,000				250,000	I									
4	Brookline Village - MBTA Sta./Pearl St Improv.	500,000				500,000	C									
4	Village Improvements / Pedestrian Access	45,000	45,000													
4	Gateway West (Chestnut Hill) District Plan	75,000						75,000	A							
4	Riverway Park Pedestrian/Bike Path - Fed	600,000								600,000	C					
4	Riverway Park Pedestrian/Bike Path - Town	77,250								77,250	A					
	Planning & Community Development Total	4,147,250	45,000	205,000		2,400,000		75,000		852,250		-	250,000	320,000		
PUBLIC SAFETY																
6	SCBA Air Compressor	60,000		60,000	A											
6	Turnout Gear	270,000		135,000	A	135,000	A									
5	Engine # 1	375,000	375,000													
5	Bronto (Ladder & Pumper Combo / Skylift)	890,000		890,000	A											
5	Fire Apparatus Rehab	977,000		250,000	A					315,000	A		130,000	A	282,000	A
2	Vehicle Maintenance Shop	-				NA										
2	Fire Station AC	80,000	80,000													
2	Fire Station #5 - Windows/Doors/Curtain Walls	360,000		360,000	A											
2	Fire Station #7 Upgrade	1,125,000								25,000	A	100,000	A	1,000,000	B	
6	Bullet Proof Vest Replacement	105,000		25,000	A							80,000	A			
	Public Safety Total	4,242,000	455,000	1,720,000		135,000		-		340,000		180,000	1,130,000	282,000		

**TOWN OF BROOKLINE
FY2007 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

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CC	Description	Total	Prior Year (FY06)	Future Capital Improvement Plan												Future Years
				2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
LIBRARY																
2	Coolidge Corner Upgrade HVAC	100,000	100,000													
2	Coolidge Corner - Rear Windows	123,000					13,000	A	110,000	A						
2	Putterham - HVAC/Furn./Windows	338,000	65,000	150,000	A	13,000	A	110,000	A							
2	Library Interior Painting / Facelift	200,000						100,000	A						100,000	A
6	RFID Conversion Project	617,000				425,000	A	64,000	A	64,000	A	64,000	A			
	Library Total	1,378,000	165,000	150,000		438,000		274,000		77,000		174,000		-	100,000	
PUBLIC WORKS:																
Transportation																
4	Washington/School/Cypress Signal	103,000	-	103,000	A											
4	Harvard / Babcock Signal	25,700		25,700	A											
4	Cypress / High Traffic Signal Study	25,000													25,000	A
	Public Works - Transportation Sub-Total	153,700	-	128,700		-		-		-		-		-	25,000	
Engineering/Highway																
4	Handicapped Access (ADA)	320,000	40,000	40,000	H	40,000	H	40,000	H	40,000	H	40,000	H	40,000	H	40,000
4	Street Rehab - Town	8,000,000	1,000,000	1,000,000	A	1,000,000	A	1,000,000	A	1,000,000	A	1,000,000	A	1,000,000	A	1,000,000
4	Street Rehab - State	4,550,288	568,786	568,786	C	568,786	C	568,786	C	568,786	C	568,786	C	568,786	C	568,786
4	Street Rehab - CD	1,050,000		150,000	H	150,000	H	150,000	H	150,000	H	150,000	H	150,000	H	150,000
4	Traffic Calming	750,000	150,000	100,000	A	100,000	A	100,000	A	100,000	A	100,000	A	50,000	A	50,000
4	Sidewalk Repair	1,670,000	270,000	200,000	A	200,000	A	200,000	A	200,000	A	200,000	A	200,000	A	200,000
4	Street Light Repair/Replacement Program	800,000	100,000	100,000	A	100,000	A	100,000	A	100,000	A	100,000	A	100,000	A	100,000
4	Parking Meter Replacement Program	1,300,000				162,500	A	162,500	A	162,500	A	162,500	A	162,500	A	487,500
4	Parking Lot Rehab. - Babcock St., Centre St. East, Fuller St., & School St.	352,000						170,000	A							182,000
4	Lincoln School Wall Repair	150,000	150,000													
4	Path Reconstruction	150,000	150,000													
3	Newton St. Landfill / Transfer Station	5,700,000		2,000,000	B					3,700,000	B					
	Public Works - Engineering/Highway Sub-Total	24,792,288	2,428,786	4,158,786		2,321,286		2,491,286		6,021,286		2,321,286		2,271,286	2,778,286	
Water / Sewer																
4	Singletree Tank Interior Rehab.	250,000				250,000	G									
4	Storm Drain Improvements	1,000,000	500,000							500,000	G					
4	Wastewater System Improvements	9,000,000		6,000,000	G										3,000,000	G
4	Water Meter Replacement	2,000,000	2,000,000													
	Public Works - Water / Sewer Sub-Total	12,250,000	2,500,000	6,000,000		250,000		-		500,000		-		-	3,000,000	

**TOWN OF BROOKLINE
FY2007 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2007 - FY2012

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CC	Total	Prior Year (FY06)	Future Capital Improvement Plan										Future Years				
			2007	2008	2009	2010	2011	2012									
Parks and Playgrounds																	
3	Amory Field	350,000	350,000														
3	Billy Ward Playground	660,000															
3	Brookline Reservoir Park	220,000								60,000	A	600,000	A		220,000	A	
3	Corey Hill Playground	550,000													550,000	A	
3	Dane Park	170,000	170,000														
3	Turf - Downes/Landfill	300,000	300,000														
3	Downes Field Renovation - NFL Grant	200,000	200,000														
3	Downes Field Renovation - CDBG	230,000	230,000														
3	Eliot Recreation Center Playground	660,000						60,000	A	600,000	A						
3	Fisher Hill - Acquisition, Design & Field	4,600,000	1,350,000	B	3,250,000	I											
3	Larz Anderson Park	100,000													100,000	A	
3	Newton St. Landfill Park - Town	175,000	175,000														
3	Newton St. Landfill Park - State	250,000	250,000														
3	Riverway Park	425,000													425,000	A	
3	Soule Playground	850,000	350,000	A											500,000	A	
3	Waldstein Playground	880,000								80,000	A	800,000	B				
3	Winthrop Square / Minot Rose Garden	440,000			40,000	A	400,000	A									
3	Parks/Playgrounds Rehab/Upgrade	2,000,000	250,000	250,000	A	250,000	A	250,000	A	250,000	A	250,000	A	250,000	A	250,000	A
3	Town/School Ground Rehab.	960,000	120,000	120,000	A	120,000	A	120,000	A	120,000	A	120,000	A	120,000	A	120,000	A
3	Tree / Shrub Management	75,000			25,000	A			25,000	A					25,000	A	
3	Tennis Courts / Basketball Courts	200,000	100,000	A			100,000	A									
3	Lighting & Amenities	150,000	150,000	A													
2	Comfort Stations	150,000					50,000	A	50,000	A	50,000	A					
	Public Works - Parks and Playground Sub-Total	14,595,000	2,045,000	2,320,000	3,685,000	980,000	1,045,000	560,000	1,770,000	2,190,000							
Conservation/Open Space																	
3	Tree Removal/Repl - Town	800,000	100,000	100,000	A	100,000	A	100,000	A	100,000	A	100,000	A	100,000	A	100,000	A
3	Tree Removal/Repl - CDBG	240,000	30,000	30,000	H	30,000	H	30,000	H	30,000	H	30,000	H	30,000	H	30,000	H
3	Forestry Restoration	80,000								80,000	A						
3	Lost Pond Sanctuary	25,000				25,000	A										
3	Walnut Hills Cemetery Upgrade	175,000	60,000	A	115,000	A											
3	Old Burial Ground	200,000			100,000	A				100,000	A						
3	Small Green Open Space/Streetscapes	150,000			50,000	A		50,000	A						50,000	A	
	Public Works - Conser /Open Space Sub-Total	1,670,000	130,000	190,000	420,000	130,000	180,000	310,000	130,000	180,000							
	Public Works Total	53,460,988	7,103,786	12,797,486	6,676,286	3,601,286	7,746,286	3,191,286	4,171,286	8,173,286							
RECREATION																	
2	Larz Anderson Skating Rink	400,000	140,000	130,000	A	130,000	A										
2	Waldstein Building	255,000	30,000	A	225,000	A											
2	Soule Rec Center - HVAC / Fire Escape / Gardener's Shed	400,000						50,000	A	350,000	A						
2	Swimming Pool - Windows, Roof, Ceiling	123,960	123,960	123,960	J												
	Lighting, HVAC	1,600,000	1,600,000	B													
	Recreation Total	2,778,960	140,000	1,883,960	355,000	-	50,000	350,000	-	-							

**TOWN OF BROOKLINE
FY2007 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2007 - FY2012

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CATEGORY CODES (CC):

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CC	SCHOOL	Total	Prior Year (FY06)	Future Capital Improvement Plan												Future Years	
				2007	2008	2009	2010	2011	2012								
6	Furniture Upgrades	225,000	50,000	25,000	A	25,000	A	25,000	A	25,000	A	25,000	A	25,000	A	25,000	A
6	Classroom Desktop Computers	475,000												475,000	A		
2	Energy Management System	160,000		80,000	A			80,000	A								
2	Energy Conservation Projects	285,000	25,000	185,000	A	25,000	A	25,000	A	25,000	A						
2	Town/School Asbestos Removal	400,000	50,000	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A
2	Town/School ADA Renovations	400,000	50,000	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A
2	Town/School Building Security / Life Safety	300,000	100,000	100,000	A			100,000	A								
2	Town/School Emer Generator Repl	50,000												50,000	A		
2	Town/School Roof Repair/Repl. Program	675,000		275,000	A					200,000	A			200,000	A		
2	High School - Roof Rep./Pointing/Tappan St. Gym Windows/Wiring/Floors	3,163,000	48,000	240,000	A	2,875,000	B										
2	UAB - Roof&Chimney/Pointing/Gutters & Downsp.	1,310,000								110,000	A	1,200,000	B				
2	Baldwin - HVAC/Elec./Elev./Windows/ADA	1,737,500														1,737,500	B
2	Runkle Feas. / Devotion Needs Assessment	200,000		200,000	A												
2	Devotion Rehab. - Town Share (50%)	29,100,000								300,000	A			4,800,000	B	24,000,000	B
2	Devotion Rehab. - State Share (50%)	24,000,000														24,000,000	C
2	Runkle Rehab. - Town Share (50%)	14,400,000						2,400,000	B	12,000,000	B						
2	Runkle Rehab. - State Share (50%)	12,000,000								12,000,000	C						
2	Devotion Windows	700,000								700,000	B						
2	Driscoll - Bathrooms	100,000	100,000														
2	Old Lincoln - Sprink./Pointing/Gutters&Downsp.	580,000	290,000	290,000	J												
2	Old Lincoln Rehab.	7,000,000														7,000,000	B
2	Pierce - Renov. Aud./ Elec. Distrib. Upgrade	831,000	50,000			66,000	A	550,000	A			15,000	A	150,000	A		
2	Trash Compactors	30,000		30,000	A												
	School Total	98,121,500	763,000	1,525,000		3,091,000		3,280,000		25,460,000		1,340,000		5,800,000		56,862,500	
	GRAND TOTAL	185,030,010	14,670,803	31,558,741		13,345,286		7,505,286		34,775,536		5,510,286		11,601,286		66,062,786	

**TOWN OF BROOKLINE
FY2007 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2007 - FY2012

REVENUE CODES:

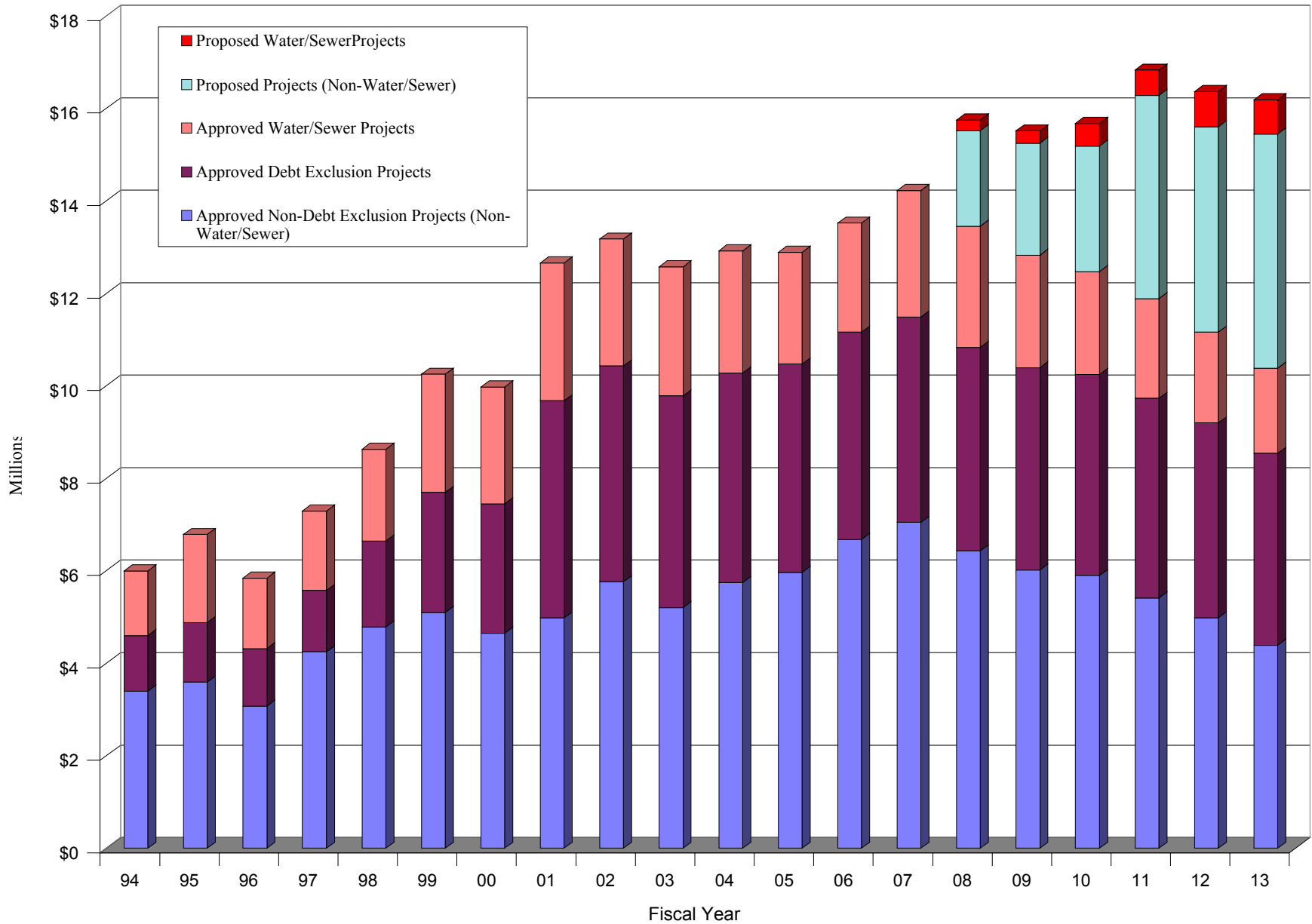
A = Property Tax/Free Cash/Overlay Surplus
 B = General Fund Bond
 C = State / Federal Aid
 D = Golf Budget
 E = Golf Bond
 F = Utility Budget
 G = Utility Bond
 H = CDBG
 I = Other
 J = Re-Approp. of Funds

CATEGORY CODES (CC):

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

CC	Total	Prior Year (FY06)	Future Capital Improvement Plan													
			2007	2008	2009	2010	2011	2012	Future Years							
GRAND TOTAL BY SOURCE																
A = Property Tax / Free Cash	37,548,262	5,242,017	6,300,995	20%	3,931,500	29%	4,316,500	58%	4,486,750	13%	3,521,500	64%	4,212,500	36%	5,536,500	8%
B = General Fund Bond	85,772,500	5,610,000	17,950,000	57%	2,875,000	22%	2,400,000	32%	16,400,000	47%	1,200,000	22%	6,600,000	57%	32,737,500	50%
C = State / Federal Grants	41,900,288	818,786	568,786	2%	1,068,786	8%	568,786	8%	13,168,786	38%	568,786	10%	568,786	5%	24,568,786	37%
D = Golf Budget	-	-	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
E = Golf Bond	-	-	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
F = Utility Budget	-	-	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
G = Utility Bond	12,250,000	2,500,000	6,000,000	19%	250,000	2%	-	0%	500,000	1%	-	0%	-	0%	3,000,000	5%
H = CDBG	3,445,000	300,000	325,000	1%	1,720,000	13%	220,000	3%	220,000	1%	220,000	4%	220,000	2%	220,000	0%
I = Other	3,700,000	200,000	-	0%	3,500,000	26%	-	0%	-	0%	-	0%	-	0%	-	0%
J = Re-Approp. of Existing Funds	413,960	-	413,960	1%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
Grand Total	185,030,010	14,670,803	31,558,741		13,345,286		7,505,286		34,775,536		5,510,286		11,601,286		66,062,786	
GRAND TOTAL BY ALLOCATION																
General Government	20,901,312	5,999,017	13,277,295	42%	250,000	2%	275,000	4%	250,000	1%	275,000	5%	250,000	2%	325,000	0%
Planning and Community Development	4,147,250	45,000	205,000	1%	2,400,000	18%	75,000	1%	852,250	2%	-	0%	250,000	2%	320,000	0%
Public Safety	4,242,000	455,000	1,720,000	5%	135,000	1%	-	0%	340,000	1%	180,000	3%	1,130,000	10%	282,000	0%
Library	1,378,000	165,000	150,000	0%	438,000	3%	274,000	4%	77,000	0%	174,000	3%	-	0%	100,000	0%
DPW - Transportation	153,700	-	128,700	0%	-	0%	-	0%	-	0%	-	0%	-	0%	25,000	0%
Engineering/Highway	24,792,288	2,428,786	4,158,786	13%	2,321,286	17%	2,491,286	33%	6,021,286	17%	2,321,286	42%	2,271,286	20%	2,778,286	4%
Water / Sewer	12,250,000	2,500,000	6,000,000	19%	250,000	2%	-	0%	500,000	1%	-	0%	-	0%	3,000,000	5%
Parks & Playgrounds	14,595,000	2,045,000	2,320,000	7%	3,685,000	28%	980,000	13%	1,045,000	3%	560,000	10%	1,770,000	15%	2,190,000	3%
Conservation/Open Space	1,670,000	130,000	190,000	1%	420,000	3%	130,000	2%	180,000	1%	310,000	6%	130,000	1%	180,000	0%
Recreation	2,778,960	140,000	1,883,960	6%	355,000	3%	-	0%	50,000	0%	350,000	6%	-	0%	-	0%
Public Schools	98,121,500	763,000	1,525,000	5%	3,091,000	23%	3,280,000	44%	25,460,000	73%	1,340,000	24%	5,800,000	50%	56,862,500	86%
Grand Total	185,030,010	14,670,803	31,558,741		13,345,286		7,505,286		34,775,536		5,510,286		11,601,286		66,062,786	
GRAND TOTAL BY CATEGORY																
1 New Facility Construction	-	-	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
2 Facility Renovation / Repair	121,336,460	6,708,000	16,893,960	54%	3,434,000	26%	3,515,000	47%	25,573,000	74%	1,925,000	35%	6,300,000	54%	56,987,500	86%
3 Parks / Open Space / Playgrounds	21,815,000	2,175,000	4,510,000	14%	4,105,000	31%	1,060,000	14%	4,875,000	14%	820,000	15%	1,900,000	16%	2,370,000	4%
4 Infrastructure	35,643,238	4,973,786	8,492,486	27%	4,971,286	37%	2,566,286	34%	3,673,536	11%	2,321,286	42%	2,521,286	22%	6,123,286	9%
5 Vehicles	2,242,000	375,000	1,140,000	4%	-	0%	-	0%	315,000	1%	-	0%	130,000	1%	282,000	0%
6 Miscellaneous	3,993,312	439,017	522,295	2%	835,000	6%	364,000	5%	339,000	1%	444,000	8%	750,000	6%	300,000	0%
Grand Total	185,030,010	14,670,803	31,558,741		13,345,286		7,505,286		34,775,536		5,510,286		11,601,286		66,062,786	
6-Year Total	104,296,421															

DEBT SERVICE BASED ON EXISTING AUTHORIZATIONS AND PROJECTS IN FY07- FY12 CIP



TOTAL OUTSTANDING DEBT (as of June 30 each year) BASED ON EXISTING AUTHORIZATIONS AND PROJECTS IN FY07 - FY12 CIP

