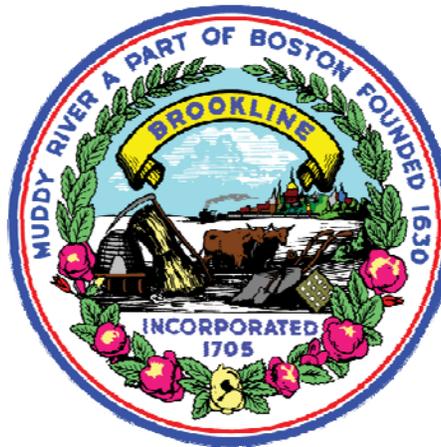


FY2019 FINANCIAL PLAN



SELECT BOARD

NEIL WISHINSKY, Chairman
BENJAMIN J. FRANCO
NANCY HELLER
BERNARD GREENE
HEATHER HAMILTON

MELVIN A. KLECKNER, Town Administrator
MELISSA GOFF, Deputy Town Administrator
AUSTIN FAISON, Assistant Town Administrator

FY2019 BUDGET OVERVIEW

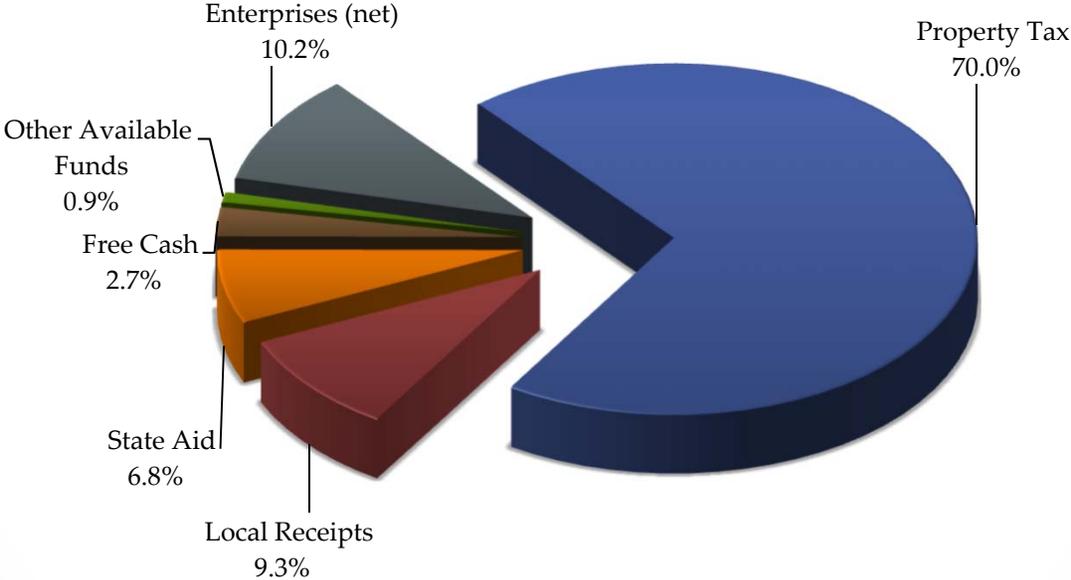
- ❖ FY 2019 Budget balances \$318 million of revenues and expenses (all in). Represents a 4.7% increase over FY 2018.
- ❖ School Budget increases by 3.5%
 - Includes \$500,000 of additional municipal support
- ❖ Municipal Budgets increase by 2.4%
- ❖ Capital Budget represents 10.5% of prior year net revenue
- ❖ Enterprises are up by 4.2%
- ❖ Reserves and long-term liability funding meet goals
- ❖ Budget does not presume an override

THE FY2019 BUDGET

	<u>FY 2018</u>	<u>FY 2019</u>	<u>\$\$\$ CHANGE</u>	<u>% CHANGE</u>
REVENUES				
Property Tax	211,374,488	223,057,097	11,682,609	5.5%
Local Receipts	29,456,650	29,703,588	246,938	0.8%
State Aid	20,352,973	21,642,592	1,289,619	6.3%
Free Cash	8,354,017	8,551,363	197,346	2.4%
Other Available Funds	3,481,070	2,972,678	(508,392)	-14.6%
Enterprises (net)	31,237,526	32,535,687	1,298,161	4.2%
TOTAL REVENUES	304,256,724	318,463,005	14,206,281	4.7%
EXPENDITURES				
Municipal Departments	73,050,330	74,798,988	1,748,658	2.4%
School Department	104,758,344	108,402,430	3,644,086	3.5%
Non-Departmental	77,162,935	85,150,556	7,987,621	10.4%
Special Appropriations	9,720,861	9,079,868	(640,994)	-6.6%
Enterprises (net)	31,237,526	32,535,687	1,298,161	4.2%
Non-Appropriated	8,326,728	8,495,477	168,749	2.0%
TOTAL EXPENDITURES	304,256,724	318,463,005	14,206,281	4.7%

REVENUES

FY19 REVENUES



REVENUES

(Property Taxes)

- ❖ Property Taxes: At \$223 million, represents over two-thirds of the Town's overall revenue
- ❖ Increase over FY 2018 is \$11.68 million (+5.5%)

<u>PROPERTY TAXES</u>	
Prior Year Levy Limit	210,376,447
2 1/2 % Increase	5,259,411
New Growth	2,587,500
Debt Exclusion (Debt Service Costs)	4,833,739
Annual Levy FY 2019	223,057,097

REVENUES

(State Aid)

- ❖ State Aid: \$21.64 million, up by 6.3%
 - ❖ UGGA increases \$222K (3.5%) and reflects the Governor's commitment to tie Local Aid to consensus revenue projection
 - ❖ Chapter 70 increases \$1.1M which primarily reflects a growth in the foundation budget as a result of enrollment
 - ❖ Should legislature increase aid further, measure against GIC changes (final rates out in late March)

REVENUES

(Local Receipts)

- ❖ Local Receipts: \$29.7 million, up 1%
 - ❖ Lodging and Meals Local Option Taxes: +5.9% \$72K for Red Cab site, \$75K Circle Cinema
 - Marijuana local option uncertain (likely warrant article for Annual Town Meeting)
 - ❖ PILOTs \$67K
 - ❖ Building Permits: +1%
 - ❖ Motor Vehicle Excise Taxes: +2.0%
 - ❖ Refuse Fee: level-funded, no fee increase considered for FY19

REVENUES

(Free Cash)

- ❖ Free Cash: \$8.55 million
 - ❖ Total certified Free Cash is \$11,151,363. Remaining balance is left unappropriated to meet our Unreserved Fund Balance (10% policy)
 - ❖ Additional support for CIP (\$6M)
 - ❖ Pension and OPEBs (\$300K, \$600K)
- ❖ Free Cash limited to one-time funds

REVENUES

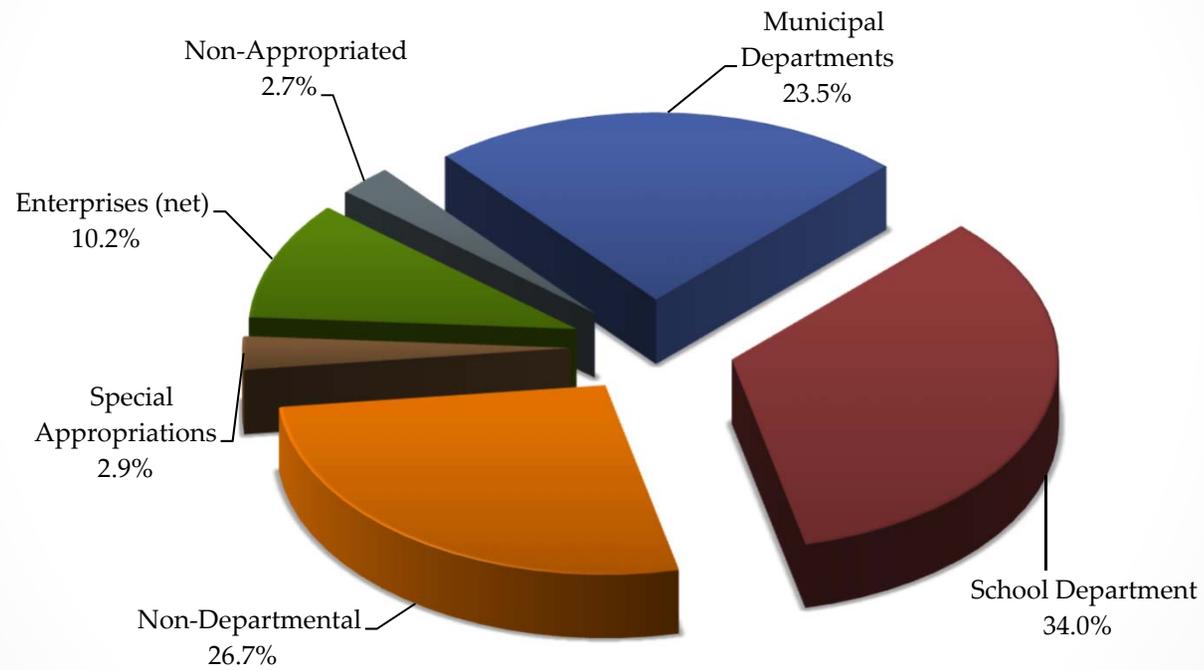
(Other Available Funds)

❖ Reimbursements from Enterprises for General Fund related costs

REVENUE SOURCE	FY2016	FY2017	FY2018	FY2018	FY2019	BUDGET	
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ESTIMATE</u>	<u>BUDGET</u>	<u>INCREASE</u>	
						\$	%
Parking Meter Receipts	4,300,000	5,150,000	161,040	161,040	0	(161,040)	-
Walnut Hill Cemetery Fund	75,000	75,000	100,000	100,000	100,000	0	0.0%
Golf Enterprise Fund Reimbursement	177,791	182,098	179,991	179,991	207,013	27,022	15.0%
Recreation Revolving Fund Reimbursement	354,124	375,900	375,690	375,690	351,549	(24,141)	-6.4%
Water and Sewer Enterprise Fund Reimbursement	1,988,729	2,057,070	2,233,725	2,233,725	2,314,117	80,391	3.6%
Tax Abatement Reserve Surplus	0	0	0	0	0	0	-
Capital Project Surplus	0	0	430,624	430,624	0	(430,624)	-100.0%
Sale of Town-owned Land Fund	0	0	0	0	0	0	0.0%
Total	6,895,644	7,840,067	3,481,070	3,481,070	2,972,678	(508,392)	-14.6%

EXPENDITURES

FY19 EXPENDITURES



EXPENDITURES

(Schools)

- ❖ School Budget: Up by 3.5%
 - ❖ Town-School Partnership formula continues to share enrollment growth
 - ❖ Supported by \$500,000 of funds that would otherwise be allocated for Town services.
- ❖ Refer to School Committee's budget for more details

EXPENDITURES

(Municipal Departments)

- ❖ Modest growth of 2.4% to cover fixed costs and contractual increases
 - ❖ Includes reserve for salary/wage increases
- ❖ Investment and initiatives:
 - ❖ Town Clerk- Funding of new “early voting” program
 - ❖ Planning- Funding of consulting services for energy initiatives
 - ❖ Building- Funding of additional expenses for building maintenance
 - ❖ Fire/EMS- Funding of additional capital equipment and supplies
 - ❖ Diversity and Inclusion/Human Resources- training
 - ❖ Public Works- Funding of additional capital equipment and supplies
 - Funding of higher recycling collection costs resulting from global market crisis.
 - ❖ Engineering and Transportation
 - Phase 2 Transportation Demand Management (TDM) program for town and school departments
 - ❖ Human Resources
 - Expand Long-Term Disability benefits to personnel not covered under the workers compensation program

EXPENDITURES

(Potential expansions considered by Override Study Committee)

EXPANSION LIST		Positions	Cost*	
Building	Town R&M Increase		200,000	Break out into different fields
COA	COA Social Worker	0.50	37,179	
Fire	Lieutenant/School Inspector	1.00	91,852	
Fire	Restoration of 2 Firefighter Positions	2.00	156,720	
DICR	Training		20,000	
Library	Brookline Village Children's Room	1.00	62,429	
Library	Facilities Coordinator	1.00	91,342	
Planning	Energy/Sustainability Planner	1.00	77,110	
Planning	Preservation Planner	1.00	77,110	
DPW	Snow Equipment		250,000	One time expense
DPW	Increase yearly equipment investment		300,000	Increase to current \$700k equipment budget
DPW	Landscape Design Upgrades		17,119	
Recreation	Aquatics Supervisor	1.00	58,049	
Town Clerk	Archivist	1.00	63,459	
TOTAL		9.50	1,502,369	

* Cost of benefits included in personnel requests

EXPENDITURES

(Non-Departmental)

- ❖ Group Health Insurance
 - ❖ Assumption of 2.5% composite rate increase for GIC (final rates in March)
 - ❖ Increased subscribers (primarily schools) is accounted for in Town-School Partnership formula

- ❖ Pension Funding
 - ❖ Rate of Return assumption 7.40% (was 8.15% a few years ago).
 - ❖ Recommending \$300,000 from Free Cash

- ❖ Contribution to OPEB Liability
 - ❖ +\$250,000
 - ❖ Recommending additional \$600,000 from Free Cash

EXPENDITURES

(Special Appropriations)

- ❖ Revenue financed Capital Budget: \$9.1 million in FY 2019
 - ❖ \$3.07 million from general operating revenue
 - ❖ \$6.01 million from Free Cash
- ❖ Capital expenses are 10.5% of the Town's prior year net revenue
- ❖ Debt plan for High School adjusted to account for 111 Cypress Acquisition. The remaining project costs would commence in FY20. School Building Committee scheduled to vote on project budget on 2/26

EXPENDITURES

(Non-Appropriated and Enterprises)

- ❖ Non-Appropriated Expenses: 2% increase
 - ❖ MBTA Assessment
 - ❖ Norfolk County Assessment
 - ❖ Overlay

- ❖ Enterprises: 4.2% growth
 - ❖ Water/Sewer Enterprise Fund
 - Increase in the MWRA Assessment
 - Retained earnings used to fund CIP projects (\$415K) increase without one-time funding is 1.8%

 - ❖ Golf Enterprise growth from driving range

FY19 POLICY ISSUES & INITIATIVES

❖ Federal Government Policies and Mandates

- Federal tax changes impact on Brookline taxpayers
- Federal grant vulnerability
- Marijuana legislation

❖ Trash Collection and Recycling

- Value of Recycled materials has plummeted
- Trash Fee/ General Fund Subsidy

❖ Credit Card Processing and Servicing

- New policy on convenience fees

FY19 POLICY ISSUES & INITIATIVES

❖ Diversity and Inclusion

- Government Alliance for Race and Equity (GARE)
- Training opportunities

❖ Performance Management

- Cross-functional objectives - Public Health and Safety, e-Government, and the Natural/Built Environment

FY19 POLICY ISSUES & INITIATIVES

❖ School Expansion

- High School
- 9th School
- Transportation Demand Management (TDM)

❖ Succession Planning and Management Capacity

- Police and Fire Chief retirements
- Strategic planning for DPW management
- Mid-management training and benefits

❖ Energy Conservation and Sustainability Initiatives-

- Long-term contracts and investments providing savings
- \$25K professional consulting

LONG-RANGE FINANCIAL PLAN

- ❖ Important to take a longer outlook on financial and budget issues.
- ❖ Consistent with our longer range capital planning process.
- ❖ The Plan is based upon assumptions. The nature of long range budget forecasting is conservative and cumulative.
- ❖ Deficits beginning in FY2020 ranging from \$2.8M to \$14 million in FY2023, representing a structural gap between revenue growth of 2.9% and expenditure growth of 4.3%.
- ❖ Our goal is to eliminate that gap in a way that balances revenue growth and expenditure control.

FINANCIAL PLAN SUMMARY

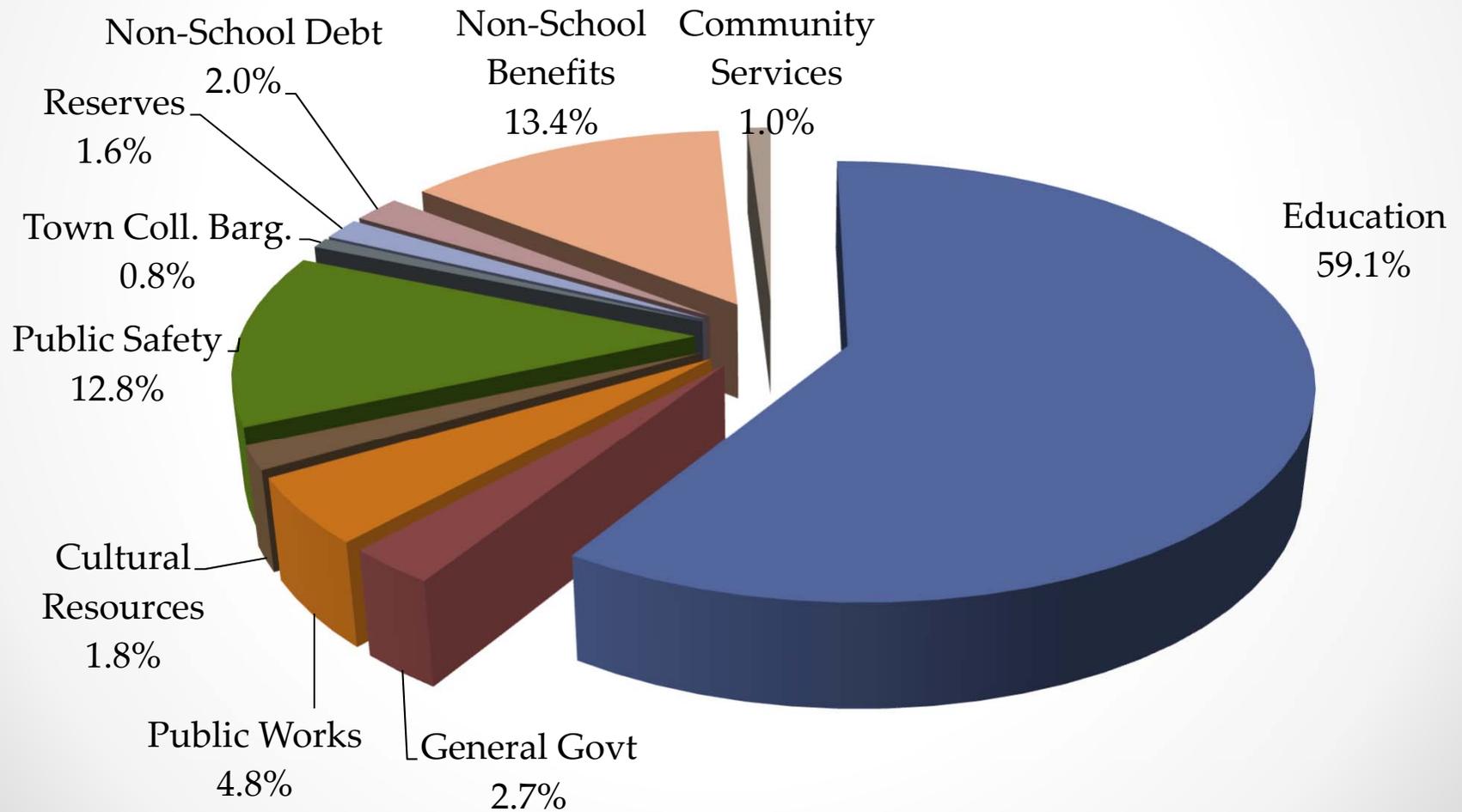
FY2019 FINANCIAL SUMMARY BY FUND

	General Fund *	Water & Sewer Enterprise Fund	Golf Enterprise Fund	Recreation Revolving Fund	Cemetery Trust	TOTAL	% of Total
REVENUES							
Property Taxes	223,057,097					223,057,097	70.0%
Local Receipts	29,703,588					29,703,588	9.3%
State Aid	21,642,592					21,642,592	6.8%
Parking Meter Receipts						0	0.0%
Walnut Hill Cemetery Fund					100,000	100,000	0.0%
State Aid for Libraries						0	0.0%
Golf Receipts			1,772,700			1,772,700	0.6%
Recreation Program Revenue				3,410,415		3,410,415	1.1%
Water and Sewer Receipts		30,225,250				30,225,250	9.5%
Capital Project Surplus						0	0.0%
Free Cash	8,551,363					8,551,363	2.7%
TOTAL FINANCIAL PLAN REVENUE	282,954,640	30,225,250	1,772,700	3,410,415	100,000	318,463,005	
EXPENDITURES **							
General Government	9,423,315					9,423,315	3.0%
Public Safety	39,968,458					39,968,458	12.6%
Public Works	14,760,187	26,366,427			100,000	41,226,614	12.9%
Library	4,023,046					4,023,046	1.3%
Health & Human Services	2,747,296					2,747,296	0.9%
Recreation	1,015,897		1,424,799	3,058,866		5,499,562	1.7%
Schools	108,402,430					108,402,430	34.0%
Personal Services Reserve	715,000					715,000	0.2%
Collective Bargaining (Town)	2,045,789					2,045,789	0.6%
Personnel Benefits **	60,959,487	2,314,113	141,528	348,373		63,763,500	20.0%
Non-Departmental **	4,199,030		65,485	3,176		4,267,691	1.3%
Debt Service	17,119,364	1,544,710	140,888			18,804,962	5.9%
Revenue-Financed CIP (Special Appropriations)	9,079,868					9,079,868	2.9%
Non-Appropriated	8,495,477					8,495,477	2.7%
TOTAL FINANCIAL PLAN EXPENDITURES	282,954,640	30,225,250	1,772,700	3,410,415	100,000	318,463,005	
% OF TOTAL FINANCIAL PLAN	88.9%	9.5%	0.6%	1.1%	0.0%		

* Includes revenue from Property Taxes, Local Receipts, State Aid, and Free Cash. Instead of being shown in the General Fund, revenue from the "Other Available Funds" category is shown in the fund from which they are transferred to the General Fund.

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

FULLY ALLOCATED FY2019 GENERAL FUND OPERATING BUDGET



23 GENERAL FUND SUMMARY

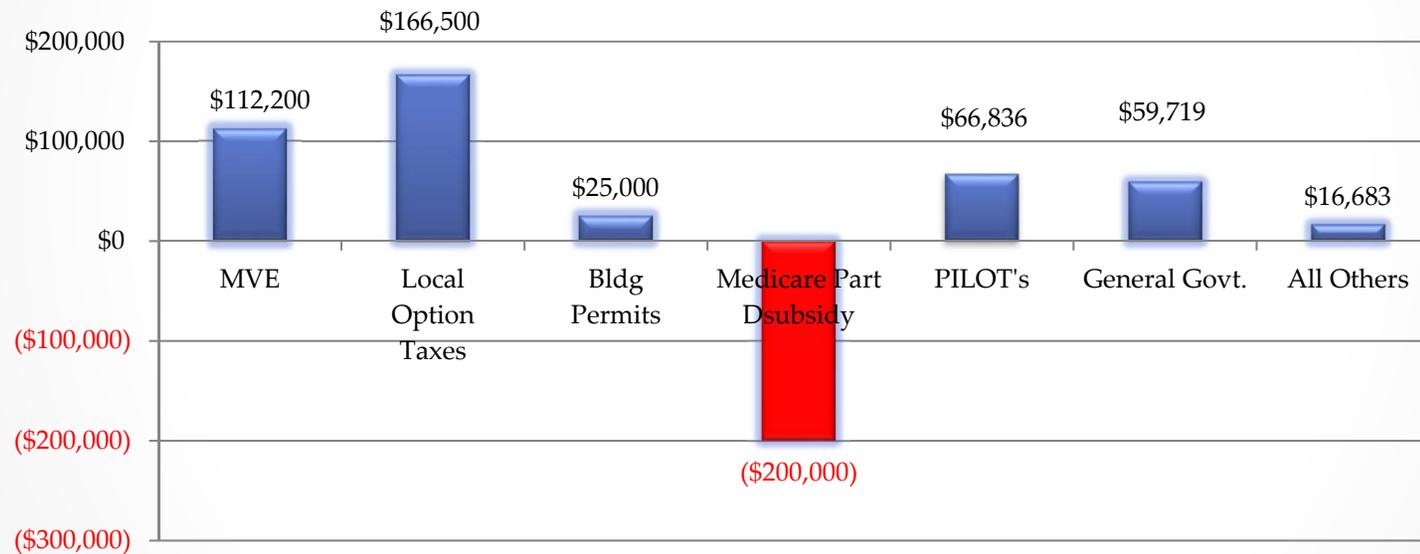
FY2019 RECOMMENDED GENERAL FUND BUDGET SUMMARY

	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 ACTUAL	FY2018 BUDGET	FY2019 BUDGET	INCREASE/DECREASE	
						\$	%
REVENUE							
Property Tax	182,239,297	195,049,924	204,064,199	211,374,488	223,057,097	11,682,609	5.5%
Local Receipts	25,847,019	29,377,154	28,648,804	29,456,650	29,703,588	246,938	0.8%
State Aid	17,675,450	18,837,306	19,705,394	20,352,973	21,642,592	1,289,619	6.3%
Free Cash	5,084,152	5,016,501	5,311,538	8,354,017	8,551,363	197,346	2.4%
Other Available Funds	9,003,508	6,895,644	7,840,067	3,481,070	2,972,678	(508,392)	-14.6%
TOTAL REVENUE	239,849,426	255,176,529	265,570,002	273,019,198	285,927,319	12,908,120	4.7%
(LESS) NON-APPROPRIATED EXPENSES							
State & County Charges	6,201,541	6,319,715	6,393,642	6,492,524	6,633,122	140,598	2.2%
Tax Abatement Overlay	2,080,721	1,965,726	1,840,899	1,722,221	1,750,000	27,779	1.6%
Deficits & Judgments	25,000	25,000	13,583	25,000	25,000	0	0.0%
Cherry Sheet Offsets	126,443	91,451	89,197	86,983	87,355	372	0.4%
TOTAL NON-APPROPRIATED EXPENSES	8,433,705	8,401,892	8,337,321	8,326,728	8,495,477	168,749	2.0%
AMOUNT AVAILABLE FOR APPROPRIATION				264,692,475	277,431,841	12,739,367	4.8%
APPROPRIATIONS							
Town Departments	68,477,847	68,442,342	71,730,451	73,050,331	74,798,984	1,748,652	2.4%
School Department	82,780,770	95,916,093	101,118,780	104,758,343	108,402,430	3,644,087	3.5%
Non-Departmental Total	60,749,287	63,465,863	69,037,006	77,162,935	85,150,555	7,987,620	10.4%
General Fund Non-Departmental	58,262,334	60,945,219	66,421,939	74,373,527	82,277,877	7,904,349	10.6%
Water and Sewer Enterprise Fund Overhead *	1,973,970	1,988,729	2,057,070	2,233,725	2,314,117	80,392	3.6%
Golf Enterprise Fund Overhead *	163,049	177,791	182,097	179,992	207,013	27,021	15.0%
Recreation Revolving Fund Overhead *	349,934	354,124	375,900	375,690	351,549	(24,141)	-6.4%
OPERATING BUDGET SUBTOTAL	212,007,904	227,824,298	241,886,237	254,971,609	268,351,971	13,380,362	5.2%
Revenue-Financed CIP (Special Appropriations)	9,415,000	10,113,000	8,879,374	9,720,862	9,079,868	(640,994)	-6.6%
TOTAL APPROPRIATIONS	221,422,904	237,937,298	250,765,611	264,692,475	277,431,841	12,739,366	4.8%
BALANCE				0	0	0	

* These Overhead figures match the Water and Sewer Enterprise Fund Reimbursement, Golf Enterprise Fund Reimbursement, and Recreation Revolving Fund Reimbursement revenue sources found under the "Other Available Funds" revenue category.

LOCAL RECEIPTS

FY19 increase of \$246,938 (1%).



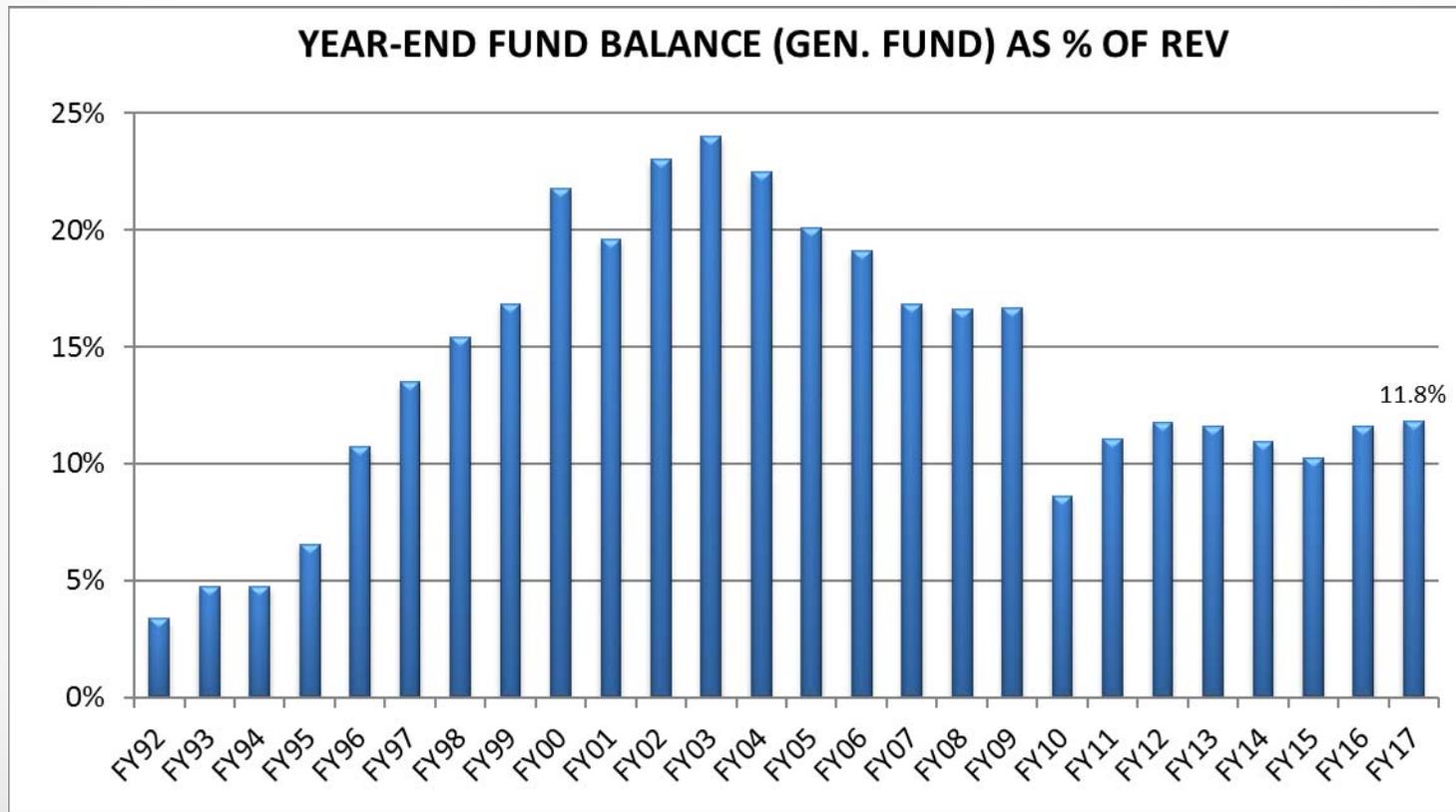
FREE CASH

- ❖ Free Cash as of 7/1/17 certified at \$11,151,363.
- ❖ For FY19 leaving \$2.6 million unappropriated to help maintain undesignated fund balance.
- ❖ Free Cash sequencing:

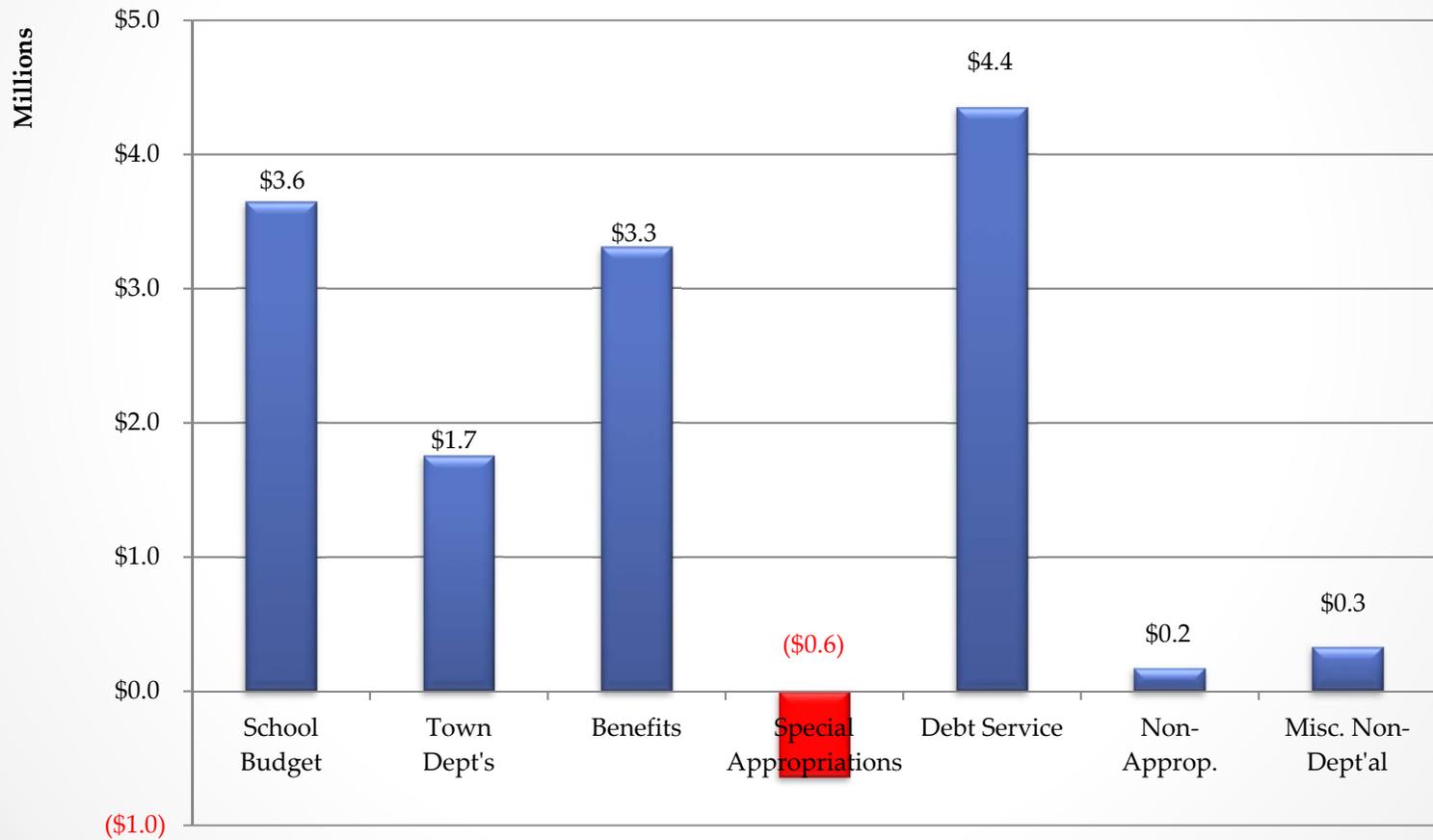
Free Cash Certification	\$11,151,363
1. Operating Budget Reserve (25% of Operating Budget Reserve)	\$637,218
2. Fund Balance	\$2,600,000
a. Unreserved Fund Balance (left unappropriated)	\$2,600,000
b. Stabilization Fund (appropriated)	\$0
3. Liability Reserve (to get fund to 1% of Prior Yr Net Revenue)	\$456,762
4. Capital Improvements (to get to 7.5% of Prior Yr Net Revenue)	\$3,823,305
5. Affordable Housing Trust Fund (since Fund Balance below \$5M)	\$545,112
<hr/> Sub-Total	<hr/> \$8,062,397
Amount available for Special Use (#6)	\$3,088,966
<u>6. Special Use:</u>	
Additional CIP	\$2,188,966
OPEB's	\$600,000
Pension Fund	\$300,000

FUND BALANCE

- ❖ Continue to stress the importance of Fund Balance position.
- ❖ Steps taken over past three budget cycles have improved fund balance.
- ❖ Unprecedented snow storms put strain on Town reserves in FY15 (reserve fund +Overlay)
- ❖ FY 2019 budget proposes to leave \$2.6M unappropriated in order to continue to at least maintain the current position.

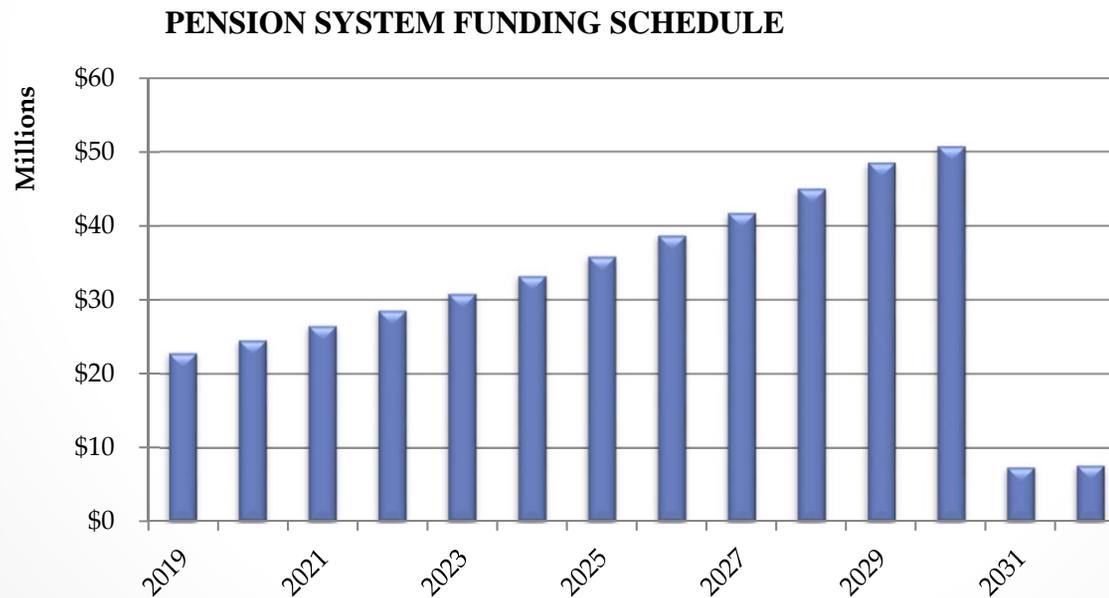


GENERAL FUND EXPENDITURE GROWTH



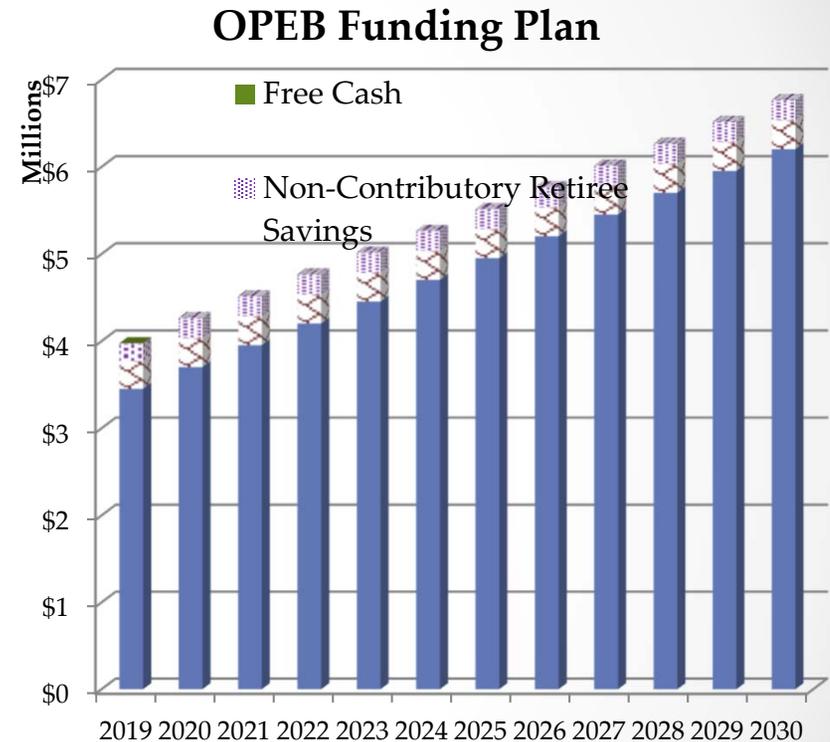
CONTRIBUTORY PENSIONS

- ❖ Follows existing funding plan, which is in effect for FY18+19
- ❖ Full funding date of 2030
- ❖ Annual Rate of Return assumption of 7.4%
- ❖ Free Cash of \$300K added in FY19
- ❖ Increase of \$1.67M (7.8%)
- ❖ Increases of 7.85% annually (prior funding schedule was 5.6%)



OPEB'S

- ❖ FY19 Financial Plan includes the following:
 - Increase in funding from operating revenue by the “regular” \$250K to \$3.5M.
 - Full assessment of Town special revenue funds for their liability; some assessment by Schools.
 - Use of “run-off” from funding for Non-Contributory retirees.
 - Medicare Part D Subsidy (\$200K) no longer available to support funding plan.
 - Free Cash of \$600K used to support Fund.



FY19 BUDGET SUMMARY

(in millions)

Operating Revenue

Prop Taxes	\$11.68
Local Receipts	\$0.25
State Aid	\$1.29
<u>Misc.</u>	<u>(\$0.31)</u>
Total Incr in Op Rev	\$12.91

Operating Expenditures

Schools	\$3.64
Benefits	\$3.31
Town Dept's	\$1.75
CIP+ Debt Service	\$3.71
Non-Appropriated	\$0.17
<u>Misc</u>	<u>\$0.33</u>
Total Incr in Op Exp	\$12.91

FY2019 WATER & SEWER ENTERPRISE FUND

	FY2018 BUDGET	FY2019 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
REVENUE					
Rate Revenue	28,793,808	29,332,750	538,942	1.9%	97.0%
Late Payment Fees	80,000	80,000	0	0.0%	0.3%
Water Service Charges	115,500	115,500	0	0.0%	0.4%
Fire Service Fee	225,000	225,000	0	0.0%	0.7%
Other	57,000	472,000	415,000	728.1%	1.6%
TOTAL REVENUE	29,271,307	30,225,250	953,943	3.3%	
EXPENDITURES					
Personnel	2,641,375	2,721,180	79,805	3.0%	9.0%
Services	353,798	353,798	0	0.0%	1.2%
Supplies	123,020	123,020	0	0.0%	0.4%
Other	10,580	10,580	0	0.0%	0.0%
Utilities	93,891	101,865	7,974	8.5%	0.3%
Capital Outlay	561,800	1,060,800	499,000	88.8%	3.5%
Inter-Governmental (MWRA)	20,962,918	21,695,920	733,002	3.5%	71.8%
Benefits	1,600,756	1,656,422	55,666	3.5%	5.5%
Inter-Departmental Overhead	632,969	657,695	24,726	3.9%	2.2%
Debt Service	2,009,931	1,544,710	(465,221)	-23.1%	5.1%
Reserve	280,270	299,260	18,990	6.8%	1.0%
TOTAL EXPENDITURE	29,271,307	30,225,250	953,943	3.3%	

FY2019 GOLF COURSE ENTERPRISE FUND

	FY2018 BUDGET	FY2019 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
REVENUE					
Greens Fees	949,462	997,000	47,538	5.0%	56.2%
Golf Cart Rentals	210,000	238,000	28,000	13.3%	13.4%
Pro Shop Sales	100,000	105,000	5,000	5.0%	5.9%
Concessions	49,636	48,700	(936)	-1.9%	2.7%
Golf Clinics	25,000	26,000	1,000	4.0%	1.5%
Other	313,000	358,000	45,000	14.4%	20.2%
TOTAL REVENUE	1,647,098	1,772,700	125,603	7.6%	
EXPENDITURES					
Personnel	621,661	636,150	14,489	2.3%	35.9%
Services	132,271	140,271	8,000	6.0%	7.9%
Supplies	313,868	326,986	13,118	4.2%	18.4%
Other	10,300	10,300	0	0.0%	0.6%
Utilities	120,348	117,923	(2,425)	-2.0%	6.7%
Capital Outlay	86,420	168,169	81,749	94.6%	9.5%
Debt Service	153,125	140,888	(12,237)	-8.0%	7.9%
Benefits / Other	179,992	207,013	27,021	15.0%	11.7%
Reserve	29,113	25,000	(4,113)	-14.1%	1.4%
TOTAL EXPENDITURE	1,647,098	1,772,700	125,603	7.6%	
BALANCE	0	0	0		

FY2019 RECREATION REVOLVING FUND

	FY2018 BUDGET	FY2019 BUDGET	\$	%	% of Total
REVENUE					
Aquatic	617,875	653,834	35,959	5.8%	19.2%
Eliot Center	133,126	159,383	26,257	19.7%	4.7%
Environmental Programs	54,493	77,225	22,732	41.7%	2.3%
Ice Skating	173,596	203,197	29,601	17.1%	6.0%
Off-Site Out of Town Trip	35,730	39,955	4,225	11.8%	1.2%
Outdoor Recreation	675,414	787,395	111,981	16.6%	23.1%
Outdoor Athletics	301,730	305,502	3,772	1.3%	9.0%
Soule Center	900,492	945,978	45,486	5.1%	27.7%
Soule Gym	31,430	39,197	7,767	24.7%	1.1%
Tappan Facility	184,640	198,749	14,109	7.6%	5.8%
TOTAL REVENUE	3,108,526	3,410,415	301,889	9.7%	
EXPENDITURES					
Personnel	1,965,833	2,171,852	206,019	10.5%	63.7%
Services	397,643	464,167	66,524	16.7%	13.6%
Supplies	198,177	235,368	37,191	18.8%	6.9%
Other	61,833	84,058	22,225	35.9%	2.5%
Utilities	101,871	93,741	(8,130)	-8.0%	2.7%
Capital Outlay	7,480	9,680	2,200	29.4%	0.3%
Benefits / Other	375,690	351,549	(24,141)	-6.4%	10.3%
TOTAL EXPENDITURE	3,108,526	3,410,415	301,889	9.7%	
BALANCE	0	0	0		

CAPITAL IMPROVEMENT³⁴ PROGRAM

- ❖ Developed within the parameters of the CIP Policies.
- ❖ Calls for an investment of \$126.9 million over the next six years, for an average of \$21.15 million/yr.
- ❖ School Building Projects (non-MSBA)
 - ❖ 9th School \$1.5M cash for schematic design
 - ❖ High School debt service commences for 111 Cypress acquisition
 - ❖ Remainder of HS project debt service will commence in FY2020 (authorization needed in FY19)
 - ❖ CIP supports \$35M of Town funding for BHS project
- ❖ At full funding -- 6% of prior year net revenue + Free Cash to get to 7.5%. Use additional Free Cash to get to 8.6% (10.5% when debt exclusions are included)

CIP FUNDING SUMMARY

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total General Fund Revenue	284,676,212	291,115,063	301,246,613	310,661,861	319,230,759	328,478,112
LESS:						
Non Appropriations	8,508,413	8,709,917	8,916,459	9,128,164	9,345,161	9,567,584
Debt Exclusions	4,833,739	5,518,935	4,567,335	4,567,335	4,567,335	4,567,335
Free Cash	8,551,363	3,941,740	4,085,793	4,246,692	4,382,870	4,505,899
Capital Project Surplus	0	0	0	0	0	0
Net Revenue	262,782,697	272,944,470	283,677,026	292,719,670	300,935,393	309,837,294
Prior Year Net Revenue	254,887,032	262,782,697	272,944,470	283,677,026	292,719,670	300,935,393
6% CIP FUNDING POLICY						
Net Debt Financed ¹	12,443,000	13,106,653	12,365,333	12,876,561	15,321,810	14,763,332
Net Debt Financed as a % of Prior Yr Net Rev	4.88%	4.99%	4.53%	4.54%	5.23%	4.91%
Revenue Financed	3,067,354	2,660,309	3,977,840	4,110,208	2,209,672	3,260,264
Revenue Financed as a % of Prior Yr Net Rev	1.20%	1.01%	1.46%	1.45%	0.75%	1.08%
SUB-TOTAL 6% Dedicated to CIP	15,510,354	15,766,962	16,343,173	16,986,769	17,531,482	18,023,596
Free Cash for CIP	6,012,271	3,357,272	3,338,117	3,144,318	3,085,994	3,039,455
Capital Project Surplus -- Re-approp. of Funds	500,000	0	0	0	0	0
Other Funds (Bond Premium)	0	2,400,000	0	0	221,735	0
FUNDS AVAILABLE FOR CIP THROUGH GEN. FUND WITHIN TAX LEVY	22,022,625	21,524,234	19,681,290	20,131,087	20,839,210	21,063,051
As % of Prior Yr Net Rev	8.6%	8.2%	7.2%	7.1%	7.1%	7.0%
Debt Exclusions	4,833,739	5,518,935	4,567,335	4,567,335	4,567,335	4,567,335
TOTAL FUNDS AVAILABLE FOR CIP THROUGH GEN. FUND	26,856,364	27,043,169	24,248,625	24,698,422	25,406,546	25,630,386
As % of Prior Yr Net Rev	10.5%	10.1%	8.7%	8.6%	8.5%	8.4%

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.

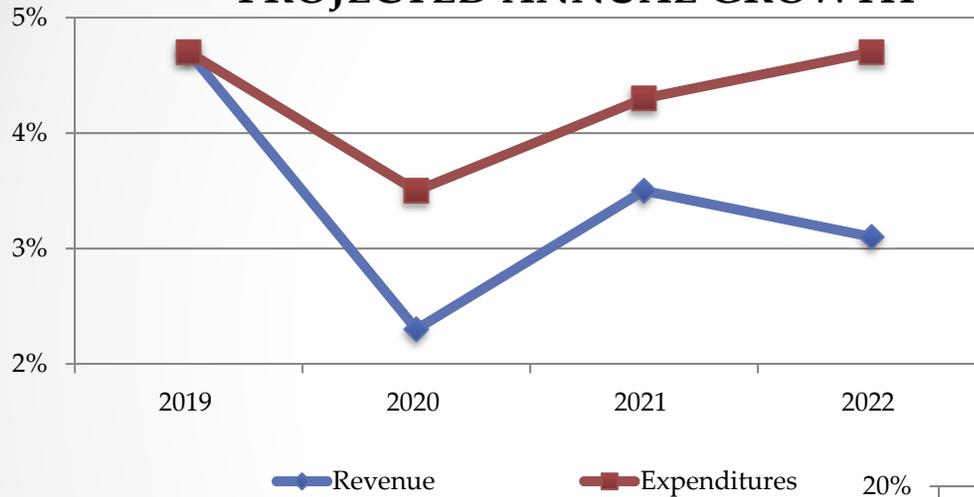
MAJOR CIP PROJECTS

- High School - \$35M of Town funding + debt exclusion (FY19)
- 9th School - \$1.5M for Schematic Design
- Larz Anderson - \$9M (FY19-24, Future Years)
- Classroom Capacity - \$8.1M (FY19-FY24)
- Driscoll School HVAC - \$4.4M (FY18-FY19)
- Harry Downes Field & Playground/Kraft Family Athl. Field Turf Repl. - \$2.5M (FY19)
- Fire Station Renovations - \$1.7M (FY18-22)
- Public Building Fire Alarm upgrades - \$1.7M (FY19-24)
- HVAC equipment - \$1.3M (FY19-24)
- Fire Department's Engine #1 Replacement - \$725K (FY23)

	2018	2019	2020	2021	2022	2023
REVENUE						
Property Taxes	211,374,488	223,057,097	232,767,378	241,437,289	249,659,038	257,586,330
Local Receipts	29,456,650	29,703,587	30,016,685	30,706,744	31,134,996	31,426,707
State Aid	20,352,973	21,642,592	22,042,075	22,576,693	23,124,676	23,251,697
Other Available Funds	3,481,070	2,972,679	3,069,355	3,183,807	3,304,036	3,405,351
Free Cash (for Appropriation)	8,354,017	8,551,363	4,500,000	4,650,000	4,775,000	4,925,000
TOTAL REVENUE	273,019,198	285,927,319	292,395,493	302,554,532	311,997,746	320,595,085
\$\$ Increase	12,309,445	12,908,120	6,468,174	10,159,039	9,443,213	8,597,339
% Increase	4.7%	4.7%	2.3%	3.5%	3.1%	2.8%
EXPENDITURES						
Departmental	73,050,330	73,648,988	75,512,530	77,344,163	79,276,000	81,236,758
Collective Bargaining - Town		1,150,000	1,170,000	1,200,000	1,220,000	1,240,000
Schools	104,758,344	103,752,430	109,267,030	115,379,238	121,896,994	127,447,994
Collective Bargaining - School		4,650,000	4,880,000	5,120,000	5,380,000	5,650,000
Non-Departmental - Benefits	60,454,519	63,763,500	67,970,313	72,447,767	77,190,884	82,814,840
Non-Departmental - General	1,482,214	1,718,821	688,910	712,001	739,981	748,597
Non-Departmental - Debt Service	12,766,192	17,119,364	18,697,150	17,003,768	17,514,534	19,959,320
Non-Departmental - Reserve Fund	2,460,011	2,548,870	2,640,467	2,736,808	2,844,362	2,935,440
Special Appropriations from:	9,720,861	9,079,868	6,520,987	7,966,070	8,199,304	6,444,315
Non-Appropriated	8,326,728	8,495,477	8,695,741	8,901,011	9,111,414	9,327,076
TOTAL EXPENDITURES	273,019,198	285,927,320	296,043,128	308,810,826	323,373,472	337,804,339
\$\$ Increase	12,309,445	12,908,122	10,115,808	12,767,697.99	14,562,646	14,430,867
% Increase	4.7%	4.7%	3.5%	4.3%	4.7%	4.5%
CUMULATIVE SURPLUS/(DEFICIT)	0	0	(3,647,635)	(6,256,293)	(11,375,726)	(17,209,254)
DEFICIT AS A % OF OP REV	0.0%	0.0%	-1.3%	-2.1%	-3.7%	-5.5%
Surplus / (Deficit) Prior to Collective Bargaining	0	5,800,000	2,402,365	63,707	(4,775,726)	(10,319,254)
Town Share of Surplus / (Deficit)	0	1,150,001	345,522	470,138	(563,314)	(1,812,969)
Town Collective Bargaining	0	1,150,000	1,170,000	1,200,000	1,220,000	1,240,000
Total Town Surplus / (Deficit)	0	0	(824,478)	(729,862)	(1,783,314)	(3,052,969)
School Share of Surplus / (Deficit)	0	4,650,000	2,056,843	(406,431)	(4,212,412)	(8,506,285)
School Collective Bargaining	0	4,650,000	4,880,000	5,120,000	5,380,000	5,650,000
Total School Surplus / (Deficit)	0	0	(2,823,157)	(5,526,431)	(9,592,412)	(14,156,285)

FUTURE REVENUE & EXPENDITURE GROWTH

PROJECTED ANNUAL GROWTH



PROJECTED CUMULATIVE GROWTH

