

# FY2020 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  
JUSTIN CASANOVA-DAVIS, Asst. Town Administrator

# FY2020 BUDGET OVERVIEW

- ❖ FY 2020 Budget balances \$335 million of revenues and expenses (all in). Represents a 4.6% increase over FY 2019.
- ❖ Budget follows year 2 of the Override plan
- ❖ School Budget increases by 5.9%
- ❖ Municipal Budgets increase by 2.5%
- ❖ Capital Budget represents 10.9% of prior year net revenue
- ❖ Enterprises are up by 2%
- ❖ Reserves and long-term liability funding meet goals

# THE FY2020 BUDGET

	<u>FY 2019</u>	<u>FY 2020</u>	<u>\$\$\$ CHANGE</u>	<u>% CHANGE</u>
<b>REVENUES</b>				
Property Tax	224,490,479	239,499,109	15,008,630	6.7%
Local Receipts	29,778,588	29,943,370	164,783	0.6%
State Aid	22,112,759	22,307,826	195,067	0.9%
Free Cash	8,516,286	9,081,257	564,971	6.6%
Other Available Funds	4,872,678	3,188,731	(1,683,948)	-34.6%
Enterprises (net)	30,754,331	31,332,034	577,703	1.9%
<b>TOTAL REVENUES</b>	<b>320,525,121</b>	<b>335,352,327</b>	<b>14,827,206</b>	<b>4.6%</b>
<b>EXPENDITURES</b>				
Municipal Departments	76,244,277	78,134,452	1,890,174	2.5%
School Department	110,658,255	117,235,691	6,577,436	5.9%
Non-Departmental	82,991,348	90,117,382	7,126,034	8.6%
Special Appropriations	10,979,868	9,788,054	(1,191,814)	-10.9%
Enterprises (net)	30,754,331	31,332,034	577,703	1.9%
Non-Appropriated	8,897,045	8,744,711	(152,334)	-1.7%
<b>TOTAL EXPENDITURES</b>	<b>320,525,121</b>	<b>335,352,327</b>	<b>14,827,206</b>	<b>4.6%</b>

# OVERRIDE FRAMEWORK

## FY2019 - FY2021 OVERRIDE PLAN

In millions of \$'s

### Revenue

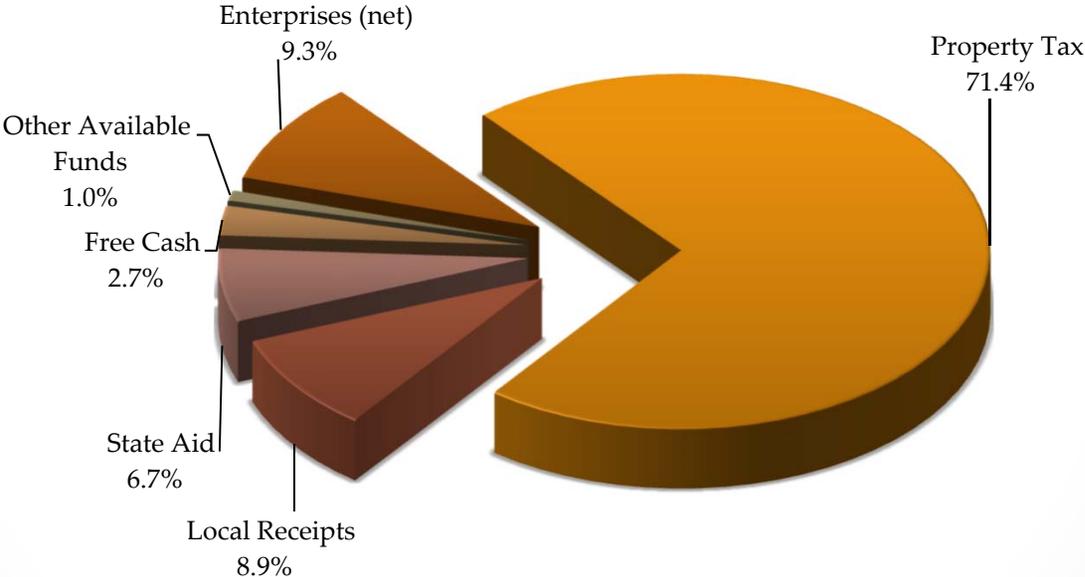
\$6.575 Override Funds  
\$2.851 Non-property tax revenue  
 \$9.426 Total Plan

### Expenditures

	Year 1	Year 2	Year 3	<b>Total</b>
Override funds	2.85	3.34	0.39	<b>\$6.575</b>
Non-override funds	0.79	-	2.06	<b>\$2.851</b>
	<u>\$3.64</u>	<u>\$3.340</u>	<u>\$2.45</u>	<b>\$9.426</b>

# REVENUES

## FY20 REVENUES



# REVENUES

## (Property Taxes)

- ❖ Property Taxes: At \$239 million, represents over two-thirds of the Town's overall revenue
- ❖ Increase over FY 2019 is \$15 million (+6.7%)

<u>PROPERTY TAXES</u>	
Prior Year Levy Limit	224,812,611
2 1/2 % Increase	5,620,315
New Growth	3,075,000
Debt Exclusion (Debt Service Costs)	6,380,745
(less) Excess Capacity	(389,563)
<b>Annual Levy FY 2020</b>	<b>239,499,109</b>

# REVENUES

## (State Aid)

- ❖ State Aid: \$22.3 million, up 0.88%
  - UGGA increases \$177K (2.7%) and reflects the Governor's commitment to tie Local Aid to consensus revenue projection
  - Chapter 70 increases \$155K (last year was \$1.5M)
    - ❑ Brookline is now a minimum aid (17.5%) community
  - Further evaluation of budget as legislature presents State Aid proposals

# REVENUES

## (Local Receipts)

- ❖ Local Receipts: \$29.9 million, up .6%
  - Lodging and Meals Local Option Taxes: +3.7%
    - ❑ Marijuana excise taxes uncertain
    - ❑ Airbnb taxes not included
  - Building Permits: +1%
  - Motor Vehicle Excise Taxes: +2.0%
  - Parking Fees & Fines: -2.9%
  - Medicaid Reimbursement: +24.5%
  - Refuse Fee: + 1.8%

# REVENUES

## (Free Cash)

### ❖ Free Cash: \$9.1 million

- Total certified Free Cash is \$11,881,257. Remaining balance is left unappropriated to meet our Unreserved Fund Balance (10% policy)
- Additional support for CIP (\$6.7M)
- Pension and OPEBs (\$300K, \$600K)
- FY19 Driscoll School Schematic Design (\$200K)
- Worker's Comp Trust Fund (\$200K)
- Affordable Housing Trust Fund (\$200K)

### ❖ Free Cash limited to one-time funds

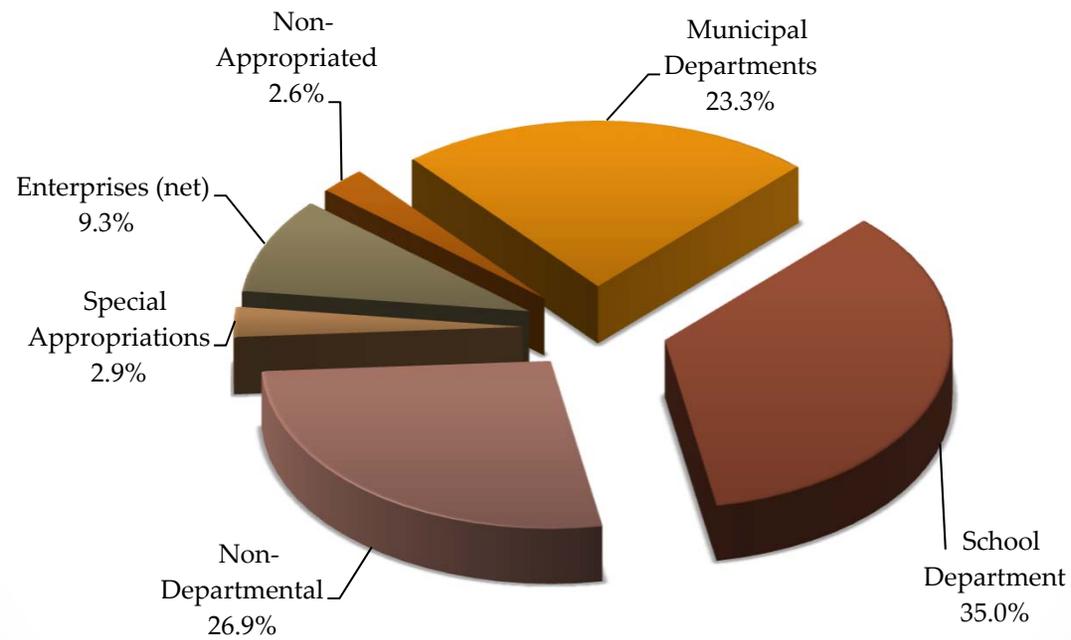
# REVENUES

## (Other Available Funds)

- ❖ Other Available Funds: \$3.2 million
  - Reimbursements from Enterprises for General Fund related costs
    - Golf course paying off one of the Town loans early
  - One-time use of old Parking Meter Fund in FY19 – waiting for Gateway East before appropriating remaining balance

# EXPENDITURES

## FY20 EXPENDITURES



# EXPENDITURES

## (Schools)

- ❖ School Budget: Up by 5.9%
  - ❖ Town-School Partnership formula continues to share enrollment growth
  - ❖ Restoration of FY2019 base (November STM reductions)
  - ❖ \$3.34M in Override Funds
  
- ❖ Refer to School Committee's budget for more details

# EXPENDITURES

## (Municipal Departments)

- ❖ Modest growth of 2.5% to cover fixed costs and contractual increases
  - ❖ Includes reserve for salary/wage increases
  
- ❖ Investment and initiatives:
  - ❖ Public Works
    - Funding of higher recycling collection costs resulting from global market crisis.
    - Funding of landfill monitoring contract following landfill closure project.
  - ❖ Building
    - Override funds provide \$200K of support to School buildings
    - Complex systems require specialized support (new EMS Application Specialist position)
  - ❖ Town Counsel
    - Labor counsel transition from outside to “in-house” support

# EXPENDITURES

## (Non-Departmental)

- ❖ Group Health Insurance
  - ❖ Assumption of 5% 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 7.20% (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
  - ❖ Reduction in School Revolving fund support

# EXPENDITURES

## (Debt Service & Special Appropriations)

- ❖ Revenue financed Capital Budget: \$9.8 million in FY 2020
  - ❖ \$3.07 million from general operating revenue
  - ❖ \$6.7 million from Free Cash
  
- ❖ Debt service increases \$3.85M 24.59%
  
- ❖ Total Capital expenses are 10.6% of the Town's prior year net revenue

# EXPENDITURES

## (Non-Appropriated and Enterprises)

- ❖ Non-Appropriated Expenses: 3.3% increase (when excluding the one-time adjustment for the FY2018 school deficit made in November)
  - ❖ MBTA Assessment
  - ❖ Norfolk County Assessment (Over \$1M in FY 2020)
  - ❖ Overlay
  
- ❖ Enterprises: 2.4% growth
  - ❖ Water/Sewer Enterprise Fund
    - Increase in the MWRA Assessment
    - Rate hearing will be tied to budget review
  
  - ❖ Golf Enterprise growth from driving range, increased greens fees

# FY20 POLICY ISSUES & INITIATIVES

## ❖ Federal Government Funding

- Department of Justice Grants, CDBG, Title 1, IDEA

## ❖ Trash Collection and Recycling

- Value of Recycled materials has plummeted
- Line item increased 23% in FY20

## ❖ Fiscal Policies

- Brookline Fiscal Advisory Committee (BFAC)

# FY20 POLICY ISSUES & INITIATIVES

## ❖ Building Management

- Complexity of systems growing
- Fire Station study

## ❖ Marijuana Sales Licensing

- Host community agreements
- Local Option Taxes

## ❖ Housing and Economic Development

- 40B pressure
- Airbnb



# FY20 POLICY ISSUES & INITIATIVES

## ❖ School Facility Expansion

- Driscoll, Baldwin and Pierce School projects
- Newbury College campus

## ❖ Legal Capacity for Labor Relations

- Employee matters transition to “in house” counsel

## ❖ Energy and Carbon Reduction

- Goals for reducing the Town’s carbon footprint
- Options for renewable energy

# 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 FY2021 ranging from \$5.3M to \$22 million in FY2024, representing a structural gap between revenue growth of 2.8% 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

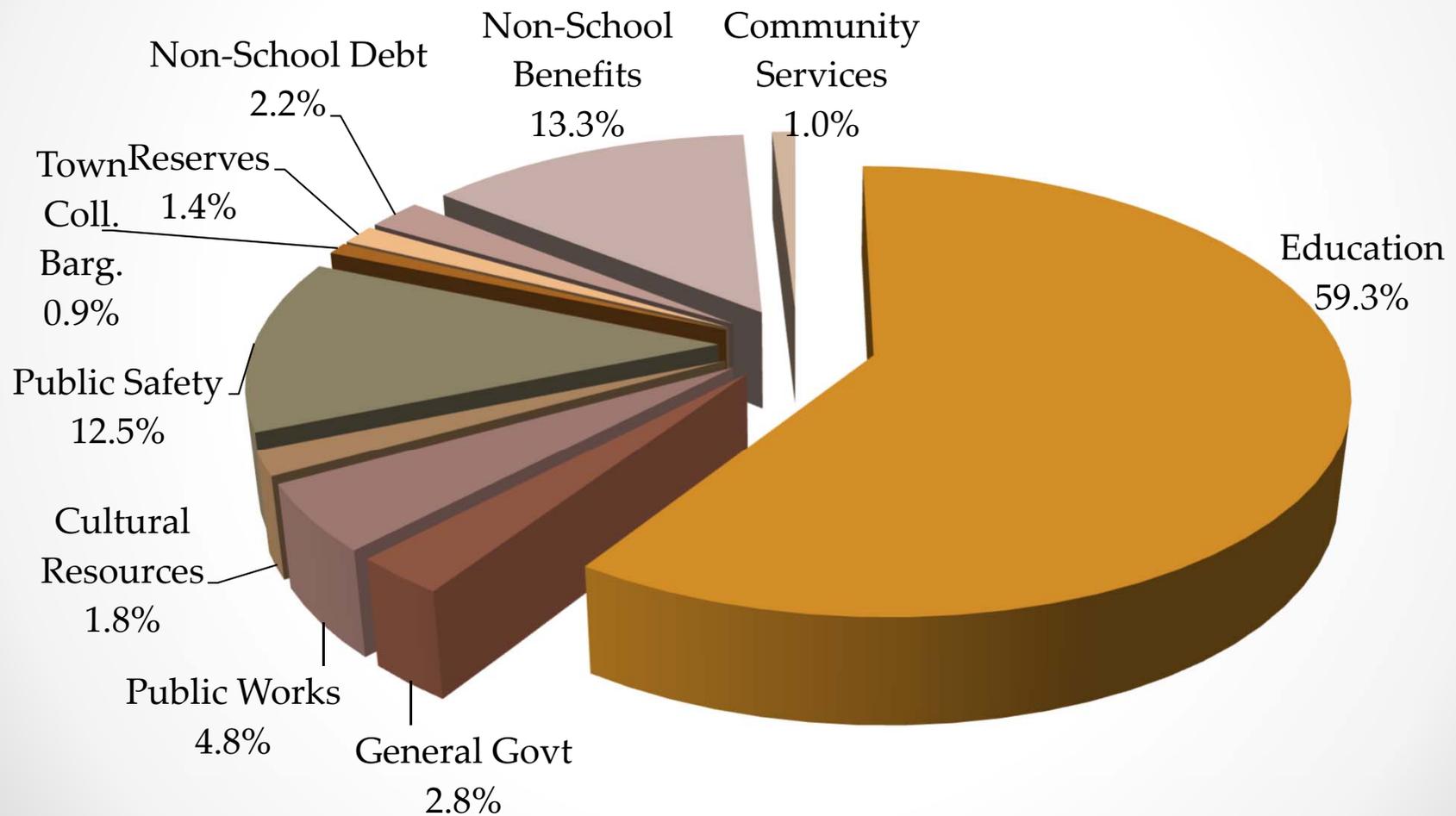
## FY2020 FINANCIAL SUMMARY BY FUND

	General Fund *	Water & Sewer Enterprise Fund	Golf Enterprise Fund	Recreation Revolving Fund	Cemetery Trust	TOTAL	% of Total
<b>REVENUES</b>							
Property Taxes	239,499,109					239,499,109	71.4%
Local Receipts	29,943,370					29,943,370	8.9%
State Aid	22,307,826					22,307,826	6.7%
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			1,884,446			1,884,446	0.6%
Recreation Program Revenue				3,971,843		3,971,843	1.2%
Water and Sewer Receipts		28,564,475				28,564,475	8.5%
Capital Project Surplus						0	0.0%
Free Cash	9,081,257					9,081,257	2.7%
<b>TOTAL FINANCIAL PLAN REVENUE</b>	<b>300,831,563</b>	<b>28,564,475</b>	<b>1,884,446</b>	<b>3,971,843</b>	<b>100,000</b>	<b>335,352,327</b>	
<b>EXPENDITURES **</b>							
General Government	9,850,541					9,850,541	2.9%
Public Safety	41,246,847					41,246,847	12.3%
Public Works	15,548,095	24,744,690			100,000	40,392,785	12.0%
Library	4,266,111					4,266,111	1.3%
Health & Human Services	2,816,875					2,816,875	0.8%
Recreation	1,120,983		1,426,450	3,500,816		6,048,249	1.8%
Schools	117,235,691					117,235,691	35.0%
Personal Services Reserve	715,000					715,000	0.2%
Collective Bargaining (Town)	2,470,000					2,470,000	0.7%
Personnel Benefits **	63,529,974	2,318,020	184,106	467,851		66,499,951	19.8%
Non-Departmental **	3,989,841		115,577	3,176		4,108,594	1.2%
Debt Service	19,508,837	1,501,765	158,313			21,168,915	6.3%
Revenue-Financed CIP (Special Appropriations)	9,788,054					9,788,054	2.9%
Non-Appropriated	8,744,711					8,744,711	2.6%
<b>TOTAL FINANCIAL PLAN EXPENDITURES</b>	<b>300,831,563</b>	<b>28,564,475</b>	<b>1,884,446</b>	<b>3,971,843</b>	<b>100,000</b>	<b>335,352,327</b>	
<b>% OF TOTAL FINANCIAL PLAN</b>	<b>89.7%</b>	<b>8.5%</b>	<b>0.6%</b>	<b>1.2%</b>	<b>0.0%</b>		

\* 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 FY2020 GENERAL FUND OPERATING BUDGET



# GENERAL FUND SUMMARY 23

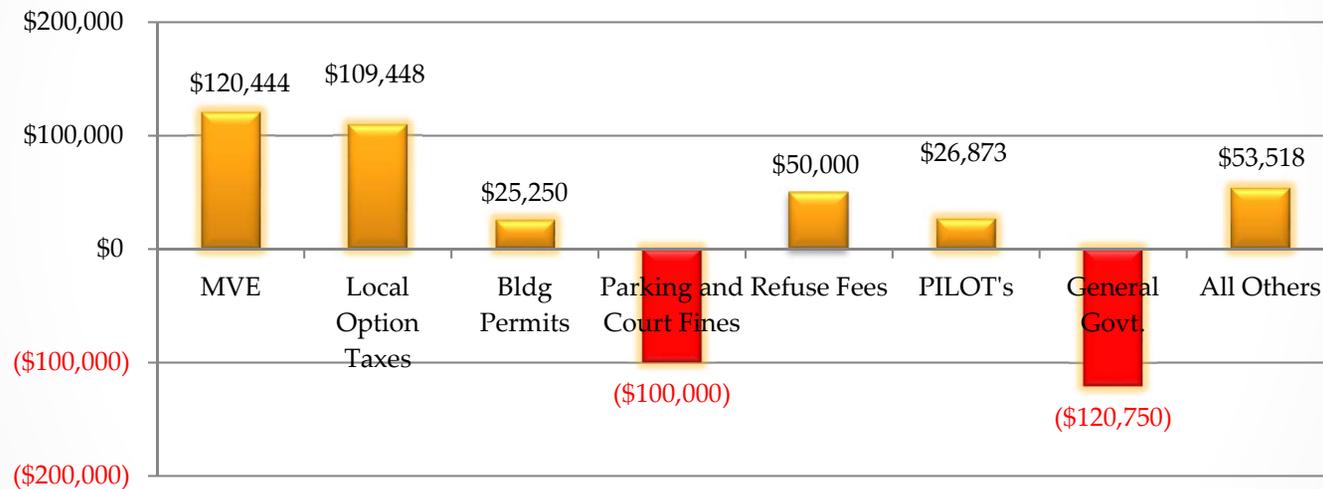
## FY2020 RECOMMENDED GENERAL FUND BUDGET SUMMARY

						INCREASE/DECREASE	
						\$	%
	FY2015 ACTUAL	FY2016 ACTUAL	FY2018 ACTUAL	FY2019 BUDGET	FY2020 BUDGET		
<b>REVENUE</b>							
Property Tax	195,049,924	204,064,199	211,374,488	224,490,479	239,499,109	15,008,630	6.7%
Local Receipts	29,377,154	28,648,804	36,277,400	29,778,588	29,943,370	164,783	0.6%
State Aid	18,837,306	19,658,441	20,352,973	22,112,759	22,307,826	195,067	0.9%
Free Cash	5,016,501	5,311,538	8,354,017	8,516,286	9,081,257	564,971	6.6%
Other Available Funds	6,895,644	7,840,067	3,050,446	4,872,678	3,188,731	(1,683,948)	-34.6%
<b>TOTAL REVENUE</b>	<b>255,176,529</b>	<b>265,523,049</b>	<b>279,409,325</b>	<b>289,770,790</b>	<b>304,020,293</b>	<b>14,249,503</b>	<b>4.9%</b>
<b>(LESS) NON-APPROPRIATED EXPENSES</b>							
State & County Charges	6,319,715	6,393,642	6,492,524	6,592,747	6,825,698	232,951	3.5%
Tax Abatement Overlay	1,965,726	1,840,899	1,722,221	1,762,675	1,806,742	44,067	2.5%
Deficits & Judgments	25,000	13,583	25,000	453,123	25,000	(428,123)	-94.5%
Cherry Sheet Offsets	91,451	89,197	86,983	88,500	87,271	(1,229)	-1.4%
<b>TOTAL NON-APPROPRIATED EXPENSES</b>	<b>8,401,892</b>	<b>8,337,321</b>	<b>8,326,728</b>	<b>8,897,045</b>	<b>8,744,711</b>	<b>(152,334)</b>	<b>-1.7%</b>
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>				<b>280,873,746</b>	<b>295,275,581</b>	<b>14,401,835</b>	<b>5.1%</b>
<b>APPROPRIATIONS</b>							
Town Departments	68,442,342	71,730,450	72,437,441	76,244,277	78,134,452	1,890,174	2.5%
School Department	95,916,093	101,118,780	105,196,458	110,658,255	117,235,691	6,577,436	5.9%
Non-Departmental Total	63,465,863	63,465,863	75,163,554	82,991,348	90,117,382	7,126,034	8.6%
General Fund Non-Departmental	60,945,219	60,850,796	72,370,108	80,118,669	87,028,651	6,909,982	8.6%
Water and Sewer Enterprise Fund Overhead *	1,988,729	2,057,070	2,233,725	2,314,117	2,318,020	3,903	0.2%
Golf Enterprise Fund Overhead *	177,791	182,097	179,991	207,013	299,683	92,670	44.8%
Recreation Revolving Fund Overhead *	354,124	375,900	379,730	351,549	471,027	119,479	34.0%
<b>OPERATING BUDGET SUBTOTAL</b>	<b>227,824,298</b>	<b>236,315,093</b>	<b>252,797,453</b>	<b>269,893,880</b>	<b>285,487,527</b>	<b>15,593,646</b>	<b>5.8%</b>
Revenue-Financed CIP (Special Appropriations)	10,113,000	8,879,374	9,720,862	10,979,868	9,788,054	(1,191,814)	-10.9%
<b>TOTAL APPROPRIATIONS</b>	<b>237,937,298</b>	<b>245,194,467</b>	<b>262,518,315</b>	<b>280,873,746</b>	<b>295,275,581</b>	<b>14,401,835</b>	<b>5.1%</b>
<b>BALANCE</b>				0	0	0	

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

# LOCAL RECEIPTS

FY20 increase of \$164,783 (.6%).



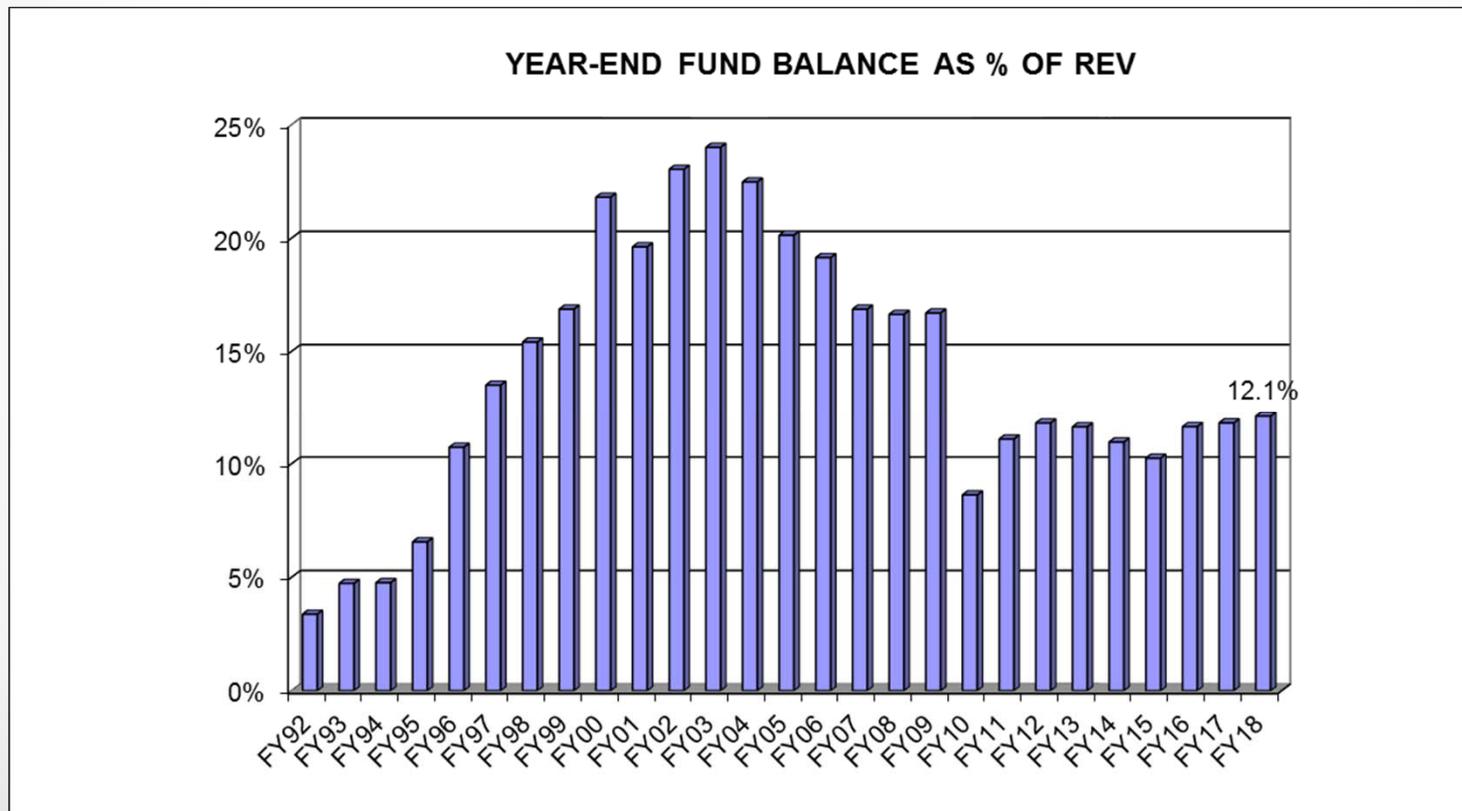
# FREE CASH

- ❖ Free Cash as of 7/1/18 certified at \$11,881,257.
- ❖ For FY20 leaving \$2.6 million unappropriated to help maintain undesignated fund balance.
- ❖ Free Cash sequencing:

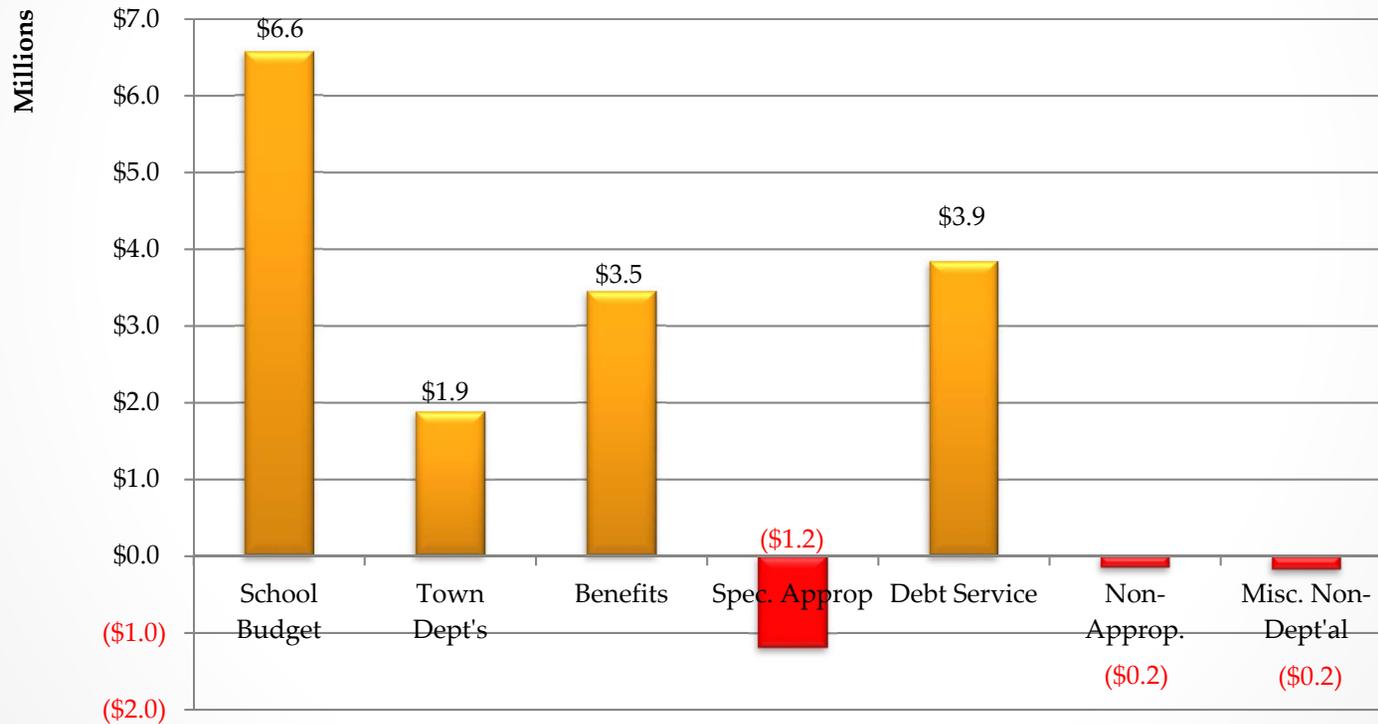
Free Cash Certification	\$11,881,257
1. Operating Budget Reserve (25% of Operating Budget Reserve)	\$672,373
2. Fund Balance	\$2,600,000
a. Unreserved Fund Balance (left unappropriated)	\$2,600,000
b. Stabilization Fund (appropriated)	\$0
3. Liability Reserve (to get fund to 1% of Prior Yr Net Revenue)	\$389,700
4. Capital Improvements (to get to 7.5% of Prior Yr Net Revenue)	\$4,026,741
5. Affordable Housing Trust Fund (since Fund Balance below \$5M)	\$0
<u>Sub-Total</u>	<u>\$7,688,814</u>
Amount available for Special Use (#6)	\$4,192,443
<u>6. Special Use:</u>	
Additional CIP	\$2,692,443
OPEB's	\$600,000
Driscoll School Schematic partial funding 12/13/18 STM	\$200,000
Pension Fund	\$300,000
Worker's Comp Trust Fund	\$200,000
Affordable Housing Trust Fund	\$200,000

# 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 2020 budget proposes to leave \$2.6M unappropriated in order to continue to at least maintain the current position.

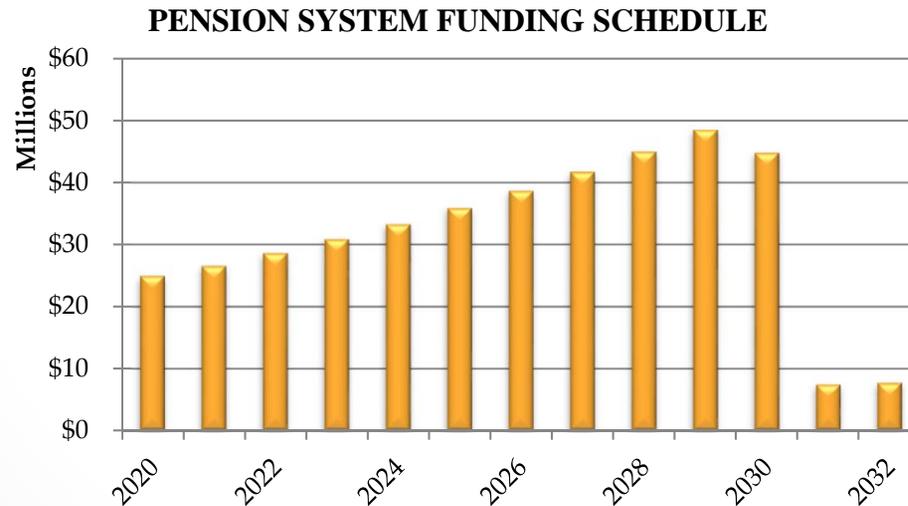


# GENERAL FUND EXPENDITURE GROWTH



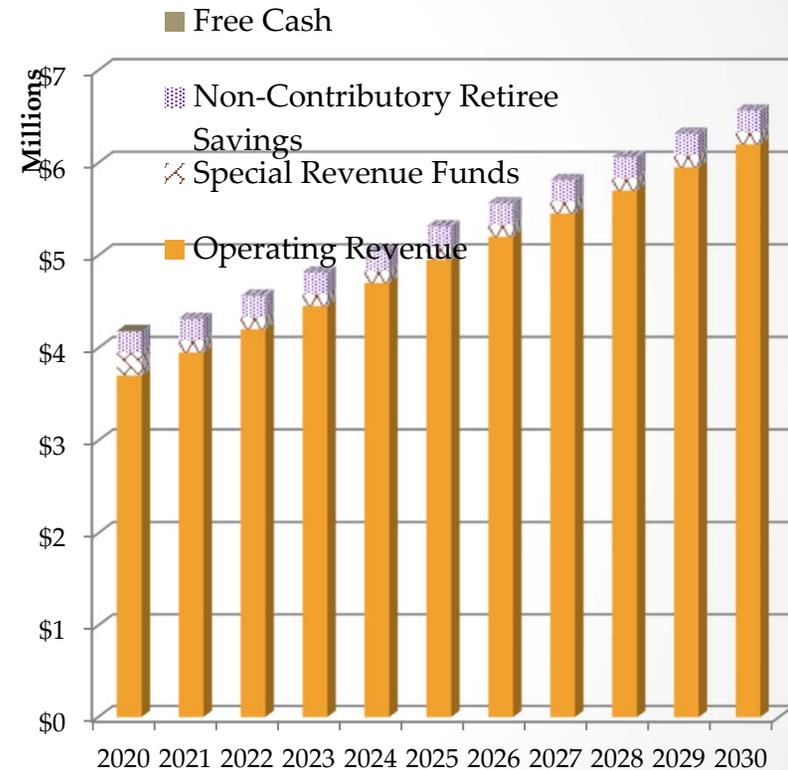
# CONTRIBUTORY PENSIONS

- ❖ Follows existing funding plan, which is in effect for FY20+21
- ❖ Full funding date of 2030
- ❖ Annual Rate of Return assumption of 7.2% (last year was 7.4%)
- ❖ Free Cash of \$300K added in FY20
- ❖ Increase of \$1.74M (7.5%)
- ❖ Increases of 7.85% annually



# OPEB'S

- ❖ FY20 Financial Plan includes the following:
  - Increase in funding from operating revenue by the “regular” \$250K to \$3.7M.
  - Full assessment of Town special revenue funds for their liability; no assessment for school special funds (looking to restore)
  - 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.



# FY20 BUDGET SUMMARY

(in millions)

## Operating Revenue

Prop Taxes	\$15.01
Local Receipts	\$0.16
State Aid	\$0.20
<u>Misc.</u>	<u>(\$1.12)</u>
Total Incr in Op Rev	\$14.25

## Operating Expenditures

Schools	\$6.58
Benefits	\$3.45
Town Dept's	\$1.89
CIP+ Debt Service	\$2.66
Non-Appropriated	<u>(\$0.15)</u>
<u>Misc</u>	<u>(\$0.18)</u>
Total Incr in Op Exp	\$14.25

# FY2020 WATER & SEWER ENTERPRISE FUND

	FY2019 BUDGET	FY2020 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
<b>REVENUE</b>					
Rate Revenue	27,661,809	28,086,975	425,166	1.5%	98.3%
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%	0.8%
Other	472,000	57,000	(415,000)	-87.9%	0.2%
<b>TOTAL REVENUE</b>	<b>28,554,309</b>	<b>28,564,475</b>	<b>10,166</b>	<b>0.0%</b>	
<b>EXPENDITURES</b>					
Personnel	2,721,180	2,776,505	55,325	2.0%	9.7%
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	101,865	102,061	196	0.2%	0.4%
Capital Outlay	1,060,800	630,330	(430,470)	-40.6%	2.2%
Inter-Governmental (MWRA)	19,936,229	20,653,997	717,768	3.6%	72.3%
Benefits	1,681,148	1,660,325	(20,823)	-1.2%	5.8%
Inter-Departmental Overhead	632,969	657,695	24,726	3.9%	2.3%
Debt Service	1,633,460	1,313,347	(320,113)	-19.6%	4.6%
Reserve	299,260	282,817	(16,443)	-5.5%	1.0%
<b>TOTAL EXPENDITURE</b>	<b>28,554,309</b>	<b>28,564,475</b>	<b>10,166</b>	<b>0.0%</b>	
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>		

# FY2020 GOLF COURSE ENTERPRISE FUND

	FY2019 BUDGET	FY2020 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
<b>REVENUE</b>					
Greens Fees	997,000	1,029,787	32,787	3.3%	54.6%
Golf Cart Rentals	238,000	247,000	9,000	3.8%	13.1%
Pro Shop Sales	105,000	110,000	5,000	4.8%	5.8%
Concessions	48,700	52,659	3,959	8.1%	2.8%
Golf Clinics	26,000	34,000	8,000	30.8%	1.8%
Other	358,000	411,000	53,000	14.8%	21.8%
<b>TOTAL REVENUE</b>	<b>1,772,700</b>	<b>1,884,446</b>	<b>111,746</b>	<b>6.3%</b>	
<b>EXPENDITURES</b>					
Personnel	628,510	726,448	97,938	15.6%	38.5%
Services	140,271	153,071	12,800	9.1%	8.1%
Supplies	326,986	313,700	(13,286)	-4.1%	16.6%
Other	10,300	14,700	4,400	42.7%	0.8%
Utilities	117,923	117,923	0	0.0%	6.3%
Capital Outlay	168,169	86,420	(81,749)	-48.6%	4.6%
Debt Service	140,888	147,501	6,613	4.7%	7.8%
Benefits / Other	207,013	299,683	92,670	44.8%	15.9%
Reserve	32,641	25,000	(7,641)	-23.4%	1.3%
<b>TOTAL EXPENDITURE</b>	<b>1,772,700</b>	<b>1,884,446</b>	<b>111,746</b>	<b>6.3%</b>	
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>		

# FY2020 RECREATION REVOLVING FUND

	FY2019 BUDGET	FY2020 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
<b>REVENUE</b>					
Aquatic	633,434	683,834	50,400	8.0%	17.2%
Eliot Center	159,383	179,383	20,000	12.5%	4.5%
Environmental Programs	77,225	75,965	(1,260)	-1.6%	1.9%
Ice Skating	194,197	203,197	9,000	4.6%	5.1%
Off-Site Out of Town Trip	39,955	36,600	(3,355)	-8.4%	0.9%
Outdoor Recreation	706,395	837,377	130,982	18.5%	21.1%
Outdoor Athletics	305,502	306,364	862	0.3%	7.7%
Soule Center	945,963	1,299,296	353,333	37.4%	32.7%
Soule Gym	39,197	36,165	(3,032)	-7.7%	0.9%
Tappan Facility	198,749	203,662	4,913	2.5%	5.1%
Misc Revenue	0	110,000	110,000	-	2.8%
<b>TOTAL REVENUE</b>	<b>3,300,000</b>	<b>3,971,843</b>	<b>671,843</b>	<b>20.4%</b>	
<b>EXPENDITURES</b>					
Personnel	2,100,436	2,441,111	340,674	16.2%	61.5%
Services	435,167	493,626	58,459	13.4%	12.4%
Supplies	225,368	227,101	1,733	0.8%	5.7%
Other	84,058	93,824	9,766	11.6%	2.4%
Utilities	93,741	106,974	13,233	14.1%	2.7%
Capital Outlay	9,680	138,180	128,500	1327.5%	3.5%
Benefits / Other	351,549	471,027	119,479	34.0%	11.9%
<b>TOTAL EXPENDITURE</b>	<b>3,300,000</b>	<b>3,971,843</b>	<b>671,843</b>	<b>20.4%</b>	
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>		

# CAPITAL IMPROVEMENT<sup>34</sup> PROGRAM

- ❖ Developed within the parameters of the CIP Policies.
- ❖ Calls for an investment of 267.6 million, for an average of approximately \$44.6 million per year.
- ❖ School Building Projects
  - Baldwin School
  - Driscoll School
  - Pierce School
  - High School debt service commences
- ❖ 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% (10.9% when debt exclusions are included)

# CIP FUNDING SUMMARY

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total General Fund Revenue	304,491,468	314,765,008	328,486,250	337,248,557	346,691,682	356,426,830
<b>LESS:</b>						
Non Appropriations	8,670,685	8,876,310	9,087,075	9,303,110	9,524,545	9,751,517
Debt Exclusions	6,321,995	10,283,555	14,896,465	14,895,215	14,891,715	14,895,965
Free Cash	9,281,257	5,000,000	4,775,000	4,925,000	5,075,000	5,275,000
Capital Project Surplus	0	0	0	0	0	0
<b>Net Revenue</b>	<b>280,217,531</b>	<b>290,605,143</b>	<b>299,727,710</b>	<b>308,125,232</b>	<b>317,200,422</b>	<b>326,504,348</b>
Prior Year Net Revenue	268,449,371	280,217,531	290,605,143	299,727,710	308,125,232	317,200,422
<b>6% CIP FUNDING POLICY</b>						
Net Debt Financed <sup>1</sup>	13,068,091	12,606,473	13,098,902	15,541,290	14,970,945	14,723,186
Net Debt Financed as a % of Prior Yr Net Rev	4.87%	4.50%	4.51%	5.19%	4.86%	4.64%
Revenue Financed	3,038,871	4,206,579	4,337,406	2,442,373	3,516,569	4,308,839
Revenue Financed as a % of Prior Yr Net Rev	1.13%	1.50%	1.49%	0.81%	1.14%	1.36%
<b>SUB-TOTAL 6% Dedicated to CIP</b>	<b>16,106,962</b>	<b>16,813,052</b>	<b>17,436,309</b>	<b>17,983,663</b>	<b>18,487,514</b>	<b>19,032,025</b>
Free Cash for CIP	6,721,449	3,410,129	3,386,508	3,284,766	3,273,391	3,143,354
Capital Project Surplus -- Re-approp. of Funds	0	0	0	0	0	0
Other Funds	161,040	322,080	200,000	100,000	100,000	20,000
<b>FUNDS AVAILABLE FOR CIP THROUGH GEN. FUND WITHIN TAX LEVY</b>	<b>22,989,451</b>	<b>20,545,261</b>	<b>21,022,817</b>	<b>21,368,429</b>	<b>21,860,905</b>	<b>22,195,379</b>
<b>As % of Prior Yr Net Rev</b>	<b>8.6%</b>	<b>7.3%</b>	<b>7.2%</b>	<b>7.1%</b>	<b>7.1%</b>	<b>7.0%</b>
Debt Exclusions	6,321,995	10,283,555	14,896,465	14,895,215	14,891,715	14,895,965
<b>TOTAL FUNDS AVAILABLE FOR CIP THROUGH GEN. FUND</b>	<b>29,311,447</b>	<b>30,828,816</b>	<b>35,919,282</b>	<b>36,263,644</b>	<b>36,752,620</b>	<b>37,091,344</b>
<b>As % of Prior Yr Net Rev</b>	<b>10.9%</b>	<b>11.0%</b>	<b>12.4%</b>	<b>12.1%</b>	<b>11.9%</b>	<b>11.7%</b>
<sup>1</sup> 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.						

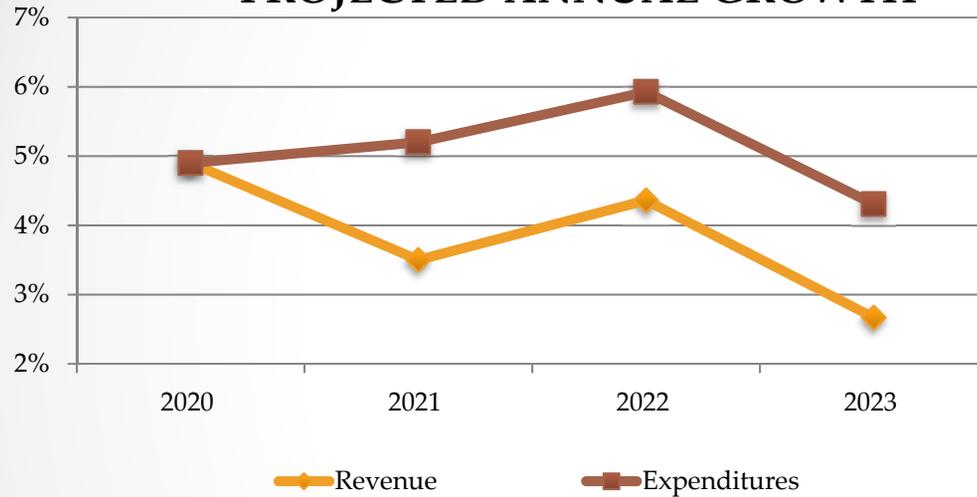
# MAJOR CIP PROJECTS

- Pierce School- 2M for Feasibility / Schematic Design
- Radio Infrastructure - \$4.5M (FY20-24)
- Larz Anderson - \$13.4M (FY20-25, Future Years)
- Classroom Capacity - \$9.8M (FY20-FY25)
- Skyline Park \$1.98M (FY25)
- Fire Station Renovations - \$1.7M (FY19-22)
- Fire Department's Engine #1 Replacement - \$725K (FY23)

	2019	2020	2021	2022	2023	2024
<b>REVENUE</b>						
Property Taxes	224,490,479	239,499,109	253,112,657	266,087,957	274,158,158	282,427,894
Local Receipts	29,778,587	29,943,370	30,497,928	30,787,995	31,088,783	31,390,409
State Aid	22,112,759	22,307,826	22,849,605	23,404,929	23,539,474	24,122,912
Other Available Funds	4,872,679	3,188,731	3,164,001	3,292,564	3,428,568	3,572,483
Free Cash (for Appropriation)	8,516,286	9,081,257	5,000,000	4,775,000	4,925,000	5,075,000
<b>TOTAL REVENUE</b>	<b>289,770,791</b>	<b>304,020,292</b>	<b>314,624,191</b>	<b>328,348,445</b>	<b>337,139,983</b>	<b>346,588,698</b>
\$\$ Increase	16,751,592	14,249,502	10,603,899	13,724,254	8,791,538	9,448,714
% Increase	6.1%	4.9%	3.5%	4.4%	2.7%	2.8%
<b>EXPENDITURES</b>						
Departmental	76,244,277	77,024,454.33	78,972,900	81,172,219	83,131,146	85,129,921
Collective Bargaining - Town		1,110,000.00	1,440,000	1,190,000	1,220,000	1,240,000
Schools	110,658,254	117,235,689.51	118,776,140	125,603,896	131,484,896	137,645,896
Collective Bargaining - School		0.00	5,430,000	5,710,000	5,990,000	6,290,000
Non-Departmental - Benefits	63,046,019	66,499,951.12	70,899,207	75,533,910	81,023,491	86,909,684
Non-Departmental - General	1,738,821	1,419,099.62	936,883	961,584	977,740	999,604
Non-Departmental - Debt Service	15,665,011	19,508,836.71	23,283,505	28,388,844	30,829,981	30,256,136
Non-Departmental - Reserve Fund	2,547,870	2,689,493.71	2,798,136	2,900,550	2,991,788	3,076,036
Special Appropriations from:	10,973,493	9,788,054.39	8,401,061	8,279,829	6,524,258	7,736,934
Non-Appropriated	8,897,045	8,744,710.88	8,952,128	9,164,731	9,382,650	9,606,016
<b>TOTAL EXPENDITURES</b>	<b>289,770,791</b>	<b>304,020,290.27</b>	<b>319,889,959</b>	<b>338,905,563</b>	<b>353,555,949</b>	<b>368,890,227</b>
\$\$ Increase	16,751,593	14,249,500	15,869,668.86	19,015,604	14,650,386	15,334,278
% Increase	6.1%	4.9%	5.2%	5.9%	4.3%	4.3%
<b>CUMULATIVE SURPLUS / (DEFICIT)</b>	<b>(0)</b>	<b>0</b>	<b>(5,265,768)</b>	<b>(10,557,118)</b>	<b>(16,415,966)</b>	<b>(22,301,530)</b>
<b>DEFICIT AS A % OF OP REV</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-1.7%</b>	<b>-3.3%</b>	<b>-4.9%</b>	<b>-6.5%</b>
Surplus / (Deficit) Prior to Collective Bargaining	(0)	1,110,000	1,604,232	(3,657,118)	(9,205,966)	(14,771,530)
Town Share of Surplus / (Deficit)	(2)	1,110,000	117,429	(1,083,860)	(2,134,601)	(1,539,165)
Town Collective Bargaining	0	1,110,000	1,440,000	1,190,000	1,220,000	1,240,000
<b>Total Town Surplus / (Deficit)</b>	<b>(0)</b>	<b>1</b>	<b>(1,322,571)</b>	<b>(2,273,860)</b>	<b>(3,354,601)</b>	<b>(2,779,165)</b>
School Share of Surplus / (Deficit)	2	(0)	1,486,803	(2,573,258)	(7,071,364)	(13,232,364)
School Collective Bargaining	0	0	5,430,000	5,710,000	5,990,000	6,290,000
<b>Total School Surplus / (Deficit)</b>	<b>0</b>	<b>(0)</b>	<b>(3,943,197)</b>	<b>(8,283,258)</b>	<b>(13,061,364)</b>	<b>(19,522,364)</b>

# FUTURE REVENUE & EXPENDITURE GROWTH

## PROJECTED ANNUAL GROWTH



## PROJECTED CUMULATIVE GROWTH

