

# FY2015 FINANCIAL PLAN



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# FY2015 BUDGET OVERVIEW

- ❖ FY 2015 Budget balances \$265 million of revenues and expenses (all in)
- ❖ School Budget
- ❖ Capital Budget
- ❖ Enterprises
- ❖ Reserves and Long-Term Liability Funding
- ❖ Represents a “Bridge” to FY 2016 Budget and the Override Study Committee Plan

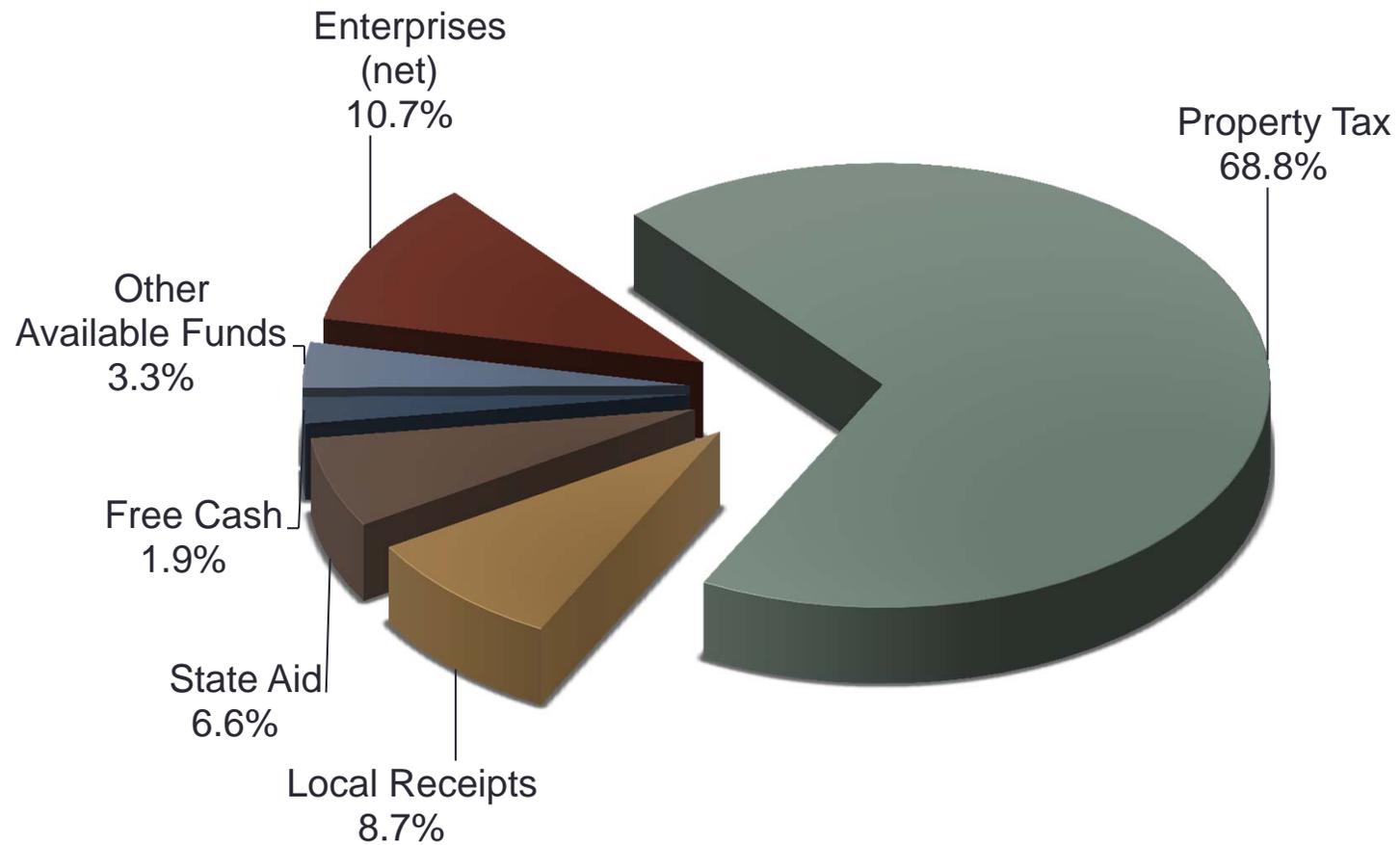
# “BRIDGE BUDGET” CONCEPT

- ❖ Bridge - “a means of connection or transition”
- ❖ Intended to transition to a more comprehensive proposal for FY 2016 proposed by Override Study Committee
  - ❖ Avoids further reductions in school programs
  - ❖ Limits the amount of policy changes/initiatives
  - ❖ Coordinates an operating tax question with likely capital referendum (debt exclusion) in the spring of 2015
- ❖ In addition to School-Town Partnership formula, recommends \$1 million in Parking Meter rate increase and an increase in Parking Violation fines- allocated 100% to School Budget

# THE FY2015 BUDGET

	<u>FY 2014</u>	<u>FY 2015</u>	<u>\$\$\$ CHANGE</u>	<u>% CHANGE</u>
<b>REVENUES</b>				
Property Tax	175,783,902	181,848,174	6,064,272	3.4%
Local Receipts	22,119,366	22,920,225	800,859	3.6%
State Aid	16,659,162	17,476,916	817,754	4.9%
Free Cash	7,655,155	5,084,152	(2,571,002)	-33.6%
Other Available Funds	6,846,435	8,753,508	1,907,073	27.9%
Enterprises (net)	28,136,489	28,413,738	277,249	1.0%
<b>TOTAL REVENUES</b>	<b>257,200,508</b>	<b>264,496,714</b>	<b>7,296,206</b>	<b>2.8%</b>
<b>EXPENDITURES</b>				
Municipal Departments	66,315,742	67,632,027	1,316,286	2.0%
School Department	82,780,770	86,750,987	3,970,217	4.8%
Non- Departmental	63,324,068	64,209,046	884,978	1.4%
Special Appropriations	8,581,000	9,415,000	834,000	9.7%
Enterprises (net)	28,136,489	28,413,738	277,249	1.0%
Non-Appropriated	8,062,441	8,075,913	13,472	0.2%
<b>TOTAL EXPENDITURES</b>	<b>257,200,508</b>	<b>264,496,714</b>	<b>7,296,207</b>	<b>2.8%</b>

# REVENUES



# REVENUES

## (Property Taxes)

- ❖ Property Taxes: At \$181 million, represents  $\frac{2}{3}$  of the Town's overall revenue:
  - ❖ +\$6.1 million (+3.4%)
  - ❖ 2.5% Tax Levy Increase: +\$4.37 million
  - ❖ New Growth (Construction): +\$1.7 million

# REVENUES

## (State Aid)

- ❖ State Aid: \$17.5 million, up by 5%
  - ❖ Virtually all (97%) of this increase is attributable to Chapter 70 Education Aid
  
- ❖ We assumed the amount proposed by the Governor in his Budget proposal
  - ❖ Less ambitious than expected
  - ❖ “Political” judgment about legislative priorities and process. This represents a conservative approach
  - ❖ Possibility of additional aid at the end of the process

# REVENUES

## (Local Receipts)

- ❖ Local Receipts: \$22.9 million, up by 3.6%
  - ❖ Motor Vehicle Excise Taxes: +4.0%
  - ❖ Building Permits: +6.8%
  - ❖ Lodging and Meals Local Option Taxes: +5.8%
  
- ❖ Parking Revenue <sup>2</sup>
  - ❖ Bridge Budget seeks increases to Parking Meter rates and schedule for Parking Violations to generate \$1 million
  
- ❖ <sup>2</sup> Parking Meter Revenue is accounted for in Other Available Funds

# REVENUES (Free Cash)

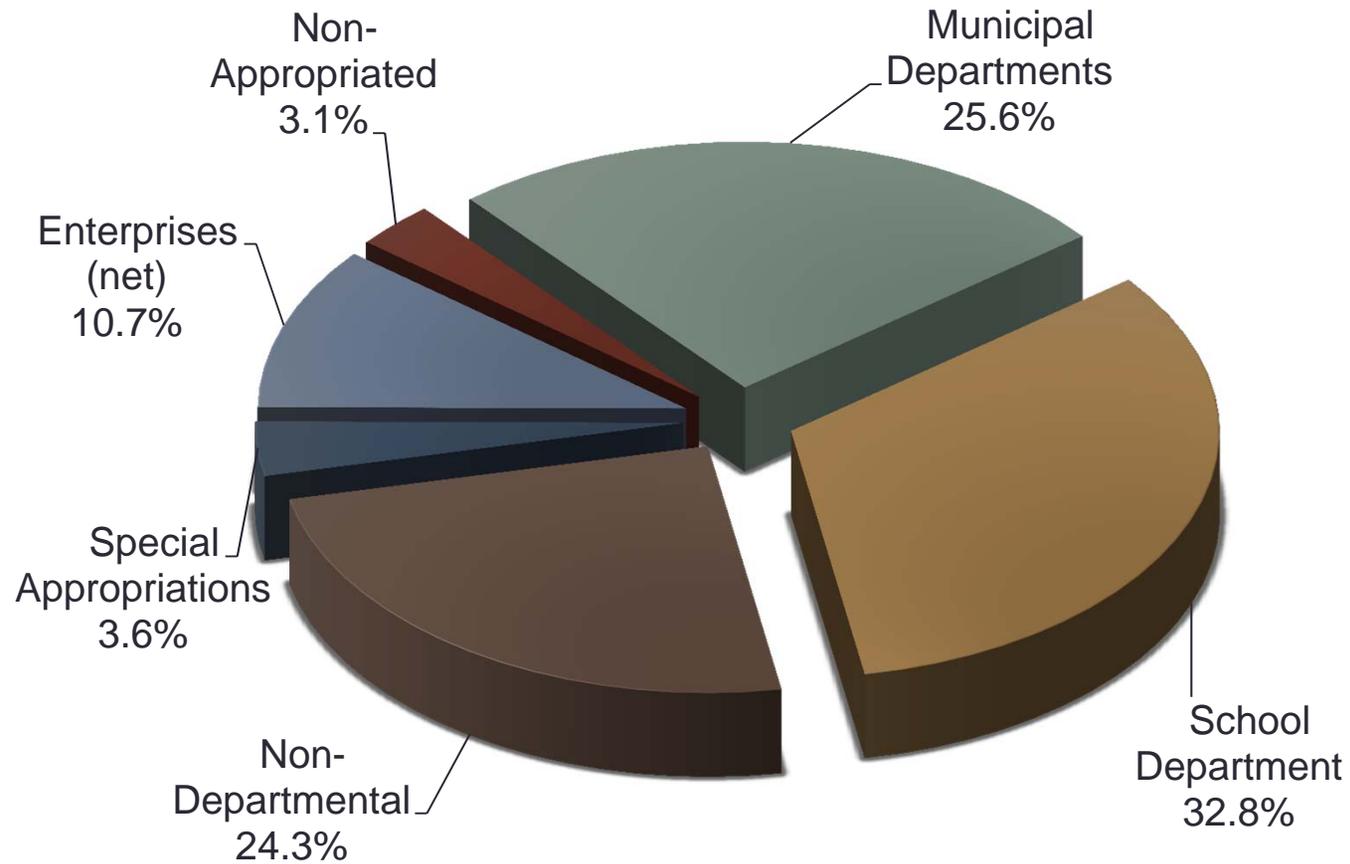
- ❖ Free Cash: \$5.1 million, reduced from the prior year: -33.6%
  - ❖ Total certified Free Cash is \$7,084,861. Remaining balance is left unappropriated to meet our Unreserved Fund Balance (10% policy)
  - ❖ Unreserved Fund balance is projected at 11%
  
- ❖ Free Cash limited to one-time funds

# REVENUES

## (Other Available Funds)

- ❖ Parking Meter Fund (separate fund by law)
  - ❖ 25% increase per Bridge Budget
  
- ❖ Reimbursements from Enterprises for General Fund related costs
  - ❖ Recreation Revolving Fund to support greater share of its costs
  - ❖ General Fund subsidy reduced

# EXPENDITURES



# EXPENDITURES (Schools)

- ❖ School Budget: Up by 4.8%
  - ❖ Bridge Budget allocates \$1 million in additional revenue beyond Town-School partnership
  - ❖ Eliminates structural deficit
  - ❖ Higher State Aid/Lower Health Insurance costs have not materialized yet
  
- ❖ School Superintendent proposes use of “off-line” budget capacity (reserves and other sources) to address other priorities
  - ❖ Non-teaching support (guidance and school nursing)
  - ❖ Technology

# EXPENDITURES

## (Municipal Departments)

- ❖ Modest growth of 2.0% to cover fixed costs and contractual increases
  - ❖ Includes reserve for salary/wage increases
- ❖ Shift in administrative support for Zoning Board of Appeals process (from Town Clerk to Planning and Community Development)
- ❖ Additional support in Human Resources capacity
- ❖ Bringing HVAC maintenance in-house
- ❖ Reduce reliance on CDBG for funding the Planning budget

# EXPENDITURES (Non-Departmental)

- ❖ Group Health Insurance
  - ❖ Assumed 5% composite rate increase
  - ❖ Increased enrollment (primarily schools) which is accounted for in Town-School Partnership formula
  
- ❖ Pension Funding
  - ❖ Unfunded liability has increased based on investment losses in '08 + '11
  - ❖ Reduced Assumed Rate of Return from 8.25% to 7.75%
  - ❖ Increased annual rate of funding from 4.5% to 6.0%
  - ❖ \$500,000 in FY 2014 supplemental funding
  
- ❖ Contribution to OPEB Liability
  - ❖ +\$250,000
  - ❖ Goal to reach Annual Required Contribution (ARC) in less than 10 years

# EXPENDITURES

## (Special Appropriations)

- ❖ Revenue-Finance Capital Budget: \$9.4 million in FY 2015 (+9.7%)
  - ❖ \$4.3 million from general operating revenue
  - ❖ \$4.1 million from Free Cash
  - ❖ \$1.0 million from Overlay Reserve Surplus
  
- ❖ Capital expenses are 8.4% of the Town's prior year net revenue
  
- ❖ Assumes debt exclusion of the Devotion School project for Town's portion of cost
  - ❖ \$110 million with 30% state (MSBA) reimbursement

# EXPENDITURES

## (Non-Appropriated and Enterprises)

- ❖ Non-Appropriated Expenses: <1.0% growth
  - ❖ MBTA Assessment
  - ❖ Norfolk County Assessment
  
- ❖ Enterprises: 1.0% growth
  - ❖ Recreation Revolving Fund to support greater share of its costs
  - ❖ General Fund subsidy reduced

# FY15 POLICY ISSUES & INITIATIVES (Technology)

## ❖ Technology

- ❖ MUNIS Payroll
- ❖ BrookOnLine and Social Media
- ❖ Mobile applications

## ❖ Changing Landscape

- ❖ Use of Credit Card for Transactions
- ❖ Galaxy WiFi
- ❖ PXT Card

# FY15 POLICY ISSUES & INITIATIVES

## (Energy Efficiency)

### ❖ Conversion to LED Street Lighting

- ❖ \$225,000 annual reduction in costs
- ❖ Better performance/effectiveness

### ❖ Solar Energy (Partnership with MAPC)

- ❖ Rooftops
- ❖ Ground mounted project at Singletree Hill

### ❖ Procurement

- ❖ Electricity “Blend and Extend” contract
- ❖ Natural Gas contract effective 10/2014

# FY15 POLICY ISSUES & INITIATIVES

## (Performance Management & Transparency)

### ❖ Performance Measurement

- ❖ Continued conversion from workload indicators to performance-based measurement
- ❖ National Citizen Survey

### ❖ Open Checkbook Application

- ❖ Regional collaboration
- ❖ Use of MUNIS

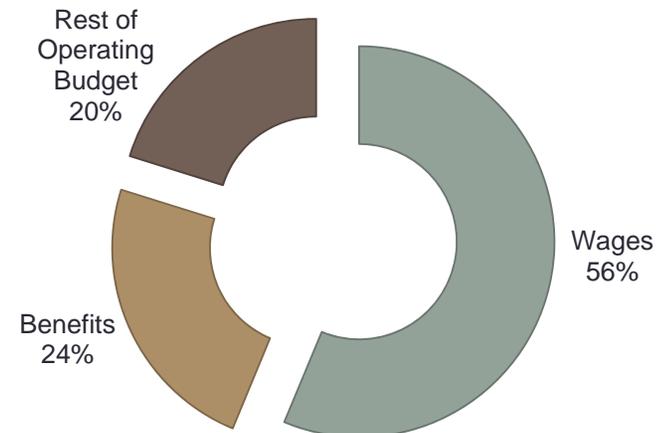
### ❖ Communications

- ❖ BrookOnLine
- ❖ Blackboard (automated messaging)
- ❖ Twitter Feed

# FY15 POLICY ISSUES & INITIATIVES (Human Resources and Collective Bargaining)

- ❖ Nearly \$0.80 of every \$1.00 of Town of Brookline's expenses relates to personnel related costs
  - ❖ Collective Bargaining
  - ❖ Recruitment and Succession Planning
  - ❖ Diversity in Workforce
  - ❖ Management of employee benefits

## Operating Budget Composition



# FY15 POLICY ISSUES & INITIATIVES (Solid Waste Management)

- ❖ Expiring Solid Waste Disposal Contract
- ❖ Consideration of Pay-as-You-Throw (PAYT)
- ❖ Transfer Station Capacity
- ❖ Opportunities
  - ❖ Comprehensive RFP with multiple options
    - ❖ Collection
    - ❖ Hauling
    - ❖ Disposal

# 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 FY2016 ranging from \$1.8 million to \$8.1 million in FY2019, representing a structural gap between revenue growth of 3% and expenditure growth of 4%.
- ❖ Our goal is to eliminate that gap in a way that balances revenue growth and expenditure control.

# FINANCIAL PLAN SUMMARY

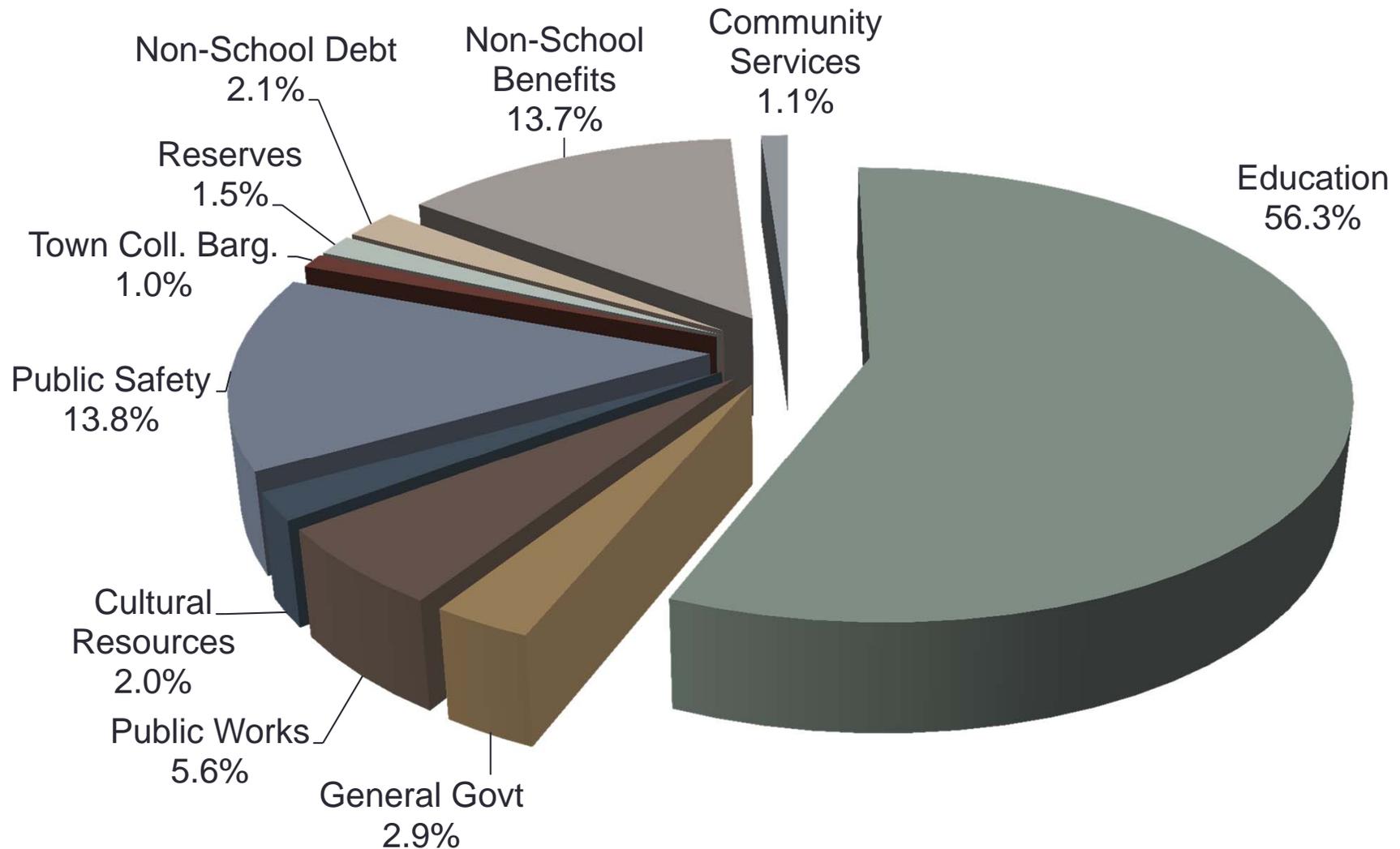
## FY2015 FINANCIAL SUMMARY BY FUND

	General Fund *	Water & Sewer Enterprise Fund	Golf Enterprise Fund	Recreation Revolving Fund	Parking Meter Fund	Cemetery Trust	State Library Aid	Tax Abatement Reserve Surplus	TOTAL	% of Total
<b>REVENUES</b>										
Property Taxes	181,848,174								181,848,174	68.8%
Local Receipts	22,920,225								22,920,225	8.7%
State Aid	17,476,916								17,476,916	6.6%
Parking Meter Receipts					5,150,000				5,150,000	1.9%
Walnut Hill Cemetery Fund						75,000			75,000	0.0%
State Aid for Libraries							41,555		41,555	0.0%
Golf Receipts			1,331,923						1,331,923	0.5%
Recreation Program Revenue				2,742,350					2,742,350	1.0%
Water and Sewer Receipts		26,826,419							26,826,419	10.1%
Tax Abatement Reserve Surplus								1,000,000	1,000,000	0.4%
Free Cash	5,084,152								5,084,152	1.9%
<b>TOTAL FINANCIAL PLAN REVENUE</b>	<b>227,329,467</b>	<b>26,826,419</b>	<b>1,331,923</b>	<b>2,742,350</b>	<b>5,150,000</b>	<b>75,000</b>	<b>41,555</b>	<b>1,000,000</b>	<b>264,496,714</b>	
<b>EXPENDITURES **</b>										
General Government	8,039,583								8,039,583	3.0%
Public Safety	32,767,836				2,575,000				35,342,836	13.4%
Public Works	11,416,549	22,713,066			2,575,000	75,000			36,779,615	13.9%
Library	3,713,173						41,555		3,754,728	1.4%
Health & Human Services	2,462,212								2,462,212	0.9%
Recreation	1,006,120		980,825	2,392,416					4,379,360	1.7%
Schools	86,750,987								86,750,987	32.8%
Personal Services Reserve	715,000								715,000	0.3%
Collective Bargaining (Town)	2,245,000								2,245,000	0.8%
Personnel Benefits **	49,082,982	1,973,970	99,534	346,758					51,503,245	19.5%
Non-Departmental **	3,017,353		63,515	3,176					3,084,044	1.2%
Debt Service	9,621,757	2,139,383	188,049						11,949,188	4.5%
Revenue-Financed CIP (Special Appropriations)	8,415,000							1,000,000	9,415,000	3.6%
Non-Appropriated	8,075,913								8,075,913	3.1%
<b>TOTAL FINANCIAL PLAN EXPENDITURES</b>	<b>227,329,467</b>	<b>26,826,419</b>	<b>1,331,923</b>	<b>2,742,350</b>	<b>5,150,000</b>	<b>75,000</b>	<b>41,555</b>	<b>1,000,000</b>	<b>264,496,714</b>	
<b>% OF TOTAL FINANCIAL PLAN</b>	<b>85.9%</b>	<b>10.1%</b>	<b>0.5%</b>	<b>1.0%</b>	<b>1.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.4%</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.

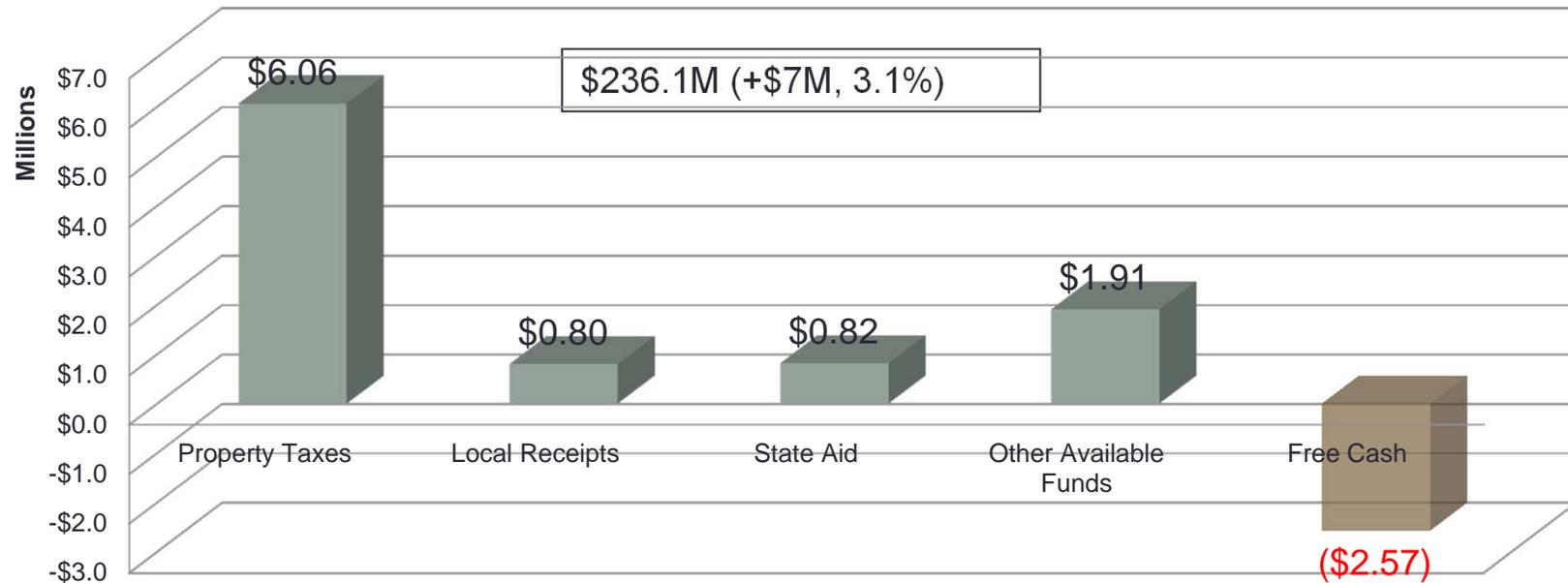
# FULLY ALLOCATED FY2015 GENERAL FUND OPERATING BUDGET



# GENERAL FUND SUMMARY

	FY2014 BUDGET	FY2015 BUDGET	INCREASE/DECREASE	
			\$	%
<b>REVENUE</b>				
Property Tax	175,783,902	181,848,174	6,064,272	3.4%
Local Receipts	22,119,366	22,920,225	800,859	3.6%
State Aid	16,659,162	17,476,916	817,754	4.9%
Free Cash	7,655,155	5,084,152	(2,571,002)	-33.6%
Other Available Funds	6,846,435	8,753,508	1,907,073	27.9%
<b>TOTAL REVENUE</b>	<b>229,064,019</b>	<b>236,082,975</b>	<b>7,018,956</b>	<b>3.1%</b>
<b>(LESS) NON-APPROPRIATED EXPENSES</b>				
State & County Charges	6,199,912	6,238,854	38,942	0.6%
Tax Abatement Overlay	1,726,503	1,700,000	(26,503)	-1.5%
Deficits & Judgments	25,000	25,000	0	0.0%
Cherry Sheet Offsets	111,026	112,059	1,033	0.9%
<b>TOTAL NON-APPROPRIATED EXPENSES</b>	<b>8,062,441</b>	<b>8,075,913</b>	<b>13,472</b>	<b>0.2%</b>
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>	<b>221,001,580</b>	<b>228,007,062</b>	<b>7,005,482</b>	<b>3.2%</b>
<b>APPROPRIATIONS</b>				
Town Departments	66,315,742	67,632,027	1,316,286	2.0%
School Department	82,780,770	86,750,987	3,970,217	4.8%
Non-Departmental Total	63,324,068	64,209,046	884,978	1.4%
General Fund Non-Departmental	60,694,188	61,722,092	1,027,904	1.7%
Water and Sewer Enterprise Fund Overhead	2,125,747	1,973,970	(151,776)	-7.1%
Golf Enterprise Fund Overhead	150,416	163,049	12,633	8.4%
Recreation Revolving Fund Overhead	353,717	349,934	(3,783)	-1.1%
<b>OPERATING BUDGET SUBTOTAL</b>	<b>212,420,580</b>	<b>218,592,062</b>	<b>6,171,483</b>	<b>2.9%</b>
Revenue-Financed CIP (Special Appropriations)	8,581,000	9,415,000	834,000	9.7%
<b>TOTAL APPROPRIATIONS</b>	<b>221,001,580</b>	<b>228,007,062</b>	<b>7,005,482</b>	<b>3.2%</b>
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	

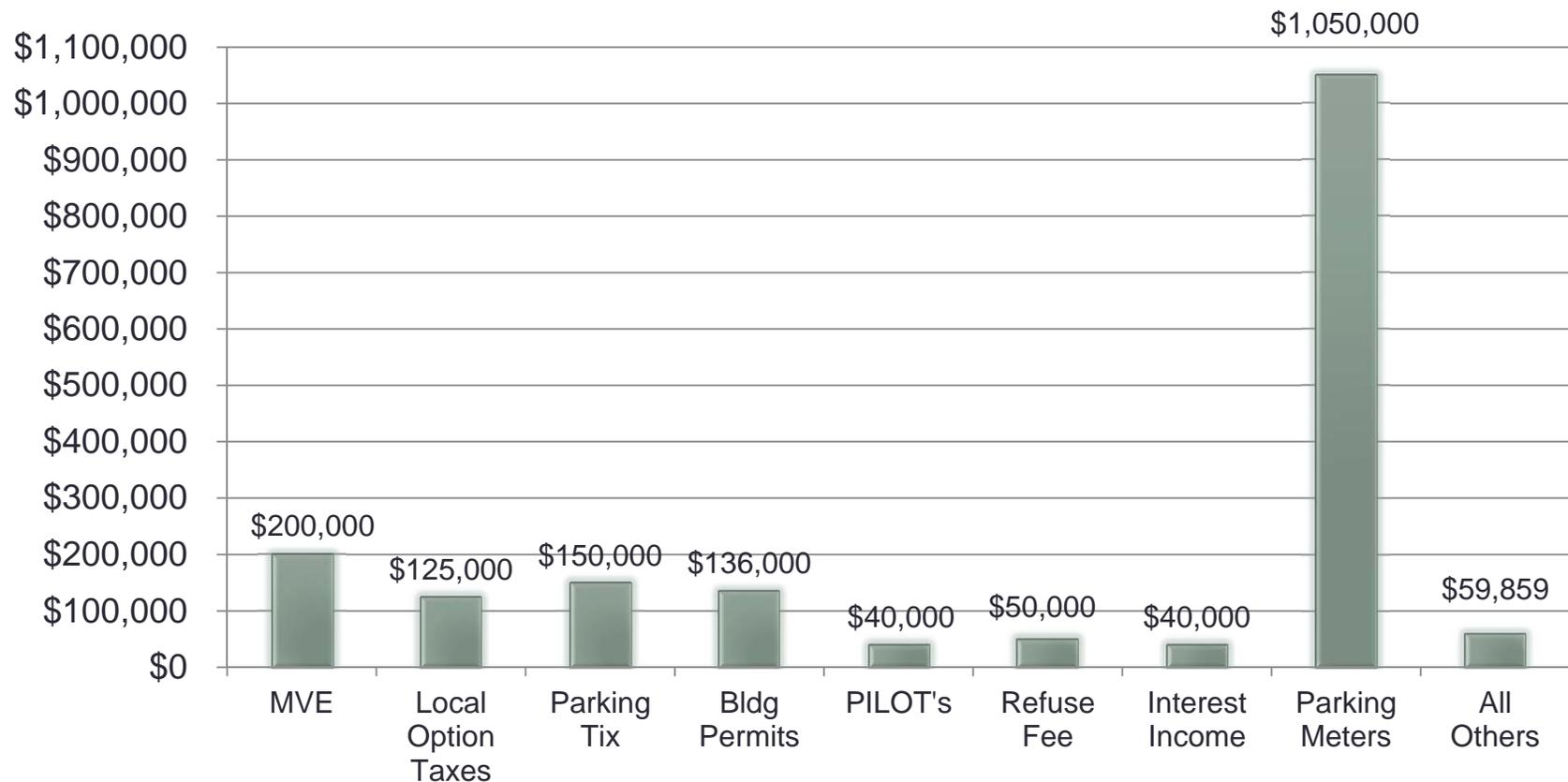
# GENERAL FUND REVENUE CHANGES



	FY14	FY15	\$ Change	% Change
Total General Fund Revenue	229,064,019	236,082,975	7,018,956	3.1%
<u>Less:</u>				
SBA Reimbursements	556,757	556,757	0	0.0%
Debt Exclusions	1,112,800	1,094,400	(18,400)	-1.7%
Free Cash	7,655,155	5,084,152	(2,571,002)	-33.6%
Add'l Revenue for CIP	0	1,000,000	1,000,000	-
Tax Abatement Reserve Surplus	0	1,000,000	1,000,000	-
<b>OPERATING REVENUE</b>	<b>219,739,307</b>	<b>228,347,666</b>	<b>8,608,358</b>	<b>3.9%</b>

# LOCAL RECEIPTS (incl Parking Meters)

- ❖ FY15 increase of \$1.9M (7.1%).
- ❖ \$1M dependent upon Selectmen approval (\$850K parking meters and \$150K parking fines).



# FREE CASH

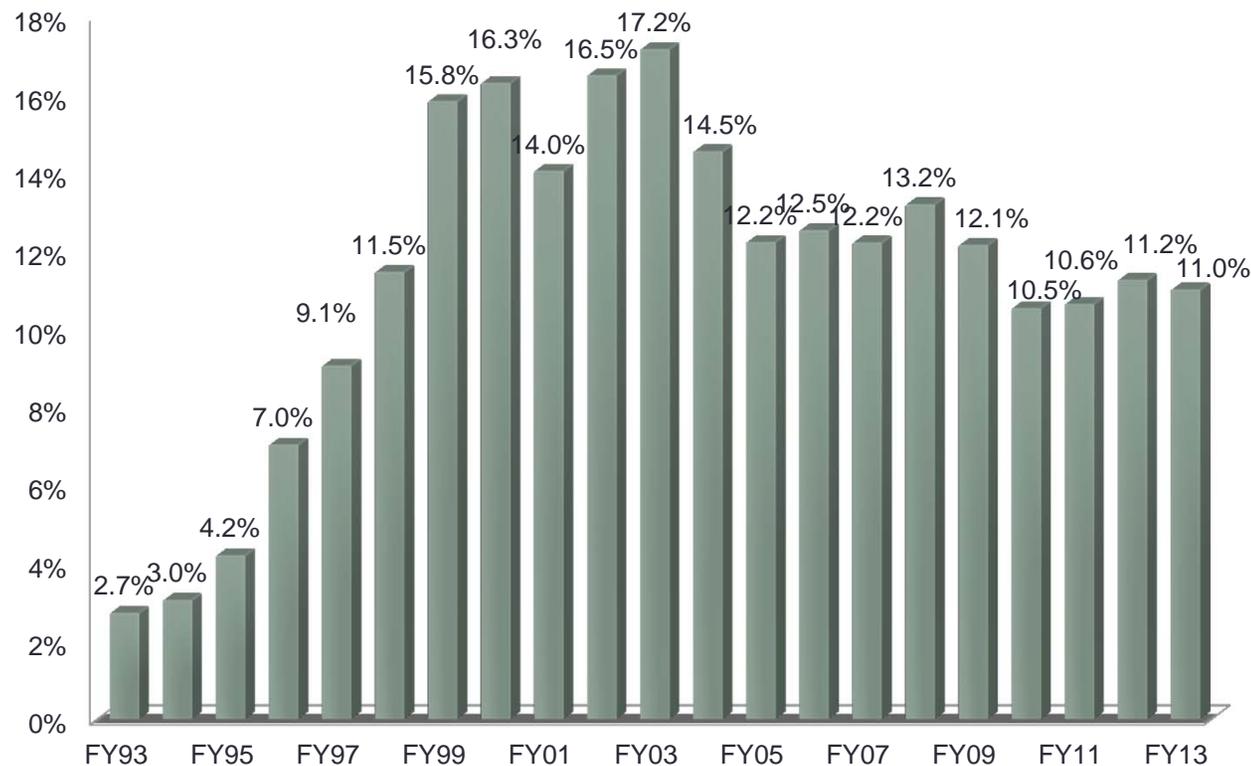
- ❖ Free Cash as of 7/1/13 certified at \$7,084,861.
- ❖ For FY15, recommending using \$5.1 million, leaving \$2 million unappropriated to help maintain undesignated fund balance.
- ❖ Free Cash sequencing:

Certification	\$7,084,861
1. Operating Budget Reserve (25% of Operating Budget Reserve)	\$530,584
2. Fund Balance	\$2,000,709
a. Unreserved Fund Balance (left unappropriated)	\$2,000,709
b. Stabilization Fund (appropriated)	\$0
3. Liability Reserve (to get fund to 1% of Prior Yr Net Revenue)	\$234,839
4. Capital Improvements (to get to 7.5% of Prior Yr Net Revenue)	\$3,183,504
5. Affordable Housing Trust Fund (since Fund Balance below \$5M)	\$170,390
<u>Sub-Total</u>	<u>\$6,120,026</u>
Amount available for Special Use (#6)	\$964,835
<u>6. Special Use:</u>	
Additional CIP	\$964,835

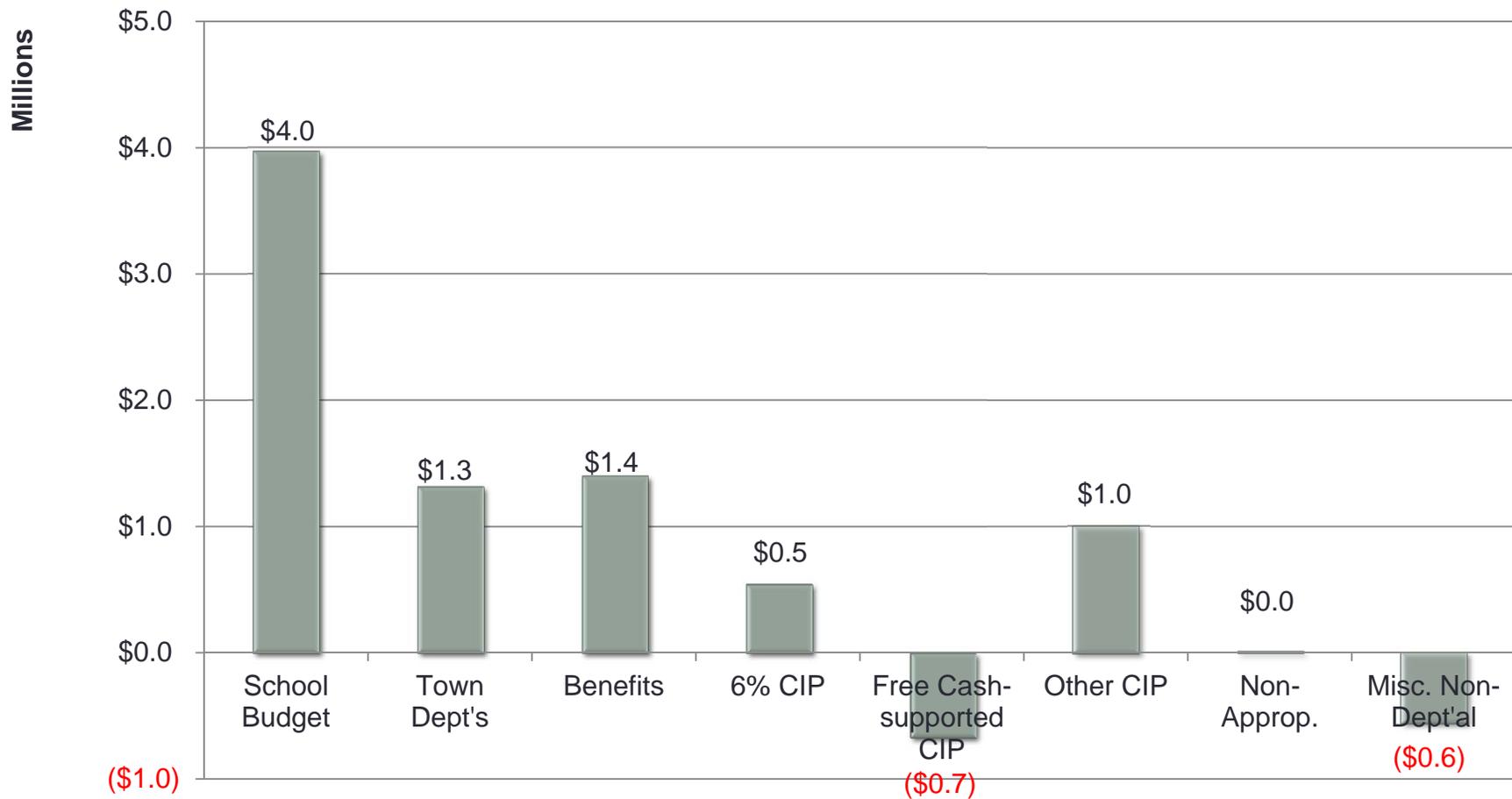
# FUND BALANCE

- ❖ Continue to stress the importance of Fund Balance position.
- ❖ Steps taken over past two budget cycles have improved fund balance.
- ❖ FY 2015 budget proposes to leave \$2M unappropriated in order to continue to at least maintain the current position.

## UNASSIGNED FUND BALANCE AS A% OF REVENUE



# GENERAL FUND EXPENDITURE GROWTH

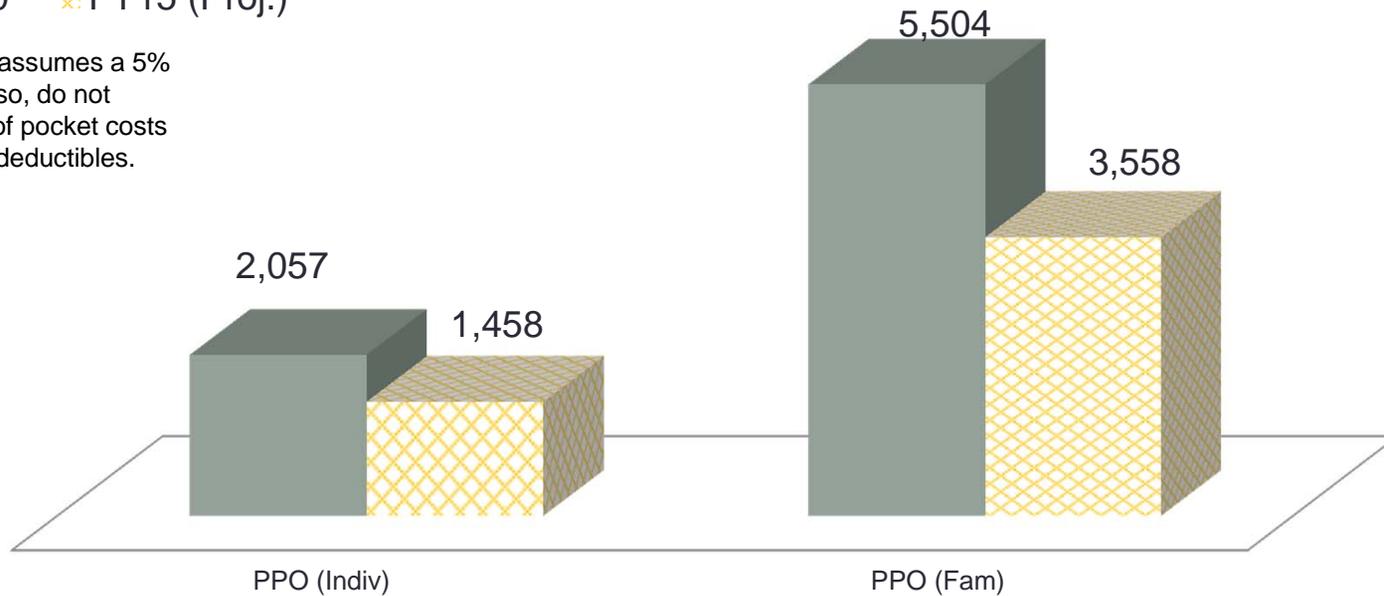


# HEALTH INSURANCE – EMPLOYEE PREMIUM COSTS

## Employee Costs of Health Ins Premium -- FY10 vs FY15

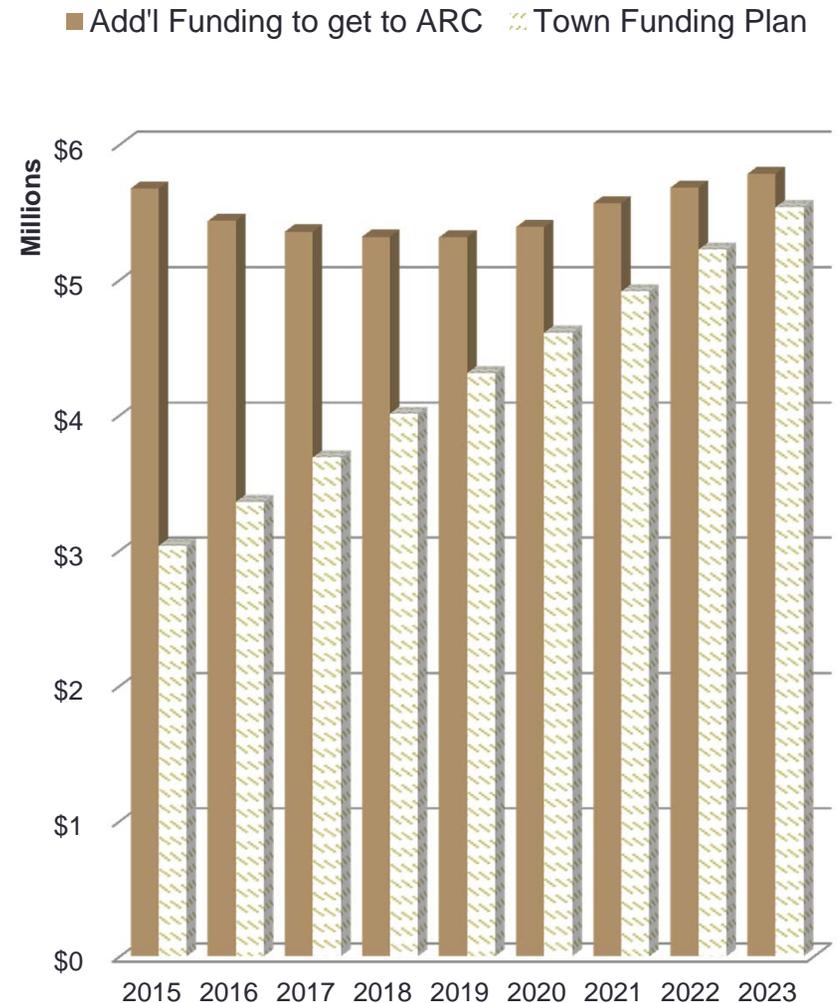
■ FY10    ✘ FY15 (Proj.)

Note: FY15 assumes a 5% increase. Also, do not include out of pocket costs for co-pays/deductibles.



# OPEB'S

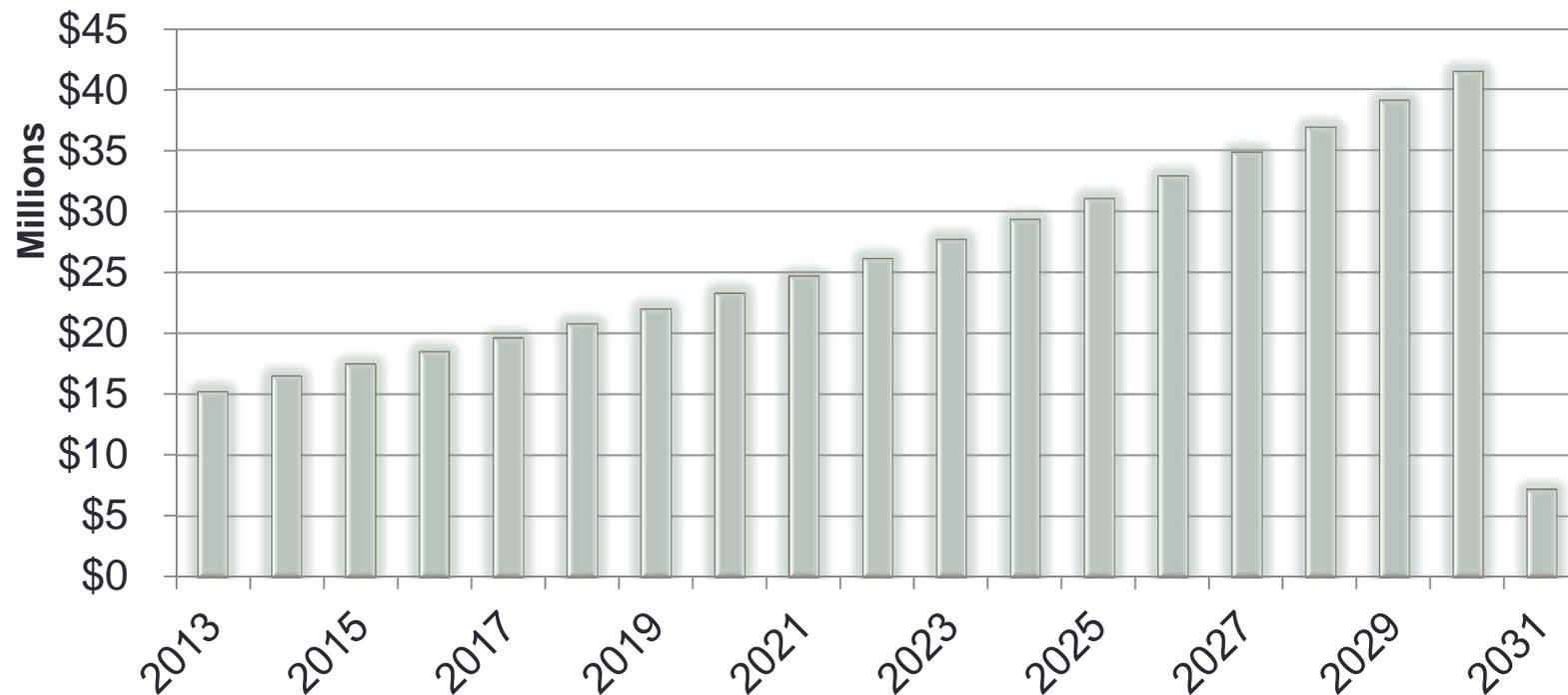
- ❖ FY15 Financial Plan includes the following:
  - Increase in funding from operating revenue by the “regular” \$250K to \$2.5M.
  - Full assessment of Town special revenue funds for their liability; some assessment by Schools.
  - Use of “run-off” from funding for Non-Contributory retirees.
  - Medicare Part D Subsidy (\$400K) remains directed to OPEB funding.
  
- ❖ Reach ARC in less than 10 yrs.
  
- ❖ Breakdown for the FY15 OPEB \$3.3M approp.:
  - ❖ Operating Rev - \$2,453,092
  - ❖ Medicare Part D - \$400,000
  - ❖ Town Spec Rev Funds - \$188,768
  - ❖ School Spec Rev Funds - \$150,000
  - ❖ Non-Contributory Retiree Savings - \$120,000



# CONTRIBUTORY PENSIONS

- ❖ Follows existing funding plan, which is in effect for FY'14+15. New plan to be approved in Spring/Summer of 2014 for FY's 16+17.
- ❖ Full funding date of 2030, two years later than prior schedule.
- ❖ Retirement Bd reduced assumed annual Rate of Return from 8.15% to 7.75%.
- ❖ Increase of \$1M (6.1%) when back out the FY14 infusion from Free Cash (\$500K).

## PENSION SYSTEM FUNDING SCHEDULE



# FY15 BUDGET SUMMARY

(in millions)

## Operating Revenue

Prop Taxes	\$6.06
Local Receipts	\$0.80
State Aid	\$0.82
Parking Meters	\$1.05
<u>Misc.</u>	<u>(\$0.12)</u>
Total Incr in Op Rev	\$8.61

## Operating Expenditures

Schools	\$3.97
Benefits *	\$2.77
Town Dept's	\$1.30
6% CIP Policy	\$0.54
<u>Misc</u>	<u>\$0.03</u>
Total Incr in Op Exp	\$8.61

\* Note: this figure backs out the FY14 Free Cash funding for various benefit accounts

# FY15 TOWN BUDGET GROWTH

	<u>(in thousands)</u>
Coll Barg	\$1,000
Steps, etc.	\$201
Elections	\$104
Supplies	\$35
Capital Outlay	\$34
CDBG	\$32
Services	\$32
Vet's Benefits	\$25
<u>Utilities</u>	<u>(\$156)</u>
<b>TOTAL</b>	<b>\$1,307</b>

# FY15 SCHOOL BUDGET

- ❖ Shortfall prior to Enrollment ~ \$650K assuming:
  - ❖ \$750K in Steps
  - ❖ \$500K in SPED (of which the Town absorbs \$188K)
  - ❖ \$1.9M in Coll Barg (2% for FY15 + “tail” from the FY14 contract)
  
- ❖ “Base” Enrollment = \$1M
  - ❖ 50% picked-up by the Town in the T/S Partnership
  - ❖ \$500K impact to School budget
  
- ❖ **“Structural Deficit” = \$1.15M (\$1M closed with add’l non-tax rev)**
  
- ❖ Schools adding approx. \$1.4M in “supports” and Ed Tech, funded by:
  - ❖ Reduction in FY15 Coll Barg assumption (from 2% to 1%) ~\$700K
  - ❖ Use of Reserves ~\$650K
  - ❖ Fees available to Schools (not part of T/S Split) ~\$170K

# FY2015 WATER & SEWER ENTERPRISE FUND

	FY2014 BUDGET	FY2015 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
<b>REVENUE</b>					
Rate Revenue	26,491,495	26,389,419	(102,076)	-0.4%	98.4%
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	16,500	16,500	0	0.0%	0.1%
<b>TOTAL REVENUE</b>	<b>26,928,495</b>	<b>26,826,419</b>	<b>(102,076)</b>	<b>-0.4%</b>	
<b>EXPENDITURES</b>					
Personnel	2,421,524	2,465,212	43,687	1.8%	9.2%
Services	311,089	341,798	30,709	9.9%	1.3%
Supplies	123,020	123,020	0	0.0%	0.5%
Other	8,900	8,900	0	0.0%	0.0%
Utilities	159,123	135,854	(23,269)	-14.6%	0.5%
Capital Outlay	581,800	313,300	(268,500)	-46.1%	1.2%
Inter-Governmental (MWRA)	18,600,348	19,059,375	459,027	2.5%	71.0%
Benefits	1,563,015	1,392,648	(170,367)	-10.9%	5.2%
Inter-Departmental Overhead	562,732	581,322	18,590	3.3%	2.2%
Debt Service	2,365,461	2,139,383	(226,078)	-9.6%	8.0%
Reserve	231,483	265,608	34,125	14.7%	1.0%
<b>TOTAL EXPENDITURE</b>	<b>26,928,495</b>	<b>26,826,419</b>	<b>(102,077)</b>	<b>-0.4%</b>	
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>		

# FY2015 GOLF COURSE ENTERPRISE FUND

	FY2014 BUDGET	FY2015 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
<b>REVENUE</b>					
Greens Fees	985,000	1,005,000	20,000	2.0%	75.5%
Golf Cart Rentals	80,000	140,000	60,000	75.0%	10.5%
Pro Shop Sales	47,740	80,000	32,260	67.6%	6.0%
Concessions	43,260	45,423	2,163	5.0%	3.4%
Golf Clinics	25,000	25,000	0	0.0%	1.9%
Other	29,000	36,500	7,500	25.9%	2.7%
<b>TOTAL REVENUE</b>	<b>1,210,000</b>	<b>1,331,923</b>	<b>121,923</b>	<b>10.1%</b>	
<b>EXPENDITURES</b>					
Personnel	393,169	464,599	71,430	18.2%	34.9%
Services	129,978	132,218	2,240	1.7%	9.9%
Supplies	148,200	169,950	21,750	14.7%	12.8%
Other	4,100	4,100	0	0.0%	0.3%
Utilities	98,462	98,538	76	0.1%	7.4%
Capital Outlay	81,300	86,420	5,120	6.3%	6.5%
Debt Service	179,374	188,049	8,675	4.8%	14.1%
Benefits / Other	150,416	163,049	12,633	8.4%	12.2%
Reserve	25,000	25,000	0	0.0%	1.9%
<b>TOTAL EXPENDITURE</b>	<b>1,210,000</b>	<b>1,331,923</b>	<b>121,923</b>	<b>10.1%</b>	
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>		

# FY2015 RECREATION REVOLVING FUND

	FY2014 BUDGET	FY2015 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
<b>REVENUE</b>					
Aquatic	535,000	542,684	7,684	1.4%	19.8%
Eliot Center	149,609	88,078	(61,531)	-41.1%	3.2%
Environmental Programs	52,030	52,589	559	1.1%	1.9%
Ice Skating	172,724	141,086	(31,638)	-18.3%	5.1%
Off-Site Out of Town Trip	63,619	36,970	(26,649)	-41.9%	1.3%
Outdoor Recreation	563,317	624,270	60,953	10.8%	22.8%
Outdoor Athletics	213,479	230,991	17,512	8.2%	8.4%
Soule Center	654,735	787,184	132,449	20.2%	28.7%
Soule Gym	34,438	69,796	35,358	102.7%	2.5%
Tappan Facility	188,923	168,702	(20,221)	-10.7%	6.2%
<b>TOTAL REVENUE</b>	<b>2,627,874</b>	<b>2,742,350</b>	<b>114,476</b>	<b>4.4%</b>	
<b>EXPENDITURES</b>					
Personnel	1,623,105	1,765,427	142,322	8.8%	64.4%
Services	308,245	287,430	(20,815)	-6.8%	10.5%
Supplies	162,235	181,259	19,024	11.7%	6.6%
Other	31,828	47,712	15,884	49.9%	1.7%
Utilities	144,044	103,608	(40,437)	-28.1%	3.8%
Capital Outlay	4,700	6,980	2,280	48.5%	0.3%
Benefits / Other	353,717	349,934	(3,783)	-1.1%	12.8%
<b>TOTAL EXPENDITURE</b>	<b>2,627,874</b>	<b>2,742,350</b>	<b>114,475</b>	<b>4.4%</b>	
<b>BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>		

# CAPITAL IMPROVEMENT PROGRAM

- ❖ Developed within the parameters of the CIP Policies.
- ❖ Supports the “expand-in-place” approach for additional classroom space as recommended by B-Space and endorsed by the School Committee:
  - ❖ Devotion School – a renovation/addition project that results in 1K+ student school
  - ❖ Driscoll School – a new project to add approx. 12 classrooms
  - ❖ BHS – funding for an addition
- ❖ Does so by:
  - ❖ recommending a Debt Exclusion Override for the Devotion School project, thereby freeing-up capacity for the Driscoll and BHS projects.
  - ❖ using \$1M of Overlay Surplus to fund the feasibility/schematic design phase of the Driscoll project.
  - ❖ assuming 30% of funding from the MSBA for Devotion and 35% for other 2 projects.
- ❖ At full funding -- 6% of prior year net revenue + Free Cash to get to 7.5%. Use additional Free Cash to get to 8% plus \$1M in Overlay Surplus to get to 8.4%.
- ❖ Calls for an investment of \$318.2 million over the next six years, for an average of \$53 million/yr.

# CIP FUNDING SUMMARY

	2015	2016	2017	2018	2019	2020
6% Policy	12,734,017	13,249,711	13,683,735	14,150,046	14,618,015	15,097,060
Net-Debt *	8,467,357	8,838,554	8,869,657	9,335,638	10,812,044	10,993,801
Pay-as-you-Go	4,266,661	4,411,157	4,814,079	4,814,408	3,805,971	4,103,259
<u>Free Cash</u>	<u>3,183,504</u>	<u>3,312,428</u>	<u>3,420,934</u>	<u>3,537,512</u>	<u>3,654,504</u>	<u>3,774,265</u>
Sub-Total	15,917,522	16,562,138	17,104,669	17,687,558	18,272,519	18,871,325
CIP as a % of Prior Yr Net Rev Per Policy	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
<u>ADDITIONAL REVENUE</u>						
Additional Free Cash	964,835	0	0	0	0	0
Overlay Reserve Surplus	1,000,000	0	0	0	0	0
<u>Debt Exclusion</u>	<u>0</u>	<u>0</u>	<u>727,407</u>	<u>4,364,439</u>	<u>5,601,031</u>	<u>5,601,031</u>
Sub-Total	1,964,835	0	727,407	4,364,439	5,601,031	5,601,031
TOTAL REVENUE	17,882,357	16,562,138	17,832,076	22,051,997	23,873,549	24,472,355
TOTAL CIP as a % of Prior Yr Net Rev	8.4%	7.5%	7.5%	7.5%	7.5%	7.5%
TOTAL CIP as a % of Prior Yr Net Rev w/Debt Excl	8.4%	7.5%	7.8%	9.4%	9.8%	9.7%

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

# CIP – MAJOR CHANGES FROM DEC 10<sup>th</sup>

- ❖ Devotion School project now estimated at \$110M, with the MSBA reimbursement at 30%.
  - ❖ Net result is a Town share of \$77M vs \$58.5M
  
- ❖ \$80K less in School Technology
  - ❖ CIO's IT CIP budget to fund \$80K in Network Infrastructure
  
- ❖ Added \$80K to Town/School Building Envelope/Fenestration

# MAJOR CIP PROJECTS

- ❖ Devotion School - \$77M of Town funding + \$33M of State funding (FY15)
- ❖ BHS - \$50.5M of Town funding + \$26.3M of State funding (FY17, FY19)
- ❖ Driscoll School - \$27.3M of Town funding + \$14.7M of State funding (FY15, FY17)
- ❖ Village Square - \$5.8M (FY16) - - all outside funding
- ❖ Larz Anderson - \$4.9M (FY19-20)
- ❖ Newton St. Landfill (Rear Landfill Closure) - \$4.6M (FY15)
- ❖ Fire Fleet Maintenance / Training Facility - \$4.2M (FY15, FY17)
- ❖ Classroom Capacity - \$2.3M (FY15-16)
- ❖ Fire Sta. Renovations - \$1.9M (FY15, FY17-20)
- ❖ Brookline Reservoir Park - \$1.9M (FY17-18)
- ❖ Educational Technology - \$1.6M (FY15-FY20)
- ❖ LED Streetlights - \$1.5M (FY15-FY17)
- ❖ Riverway Park Ped/Bike Path - \$1.5M (FY16) - - all outside funding
- ❖ Pierce Playground - \$1M (FY15-FY16)
- ❖ Golf Course - \$1M (FY16) -- enterprise fund

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>REVENUE</b>					
Property Taxes	181,848,174	188,373,618	196,640,865	207,331,924	215,844,583
Local Receipts	22,920,225	23,266,675	23,113,028	23,458,177	23,745,409
State Aid	17,476,916	17,893,327	18,320,148	18,757,639	19,206,068
Other Available Funds	8,753,508	7,871,133	7,997,713	8,133,156	8,278,148
Free Cash (for Appropriation)	5,084,152	4,000,000	4,100,000	4,200,000	4,350,000
<b>TOTAL REVENUE</b>	<b>236,082,975</b>	<b>241,404,753</b>	<b>250,171,754</b>	<b>261,880,896</b>	<b>271,424,207</b>
\$\$ Increase	7,018,955	5,321,778	8,767,001	11,709,142	9,543,311
% Increase	3.1%	2.3%	3.6%	4.7%	3.6%

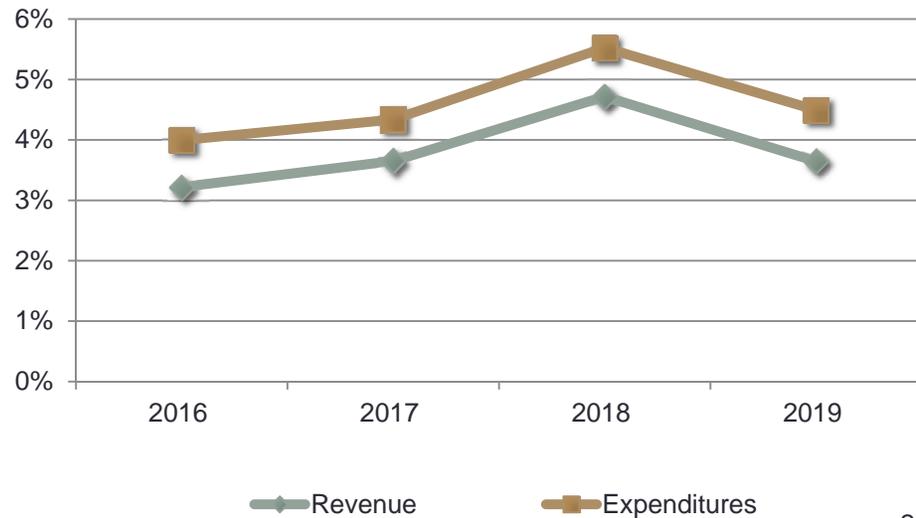
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>EXPENDITURES</b>					
Departmental	66,632,027	68,231,450	69,947,108	71,619,158	73,515,971
Coll. Barg. - Town	1,000,000	1,010,000	1,110,000	1,130,000	1,150,000
Schools	85,283,519	89,225,988	93,050,988	97,225,988	101,430,988
Coll. Barg. - School	1,467,469	1,350,000	1,400,000	1,430,000	1,460,000
Non-Departmental - Benefits	51,503,244	54,485,614	57,766,114	61,307,323	65,035,896
Non-Departmental - General	961,707	650,695	659,217	678,568	701,994
Non-Departmental - Debt Service	9,621,757	9,974,554	10,705,463	14,780,877	17,461,274
Non-Departmental - Reserve Fund	2,122,336	2,208,285	2,280,623	2,358,341	2,436,336
Special Appropriations	9,414,999	7,783,744	8,284,870	8,367,212	7,487,676
Non-Appropriated	8,075,913	8,266,496	8,461,844	8,662,075	8,867,312
<b>TOTAL EXPENDITURES</b>	<b>236,082,975</b>	<b>243,186,826</b>	<b>253,666,228</b>	<b>267,559,544</b>	<b>279,547,447</b>
\$\$ Increase	7,018,954	7,103,851	10,479,402	13,893,316	11,987,904
% Increase	3.1%	3.0%	4.3%	5.5%	4.5%

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>CUMULATIVE SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>(1,782,073)</b>	<b>(3,494,474)</b>	<b>(5,678,648)</b>	<b>(8,123,240)</b>
<b>DEFICIT AS A % OF OP REV</b>	<b>0.0%</b>	<b>-0.7%</b>	<b>-1.4%</b>	<b>-2.2%</b>	<b>-3.0%</b>

Surplus / (Deficit) Prior to Collective Bargaining	2,467,469	577,927	(984,474)	(3,118,648)	(5,513,240)
Town Share of Surplus / (Deficit)	1,000,000	535,537	121,297	(456,386)	(1,295,495)
Town Collective Bargaining	1,000,000	1,010,000	1,110,000	1,130,000	1,150,000
<b>Total Town Surplus / (Deficit)</b>	<b>0</b>	<b>(474,463)</b>	<b>(988,703)</b>	<b>(1,586,386)</b>	<b>(2,445,495)</b>
School Share of Surplus / (Deficit)	1,467,469	42,390	(1,105,771)	(2,662,261)	(4,217,745)
School Collective Bargaining	1,467,469	1,350,000	1,400,000	1,430,000	1,460,000
<b>Total School Surplus / (Deficit)</b>	<b>0</b>	<b>(1,307,610)</b>	<b>(2,505,771)</b>	<b>(4,092,261)</b>	<b>(5,677,745)</b>

# FUTURE REVENUE & EXPENDITURE GROWTH

## PROJECTED ANNUAL GROWTH



## PROJECTED CUMULATIVE GROWTH

