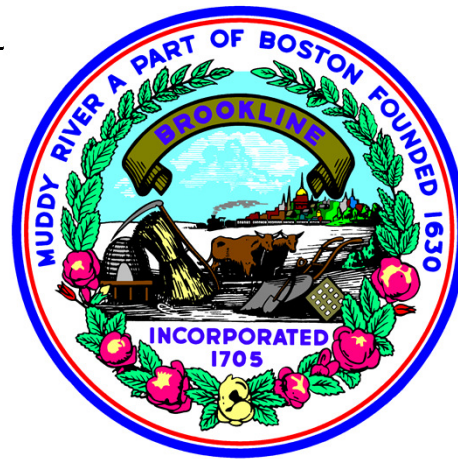


TOWN OF BROOKLINE FY13 – FY18 CAPITAL IMPROVEMENT PROGRAM



April 3, 2012



HEADLINES

- Balanced \$153.8M Six-Year CIP (FY13 – FY18) conforms with the new Free Cash and CIP Policies adopted by the Board in May, 2011.
- Overcrowding in the elementary schools and eventually at the High School continues to drive the CIP.
- Devotion School places great pressure on the CIP in FY17-FY18 at the assumed \$76.9M level, of which \$46.1M (60%) would be the Town's share.
- Continues to invest in the Town's infrastructure and in IT.
- Continues to upgrade Fire apparatus and stations.
- Includes funding for Town/School roofs, masonry repairs, elevators, and generators.
- Village Square project is 100% funded from outside sources.
- Continues to fund energy conservation efforts.
- Final component of landfill project (capping rear landfill) funded in FY15.
- Funds 12 park/playground rehabilitation projects, including the Fisher Hill Reservoir project, which is funded from the sale of the Town-owned site.



REVISED CIP POLICIES

□ Old

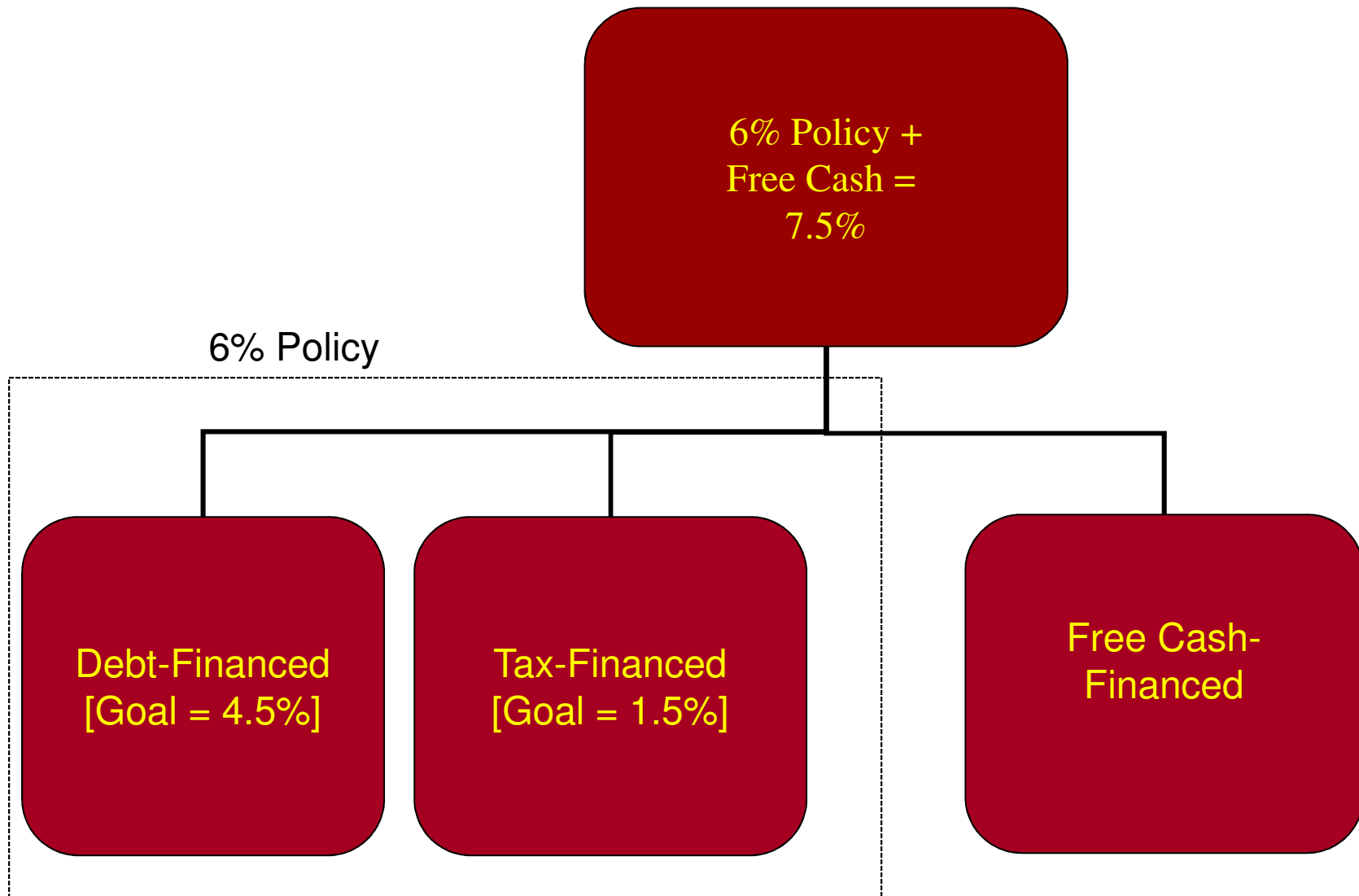
- 5.5% of prior yr Net Rev
- 2008 Override
- \$50K Parking Meter \$

- Free Cash

■ New

- 6% of prior yr Net Rev
- Free Cash to get to 7.5% of prior yr Net Rev

FUNDING POLICIES





CHANGES FROM CIP AS PRESENTED ON DEC 6, 2011

1. **Free Cash** – final certification at \$7.1M vs the \$6.2M used to build Preliminary CIP.
2. **Classroom Capacity** – used the higher Free Cash level to increase the request from \$1.25M to \$1.75M.
3. **Old Burial Ground** – used the higher Free Cash to move this \$250K project forward to FY13 (it had been pushed back to FY14).
4. **Traffic Calming** – eliminated the \$50K in FY13 due to the Transportation Board's re-working of policy.
5. **Harvard St / Green St Study** - \$25K added to fund the study called for at the 2011 Fall TM.
6. **Sidewalk Revolving Fund** – increased request from \$40K to \$65K.
7. **Parking Meter Enhancements** – added \$100K (from Parking Meter receipts) for the move to pay-by-space in the lots and procurement of single space meters to replace multi-space meters on the street.



CAPITAL SUB-CMTE OF THE ADV CMTE'S CHANGES, HOLDS AND RESTRICTIONS

1. **Bicycle Access Improvements (\$75K) – no vote yet.**
2. **Fire Station #1 Renov. (\$320K) – no vote yet.**
3. **Parking Lot Rehab (\$85K) – language added regarding using pervious surfacing in a limited area.**
4. **Golf Course Maint. Shed (\$500K) – the funding will be in the form of a loan to the enterprise fund, to be paid back over a 20-yr period via the elimination of the “Town Fee”.**
5. **High School Stage (\$55K) – reduced to \$10K, which makes it a R&M item to be funded within School’s R&M budget (part of Building Dept budget).**
6. **Waldstein & Warren Playground projects – language added so no construction monies can be spent prior to Dec 1, 2012.**
7. **Street Rehab – added the same language as included in the FY12 appropriation (notification to BoS if any changes to pavement markings/ traffic patterns).**



MAJOR PROJECTS

- Devotion School Rehab – \$46.1M of Town funding + possibility of \$30.8M of State funding (FY14-FY15)
- Newton St. Landfill (Rear Landfill Closure) – \$4.6M (FY15)
- Village Square – \$4.5M (FY14) - - all outside funding
- Fire Station Renovations – \$3.3M (all years)
- Fisher Hill Reservoir Re-Use – \$3.25M (FY13) - - all outside funding
- Waldstein Playground & Warren Field – \$2.3M (FY13)
- Driscoll School HVAC – \$2.2M (FY16-FY17)
- Baldwin School – \$2M (FY14-FY16)
- Classroom Capacity – \$1.75M (FY13)
- Brookline Reservoir Park – \$1.4M (FY16)
- UAB – \$1.3M (FY13)
- Municipal Service Center Floor / Space – \$1.1M (FY13-FY14)



CONTINUED MAJOR INVESTMENT

- Street & Sidewalk Rehab - \$17.2M
- Parks & Open Space - \$16.1M
- General Town/School Bldg. Repairs - \$6.8M
- Water & Sewer Infrastructure - \$3.6M
- Fire Apparatus - \$3.4M
- Information Technology - \$1.6M
- Rec Facilities - \$1.1M
- Tree Replacement - \$1.1M
- Energy Conservation - \$1M

CIP FINANCING – FREE CASH

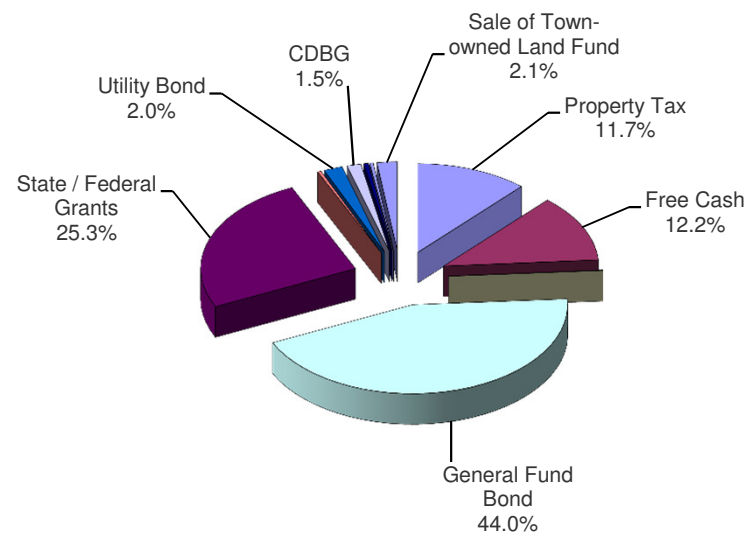
- The FY13-FY18 CIP follows the Town’s revised Free Cash Policy:
 1. Appropriated Budget Reserve – ¼ of the annual reserve fund
 2. Unreserved Fund Balance / Stabilization Fund– maintain at minimum of 10% of revenue
 3. Liability / Catastrophe Fund – maintain at 1% of net revenue
 4. CIP – bring CIP funding up to 7.5% from the 6% CIP Policy
 5. Affordable Housing Trust Fund (AHTF) – deposit if the fund balance is less than \$5M
 6. Special Use – augment trust funds related to fringe benefits, unfunded liabilities related to employee benefits, and other one-time uses, including additional funding for the CIP and AHTF

Certification	\$7,086,413
1. Operating Budget Reserve	\$486,736
2. Unreserved Fund Balance/Stabilization Fund	\$1,750,000
3. Liability Reserve	\$253,669
4. Capital Improvements	\$2,920,254
5. <u>Affordable Housing Trust Fund</u>	<u>\$251,363</u>
Sub-Total	\$5,662,023
 Amt available for Special Use (#6)	 \$1,424,390
<u>Use under #6:</u>	
Additional CIP	\$1,027,474
OPEB's	\$211,256
Public Safety IOD Medical Expenses Trust Fund	\$185,660

FINANCING SUMMARY

GRAND TOTAL BY SOURCE (in thousands)

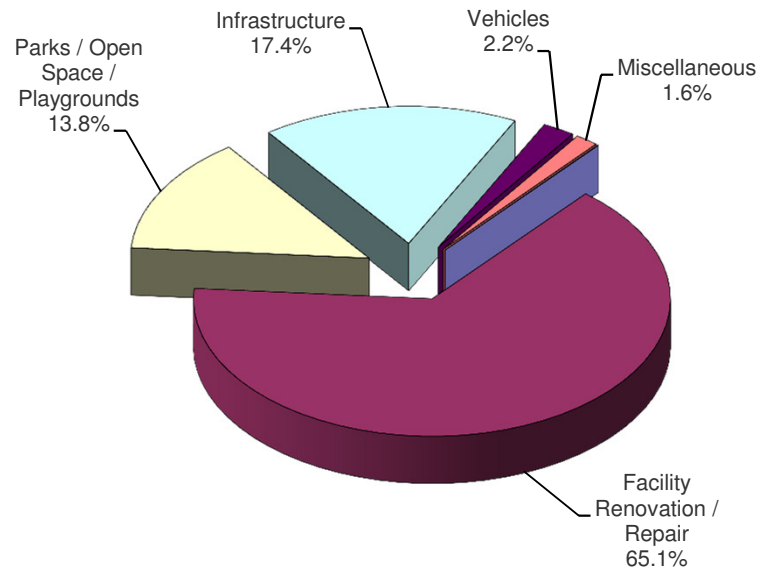
	FY13	FY14	FY15	FY16	FY17	FY18	TOTAL	% OF TOTAL
Property Tax	3,325.8	3,239.1	3,779.9	3,914.0	2,415.7	1,291.4	17,965.9	11.7%
Free Cash	3,947.7	3,008.9	2,990.1	2,958.0	2,943.3	2,935.6	18,783.6	12.2%
Parking Meter Receipts	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.1%
General Fund Bond	3,450.0	2,730.0	51,000.0	4,325.0	3,250.0	2,950.0	67,705.0	44.0%
State / Federal Grants	944.6	3,194.6	31,544.6	1,344.6	944.6	944.6	38,917.8	25.3%
Utility Budget	300.0	260.0	0.0	0.0	0.0	0.0	560.0	0.4%
Utility Bond	0.0	0.0	0.0	3,000.0	0.0	0.0	3,000.0	2.0%
CDBG	0.0	2,250.0	0.0	0.0	0.0	0.0	2,250.0	1.5%
Other	0.0	750.0	0.0	0.0	0.0	0.0	750.0	0.5%
Re-Appropriation of Funds	560.0	0.0	0.0	0.0	0.0	0.0	560.0	0.4%
Sale of Town-owned Land Fund	3,250.0	0.0	0.0	0.0	0.0	0.0	3,250.0	2.1%
TOTAL	15,878.1	15,432.6	89,314.6	15,541.6	9,553.6	8,121.6	153,842.3	100%



CATEGORY SUMMARY

GRAND TOTAL BY CATEGORY (in thousands)

	FY13	FY14	FY15	FY16	FY17	FY18	TOTAL	% OF TOTAL
New Facility Construction	0.0	55.0	0.0	0.0	0.0	0.0	55.0	0.0%
Facility Renovation / Repair	5,957.5	6,230.0	76,890.0	5,850.0	4,260.0	900.0	100,087.5	65.1%
Parks / Open Space / Playgrounds	6,180.0	710.0	6,795.0	3,020.0	745.0	3,770.0	21,220.0	13.8%
Infrastructure	3,390.6	7,667.6	3,484.6	6,171.6	2,978.6	3,026.6	26,719.8	17.4%
Vehicles	50.0	465.0	1,400.0	185.0	1,250.0	0.0	3,350.0	2.2%
Miscellaneous	300.0	305.0	745.0	315.0	320.0	425.0	2,410.0	1.6%
TOTAL	15,878.1	15,432.6	89,314.6	15,541.6	9,553.6	8,121.6	153,842.3	100%



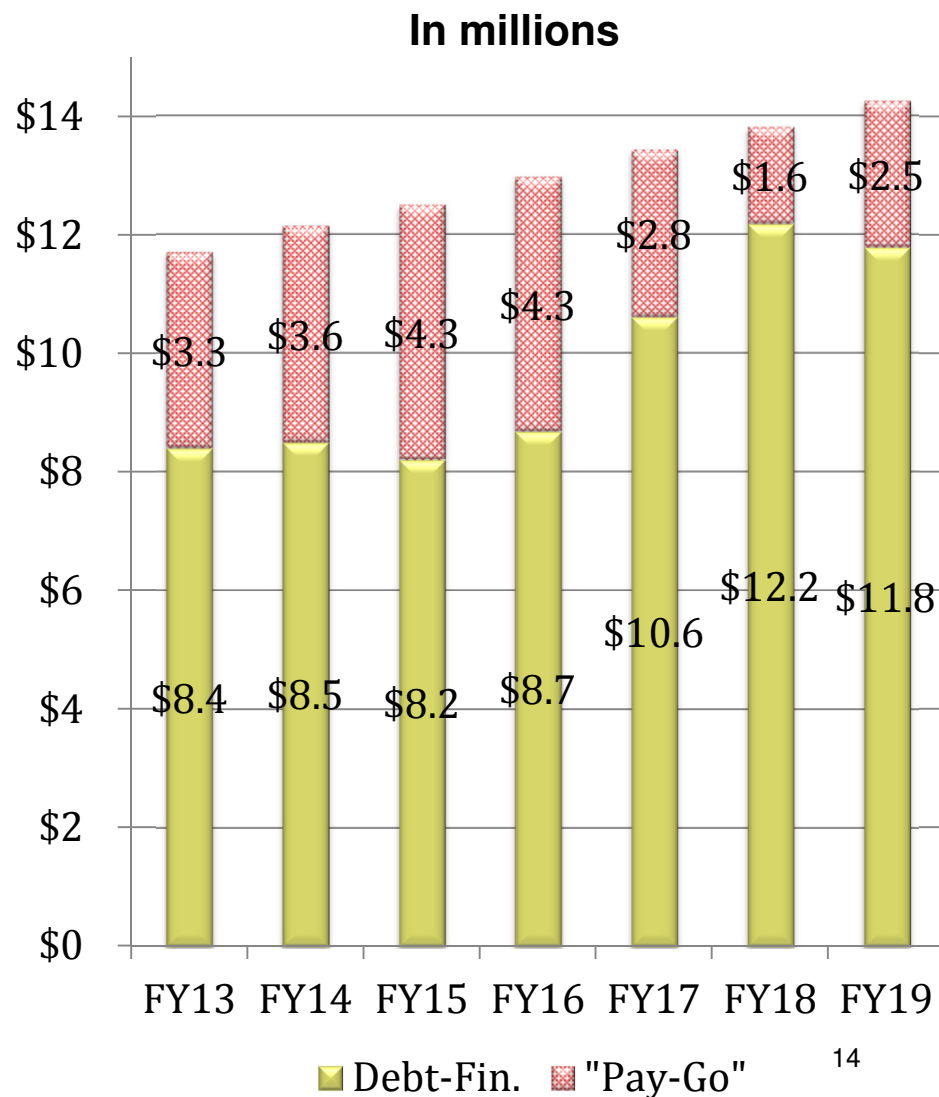
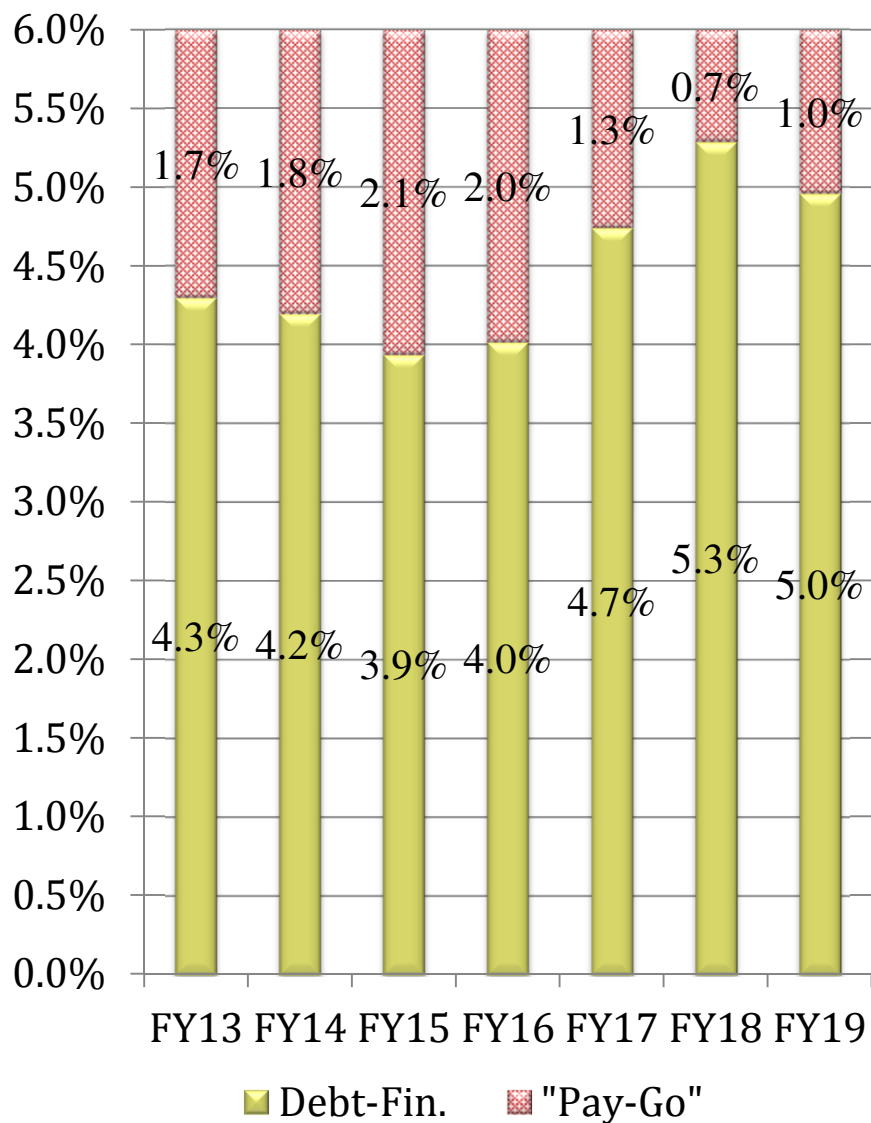
DEBT MANAGEMENT PLAN

<u>Project</u>	<u>Authorization</u>	<u>Bond Amt</u>	<u>Term</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Runkle School - Constr. (previously authorized)	17,580,000	1,000,000	10	142,500	138,250	134,000	129,750	125,500	121,250
Carlton St. Footbridge (previously authorized)	1,400,000	1,400,000	10	196,000	190,400	184,800	179,200	173,600	168,000
UAB Roof/Chimney/Gutters & Downspouts (future authorization)	1,300,000	1,300,000	10	185,250	179,725	174,200	168,675	163,150	157,625
Waldstein Playground + Warren Field (future authorization)	2,150,000	2,150,000	10	306,375	297,238	288,100	278,963	269,825	260,688
Muddy River (previously authorized)	745,000	745,000	10		104,300	101,320	98,340	95,360	92,380
Devotion School - Feas. & Sch. Des. (future authorization)	1,130,000	1,218,750	10		161,025	156,223	151,420	146,618	141,815
Roof Repairs / Replacements (future authorization)	1,600,000	1,600,000	10		228,000	221,200	214,400	207,600	200,800
Devotion School - Design (future authorization)	45,000,000	5,000,000	20			487,500	475,625	463,750	451,875
Ladder #2 (future authorization)	1,200,000	1,200,000	10			171,000	165,900	160,800	155,700
Rear Landfill (future authorization)	4,600,000	4,600,000	20			448,500	437,575	426,650	415,725
Baldwin School (future authorization)	1,780,000	1,780,000	10				256,500	248,850	241,200
Devotion School - Constr. (future authorization)	48,750,000	21,875,000	25				1,850,000	1,808,000	1,766,000
Brookline Reservoir Park (future authorization)	1,400,000	1,400,000	10				199,500	193,550	187,600
Roof Repairs / Replacements (future authorization)	1,125,000	525,000	10				74,813	72,581	70,350
Roof Repairs / Replacements (future authorization)	1,125,000	175,000	10					24,938	24,194
Driscoll School HVAC (future authorization)	1,500,000	1,500,000	10					213,750	207,375
Devotion School - Constr. (future authorization)	48,750,000	20,000,000	25					1,850,000	1,808,000
Engine #4 (Quint) (future authorization)	1,400,000	1,400,000	10					199,500	193,550
Roof Repairs / Replacements (future authorization)	1,125,000	425,000	10						60,563
Emerson Garden/Harry Downes (future authorization)	1,350,000	1,350,000	10						192,375
NEW GEN FUND DEBT SERVICE (cumulative)				830,125	1,298,938	2,366,843	4,680,660	6,844,021	6,917,064

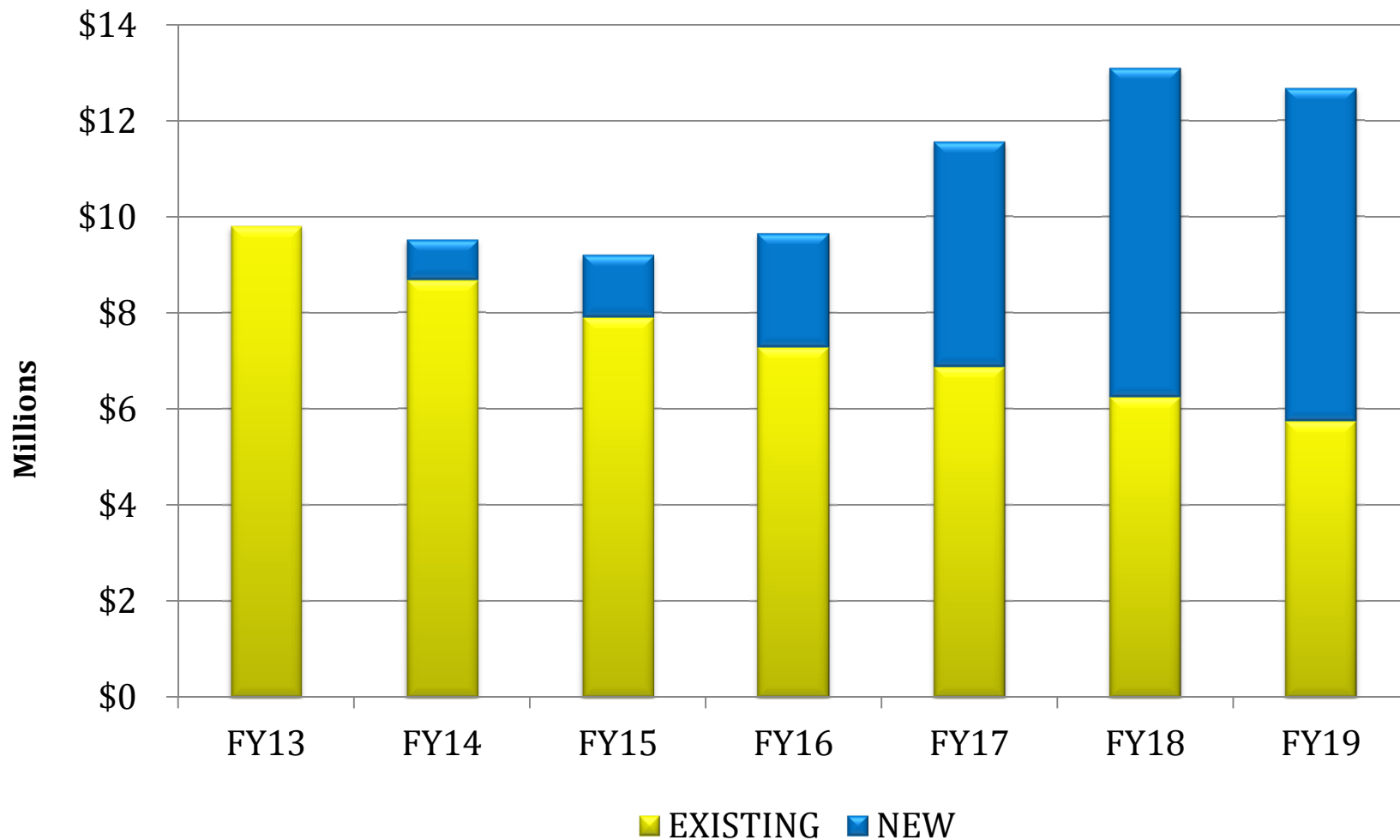
DEBT MANAGEMENT PLAN

<u>Project</u>	<u>Authorization</u>	<u>Bond Amt</u>	<u>Term</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Wastewater (previously authorized)	5,500,000	1,000,000	10	142,500	138,250	134,000	129,750	125,500	121,250
Wastewater (previously authorized)	5,500,000	1,000,000	10		142,500	138,250	134,000	129,750	125,500
Wastewater (previously authorized)	5,500,000	914,065	10			130,254	126,369	122,485	118,600
Wastewater (future authorization)	3,000,000	1,500,000	10				213,750	207,375	201,000
Wastewater (future authorization)	3,000,000	1,500,000	10						213,750
Storm Drain Improvements (previously authorized)	500,000	500,000	10	70,000	68,000	66,000	64,000	62,000	60,000
Golf Course (previously authorized)	2,840,000	225,000	20		21,375	20,869	20,363	19,856	19,350
Golf Course (previously authorized)	2,840,000	590,000	20					56,050	54,723
NEW ENTERPRISE FUND DEBT SERVICE (cumulative)				212,500	370,125	489,373	688,232	723,016	914,173

DEBT-FINANCED vs "PAY-AS-YOU-GO"



DEBT SERVICE – GENERAL FUND



DEBT SERVICE – AS A % OF REVENUE

DESCRIPTION	FY08 (Act.)	FY09 (Act.)	FY10 (Act.)	FY11 (Act.)	FY12 (Proj.)	FY13 (Proj.)	FY14 (Proj.)	FY15 (Proj.)	FY16 (Proj.)	FY17 (Proj.)	FY18 (Proj.)	FY19 (Proj.)
General Fund Debt Service as a % of General Fund Revenue	5.7%	6.2%	5.9%	4.7%	5.0%	4.6%	4.5%	4.2%	4.2%	4.9%	5.4%	5.0%
Net General Fund Debt Service as a % of General Fund Revenue ²	3.9%	4.6%	4.3%	4.1%	4.4%	4.3%	4.2%	3.9%	4.0%	4.6%	5.1%	4.8%
Water & Sewer Enterprise Fund Debt Service as a % of Revenue	11.6%	10.9%	10.5%	10.3%	9.5%	9.3%	9.2%	8.2%	8.1%	7.4%	5.9%	5.3%
Golf Course Enterprise Fund Debt Service as a % of Revenue	15.4%	15.9%	16.3%	16.8%	15.4%	16.0%	14.9%	14.5%	13.5%	12.9%	11.3%	9.7%
TOTAL Debt Service as a % of Total Rev. Supporting Debt Svc.	6.4%	6.7%	6.4%	5.3%	5.5%	5.1%	5.0%	4.7%	4.7%	5.2%	5.4%	5.1%

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

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



ADDITIONAL REVENUE SOURCES

- CDBG Funds – \$2.25M is used, including utilizing the Section 108 Loan Guarantee Program.
- State / Federal Grants – \$38.9M is anticipated, including the assumption that MSBA funds cover 40% of the Devotion School project, a \$150M statewide Ch. 90 program annually, and the Village Sq project is awarded \$1.5M from the State TIP.
- Proposed Private Development – \$4.2M total, with \$3.25M for Fisher Hill Reservoir Re-Use (FY13) and \$750K from 2 Brookline Pl for the Village Square project (FY13).
- Re-Appropriation of Existing Funds – \$560K in FY13 from balances in a Landfill account and Heath Feasibility account (MSBA reimb.)

MULTI-YEAR CIP FUNDING SUMMARY (Gen Fund)

	2013	2014	2015	2016	2017	2018
6% Policy	11,681,838	12,146,753	12,506,897	12,970,153	13,424,590	13,819,038
Net-Debt *	8,356,066	8,497,836	8,209,306	8,681,670	10,610,892	12,178,728
% of Prior Yr Net Rev	4.29%	4.20%	3.94%	4.02%	4.74%	5.29%
Pay-as-you-Go	3,325,771	3,648,917	4,297,592	4,288,483	2,813,698	1,640,310
% of Prior Yr Net Rev	1.71%	1.80%	2.06%	1.98%	1.26%	0.71%
Free Cash	3,947,729	3,036,688	3,126,724	3,242,538	3,356,148	3,454,759
Re-Approp.	560,000	0	0	0	0	0
Sale of Town Land	3,250,000	0	0	0	0	0
Parking Meter Receipts	100,000	0	0	0	0	0
TOTAL	19,539,567	15,183,441	15,633,622	16,212,691	16,780,738	17,273,797
CIP as a % of Prior Yr Net Rev	10.0%	7.5%	7.5%	7.5%	7.5%	7.5%

7.5%
Policy

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

CIP/DEBT MANAGEMENT POLICIES

VARIABLE	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Legal Limit for Outstanding Debt = 5% of Equalized Valuation (EQV) EQV for 1/1/10 = \$15.985 billion. Assume 2.5% annual growth. (In millions)	\$16,384.9	\$16,794.6	\$17,214.4	\$17,644.8	\$18,085.9	\$18,538.0	\$19,001.5
Outstanding Debt as a % of EQV	0.5%	0.5%	0.4%	0.4%	0.5%	0.6%	0.5%
General Fund Outstanding Debt as a % of EQV	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%
Net General Fund Outstanding Debt as a % of EQV	0.3%	0.3%	0.3%	0.3%	0.4%	0.5%	0.5%
Total Outstanding Debt (in millions)	\$78.6	\$77.5	\$71.7	\$74.4	\$91.0	\$105.6	\$96.5
General Fund Outstanding Debt (in millions)	\$66.2	\$65.8	\$60.9	\$64.7	\$81.2	\$97.8	\$88.8
Net General Fund Outstanding Debt (in millions)	\$56.9	\$57.9	\$54.4	\$59.2	\$76.6	\$94.1	\$86.1
Total Debt Service (in millions)	\$12.7	\$12.6	\$12.5	\$11.9	\$12.4	\$14.2	\$15.3
General Fund Debt Service (in millions)	\$10.2	\$9.9	\$9.7	\$9.4	\$9.8	\$11.7	\$13.2
Net General Fund Debt Service (in millions)	\$7.5	\$8.5	\$8.3	\$8.6	\$8.3	\$8.7	\$10.7
Total Debt Service Per Capita	\$216	\$215	\$213	\$203	\$212	\$241	\$260
General Fund Debt Service Per Capita	\$173	\$168	\$165	\$160	\$167	\$199	\$225
Net General Fund Debt Service Per Capita	\$128	\$144	\$141	\$146	\$141	\$149	\$181
Total Debt Service as a % of Revenue	5.4%	5.2%	5.1%	4.6%	4.7%	5.2%	5.4%
General Fund Debt Service as a % of General Fund Revenue	4.9%	4.5%	4.4%	4.1%	4.2%	4.8%	5.3%
Net General Fund Debt Service as a % of General Fund Revenue	4.3%	4.3%	4.2%	3.9%	3.9%	4.6%	5.1%
A. Total Outstanding Debt Per Capita as a % of Per Capita Income	2.0%	1.9%	1.7%	1.7%	2.1%	2.4%	2.1%
General Fund Outstanding Debt Per Capita as a % of Per Capita Income	1.7%	1.6%	1.5%	1.5%	1.9%	2.2%	1.9%
Net General Fund Outstanding Debt Per Capita as a % of Per Capita Income	1.4%	1.4%	1.3%	1.4%	1.8%	2.1%	1.9%
B. Total Outstanding Debt Per Capita	\$1,338	\$1,320	\$1,220	\$1,267	\$1,549	\$1,797	\$1,643
General Fund Outstanding Debt Per Capita	\$1,127	\$1,120	\$1,036	\$1,101	\$1,383	\$1,665	\$1,513
Net General Fund Outstanding Debt Per Capita	\$969	\$986	\$927	\$1,008	\$1,305	\$1,603	\$1,466
C. Total Outstanding Debt as a % of Assessed Value (AV)	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%	0.6%
General Fund Outstanding Debt as a % of Assessed Value (AV)	0.4%	0.4%	0.4%	0.4%	0.5%	0.6%	0.5%
Net General Fund Outstanding Debt as a % of Assessed Value (AV)	0.3%	0.3%	0.3%	0.3%	0.4%	0.5%	0.5%
D. Total Debt Maturing Within 10 Years	80%	82%	84%	84%	77%	72%	73%
General Fund Debt Maturing Within 10 Years	76%	79%	82%	82%	75%	70%	71%
E. CIP Financing as a % of Prior Year's Net Revenue	5.50%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Debt-Financed CIP as a % of Prior Year's Net Revenue	4.59%	4.29%	4.34%	4.06%	4.13%	4.85%	5.40%
Revenue-Financed CIP as a % of Prior Year's Net Revenue	0.91%	1.71%	1.66%	1.94%	1.87%	1.15%	0.60%

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 \$2,471 (for FY12).
- C. Total Outstanding Debt = shall not exceed 2.5% of Assessed Value (AV).
- D. Bond Maturities = 60% of General Fund principal shall mature within 10 years.
- E. CIP Financing = 5.5% of Prior Year's Net Revenue, with a goal of 4.25% from Debt-Financed and 1.25% from Revenue-Financed.

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