

CAPITAL IMPROVEMENTS PROGRAM

Capital planning and budgeting is a critical undertaking for any government and is "central to economic development, transportation, communication, delivery of other essential services, and environmental management and quality of life", as stated in ICMA's "Capital Budgeting: A Guide for Local Governments". In fact, without a sound plan for long-term investment in infrastructure and equipment, the ability of local government to accomplish its goal is greatly hampered. Developing a financing plan for capital investments that fits within the overall framework of a community is of equal importance, as poor decisions regarding the use of debt can significantly impact a community's financial condition in a negative way for many years.

In Brookline, the preparation of the annual Capital Improvements Program (CIP) is mandated by state statute. Massachusetts General Law Chapter 41 provides that the Planning Board shall prepare and submit annually a CIP for the Town. Chapter 270 of the Acts of 1985 (special legislation known as the "Town Administrator Act") directs the Town Administrator to prepare and recommend an annual financial plan that includes a CIP. The Deputy Town Administrator and the Director of Planning and Community Development co-chair a working committee of department heads that reviews and evaluates all project requests. A number of these requests arise from public input received by Boards and Commissions. See page VII-3 for a detailed description of the CIP process.

With the notable exception of temporarily departing from the policy of dedicating an amount equivalent to 5.5% of the prior year's net revenue for FY10 and FY11*, the recommendations contained herein are in compliance with the Board of Selectmen's CIP Policies. These policies define what a capital improvement project is, how projects are evaluated and prioritized, and how the CIP is financed. The complete text of these policies can be found in the Appendix of this Financial Plan. It is important that a governmental body comply with its policies, as it makes little, if any, sense to adopt policies only not to follow them. In that regard, the table below, which is based on the Proposed CIP, presents the indicators that are to be monitored per the Debt Management Policies portion of the CIP Financing Policies, along with other standard debt measurement variables. There are numerous summary tables and graphs in the pages that follow.

(* As detailed in the Budget Message, part of the plan to balance the FY10 budget is to reduce the 5.5% funding level to 5% for FY10, freeing-up \$917,000 for the Operating Budget, which is used to reduce the level of cuts in the Operating Budget. In FY11, it increases to 5.25%, then reaches 5.5% in FY12. It is important to get back to 5.5% in order to afford the debt associated with the Devotion School project.)

MEASUREMENT OF CIP FINANCING POLICIES

VARIABLE	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Legal Limit for Out. Debt = 5% of Equalized Valuation (EQV)							
EQV for 1/1/08 = \$15,524 billion. Assume 2.5% annual growth. (In millions)	\$15,524.0	\$15,912.1	\$16,309.9	\$16,717.6	\$17,135.5	\$17,563.9	\$18,003.0
Outstanding Debt as a % of EQV	0.6%	0.6%	0.6%	0.6%	0.5%	0.6%	0.6%
Total Outstanding Debt (in millions)	\$100.2	\$97.5	\$102.0	\$92.8	\$89.0	\$110.8	\$107.9
General Fund Outstanding Debt (in millions)	\$85.3	\$83.7	\$89.3	\$80.1	\$77.2	\$100.0	\$97.6
Total Debt Service (in millions)	\$14.5	\$15.1	\$15.4	\$16.0	\$15.4	\$15.3	\$17.5
General Fund Debt Service (in millions)	\$11.8	\$12.4	\$12.6	\$13.4	\$12.7	\$12.5	\$15.0
Total Debt Service Per Capita	\$265	\$275	\$280	\$292	\$281	\$278	\$319
General Fund Debt Service Per Capita	\$215	\$226	\$230	\$245	\$231	\$228	\$273
Total Debt Service as a % of Revenue	6.5%	6.5%	6.6%	6.6%	6.2%	6.0%	6.6%
General Fund Debt Service as a % of General Fund Revenue	6.0%	6.1%	6.2%	6.4%	5.9%	5.6%	6.5%
A. Total Outstanding Debt Per Capita as a % of Per Capita Income	2.9%	2.7%	2.8%	2.5%	2.3%	2.8%	2.7%
General Fund Outstanding Debt Per Capita as a % of Per Capita Income	2.5%	2.3%	2.4%	2.1%	2.0%	2.5%	2.4%
B. Total Outstanding Debt Per Capita	\$1,828	\$1,779	\$1,861	\$1,694	\$1,624	\$2,021	\$1,968
General Fund Outstanding Debt Per Capita	\$1,557	\$1,527	\$1,630	\$1,462	\$1,408	\$1,825	\$1,781
C. Total Outstanding Debt as a %age of Assessed Value (AV)	0.7%	0.6%	0.6%	0.6%	0.5%	0.7%	0.6%
General Fund Outstanding Debt as a %age of Assessed Value (AV)	0.6%	0.5%	0.6%	0.5%	0.5%	0.6%	0.6%
D. Total Debt Maturing Within 10 Years	83%	87%	83%	85%	84%	78%	83%
General Fund Debt Maturing Within 10 Years	82%	86%	81%	82%	84%	75%	80%
E. CIP Financing as a %age of Prior Year's Net Revenue	5.50%	5.00%	5.25%	5.50%	5.50%	5.50%	5.50%
Debt-Financed CIP as a %age of Prior Year's Net Revenue	4.34%	4.45%	4.52%	4.88%	4.38%	4.42%	5.47%
Revenue-Financed CIP as a %age of Prior Year's Net Revenue	1.16%	0.55%	0.73%	0.62%	1.12%	1.08%	0.03%

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 \$2,334 (for FY09).
- C. Total Outstanding Debt = shall not exceed 2.5% of Assessed Value (AV).
- D. Bond Maturities = 60% of General Fund principal shall mature within 10 years.
- E. CIP Financing = 5.5% of Prior Year's Net Revenue, with a goal of 4.25% from Debt-Financed and 1.25% from Revenue-Financed.

INTRODUCTION

The financial foundation of the Town's CIP is the policy that states an amount equivalent to 5.5% of the prior year's net revenue be dedicated to the CIP, plus the \$750,000 included in the 2008 Override for CIP purposes inflated annually by 2.5%. (As previously noted, the complete text of these policies can be found in the Appendix of this Financial Plan.) This key policy places both a floor and a ceiling on the amount of debt supported by the tax levy that can be authorized, thereby limiting the impact on the Operating Budget. The goal is to have the 5.5% consist of both a debt-financed component and a revenue (or pay-as-you-go) component, with 4.25% for debt-financed CIP and 1.25% for pay-as-you-go CIP. (It should be noted again that part of the Town Administrator's plan to balance the FY10 budget is to reduce the 5.5% funding level to 5% for FY10, freeing-up \$917,000 for the Operating Budget. Those funds are used to reduce the level of cuts in the Operating Budget.)

In addition to the 5.5%, there is a Free Cash policy, also shown in its entirety in the Appendix of this Financial Plan, that dedicates this revenue source to the CIP, after funding various strategic reserves. In summary, the Free Cash Policy states that after being used to help fund a 1% operating budget reserve (25% of the Reserve Fund is funded with Free Cash) and bring up the Town's Stabilization Fund and the Catastrophe and Liability Fund to their respective funding levels, the balance of Free Cash is dedicated to the CIP.* This important funding source allows for the expansion of the pay-as-you-go component of the CIP. Without Free Cash, the Town would be unable to fund many of the projects being recommended.

Another key CIP financing policy is that the Water and Sewer Enterprise Fund and the Golf Course Enterprise Fund cover 100% of their debt service. When additional capital work to the water and sewer infrastructure or to the golf course is requested, the impact debt service has on those enterprise funds is taken into consideration. Since they are both 100% cost recovery funds, any growth in debt service may well necessitate increases in fees. Therefore, the decision to authorize additional debt is made carefully.

The table below details how much funding is made available for the CIP, exclusive of enterprise fund supported debt and projects funded from non-Town sources (e.g., grants).

* It should be noted that the Free Cash policy also calls for a.) supporting the Affordable Housing Trust Fund when Free Cash exceeds \$6 million and b.) supporting other trust funds related to fringe benefits and unfunded liabilities related to employee benefits, if necessary.

	2010	2011	2012	2013	2014	2015
Total Gen Fund Rev	205,273,534	204,371,464	210,166,613	216,641,305	222,373,899	228,786,255
LESS:						
Non Appropriations	7,330,535	7,501,783	7,677,312	7,857,230	8,041,646	8,230,671
Net Debt Exclusions	1,667,074	1,637,286	1,532,067	2,109,552	1,611,719	1,606,819
Free Cash	7,053,295	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Overlay Surplus	1,505,000	0	0	0	0	0
Capital Project Surplus	1,680,000	0	0	0	0	0
Net Revenue	186,037,631	191,482,394	197,207,234	202,924,523	208,970,534	215,198,764
Prior Year Net Revenue	183,418,648	186,037,631	191,482,394	197,207,234	202,924,523	208,970,534
Net Debt Financed ¹	8,164,895	8,410,850	9,353,485	8,644,570	8,961,533	11,429,531
Net Debt Financed as a % of Prior Yr Net Rev	4.45%	4.52%	4.88%	4.38%	4.42%	5.47%
Revenue Financed	1,005,471	1,356,126	1,178,046	2,201,828	2,199,316	63,849
Revenue Financed as a % of Prior Yr Net Rev	0.55%	0.73%	0.62%	1.12%	1.08%	0.03%
SUB-TOTAL 5.5% Dedicated to CIP (5% in FY10; 5.25% in FY11)	9,170,365	9,766,976	10,531,532	10,846,398	11,160,849	11,493,379
2008 Override Funds	768,750	787,969	807,668	827,860	848,556	869,770
Free Cash for CIP	3,121,351	3,084,906	3,071,294	3,056,982	3,038,042	3,017,845
Capital Project Surplus -- Re-approp. of Funds	1,680,000	0	0	0	0	0
Other Funds (e.g., Overlay Surplus, Sale of Town-owned land, Cemetery Funds)	255,000	0	0	0	0	0
TOTAL FUNDS AVAILABLE FOR CIP THROUGH GEN. FUND	14,995,467	13,639,850	14,410,494	14,731,239	15,047,447	15,380,994

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.

BROOKLINE'S CIP PROCESS

The preparation of the annual CIP is mandated by statute: MGL Chapter 41 provides that the Planning Board shall prepare and submit annually a CIP for the Town. Chapter 270 of the Acts of 1985 (special legislation known as the "Town Administrator Act") directs the Town Administrator to prepare and recommend an annual financial plan that includes a CIP. The annual process for Brookline begins with the submission of project requests by departments, which in many cases are the result of various board/commission (Park and Recreation Commission, Library Trustees, etc.) public hearings. The requests are then reviewed by a working group that is co-chaired by the Deputy Town Administrator and the Director of the Department of Planning and Community Development and is comprised of all department heads that have requested projects. After reviewing all project requests, a Preliminary CIP is recommended to the Town Administrator, who then presents it to the Board of Selectmen as part of a public hearing on the Town's Operating and Capital budgets.

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

PROPOSED FY10 - FY15 CIP

The recommended FY10 - FY15 CIP calls for an investment of \$148.3 million, for an average of approximately \$24.7 million per year. This continues the Town's commitment to prevent the decline of its infrastructure. Over the last 10 years (FY00 - FY09), the Town has authorized expenditures of close to \$180 million, for an average of \$18 million per year. These efforts, which have been supported by the Board of Selectmen, the Advisory Committee, Town Meeting, and, ultimately, the taxpayers of Brookline, have gone a long way toward addressing the backlog of capital projects and have dramatically improved the Town's physical assets and landscape.

As previously noted, part of the Town Administrator's plan to balance the FY10 budget is to reduce the 5.5% funding level to 5% for FY10, freeing-up \$917,000 for the Operating Budget. Those funds are used to reduce the level of cuts in the Operating Budget. The impact to the CIP is somewhat blunted, however, by the recommendation to forego the deposit into the Affordable Housing Trust Fund (\$353,000). The net reduction to the CIP, therefore, is \$564,000 (\$917,000 - \$353,000). The proposal also allows for a phasing back-up to the full 5.5% level, hitting 5.25% in FY11 and 5.5% in FY12. It is critical to return to the 5.5% level, as the amount of projected debt service in the out-years requires that level of funding. Without it, the Devotion School project will not be affordable.

It was a challenge to develop a balanced CIP that addresses the priorities of the community while living within the funding guidelines. This year's was particularly challenging because many of the new requests that arose from the process were clearly priority needs. In addition, there were complexities involved with needing to fund these new requests that meet the criteria for CIP projects while at the same time having to fund \$9.7M of additional liabilities associated with the landfill and budget for two large school renovation projects. However, the core of any CIP should be the maintenance / repair of and improvement to a community's infrastructure, and many of the new requests do just that. Governmental jurisdictions across the country continue to struggle with the issue of funding infrastructure needs, especially in these economic and budgetary times. Fortunately, Brookline's CIP policies (dedicated CIP funding) and taxpayer support (debt exclusions for schools and an override that included infrastructure needs) have allowed the community to fund these needs far more adequately than would otherwise be the case.

In addition to the 5% - 5.5% financing, Free Cash, CDBG, and state/federal grants are the other key components of the overall financing strategy of the CIP. The Town's certified Free Cash for the fiscal year ending June 30, 2008 was \$7.1 million, providing the CIP with \$3.1 million of additional pay-as-you-go

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

capacity for FY10. For the out-years of the CIP, \$3.75 million is estimated for Free Cash, which yields approximately \$3 million per year for the CIP. CDBG funds add \$2.25 million over the six-year CIP, a level of funding that reflects the Town's plans to utilize the CDBG Section 108 Loan Program. This program allows the Town to take a loan for the Village Square Project and pay it back with future CDBG funds. The "Other" funds category totals \$4.2 million, the largest piece being an expected \$3.25 million from the sale of the Town-owned Fisher Hill Reservoir that would be used to fund the construction of a playing field on the State-owned site across the street.

State/Federal grants are a major component of the CIP, totaling \$38.2 million over the six-year period. Of this amount, \$10.6 million represents the potential State share of the Runkle School Renovation Project and \$22.1 million represents the potential State share of the Devotion School Renovation Project. This CIP assumes 40% funding by the Massachusetts School Building Authority (MSBA) for both the Runkle and Devotion School projects. In January, 2009, the Town and the MSBA announced that a firm had been selected to design the Runkle project. Since neither the total project cost nor the reimbursement rate are known at this time, potential changes to this project could very well be reflected in next year's CIP. As for the Devotion School, the Town must wait at least a couple of years to see if MSBA funding would be awarded. If the MSBA does not approve funding for the Devotion School, then the total project will be \$33.2 million, not a \$55.3 million project, unless additional funding was made available through a Debt Exclusion vote.

The Town has also submitted a number of projects to the State for possible funding from any economic stimulus package ultimately approved by President Obama and Congress.

Some of the major projects being proposed in the CIP include:

- Devotion School Rehab - \$33.2 million of Town funding + possibility of \$22.1 million of State funding in FY11-FY14 for feasibility, design, and construction
- Runkle School Rehab - \$15.8 million of Town funding + possibility of \$10.6 million of State funding in FY10-FY11 for design and construction
- Newton St. Landfill - \$5.1 million (FY10) + \$4.4 million (FY15)
- Fisher Hill Reservoir Re-Use - \$3.25 million (FY11)
- Village Square - \$3 million (FY11)
- Wastewater System - \$3 million (FY14)
- Baldwin School - \$2 million (FY14-FY15)
- UAB - \$1.4 million (FY12-FY13)
- Brookline Reservoir Park - \$1.4 million (FY15)
- Parking Meters - \$1.3 million (FY10-FY14)
- Town Hall/Main Library Garages and Driveway - \$1.2 million (FY10)

Continued major investments include:

- Street and Sidewalk Rehab - \$15.6 million
- Parks and Open Space - \$11.9 million
- Water and Sewer Infrastructure - \$5 million
- General Town/School Building Repairs - \$4.3 million
- Town/School Roof Repairs/Replacement - \$2.6 million
- Information Technology - \$1.5 million
- Public Safety Equipment - \$1.3 million
- Pierce School Auditorium - \$825 thousand
- Branch Libraries - \$585 thousand
- Classroom Capacity - \$400 thousand

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

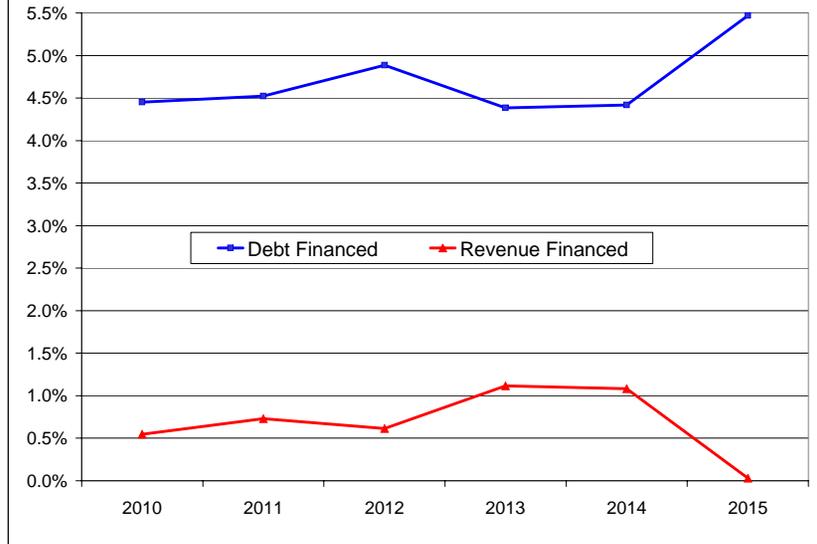
The table below details the funding source for each year of the Proposed CIP. As it shows, \$66.4 million, or 45%, of the funding comes from General Fund bonds while \$37.5 million, or 25%, comes from state/federal grants.

GRAND TOTAL BY SOURCE (in thousands)

	FY10	FY11	FY12	FY13	FY14	FY15	TOTAL	% OF TOTAL
Property Tax	1,774.2	2,122.1	1,964.2	2,869.0	3,015.0	992.2	12,736.7	8.6%
Free Cash	3,121.4	3,084.9	3,071.3	3,057.0	3,038.0	3,017.8	18,390.4	12.4%
Overlay Reserve Surplus	255.0	0.0	0.0	0.0	0.0	0.0	255.0	0.2%
General Fund Bond	21,315.0	0.0	0.0	5,900.0	31,600.0	7,580.0	66,395.0	44.8%
State / Federal Grants	11,259.4	819.4	1,299.4	2,699.4	20,699.4	699.4	37,476.1	25.3%
Utility Budget	0.0	0.0	500.0	270.0	255.0	0.0	1,025.0	0.7%
Utility Bond	0.0	0.0	1,000.0	0.0	3,000.0	0.0	4,000.0	2.7%
CDBG	0.0	2,250.0	0.0	0.0	0.0	0.0	2,250.0	1.5%
Other	0.0	4,000.0	100.0	0.0	0.0	0.0	4,100.0	2.8%
Re-Appropriation of Funds	1,680.0	0.0	0.0	0.0	0.0	0.0	1,680.0	1.1%
TOTAL	39,404.9	12,276.4	7,934.9	14,795.4	61,607.4	12,289.4	148,308.2	100.0%

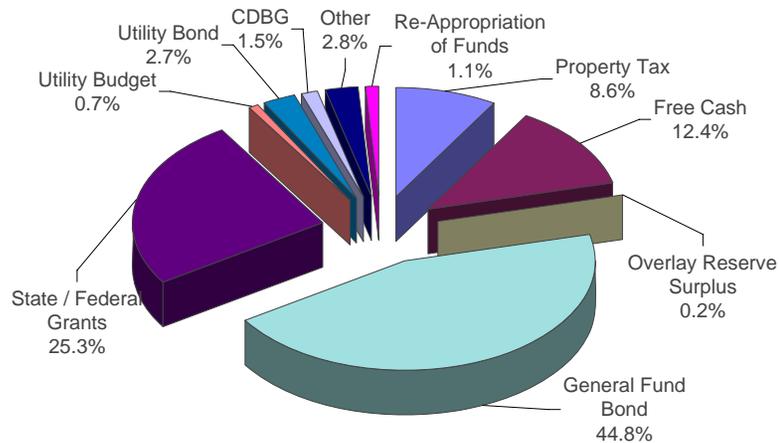
Given the reliance on \$66.4 million of bonds supported by the General Fund, there is an impact on the Town’s operating budget. However, because the CIP complies with the Town’s CIP Financing Policies, the impact on the debt service budget is offset by a decrease in the tax-financed component. As the portion of the 5.5% that is utilized for borrowing increases or decreases, the portion supported by the tax-financed monies moves in the opposite direction. The graph to the right shows how the 5% - 5.5% is apportioned between debt-financed and pay-as-you-go for each of the six years of the proposed CIP.

As the graph shows, the debt service associated with the projects included in the CIP results in an increase in FY12 of the portion being funded through debt, due to debt for the Runkle School project coming due. It then declines over the next two years, until FY15, when the debt from the Devotion School project comes on-line. Having virtually 100% of the 5.5% policy go toward debt is a situation the Town wants to avoid. Over the next couple CIP cycles, the Town will work to avoid this situation.

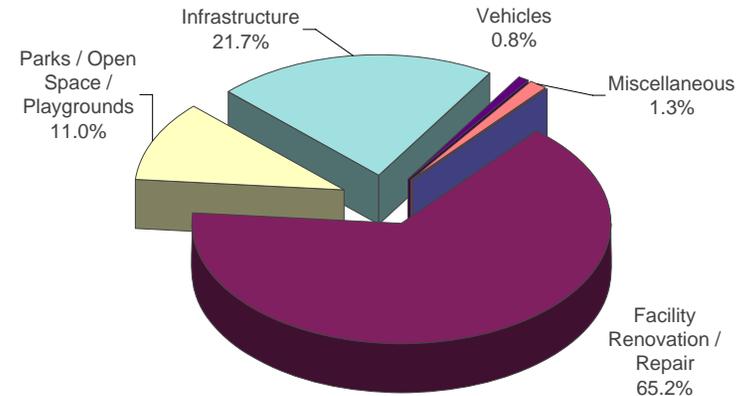


The three graphs on the following page summarize the FY10 - FY15 CIP by revenue source, by category (i.e., facility repair / renovation, infrastructure, parks/open spaces), and by allocation group (e.g., schools, engineering / highway). As shown in the left graph, 45% of the six-year CIP is funded from General Fund-supported bonds, 25% is funded by State / Federal Grants, and 21% is funded via property tax / free cash. The right graph breaks out the six-year CIP by category: 65% of the CIP goes toward facility renovations/repairs (e.g., Runkle School, Devotion School), 22% for infrastructure repairs (streets, sidewalks, water and sewer system), and 11% for Parks / Open Space / Playgrounds. The lower right graph breaks out the CIP by allocation group and shows that 64% is for Schools, 19% is for Engineering / Highway, and 8% is for Parks / Playgrounds / Conservation / Open Space.

CIP FUNDING BY SOURCE - 6 YR. TOTAL

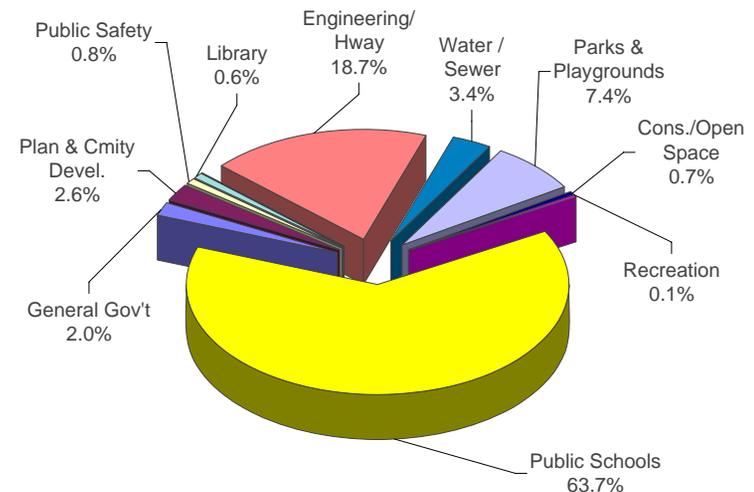


CIP BY CATEGORY - 6 YR. TOTAL



It is important to note that the recommendations contained in the CIP are based upon current best estimates of future revenues and future project costs. The amount of Free Cash available for the CIP can fluctuate drastically from year to year. Also, budget reductions at the federal and state levels could require significant cutbacks in the recommended program for future years. The CIP recommendations would have to be revisited should the actual amounts be less than anticipated and / or the project costs are greater than anticipated.

CIP BY ALLOCATION - 6 YR. TOTAL



While it is important that we maintain our commitment to the CIP, it is equally important that we be committed to staying within our CIP financing policies. Despite the large levels of expenditures for the CIP, there will inevitably be pressure to accelerate and / or add projects. Given the Town's debt load, it is crucial that we maintain fiscal discipline in this process. The fundamentally sound policies approved by the Board of Selectmen are only effective if followed. Continued challenges lie ahead. The FY10 - FY15 CIP is tightly balanced, but the fiscal prudence dictated by the CIP policies will help meet the challenge.

DEBT & DEBT SERVICE

This portion of Section VII is dedicated to the role debt plays in the CIP and its relationship to the Operating Budget. For all entities, both public and private, debt financing is a primary method of financing large capital projects, as it enables these projects to be undertaken now with the costs spread out over a period of years. However, if used in an imprudent and / or poorly constructed manner, debt can have a disastrous impact on the Operating Budget and negatively impact the level and quality of services. This is why the Town's CIP Financing Policies are a vital component of the Town's overall Financial Planning guidelines. A well-planned and properly devised debt management plan is critical to maintaining the Town's positive financial condition and to maintaining the much-valued Aaa bond rating.

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

The bond authorization process is laid out in Massachusetts General Laws (MGL), specifically Chapter 44, Sections 7 and 8. General Obligation (GO) Bonds are secured by a pledge of revenues through property taxes and are authorized by Town Meeting via a 2/3's vote. Bond Anticipation Notes (BANs) are utilized prior to the permanent issuance of bonds and are included as part of the Town's 5.5% funding policy. The Town's credit was most recently reviewed in February, 2008 by Moody's and the Town was able to maintain its Aaa rating. Among the reasons stated by Moody's for the Aaa rating were "[G]iven the town's comprehensive and prudent approach to capital financing Moody's expects Brookline's debt position to remain affordable" and "Moody's expects Brookline's moderate 1.3% adjusted debt burden to remain affordable due to conservative debt policies, above-average rate of amortization (83.5% within 10 years), significant school construction assistance, and steady but manageable future borrowing plans."

Chapter 44, Section 10 limits the authorized indebtedness to 5% of the Town's equalized valuation (EQV). The Town's most recent EQV, approved by the State as of 1/1/2008, is \$15.56 billion. Therefore, the Town's debt limit is \$778 million. Obviously, the Town has no plans to come near this limit. In fact, the Town's CIP Financing Policies would not allow outstanding debt to reach that level, as a number of measurement variables would not be met.

Debt can further be broken into "exempt debt" and "non-exempt debt". Exempt debt is paid for outside of the property tax levy limit of Proposition 2 1/2. Stated another way, it is paid for with taxes raised outside of the property tax limit. In order to do have exempt debt, a Debt Exclusion Override is required, and that can only be approved by the local electorate. Non-Exempt debt, or "within-levy debt", must be raised and paid for within the property tax levy. In Brookline, two projects are funded with exempt debt: the High School Renovation (\$43.8 million) and the New Lincoln School (\$13 million).

Debt is issued on behalf of the Water and Sewer Enterprise Fund and the Golf Course Enterprise Fund. The tax levy funds no enterprise fund debt. The table below breaks out outstanding debt by fund, with exempt and non-exempt debt of the General Fund separated, for each of the past six years. Looking at FY08, this shows that the Town's total outstanding debt was \$98.9 million, of which \$42 million (42%) was owed by either the State (\$26.1 million) or enterprise funds (\$15.9 million), leaving \$56.9 million of outstanding debt.

OUTSTANDING DEBT

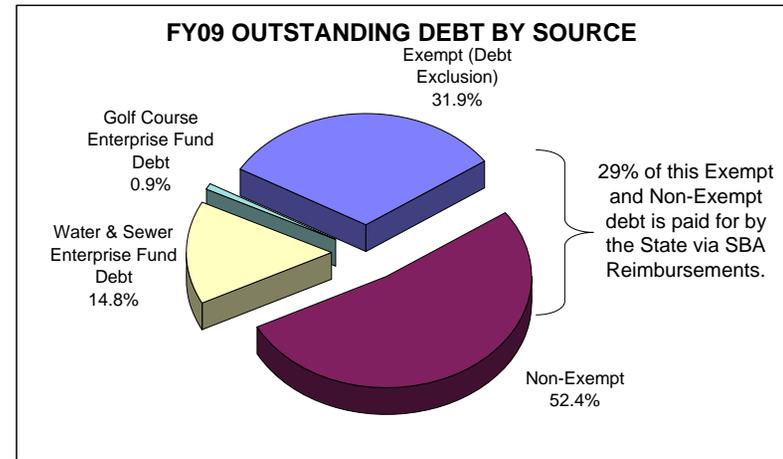
DESCRIPTION	FY03	FY04	FY05	FY06	FY07	FY08
Total General Fund Outstanding Debt (not incl Debt reimbursed by Enterprise Funds)	81,814,000	81,517,732	85,508,601	85,262,645	79,792,568	82,984,105
a.) Exempt (Debt Exclusion) ¹	46,383,507	44,155,268	41,859,857	39,492,216	37,054,223	34,553,585
b.) Non-Exempt	35,430,493	37,362,464	43,648,744	45,770,429	42,738,345	48,430,520
Minus State (SBA) Reimbursed Debt ²	35,364,750	33,595,750	31,865,180	29,991,458	28,077,028	26,128,742
Net General Fund Outstanding Debt	46,449,250	47,921,982	53,643,421	55,271,187	51,715,540	56,855,363
Water & Sewer Enterprise Fund Outstanding Debt	18,046,518	17,536,416	15,573,545	18,233,854	16,526,895	14,892,054
Golf Course Enterprise Fund Outstanding Debt	1,480,000	1,326,287	1,167,202	1,012,262	1,008,710	1,032,428
Enterprise Fund Outstanding Debt	19,526,518	18,862,703	16,740,747	19,246,116	17,535,605	15,924,482
TOTAL Outstanding Debt	101,340,518	100,380,435	102,249,348	104,508,761	97,328,173	98,908,587

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

² The following school projects are being reimbursed by the State: Lincoln, Heath, High School, and Baker.

The graph to the right depicts the FY09 figures. As it shows, 52% of the Town's debt is covered within the levy while 32% is covered outside the levy via Debt Exclusion Overrides. The remaining 16% is covered by enterprise fund revenues. The graph also notes how the State covers 29% (\$24.1 million) of the General Fund debt.

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



OUTSTANDING DEBT (PROJECTED)

DESCRIPTION	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Total General Fund Outstanding Debt (not incl Debt reimbursed by Enterprise Funds)	84,429,973	82,906,047	88,665,548	79,558,809	76,708,676	99,637,588	97,341,794
a.) Exempt (Debt Exclusion) ¹	31,966,160	29,284,685	26,506,963	23,706,500	20,835,000	18,315,000	18,315,001
b.) Non-Exempt	52,463,814	53,621,362	62,158,585	55,852,309	55,873,676	81,322,588	79,026,793
Minus State (SBA) Reimbursed Debt ²	24,129,458	22,078,758	19,972,597	17,855,615	15,695,300	13,752,450	13,752,450
Net General Fund Outstanding Debt	60,300,516	60,827,289	68,692,950	61,703,194	61,013,376	85,885,138	83,589,344
Water & Sewer Enterprise Fund Outstanding Debt	14,835,027	13,807,953	12,689,702	12,710,191	11,844,074	10,770,477	10,270,114
Golf Course Enterprise Fund Outstanding Debt	905,000	780,000	655,000	560,000	465,000	375,000	270,000
Enterprise Fund Outstanding Debt	15,740,027	14,587,953	13,344,702	13,270,191	12,309,074	11,145,477	10,540,114
TOTAL Outstanding Debt	100,170,000	97,494,000	102,010,250	92,829,000	89,017,750	110,783,065	107,881,908

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

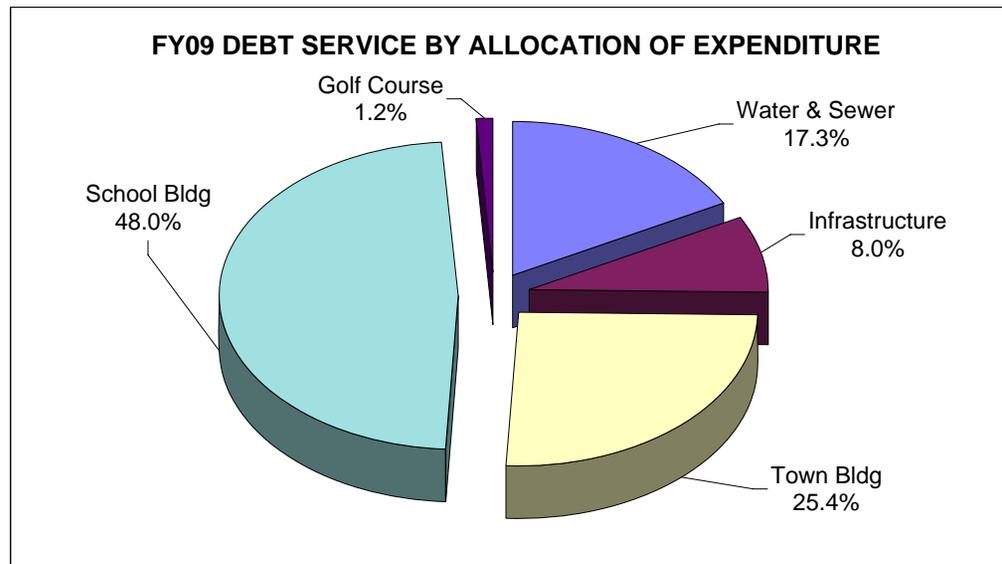
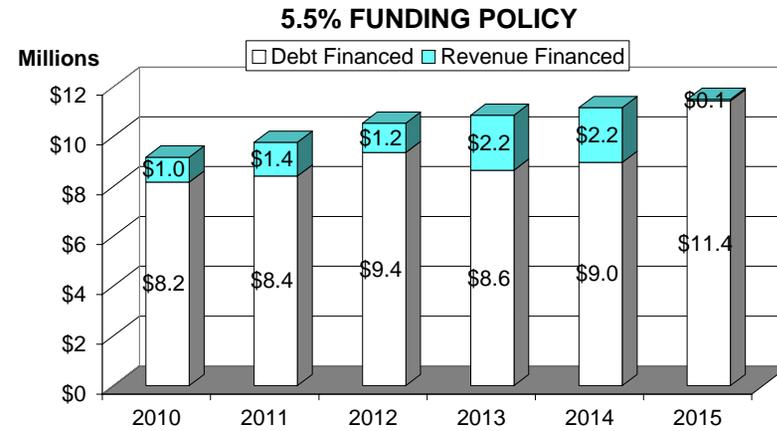
² The following school projects are being reimbursed by the State: Lincoln, Heath, High School, and Baker.

Once debt is incurred, an amount must be set aside annually to fund the principal and interest payments, known as Debt Service. As previously noted, if debt is used in an imprudent and / or poorly constructed manner, it can have a negative impact on the Operating Budget. This is because of debt service: debt service takes away funding that would otherwise be available for other areas of the Operating Budget. If decision makers are not made aware of the impact debt service has on the Operating Budget (via long-range forecasting), then the authorization of debt is being made in a vacuum. Governmental bodies can cripple their finances if bonds are authorized and issued without a full understanding of the impact they have on the overall finances of the entity.

In Brookline, both the Long Range Financial Plan and the planning process for the CIP clearly show decision makers the impact debt service has on the Operating Budget. Since the Town's CIP Financing Policies set a limit on the overall amount of debt that can be issued -- basically the 5.5% policy plus the other debt management variables that are to be measured -- the impact on the Operating Budget is both known and within an expected range.

The graph to the right illustrates how the Town's 5.5% policy works. In each year, the amount available for the CIP is 5.5% of the prior year's net revenue. This amount represents the total impact on the Operating Budget. For FY10, \$9.2 million is dedicated to the CIP (\$8.2 million for net debt service and \$1 million for pay-as-you-go), and, therefore, unavailable for the operating budget. The graph also shows the balance between pay-as-you-go CIP and debt-financed CIP. As debt service increases, pay-as-you go capacity decreases, and vice versa.

The graph below breakouts existing debt service by allocation of expenditure (e.g., school buildings, water and sewer, etc.). As it shows, close to one-half of all debt service is for school buildings.



As was previously mentioned, debt is issued on behalf of the Water and Sewer Enterprise Fund and the Golf Course Enterprise Fund. Those debt service costs are budgeted for within both enterprise funds and are covered by enterprise fund revenues. As a result, the tax levy funds no enterprise fund debt service. The table on the following page breaks out debt service by fund, with exempt and non-exempt debt of the General Fund separated, for each of the past six years. Looking at FY09, it shows that the Town's total debt service was \$14.6 million, of which \$6 million was reimbursed by either the State (\$3.3 million) or enterprise funds (\$2.7 million), leaving \$8.7 million of debt service.

DEBT SERVICE

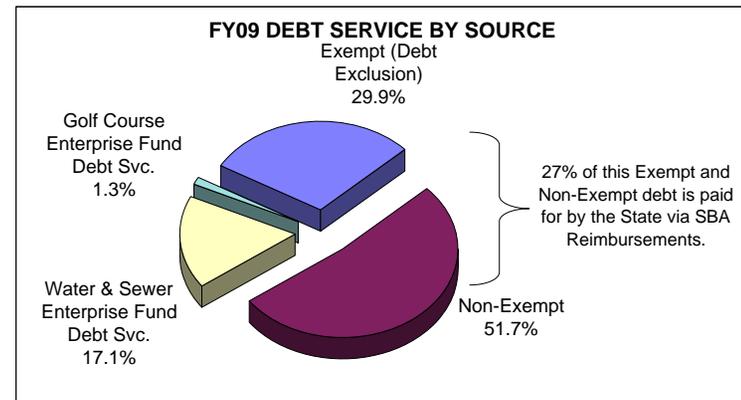
DESCRIPTION	FY04	FY05	FY06	FY07	FY08	FY09
Total General Fund Supported Debt Service (not incl Debt reimbursed by Enterprise Funds)	10,594,155	10,047,359	11,146,070	11,406,382	10,752,370	11,944,827
a.) Exempt (Debt Exclusion) ¹	4,536,146	4,507,187	4,479,537	4,445,657	4,399,750	4,372,943
b.) Non-Exempt	6,058,008	5,540,172	6,666,533	6,960,725	6,352,620	7,571,884
Minus State (SBA) Reimbursed Debt ²	3,570,791	3,442,794	3,442,794	3,442,794	3,442,794	3,267,372
Net General Fund Debt Service	7,023,364	6,604,565	7,703,276	7,963,588	7,309,576	8,677,455
Water & Sewer Enterprise Fund Supported Debt Svc.	2,422,855	2,629,240	2,360,635	2,725,576	2,622,276	2,511,192
Golf Course Enterprise Fund Supported Debt Svc.	214,848	208,744	209,219	202,566	193,369	191,143
Enterprise Fund Debt Service	2,637,703	2,837,984	2,569,855	2,928,142	2,815,645	2,702,335
TOTAL Debt Service	13,231,858	12,885,343	13,715,925	14,334,524	13,568,015	14,647,162

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

² The following school projects are being reimbursed by the State: Lincoln, Heath, High School, and Baker.

The graph to the right depicts the FY09 figures. As it shows, 52% of the Town's debt service is covered within the levy while 30% is covered outside the levy via Debt Exclusion Overrides. The remaining 18% is covered by enterprise fund revenues. The graph also notes how the State reimburses 27%, or \$3.3 million, of the General Fund debt service.

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



DEBT SERVICE (PROJECTED)

DESCRIPTION	FY10	FY11	FY12	FY13	FY14	FY15
Total General Fund Supported Debt Service (not incl Debt reimbursed by Enterprise Funds)	12,572,214	12,728,382	13,565,799	12,793,859	12,612,989	15,076,087
a.) Exempt (Debt Exclusion) ¹	4,347,320	4,317,532	4,212,313	4,149,289	3,651,456	3,646,556
b.) Non-Exempt	8,224,895	8,410,850	9,353,485	8,644,570	8,961,533	11,429,531
Minus State (SBA) Reimbursed Debt ²	3,267,371	3,267,371	3,267,371	2,626,862	2,626,862	2,626,862
Net General Fund Debt Service	9,304,843	9,461,011	10,298,428	10,166,997	9,986,127	12,449,225
Water & Sewer Enterprise Fund Supported Debt Svc.	2,413,440	2,479,562	2,342,739	2,495,139	2,519,469	2,302,625
Golf Course Enterprise Fund Supported Debt Svc.	184,484	170,176	134,779	130,494	121,038	96,738
Enterprise Fund Debt Service	2,597,923	2,649,738	2,477,518	2,625,632	2,640,507	2,399,363
TOTAL Debt Service	15,170,138	15,378,120	16,043,317	15,419,491	15,253,496	17,475,450

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

² The following school projects are being reimbursed by the State: Lincoln, Heath, High School, and Baker.

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

Great care has gone into the crafting of the Debt Management Plan for the FY10 - FY15 CIP and is detailed in the table below. As mentioned at the beginning of this Section VII, this debt management plan results in the Town complying with all of its CIP Financing Policies, except for the fundamental policy of dedicating an amount equivalent to 5.5% of the prior year net revenue to the CIP. For FY10, the amount is reduced to 5% and in FY11 it is 5.25%. This is being recommended to help reduce operating budget cuts.

<u>Project</u>	<u>Yrs</u>	<u>Authorization</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Landfill / Transfer Station (previously authorized) - borrow final \$740K of the \$2M	10	2,000,000	109,150	105,635	102,120	98,605	95,090	91,575	88,060
Town Hall (previously authorized) - borrow final \$6.9M of the \$13.8M	20	13,800,000	707,250	689,138	671,025	652,913	634,800	616,688	598,575
Fisher Hill (previously authorized)	10	1,350,000	199,125	192,713	186,300	179,888	173,475	167,063	160,650
Muddy River (previously authorized)	10	745,000	109,888	106,349	102,810	99,271	95,733	92,194	88,655
High School Roof/Pointing (previously authorized)	10	2,600,000	383,500	371,150	358,800	346,450	334,100	321,750	309,400
Runkle School Design - TOWN @ 60% (seeking authorization)	10	1,440,000		212,400	205,560	198,720	191,880	185,040	178,200
Garages/Driveway @ Town Hall/Main Libr. (seeking authorization)	10	1,200,000		177,000	171,300	165,600	159,900	154,200	148,500
Landfill Corrective Action (seeking authorization)	20	4,275,000		438,188	426,966	415,744	404,522	393,300	382,078
Runkle School - TOWN @ 60% (seeking authorization)	20	14,400,000			1,476,000	1,438,200	1,400,400	1,362,600	1,324,800
UAB Roof/Chimney/Gutters & Downspouts (seeking authorization)	10	1,275,000					188,063	182,006	175,950
Devotion School Design - TOWN @ 60%(seeking authorization)	10	3,000,000					442,500	428,250	414,000
Waldstein Playground + Warren Field (seeking authorization)	10	1,600,000					236,000	228,400	220,800
Roof Repairs / Replacements (seeking authorization)	10	1,600,000						236,000	228,400
Devotion School - TOWN @ 60%(seeking authorization)	20	30,000,000						3,075,000	2,996,250
Baldwin School (seeking authorization)	10	1,780,000							262,550
Rear Landfill (seeking authorization)	15	4,400,000							513,333
Brookline Reservoir Park (seeking authorization)	10	1,400,000							206,500
NEW GEN FUND DEBT SERVICE (cumulative)			1,508,913	2,292,571	3,700,881	3,595,390	4,356,462	7,534,065	8,296,701
Singletree Tank Interior Painting (previously authorized)	10	250,000	36,875	35,688	34,500	33,313	32,125	30,938	29,750
Wastewater (previously authorized) *	10	6,000,000	145,000	285,500	421,500	553,000	680,000	820,489	792,931
Wastewater (seeking authorization) *	10	3,000,000							217,500
Water Main Improvements (seeking authorization)	10	1,000,000				145,000	140,500	136,000	131,500
NEW ENTERPRISE FUND DEBT SERVICE (cumulative)			181,875	321,188	456,000	731,313	852,625	987,427	1,171,681
TOTAL NEW DEBT SERVICE (cumulative)			1,690,788	2,613,759	4,156,881	4,326,703	5,209,087	8,521,492	9,468,383

* Borrowings phased over multiple years.

A common indicator used to measure debt service levels is measuring it against revenue, since it is those revenues that are needed to pay the principal and interest payments. For general funds, ratings agencies tend to consider ratios of between 5% - 10% as being prudent. The table on the following page shows debt service as a percent of revenue for the General Fund, Water and Sewer Enterprise Fund, and the Golf Course Enterprise Fund.

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

DEBT SERVICE AS A PERCENTAGE OF REVENUE

DESCRIPTION	FY07 (Act.)	FY08 (Act.)	FY09 (Bud.)	FY10 (Bud.)	FY11 (Proj.)	FY12 (Proj.)	FY13 (Proj.)	FY14 (Proj.)	FY15 (Proj.)
Total General Fund Supported Debt Service	11,406,382	10,752,370	11,944,827	12,512,214	12,728,382	13,565,799	12,793,859	12,612,989	15,076,087
a.) Exempt (Debt Exclusion) ¹	4,445,657	4,399,750	4,372,943	4,347,320	4,317,532	4,212,313	4,149,289	3,651,456	3,646,556
b.) Non-Exempt	6,960,725	6,352,620	7,571,884	8,164,895	8,410,850	9,353,485	8,644,570	8,961,533	11,429,531
Minus SBA Reimbursements	3,442,794	3,442,794	3,267,372	3,267,371	3,267,371	3,267,371	2,626,862	2,626,862	2,626,862
Net General Fund Debt Service	7,963,588	7,309,576	8,677,455	9,244,843	9,461,011	10,298,428	10,166,997	9,986,127	12,449,225
Water & Sewer Enterprise Fund Supported Debt Svc.	2,725,576	2,622,276	2,511,192	2,413,440	2,479,562	2,342,739	2,495,139	2,519,469	2,302,625
Golf Course Enterprise Fund Supported Debt Svc.	202,566	193,369	191,143	184,484	170,176	134,779	130,494	121,038	96,738
TOTAL Debt Service	14,334,524	13,568,015	14,647,162	15,110,138	15,378,120	16,043,317	15,419,491	15,253,496	17,475,450
General Fund Revenue	184,511,814	189,738,706	199,313,718	205,213,534	204,371,464	210,166,613	216,641,305	222,373,899	228,786,255
General Fund Revenue Without SBA Reimbursement	181,069,020	186,295,912	196,046,346	201,946,163	201,104,093	206,899,242	214,014,443	219,747,037	226,159,393
Water & Sewer Enterprise Fund Revenue	22,548,740	22,537,785	23,427,651	26,524,839	27,560,666	28,551,563	29,889,913	30,920,167	31,978,480
Golf Course Enterprise Fund Revenue	1,189,978	1,253,066	1,246,200	1,266,200	1,261,200	1,271,200	1,281,200	1,291,200	1,301,200
TOTAL Revenue of Funds Supporting Debt Svc.	208,250,532	213,529,557	223,987,569	233,004,573	233,193,330	239,989,376	247,812,417	254,585,266	262,065,935
General Fund Debt Service as a % of General Fund Revenue	6.2%	5.7%	6.0%	6.1%	6.2%	6.5%	5.9%	5.7%	6.6%
Net General Fund Debt Service as a % of General Fund Revenue Without SBA Reimbursement	4.4%	3.9%	4.4%	4.6%	4.7%	5.0%	4.8%	4.5%	5.5%
Water & Sewer Enterprise Fund Debt Service as a % of Revenue	12.1%	11.6%	10.7%	9.1%	9.0%	8.2%	8.3%	8.1%	7.2%
Golf Course Enterprise Fund Debt Service as a % of Revenue	17.0%	15.4%	15.3%	14.6%	13.5%	10.6%	10.2%	9.4%	7.4%
TOTAL Debt Service as a % of Total Rev. Supporting Debt Svc.	6.9%	6.4%	6.5%	6.5%	6.6%	6.7%	6.2%	6.0%	6.7%

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

IMPACT ON OPERATING BUDGET

The "Debt and Debt Service" section above details the impact of debt service on the Operating Budget. Another potential impact of a CIP on a community's Operating Budget is an increase or decrease in operating expenses. For example, adding another facility in the community will add costs for utilities and building maintenance. Conversely, undertaking energy conservation projects will help reduce costs in the Operating Budget. The proposed CIP contains a number of projects that will impact the Operating Budget, both positively and negatively. They are listed on the following page.

- Craftsmen Garage Construction / Parks Facility Improvements– if a new garage were to be constructed, there would be additional maintenance and utility expenses associated with the building. Depending on what the feasibility study's recommendations are for improvements to the park facility, there could be a reduction in operating budget expenses (the current facility is inefficient in terms of energy consumption) or there could be an increase (if additional space is recommended, that space would have maintenance and utility expenses). The feasibility study is certain to take these issues into account.
- Technology Applications – these projects undertaken by the Information Technology Department (ITD) are focused on improving efficiencies in numerous departments. While it is difficult to put a dollar figure on savings, past applications have proven to yield savings in the Operating Budget.
- Coolidge Corner Library Rear Windows – these nine large panels of glass windows in the rear of the building date from the original construction in 1970. The glass is not insulated and is loose in a number of areas. New windows are certain to help reduce energy consumption.
- Putterham Library HVAC / Windows – the windows are 42 years old and very inefficient. New windows are certain to help reduce energy consumption.
- Library RFID Conversion Project – this emerging technology holds great promise for efficiency gains in the Library, including allowing for a reduction in staff. At a minimum, it could well eliminate the need for additional staff in the future to keep up with circulation demands.
- Parking Meter System Replacement– this initiative holds great promise for operating budget relief, ranging from additional revenues to fewer resources required to manage and maintain the parking meter system.
- Fisher Hill Reservoir Acquisition / Conversion to Active and Passive Recreation – this project calls for the Town to purchase this property and develop it for park and recreation purposes with the intent of incorporating an athletic field, parking, tree lined walking paths, naturalistic buffers, native woodlands, and restoration of the gatehouse. There will be a need for additional maintenance funds in the DPW budget to care for the new 10-acre recreation site.
- Town / School Energy Management Systems and Energy Conservation- these on-going items are meant to yield savings in the operating budget. With large increases in utility costs over the past few years, it is imperative that monies be invested to decrease energy consumption in buildings. Programs would include, but are not limited to, lighting retrofit and controls, energy efficient motors, insulation, and temperature equipment. This program would augment existing gas and electric utility conservation programs. Monies would also go toward more efficient heating and cooling equipment.
- Town / School Emergency Generator Replacement, Elevator Replacement, Roof Replacement, and Masonry Repairs- these items represent an approach to systematically replace various core facility needs that only become more expensive to maintain if not replaced in a timely manner. In terms of Masonry Repairs, they will help eliminate the need for larger expenditures that might arise if the masonry on buildings is allowed to deteriorate.
- Baldwin School HVAC / Windows – the heating system at the Baldwin School is over 70 years old and many pipes are failing due to age. The monies for this project would replace the piping and HVAC system and convert the system to forced hot water. This would allow for better control, more even temperatures, zoning, and energy savings. In addition, there will be less spent on fixing the system. The building also has its original windows, which are wooden, single pane, and leak air. This project would replace those windows with energy efficient, thermal pane style windows.
- Devotion School Renovation – new electrical and HVAC systems and new windows will be more efficient. In addition, there will be less spent on fixing the system.
- Runkle School Renovation – with one scenario being the creation of three to five additional classrooms, energy and maintenance costs would increase.
- Classroom Capacity – if modular classrooms are used to help offset the continued enrollment growth at the Kindergarten level, there will be additional utility and maintenance costs.

RECOMMENDED PROJECTS

The following pages contain the FY10 - FY15 CIP as proposed by project. Commencing on page VII-21 is a project description for each project.

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2010 - FY2015

REVENUE CODES:

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

CATEGORY CODES (CC):

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

CC	Total	Prior Year (FY09)	Future Years										
			2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
GENERAL GOVERNMENT													
2	Senior Ctr Recarpeting	90,000				90,000	A						
2	Parking Garage (Town Hall & Pierce Sch) Rep./ Town Hall & Main Libr Driveway Safety Improv.	1,275,000	75,000	1,200,000	B								
2	Craftsmen Garage Constr/Parks Facil Improv	40,000	40,000									NA	
6	Public Bldg Furnishings & Equipment	75,000				25,000	A	25,000	A			25,000	A
2	Reservior Buildings	110,000	10,000	100,000	A								
6	Technology Applications	2,039,000	275,000	239,000	A	250,000	A	250,000	A	250,000	A	250,000	A
	General Government Total	3,629,000	400,000	1,539,000		250,000		365,000		275,000		250,000	300,000
PLANNING & COMMUNITY DEVEL													
4	Village Square Circulation Improv. - CD	2,250,000				2,250,000	H						
4	Village Square Circulation Improv. - Other	750,000				750,000	I						
4	Gateway West (Chestnut Hill) District Plan	75,000				75,000	A						
4	Cypress Village Zoning Analysis	50,000						50,000	A				
4	Riverway Park Pedestrian/Bike Path - Fed	600,000				600,000	C						
4	Riverway Park Pedestrian/Bike Path - Town	80,000						80,000	A				
	Planning & Community Development Total	3,805,000	-	-		3,000,000		675,000		130,000		-	-
PUBLIC SAFETY													
5	Fire Apparatus Rehab	700,000		350,000	A			50,000	A	150,000	A	150,000	A
		280,000		280,000	A								
5	New Engine/Rescue Truck	270,000		270,000	J								
2	Fire Station #7 Upgrade	-											NA
2	Fire Station Study	50,000	50,000										
6	Fire Station Furnishings	35,000	35,000										
6	Bullet Proof Vest Replacement	90,000	90,000										
	Public Safety Total	1,425,000	175,000	900,000		-		50,000		150,000		150,000	-

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2010 - FY2015

REVENUE CODES:

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

CATEGORY CODES (CC):

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

CC	Total	Prior Year (FY09)	Future Years												
			2010	2011	2012	2013	2014	2015	2016	2017	2018	2019			
LIBRARY															
2	Coolidge Corner - Elevator / Rear Windows	355,000					220,000	A				135,000	A		
2	Putterham Library Renovations	575,000	345,000		230,000	A									
		50,000	50,000												
2	Library Interior Painting / Facelift	200,000				100,000	A						100,000	A	
6	RFID Conversion Project	675,000	465,000		70,000	A	70,000	A	70,000	A					
2	Main Library Front Entrance	110,000	110,000												
	Library Total	1,965,000	970,000	-	300,000		170,000		290,000		-	135,000	100,000		
PUBLIC WORKS:															
Transportation															
4	Dean / Chestnut Hill Ave Signal	310,000							35,000	A			275,000	A	
4	Cypress / High Traffic Signal Study	30,000							30,000	A					
	Public Works - Transportation Sub-Total	340,000	-	-	-	-	-	65,000	-	-	-	-	275,000		
Engineering/Highway															
4	Street Rehab - Town	12,910,000	1,580,000	1,720,000	A	1,740,000	A	1,750,000	A	1,470,000	A	1,510,000	A	1,590,000	A
4	Street Rehab - State	5,594,824	699,353	699,353	C	699,353	C	699,353	C	699,353	C	699,353	C	699,353	C
4	Traffic Calming / Safety Improvements	475,000	75,000	100,000	A	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A
4	Sidewalk Repair	2,183,000	250,000	256,000	A	262,000	A	269,000	A	276,000	A	283,000	A	290,000	A
4	Path Reconstruction	115,000							115,000	A					
4	Street Light Repair/Replacement Program	350,000	50,000			50,000	A	50,000	A	50,000	A	50,000	A	50,000	A
4	Parking Meter System Replacement	1,360,000		60,000	J	550,000	A			375,000	A	375,000	A		
4	Newton St. Steel Guardrail Repl.	35,000						35,000	A						
4	Parking Lot Rehab - Babcock St., Webster St. Centre St. East, Fuller St., & School St.	430,000				120,000	A	40,000	A	80,000	A			190,000	A
4	Newton St. Landfill - Rear Landfill Closure	4,400,000										4,400,000	B		
4	Newton St. Landfill - Corrective Action	7,250,000	2,975,000	4,275,000	B										
				850,000	J										
2	Municipal Service Ctr Floor	100,000							100,000	A					
4	Lincoln School/Kennard House Parking Area Rep	245,000				245,000	A								
5	Sidewalk Snow Removal Tractor	120,000	120,000												
	Public Works - Engineering/Highway Sub-Total	36,417,824	5,749,353	7,960,353		3,716,353		2,893,353		3,215,353		2,967,353	7,039,353	2,876,353	
Water / Sewer															
4	Singletree Tank Exterior Rehab.	270,000							270,000	F					
4	Water Dept. Garage - Roof Repl.	255,000									255,000	F			
4	Storm Drain Improvements	500,000					500,000	F							
4	Wastewater System Improvements	3,000,000									3,000,000	G			
4	Water Main Improvements	1,000,000					1,000,000	G							
	Public Works - Water / Sewer Sub-Total	5,025,000	-	-	-	-	1,500,000		270,000		3,255,000	-	-		

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2010 - FY2015

REVENUE CODES:

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

CATEGORY CODES (CC):

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

CC		Total	Prior Year (FY09)	2010	2011	2012	2013	2014	2015	Future Years
Parks and Playgrounds										
3	Billy Ward Playground	660,000				60,000	A	600,000	A	
3	Brookline Ave Playground	835,000						60,000	A	775,000
3	Brookline Reservoir Park	1,400,000								1,400,000
3	Clark Playground	510,000						40,000	A	470,000
3	Corey Hill Playground	570,000						40,000	A	530,000
3	Fisher Hill - Acquisition, Design & Field	3,250,000			3,250,000	I				
3	Harry Downes Field & Playground	825,000								825,000
3	Larz Anderson Park	850,000				100,000	A			750,000
3	Riverway Park	425,000								425,000
3	Schick Playground	750,000								750,000
3	Soule Athletic Fields	560,000						60,000	A	500,000
3	Waldstein Playground	880,000				80,000	A	800,000	B	
3	Warren Field / Playground	860,000				60,000	A	800,000	B	
3	Winthrop Square / Minot Rose Garden	400,000	400,000							
3	Parks/Playgrounds Rehab/Upgrade	2,280,000	250,000	260,000	A	270,000	A	280,000	A	290,000
3	Town/School Ground Rehab.	960,000	120,000	120,000	A	120,000	A	120,000	A	120,000
3	Tennis Courts / Basketball Courts	350,000				100,000	A	150,000	A	100,000
2	Comfort Stations	150,000				50,000	A	50,000	A	50,000
	Public Works - Parks and Playground Sub-Total	16,515,000	770,000	380,000	3,640,000	850,000	2,870,000	1,335,000	1,830,000	4,840,000
Conservation/Open Space										
3	Tree Removal/Repl - Town	1,300,000	145,000	150,000	A	155,000	A	160,000	A	170,000
3	Old Burial Ground	300,000	100,000				100,000	I		100,000
	Public Works - Conser /Open Space Sub-Total	1,600,000	245,000	150,000	155,000	260,000	165,000	170,000	175,000	280,000
	Public Works Total	59,837,824	6,764,353	8,430,353	7,511,353	5,503,353	6,585,353	7,727,353	9,044,353	8,271,353
RECREATION										
2	Waldstein Building	100,000					100,000	A		
2	Soule Rec Center - HVAC / Fire Escape / Gardener's Shed	70,000	70,000							
2	Swimming Pool - Shower Renov./Pool Repointing	550,000								550,000
	Recreation Total	720,000	70,000	-	-	-	100,000	-	-	550,000

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2010 - FY2015

REVENUE CODES:

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

CATEGORY CODES (CC):

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

CC	Description	Total	Prior Year (FY09)													Future Years	
			2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021			
SCHOOL																	
6	Furniture Upgrades	200,000	25,000	25,000	A	25,000	A	25,000	A	25,000	A	25,000	A	25,000	A	25,000	A
2	Town/School Asbestos Removal	400,000	50,000	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A	50,000	A
2	Town/School ADA Renovations	505,000	50,000	50,000	A	55,000	A	60,000	A	65,000	A	70,000	A	75,000	A	80,000	A
2	Town/School Bldg Masonry Repairs	1,750,000						250,000	A			500,000	A	500,000	A	500,000	A
2	Town/School Building Security / Life Safety	475,000	100,000			100,000	A	125,000	A	150,000	A						
2	Town/School Chimney Liners	250,000														250,000	A
2	Town/School Elevator Renov. Program	1,182,500								275,000	A	302,500	A	330,000	A	275,000	A
2	Town/School Emer Generator Repl	400,000						100,000	A	100,000	A	100,000	A	100,000	A		
2	Town/School Energy Conservation Projects	591,318	90,746	100,572	A	100,000	A	100,000	A	100,000	A					100,000	A
2	Town/School Energy Management System	300,000				100,000	A			200,000	A						
2	Town/School Roof Repair/Repl. Program	2,130,000		125,000	A	405,000	A					1,600,000	B				
2	Town/School Roof Repair/Repl. Program	500,000		500,000	J												
2	High School - Roof Rep./Pointing/Tappan St. Gym Windows/Floors	2,600,000	2,600,000														
2	High School - Campus Ventilation (Cooling)	100,000						100,000	A								
2	High School - Stage & Dance Studio	80,000						80,000	A								
2	High School Quad	525,000						25,000	A			500,000	A				
2	High School Language Lab	150,000	150,000														
2	UAB - Roof&Chimney/Pointing/Gutters & Downs	1,430,000						130,000	A	1,300,000	B						
2	Baldwin-Boiler/HVAC/Elec./Elev./Windows/ADA	1,947,500										167,500	A	1,780,000	B		
2	Devotion Rehab. - Town Share (60%)	33,180,000				180,000	A			3,000,000	B	30,000,000	B				
2	Devotion Rehab. - State Share (40%)	22,120,000				120,000	C			2,000,000	C	20,000,000	C				
2	Runkle Rehab. - Town Share (60%)	16,200,000	360,000	15,840,000	B												
2	Runkle Rehab. - State Share (40%)	10,800,000	240,000	10,560,000	C												
2	Old Lincoln Rehab.	7,500,000														7,500,000	B
2	Old Lincoln Surface Structural Repairs	80,000				80,000	A	NA									
2	Old Lincoln - Dual Fuel Boiler	110,000						110,000	A								
2	Pierce - Renov. Aud./ Elec. Distrib. Upgrade	1,006,500		825,000	A			16,500	A			165,000	A				
2	Classroom Capacity	400,000		400,000	A												
	School Total	106,912,818	3,665,746	28,475,572		1,215,000		1,171,500		7,265,000		53,480,000		2,860,000		8,780,000	
	GRAND TOTAL	178,354,642	12,045,099	39,404,925		12,276,353		7,934,853		14,795,353		61,607,353		12,289,353		18,001,353	

**TOWN OF BROOKLINE
FY2010 PROGRAM BUDGET**

CAPITAL IMPROVEMENTS PROGRAM

TOWN OF BROOKLINE CAPITAL IMPROVEMENT PROGRAM: FY2010 - FY2015

REVENUE CODES:

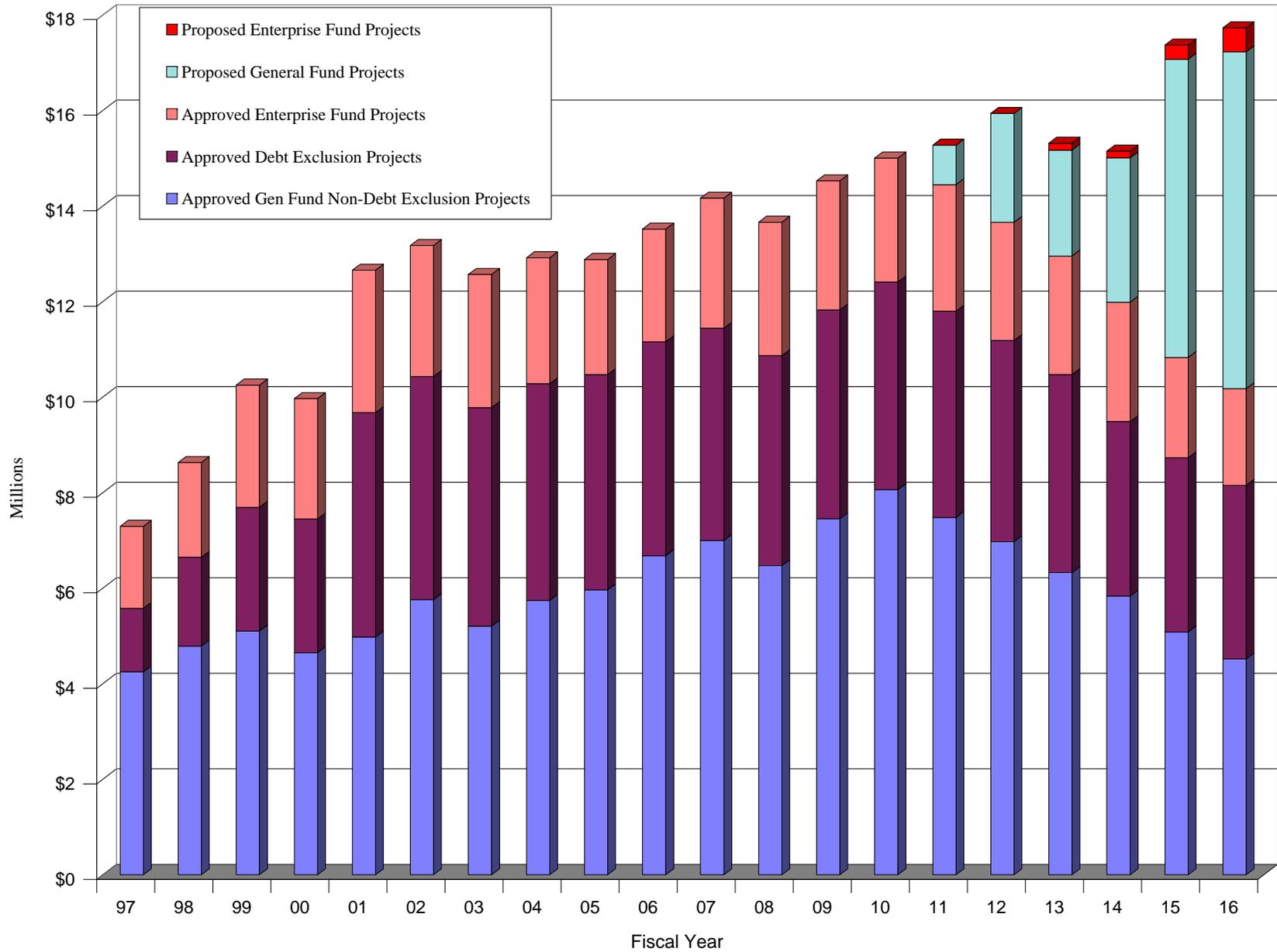
A = Property Tax/Free Cash/Overlay Surplus
 B = General Fund Bond
 C = State / Federal Aid
 D = Golf Budget
 E = Golf Bond
 F = Utility Budget
 G = Utility Bond
 H = CDBG
 I = Other
 J = Re-Approp. of Funds

CATEGORY CODES (CC):

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

CC	Total	Prior Year (FY09)	2010	2011	2012	2013	2014	2015	Future Years
GRAND TOTAL BY SOURCE									
A = Property Tax / Free Cash / Overlay Surplus	48,814,817	7,730,746	5,150,572 13%	5,207,000 42%	5,035,500 63%	5,926,000 40%	6,053,000 10%	4,010,000 7%	9,702,000 54%
B = General Fund Bond	76,495,000	2,600,000	21,315,000 54%	- 0%	- 0%	5,900,000 40%	31,600,000 51%	7,580,000 12%	7,500,000 42%
C = State / Federal Grants	38,874,824	699,353	11,259,353 29%	819,353 7%	1,299,353 16%	2,699,353 18%	20,699,353 34%	699,353 1%	699,353 4%
D = Golf Budget	-	-	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%
E = Golf Bond	-	-	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%
F = Utility Budget	1,025,000	-	- 0%	- 0%	500,000 6%	270,000 2%	255,000 0%	- 0%	- 0%
G = Utility Bond	4,000,000	-	- 0%	- 0%	1,000,000 13%	- 0%	3,000,000 5%	- 0%	- 0%
H = CDBG	2,250,000	-	- 0%	2,250,000 18%	- 0%	- 0%	- 0%	- 0%	- 0%
I = Other	4,370,000	170,000	- 0%	4,000,000 33%	100,000 1%	- 0%	- 0%	- 0%	100,000 1%
J = Re-Approp. of Existing Funds	2,525,000	845,000	1,680,000 4%	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%
Grand Total	178,354,642	12,045,099	39,404,925	12,276,353	7,934,853	14,795,353	61,607,353	12,289,353	18,001,353
GRAND TOTAL BY ALLOCATION									
General Government	3,629,000	400,000	1,539,000 4%	250,000 2%	365,000 5%	275,000 2%	250,000 0%	250,000 0%	300,000 2%
Planning and Community Development	3,805,000	-	- 0%	3,000,000 24%	675,000 9%	130,000 1%	- 0%	- 0%	- 0%
Public Safety	1,425,000	175,000	900,000 2%	- 0%	50,000 1%	150,000 1%	150,000 0%	- 0%	- 0%
Library	1,965,000	970,000	- 0%	300,000 2%	170,000 2%	290,000 2%	- 0%	135,000 0%	100,000 1%
DPW - Transportation	340,000	-	- 0%	- 0%	- 0%	65,000 0%	- 0%	- 0%	275,000 2%
Engineering/Highway	36,417,824	5,749,353	7,960,353 20%	3,716,353 30%	2,893,353 36%	3,215,353 22%	2,967,353 5%	7,039,353 11%	2,876,353 16%
Water / Sewer	5,025,000	-	- 0%	- 0%	1,500,000 19%	270,000 2%	3,255,000 5%	- 0%	- 0%
Parks & Playgrounds	16,515,000	770,000	380,000 1%	3,640,000 30%	850,000 11%	2,870,000 19%	1,335,000 2%	1,830,000 3%	4,840,000 27%
Conservation/Open Space	1,600,000	245,000	150,000 0%	155,000 1%	260,000 3%	165,000 1%	170,000 0%	175,000 0%	280,000 2%
Recreation	720,000	70,000	- 0%	- 0%	- 0%	100,000 1%	- 0%	- 0%	550,000 3%
Public Schools	106,912,818	3,665,746	28,475,572 72%	1,215,000 10%	1,171,500 15%	7,265,000 49%	53,480,000 87%	2,860,000 5%	8,780,000 49%
Grand Total	178,354,642	12,045,099	39,404,925	12,276,353	7,934,853	14,795,353	61,607,353	12,289,353	18,001,353
GRAND TOTAL BY CATEGORY									
1 New Facility Construction	-	-	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%	- 0%
2 Facility Renovation / Repair	110,537,818	4,390,746	29,750,572 75%	1,420,000 12%	1,386,500 17%	7,710,000 52%	53,455,000 87%	2,970,000 24%	9,455,000 53%
3 Parks / Open Space / Playgrounds	22,365,000	1,015,000	530,000 1%	3,795,000 31%	1,060,000 13%	2,985,000 20%	1,505,000 2%	6,405,000 52%	5,070,000 28%
4 Infrastructure	40,967,824	5,629,353	7,960,353 20%	6,716,353 55%	5,068,353 64%	3,580,353 24%	6,222,353 10%	2,639,353 21%	3,151,353 18%
5 Vehicles	1,370,000	120,000	900,000 2%	- 0%	50,000 1%	150,000 1%	150,000 0%	- 0%	- 0%
6 Miscellaneous	3,114,000	890,000	264,000 1%	345,000 3%	370,000 5%	370,000 3%	275,000 0%	275,000 2%	325,000 2%
Grand Total	178,354,642	12,045,099	39,404,925	12,276,353	7,934,853	14,795,353	61,607,353	12,289,353	18,001,353
6-Year Total	148,308,190								

DEBT SERVICE BASED ON EXISTING AUTHORIZATIONS AND PROJECTS IN FY10 - FY15 CIP



TOTAL OUTSTANDING DEBT (as of June 30 each year) BASED ON EXISTING AUTHORIZATIONS AND PROJECTS IN FY10 - FY15 CIP

