

FY2016 FINANCIAL PLAN



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FY2016 BUDGET OVERVIEW

- ❖ FY 2016 Budget balances \$273 million of revenues and expenses (all in). Represents a 3.6% increase over FY 2015.
- ❖ School Budget increases by 4.5%
- ❖ Municipal Budgets increase by 1.0%
- ❖ Capital Budget represents 8.5% of prior year net revenue
- ❖ Enterprises are up by 5.6%, reflecting increased cost recovery
- ❖ Reserves and long-term liability funding meet goals
- ❖ This Budget does NOT assume passage of the \$7.7M Override

TAX OVERRIDE PROPOSAL

- ❖ Represents a three-year plan, beginning in FY 2016
- ❖ Seeks an increase in the tax levy of \$7,665,000
- ❖ Proposes a companion non-tax revenue package of \$1.78 million and \$513,000 in municipal “efficiencies”
- ❖ Tax increase in FY 2016 would be \$6.2 million. Remainder in FY 2017
- ❖ Non-tax revenue and municipal efficiencies would be implemented in FY 2017 and FY 2018

OVERRIDE FRAMEWORK

GENERAL FRAMEWORK OF THE THREE-YEAR PLAN

In millions of \$'s

Revenue

\$7.665 Override Funds

\$2.289 Non-property tax efficiencies and revenues

\$9.954 Total Plan

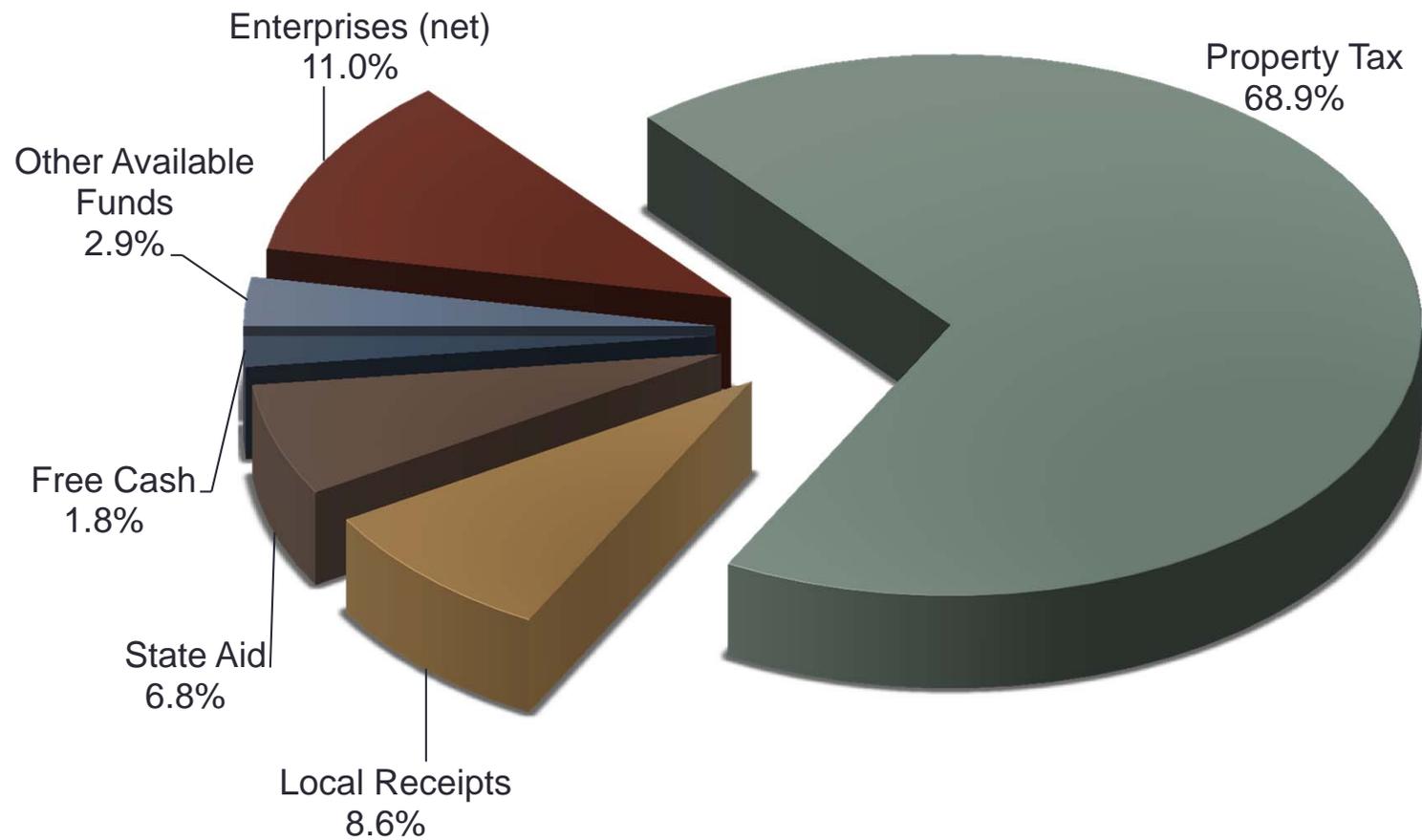
Expenditures

	Year 1	Year 2	Year 3	Total
Override funds	\$6.20	\$1.465	\$0	\$7.665
Non-override funds		\$1.00	\$1.29	\$2.289
	\$6.20	\$2.465	\$1.29	\$9.954

THE FY2016 BUDGET

	<u>FY 2015</u>	<u>FY 2016</u>	<u>\$\$\$ CHANGE</u>	<u>% CHANGE</u>
REVENUES				
Property Tax	182,239,297	188,609,198	6,369,901	3.5%
Local Receipts	22,770,225	23,593,685	823,460	3.6%
State Aid	17,634,876	18,484,876	850,000	4.8%
Free Cash	5,084,152	5,016,500	(67,653)	-1.3%
Other Available Funds	7,903,508	7,925,643	22,135	0.3%
Enterprises (net)	28,470,036	30,063,224	1,593,188	5.6%
TOTAL REVENUES	264,102,094	273,693,126	9,591,032	3.6%
EXPENDITURES				
Municipal Departments	67,734,861	68,407,803	672,942	1.0%
School Department	86,842,577	90,772,380	3,929,803	4.5%
Non-Departmental	63,205,918	66,050,024	2,844,106	4.5%
Special Appropriations	9,415,000	10,113,000	698,000	7.4%
Enterprises (net)	28,470,036	30,063,224	1,593,188	5.6%
Non-Appropriated	8,433,705	8,286,693	(147,012)	-1.7%
TOTAL EXPENDITURES	264,102,094	273,693,126	9,591,032	3.6%

REVENUES



REVENUES

(Property Taxes)

- ❖ Property Taxes: At \$189 million, represents over two-thirds of the Town's overall revenue:
- ❖ Increase over FY 2015 is \$6.37 million (+3.5%)
 - ❖ 2.5% Tax Levy Increase: +\$4.53 million
 - ❖ New Growth (Construction): +\$1.85 million
- ❖ \$1 million in tax levy from High School Debt Exclusion will run off in FY 2020

REVENUES

(State Aid)

- ❖ State Aid: \$18.48 million, up by 4.8%
 - ❖ All of this increase is attributable to an assumed increase in Chapter 70 Education Aid (+\$850,000)
 - ❖ All other aid categories level funded

- ❖ Higher level of uncertainty than in the past
 - ❖ New Governor and Senate President
 - ❖ Governor has elected to delay budget submittal as allowed under state law

REVENUES

(Local Receipts)

- ❖ Local Receipts: \$23.59 million, up by 3.6%
 - ❖ PILOT's: +14.6%
 - ❖ Lodging and Meals Local Option Taxes: +8.8%
 - ❖ Building Permits: +7.7%
 - ❖ Motor Vehicle Excise Taxes: +3.9%

- ❖ A sign of the improving economy

REVENUES (Free Cash)

- ❖ Free Cash: \$5.02 million
 - ❖ Total certified Free Cash is \$7,5694,881.
Remaining balance is left unappropriated to meet our Unreserved Fund Balance (10% policy)
 - ❖ Unreserved Fund balance is projected at 11%

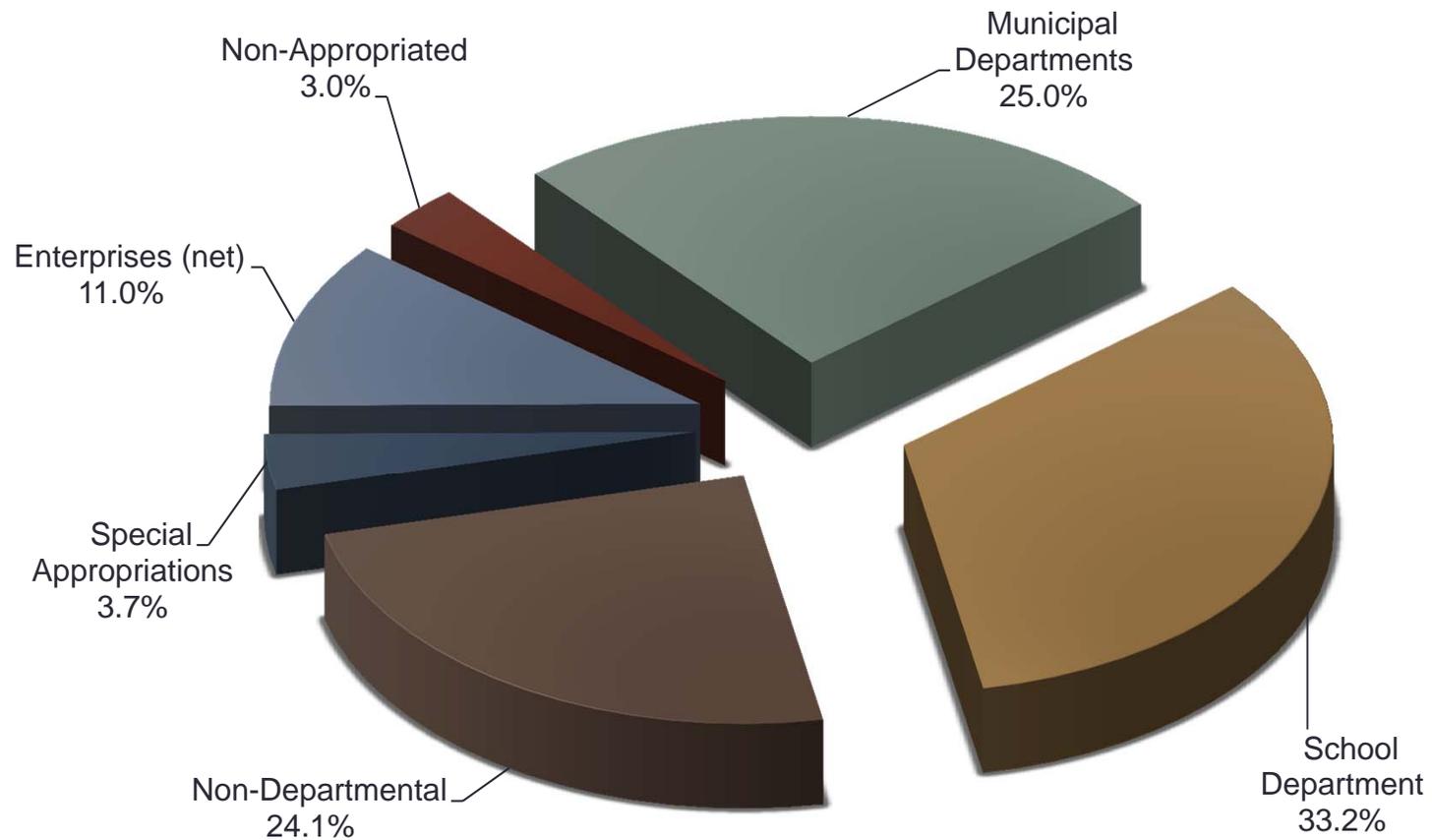
- ❖ Free Cash limited to one-time funds

REVENUES

(Other Available Funds)

- ❖ Parking Meter Fund (separate fund by law)
- ❖ 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 4.5%
 - ❖ Supported by \$682,000 of funds that would otherwise be allocated for Town services.
 - ❖ Town-School Partnership formula continues to share enrollment growth
 - ❖ Town will also assume a greater share of health insurance costs this year.

- ❖ Override would add \$6.2 million, making budget increase 10.9%

- ❖ Refer to School Superintendent budget for more details

EXPENDITURES

(Municipal Departments)

- ❖ Modest growth of 1.0% to cover fixed costs and contractual increases
 - ❖ Includes reserve for salary/wage increases
- ❖ \$682,000 of cuts included in an effort to further support the School budget (to be restored if the voters approve the Override)
- ❖ Limited effort at investment and initiatives (see Policy Initiatives section)
 - ❖ Re-organization in the Assessor's Office
 - ❖ Town Clerk budget reduced to reflect fewer elections
 - ❖ Building Dept to establish an off-hours inspection option

Municipal Department Cuts

MUNICIPAL REDUCTIONS

Building	Vehicles		(25,000)	1 less vehicle replacement
COA	Senior Renter program		(10,000)	Reduce funding for program
DPW	Traffic Control Painting		(22,500)	25% reduction
DPW	Gardener/Laborer (LN-2)	(2.00)	(91,828)	Reduce grass cutting frequency
DPW	Park Ranger (PT)	(1.00)	(55,397)	Eliminate Part-Time positions
DPW	Recycling Supplies		(25,000)	1 less "Big Belly" trash receptacle
Fire	Vehicles		(50,000)	Delay replacement of Deputy Chief vehicle
Fire	Firefighter	(1.00)	(66,093)	Eliminate 1 vacant position
Health	Mental Health Program		(42,541)	Reduce by 25%
Health	Daycare inspectors	(0.48)	(25,000)	Some oversight remains, responsibility of the State
Info Tech	GIS Interns	(0.40)	(11,745)	Eliminate
Library	PT Salaries		(22,000)	Department would remain within certification level
Police	Police Officer	(1.00)	(81,783)	Eliminate 1 vacant position
Police	Park Security Interns	(1.00)	(29,052)	Eliminate Part-Time positions
Police	Vehicles		(68,000)	2 fewer vehicle replacements
Purchasing	Vehicles		(16,000)	Delay pool vehicle replacement
Recreation	Vehicles		(30,000)	Delay van replacement
Selectmen	Metro Mayor Membership		(10,000)	Eliminate participation in the MAPC initiative

TOTAL			(6.88)	(681,939)
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EXPENDITURES (Non-Departmental)

- ❖ Group Health Insurance
 - ❖ Initial assumption of 4% composite rate increase for GIC
 - ❖ An additional \$450,000 of Town funds has been added for modified increase of 6%
 - ❖ Increased enrollment (primarily schools) 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 7.75% to 7.65% (was 8.15% a few years ago)

- ❖ Contribution to OPEB Liability
 - ❖ +\$250,000
 - ❖ Goal to reach Annual Required Contribution (ARC) in less than 10 years

EXPENDITURES

(Special Appropriations)

- ❖ Revenue financed Capital Budget: \$10.11 million in FY 2016
 - ❖ \$4.86 million from general operating revenue
 - ❖ \$4.22 million from Free Cash
 - ❖ \$1.03 million from re-appropriation of existing CIP Accounts

- ❖ Capital expenses are 8.4% of the Town's prior year net revenue

- ❖ Long term plan assumes Debt Exclusion for a portion of the Town's share of the Devotion School project (\$118.4 million)
 - ❖ \$41.0 million from within the CIP Financing Policies
 - ❖ \$49.6 million from Debt Exclusion
 - ❖ \$27.8 million from the MSBA

EXPENDITURES

(Non-Appropriated and Enterprises)

- ❖ Non-Appropriated Expenses: 1.7% decrease
 - ❖ MBTA Assessment
 - ❖ Norfolk County Assessment (impacted by EQV update)
 - ❖ Overlay

- ❖ Enterprises: 5.6% growth
 - ❖ Recreation Revolving Fund to support greater share of its costs/General Fund subsidy reduced
 - ❖ Increase in the MWRA Assessment (Water/Sewer Enterprise Fund)

FY16 POLICY ISSUES & INITIATIVES

(Solid Waste Management)

- ❖ Modified PAYT system to be implemented in 2015
 - ❖ Allowance for one 35 gallon trash container. Additional charges for overflow bags or containers
 - ❖ Uniform trash bin will allow for automated pick up allowing for reduced labor costs
- ❖ Savings in new solid waste disposal contract and taking metals recycling contract in-house
- ❖ Total net annual savings (after capital and related investments)
 - ❖ \$153,000 from PAYT
 - ❖ \$200,000 from new Solid Waste Contract
 - ❖ \$87,000 from taking metals contract in-house

FY16 POLICY ISSUES & INITIATIVES

(Review of Building Operations and Maintenance)

- ❖ Each budget cycle results in evaluation of how services are performed. Examples:
 - ❖ Pest control
 - ❖ HVAC maintenance

- ❖ Building footprint and complexity is expanding

- ❖ Will study whether the current methodology for performing these services is the most efficient and effective

FY16 POLICY ISSUES & INITIATIVES (Departmental)

- ❖ Reorganization in the Assessor's Office
 - ❖ More focus on analytics and customer service

- ❖ Establishment of Department of Diversity, Inclusion and Community Relations

- ❖ Coordination of Town/School Information Technology
 - ❖ OSC highlighted the issues of governance
 - ❖ Collins Center currently reviewing organizational model
 - ❖ Town Administrator / School Superintendent MOU needs to be updated
 - ❖ With significant investment in Ed Tech included in the Override, it is imperative that the Town-School IT relationship be as strong as possible

- ❖ Legal Staffing and Costs
 - ❖ Costs associated with employment-related issues has prompted a review of the staffing/outside counsel mix

FY16 POLICY ISSUES & INITIATIVES

(Energy Efficiency & Sustainability)

❖ Conversion to LED Street Lighting

- ❖ \$187,000 annual reduction in costs once fully implemented
- ❖ Better performance/effectiveness

❖ Solar Energy (Partnership with MAPC)

- ❖ Rooftops
- ❖ Ground mounted project at Singletree Hill

❖ Procurement

- ❖ Electricity “Blend and Extend” contract has protected the Town from the recent massive price increase
- ❖ Natural Gas contract that began on 10/2014 also below current market rates
- ❖ Took advantage of recent drop in oil prices and procured gas/diesel at rates that saved the Town \$300,000

FY16 POLICY ISSUES & INITIATIVES (Performance Management & Open Gov't)

❖ Performance Measurement

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

❖ Data

- ❖ Raw data being used more frequently
- ❖ Sidewalk shoveling analysis using GIS and data from BrookOnLine
- ❖ Town's "Open Data" site (<http://data.brooklinema.gov/>) to be enhanced

❖ Open Checkbook Application

- ❖ Regional collaboration
- ❖ Use of MUNIS

FY16 POLICY ISSUES & INITIATIVES

(Cost Recovery)

- ❖ Water/Sewer and Golf Course are fully self supporting (both direct and indirect costs)

- ❖ Recreation Department raises policy issues
 - ❖ What services should be tax funded?
 - ❖ Administration receives \$584,000 general fund support

 - ❖ What is an appropriate tax subsidy?
 - ❖ Aquatic Center receives \$400,000 subsidy

 - ❖ What is the impact of private competition? Should we be in the business?
 - ❖ Soule Early Childhood Center is moving toward 100% cost recovery. Override Study Committee advocates a more aggressive market approach

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 FY2017 ranging from \$737,000 to \$3.1 million in FY2020, 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

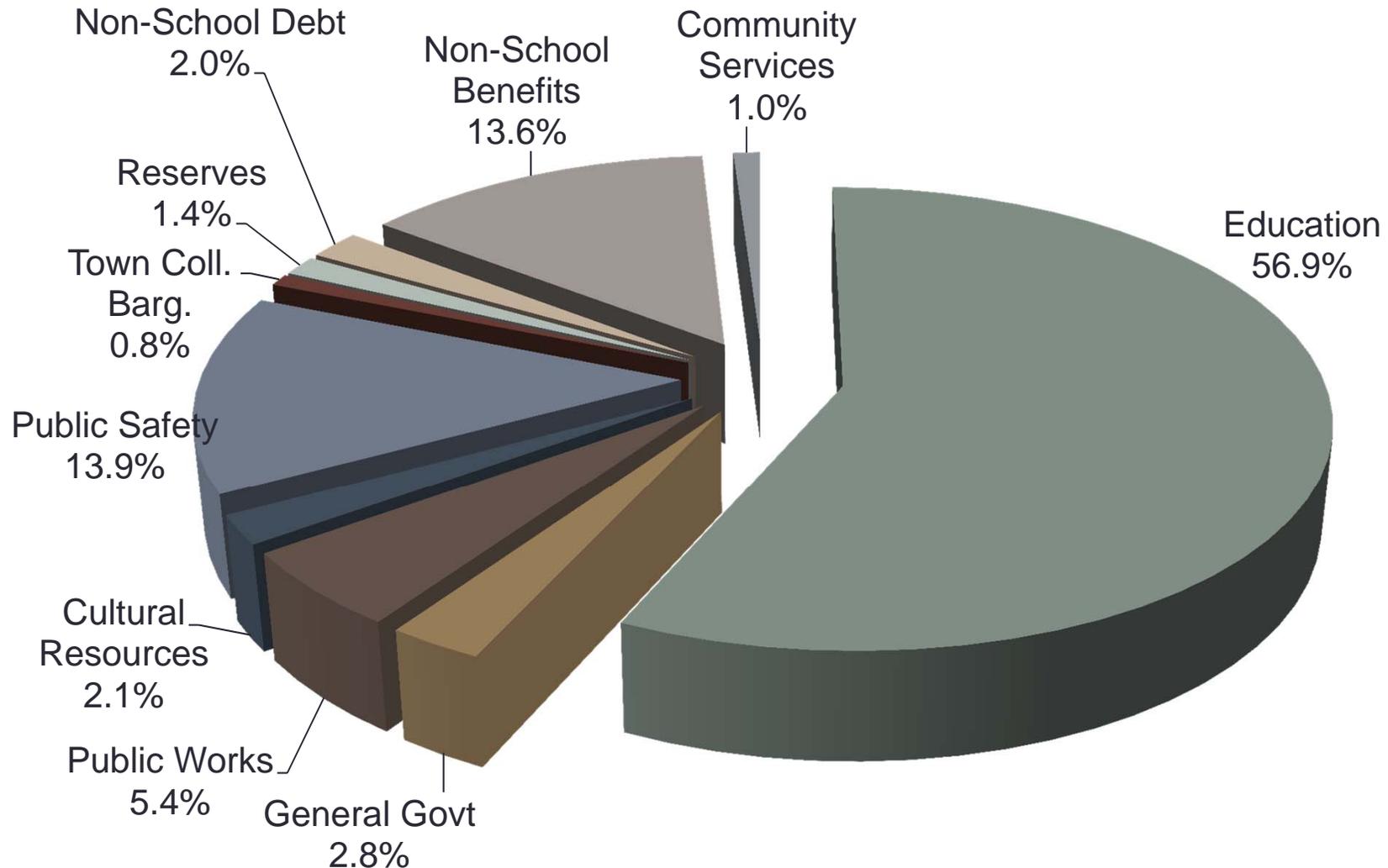
FY2016 FINANCIAL SUMMARY BY FUND

	General Fund *	Water & Sewer Enterprise Fund	Golf Enterprise Fund	Recreation Revolving Fund	Parking Meter Fund	Cemetery Trust	Capital Project Surplus	TOTAL	% of Total
REVENUES									
Property Taxes	188,609,198							188,609,198	68.9%
Local Receipts	23,593,685							23,593,685	8.6%
State Aid	18,484,876							18,484,876	6.8%
Parking Meter Receipts					4,300,000			4,300,000	1.6%
Walnut Hill Cemetery Fund						75,000		75,000	0.0%
State Aid for Libraries								0	0.0%
Golf Receipts			1,376,311					1,376,311	0.5%
Recreation Program Revenue				2,882,651				2,882,651	1.1%
Water and Sewer Receipts		28,324,905						28,324,905	10.3%
Capital Project Surplus							1,030,000	1,030,000	0.4%
Free Cash	5,016,500							5,016,500	1.8%
TOTAL FINANCIAL PLAN REVENUE	235,704,259	28,324,905	1,376,311	2,882,651	4,300,000	75,000	1,030,000	273,693,126	
EXPENDITURES **									
General Government	8,142,006							8,142,006	3.0%
Public Safety	34,344,676				2,150,000			36,494,676	13.3%
Public Works	11,671,525	23,959,123			2,150,000	75,000		37,855,648	13.8%
Library	3,866,386							3,866,386	1.4%
Health & Human Services	2,454,395							2,454,395	0.9%
Recreation	988,816		1,003,745	2,528,527				4,521,087	1.7%
Schools	90,772,380							90,772,380	33.2%
Personal Services Reserve	715,000							715,000	0.3%
Collective Bargaining (Town)	1,850,000							1,850,000	0.7%
Personnel Benefits **	51,097,774	1,988,729	113,814	350,948				53,551,265	19.6%
Non-Departmental **	2,952,995		63,997	3,176				3,020,168	1.1%
Debt Service	9,478,591	2,377,053	194,755					12,050,399	4.4%
Revenue-Financed CIP (Special Appropriations)	9,083,000						1,030,000	10,113,000	3.7%
Non-Appropriated	8,286,693							8,286,693	3.0%
TOTAL FINANCIAL PLAN EXPENDITURES	235,704,259	28,324,905	1,376,311	2,882,651	4,300,000	75,000	1,030,000	273,693,126	
% OF TOTAL FINANCIAL PLAN	86.1%	10.3%	0.5%	1.1%	1.6%	0.0%	0.4%		

* 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.

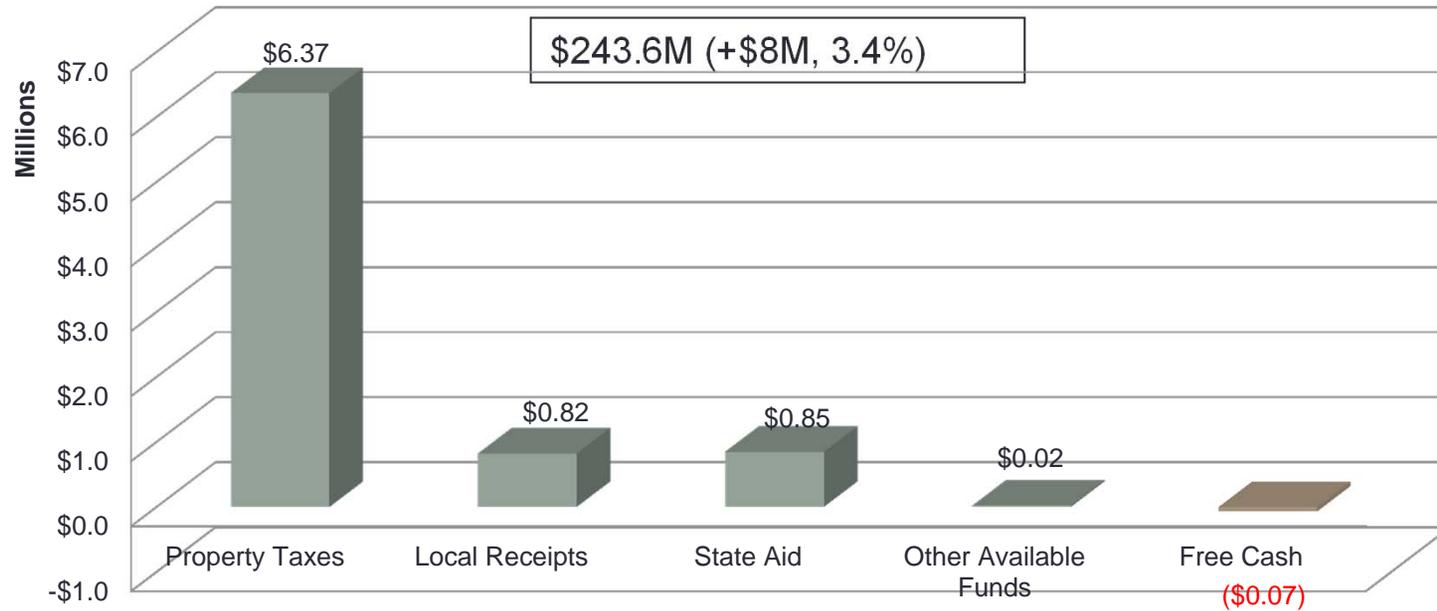
FULLY ALLOCATED FY2016 GENERAL FUND OPERATING BUDGET



GENERAL FUND SUMMARY

	FY2015 BUDGET	FY2016 BUDGET	INCREASE/DECREASE	
			\$	%
REVENUE				
Property Tax	182,239,297	188,609,198	6,369,901	3.5%
Local Receipts	22,770,225	23,593,685	823,460	3.6%
State Aid	17,634,876	18,484,876	850,000	4.8%
Free Cash	5,084,152	5,016,500	(67,653)	-1.3%
Other Available Funds	7,903,508	7,925,643	22,135	0.3%
TOTAL REVENUE	235,632,058	243,629,902	7,997,844	3.4%
(LESS) NON-APPROPRIATED EXPENSES				
State & County Charges	6,201,541	6,385,250	183,709	3.0%
Tax Abatement Overlay	2,080,721	1,750,000	(330,721)	-15.9%
Deficits & Judgments	25,000	25,000	0	0.0%
Cherry Sheet Offsets	126,443	126,443	0	0.0%
TOTAL NON-APPROPRIATED EXPENSES	8,433,705	8,286,693	(147,012)	-1.7%
AMOUNT AVAILABLE FOR APPROPRIATION	227,198,355	235,343,210	8,144,854	3.6%
APPROPRIATIONS				
Town Departments	67,734,861	68,407,803	672,942	1.0%
School Department	86,842,577	90,772,380	3,929,803	4.5%
Non-Departmental Total	63,205,918	66,050,024	2,844,106	4.5%
General Fund Non-Departmental	60,718,965	63,529,381	2,810,417	4.6%
Water and Sewer Enterprise Fund Overhead	1,973,970	1,988,729	14,758	0.7%
Golf Enterprise Fund Overhead	163,049	177,791	14,742	9.0%
Recreation Revolving Fund Overhead	349,934	354,124	4,190	1.2%
OPERATING BUDGET SUBTOTAL	217,783,356	225,230,209	7,446,853	3.4%
Revenue-Financed CIP (Special Appropriations)	9,415,000	10,113,000	698,000	7.4%
TOTAL APPROPRIATIONS	227,198,356	235,343,209	8,144,854	3.6%
BALANCE	0	0	0	

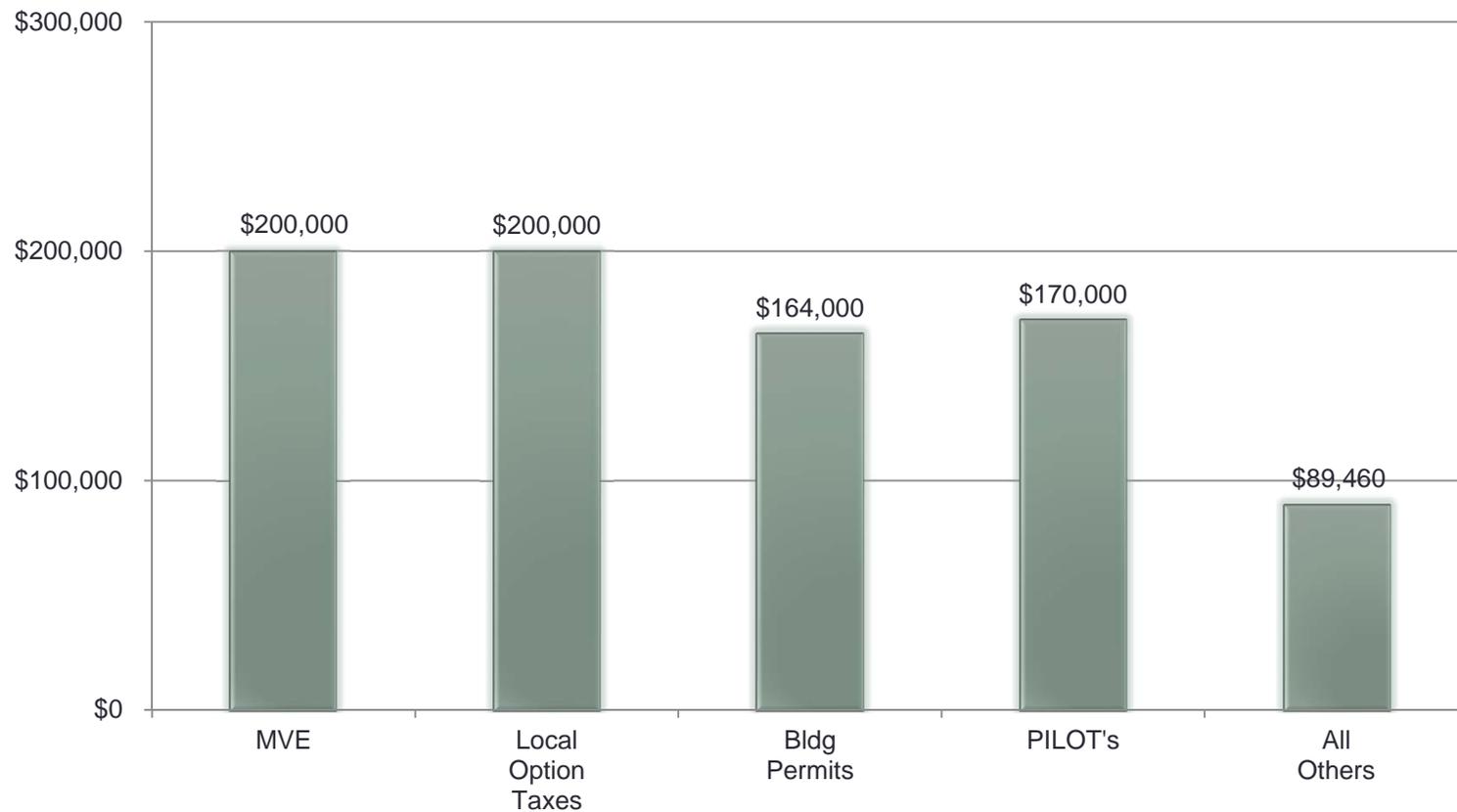
GENERAL FUND REVENUE CHANGES



	FY15	FY16	\$ Change	% Change
Total General Fund Revenue	235,632,053	243,629,902	7,997,849	3.4%
Less:				
SBA Reimbursements	556,757	556,757	0	0.0%
Debt Exclusions	1,094,400	1,076,000	(18,400)	-1.7%
Free Cash	5,084,152	5,016,500	(67,653)	-1.3%
Add'l Revenue for CIP	1,000,000	1,030,000	30,000	3.0%
Tax Abatement Reserve Surplus	1,000,000	0	(1,000,000)	-100.0%
Capital Project Surplus	0	1,030,000	1,030,000	-
OPERATING REVENUE	227,896,744	235,950,645	8,053,902	3.5%

LOCAL RECEIPTS

❖ FY16 increase of \$823,460(3.6%).



FREE CASH

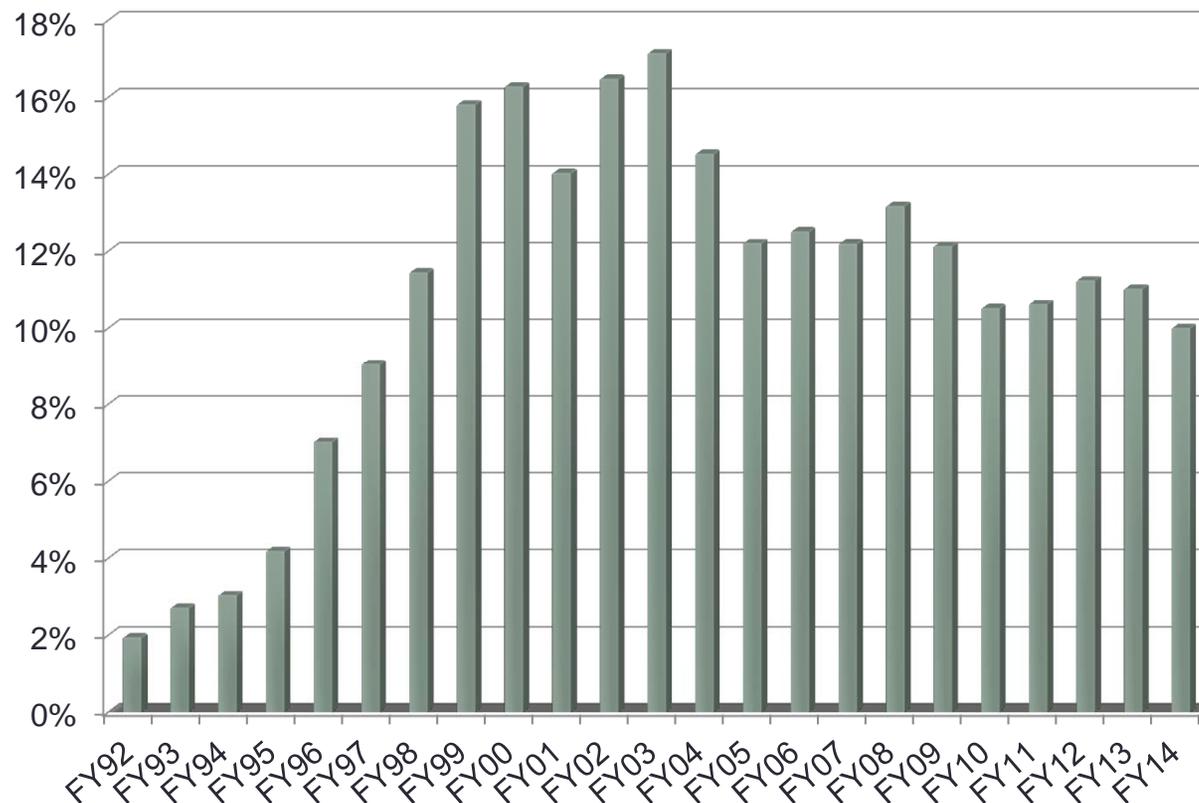
- ❖ Free Cash as of 7/1/14 certified at \$7,569,881.
- ❖ For FY16, recommending using \$5 million, leaving \$2.55 million unappropriated to help maintain undesignated fund balance.
- ❖ Free Cash sequencing:

Certification	\$7,569,881
1. Operating Budget Reserve (25% of Operating Budget Reserve)	\$550,050
2. Fund Balance	\$2,553,381
a. Unreserved Fund Balance (left unappropriated)	\$2,553,381
b. Stabilization Fund (appropriated)	\$0
3. Liability Reserve (to get fund to 1% of Prior Yr Net Revenue)	\$78,970
4. Capital Improvements (to get to 7.5% of Prior Yr Net Revenue)	\$3,300,297
5. Affordable Housing Trust Fund (since Fund Balance below \$5M)	\$163,078
<hr/> Sub-Total	<hr/> \$6,645,775
Amount available for Special Use (#6)	\$924,106
<u>6. Special Use:</u>	
Additional CIP	\$924,106

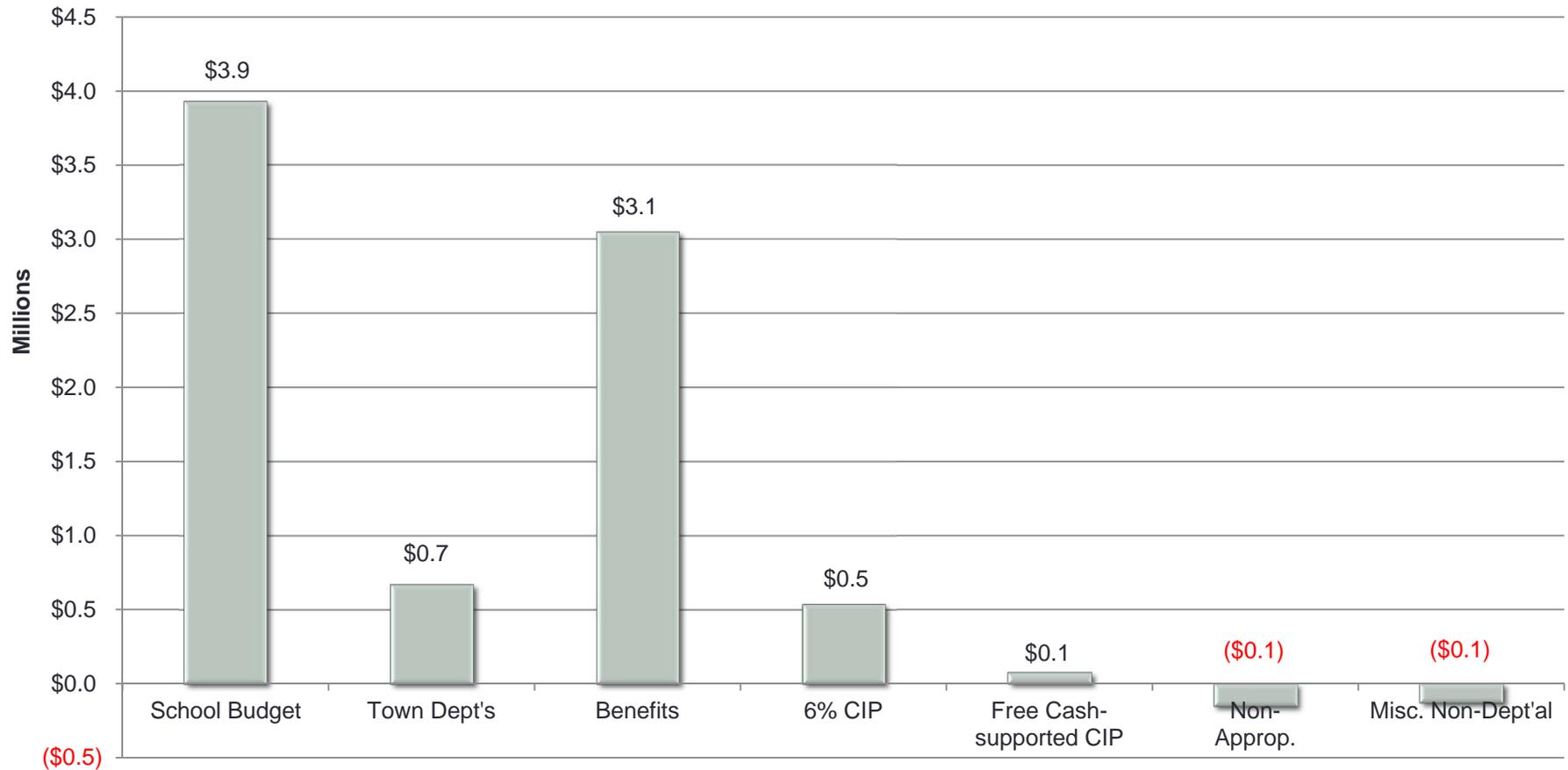
FUND BALANCE

- ❖ Continue to stress the importance of Fund Balance position.
- ❖ Steps taken over past two budget cycles have improved fund balance.
- ❖ FY 2016 budget proposes to leave \$2.6M unappropriated in order to continue to at least maintain the current position.

UNASSIGNED FUND BAL (GEN. FUND) AS % OF REV



GENERAL FUND EXPENDITURE GROWTH

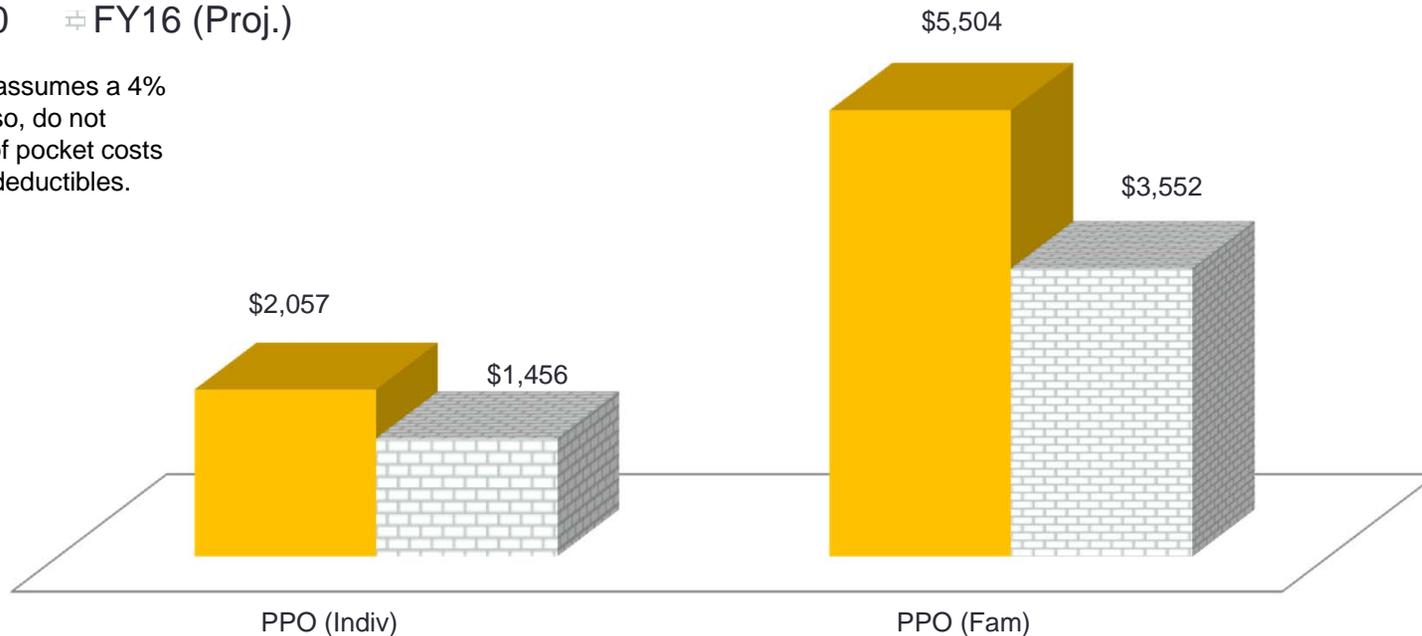


HEALTH INSURANCE – EMPLOYEE PREMIUM COSTS

Employee Costs of Health Ins Premium -- FY10 vs FY16

■ FY10 ▣ FY16 (Proj.)

Note: FY16 assumes a 4% increase. Also, do not include out of pocket costs for co-pays/deductibles.

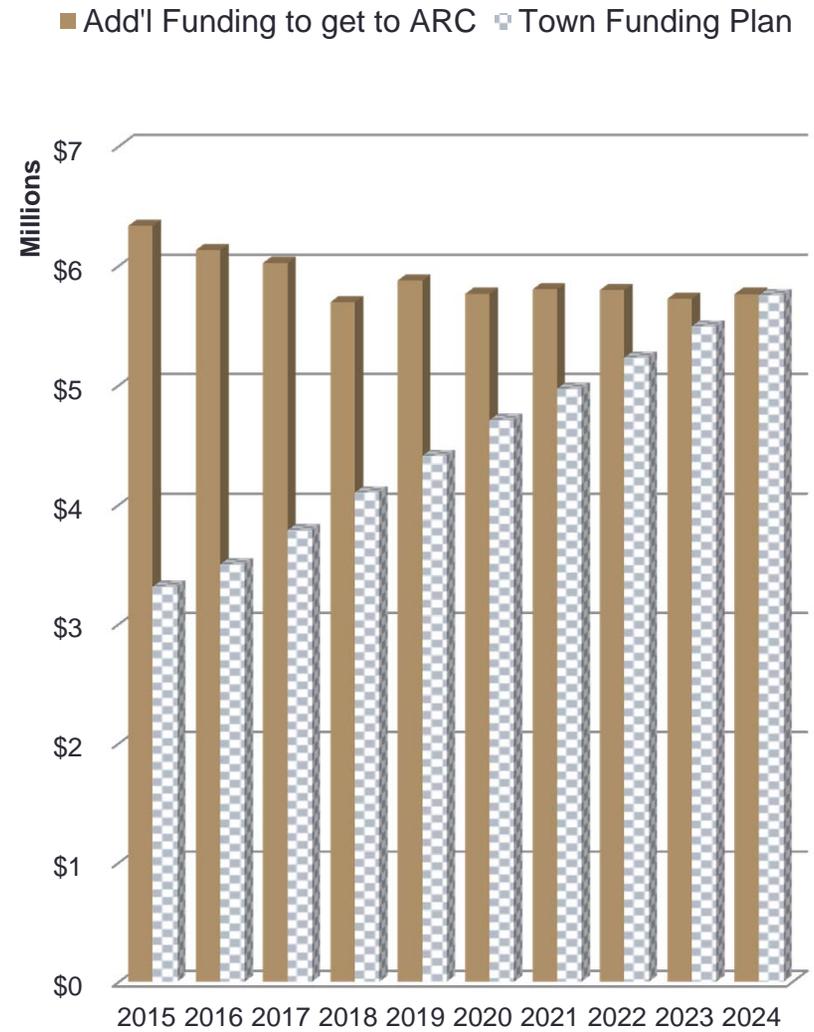


OPEB'S

- ❖ FY16 Financial Plan includes the following:
 - Increase in funding from operating revenue by the “regular” \$250K to \$2.7M.
 - 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.

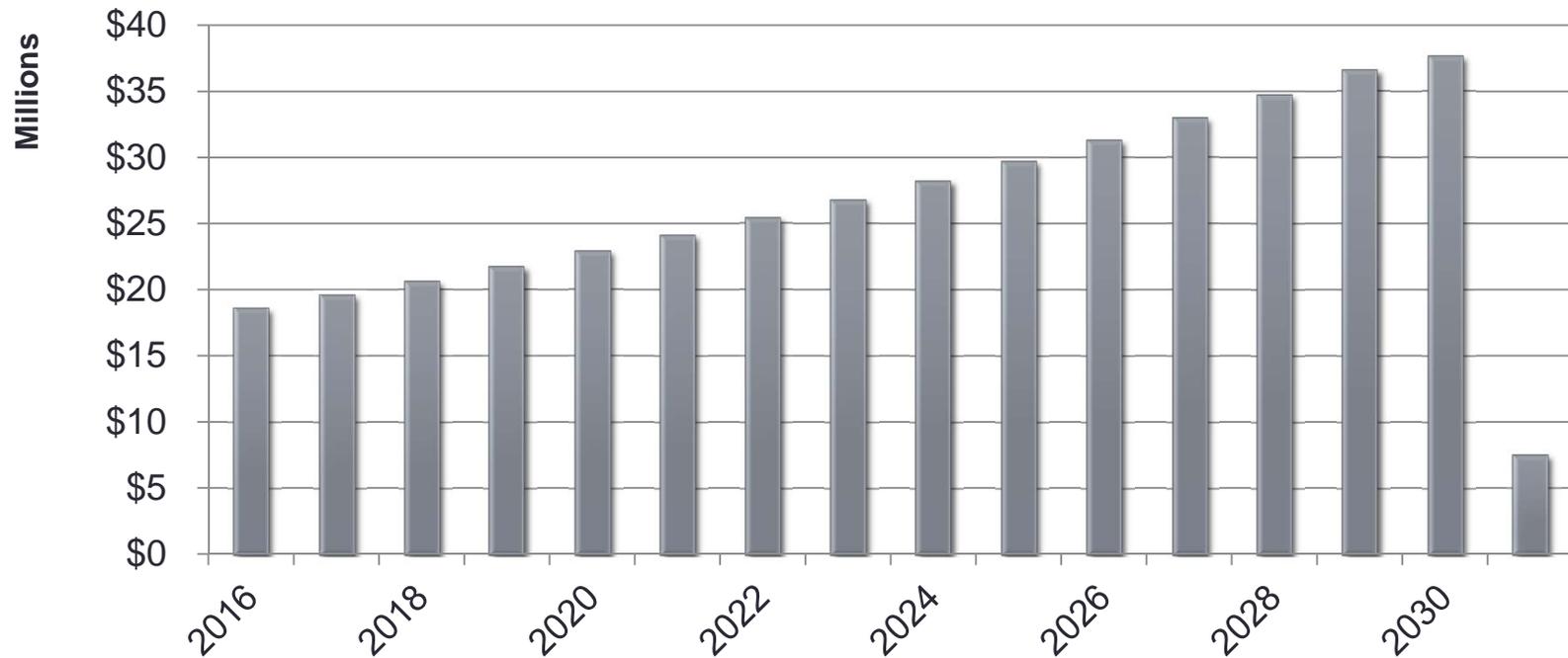
- ❖ Breakdown for the FY16 OPEB \$3.5M approp.:
 - ❖ Operating Rev - \$2,703,092
 - ❖ Medicare Part D - \$400,000
 - ❖ Town Spec Rev Funds - \$126,027
 - ❖ School Spec Rev Funds - \$155,000
 - ❖ Non-Contributory Retiree Savings - \$115,000



CONTRIBUTORY PENSIONS

- ❖ Follows existing funding plan, which is in effect for FY16+17
- ❖ Full funding date of 2030
- ❖ Retirement Bd reduced assumed annual Rate of Return from 7.75% to 7.65%
- ❖ Increase of \$825K (4.6%)

PENSION SYSTEM FUNDING SCHEDULE



FY16 BUDGET SUMMARY

(in millions)

Operating Revenue

Prop Taxes	\$6.37
Local Receipts	\$0.82
State Aid	\$0.85
<u>Misc.</u>	<u>(\$0.05)</u>
Total Incr in Op Rev	\$8.00

Operating Expenditures

Schools	\$3.93
Benefits	\$3.05
Town Dept's	\$0.67
6% CIP Policy	\$0.54
Non-Appropriated	<u>(\$0.15)</u>
<u>Misc</u>	<u>(\$0.05)</u>
Total Incr in Op Exp	\$8.00

FY16 TOWN BUDGET GROWTH

	<u>(in thousands)</u>
Coll Barg *	\$1,152
Steps, etc.	\$249
Police Ed Incentive	\$130
Misc	\$90
Building R&M	\$47
Loss of Violence Prev Grant	\$30
Cuts	(\$682)
Utilities	(\$293)
<u>Increase in Rec Cost Recov</u>	<u>(\$50)</u>
TOTAL	\$673

* Includes CB amt in Library budget.

FY16 SCHOOL BUDGET

- ❖ No structural deficit assuming:
 - ❖ \$675K in Steps
 - ❖ \$750K in SPED (of which the Town absorbs \$272K)
 - ❖ \$1.4M in Coll Barg (2% for FY16)

- ❖ “Base” Enrollment Growth = \$682K
 - ❖ 50% picked-up by the Town in the T/S Partnership
 - ❖ \$341K impact to School budget

- ❖ Start-Up costs for Old Lincoln School = \$682K

- ❖ The two enrollment items split 50%/50% in an effort to help reduce the impact of a failed override on the School budget
 - ❖ The Town cut \$682K from its budget. Restored if Override is successful.

FY2016 WATER & SEWER ENTERPRISE FUND

	FY2015 BUDGET	FY2016 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
REVENUE					
Rate Revenue	26,438,588	27,887,905	1,449,317	5.5%	98.5%
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%
TOTAL REVENUE	26,875,588	28,324,905	1,449,317	5.4%	
EXPENDITURES					
Personnel	2,457,185	2,521,086	63,901	2.6%	8.9%
Services	341,798	353,798	12,000	3.5%	1.2%
Supplies	123,020	123,020	0	0.0%	0.4%
Other	8,900	10,580	1,680	18.9%	0.0%
Utilities	135,854	102,945	(32,908)	-24.2%	0.4%
Capital Outlay	313,300	504,800	191,500	61.1%	1.8%
Inter-Governmental (MWRA)	19,108,047	20,062,449	954,402	5.0%	70.8%
Benefits	1,411,238	1,407,407	(3,832)	-0.3%	5.0%
Inter-Departmental Overhead	562,732	581,322	18,590	3.3%	2.1%
Debt Service	2,133,405	2,377,053	243,648	11.4%	8.4%
Reserve	280,100	280,445	345	0.1%	1.0%
TOTAL EXPENDITURE	26,875,588	28,324,905	1,449,317	5.4%	
BALANCE	0	0	0		

FY2016 GOLF COURSE ENTERPRISE FUND

	FY2015 BUDGET	FY2016 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
REVENUE					
Greens Fees	1,005,000	971,211	(33,789)	-3.4%	70.6%
Golf Cart Rentals	140,000	193,000	53,000	37.9%	14.0%
Pro Shop Sales	80,000	95,314	15,314	19.1%	6.9%
Concessions	45,423	46,786	1,363	3.0%	3.4%
Golf Clinics	25,000	24,000	(1,000)	-4.0%	1.7%
Other	36,500	46,000	9,500	26.0%	3.3%
TOTAL REVENUE	1,331,923	1,376,311	44,388	3.3%	
EXPENDITURES					
Personnel	459,629	470,099	10,470	2.3%	34.2%
Services	132,218	126,648	(5,570)	-4.2%	9.2%
Supplies	169,950	193,950	24,000	14.1%	14.1%
Other	4,100	8,100	4,000	97.6%	0.6%
Utilities	98,538	103,919	5,381	5.5%	7.6%
Capital Outlay	86,420	76,050	(10,370)	-12.0%	5.5%
Debt Service	186,476	194,755	8,279	4.4%	14.2%
Benefits / Other	163,049	177,791	14,742	9.0%	12.9%
Reserve	31,543	25,000	(6,543)	-20.7%	1.8%
TOTAL EXPENDITURE	1,331,923	1,376,311	44,387	3.3%	
BALANCE	0	0	0		

FY2016 RECREATION REVOLVING FUND

	FY2015 BUDGET	FY2016 BUDGET	INCREASE/DECREASE		% of Total
			\$	%	
REVENUE					
Aquatic	561,996	570,000	8,004	1.4%	19.8%
Eliot Center	98,078	119,500	21,422	21.8%	4.1%
Environmental Programs	52,589	52,589	0	0.0%	1.8%
Ice Skating	161,086	158,596	(2,490)	-1.5%	5.5%
Off-Site Out of Town Trip	51,970	46,900	(5,070)	-9.8%	1.6%
Outdoor Recreation	624,270	615,000	(9,270)	-1.5%	21.3%
Outdoor Athletics	250,991	264,500	13,509	5.4%	9.2%
Soule Center	700,000	810,322	110,322	15.8%	28.1%
Soule Gym	69,796	69,796	0	0.0%	2.4%
Tappan Facility	178,702	175,448	(3,254)	-1.8%	6.1%
TOTAL REVENUE	2,749,478	2,882,651	133,173	4.8%	
EXPENDITURES					
Personnel	1,772,554	1,815,917	43,363	2.4%	63.0%
Services	287,430	365,463	78,033	27.1%	12.7%
Supplies	181,259	193,942	12,683	7.0%	6.7%
Other	47,712	42,842	(4,870)	-10.2%	1.5%
Utilities	103,608	102,383	(1,225)	-1.2%	3.6%
Capital Outlay	6,980	7,980	1,000	14.3%	0.3%
Benefits / Other	349,934	354,124	4,190	1.2%	12.3%
TOTAL EXPENDITURE	2,749,478	2,882,651	133,173	4.8%	
BALANCE	0	0	0		

CAPITAL IMPROVEMENT PROGRAM

- ❖ Developed within the parameters of the CIP Policies.
- ❖ Calls for an investment of \$274.4 million over the next six years, for an average of \$46 million/yr.

- ❖ Not possible to fund the Devotion School project and the short-term space plan without a Debt Exclusion:
 - ❖ CIP Capacity = \$41M
 - ❖ Debt Exclusion = \$49.6M
 - ❖ MSBA = \$27.8M

- ❖ \$6M for Classroom Capacity (\$2.25M in FY16 + \$750K/yr FY17-FY21) primarily for lease/rental costs associated with the School's short-term space plan

- ❖ Debt Exclusions will be required for any future major elementary school project(s) and for a portion of any BHS project
 - ❖ CIP supports \$35.1M of Town funding for BHS project

- ❖ At full funding -- 6% of prior year net revenue + Free Cash to get to 7.5%. Use additional Free Cash to get to 7.9% plus \$1.03M in Reapprop. CIP Accounts to get to 8.4%.

CIP FUNDING SUMMARY

	2016	2017	2018	2019	2020	2021
6% Policy	13,201,188	13,693,243	14,151,500	14,660,042	15,171,319	15,664,976
Net-Debt *	8,342,591	10,036,048	12,458,375	13,155,271	13,686,689	13,418,099
Pay-as-you-Go	4,858,597	3,657,194	1,693,125	1,504,772	1,484,630	2,246,877
<u>Free Cash</u>	<u>3,300,297</u>	<u>3,423,311</u>	<u>3,537,875</u>	<u>3,665,011</u>	<u>3,792,830</u>	<u>3,916,244</u>
Sub-Total	16,501,485	17,116,553	17,689,375	18,325,053	18,964,149	19,581,220
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	924,106	0	0	0	0	0
Re-Approp.	1,030,000	0	0	0	0	0
<u>Debt Exclusion</u>	<u>1,076,000</u>	<u>1,048,400</u>	<u>1,020,800</u>	<u>4,150,977</u>	<u>4,114,377</u>	<u>3,162,777</u>
Sub-Total	3,030,106	1,048,400	1,020,800	4,150,977	4,114,377	3,162,777
TOTAL REVENUE	19,531,591	18,164,953	18,710,175	22,476,030	23,078,526	22,743,997
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	8.9%	8.0%	7.9%	9.2%	9.1%	8.7%

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

MAJOR CIP PROJECTS

- ❖ Devotion School - \$90.6M of Town funding + \$27.8M of State funding (FY16)
- ❖ BHS - \$35.1M of Town funding + \$18.9M of State funding (FY17, FY19)
- ❖ Larz Anderson - \$8.4M (FY19, 21, Future Years)
- ❖ Classroom Capacity - \$6M (FY16-FY21)
- ❖ Gateway East / Village Square - \$5.9M (FY16) - - all outside funding
- ❖ Fire Fleet Maintenance / Training Facility - \$4.5M (FY17)
- ❖ Brookline Reservoir Park - \$1.9M (FY17-18)
- ❖ Fire Sta. Renovations - \$1.8M (FY17-21)
- ❖ Riverway Park Ped/Bike Path - \$1.5M (FY17) - - all outside funding
- ❖ Robinson Playground - \$1.2M (FY19, 21)
- ❖ Golf Course - \$1M (FY16) -- enterprise fund
- ❖ Fire Department's Tower #1 Replacement - \$1M (FY18)
- ❖ Old Lincoln School - \$1M (FY16)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
REVENUE					
Property Taxes	188,609,198	196,014,928	203,561,491	214,555,185	222,193,691
Local Receipts	23,593,685	23,363,754	23,912,672	24,206,727	24,506,147
State Aid	18,484,876	19,026,111	19,481,114	19,947,491	20,303,433
Other Available Funds	7,925,643	6,985,323	7,084,540	7,188,509	7,297,468
Free Cash (for Appropriation)	5,016,500	4,100,000	4,200,000	4,400,000	4,500,000
TOTAL REVENUE	243,629,902	249,490,116	258,239,817	270,297,913	278,800,739
\$\$ Increase	7,997,845	5,860,214	8,749,701	12,058,096	8,502,826
% Increase	3.4%	2.4%	3.5%	4.7%	3.1%

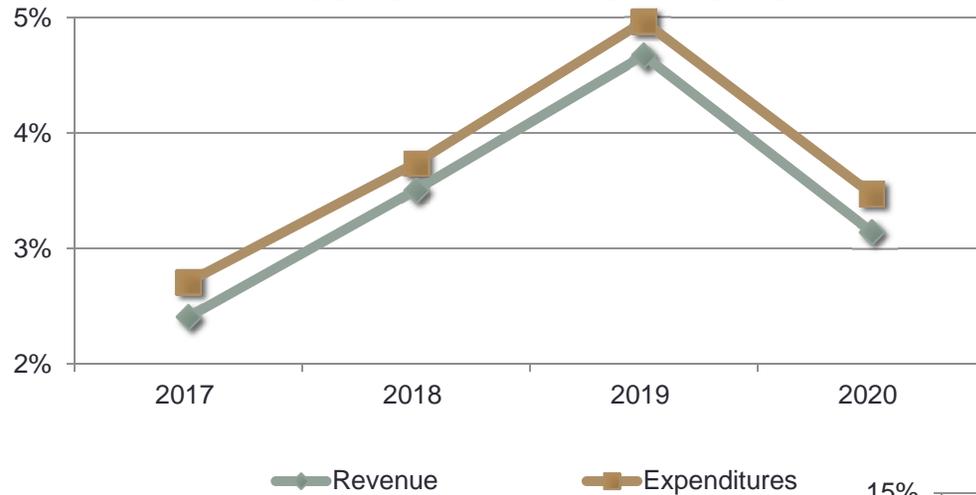
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
EXPENDITURES					
Departmental	67,307,803	68,946,842	70,649,933	72,293,475	74,161,657
Coll. Barg. - Town	1,100,000	1,130,000	1,150,000	1,180,000	1,200,000
Schools	89,324,380	93,105,297	96,906,468	100,884,929	104,272,942
Coll. Barg. - School	1,448,000	1,480,000	1,510,000	1,540,000	1,580,000
Non-Departmental - Benefits	53,551,265	55,891,408	58,861,533	61,973,254	65,203,333
Non-Departmental - General	819,970	683,315	693,708	729,836	746,375
Non-Departmental - Debt Service	9,478,591	11,144,448	13,539,175	17,366,247	17,861,066
Non-Departmental - Reserve Fund	2,200,198	2,282,207	2,358,583	2,443,340	2,528,553
Special Appropriations	10,113,000	7,080,505	5,231,000	5,169,782	5,277,459
Non-Appropriated	8,286,693	8,483,376	8,684,977	8,891,618	9,103,425
TOTAL EXPENDITURES	243,629,902	250,227,399	259,585,378	272,472,483	281,934,810
\$\$ Increase	7,997,845	6,597,498	9,357,979	12,887,105	9,462,327
% Increase	3.4%	2.7%	3.7%	5.0%	3.5%

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
CUMULATIVE SURPLUS/(DEFICIT)	0	(737,283)	(1,345,561)	(2,174,570)	(3,134,071)
DEFICIT AS A % OF OP REV	0.0%	-0.3%	-0.5%	-0.8%	-1.1%

Surplus / (Deficit) Prior to Collective Bargaining	2,548,000	769,608	(980,124)	(2,990,450)	(5,213,767)
Town Share of Surplus / (Deficit)	1,100,000	1,014,325	1,279,537	1,168,669	1,202,808
Town Collective Bargaining	1,100,000	1,130,000	1,150,000	1,180,000	1,200,000
Total Town Surplus / (Deficit)	0	(115,675)	129,537	(11,331)	2,808
School Share of Surplus / (Deficit)	1,448,000	833,208	33,365	(661,739)	(1,552,195)
School Collective Bargaining	1,448,000	1,480,000	1,510,000	1,540,000	1,580,000
Total School Surplus / (Deficit)	0	(646,792)	(1,476,635)	(2,201,739)	(3,132,195)

FUTURE REVENUE & EXPENDITURE GROWTH

PROJECTED ANNUAL GROWTH



PROJECTED CUMULATIVE GROWTH

