

ARTICLE 7

BOARD OF SELECTMEN’S SUPPLEMENTAL RECOMMENDATION

Article 7 of the 2015 Annual Town Meeting Warrant proposes amendments to the FY15 budget. This article proposes to appropriate money identified as surplus in the Board of Assessor’s Overlay Reserve Account to address the deficit in the FY15 snow and ice account. The DPW Commissioner and Deputy Town Administrator have reviewed the snow and ice account and have recommended a plan to address the \$3.2M deficit. Action is needed under Article 7 in order to address \$1.1M of that shortfall. The remaining deficit will be covered by DPW salary turn backs (\$340K), the Reserve Fund (\$1.4M) and an anticipated FEMA reimbursement (\$400K).

The Selectmen would like to commend the DPW Commissioner and Department on a tremendous effort on snow removal during the epic snowfall we experienced this past winter. While some communities are still struggling to address their shortfalls we are fortunate that our prudent use of reserves allows us to resolve the deficit without having a detrimental effect on other areas of the budget. Therefore, by a vote of 5-0 taken on May 19, 2015, the Board recommends FAVORABLE ACTION on the following motion:

VOTED: That the Town:

1. Amend the FY2015 budget item number 10 as follows:

10.) **Snow and Ice Budget:** The Sum of \$1,489,091, included within the Department of Public Works appropriation for snow and ice operations, shall be expended for snow and ice operations and not for any other purpose, unless transferred per the provisions of Section 1.B.vi of this Article.

2. Amend the FY2015 budget as shown below and in the attached Amended Tables I and II:

ITEM #	ORIGINAL BUDGET	PROPOSED CHANGE	AMENDED BUDGET
13. Public Works	\$14,066,549	+\$1,100,000	\$15,166,549

and to meet the appropriation transfer \$1,100,000 from the overlay surplus account.

ADVISORY COMMITTEE’S SUPPLEMENTAL RECOMMENDATION

BACKGROUND:

Article 7 is included in the Warrant for the Annual Town Meeting to provide for any potential amendments to the Town’s current-year budget.

DISCUSSION:

Brookline’s Department of Public Works (DPW) traditionally budgets a lower than expected amount for snow removal, and then invokes Chapter 44, Section 31D of the Massachusetts General Laws, which enables the DPW to spend more than the budgeted amount.

The winter of 2014–15 saw record snowfall, primarily during January and February. DPW spending on snow removal thus has been extraordinarily high. There is a deficit in the Snow and Ice account of \$3,233,378. Because of the exceptionally high snowfall, the Federal Emergency Management Agency (FEMA) is reimbursing Massachusetts cities and towns for some of their snow removal costs.

Some of the deficit in the DPW Snow and Ice account can be financed as follows:

FEMA expected Reimbursement:	\$393,378
DPW wages and salaries surplus:	\$340,000
Reserve Fund Transfer:	\$1,400,000
Total	\$2,133,378

The surplus in the DPW wages and salaries accounts is in Engineering (\$50,000), Roadway Maintenance (\$170,000), Motor Equipment Maintenance (\$20,000), Public Grounds (\$50,000), and School Grounds (\$50,000). Surpluses reflect unfilled positions. The surplus funds will be transferred to the Snow and Ice account. Some funds are being transferred from the DPW’s Parks and Open Space Division. The Advisory Committee has approved the transfer of funds from that division, as is required by the FY2015 Conditions of Appropriation (1. Transfers Among Appropriations).

The remaining \$1.1 million deficit can be financed with surplus funds from the Overlay Reserve Account.

Overlay Reserve Account Surplus

The Board of Assessors, by statute (GLC 59, Section 25), has sole responsibility for managing the Tax Levy Overlay Reserve Account. The Board is required to put aside a portion of each year’s tax levy for the purpose of handling tax abatements and

exemptions. The financial effect is a reduction of revenues that would otherwise be available to the General Fund.

The Board of Assessors has the responsibility to close out each year's account when it determines that there is little or no remaining risk of any appeal settlement that year. The Board may then release monies to the General Fund, as it so determines. Also, it can respond to requests from the Selectmen to close out prior years.

The Board of Assessors has declared that there is a surplus of \$1,165,000 of Overlay Reserve Account funds. Thus \$1.1 million is available for appropriation.

Prior to declaration of surplus by the Board of Assessors, remaining overlay account balances for tax years 2009 through 2003 totaled \$428,114, with a remaining risk of \$12,217, leaving a highly-likely availability to the General Fund of \$415,987.

Remaining overlay account balances for tax years 2011 and 2010 were \$561,132, with a remaining risk of \$371,740, and for tax years 2012 through 2014 totaled \$4,006,668, with a remaining risk of \$3,445,791. It is highly likely that these remaining risks will settle at considerably reduced amounts. There are large appeals pending in FY2012 thru 2014 for Verizon, RCN, Boston Gas and NStar. Legal fees incurred in these appeals are paid from the General Fund; reserve fund transfers for such of \$50,000 were made in both 2012 and 2015.

RECOMMENDATION:

By a vote of 19-0-0 the Advisory Committee recommends FAVORABLE ACTION on the motion offered by the Selectmen.

FY15 AMENDED BUDGET - TABLE 1 May, 2015

	FY12 ACTUAL	FY13 ACTUAL	FY14 BUDGET	FY15 BUDGET	PROPOSED AMENDMENTS	FY15 AMENDED BUDGET	\$\$ CHANGE FROM FY14	% CHANGE FROM FY14
REVENUES								
Property Taxes	162,674,174	169,029,414	175,783,902	181,848,174		181,848,174	6,064,272	3.4%
Local Receipts	23,849,795	24,480,797	22,119,366	22,770,225		22,770,225	650,859	2.9%
State Aid	13,796,975	15,125,059	16,659,162	17,634,876		17,634,876	975,714	5.9%
Free Cash	5,380,264	5,336,413	7,655,155	5,084,152		5,084,152	(2,571,003)	-33.6%
Overlay Surplus	400,000	1,750,000	0	1,000,000	1,100,000	2,100,000	2,100,000	-
Other Available Funds	6,218,966	10,144,344	6,846,435	6,903,508		6,903,508	57,073	0.8%
TOTAL REVENUE	212,320,174	225,866,027	229,064,019	235,240,935	1,100,000	236,340,935	7,276,915	3.2%
EXPENDITURES								
DEPARTMENTAL EXPENDITURES								
1 . Selectmen	633,913	644,074	666,294	671,197		671,197	4,904	0.7%
2 . Human Resources	503,323	574,019	517,681	523,365		523,365	5,683	1.1%
3 . Information Technology	1,399,122	1,472,035	1,691,246	1,751,863		1,751,863	60,618	3.6%
4 . Diversity, Inclusion, and Community Relations	0	0	0	169,109		169,109	169,109	-
5 . Finance Department	2,986,279	2,991,976	2,883,755	2,845,778		2,845,778	(37,977)	-1.3%
6 . Legal Services	842,311	821,872	815,521	832,893		832,893	17,372	2.1%
7 . Advisory Committee	22,121	14,974	24,156	24,372		24,372	216	0.9%
8 . Town Clerk	577,160	775,342	545,728	627,632		627,632	81,904	15.0%
9 . Planning and Community Development	634,153	620,599	666,449	765,310		765,310	98,861	14.8%
10 . Police	14,947,822	14,954,651	15,211,679	15,312,691		15,312,691	101,012	0.7%
11 . Fire	12,855,469	12,844,259	12,959,959	13,005,941		13,005,941	45,982	0.4%
12 . Building	6,823,180	6,854,850	7,080,776	7,024,504		7,024,504	(56,272)	-0.8%
(1) 13 . Public Works	13,283,953	14,480,045	14,051,437	14,066,549	1,100,000	15,166,549	1,115,112	7.9%
a. Administration	799,178	823,184	826,817	864,369		864,369	37,552	4.5%
b. Engineering/Transportation	1,096,910	1,105,748	1,240,771	1,262,215		1,262,215	21,445	1.7%
c. Highway	4,774,773	4,579,656	4,940,010	5,034,219		5,034,219	94,208	1.9%
d. Sanitation	2,873,192	3,003,721	2,976,972	2,990,830		2,990,830	13,859	0.5%
e. Parks and Open Space	3,325,274	3,507,459	3,662,776	3,525,824		3,525,824	(136,952)	-3.7%
f. Snow and Ice	414,627	1,460,278	404,091	389,091	1,100,000	1,489,091	1,085,000	268.5%
14 . Library	3,621,074	3,742,982	3,720,993	3,754,728		3,754,728	33,735	0.9%
15 . Health and Human Services	1,158,084	1,152,529	1,263,418	1,154,562		1,154,562	(108,856)	-8.6%
16 . Veterans' Services	273,859	294,085	295,993	321,818		321,818	25,825	8.7%
17 . Council on Aging	770,862	872,570	840,951	840,206		840,206	(745)	-0.1%
18 . Human Relations	108,596	117,064	0	0		0	0	-
19 . Recreation	1,003,409	1,016,673	1,050,192	1,006,120		1,006,120	(44,072)	-4.2%
(2) 20 . Personnel Services Reserve	715,000	715,000	715,000	715,000		715,000	0	0.0%
(2) 21 . Collective Bargaining - Town	1,175,000	1,775,000	1,314,514	2,321,220		2,321,220	1,006,706	76.6%
Subtotal Town	62,444,691	64,244,600	66,315,741	67,734,858	1,100,000	68,834,858	1,419,117	2.1%
22 . Schools	75,387,189	79,079,823	82,780,770	86,842,575		86,842,575	4,061,805	4.9%
TOTAL DEPARTMENTAL EXPENDITURES	137,831,880	143,324,423	149,096,511	154,577,433	1,100,000	155,677,433	6,580,922	4.4%
NON-DEPARTMENTAL EXPENDITURES								
(1) 23 . Employee Benefits	41,529,043	45,240,975	50,100,251	50,500,116		50,500,116	399,865	0.8%
(3) a. Pensions	14,556,225	15,801,983	17,385,688	17,882,573		17,882,573	496,885	2.9%
b. Group Health	21,546,572	22,865,804	24,618,704	25,136,108		25,136,108	517,405	2.1%
c. Health Reimbursement Account (HRA)	0	50,876	70,000	70,000		70,000	0	0.0%
(3) d. Retiree Group Health Trust Fund (OPEB's)	1,801,527	2,601,927	3,514,360	3,311,860		3,311,860	(202,500)	-5.8%
e. Employee Assistance Program (EAP)	25,180	27,400	28,000	28,000		28,000	0	0.0%
f. Group Life	129,889	132,118	132,500	140,000		140,000	7,500	5.7%
g. Disability Insurance	13,279	13,376	16,000	16,000		16,000	0	0.0%
(3) h. Worker's Compensation	1,250,000	1,200,000	1,720,000	1,450,000		1,450,000	(270,000)	-15.7%
(3) i. Public Safety IOD Medical Expenses	300,000	560,660	400,000	300,575		300,575	(99,425)	-24.9%
(3) j. Unemployment Compensation	350,000	350,000	450,000	325,000		325,000	(125,000)	-27.8%
k. Medical Disabilities	26,989	18,421	40,000	40,000		40,000	0	0.0%
l. Medicare Coverage	1,529,382	1,618,410	1,725,000	1,800,000		1,800,000	75,000	4.3%
(2) 24 . Reserve Fund	605,103	1,250,621	2,161,799	2,122,336		2,122,336	(39,463)	-1.8%
25 . Stabilization Fund	253,092	0	250,000	0		0	(250,000)	-100.0%
26 . Affordable Housing	355,264	251,363	555,106	170,390		170,390	(384,716)	-69.3%
27 . Liability/Catastrophe Fund	141,959	253,669	154,115	234,839		234,839	80,724	52.4%

	FY12 ACTUAL	FY13 ACTUAL	FY14 BUDGET	FY15 BUDGET	PROPOSED AMENDMENTS	FY15 AMENDED BUDGET	\$\$ CHANGE FROM FY14	% CHANGE FROM FY14
28 . General Insurance	248,469	263,478	335,000	371,500		371,500	36,500	10.9%
29 . Audit/Professional Services	129,335	130,000	130,000	130,000		130,000	0	0.0%
30 . Contingency Fund	12,895	14,383	15,000	15,000		15,000	0	0.0%
31 . Out-of-State Travel	1,403	2,374	3,000	3,000		3,000	0	0.0%
32 . Printing of Warrants & Reports	14,219	19,837	25,000	25,000		25,000	0	0.0%
33 . MMA Dues	11,178	11,346	11,686	11,979		11,979	293	2.5%
<i>Subtotal General</i>	<i>1,167,814</i>	<i>946,450</i>	<i>3,640,706</i>	<i>3,084,044</i>		<i>3,084,044</i>	<i>(556,662)</i>	<i>-15.3%</i>
(1) 34 . Borrowing	10,112,066	9,834,605	9,583,111	9,621,757		9,621,757	38,646	0.4%
<i>a. Funded Debt - Principal</i>	<i>7,955,436</i>	<i>7,428,882</i>	<i>7,207,338</i>	<i>7,246,544</i>		<i>7,246,544</i>	<i>39,206</i>	<i>0.5%</i>
<i>b. Funded Debt - Interest</i>	<i>2,142,824</i>	<i>2,376,113</i>	<i>2,215,772</i>	<i>2,215,213</i>		<i>2,215,213</i>	<i>(560)</i>	<i>0.0%</i>
<i>c. Bond Anticipation Notes</i>	<i>0</i>	<i>0</i>	<i>100,000</i>	<i>100,000</i>		<i>100,000</i>	<i>0</i>	<i>0.0%</i>
<i>d. Abatement Interest and Refunds</i>	<i>13,806</i>	<i>29,610</i>	<i>60,000</i>	<i>60,000</i>		<i>60,000</i>	<i>0</i>	<i>0.0%</i>
TOTAL NON-DEPARTMENTAL EXPENDITURES	52,808,923	56,022,030	63,324,067	63,205,920		63,205,920	(118,147)	-0.2%
TOTAL GENERAL APPROPRIATIONS	190,640,803	199,346,453	212,420,578	217,783,353	1,100,000	218,883,353	6,462,775	3.0%
SPECIAL APPROPRIATIONS								
35 . Technology Applications (revenue financed)				270,000		270,000		
36 . Commercial Areas Improvements (revenue financed)				65,000		65,000		
37 . Fire Engine #5 Replacement (revenue financed)				580,000		580,000		
38 . Fire Station Renovations (revenue financed)				325,000		325,000		
39 . Fire Department Fleet Maint. Facility/Training Center - Feasibility Study (revenue financed)				40,000		40,000		
40 . Coolidge Corner Library Feasibility/Concept Study (revenue financed)				50,000		50,000		
41 . Bicycle Access Improvements (revenue financed)				30,000		30,000		
42 . MBTA Traffic Signalization (revenue financed)				50,000		50,000		
43 . Street Rehabilitation (revenue financed)				1,550,000		1,550,000		
44 . Sidewalk Repair/Reconstruction (revenue financed)				290,000		290,000		
45 . LED Streetlight Conversion (revenue financed)				515,000		515,000		
46 . Pierce Playground - Design (revenue financed)				90,000		90,000		
47 . Playground Equipment, Fields, Fencing (revenue financed)				295,000		295,000		
48 . Town/School Grounds Rehab (revenue financed)				85,000		85,000		
49 . Tree Removal and Replacement (revenue financed)				170,000		170,000		
50 . Walnut Hills Cemetery - roadway work (special revenue fund)				100,000		100,000		
51 . School Furniture Upgrades (revenue financed)				60,000		60,000		
52 . School Technology (revenue financed)				320,000		320,000		
53 . Town/School ADA Renovations (revenue financed)				65,000		65,000		
54 . Town/School Elevator Renovations (revenue financed)				250,000		250,000		
55 . Town/School Energy Conservation Projects (revenue financed)				160,000		160,000		
56 . Town/School Bldg Envelope/Fenestration Repairs (revenue financed)				730,000		730,000		
57 . Town/School Building Roof Repair/Replacement (revenue financed)				375,000		375,000		
58 . Town/School Building Security / Life Safety (revenue financed)				300,000		300,000		
59 . Driscoll School Addition - Feasibility/Schematic Design (revenue financed - Overlay Reserve Surplus)				1,000,000		1,000,000		
60 . Classroom Capacity (revenue financed)				1,750,000		1,750,000		
61 . Ladder #2 Replacement (bond)				900,000		900,000		
62 . Newton St. Landfill - Rear Landfill Closure (bond)				4,600,000		4,600,000		
63 . Village Square and Riverway Park Bike/Pedestrian Improvements Projects (bond/CDBG Sec. 108)				1,200,000		1,200,000		
(4) TOTAL REVENUE-FINANCED SPECIAL APPROPRIATIONS	7,379,000	12,933,500	8,581,000	9,415,000		9,415,000	834,000	9.7%
TOTAL APPROPRIATED EXPENDITURES	198,019,803	212,279,953	221,001,578	227,198,353	1,100,000	228,298,353	7,296,775	3.3%
NON-APPROPRIATED EXPENDITURES						0		
Cherry Sheet Offsets	106,839	109,160	111,026	126,443		126,443	15,417	13.9%
State & County Charges	5,671,508	6,105,553	6,199,912	6,191,139		6,191,139	(8,773)	-0.1%
Overlay	1,910,493	1,958,780	1,726,503	1,700,000		1,700,000	(26,503)	-1.5%
Deficits-Judgments-Tax Titles	7,374	12,394	25,000	25,000		25,000	0	0.0%
TOTAL NON-APPROPRIATED EXPEND.	7,696,214	8,185,887	8,062,441	8,042,582		8,042,582	(19,859)	-0.2%
TOTAL EXPENDITURES	205,716,017	220,465,841	229,064,019	235,240,935	1,100,000	236,340,935	7,276,916	3.2%
SURPLUS/(DEFICIT)	6,604,157	5,400,186	0	0	0	0		

(1) Breakdown provided for informational purposes.

(2) Figures provided for informational purposes. Funds were transferred to departmental budgets for expenditure.

(3) Funds are transferred to trust funds for expenditure.

(4) Amounts appropriated. Bonded appropriations are not included in the total amount, as the debt and interest costs associated with them are funded in the Borrowing category (item #33).

FY15 AMENDED BUDGET - TABLE 2 May, 2015

Department/Board/Commission	Personnel Services/ Benefits	Purchase of Services	Supplies	Other Charges/ Expenses	Utilities	Capital Outlay	Inter-Gov't'al	Debt Service	Agency Total
Board of Selectmen (Town Administrator)	643,349	14,118	4,000	7,600		2,130			671,197
Human Resources Department (Human Resources Director)	281,472	200,503	9,000	31,000		1,390			523,365
Information Technology Department (Chief Information Officer)	1,045,042	599,322	33,850	32,550		41,100			1,751,863
Diversity, Inclusion, and Community Relations (Director)	159,709		9,000	150		250			169,109
Finance Department (Director of Finance)	2,041,479	717,294	43,697	18,865	2,143	22,300			2,845,778
Legal Services (Town Counsel)	587,334	127,559	3,500	111,500		3,000			832,893
Advisory Committee (Chair, Advisory Committee)	21,232		2,275	570		295			24,372
Town Clerk (Town Clerk)	527,086	77,887	13,750	1,400		7,510			627,632
Planning and Community Department (Plan. & Com. Dev. Dir.)	731,403	16,945	9,212	4,550		3,200			765,310
Police Department (Police Chief)	13,615,205	505,169	221,750	64,000	425,423	481,144			15,312,691
Fire Department (Fire Chief)	12,217,365	160,755	146,260	27,650	233,334	220,577			13,005,941
Public Buildings Department (Building Commissioner)	2,163,287	2,118,980	23,170	5,350	2,657,117	56,600			7,024,504
Public Works Department (Commissioner of Public Works)	7,627,972	4,530,752	915,750	40,900	1,331,175	700,000	20,000		15,166,549
Public Library Department (Library Board of Trustees)	2,663,832	181,641	562,600	3,700	316,955	26,000			3,754,728
Health & Human Services Department (Health & Human Svcs Dir)	867,016	199,751	15,100	4,120	40,855	27,720			1,154,562
Veterans' Services (Veterans' Services Director)	159,864	2,609	650	158,185		510			321,818
Council on Aging (Council on Aging Director)	706,884	44,083	18,000	2,900	63,139	5,200			840,206
Recreation Department (Recreation Director)	674,976	56,882	91,480	12,400	166,362	4,020			1,006,120
School Department (School Committee)									86,842,575
Total Departmental Budgets	46,734,507	9,554,249	2,123,044	527,390	5,236,503	1,602,946	20,000		152,641,214
DEBT SERVICE									
Debt Service (Director of Finance)								9,621,757	9,621,757
Total Debt Service								9,621,757	9,621,757
EMPLOYEE BENEFITS									
Contributory Pensions Contribution (Director of Finance)	17,772,573								17,772,573
Non-Contributory Pensions Contribution (Director of Finance)	110,000								110,000
Group Health Insurance (Human Resources Director)	25,136,108								25,136,108
Health Reimbursement Account (HRA) (Human Resources Director)	70,000								70,000
Retiree Group Health Insurance - OPEB's (Director of Finance)	3,311,860								3,311,860
Employee Assistance Program (Human Resources Director)	28,000								28,000
Group Life Insurance (Human Resources Director)	140,000								140,000
Disability Insurance	16,000								16,000
Workers' Compensation (Human Resources Director)	1,450,000								1,450,000
Public Safety IOD Medical Expenses (Human Resources Director)	300,575								300,575
Unemployment Insurance (Human Resources Director)	325,000								325,000
Ch. 41, Sec. 100B Medical Benefits (Town Counsel)	40,000								40,000
Medicare Payroll Tax (Director of Finance)	1,800,000								1,800,000
Total Employee Benefits	50,500,116								50,500,116
GENERAL / UNCLASSIFIED									
Reserve Fund (*) (Chair, Advisory Committee)				2,122,336					2,122,336
Liability/Catastrophe Fund (Director of Finance)				234,839					234,839
Housing Trust Fund (Planning & Community Development Dir.)				170,390					170,390
General Insurance (Town Administrator)		371,500							371,500
Audit/Professional Services (Director of Finance)		130,000							130,000
Contingency (Town Administrator)				15,000					15,000
Out of State Travel (Town Administrator)		3,000							3,000
Printing of Warrants (Town Administrator)	5,000	10,000	10,000						25,000
MMA Dues (Town Administrator)				11,979					11,979
Town Salary Reserve (*) (Director of Finance)	2,321,220								2,321,220
Personnel Services Reserve (*) (Director of Finance)	715,000								715,000
Total General / Unclassified	3,041,220	514,500	10,000	2,554,544					6,120,264
TOTAL GENERAL APPROPRIATIONS	100,275,842	10,068,749	2,133,044	3,081,934	5,236,503	1,602,946	20,000	9,621,757	218,883,353

(*) NO EXPENDITURES AUTHORIZED DIRECTLY AGAINST THESE APPROPRIATIONS. FUNDS TO BE TRANSFERRED AND EXPENDED IN APPROPRIATE DEPT.

ARTICLE 8

BOARD OF SELECTMEN’S SUPPLEMENTAL RECOMMENDATION

On May 12, 2015 the Board of Selectmen reconsidered their vote on the FY2016 budget in order to consider the motion offered by the Advisory Committee. The Board voted, by a vote of 5-0, to vote FAVORABLE ACTION on the budget vote as offered by the Advisory Committee.

ADVISORY COMMITTEE’S SUPPLEMENTAL RECOMMENDATION

BEYOND TRANSITIONAL BUDGETING

A season of change has come for Brookline’s budget. After two years of “bridge” or “transitional” budgeting, the voters have approved a significant operating override by a wide margin. Passage of the override on May 5, 2015, restores substantial short-run stability to the budget. For at least a few years, Brookline’s schools will have the resources to deal with growing enrollment without sacrificing educational quality. The Town also will avoid cuts to important services. In the not-too-distant future, significant budgetary challenges will emerge. Very soon we will need to begin making long-term plans to meet those challenges. Unlike the last two years, however, we do not have to contend with short-term uncertainty.

In FY2014, Brookline adopted a “bridge” budget that was intended to buy time for the Town and the Public Schools of Brookline to formulate a sustainable budget. Despite the efforts of multiple committees, it took longer than a year to generate answers to the fiscal and policy questions raised by an ever-larger school population. Fortunately, slow growth in health insurance costs made it possible for Brookline to adopt a “transitional” budget for FY2015. That budget preserved services, but was not sustainable. It bought time for the override process to run its course.

This report will focus on the effects of the May 2015 override, some highlights of the FY2016 budget, and the long-term fiscal questions that need attention. Passage of the override has changed the context for discussion of all these issues. Some things haven’t changed, however. Large numbers of children continue to enter kindergarten each year, ensuring that enrollment in Brookline’s schools will keep on growing. Benefits costs rise more rapidly than inflation and the growth in revenues in most years. Brookline’s residents continue to expect a high level of services, as well as an open process, professional management, careful planning, and accountability.

THE OVERRIDE, REVENUES, AND EXPENDITURES

The Impact of the May 2015 Override

Passage of the May 2015 operating override has had a major impact on Brookline's fiscal situation. The override's effects include:

- Higher revenue growth in FY2016 and FY2017: Because of the override, property tax revenue will increase by \$6.2 million more than it would have in the absence of an override. This represents a 3.4% increase in addition to the 3.5% increase that would have occurred without an override. The Town will not raise FY2016 property taxes to the maximum level allowed by the May 2015 operating override. There will thus be a further override-related increase of \$1.465 million in FY2017.
- Increased Spending on the Schools: The Public Schools of Brookline will receive \$5,518,000 in override funds in FY2016 and an additional \$1,465,000 in FY2017, enabling the Schools to address the needs of growing enrollment. How the Schools will spend these funds is discussed in more detail below.
- Elimination of Potential Cuts to Town Departments: The *FY-2016 Financial Plan* included \$682,000 in cuts to Town departments and programs that would have taken place if the override had not been approved. Whether these cuts would have been implemented is unclear. The Advisory Committee felt that many were unjustified, but it would have been challenging to find funds to restore the cuts if the override had failed.
- A forecast of balanced budgets for FY2016–2018: Forecasts can be imprecise and some changes are unpredictable, but initial forecasts suggest that neither the Town nor the Schools will incur a deficit for the next three fiscal years. Any predicted deficit would, of course, be rectified by steps to ensure that Town Meeting approved a balanced budget.
- Increases in tax payments by Brookline residents: The *FY-2016 Financial Plan* estimates that the operating override will raise FY2016 taxes by \$364 for single-family residences, \$111 for condominiums, and \$797 for commercial properties. These estimates are for properties with a median assessed value, assume that the residential exemption will be used, and are based on the FY2015 tax rates, assessments, and commercial/residential classification.
- Other revenues and efficiencies, starting in FY2017 and FY2018: The Override Study Committee recommended that any operating override be accompanied by a program of increased non-tax revenues and fees. This proposal is intended not only to raise revenue, but also to diversify the sources of that revenue to avoid over-reliance on property taxes. The Override Study Committee recommended a package of \$2.3 million in higher revenues and fees, as well as \$560,000 in budgetary savings, for a total of almost \$2.9 million to fund the school budget shortfall. After analysis by Town and Schools staff and departments, this total was adjusted to \$2.3 million. Major components include an increase in parking meter rates from \$1.00 to \$1.25/hour (yielding \$850,000) and an increase in the annual trash fee to \$230, which will yield

\$615,000. Savings from adopting Pay-as-You-Throw will save \$440,000 annually. The \$2.3 million in revenues and fees has been considered part of the override package, but full implementation will depend on actions by the Board of Selectmen and approval of budgets by Town Meeting. The current plan calls for \$1.0 million of fee increases and savings in FY2017, followed by \$1.3 million in FY2018.

- Debt exclusion for Devotion School: The property tax increase resulting from the May 2015 debt exclusion override will not start until FY2017, with most of the increase taking place in FY2018.

Revenues

Projected revenues for FY2016 are up 6.1% over FY2015, compared to a projected increase of only 2.7% from FY2014 to FY2015. The higher property tax revenues made possible by the May 2015 override are the main contributor to this large increase. Without the override, overall revenue would have increased by a projected 3.4%.

Brookline's revenue from property taxes will increase by 6.9% in FY2016. The override will enable property tax revenue to rise at approximately double the average rate of recent annual increases. Property taxes are the greatest contributor to our revenues, representing 78% of total revenue in FY2016. Property tax increases are limited by Proposition 2½. The FY2016 increase in the total property tax levy would have been 3.5% in the absence of an override, approximately the rate of increase in previous years. Property tax revenue increases faster than the 2.5% implied by the name of Proposition 2½, because new growth generates additional taxes.

Other revenue sources are also important. In FY2016, State Aid accounts for \$18.7 million. Brookline's state aid has been slowly climbing back to the levels of FY2002, although it has not reached that level on an inflation-adjusted basis. FY2016 State Aid has increased 5.8% over last year. Local Receipts increased by 3.6% to \$23.6 million. This revenue comes from motor vehicle excise taxes, hotel and meals taxes building permit fees, fees for other licenses and permits, the refuse fee, payments in lieu of taxes (PILOTs), and parking fines. A small amount reflects interest income, which remains low due to continued low interest rates. Of these revenue categories, PILOTs are estimated to go up 14.6% compared to FY2015, reflecting the continuing efforts of Town staff to negotiate PILOT agreements with non-profit owners of tax-exempt property.

Free Cash is the result of previous revenues exceeding estimates and/or expenditures coming in below appropriations. For FY2016, State-certified Free Cash is \$7.6 million, an increase of about \$0.5 million over FY2015. The fiscal policies that Brookline has followed in recent years call for maintaining an unrestricted fund balance of at least 10% of annual revenue, with a goal of 12.5%. Bond-rating agencies have expressed concern about the low levels (as a percentage of annual revenue) of Brookline's undesignated fund balance, which ranks 24th among the 25 comparable communities with Aaa/AAA bond ratings. Thus \$2.55 million of the Free Cash will be left unappropriated, bringing the Town's undesignated fund balance to approximately 10.5% of revenue. This leaves just over \$5 million of Free Cash available for appropriation. Some of

this Free Cash is allocated to the Liability/Catastrophe Fund, and the Operating Budget Reserve Fund, and the remaining \$4.2M million of Free Cash is available to our Capital Improvements Program.

All revenue sources—including increased tax revenue resulting from the May 2015 override—produce a total of \$250 million, a 6.1% increase in total revenue, compared to 2.7% in last year’s budget. Some of our \$250 million in General Fund revenue must be deducted for Non-Appropriated Expenses: State/County charges—primarily the Norfolk County and MBTA assessments—of \$6.3 million, “Cherry Sheet” offsets of \$126,000, and the Tax Abatement Overlay of \$1.75 million. This leaves us with a total of \$242 million available for appropriation.

Expenditures

On the expenditure side of the ledger, departmental expenditures (71% of total general expenditures, as in FY2015) increase by 7% to \$165.4 million. Most of the increase is in the Schools appropriation, which climbs by 10.9% to \$96.3 million. (As discussed below, total school spending is higher, because the schools receive additional funding from grants and other sources that are not appropriated by Town Meeting.) Spending for Town departments rises 2% to \$69.1 million. Non-Departmental expenditures increase by 4.9% to \$66.3 million, with all of the increase attributable to the growth in Employee Benefits, which represent 80% of this category and will grow by 6.5% in FY2016. Much of the rest is Debt Service, which totals \$9.5 million, a decline of 1.5%. Additionally, there are revenue-financed Special Appropriations (Capital Improvements Program) of \$10.1 million, up by 7.4%.

There are also the Non-Appropriated expenses of \$8.2 million as mentioned above.

FY2016 Revenues and Expenditures

Revenues

	\$	<u>% change</u>
Property Tax	194,809,198	6.9
Local Receipts	23,593,685	3.6
State Aid	18,652,559	5.8
Free Cash	5,016,500	(1.3)
Other Funds	7,925,643	14.8
Total Revenue	\$ 249,997,585	6.1 %

Expenditures

	\$	<u>% change</u>
Departmental	165,406,912	7.0
Non-Departmental	66,289,333	4.9
Special Appropriations (CIP)	10,113,000	7.4
Non-Appropriated Exp.	8,188,336	(2.9)
Total Expenditures	\$ 249,997,582	6.1 %

DEPARTMENTAL PROGRAMS AND INITIATIVES

On the Town side, there is much more continuity than change in the FY2016 budget, with most departments being level-funded or seeing only a slight increase in their appropriations. Continuity can be a good thing. In the absence of an override, many Town departments would have been slated for cuts outlined in Brookline's *FY-2016 Financial Plan*. As it considered the FY2016 budget, the Advisory Committee devoted much attention to designating which proposed cuts in areas such as mental health, the Department of Public Works, the Police Department, and the Fire Department should be restored and attempting to formulate a "Plan B" for funding those appropriations in the event that the override failed.

The FY2016 budget maintains basic services and continues important initiatives, including the first year of the new Department of Diversity, Inclusion, and Community relations, improvements in energy efficiency and sustainability, and greater cost recovery—particularly in the Recreation Department. A re-organization is underway at the Assessor's Office. A review of Town Counsel's office will determine the appropriate balance between in-house and contracted legal services. The Town Administrator will continue to ask departments to develop better metrics for their performance, and those metrics will be included in the *Financial Plan*.

There are two important areas of change that will affect the lives of many Brookline residents.

- Pay-As-You-Throw

Brookline has been studying a Pay-as-You Throw (PAYT) system for trash collection for many years. The basic logic of PAYT is that charging residents on the basis of trash volume, instead of a flat fee (now \$200) is more equitable and provides a greater incentive for recycling. A few years ago, the Town decided to continue studying PAYT but implemented single-stream recycling in an effort to encourage more recycling. The single-stream approach initially boosted recycling, but the increase has leveled off. PAYT may drive recycling rates higher again.

The planned Brookline PAYT system is also motivated by a desire to improve the efficiency of trash collection. Under the current plan, each homeowner will receive a 35 gallon container ("toter") for weekly trash. These toters can be lifted and emptied by a mechanical arm on each trash truck. Trash collection will require one driver instead of a crew of two. Homeowners who have more than one toter's worth of trash will be required to buy "overflow" bags or another toter.

The proposed system's greater efficiency depends on the combination of PAYT and automated collection. PAYT reduces the volume of trash, making it possible for a driver of a truck equipped with a mechanical arm to rapidly collect the trash. If all homeowners were to put out multiple toters, collection with a mechanical arm would be far more time-consuming and less efficient. Thus it is the synergy between reduced volume and automation that produces greater efficiency.

The Department of Public Works (DPW) will incur some up-front costs: lease-purchase of two automated trucks, and purchase or lease-purchase of 7,800 toters—with the help of a \$200,000 state grant that will pay for 5,500 toters. It will realize savings by having only one crew member per trash truck. Other changes, including moving metals collection in-house, will add to these savings. The DPW estimates that the annual savings will eventually be \$440,000. These savings will be part of the overall package of revenue and efficiencies recommended by the Override Study Committee.

- Preservation Planners

The Advisory Committee's recommended budget includes funding for two full-time preservation planners in the Department of Planning and Community Development, an increase from 1.8 full-time equivalents (FTEs) in FY2015. We are pleased to see that the Selectmen concur with this recommendation. There had been an increase from 1.59 to 1.8 FTEs for preservation planners in FY2013. The Advisory Committee concluded that a further increase was necessary in light of the increased workload. The preservation planners support the Preservation Commission. Their responsibilities include Local Historic District cases and reviews of requests to demolish properties with potential historic or architectural significance.

Since 2003, the number of Local Historic Districts (LHDs) has grown from two (Cottage Farm and Pill Hill) to seven with the establishment of the Graffam-MacKay, Chestnut Hill North, Harvard Avenue, Sargent-Wild, and Lawrence LHDs. This Town Meeting will consider establishing one more, the Crowninshield LHD. Brookline also has established two Neighborhood Conservation Districts (NCDs) in recent years. Several neighborhoods are considering this option.

The new LHDs and NCDs have added to the workload of the preservation staff. According to data provided by Alison Steinfeld, director of the Department of Planning and Community Development, the number of LHD cases increased from 50 in FY2001 to 123 in FY2014. During the same period, the number of demolition cases increased from 28 to 43. There were no NCDs in FY2001, but there will be an estimated five NCD cases in FY2015 and the number is likely to increase as more NCDs are established.

Although the Advisory Committee considered funding an additional full-time preservation planner, which would have brought the total to 3.0 FTEs, it decided to recommend funding 2.0 FTEs for FY2016 and to revisit the issue in future years.

GROUP HEALTH AND BENEFITS

Employee Benefits (including Pensions, Workers' Compensation, Unemployment, Life Insurance and Health Insurance) are one of Brookline's largest expenses. In FY2016, these costs represent more than 23% of our General Appropriation, roughly the same percentage as in FY2015.

- Group Health

The growth in health insurance costs has been one of the major challenges to Brookline's budget in recent years. Health insurance now represents 11% of the budget. The recommended appropriation for FY2016 is \$27.2 million, an increase of 8.3% compared to FY2015.

For FY2016, Brookline's health insurance premium rate increase will be 6.9%, more than the Town Administrator's preliminary estimate of 4% and considerably more than the FY2015 increase of 1.5%. Overall spending on health insurance increases at a more rapid rate than the increase in premiums because the number of enrolled employees is increasing.

Total group health enrollment is estimated at 3,082 for FY2016, divided almost evenly between active employees and retirees. Of the total, 1,718 (55.7%) are or were school employees, while 1,364 are or were Town employees.

Healthcare benefits have been a primary source of increases in Brookline's budget since FY2000. Joining the Group Insurance Commission (GIC) in 2010 caused a sharp drop in healthcare spending, but costs have risen steadily since. Last year's small increase was fortuitous, but anomalous. As the number of active and retired enrollees increases, the group health appropriation will consume a larger and larger share of Brookline's budget.

Some savings in healthcare costs may be possible if Brookline can reduce the share of premium costs it pays on behalf of our employees. Under the current negotiated agreement, which will expire this year, the Town covers 83% of the cost, while employees cover 17%. The state-wide average is closer to 70% municipality/30% employee. Each 1% reduction in the Town's share saves \$270,000.

- Retiree Health: OPEBs

Brookline has a significant obligation to provide healthcare benefits for its current and future retirees. As employees in the Baby Boomer cohort retire and live longer than previous generations, the number of retirees receiving healthcare benefits will continue to grow. We refer to these benefits as Other Post Retirement Benefits (OPEBs). According to the Segal Group, the unfunded liability for Brookline's retiree health obligation was \$198.3 million as of June 30, 2014. The next calculation of the liability will be in 2016.

The Town has taken several steps to manage its OPEB obligations. Entering the GIC in FY2017 reduced the overall cost of healthcare benefits and also substantially reduced the unfunded OPEB liability. In the early 1990s, the Town adopted Chapter 32B Section 18, enabling Brookline to reduce costs by moving retirees into a Medicare coverage.

Brookline has established a post-retirement benefits trust fund to defray OPEB costs. As of January 1, 2015, the fund balance was \$25.4 million. Under Brookline's plan for funding its OPEB liabilities, annual trust fund contributions are appropriated from General Fund revenues, assessments on grants and special revenue funds, Medicare Part D revenue, savings redirected

from the non-contributory retirement health plan, and one-time revenues. Brookline's OPEB funding plan adds \$250,000 each year to the base contribution.

After FY2030, when the Pension Fund is scheduled to be fully funded, Brookline will be able to accelerate OPEB funding by redirecting its Pension Fund contributions to OPEBs. Those contributions are expected to exceed \$30 million per year by then.

By following its current plan, the Town may reach the Annually Required Contribution (ARC) level by FY2024. Additional relief may be felt if there are future changes in State regulations regarding vesting requirements for post-retirement healthcare benefits. Seeking such a change was among the many recommendations of the Override Study Committee.

Brookline is among the few communities in Massachusetts that sets aside funds to cover its OPEB liability. We should congratulate ourselves for being fiscally responsible, but we also should bear in mind that Brookline's OPEB obligations are exceptionally large in both absolute and relative terms. Brookline's unfunded OPEB liability represents approximately 80% of annual revenue. Of the twenty-five comparable Massachusetts communities with Aaa/AAA bond ratings, only Newton has a larger unfunded liability. We have made a good start, but we have a long way to go. Only disciplined adherence to the current funding plan will reduce our unfunded liability.

The recommended budget for FY2016 appropriates \$3.5 million for the Retiree Group Health Trust Fund. The sooner we pay down this unfunded liability, the sooner we can reap the savings benefits.

- Pensions

Brookline maintains a defined benefit pension system for Town and School employees, with the exception of teachers, who are covered by a state pension system. Many newer positions in the Schools tend to be aides, and therefore may be eligible for the Town pension system. Currently, there are 3,530 employees (active, inactive, and retired) and their survivors in the Town pension system.

Brookline maintains a pension fund that was valued at \$260 million on December 31, 2014. The next valuation is scheduled for January 1, 2016. The unfunded liability was \$192.6 million. The unfunded liability has been increasing in recent years as the number of eligible employees and retirees has grown and returns on the invested funds have been inconsistent. After a 28% loss due to poor investment returns in 2008, the Town increased its annual contributions and extended the funding schedule so that Brookline will reach full funding in 2030 instead of the previous target date of 2028. The Retirement Board, which controls the pension fund, voted to reduce the assumed annual rate of return on investments from 8.15% to 7.75% and then to 7.6%

The annual amount that Brookline contributes to its pension fund is determined by a State-authorized funding schedule. The FY2016 contribution will be \$18.7 million, a 4.6% increase over FY2015.

THE SCHOOL BUDGET

Spending on the Schools, whether in the Schools budget or for school-related expenses in the Town budget accounts for almost 60% of Brookline’s appropriations. The General Fund appropriation for the Schools will increase by \$9,447,804 (10.9%) in FY2016. Of this increase, \$5,218,000 is from funds generated by the May 2015 override. The increased funds will be devoted to: (1) changes directly related to the enrollment increases anticipated through FY2019; (2) increases in professional support staff to make up for the last several years during which support staff has been held constant as enrollment has increased; (3) increases related to new programs, most notably the rollout of a plan to significantly increase the technology tools available to teachers, and to provide training and support for using those tools; (4) increases related to managing the use of Old Lincoln to house Devotion students, the renovation of which is being driven by enrollment increases.

The Advisory Committee, its School Subcommittee, and (previously) the Override Study Committee have discussed many aspects of the Schools budget with members of the School Committee and the central administration of the Public Schools of Brookline. As explained in detail below, the Advisory Committee hopes that the Schools will revise the annual school budget to make it more transparent and understandable.

The Advisory Committee recognizes that the Schools have made remarkable efforts to respond to increasing enrollment while simultaneously initiating new programs and approaches—especially in the area of special education—that have yielded budgetary savings. The 2015 override removes the need for major cuts to school programs and enables the Schools to enjoy a period of sustainable budgets. School operating budgets and the continuing need for additional classroom capacity will, however, be important dimensions of our fiscal challenges in the not-too-distant future.

The Advisory Committee’s report on the FY2016 school budget appears below.

CAPITAL IMPROVEMENTS PROGRAM (CIP)

Setting aside a percentage of the annual revenues and free cash for capital projects has enabled Brookline to renovate or expand a large percentage of its public buildings, schools, parks, and other facilities in recent years. CIP funds have been devoted to Town Hall, the Health building, the main library, the Public Safety Building, Brookline High School, the Lawrence, Baker, Heath, and Runkle Schools, and the creation of new parks, among many other projects. We no longer talk of the “shabbification” of Brookline’s public facilities.

Less obviously, Brookline’s approach to financing the CIP has enabled it to maintain a level of bonded debt per capita that is far lower than almost all of the other Massachusetts communities with Aaa/AAA bond ratings. As of June 20, 2014, Brookline’s bonded debt was \$1,249 per resident and ranked second among the twenty-five Aaa/AAA communities (excluding Boston, Cambridge, and municipalities with populations under 16,000). Only Barnstable—a very

different community—had a lower bonded debt per capita. Newton, Winchester, Wellesley, Belmont, Andover, and Concord had debt per capita two or three times as high as Brookline. In the coming years, however, the CIP will come under increasing strain and our debt per capita will double. The CIP for FY2016–2021 does not include funds for a 9th elementary school or similar program to expand classroom capacity, and it includes only \$35 million for expansion of the high school. There is some risk that the CIP will fall short of the objective stated in the Town’s CIP policies, to “... create a long-term financial plan that can be achieved within the limitations of the Town’s budget.”

The Devotion School renovation and expansion is the most notable project in the FY2016 CIP. The current estimate of the cost of this project is approximately \$120 million, with \$46 million to be financed by a General Fund bond, \$45 million by the May 2015 debt exclusion, and approximately \$28 million by MSBA reimbursement. The MSBA will meet in early June to determine the amount it will contribute toward this project.

The FY2016 CIP also funds other initiatives to address overcrowding in the schools, including additional improvements and modifications to the Old Lincoln School; installing two modular classrooms at the Baker School; leasing space in Brookline Village for the Pierce School; and leasing additional space for pre-kindergarten (BEEP) programs and a central registration office.

Of the several studies that will be funded in the FY2016 CIP, the proposed \$100,000 study of the Centre Street East parking lot has attracted the most attention. The Department of Planning and Community Development would hire a consultant to develop conceptual plans to improve pedestrian and bicycle access, create public space(s), and add a decked parking structure with up to three levels, possibly incorporating solar panels. One reason for considering a parking structure is the need to provide parking for Devotion School employees during the renovation of that school. Coolidge Corner residents have objected to a decked parking structure in the past. This study offers an opportunity to revisit that issue, but in the broader context of renovating and improving a parking lot that has not been updated for about 50 years.

Major CIP items for parks and open space include the renovation of the Brookline Avenue Playground and the Pierce Playground. The CIP also finances the renovation of the roof of the Brookline Reservoir gatehouse, which was recently declared a National Historic Landmark.

The infrastructure improvements and repairs in the CIP include additional bike lanes and street and sidewalk repair.

The CIP also funds IT upgrades, rehabilitation of fire apparatus, and various renovations and repairs to Town buildings.

The Advisory Committee has provided detailed descriptions of each of the many projects in the FY2016 CIP in its Combined Reports budget summary.

BEYOND THE OVERRIDE

The May 2015 operating override (Question 1) was supported by a large majority of Brookline’s voters. The margin of victory (61%-39%) would have been regarded as a landslide in a presidential election. The margin was approximately the same as in 2008, when a smaller operating override was on the ballot. A number of possible factors might explain the outcome of the 2015 vote. First, the “Yes” campaign may have been more effective and better organized, enabling it to identify its likely supporters and get them to the polls. Second, demographic changes may have increased the number of Brookline voters who are willing and able to pay higher taxes to support Brookline’s public schools. Third, the message of the “Yes” campaign may have resonated better with the voters. The second factor may make it more likely that Brookline will approve future overrides, but that outcome is far from certain.

Future Fiscal Challenges and Potential Tax and Fee Increases

As noted previously, the May 2015 override brings fiscal stability and increased funding—especially for the schools—for several years. Nevertheless, Brookline will face additional fiscal challenges—some likely, others less so—during the next five years. Three stand out: (1) renewed deficits, particularly in the school budget, that may require another operating override; (2) the need to finance construction of a 9th elementary school; and (3) the need to finance expansion of Brookline High School.

- Another Operating Override?

Brookline has traditionally preferred large but infrequent overrides, unlike many communities that have opted for small but frequent—even annual—override votes. Our first general override was in 1994. Fourteen years later, we had our second override in 2008. Only seven years elapsed until the next override. There is a risk that the next override vote will come even sooner.

The Override Study Committee only looked at a three-year period (FY2016–2018) and suggested that another operating override would be necessary after that period. According to its report: “the operating override would cover a period of three years of expenses (FY16 through FY18, i.e., July 1, 2015 to June 30, 2018), and that further operating overrides/debt exclusions might be required... [i.e.] another operating override vote in May 2018.”

The most recent (as of May 18, 2015) five-year forecast of the school budget indicates that the 2015 override and related revenue will ensure that there will be no deficits during the FY2016–2018 period. In FY2019 and FY2020, however, the school budget is forecast to have a deficit in the \$2–3 million range. These forecasts are in line with past forecasts of future deficits that have not always materialized. The forecasts are prudently conservative in estimating future revenues, and they do not take into account many possible efficiencies and savings. Past experience suggests that we can defer anticipated overrides for longer than initially expected. Nevertheless, Brookline may need to consider another operating override in four or five years. We should begin the discussion sooner, not later.

- A 9th Elementary (K-8) School?

As school enrollment has grown, Brookline has explored and implemented many steps to add classroom space. Additional classrooms have been constructed at K-8 schools (e.g., Heath, Runkle, and Lawrence) and other spaces have been repurposed as classrooms. Space has been rented outside the schools, particularly to accommodate BEEP programs. In 2013, the B-SPACE committee and the School Committee endorsed the “expand in place” approach, but when the MSBA declined to consider Brookline’s proposal to expand the Driscoll School, the option of a 9th K-8 school re-emerged. The question remains open, but building a 9th K-8 school may be considered the optimal way to expand classroom capacity. Constructing a new school would be less disruptive to current students, parents, and teachers, and (possibly) less costly. It also would prevent the existing K-8 schools from becoming excessively large. The Override Study Committee estimated that a three-section K-8 school would cost \$47 million (plus the cost of buying the site for the school, if necessary), with \$30 million paid for by the Town and \$17 million by the MSBA. This cost estimate is likely to increase, so it is probably fair to say that a new K-8 school would cost at least \$50-60 million. Paying for such a school would require a debt exclusion override. There are no funds in the CIP for a 9th K-8 school or for any projects that would add a similar number of classrooms.

- Brookline High School Expansion and Renovation

When the increased enrollment in Brookline’s K-8 schools moves on to Brookline High School, that school will become overcrowded. Discussions and studies already have begun on how to add space and improve the high school. The CIP includes \$35 million for expansion of the high school in FY2019, but that amount would have to be supplemented by MSBA funding and a debt exclusion, because the expansion would cost considerably more.

These challenges are significant, but not insurmountable. Because they are likely to emerge at approximately the same time, we will need to address them— and perhaps other fiscal challenges that may arise—jointly, not individually. We will need to consider residents’ capacity to pay, the full range of options available, and the need to develop an inclusive process of integrated long-term planning.

Affordability and Capacity to Pay

When do property taxes become unaffordable? Do Brookline residents have the capacity to pay higher taxes? How much is too much? These are important questions in determining how much to raise property taxes. The Override Study Committee devoted a significant amount of its report to these issues, which will need to be taken into account.

Analyzing the affordability of taxes is complicated, for several reasons. First, property taxes are only one component of the (high) cost of living in Brookline. Second, estimates based on the mean, median, or “typical” taxpayer or property overlook huge differences in individual circumstances and preferences. Third, it is very difficult to know what the “tipping point” is that will drive some residents to move out of Brookline; it will certainly vary considerably from

person to person and family to family. Fourth, higher property taxes may place a burden on residents with low or moderate incomes, but those residents may also benefit from any appreciation in property values due to maintaining excellent schools and other services. For such residents, the value of their residence may be a large fraction of their overall net worth.

The Override Study Committee analyzed how income levels in Brookline compare to those in similar communities and pointed out that many Brookline residents devote a significant percentage of their income to taxes and housing costs. (The Brookline Community Foundation also has produced an important report on poverty in Brookline.) These analyses are valuable, but it is also necessary to consider how Brookline's tax burden and residents' income are changing over time. Comparisons with other communities may overlook distinctive characteristics of Brookline's residents. Some of us, for example, may move to Brookline because we are willing to pay a larger share of our income for excellent schools and services. Comparisons of Brookline's past and present to its future, on the other hand, tell us a lot about where we've been and where we're going.

One of the most important ways to measure capacity to pay is to ask whether the cost of Brookline's government (including fees and local taxes) is increasing faster than the incomes of Brookline's residents. Deputy Town Administrator Sean Cronin's January 6, 2015 "Growth in the Cost of Government" presentation to the Board of Selectmen examined this question and reached two important conclusions:

(1) *The cost of government as a percentage of income has remained stable since 1995.* Whether measured as a percentage of per capita income (about 14%), median household income (about 9%), or median family income (about 6%), the cost of government as a percentage of income actually has fallen slightly since FY1996. In other words, taxes and fees have increased at about the same rate as incomes have increased.

(2) *The cost of government has increased relatively slowly.* Since FY1991, taxes and fees have increased at a 3.7% annual rate. Since FY2006, the rate has been only 3.0%. This rate of increase is approximately 1% higher than the inflation rate.

Sean Cronin's presentation also concludes that since FY2005 Brookline's residential tax bills have grown more slowly than in comparable communities and the growth rate actually ranks in the bottom 20% of 323 communities for which data are available. This is an impressive achievement that testifies to the skill and fiscal prudence of the Town's leadership. These findings suggest that Brookline's government has been well managed, but they don't tell us much about the future.

The question we need to confront is whether future tax and fee increases will be much higher than in the past, and also if they will outstrip the increase in the incomes of Brookline's residents. Sean Cronin's report reveals that the large increases in the costs of government in override years (6% in FY1995, 7.1% in FY2009) were offset by lower increases in other years, bringing the average rate of increase down to relatively low levels.

(Note that former Selectman Richard Benka has pointed out that Sean Cronin's analysis of the cost of government assumes that all property-owners take advantage of the residential exemption. In reality, many do not, so the actual cost of government is higher. This may be true, but it does not affect the rate of increase in the cost of government, only the average cost per individual, household or family. One might also argue that Brookline residents' income only keeps up with the increasing cost of government because higher-income residents are moving into Brookline and displacing low- and moderate-income residents. There is no doubt that affluent people have moved to Brookline, but the relatively low rate of annual increase in income—about 3–4% or 1% above the inflation rate—may be consistent with the fact that Brookline's existing population includes many well-educated professionals who would be likely to experience higher-than-average income growth.)

The 2015 override and the annual increase that would have occurred without the override increase the cost of government by approximately 7%. The tax increase for FY2017 will be lower, but the cost of government will probably increase by about 5% when the fee increases are implemented and property taxes rise by the amount allowed by Proposition 2½. An additional override and two potential debt exclusions may be necessary, as noted above. (The end of an existing debt exclusion in FY2021 will offset these increases, but only be a relatively small amount.)

Increases in the cost of government that exceed the rate of growth in income probably cannot be sustained annually. Either residents will decide that they cannot pay an ever-increasing share of their income in taxes and fees or low- and moderate-income residents will move out of Brookline and be replaced by high-income newcomers. Previous overrides and debt exclusions have been followed by slower increase in the cost of government. We have successfully absorbed large increases in override years (FY1995, FY2009, and now FY2016) because the overrides have been infrequent and the cost of government has remained modest in other years. As we consider future overrides and debt exclusions, we should look at the long-term trends and try to limit the rate of growth of the cost of government to approximately the same rate as the growth in incomes. This will not be easy, and in the short- and medium-term the rate at which the cost of government increases may rise above long-term trends, but it will be essential to look at the full range of options available, including efficiencies and savings, as well as new revenue.

Efficiencies and Savings

Over the years, many committees have studied Brookline's budget and attempted to identify potential efficiencies and savings. The 2009 Efficiency Initiative Committee is one prominent example. The recent 2013–2014 Override Study Committee continued this process. Many policies and practices to reduce spending and deliver services more efficiently have been implemented, leaving little “low-hanging fruit,” as recognized by the Override Study Committee. This does not mean that it will be impossible to cut or limit the growth of town or school spending, but it suggests that further efficiencies and savings will require more effort or will involve difficult choices.

Looking back over several decades, the Town and Schools have made impressive progress. For example, the DPW performs well with reduced personnel and is planning further efficiencies. The schools have maintained a level cost per pupil, achieved significant savings in Special Education, and are implementing some ideas from the Override Study Committee, such as delaying assignment of nonresident students until May or later so that they can be assigned where space is available. These and other actions have contributed to our modest long-term growth in the cost of government.

Many of the cuts suggested over the years have been rejected as too unpopular or too painful, including:

- Allowing maximum class sizes to rise to about 22-24 (K-3) and 25 (4-12). (The OSC School Programs Task Forces estimated that allowing K-8 class sizes to rise to an average of 22 would save \$1.08 million annually.)
- Limiting METCO or Materials Fee programs
- Reducing the number of firefighters per apparatus or per engine from four to three
- Eliminating one of the seven fire companies and closing a fire station
- Reducing library book purchases
- Reducing spending on mental health

If the past is any guide, we will be reluctant to revisit any of these recommendations, but they are likely to be on the agenda for any future efficiency or override committees.

There is, however, at least one step that could produce substantial and immediate savings. The Town currently pays 83% of the cost of employees' health insurance premiums. Many other Massachusetts communities pay no more than 70–75%. Each 1% reduction in the Town's share yields an estimated \$270,000 in savings. Thus reducing the Town's share to 75% would save over \$2 million. Reducing it to 70% would save over \$3.5 million. Such savings would go a long way toward reducing the need for a further operating override, or at least postponing it.

Brookline could achieve further savings in its health care costs by encouraging employees to enroll in HMO (not PPO) plans.

On the capital side, choices made about a possible 9th elementary school and the expansion of the high school will determine the size of debt exclusion overrides. Those choices should be made in the overall context of this community's capacity to pay.

Generating More Revenue by Expanding the Tax Base

One of the most promising ways to address Brookline's fiscal challenges is to generate new revenue by expanding the commercial tax base. Commercial development does not place demands on Brookline's schools. Commercial properties also pay taxes at a higher rate than residential properties. Brookline thus has attempted to promote commercial development as a solution to fiscal problems. This strategy is one of the most appealing responses to Brookline's

fiscal concerns, although ensuring that development is compatible with the fabric of our neighborhoods can be challenging.

Three major development projects that will greatly expand the commercial tax base are moving forward or will be soon.

- The hotel on the former Red Cab site on Route 9 is under construction. It will generate new property tax revenue of \$50,000 in FY2016, \$595,000 in FY2017, and \$215,000 in FY2018, as well as increased hotel tax revenue of \$50,000 in FY2017 and \$275,000 in FY2018.
- The redevelopment of Brookline Place to create a major medical and other office complex is expected to begin soon. Town Meeting has approved the necessary zoning changes. New property tax revenues are expected to be \$685,000 in FY2018, \$1 million in FY2019, and \$615,000 in FY2020.
- A hotel and a related retail and residential development, including senior housing, at the former Circle Cinema site in Cleveland Circle has been permitted. Estimates of increased tax revenue are not available, although it is reasonable to assume that this development will generate hundreds of thousands of property and hotel taxes annually.

The Planning Department staff, other Town boards and commissions, residents who have been involved in the process—and the respective developers—all deserve much credit for moving these projects toward fruition.

Nevertheless, Brookline's experience with these projects shows how hard it is to expand the commercial tax base. Each of these development projects took approximately a decade to bring to fruition. Each required many meetings and complex site-specific zoning changes. Most of the increased revenue is already factored in the future budget projections.

The most important concern is that no commercial projects of a similar size are in the pipeline. Thus we should not assume that a dramatic increase in revenue from commercial development will be available soon. If we hope to use further increases in commercial tax revenue to address Brookline's fiscal challenges, we will need to redouble our efforts and to look at new ideas. The Economic Development Advisory Board (EDAB) has scheduled a meeting on June 8 to discuss different approaches to encouraging commercial development.

Principles that Should Guide the Process

As we confront our long-term fiscal challenges, we should keep in mind three principles.

- Integrated Long-Term Planning: The Town, the Schools, the Selectmen, and the Advisory Committee will need to coordinate their efforts so that separate and incremental decisions do not make our budgetary outlook even more complicated.
- Consensus and Compromise: Neither side in the recent override debate should start planning to fight the next battle. Instead, we should begin working together. The less divisive the solution, the better.

- Transparency and Accountability: This report has called for more transparency in the Schools budget. More generally, there will need to be an open process that will guarantee that all voices are heard and that we can be confident that the key issues are being addressed. Brookline’s residents also will want to see that new programs are cost-effective.

SHORT- AND MEDIUM-TERM STABILITY, LONG-TERM CHALLENGES

Last year, the Advisory Committee’s budget report concluded, “Brookline’s FY15 budget provides stability and continuity, but it doesn’t solve our looming problems.” The report noted that there would almost certainly be an override on the ballot, and observed that “how the Town structures that override, and how we as a community respond, will define (or re-define) what Brookline will be.”

Brookline has made its decisions about the 2015 override. Those decisions will shape the budgets for FY2016 and beyond. The long-term fiscal challenges, posed largely but not solely by the continued growth in school enrollment, mean that more important decisions remain. Making those decisions will test our imagination, resources, will, and (probably) patience. The choices we make will have a major impact on the character of our community. We should make them as wisely as possible, with our eyes wide open.

The Advisory Committee thanks the Town Administrator, Deputy Town Administrator, Board of Selectmen, department heads, School Committee, and the central administration of the Public Schools of Brookline for their work on the FY2016 budget and for their assistance to the Advisory Committee during the budget process. We also thank the Override Study Committee for its extraordinary dedication and commend its report to anyone interested in more information on Brookline’s fiscal challenges and choices.

By a vote of 17–0–5, the Advisory Committee submits the FY2016 Town Budget with a recommendation of FAVORABLE ACTION

Advisory Committee Report to Town Meeting on the Public Schools of Brookline FY2016 Budget

The Public Schools of Brookline submitted two budgets for FY2016. The “override” version was developed to respond to the voters’ acceptance of the \$7.665 million operating override that was passed on May 5. The “base” or “no override” version was built for the case in which the override was defeated.

For FY2016, the operating override adds \$5,218,000 to the base for a total of \$96,290,380. Total School spending including school-related spending in the Town budget is \$148,476,557. Beyond the appropriation included in Article 8, the Schools have access to additional funds:

Public Schools of Brookline Funding Summary: FY2016	
General Fund Appropriation incl. override (included in Article 8)	\$ 96,290,380
Other School budget funds (Fees, etc.)	\$ 3,276,613
Special Funds (Grants & revolving funds)	\$ 12,912,445
School-related spending in the Town budget (benefits, building, etc.)	\$ 36,297,119
Total Schools & School-related spending	\$148,776,557

The Advisory Committee recommended approval of the Schools’ request for a \$96,290,380 General Fund Appropriation.

The Advisory Committee also asked the Schools for follow-up reports on certain programs and it asked for specific steps to make the School budget more transparent.

The tables on the following three pages provide a more detailed list of funding sources for the Schools for FY2015 and FY2016, a summary of the spending for each School program account for FY 2016, and a look at both enrollment history and projections. Most of the data comes from the Superintendent’s Recommended FY 2016 Budget issued on May 18, 20115 in draft form, which includes funds from the May 5th override. But some of the data comes from the Preliminary Budget (pre-override). We have tried to footnote data sources to help the reader follow the numbers.

Looking forward, the budget is built on the assumption that incoming kindergarten classes will average 650 students on an ongoing basis, and the graphs and tables below show the enrollment history and projections through 2022.

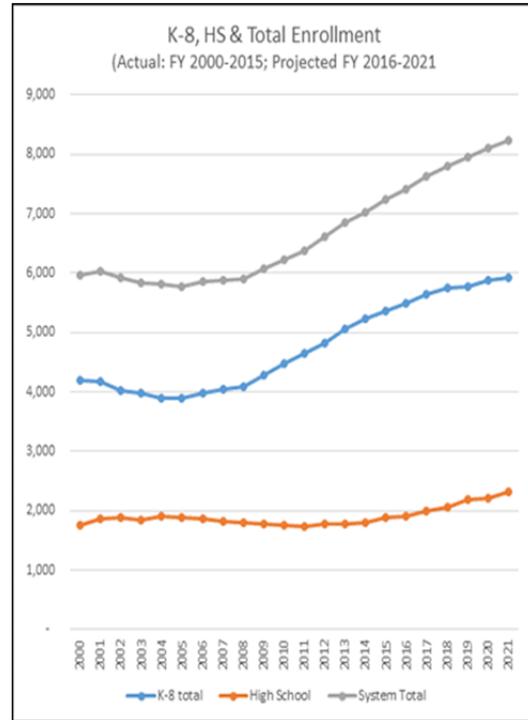
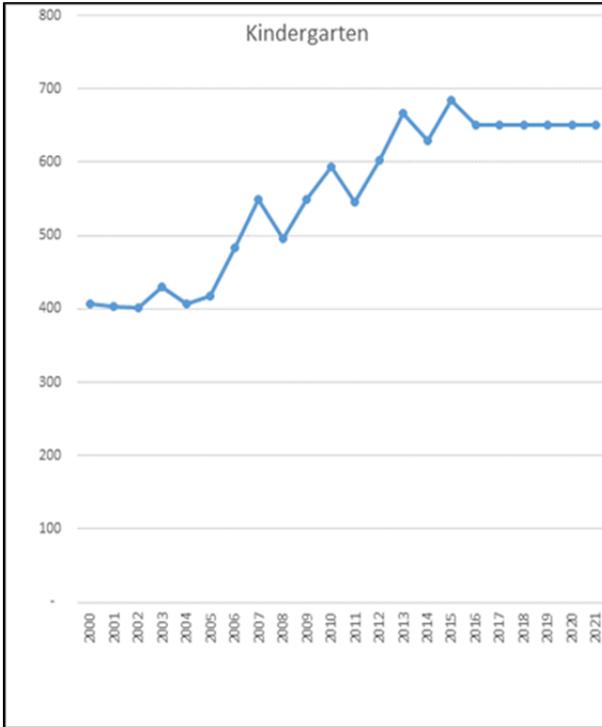
Report Structure

- Part 1 of this report covers the changes in the FY 2016 budget that are being funded by the override.
- Part 2 looks at the budget as a whole.
- Part 3 discusses the size of a prospective operating override for 2019/2020.
- Part 4 offers a brief review of the Town-School Partnership, the mechanism that allocates revenue between Town and School.

Public Schools of Brookline Funding: FY 2015 & FY 2016					
Spending Category	FY 2015	FY 2016	\$ Change	% Change	Reference
General Fund Appropriation					
General Fund Appropriation, base budget	\$ 86,842,576	\$ 91,072,380	\$ 4,229,804	4.87%	Sup't's Recommended Budget
Override funds		\$ 5,218,000	\$ 5,218,000		Prelim. Budget P. 32 & 33
Total General Fund Appropriation	\$ 86,842,576	\$ 96,290,380	\$ 9,447,804	10.88%	
Other School budget Funds					
Tuitions and fees	\$ 675,744	\$ 675,744	\$ -	0.00%	Sup't's Recommended Budget
Facility rental	\$ 150,000	\$ 225,000	\$ 75,000	50.00%	"
Circuit Breaker (State special ed. aid)	\$ 1,756,509	\$ 1,566,509	\$ (190,000)	-10.82%	"
Revolving Fund Reimbursement	\$ 150,680	\$ 150,680	\$ -	0.00%	"
Other Revenue (one-time items)	\$ 1,083,780	\$ 358,680	\$ (725,100)	-66.90%	"
Subtotal: Other School Budget Funds	\$ 3,816,713	\$ 2,976,613	\$ (840,100)	-22.01%	
Special Funds					
Grant Funds	\$ 5,728,562	\$ 5,694,447	\$ (34,115)	-0.60%	Sup't's Recommended Budget
Revolving Funds	\$ 7,226,342	\$ 7,378,574	\$ 152,232	2.11%	"
Subtotal: Special Funds	\$ 12,954,904	\$ 13,073,021	\$ 118,117	0.91%	
Total Public Schools of Brookline budget	\$ 103,614,193	\$ 112,340,014	\$ 8,725,821	8.42%	
School-related spending in the Town budget					
Personnel benefits	\$ 21,515,813	\$ 23,825,916	\$ 2,310,103	9.70%	Est.; 28.2% of personnel direct costs
Building repairs & maintenance	\$ 4,576,784	\$ 4,589,710	\$ 12,926	0.28%	Prelim. Budget P. 330
Other Town spending on behalf of Schools	\$ 9,149,093	\$ 7,881,493	\$ (1,267,600)	-13.85%	"
Subtotal: School Items in the Town budget	\$ 35,241,690	\$ 36,297,119	\$ 1,055,429	2.99%	Prelim. Budget P. 358 adj. for override
Total Schools & School-related spending	\$ 138,855,883	\$ 148,637,133	\$ 9,781,250	7.04%	
Total, Town + Schools	\$ 235,632,058	\$ 249,529,902	\$ 13,897,844	5.57%	n/incl Town enterprise funds
Percentage spent by & on behalf of Schools	58.9%	59.6%			

Use of Funds for Direct Programs - FY 2016 Budget (as of May 18, 2016)						
Program or Activity	Personnel- Direct	Services, Supplies, Other	Direct Program Costs	Benefits (average of 28.30%)	Total Program Costs	2016 Staff (FTE's)
Administration	\$ 1,417,542	\$ 11,519	\$ 1,760,017	\$ 401,180	\$ 2,161,197	12.8
Supervision	\$ 5,250,011	\$ 380,018	\$ 5,630,029	\$ 1,485,811	\$ 7,115,840	54.43
Transportation	\$ 104,144	\$ 1,643,900	\$ 1,748,044	\$ 29,474	\$ 1,777,518	2
Student Body Activities	\$ 211,634	\$ -	\$ 211,634	\$ 59,895	\$ 271,529	0
Ed. Technology & Info. Science	\$ 2,223,336	\$ 1,597,275	\$ 3,820,611	\$ 629,229	\$ 4,449,840	25
Athletics	\$ 384,411	\$ 149,901	\$ 534,312	\$ 108,793	\$ 643,105	0
Psychological Services	\$ 1,349,909	\$ 41,258	\$ 1,391,167	\$ 382,039	\$ 1,773,206	15.9
Medical Services	\$ 1,159,970	\$ 32,671	\$ 1,192,641	\$ 328,284	\$ 1,520,925	15.61
Information Technology Services	\$ 750,117	\$ 499,674	\$ 1,249,791	\$ 212,291	\$ 1,462,082	10.8
Guidance	\$ 2,759,839	\$ 38,770	\$ 2,798,609	\$ 781,065	\$ 3,579,674	31.4
School-Within-a-School	\$ 378,078	\$ 10,325	\$ 388,403	\$ 107,000	\$ 495,403	4.3
World Language	\$ 3,871,887	\$ 104,967	\$ 3,976,854	\$ 1,095,787	\$ 5,072,641	50.7
English Language Learners (ELL)	\$ 2,349,838	\$ 106,482	\$ 2,456,320	\$ 665,030	\$ 3,121,350	27.55
Visual Arts	\$ 1,385,582	\$ 110,843	\$ 1,496,425	\$ 392,135	\$ 1,888,560	17.34
English/Language Arts	\$ 2,895,946	\$ 222,174	\$ 3,118,120	\$ 819,585	\$ 3,937,705	34.94
Mathematics	\$ 4,047,233	\$ 207,993	\$ 4,255,226	\$ 1,145,411	\$ 5,400,637	50.5
Performing Arts	\$ 2,037,428	\$ 73,841	\$ 2,111,269	\$ 576,615	\$ 2,687,884	27.02
Physical Education	\$ 1,932,793	\$ 39,405	\$ 1,972,198	\$ 547,002	\$ 2,519,200	25.2
Special Education	\$ 18,250,322	\$ 6,126,076	\$ 24,376,398	\$ 5,165,042	\$ 29,541,440	332.1
Literacy Specialists	\$ 1,902,605	\$ 142,392	\$ 2,044,997	\$ 538,458	\$ 2,583,455	22.8
Health Education	\$ 420,660	\$ 58,999	\$ 479,659	\$ 119,051	\$ 598,710	5.3
Science	\$ 2,893,713	\$ 165,679	\$ 3,059,392	\$ 818,953	\$ 3,878,345	35.63
Social Studies	\$ 2,689,937	\$ 125,079	\$ 2,815,016	\$ 761,282	\$ 3,576,298	32.03
Career & Technology Education	\$ 713,784	\$ 67,478	\$ 781,262	\$ 202,009	\$ 983,271	8.58
Kindergarten	\$ 2,874,470	\$ 118,765	\$ 2,993,235	\$ 813,507	\$ 3,806,742	46.55
Elementary	\$ 14,384,819	\$ 564,043	\$ 14,948,862	\$ 4,071,062	\$ 19,019,924	200.04
BHS Program Support	\$ 1,113,582	\$ 427,727	\$ 1,541,309	\$ 315,156	\$ 1,856,465	15.69
General Instruction	\$ 2,280,079	\$ 506,324	\$ 2,786,403	\$ 645,287	\$ 3,431,690	10.53
Building Service	\$ 2,455,395	\$ 863,395	\$ 3,318,790	\$ 694,904	\$ 4,013,694	41.93
Totals	\$ 84,489,064	\$ 14,436,973	\$ 99,256,993	\$ 23,911,334	\$ 123,168,327	1,156.7

Enrollment, Actual & Projected, FY 2000 – FY 2021



Although slope of the line showing the size of kindergarten classes (the lowest line) is not steep, the effect is cumulative.

Thus a 50-student increment each year adds up to 500 additional students in the system after just 4 years.

Base year 6000

1st year 50 over base = 6050 total

2nd year 100 over base = 6150

3rd year 150 over base = 6300

4th & later years: 200 over base = 6500

Even if subsequent classes level off at that point, the population grows by 200 a year through the next five years, and then the growth slows and levels out as the smaller cohorts graduate.

	2000	2001	2002	2003	2004	2005	2006	2007
Kindergarten	407	404	402	430	406	418	484	549
K-8 total	4,196	4,168	4,031	3,978	3,901	3,886	3,986	4,054
High School	1,765	1,860	1,884	1,850	1,910	1,889	1,870	1,829
System Total	6,368	6,432	6,317	6,258	6,217	6,193	6,340	6,432
	2008	2009	2010	2011	2012	2013	2014	2015
Kindergarten	495	549	593	546	602	666	630	684
K-8 total	4,098	4,290	4,469	4,652	4,827	5,067	5,228	5,354
High School	1,808	1,782	1,748	1,726	1,777	1,774	1,802	1,893
System Total	6,401	6,621	6,810	6,924	7,206	7,507	7,660	7,931
	2016	2017	2018	2019	2020	2021		
Kindergarten	650	650	650	650	650	650		
K-8 total	5,499	5,640	5,749	5,765	5,884	5,914		
High School	1,910	1,984	2,049	2,189	2,215	2,326		
System Total	8,059	8,274	8,448	8,604	8,749	8,890		

Part 1: Spending Changes, FY15 to FY16

There are four categories of increased spending included in the School budget:

1. Changes directly related to the enrollment increases anticipated through 2019 (indicated by an asterisk in the following table)
2. Increases in professional support staff to make up for the last several years during which support staff has been held constant as enrollment has increased
3. Increases related to new programs, most notably the rollout of a plan to significantly increase the technology tools available to teachers, and to provide training and support for using those tools.
4. Increases related to managing the use of Old Lincoln to house Devotion students, the renovation of which is being driven by enrollment increases.

The following table summarizes the increases in proposed FY 2016 spending:

Spending Funded by the 2015 Override		
Expenditure Category	Increase in FTEs	Increase In FY 2016 Budget
Collective Bargaining		\$ 1,533,120
Steps and Lanes		\$ 675,000
Regular education contingency		\$ 225,000
Special education contingency		\$ 475,000
Benefits contingency		\$ 250,000
Grant contingency		\$ 100,000
Enrollment growth - base *	9.54	\$ 587,130
Enrollment growth - programs *	10.4	\$ 1,261,604
Special education *	21.18	\$ 1,282,648
Student svcs. (nurses, guidance) *	7.3	\$ 493,800
High School (student services) *	2.54	\$ 132,130
Athletics		\$ 50,000
Central administration	2	\$ 250,000
Enrichment & Challenge Support *	1.9	\$ 136,300
Devotion building project		\$ 50,000
Technology	2	\$ 726,150
Administrative support	3	\$ 150,000
Upper Devotion @ Old Lincoln	9.9	\$ 677,078
Adjustments pending FY 15 final		\$ 67,844
Total increases	69.76	\$ 9,122,804
Line items followed by an asterisk (*) indicate enrollment-related expenses; subcommittee's categorization		
<i>Ref.: PSB FY 16 Preliminary Budget, Pages 33 - 36</i>		

Discussion

Enrollment Growth

At this stage, no one can deny that enrollment in Brookline schools has increased substantially, driven by incoming kindergarten classes in the range of 650 children. In FY2008 there were 5,906 students; in FY2016 the Schools expect 7,400 students (a 25% increase in overall enrollment since 2008 and an increase of 38% in K-8). In FY2022 the Schools project that enrollment will level out at approximately 8,240 students, a 39.5% increase from 2008. As the larger kindergarten cohorts move through the grade levels, they put pressure on elementary schools first. That pressure will start to reach the high school in 2019. The Override Study Committee estimated that the short term marginal cost per student is approximately \$11,000. This estimate would suggest that the 1,500-student increase from 2008 to 2016 accounts for \$16.5 million of the FY2016 budget, not including the capital costs associated with adding classrooms at Heath and Runkle Schools.

Instructional Technology

The Schools plan to add infrastructure and devices for student use, along with training for teachers. The Advisory Committee agreed that the plan is an appropriate investment as long as

teachers receive training, and as long as the Schools monitor the staff's effective use of the new technology tools. To that end, the budget includes a training staff of eight Education Technology Specialists in the elementary schools and one in the high school whose job is to train and support teachers.

Follow-up: The Advisory Committee would like to see data from monitoring the use of technology in conjunction with the budget for FY2017, tracking teachers' use of new technology, especially use of new applications and software platforms.

The School's IT infrastructure planning and procurement is coordinated with the Town's to avoid duplication of effort or spending. To further this coordination, the heads of the Schools' and the Town's IT efforts are in discussion about how to allocate tasks related to educational software platforms.

Follow-up: In advance of the November 2015 Town Meeting, the Advisory Committee will ask what aspects of platform selection and support will be handled by the Town's IT department and what aspects are handled by the Schools, and for the rationale for that allocation of tasks.

Special Education

Special education accounts for \$23,644 million in spending,¹ or about 22% of the total School budget. The Schools have reduced the number of special education students in out-of-district placements by developing in-house programs that are less expensive and are accepted by parents. Out-of-district placements dropped from an average of 83 during the FY2010–FY2013 period to 59 in FY2015² even as the number of SPED students increased. The average cost of an out-of-district placement is approximately \$75,000.³ The savings for each student brought back into a Brookline Schools program is reduced by the cost of staffing that program—about 0.5FTEs per SPED student on average—and by a decrease in State “Circuit Breaker” funds of about \$14,580 per student. Still, the savings from the drop in out-of-district placements is \$1 million annually net of the reduction in Circuit Breaker reimbursement,⁴ plus improved quality of life for students and their families.

The Schools have done an admirable job in reducing out-of-district placement costs. The savings have been a contributor toward financing the cost of enrollment growth, but the sharp drop in out-of-district placements has a floor and is not likely to continue.

¹ FY 2016 Preliminary Budget, Page 153

² FY 2016 Preliminary Budget, Page 321; subsequent changes increased the number to 61

³ Data provided by the Schools to the League of Women Voters suggests an average cost of about \$75,000 per pupil in out-of-district placements.

⁴ The amount spent for out-of-district placements dropped from \$7.26 million in FY2012 to \$5.91 million in FY2015, a reduction of \$1.35 million. Circuit Breaker reimbursement dropped by \$350,000 from FY2014 to FY2016.

Collective Bargaining and Group Health Insurance

A 1% increase in salaries totaling \$766,760 is built into the current collective bargaining agreement, which runs through FY2016. The FY2016 budget adds a further 1% for a total of \$1,533,120. These amounts are beyond the \$675,000 budgeted for Steps and Lanes increases that are related to seniority and the achievement of higher qualifications by individual teachers.

The School administration needs to compare apples-to-apples data vs. comparable school districts for its own forthcoming negotiations with the teachers' union, but the data will not be compiled until shortly before the administration begins negotiating with the union in late spring.

Follow-up: The Advisory Committee's School Subcommittee was promised a meeting in the May/June timeframe to look at the comparative data.

Group health insurance benefits account for the major portion of the Schools' estimated \$23.8 million in projected personnel benefits in FY2016, an increase of \$2.3 million over FY15. For every dollar spent on direct costs, the Schools pay another \$0.28 for staff benefits. Almost two-thirds of the cost of benefits is attributable to the cost of health insurance.

Moving healthcare insurance procurement to the Group Insurance Commission saved the Town nearly \$1.3 million, but Brookline pays 83% of employees' health care costs, a substantially higher percentage than many other municipalities. This percentage is negotiated for all Town and School employees as a group and is fixed by contract through FY2016.

Follow-up: Negotiating to reduce the Town's share of GIC costs was one of former Deputy Town Administrator Sean Cronin's recommendations to the OSC. Each 1% reduction in the employer's share reduces the annual cost by \$270,000 for the Schools alone. ***The Advisory Committee believes there is an urgent need to reduce the employer contribution for the next collective bargaining contract period.***

Part 2: The School Budget as a Whole

Personnel costs account for 85% of the budget, and services account for a further 11%. Eighty-three percent of personnel costs are for classroom instruction.⁵

Teachers and other classroom staff not including Special Ed. or ELL	52%
Special Education & English Language Learners	<u>31%</u>
Total, classroom instruction	83%
Support (guidance, clerical, medical psych, etc.)	13%
Administrative & supervisory	<u>4%</u>
Grand Total	100%

Clearly, understanding personnel costs is key to understanding the structure and scope of the School budget and of the programs and aspirations of the Schools.

To that end, the Advisory Committee recommends substantial changes in the way the PSB presents its annual budget. The budget makes it difficult for people who are not directly involved in the Schools to understand the purposes of each of the Schools' programs or get a complete understanding of how funds are spent. The following changes would provide a clearer sense of the purposes and cost of each program and a comprehensive wrap-up of the Schools' activities.

Specifically:

1. The Brookline budget is packed with numerical data. The Superintendent's Message at the beginning of the budget explains the overall philosophy and goals, but the budget needs narrative to explain what each of the programs are meant to accomplish, and how accomplishments are measured. The narrative in the Lexington, MA school budget provides a good model, although it would be improved by adding a general introduction.
2. The cost of benefits for School staff is carried in the Town budget, and the amount allocated to the Schools is appended on the last page of the School budget. Only the direct costs of employees are shown in the descriptions of the Schools' myriad programs. It is important to recognize the fully loaded cost of School employees. Benefits add \$22.8 million to the Schools' personnel costs, an amount that should not be relegated to an appendix. Benefits and other indirect employment costs should be broken out and shown on the pages for each program, and elsewhere wherever personnel costs are shown.

If our recommendation is followed, page 100 of the FY2016 Preliminary Budget, which showed total personnel costs of \$373,143 for the Athletics program, would show "Personnel: Direct

⁵ Note that the percentage of expenses accounted for by personnel costs is slightly less—75%—for programs covered by grant funds.

Costs” of that amount and “Personnel: Indirect Costs.” of approximately \$79,421, followed by “Personnel: Total Costs” of \$452,564.⁶

Similarly, budget messages showing the cost of added staff should include the added indirect costs associated with each new position.

The Superintendent noted that other Massachusetts school districts follow the format we recommend even where the benefit programs are administered by the town administration, so there does not seem to be any barrier to adopting this format other than tradition.⁷

3. The Schools and particularly retiring Deputy Superintendent Peter Rowe were very helpful in explaining the detail during the Advisory Committee’s review of the School budget. Senior staff knows the budget almost by heart, but their familiarity with it may prevent them from seeing how opaque parts of it are.

That the budget should be clearer is true even at the top level of the budget document. For example, page 38 shows a \$94 million General Fund in the Preliminary Budget and \$12.9 million in special funds. Page 39 shows the allocation of expenses among various categories such as personnel and services, but the allocation is for the General Fund and does not include personnel costs related to the \$12.9 million in special funds.

Similarly, there is an excellent summary of the full list of School programs on pages 60–65 of the Preliminary Budget, but Building Services is omitted from the more detailed description of each program account on pages 80 through 198, so the total shown at the end of the summary on page 65 does not match the total drawn from the detail. Figuring out what’s missing could be a frustrating experience for members of the public trying to grasp the whole picture painted by the budget.

4. Summaries comparable to the “Use of Funds for Direct Programs” table in this report would help the public understand the overall costs of running the Schools. Broadly, all related data should all be grouped on a single schedule whenever possible, and when that is not possible, footnotes should draw the reader’s attention to the schedules that contain related data.
5. The FY2016 budget shows only the direct salary costs for METCO, not including benefits, plus \$17,435 in indirect costs.⁸ There is no direct or indirect cost allocation for the Materials Fee program. We recommend that the School budget reflect both the revenue and the fully loaded costs of the METCO and Materials Fee programs using the same format as the General Fund

⁶We recommend applying a flat percentage across all programs and departments rather than trying to adjust for variances in benefits between programs.

⁷Note that the Town budget shows an allocation for benefits to each department in a format that is similar to the format the subcommittee recommends for the Schools. See the Town of Brookline *FY-2016 Financial Plan*, p. IV-43 for an example of the way benefits are shown, in this case for the Public Safety budget.

⁸ FY2016 Preliminary Budget, Page 234

Detail, with separate line items allocating direct and indirect personnel costs, operating revenues, and capital costs.

The Schools adopted the Override Study Committee's suggestion to delay assignment of METCO and Materials Fee students until late in May so that the administration can follow some semblance of a space-available policy. We agree with the Override Study Committee's view that the Materials Fee program in particular should be operated in accordance with the Schools' stated policy of admission based on space available.

The Advisory Committee has been told that both Materials Fee and METCO students requiring outplacement to meet their SPED needs are returned to their home school districts, which are responsible for meeting those costs. Materials Fee and METCO students with IEPs that do not require out-of-district placement utilize the programs Brookline has established for resident students. Approximately 12% of the students who are Brookline residents have IEPs vs. approximately 24% of METCO students.

Beyond the need to improve the Schools' budget document, the Advisory Committee recognizes that there is a need to begin planning now for the costs of future enrollment growth beyond FY2019/FY2020, by which time the additional capacity funded by the recent override will have been exhausted. Although the School Committee has full authority for this planning, it may benefit from making use of the resources available from Town staff and committees.

Part 3: Prospects for a Future Operating Override

The May 2015 operating override was designed to cover costs due to enrollment increases through FY 2018. ***There are too many moving parts to make more than an approximation of the size and timing of a future operating expense override,*** but there is enough information to provide some general guidance.

The Schools' five-year budget projection issued on May 18, 2015 shows a deficit of \$2–3 million starting in FY2019. However, the five-year projection is based on the same appropriately conservative revenue estimates used by the Town, and thus projects that the appropriation for the Schools will only increase by 2.45% in FY2019 and 2.19% in FY2020. Historically, revenue has increased at a rate of 3.5 to 4.0%, although annual increases vary. If that pattern holds, and if inflation remains low, it is reasonable to think that an additional operating override could be postponed beyond FY2020. But even with better-than-projected increases in revenue, assuming a continuation of the current enrollment pattern, a future override may be needed to cover increased costs subsequent to FY2020.

How much would a future override cost? At this point, any estimate will be highly uncertain. If one assumes that the projected deficits of \$2–3 million will emerge in FY2019, that amount might need to be covered by an override.

A second approach to estimating the likely size of a future override for Schools spending would be to use the Override Study Committee's figure of \$11,000 as the short term marginal cost of

each additional student. If \$11,000 is the marginal cost per student, adding 400 students during FY2019–FY2021 would thus add a further \$4.4 million before adjusting for inflation.

A third approach, which has not been used before and may be subject to greater uncertainty, would be to use the increased cost of enrollment growth to date as a basis for projecting the likely size of an override to cover the cost of projected enrollment growth. This approach yields an estimate of at least \$3.893, as follows:

- In FY2008, there were approximately 6,000 students in Brookline public schools.
- Enrollment is likely to reach 8,200 students in FY2022
- Thus the increase of 2,200 students between FY2008 and FY2022 represents 100% of the projected enrollment growth.
- In FY2016 (September 2015), there will be approximately 7400 students.
- The increase of 1,400 students over FY2008 is 1400/2200ths of the total, or 64% of the total projected increase.
- The Schools’ projection shows that enrollment will reach 7800 in FY2018.⁹
- The increase of 1,800 students over 2008 is 1800/2200ths of the total, or about 82% of the total projected increase.

Thus, assuming a continued intake of 650 kindergarten students each year, in FY2016 we will be 64% of the way toward a flattening of the growth curve, and in 2018 we will be about 82% there.

The current operating override includes \$3.893 million¹⁰ to cover three years of increasing enrollment (FY2016 through FY2018), during which 18% of the total projected enrollment growth will occur. Therefore, it seems reasonable that the Schools will need an additional override of at least that magnitude in FY19 to cover the growth in enrollment that is projected to occur from FY2019 through FY22. But as noted above, high-than-projected revenue increases would provide an extra year or two of relief.

These estimates are the product of the Advisory Committee’s School Subcommittee, not the Schools.¹¹

In addition, we have to expect capital exclusion overrides for additional K-8 classrooms or a new K-8 school and for expansion of the high school. Annual debt service costs will depend on future interest rates, the cost of these projects, and the amount of funding received from the Massachusetts School Building Authority (MSBA).

⁹ FY2016 Preliminary Budget, page 52

¹⁰ The line items followed by an asterisk in the table on page 5 of this report; subcommittee’s categorization.

¹¹ Brookline tends to have overrides that are larger but less frequent than other towns with similar financial pictures. Since 2000, Wellesley, which has an Aaa bond rating from Moody’s, has had 10 operating expense overrides and 8 debt exclusion overrides (not all for the schools, and not all of which passed). See <http://www.wellesley.ma.gov/pages/FOV1-0001FDBB/OVERRIDEINDEX>

Part 4: Town Fee Increases and the Town-School Partnership

Fee increases by the Schools and by the Town

The Schools increased fees for use of school facilities by approximately \$300,000 in both versions of the FY2016 budget, and the three-year projection developed by the Schools include funding from increases by the Selectmen in fees for parking meters and trash collection on the order of \$2 million. Those fee increases will be needed by the Schools in the FY2017 and FY2018 budgets.

The Town-School Partnership

The Town-School Partnership allocates changes in revenue between the Town and the Schools. The Partnership, which was developed in 1995, was unanimously endorsed by the 2014 Override Study Committee. It provides a stable framework for allocating revenue between the Town and the Schools and is being emulated elsewhere in Massachusetts.¹² Because the Partnership is complex, it may be useful to describe the way it works for the benefit of Town Meeting members who are not aware of how it has worked.

Under the agreement, any change in total revenue is shared equally between the Town and the Schools, after first deducting seven specific types of fixed costs, including changes in student enrollment and Special Education tuition, plus half of all other SPED costs. Other fixed costs (building, insurance, etc.) are allocated in proportion to use. The Town and Schools are respectively responsible for all of their own personnel costs.

The Partnership's operation is overseen by the Town-School Partnership Committee, which consists of the Town Administrator, the Superintendent of Schools, and representatives from the Selectmen, the School Committee, and the Advisory Committee. Its agenda and minutes are posted on the Town website. The Town-School Partnership Committee is purely advisory and has no statutory authority. As a practical matter the calculations are put together by the senior staff of the Town and the Schools.

The Town-School Partnership simply sets a context for dividing revenues and expenses. The actual numbers vary from year to year, and the mechanism has been effective at dividing resources equitably between competing demands. Most important, it provides a stable and predictable framework for fiscal and educational planning.

**Advisory Committee Report on the FY2016
Capital Improvement Program (CIP)
Recommendations and Project Descriptions**

The Advisory Committee's report on the FY2016 CIP was included in the initial mailing of the Combined Reports.

¹²E.g., Auburn; Swampscott; Oak Bluffs; Rehoboth.

RECOMMENDATION

The Advisory Committee recommends Favorable Action on the following vote:

VOTED: To approve the budget for fiscal year 2016 set forth in the attached Tables I and II; to appropriate the amounts set forth for such fiscal year in the departments and expenditure object classifications within departments, as set forth in Tables I and II, subject to the following conditions; to raise all sums so appropriated, unless other funding is provided herein; and to establish the following authorizations:

1.) **TRANSFERS AMONG APPROPRIATIONS:** Transfers between the total departmental appropriations separately set forth in Tables I and II shall be permitted by vote of Town Meeting or as otherwise provided by Massachusetts General Laws Chapter 44, Section 33B(b). Within each separate departmental appropriation, expenditures shall be restricted to the expenditure object classifications set forth in the recommendation of the Advisory Committee, and voted by the Town Meeting, for each department, subject to the following exceptions:

- A) Expenditures within the appropriation for the School Department shall not be restricted.
- B) The following transfers within the appropriations for each department (other than the School Department and the Library Department), shall be permitted only with the prior written approval of the Board of Selectmen and Advisory Committee:
 - i) Transfers from the appropriation for the capital outlay object classification to any other object classification.
 - ii) Transfers to the appropriation for the personal services object classification from any other object classification.
 - iii) Any transfer which has the effect of increasing the number of positions or the compensation for any position, exclusive of adjustments in wages and benefits voted separately by Town Meeting.
 - v) Transfers within the Department of Public Works from the Parks Division to any other purpose.
 - vi) Transfers within the Department of Public Works from the Snow and Ice budget to any other purpose.
- C) Transfers within the Library Department appropriation shall be permitted with the approval of the Board of Library Trustees, and written notice of such approval shall be submitted promptly to the Advisory Committee, Town Administrator and Town Comptroller.

- D) All other transfers within the total appropriation for a particular department shall be permitted with the written approval of the Town Administrator, subject to review and approval of the Board of Selectmen, and upon the condition that written notice of each such approval shall be submitted promptly to the Advisory Committee and Town Comptroller.

2.) PROCUREMENT CONTRACTS AND LEASES: The Chief Procurement Officer is authorized to lease, or lease with an option to purchase, any equipment or capital item funded within the FY2016 budget, and to solicit and award contracts for terms of not more than four years, provided that in each instance the longer term is determined to be in the best interest of the Town by a vote of the Board of Selectmen.

3.) ALLOCATION OF SALARY ADJUSTMENTS: Appropriations for salary and wage adjustments (Item #21) shall be transferred by the Town Comptroller to the various affected departments within (60) days from the beginning of the fiscal year, or in the absence of duly approved collective bargaining agreements, within (60) days of the approval of the collective bargaining agreements by Town Meeting. The Board of Selectmen shall determine the salaries, which may include merit adjustments, for employees not included in any collective bargaining agreement.

Should a balance remain after the Town Comptroller has made the transfers specified herein, said balance shall be transferred by the Town Comptroller to a budget line entitled Personnel Services Reserve (Item #20), which shall be used to fund costs incurred over the course of the fiscal year pursuant to employee contracts and/or established personnel policies. The Town Comptroller shall include an accounting of all transfers made from this reserve in the Annual Financial Report.

4.) STIPENDS / SALARIES OF ELECTED OFFICIALS: The stipends of members of the Board of Selectmen shall be at the rate of \$4,500 per year for the Chairman and at the rate of \$3,500 per year for each of the other four members. The annual salary of the Town Clerk shall be at the rate of \$103,784 effective July 1, 2015, plus any adjustment approved by vote of the Board of Selectmen. The Town Clerk shall pay all fees received by the Town Clerk by virtue of his office into the Town treasury for Town use.

5.) VACANT POSITIONS: No appropriation for salaries, wages, or other compensation shall be expended for any benefit-eligible position which has become vacant during the fiscal year unless the Board of Selectmen, at an official meeting, has determined that the filling of the vacancy is either essential to the proper operation of the Town or is required by law. This condition shall not apply to appropriations of the School Department.

6.) GOLF ENTERPRISE FUND: The following sums, totaling \$1,376,312 shall be appropriated into the Golf Enterprise Fund, and may be expended under the direction of the Park and Recreation Commission, for the operation of the Golf Course:

Salaries	\$470,099
Purchase of Services	\$126,648
Supplies	\$193,950
Other	\$8,100
Utilities	\$103,919
Capital	\$76,050
Debt Service	\$194,755
Reserve	<u>\$25,000</u>
Total Appropriations	\$1,198,521
Indirect Costs	<u>\$177,791</u>
Total Costs	\$1,376,312

Total costs of \$1,376,312 to be funded from golf receipts with \$177,791 to be reimbursed to the General Fund for indirect costs.

7.) WATER AND SEWER ENTERPRISE FUND: The following sums, totaling \$28,325,606, shall be appropriated into the Water and Sewer Enterprise Fund, and may be expended under the direction of the Commissioner of Public Works for the Water and Sewer purposes as voted below:

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Salaries	2,121,310	399,776	2,521,086
Purchase of Services	190,598	163,200	353,798
Supplies	102,020	21,000	123,020
Other	8,900	1,680	10,580
Utilities	102,945	0	102,945
Capital	268,300	236,500	504,800
Intergovernmental	6,878,359	13,184,091	20,062,450
Debt Service	855,691	1,522,056	2,377,747
Reserve	<u>121,025</u>	<u>159,426</u>	<u>280,451</u>
Total Appropriations	10,649,148	15,687,729	26,336,877
Indirect Costs	<u>1,574,389</u>	<u>414,340</u>	<u>1,988,729</u>
Total Costs	12,223,537	16,102,069	28,325,606

Total costs of \$28,325,606 to be funded from water and sewer receipts with \$1,988,729 to be reimbursed to the General Fund for indirect costs.

8.) REVOLVING FUNDS:

- a.) The Park and Recreation Commission is authorized to maintain and operate, under the provisions of General Laws Chapter 44, Section 53E1/2 and Chapter 79 of the Acts of 2005, a revolving fund for special recreation programs and events. All receipts from said programs and events shall be credited to the fund. Annual expenditures from the fund shall not exceed \$3,100,000.
- b.) The Building Commissioner is authorized to maintain and operate, under the provisions of General Laws Chapter 44, Section 53E1/2 and Chapter 79 of the Acts of 2005, a revolving fund for the repair and maintenance of the Town's rental properties, including all those listed in the vote under Article 13 of the Warrant for the 1999 Annual Town Meeting. All receipts from said rental properties shall be credited to the fund. Annual expenditures from the fund shall not exceed \$150,000.
- c.) The Commissioner of Public Works is authorized to maintain and operate, under the provisions of General Laws Chapter 44, Section 53E1/2 and Chapter 79 of the Acts of 2005, a revolving fund for the construction and reconstruction, upkeep, maintenance, repair and improvement of sidewalks and walkways along public streets and ways over, across and through town owned property. Annual expenditures from the fund shall not exceed \$100,000.
- d.) The Director of Planning and Community Development is authorized to maintain and operate, under the provisions of General Laws Chapter 44, Section 53E1/2 and Chapter 79 of the Acts of 2005, a revolving fund for the Façade Improvement Loan Program. Annual expenditures from the fund shall not exceed \$30,000.

9.) SCHOOLHOUSE MAINTENANCE AND REPAIR: The sum of \$4,653,731, included within the Building Department appropriation for school building maintenance, shall be expended for School Plant repair and maintenance and not for any other purpose. The listing of work to be accomplished shall be established by the School Department. The feasibility and prioritization of the work to be accomplished under the school plant repair and maintenance budget shall be determined by the Superintendent of Schools and the Building Commissioner, or their designees.

10.) SNOW AND ICE BUDGET: The sum of \$497,309, included within the Department of Public Works appropriation for snow and ice operations, shall be expended for snow and ice operations and not for any other purpose, unless transferred per the provisions of Section 1.B.vi of this Article.

11.) INTERFUND TRANSFERS: In order to fund the appropriations voted for the various departments itemized on Table 1, the Town Comptroller is authorized to make the following interfund transfers:

Parking Meter Special Revenue Fund	\$4,300,000
[to the General Fund for the Department of Public Works - \$2,150,000]	
[to the General Fund for the Police Department - \$2,150,000]	
Cemetery Sales Special Revenue Fund	\$ 75,000
[to the General Fund for the Department of Public Works]	
Recreation Revolving Fund	\$ 354,124
[to the General Fund for benefits reimbursement]	

12.) BUDGETARY REPORTING: The Town Comptroller shall provide the Advisory Committee with a report on the budgetary condition of the Town as of September 30, December 31, March 31, and June 30, within 45 days of said dates. This financial report shall include a summary of the status of all annual and special appropriations voted in this article; a report on the status of all special appropriations voted in prior years which remain open at the reporting date; and a summary of the status of all revenues and inter-fund transfers which have been estimated to finance the appropriations voted under this article.

13.) SPECIAL APPROPRIATIONS: The appropriations set forth as items 35 through 72, inclusive, in Table 1 shall be specially appropriated for the following purposes. In addition, with the exception of Items #67 - 72, they shall be transferred from the General Fund to the Revenue-Financed Capital Fund.

- 35.) Raise and appropriate \$270,000, to be expended under the direction of the Chief Information Officer, with any necessary contracts to be approved by the Board of Selectmen, for the enhancement of town-wide hardware and software.
- 36.) Raise and appropriate \$200,000, to be expended under the direction of the Chief Information Officer, with any necessary contracts to be approved by the Board of Selectmen, for data room upgrades.
- 37.) Raise and appropriate \$25,000, to be expended under the direction of the Chief Procurement Officer, with the approval of the Board of Selectmen, for town furniture upgrades.
- 38.) Raise and appropriate \$125,000, to be expended under the direction of the Building Commission, with any necessary contracts to be approved by the Board of Selectmen for maintenance of town garage floors.

- 39.) Raise and appropriate \$75,000, to be expended under the direction of the Director of Planning and Community Development, with any necessary contracts to be approved by the Board of Selectmen, for a strategic asset plan to focus on public facilities.
- 40.) Raise and appropriate \$100,000, to be expended under the direction of the Director of Planning and Community Development, with any necessary contracts to be approved by the Board of Selectmen, for the development of a conceptual study for the Center Street East Parking Lot and surrounding area.
- 41.) Raise and appropriate \$75,000, to be expended under the direction of the Chiefs of Police and Fire, with any necessary contracts to be approved by the Board of Selectmen, for study of the future needs for the public safety computer aided dispatch (CAD) system.
- 42.) Raise and appropriate \$300,000, to be expended under the direction of the Fire Chief, with any necessary contracts to be approved by the Board of Selectmen, for the rehabilitation of Fire Department apparatus.
- 43.) Raise and appropriate \$31,000, to be expended under the direction of the Commissioner of Public Works, with the approval of the Board of Selectmen, for traffic calming studies and improvements; provided that the Department of Public Works and Transportation Board provide status reports to the Board of Selectmen on a semi-annual basis.
- 44.) Raise and appropriate \$105,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen, for bicycle access improvements; to meet the appropriation raise \$75,000; transfer \$30,000 from the balance remaining in the appropriation voted under Article 11, section 12, Item 56 of the 2003 Annual Town Meeting.
- 45.) Raise and appropriate \$1,590,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen, for the rehabilitation of streets, with notification, in advance of plans being submitted for bids, to the Board of Selectmen of any changes to pedestrian, bicycle, or motor vehicle traffic patterns or to pavement markings.
- 46.) Raise and appropriate \$297,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen, for the rehabilitation of sidewalks.
- 47.) Raise and appropriate \$220,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen, for the conversion of Town-owned streetlights to LED's.

- 48.) Raise and appropriate \$650,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen, for renovations to the Municipal Service Center (MSC).
- 49.) Raise and appropriate \$890,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen and the Park and Recreation Commission, for the renovation of Brookline Avenue Playground, provided that no funds shall be expended for construction prior to December 1, 2015.
- 50.) Raise and appropriate \$40,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen and the Park and Recreation Commission, for the design of the renovation of Corey Hill Playground.
- 51.) Raise and appropriate \$60,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen and the Park and Recreation Commission, for the design of the renovation of Emerson Garden Playground.
- 52.) Raise and appropriate \$250,000, to be expended under the direction of the Building Commission, with any necessary contracts to be approved by the Board of Selectmen, for the restoration of the Brookline Reservoir Gatehouse roof.
- 53.) Raise and appropriate \$230,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen and the Park and Recreation Commission, for the rehabilitation of tennis courts and basketball courts.
- 54.) Raise and appropriate \$300,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen, for the renovation of playground equipment, fields, and fencing.
- 55.) Raise and appropriate \$90,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen, for the rehabilitation of Town and School grounds.
- 56.) Raise and appropriate \$225,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen and the Tree Planting Committee, for the removal and replacement of trees.

- 57.) Raise and appropriate from the Sale of Lots special revenue fund (SW01) \$50,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen and the Cemetery Trustees, for the rehabilitation of roadways within Walnut Hills Cemetery.
- 58.) Raise and appropriate \$675,000, to be expended under the direction of the Recreation Director, with any necessary contracts to be approved by the Board of Selectmen and the Park and Recreation Commission for pool repointing and locker room renovations at the Evelyn Kirrane Aquatics Center.
- 59.) Raise and appropriate \$70,000, to be expended under the direction of the Chief Procurement Officer, with any necessary contracts to be approved by the Board of Selectmen and the School Committee, for school furniture upgrades.
- 60.) Raise and appropriate \$80,000, to be expended under the direction of the Chief Information Officer, with any necessary contracts to be approved by the Board of Selectmen and the School Committee, for costs associated with mobile carts in the Brookline Public Schools.
- 61.) Raise and appropriate \$70,000, to be expended under the direction of the Building Commissioner, with any necessary contracts to be approved by the Board of Selectmen, for ADA renovations to Town and School buildings.
- 62.) Raise and appropriate \$275,000, to be expended under the direction of the Building Commission, with any necessary contracts to be approved by the Board of Selectmen and, with respect to School Buildings, by the School Committee, for improvements to elevators in Town and School facilities.
- 63.) Raise and appropriate \$165,000, to be expended under the direction of the Building Commissioner, with any necessary contracts to be approved by the Board of Selectmen, for energy conservation projects in Town and School buildings.
- 64.) Raise and appropriate \$185,000, to be expended under the direction of the Building Commissioner, with any necessary contracts to be approved by the Board of Selectmen, for upgrades to energy management systems in Town and School facilities.
- 65.) Raise and appropriate \$195,000, to be expended under the direction of the Building Commissioner, with any necessary contracts to be approved by the Board of Selectmen and, with respect to School Buildings, by the School Committee, for improvements to life safety systems and building security in Town and School facilities.

- 66.) Raise and appropriate \$2,250,000, to be expended under the direction of the Building Commission, with any necessary contracts to be approved by the Board of Selectmen and the School Committee, for the expansion of classroom capacity in various schools; to meet the appropriation raise \$1,250,000; transfer \$1,000,000 from the balance remaining in the appropriation voted under Article 8, Section 13, Item 58 of the 2014 Annual Town Meeting.
- 67.) Appropriate \$980,000, to be expended under the direction of the Commissioner of Public Works, with any necessary contracts to be approved by the Board of Selectmen and the Park and Recreation Commission, for the renovation of Pierce Playground, and to meet the appropriation, authorize the Treasurer, with the approval of the Selectmen, to borrow \$980,000 under General Laws, Chapter 44, Section 7 (25), as amended, or pursuant to any other enabling authority, provided that no funds shall be expended for construction prior to December 1, 2015.
- 68.) Appropriate \$3,000,000, to be expended under the direction of the Commissioner of Public Works, with the approval of the Board of Selectmen, for wastewater system improvements, and to meet the appropriation, authorize the Treasurer, with the approval of the Selectmen, to borrow \$3,000,000 under General Laws, Chapter 44, Section 7 (1), as amended, or pursuant to any other enabling authority; and authorize the Selectmen to apply for, accept, receive and expend grants, aid, reimbursements, loans, and all other forms of funding and financial assistance from both state and federal sources and agencies for such purpose.
- 69.) Appropriate \$1,000,000, to be expended under the direction of the Recreation Director, with any necessary contracts to be approved by the Board of Selectmen and the Park and Recreation Commission for golf course improvements, and to meet the appropriation, authorize the Treasurer, with the approval of the Selectmen, to borrow \$1,000,000 under General Laws, Chapter 44, Section 7 (25), as amended, or pursuant to any other enabling authority.
- 70.) Appropriate \$1,550,000, to be expended under the direction of the Building Commission, with any necessary contracts to be approved by the Board of Selectmen and, with respect to School Buildings, by the School Committee, for building envelope / fenestration repairs to Town and School buildings, and to meet the appropriation, authorize the Treasurer, with the approval of the Selectmen, to borrow \$1,550,000 under General Laws, Chapter 44, Section 7 (3A), as amended, or pursuant to any other enabling authority.
- 71.) Appropriate \$1,200,000, to be expended under the direction of the Building Commission, with any necessary contracts to be approved by the Board of Selectmen and, with respect to School Buildings, by the School Committee, for roof repairs and replacements in Town and School facilities, and to meet the appropriation, authorize the Treasurer, with the approval of the Selectmen, to

borrow \$1,200,000 under General Laws, Chapter 44, Section 7 (3A), as amended, or pursuant to any other enabling authority.

- 72.) Appropriate \$1,000,000, to be expended under the direction of the Building Commission, with any necessary contracts to be approved by the Board of Selectmen and the School Committee, for remodeling, reconstructing, or making extraordinary repairs to the Old Lincoln School, and to meet the appropriation, authorize the Treasurer, with the approval of the Selectmen, to borrow \$1,000,000 under General Laws, Chapter 44, Section 7 (3A), as amended, or pursuant to any other enabling authority.
- 73.) That the Town appropriate the sum of \$118,400,000, for the renovation of and the construction of additions to the Edward Devotion School located at 345 Harvard Street in the Town of Brookline, Massachusetts and as further described as Parcel ID No. 048-13-00 in the Town of Brookline Assessor's map, which school facility shall have an anticipated useful life as an educational facility for the instruction of school children for at least 50 years, said sum to be expended under the direction of the Building Commission, with any necessary contracts to be approved by the Board of Selectmen and the School Committee, and to meet said appropriation, the Treasurer, with the approval of the Board of Selectmen, is authorized to borrow said sum under M.G.L. Chapter 44, as amended, or any other enabling authority; that the Town acknowledges that the Massachusetts School Building Authority's ("MSBA") grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the Town incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town; provided further that any grant that the Town may receive from the MSBA for the Project shall not exceed the lesser of (1) 38.30% of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA; and that the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the Town and the MSBA;

14.) FREE CASH: Appropriate and transfer \$5,016,500 from free cash for the following purposes:

- a.) Operating Budget Reserve Fund (MGL Chapter 40, Section 6) – \$550,050;
- b.) Liability/Catastrophe Fund (Chapter 66 of the Acts of 1998, as amended) – \$78,970;
- c.) Reduce the tax rate (Special Appropriations) – \$4,224,403;
- d.) Housing Trust Fund – \$163,078.

FY16 BUDGET - TABLE 1 May, 2015

		FY13 ACTUAL	FY14 ACTUAL	FY15 BUDGET	FY16 BUDGET	\$\$ CHANGE FROM FY15	% CHANGE FROM FY15
	REVENUES						
	Property Taxes	169,029,414	174,869,775	182,239,297	194,809,198	12,569,901	6.9%
	Local Receipts	24,480,797	25,522,496	22,770,225	23,593,685	823,460	3.6%
	State Aid	15,125,059	16,633,741	17,634,876	18,652,559	1,017,683	5.8%
	Free Cash	5,336,413	7,665,155	5,084,152	5,016,500	(67,652)	-1.3%
	Overlay Surplus	1,750,000	0	1,000,000	0	(1,000,000)	-100.0%
	Other Available Funds	10,144,344	6,852,688	6,903,508	7,925,643	1,022,135	14.8%
	TOTAL REVENUE	225,866,027	231,543,855	235,632,058	249,997,585	14,365,528	6.1%
	EXPENDITURES						
	DEPARTMENTAL EXPENDITURES						
	1 . Selectmen	644,074	670,358	650,023	662,312	12,289	1.9%
	2 . Human Resources	574,019	615,662	528,952	533,746	4,794	0.9%
	3 . Information Technology	1,472,035	1,705,110	1,775,260	1,805,725	30,465	1.7%
	4 . Diversity, Inclusion, and Community Relations	0	0	167,807	175,827	8,019	4.8%
	5 . Finance Department	2,991,976	2,933,343	2,886,893	2,911,236	24,343	0.8%
	<i>a. Comptroller</i>	510,643	536,293	575,876	571,047	(4,829)	-0.8%
	<i>b. Purchasing</i>	847,549	636,616	643,447	662,243	18,796	2.9%
	<i>c. Assessing</i>	639,202	654,772	663,404	664,036	633	0.1%
	<i>d. Treasurer</i>	994,582	1,105,661	1,004,167	1,013,910	9,743	1.0%
	6 . Legal Services	821,872	888,936	821,489	833,934	12,445	1.5%
	7 . Advisory Committee	14,974	13,129	24,797	24,900	103	0.4%
	8 . Town Clerk	775,342	557,591	632,689	611,324	(21,364)	-3.4%
	9 . Planning and Community Development	620,599	757,716	781,940	810,693	28,752	3.7%
	10 . Police	14,954,651	15,258,118	15,292,889	16,536,836	1,243,947	8.1%
	11 . Fire	12,844,259	12,886,490	12,939,265	12,994,548	55,283	0.4%
	12 . Building	6,854,850	7,163,183	7,068,259	7,283,220	214,961	3.0%
(1)	13 . Public Works	14,480,045	15,220,421	14,198,548	14,103,923	(94,625)	-0.7%
	<i>a. Administration</i>	823,184	847,278	878,529	859,718	(18,812)	-2.1%
	<i>b. Engineering/Transportation</i>	1,105,748	1,191,962	1,263,478	1,282,876	19,398	1.5%
	<i>c. Highway</i>	4,579,656	4,644,618	5,096,121	4,805,406	(290,715)	-5.7%
	<i>d. Sanitation</i>	3,003,721	2,988,704	3,004,898	3,091,137	86,239	2.9%
	<i>e. Parks and Open Space</i>	3,507,459	3,552,206	3,564,712	3,567,477	2,765	0.1%
	<i>f. Snow and Ice</i>	1,460,278	1,995,654	390,809	497,309	106,500	27.3%
	14 . Library	3,742,982	3,827,172	3,756,286	3,888,386	132,099	3.5%
	15 . Health and Human Services	1,152,529	1,280,036	1,169,273	1,151,234	(18,039)	-1.5%
	16 . Veterans' Services	294,085	327,315	321,981	329,662	7,682	2.4%
	17 . Council on Aging	872,570	837,172	852,490	875,211	22,721	2.7%
	18 . Human Relations	117,064	0	0	0	0	
	19 . Recreation	1,016,673	1,022,391	1,018,730	1,018,816	85	0.0%
(2)	20 . Personnel Services Reserve	715,000	715,000	715,000	715,000	0	0.0%
(2)	21 . Collective Bargaining - Town	1,775,000	1,900,000	2,358,538	1,850,000	(508,538)	-21.6%
	<i>Subtotal Town</i>	<i>64,244,600</i>	<i>68,579,144</i>	<i>67,734,861</i>	<i>69,116,532</i>	<i>1,381,671</i>	<i>2.0%</i>
	22 . Schools	79,079,823	82,780,770	86,842,577	96,290,380	9,447,803	10.9%
	TOTAL DEPARTMENTAL EXPENDITURES	143,324,423	151,359,914	154,577,438	165,406,912	10,829,475	
	NON-DEPARTMENTAL EXPENDITURES						
(1)	23 . Employee Benefits	45,240,975	49,570,654	50,500,116	53,790,574	3,290,458	6.5%

		FY13 ACTUAL	FY14 ACTUAL	FY15 BUDGET	FY16 BUDGET	\$\$ CHANGE FROM FY15	% CHANGE FROM FY15
(3)	a. Pensions	15,801,983	17,409,988	17,882,573	18,707,021	824,448	4.6%
	b. Group Health	22,865,804	24,090,743	25,136,108	27,210,434	2,074,326	8.3%
	c. Health Reimbursement Account (HRA)	50,876	55,880	70,000	70,000	0	0.0%
(3)	d. Retiree Group Health Trust Fund (OPEB's)	2,601,927	3,514,360	3,311,860	3,499,119	187,259	5.7%
	e. Employee Assistance Program (EAP)	27,400	24,900	28,000	28,000	0	0.0%
	f. Group Life	132,118	137,555	140,000	145,000	5,000	3.6%
	g. Disability Insurance	13,376	12,367	16,000	16,000	0	0.0%
(3)	h. Worker's Compensation	1,200,000	1,720,000	1,450,000	1,550,000	100,000	6.9%
(3)	i. Public Safety IOD Medical Expenses	560,660	400,000	300,575	250,000	(50,575)	-16.8%
(3)	j. Unemployment Compensation	350,000	450,000	325,000	300,000	(25,000)	-7.7%
	k. Medical Disabilities	18,421	20,543	40,000	40,000	0	0.0%
	l. Medicare Coverage	1,618,410	1,734,318	1,800,000	1,975,000	175,000	9.7%
(2)	24 . Reserve Fund	1,250,621	1,615,626	2,122,336	2,200,198	77,862	3.7%
	25 Stabilization Fund	0	250,000	0	0	0	
	26 Affordable Housing	251,363	555,106	170,390	163,078	(7,312)	-4.3%
	27 . Liability/Catastrophe Fund	253,669	154,115	234,839	78,969	(155,869)	-66.4%
	28 . General Insurance	263,478	325,017	371,500	382,645	11,145	3.0%
	29 . Audit/Professional Services	130,000	115,649	130,000	130,000	0	0.0%
	30 . Contingency Fund	14,383	13,377	15,000	15,000	0	0.0%
	31 . Out-of-State Travel	2,374	2,704	3,000	3,000	0	0.0%
	32 . Printing of Warrants & Reports	19,837	27,190	25,000	35,000	10,000	40.0%
	33 . MMA Dues	11,346	11,516	11,979	12,278	299	2.5%
	Subtotal General	946,450	3,070,300	3,084,044	3,020,168	(63,876)	-2.1%
(1)	34 . Borrowing	9,834,605	9,304,647	9,621,757	9,478,591	(143,166)	-1.5%
	a. Funded Debt - Principal	7,428,882	7,209,938	7,246,544	7,183,044	(63,500)	-0.9%
	b. Funded Debt - Interest	2,376,113	2,083,707	2,215,213	2,135,547	(79,666)	-3.6%
	c. Bond Anticipation Notes	0	4,225	100,000	100,000	0	0.0%
	d. Abatement Interest and Refunds	29,610	6,777	60,000	60,000	0	0.0%
	TOTAL NON-DEPARTMENTAL EXPENDITURES	56,022,030	61,945,601	63,205,920	66,289,333	3,083,416	4.9%
	TOTAL GENERAL APPROPRIATIONS	199,346,453	213,305,515	217,783,358	231,696,246	13,912,894	6.4%
	SPECIAL APPROPRIATIONS						
	35 . Technology Applications (revenue financed)				270,000		
	36 . Dataroom Upgrades (revenue financed)				200,000		
	37 . Town Building Furniture (revenue financed)				25,000		
	38 . Garages - Floor Sealant & Water/Oil Separators (revenue financed)				125,000		
	39 . Strategic Asset Plan (revenue financed)				75,000		
	40 . Centre St. East Parking Lot / Harvard St. Study (revenue financed)				100,000		
	41 . Public Safety Dispatch (CAD) System - Study (revenue financed)				75,000		
	42 . Fire Apparatus Rehab (revenue financed)				300,000		
	43 . Traffic Calming / Safety Improvements (revenue financed (\$31,000))				31,000		
	44 . Bicycle Access Improvements (revenue financed (\$75,000) + Re-Appropriation (\$30,000))				105,000		
	45 . Street Rehabilitation (revenue financed)				1,590,000		
	46 . Sidewalk Repair/Reconstruction (revenue financed)				297,000		
	47 . LED Streetlight Conversion (revenue financed)				220,000		
	48 . Municipal Service Renovations (revenue financed)				650,000		
	49 . Brookline Ave Playground (revenue financed)				890,000		
	50 . Corey Hill Playground - Design (revenue financed)				40,000		

	FY13 ACTUAL	FY14 ACTUAL	FY15 BUDGET	FY16 BUDGET	\$\$ CHANGE FROM FY15	% CHANGE FROM FY15
51 . Emerson Garden Playground - Design (revenue financed)				60,000		
52 . Brookline Reservoir Gatehouse Roof (revenue financed)				250,000		
53 . Tennis Courts / Basketball Courts (revenue financed)				230,000		
54 . Playground Equipment, Fields, Fencing (revenue financed)				300,000		
55 . Town/School Grounds Rehab (revenue financed)				90,000		
56 . Tree Removal and Replacement (revenue financed)				225,000		
57 . Walnut Hills Cemetery - roadway work (special revenue fund)				50,000		
58 . Swimming Pool - Showers/Pool Repointing (revenue financed)				675,000		
59 . School Furniture Upgrades (revenue financed)				70,000		
60 . School Technology (revenue financed)				80,000		
61 . Town/School ADA Renovations (revenue financed)				70,000		
62 . Town/School Elevator Renovations (revenue financed)				275,000		
63 . Town/School Energy Conservation Projects (revenue financed)				165,000		
64 . Town/School Energy Management Systems (revenue financed)				185,000		
65 . Town/School Building Security / Life Safety (revenue financed)				195,000		
66 . Classroom Capacity (revenue financed (\$1,250,000) + Re-Appropriation (\$1,000,000))				2,250,000		
67 . Pierce Playground (bond)				980,000		
68 . Wastewater System Improvements (enterprise fund bond)				3,000,000		
69 . Golf Course Improvements (enterprise fund bond)				1,000,000		
70 . Town/School Bldg Envelope/Fenestration Repairs (bond)				1,550,000		
71 . Town/School Building Roof Repair/Replacement (bond)				1,200,000		
72 . Old Lincoln School Modifications (bond)				1,000,000		
73 . Devotion School Renovation (bond, MSBA)				118,400,000		
(4) TOTAL REVENUE-FINANCED SPECIAL APPROPRIATIONS	12,933,500	8,581,000	9,415,000	10,113,000	698,000	7.4%
TOTAL APPROPRIATED EXPENDITURES	212,279,953	221,886,515	227,198,358	241,809,246	14,610,888	6.4%
NON-APPROPRIATED EXPENDITURES						
Cherry Sheet Offsets	109,160	111,026	126,443	90,324		
State & County Charges	6,105,553	6,196,321	6,201,536	6,323,012		
Overlay	1,958,780	1,726,503	2,080,721	1,750,000		
Deficits-Judgments-Tax Titles	12,394	3,049	25,000	25,000		
TOTAL NON-APPROPRIATED EXPEND.	8,185,887	8,036,899	8,433,700	8,188,336	(245,364)	-2.9%
TOTAL EXPENDITURES	220,465,841	229,923,414	235,632,058	249,997,582	14,365,524	6.1%
SURPLUS/(DEFICIT)	5,400,186	1,620,440	0	0		

(1) Breakdown provided for informational purposes.

(2) Figures provided for informational purposes. Funds were transferred to departmental budgets for expenditure.

(3) Funds are transferred to trust funds for expenditure.

(4) Amounts appropriated. Bonded appropriations are not included in the total amount, as the debt and interest costs associated with them are funded in the Borrowing category (item #34).

FY16 BUDGET - TABLE 2 May, 2015

Department/Board/Commission	Personnel Services/ Benefits	Purchase of Services	Supplies	Other Charges/ Expenses	Utilities	Capital Outlay	Inter-Gov't'al	Debt Service	Agency Total
Board of Selectmen (Town Administrator)	627,482	11,100	4,000	17,600		2,130			662,312
Human Resources Department (Human Resources Director)	291,603	200,503	9,000	31,000		1,640			533,746
Information Technology Department (Chief Information Officer)	1,076,404	621,822	33,850	32,550		41,100			1,805,725
Diversity, Inclusion, and Community Relations (Director)	165,827		9,000	150		850			175,827
Finance Department (Director of Finance)	2,115,357	698,560	50,310	20,957	1,332	24,720			2,911,236
Legal Services (Town Counsel)	586,025	129,409	3,500	112,000		3,000			833,934
Advisory Committee (Chair, Advisory Committee)	21,760		2,275	570		295			24,900
Town Clerk (Town Clerk)	502,952	90,172	14,550	2,450		1,200			611,324
Planning and Community Department (Plan. & Com. Dev. Dir.)	770,538	20,193	9,712	4,550		5,700			810,693
Police Department (Police Chief)	14,925,261	515,744	221,750	69,000	342,137	462,944			16,536,836
Fire Department (Fire Chief)	12,236,953	163,755	149,560	31,350	212,053	200,877			12,994,548
Public Buildings Department (Building Commissioner)	2,248,758	2,170,462	28,950	10,100	2,683,949	141,000			7,283,220
Public Works Department (Commissioner of Public Works)	7,777,821	3,223,447	920,750	53,500	1,117,300	991,104	20,000		14,103,923
Public Library Department (Library Board of Trustees)	2,783,946	185,141	572,942	4,700	315,657	26,000			3,888,386
Health & Human Services Department (Health & Human Svcs Dir)	884,822	203,086	15,100	4,120	40,087	4,020			1,151,234
Veterans' Services (Veterans' Services Director)	162,029	2,538	650	163,935		510			329,662
Council on Aging (Council on Aging Director)	737,643	44,083	18,000	2,900	66,385	6,200			875,211
Recreation Department (Recreation Director)	698,523	23,037	86,480	12,400	164,356	34,020			1,018,816
School Department (School Committee)									96,290,380
Total Departmental Budgets	48,613,704	8,303,052	2,150,379	573,832	4,943,256	1,947,310	20,000		162,841,913
DEBT SERVICE									
Debt Service (Director of Finance)								9,478,591	9,478,591
Total Debt Service								9,478,591	9,478,591
EMPLOYEE BENEFITS									
Contributory Pensions Contribution (Director of Finance)	18,592,021								18,592,021
Non-Contributory Pensions Contribution (Director of Finance)	115,000								115,000
Group Health Insurance (Human Resources Director)	27,210,434								27,210,434
Health Reimbursement Account (HRA) (Human Resources Director)	70,000								70,000
Retiree Group Health Insurance - OPEB's (Director of Finance)	3,499,119								3,499,119
Employee Assistance Program (Human Resources Director)	28,000								28,000
Group Life Insurance (Human Resources Director)	145,000								145,000
Disability Insurance	16,000								16,000
Workers' Compensation (Human Resources Director)	1,550,000								1,550,000
Public Safety IOD Medical Expenses (Human Resources Director)	250,000								250,000
Unemployment Insurance (Human Resources Director)	300,000								300,000
Ch. 41, Sec. 100B Medical Benefits (Town Counsel)	40,000								40,000
Medicare Payroll Tax (Director of Finance)	1,975,000								1,975,000
Total Employee Benefits	53,790,574								53,790,574
GENERAL / UNCLASSIFIED									
Reserve Fund (*) (Chair, Advisory Committee)				2,200,198					2,200,198
Liability/Catastrophe Fund (Director of Finance)				78,969					78,969
Housing Trust Fund (Planning & Community Development Dir.)				163,078					163,078
General Insurance (Town Administrator)		382,645							382,645
Audit/Professional Services (Director of Finance)		130,000							130,000
Contingency (Town Administrator)				15,000					15,000
Out of State Travel (Town Administrator)		3,000							3,000
Printing of Warrants (Town Administrator)	15,000	10,000	10,000						35,000
MMA Dues (Town Administrator)				12,278					12,278
Town Salary Reserve (*) (Director of Finance)	1,850,000								1,850,000
Personnel Services Reserve (*) (Director of Finance)	715,000								715,000
Total General / Unclassified	2,580,000	525,645	10,000	2,469,523					5,585,168
TOTAL GENERAL APPROPRIATIONS	104,984,278	8,828,697	2,160,379	3,043,355	4,943,256	1,947,310	20,000	9,478,591	231,696,246

(*) NO EXPENDITURES AUTHORIZED DIRECTLY AGAINST THESE APPROPRIATIONS. FUNDS TO BE TRANSFERRED AND EXPENDED IN APPROPRIATE DEPT.

ARTICLE 8

AMENDMENT OFFERED BY CRAIG BOLON, TMM-8

Insert in the motion of the Advisory Committee under Article 8, special appropriation item 40, "with neighborhood input" so that the item reads:

- 40.) Raise and appropriate \$100,000, to be expended under the direction of the Director of Planning and Community Development, with any necessary contracts to be approved by the Board of Selectmen, for the development WITH NEIGHBORHOOD INPUT of a conceptual study for the Center Street East Parking Lot and surrounding area.

Explanation of the amendment --

Some of the most hazardous aspects of ordinary life involve automobiles. Aside from personal risks, traffic and parking have figured in hundreds of neighborhood actions here, since at least the 1950s. Many people have also come to recognize major environmental hazards of automobiles. In recent years, Brookline has been discouraging automobile use. For example, most parking was removed from both sides of Harvard St. between Beacon and Green Sts. Recently, the Transportation Board voted to remove five parking spaces from River Rd. to help extend a bicycle path. Major developments, including 2 Brookline Place, are being required to operate transportation demand management programs.

The Green Technology Committee--organized in 2006--proposed changes to Article 3.7 of Brookline bylaws, in the procedures for carrying out town-sponsored building projects. They require consideration of "environmental and sustainability goals and objectives" in any project that may involve a "town building or structure." The annual town meeting of 2007 enacted those requirements, now to be found in bylaws section 3.7.2. They begin at the earliest step of work, when defining and describing a program.

Under Article 8--the FY2016 budget--special appropriation 40 in the Advisory Committee motion proposes to fund such a program. That is not obvious from the wording of the motion or the article, but it is clear from the Fiscal 2016 Program Budget, released February 17. The corresponding element there is item 10 under FY2016-2021 CIP Project Descriptions. On p. VII-33, it says that "the town intends to hire a consultant to further develop conceptual plans, including a cost estimate," for several possibilities. They include a "1 to 3 level decked parking structure." A 3-level decked structure is what most people would often call a 4-story parking garage.

Some of the worst impacts of automobile facilities fall on surrounding neighborhoods. That is why neighborhood input is essential when considering them. Planning staff know that. One staff member already met with the North Brookline Neighborhood Association on April 15, about changes to the large Centre St. parking lot. We expect Planning staff to follow Article 3.7 of the Brookline bylaws. Brookline PAX asks town meeting also to encourage continued neighborhood input, with an amendment to special appropriation 40.

ARTICLE 9

BOARD OF SELECTMEN'S SUPPLEMENTAL RECOMMENDATION

Given the position of the Advisory Committee and the petitioner's desire to not have the discussion at Town Meeting becoming divisive or discomforting the Board was asked to reconsider their vote and instead vote No Action on the warrant article.

As a result, the Board recommends NO ACTION, by a vote of 5-0 taken on May 19, 2015.

ARTICLE 10

AMENDMENT OFFERED BY PATRICIA CONNORS, TMM-3

VOTED: That the Town amend the Selectmen's proposed amendment of the General By-Laws, Article 4.8, Living Wage By-Law, in the following manner (additions appear in underlined bold text, and deletions appear in stricken bold text):

SECTION 4.8.5 EXCEPTIONS

The town shall not be required to pay the living wage to the following persons:

- (a) seasonal employees who work less than six ~~consecutive~~ months in any twelve-month cycle in a fiscal year in a given position;
- (b) employees participating in a work-study or cooperative educational program;
- (c) employees whose positions are funded, in full or in part, by Community Development Block Grant or State Elder Services Grant monies;
- (d) town library Junior Library Pages;
- (e) Putterham Meadows Golf Course rangers;
- (f) town junior, part-time positions funded by a Recreation revolving fund, specifically, Jr. Swim Coach, Jr. Swim Instructor, Jr. Lifeguard, Jr. Skate Guard, Jr. Referee, Jr. Assistant Recreation Leader, Jr. Camp Counselor, Jr. Camp Instructor, Jr. Skate Concessions;
- (g) volunteers and all persons appointed or elected to town committees;
- (h) elected officers of the town.

Explanation:

This amendment would keep the original/current language of SECTION 4.8.5(a) of the Living Wage By-Law.

The very nature of seasonal work is that it may be off and on and not consecutive for six months. Rather, it may consist of three months in the winter and another three months in the summer.

Requiring seasonal employees to work a minimum of six consecutive months before paying them the living wage rate may in effect eliminate paying the living wage rate to many seasonal employees.

Further, using a fiscal year rather than twelve-month cycle method to calculate the six-month waiting period is similarly prejudicial to seasonal employees. The initial twelve-month cycle begins at the same date as when the employee begins to work for the town in a seasonal position not otherwise exempted by the living wage bylaw; for example, not work-study or cooperative educational program positions or Putterham Meadows Golf Course rangers, which are exempted from the living wage rate by Section 4.8.5 (b) and (e) respectively. The twelve-month cycle method for calculating the seasonal employee's six month waiting period to earn at least the living wage rate therefore gives credit to the employee for all of his/her seasonal work as of the date s/he begins working for the town and not just for work performed as of the beginning of a fiscal year. Say for instance the employee begins working for the town in seasonal employment as of December, 2014 and works more than 6 months off and on performing seasonal work between 12/2014 and 12/2015 but less than six months off and on between 7/2014 and 7/2015. Under the twelve-month cycle method, the town would credit the seasonal employee's work for each of the months s/he worked from 12/2014 and if s/he worked a cumulative six months by 9/2015, s/he would be paid at least the living wage rate thereafter. Compare using the fiscal year method. Under this method, the employee would not be entitled to the living wage rate by 9/2015 because during the fiscal year of 7/2014 to 7/2015, s/he would not have worked a cumulative period of six months. The clock would have to start over as of 7/2015 and the employee would need to accumulate six months of seasonal work beginning 7/2015. Starting the twelve-month cycle as of when the employee first begins working in seasonal employment is a fairer way to calculate the six-month waiting period for the seasonal employee.

Finally, it is important to note that though the Recreation Department is the petitioner of this warrant article, the changes it seeks regarding seasonal and temporary employees relate to all town employees not just those of the Recreation Department. Rather than make it more difficult for our seasonal town employees to earn a living wage rate, let's give credit where credit is due and pay them a decent wage when they've worked their six-month waiting period.

ARTICLE 10

HUMAN RESOURCES BOARD REPORT AND RECOMMENDATION

The Human Resources Board, established under Article 3.15, has a mandate to ensure the establishment of fair and equitable Human Resources policies for the Town of Brookline and its employees; and to provide a system of Human Resources administration that is uniform, fair, and efficient and which represents the mutual interests of the citizens of the Town and the employees of the Town. Section 3.15.2 provides that the Town 's Human Resources program shall be consistent with all applicable State and Federal Laws and with well accepted merit principles, which include, but are not limited to providing just compensation for all employees (section 3.15.2(b)). Further Section 3.15.6 (4) provides that the Human Resources Board shall review and approve, subject to staffing levels established by the Board of Selectmen, the title or classification and pay grade of each new or changed position subject to this bylaw, prior to Board of Selectmen final budget review and/or the effective date of any of the title/classification or pay grade changes. In this way, the Living Wages bylaw, under Article 4.8 of the Town Bylaws is an important adjunct to the Town's existing classification and pay plans as it establishes minimum wages and a living wage for those employed by the Town who may not fit neatly into the Town pay plans for regular part-time and full-time employees. The HR Board continues to fully support the Living Wage, recognizing that it serves an important purpose of providing wage protection to Brookline employees who may depend on their wages as their primary source of income but who are not a part of a regular pay plan or covered by a union.

The Living Wage bylaw has been in effect for nearly a decade and the petitioner came before us seeking changes that are reflected in the ever changing workforce. We are aligned with the Board of Selectmen and Advisory Committee in agreeing that there are certain junior, entry-level positions in the Recreation Department that should be exempt from the Living Wage. These exemptions currently apply to junior library pages and employees participating in work study positions. Therefore, we have voted to adopt the amendments as proposed by the petitioner in section 4.8.3(f). In keeping with our unanimous vote, we would amend the petitioner's proposal by adding an "(f)" in section 4.8.3, which applies to exemptions but was an apparent oversight of the petitioners.

As part of our unanimous vote we also agreed to the petitioners' amendments to section (a) of 4.8.3. The amendment to section 4.8.3(a) deals with two different issues; how to administratively track employees who are not "regular" employees and how to define who these "other" employees are. We are in agreement with both the Board of Selectmen and the Advisory Committee recommendations that voted to support the petitioner's change to a six month period in a Fiscal Year. As described by the Petitioner, the tracking of employees, who work sporadically throughout their school year, on a rolling basis, is a difficult, manual process. Tracking six consecutive months on a fiscal year will allow Human Resources and the

department to align this process into existing, automated processes resulting in less errors and greater administrative efficiencies.

With regard to the language defining the terms “Seasonal” and “Temporary” workers we voted to support the petitioner’s proposed language for similar reasons as the Advisory Committee. The Human Resources Director explained that the term “Seasonal” as used in the bylaw is a misnomer and although it was used loosely in the past to describe temporary employees who were hired for certain work that occurred in specific seasons, that term is no longer used in that manner. Rather the appropriate term in use is “Temporary employee,” describing any employee hired for less than six months. These are the terms and definitions that we recently approved in the Town’s Classification and Pay Plan. The Town currently tracks all temporary employees to ensure we pay them the living wage, as appropriate, and that they receive other benefits if they work more than 6 consecutive months. The majority of temporary employees hired however such as, temporary painters, laborers and plumbers, are paid above the Living Wage. We accept the Petitioners’ representation that we could not hire these temporary labor and skilled labor positions without offering wages above the living wage. The term “seasonal” is no longer used to describe those employees who go on and off the payroll based on the seasonal work as “seasonal employment” has a specific meaning under the state unemployment laws.

Although it would be a daunting task to keep all the language in the bylaws current and up to date, where, as here, the change is straight forward we feel it is prudent and advisable to keep the language up to date to ensure the Town’s correctly pays either a Living Wage or Brookline minimum wage to employees who are not covered by a union.

As the Living Wage is an important bylaw, it is likewise important to update the bylaw to ensure it is current with staffing demographic changes, e.g., hiring more high school students in entry level, junior positions. However, like the Board of Selectmen and Advisory Committee, we are not opposed to have a minimum wage that is one dollar higher than the state’s minimum wage. For the Recreation Department, if Town Meeting adopts the entry level positions as exempt from the Living Wage, that will save a significant amount of money, allowing the department to continue to keep programming rates reasonable and affordable. However, when paying the minimum wage, we reject the petitioners’ proposal to align the minimum wage with the state’s minimum wage and believe the Town should maintain its commitment to a strong minimum wage.

The Recreation Department provides youth employment opportunities to a significant number of students whose first job is a recreation job, either as a camp counselor or as a junior lifeguard. This first job opportunity is an important win/win for the student who receives important job skills and who can subsequently take part in other promotional opportunities within the Recreation Department, and for the Town which maintains a ready group of young, devoted employees who bring continuity across recreational programming and can fill program staffing gaps when a large program is put on, e.g., Brookline Day. This model has been developed over the last 8 to 10 years and has been quite successful.

The amendment to the Living Wage bylaw streamlines a burdensome tracking process putting it in sync with other tracking procedures for temporary employees. The petitioners' amendments also remove a discrete group of junior level student employees from the protection of the Living wage. Although these entry-level, student employees were exempt from the living wages, they would still receive the Brookline minimum wage and will see wage increases as the minimum wage increases and through other merit-based advancements for youth who have worked over the course of several years and in various positions across the Recreation programming.

Therefore, the Human Resources Board unanimously voted to adopted the language as submitted by the petitioners but amending Section 4.8.2 to include “and f” and by rejecting the strike out and keeping the language “one dollar more than” as previously provided in the Living Wage bylaw.

ARTICLE 12

ADVISORY COMMITTEE'S SUPPLEMENTAL RECOMMENDATION

SUMMARY:

By a vote of 11-6-5 the Advisory Committee voted FAVORABLE ACTION on an amendment to Article 12 which maintains the existing warning requirement under By-Law 7.7.3 General Requirement, but like the originally proposed Warrant Article 12: (1) increases fines under companion By-Law Article 10.3, including adding a fine for placing snow in a public way; and (2) updates By-Law Article 10.2 to provide appropriate ticketing authority to the Director of Health and Human Services and his designees. The amended article also includes a new section 7.7.6 Compliance Delay and renumbers the existing 7.7.6. It is silent on other suggested changes proposed by the Task Force, such as the process for administrative appeals to the departments responsible for enforcing the by-law.

BACKGROUND:

The Board of Selectmen submitted Warrant Article 12 at the Town Administrator's request. The article is the result of the work of the Sidewalk Snow Removal Task Force, convened last year and charged with studying Section 7.7 of the Town's by-laws (Removal of Snow and Ice from Sidewalks.) The Task Force was comprised of representatives from the Building, Health, Public Safety and Public Works Departments as well as citizens, who met from August 2014 through March 9, 2015. Warrant Article 12 in its original form was the result of the Task Force's study and included recommendations for creating more effective and enforceable snow and ice removal regulations.

Per the Warrant Article 12 description Article 12 as submitted updates the existing Snow Removal by-law and companion enforcement by-laws as follows:

- Clarifies the enforcement period
- Allows enforcement deferral for extenuating circumstances
- Eliminates the warning requirement for first offenses
- Authorizes enforcement discretion by permitting warnings
- Imposes a fine for violations of Section 7.7.4 (placing snow into the street)
- Establishes an administrative appeal mechanism

Now, as in the past, enforcement of Section 7.7 is a complaint-driven system. While the Building Commissioner, Commissioner of Public Works, the Director of Health and Human Services, and the Police Department, have always had the authority to issue tickets to enforce violations, the Commissioner of Public Works and his designees have been the primary enforcers. Moving forward, all of the aforementioned departments plan to take a more active role by helping the Department of Public Works (DPW) during one

of its busiest times of year. This past winter while the Task Force was still at work, the DPW proactively notified commercial and private residences of snow removal plans and took additional steps to address locations that are often poorly cleared, if at all, with some measure of success. The DPW intends to continue active outreach.

Removing the Warning and new fine structure

One of Task Force's primary reasons for removing the Warning for the first offense under 7.7.3 General Requirement was to create a more immediate enforcement impact, and to ensure that frequent offenders received a fine for the first offense, rather than receive what was tantamount to one free pass each winter. (The Task Force identified approximately twenty specific commercial properties and private residences that often require repeat enforcement measures.)

In addition, the Task Force recommended graduated fines for offenses, rather than the existing \$100 for 7.7.1 Business and Industrial Districts and 7.7.2 Multi-Family Dwellings for any offense. The proposed fines are \$100 for the first violation, \$150 for the second, and \$200 for the third and subsequent violations.

For General Requirement offenses, which are generally other private residences, the Task Force suggested replacing the existing Warning for the First Violation with a \$50 fine and increased the Second & Subsequent violation fine from \$25 to \$100, intending to induce greater compliance.

The Task Force also proposed adding a \$250 fine under 10.3 for section 7.7.4 of the by-law, No Snow and Ice to be Placed on Street. The Commissioner with Public Works made clear that this last violation was one of the department's most frustrating problems short of the snow and ice itself. He said that it was generally quite clear when residents or their contractors had placed snow in the public way. If passed, these fines will be issued to the property owners.

Compliance Delay

Each day that the snow and ice is not cleared is considered a new offense, however, **extenuating circumstances and discretion have been and will continue to be mitigating factors**; Warrant Article 12 attempted to clarify the manner of enforcement in 7.7.6 including the use of discretion.

The stated the goal of the By-law, which is safe travel, requires that citizens, business owners and the Town all make good faith efforts to that end. The Task Force added language to the By-law clarifying the ways in which the Commissioner of Public Works may notify the businesses and residence owners of their responsibilities, including use of a wide variety of social media outlets. It also stated that certain extenuating factors, including but not limited to weather conditions and ability to travel on public ways to clear non-residential properties of snow, may impact compliance expectations. To that end, Warrant Article 12 as submitted contains the language below; this language is also included in the amendment favored by the majority of the Advisory Committee:

Depending upon the severity of a storm and other factors, the Commissioner of Public Works may delay the period for compliance with Sections 7.7.1, 7.7.2, or 7.7.3 of the By-law. In the event of initiating a compliance delay, the Commissioner of Public Works shall post a notice prominently on the Town of Brookline's Internet home page and make other good faith efforts to notify the public including, but not limited to, social media outlets, the cable access television station, e-mail list serves, and the emergency telephone notification system.

Repeat offenders, liens and appeals

The Task Force reported that there are approximately 20 habitual or known offenders, almost evenly split between commercial and residential properties. Of all of the tickets issued in past years, the town places a lien on a property for unpaid tickets an average of once a year.

Traditionally the Commissioner of Public Works handled ticket appeals. Alleged violators also could choose to appeal through the Municipal Court, but there are no known incidents of alleged violators appealing to the Court. Warrant Article 12 attempted to include language providing for appeals in all of the four enforcing agencies, and maintained the option to appeal directly to the courts. The expressed rationale was to provide options to ticket recipients and to ensure that the Court or a single department was not overly burdened with ticket appeals. Members of the Task Force did acknowledge that there may be some confusion among ticket recipients but supposed the language on the tickets themselves would properly inform them of their options. The amendment to Warrant Article 12 is silent on this issue.

DISCUSSION:

The full Advisory Committee discussed issues and possible amendments to Article 12 during three separate meetings before finally taking a vote. The concerns at each meeting varied and included questions that ranged from concern over the proposed elimination of a warning, to questions about the appeals process, to concern over snow management issues and community outreach.

Warning

Initially the focus was on a proposed amendment which reinstated the Warning for first offenses under 7.7.3 and included language regarding "Chronic Offenders" who it was hoped, would not benefit from any warning. However, the language seemed problematic to the committee for a number of reasons, not the least of which was the complexity that it seemed to add to the by-law in order to address a small number of scofflaws who are already generally known and receive tickets. Part of the Task Force's work included an effort to clarify the existing by-law, which the proposed additions seemed to frustrate. The Advisory Committee, with several remaining questions, did not vote on the "Chronic Offender" amendment in favor of additional review of the Warrant Article at a later date.

Appeals

Another concern of note was the appeals process, which was unsatisfying to the committee. Warrant Article 12 as initially submitted proposed expanding section 7.7.6 to include extending appeal hearings to all enforcing departments, rather than simply the DPW and the (historically unused) municipal court. The committee took issue with the language “Enforcing departments may hold ticket appeal hearings,” under 7.7.6. There was a proposal to substitute “may” with “shall” in order to clearly require appeal hearings, but that change alone did not satisfy concerns regarding the lack of clarity and possible uneven results that might result due to a lack of guidelines standardizing the process across departments.

There was also discussion regarding the lack of explicit process for appealing the Commissioner’s or enforcing department’s appeals decisions. Of course, that problem exists in the current By-law 7.7. There are no known cases in which this level of appeal has been sought.

The committee learned that when a property owner does not appear or pay the ticket after the department sends a 15-day demand notice, the department refers it to the Office of Town Counsel, which then sends a final 10-day demand letter. If the recipient does not respond, the Town Treasurer receives notice to add that ticketed amount to the recipient’s tax bill. As noted above, this occurs on average once a year. The committee also learned that the addresses and owners of ticketed properties are public information; a few members suggested publishing the repeat offender information each year.

Discretion and Compliance Delay

Warrant Article 12 came to the committee on the heels of a relentlessly snowy winter. Many of the concerns around enforcement were based on concerns committee members had witnessed or experienced just months earlier, including large snow banks which were initially pushed onto some corner sidewalks – immovable by individual home owners by any practical means, cleared walk-ways and driveways that became narrower after necessary and commendable street widening efforts, and eventually lack of anywhere to put newly fallen snow. However none of the snow related issues that arose this year were new, they were just amplified. The committee seemed to agree that explicitly providing both enforcement discretion and providing the Commissioner of Public Works the flexibility to delay compliance, and actively and clearly communicating to the public using a number of social media outlets, would benefit everyone.

Conclusion

The Advisory Committee reviewed and suggested several possible changes to Warrant Article 12. The final amendment (a substitute motion) which a slim majority of the committee voted to recommend was an amalgam of work the Task Force suggested, absent any changes to the appeals process. The Advisory Committee’s apparent rationale to support the proposed amendment was to implement many of the positive changes the Task Force presented in the original article by increasing fines, including notice

requirement language, and better enabling the Director of Health and Human services and his assigns to manage sidewalk snow and ice removal concerns next winter, leaving remaining issues for another day.

A minority of members would have preferred to pass Warrant Article 12 as originally presented. Their view was that any existing issues around the appeals process already exist and by providing broader enforcement appeal avenues may make it easier for recipients to appeal what may be an up-tick in appeals now that the by-law will likely be more actively enforced by all permitted departments. Still a number of committee members choose to abstain from voting on the proposed amendment.

Ultimately, the committee supported the amendment which:

- Replaces Section 7.7.5 PENALTIES;
- Adds a new Section 7.7.6 COMPLIANCE DELAY to the Town By-laws;
- Renumbers existing Section 7.7.6 to Section 7.7.7;
- Modifies companion enforcement Article 10.2 to provide enforcement authority under Article 7.7 to the Director of Health and Human Services; and
- Makes corresponding fine structure changes in companion Article 10.3.

RECOMMENDATION:

By a vote of 11-6-5 the Advisory Committee recommends FAVORABLE ACTION on the following motion under Article 12:

VOTED: To amend the Town of Brookline General By-laws as follows:

1. Replace Section 7.7.5 of Article 7.7 with the following:

SECTION 7.7.5 PENALTIES

The violation of any provision of Sections 7.7.1 and 7.7.2 of this Article 7.7 shall be subject to a fine of \$100.00 for the first violation, \$150.00 for the second violation, and \$200.00 for each subsequent violation in any fiscal year. The violation of any provision of Section 7.7.3 of this Article 7.7 shall be noted with a warning for the first violation, and subject to a fine of \$50.00 for the second violation and \$100.00 for each subsequent violation in any fiscal year. The violation of any provision of Section 7.7.4 of this Article 7.7 shall be subject to a fine of \$250.00.

2. Renumber Section 7.7.6 to Section 7.7.7 and insert the following at Section 7.7.6 of Article 7.7:

SECTION 7.7.6 COMPLIANCE DELAY

Depending upon the severity of a storm and other factors, the Commissioner of Public Works may delay the period for compliance with Sections 7.7.1, 7.7.2, or 7.7.3 of this by-law. In the event of initiating a compliance delay, the Commissioner of Public Works shall post a notice prominently on the Town of Brookline's Internet home page and make

other good faith efforts to notify the public including, but not limited to, social media outlets, the cable access television station, e-mail list serves, and the emergency telephone notification system.

3. In Article 10.2, under DIRECTOR OF HEALTH & HUMAN SERVICES, add “,7.7” to the line that currently reads “Part VII-Streets & Ways Articles 7.1, 7.5”.

4. In Article 10.3, change the portion of the “Table of Specific Penalties under Article 10.3” concerning Article 7.7 as follows:

Article 7.7 Removal of Snow and Ice
From Sidewalks

Section 7.7.5 Penalties

For Section 7.7.1 and 7.7.2

First Violation \$100

Second Violation \$150

Third and Subsequent Violations \$200

For Section 7.7.3

First Violation Warning

Second Violation \$50

Third and Subsequent Violations \$100

For Section 7.7.4 \$250

ARTICLE 12

BOARD OF SELECTMEN’S SUPPLEMENTAL RECOMMENDATION

The actions described in the Board’s original motion for this article are spelled out in the revised vote taken on May 19, 2015 meeting. There is no difference between this version and what was included in the Combined Reports, but the references are spelled out in this motion in order to provide additional clarity.

A unanimous Board recommends FAVORABLE ACTION on the following motion:

To the Town of Brookline General Bylaws:

1. Replace Section 7.7.5 of Article 7.7 with the following:

SECTION 7.7.5 PENALTIES

The violation of any provision of Sections 7.7.1 and 7.7.2 of this Article 7.7 shall be subject to a fine of \$100.00 for the first violation, \$150.00 for the second violation, and \$200.00 for each subsequent violation in any fiscal year. The violation of any provision of Section 7.7.3 of this Article 7.7 shall be noted with a warning for the first violation, and subject to a fine of \$50.00 for the second violation and \$100.00 for each subsequent violation in any fiscal year. The violation of any provision of Section 7.7.4 of this Article 7.7 shall be subject to a fine of \$250.00.

2. Renumber Section 7.7.6 to Section 7.7.7 and insert the following at Section 7.7.6 of Article 7.7:

SECTION 7.7.6 COMPLIANCE DELAY

Depending upon the severity of a storm and other factors, the Commissioner of Public Works may delay the period for compliance with Sections 7.7.1, 7.7.2, or 7.7.3 of this by-law. In the event of initiating a compliance delay, the Commissioner of Public Works shall post a notice prominently on the Town of Brookline’s Internet home page and make other good faith efforts to notify the public including, but not limited to, social media outlets, the cable access television station, e-mail list serves, and the emergency telephone notification system.

3. In Article 10.2, under DIRECTOR OF HEALTH & HUMAN SERVICES, add “,7.7” to the line that currently reads “Part VII-Streets & Ways Articles 7.1, 7.5”.

4. In Article 10.3, change the portion of the “Table of Specific Penalties under Article 10.3” concerning Article 7.7 as follows:

Article 7.7 Removal of Snow and Ice
 From Sidewalks

Section 7.7.5 Penalties

For Section 7.7.1 and 7.7.2

First Violation \$100

Second Violation \$150

Third and Subsequent Violations \$200

For Section 7.7.3

First Violation

Warning

Second Violation \$50

Third and Subsequent Violations \$100

For Section 7.7.4

\$250

ARTICLE 12

AMENDMENT OFFERED BY THOMAS VITOLO, TMM-6

SECTION 7.7.6 COMPLIANCE DELAY

Depending upon the severity of a storm and other factors, the Commissioner of Public Works may delay the period for compliance with Sections 7.7.1; or 7.7.2; or 7.7.3 of this by-law for as long as thirty (30) hours following the cessation of any storm that results in the accumulation of snow and/or ice on a Brookline sidewalk. In the event of initiating a compliance delay, the Commissioner of Public Works shall post a notice prominently on the Town of Brookline's Internet home page and make other good faith efforts to notify the public including, but not limited to, social media outlets, the cable access television station, e-mail list serves, and the emergency telephone notification system.

ARTICLE 12

AMENDMENT OFFERED BY THOMAS VITOLO, TMM-6

Article 7.7 Removal of Snow and Ice From Sidewalks

Section 7.7.5 Penalties

For Section 7.7.1 and 7.7.2

First Violation	\$100
Second Violation	\$150
Third and Subsequent Violations	\$200

For Section 7.7.3

First Violation	Warning \$50
Second <u>and Subsequent</u> Violations	\$50 \$100
Third and Subsequent Violations	\$100

For Section 7.7.4	\$250
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ARTICLE 14

AMENDMENT OFFERED BY JOHN HARRIS, TMM-8

Moved to refer the entirety of Article 14 to a Selectmen's Committee for study, with the request that the Committee report back to Town Meeting prior to the 2016 Annual Town Meeting.

EXPLANATION:

Petitioner believes that the proposals contained in Article 14 raise many complex issues regarding the impacts of bottled water on human health, the environment, and personal economic choices. For that reason, Petitioner believes the entire issue needs further study before any action is considered by Town Meeting.

Petitioner recommends that the Selectmen's Committee examine all direct implications of bottled water, including:

- The environmental impacts of plastic bottles and of alternative containers
- The environmental impacts on local watersheds, and economic impacts on local communities, of harvesting water to supply the bottles
- The environmental impact of transporting bottled beverages, compared to the impact of transporting other goods
- The impacts on human health of plastic bottles and of alternative containers
- The impacts on human health of the contents of bottled water
- The impacts on human health of the contents of likely alternative bottled beverages, including sugared sodas, diet sodas, and chemically - enhanced drinks such as exercise drinks, energy drinks, "water beverages," etc.
- The possibility of designing and implementing town- directed programs designed to educate consumers regarding the health, environmental and personal- economic impacts of single - serving bottled beverages
- The possibility of expanding the availability of municipal tap water on town property, including town parks and recreation areas.

Petitioner recommends that the Selectmen recruit relevantly- trained professionals, such as public health professionals, nutritionists, chemists, endocrinologists, hydrologists, etc., as well as members of the concerned citizenry, as members of the Committee.

Petitioner hopes that the activities of the Committee encourage a full, free and respectful exchange of views by all concerned members of the Brookline community.

Petitioner recommends that the Committee report its findings at the Annual Town Meeting in May 2016.

ARTICLE 14

BOARD OF SELECTMEN’S SUPPLEMENTAL RECOMMENDATION

Since the Board of Selectmen’s vote to recommend that the subject matter of Article 14 be referred to a study committee, the petitioners have proposed to divide the Article into two parts. The first part, containing the bulk of the original article, is proposed to be referred to a study committee. The second part creates a new section (8.36) that prohibits the expenditure of Town funds to purchase bottled water for its own use. The Board is supportive of this revised Article and feels that the other issues that have been brought up under the original article can be worked out by the committee.

Therefore at their meeting on May 19, 2015 the Board of Selectmen voted 4-1 to recommend favorable action on the following motion:

MOVED: to divide the question so that sections 8.35.2, 8.35.3 and 8.35.4(b) of the warrant article shall be considered and acted on separately from the other sections of the article.

VOTED: To refer parts of Article 14 including sections originally numbered 8.35.2, 8.35.3, 8.35.4(b) and supporting language to a Selectmen's Committee for further study, Committee to report back to the Board of Selectmen no later than Spring 2016.

VOTED: That the Town will amend the Town’s General By-laws by adding a new Article 8.36:

ARTICLE 8.36 Bottled Water By-law

SECTION 8.36.1 Definitions

"Bottled Water" means non-sparkling, unflavored drinking water in a single-serving container with a volume of 1 liter or less that is made in whole or in part of plastic resin codes 1 through 6 (excluding the label or cap).

"Town Funds" means all monies or other assets received and managed by, or which are otherwise under the control of the Town’s Treasurer/Collector, and any notes, bonds, securities, certificates of indebtedness or other fiscal obligations issued by the Town.

“Director”, means the Director of the Brookline Department of Public Health or the Director’s designee or successor.

SECTION 8.36.3 BARRING USE OF TOWN FUNDS FOR PURCHASE OF BOTTLED WATER.

(a) No Town officer, department, or agency (collectively, "department") shall use Town Funds to purchase Bottled Water for the department's own general use in offices. A department may use Town Funds to purchase Bottled Water for uses specifically exempted from or allowed under Section 8.36.4.

SECTION 8.36.4 EXCLUSIONS

The provisions of this by-law shall not apply where the Director finds that relying on Bottled Water is necessary in a given situation to protect the public or occupational health or safety.

SECTION 8.36.5 EFFECTIVE DATE

The provisions of this by-law shall take effect on June 1, 2016.

ROLL CALL VOTE:

Favorable Action

Daly
Franco
Heller
Greene

No Action

Wishinsky