

TOWN OF ARLINGTON

Fiscal Year 2012 Financial Plan



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**TOWN OF ARLINGTON
FINANCIAL PLAN FISCAL YEAR 2012
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SECTION I

BUDGET MESSAGE



Fiscal Year 2012 Financial Plan Budget Message

February 18, 2011

To: The Honorable Board of Selectmen and Finance Committee

I hereby transmit to you the recommended FY2012 operating and capital budgets and the FY2012-2016 capital plan. The budget as proposed totals \$113,954,730 which is a decrease of \$84,532 (0.1%) from the FY2011 budget. A summary showing a comparison of the FY2011 and FY2012 revenues and expenses is shown on page 2.

FY2011, the current fiscal year, was the last year in which override stabilization funds were available to be used as operating revenue. This represented the sixth year of what was begun as a five year plan that incorporated the Proposition 2 ½ override of 2005 designed to carry the Town's budgets through FY2010. While it was known that at the conclusion of the five year plan the Town would be back to facing difficult financial and budget choices, the economic crisis, spawning a severe recession and high unemployment, has severely exacerbated the Town's financial position. The Town's reserves have plummeted; state aid was cut significantly in FY2009, FY2010, FY2011 and is expected to be cut again in FY2012. In FY2012, Arlington's state aid allocation will be actually less than it was in 1988. Later in this Budget Message I will describe in more detail the root cause and structural nature of the Town's budget squeeze.

As we look ahead to FY2012, the seventh year since the 2005 override, difficult budget choices will have to be made. The Town's departmental budgets are proposed to be reduced by 3.2%. Because the current school budget allocation included \$489,000 of federal stimulus funds (IDEA and SFSF) that it will not be receiving in FY2012, the schools will receive an additional allocation of \$489,000 of Town funds to replace this loss. The school's total allocation from the Town of \$38,516,006 results in a decrease of 1.4% over the current year.

It is still early in the budget process and much can change over the next few months. The Governor's budget was released on January 26th, and this financial plan contains the local aid figures proposed therein. However, the Legislature (House and Senate) is expected to release its budget documents this spring, and the local aid figures proposed may be altered from the Governor's proposal.



Overall Budget Summary

	FY2011	FY2012	Change	
			\$	%
Revenue				
Property Tax	\$ 85,958,974	\$ 88,587,262	\$ 2,628,288	3.1%
Local Receipts	\$ 8,820,707	\$ 8,910,000	\$ 89,293	1.0%
State Aid	\$ 13,576,740	\$ 13,341,134	\$ (235,606)	-1.7%
School Construction Aid	\$ 2,531,085	\$ 2,531,085	\$ -	0.0%
IDEA & SFSF Funds	\$ 489,705	\$ -	\$ (489,705)	-100.0%
Free Cash	\$ 582,051	\$ 385,249	\$ (196,802)	-33.8%
Other Funds	\$ 2,080,000	\$ 200,000	\$ (1,880,000)	-90.4%
TOTAL REVENUES	\$ 114,039,262	\$ 113,954,730	\$ (84,532)	-0.1%
Expenditures				
Municipal Departments	\$ 27,815,520	\$ 26,923,164	\$ (892,356)	-3.2%
School Department (includes IDEA funds above)	\$ 39,081,156	\$ 38,516,006	\$ (565,150)	-1.4%
Minuteman School	\$ 2,739,795	\$ 2,352,988	\$ (386,807)	-14.1%
Non-Departmental (Healthcare & Pensions)	\$ 26,375,704	\$ 27,351,086	\$ 975,382	3.7%
Capital	\$ 7,974,393	\$ 8,448,540	\$ 474,147	5.9%
MWRA Debt Shift	\$ 5,593,112	\$ 5,593,112	\$ -	0.0%
Warrant Articles	\$ 567,465	\$ 609,090	\$ 41,625	7.3%
TOTAL EXPENDITURES	\$ 110,147,146	\$ 109,793,986	\$ (353,160)	-0.3%
Non-Appropriated Expenses	\$ 3,892,117	\$ 4,160,744	\$ 268,628	6.9%
Surplus/(Deficit)	\$ (0)	\$ (0)		0.0%

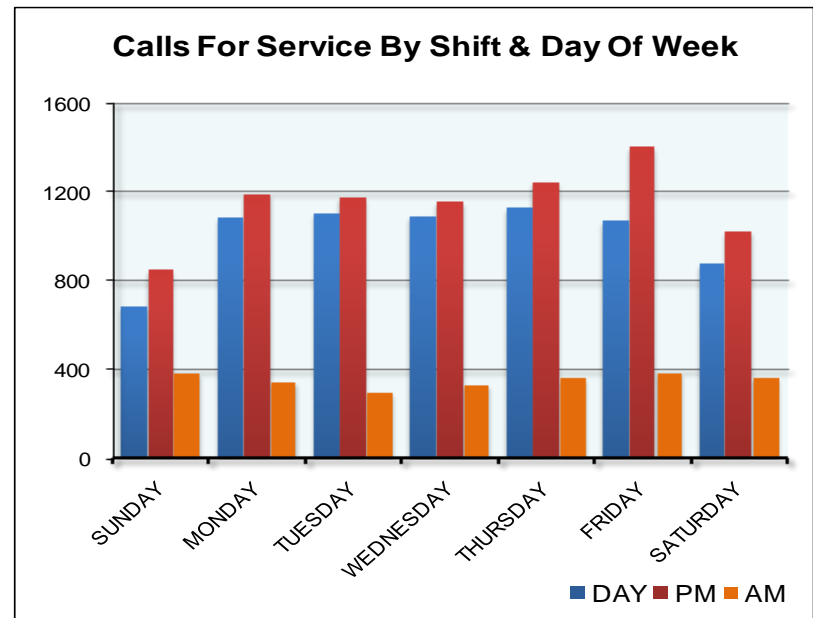
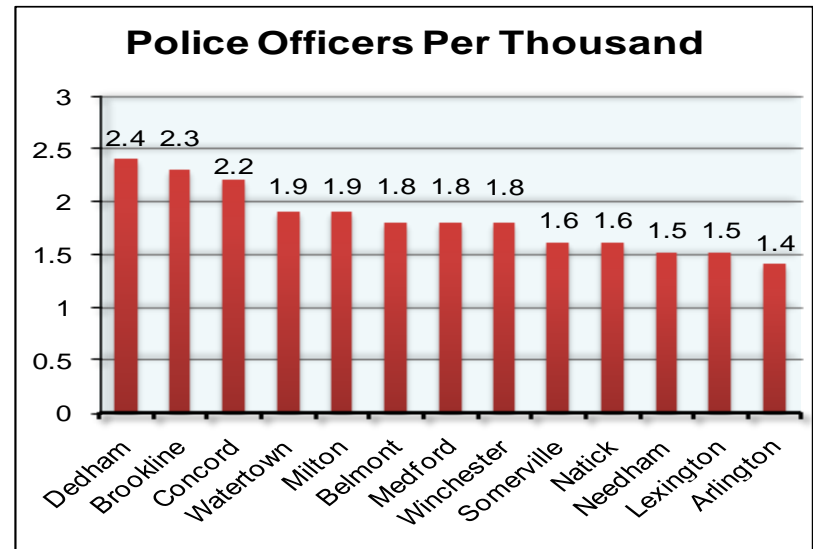


Municipal Departmental Budgets

The proposed FY2012 budget for municipal departments totals \$26,923,164 which is a decrease of \$892,356, or 3.2%, from the current fiscal year. The budgets for Arlington's Municipal departments are already at, or near, the bottom of its comparable communities. Consequently, these cuts are particularly painful and will have negative impacts on services. Municipal services are labor intensive, thus most of the budgets are for personnel related costs. Personnel levels are a direct reflection of the Town's ability to provide services and thus provide a good insight as to what is happening. Just since 2003 the Town has eliminated 75 (18%) positions, including the 15 proposed to be eliminated next year. The personnel chart on page 6 shows the significant reduction that has occurred over the last several years. The budget reductions have forced some difficult choices. The more significant reductions are as follows:

Police - \$301,784 Cut 3 positions (including 1 captain) and reorganize structure of ranking officers

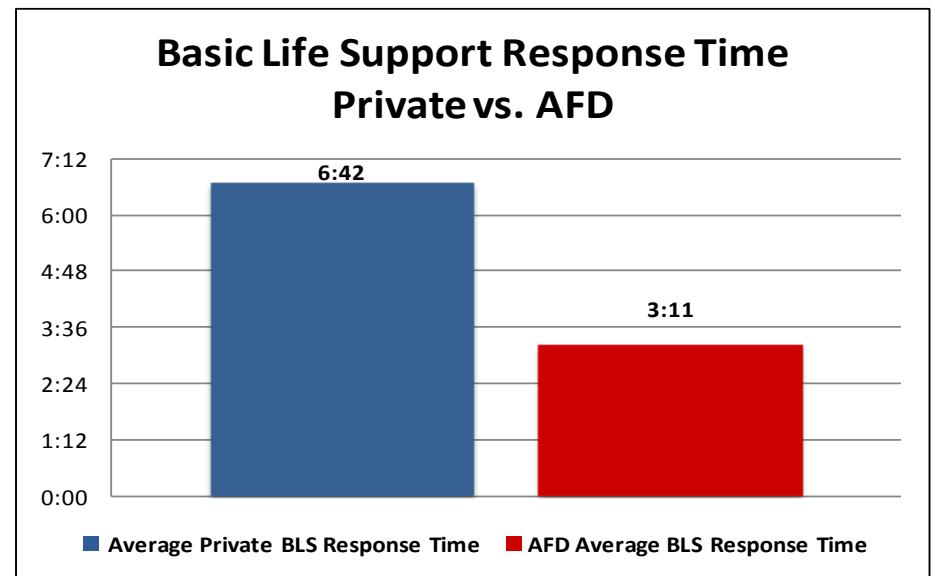
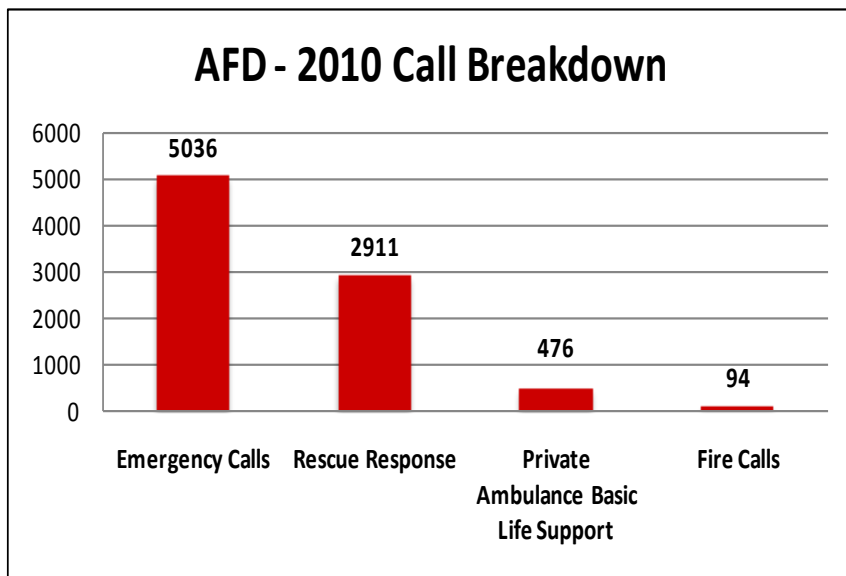
Notably, the Police Services budget cuts will lessen the ability of the police department to provide a proactive and problem solving model of community policing. Current minimum manning levels will be reduced on some late night shifts and specialist assignments will be reduced. The police department has provided a high level of service with scarce resources for many years, and were it not for grants and other alternative funding sources, the department would not be where it is today. In fact, Arlington's comparable communities staff their police departments with about 2 police officers per thousand residents while Arlington will staff its department in FY2012 with about 1.4 police officers per thousand residents. Arlington is already the lowest staffed police department on a per capita basis in the metropolitan area (see staffing chart right). That, combined with growing gang violence, increases in the volume and lethality of domestic violence cases, the frequency and complexity of identity theft investigations, and other crime and disorder threatening to spill over to Arlington, is a concern. The proposed staffing level is precariously low and may result in longer response times, less traffic enforcement, elimination of numerous community outreach initiatives, fewer follow up investigations, and a general reactive approach to policing in Arlington. With shrinking resources it will be more important than ever to maximize the use of technology and to analyze crime data so as to direct our limited resources in the most efficient and effective manner. Based upon the data analysis conducted (see service call chart right), the late night shift (AM) experienced the least calls for service so reducing manning on this shift was determined to have the least impact on services.





Fire - \$290,424 Cut 4 firefighters and 1 lieutenant (2 positions to be restored through ambulance revolving fund fees)

The Fire Services budget reduction will result in the elimination of funding for 5 firefighting positions. The operation of a second ambulance will generate additional revenue to fund two of these positions through the ambulance revolving fund, but operating a second ambulance will reduce available engine company staffing thereby necessitating the deactivation of an engine company when the second ambulance is on a call. This reduction of minimum manning will directly impact the level of service to citizens. There will be occasions when response times will be longer and there will be fewer firefighters and equipment available in the initial stages of any fire. The availability of the Quint fire apparatus (combined engine/ladder vehicle) will provide some additional flexibility in the initial response.



Public Works is proposed to lose another 9 positions going from 63 to 54 (-14%). The department's staffing level has been cut by more than one-third just since FY2003 and by nearly two-thirds since FY1990. Service levels in all areas will be negatively impacted. Highways will lose 4 (-14%) more positions which will mean further reductions in maintenance of roads and sidewalks, less street sweeping resulting in dirtier streets, and slower and less thorough snow removal operations. Two positions (-12%) will be cut from Natural Resources resulting in further reductions to park and field maintenance, the elimination of field lining for various sports leagues, and reduced tree maintenance. Natural Resources is also responsible for shoveling sidewalks during the winter so the Town's ability to clear sidewalks on a timely basis will be negatively impacted. Cemeteries will lose two more positions which means it will have gone from 12 positions in FY2003 to 3.5 positions in FY2012. This will result in less maintenance of the cemetery and the elimination of graveside assistance. Administration will also lose an Office Manager position further straining the department's ability to manage the business side of the \$24 million operation. Not staying on top of the management and administration of this large business operation can have a serious financial impact on the town.



Libraries

Budget reductions at the Library will result in closing the Robbins Library one additional evening per week, an 18% cut in the book and subscription budget, the necessity to close Fox Library an additional day (the Friends of Fox may fund this additional day), an 18% reduction in the page budget causing delays in returning materials to the shelves, and reduction in hours of library staff. The loss of evening hours will impact working people as well as groups who utilize the library's two meeting rooms. The reduction to the materials budget will result in fewer materials available for the public and cause an increase in the number of interlibrary loans requested from other libraries. The Town will not meet the state's municipal appropriation requirement and unless the state grants a waiver, the Town will face de-certification and the potential loss of borrowing privileges at local libraries.

Planning & Community Development

The position of Assistant Director has been eliminated which will seriously impact the department's ability to carry out its planning, economic development, and property management responsibilities. Due to cutbacks in CDBG federal funds, the Housing Director's position now needs to be funded 50% from the general fund thus offsetting a majority of the Assistant Director's savings. Consulting services have been increased to partially make up for the loss of the Assistant Director position.

Arlington Youth Counseling Center

The AYCC Town subsidy is proposed to be cut another \$100,000. The goal is to put the agency on a fully self-supporting basis and eliminate the Town subsidy completely. The Director and Youth Services Board have done a tremendous job in drawing in outside financial resources to achieve this goal. The Town subsidy has gone from \$325,000 in FY2008 to only \$89,066 in FY2012.

Health & Council on Aging

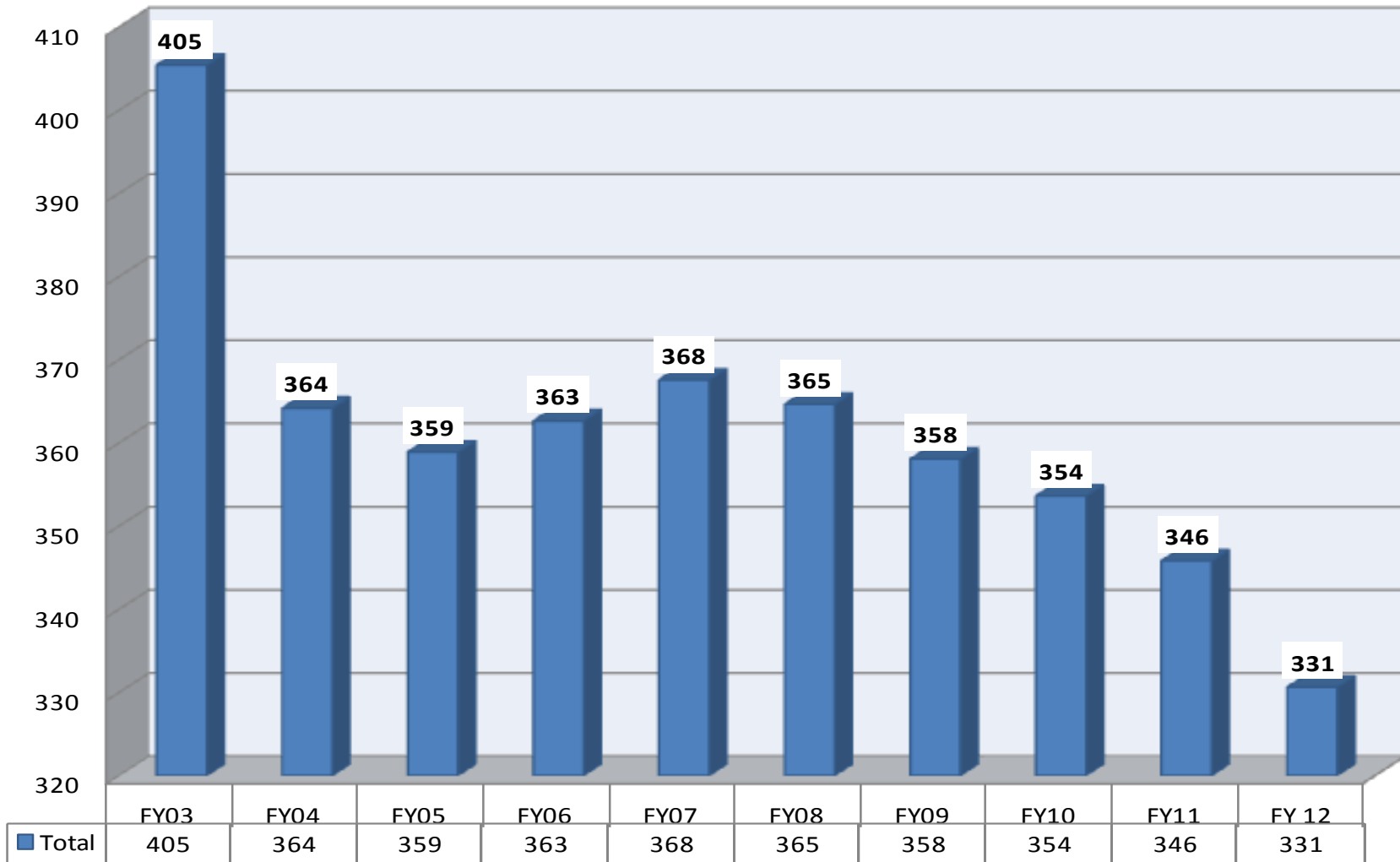
The Health department will lose a half-time Health Compliance Officer resulting in fewer health inspections and negatively impacting the department's ability to prevent health problems, particularly in the food service area. The Council On Aging will lose the currently vacant half-time Social Worker position that was approved in FY2011. With the growing elderly population and reduced social services available from other sources, this will negatively impact services to our most vulnerable population.

Internal Services & Other Appointing Authorities

Many of our management and administrative departments that oversee the management of the Town's \$113 million operation and provide support services to the front line departments, have sustained significant cuts in the past and will once again experience further cuts. Cuts totaling \$80,000 are proposed. This will further weaken the Town's ability to manage and oversee operations and finances which can have serious financial and operational consequences.



Town Personnel Trends FY 2003 - FY2012 FTEs





Comparative Data

There are a number of factors that contribute to Arlington's structural deficit—some common among all municipalities and some relatively unique to Arlington. Double digit increases in employee healthcare costs and energy costs affect all municipalities. Arlington has been penalized by an unfair state aid distribution formula. Statewide, communities are 9% above the FY2002 level while Arlington is still 17% below FY2002.

Some of the factors particular to Arlington include the fact that Arlington is a densely populated, fully built-out community (see Tables 1 and 2). Revenue from growth in the tax base ranks near the bottom among a group of 20 comparable communities (see Table 3). It is less than two-thirds of the state-wide average. Another indicator of the Town's ability and opportunity to raise revenues is a measure developed by the Department of Revenue called Municipal Revenue Growth Factor (MRGF). It measures a community's ability to raise revenue, taking into consideration a community's tax levy limit, new growth, state aid, and local receipts. As you can see from Table 4, the state-wide average and average of the twenty comparable communities MRGF is 2.85 and 3.1 respectively. Arlington's is a 1.77 and fourth from the bottom of the 20 communities.

Another factor affecting the Town's financial structure is its tax base. The Town's tax base is nearly all residential—the commercial/industrial sector makes up less than 6% of the total. Table 5 shows that Arlington's commercial/industrial tax base ranks it 17th out of 20 comparable communities. The average of these communities is 20.8%, more than triple that of Arlington. This affects not only the Town's ability to raise revenue, it places a heavier tax burden on the residential sector as there is almost no commercial/industrial sector with which to share the tax burden.

Notwithstanding this, the tax burden, when measured several different ways, is below the average of the 20 comparable communities. In fact, the Town ranks 11th in taxes per capita, and 11th in taxes per household as a percent of median household income. This despite the fact that Arlington's tax levy includes more than \$5 million in MWRA water and sewer debt that only one other community includes on its levy.

A look at how the Town's spending levels impact the Town's financial position shows that the Town's spending per capita is well below the state average and the average of the 20 comparable communities. In overall expenditures per capita, the Town ranks 16th and nearly 17% below the state-wide average (see Tables 8-12). With spending well below the state-wide average and below comparable communities, and with revenue growth opportunities well below the statewide average and at the bottom of comparable communities, it is clear that the structural problem with the Town's finances lies with the revenue side of the equation as opposed to the spending side. Limited growth in the tax base, a tax base almost all residential, coupled with a \$5.3 million reduction in state aid since 2002, has left the Town with only two choices— significant budget cuts with the resulting service reductions or Proposition 2 ½ general overrides.



Table 1	
Municipality	Pop Per Square Mile
1 BROOKLINE	8,085
2 ARLINGTON	7,914
3 WATERTOWN	7,875
4 MEDFORD	6,827
5 MELROSE	5,695
6 SALEM	5,093
7 BELMONT	4,998
8 WINCHESTER	3,492
9 STONEHAM	3,491
10 WEYMOUTH	3,131
11 RANDOLPH	2,987
12 WOBURN	2,910
13 NORWOOD	2,692
14 WELLESLEY	2,676
15 READING	2,321
16 NEEDHAM	2,265
17 NATICK	2,114
18 MILTON	2,008
19 LEXINGTON	1,846
20 CHELMSFORD	1,519
Ave w/o Arlington	3,791
Arlington	7,914

Table 2	
Municipality	Households Per Sq Mile
1 BROOKLINE	3,890
2 ARLINGTON	3,747
3 WATERTOWN	3,652
4 MEDFORD	2,787
5 MELROSE	2,398
6 SALEM	2,244
7 BELMONT	2,142
8 STONEHAM	1,510
9 WEYMOUTH	1,327
10 WINCHESTER	1,309
11 WOBURN	1,215
12 RANDOLPH	1,145
13 NORWOOD	1,140
14 READING	889
15 NATICK	886
16 WELLESLEY	870
17 NEEDHAM	860
18 MILTON	703
19 LEXINGTON	691
20 CHELMSFORD	575
Ave w/o Arlington	1,591
Arlington	3,747

Table 3	
Municipality	New Growth Ave '09-'11
1 LEXINGTON	2.76%
2 NATICK	2.57%
3 NEEDHAM	2.50%
4 NORWOOD	2.10%
5 WOBURN	2.07%
6 WELLESLEY	1.84%
7 SALEM	1.74%
8 CHELMSFORD	1.38%
9 MEDFORD	1.28%
10 BROOKLINE	1.26%
11 WATERTOWN	1.25%
12 MELROSE	1.20%
13 RANDOLPH	1.19%
14 BELMONT	1.09%
15 READING	1.06%
16 WINCHESTER	0.96%
17 ARLINGTON	0.91%
18 STONEHAM	0.89%
19 WEYMOUTH	0.88%
20 MILTON	0.86%
Ave w/o Arlington	1.52%
Arlington	0.91%
State-wide Ave	1.52%

Table 4	
Municipality	FY2011 Municipal Revenue Growth Factor
1 NORWOOD	6.93
2 LEXINGTON	5.13
3 NEEDHAM	4.49
4 CHELMSFORD	3.96
5 BROOKLINE	3.47
6 WELLESLEY	3.46
7 WOBURN	3.44
8 NATICK	3.14
9 BELMONT	3.11
10 MEDFORD	2.72
11 RANDOLPH	2.70
12 MILTON	2.61
13 MELROSE	2.53
14 WATERTOWN	2.50
15 WINCHESTER	2.15
16 SALEM	2.00
17 ARLINGTON	1.77
18 STONEHAM	1.44
19 READING	1.43
20 WEYMOUTH	1.05
Ave w/o Arlington	3.1
Arlington	1.77
State-Wide Ave	2.85



Table 5	
Municipality	FY2010 Commercial/Industrial % of Total Value
1 WOBURN	50.94
2 NORWOOD	44.49
3 WATERTOWN	33.16
4 SALEM	29.49
5 WEYMOUTH	23.98
6 NATICK	23.81
7 MEDFORD	23.12
8 NEEDHAM	22.21
9 RANDOLPH	22.19
10 LEXINGTON	21.44
11 CHELMSFORD	19.40
12 STONEHAM	17.37
13 BROOKLINE	16.18
14 WELLESLEY	11.64
15 READING	9.26
16 MELROSE	8.76
17 ARLINGTON	5.95
18 BELMONT	5.92
19 MILTON	5.86
20 WINCHESTER	5.28
Ave w/o Arlington	20.8
Arlington	5.95

Table 6	
Municipality	FY2010 Taxes Per Cap
1 LEXINGTON	4019
2 WELLESLEY	3455
3 CHELMSFORD	3191
4 WOBURN	3167
5 NEEDHAM	3075
6 WINCHESTER	2928
7 BROOKLINE	2781
8 BELMONT	2762
9 MEDFORD	2712
10 NATICK	2088
11 ARLINGTON	2036
12 WATERTOWN	2028
13 MILTON	1886
14 NORWOOD	1821
15 STONEHAM	1761
16 SALEM	1699
17 MELROSE	1639
18 READING	1549
19 WEYMOUTH	1357
20 RANDOLPH	875
Ave w/o Arlington	2,357
Arlington	2,036

Table 7	
Municipality	FY2010 Taxes Per Household As a % of 1999 Household Income
1 LEXINGTON	8.9%
2 WELLESLEY	8.5%
3 WINCHESTER	8.1%
4 MILTON	8.0%
5 BELMONT	7.7%
6 BROOKLINE	7.5%
7 NEEDHAM	7.3%
8 READING	6.8%
9 CHELMSFORD	6.6%
10 NATICK	6.4%
11 ARLINGTON	6.4%
12 SALEM	6.4%
13 STONEHAM	6.1%
14 RANDOLPH	5.8%
15 MELROSE	5.8%
16 MEDFORD	5.4%
17 WATERTOWN	5.3%
18 WOBURN	5.1%
19 WEYMOUTH	5.0%
20 NORWOOD	4.2%
Ave w/o Arlington	6.6%
Arlington	6.4%

Table 8	
Municipality	FY2009 Gen Gov Expenditures Per Cap
1 LEXINGTON	419
2 WINCHESTER	312
3 WELLESLEY	236
4 NEEDHAM	193
5 BELMONT	181
6 BROOKLINE	167
7 NORWOOD	154
8 NATICK	133
9 READING	131
10 ARLINGTON	124
11 WATERTOWN	117
12 SALEM	104
13 MELROSE	102
14 STONEHAM	87
15 WOBURN	85
16 MILTON	84
17 RANDOLPH	77
18 WEYMOUTH	76
19 CHELMSFORD	68
20 MEDFORD	63
Ave w/o Arlington	147
Arlington	124
State-wide Ave	142



Table 9	
Municipality	FY2009 Public Safety Exp Per Cap
1 WOBURN	418
2 WEYMOUTH	324
3 NORWOOD	451
4 BROOKLINE	496
5 WATERTOWN	529
6 NEEDHAM	411
7 MEDFORD	391
8 BELMONT	396
9 SALEM	380
10 WELLESLEY	371
11 LEXINGTON	349
12 WINCHESTER	375
13 NATICK	382
14 MILTON	392
15 MELROSE	275
16 ARLINGTON	316
17 READING	328
18 CHELMSFORD	270
19 STONEHAM	295
20 RANDOLPH	316
Ave w/o Arlington	376
Arlington	316
State-wide Ave	395

Table 10	
Municipality	FY2009 Public Works Exp Per Cap
1 NORWOOD	733
2 WINCHESTER	379
3 WATERTOWN	277
4 LEXINGTON	269
5 WOBURN	259
6 WELLESLEY	246
7 BELMONT	232
8 READING	224
9 NATICK	216
10 CHELMSFORD	212
11 BROOKLINE	200
12 ARLINGTON	181
13 WEYMOUTH	178
14 MEDFORD	176
15 MILTON	174
16 MELROSE	171
17 NEEDHAM	171
18 STONEHAM	147
19 SALEM	88
20 RANDOLPH	76
Ave w/o Arlington	233
Arlington	181
State-wide Ave	170

Table 11	
Municipality	FY2009 School Per Pupil Exp
1 BROOKLINE	16,847
2 WATERTOWN	16,277
3 LEXINGTON	15,368
4 SALEM	14,746
5 WELLESLEY	14,330
6 RANDOLPH	14,393
7 WOBURN	13,909
8 MEDFORD	13,269
9 NORWOOD	12,993
10 NEEDHAM	12,955
11 NATICK	12,926
12 ARLINGTON	11,813
13 BELMONT	11,653
14 MILTON	11,473
15 STONEHAM	11,400
16 WINCHESTER	11,373
17 WEYMOUTH	11,196
18 READING	10,742
19 MELROSE	10,288
20 CHELMSFORD	10,221
Ave w/o Arlington	12,966
Arlington	11,813
State-wide Ave	13,006

Table 12	
Municipality	FY2009 Total Exp Per Cap
1 LEXINGTON	3,764
2 NORWOOD	3,607
3 WELLESLEY	3,694
4 WINCHESTER	3,484
5 NEEDHAM	3,450
6 BROOKLINE	3,281
7 READING	3,239
8 NATICK	2,999
9 CHELMSFORD	2,760
10 WATERTOWN	2,853
11 BELMONT	2,880
12 WOBURN	2,809
13 MILTON	2,696
14 SALEM	2,551
15 STONEHAM	2,458
16 ARLINGTON	2,240
17 RANDOLPH	2,378
18 WEYMOUTH	2,046
19 MELROSE	2,175
20 MEDFORD	1,943
Ave w/o Arlington	2,898
Arlington	2,240
State-wide Ave	2,704



Cost Savings/Performance Strategies

The Town has continuously pursued numerous strategies for reducing costs and becoming more productive. Recently the Town has participated in a consortium of about a dozen area communities to pursue regionalization opportunities. Many service and purchasing contracts are being implemented regionally. Additional regionalizing opportunities are being evaluated at the ongoing monthly meetings of this consortium.

As a result of discussions, facilitated by the Metropolitan Area Planning Council (MAPC), the Town has entered into an agreement through which it provides Sealer, Weights & Measures services for a fee to Belmont. This agreement is viewed as a step toward a continued pursuit of a regional health department. The Town has also been evaluating the current service delivery methods for various services to determine the most cost effective way to deliver these services. Cemetery grounds maintenance was successfully contracted out two years ago after such an evaluation. Other areas for which Requests for Proposals (RFP's) are being advertised are grounds maintenance on Town properties and tree services.

The Town also remains a member of a consortium of six other communities, under the auspices of the International City Manager's Association (ICMA), to gather and compare performance data for various services. It is helpful to not only measure and compare performance data with comparable communities, but to compare the year-to-year progress made by the Town itself in these service areas.

In order to increase productivity in the long run, the Town has to make better and more effective use of technology. Investment in the proper technological solutions is one of the primary means by which a community such as Arlington can sustain productivity while operating in an environment of scarce resources. To that end, the Town, through the efforts of the Information Technology (IT) department has applied for a "Smarter Cities" grant through IBM. This application is aimed at enhancing the delivery of key municipal services through technological solutions. The Town is also continuing its commitment to investing in geographic information systems (GIS). Town government is a geographically based service model, with almost all services being generated by address. Implementation of GIS in Town stands to not only enhance the productivity and capacity of departments such as Planning, Engineering, Police, Public Works, and Schools, but also other service delivery departments that will be able to better manage their workload through utilization of GIS. Enhancement of the Town's website and Request/Answer Center is another example of using technology to make departments more productive and improve services to the public despite reduced resources.

Town Financial Structure and Outlook

Each year, for several years, the Town has had a structural deficit whereby the growth in revenues has not kept pace with the growth in costs necessary to maintain a level-service budget. The result has been a gradual erosion of services. The nature of the Town's structural deficit is illustrated in the table to the right. It's not anyone's fault that the Town faces an annual structural deficit; it's basic economics. On average, over the last five years, the annual growth in expenses has outpaced the growth in revenues by nearly \$3 million. Going forward, even assuming level state aid and improvements in a few other areas, the annual deficit is projected to be at least \$2.5 million.

Arlington's spending, by any measure, is well below that of our comparable communities and is not a contributor to the structural deficit. Just the opposite, municipal departmental budgets grew an average of only 2.01% over the last six years. The major expenditure drivers are largely out-

Typical Annual Growth	
Revenues	
Property Taxes	\$ 2,400,000
Local Receipts	\$ 50,000
State Aid	\$ (-250,000)
Total	\$ 2,200,000
Expenditures	
Wage Adjustments	\$ 1,800,000
Health Insurance/Medicare	\$ 2,000,000
Pensions	\$ 400,000
Miscellaneous (utilities capital/debt, special education, other)	\$ 1,000,000
Total	\$ 5,200,000
Structural Deficit	\$(3,000,000)



side of the control of the Town and include health care increases, pension obligations, and special education costs. The main cause of the annual structural deficit is revenue based. The Town's revenue growth is at the bottom of our comparable communities, for two reasons. First, Arlington is essentially a fully built out community with limited new growth in its tax base, a base that is 94% residential. Second, the Town has experienced a disproportionate cut in its state aid. As noted earlier, in a comparison of new growth in the tax base of 20 comparable communities, Arlington was near the bottom.

The Town's fiscal condition was exacerbated in FY2003 and FY2004 as a result of state aid reductions in excess of \$3.3 million. After major budget reductions and the depletion of reserves, which carried the Town through FY2005, the Town was facing a deficit of approximately \$4 million in FY2006. The passage of a \$6 million Proposition 2 ½ override in 2005 for FY2006 covered the \$4 million deficit and allowed the Town to put into reserve the remaining \$2 million. One of the key commitments made as part of the Proposition 2 ½ override was that the funds would be made to last five years and that no override would be requested during that time. We are now heading into our seventh year.

Operating Budget Increases FY 2006 - FY 2011		
	Town	School
FY 2006	2.94%	6.17%
FY 2007	2.76%	3.16%
FY 2008	3.93%	3.99%
FY 2009	2.02%	2.46%
FY 2010	0.91%	2.06%
FY 2011	-0.46%	2.66%
Avg. Increase	2.01%	3.41%

The plan served the Town well. It required tight controls over operating budgets. With these controls appropriately managed, the plan overcame the Town's structural deficit and provided sufficient resources to maintain services for the five year period. The departmental budget increases over this five year period are shown on the next page. The school department increases were larger than the municipal departments in recognition of some extraordinary special education cost increases.

The Town's structural deficit still exists. With the help of \$3.2 million in one-time funds, including federal stimulus funds and the remaining balance of \$1.6 million in the override stabilization fund, the Town was able to balance the FY2011 budget without major cuts in services. Without the \$3.2 million being available in FY2012, the projected deficit for FY2012 is approximately \$4 million. Knowing this deficit was looming, we have worked for the last two years with the employee unions on ways to reduce the Town's largest cost driver – health care.

The Health Care Challenge

With health care costs growing an average of 11% per year, or an annual increase of \$2 million, this cost increase alone eats up nearly the entire annual revenue growth of \$2.2 million. Costs have gone from \$6.6 million in 2000 to \$19 million in 2010 (10% of the total budget to 16%). It is by far the Town's largest cost driver and must be addressed. While no one, including the Town's employee unions, is to blame for the Town's deficit problems, the unions have to be part of the solution, particularly with regard to health care.

Nearly every employer has had to implement cost controls including, health care changes to adapt to today's harsh economic realities. I know many residents have experienced increased health care contributions and/or co-pays and deductibles. No employer wants to make such changes, but they need to do so for the organization's survival. The Town is facing the same financial crisis and needs to make similar changes to ensure its sustainability.

Health Care Proposals

The proposal to join the State's group health care program (GIC) would have saved \$4.7 million. After deducting the increased co-pay and deductible costs, the net savings was \$4.0 million. While some would argue that all of the net savings should go to reduce the deficit, it would be unreasonable to expect that employees would voluntarily agree to give up their veto power over future changes to plan design and go without wage increases for several years. In the end, we put our best possible proposal on the table.

(continued on next page)

**The Health Care Challenge (continued)**

In brief, management proposed of the \$4 million net savings, \$2.65 million would benefit employees and their families through reduced healthcare premiums and modest wage increases. The balance of \$1.35 million would be available to the Town to save jobs and services. To address union concerns over perceived volatility of the GIC's costs, the Town agreed to pick up all cost increases above 12% for premiums and \$100 for deductibles. This meant that our employees would be paying significantly less than state employees for the same coverage and would have a guaranteed cap on premiums and deductible increases. This proposal was rejected along with a more modest proposal to consolidate coverage under a single provider, Harvard Pilgrim (the number one rated provider in the country), with minor co-pay changes resulting in much smaller total savings of only \$1.5 million.

In the end, employees exercised their bargaining rights and rejected our proposal. Municipal unions were granted this right by the Legislature and they are simply exercising that right. Health insurance coverage can be complex and confusing so the natural inclination is to just keep the status quo. Unfortunately, this time, the status quo will result in lost jobs and services.

Health Care Law for Municipalities Needs to Change

There is absolutely no justification for the double standard whereby the State retains authority over its employee health care program, but denies that same authority to cities and towns. It is time to change the law! The Legislature must remove the handcuffs it has placed on cities and towns preventing them from exercising effective control over their largest cost. To put it simply, Massachusetts cities and towns are being crushed under a two-tiered system.

The Legislature does not require the state to bargain health care plan design changes with state employees, but mandates this requirement on cities and towns. So while the State does not bargain with its employees over health care changes, and has made changes, the Legislature and Governor have up to this point somehow rationalized that municipalities should not be able to make any health care changes unless the municipal unions agree. Insult is added to injury with the imposition of unfunded state and federal changes to health care law without resources to implement those changes.

The call for municipal health insurance reform has been endorsed by organizations such as the Massachusetts Taxpayers Foundation, Associated Industries of Massachusetts, the Mass Municipal Association, the Boston Foundation, the Boston Municipal Research Bureau, local chambers of commerce, and virtually every newspaper across Massachusetts, including the Boston Globe. Municipalities are not looking to balance their budgets on the backs of their employees. They are simply looking for the same rights as the State and other employers to make reasonable adjustments to the health care plans they offer their employees.

Recently, Speaker of the House Robert DeLeo has publicly stated his strong support for municipal health insurance reform, insisting that action be taken early in this year's legislative session. Also, as part of his FY2012 budget proposal, Governor Deval Patrick filed legislation that would allow municipalities to access the GIC outside of collective bargaining. Though no action has been taken on this legislation to date, it is an encouraging sign that our state's leaders are beginning to demonstrate an understanding of the need for reform. It is possible that legislative action will be taken in the upcoming months that may have an impact on the FY2012 budget.

For FY2012, health care rates will increase nearly 9%. However, the decreased enrollments occurring as a result of FY2011 reductions, combined with a projected \$400,000 reimbursement from the Early Retirement Reimbursement Program, the FY2012 health care appropriation is projected to grow by only 3%.



Collective Bargaining

Contracts with all bargaining units have been settled through June 30, 2009. Negotiations are ongoing for agreements through FY2011. Due to a number of factors, including the economic crisis forcing drastic budget reductions, an inflation rate at near zero, and the annual increase in healthcare benefits, no cost of living increases are proposed for FY2010, FY2011, and FY2012. Until there are agreements with all the unions for significant health care changes, any collective bargaining agreements are unlikely.

State Aid

In January, Governor Patrick proposed to reduce local aid cherry sheet funding to Arlington, by 1.7%. This reduction manifested itself in a 3.7% increase in Chapter 70 (School Aid), set against a 7% reduction in General Government Aid. The House Ways and Means Committee is due to report its recommendation in mid- April, however, as has been the case in prior years, both the House and Senate may agree upon a local aid resolution prior to the issuance of their comprehensive budget proposal. After adding in the \$489,705 reduction in IDEA and State Fiscal Stabilization Funds that were distributed by the State in FY2011, the total state aid reduction is \$725,311, bringing down the total state aid, exclusive of school construction aid, to \$13,341,134. This is less local aid than the Town received in FY1988, some 24 years ago (see chart on p. II-16). During this period, Arlington has seen its share of the local aid "pie" cut in half (see chart on p. II-17).

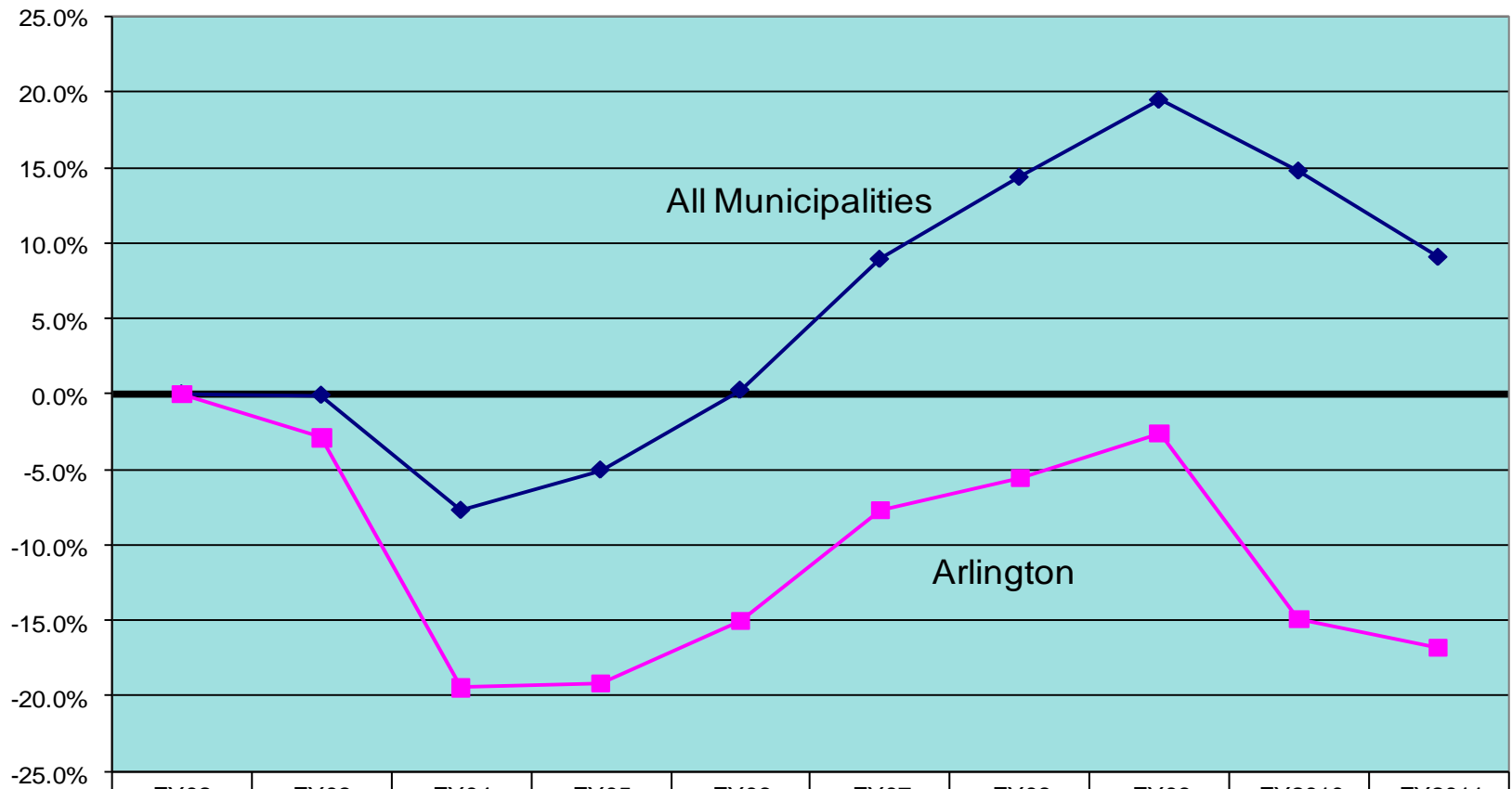
Since FY2002, Arlington's total state aid has decreased by 16.8%, losing over \$5.5 million through FY2011 (see chart on p. II-15). Since FY2002, local aid for all municipalities initially dropped by approximately 8%, rebounded through FY2009 to a 20% increase, and then dropped in FY2011 to a cumulative increase of 9.1% from FY2002. Arlington, on the other hand, has never experienced an increase above FY2002. In fact, in FY2006 Arlington was 15% below FY2002, while the average of all municipalities saw a slight increase. In the current year, FY2011, aid is 17% below FY2002 while the average of all municipalities has seen an increase of 9.1%.

Over the last several years, the distribution formulas used for the cutbacks in state aid—and the subsequent restoration of those cuts—have not been implemented fairly, nor have they recognized the needs of communities like Arlington. The policy has essentially been this: communities with relatively high median income levels and high property values are assumed to have a greater ability to raise revenue locally, and therefore to have less of a need for state aid. The problem is that communities don't have the ability to tax incomes (the state takes all income tax). The only source of revenue available to communities is the property tax, a regressive tax that hurts elderly and lower income residents disproportionately. Without a fair share of state aid, communities like Arlington are faced with the difficult choice of either raising property taxes through overrides, or cutting needed services.

A majority of local aid increases over the last decade have been distributed through the Chapter 70 school aid formula. The formula works to the disadvantage of communities with relatively high incomes and property values. Arlington falls into this category, which means that we are a minimum aid community and are calculated to receive only 17.5% of our school foundation budget (the amount that the state calculates that we should be spending on schools). Some communities receive as much as 85%, with the average targeted at 60%. For FY2012, Arlington will receive the minimum, 17.5%.



State Aid Cumulative Percent Change Since Fiscal Year 2002
(Numbers exclude School Construction and METCO reimbursements)

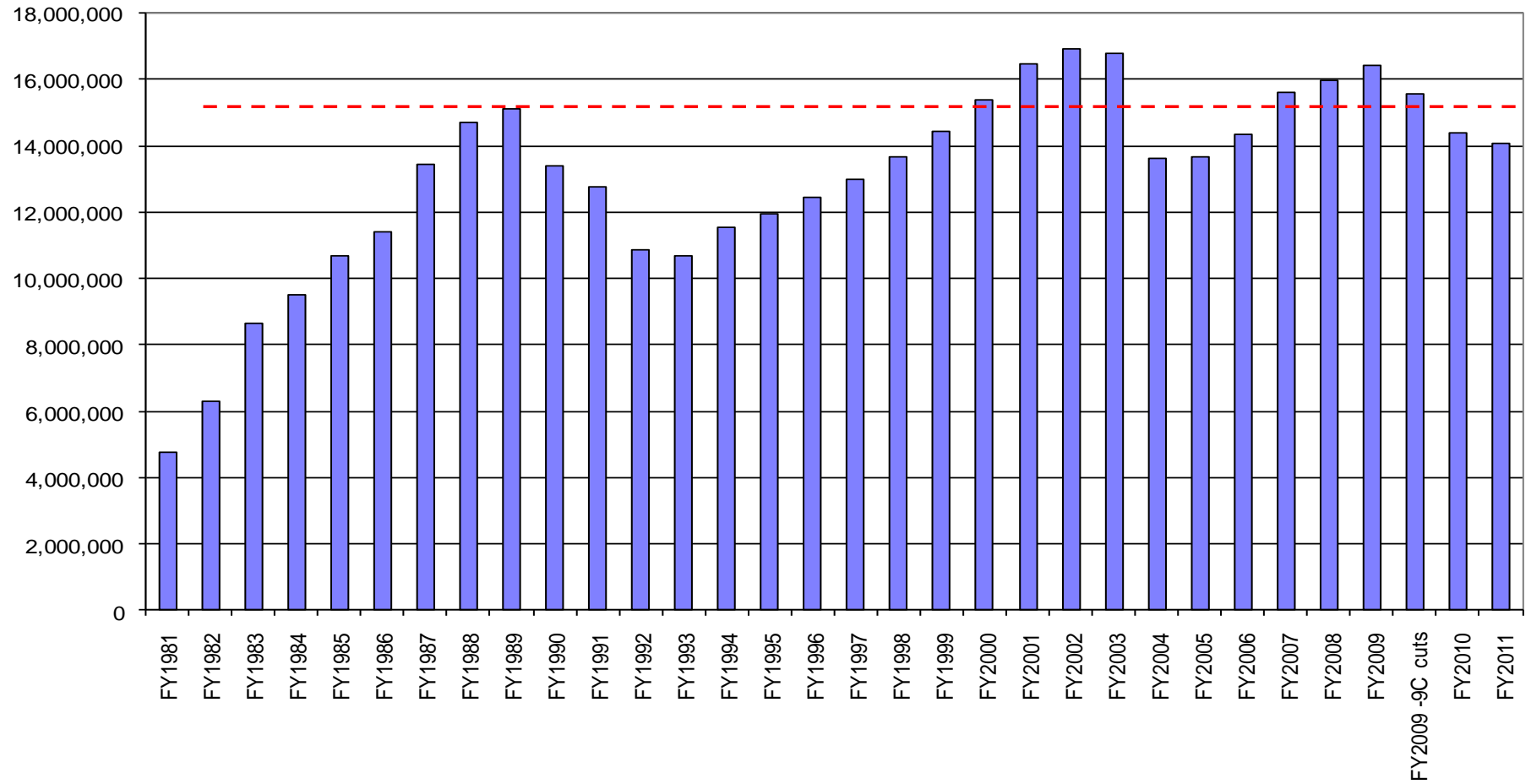


◆ All Municipalities	0.0%	-0.1%	-7.7%	-5.1%	0.3%	8.9%	14.4%	19.5%	14.8%	9.1%
■ Arlington	0.0%	-2.9%	-19.5%	-19.2%	-15.0%	-7.7%	-5.5%	-2.6%	-14.9%	-16.8%



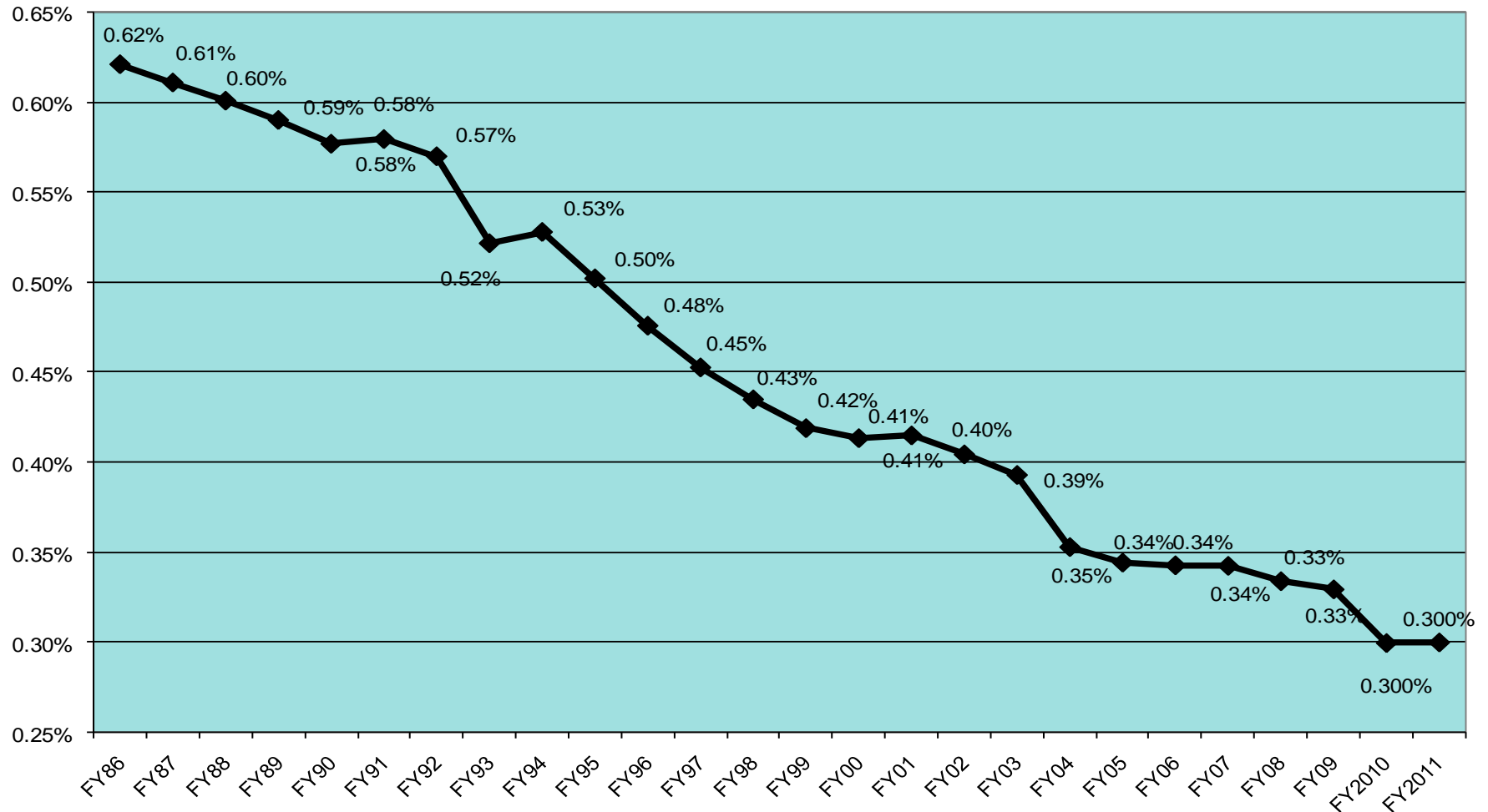
STATE AID RECEIPTS

(Numbers exclude School Construction and METCO reimbursements)





Arlington's Percent of Total State Aid





Capital Improvements Plan

The Town's capital improvements program policies call for the allocation of approximately 5% of the general fund revenues to the capital budget. This is exclusive of dedicated funding sources such as enterprise funds, grants, and proposition 2 ½ debt exclusion projects. FY2012 funding for the capital budget is as follows:

Bonding	\$ 1,249,530
Cash	\$ 618,400
Other	\$ 3,509,105

Our existing non-exempt debt is \$5.1 million, which is slightly higher than in FY2011. The total capital budget for FY2012, including debt, is estimated at \$8.2 million. Major projects to be funded in FY2012 include: design work to be performed for the envelope repairs to the Community Safety building, sidewalk and road work for approximately \$1 million, and water and sewer work for \$2.35 million. The continuing Stratton School renovation project involves three phases totaling \$2.4 million, most of which will be bonded. The Town has also applied for and is currently under consideration to receive MSBA Green Repair Grant funding to supplement the improvements being made at Stratton. The debt service for this will be financed with the annual appropriation of \$150,000 already factored into the capital plan.

The Massachusetts School Building Authority (MSBA) has approved the rebuild of the Thompson School and has authorized the Town to proceed with the schematic design process. The MSBA is anticipated to provide funding for approximately 47% of the project costs as approved by the MSBA. Consideration is currently being given to seeking a bond authorization of \$20 million for the project at a Special Town Meeting this May. Funding would come from a combination of sources including a prior Proposition 2 ^{1/2} debt exclusion vote.



Long Range Financial Projection

The cornerstone of our strategic budgeting process is the long-range financial projection. Based upon analysis of internal and external factors impacting the Town's operations and finances, we have prepared the long-range projection found on page 22. These projections will, of course, have to be modified as events unfold, but we believe that they are reasonable for fiscal planning purposes.

On the revenue side, we have made the following assumptions:

Revenue Assumptions—

- **Overall revenues** are expected to decrease 0.1% in FY2012. Future year increases range from 1.89% to 2.09%. FY2012 is the lowest due to the drop in available reserves and other previously available federal stimulus funding.
- **Tax Levy** - Projected to increase approximately 2.6% per year.
 - Regular Levy - 2 ½ % plus new growth of \$400,000 in FY2012, and then new growth \$350,000 each year thereafter.
 - Debt Exclusion – Actual debt for Proposition 2 ½ debt exclusion school projects minus state reimbursements. FY2012 includes excluded debt of \$307,130 relative to the Symmes Urban Renewal project. Nothing has been factored in for a possible bond authorization for the rebuild of the Thompson School.
 - MWRA Water and Sewer Debt – Amount from FY2007 held level as voted by Board of Selectmen.
- **State Aid** – Projected to decrease 1.7% in FY2012, and remain flat in FY2013 through FY2016.
- **School Construction Reimbursement** - Projected to remain the same \$2,531,085.
- **Local Receipts** – Local Receipts are estimated to increase by \$89,293 in FY2012, and then by \$50,000 increments from FY2013 through FY2016.
- **Free Cash** – Typically appropriate one-half of certified amount. In FY2012 the amount used is \$385,249. This lower amount was caused by the FY2010 School Department deficit . Use is increased to \$500,000 each year thereafter in anticipation of larger certified balances.
- **Overlay Reserve Surplus** – Use \$200,000 in FY2012 and each year thereafter.



Expenditure assumptions include the following:

- **School Budget** – Going forward, expenditures are capped at 3.5% for general education costs, and 7% for special education costs, less any amount above a 7% increase for employee healthcare.
- **Minuteman School** – In FY2012, decreased enrollment dropped our assessment by 14%. Thereafter, increases are projected at 3.5%.
- **Municipal Departments** - Going forward, expenditures are capped at 3.5% less any amount above a 7% increase for employee healthcare.
- **Capital Budget** – Based upon the 5 year plan that calls for dedicating approximately 5% of revenues to capital spending.
 - **Exempt Debt** – Actual cost of debt service for debt exclusion projects. Declining debt service over the next several years.
 - **Non-Exempt Debt** – Increasing based on major projects over next several years including the fire stations.
 - **Cash** – In FY2012, the CIP calls for \$618,400 in cash-financed projects. Thereafter, amounts average approximately \$700,000
- **MWRA Debt Shift** – The amount has been level funded at \$5,593,112.
- **Pensions** – In FY2012 an increase of 5.42%, and thereafter, increased 6%.
- **Insurance (including healthcare)** – In FY2012 projected increase of 3%. Thereafter, capped at 7%. Any amount above 7% reduces municipal and school budgets.
- **State Assessments** – Based upon preliminary cherry sheets, increased 1.86% in FY2012. Thereafter, increased 2.5%.
- **Offset Aid** – These grants to schools and library are increased slightly in FY2012 based upon preliminary cherry sheets and thereafter held level.
- **Overlay Reserve** – This reserve for tax abatements is increased in revaluation years, which are every three years. The next revaluation is scheduled for FY2013. In non-revaluation years, including FY2012, it is reduced to \$600,000.
- **Other** – Court judgments or deficits, including snow removal, revenue, etc., are estimated at \$784,400 in FY 2012, and \$700,000 thereafter.
- **Warrant Articles** – In FY2012 Warrant Articles are estimated to total \$609,090 and thereafter \$646,515 each year.



Conclusion

Every effort has been made to implement all appropriate measures that will both maximize the productivity of our organization, and deliver the highest quality of services within available resources. Our entire management team has worked collectively to implement creative ways of doing more with less. We remain committed to maintaining the high quality of life our residents expect and deserve.

As the budget process evolves and additional information becomes available over the coming weeks, the estimates and recommendations contained herein will be adjusted as required. You will then be able to make operating and capital budget adjustments as deemed advisable prior to Town Meeting.

The document presented for your consideration is a product of a great deal of work. Our department heads, second to none in the Commonwealth in terms of professional competence and dedication to their tasks, provided invaluable input and assistance. Members of boards and commissions offered valuable assistance. In particular, I would like to thank the Board of Selectmen for its policy insights and leadership. I am most of all indebted to Deputy Town Manager Adam Chapdelaine who deserves the credit for the quality of the budget document including the information and the data contained herein. I also want to extend a special word of thanks to my office staff, Eileen Messina, Domenic Lanzillotti, and Theo Kalivas who spent evenings and weekends assisting in producing this document.

Respectfully submitted,

Brian F. Sullivan

Town Manager



Long Range Financial Projection

	FY 2011	FY 2012	Dollar Change	Percent Change	FY 2013	FY 2014	FY 2015	FY 2016
I REVENUE								
A. State Aid	13,576,740	13,341,134	(235,606)	-1.74%	13,341,134	13,341,134	13,341,134	13,341,134
School Construction Aid	2,531,085	2,531,085	0	0.00%	2,531,085	2,531,085	2,531,085	2,531,085
SFSF	129,741		(129,741)					
IDEA Funds	359,964		(359,964)	-100.00%				
B. Local Receipts	8,820,707	8,910,000	89,293	1.01%	8,960,000	9,010,000	9,060,000	9,110,000
C. Free Cash	582,051	385,249	(196,802)	-33.81%	500,000	500,000	500,000	500,000
D. Overlay Reserve Surplus	500,000	200,000	(300,000)	-60.00%	200,000	200,000	200,000	200,000
E. Property Tax	85,958,974	88,587,262	2,628,288	3.06%	90,581,274	92,935,055	95,362,821	97,843,822
F. Override Stabilization Fund	1,580,000		(1,580,000)					
TOTAL REVENUES	114,039,262	113,954,730	(84,532)	-0.07%	116,113,493	118,517,274	120,995,040	123,526,041
II APPROPRIATIONS								
A. Operating Budgets								
School								
General Education Costs	27,894,961	25,164,230	(2,730,731)	-9.79%	26,044,978	26,956,552	27,900,032	28,876,533
Special Education Costs	11,186,195	13,351,776	2,165,581	19.36%	14,286,400	15,286,448	16,356,500	17,501,455
Net School Budget	39,081,156	38,516,006	(565,150)	-1.45%	40,331,378	42,243,001	44,256,531	46,377,987
Minuteman	2,739,795	2,352,988	(386,807)	-14.12%	2,435,343	2,520,580	2,608,800	2,700,108
Town								
Personnel Services	21,013,819	19,846,658	(1,167,161)		20,746,173	21,528,986	22,351,377	23,409,557
Expenses	9,110,916	9,160,916	50,000		9,210,916	9,260,916	9,310,916	9,360,916
Less Offsets:								
Enterprise Fund/Other	1,629,215	1,634,410	5,195	0.32%	1,691,614	1,750,821	1,812,100	1,875,523
Tip Fee Stabilization Fund	680,000	450,000	(230,000)	-33.82%	400,000	198,315	0	0
Net Town Budget	27,815,520	26,923,164	(892,356)	-3.21%	27,865,475	28,840,766	29,850,193	30,894,950
MWRA Debt Shift	5,593,112	5,593,112	0	0.00%	5,593,112	5,593,112	5,593,112	5,593,112
B. Capital budget								
Exempt Debt Service	2,618,094	2,836,327	218,233	8.34%	2,434,589	2,332,724	2,243,452	2,243,452
Non-Exempt Service	4,935,652	5,183,113	247,461	5.01%	5,192,797	5,461,404	5,259,657	5,422,991
Cash	934,947	618,400	(316,547)	-33.86%	703,150	630,500	670,300	789,500
Minus Capital Carry Forward	(514,300)	(189,300)						
Total Capital	7,974,393	8,448,540	474,147	5.95%	8,330,536	8,424,628	8,173,409	8,455,943
C. Pensions	6,952,841	7,329,440	376,599	5.42%	7,769,206	8,235,359	8,729,480	9,253,249
D. Insurance	19,422,863	20,021,646	598,783	3.08%	21,423,161	22,922,783	24,527,377	26,244,294
E. State Assessments	2,664,789	2,714,259	49,470	1.86%	2,782,115	2,851,668	2,922,960	2,996,034
F. Offset Aid - Library & School	58,547	62,085	3,538	6.04%	62,085	62,085	62,085	62,085
G. Overlay Reserve	670,331	600,000	(70,331)	-10.49%	800,000	600,000	600,000	800,000
H. Other Crt Jdgmnts/ Deficit/ Symmes	498,449	784,400	285,951	57.37%	700,000	700,000	700,000	700,000
I. Warrant Articles	567,465	609,090	41,625	7.34%	646,515	646,515	646,515	646,515
J. Override Stabilization Fund								
K. TOTAL APPROPRIATIONS	114,039,262	113,954,730	(84,532)	-0.07%	118,738,927	123,640,496	128,670,463	134,724,277
BALANCE	0	0			(2,625,434)	(5,123,222)	(7,675,423)	(11,198,236)
Increase in Deficit from Prior Year					(2,625,434)	(2,497,788)	(2,552,201)	(3,522,813)



SECTION II

REVENUE



TOTAL REVENUE

Total revenue for FY2012 is projected at \$113,954,730, a decrease of \$84,532, or 0.1%.

The property tax levy is projected to increase \$2,628,288, or 3.1%. Local receipts are projected to increase \$89,293 due primarily to a full year's collections of the optional meals tax and hotel taxes at the higher tax rate.

Cherry Sheet State aid is projected to decrease \$235,606 or 1.7%. This is based upon the Governor's proposed budget, which increases Chapter 70 aid and reduces General Government Aid. State aid in the form of IDEA and State Fiscal Stabilization Funds that were available for school expenditures are unavailable in FY2012, thus eliminating an additional \$489,705 in revenue, and making the total reduction \$725,311.

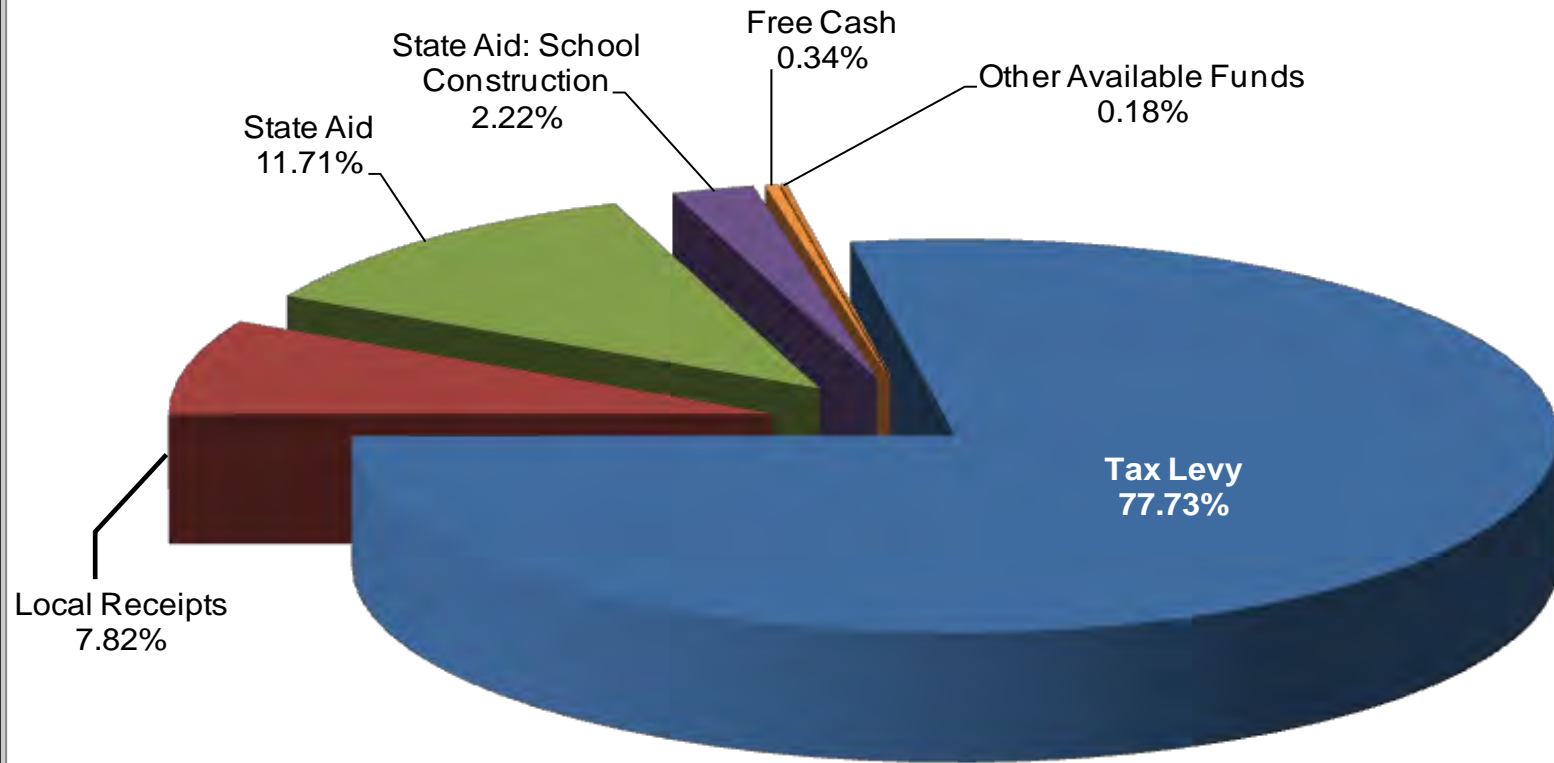
A total of \$385,249 in free cash is proposed to be used, which is a decrease of \$196,802 from FY2011. This represents 50% of the free cash balance, which is consistent with the Town's policy of using no more than 50% of the free cash balance.

In FY2012, Other Available Funds include only \$200,000 in surplus tax abatement overlay funds, which is a reduction of \$300,000 from this source. In addition, the remaining balance of \$1,580,000 in the override stabilization fund was appropriated in FY2011. This results in a total overall reduction in Other Available Funds of \$1,880,000 for FY2012.

REVENUE SOURCE	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Tax Levy	80,946,006	83,471,036	85,958,974	88,587,262	2,628,288
Local Receipts	8,715,308	8,653,173	8,820,707	8,910,000	89,293
State Aid	18,108,904	16,914,050	16,597,530	15,872,219	(725,311)
Free Cash	2,191,622	1,497,907	582,051	385,249	(196,802)
Other Available Funds	500,000	3,242,376	2,080,000	200,000	(1,880,000)
Total	110,461,840	113,778,542	114,039,262	113,954,730	(84,532)



REVENUE
\$113, 954, 730





Total General Fund Revenues

	<u>FY03</u> <u>Actual</u>	<u>FY04</u> <u>Actual</u>	<u>FY05</u> <u>Actual</u>	<u>FY06</u> <u>Actual</u>	<u>FY07</u> <u>Actual</u>	<u>FY08</u> <u>Actual</u>	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Actual</u>	<u>FY11</u> <u>Budget</u>	<u>FY12</u> <u>Budget</u>
Tax Levy	56,730,196	58,706,143	60,616,241	68,050,315	71,185,238	73,220,264	75,352,894	77,877,924	80,365,862	82,994,150
Local Receipts	7,785,986	7,801,881	8,437,095	8,834,256	9,188,329	9,024,278	8,715,308	8,653,173	8,820,707	8,910,000
State Aid	16,775,516	13,945,694	14,046,847	14,790,887	15,600,746	15,972,745	15,568,470	14,382,965	14,066,445	13,341,134
Free Cash	2,767,285	1,774,342	1,414,803	1,614,155	1,939,695	954,736	2,191,622	1,497,907	582,051	385,249
Other Available Funds	500,000	500,000	500,000	400,000	400,000	500,000	500,000	3,242,376	2,080,000	200,000
Total	84,558,983	82,728,060	85,014,986	93,689,613	98,314,008	99,672,023	102,328,294	105,654,345	105,915,065	105,830,533

*Excludes MWRA debt on tax levy and school construction reimbursements

Annual Revenue Increases

	<u>FY03</u> <u>Actual</u>	<u>FY04</u> <u>Actual</u>	<u>FY05</u> <u>Actual</u>	<u>FY06</u> <u>Actual</u>	<u>FY07</u> <u>Actual</u>	<u>FY08</u> <u>Actual</u>	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Actual</u>	<u>FY11</u> <u>Budget</u>	<u>FY12</u> <u>Budget</u>
Tax Levy	1,888,156	1,975,947	1,910,098	7,434,074	3,134,923	2,035,026	2,132,630	2,525,030	2,487,938	2,628,288
Local Receipts	90,423	15,895	635,214	397,161	354,073	(164,051)	(308,970)	(62,135)	167,534	89,293
State Aid	(498,063)	(2,829,822)	101,153	744,040	809,859	371,999	(404,275)	(1,185,505)	(316,520)	(725,311)
Free Cash	167,211	(992,943)	(359,539)	199,352	325,540	(984,959)	1,236,886	(693,715)	(915,856)	(196,802)
Other Available Funds	200,000	0	0	(100,000)	0	100,000	0	2,742,376	(1,162,376)	(1,880,000)
Total	1,847,727	(1,830,923)	2,286,926	8,674,627	4,624,395	1,358,015	2,656,271	3,326,051	260,720	(84,532)
Percent Increase	2.2%	-2.2%	2.8%	10.2%	4.9%	1.4%	2.7%	3.3%	0.2%	-0.1%

Percent of Total Revenue

	<u>FY03</u> <u>Actual</u>	<u>FY04</u> <u>Actual</u>	<u>FY05</u> <u>Actual</u>	<u>FY06</u> <u>Actual</u>	<u>FY07</u> <u>Actual</u>	<u>FY08</u> <u>Actual</u>	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Actual</u>	<u>FY11</u> <u>Budget</u>	<u>FY12</u> <u>Budget</u>
Tax Levy	67.1%	71.0%	71.3%	72.6%	72.4%	73.5%	73.6%	73.7%	75.9%	78.4%
Local Receipts	9.2%	9.4%	9.9%	9.4%	9.3%	9.1%	8.5%	8.2%	8.3%	8.4%
State Aid	19.8%	16.9%	16.5%	15.8%	15.9%	16.0%	15.2%	13.6%	13.3%	12.6%
Free Cash	3.3%	2.1%	1.7%	1.7%	2.0%	1.0%	2.1%	1.4%	0.5%	0.4%
Other Available Funds	0.6%	0.6%	0.6%	0.4%	0.4%	0.5%	0.5%	3.1%	2.0%	0.2%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



PROPERTY TAX LEVY

Property tax is the primary source of revenue for virtually every Massachusetts municipality. In Arlington, property taxes represent approximately 75% of annual operating revenues. Property taxes are levied on real property (land and buildings) and personal property (equipment) used by Arlington's non-manufacturing businesses. State law mandates that communities update their property values every three years and obtain State certification that such values represent full and fair cash value. A revaluation was conducted in FY2010. Under the Provisions of Proposition 2 ½, property taxes, in the aggregate, may not exceed 2 ½% of their "full and fair cash value." This limit is known as the "levy ceiling." Annual levy increases may not exceed 2 ½% of the previous year's levy plus the taxes added from any new or renovated property added to the tax rolls (known as new growth). Any Proposition 2 ½ override or debt exclusion amounts voted are added to the levy limit, while all related school construction reimbursements from the State are subtracted.

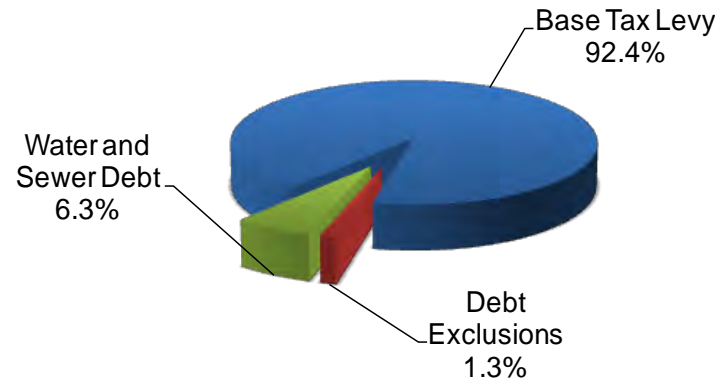
Property values and new growth for FY2012 are preliminary estimates used to project the levy limit. The FY2011 levy limit was \$79,443,949. The 2 ½% increase allowed for FY2012 is \$1,986,099. New growth from construction not previously on the tax rolls is expected to add \$400,000 to the FY2012 levy. An additional \$1,164,102 is added to the tax levy to cover the cost of debt service for projects approved by the voters as Proposition 2 ½ debt exclusion overrides. This added debt exclusion amount is net of state reimbursements estimated at \$1,672,226. For the first time in FY2012, debt service for the Symmes Urban Renewal project is expected to be added to the tax levy. After subtracting funds from the Symmes Urban Renewal Fund, including Symmes property taxes, the net debt service amount to be added to the tax levy is \$307,130.

The Town has accepted the provisions of Chapter 110, whereby water and sewer debt costs are transferred to the real estate taxes. At the present time, the only water and sewer debt is from the MWRA. The Board of Selectmen voted to freeze the amount of MWRA debt shift at the FY2007 amount of \$5,593,112. Based on the above, the FY2012 tax levy is projected to total \$88,587,262 representing an increase of \$2,628,288 (3.05%) over the FY2011 levy.

PROPERTY TAX LEVY	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Base Tax Levy	74,233,690	76,852,379	79,419,992	81,830,048	2,410,056
General Override	-	-	-	-	-
Debt Exclusion Overrides					
Brackett School	257,313	230,340	212,646	188,605	(24,041)
Hardy School	127,995	107,394	88,063	68,072	(19,992)
Bishop School	114,976	97,628	83,548	67,228	(16,320)
Peirce School	294,844	274,144	253,394	213,132	(40,262)
Dallin School	324,076	316,039	308,219	319,935	11,716
Stratton/Thompson Plans					-
Symmes Debt				307,130	307,130
Sub-total Debt Exclusions	1,119,204	1,025,545	945,870	1,164,102	218,232
Water and Sewer Debt	5,593,112	5,593,112	5,593,112	5,593,112	-
Total	80,946,006	83,471,036	85,958,974	88,587,262	2,628,288



PROPERTY TAX

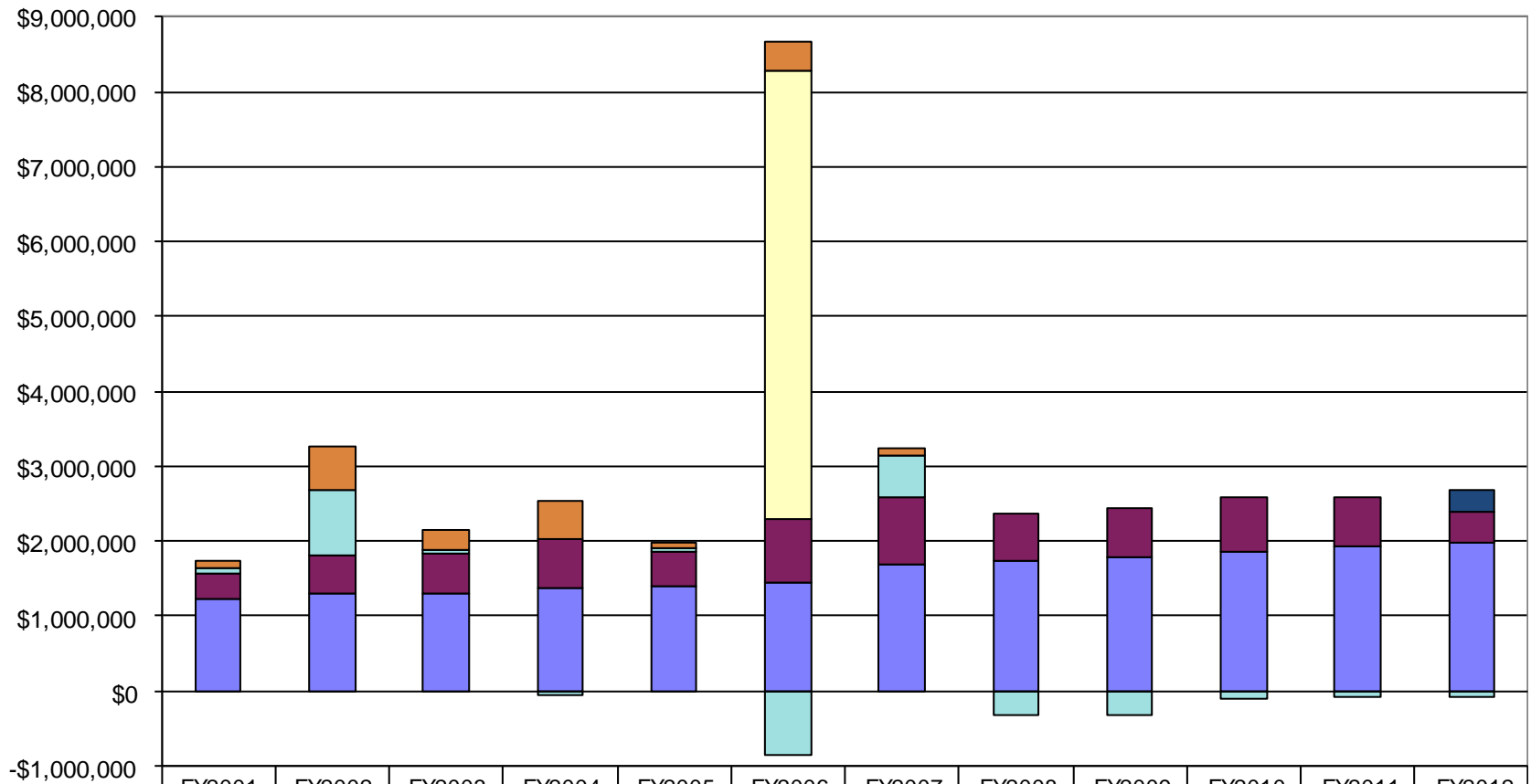


Fiscal Year	Real Estate & Personal Property Commitments	Abatements Granted	Tax deferral Abatements (Ch 41A)	Net Tax Levy	Net Collections	% of Collections	Amount transferred into tax title	Tax Title Balance as of June 30th	Tax Possession Balance as of June 30th	Tax Deferral Balance as of June 30th
2010	83,612,918.72	483,555.47	61,658.71	83,067,704.54	82,652,328.29	99.50%	415,059.45	781,121.00	396,784.20	363,475.82
2009	81,073,914.29	487,858.75	77,402.97	80,508,652.57	80,065,721.17	99.45%	480,507.03	707,145.88	396,784.20	393,703.43
2008	78,887,655.80	472,051.80	72,738.36	78,342,865.64	78,066,532.84	99.65%	276,332.81	471,582.61	396,784.20	377,006.41
2007	76,885,362.74	342,368.47	84,469.92	76,458,524.35	76,243,171.54	99.72%	216,092.26	339,191.03	396,784.20	390,472.48
2006	73,601,851.23	343,515.23	87,097.83	73,171,238.17	72,939,691.01	99.68%	231,489.78	324,280.65	396,784.20	380,256.66
2005	65,779,185.77	302,203.09	58,911.88	65,418,070.80	65,202,793.72	99.67%	234,667.16	339,307.20	396,784.20	285,068.38
2004	63,831,019.20	391,879.53	49,554.72	63,389,584.95	63,223,644.05	99.74%	165,940.90	258,629.93	396,784.20	274,115.15
2003	61,323,172.92	369,352.26	41,586.52	60,912,234.14	60,699,775.08	99.65%	212,459.06	317,178.44	397,922.00	247,855.77
2002	59,183,329.33	375,235.37	47,510.62	58,760,583.34	58,615,862.62	99.75%	144,720.72	216,588.20	397,922.00	347,816.81
2001	55,924,516.87	436,168.37	56,445.54	55,431,902.96	55,316,386.89	99.79%	115,516.07	181,873.01	397,716.45	354,375.56
2000	54,173,527.31	349,142.62	66,695.63	53,757,689.06	53,624,936.83	99.75%	132,752.23	196,203.75	397,716.45	338,813.24
1999	52,534,913.05	433,671.59	61,654.42	52,039,587.04	51,927,624.56	99.78%	173,616.90	187,455.40	383,233.92	338,142.22
1998	49,567,583.07	449,042.82	55,312.92	49,063,227.33	48,905,560.52	99.68%	157,666.81	284,217.96	407,244.12	286,763.02
1997	48,210,810.14	521,789.92	50,705.04	47,638,315.18	47,427,170.70	99.56%	211,144.48	432,742.57	393,123.36	239,348.93
1996	46,779,296.17	598,025.38	41,661.78	46,139,609.01	45,809,016.29	99.28%	331,883.24	714,391.40	616,012.63	242,190.65

The policy is to close out all real estate & personal property commitments in the same fiscal year. All collections, refunds, transfers into Tax Title all take place within the same fiscal year.



COMPONENTS OF TAX LEVY INCREASE



	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
MWRA Debt	109,156	578,001	260,958	517,348	69,732	371,757	117,626	-	-	-	-	-
Symmes Debt Exclusion	-	-	-	-	-	-	-	-	-	-	-	307,130
Debt Exclusion	58,861	861,310	44,571	(51,943)	56,628	(859,302)	558,473	(319,928)	(316,820)	(93,659)	(79,675)	(88,899)
General Override	-	-	-	-	-	6,000,000	-	-	-	-	-	-
New Growth	337,860	520,517	544,075	649,223	458,531	844,013	887,247	640,013	642,912	726,955	656,751	400,000
2.5% Increase*	1,234,895	1,300,061	1,299,509	1,378,668	1,394,938	1,449,364	1,689,203	1,736,648	1,796,065	1,857,039	1,921,639	1,986,099



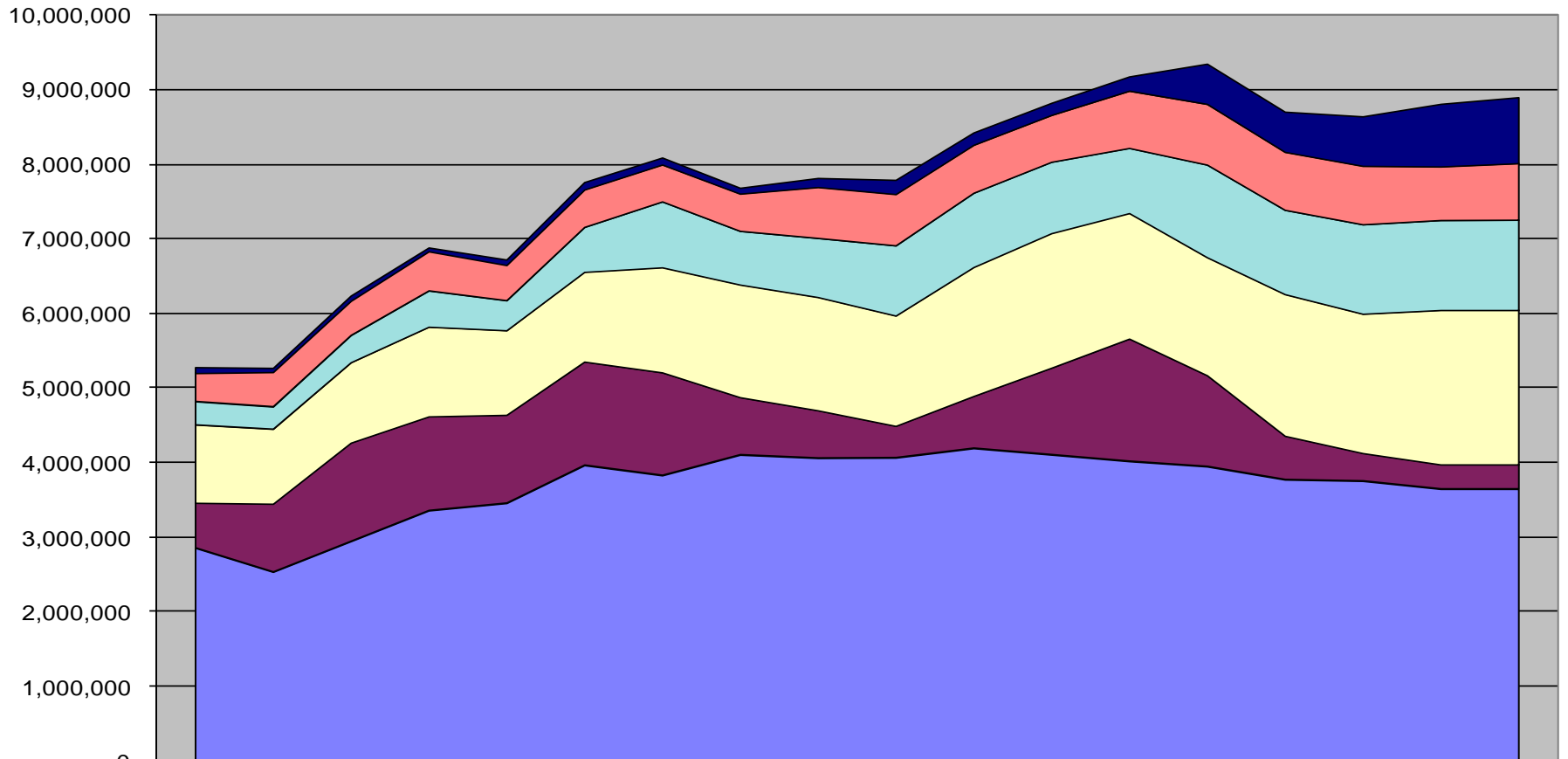
LOCAL RECEIPTS SUMMARY

Local receipts for FY2012 are projected to increase \$89,293 to a total of \$8,910,000. Most revenue sources remain flat with the exception of rental income which is increasing \$40,000 and meals and hotel taxes which are increasing \$45,000 due to a full year's collections at the increased tax rates. The slow economy is still having a negative impact on local receipts. Motor vehicle excise taxes are projected to remain at their lowest levels in more than a decade. Investment income, which exceeded \$1.4 million in FY2007, is projected to total only \$50,000 in FY2012. This is due to the dramatic drop in interest rates and reduced available cash balances.

LOCAL RECEIPTS SUMMARY	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Motor Vehicle Excise	3,775,638	3,757,149	3,650,000	3,650,000	-
Interest Income	582,123	369,782	325,000	325,000	-
Departmental Fees	1,900,729	1,867,994	2,070,500	2,070,500	-
Licenses and Permits	1,134,294	1,202,871	1,210,000	1,214,000	4,000
Rentals	783,600	791,045	725,000	765,000	40,000
Other	538,924	664,332	840,207	885,500	45,293
Total	8,715,308	8,653,173	8,820,707	8,910,000	89,293



Local Receipts History



	Actual FY95	Actual FY96	Actual FY97	Actual FY98	Actual FY99	Actual FY00	Actual FY01	Actual FY02	Actual FY03	Actual FY04	Actual FY05	Actual FY06	Actual FY07	Actual FY08	Actual FY09	Actual FY2010	Budget FY2011	Budget FY2012
Other	79,747	57,043	71,438	52,158	74,963	100,945	94,165	79,375	122,272	191,558	166,224	162,289	190,960	538,924	538,924	664,332	840,207	885,500
Rentals	391,759	475,385	470,238	534,943	482,727	508,819	500,978	506,840	690,231	696,252	648,334	632,505	771,319	818,608	783,600	791,045	725,000	765,000
Licenses and Permits	309,777	297,205	365,390	487,462	403,337	604,759	887,076	722,072	794,763	943,446	999,757	961,320	878,090	1,247,073	1,134,294	1,202,871	1,210,000	1,214,000
Fees/Departmental	1,047,991	1,002,385	1,077,431	1,202,822	1,134,166	1,206,792	1,412,070	1,512,748	1,520,578	1,480,066	1,731,991	1,808,831	1,689,345	1,586,298	1,900,729	1,867,994	2,070,500	2,070,500
Interest Income	602,716	913,448	1,318,396	1,257,417	1,178,868	1,382,410	1,374,590	765,790	634,352	421,000	693,999	1,159,204	1,636,644	1,216,410	582,123	369,782	325,000	325,000
Motor Vehicle Excise	2,858,747	2,535,529	2,947,864	3,360,273	3,459,778	3,968,543	3,832,194	4,108,738	4,064,678	4,069,559	4,196,714	4,110,106	4,021,994	3,951,802	3,775,638	3,757,149	3,650,000	3,650,000



MOTOR VEHICLE EXCISE

Motor vehicle excise tax receipts are expected to remain flat at a total of \$3.65 million. This is the lowest level in more than a decade. In FY2002, and as recently as FY2008, revenues totaled \$4.1 million. The excise rate is \$25 per thousand and is assessed on 90% of the vehicle's value in the first year, 60% in the second year, 40% in the third year, 25% in the fourth year, and 10% thereafter. The actual billings are prepared by the Registry of Motor Vehicles and then turned over to the Town for printing, distribution, and collection. There are approximately 38,000 registered vehicles in Arlington. In the chart below, Levy Year 2010 is as of June 30, 2010.

Levy Year	Commitments	Collections	Refunds	Net Collections	Abatements	Balance	Collection %
2010	\$3,439,627	\$3,277,405	\$34,770	\$3,242,635	\$83,853	\$113,139	96.71%
2009	\$3,405,929	\$3,262,275	\$42,208	\$3,220,067	\$90,499	\$95,363	97.20%
2008	\$4,095,771	\$3,968,005	\$82,613	\$3,885,392	\$164,786	\$45,593	98.89%
2007	\$4,230,657	\$4,125,146	\$81,094	\$4,044,052	\$159,117	\$27,488	99.35%
2006	\$4,248,107	\$4,134,418	\$89,206	\$4,045,212	\$177,550	\$25,345	99.40%
2005	\$4,293,875	\$4,189,478	\$95,281	\$4,094,197	\$173,543	\$26,135	99.39%
2004	\$4,290,578	\$4,166,076	\$78,847	\$4,087,229	\$183,274	\$20,075	99.53%
2003	\$4,241,385	\$4,109,464	\$72,532	\$4,036,932	\$189,004	\$15,449	99.64%
2002	\$4,281,043	\$4,130,254	\$80,517	\$4,049,737	\$215,905	\$15,401	99.64%
2001	\$4,250,080	\$4,122,587	\$76,815	\$4,045,772	\$187,565	\$16,743	99.61%
2000	\$4,090,219	\$3,983,605	\$87,702	\$3,895,903	\$181,778	\$12,538	99.69%
1999	\$3,734,714	\$3,644,635	\$92,391	\$3,552,244	\$173,537	\$8,933	99.76%
1998	\$3,341,180	\$3,251,914	\$58,790	\$3,193,124	\$138,299	\$9,757	99.71%
1997	\$3,119,179	\$3,019,273	\$48,419	\$2,970,854	\$135,780	\$12,545	99.60%

MOTOR VEHICLE EXCISE	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Motor Vehicle Excise	3,775,638	3,757,149	3,650,000	3,650,000	-



DEPARTMENTAL FEES

Departmental fees are projected to remain flat at a total of \$2.07 million. The major categories include ambulance fees, parking fines and meters, cemetery fees, tax collector fees, and school Medicaid reimbursements related to the special education program. While most categories of fees have experienced a decline in revenue amounts over the last few years, ambulance revenue has increased as a result of rate increases.

DEPARTMENTAL FEES					
	FY09 Actual	FY10 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Schools (Medicare Reimbursement)	209,034	135,451	200,000	200,000	-
Cemetery Revenue	308,350	267,675	300,000	300,000	-
Library Fees and Fines	63,432	65,863	60,000	60,000	-
Collector's Demand Fees	110,441	78,097	80,000	80,000	-
Town Clerk Fees	45,015	69,159	45,000	45,000	-
Parking Violations	424,428	355,236	350,000	350,000	-
Parking Meter Receipts	67,883	78,840	75,000	75,000	-
Fire Alarm Renewal Fee	16,575	24,250	15,000	15,000	-
Ambulance Fees	452,217	565,307	625,000	625,000	-
Other Departmental Revenue	203,354	228,117	320,500	320,500	-
Total	1,900,729	1,867,994	2,070,500	2,070,500	-



INTEREST INCOME & PENALTIES

Interest Income is projected to remain flat at a total of \$325,000. It is made up of two components: investment income and interest and penalties associated with delinquent tax payments.

Investment income can vary widely depending upon market interest rates, available cash balances, cash flows, and investment practices. Investment income has dropped from a high of more than \$1.4 million in FY2007 to a projected amount of only \$50,000 in FY2012. This is due to the dramatic drop in interest rates and available cash balances.

Penalties and interest associated with delinquent tax payments are projected to remain stable at \$275,000.

INTEREST INCOME	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Investment Income	410,117	102,254	50,000	50,000	-
Penalties & Interest	172,006	267,528	275,000	275,000	-
Total	582,123	369,782	325,000	325,000	0



LICENSES AND PERMITS

For FY2012 the total revenue is expected to increase by only \$4,000 to a total of \$1,214,000.

Licenses and permits are comprised of several categories, issued by various departments. The most significant of these include parking permits and liquor licenses issued by the Selectmen, building permits, and fire permit fees, which include fire alarm connection fees. All of these are expected to remain flat with the exception of building permits, which are expected to increase slightly to a total of \$829,000. Revenues from building permits have held up very well the last few years given the down economy.

LICENSES AND PERMITS	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Parking Permits	103,727	135,936	135,000	135,000	-
Liquor Licenses	73,055	68,125	70,000	70,000	-
Food Licenses	6,725	6,483	6,500	6,500	-
Food Permits	16,125	17,520	20,000	20,000	-
Tobacco Permits	14,190	12,150	14,000	14,000	-
Building Inspections	810,277	844,894	825,000	829,000	4,000
Fire Prevention Permits	38,383	53,591	53,000	53,000	-
Marriage Licenses	6,620	6,580	6,500	6,500	-
Other	65,192	57,592	80,000	80,000	-
Total	1,134,294	1,202,871	1,210,000	1,214,000	4,000



RENTAL INCOME

The Town derives income from the renting of several Town-owned properties including the Gibbs, Crosby, and Parmenter schools, the Mt. Gilboa house, the former Dallin Library, and former Parks Department buildings at Ryder Street.

Overall, revenue is projected to increase \$40,000 to a total of \$765,000.

The Ryder Street property is rented for a five-year period, generating a net income of \$95,000 annually.

Parmenter School and Crosby School leases were renegotiated, resulting in rent increases. Projected rental income for the properties is \$180,000 and \$134,000 respectively. The leases for these two properties expire June 30, 2013. The sale of the properties is currently under consideration.

Similar to the Parmenter and Crosby Schools, the Gibbs tenants now pay the utility cost directly rather than through their rents which is why the rental income is expected to decrease in FY2011. For FY2012, rental income is expected to increase to a total of \$290,000.

Dallin Library is currently leasing to the Arlington Community Media, Inc. (ACMI) with rental income projected at \$45,000. The Mt. Gilboa house is rented for \$18,000 per year.

RENTAL INCOME	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Ryder St.	76,348	75,638	77,000	95,000	18,000
Parmenter	122,441	151,013	175,000	180,000	5,000
Crosby	106,469	113,326	130,000	134,000	4,000
Gibbs	416,299	387,951	280,000	290,000	10,000
Mt. Gilboa	16,500	18,000	18,000	19,000	1,000.00
Dallin Library	45,543	45,116	45,000	47,000	2,000.00
Total	783,600	791,045	725,000	765,000	40,000



OTHER LOCAL RECEIPTS

Other local receipts are projected to increase by \$45,293 to a total of \$885,500. The major reason for the increase is due to a full year's collection of meals and hotel taxes at the new increased tax rate.

In 2009 the Legislature gave the authority to Town Meeting to adopt optional increases to the meals and hotel taxes. At that time only the state collected revenue from the meals tax of 5%. Cities and towns were allowed to add an additional 0.75%. Also, the Town collected a room occupancy tax on hotels (there is only one hotel in Arlington) of 4% at that time. The state allowed cities and towns to increase that by 1% to a total of 5%. Both of these optional taxes were adopted by Town Meeting in the fall of 2010 to go into effect January 1, 2010. For communities that adopted these taxes with this effective date, they were allowed to estimate six months of collections in FY2010, eleven months in FY2011, and a full twelve months thereafter. For FY2012, the total estimated collections for both taxes are \$480,000, an increase of \$45,000 over FY2011.

The other major category of receipts is the Medicare Part D reimbursement. This is a reimbursement by the federal government due to the fact that Arlington, like most cities and towns, offers qualifying prescription drug coverage under its healthcare plan for retirees. While it is estimated to remain flat at \$350,000 in FY2012, it is expected that this reimbursement will be phased out by the federal government over the next several years.

Court fines, primarily for moving violations, are projected to remain level at \$47,000.

OTHER LOCAL RECEIPTS	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Meals Tax	-	81,096	225,000	250,000	25,000
Hotel Tax	136,490	165,114	210,000	230,000	20,000
Court Fines	61,871	46,800	47,000	47,000	-
Medicare Part D Reimbursement	327,937	362,941	350,000	350,000	-
Special Assessments	1,659	1,410	1,400	1,500	100
Payments In Lieu of Taxes	10,967	6,971	6,807	7,000	193.00
Total	538,924	664,332	840,207	885,500	45,293



STATE AID SUMMARY

In January, Governor Patrick proposed to reduce local aid cherry sheet funding to Arlington, by 1.7%. This reduction manifested itself in a 3.7% increase in Chapter 70 (School Aid), set against a 7% reduction in General Government Aid. The House Ways and Means Committee is due to report its recommendation in mid- April, however, as has been the case in prior years, both the House and Senate may agree upon a local aid resolution prior to the issuance of their comprehensive budget proposal. After adding in the \$489,705 reduction in IDEA and State Fiscal Stabilization Funds that were distributed by the State in FY2011, the total state aid reduction is \$725,311, bringing down the total state aid, exclusive of school construction aid, to \$13,341,134. This is less local aid than the Town received in FY1988, some 24 years ago (see chart on p. II-16). During this period, Arlington has seen its share of the local aid “pie” cut in half (see chart on p. II-18).

Since FY2002, Arlington’s total state aid has decreased by 16.8%, losing over \$5.5 million through FY2011 (see chart on p. II-17). Since FY2002, local aid for all municipalities initially dropped by approximately 8%, rebounded through FY2009 to a 20% increase, and then dropped in FY2011 to a cumulative increase of 9.1% from FY2002. Arlington, on the other hand, has never experienced an increase above FY2002. In fact, in FY2006 Arlington was 15% below FY2002, while the average of all municipalities saw a slight increase. In the current year, FY2011, aid is 17% below FY2002 while the average of all municipalities has seen an increase of 9.1%.

Over the last several years, the distribution formulas used for the cutbacks in state aid—and the subsequent restoration of those cuts—have not been implemented fairly, nor have they recognized the needs of communities like Arlington. The policy has essentially been this: communities with relatively high median income levels and high property values are assumed to have a greater ability to raise revenue locally, and therefore to have less of a need for state aid. The problem is that communities don’t have the ability to tax incomes (the state takes all income tax). The only source of revenue available to communities is the property tax, a regressive tax that hurts elderly and lower income residents disproportionately. Without a fair share of state aid, communities like Arlington are faced with the difficult choice of either raising property taxes through overrides, or cutting needed services.

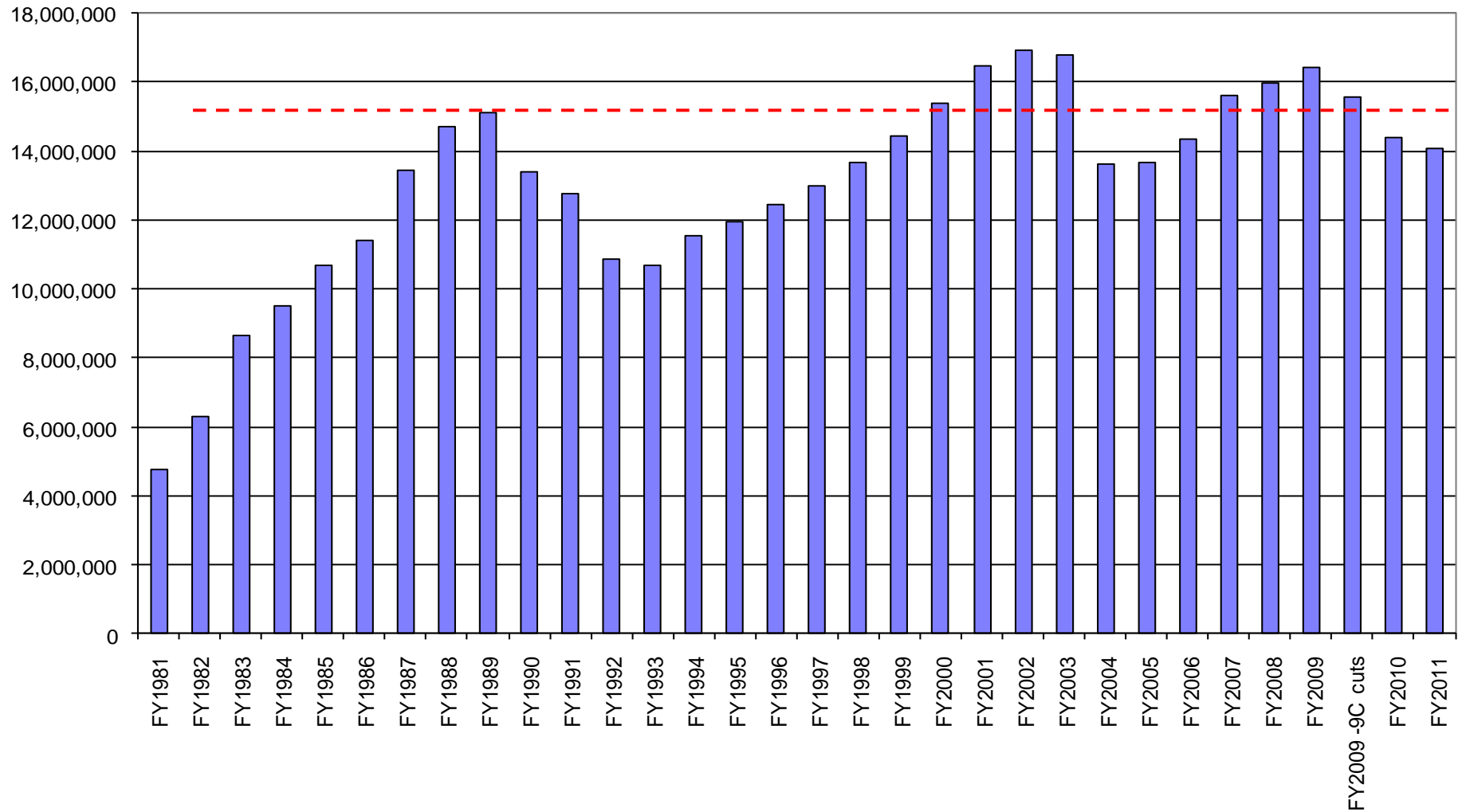
A majority of local aid increases over the last decade have been distributed through the Chapter 70 school aid formula. The formula works to the disadvantage of communities with relatively high incomes and property values. Arlington falls into this category, which means that we are a minimum aid community and are calculated to receive only 17.5% of our school foundation budget (the amount that the state calculates that we should be spending on schools). Some communities receive as much as 85%, with the average targeted at 60%. For FY2012, Arlington will receive the minimum, 17.5%.

STATE AID SUMMARY	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Gen Government Aid	9,019,382	6,920,966	6,663,827	6,180,935	(482,892)
School Aid	6,280,215	7,213,495	7,153,462	6,909,638	(243,824)
School Construction	2,540,434	2,531,085	2,531,085	2,531,085	-
Tax Exemptions	188,896	187,014	190,609	188,476	(2,133)
Cherry Sheet Offsets	79,977	61,490	58,547	62,085	3,538
Total	18,108,904	16,914,050	16,597,530	15,872,219	(725,311)



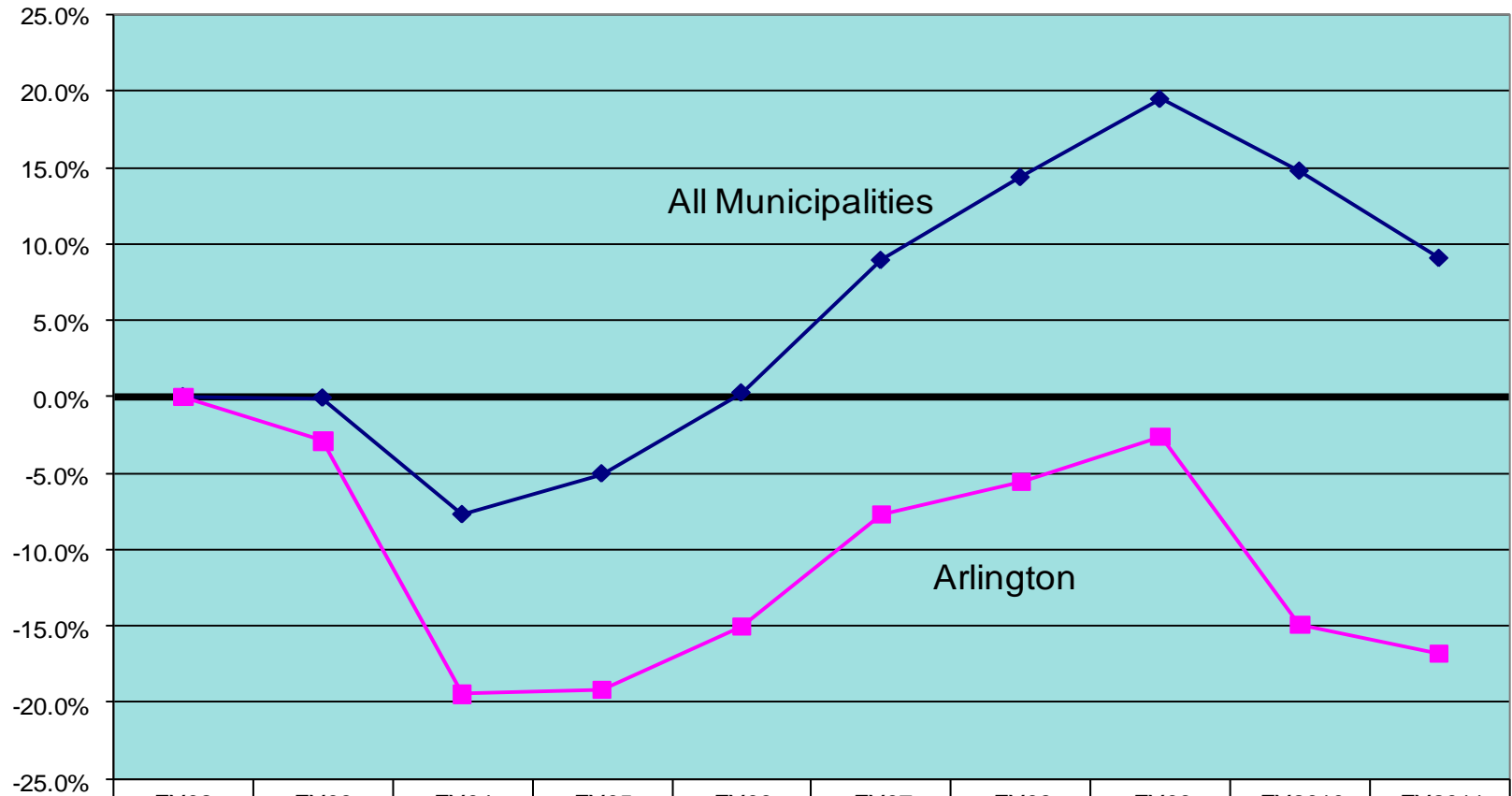
STATE AID RECEIPTS

(Numbers exclude School Construction and METCO reimbursements)





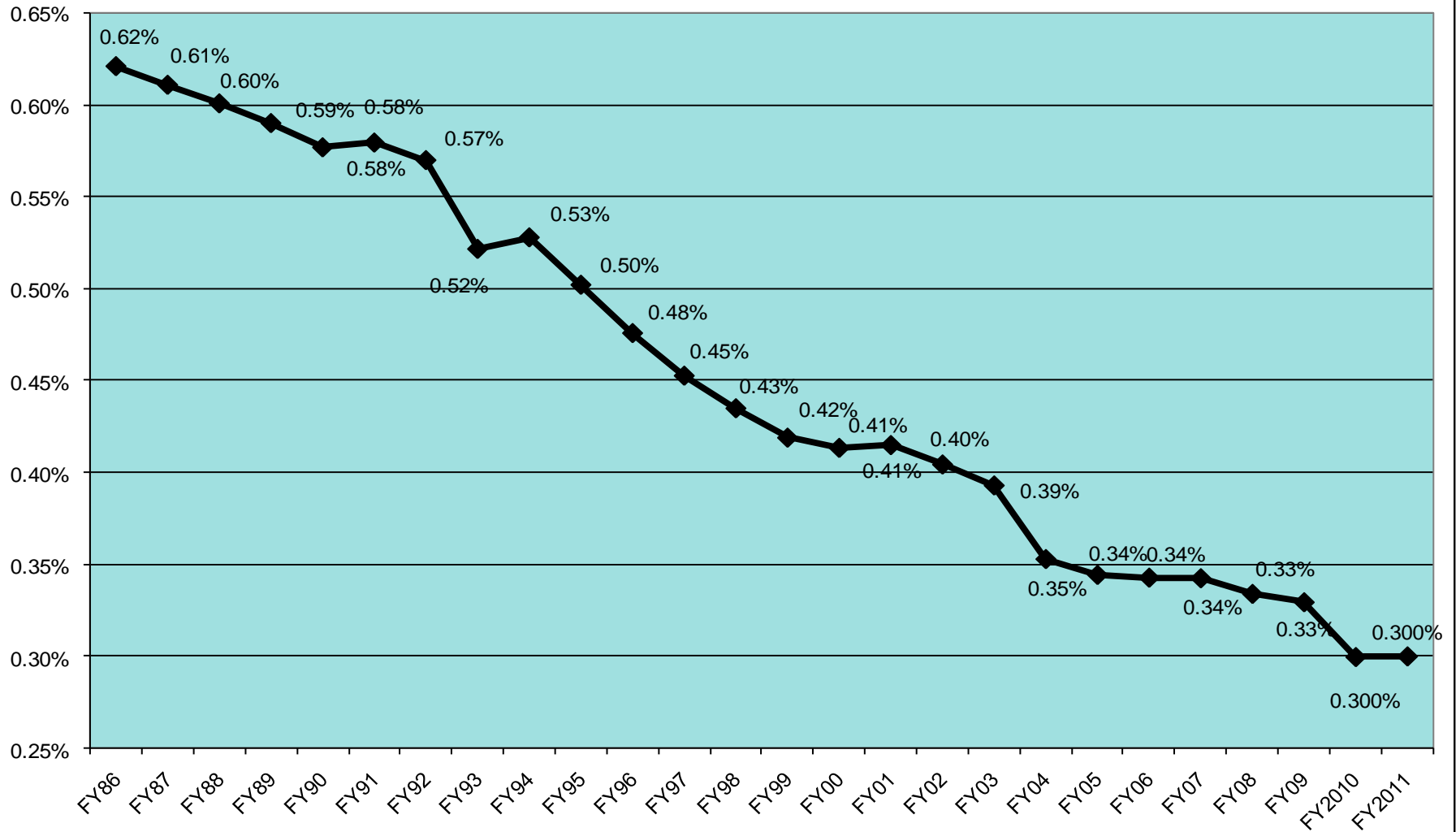
**State Aid Cumulative Percent Change
Since Fiscal Year 2002**
(Numbers exclude School Construction and METCO reimbursements)



◆ All Municipalities	0.0%	-0.1%	-7.7%	-5.1%	0.3%	8.9%	14.4%	19.5%	14.8%	9.1%
■ Arlington	0.0%	-2.9%	-19.5%	-19.2%	-15.0%	-7.7%	-5.5%	-2.6%	-14.9%	-16.8%



Arlington's Percent of Total State Aid





GENERAL GOVERNMENT

ADDITIONAL ASSISTANCE

In FY2010, the Additional Assistance category was combined with Lottery Aid under a new category called Unrestricted General Government Aid. Between these two aid categories, Arlington received in excess of \$9.4 million in FY2008. In FY2012, this is anticipated to drop to just over \$5.9 million, or a reduction of \$3.5 million since FY2008. Additional assistance was distributed through a needs based formula to 159 of the neediest communities. Unfortunately, this was an aid category that has been targeted for reductions in recent years. Arlington relies heavily on this aid category, and its reduction has led to the overall state aid allocation to the Town being cut disproportionately.

Before the Education Reform Act of 1993 was passed, the Additional Assistance account and the “old” Chapter 70 School Aid account made up a category of aid called Resolution Aid. During the mid and late 1980s, cities and towns were guaranteed their previous year’s Resolution Aid as a base for the upcoming year’s calculation. In addition to this base amount a needs-based formula, which was calculated from a community’s ability to pay for an average level of local services, was applied to determine the increase in Resolution Aid funding for that year. Once the total amount of Resolution Aid was determined by the needs-based formula, it was allocated between Chapter 70 School Aid and Additional Assistance using the Chapter 70 School Aid formula at that time. The total amount of Resolution Aid, minus the Chapter 70 School Aid, equaled that year’s Additional Assistance.

The Additional Assistance program was impacted by the State budget cuts of the early 1990s. The program’s funding went from \$765 million in FY1989 to \$476 million in FY1992. The reduction in Additional Assistance funding came in two rounds of budget cuts. The first round of cuts occurred in FY1991 and resulted in a flat 4% reduction in every community’s Additional Assistance. The second round of cuts occurred in FY1992 and resulted in a \$345 million decrease in Resolution Aid. Most of the FY1992 reduction in Resolution Aid funding was taken from the Additional Assistance account. As a result of this second round of cuts, many communities’ Additional Assistance allocation dropped to zero. The reduction halfway through FY2003 included a cut of \$31 million in Additional Assistance, resulting in a reduced total of \$445 million. In FY2004, it was cut an additional \$67 million. Arlington’s funding went from \$5,652,310 in FY2002 to \$4,491,775 in FY2006, for a reduction of \$1,160,535. It remained level in FY2007, FY2008 and then was cut in FY2009 by \$37 million, with Arlington’s allocation being cut by \$437,706 to a total of \$4,054,069. In FY2010 the category was combined with Lottery Aid into a new category, which was further reduced by \$128 million statewide. In FY2012 a further cut of \$65 million is anticipated. Arlington’s reduction is expected to be \$463,969.

(Continued on page 20)

GENERAL GOVERNMENT	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Additional Assistance	4,054,069	-	-	-	-
Lottery Distribution	4,468,001	-	-	-	-
Unrestricted General Government Aid	-	6,684,280	6,416,909	5,952,940	(463,969)
Veterans' Benefits	177,113	187,680	221,266	204,682	(16,584)
Police Career Incentive	320,199	49,006	25,652	23,313	(2,339)
Total	9,019,382	6,920,966	6,663,827	6,180,935	(482,892)



(Continued from page 19)

UNRESTRICTED GENERAL GOVERNMENT AID

In FY2011, Unrestricted General Government Aid is expected to be cut by \$65 million (7%). Arlington's allocation is expected to be cut by \$463,969 to a total of \$5,952,940. In FY2010, Lottery Aid and Additional Assistance were combined to create this new aid category, and were reduced from the FY2009 pre-9c cut level by over \$339 million.

LOTTERY

The lottery program was enacted in 1972 to provide financial assistance to municipalities on an equalizing basis. Communities with lower property values receive proportionately more aid than communities with higher values. The formula, which is based upon population and equalized property valuations, is as follows:

LOTTERY AID = (State Wide EQV Per Capita/Local EQV Per Capita) x 10 per Capita

VETERANS' BENEFITS

Chapter 115, Section 6, calls for the reimbursement to cities and towns of the costs of providing assistance to veterans and their dependents. Benefits paid out in accordance with state guidelines are eligible for 75% reimbursement. For FY 2012, the preliminary cherry sheet estimate is \$204,682—a decrease of \$16,584. The decrease reflects a reduction in the number of veterans receiving some form of government assistance.

POLICE CAREER INCENTIVE REIMBURSEMENT (QUINN BILL)

In FY2010 this reimbursement program was all but eliminated. Arlington's reimbursement dropped from \$320,199 to \$49,006. In FY2012, funding is estimated to drop to \$23,313.

The purpose of this program was to encourage police officers in participating municipalities to earn degrees in law enforcement and criminal justice, and to provide educational incentives through salary increases. The State administers this optional education incentive program. The Massachusetts Board of Higher Education annually certifies police officers for Associate's, Bachelor's, or Master's degrees. Such officers are eligible to receive 10%, 20%, or 25% base salary pay increases. The participating municipalities pay each officer 100% of Incentive Pay each year the officer remains on the force, and subsequently the State will reimburse a proportion of these expenses as an incentive for communities to accept the commitment to participate in this program. The enabling legislation specified that reimbursement should equal 50% of the added annual salary costs (based on the incremental increase in the salaries of the officers that have attained degrees) incurred by participating police departments.

Unfortunately, the State reneged on its funding commitment, providing no recourse for municipalities to reduce the benefits and costs accordingly. This incentive pay has been part of the officers' base pay, so even if a municipality could have cut the payments, it would have been left in the untenable position of having to cut the base pay of its officers. A more reasonable approach would have been to freeze the payments and grandfather the officers currently in the program. The Legislature did at least change the law so that no new officers can participate in the program.



SCHOOL AID

SCHOOL AID - CHAPTER 70

Total statewide funding is \$3.36 billion, an increase of \$114 million, or 3.5%. Of this amount, Arlington will receive \$6,880,580, an increase of \$248,523, or 3.7%. The distribution formula calculates a foundation budget for each school district and then funds a percentage of the budget depending upon a number of factors, including community income levels and property wealth. For those communities determined to be relatively wealthy, the State will fund a maximum 17.5% of the school district's foundation budget. Arlington is one of 108 communities that fall within this category. Communities that are relatively poor receive significantly more than the 17.5% minimum. The maximum target is 85% with an average statewide target of approximately 60%. The State's plan was to reach each community's target percentage over several years. Arlington is already at its maximum of 17.5%, which is the State's minimum payment.

CHARTER SCHOOL TUITION ASSESSMENT REIMBURSEMENT

General Laws Chapter 71, Section 89 (nn) mandates that the State assess a municipality or regional school district for the costs associated with pupils attending a Charter School district and reimburse sending districts for the tuition they pay to Commonwealth charter schools. Municipalities and school districts are reimbursed for this assessment based on the following schedule: in year one, an amount equal to 100% of the assessment; in year two, an amount equal to 60% of the assessment; in year three, an amount equal to 40% of the assessment; after year three, no reimbursement. This reimbursement is, of course, subject to appropriation. If the account is not fully-funded, then the reimbursement is pro-rated. Based on the preliminary cherry sheets, the Town will receive \$29,058, a decrease of \$2,642.

ARRA FUNDS

Over the course of FY 2010 and FY 2011, the state utilized ARRA funding to supplement education funding on the local level. This took the form of Federal Stimulus IDEA funds, as well as State Fiscal Stabilization Funds. In FY 2011, Arlington received \$129,741 in State Fiscal Stabilization funds, as well as \$359,964 in IDEA funds, for a total of \$489,705. This funding is unavailable in FY 2012, thereby leaving an additional shortfall of \$489,705.

SCHOOL AID	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Chapter 70 School Aid	6,229,294	6,104,708	6,632,057	6,880,580	248,523
Charter School Tuition Reimbursement	50,921	27,555	31,700	29,058	(2,642)
Federal Stimulus Funds (IDEA)		1,081,232	489,705	0	(489,705)
Total	6,280,215	7,213,495	7,153,462	6,909,638	(243,824)



SCHOOL CONSTRUCTION AID

In July of 2004, the Governor signed Chapter 208 and Chapter 210 of the Acts of 2004 into law, which makes substantial changes to the School Building Assistance (SBA) Program. This legislation (Ch 208) transfers responsibility for the School Building Assistance Program from the Department of Education to the Massachusetts School Building Authority (MSBA), under the Office of the State Treasurer. The authority is a new and independent governing body comprised of seven members.

The reform legislation (Ch.210) dedicates one cent of the state sales tax to the new off-budget school building trust. This is projected to amount to \$620 million in FY2011. Funding will no longer be subject to an annual appropriation from the Legislature and approval of the Governor.

The MSBA funding commitments include \$11 billion for 1,156 projects authorized under the former SBA program, including \$5.1 billion for 728 prior grant projects that were already receiving funding, and \$5.5 million for 423 projects on a wait list. The remaining limited resources are being used to fund new projects. MSBA is projecting to spend \$2.5 billion over the next five years for new projects. Reimbursement rates are based on community factors and incentive points. The base percentage is 31%.

When the moratorium on new projects was lifted in July 1, 2007, the MSBA received 423 Statements of Interests from 163 school districts for various projects. Arlington submitted three projects: Thompson, Stratton and the High School. Only Thompson has been approved to move to the feasibility study phase.

The school construction aid the Town currently receives is for projects completed under the old SBA program. The amount is expected to remain level at \$2,531,085. The projects and their funding are as follows:

Peirce	\$ 521,056
Ottoson	858,859
Brackett	347,518
Bishop	322,764
Hardy	480,888
Total	\$2,531,085

SCHOOL AID	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
School Construction Aid	2,540,434	2,531,085	2,531,085	2,531,085	-



TAX EXEMPTION AID

There are several categories of property tax exemptions for which the State provides a partial reimbursement to municipalities. For FY2012, reimbursements are expected to decrease by \$2,133 to a total of \$188,476. Veterans, blind persons, surviving spouses, and elderly who meet exemption requirements are eligible. Elderly persons (at least 65 years of age) who meet certain whole estate or total assets, annual income, and residency requirements, are eligible for an exemption. The number of exemptions granted is multiplied by the statutory reimbursement of \$500, subject to appropriation. However, if a municipality has adopted Clause 41B or 41C, (Arlington has adopted this section which increases exemption amount to \$1,300) the number of exemptions for which it is reimbursed cannot exceed the number reimbursed in the most recent year under Clause 41. In addition, municipalities that have adopted Clause 41B or 41C will be reimbursed for additional costs incurred in determining eligibility of applicants under these clauses in an amount not to exceed two dollars per exemption granted. For property tax exemptions granted to qualifying veterans, blind persons, surviving spouses, and elderly persons, the exemption and reimbursement amounts are as follows:

- Surviving spouses, minor children, elderly persons:
 - Clause 17 - \$175, full reimbursement
 - Clauses 17C, 17C^{1/2}, 17D - \$227.50, reimbursement cannot exceed the amount reimbursed on Clause 17.
- Veterans:
 - Clause 22(a-f) - \$520 exempted, \$225 reimbursed
- Paraplegic veterans, surviving spouses:
 - Full amount, 100% minus \$175 reimbursed (§8A)
- Veterans, loss of one arm, foot, or eye:
 - Clause 22A - \$975 exempted, \$575 reimbursed
- Veterans, loss of two arms, two feet, one arm and one leg, or loss of sight:
 - Clause 22B - \$1,625 exempted, \$1,075 reimbursed
- Veterans, special adapted housing:
 - Clause 22C - \$1,950 exempted, \$1,325 reimbursed
- Veterans, surviving spouses of service members who died in combat zone or who are missing in action and presumed dead due to combat:
 - Clause 22D - 100% exempted- 1st five years of exemption, \$2,500 thereafter
- Veterans, 100 percent disability:
 - Clause 22E - \$1,300 exempted, \$825 reimbursed
- Blind persons:
 - Clause 37A - \$650 exempted, \$87.50 reimbursed

TAX EXEMPTION AID	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Tax Exemption Aid	188,896	187,014	190,609	188,476	(2,133)



CHERRY SHEET OFFSETS

Included in the estimated amount of aid to be received from the State are grant funds for the schools and libraries. These grants are reserved for direct expenditure by the departments and cannot be counted as general available revenues. Consequently, as part of the tax rate preparation process, whatever amount is included within the State Aid estimate is also included in the non-appropriated expense section as offsetting debits.

The Town receives two such annual grants—one for the school lunch and one for public libraries. The school lunch is actually a partial reimbursement for operating a school lunch program. This is expected to increase \$2,941 to a total of \$19,545. The library grant is expected to increase slightly to \$42,540.

The library grant is actually three separate grants—the Library Incentive Grant (LIG), Municipal Equalization Grant (MEG) and the Nonresident Circulation Offset (NRC). The three funding formulas to determine amounts for each municipality are as follows:

1. The Library Incentive Grant (LIG) is distributed to municipalities as follows:
 - a. Population under 2,500: an amount equal to the amount appropriated for free public library service in the preceding year; distribution not to exceed \$1,250.
 - b. Population of 2,500 or over: up to \$.50 per capita, provided that at least \$1,250 was appropriated for public library service in the preceding year.
2. The Municipal Equalization Grant (MEG) distributes the balance in the LIG/MEG account according to the lottery formula so that municipalities with lower property values receive proportionately more aid than those with greater property values.
3. The Nonresident Circulation Offset (NRC) is distributed annually by the Board of Library Commissioners, based upon each community's share of the total Statewide-circulated items.

The Board of Library Commissioners measures compliance with all requirements before voting to certify or deny applicants for grant payments. To qualify for funding, certain requirements must be met and the municipal Library Director must submit an application to the Board of Library Commissioners each year. Requirements include:

- The city or town's appropriation to operate the public libraries must be equal to or greater than 102.5% of the average of the 3 preceding years' appropriations for free public library service. The Board of Library Commissioners may grant waivers of this requirement to a limited number of municipalities.
- The library must have complied with the minimum standards for free public library service in the preceding year. There are minimum standards in such areas as library director's education, number of hours open, and expenditures for library materials. The library must submit annual report data as specified by the Board of Library Commissioners.

Due to the economic crisis and cutbacks in local aid, the State is being more liberal in allowing waivers to the municipal spending requirements.

CHERRY SHEET OFFSETS	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Lunch Programs (Schools)	19,261	20,783	16,604	19,545	2,941
Libraries	60,716	40,707	41,943	42,540	597
Total	79,977	61,490	58,547	62,085	3,538

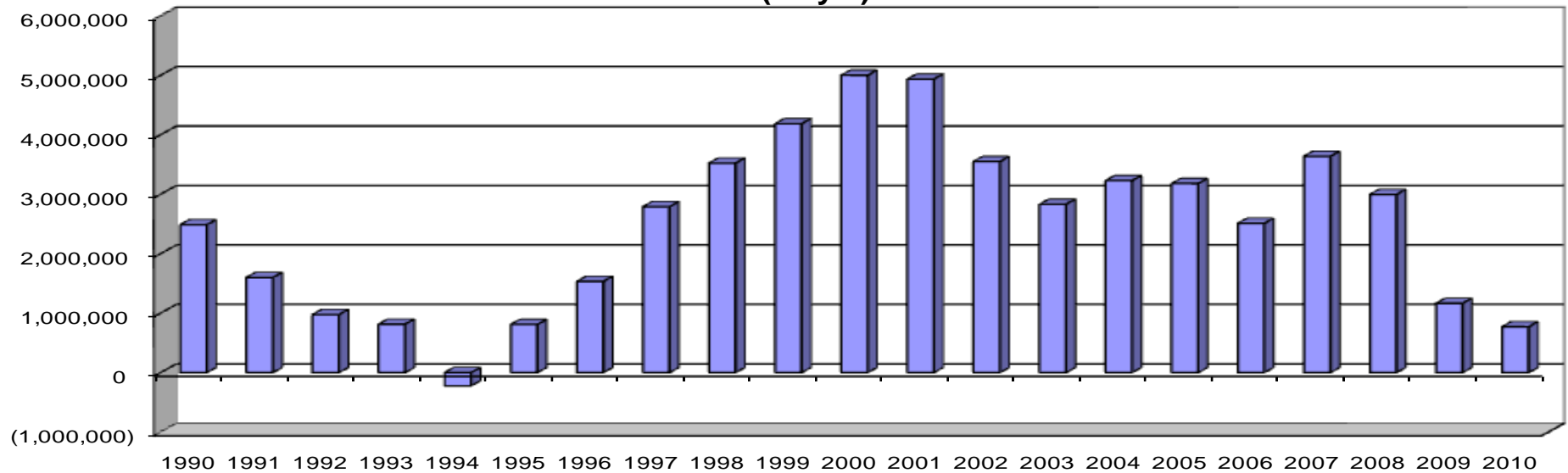


FREE CASH

Free Cash, which is certified as of July 1 each year by the Commonwealth's Department of Revenue (DOR), represents the portion of General Fund surplus revenue that is unrestricted and available for appropriation. These funds, once certified, may be used to support supplemental appropriations during the year, to support the ensuing fiscal year's budget, to reduce the tax levy, or to serve as emergency reserves. Free Cash is generated when the actual operating results compare favorably with the budget, such as when actual revenues exceed the original estimates and/ or when actual expenditures are less than appropriated. It is also affected by increases or decreases in uncollected property taxes, non- General Fund deficit balances, and any other legally incurred operating deficits, such as snow removal overdrafts.

Because the FY2010 school deficit of \$1,525,021 was subtracted from the June 30, 2010 free cash balance, the available general fund free cash balance was only \$770,498. It is recommended that one half of this amount, or \$385,249, be appropriated towards the FY2012 budget leaving a balance of \$385,249.

**Certified Free Cash History
(July 1)**



FREE CASH	FY2009 Actual	FY2010 Actual	FY2011 Actual	FY2012 Actual	Budget Change
Free Cash Appropriated	2,191,622	1,497,907	582,051	385,249	(196,802)



OTHER REVENUE

The Other Revenue category includes Tax Abatement Overlay Reserve Surplus Funds and Override Stabilization Funds. In FY2012 the only amount available is \$200,000 from the Tax Abatement Overlay Reserve Surplus Funds. The Override Stabilization Fund was depleted in FY2011. Overall the Other Revenue category is projected to decrease a total of \$1,880,000 in FY2012.

The Tax Abatement Overlay Reserve Surplus comes from funds set aside each year for property tax abatements and exemptions. Any funds remaining in the accounts that are no longer needed are declared surplus by the Board of Assessors and are made available for appropriation. For several years \$500,000 has been appropriated from prior year surpluses. Currently, the prior year surpluses amount to only \$200,000.

The Override Stabilization Fund was created as a result of the 2005 Proposition 2 1/2 Override. The five year plan developed at that time projected that the first two years would have surplus funds to be put in an Override Stabilization Fund, the third year there would be no surplus, and the last two years the surplus funds would be drawn down to balance the budget. As a result of tight budget controls, there was no need to make any drawdown from the fund until the fifth year, FY2010. In that year, \$2,742,376 was appropriated. The remaining balance in the fund, which was \$1,580,000, was appropriated in FY2011, the sixth year.

OTHER REVENUE	FY2009 Actual	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
Overlay Surplus	500,000	500,000	500,000	200,000	(300,000)
Override Stabilization Fund	-	2,742,376	1,580,000	0	(1,580,000)
Total	500,000	3,242,376	2,080,000	200,000	(1,880,000)



SECTION III

BUDGET SUMMARIES



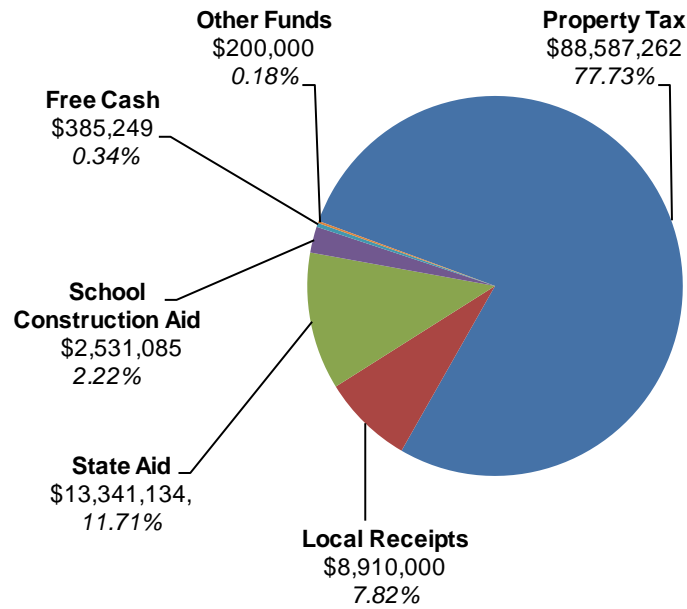
Overall Budget Summary

	FY2011	FY2012	Change	
			\$	%
Revenue				
Property Tax	\$ 85,958,974	\$ 88,587,262	\$ 2,628,288	3.1%
Local Receipts	\$ 8,820,707	\$ 8,910,000	\$ 89,293	1.0%
State Aid	\$ 13,576,740	\$ 13,341,134	\$ (235,606)	-1.7%
School Construction Aid	\$ 2,531,085	\$ 2,531,085	\$ -	0.0%
IDEA & SFSF Funds	\$ 489,705	\$ -	\$ (489,705)	-100.0%
Free Cash	\$ 582,051	\$ 385,249	\$ (196,802)	-33.8%
Other Funds	\$ 2,080,000	\$ 200,000	\$ (1,880,000)	-90.4%
TOTAL REVENUES	\$ 114,039,262	\$ 113,954,730	\$ (84,532)	-0.1%
Expenditures				
Municipal Departments	\$ 27,815,520	\$ 26,923,164	\$ (892,356)	-3.2%
School Department (includes IDEA funds above)	\$ 39,081,156	\$ 38,516,006	\$ (565,150)	-1.4%
Minuteman School	\$ 2,739,795	\$ 2,352,988	\$ (386,807)	-14.1%
Non-Departmental (Healthcare & Pensions)	\$ 26,375,704	\$ 27,351,086	\$ 975,382	3.7%
Capital	\$ 7,974,393	\$ 8,448,540	\$ 474,147	5.9%
MWRA Debt Shift	\$ 5,593,112	\$ 5,593,112	\$ -	0.0%
Warrant Articles	\$ 567,465	\$ 609,090	\$ 41,625	7.3%
TOTAL EXPENDITURES	\$ 110,147,146	\$ 109,793,986	\$ (353,160)	-0.3%
Non-Appropriated Expenses	\$ 3,892,117	\$ 4,160,744	\$ 268,628	6.9%
Surplus/(Deficit)	\$ (0)	\$ (0)		0.0%

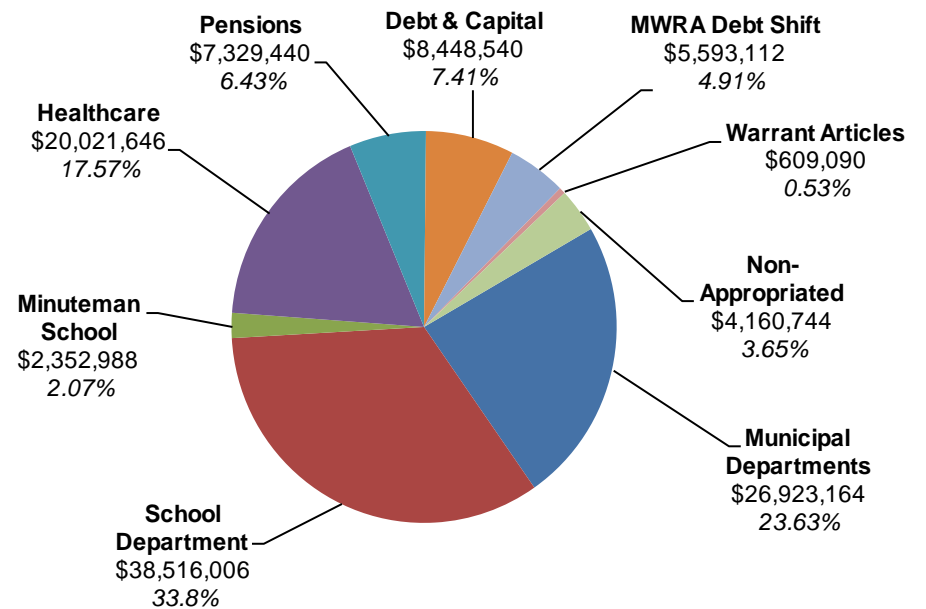


**Fiscal Year 2012
Total \$113,954,730**

Revenue



Expenditures



Fiscal Year 2012 Budget



Budget Summaries Comparison FY 2011- 2012

DEPARTMENT	Fiscal Year 2011				Fiscal Year 2012						
	PERSONAL SERVICES	EXPENSES	Enterprise Fund or other offsets	General Fund Total	PERSONAL SERVICES	EXPENSES	Enterprise Fund or other offsets	Appointing Authorities Reduction	General Fund Total	Dollar Difference	Percent Difference
FIN COM	8,480	2,508		10,988	8,585	2,508			11,093	105	0.96%
SELECTMEN	247,771	146,369	(34,507)	359,633	249,785	153,205	(22,507)	(24,055)	356,428	(3,205)	-0.89%
TOWN MANAGER	485,345	31,300	(98,729)	417,916	469,354	29,370	(98,729)		399,995	(17,921)	-4.29%
PERSONNEL	195,874	36,450	(54,428)	177,896	240,350	23,450	(54,428)		209,372	31,476	17.69%
COMPTROLLER	331,163	107,574	(36,693)	402,044	332,088	103,148	(36,693)	(9,967)	388,576	(13,468)	-3.35%
TREASURER	544,317	104,454	(70,411)	578,360	550,654	107,802	(70,411)	(29,060)	558,985	(19,375)	-3.35%
POSTAGE	28,708	160,871	(32,783)	156,796	28,708	160,923	(32,783)		156,848	52	0.03%
ASSESSORS	279,298	28,300		307,598	279,298	28,348		(10,353)	297,293	(10,305)	-3.35%
INFORMATION TECHNO	466,508	168,220	(114,953)	519,775	466,782	159,655	(114,953)		511,484	(8,291)	-1.60%
LEGAL	368,077	138,351	(97,112)	409,316	371,983	134,348	(97,112)		409,219	(97)	-0.02%
TOWN CLERK	207,210	27,600		234,810	210,304	24,840		(8,200)	226,944	(7,866)	-3.35%
REGISTRARS	45,273	14,600		59,873	45,273	13,140		(546)	57,867	(2,006)	-3.35%
PARKING	77,525	28,935		106,460	77,525	28,935			106,460	-	0.00%
PLANNING & C. D.	237,010	19,570	(25,228)	231,352	222,579	25,070	(25,228)		222,421	(8,931)	-3.86%
REDEVELOPMENT	55,308	240,150	(25,004)	270,454	55,308	240,235	(25,004)		270,539	85	0.03%
ZBA	19,787	4,103		23,890	13,981	4,103			18,084	(5,806)	-24.30%
PUBLIC WKS	3,420,217	5,063,705	(1,707,086)	6,776,836	3,064,016	5,272,940	(1,506,562)		6,830,394	53,558	0.79%
COM SAFTY ADM	386,246	-		386,246	389,059	-			389,059	2,813	0.73%
POLICE	5,285,966	501,230		5,787,196	4,940,912	544,500	-		5,485,412	(301,784)	-5.21%
FIRE	5,224,031	349,050	-	5,573,081	4,927,007	355,650	-		5,282,657	(290,424)	-5.21%
SUPPORT	684,884	23,500		708,384	694,314	23,900			718,214	9,830	1.39%
INSPECTIONS	355,594	12,300		367,894	355,242	12,000			367,242	(652)	-0.18%
STREET LIGHTS		418,893		418,893		406,593			406,593	(12,300)	-2.94%
LIBRARIES	1,415,981	532,870		1,948,851	1,321,076	483,441			1,804,517	(144,334)	-7.41%
HUMAN SERVICES				-					-	-	0.00%
Council on Aging	172,589	4,675		177,264	155,866	4,414			160,280	(16,984)	-9.58%
Veterans' Services	55,246	271,322		326,568	55,246	271,339			326,585	17	0.01%
Health & Human Serv.	265,935	22,145		288,080	241,664	19,872			261,536	(26,544)	-9.21%
Youth Services		189,066		189,066	235,023	89,066	(437,566)		89,066	(100,000)	-52.89%
RESERVE FUND		600,000		600,000		600,000			600,000	-	0.00%
MUNICIPAL DEPTS.	20,864,343	9,248,111	(2,296,934)	27,815,520	20,001,982	9,322,796	(2,521,976)	(82,181)	26,923,164	(892,356)	-3.21%
EDUCATION	39,081,156			39,081,156	38,203,567				38,516,006	(565,150)	-1.45%
N.C. Pensions		156,687		156,687		110,572			110,572	(46,115)	-29.43%
C. Pensions		7,548,154	(752,000)	6,796,154		8,067,526	(848,658)		7,218,868	422,714	6.22%
Debt & Interest		7,039,446		7,039,446		7,830,140			7,830,140	790,694	11.23%
Insurance		20,313,246	(890,383)	19,422,863		21,364,536	(1,342,890)		20,021,646	598,783	3.08%
GRAND TOTAL	59,945,499	44,305,644	(3,939,317)	100,311,826	58,205,549	46,695,570	(4,713,524)	(82,181)	100,620,396	308,570	0.31%



SUMMARY OF 2012 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Finance Committee	\$ 105 0.96%	\$ 105 Personnel Fixed Costs
Selectmen	\$ (3,205) -0.89%	\$ 2,014 Personnel Fixed Costs \$ 11,836 Increase in Elections \$ (168) Printing Town Report Reduction \$ (23,887) Appointing Authority Reduction \$ 7,000 Annual Audit
Town Manager	\$ (17,921) -4.29%	\$ (1,930) Decrease in Website Support Services \$ (15,991) Reduction in Staff Hours
Personnel	\$ 31,476 17.69%	\$ (13,000) Reduction in Professional Development \$ 2,976 Personnel Fixed Costs \$ 41,500 Funding of .5 HR Officer - School Dept.
Comptroller	\$ (13,468) -3.35%	\$ 925 Personnel Fixed Costs \$ (4,426) Miscellaneous Expenses \$ (9,967) Appointing Authority Reduction
Treasurer-Collector	\$ (19,375) -3.35%	\$ 6,337 Personnel Fixed Costs \$ 3,348 Miscellaneous Expenses \$ (29,060) Appointing Authority Reduction
Postage	\$ 52 0.03%	\$ 52 Postage - Town
Board of Assessors	\$ (10,305) -3.35%	\$ (1,727) Personnel Fixed Costs \$ 48 Miscellaneous Expenses \$ 1,727 Overtime \$ (10,353) Appointing Authority Reduction
Information Technology	\$ (8,291) -1.60%	\$ 274 Personnel Fixed Costs \$ (8,565) Miscellaneous Expenses



SUMMARY OF 2012 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Legal	\$ (97) -0.02%	\$ (4,003) Miscellaneous Expenses \$ 3,906 Personnel Fixed Costs
Town Clerk	\$ (7,866) -3.35%	\$ 3,094 Personnel Fixed Costs \$ (2,760) Miscellaneous Expenses \$ (8,200) Appointing Authority Reduction
Registrars	\$ (2,006) -3.35%	\$ (1,460) Miscellaneous Expenses \$ (546) Appointing Authority Reduction
Parking	0.00%	
Planning & Comm. Development	\$ (8,931) -3.86%	\$ (154) Personnel Fixed Costs \$ (63,378) Elimination of Asst. Director Position \$ 34,601 Dir. Of Housing transfer .5 FTE from CDBG to General Fund \$ 14,500 Contract Planner move from Expense to Salary \$ (14,500) Decrease Expense for Contract Planner \$ 20,000 Increase Other Consulting Services
Redevelopment Board	\$ 85 0.03%	\$ 85 Travel Allowance
Zoning Board of Appeals	\$ (5,806) -24.30%	\$ (5,806) Reduced Staff Hours
Public Works	\$ 53,558 0.79%	\$ (505,878) Elim. of Off. Mgr., Asst. High. Super., Public Works Foreman, 3 MEO's, 1 Park Maint. Craft., 1 Tree Climber, 1 Laborer \$ 120,201 Overtime \$ 8,893 Miscellaneous Expenses \$ 7,300 Energy \$ 67,486 Professional contract services (Lawn maint. & other contr. serv.) \$ 40,000 Vehicle Fuel \$ 237,386 Rubbish Disposal (\$230K reduction in Tip Fee Stab. Fund Usage) \$ 78,170 Snow and Ice Removal
Street Lighting	\$ (12,300) -2.94%	\$ (14,300) Contractual Services \$ 2,000 Electricity



SUMMARY OF 2012 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Community Safety Administration	\$ 2,813 0.73%	\$ 2,813 Personnel Fixed Costs
Police	\$ (301,784) -5.21%	\$ (380,750) Elim. of 1 Captain, 2 Patrolmen, Rank Diff. of 3 Lt.'s, 1 Sgt., Records Clerk from 1.0 to .5 FTE \$ 125,696 Overtime \$ (90,000) FY 09 Retro Salary Increase Funding \$ 2,000 Energy \$ 21,270 Miscellaneous Expenses \$ 20,000 Vehicle Fuel
Fire	\$ (290,424) -5.21%	\$ (320,695) Elim. of 1 Lt., 4 FF's (2 funded via revolving fund revenue from 2nd ambul.) \$ 23,671 Overtime \$ (4,900) Miscellaneous Expenses \$ 2,500 Energy \$ 9,000 Vehicle Fuel
Support Services	\$ 9,830 1.39%	\$ 9,430 Personnel Fixed Costs \$ 400 Miscellaneous Expenses
Inspectional Services	\$ (652) -0.18%	\$ (352) Personnel Fixed Costs \$ (300) Miscellaneous Expenses
Libraries	\$ (144,334) -7.41%	\$ (70,805) Elim. Of Asst. Director funding, reduction in library asst. hours \$ (24,100) Close Fox Library 1 additional day (Under consid. for outside fund.) \$ (29,529) Decrease Book Budget \$ (19,900) Miscellaneous Expenses
Health and Human Services	\$ (26,544) -9.21%	\$ (24,271) Elimination of PT Health Compliance Officer \$ (2,273) Miscellaneous Expenses
Veterans' Services	\$ 17 0.01%	\$ 17 Miscellaneous Expenses
Council on Aging	\$ (16,984) -9.58%	\$ (16,723) Elimination of newly created COA Social Worker position \$ (261) Miscellaneous Expenses

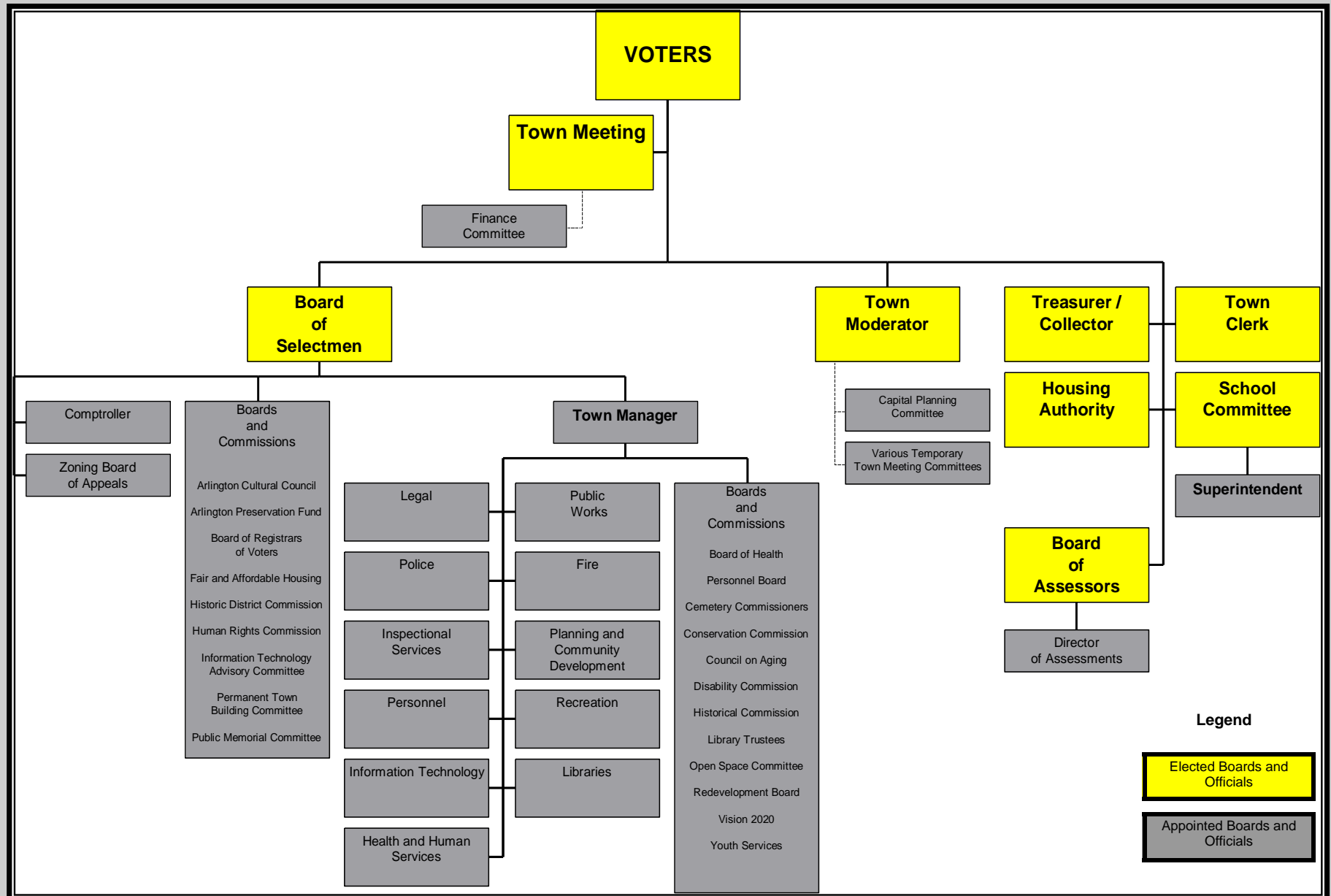


SUMMARY OF 2012 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Youth Services	(100,000) -52.9%	Reduced the subsidy from the Town by \$100,000. The goal has been to place the program on a more professionally-run, fee-for-service basis while continuing to serve those unable to pay. These changes assure the long-term viability of this program.
Reserve Fund	\$0 0%	
Subtotal: Municipal Departments	(892,356) -3.21%	
Non-Contributory Retirement	\$ (46,115) -29.43%	
Contributory Retirement	\$ 422,714 6.22%	
Group Health Ins./ Life Ins./Medicare	\$ 98,783 0.52%	
Liability Insurance	\$0 0%	
Unemployment Compensation	\$ 500,000 170%	
Workers' Compensation	\$ - 0.00%	
Subtotal: Fixed Costs	\$ 975,382 6.8%	
Total: Education	\$ (565,150) -1.4%	
Grand Total	\$ (482,124) -0.52%	



Personnel Changes FY 2003 - FY 2012

Department	FY03		FY04		FY05		FY06		FY07		FY08		FY09		FY10		FY11		FY12		FY 11 -12 FTE Change		FY 03-12 FTE Change		FY90 - 12 FTE Change	
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT			#	%	#	%	#	%
Finance Committee	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0.00	0%	0	0%	0	0%
Board of Selectmen	3	0.18	3	0.18	3	0.18	3	0.18	3	0.25	3	0.25	3	0.50	3	0.50	3	0.50	3	0.50	0.00	0%	0	0%	-1	-13%
Town Manager (Purchasing)	5	0.00	5	0.00	4	0.50	4	0.50	4	1.00	4	1.00	4	1.00	4	1.00	4	1.00	4	0.74	-0.26	-5%	0	-5%	-1	-21%
Personnel	3	0.00	3	0.00	3	0.00	3	0.00	3	0.00	4	0.00	4	0.00	3	0.54	3	0.00	3	0.50	0.50	17%	1	17%	-2	-30%
Information Technology	6	0.50	6	0.50	5	0.50	6	0.50	6	0.50	5	0.50	5	0.50	5	0.50	5	1.00	5	1.00	0.00	0%	-1	-8%	6	
Comptroller	7	2.06	6	1.70	5	1.70	5	1.10	5	1.10	4	1.80	4	1.80	4	1.80	4	1.80	4	1.80	0.00	0%	-3	-36%	-12	-68%
Treasurer/Collector	10	1.26	10	1.26	10	1.26	10	1.26	8	2.10	8	2.10	8	2.10	9	0.86	9	0.86	9	0.86	0.00	0%	-1	-12%	-4	-30%
Postage	0	0.57	0	0.57	0	0.57	0	0.60	0	0.70	0	0.70	0	0.70	0	0.70	0	0.70	0	0.70	0.00	0%	0	23%	0	-30%
Assessors	5	0.00	5	0.00	5	0.00	4	0.70	4	0.70	4	0.70	4	0.46	4	0.46	4	0.46	4	0.46	0.00	0%	-1	-11%	-2	-26%
Legal (Workers' Comp)	4	0.54	4	0.54	4	0.54	4	0.54	4	0.50	4	0.50	4	0.50	4	0.50	4	0.50	4	0.54	0.04	1%	0	0%	0	-9%
Town Clerk	4	0.52	4	0.52	4	0.45	4	0.45	4	0.45	4	0.45	4	0.45	4	0.45	4	0.45	4	0.00	-0.45	-10%	-1	12%	-1	-20%
Parking	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	0.00	0%	0	0%	-1	-50%
Board of Registrars	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.54	1	0.00	1	0.00	1	0.00	0.00	0%	0	0%	-2	-67%
Planning & Comm Development	3	0.34	3	0.34	3	0.46	3	0.46	2	0.95	2	0.95	2	0.95	2	0.95	2	0.75	2	1.06	0.31	11%	0	-8%	0	2%
Redevelopment Board	1	0.00	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0.00	0%	0	-50%	1	100%
Zoning Board	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.46	-0.04	-8%	0	-8%	-1	-54%
Public Works	84	2.00	75	1.00	71	0.62	71	0.62	71	0.62	71	0.62	65	0.62	65	0.62	62	0.62	53	1.13	-8.49	-14%	-32	-37%	-92	-63%
Admin	9	0.00	8	0.00	7	0.00	7	0.00	7	0.00	7	0.00	7	0.00	7	0.00	7	0.00	6	0.50	-0.50	-7%	-3	-28%	-3	-28%
Engineering	6	0.25	4	1.00	4	0.00	4	0.00	4	0.00	4	0.00	4	0.00	4	0.00	4	0.00	4	0.00	0.00	0%	-2	-36%	-4	-50%
Natural Resources, Properties	22	0.00	19	0.00	20	0.00	20	0.00	20	0.00	20	0.00	19	0.00	19	0.00	17	0.00	15	0.00	-2.00	-12%	-7	-32%	-23	-61%
Highways	35	0.00	33	0.00	30	0.00	30	0.00	30	0.00	30	0.00	30	0.00	30	0.00	29	0.00	25	0.00	-4.00	-14%	-10	-29%	-66	-73%
Cemeteries	12	0.00	11	0.00	10	0.62	10	0.62	10	0.62	10	0.62	5	0.62	5	0.62	5	0.62	3	0.63	-1.99	-35%	-8	-70%	-8	-70%
Community Safety -- Admin	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	0.00	0%	0	0%	0	0%
Police	68	0.00	61	0.00	61	0.00	62	0.00	62	0.00	63	0.00	64	0.00	64	0.00	63	0.00	60	0.00	-3.00	-5%	-8	-12%	-15	-20%
Other	3	2.21	2	2.21	2	2.21	2	2.71	2	2.81	2	2.81	2	2.96	2	2.96	2	2.96	1	3.51	-0.45	-9%	-1	-14%	5	
Fire	85	0.00	76	0.00	76	0.00	76	0.00	76	0.00	76	0.00	76	0.00	76	0.00	75	0.00	73	0.00	-2.00	-3%	-12	-14%	-17	-19%
Support	15	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	0.00	0%	-3	-20%	-8	-40%
Inspections	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	0.00	0%	0	0%	5	
Libraries	22	15.00	21	10.60	22	9.60	21	11.3	21	11.3	21	11.3	21	11.3	21	11.3	20	11.30	19	9.80	-2.50	-8%	-8	-22%	1	3%
Health and Human Services	9	1.54	6	2.77	7	2.27	7	2.34	7	2.33	5	2.70	5	2.75	5	3.00	5	3.40	5	2.05	-1.35	-16%	-3	-33%	-6	-46%
Pensions																									-2	-100%
Enterprise Funds																										
Water & Sewer	17	1.00	16	0.00	15	0.00	16	0.00	16	0.00	16	0.00	16	0.00	16	0.50	16.00	0.50	0.00	0%	-2	-8%	16			
Arlington Recreation	4	0.00	4	0.00	5	0.00	5	0.00	2	2.30	2	1.25	2	1.25	1	2.25	1	2.25	2.00	1.02	-0.23	-7%	-1	-25%	-1	-25%
Vet Mem Rink	2	0.00	2	0.00	2	0.00	2	0.00	2	1.70	1	1.75	1	1.75	1	2.00	1	2.00	2.00	1.27	0.27	9%	1	64%	2	227%
Council on Aging Trans.	1	0.69	1	0.69	1	1.26	1	1.26	1	1.30	1	1.30	1	0.55	1	0.55	1	0.10	1.00	0.54	0.44	40%	0	-9%	2	
Youth Services	3	2.05	0	3.09	0	3.56	0	3.93	3	5.75	3	5.75	3	4.17	1	2.47	0	1.47	2.00	1.48	2.01	137%	-2	-31%	-6	-61%
Total	376	29.42	337	27.17	332	26.89	333	29.65	330	37.57	327	37.64	322	36.05	319	34.61	312	33.82	300	30.62	-15	-4%	-75	-18%	-149	-32%



Legend

- Elected Boards and Officials
- Appointed Boards and Officials



SECTION IV

BUDGETS

GENERAL GOVERNMENT



FINANCE COMMITTEE • RESERVE FUND •
BOARD OF SELECTMEN • TOWN MANAGER •
PERSONNEL • COMPTROLLER • TREASURER

POSTAGE • ASSESSORS • INFORMATION
TECHNOLOGY • LEGAL • TOWN
CLERK • BOARD OF REGISTRARS •
PARKING

PLANNING & COMMUNITY DEVELOPMENT •
REDEVELOPMENT BOARD •
ZONING BOARD OF APPEALS



Program Description

The Finance Committee comprises 21 members appointed from each of the 21 precincts in Town. The purpose of the Committee is to “consider all articles contained in any warrant except articles on zoning upon which the zoning by-law requires a report to be made to the Town by the Planning Board and those articles which do not require or request an appropriation of money...Said committee shall make recommendations, and shall report in print...to each Town Meeting.” The Committee also makes general suggestions, criticisms and recommendations as it may deem expedient, including articles which may not request an appropriation.

The Committee is also the custodian of the reserve fund, which is appropriated annually to allow for any unforeseen expense which may occur during the fiscal year. The Committee’s members play active roles in Town finance, officially representing the Finance Committee on many of the Town’s other committees. These include: the Capital Planning Committee, the Budget and Revenue Task Force, Vision 2020, Information Technology Advisory Board, and many committees voted by Town Meeting.

Budget Statement

The Finance Committee has requested a level service budget for the Fiscal Year 2012, showing only a \$105 increase for personnel fixed costs.

FY2012 Objectives

- Review and recommend on all financial articles before the Town Meeting.
- Review and act on all requests for transfers within departmental budgets and from the Reserve Fund.
- Participate in all committees which require a representative from the Finance Committee, such as, but not limited to, the Capital Planning Committee, the Information Technology Advisory Board and the Budget and Revenue Task Force.
- Integrate the Finance Committee website into the Town web site.

PROGRAM COSTS				
Finance Committee	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	7,869	8,480	8,585	
Expenses	2,097	2,508	2,508	
Total	9,967	10,988	11,093	-

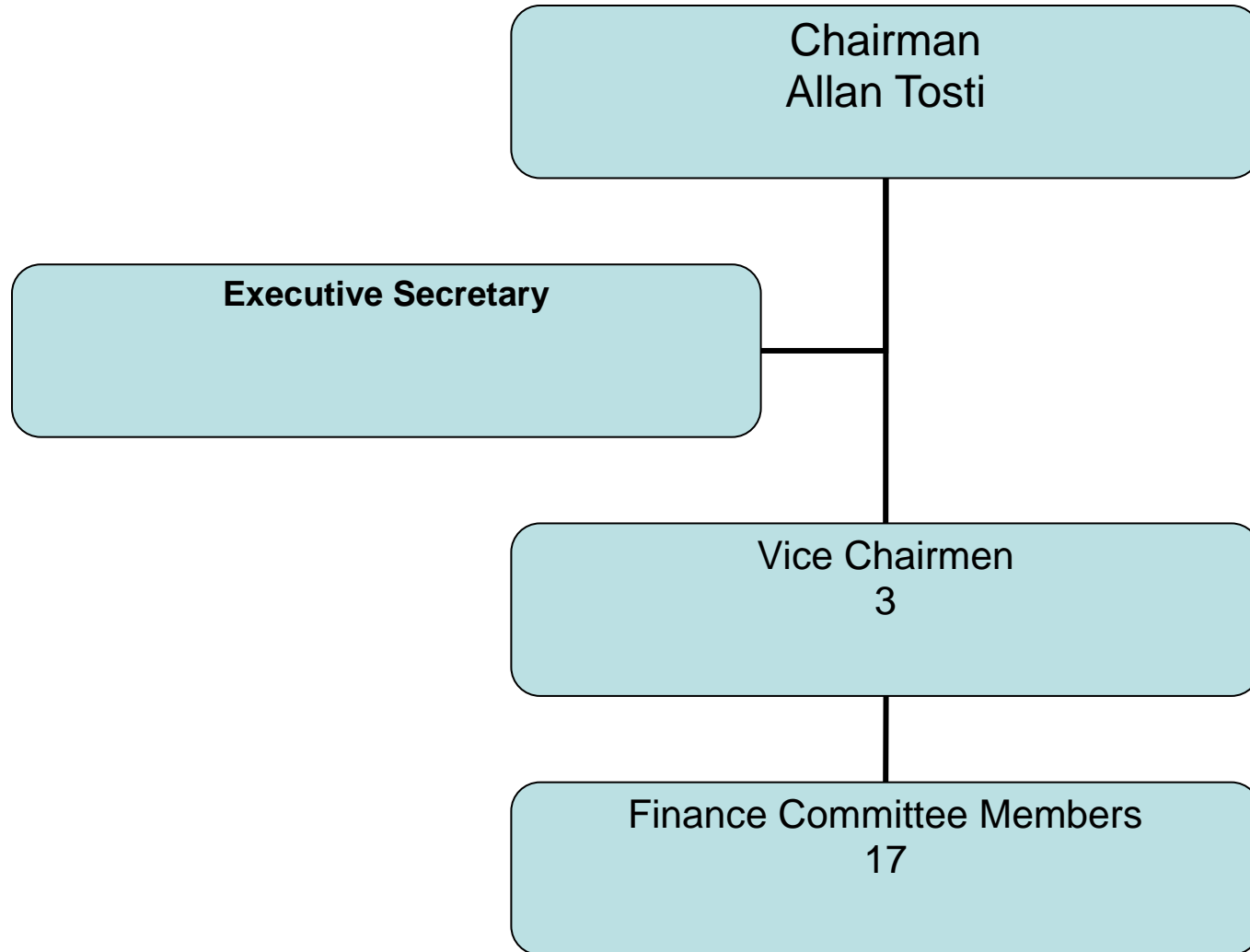
STAFFING				
Finance Committee	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial				
Clerical	1PT	1PT	1PT	1PT
Professional/Technical				
Total	1PT	1PT	1PT	1PT



Major Accomplishments for 2010

- Worked closely with the Town Manager, Board of Selectmen, and School Committee to implement the 5-year budget plan.
- Worked with Town officials on future financial planning.
- Attended and participated in Financial Planning Summits presented by the Board of Selectmen.

PROGRAM COSTS				
Reserve Fund	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services Expenses	-	600,000	600,000	
Total	-	600,000	600,000	





Program Description

To perform the duties of Administrative Office of the Board of the Selectmen (BOS) in an efficient, organized, and professional manner.

- Provide Administrative Support to the Board of Selectmen.
- Serve as initial contact for Selectmen to public, providing general information and assistance and handling complaints, issues, and other business matters.
- Process and issue various licenses and permits granted by BOS.
- Process and issue all ABCC Government alcohol licenses.
- Provide administrative assistance for public way repair.
- Provide administrative assistance for Board of Survey Hearings.
- Preparation of weekly distribution of Board Information.
- Preparation and follow-up for Selectmen Meetings.
- Preparation/distribution of all election and Town Meeting warrants.
- Staffing and maintenance of all polling locations.
- Provide admin support for Town Day Committee under Selectmen.
- Provide Admin Support for exceptions to overnight parking ban.
- Preparation/distribution of Proclamations for the Board of Selectmen.
- Provide planning and follow up for all Selectmen Special Events.
- Provide support and resources to the Transportation Advisory Committee (TAC).

Budget Statement

The Board of Selectmen's Office will continue to work with all other Town Departments and Officials to maintain the budget and create a new 5-year financial plan. For the foreseeable future, the budget will fluctuate subject to the number of elections, and Special Town Meetings in any given year, pay increases and items that are subject to inflation. As Arlington continues to thrive as a popular place for restaurants we expect that revenues from related permits will be maintained. In addition, this April Town Election the residents will be voting to increase the number of Package Store Licenses from the current number of 3 to 5.

FY2012 Objectives

- Engage citizens through public forums, citizen surveys, website information, and other means.
- Work with the Redevelopment Board to develop strategies for commercial revitalization. Implement subdivision control and review zoning and land use policies and bylaws to promote smart growth.
- Work with our legislative delegation to lobby for a fairer local aid distribution formula that recognizes the needs of communities like Arlington that are nearly fully built-out, with a tax base that is 95% residential.
- Continue to work with the Town Manager and employee groups to explore the feasibility of joining the GIC, the State's group health insurance program.
- Continue to work with the TAC to develop transportation strategies and action plans including parking, traffic calming, school safety, and the MBTA Green Line extension.
- Continue to work with FEMA to ensure compliance with adopted FEMA Map & Plan.
- Continue to work with the Town Manager and various energy groups on moving forward on implementing energy conservation measures, including Sustainable Arlington's Action Plan.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Board of Selectmen				
Personal Services	175,123	180,734	182,748	
Expenses	24,897	20,800	20,800	
Audit	39,132	55,000	62,000	
Annual Report	5,956	5,000	5,000	
Appt. Authority Reduction			(8,933)	
Total	245,109	261,534	261,615	-

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Board of Selectmen				
Managerial	1	1	1	
Clerical	2.5	2.5	2.5	
Professional/Technical				
Total	3.5	3.5	3.5	



Major Accomplishments for 2010

- Town meeting members and members of the various committees and commissions were better served by having the opportunity to educate themselves prior to the beginning of Town Meeting by receiving materials and hearing schedules in advance on the Arlington On-line web page.
- Held public forums regarding the Mass. Ave. Corridor Project involving interested citizens and town officials to discuss plans.
- Service and information to the public improved and town staff time used more efficiently through the implementation of Web QA.
- To better serve the public with Town Day information and on-line applications.
- Established Selectmen goals in coordination with Town Manager goals.
- Board of Selectmen voted to extend the hours of the Farmer's Market from 1:30 p.m. to 6:30 p.m.
- Board of Selectmen voted an updated Alcohol Policy and co-sponsored with the Coalition educational seminars for businesses on serving/selling alcohol.
- Board of Selectmen together with the Arlington Police Dept. and Arlington Housing Authority opened a Police Department Substation on Fremont Court to enhance the quality of life in the Menotomy Manor neighborhood.
- Board of Selectmen unanimously voted to support the Arlington Housing Corporation's purchase of three apartment buildings on Massachusetts Avenue.
- Board of Selectmen created a Tree Committee.
- Board of Selectmen created a Scenic Byway/Tourism/Economic Development Committee.
- The Town of Arlington was designated a Green Community and received a grant of \$200,000.
- The Board of Selectmen strongly supported the efforts of the Arlington Land Trust and Massachusetts Audubon Society in their endeavors to purchase Elizabeth Island.

SUB PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Elections				
Personal Services	16,960	44,530	44,530	
Expenses	27,170	53,569	65,405	
Appt. Authority Reduction			(15,122)	
Total	44,130	98,099	94,813	-

<i>Board of Selectmen</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Meetings:				
Town Meeting Preparations	9	9	9	9
Special Town Meeting Preparations	2	2	2	2
Selectmen Meeting Preparations	30	30	30	30
Audit Advisory Meeting Preparations	2	2	2	2
Budget & Revenue Task Force	4	4	4	4
Meeting Preparations				
Joint BOS/School Committee	1	1	1	2
Joint BOS/Redevelopment Board				
Joint Meeting Preparations	2	2	2	2
Japanese Sister City Meetings	8	4	4	2



Board of Selectmen

Diane Mahon, Chairman
Annie LaCourt, Vice-Chairman
Kevin Greeley
John W. Hurd
Clarissa Rowe

Board Administrator

Marie Krepelka

Principal Clerk

2FT, 1 PT



Program Description

The Town Manager's Office implements Town policy and provides management of all operational and supportive departments, excluding Treasurer/Collector, Assessor's, Town Clerk, Board of Selectmen, and Comptroller Departments.

The Town Manager is responsible for the direct management and supervision of Public Works, Police, Fire, Human Services, Inspectional Services, Libraries, Planning and Community Development, Legal / Workers' Compensation, and Personnel. In addition, the Town Manager's office is responsible for the capital and operating budget, the Annual Report, insurance, Town website, maintenance of all Town properties including schools, legislative initiatives, policy recommendations to the Board of Selectmen, union negotiations and purchasing.

The Department provides centralized procurement of all Town equipment, supplies, construction, etc. in compliance with State law. It is responsible for purchase order processing; bid management (bid processing, contract administration as per applicable State statutes); assistance in review and approval of all Requests for Proposals (RFP), Request for Quotations (RFQ) and Bids and encouraging a mutually cooperative relationship with requesting departments, acknowledging that successful purchasing is a result of team work.

Budget Statement

The budget will decrease by \$17,921 due to a combination of reduced staff hours and personnel fixed cost reductions.

FY 2012 Objectives

- Work with the Board of Selectmen, other Town Officials, and interested citizens to finalize a FY 2012 – FY 2016 Five Year Plan, utilizing lessons learned from the past Five Year Plan.
- Work with unions and Legislature to implement health care plan changes.
- Continue to evaluate current methods of delivering various services to ensure that the most productive, cost efficient method is used.
- Work with legislators and other communities for a more equitable distribution of local aid
- Pursue grant funding and other revenue enhancing opportunities
- Work with AYCC in their transition to a self supporting operation
- Evaluate and implement, if appropriate, paramedic level ambulance service

FY 2012 Objectives (continued)

- Continue to investigate regionalization initiatives that provide both financial incentives and service delivery improvement to Arlington residents.
- Investigate possibility of Innovation Award Program, to award employees who propose cost saving measures for their department.
- Manage completion of Fire Station renovations
- Initiate construction of Dog Park at Thorndike Field, in cooperation with Stanton Foundation
- Work with School Department on the Thompson School reconstruction process as well as the Stratton School renovations
- Oversee initiation and implementation of Community Safety building envelope repairs
- With major Rink upgrades completed, finalize transfer of ownership to Town from Commonwealth
- Complete conversion of fire alarm and water meter systems to wireless
- Work with the Board of Selectman, Redevelopment Board, and Planning and Community Development Department to further the development of a comprehensive commercial revitalization plan which is to include a comprehensive commercial district parking strategy.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Town Manager				
Personal Services	403,993	386,616	370,625	
Expenses	29,993	31,300	29,370	
Total	433,987	417,916	399,995	-

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Town Manager				
Managerial	2	2	2	
Clerical	1	1	1	
Professional/Technical	2	2	1.6	
Total	5	5	4.6	



FY 2012 Objectives (continued)

- Work with committee to further economic development and tourism generating strategies
- Work with MassDOT and other interested parties to complete improvements to Mass Ave. corridor.
- Work with the ARB to effectuate the development of the Symmes property.
- Monitor Alewife Greenway project to minimize impacts to neighborhood and maximize benefits to the community
- Work to implement strategy that will manage potential development of Mugar property and conserve the wetlands contained therein.
- Finalize implementation of GIS system and hiring of GIS coordinator.
- Work with departments to implement online bill payments
- Investigate use of technology to enhance snow removal operations
- Continue work with the Energy Working Group, leveraging Arlington's designation as a Green Community, to improve the Town's energy efficiency. Through this goal, explore the solicitation of an Energy Services Corp (ESCO) to provide performance contracting services to the Town.
- Work with the Energy Working Group to investigate possibilities for renewable energy production on town buildings and town property.

Major Accomplishments for 2010 (continued)

- Earned Green Communities designation from the state, leading to the award of a \$200,188 grant to be used for energy efficiency initiatives. One of first 35 communities in state to earn such designation. Designation also merited five BigBelly solar trash compactors from the state at no cost to the town.
- Continued participation in performance measurement program under the auspices of the International City Management Association (ICMA).
- Successfully managed public communication and outreach related to the MWRA's boil water order.
- Completed successful consolidation of Public Works operation at Grove Street Facility.
- Secured ARRA funding for Forest Street, working with Town Engineer, \$1.6 million
- Successfully completed renovations at Veterans Memorial Rink.
- Hired new Deputy Town Manager.
- Hired new Director of Public Works.
- Hired GIS Coordinator.

Major Accomplishments for 2010

- Worked aggressively with employee unions to explore cost savings through modification of existing plans or joining the GIC, and got so far as to reach tentative agreement with the PEC.
- Continued to improve communications with the public through: an enhanced website with comprehensive and current information and opportunities to subscribe to numerous alerts and notices; development of a service request program that allows residents to track their requests online (Request/Answer Center); implementation of a Reverse 911 telephone alert system to notify residents of important announcements or emergencies; and write periodic information columns in The Advocate.
- Executed an agreement with Belmont to provide Sealer, Weights and Measures services for a fee. Step toward further health department regionalization.

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
<i>Town Manager</i>				
Purchase Orders Processed	5,385	5,142	5,200	5,000
Bids Processed	41	46	40	40



Program Description Website

The Public Information Officer (PIO) supports one of the top priority goals of the Board of Selectmen to enhance public communication and customer service in day-to-day Town operations and in the event of an emergency. The PIO works with all departments to achieve these goals as well as leverages existing communication channels and technology to improve efficiencies and productivity for staff. The PIO also promotes the interests of the Town in concert with Arlington’s goals, encourages participation in Town government, and provides ongoing education aimed at increasing understanding of how the Town operates.

The four main communication channels utilized to meet these objectives include: the Town’s website, the Request/Answer Center, Town of Arlington Notices (email alerts), and Reverse 911. The Town’s website supports the online information and outreach activities of 15 departments and over 65 boards/committees/commissions. It also host the Request/Answer Center the Town’s online customer service center where residents can Find Answers, Ask a Question, Make A Service Requests, and track them – anytime. Town of Arlington Notices are email alerts sent by the Town that deliver information on activities including: public health and public works alerts, snow emergencies, election information, trash & recycling reminders, and special Town related events. Reverse 911 is a system that allows the Town to call residents in the event of an emergency or for an important notification.

Budget Statement

In FY2012 we continue to employ “creative” marketing techniques to increase subscriptions to our main communication channels and encourage usage of the Request/Answer Center. We continue to work with vendors to add features and streamline workflow for improved efficiencies for staff and customer service for residents. We have been very successful in increasing usage in all areas. However, these successes are resulting in increased demand. We are outgrowing our current set of tools and we need to identify and implement solutions to meet our ever expanding needs. We will seek to upgrade to solutions to meet these needs within our reduced budget levels.

FY2012 Objectives Website

Over the past few years, the Town has built an extremely valuable relationship with its constituents with content and services they seek. It has also implemented an internal system of gathering and tracking common request types across multiple departments that can be used to: identify trends, preserve productivity, and offer accountability to residents. Building off these successes we will:

- Support staff in their public communication and online customer support initiatives.
- Continue to provide timely and accurate information through our existing communication channels.
- Increase subscription numbers to email Notices and Reverse 911.
- Increase usage of the Request/Answer Center for both staff and residents.
- Preserve and increase productivity whenever possible.
- Review technology and infrastructure for efficiencies and other improvements. Implement as necessary.
- Work with the Information Technology Director and Public Information Officer to investigate the upgrade and integration of the Town’s Request/Answer Center with the anticipated GIS system.
- Work with Public Information Officer to investigate the integration of social media into daily as well as emergency communications.
- Work with Public Information Officer to further develop uses of traditional media to communicate with public.

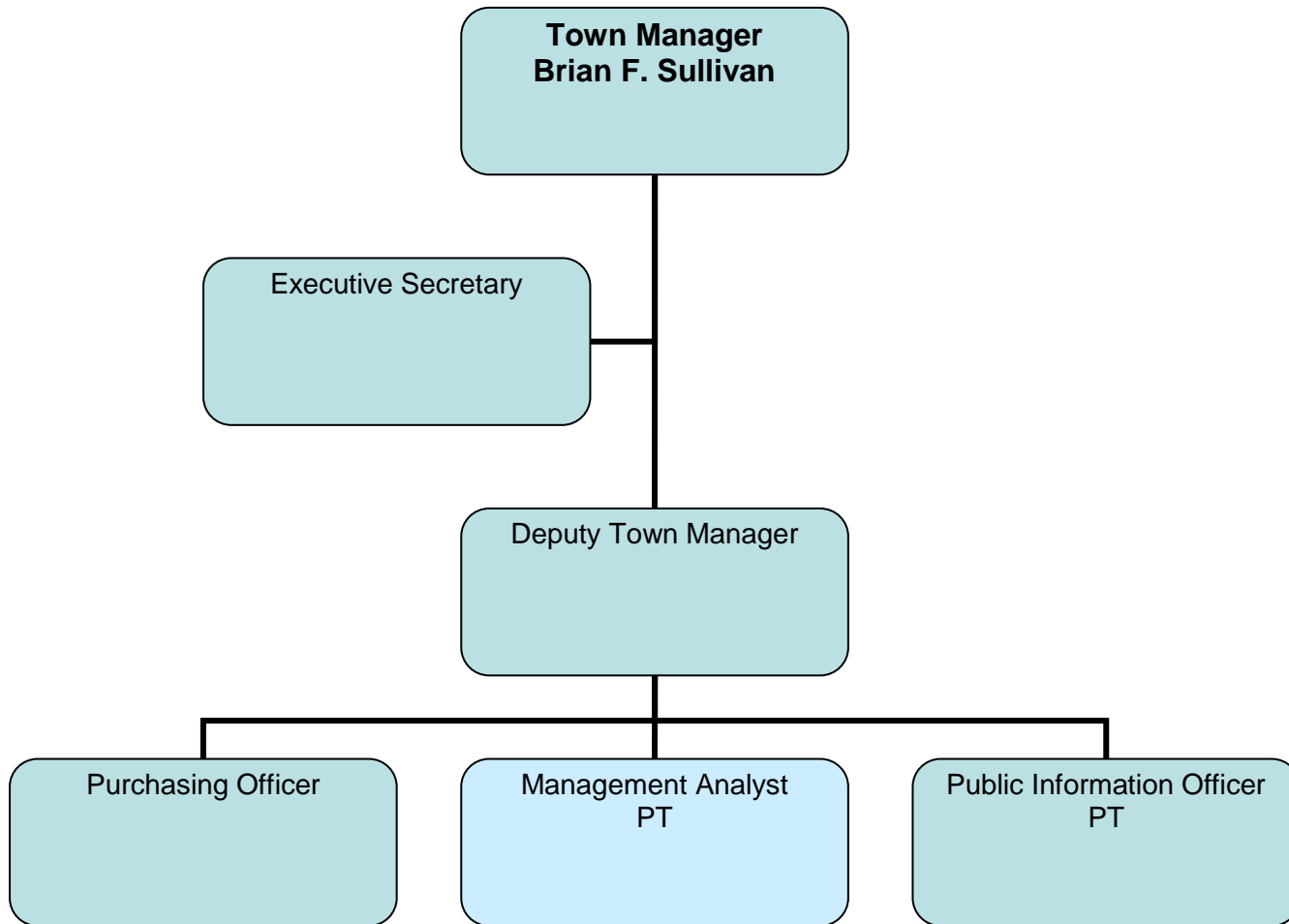


Major Accomplishments for 2010 Website

- 30% increase of subscribers to Town of Arlington Notices. Adding 805 subscribers for a cumulative total of 2,693. If comparing this number to the estimated 19,000 households in Arlington, this represents 14% of households.
- Request/Answer Center reported over 100,000 Answers Viewed, yet only 343 questions were asked of staff through the system (.4%). This illustrates that users are overwhelmingly getting their questions answered without having to call Town Hall for an answer. If phone calls average 5 minutes per call, then the Town preserved 8,409 staff hours, or the equivalent of 4.6 FTEs in FY10.
- Request/Answer Center closed over 2,400 Requests.
- Worked with Arlington Police Department to launch Crime Reports service on Town's website. The service allows residents to track crime types town-wide, or closer to their neighborhood, and be alerted via email when these crimes occur.
- Initiated National League of Cities (NLC) Prescription Drug Card Program in Dec. 2009. Compared to participating municipalities in the state, Arlington leads the way with over \$42,778 in savings to residents by the end of 2010.
- Arlingtonma.gov was presented with 2010 Common Cause eGovernment Award with Distinction.
- The Town's 2008 Annual Report placed 2nd in Category 1 (population over 12,500) in the Massachusetts Municipal Association's annual town report contest announced January 2010.
- Provided timely communications and support during the following emergencies: MWRA's Boil Water Order, three Town snow emergencies, H1N1 flu pandemic, and back-to-back 100 year storms.
- Provided timely communication for general Town activities and major initiatives including, but not limited to: State and Town elections, Town Meeting, trash and recycling reminders and events, Mass. Ave. Corridor Project, FEMA flood maps, Single-stream recycling, Town-wide installation of new water meter readers, Annual and Federal census, new off-leash dog regulations, MWRA construction in Arlington Center, Town Day, EcoFest, and numerous public safety alerts.
- Implemented new online, automated overnight on-street parking request program, thereby reducing dispatch and police hours dedicated to this task.
- Implemented online donation payment system for the Health and Human Services Department.

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Est.	FY2012 Est.
Website				
Subscribers to Town of Arlington Notices	1888	2,693	3,500	3,500
% of Growth from previous year	34%	30%	23%	0%
% Compared with # of households (19,000)	10%	14%	18%	18%
Website Traffic (arlingtonma.gov & Request/Answer Center)				
Page Views	1,351,101	1,346,160	1,400,000	1,400,000
Visits	475,639	507,509	500,000	500,000
* Unique Visitors	249,024	251,105	250,000	250,000
Google Analytics reporting initiated Jan '08	22,971	31,216	32,000	32,000
**Request/Answer Center: System Stats				
Answers Viewed on Portal	96,073	100,902	101,000	105,000
**Productivity Preserved in Hours/Answers Viewed	8,006	8,409	8,417	8,750
^Registered Customers in System	1,069	1,269	1,500	1,500
Questions/Requests Created	2,600	2,418	2,750	2,750
Questions/Requests Closed	2,261	2,432	2,500	2,500
% Questions/Requests Remain Open System	13%	13%	12%	12%
**Request/Answer Center: Website				
Questions/Requests Created	726	674	700	700
Questions/Requests Closed	706	641	650	650
% Questions/Requests Remain Open System	6%	11%	11%	11%
<i>** Request/Answer Center launched February 2008</i>				
<i>**Productivity Preserved in Hours. Answers Viewed are phone calls not answered by staff.</i>				
<i>Avg. length of call=5 minutes</i>				
<i>^Duplicate customers ID'd - same customer using multiple emails estimated adjustment is 5</i>				





Program Description

The Personnel Department is a three person team consisting of a Director, Human Resources Assistant, and Benefits Administrator. The Department's primary objectives are to protect the Town from employment liability issues and to provide quality, professional support to our employees and managers.

The Department administers the town's classification, compensation and benefits programs in compliance with Federal and State Labor Laws, along with local collective bargaining agreements. The Director serves as a primary contact for the Town's six labor unions and is a member of the Town's collective bargaining team. Additionally, the Department deals with a wide variety of workplace issues and seeks to improve the quality and effectiveness of town services by recruiting the best employees, and reviewing and improving Departments' organizational structures.

The Department works to ensure the fair and equitable treatment of all town employees. The Department administers Health Insurance and other benefits for all active town and school employees as well as retirees. The Department advertises position openings: screens, interviews, and selects the most qualified candidates for positions; maintains the Town's classification and pay plan and ensures compliance with Civil Service Laws, as well as state and federal employment laws. The Department also addresses a wide range of employment matters including workplace investigations.

Budget Statement

In FY 2012, this department will fund one-half of the salary of a new Human Resource Officer for the School Department, thereby increasing the personal services request from prior FY levels. However, we have severely cut our training budget and will look for more cost effective ways to provide training to our employees.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personnel				
Personal Services	136,048	141,446	185,922	
Expenses	30,241	36,450	23,450	
Total	166,289	177,896	209,372	-

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personnel				
Managerial	1	1	1.5	
Clerical	2	2	2	
Professional/Technical				
Total	3	3	3.5	-

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Personnel				
Health Insurance Contracts Managed	1,938	1,923	1,878	1,870
Life Insurance Contracts Managed	1,104	1,079	1,067	1,050
Life Insurance Claims Processed	30	10	30	30
Vacancy Postings	26	26	23	10
New Hires	24	24	26	5
Promotions	20	20	13	5
Retirements	18	18	15	15
Resignations/Separations	12	12	25	30

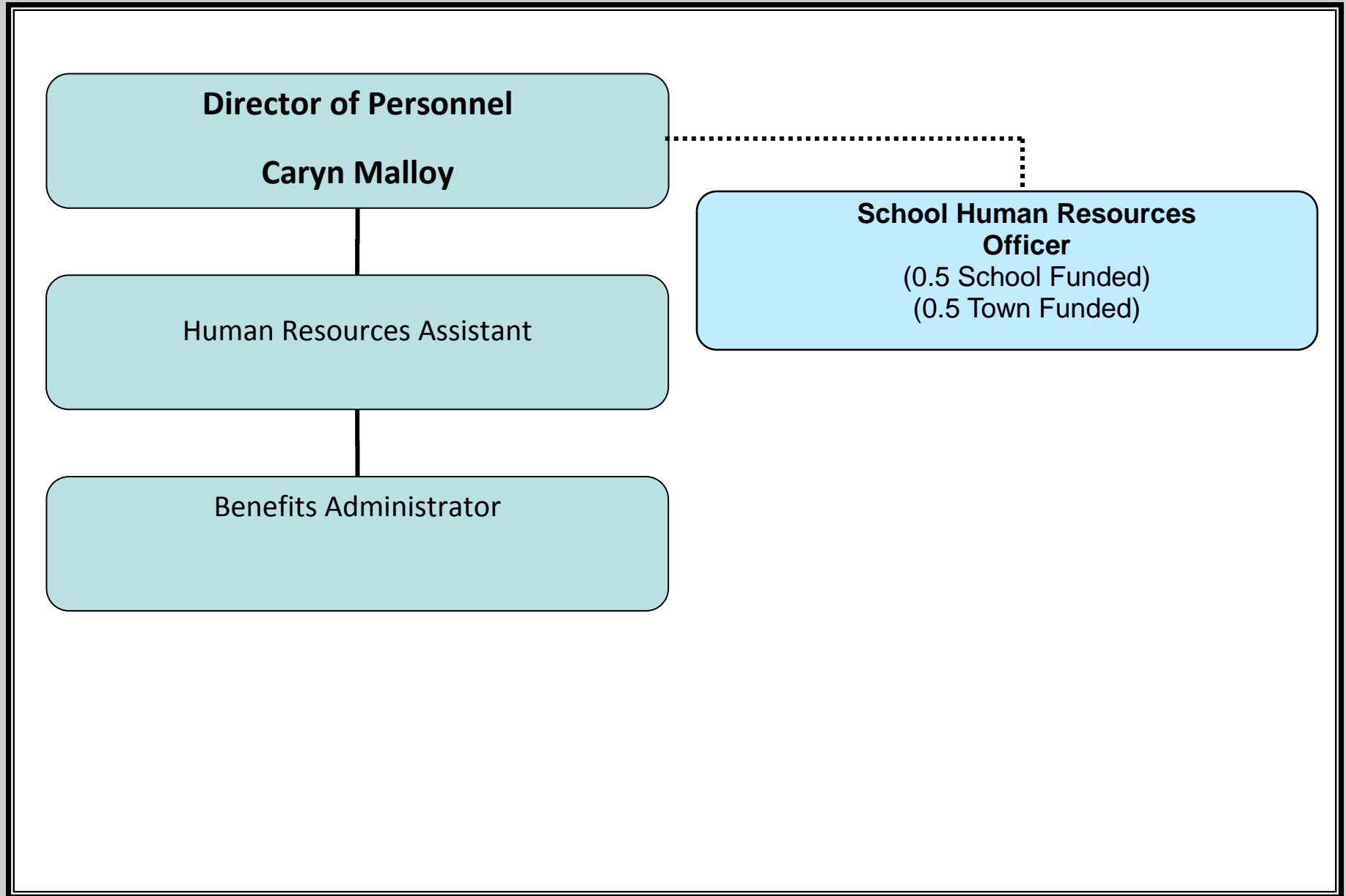


FY2012 Objectives

- Implement and monitor changes to the myriad of local, state and federal employment laws. Look for ways to better communicate with employees and protect the Town from employment liability issues.
- To fairly, effectively and legally administer any layoffs created as a result of dwindling local aid and ever increasing fixed costs.
- Aggressively monitor health insurance rolls and look for ways to streamline administration of the plans and enrollment.
- Continue to seek new and creative ways to bring practical and sustainable health and wellness programs to our employees.
- Continue to work aggressively with Town Unions to explore ways to save money on health insurance costs.
- Continue to look for ways to streamline information to assist in budgetary preparation and collective bargaining. Maintain good relations and continue to encourage productive communications with labor unions.
- Continue to meet new reporting requirements mandated by the new Federal Health Insurance Reform and Massachusetts Health Care Reform Law, including annual employee census of state mandate for all individuals to have health insurance.
- Ensure Town maximizes collection of subsidies offered under the Federal Government's Early Retirement Reinsurance Program and Medicare Part D Program.
- Further enhance the wellness programs sponsored by the department.

Major Accomplishments for 2010

- Worked as part of the management team in extensive negotiations with the retirees, town and school unions on Health Insurance and the GIC.
- Worked closely with Department Heads to successfully facilitate a number of disciplinary issues and workplace investigations.
- Conducted employee and supervisor trainings including effectively responding to grievances.
- Continued publication of the Personnel Newsletter containing helpful information about benefits, news from other departments as well as information about new hires and retirees.
- Successfully and completely audited all health and life insurance rolls (of approximately 2000 active and retired employees) to ensure proper funding of plans. Sent reminder notification to all employee approaching or over sixty-five years of age that they must enroll in medicare if eligible in order to remain on town sponsored plans.
- Implemented several wellness programs including contacting area fitness clubs to attain discounts for employees resulting in greater utilization of the Town's fitness benefit under our Blue Cross and Harvard Pilgrim plans. We also offered, and continue to offer, Weight Watchers at work for both Town and School employees. In the spring we offered the Go Walking program to all employees. Over 175 employees participated in the program which provides free pedometers and encourages participants to track their miles walked. The Town received a \$5,000 grant from Blue Cross and Blue Shield in recognition of our health and wellness efforts.
- With use of the Health Insurance Database the department produced very accurate and detailed cost analysis of health insurance which could be pinpointed by union and department; greatly assisting in the collective bargaining process as well as in budget preparation.
- Worked closely with the Equal Opportunity Advisory Committee in ensuring compliance to the Town's Bylaws with regard to female and minority participation goals for three construction projects exceeding \$200,000.
- Secured federal reimbursements for retiree health care programs amounting to approximately \$750,000.





Program Description

The Comptroller's Office is responsible for the Town's books of account and financial records. The Office coordinates the annual Town audit and is custodian of all the Town's contracts. The Comptroller's Office verifies appropriations for all purchase orders, processes invoices for payment, approves all payroll and other warrants, generates and balances monthly appropriation reports and other financial reports as mandated by the Federal and State governments. The Comptroller is also responsible for the direct management and supervision of the Telephone department. The Telephone department is responsible for the operations of the Town and School phone system and maintaining the two PBX's and voicemail system.

Budget Statement

Continue monitoring the telephone system to maximize cost savings. Work with Town departments and School administration to monitor their respective budgets.

FY2012 Objectives

- Research the feasibility of electronically distributing the Town's direct deposit payroll stubs
- Review and enhance Town reports
- Consolidate some of the Town/School financial operations
- Streamline the Town's phone system
- Work with School CFO to closely monitor school revenues and expenditures

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Comptroller				
Personal Services	291,014	294,470	295,395	
Expenses	142,021	107,574	103,148	
Appt. Authority Reduction			(9,967)	
Total	433,035	402,044	388,576	

STAFFING

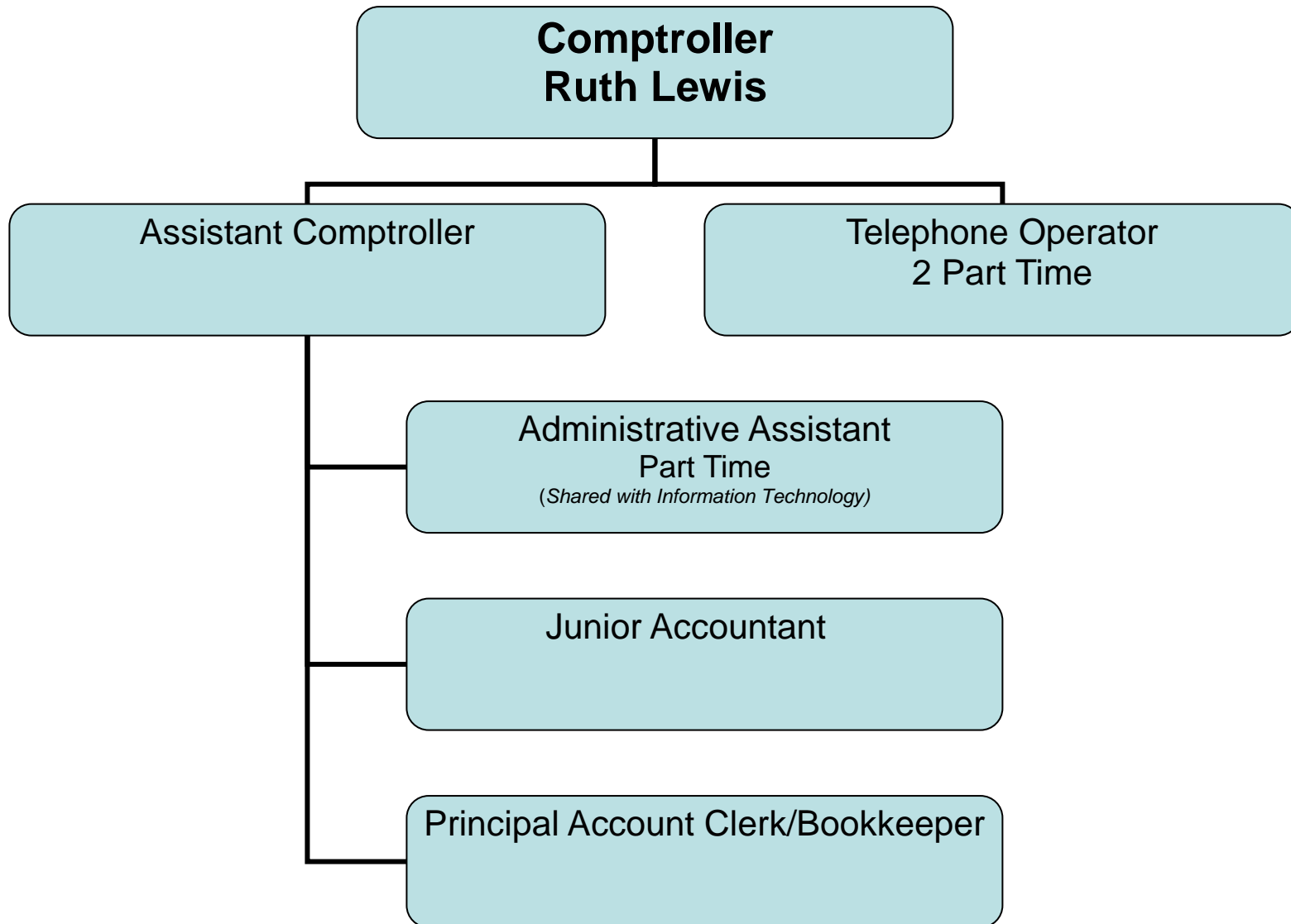
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Comptroller				
Managerial	1	1	1	
Clerical	3.8	3.8	3.8	
Professional/Technical	1	1	1	
Total	5.8	5.8	5.8	

Major Accomplishments for 2010

- Closed the Town's books and had the town audit and free cash certified on a timely basis
- Enhanced quarterly report to the Board of Selectmen
- VoIP Readiness Report completed

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Accounting				
General ledger entries	108,139	114,879	120,000	125,000
Purchase Orders	5,150	5,142	5,250	5,100
Accounts Payable batches	1,000	1,181	1,100	1,150





Program Description

The Treasurer & Collector of Taxes is responsible for the collecting and custodianship of all funds and receipts belonging to the Town of Arlington. The Office of the Treasurer and Collector of Taxes consists of three divisions headed by the Treasurer/Collector of Taxes. The three divisions are: Treasury, Collector, and Payroll. The Treasurer manages Town postal operations. The Treasurer, as the Parking Clerk appointed by the Board of Selectmen, manages the collection of parking fines and the issuance of parking permits.

The Town Treasurer and Collector of Taxes is responsible for managing and directing the tax collection process, receiving all monies from Town departments, securing & depositing Town monies, and for managing, planning, and directing the Town's financial policies relating to cash management, investment management, and debt management in accordance with Massachusetts General Laws. The Treasurer serves as Custodian of Funds for all Town monies. The Treasurer performs his fiduciary responsibility by developing investment and borrowing strategies based on financial best practices, consultations with financial advisors and investment institutions, and participating in government finance officer's seminars, as well as being an active member of the Massachusetts Collectors & Treasurers Association, and the national Government Finance Officers Association. Mr. Gilligan is a Member of the Board of the New England States Government Finance Officers Association. Mr. Gilligan is a certified Massachusetts Assessor.

The Treasurer/Collectors office is responsible for the proper handling and management of all monies belonging to the Town.

Included in those responsibilities are the following:

- Responsible for the billing and collecting of all Real Estate Tax, Personal Property Tax, Motor Vehicle Excise Tax, Parking fines and Permit fees, Water & Sewer accounts, and collecting all Town and School Department(s) receipts. Payments are received directly in the Treasurer's Office, through the mails, via on-line electronic checking transactions, and lock-box.
- Receiving and reconciling all deposits from all departments and authorities that charge fees and/or receive monies. Supports and assists all departments in the collection of delinquent accounts.

Program Description (continued)

- Enable and coordinates School, Recreation, Human Services, Fire/ Ambulance, Library, Inspections departments to make deposits directly into our depository bank; daily, overnight, and weekends.
- Responsible for deposits and investment of all Town funds.
- Determine cash management needs to meet vendor and payroll warrants.
- Provide quality customer service to all Town residents, employees, and vendors in the performance of the above-described duties.
- Supervise and direct all short and long-term borrowings. Strategic goal is to maintain the highest possible Bond Rating, based on the Town's financial reserve and budgetary situation
- Manage Treasurer's relationships with finance professionals and institutions that provide custodial, investment and banking services.
- Responsible for promoting and administering the Arlington Citizens Scholarship Foundation/Dollars For Scholars Program.
- Managing the Arlington Citizen's Scholarship Foundation/Dollars For Scholars program.

Budget Statement

The Treasurer's Office continues to scrutinize its current budget for any potential savings, while being mindful of the critical importance to maintain resources sufficient to collect and/or process over \$113,000,000 in Town revenues.

Given the current economic situation, interest income revenue will be significantly lower than previous years.



Major Accomplishments for 2010

- Treasurer's Office continues to achieve one of the best commitment-to-collection ratios of real estate and personal property taxes of any community in Massachusetts by developing internal collection procedures with a focus on end-of-fiscal-year results. Real Estate Tax collections = 99.995%
- Attained a top rating of Triple-A ("AAA") from Standard & Poor's rating agency for the 5th consecutive borrowing. Arlington is a member of a group of less than 20 communities in Massachusetts attaining this highest designation.
- FY 2009 Town Audit found Treasurer's operation in full compliance.
- Successfully completed a Banking Services RFP, and executed a new Banking Services contract, with all Town funds fully-collateralized, with enhanced services.
- Managed first full-year of Town of Arlington's relationship with new Investment Advisor. Current net realized gain on all trust fund accounts is 12.57%.
- Managed successful annual borrowing of \$7,258,000, 20-yr. bond with an average interest rate of 2.599% tax-exempt, with a "AAA" rating from S&P.
- Managed successful borrowing of \$1,310,000 Taxable Bond Anticipation Notes, relating to the Symmes Redevelopment Project, with an interest rate of 1.009% taxable and a SP-1+ rating to the note issue.
- Executed a new Banking Services contract, with all Town funds fully collateralized, and enhanced services, following a full RFP process.
- The Treasurers Office administers the Arlington Citizens Scholarship Fund, which provides financial assistance to Arlington residents attending higher education. Increased scholarships awarded to 97, totaling \$137,500, in 2010.
- Aggressively managed the on time issuance of all billing and collections for Real Estate Tax, Motor Excise Tax, Water & Sewer, and Parking, accurately and on time to avoid short-term borrowing.

FY2012 Objectives

- Issue RFP in March 2011 to add additional electronic payment capabilities for debit and credit cards. Complete implementation by end of June 2011.
- Issue a Request For Proposal to increase rate of return and reduce/eliminate management fees for Employee 457 Savings plan.
- The Treasurer's office continues to work with the IT Department to ensure the data processing and information technology needs are being met. Systems life-cycle reviews have been requested for database management tools.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Treasurer				
Personal Services	497,075	473,906	480,243	
Expenses	112,757	104,454	107,802	
Appt. Authority Reduction			(29,060)	
Total	609,831	578,360	558,985	-

STAFFING

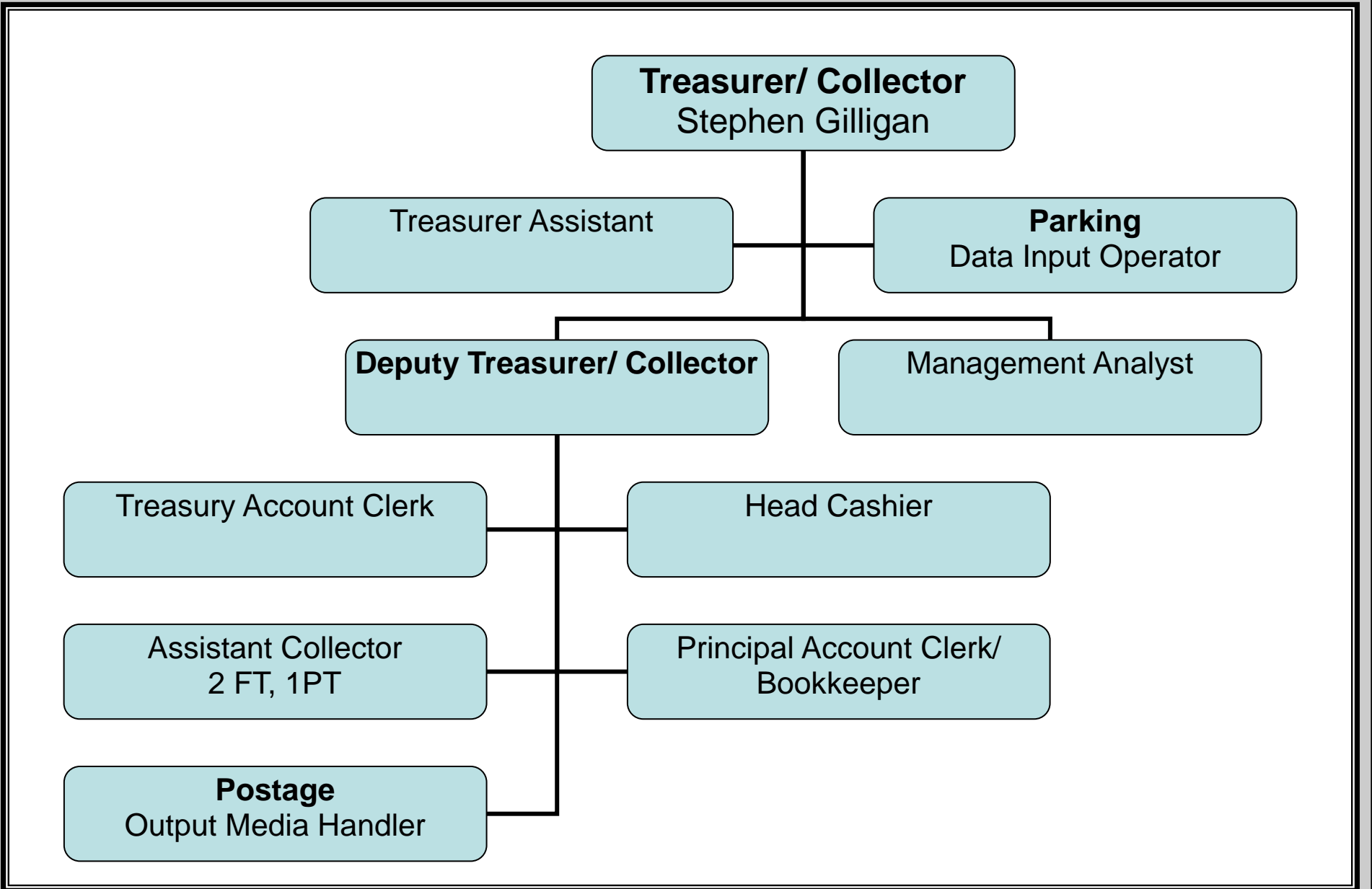
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Treasurer				
Managerial	1	1	1	
Clerical	6.9	6.9	7	
Professional/Technical	2	2	2	
Total	9.9	9.9	10	

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Treasurer				
Real Estate Bills Processed	59,988	60,084	60,084	60,084
Motor Excise Bills Processed	35,507	32,112	30,180	30,180
Water Sewer Bills Processed	24,817	24,849	24,850	24,850
Delinquent Notices - Combined	17,381	22,324	27,235	32,682
Total Bills Issued:	137,693	139,369	142,349	147,796
Liens from Water Sewer delinquency (less than 1.5% of total commitment)	\$140,465	\$134,180	\$133,688	\$133,000
Lien Certificates processed	1,603	1,452	1,408	1,400
Lien Certificate revenue	\$ 57,873	\$ 72,600	\$ 70,400	\$ 70,000
Deputy Tax Collection revenue	\$157,276	\$157,859	\$149,427	\$140,000
Total Various Liens / Collections:	\$355,614	\$364,639	\$353,515	\$343,000

FY2012 Objectives (continued)

- Request for Disaster Recovery and operations continuity planning formally presented to, and agreed to by Town Manager for FY 11 completion. Treasurer's office agreed to actively support efforts by Town departments and appointed committees to gather data and build town-wide template for disaster recovery operations.





Program Description

The Postal Operation is a division of the Office of the Treasurer & Collector of Taxes. The postal operation is responsible for the collection and mailing of all Town and School mail at the lowest possible postage rates.

The following details the responsibilities of postal operations:

- All operations management of Town and School outgoing mail on a daily basis.
- Scheduling, distributing, processing and mailing all Motor Excise, Real Estate, Water, and Parking bills.
- Process special mailings for other departments.
- Scheduling and processing bulk mailing.
- Operating major mailing equipment: processing machines, folding machine, and regular postal machine.
- Interpreting and complying with postal regulations.
- Liaison to Arlington Post Office including the filing of required paper work.
- Provides consultation and advice on mail design to departments.

Budget Statement

Postage rates continue to increase. Rate increase expected May 2011. We evaluate each mailing to determine and use lowest possible mail-rate.

FY2012 Objectives

- Work with the Building Maintenance Dept. to continue to rectify work-space environmental/health issues.
- Work with the I.T. Dept. to implement mandated postal requirements for all tax bill-mailing formats.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Postage				
Personal Services	23,877	28,708	28,708	
Expenses	131,350	128,088	128,140	
Total	155,227	156,796	156,848	-

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Postage				
Managerial				
Clerical	0.7	0.7	0.7	
Professional/Technical				
Total	0.7	0.7	0.7	

Major Accomplishments for 2010

- Continue to provide exceptional service to all departments.
- Sends mail out at the lowest possible postage.
- Completed Town Hall basement renovation to meet environmental/health standards.

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Postage				
Bills mailed: Real Estate, Water/Sewer, Motor Vehicle Excise and Parking	149,883	142,369	148,764	149,000
Other Town Mailings	140,117	139,609	141,901	142,500
Other School Mailings	69,116	65,241	67,725	68,250
Total:	359,116	347,219	358,390	359,750



Assistant Treasurer/ Collector

Output Media Handler



Program Description

The Assessor’s Office values all real estate (residential, commercial and industrial) and personal property in the Town of Arlington for the purpose of “ad valorem” taxation. This process involves discovering, listing, and valuing over 14,000 residential properties, which includes single-family homes, multi-family homes, condominiums, and apartment buildings. There are also 400+ commercial and industrial properties and over 500 personal property accounts which must be reviewed on an annual basis. The office also receives over 45,000 motor vehicle excise records from the Registry of Motor Vehicles which must be processed and committed to the Tax Collector.

In addition, the functions of the Assessing Office include updating tax map information in regards to property sales and subdivisions; tracking the yearly additions in value triggered by the building permit process and computation of “new growth”; monitoring and recording all changes in property ownership through information received from the Registry of Deeds; inspecting in a timely manner all properties sold in Arlington; receiving and processing all real estate and personal property abatement applications within statutory timelines; representing the Town of Arlington at the Appellate Tax Board or negotiating settlements with taxpayers before hearings; assisting realtors, appraisers, and taxpayers seeking information on Arlington’s 15,000+ Real and Personal property accounts; and supplying the Board of Selectmen with all the information required in the setting of the tax rate at the annual classification hearing. This office provides quality service to all customers in the performance of the above described duties.

Budget Statement

The Board of Assessors’ budget for FY2012 will be decreased by the appointing authority reduction figure of \$10,353.

FY 2012 Objectives

- To maintain fair, equitable and consistent assessing practices for all.
- To ensure the accuracy of all assessments for real and personal property accounts.
- To continue to seek out methods to provide public access to property records and information that will be helpful to taxpayers.
- Improve public understanding of the property tax and assessing practices.
- Continue to improve all functions of the Assessor’s Office to serve the taxpayer more efficiently.

PROGRAM COSTS

Assessors	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	282,035	279,298	279,298	
Expenses	26,861	28,300	28,348	
Appt. Authority Reduction			(10,353)	
Total	308,896	307,598	297,293	-

STAFFING

Assessors	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial	1	1	1	
Clerical	3.5	3.5	3.5	
Professional/Technical				
Total	4.5	4.5	4.5	

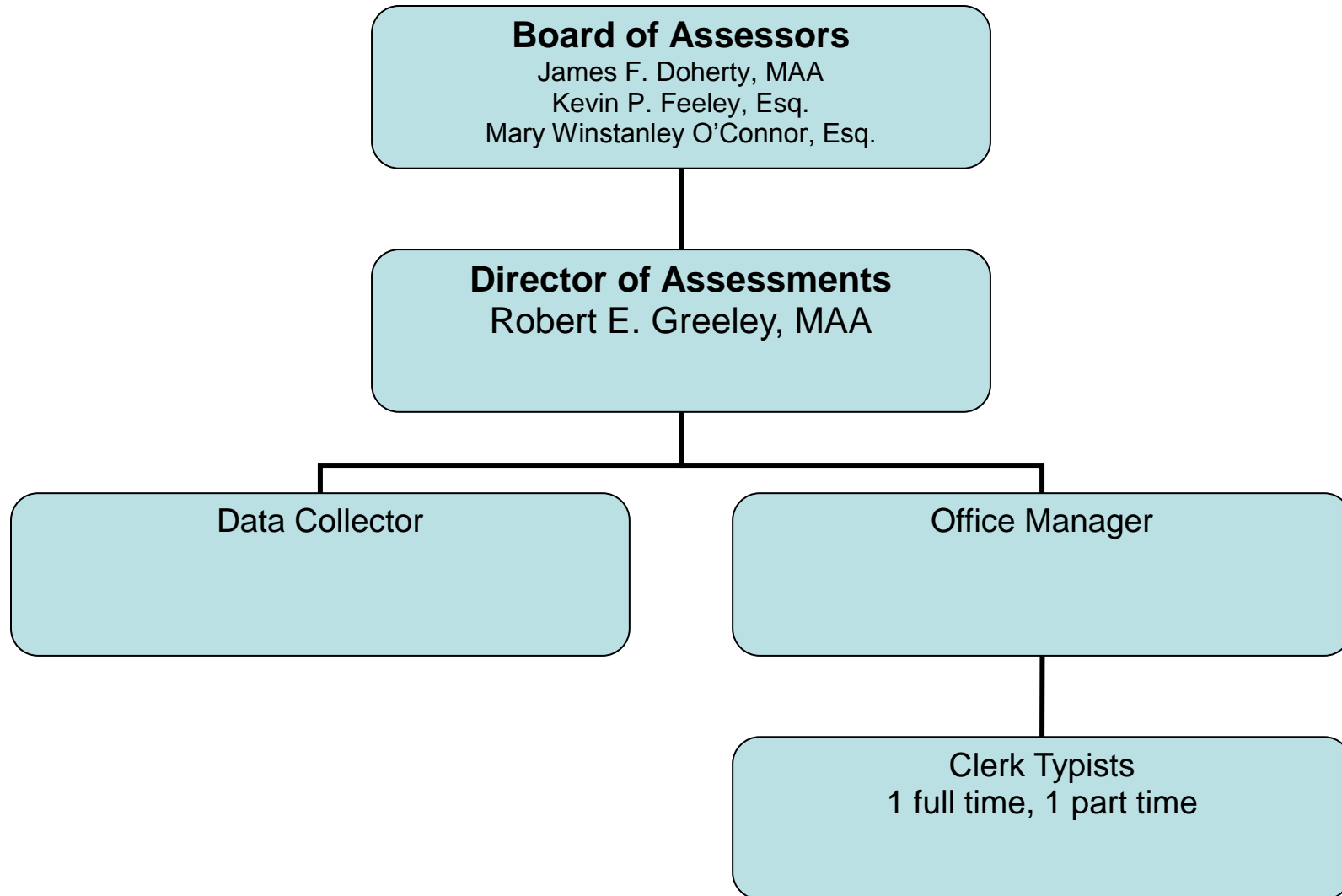


Major Accomplishments for 2010

- In 2010 the Board of Assessors completed the data input of all records after the completion of the re-inspection program of 2008 and 2009.
- The Assessor's Office completed the FY 2010 triennial revaluation in accordance with all DOR guidelines and in compliance with Massachusetts General Laws.
- The Assessor's Office timely committed all bills for real estate, personal property and auto excise taxes to the Tax Collector.
- The Office continued their efforts to work interdepartmentally to insure that all taxpayers are informed as to the benefits available.

Performance / Workload Indicators

Assessor	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Real Estate Bills processed	14,871	14,924	15,018	15,125
Motor Vehicle bills processed	42,311	42,776	43,000	44,000
Personal Property bills processed	491	692	525	550
Real Estate exemption applications	569	600	620	650
Real Estate and Personal Property Abatements	214	116	114	125
Motor Vehicle Excise abatements	6,000	6,137	6,200	6,400
Citizen Inquiries	8,000	8,000	8,500	8,500





Program Description

The integrated Town and school Information Technology Department was created by the 2007 town meeting. The changes in the Town bylaw provided that the functions of the Department fall into three broad categories:

1. Town and School hardware, networking, telecommunications and software infrastructure support;
2. Town and School administrative applications, implementation, training and support; and
3. School Academic applications implementation, training and support.

The first two functions are under the management of the Town Manager and are supported in this budget item. The third function is under School Superintendent and is supported in the school budget. The Information Technology Department is responsible for supporting, implementing, and upgrading over seventeen-hundred personal computers across Town and School departments, fifty PDA's, over four hundred printers, thirty six servers, Town and School network infrastructure, electronic communication systems, the Munis financial software system, PowerSchool(student information system), electronic security systems, integrated collection system, automated meter reading system, and numerous Town and School Web sites.

Budget Statement

Overall the budget has been decreased by \$8,291. This reduction has been achieved by reducing various expense accounts.

FY2012 Objectives

- Assess and create plan to select and implement a Town wide document management system
- Implement Phase 2 of the Wireless Automated Water Meter system.
- Complete multi-year disaster recovery and business continuity program.
- Implement facilities booking program to coordinate reservation and use of Town and School facilities.
- Create plan for upgrading Town network routing and switching infrastructure.
- Complete Credit Card and Electronic payments project for the Town and School
- Continue with enterprise wide GIS assessment

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Information Technology				
Personal Services	317,297	351,555	351,829	
Expenses	172,847	168,220	159,655	
Total	490,144	519,775	511,484	

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Information Technology				
Managerial	1	1	1	
Clerical	0.5	0.5	0.5	
Professional/Technical	4	4.5	4.5	
Total	5.5	6.0	6.0	



Major Accomplishments for 2010

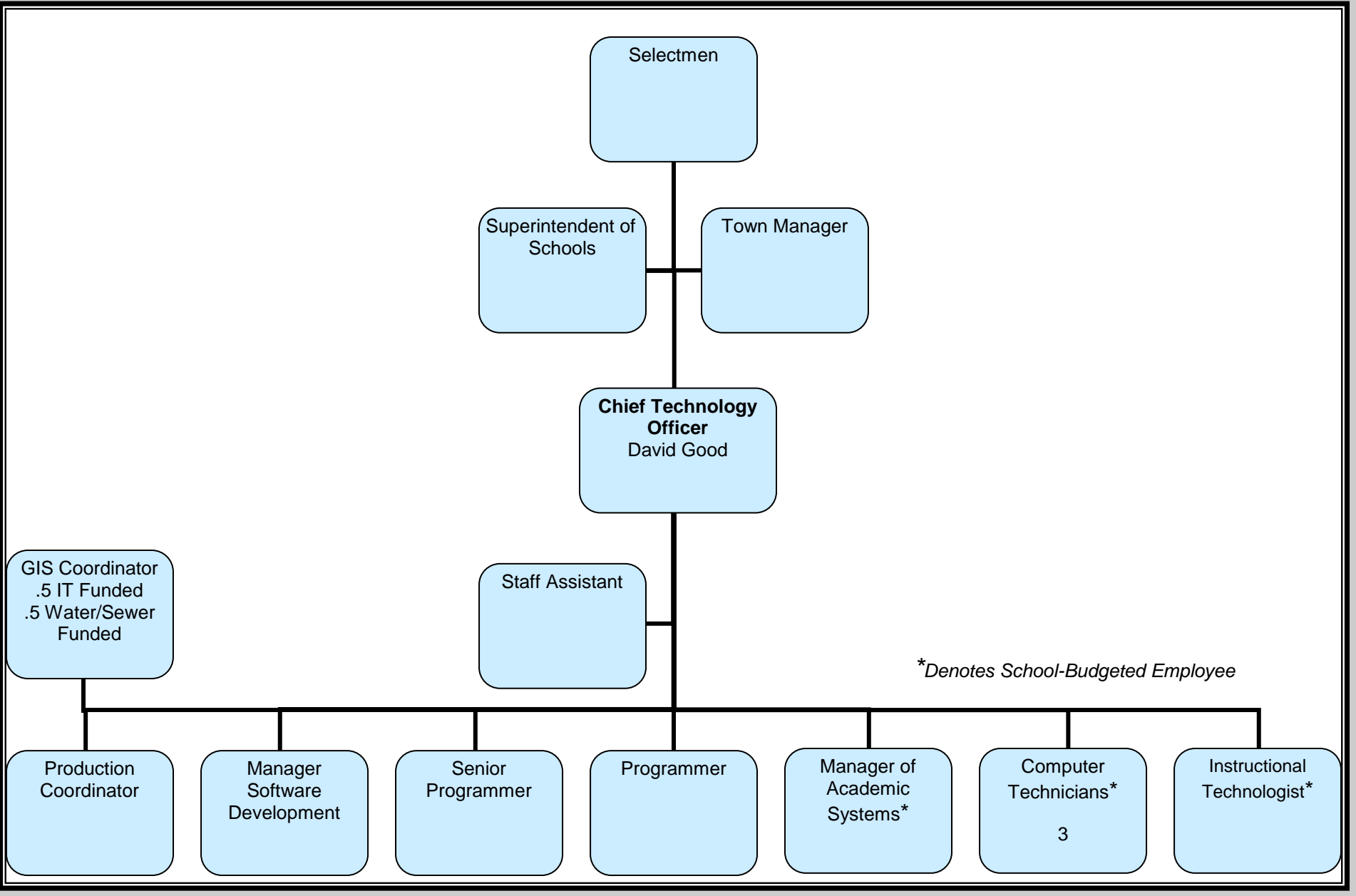
- Transition Town and School to Standardized Virus protection and Malware tools
- Implemented Parent and Student Portal for remote access to Student Information System
- Upgraded Town E-mail system to enable broader support of PDA's
- Implemented Enterprise Inventory Control System
- Completed Phase 1 of the AMR(Automated Meter Reading) System integration to Treasurers Integrated Collection System
- Replaced Core network infrastructure in all nine schools plus AHS data center to support more reliable network the support of VOIP (Voice Over Internet Protocol) and POW(Power Over Ethernet)
- Established a "Google Apps" cloud environment, hosting School E-Mail, Document Sharing, Web Sites, Calendar, and Contacts to enhance collaborative teaching and learning programs.
- Created and implemented List Server to support electronic communications across the Arlington Public School District
- Standardized and upgraded Town and School network security systems
- Installed Wireless network Pods to support Online Courses at AHS
- Installed and built infrastructure to support 25 Ricoh Multifunctional devices(Printer, Scanner, Copier) to reduce the amount of paper created and streamline electronic distribution of scanned and shared documents.
- Built redundant remote Virtual Primary Domain Controllers for real time fail-over
- Managed and installed Data and Phone wiring to support renovations and office moves for AYCC, Public Works, Stratton School, Central School.
- Upgraded electrical wiring circuits to support the replacement and installation of new server room air conditioning system
- Installed Citrix secure remote access for teachers and administrators across the Arlington Public School District
- Created and printed approximately 170,000 water, real estate, personal property and excise

Major Accomplishments for 2010 (continued)

- Continued inventorying software project to verify license compliance
- Installed Nutrakids Point of Sales cash registers in AHS Food Service Department
- Upgrades to the Assessors Patriot System, Legal Department Document Management System, Recreation Department RecTrac system included new server hardware and software
- Completed the installation of the Gibbs School building connection to the Towns Fiber network backbone to support security and facility support systems
- Managed the Verizon FIOS installations to all Town and School buildings specified in the Towns agreement with Verizon
- Completed the Comcast Analog to Digital signal upgrade in all Town and School buildings specified in the Towns agreement with Comcast
- Managed and installed Telecommunications systems and desktop systems in the new East Arlington Police Substation

Performance / Workload Indicators

	FY2009	FY2010	FY2011	FY2012
<i>Information Technology</i>	Actual	Actual	Estimated	Estimated
Computer Upgrades	81	47	64	55
Printer Upgrades	15	17	15	15
Server Upgrades	4	4	5	5





Program Description

The Legal Department commences, prosecutes, and defends all legal actions and other matters on behalf of the Town, in all state and federal courts and administrative agencies. The Department functions as a full-service law office, handling nearly all of the Town's litigation in-house. In addition to its litigation function, the Department furnishes legal opinions and advice on a daily basis on matters referred to it by the Board of Selectmen, the Town Manager, the School Department, and the various Town Department Heads. Additionally, the Department provides legal advice to all Town officials, boards, committees, and employees concerning their legal responsibilities and prerogatives, attends meetings, and counsels Town departments on legal issues related to operational and project-related matters as they arise. The Department investigates all claims, advises, and monitors Town regulatory compliance and coordinates all legal affairs of local government. The Department also administers, manages, and litigates the entire Town's workers' compensation, police and fire line-of-duty and municipal liability self-insurance programs.

The Town Counsel reviews, advises, and counsels the Town Manager and department heads regarding employee union contract administration and grievance arbitration proceedings.

The Department drafts, reviews, and approves a wide range of legal instruments including agreements, applications, contracts, licenses, releases, leases, easements, deeds, and a multitude of other documents required.

FY2012 Objectives

- Work with other Town departments in an effort to recover various amounts owed to the Town.
- Work with the Town's management team to develop requested legal and policy positions in a variety of substantive areas.
- The Legal Department, in conjunction with outside counsel, is involved in adjudicatory hearings before the Federal Environmental Protection Agency and the State Department of Environmental Protection in order to eliminate the Somerville and Cambridge combined sewer outflows into Alewife Brook, which when activated have caused considerable flooding of untreated effluent near many homes in East Arlington. The goal of the Town's involvement is to convince these agencies and municipalities to undertake substantive and immediate actions to mitigate the unhealthful effects such overflows have on certain Arlington neighborhoods.
- Review all existing Policies and Practices of the Board of Selectmen and make recommendations on streamlining and making them more effective and up-to-date.
- Supplement the recent First Point of Medical Contact Program for all workers' compensation and line-of-duty injuries in order to effectively and efficiently address work-related protocol, treatment and costs.

Budget Statement

Given the anticipated budgetary constraints, the Department will handle as many legal matters in-house as is professionally responsible in an attempt to contain outside counsel costs. Historically, during periods of municipal budget contractions, there is a significant increase in the need for legal representation. Likewise, during state and national fiscal downturns, claims against municipalities tend to increase. The various Town departments have, and will continue to be, counseled in claims avoidance practices and procedures. Additionally, the persistent increase in the cost of hospital and medical services continues to put pressure on both line-of-duty and workers' compensation budgetary allocations. Although the Department's past cost containment procedures have eliminated the previous monetary spikes, it will continue to be a challenge to minimize the respective expenditures. Any reduction in available personnel will place additional physical demands on those presently performing in the heavy labor force if the same level of services is to be provided. Injury awareness and loss prevention programs will continue at their increased level to address the potential problems associated with repetitive use, overuse, and fatigue related injuries.

PROGRAM COSTS				
Legal	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	275,637	270,965	274,871	
Expenses	132,669	138,351	134,348	
Total	408,306	409,316	409,219	

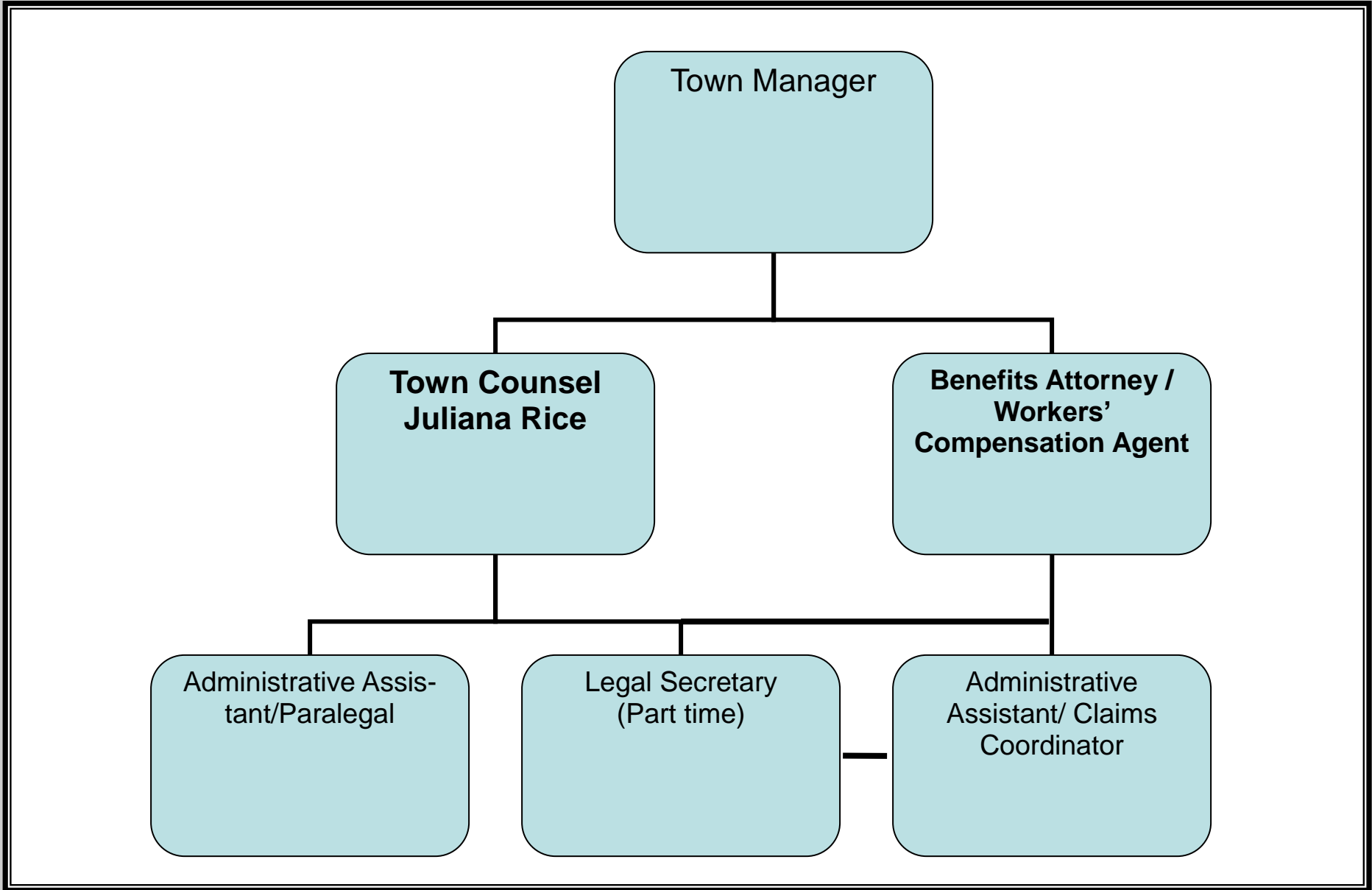
STAFFING				
Legal	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial	2	2	2	
Clerical	1.5	1.5	1.5	
Professional/Technical	1	1	1	
Total	4.5	4.5	4.5	



Major Accomplishments for 2010

- Effectuated eminent domain takings of 35 easements to allow placement of sidewalks under the Dallin Safe Routes to School program.
- Appeared regularly in the courts of the Commonwealth for hearings on motions, including many significant dispositive motions and successful hearings and trials.
- Successfully defended the Town in claims involving firearms licensing and alleged violations of the Fourth and Fourteenth Amendments to the United States Constitution. Successfully defended Town administrative decisions in Massachusetts Superior Court.
- Successfully closed sixteen of the eighty M.G.L. Chapter 84 claims (injuries or property damage as a result of a claimed defect in a public way) pending against the Town in FY10.
- Successfully closed ten of the fifty-seven M.G.L. Chapter 258 claims (Massachusetts Tort Claims Act) pending against the Town in FY10.
- Handled multiple other contract and non-Chapter 84/258 claims and disputes involving the Town.
- Successfully litigated and concluded several workers' compensation claims. This resulted in a significant savings to the Town. The ongoing loss prevention and injury awareness programs continued to be an effective tool in limiting the total number of work related injuries.
- Successfully implemented the First Point of Medical Contact for all work related injuries.
- The Department continues to maintain the Town's long record of zero monetary payments resulting from adverse court judgments.
- Pursuant to M.G. L. Chapter 41 §100 & 111F, subrogation claims were filed against non-employee individuals deemed to be responsible for injuries to our uniformed personnel. As has been the case in the past, monetary recovery is anticipated on these claims and will be returned to the General Fund.
- Prepared warrant articles, reports, bylaw amendments, home rule legislation, and other documents for Annual Town Meeting and one Special Town Meeting. Appeared at all sessions to advise Town Meeting.
- Supported Town departments with contract negotiations, review, and revisions and research and recording of real property instruments.

Performance / Workload Indicators				
<i>Legal/Worker's Compensation</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
MGL Chapter 84 Claims				
<i>Personal injury/property damage as a result of a claimed defect in a public way</i>				
Total	75	80	75	75
Claims closed	22	16	30	25
New claims	25	26	25	25
<i>MGL Chapter 258 Claims- Massachusetts Tort Claims Act</i>				
Total	53	57	52	50
Claims Closed	19	10	25	17
New claims	18	23	20	15
Fire - Injured on Duty Claims	10	10	13	10
Police - Injured on Duty Claims	4	4	8	6





Program Description

The Town Clerk's Office ensures accurate compliance with constantly changing State laws relative to the Town Clerk and Registrars of Voters. It provides efficient and courteous service to the general public. The Department's primary responsibilities are the following:

- Conduct and certify all primaries and elections.
- Record and certify votes at Town Meetings.
- Record, file, index and certify all certificates, documents, licenses, permits and vital statistics. These include births, marriages, deaths, business and raffle certificates, dog and sporting licenses.
- Conduct an annual census.
- Certify nomination papers, petition forms, residency, voter certificates, and warrant articles.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Town Clerk				
Personal Services	208,236	207,210	210,304	
Expenses	22,795	27,600	24,840	
Appt. Authority Reduction			(8,200)	
Total	231,031	234,810	226,944	-

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Town Clerk				
Managerial	1	1	1	
Clerical	2.45	2.45	2	
Professional/Technical	1	1	1	
Total	4.45	4.45	4	

Budget Statement

The Town Clerks' budget will decrease by \$7,866 due mainly to an Appointing Authority Reduction of \$8,200, as well as other expense reductions.

FY2012 Objectives

- Since the General Laws of Massachusetts and the Secretary of State govern our office, we are limited in the implementation of new procedures and our objectives will be mandated by those entities.
- To find alternative cost effective ways to advertise the changes to zoning/town bylaws in the local newspaper.



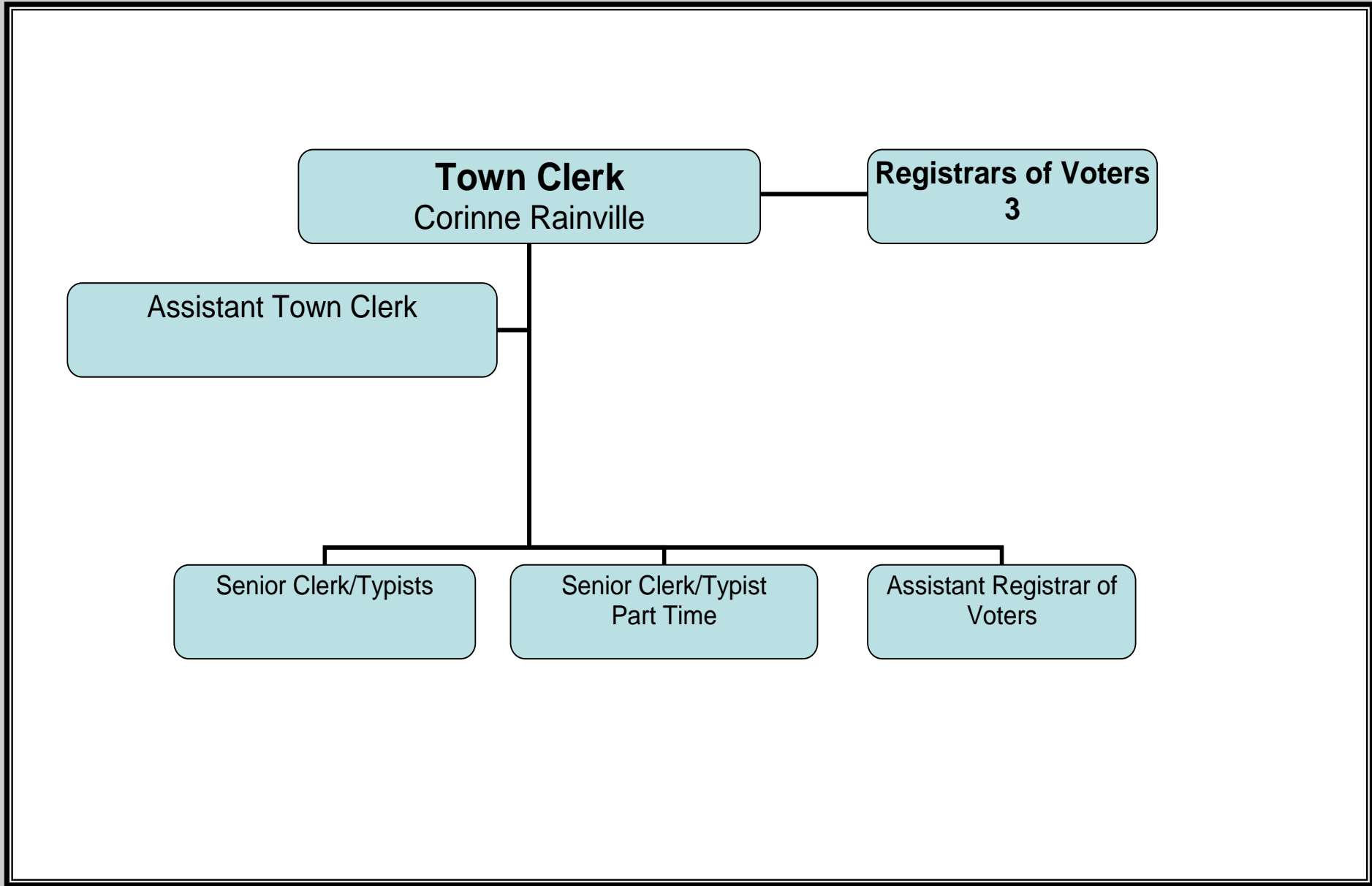
Major Accomplishments for 2010

- Effectively conducted four elections – and successfully implemented the new State law allowing ballots to be sent electronically (fax or e-mail) to military and overseas voters.
- Submitted all bylaw amendments voted at town meeting to the Attorney General’s Office for approval and supplied additional information when requested.
- Compiled bond certification documents to be filed by the Treasurer’s Office, and submitted loan authorization materials to the Department of Revenue.
- The Registrar purged and updated inactive voters to accurately conform to the 2011 voting list, which will eliminate any delay for voters at the polls on Election Day.

Performance / Workload Indicators				
	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Marriage Licenses	231	217	250	225
Death Certificates	344	388	375	400
Birth Certificates	579	596	600	600
Dog Licenses	1,506	1,589	1,600	1,700
Sporting (Conservation) Licenses	382	237	425	225
Town Meeting Sessions	9	10	10	9
Special Town Meeting Sessions	2	1	2	1
Registered Voters	29,887	29,434	30,200	30,000
Fees Generated	\$70,819	\$107,853	\$ 72,000	\$ 76,000

PROGRAM COSTS				
Board of Registrars	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	44,173	45,273	45,273	
Expenses	10,906	14,600	13,140	
Appt. Authority Reduction			(546)	
Total	55,079	59,873	57,867	-

STAFFING				
Board of Registrars	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial				
Clerical	1	1	1	
Professional/Technical				
Total	1	1	1	





Program Description

Parking permit issuance and parking violation collection operation is performed by the Treasurer's office at the request of the Board of Selectmen. The Treasurer's office is responsible for the timely processing of parking permits and collection of parking tickets issued. Those responsibilities include:

- The collection of parking tickets issued by the police department.
- The collection and processing of all monies received from parking meters.
- Billing of delinquent parking tickets.
- Resolving appeals through an established hearing process.
- The marking and clearing of delinquent parking tickets with the Registry of Motor Vehicles.
- Managing four parking machines in Town, with maintenance support from DPW.
- Managing, administering and processing of parking permit/special permits program, supporting Selectmen's Office.

Budget Statement

- Maintenance issues for 4 machines. Manufacturing company no longer provides on-site maintenance.
- Recent mandatory software update created hardware incompatibilities. Short-term solutions being trialed.
- Parking meter capital budget needed for upgrade / replacements.

FY2012 Objectives

- Training and ongoing support to parking control officers.
- Continue training of new police officers.
- Working with Selectmen, Police and Public Works to upgrade signage in the business districts.
- Review fee structure and duration of parking permits with Selectmen sub-committee.
- Collaborating with the Chief Technology Officer to develop a management application tools.

PROGRAM COSTS

Parking	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	77,522	77,525	77,525	
Expenses	30,914	28,935	28,935	
Total	108,436	106,460	106,460	-

STAFFING

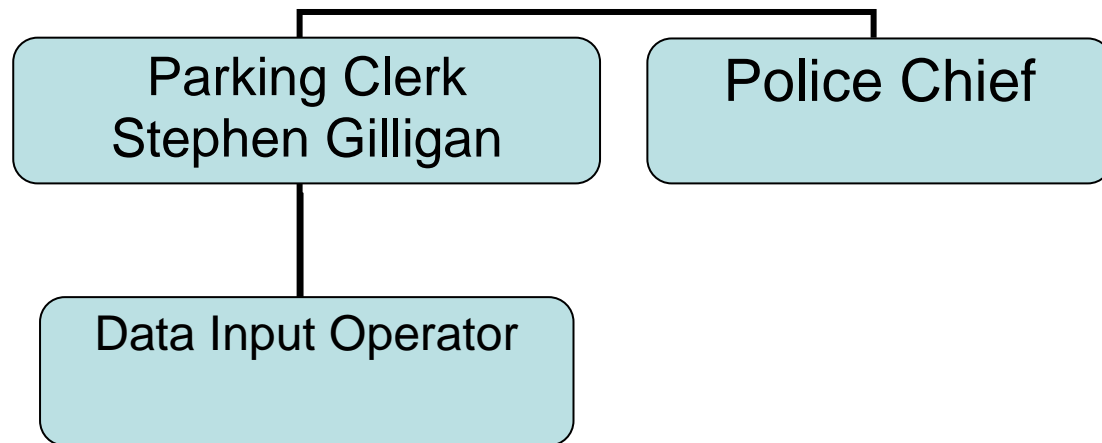
Parking	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial				
Clerical	1	1	1	
Professional/Technical				
Total	1	1	1	

Major Accomplishments for 2010

- Partnered with Police Department implementing towing and other programs to collect delinquent violation payments.
- Established auditing and revenue tracking process for parking permit program.
- Implemented a maintenance program with the Maintenance Department to maintain our four parking meters.
- Recent mandatory parking meter upgrades successfully implemented. Current in-system obsolete hardware and retired software no longer supported
- "Special & Temporary Parking" permit program developed and established in collaboration with Selectmen's Office.

Performance / Workload Indicators

Parking	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Number of tickets issued	14,456	13,533	13,714	13,714
Revenue	\$421,207	\$354,536	\$360,551	\$360,551
Meters Collected	\$67,883	\$ 78,840	\$ 70,246	\$ 70,246
Parking Permits	\$103,726	\$135,936	\$114,907	\$114,907
Total Viol. / Meter / Permit Revenue	\$592,816	\$569,312	\$545,704	\$545,704





Program Description

The Planning Department's responsibilities include discerning the public interest in land use, environmental, economic, and development issues. Based on public and other input the Department is then responsible for directing compatible development and redevelopment. The Department conducts planning studies, implements plans and studies, supports the Arlington Redevelopment Board (ARB), oversees the Conservation Administrator, manages properties, encourages and provides affordable housing, and obtains grants. The largest grant administered by the Department is the annual Community Development Block Grant (CDBG), which awards over \$1,300,000 for 41 activities. The Department also manages tenants in the following buildings operated by the ARB: the former Central School, the 23 Maple Street house, and the historic Jefferson Cutter House.

FY2012 Objectives

- Re-develop the Symmes site.
- Monitor construction and affordable units at Mill Street development.
- Monitor and influence development in the Alewife area.
- Oversee design of Broadway Plaza improvements as recommended in the Commercial Development study.
- Assist with the public outreach for the Mass Ave Corridor Project construction phase.
- Promote citizen planning opportunities to diversify Arlington's commercial base beyond retail and restaurant.
- Undertake community planning survey and visual preference survey for building form and type.
- Increase Town's affordable housing stock by approximately 25 units.

Budget Statement

The Department budget is being reduced by eliminating the Assistant Director position. In addition to general planning responsibilities, the position was also responsible for managing the Town-owned leased buildings. The management of these buildings will be carried out by the Director and other staff.

Consulting services was increased to partially make up for the loss of this position. In addition, the Housing Director position, which had been funded through CDBG funds, will now have to be funded 50% in the Planning budget.

PROGRAM COSTS

Planning & Community Development	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	289,350	211,782	197,351	
Expenses	6,561	19,570	25,070	
Total	295,910	231,352	222,421	-

STAFFING

Planning & Community Development	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial	1	1	1	
Clerical	0.5	0.5	1	
Professional/Technical	1.5	1.3	1.06	
Total	3	2.8	3.1	



Major Accomplishments for 2010

- Completed the Crosby and Parmenter study and public meetings
- Supported ARB permitting of 116 apartments at former Brigham's headquarters, 30-50 Mill Street
- Adopted Board of Survey regulations
- Implemented capital improvements at ARB buildings
- Mass Ave Corridor 25% design revisions submitted to MassDOT; conducted one large public meeting and two Mass Ave review Committee meetings.
- Applied for North American Wetlands Conservation Association grant for the Mugar land
- Green Communities designation, including applying for designation, with Inspectional Services facilitated the adoption of Stretch Code by Town Meeting, received designation, received grant for \$200,000 for energy improvements
- Received Clean Air and Mobility Grant, including preparation of application for safety and mobility improvements for intersection of Mass. Ave. and Route 60, for bikes, pedestrians and vehicles. Received funding of \$115,000 for construction improvements to intersection in FFY 2012.
- Worked with MBTA and Board of Selectmen to develop program to bring bus shelters to high volume bus stops in Arlington. Received conceptual approval from Board of Selectmen.
- Applied for and received technical assistance for traffic improvements under Community Transportation Assistance Program, from Central Transportation Planning Staff (MPO).
- Secured ARRA funding for Forest Street, working with Town Engineer, \$1.6 million
- Affordable Housing-Forest/Peirce project, construction completion and occupancy of 10 units of affordable rental housing, with energy conservation and environmentally friendly construction methods used.
- Capitol Square Apartments, acquisition of 32 units to be renovated for occupancy by low income households.
- Launched federally funded Homelessness Prevention and Rapid Re-housing Program, working with Housing Corporation of Arlington. 41 households assisted during calendar year 2010 to date.

Major Accomplishments for 2010 (continued)

- Condo resale. Conducted outreach, lottery, worked with buyers to attain financing, etc. for resale of affordable condominium at 24 Russell Place.
- Applied for Northeastern University Student Engineer project program
- Applied for Recreational Trails Program grant: "Navigating the Minuteman Bikeway" - a 3-community project - October 2010
- Applied for grant from New England Grassroots Environmental Fund for raingarden installation program - Summer 2010

Performance / Workload Indicators

<i>Planning & Community Development</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Room rental fees	\$ 15,319	\$ 14,000	\$ 15,000	\$ 4,000
Evening Meetings attended	322	262	275	275
Attendance at meetings outside of Arlington	65	82	60	50
Sign Permit Applications Reviewed	20	50	20	20
Contracts negotiated and administrated	11	50	8	4
Zoning Board Applications reviewed	12	20	20	20
Citizen inquiries Requests	275	174	250	275
	620	1,400	1,500	1,500
CDBG Funds Administered	\$1,285,289	\$1,302,441	\$1,431,536	\$1,000,000

Performance / Workload Indicators

<i>Conservation Commission</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Evening Meetings attended	22	24	24	24
Conservation Permits - Reviewed and Issued	18	19	18	18
Citizen inquiries	250	250	250	250

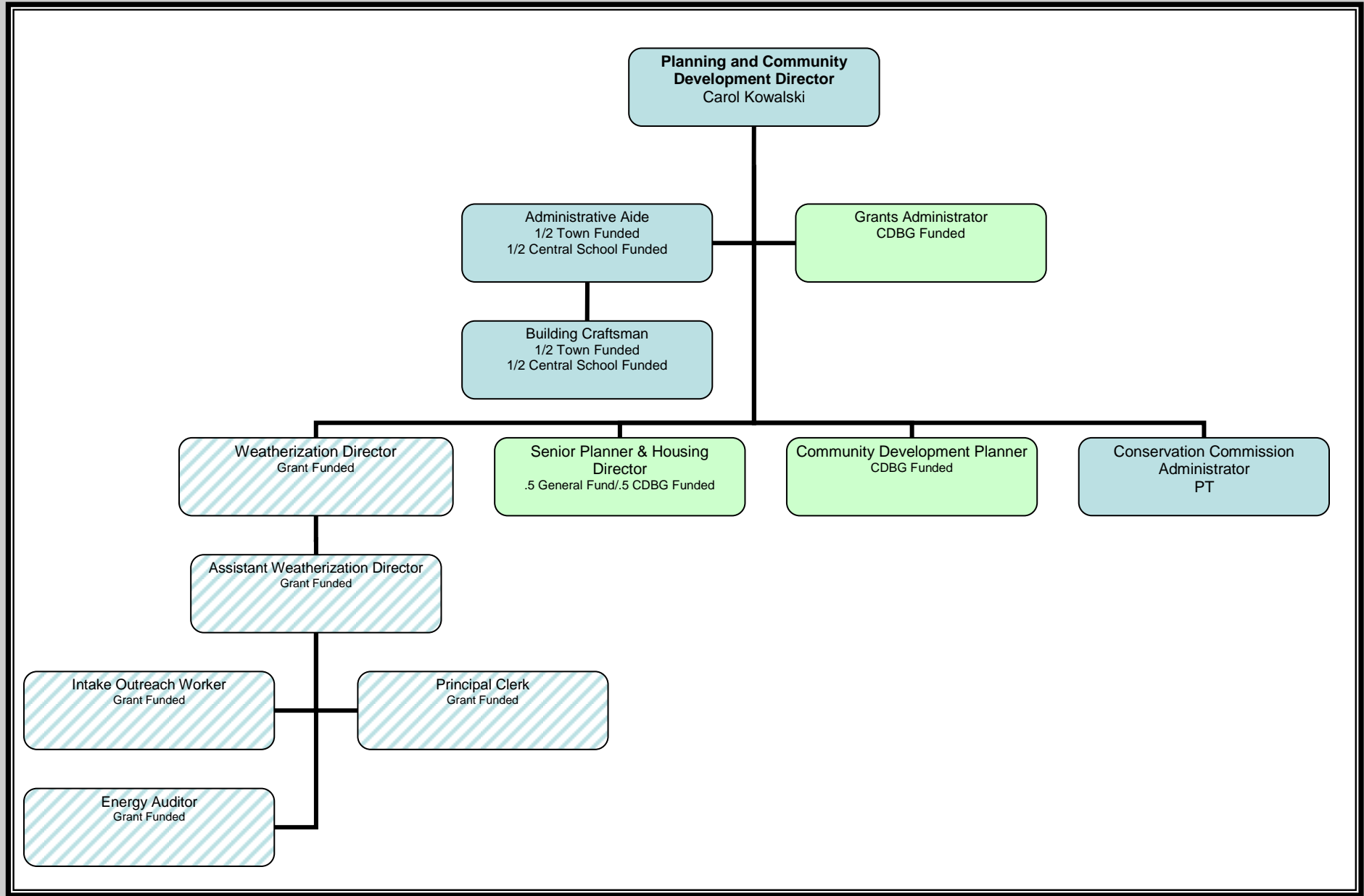


Major Accomplishments for 2010 (continued)

- Project report of the Mill Brook Study Group of the Open Space Committee - May 2010
- Amended Arlington Open Space and Recreation Report 2007-2012; approved by the state, extending the report to 2014
- Vision 2020 Census Survey 2010 and report - May 2010
- Prepare Vision 2020 Census Survey 2010
- Federal Census Complete Count Program - Jan.-May, 2010
- Bike rack installations at the Hardy School, June 2010
- Phragmites Control Program for Spy Pond - October 2009, winter 2010, October 2010
- MAPC Bike rack purchasing program - Sept. 2010
- MEPA/FIRM map revisions - May 2010
- Scenic Byways/Tourism/Econ.Devel. Committee - Summer/Fall, 2010

PROGRAM COSTS				
Redevelopment Board	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	57,110	30,304	30,304	
Expenses	6,250	9,750	9,750	
Gibbs	299,136	195,400	195,485	
Parmenter	15,736	15,000	15,000	
Crosby	4,866	15,000	15,000	
Dallin Library	1,380	5,000	5,000	
Total	384,479	270,454	270,539	-

STAFFING				
Redevelopment Board	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial				
Clerical				
Custodial/Bldg.Maint.	0.5	0.5	0.5	
Total	0.5	0.5	0.5	





Program Description

The Zoning Board of Appeals interprets and enforces the Zoning Bylaw for the Town of Arlington. Hearings are generally held on the second and fourth Tuesdays of the month, as needed. The Board is comprised of the Chairman and two associate members, including an attorney and a licensed architect who listen to testimony and render decisions based on a unanimous vote of the board. It is the Board's responsibility to issue the legal documentation required relative to the approval or denial of each petition. There are also two alternate members who may sit in absence of a regular member.

Budget Statement

The budget proposed for FY2012 is reduced by \$5,806 as a result of reducing staff hours .

FY2012 Objectives

- Work with the Inspections Division and Planning Department to provide the services required to support the Zoning Bylaw for the Town of Arlington.
- Provide prompt and informed decisions on all applications submitted to the Zoning Board of Appeals.
- Make decisions which uphold the original intent of the Zoning Bylaw.
- Instill confidence in the petitioners and applicants that they have been rendered a fair and equitable decision.

Major Accomplishments for 2010

The Zoning Board of Appeals heard and rendered decisions on twenty petitions for Special Permits and/or Variances.

Performance / Workload Indicators

<i>Zoning Board of Appeals</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Applications	25	34	30	30
Revenue	\$ 10,000	\$ 12,204	\$ 11,200	\$ 11,200

PROGRAM COSTS

<i>Zoning Board of Appeals</i>	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	21,251	19,787	13,981	
Expenses	4,103	4,103	4,103	
Total	25,354	23,890	18,084	

STAFFING

<i>Zoning Board of Appeals</i>	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial				
Clerical	0.5	0.5	0.5	
Professional/Technical				
Total	0.5	0.5	0.5	



Zoning Board of Appeals
5 Member Board

Principal Clerk
Part Time



PUBLIC WORKS

PUBLIC WORKS • STREETLIGHTS



Program Description

The Public Works Department is comprised of 8 separate divisions:
The Divisions are:

- Administration
- Engineering
- Cemeteries
- Natural Resources (Parks, Trees, Cemetery)
- Properties
- Highway
- Motor Equipment Repair
- Water/Sewer

The Department is responsible for 100 miles of public roadways, 250 miles of water and sewer pipes, 75 miles of storm drains including 3,500 catch basins, numerous parks, playgrounds, athletic fields and open lands, and 18,000 public trees. In addition, the Department maintains over 150 Town vehicles and operates three service utilities: Water, Sewer and Solid Waste.

Budget Statement

Exclusive of solid waste and snow removal increases, the FY2012 budget will be reduced by \$261,998. There will be 9 positions eliminated reducing the total workforce from 63 to 54 (-14%). The department's staffing level has been cut by more than one-third just since FY2003 and nearly by two-thirds since FY1990. Service levels in all areas will be negatively impacted. Highways will lose 4 (-14%) more positions which will mean further reductions in maintenance of roads and sidewalks, less street sweeping resulting in dirtier streets, and slower and less thorough snow removal operations. Two positions (-12%) will be cut from Natural Resources resulting in further reductions to park and field maintenance, the elimination of field lining for various sports leagues, and reduced tree maintenance. Natural Resources is also responsible for shoveling sidewalks during the winter so the Town's ability to clear sidewalks on a timely basis will be negatively impacted. Cemeteries will lose two more positions which means it will have gone from 12 positions in FY2003 to 3.5 positions in FY2012. This will result in less maintenance of the cemetery and the elimination of graveside assistance. Administration will also lose an Office Manager position further straining the department's ability to manage the business side of the operation. Not staying on top of the management and administration of this large business operation can have a serious financial impact on the town. The recycling responsibilities of the Office Manager will be picked up by a half-time Recycling Coordinator. Overtime will be increased \$120,201 to mitigate the position reductions and to more accurately reflect the true costs. The rubbish disposal budget will increase \$237,386 due primarily to the reduction in the Tip Fee Stabilization Fund offset. Snow and ice budget will increase \$78,170, vehicle fuel \$40,000, and contract services \$67,486 for turf maintenance and other services.

FY2012 Objectives

- Shorten customer service response times.
- Evaluate options for creating a customer DPW call center, a Town wide customer call center, or a Dial-311 municipal call center.
- Evaluate and improve bill payment efficiency.
- Establish a Safety Committee.
- Communicate the impact to the community of the service impacts prompted by budget reductions.

PROGRAM COSTS				
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Public Works				
Personal Services	2,491,740	2,393,131	2,007,454	
Expenses	6,152,550	4,383,705	4,822,940	
Total	8,644,290	6,776,836	6,830,394	-

STAFFING				
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Public Works				
Managerial	3	3	3	
Clerical	5	5	5	
Professional/Technical	4	4	3.5	
Public Works	53.63	50.63	42.63	
Total	65.63	62.63	54.13	



Major Accomplishments for 2010

- Implemented procedures that shorten the response times for requests in the online Request Center.
- Expanded the number of Performance Measurement items reported in the annual Financial Plans.
- Updated usage and financial projection spreadsheet and completed a comprehensive projection on the financial health of the Water/Sewer Enterprise Fund.
- Moved DPW Administration offices out of the Town Hall Annex and into DPW Yard Building B on Grove Street. This consolidates the administrative operations and improves efficiency.
- Rewrote the Powers-Sullivan spreadsheet that calculates the W/S Fund offsets to the General Fund. The revised version is much easier to utilize and understand.
- Prepared application for \$38,000 in FEMA reimbursements resulting from the flooding event of March 12-15, 2010.
- Instituted a quarterly financial analysis on actual collection trends on Water/Sewer revenues received.
- Oversaw contracted aquatic weed harvesting contract (\$19,000) in Spy Pond and the Arlington Reservoir.
- Managed contracted curbside collection and collection of 15,300 tons of solid waste.
- Managed contracted curbside collection and trucking of 3,100 tons of yard waste for composting.
- Managed contracted curbside collection and collection of 4,400 tons of solid waste.
- Successfully converted recycling to Single Stream, curbside collection.

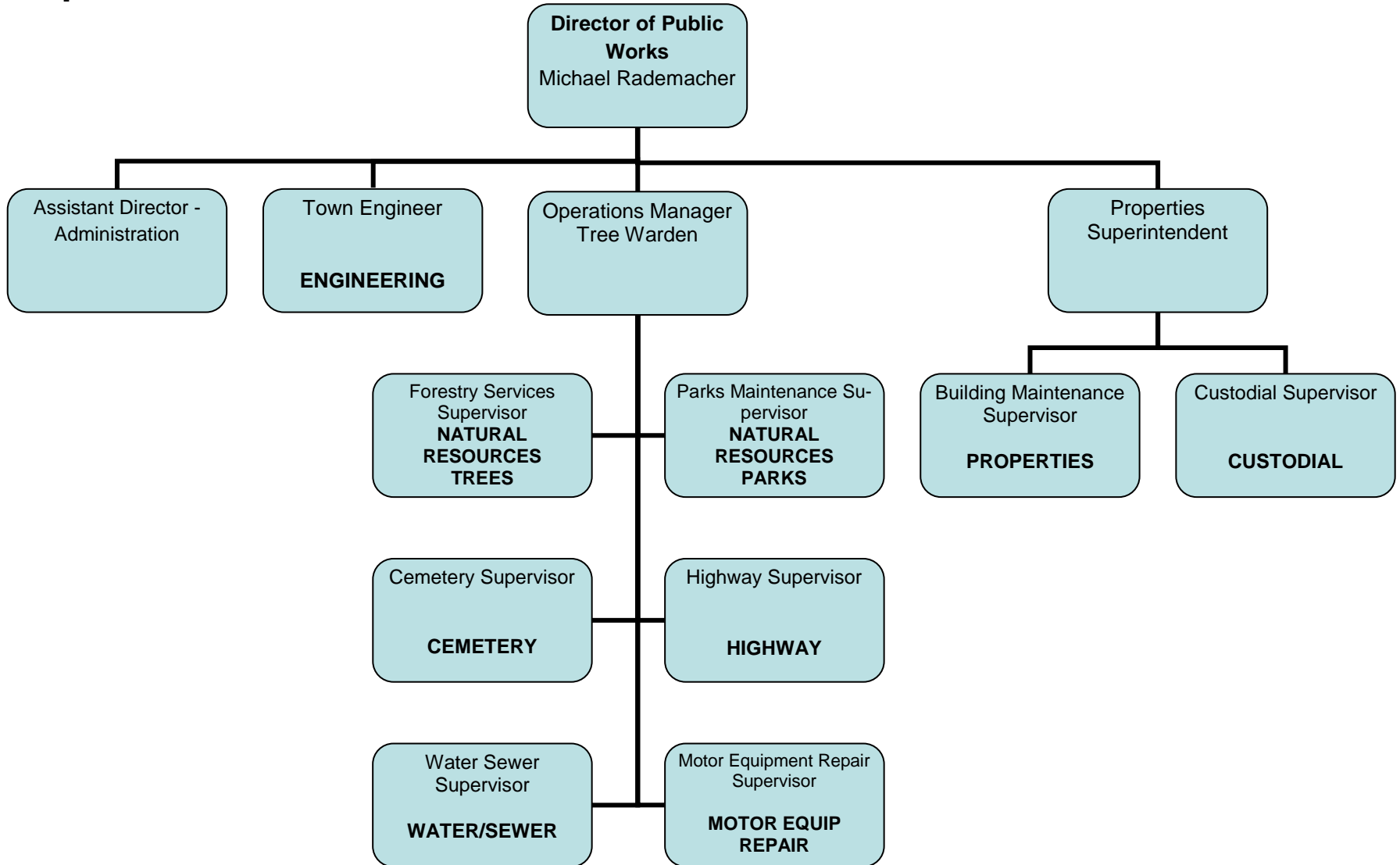
Performance / Workload Indicators				
	FY2009	FY2010	FY2011	FY2012
<i>Administration</i>	Actual	Actual	Estimated	Estimated
Purchase Orders Processed	1,245	1,245	1,245	1,245
Water/Sewer bills generated	24,708	24,708	24,708	24,708
Citizen inquiries	33,000	33,000	33,000	33,000

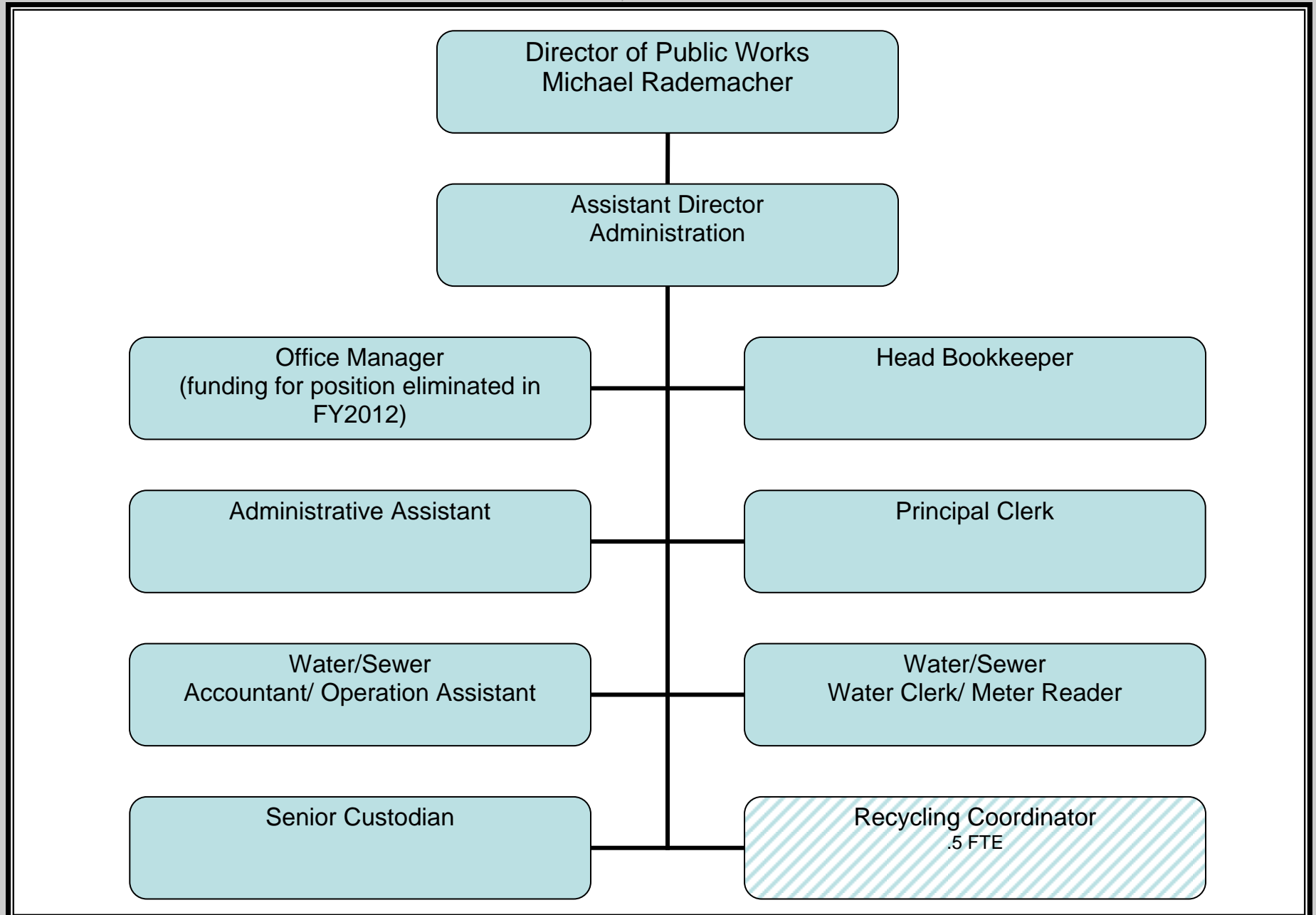
PROGRAM COSTS				
Public Works	FY2010	FY2011	FY2012	FY2012
<i>Administration</i>	Actual	Budget	Request	Fin Com
Personal Services	326,305	218,387	163,711	
Expenses	21,819	23,700	23,400	
Total	348,125	242,087	187,111	-

STAFFING				
Public Works	FY2010	FY2011	FY2012	FY2012
<i>Administration</i>	Actual	Budget	Request	Fin Com
Managerial	2	2	2	
Clerical	4	4	3	
Professional/Technical			0.5	
Custodial/Bldg. Maint.	1	1	1	
Total	7	7	6.5	



Department of Public Works







Program Description

- The Engineering Division has the following responsibilities:
- Technical design of plans and specifications for municipal infrastructure improvements.
 - Overseeing contracted construction projects including reviewing and processing of invoice payments.
 - Inspection for construction quality assurance within public properties and roadways including inspection of the trench and property restoration work by private contractors and other utilities.
 - Record keeping and plan updating for Town roadways, sidewalks, water/sewer lines and parks.
 - Technical support and construction oversight assistance for other Town Departments, most commonly the Planning/Community Development and Recreation Departments.
 - Overseeing and managing our Traffic Signals Maintenance Contractor.
 - Reviewing, preparing reports on, and regulating the impact of private developments on our water/sewer utilities, roadways, sidewalks and other Town assets.
 - Performing private way improvement plans, cost estimates and betterments processing.

Budget Statement

Department personnel services are down \$22,956. This reduction is due primarily to the hiring of a new staff member at a lower step and an increase in the Water & Sewer offset of \$11,346.

Further reductions within the department of \$4,000 come mainly from a decrease in the budget request for contracted professional services.

FY2012 Objectives

- Coordinate with Mass Highway on the Forest Street reconstruction project. (\$1.6 M in Federal-ARRA grant funding).
- Prepare Specification Sheets for mandating quality repairs in public ways (highway, sidewalk, water, sewer and trench repairs)
- Oversee \$1.55 M in Sewer Rehabilitation, design and construction.
- Oversee \$600,000 in Water Rehabilitation, design and construction.
- Oversee \$80,000 in Drainage environmental quality monitoring and compliance.
- Oversee \$975,000 in contracted design and construction of roadway and sidewalks/curbs improvements. (\$975,000 in Chap-90 and local funding).
- Prepare Regional Transportation Improvement Plan (TIP) project proposals for Mass. Ave-Phase 2, and Gray Street.

PROGRAM COSTS				
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Engineering				
Personal Services	77,902	109,321	86,365	
Expenses	8,504	18,300	14,300	
Total	86,406	127,621	100,665	-

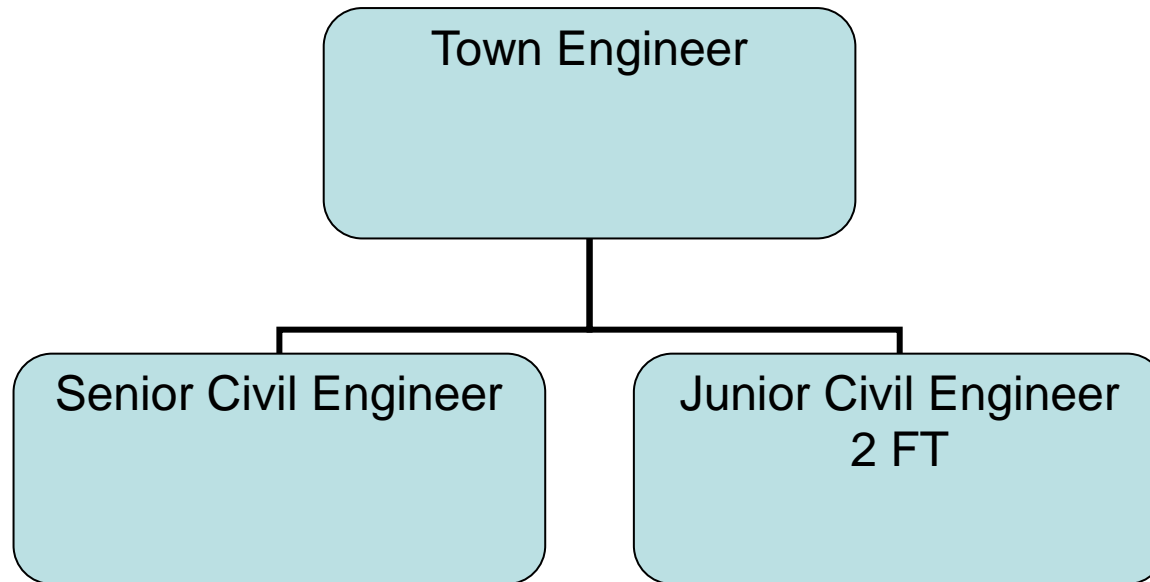
STAFFING				
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Engineering				
Managerial				
Clerical				
Professional/Technical	4	4	4	
Public Works				
Total	4	4	4	



Major Accomplishments for 2010

- Provided technical support to several projects of the Transportation Advisory Committee.
- Drafted and implemented improved procedures for managing other utility trench repairs.
- Established a town-wide inventory of sidewalk ramps and locations where sidewalk ramps are needed.
- Oversaw contracted replacement of two Mill Brook Culverts (Mill Lane and Brattle Streets).
- Oversaw contracted construction of \$79,000 of HP sidewalk ramp installations (from Community Block Grant funds).
- Oversaw the installation of an automated Water-meter reading system using wireless communications. (Design assistance: Weston-Sampson; System provider/installer: Itron Systems; Total Expected cost = \$1.9 M).
- Prepare Traffic Signal inventory and evaluation; and prepare preliminary project with a cost estimate for modernization of the older, most unreliable equipment.
- Oversaw contracted preparation of a components/age inventory of each of our traffic signal intersections, complete with review of the recommended-next steps replacement schedule.
- Prepared an inventory of the 28 pressure reducing valves (PRV) in town in preparation for the development of a rehab and preventative maintenance plan. These PRV's maintain the three water pressure zones in town.
- Oversaw the Water Rehabilitation program (\$1.3 million per year in Water main replacements).
- Oversaw Year-3 Sewer rehab construction, Year-4 rehab plan/specification preparation and Year-5 sewer rehab – heavy cleaning and defect investigations.
- Did final inspection and accepted ownership (from Mass-Highway) of all of Summer Street.

Performance / Workload Indicators				
<i>Engineering - Contracted work-Linear Feet</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Roadways Rehabbed/Paved	28,710	30,324	27,000	27,000
Sidewalks replaced	2,231	1,897	2,400	2,400
Granite Curb- Placed or Replaced	1,280	1,345	1,400	1,400





Program Description

The Cemetery Division is responsible for the care and maintenance of the Mt. Pleasant Cemetery and the Old Burying Grounds. The Mt. Pleasant Cemetery is an active cemetery comprised of 62 acres of land and accommodates an average of 200 burials per year. The Old Burying Grounds is an inactive, historical community cemetery of 6 acres. Three volunteer Cemetery Commissioners make recommendations to the Town Manager on rules, regulations and fees to the Town Manager.

Budget Statement

The Mount Pleasant Cemetery charges fees for services but revenues are below full cost accounting. The request for departmental personnel services is down by \$93,133. This reduction is realized mainly through the elimination of two staff positions. This level of reduction would likely require the following:

- Elimination of funeral service assistance (carrying caskets to grave sites)
- Assignment of the Parks Supervisor the additional oversight of contracted cemetery maintenance.
- Contract out all cemetery maintenance

The request for department expenses is up by roughly \$5,500. An increase in Contracted Professional Services, offset slightly by a decrease clothing allowances, represents the majority of the expenses budget increase.

FY2012 Objectives

- Prepare CAD mapping of burial plots and a GIS Database of all records.
- Re-bid 3-year contract for grounds maintenance services (with 2-year extension option).
- Assist the Cemetery Commissioners in evaluating and redefining future uses for a renovated Cemetery Chapel.
- Prepare preliminary plan and refined cost estimate for roadway repairs within the Mt. Pleasant Cemetery.
- Prepare preliminary plan and refined cost estimate for water system replacement within the Mt. Pleasant Cemetery.

PROGRAM COSTS				
Cemetery	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	209,951	141,415	43,782	
Expenses	139,600	149,400	154,900	
Total	349,551	290,815	198,682	-

STAFFING				
Cemetery	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial				
Clerical	1	1	1	
Professional/Technical				
Public Works	4.6	4.63	2.63	
Total	5.63	5.63	3.63	

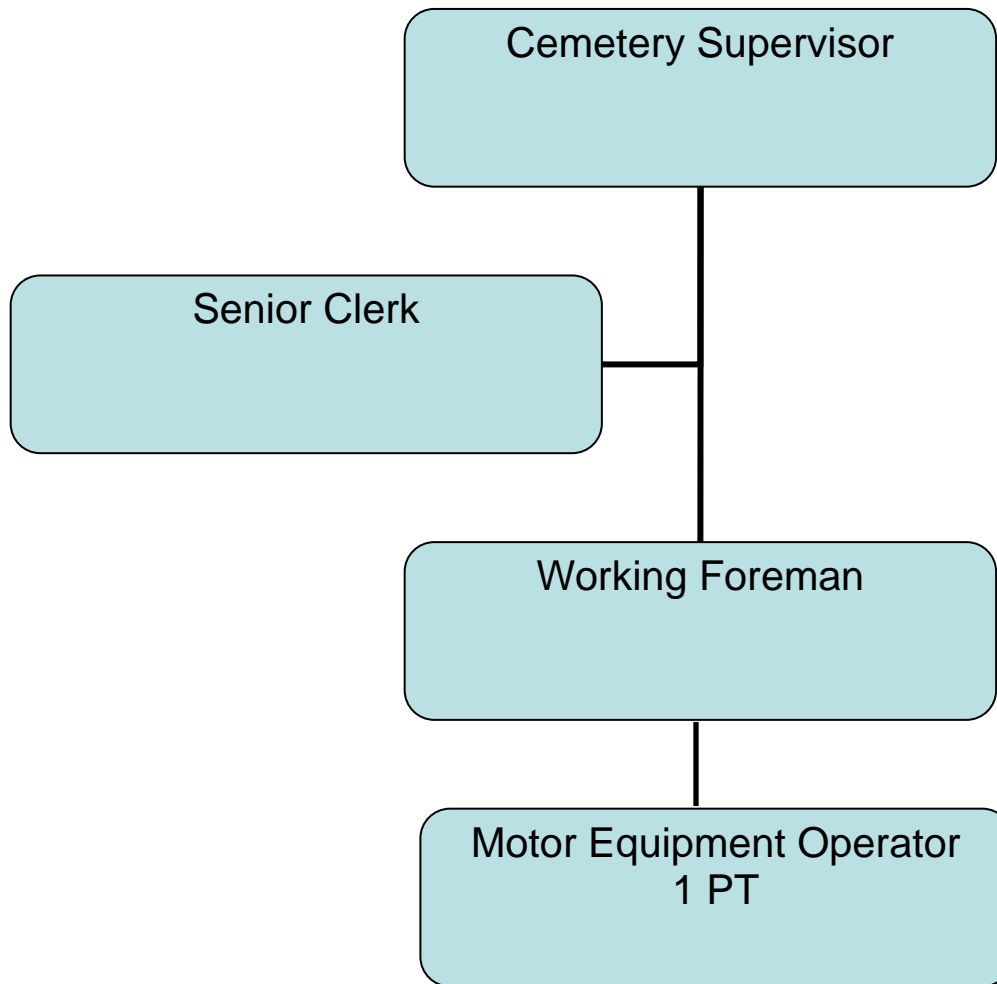


Major Accomplishments for 2010

- Performed 214 (to date) total internments of which 42 were cremains.
- Reviewed and amended standard policies on placement of lights and/or candles on gravesites.
- Reviewed and amended operational standard policies on assistance to Funeral Directors.
- Finished the 5-yr program of cleaning old stones and monuments in Mt. Pleasant Cemetery
- Was active member of Cemetery Expansion Committee
- Completed inventory of Old Burying Ground
- Completed 5-year program of headstone repairs.
- Completed 5-year program of fence replacements.

Performance / Workload Indicators

<i>Cemetery</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
New Grave Sales	56	59	58	58
Funeral				
Excavations/Closures	198	224	200	200
Funeral Resorations	189	272	200	200
Loam & Seed - Areas restored	N/A	179	180	180
Headstones Straightened	N/A	267	260	260
Restore/Place markers	N/A	244	260	260
Foundations				
Repaired/Constructed	N/A	6	20	20
Flowers / Bushes - Areas Planted	N/A	130	100	100
Chapel Cleanings	N/A	58	52	52





Program Description

The Natural Resources Division provides management, care and maintenance of the Town's open space lands, public parks, playgrounds and athletic fields. The primary facilities include nineteen (19) athletic fields, twenty-six (26) playgrounds, and parks including Reservoir Beach, North Union Spray Pool, Menotomy-Rocks Park, McClennen Park, Town Hall Gardens, Minuteman Bike Path, Broadway Plaza and the Whittemore-Robbins grounds. The division also maintains plantings and lawn care in 21 traffic islands.

FY2012 Objectives

- Reconstruct gravel walkways in McLennen Park to eliminate ongoing erosion problems.
- Coordinate and inspect the reconstruction of Wellington Park (with Parks and Recreation).

Budget Statement

Department personnel services are down \$64,957. This number reflects the elimination of two positions (offset slightly by an increase in budgeted overtime). This level of reduction would; eliminate pre-game ball field prep by municipal workers, eliminate collection of trash in Parks (with the exception of Green Dog designated parks) and cut contracted turf improvements by 50%.

Due to the reduction in staff, the request for operational expenses is down by \$2,500. This decrease is realized through reductions in materials and training. These reductions will result in fewer plantings (trees, bushes, flowers, etc.) and other landscaping materials.

PROGRAM COSTS				
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Natural Resources				
Personal Services	722,321	829,929	764,972	
Expenses	146,494	111,800	159,300	
Total	868,815	941,729	924,272	-

STAFFING				
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Natural Resources				
Managerial	0	0	0	
Clerical				
Professional/Technical				
Public Works	18	17	15	
Total	18	17	15	

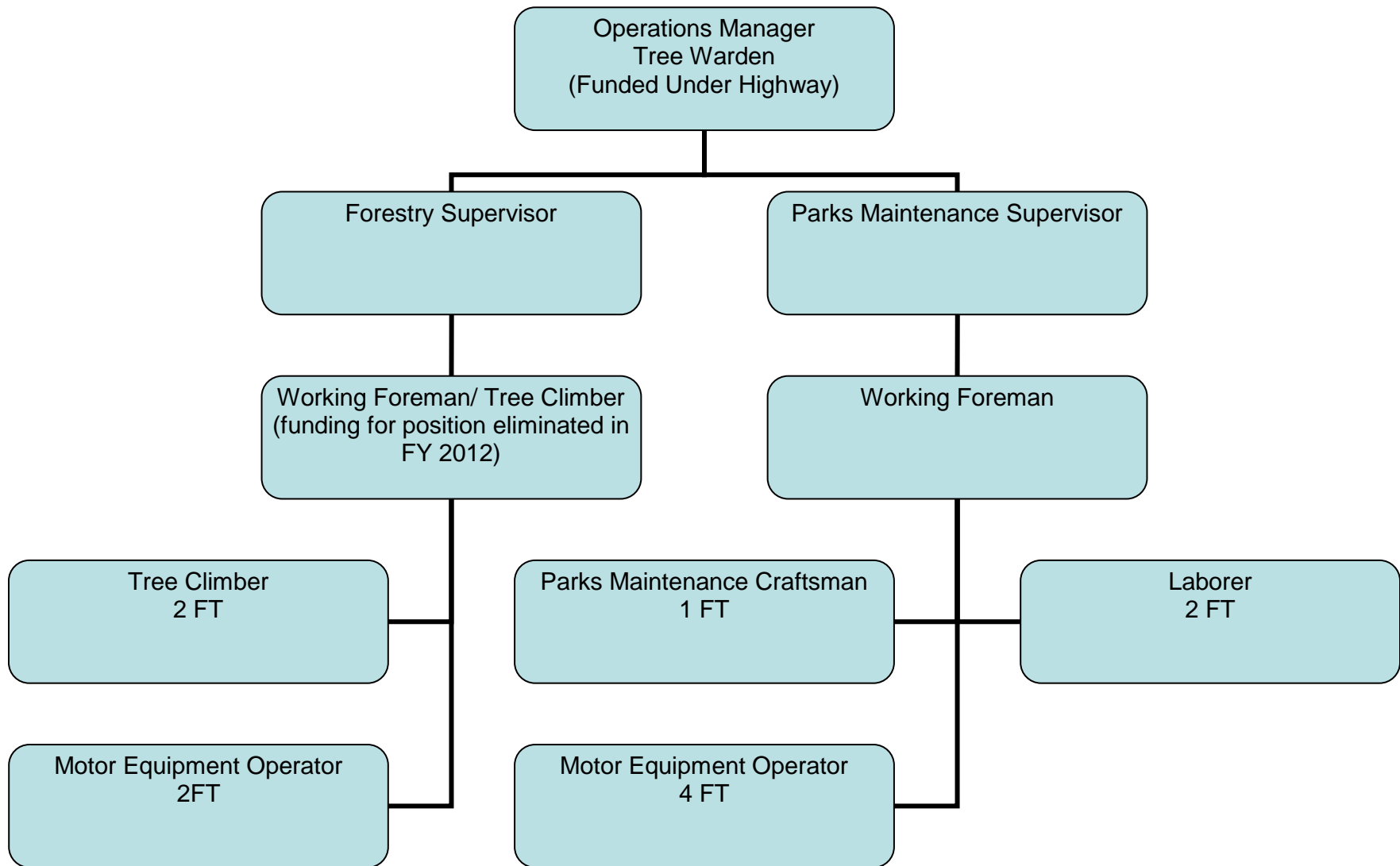


Major Accomplishments for 2010

- Maintained approximately 19,000 shade trees town wide
- Planted 143 trees.
- Installed approximately 6,000 holiday lights
- Maintained "Tree City USA" designation from the National Arbor Day foundation.
- Removed 135 dead or diseased trees.
- Implement improved field turf maintenance schedules.
- Continue to put a priority on prompt graffiti removals.
- Implement personnel cuts (if enacted); and communicate likely service impacts to the community.

Performance / Workload Indicators

<i>Natural Resources</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Trees Planted	157	213	160	160
Trees Removed	229	221	245	245
Stumps Removed	195	207	200	200
8 Large Parks Maintained (acres)	66.3	66.3	66.3	66.3
16 Small Parks / Public Spaces (acres)	20.5	20.5	20.5	20.5
20 Landscaped Traffic Islands	1.8	1.8	1.8	1.8





Program Description

The Properties Division of the Department of Public Works is responsible for maintaining all Town and School Buildings. This includes seven Elementary Schools, a Middle School, a High School, the Robbins Library, the Fox Library, Town Hall, four DPW Buildings, three Fire Stations, the Mt. Pleasant Cemetery chapel and garage, the Whittemore-Robbins House, the former Crosby, Parmenter, Gibbs and Central Schools, the Jefferson-Cutter, Jarvis and Mt. Gilboa houses, the Reservoir Beach House, and the Spy Pond Field house. The staffs of 10 maintenance craftsmen and thirty custodians are budgeted for by the School Department but when the craftsmen work on other municipal buildings, they back charge the appropriate department. The Properties budget of the DPW purchases supplies and contracted services for Town Hall, DPW Yard buildings, the Fox Library, Jarvis and Mt. Gilboa houses.

Budget Statement

The Properties Division consists of building maintenance and custodial services. Wages and personnel services for this division are in the Public Schools budget since the majority of the employee-work is in School Buildings. The DPW Properties funding pays for contracted services and materials in the Town Hall, the Fox Library, the Jarvis and Mt. Gilboa houses, and Buildings A & B at the DPW Yard.

The request for operations expenses is up by \$20,686. This additional amount includes an adjustment in the Professional Services budget of \$15,486 which was increased to reflect actual past year expenditures. Increases of \$1,600 in electricity and \$3,000 in materials are also included in the expenses total increase.

FY2012 Objectives

- Oversee the contracted replacement of flat roof sections and repairs of parapets and masonry on DPW Yard, Building B.
- Develop 20-year capital improvements planning for all of the significant Town Buildings.
- Complete the rehab of the Town Hall records storage areas in Town Hall basement.
- Prepare preliminary rehab plans and cost estimates for Spy Pond Field bleachers and stairs.

Major Accomplishments for 2010

- Oversaw contracted Yard Building-B rehab and the relocation of the DPW Administration offices there. (Court Street Architects-Newton; Nadeau Construction; Total cost: \$384,100).
- Completed an exterior painting and window-glazing project on the Jarvis House.
- Completed a parapet and flashing repair on the east side of DPW Yard, Building B; correcting a persistent leak problem during strong-wind rainstorms (\$18,600).
- Prepared plans and specs and awarded the contract for roof replacements and masonry repairs on Yard Building-C. (Designed by DRA Architectural; Construction by Greenwood Industries; contract price: \$232,000; construction to commence in Spring-2011).
- Replaced main heating plant boiler in Arlington High School. This was with \$159,700 in Federal ARRA grant funds.
- Assist the Energy Committee in formulating a plan for Energy conservation and efficiency in Town and School Buildings.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Properties				
Personal Services				
Expenses	218,616	231,914	252,600	
Total	218,616	231,914	252,600	-



Program Description

- The Highway Division responsibilities include:
- Maintenance and Repairs to Town Streets and parking lots including paved surfaces, curbs, sidewalks, shoulders, guard rails, bridges, stairs, and grass edges.
- Maintenance and installation of traffic lines and traffic and park signage.
- Maintenance and repairs to Town drainage systems including pipes, culverts, catch basins, manholes and waterways (both concrete and vegetated channels).
- Street Sweeping services.
- Overseeing of Solid Waste services including trash/recycling collections, bulky items collection /disposal, waste fill disposal, and hazardous waste programs.

FY2012 Objectives

- Implement use of the Pavement Management System for cost effective and timely decisions on road rehabilitation; initiate data updating and the utilization for presentations and road improvement scheduling.
- Develop a 5-year schedule for specific Highway Improvements, Chap-90 projects, and sidewalk replacements; and post it on the Town Webpage.
- Enact enforcement measures to assure improvements to Private Ways that have fallen into dangerous disrepair (before the plowing season of 2011/12).
- Inspect the structural condition of all Mill Brook enclosed culvert sections.

Budget Statement

Department personnel services are down \$194,366 due primarily to the elimination of four staff positions and a small increase in the Water & Sewer Offset (\$4,332). This reduction in staff will; reduce the amount of sidewalk and roadway repair accomplished, eliminate the fall-time sweeping, reduce Commercial District sweeping to once monthly, and reduce the number of summertime seasonal help used to perform landscape maintenance and street rubbish collection. This reduction will also have an impact on snow removal operations in the form of slower response time to clear sidewalks and street corners after a snowfall event.

The request for Highway expenses is up by \$54,745. The vehicle fuel budget is increased by \$40,000 due to the trend of rising costs. Material costs are also budgeted higher by \$13,645.

Although costs for solid waste handling is predicted to be level in the coming year, the request for solid waste expenses is up by \$237,386. This increase is primarily due to a reduction in the Tip Fee Stabilization Fund Offset (\$230,000).

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Highway				
Personal Services	793,138	882,449	695,646	
Expenses	4,324,567	3,275,761	3,569,440	
Snow and Ice Removal	1,194,437	471,830	550,000	
Total	6,312,142	4,630,040	4,815,086	-

STAFFING

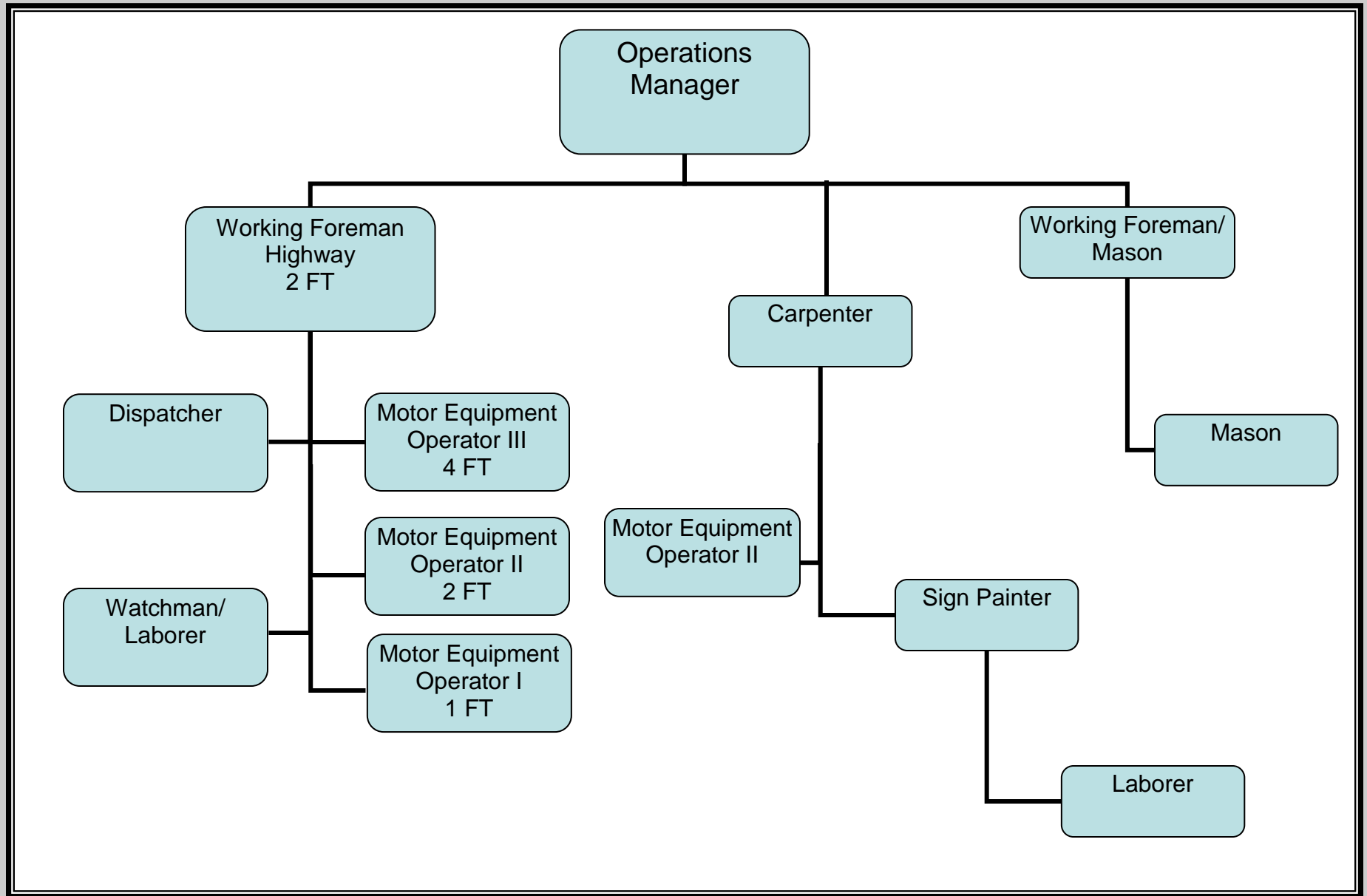
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Highway				
Managerial	1	1	1	
Clerical				
Professional/Technical				
Public Works	24	22	18	
Total	25	23	19	



Major Accomplishments for 2010

- Cleaned over 950 catch basins in the town streets.
- Swept the streets in all sections of the town 3 times with department personnel
- Replaced 2,380 linear feet of concrete sidewalk
- Replaced 678 linear feet of asphalt sidewalk
- Repaired/replaced 98 catch basins
- Prepare Traffic Signal inventory and evaluation; and prepare preliminary project with a cost estimate for modernization of the older, most unreliable equipment.
- Prepare a components/age inventory of each of our traffic signal intersections.

Performance / Workload Indicators				
Highway	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Solid Waste (tons)				
Solid Waste	15,359	15,493	15,400	15,400
Yard Waste	3,216	2,799	2,800	2,800
Recyclables	4,165	4,217	4,300	4,300
Patch Potholes	N/A	789	780	780
Sidewalk Patching	N/A	147	150	150
Repair CB's / Manholes	N/A	76	75	75
Clean Catch Basins	N/A	1,031	1,000	1,000
Install / Repair Street Signs	N/A	207	210	210
Make Specialty Signs	N/A	116	100	100
Pave Trenches	N/A	141	150	150
Sidewalk Replacements	N/A	9,666	9,500	9,500
Curb Work	N/A	607	700	700
Traffic Lines - 24"	N/A	43,864	43,000	43,000
Traffic Lines - 12"	N/A	5,870	5,800	5,800
Traffic Lines - 4"	N/A	5,669	5,700	5,700
Traffic Painted Symbols	N/A	146	140	140
Plowing/Sanding Storms	12	7	15	10
Sanding Only Storms	13	13	15	15
Inches of Snow	69	38.5	80	46





Program Description

The Motor Equipment Repair (MER) Division maintains a fleet of over 150 Town vehicles. The Division also maintains the fuel depot for the DPW, Schools, Police, and Fire Departments. Tasks include preventative maintenance, breakdown repairs, tire management, and maintenance of the fuel depot.

Budget Statement

Department personnel services are up \$41,348. The increase is primarily attributable to an increase in budgeted overtime (which was significantly under budgeted in the past). Water & Sewer offsets remain essentially unchanged from the previous year.

Operating Expenses are down \$2,000 due to a reduction in the budget request for training. The lower training request more closely matches actual expenditures in the past.

FY2012 Objectives

- Improve Vehicle Maintenance operations expenditure accounting.
- Evaluate and improve computer preventative maintenance scheduling and maintenance record keeping.
- Conduct a study of vehicle usage to determine a) where cost effective fleet reductions could be made and b) if we have the most beneficial functional options.

Major Accomplishments for 2010

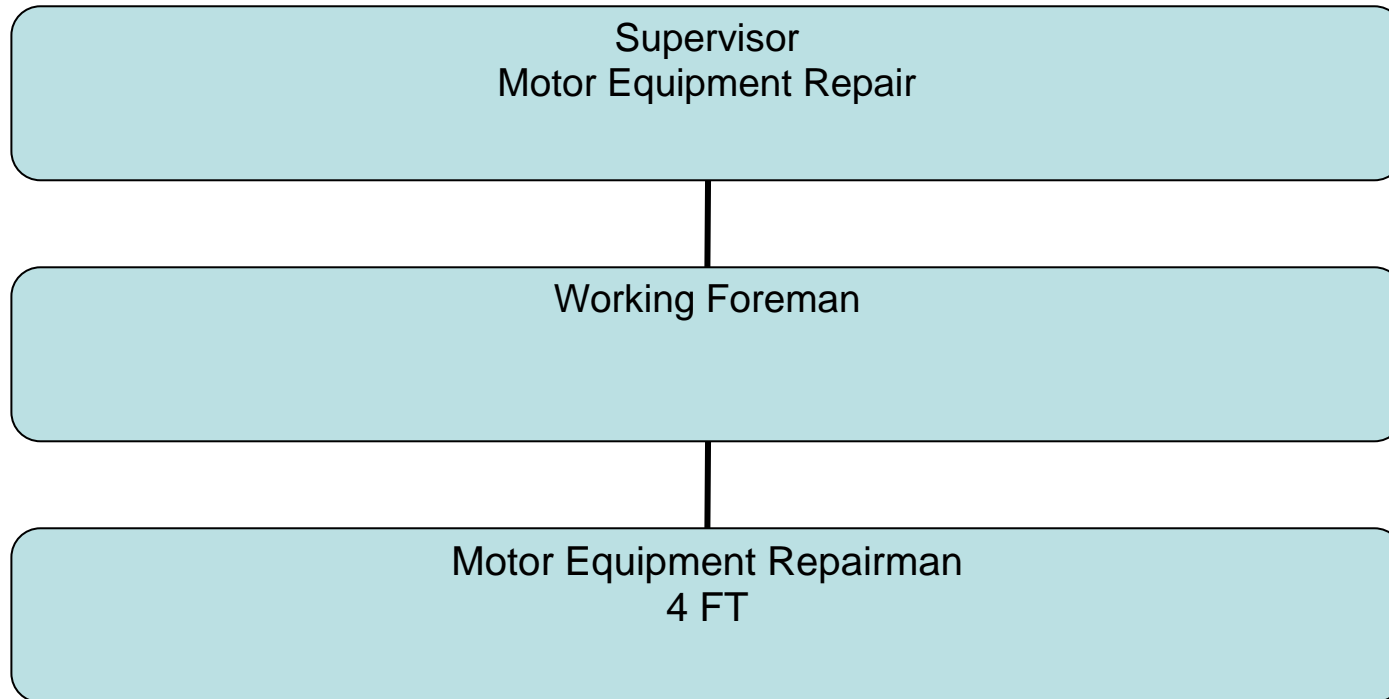
- Provided preventative maintenance and repairs on 150 motor vehicles, including vehicles assigned to the other Town departments.
- Provided staff to Community Safety repair shop as needed
- Replaced vehicles and equipment: PROPERTIES- 1-ton, 4WD Dump Truck w/plow; NATURAL RESOURCES: 3/4-ton, 4WD Pick-up truck w/plow; HIGHWAY: 33,000 gvw Dump Truck w/ sander unit and plow.
- Maintained snow and ice vehicles during events.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Motor Equipment Repair				
Personal Services	362,123	211,630	252,978	
Expenses	98,512	101,000	99,000	
Total	460,635	312,630	351,978	-

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Motor Equipment Repair				
Managerial				
Clerical				
Professional/Technical				
Public Works	6	6	6	
Total	6	6	6	





Program Description

The Administration Division oversees the contracted maintenance of the Town Streetlights. In 2006, the Town purchased the streetlights from NSTAR and has since realized considerable savings by contracting out this work. This budget also covers the costs of electrical power usage and the contracted maintenance of traffic signal systems, which is overseen by the Engineering Division.

Major Accomplishments for 2010

- Completed the first phase of LED Streetlight replacements in the Broadway Mall. Twenty-eight lights and poles have been replaced, with 58 left to do.
- Began monitoring performance statistics on the six different utilities in an effort to reduce double utility poles.

Budget Statement

The Street Lighting budget request includes a \$4,000 increase in funding. This request will bring the contracted services budget more in line with past actual expenditures. The Traffic Signals budget request includes a decrease of \$16,000. Similar to Street lighting, this request will bring the budget more in line with past expenditures.

PROGRAM COSTS

Street Lights/ Traffic Controls/ Fire Alarm System	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services Expenses	400,469	418,893	406,593	
Total	400,469	418,893	406,593	-

FY2012 Objectives

- Draft an implementation and financing plan for conversion of all streetlights to LED.
- Complete year-4 of our 8-yr plan for replacement of all pedestrian level streetlights in the Center.
- Continue to monitor double pole eliminations by the six primary utilities and facilitate a timelier turn-around time.



COMMUNITY SAFETY

POLICE • FIRE • SUPPORT SERVICES •
INSPECTIONAL SERVICES

Fiscal Year 2012 Budget



Police Department

Program Description

The Police Department has the following primary responsibilities:

- Protection of the lives & property of all citizens.
- Preserve the peace.
- Prevention of crime and disorder.
- Identify and prosecute violators of the law.
- Plan for and supervise public safety at special events, parades, elections, etc.
- Respond to and manage all critical incidents and emergencies.
- Support regional and national homeland security strategies.
- Collaborating with community stakeholders to creatively address quality of life concerns and the fear of crime.
- The protection of the individual rights of all persons within the Town of Arlington.

The Police Mission:

To promote, preserve, and deliver quality services and to ensure the safety of ALL members of our community.

Our Values:

This mission is a commitment to quality performance from all members. It is critical that all members understand, accept and be aligned with the responsibilities established by this mission. It provides the foundation upon which all operational decisions and organizational directives will be based. Directives include rules, regulations, operating policies, procedures and practices.

This mission represents the commitment of this administration to the concepts of quality performance management. In other words, members are expected to work consistently in a quality manner in the daily performance of those duties, job responsibilities and work tasks associated with this mission. Quality manner means that performance outcomes comply with the performance standards established for the Arlington Police Department and for each associated member. Examples of performance standards include the oath of office, code of ethics, rules, policies, procedures, directives, general and supervisory orders, work productivity and behavior.

Each member is required to accept the responsibility for the achievement of this mission and publicly register his or her commitment to it and to the concepts of quality service.

Budget Statement

For FY2012 the Police budget will be reduced \$301,784, or 5.2%. Reductions include the elimination of one captain, three lieutenants, one sergeant, and the addition of two patrolmen for a total reduction of three uniformed officers. Also a Records Clerk is reduced to half-time. To partially offset the loss of these positions and to more accurately reflect true costs, overtime has been increased by \$125,000. A retroactive salary increase of \$90,000 from FY2009 was included in the FY2011 that will not be needed in the FY2012 budget. Expenses for vehicle fuel and other maintenance expenses account for an increase of \$43,270.

The loss of these positions will lessen the ability of the police department to provide a proactive and problem solving model of community policing. Current minimum manning levels will be reduced on some late night shifts and specialist assignments will be reduced. The proposed staffing level is precariously low and will result in longer response times, less traffic enforcement, elimination of numerous community outreach initiatives, fewer follow up investigations, and a general reactive approach to policing in Arlington. With shrinking resources it will be more important than ever to maximize the use of technology and to analyze crime data so as to direct our limited resources in the most efficient and effective manner. Based upon the data analysis conducted (see service call chart on the following page), the late night shift experienced the least calls for service so reducing manning on this shift was determined to have the least impact on services.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Police				
Personal Services	5,708,977	5,285,966	4,940,912	
Expenses	522,386	501,230	544,500	
Total	6,231,363	5,787,196	5,485,412	

STAFFING

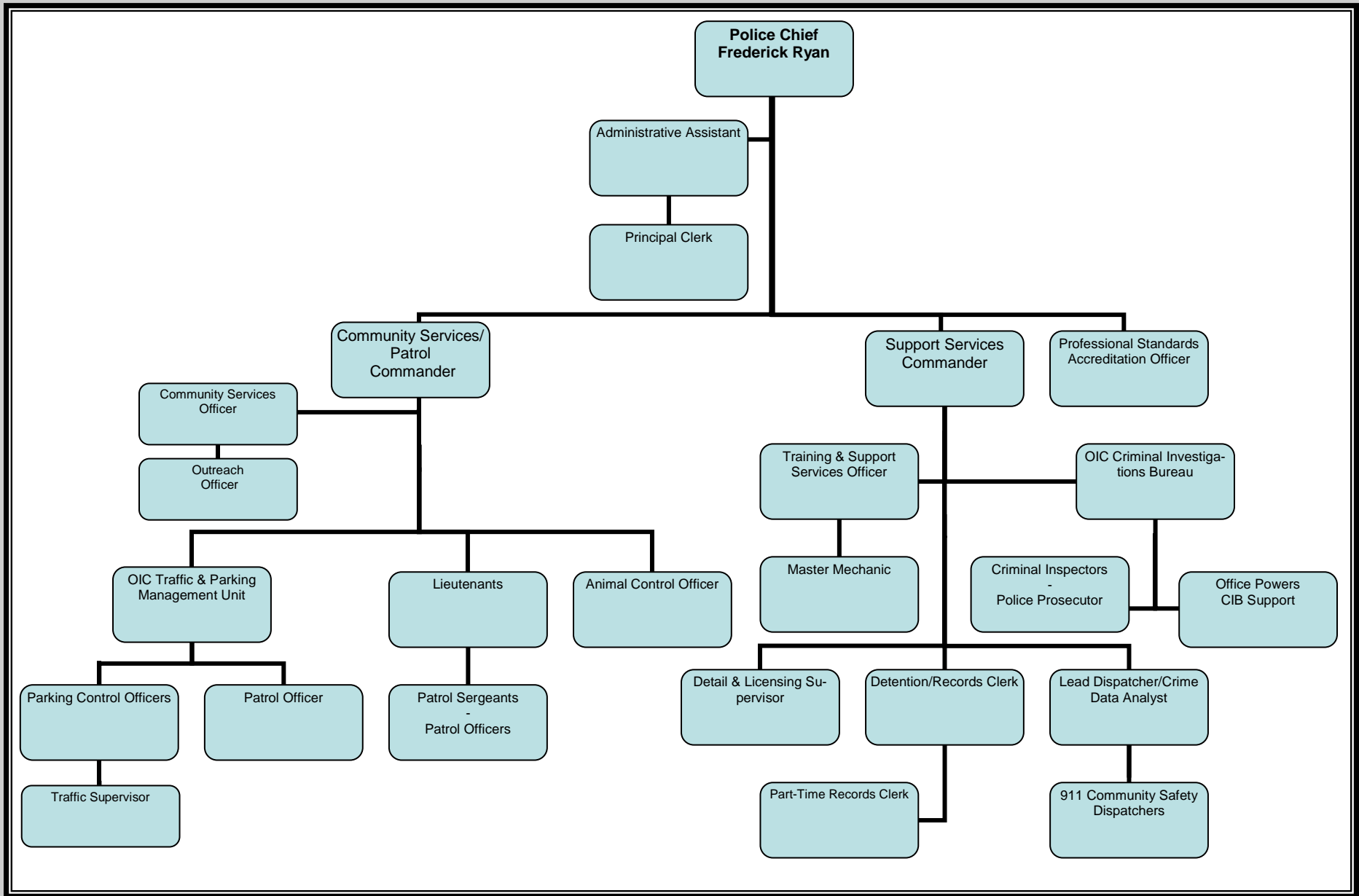
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Police				
Captains	3	3	2	
Lieutenants	8	8	5	
Sergeants	9	9	7	
Police Officers	44	43	46	
Parking Control Officers	2.25	2.25	2.2	
Animal Control Officer	1	1	1	
Clerical	1.71	1.71	1.31	
Total	68.96	67.96	64.51	

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Community Safety Administration				
Personal Services	377,704	386,246	389,059	
Expenses				
Total	377,704	386,246	389,059	

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Community Safety Administration				
Managerial	2	2	2	
Clerical	3	3	3	
Professional/Technical				
Total	5	5	5	





FY2012 Objectives

Community Services (Patrol) Division patrols all sectors of Town looking for criminal activity and maintains a police presence to serve as a deterrent. This function also serves as the initial investigators and first response to all critical incidents.

- Seek out and implement technological methods to streamline patrol officer workload and improve delivery of services to citizens.
- Continue to improve and expand the use of crime analysis and data driven policing to effectively deploy resources.
- Continue to improve a directed enforcement program by fully implementing a structured program that will include all uniformed officers. This will include supervisory follow up, citizen feedback and evaluation.
- Continue to promote, preserve and deliver quality services and to ensure the safety of all members of the community.
- Continue to enhance productive partnerships with other town departments.
- Continue to maintain a strong partnership with local, state and federal law enforcement agencies.
- Implement the five year strategic plan.

Performance / Workload Indicators

<i>Patrol Division</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Robbery	10	14	14	13
Burglary	122	148	168	146
Rapes	4	1	6	4
Motor Vehicle Theft	19	33	30	27
Larceny				
<i>From Building</i>	14	27	63	35
<i>From Motor Vehicle</i>	157	75	204	145
<i>Of Motor Vehicle Parts</i>	5	5	3	4
<i>From Coin Op Machines</i>	1	-	-	-
<i>All others</i>	248	264	330	281
Pickpocket / Purse Snatch	2	4	9	5
Shoplifting	34	44	39	39
Assaults	156	223	195	191
Assault and Battery on a Police Officer	4	4	4	4
Criminal Arrests	267	331	222	273
Criminal Summons	231	215	201	216

Major Accomplishments for 2010

- Implemented CrimeReports.com to inform citizens of crime data.
- Hired five police officers to fill existing vacancies.
- Implemented the department's first formal Crime Analysis Unit to expand the use of data driven policing to effectively deploy valuable resources.
- Engaged in a strategic planning process to fully implement a five year long range plan.
- Deployed personnel strategically so as to provide uniformed police patrol 24 hours per day, 365 days per year.
- Sought out and administered grants, working in partnership with the Board of Selectmen, Health and Human Resources, Public Works, Fire, School, and the local emergency planning committee.
- Expanded our partnerships and regionalization efforts with local, federal and state law enforcement agencies.



FY2012 Objectives

Professional Standards & Accreditation unit is responsible for all internal investigations and for the development and implementation of departmental rules & regulations.

- Make recommendations for an early intervention system enabling the prevention of officer misconduct, thereby minimizing the need for supervisors to react to poor performance and/or misconduct.
- Maintain and improve internal affairs paperless filing system.
- Update policies as required by the 5th Edition Standards as set forth by the Commission on Accreditation for Law Enforcement Agencies, Inc.
- Become recertified as an accredited law enforcement agency by the Massachusetts Police Accreditation Program.

Major Accomplishments for 2010

- Remained in compliance with the mandates set forth by the Massachusetts Police Accreditation Program.
- Trained personnel in new departmental policies and accreditation standards.
- Conducted internal investigations as needed.
- Developed a paperless internal affairs filing system.



FY2012 Objectives

Criminal Investigations Bureau is responsible for the follow up investigation of all crimes.

The Bureau's goals lie in the protection of persons, the apprehension and successful prosecution of criminals, the recovery of property and the prevention of crime through hard work and perseverance.

- Continue to work closer with the Patrol Division to educate on the importance of the initial report and to encourage a commitment to solving crimes at the initial stage.
- Continue to educate all personnel so they have the ability to be proactive in cyber crime investigations and utilize the tools available to apprehend and convict perpetrators of crime.
- Continue the supervisory use of the detective case management system to analyze closure rates, effectiveness of individual investigators, and to identify training or other needs so as to improve the efficiency of the work unit.
- Place a major emphasis on the training and use of successful forensic applications in the identification and apprehension of criminals through those methods.
- Increase personnel and resources to ensure our citizens get the most value for their commitment to our department and continue our commitment to the Regional Drug Task Force, Regional School Safety "S.T.A.R.S." program, and the High Risk Domestic Violence Team.

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Firearms Licensing:				
Licenses to Carry/FID	156	92	195	148
Gun Locks Distributed to Community Members	45	45	50	36
Missing Persons Investigations	301	395	357	351
Domestic Violence	234	268	273	258
Criminal Investigations	1,734	1,827	2,130	1,897
Level 2 & 3 registered Sex Offenders monitored	17	17	17	17

Major Accomplishments for 2010

- Increased partnership with the patrol division resulting in successful case closures.
- Successfully utilized the electronic investigative techniques in several suicidal and missing persons cases.
- Continued on going training and education for all the members of the detective bureau, including the completion of a two-week Criminal Investigation course by two Inspectors.
- Increased regionalization efforts through continued partnerships with the NEMLEC Cyber Crime Unit, Suburban Middlesex County Drug Task Force, C.A.B. High Risk Violence Team, and S.T.A.R.S Program.
- Educated personnel in cyber crime investigations.



FY2012 Objectives

Traffic & Parking Unit (Part-Time) is responsible for safety education and enforcement of all laws relating to traffic and parking within the Town.

- Increase staffing of the unit to ensure that traffic enforcement is a primary function of the department.
- Provide traffic and pedestrian safety education to the elementary students within the town.
- Maintain or increase the staffing level of the department's parking control officers.
- Update the department's speed trailer to a newer model.
- Develop and implement a neighborhood "Speedwatch" program where citizens use the department's portable speed monitor to educate residents concerning vehicle speed in their respective neighborhoods.
- Continue to actively participate as a member of the Transportation Advisory Committee. Conduct traffic studies and provide data as needed.
- Continue to work with and support the Town Manager's Office and the Board of Selectman's Office on matters involving parking, traffic and other quality of life issues affecting the community.
- Continue to work with the School Department to oversee the Traffic Supervisors and address safety issues around the elementary schools; in particular those arising out of the reduction in their ranks.
- Participate in EOPSS Traffic Enforcement and Equipment grant mobilizations throughout the fiscal year.
- Continue the annual certification of all radar equipment.

Major Accomplishments for 2010

- Conducted an enforcement program that targeted violations at high volume / incident locations that affected the quality of life within various neighborhoods.
- Expanded the training of the current Traffic Crash Reconstructionist.
- Had two additional officers trained in specialized crash investigation with one of them fully completing his certification in Traffic Crash Reconstruction.
- Continued to partner with the Traffic Supervisors to oversee and coordinate pedestrian safety initiatives at the elementary schools.
- Continued to support and be a member of the Traffic Advisory Committee by attending monthly meetings and providing current traffic and parking data to assist with problem solving and making recommendations for improvements to the Board of Selectman.
- Secured various traffic safety grants from the Executive Office of Public Safety and Security (EOPSS) and participated in various mobilizations including "Click It or Ticket" and "Drunk Driving, Over the Limit Under Arrest".
- Purchased traffic enforcement equipment including new radar units.
- Had non-functioning radar units serviced (if applicable). Maintained the annual certification of all functioning radar equipment.
- Continued to work with the Town Manager's Office and Selectmen's Office on matters involving parking, traffic and other quality of life issues affecting the community.
- Continued to work closely with other town departments to coordinate barricade/signage positioning for numerous special events, block parties and general traffic safety around construction sites.

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Traffic				
Hackney Licenses Issued New	53	48	69	57
Parking Violators New	14,815	12,496	10,632	12,647
Moving Violations	4,539	2,986	3,627	3,716



FY2012 Objectives

Community Policing/Services Unit is responsible for administering all programs aimed at developing partnerships in the community.

- Funding for community policing initiatives has been eliminated.

Performance / Workload Indicators				
<i>Community Programs</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Neighborhood Meetings	12	14	30	35
RAD Program Graduates	-	-	-	15
Citizen Police Academy Graduates	15	30	30	30
Summer Youth Camp (HRC)	96	100	125	125
Child Passenger Safety Seat Inspections	N/A	266	133	250

Major Accomplishments for 2010

- Held numerous business and neighborhood meetings to discuss crime prevention and target hardening programs.
- Offered RAD classes to women in the community.
- Attended over 20 crime prevention meetings with community members and town partners.
- Offered a citizen's police academy.
- Successfully enacted a child passenger safety seat installation and inspection program.
- Awarded a state grant to fund a full time mental health clinician to assist the patrol division.



FY2012 Objectives

Animal Control Officer enforces all laws relating to control of animals, investigates animal bites, quarantines offending pets, and delivers pet safety programs.

- Keep an area specific log for violations and other issues pertaining to wildlife to determine hot spots and/or trends.
- Continue to increase visibility, which will result in the voluntary compliance by residents to properly License their canines.
- Work with the Town Clerk’s Office, Recreation Department, and other stakeholders during the implementation of the new Canine by-law.
- Build a relationship with a local feline organization to assist with the issues of roadside death of felines and abandoned felines.
- Improve upon the kennel area at the DPW by painting the interior of the facility.

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Animal Complaints	325	333	600	419
Humans Bitten/Scratched by Dogs	16	23	19	19

Major Accomplishments for 2010

- Maintained and enhanced working partnerships with other Animal Control Officers in surrounding cities and towns.
- Increased licensing of canines by 111, to a total of 1601 as of October 2010.
- Worked with the recreation department on off-leash areas in the parks.
- Implemented planning process for the rehabilitation and improvement of the Animal Control office and kennel facility.
- Worked with the Community Outreach officer to identify and solve animal control problems in targeted locations.
- Continued presence in the parks and recreation areas in Town.
- Identified Northeast Animal Shelter in Salem, MA to assist with abandoned kittens.



Program Description

The Arlington Fire Department's primary functions are the prevention of fire, preservation of life and property, and the overall wellness of the community. These functions are achieved through code enforcement and inspections. Being an all-hazards service this department will respond to, and mitigate any emergency to which our customers request our assistance. Planning for local emergencies, whether natural (i.e. hurricanes) or manmade (i.e. terrorist events), has become an integral component of this department's yearly mandate.

The Fire Department is dedicated to the health of our community. Our FF/EMT's respond with both an ambulance and the closest fire apparatus to assess and mitigate any medical emergency. Community education, such as the Student Awareness of Fire Education Program (SAFE), and the Juvenile Firesetters Intervention Program (JFIP) helps us contribute to the wellness of our customers.

Budget Statement

The FY2012 budget proposes a reduction of \$290,424, or 5.2%. Funding for one Lieutenant and four firefighter positions will be eliminated. Two of the firefighter positions will be funded through increased revenues from the ambulance revolving fund as a result of operating a second ambulance. Running a second ambulance, however, will mean that at times there will be two less firefighters available to respond to fires. Consequently, while EMS response will be enhanced, it will come at the cost of reduced fire suppression response on those occasions when the second ambulance is on a call.

There will need to be adjustments in staffing for FY12. The reduction in staffing will mean that a piece of fire fighting apparatus will need to be placed out of service when staffing goes below 15 personnel per shift. This will directly affect the department's response ability and will decrease the amount of apparatus available for all calls. This will diminish fire and EMS responses to the citizens. It will also prompt the department to re-assess firefighting tactics and strategies.

Performance Indicators show an increase in emergency calls of 7% from FY 2009 to FY 2010 and a 4% increase from FY 2010 to FY 2011. It is estimated that the number of total emergency calls will increase 4% from FY 2011 to FY 2012. Performance Indicators show an increase in Rescue calls of 24% from FY 2009 to FY 2010 and an 8% increase from FY 2010 to FY 2011. It is estimated that the number of total Rescue calls will increase 10% from FY 2011 to FY 2012. An expansion of the Arlington Fire Department Emergency Medical Service to include Advanced Life Support and a full time second ambulance will bring in additional revenues and meet the increasing demands on our Emergency Medical Service.

FY2012 Objectives

- Continue the infrastructure improvements to Fire Headquarters and work with the architect and the PTBC for the rebuilding of the station.
- Complete renovations of the Highland Station by June 2011,
- Re-Occupy Highland Station with personnel and apparatus no later than July 2011,
- Continue to provide ancillary programs such as the FIU, JFIP, Vial of Life, and SAFE within the limited resources and funding available.
- Formulate a 5 – 10 year plan related to the reorganization and structure of Fire Department.
- Continue to implement mandatory, standardized yearly training program for all firefighters.
- Implement Arlington Fire Department Advanced Life Support service.
- Design and purchase new fire pump apparatus to replace 1987 Seagrave Pumper.
- Implement on-line emergency medical services training in order to comply with Office of Emergency Medical Service mandates.
- Complete dismantling of cable fire alarm systems and replace with wireless radio box system.

PROGRAM COSTS

Fire	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	5,257,372	5,224,031	4,927,007	
Expenses	313,419	349,050	355,650	
Total	5,570,791	5,573,081	5,282,657	-

STAFFING

Fire	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Deputy Chiefs	5	5	5	
Captains	6	6	6	
Lieutenants	15	15	14	
Firefighters	50	49	47	
Total	76	75	72	



Major Accomplishments for 2010

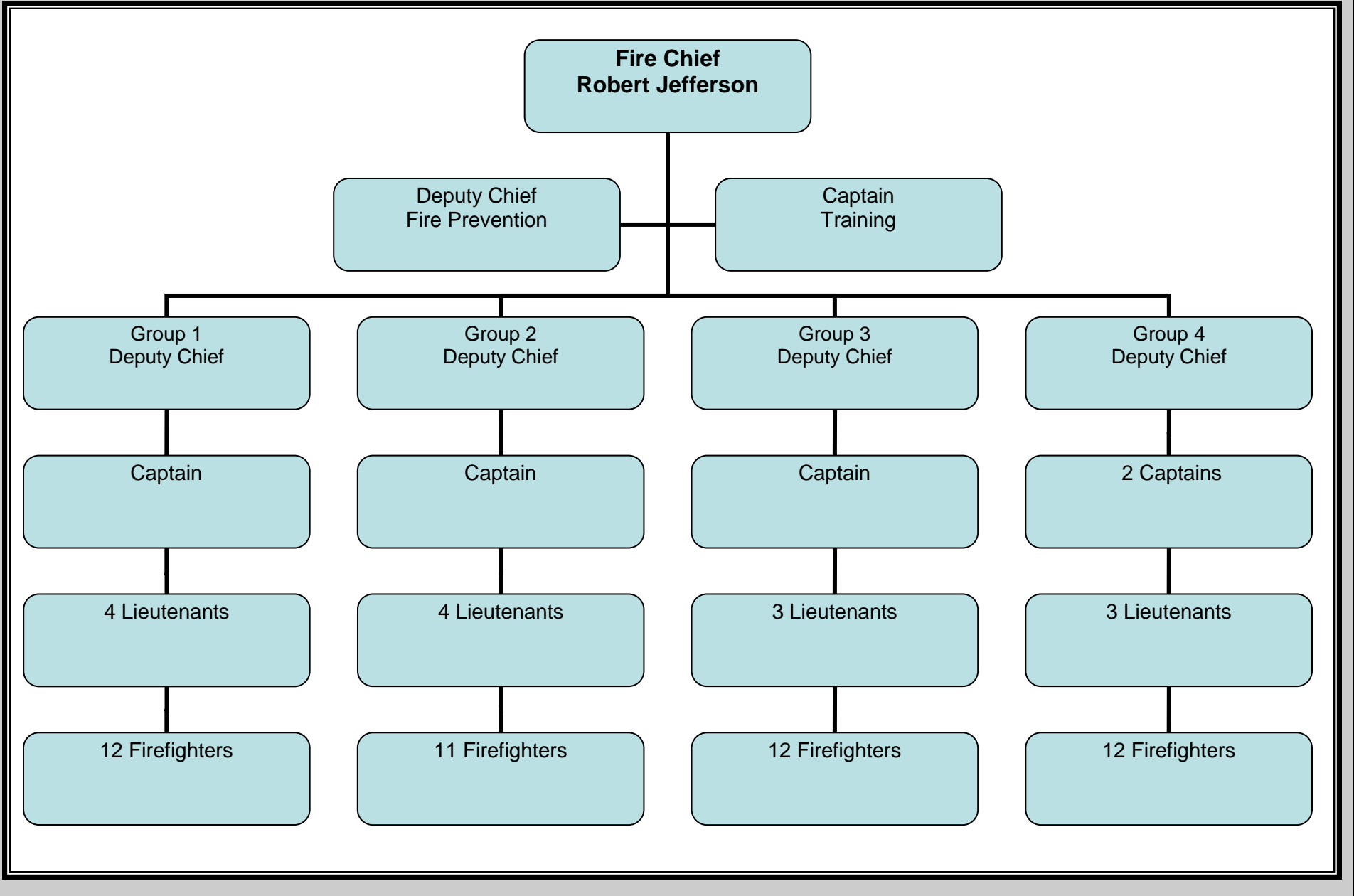
- Purchased new physical fitness equipment with federal grant funds.
- Participated and completed 12 week Blue Cross Blue Shield Physical Fitness Program.
- Installed wireless fire alarm transmission boxes to majority of schools and town owned buildings reducing the cost of maintenance and equipment on town operated fire alarm systems.
- Continued dismantling of town operated fire alarm systems to reduce cost of maintenance and equipment.
- With staffing at a minimum of 17 personnel department operated 2 Rescues simultaneously which increased general fund revenues.
- Department Training Officer instructed and administered 85 training sessions to department personnel.
- Department Fire Prevention Officer inspected over 1000 properties for occupancy permits and collected \$37, 700 in permit fees for town general fund.
- Department Suppression Forces and Department Fire Prevention Officer conducted 224 hours of school fire drills.
- Designed and implemented a recruitment program for the Fire Department that encourages paramedics to seek employment with the town of Arlington.
- Designed and implemented a recruitment program for the Fire Department that encourages women and minorities to seek employment in the fire service.
- Responded to and mitigated over 400 water emergencies in a 7-day span in March 2010.
- Closed Highland station for renovation and relocated apparatus and personnel to DPW yard without loss of service to community. Due to collaborative efforts by Fire Department and Public Works Department this measure saved \$250,000 of the Highland Renovation budget.
- Negotiated new ambulance billing contract and implemented electronic EMS report writing and billing which resulted in cost savings revenues.
- Continued communication and education of residents about emergency management plans, emergency medical services, and fire suppression and prevention objectives.
- With Town Meeting approval implemented by-law allowing town to fine frequent offenders of malicious and nuisance alarm activations.

Performance / Workload Indicators				
<i>Fire Department</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Emergency Calls	4,685	5,036	5,242	5,479
Rescue Response	2,225	2,911	3,154	3,507
Private Ambulance ALS/BLS	1380	953	1,317	1,484
Average Response Times*	3:21	3:11	3:30	3:55
Average Time Rescue Calls*	N/A	24:55	24:55	24:55
Fire Calls	105	94	95	93
Average Total Time Fire Calls*	N/A	33:50	33:50	33:50
Dollar Loss Property	1.1million	1.8million	2.03million	2.38million
SAFE Students Taught	2,700	2,700	2,767	2,816
JFIP Students Counseled	12	14	12	11

*minutes

Performance / Workload Indicators				
<i>Fire Prevention</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Hours of School Fire Drills	224	224	224	224
Hours of Fire Protection Syst. Inspt.	45	57	69	81
Hours Strategic/Tactical Ops Plan.	225	236	247	258
Permits Issued	901	1055	1,209	1,363
Permits Issued Revenue	\$32,500	\$37,766	\$43,032	\$48,298

Performance / Workload Indicators				
<i>Fire Training</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Training Sessions	64	85	106	127
Training Hours	2624	3555.5	4487	5419
Total Attendees	960	1,236	1,512	1,788





Program Description

The support services encompass the Apparatus Maintenance Division and combined emergency dispatch. The master mechanic and the motor equipment repairman are responsible for servicing and maintaining all police and fire department vehicles and apparatus. The mechanics install and repair mobile and portable radios. The mechanics repair and help maintain tools in the fire department inventory, especially mechanical tools. The mechanics respond to working fires to assist in filling Self Contained Breathing Apparatus (SCBA) and repairing mechanical problems that may occur on the fire ground. They are consulted on any fire apparatus purchases.

Community safety dispatch is responsible for the communications for all police, fire, and emergency medical services (i.e. 9-1-1). The combined dispatch encompasses one lead dispatcher and nine emergency dispatchers. They are responsible for taking all emergency calls and dispatching the appropriate apparatus to that emergency. The dispatchers also take routine calls, such as streetlights and traffic lights out, and report them to the appropriate contractor.

Budget Statement

The FY2012 Community Safety Support budget request seeks no major changes from the prior fiscal year. There is a \$9,430 increase in Personnel Fixed Costs.

FY2012 Objectives

- Continue the implementation of the long-range plan for renovation of the community safety building.
- Expand Dispatch technology, training, and accountability.
- Expand on web based distance learning and roll-call training efforts with a focus on quality and job specification.
- Maximize existing storage areas and tracking for all property brought to the Arlington Police Department.
- Develop new photographic/video evidence program to include the patrol division's ability to download and retrieve this information.
- Expand the Records Management System (RMS) to convert all prosecutor records and tasks into new QED server/format.
- Expand RMS ability to track training records into electronic format.
- Expand on the Community Service Program to provide work at the APD for individuals from our jurisdiction who have been issued court ordered community service hours.
- Finalize and launch new hackney licensing (medallion) and inspections program.
- Move Extra Duty scheduling software from desktop unit to secure server.
- Develop new fingerprint evidence program to maximize capital investments in this area.
- Expand on new Reverse 911 Self Registration Program to increase database.
- Maximize records management efficiency and minimize on site physical storage.
- Continue to search out new areas where technology improvements can enhance our abilities within the Support Services Division.

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Support Services				
Managerial				
Clerical				
Professional/Technical				
Dispatchers	10	10	10	
Mechanics	2	2	2	
Total	12	12	12	

PROGRAM COSTS

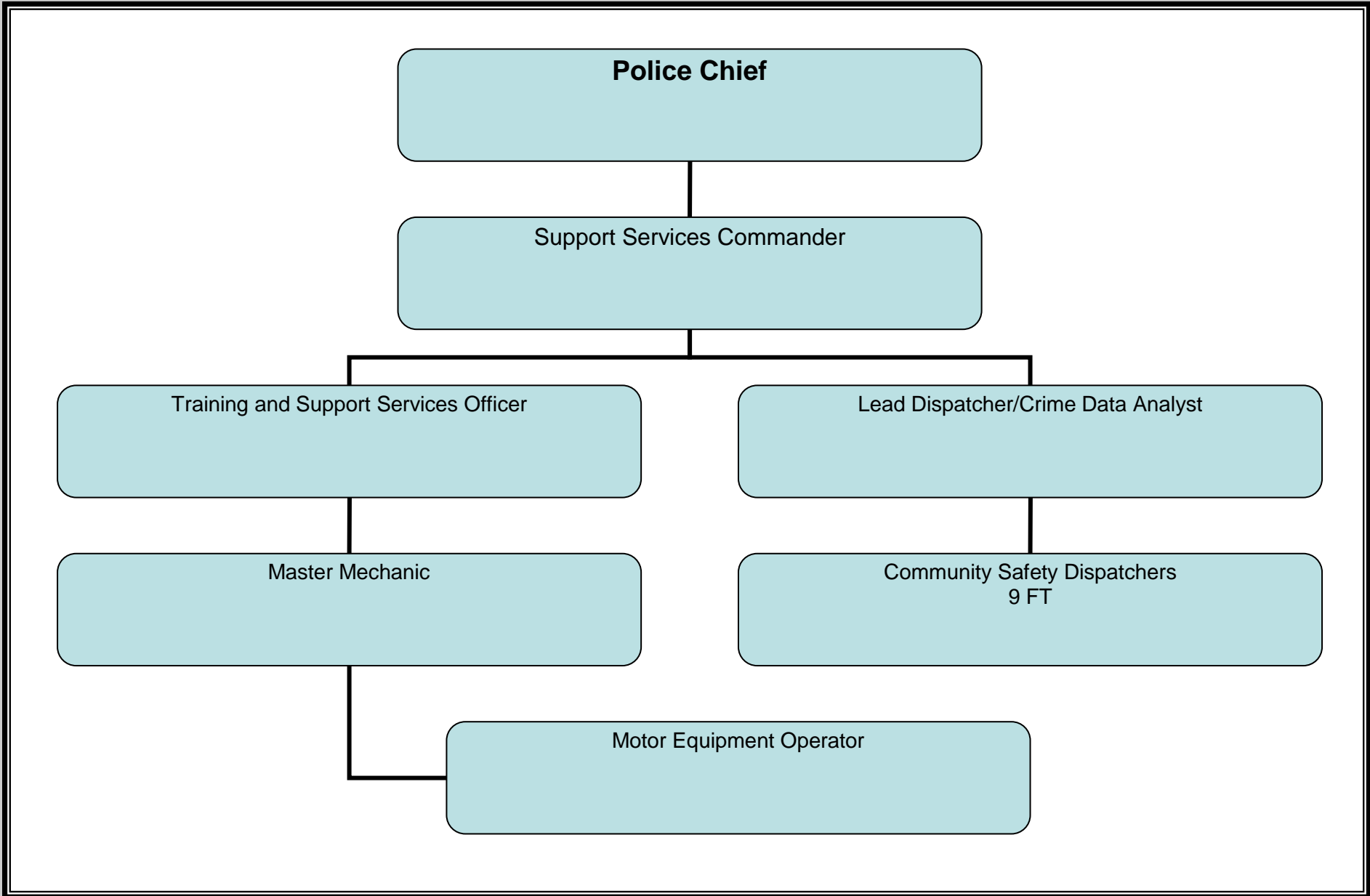
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Support Services				
Personal Services	651,339	684,884	694,314	
Expenses	22,176	23,500	23,900	
Total	673,515	708,384	718,214	-



Major Accomplishments for 2010

- Continued to expand roll-call training and web based distance learning.
- Implemented a new streamlined process for gun permit licensing.
- Hired a full time Lead Dispatcher/Crime Data Analyst.
- Partnered with the Town to hire Arlington Housing Authority residents as interns.
- Successfully implemented a registration process for door to door solicitors in compliance with Town by-law.
- Upgraded equipment to enhance call-recordings and security at police headquarters.
- Maintained all relevant Departmental records in accordance with the Massachusetts Police Accreditation Program and MGL.

Performance / Workload Indicators				
	FY2009	FY2010	FY2011	FY2012
<i>Dispatch</i>	Actual	Actual	Estimated	Estimated
Calls For Service	26,555	25,906	26,253	26,238





Program Description

The Department of Inspectional Services provides administrative and technical information, oversight and support to residents, contractors, business owners, merchants and interdepartmental agencies. Its primary responsibility is the enforcement of The Commonwealth of Massachusetts Building, Electrical, and Plumbing & Gas Codes, as well as all related regulations, standards, and Town Bylaws.

Budget Statement

The Inspectional Services Department anticipates no budgetary increases in FY2012. With the adoption of a new Building Code, a new State Energy Code, and the addition of the new Local Option Stretch Energy Code, training of inspectors, contractors and homeowners will be a priority in the coming year. The Inspectional Services Department anticipates no major budgetary increases until the Symmes Hospital Site Project begins in earnest.

STAFFING

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Inspectional Services				
Managerial	1	1	1	
Clerical	1	1	1	
Professional/Technical	3	3	3	
Total	5	5	5	

FY2012 Objectives

- The Inspectional Services Department strives to maintain its high level of job performance. Managing a FY 2010 case load of 4,436 permits with a construction value in excess of \$40,000,000 and permit revenues of \$854,460 has been a challenge for a staff of four inspectors and one and a half positions of administrative staff. Thus far, current trending indicates FY2011 having further increases of an estimated 4,743 permits being issued ,construction value increasing to \$49,200,000 and permit revenues increasing over the \$1,000,000 plateau .
- The Inspectional Services Department has begun what will hopefully be a smooth transition into new 8th Edition of 780 CMR The State Building Code, The 2009 International Energy Code, and our new locally adopted Stretch Energy Code, a primal criteria for Arlington having been designated Green Community status.
- Continued oversight of the renovated Highland & Central Fire Stations, extensive waterproofing at the Community Safety Building and anticipated approval by the Arlington Redevelopment Board of a new developer for the long awaited Symmes Hospital Site Project are a few of our objectives.

PROGRAM COSTS

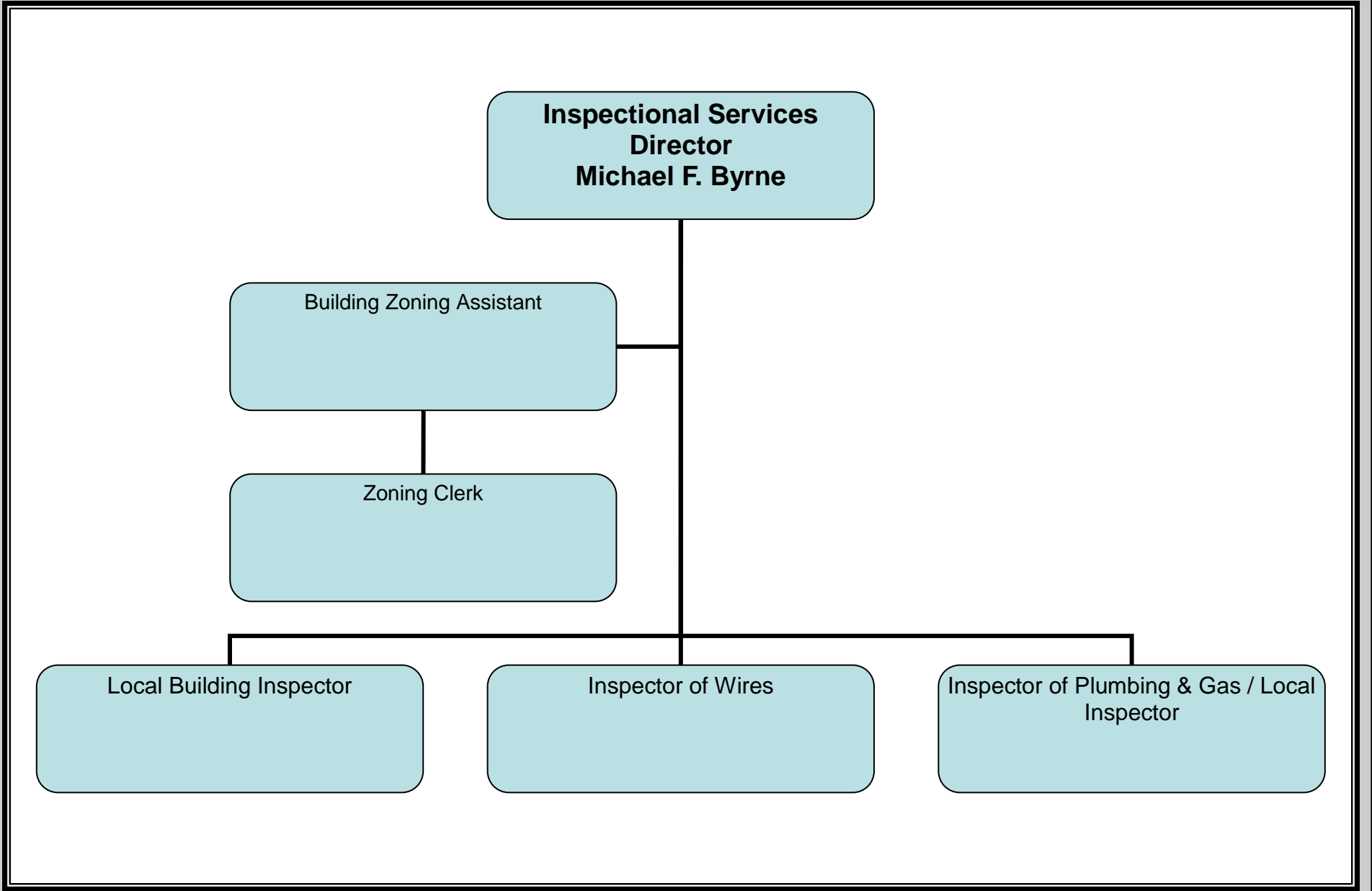
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Inspectional Services				
Personal Services	350,566	355,594	355,242	
Expenses	12,259	12,300	12,000	
Total	362,826	367,894	367,242	



Major Accomplishments for 2010

- Took a leadership role in passage of the unprecedented local option "Stretch Energy" Code. Local passage, along with 4 other criteria, allowed for designation of Town of Arlington as one of the first "Green Communities" in the Commonwealth of Massachusetts. A status having already paid dividends in the amount of a \$200,000 grant to be used for Arlington's own green initiatives.
- Oversight of the construction of new retail facilities at 821 Mass Ave (CVS) and 1406 Mass Ave (Petco), 1st phase renovation of the Stratton School, plan review and zoning interpretations for the hundreds of smaller commercial and residential projects.

Performance / Workload Indicators				
	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Revenue	\$860,434	\$854,460	\$1,019,793	\$829,000
Building Permits	1,190	1,799	2,010	2,010
Plumbing Permits	945	845	903	903
Gas Permits	825	1,167	1,134	1,134
Wiring Permits	1,175	1,225	1,225	1,225
Total Permits issued	4,135	5,036	5,272	5,272



LIBRARIES





Program Description

The Robbins Library is a vital community center that connects people with traditional and technological resources for life-long learning, intellectual pursuits and leisure. The library responds to citizens' needs with services and activities in a welcoming setting built on a history of free and equal access to information for all Arlington residents.

Library staff selects, purchases and processes a wide range of library materials including books, periodicals and audio-visual materials. Reference assistance is offered in person, via email and by telephone to answer informational questions and to locate materials. Access is provided to a vast array of electronic resources. The library insures adequate record keeping and accountability for the over 600,000 items that citizens borrow each year and make the collection of over 240,000 items available to patrons by returning items to their accurate shelving locations. The library promotes the love of reading in children and provides materials and services which support formal learning and the desire for personal growth and development for people of all ages.

Budget Statement

A budget reduction of over \$140,000 will result in closing the Robbins Library one additional evening, an 18% cut in the book and subscription budget, the closing of the Fox Library one additional day (unless funded privately), an 18% reduction in the page budget causing delays in returning materials to the shelves, reduction in hours of library staff, and loss of the Assistant Director position. The loss of evening hours will impact working people as well as groups who utilize the library's two meeting rooms. The reduction to the materials budget will result in fewer materials available for the public and cause an increase in the number of interlibrary loans requested from other libraries. The continued increase in interlibrary loans and materials processed through the state wide delivery system has already placed a burden on Circulation Department staff who cannot keep up with the workload. The library will increasingly rely on trust funds and private donations to maintain its materials collection. The Town will not meet the state's municipal appropriation requirement and unless the state grants a waiver, the town will face de-certification and the potential loss of borrowing privileges at local libraries.

FY2012 Objectives

- Implement reduced hours of operation. Continue to study usage patterns to best serve community needs
- Work with the Friends of Fox to attempt to secure private funding for the Fox Library
- Provide reduced schedule of programs within staffing constraints that address community needs. Prioritize age groups to be targeted
- Evaluate and prioritize use of trust and Friends funds to reallocate money to collections to mitigate reduction in municipal funding
- Secure funding to implement a marketing plan
- Explore partnerships to deliver library services beyond the library facility
- Monitor the costs and implications of implementing RFID technology in FY2015 in conjunction with the Minuteman Library Network
- Evaluate the need to re-configure services on the first floor of Robbins Library to better serve adults and teens
- Continue to expand on fundraising efforts

PROGRAM COSTS

Libraries	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	1,396,007	1,415,981	1,321,076	
Expenses	513,732	532,870	483,441	
Total	1,909,740	1,948,851	1,804,517	

STAFFING

Libraries	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial	1	1	1	
Clerical	19	19	17.3	
Professional/Technical	11.4	10.4	9.8	
Custodial/Bldg. Maint.	0.9	0.9	0.7	
Total	32.3	31.3	28.8	

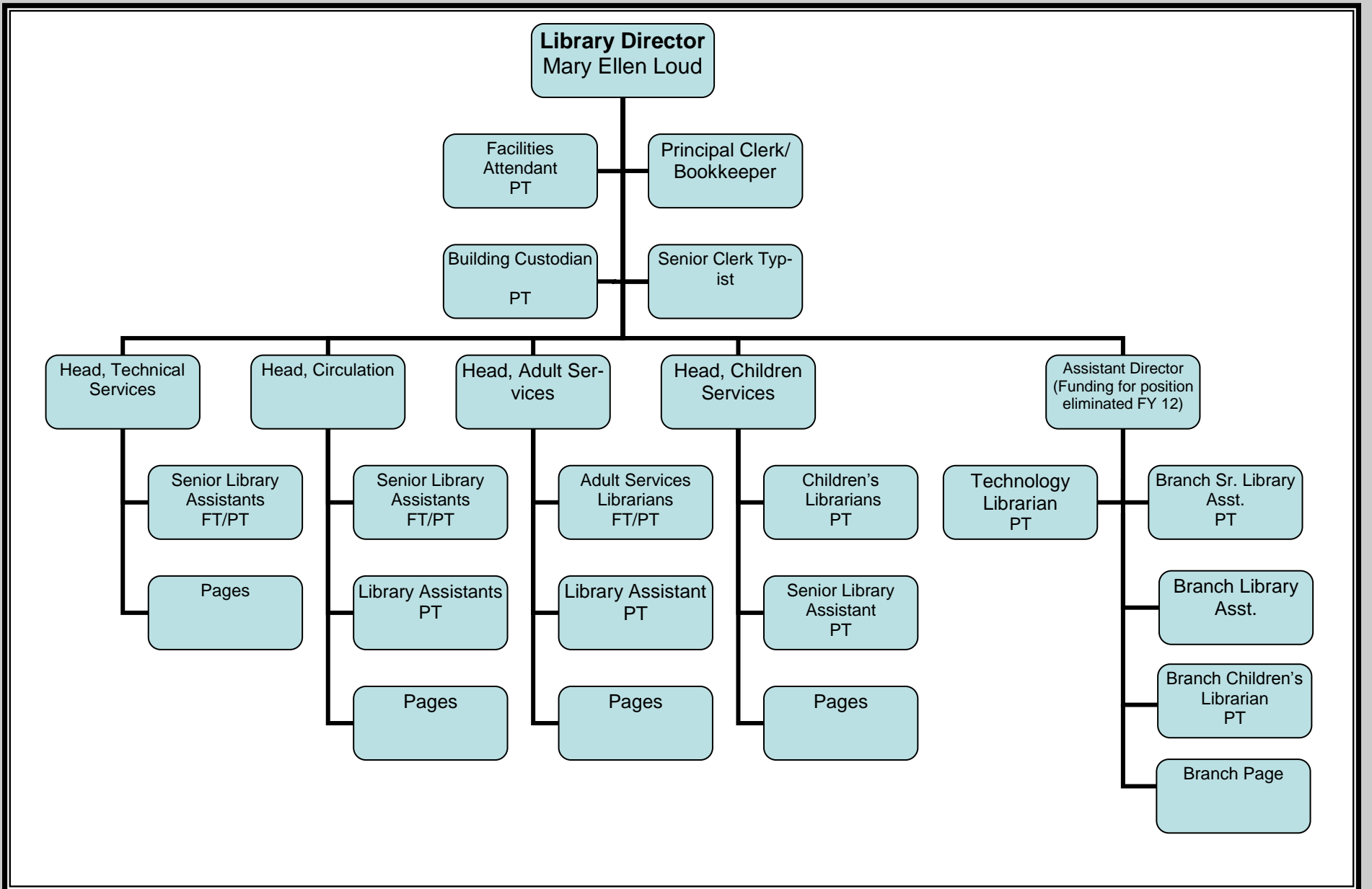


Major Accomplishments for 2010

- Library recorded the highest circulation in its history
- Results of a user satisfaction survey indicated over 98% of respondents found their library experience to be excellent or good
- Offered a wide variety of library programs that reflects community needs and interests
- Improved access to public computers by reorganizing computer workstations in the Reference Room and purchasing additional netbooks for use within the building
- Increased lighting in the Reading Room with fixtures to match the room's aesthetics
- Library Director was recognized by the Martin Luther King Birthday Celebration Committee for the library's efforts to foster diversity
- Continued to deliver information to the public by utilizing emerging technologies.
- Received an LSTA grant to provide services to older active adults.
- Improved services to young adults by reorganizing space in the Teen Area, offering new programs based on teen input, implementing a teen blog and attendance at community meetings.
- Several special projects were undertaken including streamlining of procedures in Technical Services for greater efficiency, changing the cataloging for the music CD collection for easier access, installation of additional signage and review of library marketing efforts.
- The Board of Library Trustees and the Friends of the Library succeeded in raising money for Sunday openings for the third year in a row.
- Received funding from the Friends of the Library for innovative services and new electronic devices for loan to the public.
- Library partnered with the Arlington Garden Club to host a Books in Bloom fundraiser that sold out.

Performance / Workload Indicators

<i>Libraries</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Circulation of materials	600,139	625,894	625,000	625,000
Interlibrary loans processed	106,186	118,373	118,400	118,400
Reference questions answered	76,690	79,047	79,000	79,000
Children's programs	398	353	350	350
Adult and YA programs	80	89	85	85
New items ordered and processed	20,554	19,040	19,000	19,000
Website visits	149,634	174,853	174,900	174,900
Visits to Robbins Library	306,389	319,673	319,700	319,700
Uses of Meeting Rooms	887	985	900	900





HEALTH AND HUMAN SERVICES

BOARD OF HEALTH • VETERANS' SERVICES •
COUNCIL ON AGING



Program Description

The Department of Health and Human Services (ADHHS) is the agency that oversees the Health Department, Council on Aging, Arlington Youth Counseling Center, and the Veteran’s Services Office. The agency also coordinates the activities of the following boards: Board of Health, Board of Youth Services, Council on Aging, Disability Commission and the Human Rights Commission. Additionally, the agency works with the Food Pantry, Widows Trust Fund Commission, Youth Health and Safety Coalition and the Health and Human Services Charitable Corporation and manages funds from the Community Development Block Grant, Fuel Assistance Fund as well as many state and federal grant funding sources. The mission of the Department of Health and Human Services is to provide a safety net for Arlington residents experiencing difficulties in their lives and also to promote a healthy environment for all residents.

The Health Department is the lead division under ADHHS. The Health Department is required by state and local laws and regulations to perform many critical duties related to the protection of public health. These duties cover a wide range of public health control and prevention activities, including: disease surveillance; the promotion of sanitary conditions in housing, recreational facilities, and food establishments; elimination of nuisances; the protection of the environment; and numerous other federally and state mandated responsibilities.

Budget Statement

The Department of Health and Human Services continues to seek out alternate funding sources to maintain programs and increase service capacity. The Health Department continues to see an increase in the number of housing condemnations as compared with prior years. This places additional demands on the environmental health division within the department. In 2010 the Health Department responded to over 250 resident complaints regarding environmental health issues ranging from foodborne illness complaints to dilapidated and unsafe housing.

Budget Statement (continued)

A part time health inspector position will be cut in FY12. With the expanding demands and responsibilities placed on the Health Department anticipated funding will strain the department’s ability to address the mandated and crucial disease control and environmental health requirements placed on the department. A reduction in the number of families served through the assistance program in FY2011 is estimated to decrease based on the transitional period of the AYCC, however in FY2012, assistance is expected to approach prior year levels.

FY2012 Objectives

- The Department of Health and Human Services will continue to work to secure state and federal grants as well as private funding and foundation funding to cover programs and projects within the department.
- The Department of Health and Human Services will begin to market its programs aimed at assisting the neediest residents to potential donors.
- The Health Department will develop alternate strategies to vaccinate the high risk population against influenza and pneumonia.
- The Health Department will work with state and federal agencies to appropriately enforce and address the newly enacted lead paint law.

PROGRAM COSTS

Health & Human Services	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	287,328	265,935	241,664	
Expenses	23,203	22,145	19,872	
Total	310,531	288,080	261,536	

STAFFING

Health & Human Services	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial	1	1	1	
Clerical	1	1	1	
Professional/Technical	2.3	2.3	1.9	
Total	4.34	4.34	3.95	



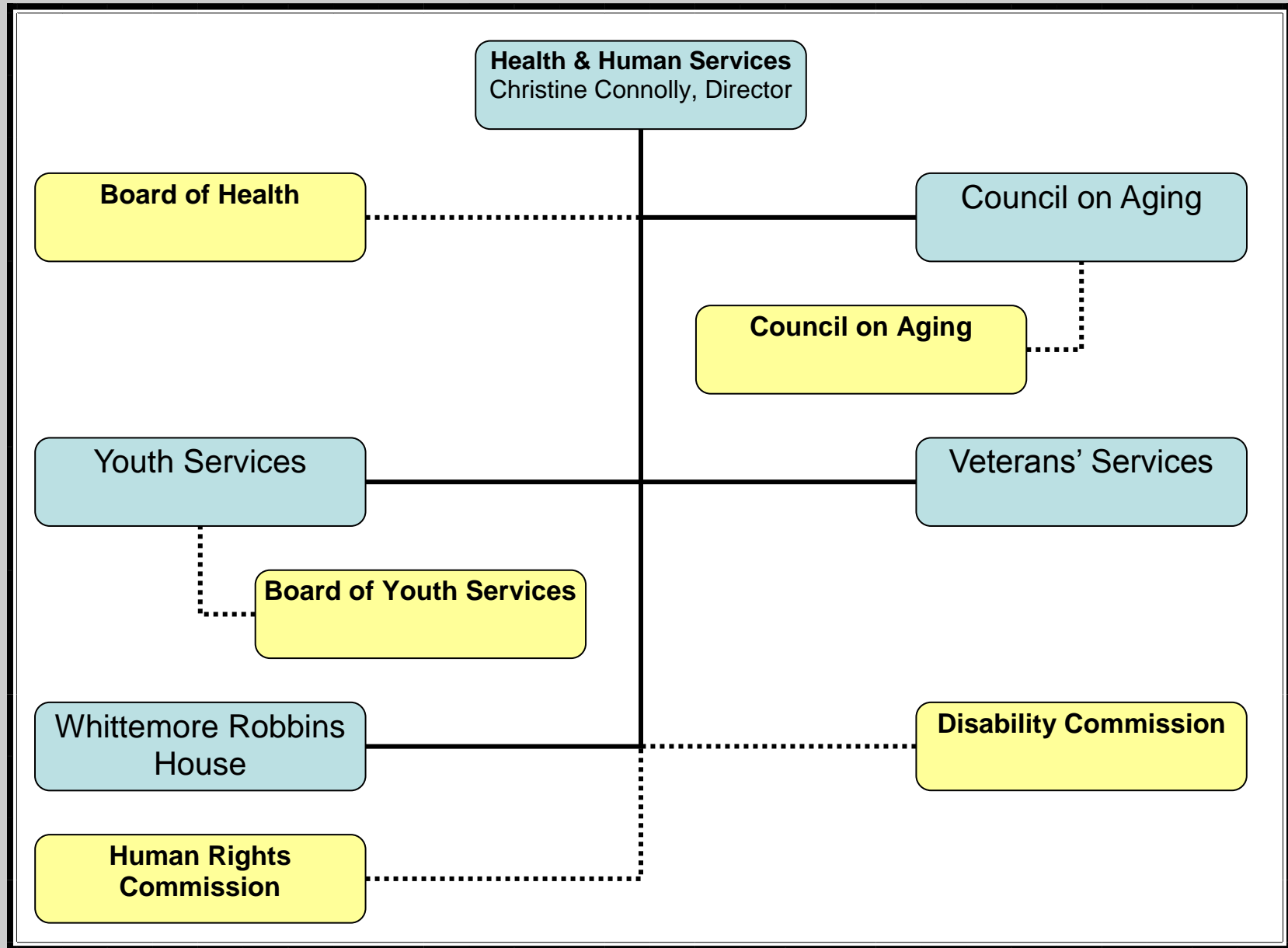
Major Accomplishments for 2010

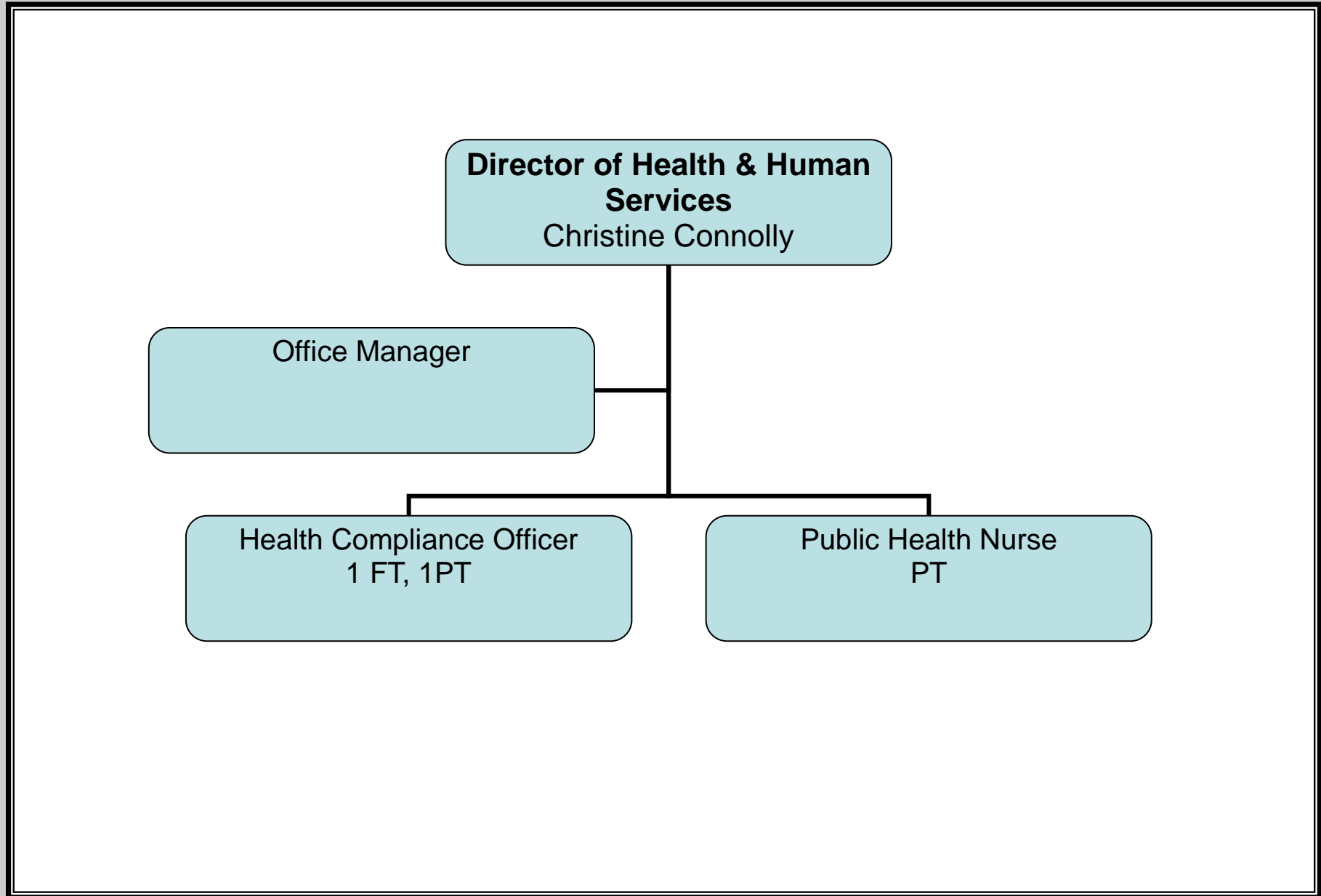
- The Department of Health and Human Services partnered with the IT Department to establish a credit card billing system.
- The Board of Youth Services applied for funding from the Symmes Non-Profit Corporation and were awarded \$100,000 to assist in the transformation of the Arlington Youth Counseling Center.
- The Council on Aging applied for and received \$15,000 in funding from the Symmes Non-Profit Corporation to address transportation needs of elderly residents.
- The Health Department partnered with the public school department to offer influenza vaccinations to public school children both during the school day and in the evening for Arlington families.
- The Health Department worked closely with community safety partners to ensure proper follow through on all uninhabitable properties to reduce the risk of loss of life due to fire or building collapse.

Performance / Workload Indicators				
	FY2009	FY2010	FY2011	FY2012
<i>Health Department</i>	Actual	Actual	Estimated	Estimated
Food Inspections	440	325	420	350
Tobacco Compliance Checks	90	22	50	30
Tanning Establishment Inspections	2	0	2	2
Demolition Inspections	25	16	25	20
Housing Inspections	50	68	50	40
Public Pool Inspections	15	9	15	15
Public Beach Inspections	15	15	18	18
Resident Complaints	239	299	300	300
Communicable Disease Investigation	96	123	145	150
Flu Vaccinations Administered	1800	7340	2500	2800

Performance / Workload Indicators				
	FY2009	FY2010	FY2011	FY2012
<i>Health & Human Services</i>	Actual	Actual	Estimated	Estimated
Food Panty Average Monthly Distribution	335	359	448	560
Assistance Program - Families served	75	78	10	50

Performance / Workload Indicators				
	FY2009	FY2010	FY2011	FY2012
<i>Rentals</i>	Actual	Actual	Estimated	Estimated
Whittemore Robbins House Events	30	25	30	32
Town Hall Auditorium Events	43	49	52	60







Program Description

The Department of Veterans' Services provides aid and assistance to qualifying veterans, their spouses, and their dependents through The Department of Veterans' Services (DVS) for The Commonwealth of Massachusetts. Acting as a liaison with the Department of Veterans' Affairs (VA) in Washington DC, the office helps to answer questions concerning VA benefits, supplies forms for benefits, and assists in completing the forms in order to receive the benefits. The office is involved in the coordination and/or collaboration, attendance, and participation in all ceremonies and parades honoring veterans.

FY2012 Objectives

- Request for and receive 75% reimbursement from DVS for all aid and assistance benefits awarded.
- Apply for and receive 75% reimbursement for flags decorating veterans' graves on Memorial Day.
- Coordinate and/or collaborate on, attend, and participate in Patriots' Day Parade, Memorial Day Parade, Veterans' Day Parade, and all other ceremonies honoring veterans.
- Increase awareness of DVS and VA benefits available to veterans and/or their dependents.
- Be as available as possible to supply necessary forms and assist in completing forms for benefits with both the VA and the DVS, and answers to questions concerning veterans issues.
- Streamline and computerize office for maximum efficiency.
- Dedicate three new memorial squares.

Budget Statement

The FY12 budget will be level funded. While the nation is still involved in two theaters of war, the end of these conflicts will necessitate the updating of the "Veterans' Honor Roll" to include all veterans of these theaters. With the increase in medical expenses and the current economic condition, the elderly, disabled, and low income veterans will require more aid and assistance. The bad economy and lack of jobs has resulted in more temporary aid & assistance to younger veterans not able to gain employment upon discharge.

PROGRAM COSTS

Veterans' Services	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	55,246	55,246	55,246	
Expenses	261,573	271,322	271,339	
Total	316,819	326,568	326,585	-

STAFFING

Veterans' Services	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial				
Clerical				
Professional/Technical	1	1	1	
Total	1	1	1	



Major Accomplishments for 2010

- Had signs installed at Memorial Squares for previously dedicated monuments honoring Captain Joseph Grant, Specialist David Williams, and Frank Donnelly.
- Assisted thirteen veterans and four widows in acquiring maximum VA benefit.
- Assisted nine veterans acquire annuities and/or bonuses.
- Assisted seven veterans acquire "Welcome Home" bonus.
- Assisted eight veterans and/or spouse receive aid and assistance from VA.

Performance / Workload Indicators

	FY2009	FY2010	FY2011	FY2012
<i>Veterans' Services</i>	Actual	Actual	Estimated	Estimated
Department of Veteran Services Clients (DVS)	52	65	68	68
Department of Veterans' Assistance Clients (VA)	44	71	75	80



Health & Human Services Director
Christine Connolly



Veterans' Agent



Program Description

The Council on Aging, a division of the Department of Health & Human Services, provides advocacy and support services to help Arlington elders live dignified and independent lives. The agency's primary responsibilities are to identify the unmet needs of the community's elder population; to design, promote, or implement services to address such needs; and to coordinate with other services in the community.

The nation's elder population has doubled since 1990 and is expected to double again by the year 2030. Many of our seniors will reach advanced ages that we have not before experienced as a society; thus, many more will be frail, homebound, and in need of more complex and multidisciplinary services from Councils on Aging and other service providers.

Budget Statement

A part time social worker position, which had been newly created in FY 11, will be eliminated in FY12. No increases are expected in program revenues, as the intent is to serve primarily low-and middle-income clients and the disabled. Over the next few years, in light of the growing senior population, efforts will be geared toward increasing the current level of services. The Department will continue to seek out grants and gift funds from private sources.

FY2012 Objectives

- For the Council to become more involved in financial advocacy and resource development.
- Develop more community involvement with police and fire services, and with local and regional service providers.
- To continue to develop outreach efforts for the Council on Aging's programs and services, and to maximize the agency's ability to meet the widely-varied needs of Arlington's elderly.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Council on Aging				
Personal Services	143,342	172,589	155,866	
Expenses	15,364	4,675	4,414	
Total	158,706	177,264	160,280	-

STAFFING

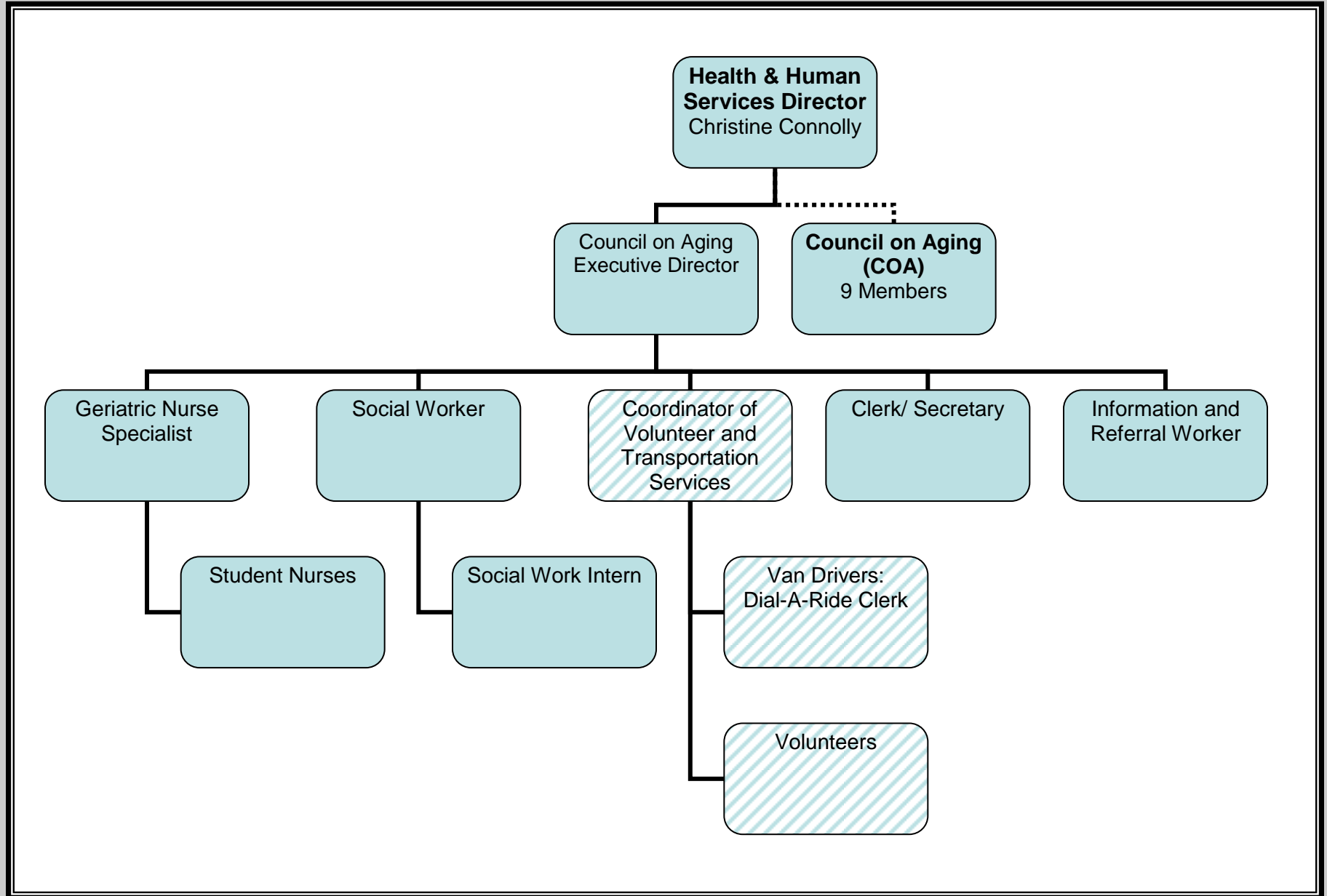
	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Council on Aging				
Managerial	1	1	1	
Clerical	1.0	1.0	0.9	
Professional/Technical	0.8	1.2	0.7	
Total	2.75	3.15	2.59	

Major Accomplishments for 2010

- Secured continuing / increased grant funding in the areas of health & wellness; through this funding we were able to expand our health & wellness offerings.
- Effective in the creation of "The Friends of The Arlington Council on Aging", a 501(c)(3) organization whose purpose is to raise funds for the Council on Aging.
- Effective maintenance of advocacy on issues affecting elders continued at the local, regional, state, and national levels, through membership and active participation in the Massachusetts Councils on Aging and Senior Center Directors (MCOA).

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Council on Aging				
Units of Service Delivered				
Annually	118,866	123,621	127,329	132,422
Taxi rides	3,392	3,407	3,400	3,400
Volunteers	90	95	110	125





NON-DEPARTMENTAL

RETIREMENT • INSURANCE



Program Description

The Arlington Retirement Board is an autonomous 5-person board which oversees the Town pension system under Massachusetts General Law, Chapter 32. Members of the Arlington Contributory Retirement System are active employees for the Town of Arlington, and the Arlington Housing Authority, who qualify for membership and retired employees who have fulfilled the requirements to be eligible to retire and have retired.

The Retirement Office is responsible for processing retirement and disability applications, a monthly retiree payroll, processing of refunds and transfers of annuity savings accounts, employee estimates of potential future benefits and the accounting for expenses, members' deductions and investment activities for the system as mandated by the Public Employees Retirement Administration Commission guidelines.

Non-Contributory Retirees are living retirees or survivors of retirees who had municipal employment that occurred prior to 1939, and are not members of the Arlington Contributory Retirement System. The Non-Contributory Retirees payroll and appropriation are under the jurisdiction of the Town of Arlington.

Budget Statement

The contributory pension budget for FY2012 has been increased by \$422,714. The non-contributory pension budget is projected to decrease by \$46,115 in FY 2012, with 5 remaining retirees.

Based upon legislation adopted last year, the Retirement Board approved the extension of the pension funding schedule to 2032. Thereby, slightly reducing the FY2012 appropriation.

PROGRAM COSTS

	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Pensions				
Personal Services				
Non Contributory	142,528	156,687	110,572	
Contributory	6,438,609	6,796,154	7,218,868	
Total	6,581,137	6,952,841	7,329,440	-

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Pensions				
Contributory Enrollees				
Active Employees	699	677	673	673
Retired Employees	625	626	630	630
Non-Contributory Enrollees	7	6	5	5



Retirement Board

John J. Bilafer, Chairman
Richard Keshian
Kenneth Hughes
Kenneth Steele
Ruth Lewis, Ex Officio

Retirement Administrator

Richard Greco

Assistant Retirement Administrator



Program Description

The insurance budget comprises the cost of providing the following coverages:

Health insurance for town and school active and retired employees.

Life insurance is required to be provided to all employees in the amount of \$5,000 which is split 50% town funded and 50% employee funded.

Medicare costs are the federally required 1.45% of the salary of all employees hired after April 1986. Employees must also contribute 1.45% of their salary.

Indemnity insurance includes property insurance and automobile insurance coverage. Property insurance is provided for all of the town and school buildings and those that are rented are covered for general liability. Automobile insurance is required for all the town and school vehicles.

Public official liability insurance covers all public officials, who in the performance of their official duties, may be sued for those actions.

Unemployment insurance is paid for the actual employees who have been laid off from their positions. Unlike private employers, the town does not pay a premium. The Town hires an outside firm to closely monitor our claims and to appeal any irregularities.

Workers' Compensation covers the costs of employees injured as a result of their employment.

The flexible benefit plan is a Section 125 plan which is provided to the employees for dependent care and health care costs not provided through health insurance coverage. Employees contribute tax free to this plan through payroll deductions. This budget pays for the administration of that plan.

FY 2012 Objectives

- Successfully comply with Federal Health Insurance Reform.
- Maximize collection of Federal subsidies for medicare drug costs (Part D) and early retirement reinsurance program (ERRP).
- Continue to promote and support wellness programs for our employees.
- Continue to aggressively monitor retirees turning 65 and becoming Medicare eligible and ensure enrollment into appropriate plan. Maintain list of those turning 65 in the next sixth months and direct mail them semiannually.
- Continually monitor enrollment to ensure Town is keeping costs in check.
- Continue to offer opt out program for employees.
- Further enhance the new First Point of Medical Contact Program for work-related injuries, saving time and costs in the medical treatment of our employees.

Budget Statement

Health insurance premiums are predicted to rise 8.71% in the first five months of FY2012 and approximately 10% in the latter seven months of FY2012. However, the total appropriation is only increasing by 3%. This is due to two large factors. First, the town will be receiving a \$400,000 early retirement reinsurance program (ERRP) reimbursement to offset retiree health care costs. Also, following this year's open enrollment, the town now has 46 fewer health plan enrollees than the prior year. The cost savings of fewer enrollees, combined with the ERRP reimbursement, explain the 3% total appropriation increase. Unemployment funding has also been increased by \$500,000 due to the personnel reductions anticipated to occur in both the town and school department.

PROGRAM COSTS

Insurance	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services				
Group Life	55,703	55,000	55,000	
Group Health	15,843,713	17,523,613	17,622,396	
Unemployment Ins.	390,632	293,450	793,450	
Medicare	746,551	760,000	760,000	
Indemnity	222,217	250,000	250,000	
Liability	42,352	50,000	50,000	
Workers' Compensation	367,174	490,000	490,000	
Flexible Benefit Plan	(3,107)	800	800	
Total	17,665,236	19,422,863	20,021,646	-



Program Description

The **Health Insurance** budget provides for the Town's portion of the cost for providing health insurance benefits to all town employees, retirees and surviving spouses. The Town pays, by vote of the electorate, 75% of the premium for indemnity plans which we are required to provide under Chapter 32B of the Mass General Laws. The Town pays 85% toward the premium of the health maintenance organization (HMO) plans for unionized employees and retirees, and 80% for all non-union town and school employees. Surviving spouses pay 50% of the premium. The Town offers the following plans:

Indemnity Plans (75% employer /25% employee):

- Blue Cross /Blue Shield – Blue Choice
- Blue Cross /Blue Shield - Blue Care Elect (limited enrollment)

HMO Plans (85/15% union and retirees) (80/20% non-union):

- Blue Cross /Blue Shield – HMO Blue
- Harvard Pilgrim Community Health Plan

Medicare Extension Plans:

- Medex III (75/25%)
- Managed Blue for Seniors (85/15%)
- Harvard First Seniority Premiere(75/25%)

Dental Plan:

- Blue Cross /Blue Shield – Dental Blue – this plan is paid 100% by the employee.

The Town is self-insured for all health plans except for Harvard Pilgrim and Managed Blue for Seniors which are premium based. In a self-funded arrangement, the Town pays for actual claims, the cost of administration and a stop-loss policy for catastrophic claims over \$110,000. A trust fund is maintained with a goal of maintaining a reserve equivalent to two to three months of anticipated claims.

Major changes in Medicare for prescription drugs –Medicare Part D—has afforded the Town the opportunity to be reimbursed by the federal government for some of those costs.

FY 2012 Objectives

- Aggressively monitor retirees turning 65 and becoming Medicare eligible and ensure enrollment into appropriate plan. Maintain list of those turning 65 in the next sixth months and direct mail them semi-annually.
- Continually monitor enrollment to ensure Town is keeping costs in check.
- Continue to offer opt out program for employees.
- Explore options for reducing retiree health care costs.
- Work with the Governor and Legislature to implement health care control for municipalities.

Budget Statement

Health insurance premiums are predicted to rise 8.71% in the first five months of FY2012 and approximately 10% in the latter seven months of FY2012. However, the total appropriation is only increasing by 3%. This is due to two large factors. First, the town will be receiving a \$400,000 federal early retirement reinsurance program (ERRP) reimbursement to offset retiree health care costs. Also, following this year's open enrollment, the town now has 46 fewer health plan enrollees than the prior year. The cost savings of fewer enrollees, combined with the ERRP reimbursement, explain the 3% total appropriation increase.

Working with the Governor and Legislature we anticipate passage of legislation to give cities and towns the authority to join the state's health care program (GIC) or implement revised plan design comparable to the GIC. This could save the Town several millions of dollars.



Major Accomplishments for 2010

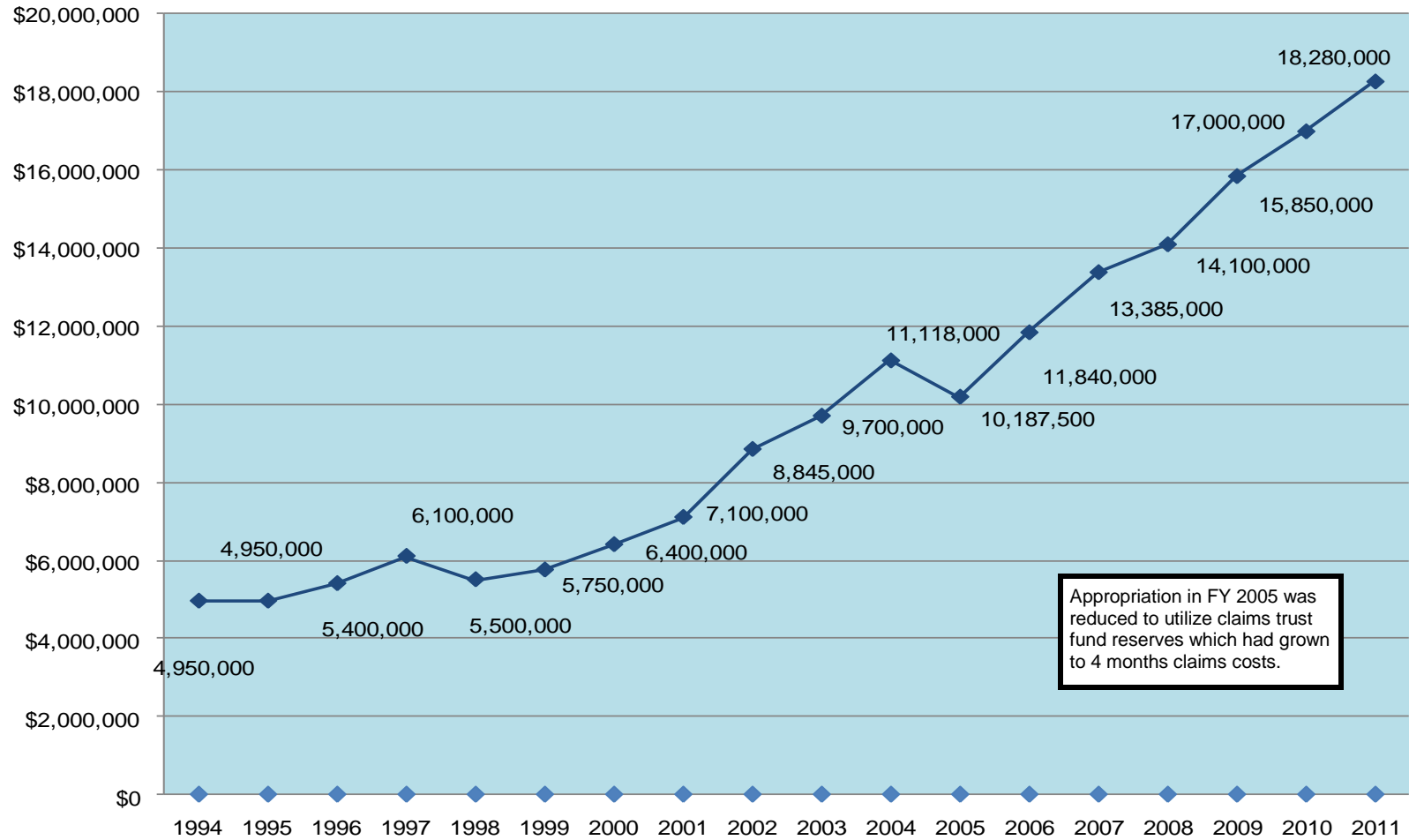
- Controlled the costs of property insurance, liability insurance and automobile insurance.
- Town awarded \$5,000 wellness grant from Blue Cross/Blue Shield in recognition of our health and wellness programs.
- Successfully notified all retirees to ensure compliance with mandatory medicare enrollment.
- Worked aggressively with employee unions to explore cost savings through modification of existing plans or joining the GIC, and got so far as to reach tentative agreement with the PEC.
- Implemented several successful new wellness programs.
- Submitted successful application for federal early retirement reinsurance program reimbursements.

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
<i>Health & Life Insurance</i>				
Health Insurance Contracts Managed	1,938	1,923	1,878	1,870
Life Insurance Contracts Managed	1,104	1,079	1,067	1,050
Life Insurance Claims Processed	30	10	30	30



Health Insurance Appropriation





Healthcare Trust Fund Balance

End Of	Costs	Trust Fund Balance	
		\$	Equivalent Months
FY2000	\$6,367,486	\$1,349,591	2.5
FY2001	\$7,528,484	\$1,133,159	1.8
FY2002	\$8,338,267	\$1,455,000	2.1
FY2003	\$8,762,535	\$1,631,600	2.2
FY2004	\$8,315,472	\$2,774,597	4.0
FY2005	\$10,098,068	\$2,213,268	2.6
FY2006	\$11,223,129	\$2,324,255	2.5
FY2007	\$12,224,361	\$2,023,198	2.0
FY2008	\$14,323,201	\$1,967,662	1.6
FY2009	\$14,416,629	\$2,676,301	2.2
FY 2010	\$15,388,725	\$3,392,399	2.6



SECTION V

ENTERPRISE FUNDS



ENTERPRISE FUNDS

WATER/SEWER • RECREATION • VETERANS' MEMORIAL
RINK • COUNCIL ON AGING TRANSPORTATION •
YOUTH SERVICES



Program Description

The Water and Sewer Division maintains the Town's water distribution system and the sewer collection system. The work involves maintenance and repairs on roughly 125 miles of water mains and 125 miles of sewer mains. Deteriorating and broken pipes are fixed, sewer mains are flushed, hydrants are maintained and flushed, and just under 13,000 meters are read twice per year.

Water Treatment and supply as well as sewer treatment is provided by the MWRA and the Director maintains a voting position on the Advisory Board. User fees support the majority of the Water / Sewer budget with the balance of \$5.59 million coming from the property taxes.

Budget Statement

The request for Water/Sewer expenses is up by \$667,068(4%). The majority of this increase is in the preliminary projections for MWRA fees (up by \$322,640). Scheduled debt services costs account for \$102,900 of the projected increase. Increases in Health, Retirement, and Labor Off-set costs represent the final factors of the significant increase at \$52,232, \$96,532 and \$92,528 respectively. Departmental personnel services increased by \$47,506 which has been offset in part by a reduction in the Professional/Contracted Services budget.

Revenue and cost tracking spreadsheets have been refined to give a more accurate picture of cash flows and revenue/expense forecasting, and the rate setting process has been greatly improved. Our annual rate of consumption has been dropping by 1.5% to 2.0% annually, which dampens revenues. The recession has increased late payments from 1.5% to 6.0%. Late payments always come back later as liens with interest, but cash flows currently are suffering and that trend could continue into FY-12 before recovering. In the next several years, the installation of the Automated Meter Reading System and replacement of the older meters is expected to boost accuracy and increase consumption recording (older meters tend to read slow).

FY2012 Objectives

- Complete the installation of water meter wireless sending devices (20% of meters still outstanding) and fully convert all billing cycles to be automated.
- Develop a 5-year schedule for specific Water Main Replacements and Sewer Rehabilitations; and post it on the Town Webpage.
- Develop procedures for utilizing the Sewer Backups Database to identify chronic problem areas and eliminate them.
- Implement infiltration and inflow improvements to the sewer system as mandated by DEP.
- Update automated failure detection hardware/software for all sewer pump stations.
- Review the three water pressure zones in town and evaluate whether pressures can be reduced to lessen the annual number of disruptive Water Main breaks.

PROGRAM COSTS

Water/Sewer Enterprise Fund	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	2,590,846	2,457,855	2,680,521	
Expenses	1,557,965	1,824,526	1,872,686	
MWRA Assessment	10,625,563	10,754,610	11,077,248	
Capital Expenses	1,337,825	1,619,596	1,693,200	
Total	16,112,200	16,656,587	17,323,655	-

STAFFING

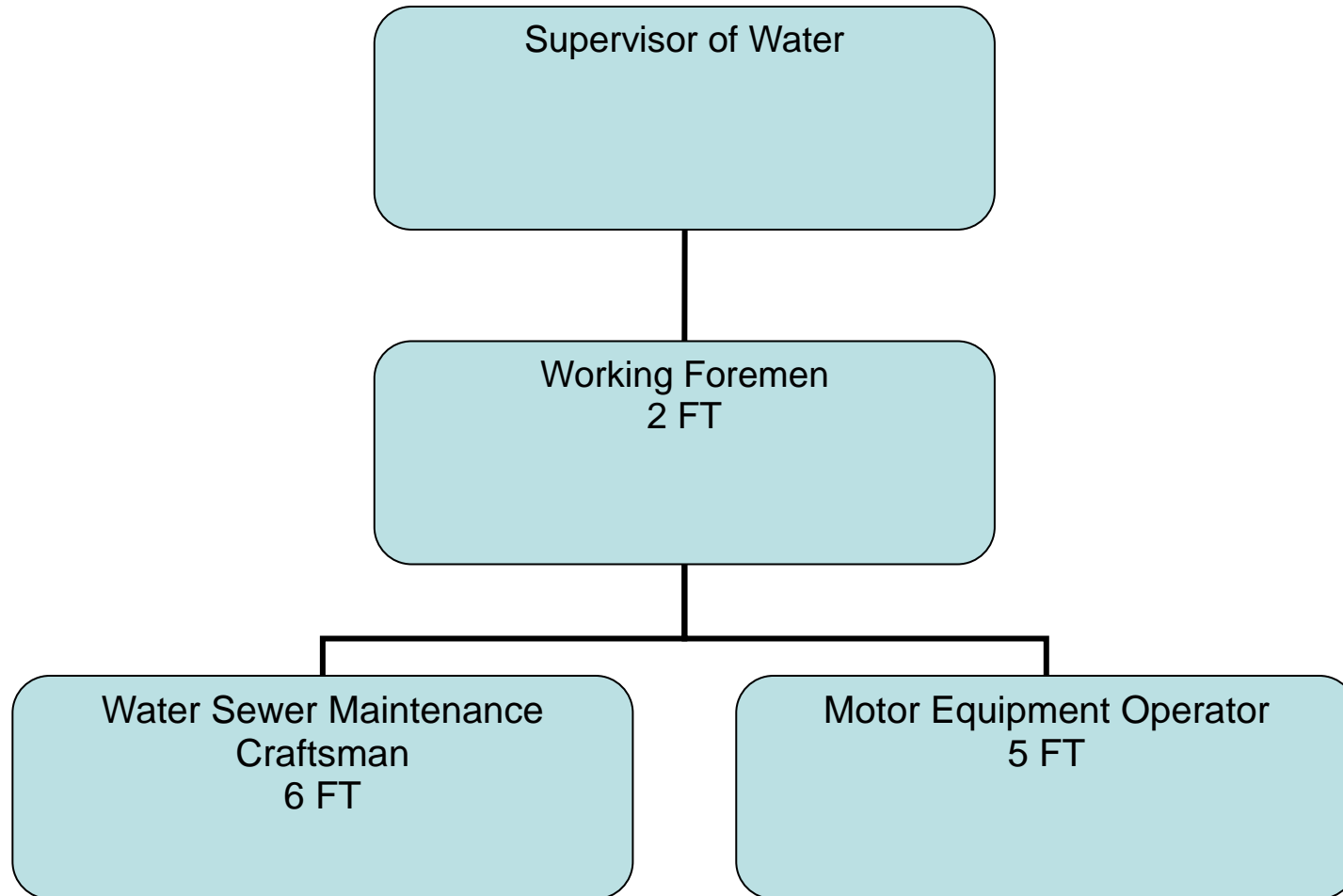
Water/Sewer Enterprise Fund	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial				
Clerical	2	2	2	
Professional/Technical		0.5	0.5	
Public Works	14	14	14	
Total	16	16.5	16.5	



Major Accomplishments for 2010

- Replaced 638 water meters
- Repaired water main leaks at 24 locations.
- Repaired water service lines at 35 locations.
- Replaced 33 hydrants
- Sampled 14 locations weekly for water quality.
- Completed the installation of more than 13,000 wireless sending devices (80% of total project) on water meters at Arlington homes and businesses. Each device installation completes the conversion of the meter to the automated reading system.

Performance / Workload Indicators				
Water/Sewer Enterprise	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Water Meters Read	32,370	32,370	32,370	32,370
Repair Water Main Leak/Break	27	36	27	27
Repair Water Service Leak		73	70	70
Repair or Install Meter	188	412	400	400
Repair or Install Hydrant	18	50	60	60
Catch Basins Cleaned	947	1,015	950	950
Flush a Sewer Back-Up	N/A	99	90	90
Replace or Install Sewer Pipe	N/A	42	45	45
Flush a Sewer Main	N/A	118	110	110
Excavation Mark outs	N/A	358	360	360
Water Quality Test Sites	14	14	14	14
Water Mains - miles	131	131	131	131
Sewer Main - miles	117	117	117	117
Sewer Pump Stations	6	6	6	6
Fire Hydrants	1,396	1,396	1,396	1,396





Program Description

Arlington Recreation is a self-sustaining division of the Town of Arlington and it is proud to offers safe, quality, and affordable recreational programs and facilities for citizens of all ages and abilities. Our staff members are qualified professionals who are dedicated to serving the community with excellence and pride. The primary responsibilities of the Department are to plan, coordinate, and supervise year-round recreation and leisure programs. The Recreation Department operates and manages the Reservoir Beach, Gibbs School Gymnasium, Veterans' Memorial Skating Rink/Sport Center, and the North Union Spray Pool. Additionally, the Department oversees the operations, capital improvements, scheduling, and permitting to all the parks and playgrounds in Town under the Park Commission's jurisdiction.

Budget Statement

Overall the FY 2012 expense budget will decrease by \$35,438. This is due to a decrease in seasonal personal and a reduction in the rent expense of the Gibbs Gymnasium due to the loss of the lower floor classrooms.

With a focus on the quality of programming at a reasonable price, we are continuing to predict increases in overall participation, which will increase revenue.

The department will continue to investigate obtaining a multi-use facility to allow for program and revenue expansion. The department will also coordinate and supervise capital improvements of our recreational facilities including the rink, reservoir, spray pool, playgrounds, Gibbs Gymnasium, fields and parks. Recreation will continue to also be the permitting authority for these facilities.

FY2012 Objectives

- Ensure the quality of programs offered by continuing to hire qualified instructors and program staff.
- Continue to explore alternative recreational program offerings that meet the needs of the community.
- Continue to investigate alternative facilities for additional recreation program space.
- Increase fund-raising and special event offerings.
- Continue to work with Natural Resources on developing a maintenance plan and capital plan for parks and playgrounds.
- Broaden program offerings for children with special needs.

PROGRAM COSTS				
Recreation Enterprise Fund	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	266,994	279,244	262,103	
Expenses	298,288	284,545	266,248	
Total	565,283	563,789	528,351	-

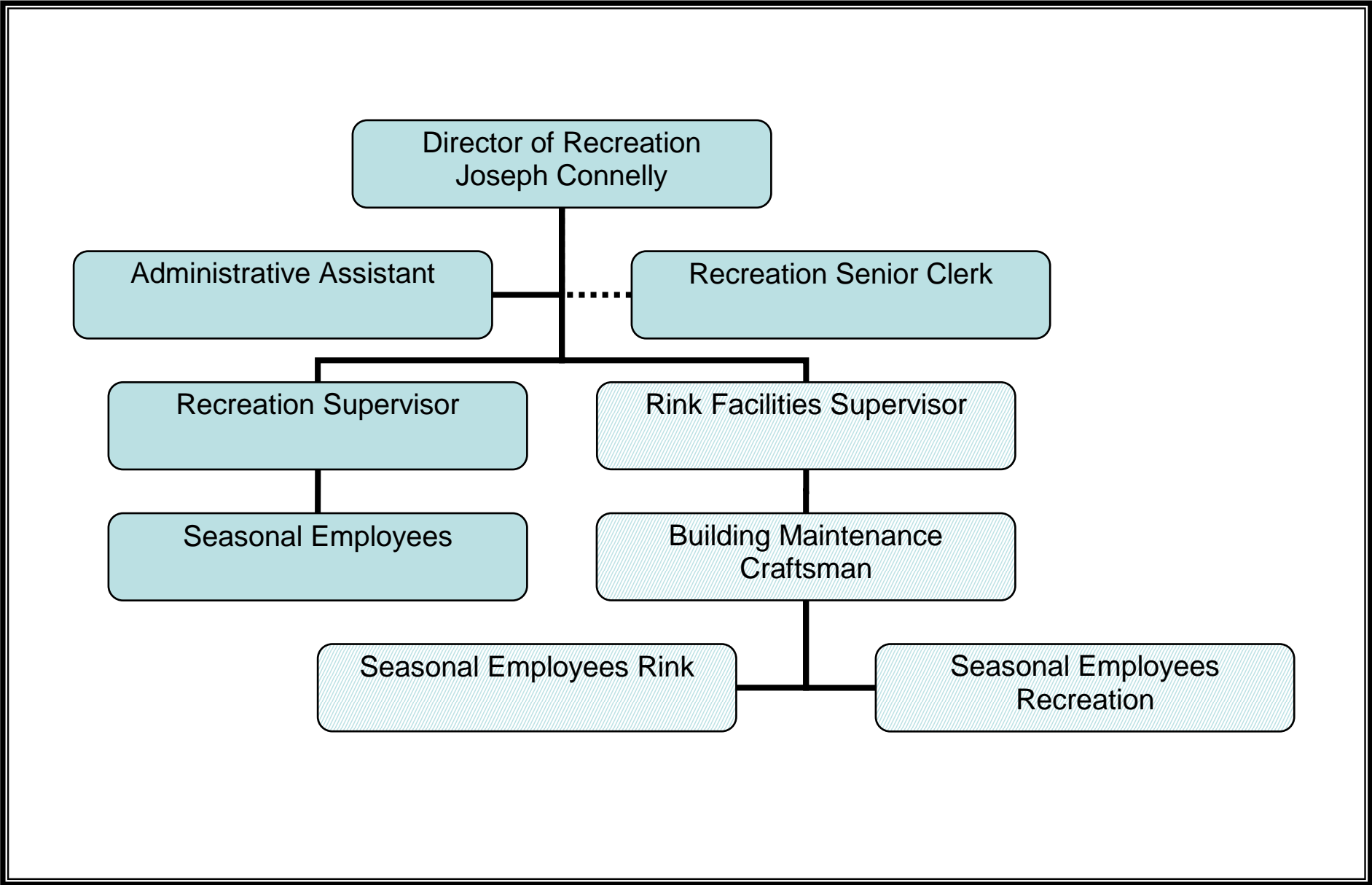
STAFFING				
Recreation Enterprise Fund	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial	0.5	0.5	0.5	
Clerical	1.5	1.5	1.27	
Professional/Technical	1	1	1	
Custodial/Bldg. Maint.	0.25	0.25	0	
Total	3.25	3.25	2.77	



Major Accomplishments for 2010

- Offered a variety of new programs including: youth lacrosse program for girls grades K-4, Barrie Bruce Youth and Adult Golf Classes, Zumba for Adults, Stroller Fit Classes, One Day Art Classes for Youth, Sharlie Joseph of New England Revolution Soccer Clinic and Thundercats After School Sport program at three elementary schools.
- Introduced and maintained our 24-hour phone registration line.
- Renovation and planned capital improvements to Arlington Sport Center, Skating Rink, Thorndike Field Parking Lot, Summer Street Playground and Park, Gibbs Gymnasium.
- Held Third Annual Recreation Department Golf Tournament fundraiser.
- Continued community special events such as Town Day Race, Summer Carnival, Egg Hunt, and the Daddy Daughter Dance.
- Completed implementation of Article 36 Off- Leash Dog By-Law
- Took over the scheduling and oversight of the Fox Library Community Room.

Performance / Workload Indicators				
Recreation	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Participants:				
Fall	1,057	920	920	920
Winter	905	1,506	1,000	1,000
Spring	732	812	900	900
Summer	1,349	1,634	1,825	1,825
Reservoir Tags:				
Adult Resident	352	455	455	455
Child Resident	346	443	443	443
Senior Citizen	51	70	70	70
Non Resident	13	34	34	34
Resident Family	290	379	379	379
Non Resident Family	17	3	3	3
Resident Family Plus 1	59	70	70	70
Non Resident Family Plus 1	1	13	13	13
TOTAL:	1,129	1,467	1,467	1,467
Reservoir Passes:				
Res Weekday Pass	3,051	4,254	4,254	4,254
Res Weekend Pass	1,431	1,827	1,827	1,827
TOTAL:	4,482	6,081	6,081	6,081





Program Description

The Veterans' Memorial Skating Rink/Ed Burns Arena is a self sustaining Division of the Town of Arlington Recreation Department. The Recreation Department is proud to offer safe, quality and affordable recreational programs and facilities for citizens of all ages and abilities. The Veterans' Memorial Skating Rink/Ed Burns Arena is a newly renovated indoor ice facility located at 422 Summer Street in Arlington. The facility includes a regulation size rink of 85' x 197' with spectator seating for 1,000 people. Complete snack bar/Concession services are available (varying hours) and vending machines are located in the main lobby. Skate rental and sharpening services are available. Team rooms are available for those renting ice time. The Veterans' Memorial Skating Rink/Ed Burns Arena is open to the public for skating during the months of September through March/April. Along with seasonal skating opportunities for the public, many school-sponsored hockey programs as well as private hockey leagues use the rink. In the off season the rink bed is used for a variety of events including batting cages, indoor soccer/ lacrosse and social dances.

Budget Statement

The overall budget for FY 2012 will decrease by \$2,377 primarily due to anticipated decreases in utility costs because of several energy efficient items installed during the rink renovation process.

The department looks to increase revenues through additional programming, fundraising and specialized marketing opportunities. Arlington Recreation anticipated being able to open the rink earlier and extending the existing skating season due to mechanical improvements made during the recent renovation. Extending the season of the rink will bring in additional revenues for the department.

FY2012 Objectives

- Continue to aggressively look to rent ice hours historically not rented including mid day slots during the weekday. Special rates will be offered to make these times attractive to the public.
- Continue to pursue fundraising opportunities to generate additional revenues. These events will be run in conjunction with the Recreation Division and will include our annual golf tournament.
- Other alternative opportunities of raising revenue will be investigated including the addition of a pro shop and special reserve seating passes.
- Specialty hockey and skating camps will be investigated for the late summer months as well as after season tournaments.
- Continue to work with the Ed Burns Fundraising Group to raise capital for the construction of additional locker rooms.

PROGRAM COSTS

Veterans' Memorial Rink Enterprise Fund	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	225,348	228,815	239,721	
Expenses	341,771	312,298	299,015	
Total	567,119	541,113	538,736	-

STAFFING

Veterans' Memorial Rink Enterprise Fund	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial	0.5	0.5	0.5	
Clerical	0.75	0.75	0.77	
Professional/Technical	1	1	1	
Custodial/Bldg. Maint.	0.75	0.75	1	
Total	3	3	3.27	

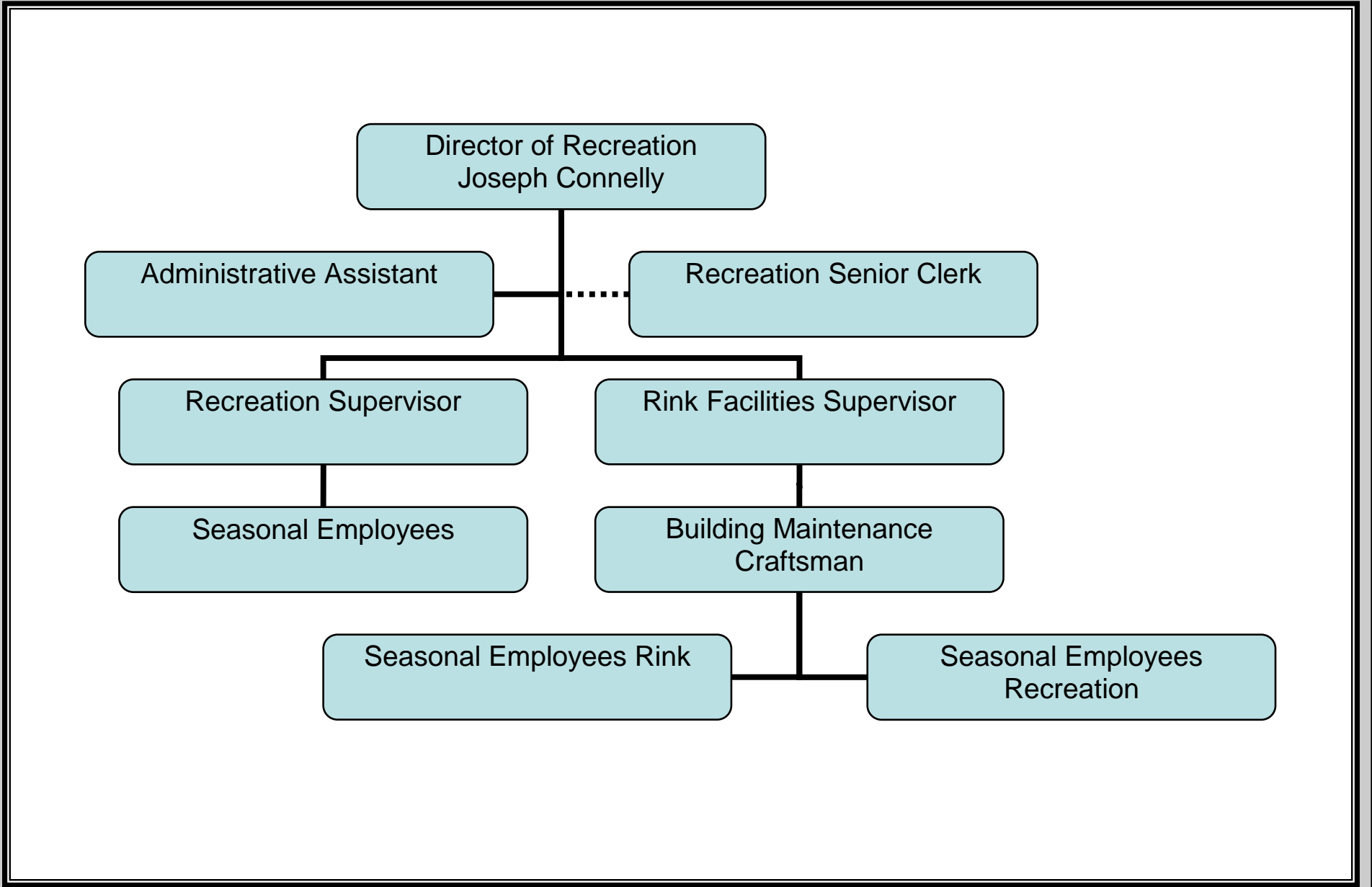


Major Accomplishments for 2010

- Complete Rink Renovation including: Rink Bed, Boards, Glass, Mechanical, SubFloor Heating, Low E-Ceiling, Boiler and Water Storage, Dehumidification Updates, Handicap Accessible Viewing Area and Stand Reconfiguration
- Maintained a high quality ice surface throughout the skating season.
- Despite closing early due to the rink renovations the division ended the year with a small surplus.

Performance / Workload Indicators

<i>Veterans' Memorial Rink</i>	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Ice Rental Hours	2,086	1,859	1,800	1,900
Public Skate/Lesson Hours	552	500	550	550
Public Skating Participants:				
Adults	3,824	3,979	3,825	3,825
Children/ Seniors	8,597	7,846	8,600	8,600
Public Skating Passes:				
Adults	55	58	55	55
Children/ Seniors	92	98	100	100
Skate Rentals	2,597	2,762	2,700	2,700
Skate Sharpening	11	20	15	15
Stick and Puck	452	557	550	550





Program Description

The Council on Aging Transportation Program provides basic access to community services for Arlington's low and moderate-income seniors and the disabled, through its subsidized taxi program, lift-equipped vans, and volunteer medical escorts. It presently operates at near capacity, bringing seniors to and from their medical appointments in surrounding towns and to the senior center. The agency's lift-equipped vans and subsidized taxi program provide about eight hundred fifty one-way trips each month for Arlington elders.

Budget Statement

The budget for FY2012 provides for level services as no significant increases are expected in program revenues. Over the next few years, in light of the current fiscal climate, efforts must be geared toward maintaining current level of services. The Department will continue to seek out grants and gift funds from private sources.

FY2012 Objectives

- To identify and continue to meet the transportation needs of Arlington's elders, serving primarily low-and middle-income clients, and the disabled.

PROGRAM COSTS

Council on Aging Transportation	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	70,227	61,318	61,518	
Expenses	29,806	37,900	34,900	
Total	100,033	99,218	96,418	

STAFFING

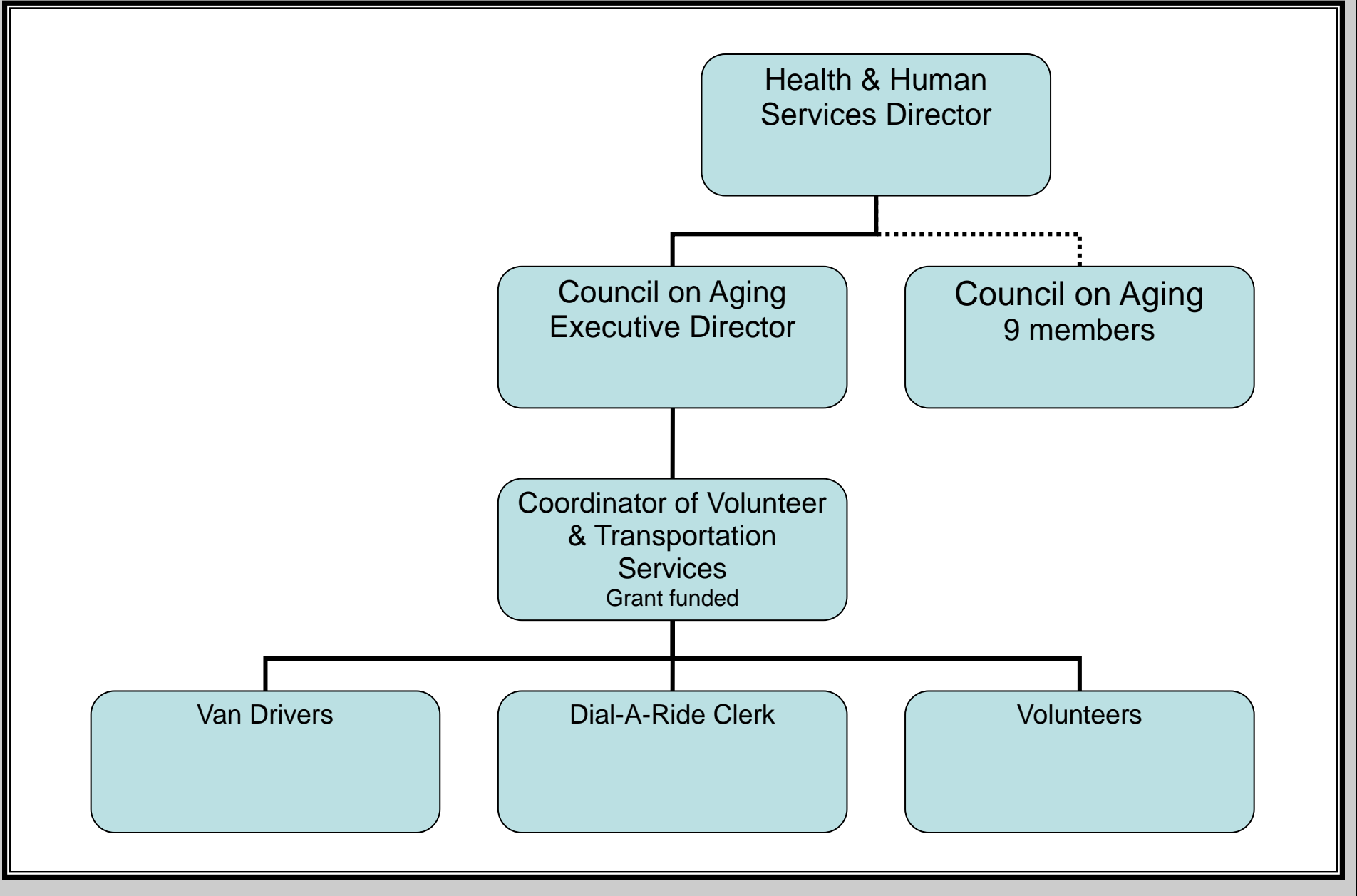
Council on Aging Transportation	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial				
Clerical	0.55	0.10	0.54	
Transportation Drivers	1	1	1	
Total	1.55	1.10	1.54	

Major Accomplishments for 2010

- Purchased a new van with an eighty-percent grant from the Massachusetts Department of Transportation.
- Maintained previous level of service within level funded budget

Performance / Workload Indicators

Council on Aging Transportation Fund	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Annual number - one way rides	10,604	10,600	6,900	7,100
Taxi rides	3,200	3,200	3,000	3,000





Program Description

Arlington Youth Counseling Center is a welcoming licensed mental health agency whose mission is to promote and support the social-emotional well-being of all Arlington's youth and families. It implements its mission by:

- Providing mental health counseling and therapeutic services to children, adolescents and their families
- Providing psychopharmacological services to children, adolescents and their families
- Providing consultation, collaboration and partnering with other agencies/ programs that serve youth
- Providing in- school counseling services for children, adolescents and families for whom coming to the agency would be difficult
- Being responsive to community requests for new programs, strategies to address identified needs

FY2012 Objectives

- Continue to hire fee for service clinicians so that there is sufficient staffing to provide services
- Continue to implement and refine new billing program
- Seek alternate funding sources through foundations, grants and fund raising
- Improve marketing and public relations
- Through other alternate funding sources, hire substance abuse counselor and case manager
- Use needs assessment as basis for program development
- Continue to provide services to the Arlington Public Schools by using grants and donation funding as well as direct services to students and billing health insurance

Budget Statement

In FY11 AYCC sustained cuts that prompted the agency to establish a new model through which mental health counseling would be provided to the community. The new model retained four staff as the transition team who implemented a fee for service model where licensed clinicians are paid for each hour that they counsel. The new model has allowed the agency to grow both in the number of clients served as well as the revenues generated. In FY12 town funding for the agency will be cut by over 50%. The cut will be balanced by the increase in fee for service revenues as well as grants, foundation funding, donations and federal funding. The goal is to continue to make the agency more financially sustainable by diversifying the agency's revenue sources and to be able to continue to provide a high level of mental health counseling service to the community.

PROGRAM COSTS

Youth Services Enterprise Fund	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Personal Services	319,020	172,241	235,023	
Expenses	87,310	35,825	199,900	
Total	406,330	208,066	434,923	-

STAFFING

Youth Services Enterprise Fund	FY2010 Actual	FY2011 Budget	FY2012 Request	FY2012 Fin Com
Managerial	0.77	0.8	1	
Clerical	0.8	0.57	0.8	
School Counseling Program (FTE)	0.0	0.0		
Professional/Technical	1.9	0.0	1.7	
Total	3.4	1.4	3.5	



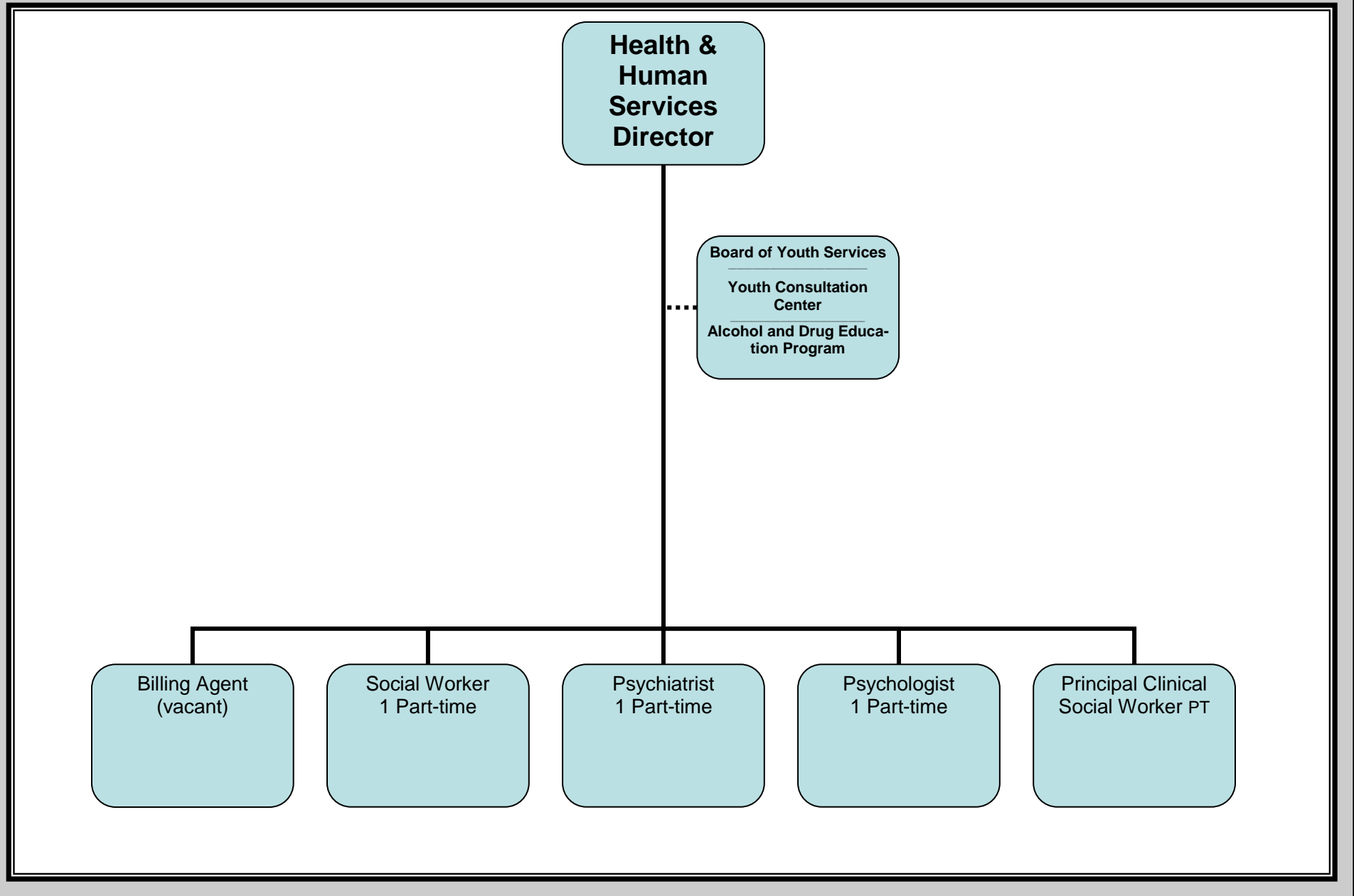
Major Accomplishments for 2010

Major transition of program from an entirely town funded salary based counseling model to a fee for service counseling model:

- Hired 5 fee for service clinicians
- Designed and implemented more efficient billing system
- Hired Office Manager to oversee business management of agency
- Redesigned use of Robbins House to comply with HIPPA requirements
- Sought and obtained a \$100,000 grant from the Symmes Non-Profit Corporation Fund
- Used consultants for assistance with implementing changes necessary for maintaining State DPH license as well as establishing fee for service counseling model
- Received funding from local church to establish a case manager position

Performance / Workload Indicators

	FY2009 Actual	FY2010 Actual	FY2011 Estimated	FY2012 Estimated
Youth Services				
Counseling hours	2,701	2,012	3,300	4,500
Clients	204	150	300	450
Counseling hours- Schools	3,000	1,000	2,500	5,000
Clients - Schools	508	80	100	200





SECTION VI

CAPITAL IMPROVEMENT PROGRAM



Capital Improvement Program Description

The Town Manager is responsible for submitting a five-year capital planning program for all departments to the Board of Selectmen, Finance Committee, and ultimately the Town Meeting each year. A Capital Planning Committee was created in 1986 to advise and make recommendations to the Town Manager regarding the capital plan. The Capital Planning Committee (CPC) comprises 9 members who meet between the months of September and December to review the requested capital items by all departments, boards, and committees and develop a recommended budget and plan to the Town Manager. The members include 5 members of the public, the Comptroller, the Treasurer/ Collector, the Superintendent or her representative, and the Town Manager or his representative. Annually the first year of the Capital Plan is submitted to the Town Meeting as the Capital Budget for appropriation. The Five Year Capital Plan is reviewed and revised each year to make changes in priorities and to add an additional year to the planning process.

The goal of the Capital Planning Program is to provide a means of planning for the maintenance and/or improvement of the capital assets and infrastructure of the Town of Arlington. The maintenance of the infrastructure and the capital assets of the Town is of vital importance to the delivery of the quality services for which the Town is known. The following are the objectives :

- Review, plan, and coordinate capital improvements so as to promote a systematic, organized replacement and acquisition schedule.
- Ensure that, given limited resources, the capital needs of the community are met.
- Present a sound financial package so as to stabilize and level out the debt of the Town. It should assure timely planning for the most economical method of financing capital improvements.
- Ensure wider community participation in the planning of projects, reducing the pressure to fund some projects that do not present as great a need as others.
- Promote a more effective administration and coordination of capital projects to reduce scheduling problems, and conflicting or overlapping projects not only among local departments, but also among other local and state agencies and private enterprises such as the gas and electric companies.

In reviewing the requests of the operating departments, the committee uses the following criteria for evaluation:

1. Imminent threat to the **health** and safety of citizens/property.
2. **Preservation** of operations/necessary expenditure. This does not include ordinary maintenance but rather maintaining a current service level through improvement of a capital asset. These may be major expenditures that will avoid costly replacement in the future.
3. Requirement of State or Federal **Law**/regulation.
4. Improvement of **infrastructure**.
5. Improvement of **productivity**.
6. **Alleviation** of an overtaxed/overburdened situation.

The relationship of the project to other Town projects and needs are also be considered in the review and prioritization.

(Continued on page 2)



Capital Improvement Program Description (*continued*)

The Capital Planning Process:

The CPC receives capital budget requests from Department Heads and begins to meet and review requests in early October. The CPC members look at the Town's overall financial situation and, within this larger context, each department's request is compared to the request and the recommendation from the prior year and to the five-year capital plan for that department. The members also tend to ask if this request reflects an interdepartmental planning effort, if the department has considered other sources of funding, or if the department has undertaken any kind of cost/benefit analysis. CPC members like to see evidence of longer-term planning for departmental needs, as well as planning for maintenance expenses and of interdepartmental cooperation. Priorities that emerge suddenly in one year with no reference in prior year requests tend to be more heavily scrutinized.

Information technology requests are expected to have passed through the master planning process, coordinated and updated through the Information Technology Advisory Committee (ITAC). The ITAC maintains a 5 year plan for IT expenses including phones, wireless, computer systems replacement, GIS, etc.

Increasingly, the CPC looks for evidence of long-term interdepartmental planning around expenditures for buildings, playgrounds, parks and fields. Vehicles and copiers are common requests and the CPC is interested in coordinated purchasing programs for these items.

The capital budget is prepared from a Town-wide perspective. There is no assumption of a budget quota for individual departments. CPC members look at the history of spending patterns for each department. Departments that have requested and received more money than actually required tend to be more heavily scrutinized.

The CPC members each specialize in two or three departments and meet with those department heads during the Fall. The intent of these meetings is to enable the CPC to gain a fuller understanding of the current and long-term needs of the department, and the process used to determine these needs. The results of these meetings are reported back to the whole CPC and are often discussed by the group.

The CPC converts the data requests to a spreadsheet and reviews the requests in relation to their priorities, their urgency, their cost, etc. The sum of money available to fund the Town's Capital program is approximately five percent (5%) of the total revenue. This sum includes the debt service from prior years. Historically the CPC has received requests far exceeding this sum. Thus very difficult decisions must be made as to what projects receive funding in any given year. After considerable review, the CPC recommends a capital budget for the Town, based on advice from the Finance Committee and others about what the Town can afford. The recommendations are submitted to the Town Manager.

The Capital Budget for FY 2012 and the Capital Plan for FY 2012—2016 are presented on the following pages. The terms "Bonds," "Cash," and "Other" are used to describe the sources of funding for the capital budget and plan. "Cash" refers to those expenditures that are paid for in their entirety in the next fiscal year directly from the general fund. "Bonds" refers to those expenditures that are acquired through borrowing, the payments for which may or may not affect the next fiscal year, but in any event are paid for over an extended period of time, usually three to twenty years. Those extended payments include both principal and interest, usually referred to as "debt service." "Other" refers to those expenditures that are financed from sources that do not arise directly from the Town's tax levy; these sources may be state or federal grants, user fees, private donations, trust funds, and other non-tax sources.



Capital Budget FY 2012 and Capital Plan FY 2012—2016

The Town's capital improvements program policies call for the allocation of approximately 5% of the general fund revenues to the capital budget. This is exclusive of dedicated funding sources such as enterprise funds, grants, and Proposition 2 ½ debt exclusion projects. FY2012 funding for the capital budget is as follows:

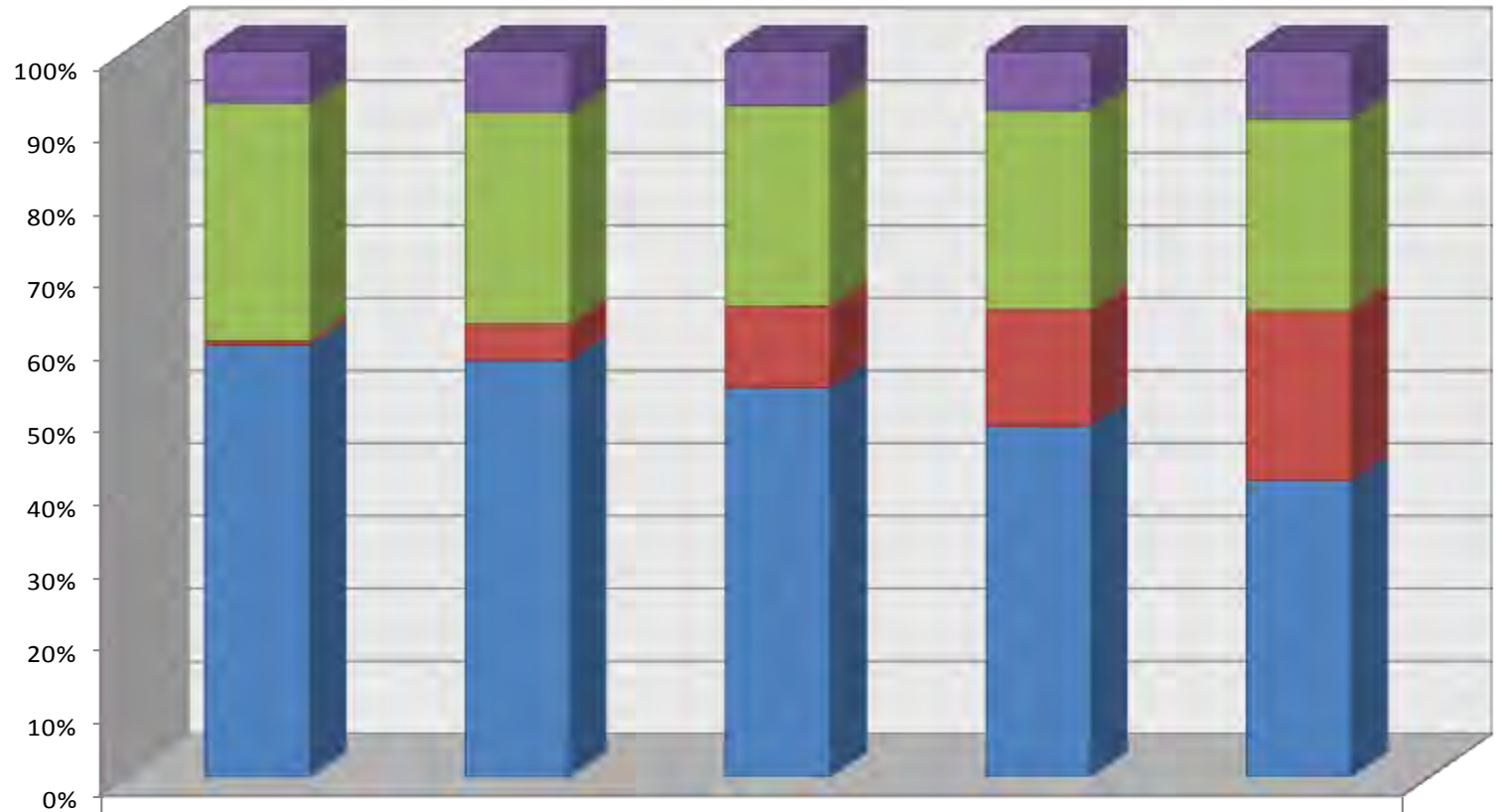
Bonding	\$1,249,530
Cash	\$618,400
Other	\$3,509,105

The existing non-exempt debt is \$5.1 million. The total capital budget for FY2012, including debt, is estimated at \$8.4 million. Major projects to be funded in FY2012 include: design work to be performed for the envelope repairs to the Community Safety building, sidewalk and road work for approximately \$1 million, and water and sewer work for \$2.35 million. The continuing Stratton School renovation project involves three phases totaling \$2.4 million, most of which will be bonded. The Town has also applied for and is currently under consideration to receive MSBA Green Repair Grant funding to supplement the improvements being made at Stratton. The debt service for this will be financed with the annual appropriation of \$150,000 already factored into the capital plan.

The renovation/rebuild of the Thompson School has received approval of the Massachusetts School Building Authority (MSBA) to proceed with the schematic design process. Authorization for the total project costs of \$20 million may be sought at a Special Town Meeting this May. The MSBA is anticipated to provide funding for approximately 47% of the project costs as approved by the MSBA.



Capital Plan Appropriation



	FY2012	FY2013	FY2014	FY2015	FY2016
Cash	618,400	703,150	630,500	670,300	789,500
Exempt Debt*	2,836,327	2,434,589	2,332,724	2,243,452	2,243,452
New Non-exempt Debt	42,388	411,157	941,513	1,307,626	1,967,325
Existing Non-Exempt Debt	5,140,725	4,781,640	4,519,891	3,952,031	3,455,666

*Exclusive of Thompson rebuild

*Exclusive of Symmes debt service FY 2013 –2016



Capital Budget Fiscal Year 2012

DEPARTMENT	PROGRAM	EXPENDITURE	FUNDING SOURCE			Grand Total	
			BOND	CASH	OTHER		
COMMUNITY SAFETY - FIRE SERVICES	EQUIPMENT REPLACEMENT	Thermal Imaging Cameras	\$24,000			\$24,000	
		Replace fire alarm system	\$75,000			\$75,000	
		Amkus Tool cutters	\$18,000			\$18,000	
	PHOTOCOPIER PROGRAM	Photocopier lease		\$1,500		\$1,500	
COMMUNITY SAFETY - POLICE SERVICES	EQUIPMENT REPLACEMENT	Bullet Proof Vest Program		\$15,000		\$15,000	
		Radio Upgrade & Replacement		\$12,000		\$12,000	
	PHOTOCOPIER PROGRAM	Photocopier		\$4,500		\$4,500	
	PUBLIC BUILDING MAINTENANCE	C.S. Building Renovations DWGS -5 Year plan	\$232,000			\$232,000	
	VEHICLE REPLACEMENT	Vehicle Replacement Program		\$100,000		\$100,000	
COUNCIL ON AGING TRANSPORTATION ENTERPRISE FUND	VEHICLE REPLACEMENT	Van Replacement Program			\$10,000	\$10,000	
INFORMATION TECHNOLOGY	INFORMATION TECHNOLOGY	Educational IT Program	\$125,000			\$125,000	
		Library MLN Equipment	\$20,600			\$20,600	
		School Dept-Admin Micro Program	\$40,000			\$40,000	
		Software Upgrades & Standardization	\$30,000			\$30,000	
		Town-Microcomputer Program	\$60,000			\$60,000	
		Library -PC Vend Printing/Photocopier	\$5,100			\$5,100	
		School - Software Licensing	\$40,000			\$40,000	
		DPW - Water/Sewer Plans & Records			\$45,000		\$45,000
		Web-based GIS viewer	\$11,000				\$11,000
LEGAL/WORKERS' COMPENSATION	PHOTOCOPIER PROGRAM	Photocopier		\$3,000		\$3,000	
LIBRARY	PHOTOCOPIER PROGRAM	Photocopier		\$900		\$900	
	PUBLIC BUILDING MAINTENANCE	Storm Window replacement	\$35,330			\$35,330	
		Outdoor Lamp Stand and Fixture	\$13,500			\$13,500	
	ROADS AND PATHS INFRASTRUCTURE	Parking Lot Paving	\$9,000			\$9,000	



Capital Budget Fiscal Year 2012 (continued)

DEPARTMENT	PROGRAM	EXPENDITURE	FUNDING SOURCE			Grand Total
			BOND	CASH	OTHER	
PLANNING	PHOTOCOPIER PROGRAM	Photocopier/Equipment		\$4,000		\$4,000
PUBLIC WORKS ADMINISTRATION	DEPARTMENTAL PROJECT	Mall Lights		\$16,000		\$16,000
	PHOTOCOPIER PROGRAM	Photocopier		\$1,500		\$1,500
PUBLIC WORKS HIGHWAY DIVISION	EQUIPMENT REPLACEMENT	Sander Body	\$16,000			\$16,000
		Road Patch Heater (Durapatch machine)	\$51,000			\$51,000
	ROADS AND PATHS INFRASTRUCTURE	Chapter 90 Roadway			\$500,000	\$500,000
		Roadway Reconstruction		\$350,000		\$350,000
		Sidewalks and Curbstones		\$5,000		\$5,000
		Install Sidewalk Ramps	\$65,000		\$125,000	\$190,000
PUBLIC WORKS NATURAL RESOURCES DIVISION	VEHICLE REPLACEMENT	1 Ton Dump Truck w/plow	\$63,000			\$63,000
PUBLIC WORKS PROPERTIES DIVISION	INFRASTRUCTURE IMPROVEMENT	Spy Pond Field Bleachers & Stairs	\$75,000			\$75,000
PUBLIC WORKS WATER/SEWER DIVISION	EQUIPMENT REPLACEMENT	Small equipment			\$5,000	\$5,000
		INFRASTRUCTURE IMPROVEMENT	Sewer System Rehabilitation		\$1,500,000	\$1,500,000
	Water System Rehabilitation		\$700,000	\$700,000		
	Hydrant replacement program		\$100,000	\$100,000		
	Lift Station upgrade		\$50,000	\$50,000		
	VEHICLE REPLACEMENT	Utility Truck			\$75,000	\$75,000
RECREATION	PARKS & PLAYGROUNDS	Thorndike Field Dog Park		\$25,000		\$25,000
REDEVELOPMENT BOARD	INFRASTRUCTURE IMPROVEMENT	ARB - Central School Interior baths, halls, lobby			\$15,000	\$15,000
		ARB - Jefferson Cutter Exterior Chimney/			\$3,000	\$3,000
		ARB - 23 Maple Street Exterior Chimney/			\$55,000	\$55,000
		ARB - Jefferson Cutter Mechanical/			\$10,000	\$10,000
		ARB - Jefferson Cutter Exterior			\$15,000	\$15,000



Capital Budget Fiscal Year 2012 (continued)

DEPARTMENT	PROGRAM	EXPENDITURE	FUNDING SOURCE			Grand Total	
			BOND	CASH	OTHER		
SCHOOLS	EQUIPMENT REPLACEMENT	Replace Fire Control Inst. Alarm Panels Otton	\$45,000			\$45,000	
	MAJOR REPAIRS	High School - HVAC steam trap replacement	\$30,000			\$30,000	
	PHOTOCOPIER PROGRAM	Photocopier Lease Program		\$80,000		\$80,000	
	PUBLIC BUILDING MAINTENANCE		Thompson School Improvements	\$120,000			\$120,000
			High School - exterior painting	\$20,000			\$20,000
			High School -Replace ventilating rooftop units	\$6,000			\$6,000
			High School -Replace heating and ventilation units - INCREASE	\$20,000			\$20,000
TOWN MANAGER	EQUIPMENT REPLACEMENT	Streetlights - conversion high pressure sodium to LED			\$268,500	\$268,500	
		AHS maintenance of steam traps			\$12,780	\$12,780	
		Hardy School replacement head end - energy mgmt system			\$19,825	\$19,825	
Grand Total			\$1,249,530	\$618,400	\$3,509,105	\$5,377,035	



CAPITAL PLAN FY2012—2016

			FISCAL YEAR						
DEPARTMENT	PROGRAM	EXPENDITURE	2012	2013	2014	2015	2016	Grand Total	
BOARD OF SELECTMEN	PHOTOCOPIER PROGRAM	Photocopier lease			\$5,500	\$5,500	\$5,500	\$16,500	
BOARD OF SELECTMEN Total					\$5,500	\$5,500	\$5,500	\$16,500	
COMMUNITY SAFETY - FIRE SERVICES	DEPARTMENTAL PROJECT	Automatic Difibrillators		\$16,000				\$16,000	
		Protective Gear Replacement		\$32,000	\$40,000	\$40,000		\$112,000	
	EQUIPMENT REPLACEMENT	Amkus Tool cutters	\$18,000						\$18,000
		Breathing apparatus, SCBA					\$70,000		\$70,000
		Replace fire alarm system	\$75,000						\$75,000
		Self Contained Breathing Apparatus			\$70,000	\$70,000			\$140,000
		Thermal Imaging Cameras	\$24,000						\$24,000
	INFRASTRUCTURE IMPROVEMENT	Fire Station - Central					\$5,200,000		\$5,200,000
		Fire Station Plan - Central Station			\$320,000				\$320,000
	PHOTOCOPIER PROGRAM	Photocopier lease	\$1,500						\$1,500
	VEHICLE REPLACEMENT	Ambulance replacement				\$170,000			\$170,000
		Fire prevention vehicle					\$30,000		\$30,000
		Replace 1 Engine						\$525,000	\$525,000
		Replace C2						\$40,000	\$40,000
	COMMUNITY SAFETY - FIRE SERVICES Total			\$118,500	\$48,000	\$600,000	\$5,340,000	\$635,000	\$6,741,500
COMMUNITY SAFETY - POLICE SERVICES	DEPARTMENTAL PROJECT	Digital fingerprint imaging machine			\$25,000			\$25,000	
		Laser Radar		\$3,500			\$4,500	\$8,000	
	EQUIPMENT REPLACEMENT	Bullet Proof Vest Program	\$15,000	\$15,000	\$15,000	\$17,000	\$17,000	\$79,000	
		Radio Upgrade & Replacement	\$12,000	\$12,000				\$24,000	
		Speed Trailer Replacement					\$15,000	\$15,000	
	PHOTOCOPIER PROGRAM	Photocopier	\$4,500	\$4,500				\$9,000	
	PUBLIC BUILDING MAINTENANCE	C.S. Building Renovations -5 Year plan		\$2,200,000			\$246,000	\$2,214,000	\$4,660,000
		C.S. Building Renovations DWGS -5 Year plan	\$232,000						\$232,000



CAPITAL PLAN FY2012—2016 (CONTINUED)

			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2012	2013	2014	2015	2016	Grand Total
COMMUNITY SAFETY- POLICE SERVICES	VEHICLE REPLACEMENT	Animal Control Van		\$30,000				\$30,000
		Vehicle Replacement Program	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
		Vehicle Replacement Program - Hybrid -					\$28,000	\$28,000
COMMUNITY SAFETY - POLICE SERVICES Total			\$363,500	\$2,365,000	\$140,000	\$363,000	\$2,378,500	\$5,610,000
COMMUNITY SAFETY - SUPPORT SERVICES	EQUIPMENT REPLACEMENT	High Speed Tire Balance Machine					\$10,500	\$10,500
		Tire Changing Machine				\$15,000		\$15,000
COMMUNITY SAFETY - SUPPORT SERVICES Total						\$15,000	\$10,500	\$25,500
COUNCIL ON AGING TRANSPORTATION ENTERPRISE FUND	VEHICLE REPLACEMENT	Van Replacement Program	\$10,000		\$10,000			\$20,000
COUNCIL ON AGING TRANSPORTATION ENTERPRISE FUND Total			\$10,000		\$10,000			\$20,000
HEALTH & HUMAN SERVICES	INFRASTRUCTURE IMPROVEMENT	Whittemore Robbins House Window Replacement		\$8,000				\$8,000
	PUBLIC BUILDING MAINTENANCE	Robbins House Cottage beams, sill, siding			\$15,000			\$15,000
		Robbins House Cottage kitchen & bath		\$25,000				\$25,000
		Whittemore Robbins House - Stairwell 1st fl			\$4,000			\$4,000
		Whittemore Robbins House kitchen					\$150,000	\$150,000
HEALTH & HUMAN SERVICES Total				\$33,000	\$19,000		\$150,000	\$202,000
INFORMATION TECHNOLOGY	INFORMATION TECHNOLOGY	DPW - Water/Sewer Plans & Records	\$45,000					\$45,000
		Educational IT Program	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$625,000
		Library MLN Equipment	\$20,600	\$19,100	\$18,600	\$19,500	\$17,650	\$95,450
		Library -PC Vend Printing/Photocopier Pro-	\$5,100	\$5,100	\$5,100	\$5,100	\$5,100	\$25,500
		Library RFID system					\$225,000	\$225,000
		Replacement of Receivable Package					\$200,000	\$200,000
		School - Software Licensing	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000
School Dept-Admin Micro Program	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000		



CAPITAL PLAN FY 2012 –2016 (CONTINUED)

			FISCAL YEAR						
DEPARTMENT	PROGRAM	EXPENDITURE	2012	2013	2014	2015	2016	Grand Total	
INFORMATION TECHNOLOGY		Software Upgrades & Standardization	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$150,000	
		Town-Microcomputer Program	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000	
		Web-based GIS viewer	\$11,000					\$11,000	
INFORMATION TECHNOLOGY Total			\$376,700	\$319,200	\$318,700	\$319,600	\$742,750	\$2,076,950	
INSPECTIONS	VEHICLE RE-PLACEMENT	Vehicle - Plumbing					\$25,000	\$25,000	
INSPECTIONS Total							\$25,000	\$25,000	
LEGAL/WORKERS' COMPENSATION	PHOTOCOPIER PROGRAM	Photocopier	\$3,000					\$3,000	
LEGAL/WORKERS' COMPENSATION Total			\$3,000					\$3,000	
LIBRARY	PHOTOCOPIER	Photocopier	\$900					\$900	
	PUBLIC BUILDING MAINTENANCE	Exhaust fans			\$5,350	\$5,600	\$5,800	\$5,800	\$22,550
		Hot Water Heater				\$6,000			\$6,000
		Outdoor Lamp Stand and Fixture	\$13,500						\$13,500
		Repair Honeywell 3 way valves & controller						\$7,200	\$7,200
		Replace heating/cooling water pumps						\$16,000	\$16,000
		Replace roofs 1892 & 1931 buildings			\$300,000				\$300,000
		Replacement of roof covering - membrane			\$38,200				\$38,200
		Repointing - 1990 Addition						\$22,500	\$22,500
		Repointing of 1892 Building				\$150,000			\$150,000
		Roof Drainage			\$3,200				\$3,200
		Roof Repairs - 1990 Addition			\$6,500				\$6,500
		Storm Window replacement	\$35,330						\$35,330
		Windows- 1892 Building				\$45,200			\$45,200
	ROADS AND PATHS INFRA-	Parking Lot Paving	\$9,000						\$9,000
	VEHICLE RE-	Library Van						\$20,000	\$20,000
Vehicle - Building/Plumbing/Wire Inspectors				\$25,000				\$25,000	
LIBRARY Total			\$58,730	\$378,250	\$206,800	\$28,300	\$49,000	\$721,080	



CAPITAL PLAN FY 2012 –2016 (CONTINUED)

			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2012	2013	2014	2015	2016	Grand Total
PLANNING	DEPARTMENTAL PROJECT	Comprehensive Master Plan					\$75,000	\$75,000
	INFRASTRUCTURE IMPROVEMENT	Retaining Wall adj to Town Hall & Library		\$50,000	\$50,000			\$100,000
	PHOTOCOPIER PROGRAM	Photocopier/Equipment	\$4,000	\$2,500				\$6,500
PLANNING Total			\$4,000	\$52,500	\$50,000		\$75,000	\$181,500
PUBLIC WORKS ADMINISTRATION	DEPARTMENTAL PROJECT	Mall Lights	\$16,000			\$32,000		\$48,000
	PHOTOCOPIER PROGRAM	Photocopier	\$1,500					\$1,500
	VEHICLE REPLACEMENT	Utility vehicle, 4 X 4		\$30,000				\$30,000
PUBLIC WORKS ADMINISTRATION Total			\$17,500	\$30,000		\$32,000		\$79,500
PUBLIC WORKS CEMETERY DIVISION	INFRASTRUCTURE IMPROVEMENT	Water System Rehab					\$675,000	\$675,000
	PUBLIC BUILDING MAINTENANCE	Garage Renovation/ Rehab Chapel/HVAC					\$250,000	\$250,000
	ROADS AND PATHS INFRASTRUCTURE	Roadway Improvements			\$230,000			\$230,000
	VEHICLE REPLACEMENT	Backhoe				\$90,000		\$90,000
PUBLIC WORKS CEMETERY DIVISION Total					\$230,000	\$90,000	\$925,000	\$1,245,000
PUBLIC WORKS ENGINEERING	DEPARTMENTAL PROJECT	Roadway Consulting Services			\$25,000			\$25,000
PUBLIC WORKS ENGINEERING Total					\$25,000			\$25,000
PUBLIC WORKS HIGHWAY DIVISION	EQUIPMENT REPLACEMENT	4WD truck w/sander 44,000 GVW					\$132,000	\$132,000
		Backhoe/Loader 1.5 CY					\$113,000	\$113,000
		Road Patch Heater (Durapatch machine)	\$51,000					\$51,000
		Sander Body	\$16,000	\$17,000	\$17,000	\$17,000	\$17,000	\$84,000
		Snow Plow - (1 per yr.)		\$12,000		\$12,000		\$24,000



CAPITAL PLAN FY 2012 –2016 (CONTINUED)

DEPARTMENT	PROGRAM	EXPENDITURE	FISCAL YEAR					Grand Total
			2012	2013	2014	2015	2016	
PUBLIC WORKS HIGHWAY DIVISION	INFRASTRUCTURE IMPROVEMENT	Replace Retaining Wall - Westminster Ave					\$99,000	\$99,000
	ROADS AND PATHS INFRASTRUCTURE	Chapter 90 Roadway	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
		Install Sidewalk Ramps	\$190,000	\$190,000	\$190,000	\$190,000	\$65,000	\$825,000
		Roadway Reconstruction	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,670,000
		Sidewalks and Curbstones	\$5,000	\$50,000	\$70,000	\$75,000	\$50,000	\$250,000
	VEHICLE REPLACEMENT	2 Pickups 4WD w/ plow				\$114,000		\$114,000
		33,000 gvw dump truck		\$85,000				\$85,000
		4WD Truck w/Sander				\$109,000		\$109,000
		Compressor Truck			\$20,000			\$20,000
		Loader					\$160,000	\$160,000
		Pickups 4WD w/ plow		\$58,000				\$58,000
		Street Sweeper				\$170,000		\$170,000
	Truck w/welder unit, 350 amp			\$90,000			\$90,000	
	PUBLIC WORKS HIGHWAY DIVISION Total			\$1,032,000	\$1,262,000	\$1,237,000	\$1,537,000	\$1,486,000
PUBLIC WORKS NATURAL RESOURCES DIVISION	EQUIPMENT REPLACEMENT	Mini-Loader (Skid-Steer) w/Sidewalk Plow & Snow Blower					\$70,000	\$70,000
		Small Equipment			\$6,000		\$6,000	\$12,000
	VEHICLE REPLACEMENT	1 Ton Dump Truck w/plow	\$63,000		\$65,000			\$128,000
		1 Ton Utility Truck				\$68,000	\$68,000	\$136,000
		Landscaping Multi-Purpose Tractor, 4wd		\$50,000				\$50,000
		Pickup			\$47,000			\$47,000
PUBLIC WORKS NATURAL RESOURCES DIVISION Total			\$63,000	\$50,000	\$118,000	\$68,000	\$144,000	\$443,000
PUBLIC WORKS PROPERTIES DIVISION	INFRASTRUCTURE IMPROVEMENT	DPW Yard Bldg C Replace Spanish Tile Roof					\$396,000	\$396,000
		High School Parking lot culvert		\$225,000	\$225,000			\$450,000
		Spy Pond Field Bleachers & Stairs	\$75,000					\$75,000
		Town Hall Renovation Program					\$100,000	\$100,000



CAPITAL PLAN FY 2012 –2016 (CONTINUED)

DEPARTMENT	PROGRAM	EXPENDITURE	FISCAL YEAR					Grand Total
			2012	2013	2014	2015	2016	
PUBLIC WORKS PROPERTIES DIVISION	PUBLIC BUILDING MAINTENANCE	Buildings Rehab consultant Services			\$18,000		\$18,000	\$36,000
		Fox Library Windows			\$5,000			\$5,000
	VEHICLE RE-	Van				\$28,000		\$28,000
PUBLIC WORKS PROPER-			\$75,000	\$225,000	\$248,000	\$28,000	\$514,000	\$1,090,000
PUBLIC WORKS WATER/SEWER DIVISION	EQUIPMENT REPLACEMENT	8-ton truck, flat bed for Generator Mount					\$78,000	\$78,000
		Drainage Rehab-Regulatory Compliance (Ch-308)		\$100,000	\$100,000	\$150,000	\$150,000	\$500,000
		Small Equipment	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
	INFRASTRUCTURE IMPROVEMENT	Hydrant replacement program	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
		Lift Station upgrade	\$50,000	\$100,000	\$50,000			\$200,000
		Sewer System Rehabilitation	\$1,500,000	\$1,200,000	\$1,400,000	\$1,300,000	\$850,000	\$6,250,000
		Water System Rehabilitation	\$700,000	\$950,000	\$750,000	\$850,000	\$1,300,000	\$4,550,000
	VEHICLE RE-	Catch Basin Cleaner			\$295,000			\$295,000
		FlatBed 8-ton Truck - Generator Mount					\$78,000	\$78,000
		Pickup		\$51,000				\$51,000
		Utility Truck	\$75,000					\$75,000
PUBLIC WORKS WATER/			\$2,430,000	\$2,506,000	\$2,700,000	\$2,405,000	\$2,561,000	\$12,602,000
RECREATION	PARKS & PLAY-	Florence Ave Tot Lot		\$435,750				\$435,750
		Florence Field and Playground				\$210,000		\$210,000
		Hibbert		\$288,750				\$288,750
		Magnolia Field Basketball Court Renovation					\$75,000	\$75,000
		North Union					\$236,250	\$236,250
		Robbins Farm					\$483,000	\$483,000
		Robbins Farm Giant Hill Slide		\$25,000				\$25,000
		Spy Pond Tennis Courts				\$446,250		\$446,250
		Thorndike Field Dog Park	\$25,000					\$25,000
		Wellington Playground					\$427,624	\$427,624
RECREATION Total			\$25,000	\$749,500	\$656,250	\$1,221,874	\$2,652,624	



CAPITAL PLAN FY 2012 –2016 (CONTINUED)

DEPARTMENT	PROGRAM	EXPENDITURE	FISCAL YEAR					Grand Total
			2012	2013	2014	2015	2016	
REDEVELOPMENT BOARD	DEPARTMENTAL PROJECT	BOS - Crosby Oil Tank Removal					\$15,000	\$15,000
	EQUIPMENT REPLACEMENT	ARB - Central Boiler		\$40,000				\$40,000
	INFRASTRUCTURE IMPROVEMENT	ARB - 23 Maple Roof/Gutter Downspout/ chimney				\$40,000		\$40,000
		ARB - 23 Maple Street Exterior Chimney/	\$55,000					\$55,000
		ARB - 23 Maple Street Exterior, repair paved			\$3,000			\$3,000
		ARB - 23 Maple Street Interior baths, halls,		\$30,000				\$30,000
		ARB - 23 Maple Street Mechanical/Electrica/			\$10,000			\$10,000
		ARB - 23 Maple Street remove oil tank					\$15,000	\$15,000
		ARB - Central Exterior driveway/walkway, stairs		\$10,000				\$10,000
		ARB - Central Exterior Trim/Brick/Stone/			\$20,000		\$20,000	\$40,000
		ARB - Central Interior baths, halls, lobby			\$15,000			\$15,000
		ARB - Central Library Interior baths, halls, lobby	\$15,000					\$15,000
		ARB - Central Library Mechanical/Electrica/		\$5,000	\$25,000			\$30,000
		ARB - Central Mechanical/Electrica/Plumbing/				\$55,000		\$55,000
		ARB - Central Oil Tank De-commissioning					\$15,000	\$15,000
		ARB - Jefferson Cutter Exterior	\$15,000					\$15,000
		ARB - Jefferson Cutter Exterior Chimney/Trim/	\$3,000	\$9,000		\$10,000		\$22,000
		ARB - Jefferson Cutter Interior baths, halls, stair-			\$15,000			\$15,000
		ARB - Jefferson Cutter Mechanical/Electrica/	\$10,000					\$10,000
		ARB - Jefferson Cutter/Gutter Downspout/					\$15,000	\$15,000
BOS - Crosby Bldg Exterior driveway/walkway,					\$10,000	\$10,000		



CAPITAL PLAN FY 2012 –2016 (CONTINUED)

DEPARTMENT	PROGRAM	EXPENDITURE	FISCAL YEAR					Grand Total
			2012	2013	2014	2015	2016	
REDEVELOPMENT BOARD		BOS - Crosby School Downspouts, gutters,					\$195,000	\$195,000
		BOS - Parmenter Boiler		\$50,000				\$50,000
		BOS - Parmenter Oil Tank Removal				\$15,000		\$15,000
		MGR - Gibbs downspouts, gutters, roof		\$65,000				\$65,000
		MGR - Gibbs oil tank removal					\$20,000	\$20,000
REDEVELOPMENT BOARD Total			\$98,000	\$209,000	\$88,000	\$120,000	\$305,000	\$820,000
SCHOOLS	EQUIPMENT RE-PLACEMENT	AHS Auditorium chairs			\$50,000			\$50,000
		Custodial/maint. Equip. replacement program				\$5,000		\$5,000
		Replace Fire Control Inst. Alarm Panels HS			\$20,000			\$20,000
		Replace Fire Control Inst. Alarm Panels Otto-	\$45,000					\$45,000
	INFRASTRUCTURE IMPROVEMENT	AHS auditorium Building B steps		\$40,000				\$40,000
		Rooftop air conditioning unit			\$80,000			\$80,000
	MAJOR REPAIRS	Asbestos Abatement - Remove Tiles			\$5,000	\$5,000	\$5,000	\$15,000
		High School - HVAC steam trap replacement	\$30,000			\$10,000		\$40,000
	PHOTOCOPIER PROGRAM	Photocopier Lease Program	\$80,000	\$80,000				\$160,000
	PUBLIC BUILDING MAINTENANCE	Brackett School - exterior paving					\$40,000	\$40,000
		High School - exterior painting	\$20,000					\$20,000
		High School -Replace heating and ventilation	\$20,000	\$20,000	\$10,000			\$50,000
		High School -Replace ventilating rooftop units	\$6,000	\$6,000	\$6,000			\$18,000
		Stratton School Improvements		\$200,000				\$200,000
		Thompson School Improvements	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$600,000



CAPITAL PLAN FY 2012 –2016 (CONTINUED)

DEPARTMENT	PROGRAM	EXPENDITURE	FISCAL YEAR					Grand Total
			2012	2013	2014	2015	2016	
SCHOOLS	STUDENT TRANS-PORTATION	Athletics Van - 8 passenger				\$35,000		\$35,000
		Bus 09 - 8 Passenger 7-D suburban					\$40,000	\$40,000
		Bus - 53 Passenger			\$85,000			\$85,000
		Bus 105 - 8 7-D suburban			\$39,000			\$39,000
		Van 110 - 8 passenger 7-D minivan				\$25,000		\$25,000
SCHOOLS Total			\$321,000	\$466,000	\$415,000	\$200,000	\$205,000	\$1,607,000
TOWN MANAGER	EQUIPMENT RE-PLACEMENT	AHS maintenance of steam traps	\$12,780					\$12,780
		Hardy School replacement head end - energy mgmt system	\$19,825					\$19,825
		Streetlights - conversion high pressure sodium to LED	\$268,500					\$268,500
	PHOTOCOPIER PROGRAM	Photocopier		\$5,000	\$5,000	\$5,000	\$3,000	\$18,000
TOWN MANAGER Total			\$301,105	\$5,000	\$5,000	\$5,000	\$3,000	\$319,105
TREASURER	PHOTOCOPIER PROGRAM	Photocopier		\$5,300	\$1,400			\$6,700
TREASURER Total				\$5,300	\$1,400			\$6,700
VETERANS' MEMORIAL RINK ENTERPRISE FUND	INFRASTRUCTURE IMPROVEMENT	Rink Renovations: Electrical/ Lighting					\$110,000	\$110,000
		Rink Renovations: Roof/ceiling/dehumidification		\$280,000				\$280,000
		Rink Renovations: Zamboni room/Locker rooms				\$265,000		\$265,000
VETERANS' MEMORIAL RINK ENTERPRISE FUND Total				\$280,000		\$265,000	\$110,000	\$655,000
Grand Total			\$5,377,035	\$8,983,750	\$6,417,400	\$11,477,650	\$11,546,124	\$43,801,959



CAPITAL PLAN FY2012 –2016 (CONTINUED)

Sum of AMOUNT	FISCAL YEAR					
FUNDING SOURCE	2012	2013	2014	2015	2016	Grand Total
BOND	\$1,249,530	\$5,055,600	\$1,963,900	\$7,567,350	\$6,958,624	\$22,795,004
CASH	\$618,400	\$703,150	\$630,500	\$670,300	\$789,500	\$3,411,850
OTHER	\$3,509,105	\$3,225,000	\$3,823,000	\$3,240,000	\$3,798,000	\$17,595,105
Grand Total	\$5,377,035	\$8,983,750	\$6,417,400	\$11,477,650	\$11,546,124	\$43,801,959



SECTION VII

NON-APPROPRIATED EXPENSES

NON-APPROPRIATED EXPENSES



STATE ASSESSMENTS • CHERRY SHEET OFFSETS •
TAX ABATEMENT OVERLAY • COURT JUDGMENTS AND
DEFICITS



NON-APPROPRIATED EXPENSES

This category includes mandated assessments and expenditures, which are automatically added to the tax rate without appropriation. Overall, non-appropriated expenses are anticipated to increase \$268,627 (6.9%) for FY2012. The total projected State Assessments for FY2012 is \$2,714,259, an increase of \$49,470 from FY2011. The MBTA accounts for \$2,515,239 of this total. The remaining Non-Appropriated expenses include Cherry Sheet Offsets, Court Judgments and Deficits, and Tax Abatement Overlay. These items total \$1,446,485, which is an increase of \$219,157 from FY2011.

Non-Appropriated Expenses	FY2010 Actual	FY2011 Budget	FY2012 Budget	Budget Change
State Assessments				
MBTA	2,527,845	2,509,188	2,515,239	6,051
RMV Non-Renewal Surcharge	43,800	62,900	52,060	(10,840)
Retired Employees Health Insurance	1,588	-	-	-
Air Pollution Districts	12,586	12,832	13,415	583
Metropolitan Area Planning Council (MAPC)	12,210	12,359	12,695	336
Special Education	1,908	-	-	-
Charter School tuition	40,575	67,510	120,850	53,340
State Assessments Sub-total	2,640,512	2,664,789	2,714,259	49,470
Cherry Sheet Offsets	61,490	58,547	62,085	3,538
Tax Abatement Overlay	1,153,427	670,331	600,000	(70,331)
Court Judgments & Deficits	1,470,773	498,450	784,400	285,950
Total	5,326,202	3,892,117	4,160,744	268,627

**MBTA**

The MBTA is composed of 175 communities: the 14 original member communities of the Metropolitan Transit Authority (MTA), and 161 additional communities, which are receiving direct MBTA service. Chapter 161A of the Acts of 2000 increased the number of communities that constitute the MBTA from 78 to 175. The additional 97 communities have been receiving MBTA service; however, the original authorizing language made no provision for these communities to be assessed. The Authority is required to assess each community's share of the overall Authority's assessments. All communities associated with the Authority must contribute to the MBTA State and Local Assistance Fund an amount not less than \$136,026,868. After FY2006, this amount will be adjusted each July 1 by the rate of inflation, but not more than 102.5% of the previous year's assessment. Each community's MBTA assessment shall equal its weighted share of the total population of the authority. Chapter 161A, Section 9 has determined the weights for each community. The population figures utilized in this calculation should be the most recent from the United States Census Bureau.

As of July 1, 2000, total assessments for the MBTA's net cost of service was frozen at the FY2000 level for the original 78 communities of the authority. Section 288 of Chapter 127 of the Acts of 1999 requires that in FY2002, each community assessed in FY2000 shall have its assessment reduced by one-fifth of the difference between its FY2000 assessment level and the level calculated according to Section 9 of chapter 161A. This resulted in decreases in the assessments for the original MBTA communities from FY2002 through FY2006. The total annual MBTA assessments after FY2006 are adjusted each July 1st by the growth rate of the inflation index over the preceding 12 months. However, said assessments cannot increase by more than 2½ percent of the prior year's actual assessment unless new or expanded service has been documented. In FY2012, Arlington's assessment is anticipated to increase slightly to a total of \$2,515,239.

PARKING FINE REGISTRY SURCHARGE

If after proper notices, a motorist fails to pay a parking fine, motor vehicle excise tax, or a charge for abandonment of a motor vehicle, the Town notifies the Registry of Motor Vehicles (RMV) not to renew the license and registration of that motorist. To cover the RMV's administrative costs of entering the necessary information into its computer system, the RMV assesses the Town a fee of \$20 for each notification it receives. This fee, which comes through as a charge on the Cherry Sheet, is recovered by the Town by adding this amount and other penalties to the original fine amount. The FY2012 surcharge assessment is estimated at \$52,060, a decrease of \$10,840.

HEALTH INSURANCE – RETIREES

General Laws Chapter 32A, Section 10B, requires communities to reimburse the State for the costs of providing a health insurance plan for governmental retirees who were pensioned prior to the implementation of Chapter 32B by their local governmental unit. Chapter 32B enabled municipalities to establish a mechanism for group insurance for retirees. Each participating municipality is assessed for the governmental share of health insurance premiums paid on behalf of its retirees by the State. The State pays 90% of the total premium and the retiree's co-payment is 10% of the total premium. A proportionate share of administrative expenses is also assessed to each municipality. The assessment in FY2010 was only \$1,588. No assessment is projected for FY2012.

AIR POLLUTION CONTROL DISTRICT

General Laws Chapter 11, Section 142B, requires that communities be assessed for a portion of the costs incurred by the State Department of Environmental Protection (DEP) to monitor air pollution levels and enforce air quality standards at industrial, commercial, and institutional facilities. Expenditures made for such purposes are assessed against the metropolitan communities, one-half in proportion to the EQV's and one-half by the population of each community. Costs for FY2012 are estimated at \$13,415, an increase of \$583.

(Continued on page 3)



METROPOLITAN AREA PLANNING COUNCIL

The basic purpose of the Council is to coordinate and assist communities in their planning efforts, particularly for those activities or projects that may have a regional impact. The per capita assessment for FY2012 is estimated at \$12,695, an increase of \$336 over FY2011.

SPECIAL EDUCATION

This assessment is a reimbursement to the State for providing special needs education to children enrolled in State hospital schools. The cost that each municipality is charged is the average per pupil cost of education within the school district, multiplied by the Full Time Equivalent of resident pupils served by the State. FY2011 charges are for pupils served in the 2009- 2010 school year. The Department of Education determines a per-pupil cost for each school system based on enrollments and costs in the prior school year. In FY2010 the State assessed a cost of \$1,908. The State is projecting no assessment for FY2012.

CHARTER SCHOOL TUITION

The purpose of this program is to assess the sending municipality or regional school district for pupils attending charter schools. Charter school tuition charges are assessed against the sending district and paid to the charter school district. Charter Schools receive per-pupil payments from sending districts equal to the average cost per student in that district, plus a capital funding share equal to the state average of what districts pay per pupil in principal and interest for land and buildings. Cherry Sheet assessments for the upcoming fiscal year are based on pre-enrollment data from October of the current fiscal year. Final assessments are based upon March 15 figures. The tuition assessment for FY2012 is estimated on the preliminary Cherry Sheet at \$120,850 an increase of \$53,340 over FY2010.

CHERRY SHEET OFFSETS

Included in the estimated amount of aid to be received from the state are grant funds for the Schools and Libraries. These funds are reserved for direct expenditure by the departments and cannot be counted as general available revenues. Consequently, as part of the tax rate preparation process, whatever amount is included within the State aid estimate is also included in the non-appropriated expenses section as offsetting debits.

The Town receives two such grants annually – one for school lunch, and one for public libraries.

The school lunch grant is actually a partial reimbursement for operating a school lunch program. This is expected to be funded at \$19,545.

The library grant actually includes three grant programs more fully described in the revenue section of this budget under Cherry Sheet Offsets. It is projected to increase slightly to a total of \$42,540.

(Continued on page 4)



TAX ABATEMENT OVERLAY

State law requires that the Assessors put aside funds from each tax levy in a reserve that is called an Overlay. This account is established in anticipation that a certain percentage of the tax levy may end up being abated. Individual tax abatements are paid out of this fund. The final amount of the overlay account is determined by the Assessors and added to the tax rate without appropriation, and is usually set at anywhere from 1% to 2.5% of the tax levy. In revaluation years, which occur every three years, the overlay account is usually set at a higher amount in anticipation of an increased number of abatements. In other years, the overlay is set closer to \$600,000. For FY2012, the overlay is set at \$600,000. Any surplus left in an overlay account is appropriated by Town Meeting in much the same manner as free cash. Below is a chart showing the disposition of Overlay funds for the last three years, showing a total remaining balance of approximately \$320,000. Prior to FY2008, the reserve balance from all prior fiscal years is \$122,439. Adding all these balances amounts to just over \$442,000. From these reserve balances, \$200,000 is proposed to be declared surplus and be used in FY2012.

	Tax Abatement Overlay Funds		
	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>
Overlay Amount	\$651,772	\$566,909	\$1,153,427
Abatements & Exemptions To-Date	(\$500,217)	(\$502,715)	(\$483,555)
Declared Surplus To General Fund	<u>(\$65,401)</u>	<u>\$0</u>	<u>(\$500,000)</u>
Available Balance	\$86,154	\$64,194	\$169,872

COURT JUDGMENTS, DEFICITS, AND OTHER

State law provides that if the Town receives a court judgment requiring the payment of funds, the Treasurer, with the Director of Account's approval, may pay the award from the treasury without appropriation. The amount must then be added to the tax rate for the following year unless a subsequent appropriation is made to cover the deficit prior to setting the next year's tax rate.

From time to time, there are other non-appropriated expenses which have to be added to the tax rate. Any deficits in revenue, overlay, pensions, or debt and interest accounts, along with tax title amounts, and snow and ice budgets, must be added to the following year's tax rate.

In FY2011, the total of these items was \$498,450. For FY2012, an allowance of \$784,400 has been made for any such judgments or deficits, in anticipation of a larger snow and ice budget deficit from FY2011.