

TOWN OF ARLINGTON

Fiscal Year 2011 Financial Plan



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Town Manager



TOWN OF ARLINGTON
FINANCIAL PLAN FISCAL YEAR 2011
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Fiscal Year 2011 Financial Plan Budget Message

April 2, 2010

To: The Honorable Board of Selectmen and Finance Committee

I hereby transmit to you the recommended FY2011 operating and capital budgets and the FY2011-2015 capital plan. The budget as proposed totals \$114,300,653, which is an increase of \$541,485 (0.5%) from the current budget. A summary showing a comparison of the FY2010 and FY2011 revenues and expenses is shown on page 2.

FY2010, the current fiscal year, is the last year of the five year plan that incorporated the Proposition 2 ½ override of 2005, which was designed to carry the Town's budgets through FY2010. The key commitments of the five year plan were as follows:

- 1) *Override funds will be made to last at least five years (FY2006-FY2010). No general override will be sought during this period.*
- 2) *Healthcare and pension costs will be limited to increases of no more than 7% and 4% respectively.*
- 3) *Town and school operating budgets will be limited to increases of no more than 4%. Should healthcare costs exceed the 7% limitation, operating budget increases shall be reduced below 4% accordingly.*
- 4) *Reserves shall be maintained in an amount equivalent to at least 5% of the budget.*

Commitments to the plan were fulfilled and the plan worked as designed. In fact, despite the economic crisis and cuts in state aid, the FY2010 budget was fully funded in accordance with the plan, and there was still more than \$1.5 million left in the override stabilization fund to apply to the sixth year, FY2011.

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, and is expected to be cut again in FY2011.

It is still early in the budget process and much can change over the next few months. The House Ways & Means Committee is due to come out with its recommendations for local aid on April 15. Communities have been told to expect a cut of 4% in Chapter 70 and Unrestricted General Government Aid.



Overall Budget Summary

	FY2010	FY2011	Change	
			\$	%
Revenue				
Property Tax	\$ 83,471,036	\$ 85,826,180	\$ 2,355,144	2.8%
Local Receipts	\$ 8,026,872	\$ 8,860,000	\$ 833,128	10.4%
State Aid	\$ 14,240,565	\$ 13,701,410	\$ (539,155)	-3.8%
School Construction Aid	\$ 2,531,085	\$ 2,531,085	\$ -	0.0%
IDEA Funds	\$ 749,327	\$ 719,928	\$ (29,399)	-3.9%
Free Cash	\$ 1,497,907	\$ 582,050	\$ (915,857)	-61.1%
Other Funds	\$ 3,242,376	\$ 2,080,000	\$ (1,162,376)	-35.8%
TOTAL REVENUES	\$ 113,759,168	\$ 114,300,653	\$ 541,485	0.5%
Expenditures				
Municipal Departments	\$ 27,924,820	\$ 27,765,818	\$ (159,002)	-0.6%
School Department (includes IDEA funds above)	\$ 38,455,380	\$ 39,306,114	\$ 850,734	2.2%
Minuteman School	\$ 3,090,368	\$ 2,739,795	\$ (350,573)	-11.3%
Non-Departmental (Healthcare & Pensions)	\$ 24,615,007	\$ 26,320,673	\$ 1,705,666	6.9%
Capital	\$ 8,107,764	\$ 7,967,673	\$ (140,091)	-1.7%
MWRA Debt Shift	\$ 5,593,112	\$ 5,593,112	\$ -	0.0%
Warrant Articles	\$ 646,515	\$ 584,144	\$ (62,371)	-9.6%
TOTAL EXPENDITURES	\$ 108,432,966	\$ 110,277,329	\$ 1,844,363	1.7%
Non-Appropriated Expenses	\$ 5,326,202	\$ 4,023,324	\$ (1,302,878)	-24.5%
Surplus/(Deficit)	\$ -	\$ -	\$ -	0.0%



Municipal Departmental Budgets

As the budget process started out, it appeared that Town and School budgets would have to be decreased by 2.5% from the current year. Through various increases in revenues and decreases in some fixed costs, there is now a net revenue increase of \$691,732 available for Town and School operating budgets which allows for a 1% increase. Given the special education cost pressures on the school budget and some state and federal grant/reimbursement reductions, I have recommended moving \$450,000 from the Town budget to the School budget. This results in a School budget increase of \$850,734 (2.2%) and Town budget decrease of \$159,002 (-0.6%).

Due to various fixed cost increases in the Town budgets, the discretionary cuts amount to over \$500,000. 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. As an example, Arlington is already the lowest staffed police department on a per capita basis in the metropolitan area. That combined with growing gang violence, increases in the volume and lethality of domestic violence cases, the frequency and complexity of identify theft investigations, and other crime and disorder threatening to spill over to Arlington, is a serious concern. 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. The personnel chart on the next page 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 - \$60,000
Cut 1 patrolman

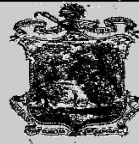
Fire - \$55,000
Cut 1 firefighter

Public Works - \$84,182
Cut 1 position in Natural Resources, and will likely end up cutting 2 more in Highway

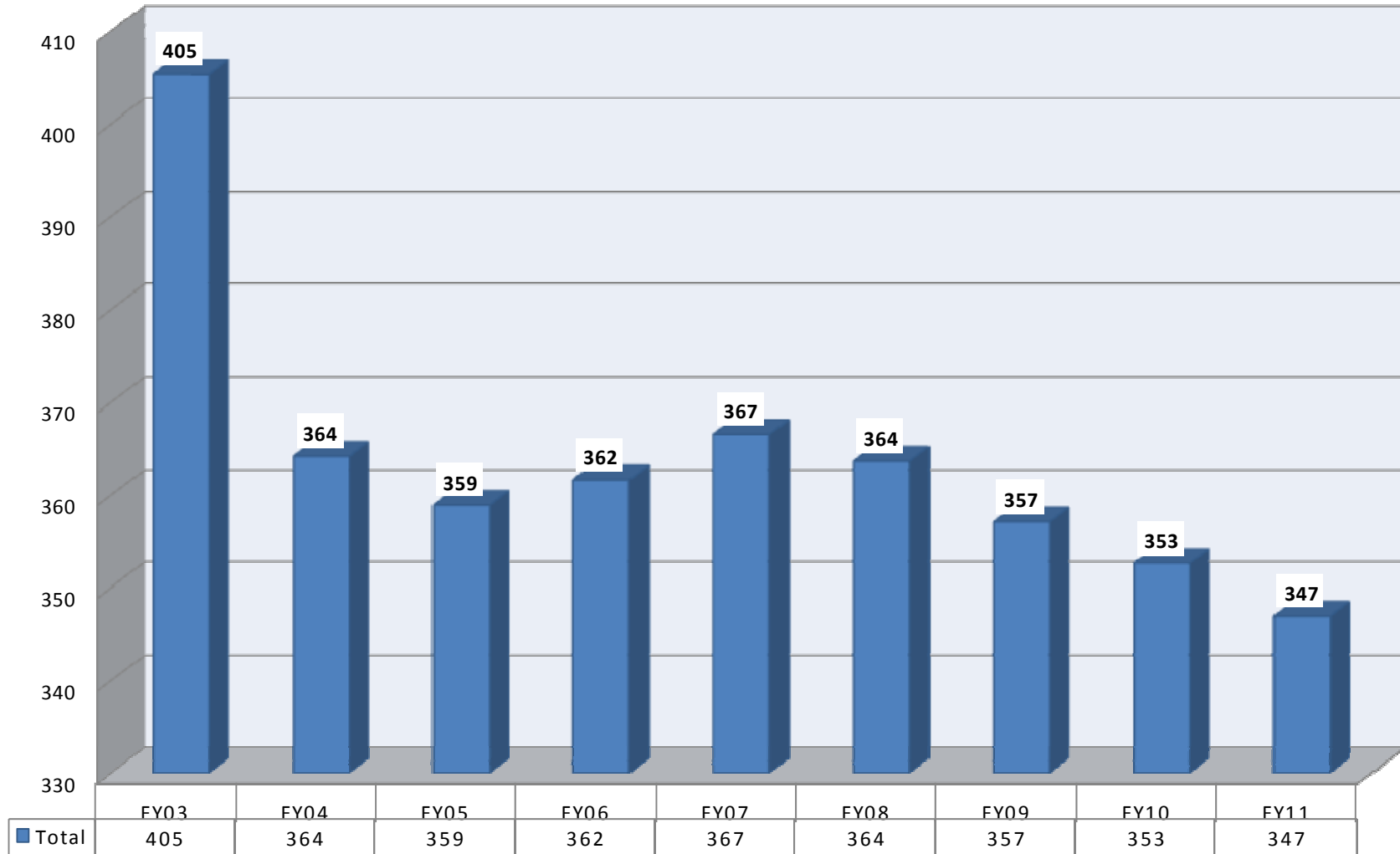
Library - \$25,817
Combined Assistant Director and Branch Librarian positions
Reduced hours at Fox Library

Youth Services - \$103,594
Cut Town Subsidy in half leaving only the minimum staffing required to retain counseling license. Goal is to rebuild program on a more self-sustaining basis.

Planning & Redevelopment - \$88,071
Reduced hours of Assistant Planning Director and will require Gibbs tenants to pay energy costs directly into a revolving fund.



Town Personnel Trends FY 2003 - FY2011 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 8% above the FY2002 level while Arlington is still 16% 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 last 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 0.75 and 1.1 respectively. Arlington's is a negative 0.67 and third 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 20.5%, 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 at or below the average of the 20 comparable communities. In fact, the Town ranks 13th 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 10% below the state-wide average (see Tables 9-11). 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 \$3.3 million reduction in state aid, left the Town in 2005 with only two choices—significant budget cuts with the resulting service reductions or the first Proposition 2 ½ general override since 1991.



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 '08-'10
1 NATICK	2.71%
2 LEXINGTON	2.64%
3 NEEDHAM	2.46%
4 NORWOOD	2.25%
5 WELLESLEY	1.87%
6 WOBURN	1.82%
7 SALEM	1.81%
8 MEDFORD	1.61%
9 BROOKLINE	1.53%
10 CHELMSFORD	1.52%
11 MELROSE	1.40%
12 RANDOLPH	1.35%
13 BELMONT	1.34%
14 READING	1.24%
15 WATERTOWN	1.16%
16 WEYMOUTH	1.09%
17 STONEHAM	1.08%
18 MILTON	1.07%
19 WINCHESTER	0.97%
20 ARLINGTON	0.93%
Ave w/o Arlington	1.63%
Arlington	0.93%
State-wide Ave	1.49%

Table 4	
Municipality	FY2010 Municipal Revenue Growth Factor
1 LEXINGTON	4.59
2 WELLESLEY	3.81
3 NEEDHAM	2.89
4 WINCHESTER	2.14
5 CHELMSFORD	1.88
6 WATERTOWN	1.86
7 BROOKLINE	1.75
8 WOBURN	1.13
9 STONEHAM	1.09
10 READING	0.98
11 MILTON	0.86
12 BELMONT	0.72
13 SALEM	0.54
14 RANDOLPH	0.18
15 NORWOOD	-0.18
16 NATICK	-0.38
17 MEDFORD	-0.66
18 ARLINGTON	-0.67
19 WEYMOUTH	-1.09
20 MELROSE	-1.34
Ave w/o Arlington	1.1
Arlington	-0.67
State-Wide Ave	0.75



Table 5	
Municipality	FY2009 Commercial/Industrial % of Total Value
1 WOBURN	51.06
2 NORWOOD	44.44
3 WATERTOWN	32.73
4 SALEM	27.72
5 WEYMOUTH	23.91
6 NATICK	22.71
7 RANDOLPH	22.26
8 MEDFORD	22.23
9 NEEDHAM	22.15
10 LEXINGTON	22.06
11 CHELMSFORD	19.49
12 STONEHAM	17.39
13 BROOKLINE	15.96
14 WELLESLEY	12.68
15 READING	8.56
16 MELROSE	8.49
17 ARLINGTON	6.02
18 BELMONT	5.79
19 MILTON	5.43
20 WINCHESTER	5.23
Ave w/o Arlington	20.5
Arlington	6.0

Table 6	
Municipality	FY2009 Taxes Per Cap
1 LEXINGTON	3843
2 WELLESLEY	3275
3 NEEDHAM	2869
4 WINCHESTER	2848
5 BELMONT	2684
6 BROOKLINE	2683
7 WATERTOWN	2291
8 CHELMSFORD	2183
9 WOBURN	2132
10 MILTON	2087
11 NATICK	2074
12 READING	2055
13 ARLINGTON	1975
14 STONEHAM	1724
15 NORWOOD	1714
16 SALEM	1626
17 MELROSE	1571
18 WEYMOUTH	1492
19 RANDOLPH	1413
20 MEDFORD	1371
Ave w/o Arlington	2,207
Arlington	1,975

Table 7	
Municipality	FY2009 Taxes Per Household As a % of 1999 Household Income
1 WELLESLEY	9.4%
2 NEEDHAM	7.8%
3 LEXINGTON	7.5%
4 READING	7.2%
5 WINCHESTER	7.2%
6 MILTON	7.2%
7 CHELMSFORD	6.9%
8 BELMONT	6.7%
9 BROOKLINE	6.4%
10 NATICK	6.3%
11 ARLINGTON	6.2%
12 MELROSE	6.2%
13 STONEHAM	5.9%
14 WATERTOWN	5.6%
15 MEDFORD	5.6%
16 WOBURN	5.3%
17 RANDOLPH	5.2%
18 WEYMOUTH	4.9%
19 SALEM	4.8%
20 NORWOOD	4.0%
Ave w/o Arlington	6.3%
Arlington	6.22%

Table 8	
Municipality	FY2008 Gen Gov Expenditures Per Cap
1 WINCHESTER	371
2 NATICK	194
3 LEXINGTON	167
4 BROOKLINE	165
5 NEEDHAM	165
6 BELMONT	162
7 NORWOOD	146
8 WELLESLEY	138
9 WATERTOWN	120
10 READING	115
11 ARLINGTON	111
12 CHELMSFORD	108
13 SALEM	100
14 MELROSE	93
15 WOBURN	87
16 RANDOLPH	87
17 STONEHAM	85
18 WEYMOUTH	81
19 MILTON	78
20 MEDFORD	63
Ave w/o Arlington	127
Arlington	111
State-wide Ave	137



Table 9	
Municipality	FY2008 Public Safety Exp Per Cap
1 WOBURN	641
2 WEYMOUTH	611
3 NORWOOD	593
4 BROOKLINE	475
5 WATERTOWN	442
6 NEEDHAM	400
7 MEDFORD	396
8 BELMONT	379
9 SALEM	374
10 WELLESLEY	346
11 LEXINGTON	342
12 WINCHESTER	341
13 NATICK	331
14 MILTON	304
15 MELROSE	293
16 ARLINGTON	292
17 READING	276
18 CHELMSFORD	264
19 STONEHAM	208
20 RANDOLPH	158
Ave w/o Arlington	378
Arlington	292
State-wide Ave	388

Table 10	
Municipality	FY2008 Public Works Exp Per Cap
1 NORWOOD	695
2 WINCHESTER	269
3 RANDOLPH	261
4 WATERTOWN	252
5 WELLESLEY	245
6 LEXINGTON	242
7 WOBURN	229
8 READING	219
9 BELMONT	211
10 BROOKLINE	188
11 WEYMOUTH	174
12 CHELMSFORD	172
13 MILTON	167
14 ARLINGTON	162
15 NATICK	159
16 NEEDHAM	156
17 MEDFORD	153
18 STONEHAM	145
19 MELROSE	144
20 SALEM	84
Ave w/o Arlington	219
Arlington	162
State-wide Ave	166

Table 11	
Municipality	FY2009 School Per Pupil Exp
1 BROOKLINE	16,847
2 WATERTOWN	16,277
3 LEXINGTON	15,368
4 SALEM	14,469
5 WELLESLEY	14,330
6 RANDOLPH	14,286
7 WOBURN	13,909
8 MEDFORD	13,269
9 NORWOOD	12,993
10 NEEDHAM	12,955
11 NATICK	12,926
12 WEYMOUTH*	12,034
13 ARLINGTON	11,813
14 BELMONT	11,653
15 MILTON	11,473
16 STONEHAM	11,400
17 WINCHESTER	11,259
18 READING	10,742
19 MELROSE	10,288
20 CHELMSFORD	10,221
Ave w/o Arlington	12,435
Arlington	11,813
State-wide Ave	13,060

Table 12	
Municipality	FY2008 Total Exp Per Cap
1 LEXINGTON	3,506
2 NORWOOD	3,501
3 WELLESLEY	3,496
4 WINCHESTER	3,291
5 NEEDHAM	3,268
6 BROOKLINE	3,240
7 READING	3,206
8 NATICK	3,054
9 CHELMSFORD	2,782
10 WATERTOWN	2,713
11 BELMONT	2,713
12 WOBURN	2,711
13 MILTON	2,638
14 SALEM	2,564
15 STONEHAM	2,450
16 ARLINGTON	2,426
17 RANDOLPH	2,397
18 WEYMOUTH	2,137
19 MELROSE	2,079
20 MEDFORD	1,922
Ave w/o Arlington	2,826
Arlington	2,426
State-wide Ave	2,678

*2008 Data used for Weymouth,



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.

Currently we are in discussions with the Towns of Belmont and Lexington about combining the health departments of the three communities. The Metropolitan Area Planning Council (MAPC) is providing technical assistance to determine what, if any, benefits can be derived and what implementation steps are necessary. The Town has also been evaluating the current service delivery methods for various services to determine the most cost effective way to deliver the services. Last year cemetery grounds maintenance was contracted out after such an evaluation. Other areas currently being evaluated include maintenance of Town and school grounds.

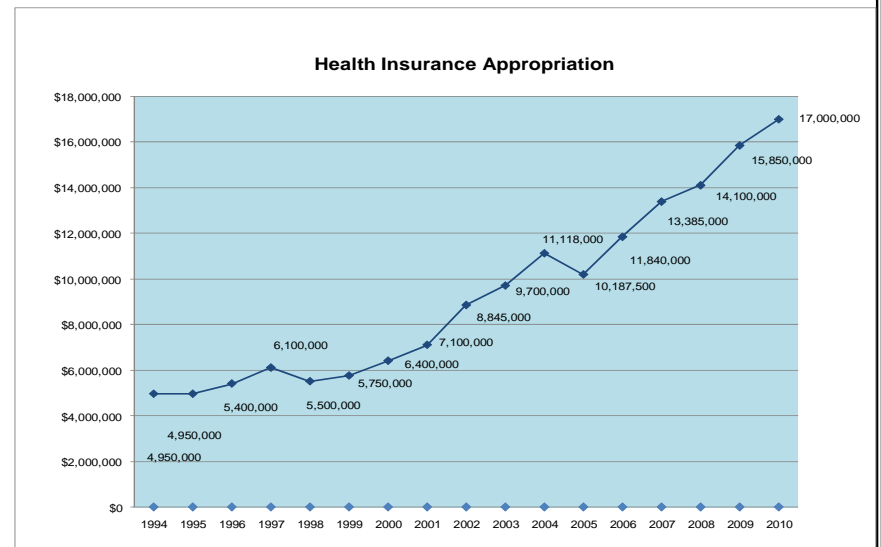
The Town has also joined a consortium of six other communities, under the auspices of the International City Manager's Association (ICMA), to gather and compare performance data for various services. It is helpful to not only measure and compare performance data with comparable communities, but to compare 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. This certainly is not unique to Arlington, as any organization worldwide that does not keep up with productivity enhancements to be gained through the effective use of technology will not be able to compete. One area in which the Town is behind the curve is Geographic Information Systems (GIS). Nearly every department and service involves geographic information. This is clearly an opportunity to enhance productivity with technology. Funding has been included to begin the implementation of GIS.

Healthcare

For more than a year the Town has been negotiating with the employee unions, through a coalition bargaining process, to implement some controls over healthcare costs without significantly impacting the quality of the healthcare programs. After exploring all options, it was determined that the only option that retained quality healthcare while at the same time offering substantial savings for the Town and employees was to join the State's healthcare plan, known as the GIC. The first year net savings were over \$3.5 million even after the GIC rate increase for July 1. The Town would have realized significant savings that would have gone to retain the jobs (and healthcare) of many employees who would otherwise be laid off. This was truly a win-win situation for everyone.

The Town and leadership of the unions agreed to a deal which the unions agreed to bring back to their memberships for a ratification vote. Unfortunately for all parties, the leadership of the Teachers union called five days later to say





that they had changed their minds and would not bring the issue to their membership for a vote. Because the teachers control 50% of the weighted vote, they alone can and did block the deal. This action sealed the fate of a number of employees whose jobs could have been saved. Not only that, with health-care costs going up over \$1.3 million, there is no money for any salary increases. All compensation increases are going to healthcare benefit cost increases.

Collective Bargaining

The Police Ranking officers recently settled their contract for FY2009. They were the last group to settle for FY2009. They settled for the same wage increase agreed to by all other groups. Both the Ranking Police Officers and Patrolman Unions have settled for a 0% increase in FY2010. Contracts with all the other employee unions expired this past June. 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 healthcare benefits increasing approximately \$1.3 million, no funds are anticipated to be available for cost of living increases in FY2010 or FY2011. The healthcare cost increase is equivalent to a 3% wage increase.

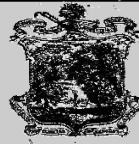
State Aid

While in January the Governor proposed to level fund local aid, the Legislature, reacting to recent negative revenue trends, has proposed to cut the main local aid accounts by 4%. The House Ways and Means Committee is due to report its recommendation on April 15. For Arlington, overall local aid is projected to decrease by \$539,155 (3.8%) to a total of \$13,701,410, exclusive of school construction aid. This is less local aid than the Town received in FY1988, some 23 years ago (see chart next page). During this period Arlington has seen its share of the local aid "pie" cut in half (see chart on p. I-13).

Since FY2002, Arlington has received the fifth largest percentage decrease in local aid out of 351 cities and towns, losing over \$3.6 million through FY2010 (see chart on p. I-12). Since FY2002, local aid for all municipalities initially dropped by approximately 8%, rebounded through FY2009 to a 20% increase, and then dropped in FY2010 to a cumulative increase of 8% 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, FY2010, aid is 16% below FY2002 while the average of all municipalities has seen an increase of 8%.

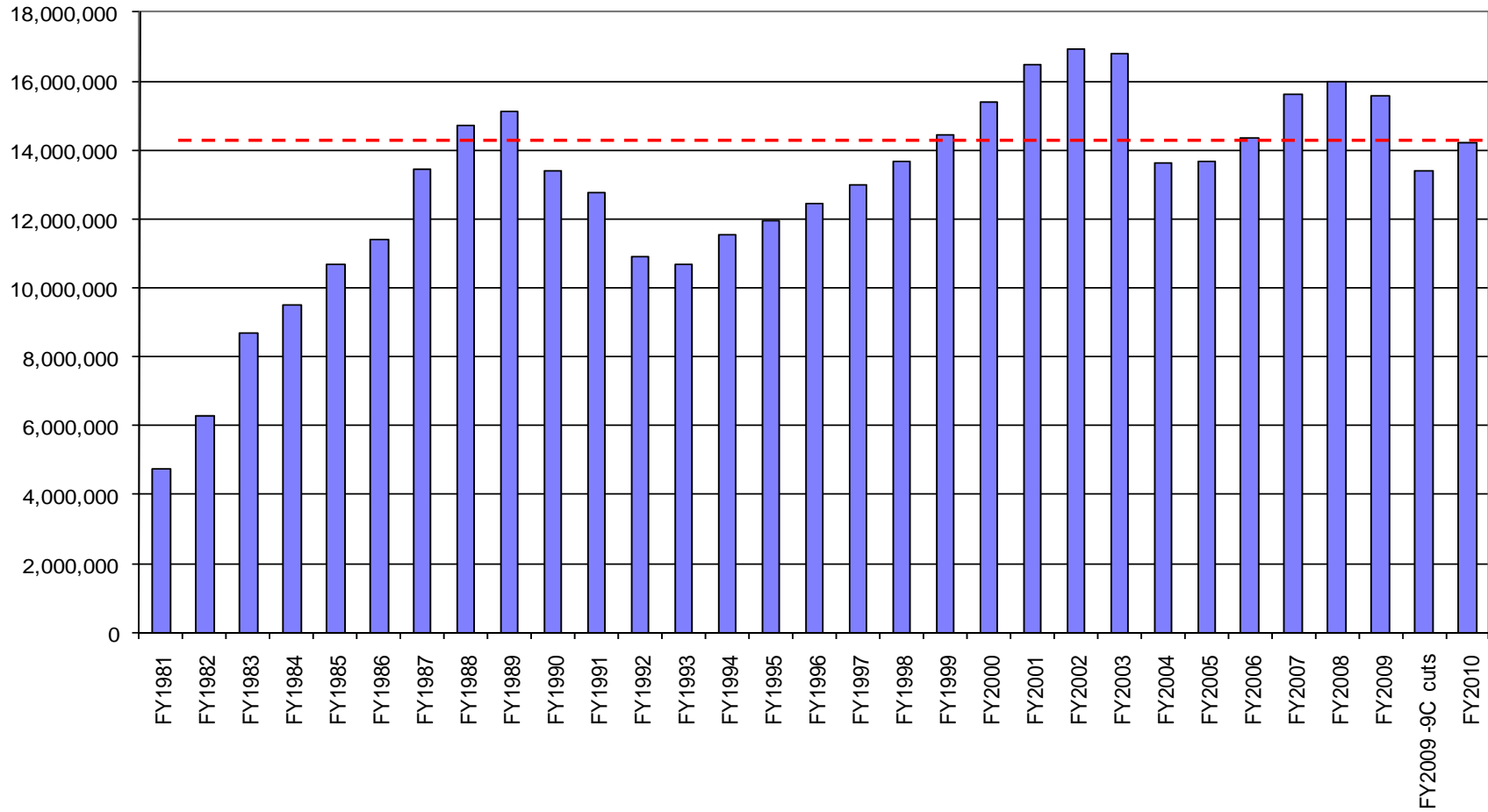
Over the last several years, the distribution formulas used for the cutbacks in state aid—and the subsequent restoration of those cuts—have not been implemented fairly, nor have they recognized the needs of communities like Arlington. The policy has essentially been this: communities with relatively 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 has 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 FY2011, Arlington will receive the minimum, 17.5%.



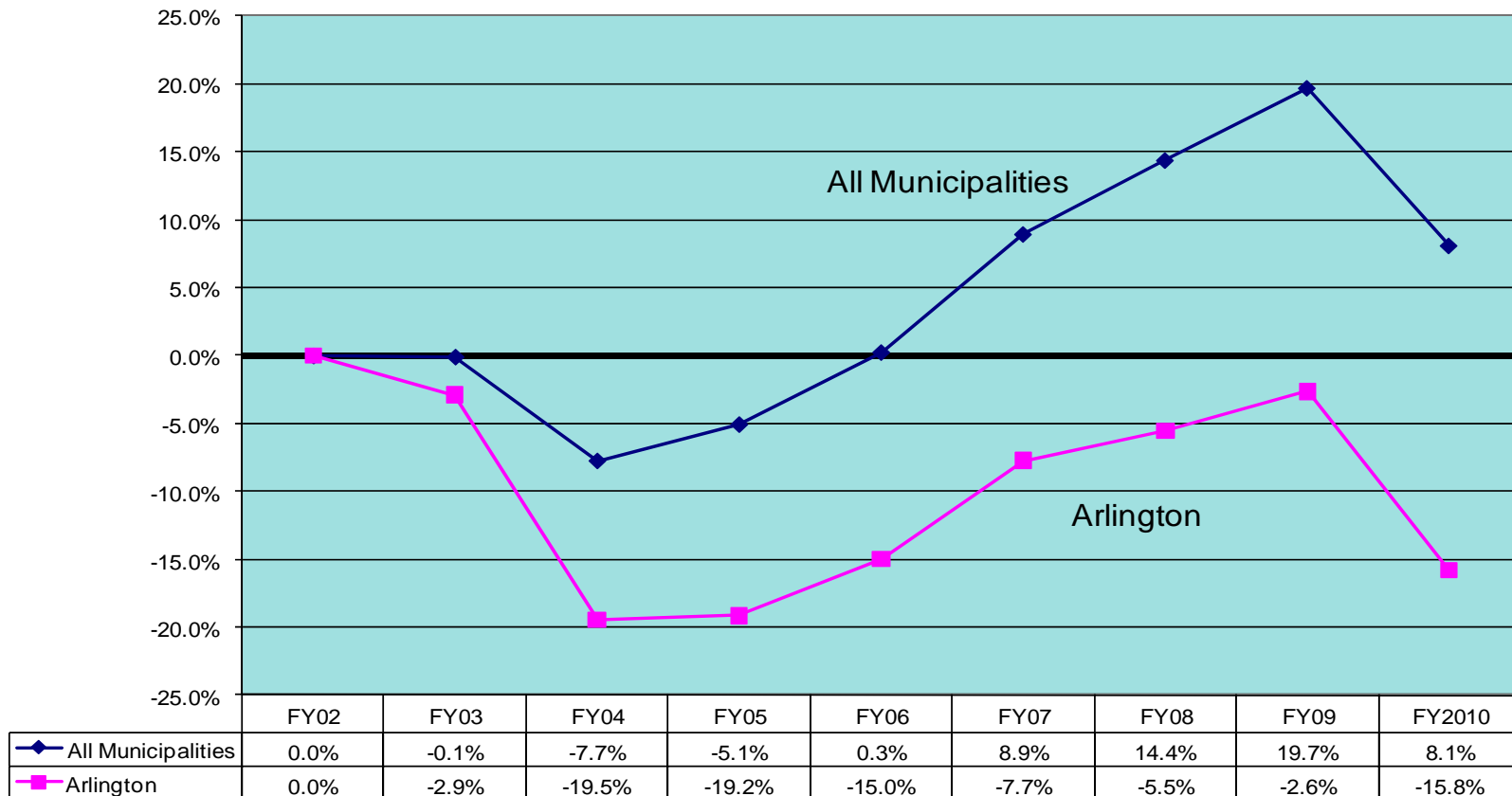
STATE AID RECEIPTS

(Numbers exclude School Construction and METCO reimbursements)



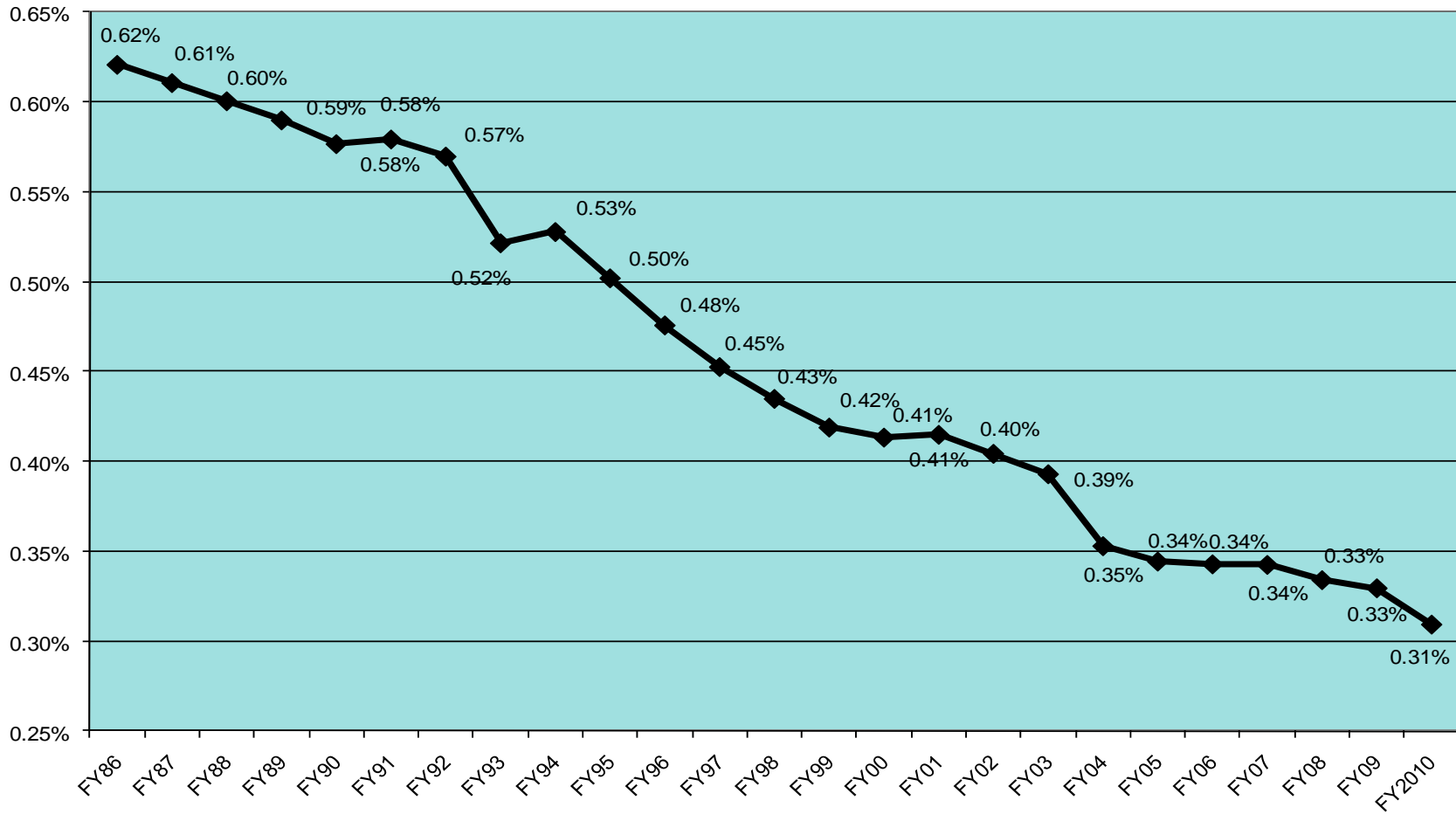


**State Aid Cumulative Percent Change
Since Fiscal Year 2002**
(Numbers exclude School Construction and METCO reimbursements)





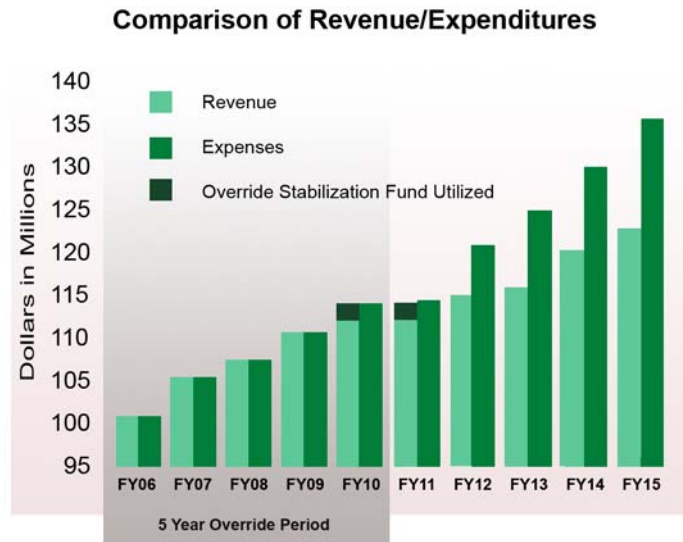
Arlington's Percent of Total State Aid





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 charts below.



Typical Annual Growth

Revenues	
Property Taxes	\$ 2,350,000
Local Receipts	\$ 50,000
State Aid	\$ <u>300,000</u>
Total	\$ 2,600,000
Expenditures	
Wage Adjustments	\$ 1,900,000
Health Insurance/Medicare	\$ 1,500,000
Pensions	\$ 300,000
Miscellaneous (utilities capital/debt, special education, other)	\$ <u>1,000,000</u>
Total	\$ 4,600,000
Structural Deficit	\$ (2,000,000)

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. The current year, FY2010, is the last year of the five-year override plan.

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; the override simply provided more than enough funds in the first few years so that the surpluses would be used to fund the deficits of the latter years. After the five years, however, the deficits have reappeared for FY2011. The deficit has been exacerbated by the economic crisis and state aid was cut by \$2.6 million in FY2010, with an anticipated cut of over \$500,000 in FY2011. This total cut of \$3.1 million, when typically the Town would be receiving approximately \$300,000 in increases each year, results in revenue decreases of more than \$3.7 million. This negative factor dwarfs the unanticipated positive factor of having \$1.5 million left over in the override stabilization fund at the conclusion of the five year plan, thus making significant budget cuts unavoidable in FY2011.

A turnaround in the economy and state aid increases, together with the reduction in healthcare costs by joining the State's GIC, are the Town's best opportunities for mitigating future budget reductions.

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. For FY2011, funding for the capital budget is as follows:

Bonding	\$ 6,765,728
Cash	\$ 934,947
Other	\$ 2,870,000

Our existing non-exempt debt is \$4.8 million, which is slightly lower than in FY2010. The total capital budget for FY2011, including debt, is estimated at \$10 million. Major projects to be funded in FY2011 include: the renovation of the Highland Fire Station for \$3.7 million, first phase of the Central Fire Station renovation involving restoration and preservation of masonry work for \$1.25 million, first phase of Stratton School renovation involving roof and other infrastructure work totaling \$869,000, streets and sidewalks work for approximately \$1 million, water and sewer work for \$2.25 million, and parks renovation work for \$535,000. The Stratton School renovation project involves three phases totaling \$2.4 million, most of which will be bonded. 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 initial approval of the Massachusetts School Building Authority (MSBA), and is currently going through the MSBA project review and planning process. A project manager, PMA, has been engaged. An architect has been selected, HMFH, and a feasibility study is underway. It has yet to be determined whether this will be a major renovation project or a new school. The MSBA is anticipated to provide funding for approximately 40% of the approved project costs.

**Operating Budget Increases
FY 2006 -FY2011**

	<u>Town</u>	<u>School</u>
FY2006	2.9%	6.2%
FY2007	2.8%	3.2%
FY2008	3.9%	4.0%
FY2009	2.0%	3.0%
FY2010	0.9%	2.1%
FY2011	<u>-0.6%</u>	<u>2.2%</u>
Average Increase	2.0%	3.5%



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 20. 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 increase 0.5% in FY 2011. Future year increases range from -0.21% to 2.79%. FY2012 is the lowest due to the drop in available reserves.

- **Tax Levy** - Projected to increase approximately 2.8% per year.
 - Regular Levy - 2 ½ % plus new growth of \$500,000.
 - Debt Exclusion – Actual debt for Proposition 2 ½ debt exclusion school projects minus state reimbursements.
 - MWRA Water and Sewer Debt – Amount from FY2007 held level as voted by Board of Selectmen.

- **State Aid** – Projected to decrease 4% in FY2011, remain flat in FY2012 and then increase by \$300,000, or approximately 1.7% thereafter.

- **School Construction Reimbursement** - Projected to remain the same \$2,531,085.

- **Local Receipts** – Local Receipts have actually decreased \$473,021 over the last three years. The estimate for FY2010 assumed a further reduction, but it actually looks like they have stabilized and rebounded. The estimate for FY2011 is \$250,000 over the estimate for FY2010. Increases thereafter are estimated at \$50,000.



- **Free Cash** – Typically appropriate one-half of certified amount. In FY2011 the amount used is \$582,050. Use is maintained at \$500,000 each year thereafter in anticipation of smaller certified balances.
- **Overlay Reserve Surplus** – Use \$500,000 in FY2011 and \$200,000 thereafter.
- **Other Revenues** – In FY2011, \$1.58 million is drawn down from the Override Stabilization Fund, which will close out the fund. While the fund was expected to be depleted in FY2010, through tight budgeting, it was made to last through FY2012, the sixth year.

Expenditure assumptions include the following:

- **School Budget** – Going forward, expenditures are capped at 3.5% less any amount above a 7% increase for employee healthcare. An additional allocation of \$450,000 has been added each year above the 3.5% in recognition of the extra financial burden of special education costs.
- **Minuteman School** – In FY2011, decreased enrollment dropped our assessment by 11%. Thereafter, increases are projected at 4%.
- **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 FY2011, the CIP calls for \$934,947 in cash-financed projects. Thereafter, amounts average approximately \$850,000.



- **MWRA Debt Shift** – The amount has been level funded at \$5,593,112.
- **Pensions** – In FY2011, and thereafter, increased 4%.
- **Insurance (including healthcare)** – In FY2011 projected increase of 8%. Thereafter, capped at 7%. Any amount above 7% reduces municipal and school budgets.
- **State Assessments** – Based upon preliminary cherry sheets, increased 0.9% in FY2011. Thereafter, increased 2.5%.
- **Offset Aid** – These grants to schools and library are decreased slightly in FY 2011 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 FY2011, it is reduced to \$600,000.
- **Other** – Court judgments or deficits, including snow removal, revenue, etc., are estimated at \$700,000.
- **Warrant Articles** – In FY2011, Warrant Articles are estimated to total \$584,144 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 the 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 Nancy Galkowski, who deserves the credit for the quality of the budget document and the information and the data contained herein. This is the last budget that Nancy will work on for Arlington, as she has been offered and accepted the position of Town Manager for the Town of Holden. Nancy's professional skills and dedication will be missed. I would also like to extend a special word of thanks to my office staff, Joan Roman, Eileen Messina, and Domenic Lanzillotti, with major support from our intern, Theo Kalivas, who spent evenings and weekends assisting in producing this document.

Respectfully submitted,

Brian F. Sullivan

Town Manager



Long Range Financial Projection

	FY 2010	FY 2011	Dollar Change	Percent Change	FY 2012	FY 2013	FY 2014	FY 2015
I REVENUE								
A. State Aid	14,240,565	13,701,410	(539,155)	-3.8%	13,701,410	14,360,345	15,052,227	15,778,704
School Construction Aid	2,531,085	2,531,085	0	0.0%	2,531,085	2,531,085	2,531,085	2,531,085
IDEA Funds	749,327	719,928	(29,399)	-3.9%				
B. Local Receipts	8,026,872	8,860,000	833,128	10.4%	8,910,000	8,960,000	9,010,000	9,060,000
C. Free Cash	1,497,907	582,050	(915,857)	-61.1%	500,000	500,000	500,000	500,000
D. Overlay Reserve Surplus	500,000	500,000	0	0.0%	200,000	200,000	200,000	200,000
E. Property Tax	83,471,036	85,826,180	2,355,144	2.8%	88,219,462	90,669,087	93,175,064	95,758,830
F. Override Stabilization Fund	2,742,376	1,580,000	(1,162,376)		0	0	0	0
TOTAL REVENUES	113,759,168	114,300,653	541,485	0.5%	114,061,957	117,220,518	120,468,376	123,828,619
II APPROPRIATIONS								
A. Operating Budgets								
School	36,767,221	38,586,186	1,818,965		41,131,828	43,021,442	44,977,192	47,001,394
Fed. Stimulus & IDEA Funds	1,688,159	719,928	(968,231)					
Net School Budget	38,455,380	39,306,114	850,734	2.2%	41,131,828	43,021,442	44,977,192	47,001,394
Minuteman	3,090,368	2,739,795	(350,573)	-11.3%	2,849,387	2,963,362	3,081,897	3,205,173
Town Personnel Services	21,186,141	20,964,117	(222,024)		21,721,089	22,694,681	23,756,188	24,491,908
Expenses	9,060,916	9,110,916	50,000		9,160,916	9,210,916	9,260,916	9,310,916
Less Offsets:								
Enterprise Fund/Other	1,642,237	1,629,215	(13,022)	-0.8%	1,694,384	1,762,159	1,832,645	1,905,951
Tip Fee Stabilization Fund	680,000	680,000	0	0.0%	450,000	400,000	400,000	34,958
Net Town Budget	27,924,820	27,765,818	(159,002)	-0.6%	28,737,622	29,743,438	30,784,459	31,861,915
MWRA Debt Shift	5,593,112	5,593,112	0	0.0%	5,593,112	5,593,112	5,593,112	5,593,112
B. Capital budget								
Exempt Debt Service	2,697,768	2,618,094	(79,674)	-3.0%	2,529,197	2,434,589	2,332,724	2,243,452
Non-Exempt Service	4,907,303	4,839,632	(67,671)	-1.4%	5,230,090	5,417,998	5,616,676	5,627,749
Cash	755,740	934,947	179,207	23.7%	830,200	865,250	845,800	752,800
Minus Capital Carry Forward	(253,047)	(425,000)	(171,953)	68.0%				
Total Capital	8,107,764	7,967,673	(140,091)	-1.7%	8,589,487	8,717,837	8,795,200	8,624,001
C. Pensions	6,595,296	6,852,810	257,514	3.9%	7,263,979	7,699,817	8,161,806	8,651,515
D. Insurance	18,019,711	19,467,863	1,448,152	8.0%	20,830,613	22,288,756	23,848,969	25,518,397
E. State Assessments	2,640,512	2,664,777	24,265	0.9%	2,731,396	2,799,681	2,869,673	2,941,415
F. Offset Aid - Library & School	61,490	58,547	(2,943)	-4.8%	58,547	58,547	58,547	58,547
G. Overlay Reserve	1,153,427	600,000	(553,427)	-48.0%	600,000	800,000	600,000	600,000
H. Other Crt Jdgmnts/ Deficit/Symmes	1,470,773	700,000	(770,773)	-52.4%	700,000	700,000	700,000	700,000
I. Warrant Articles	646,515	584,144	(62,371)	-9.6%	646,515	646,515	646,515	646,515
J. Override Stabilization Fund								
K. TOTAL APPROPRIATIONS	113,759,168	114,300,653	541,485	0.5%	119,732,486	125,032,509	130,117,371	135,401,984
BALANCE	(0)	(0)	0		(5,670,529)	(7,811,991)	(9,648,995)	(11,573,365)
Increase in deficit from prior year					(5,670,529)	(2,141,462)	(1,837,004)	(1,924,370)



TOTAL REVENUE

Total revenue for FY2011 is projected at \$114,300,653, an increase of \$545,815, or 0.5%.

The property tax levy is projected to increase \$2,355,144, or 2.8%. Local receipts are projected to increase \$833,128 due to several factors, including the adoption of the optional meals tax and hotel taxes, higher than expected revenues from the motor vehicle excise taxes and building permits, and various departmental fee increases.

State aid is projected to decrease \$539,155, or 3.8%. This is based upon the Legislature's proposed budget, which cuts Chapter 70 and General Government Aid by 4%.

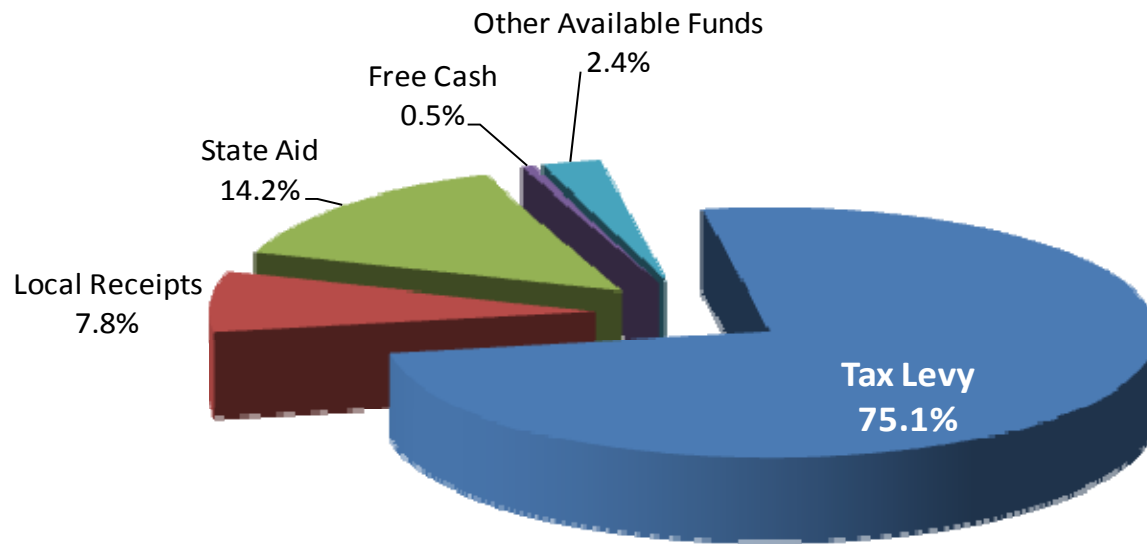
A total of \$582,050 in free cash is proposed to be used, which is a decrease of \$915,857 from FY2010. This represents 50% of the free cash balance, which is consistent with the Town's policy of using no more than 50% of the free cash balance.

Other available funds include \$500,000 in surplus tax abatement overlay funds, \$1,580,000, which is the remaining balance in the override stabilization fund, and \$719,928 in Federal IDEA grant funds. Overall the total is going down by \$1,191,775 due to a reduction in the available balance in the Override Stabilization Fund.

REVENUE SOURCE	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Tax Levy	78,813,376	80,946,006	83,471,036	85,826,180	2,355,144
Local Receipts	9,024,278	8,715,308	8,026,872	8,860,000	833,128
State Aid	18,519,025	18,108,904	16,771,650	16,232,495	(539,155)
Free Cash	954,736	2,191,622	1,497,907	582,050	(915,857)
Other Available Funds	500,000	500,000	3,991,703	2,799,928	(1,191,775)
Total	107,811,415	110,461,840	113,759,168	114,300,653	541,485



REVENUE
\$114, 300, 653





Total General Fund Revenues

	<u>FY03 Actual</u>	<u>FY04 Actual</u>	<u>FY05 Actual</u>	<u>FY06 Actual</u>	<u>FY07 Actual</u>	<u>FY08 Actual</u>	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY11 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	80,233,068
Local Receipts	7,785,986	7,801,881	8,437,095	8,834,256	9,188,329	9,024,278	8,715,308	8,026,872	8,860,000
State Aid	16,775,516	13,945,694	14,046,847	14,790,887	15,600,746	15,972,745	15,568,470	14,240,565	13,701,410
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	582,050
Other Available Funds	500,000	500,000	500,000	400,000	400,000	500,000	500,000	3,991,703	2,799,928
Total	84,558,983	82,728,060	85,014,986	93,689,613	98,314,008	99,672,023	102,328,294	105,634,971	106,176,456

*Excludes MWRA debt on tax levy and school construction reimbursements

Annual Revenue Increases

	<u>FY03 Actual</u>	<u>FY04 Actual</u>	<u>FY05 Actual</u>	<u>FY06 Actual</u>	<u>FY07 Actual</u>	<u>FY08 Actual</u>	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY11 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	2,355,144
Local Receipts	90,423	15,895	635,214	397,161	354,073	(164,051)	(308,970)	(688,436)	833,128
State Aid	(498,063)	(2,829,822)	101,153	744,040	809,859	371,999	(404,275)	(1,327,905)	(539,155)
Free Cash	167,211	(992,943)	(359,539)	199,352	325,540	(984,959)	1,236,886	(693,715)	(915,857)
Other Available Funds	200,000	0	0	(100,000)	0	100,000	0	3,491,703	(1,191,775)
Total	1,847,727	(1,830,923)	2,286,926	8,674,627	4,624,395	1,358,015	2,656,271	3,306,677	541,485
Percent Increase	2.2%	-2.2%	2.8%	10.2%	4.9%	1.4%	2.7%	3.2%	0.5%

Percent of Total Revenue

	<u>FY03 Actual</u>	<u>FY04 Actual</u>	<u>FY05 Actual</u>	<u>FY06 Actual</u>	<u>FY07 Actual</u>	<u>FY08 Actual</u>	<u>FY09 Actual</u>	<u>FY10 Budget</u>	<u>FY11 Budget</u>
Tax Levy	67.1%	71.0%	71.3%	72.6%	72.4%	73.5%	73.6%	73.7%	75.6%
Local Receipts	9.2%	9.4%	9.9%	9.4%	9.3%	9.1%	8.5%	7.6%	8.3%
State Aid	19.8%	16.9%	16.5%	15.8%	15.9%	16.0%	15.2%	13.5%	12.9%
Free Cash	3.3%	2.1%	1.7%	1.7%	2.0%	1.0%	2.1%	1.4%	0.5%
Other Available Funds	0.6%	0.6%	0.6%	0.4%	0.4%	0.5%	0.5%	3.8%	2.6%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%



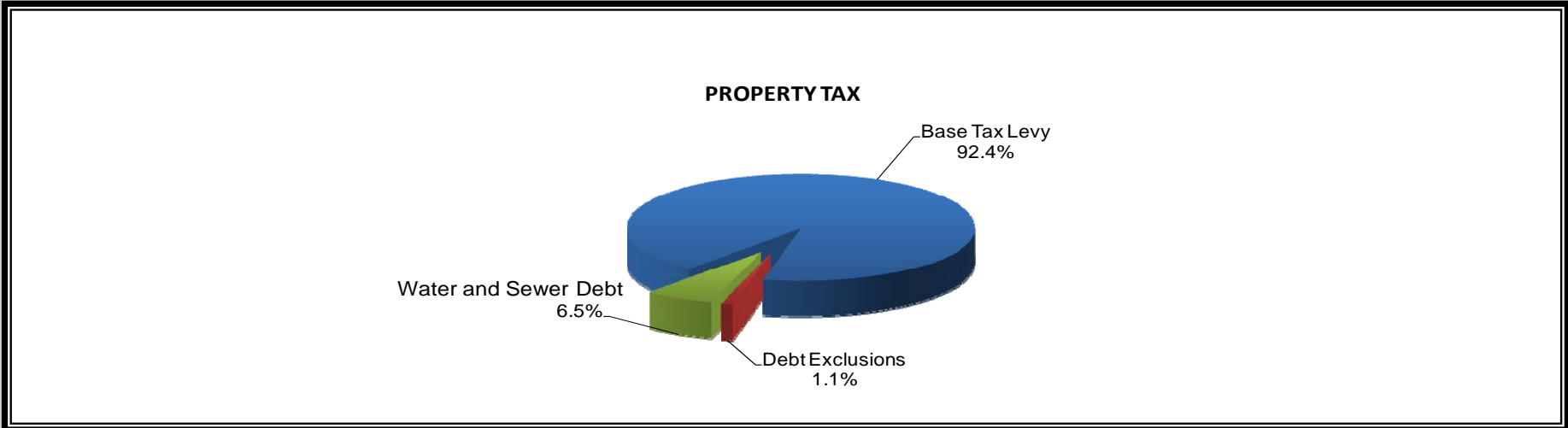
PROPERTY TAX LEVY

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 FY2011 are preliminary estimates used to project the levy limit. The FY2010 levy limit was \$76,865,559. The 2 ½% increase allowed for FY2011 is \$1,921,639. New growth from construction not previously on the tax rolls is expected to add \$500,000 to the FY2011 levy. An additional \$945,870 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.

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 FY2011 tax levy is projected to total \$85,826,180 representing an increase of \$2,355,144 (2.8%) over the FY2010 levy.

PROPERTY TAX LEVY	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Base Tax Levy	71,784,240	74,233,690	76,852,379	79,287,198	2,434,819
General Override	-	-	-	-	-
Debt Exclusion Overrides					
Brackett School	285,546	257,313	230,340	212,646	(17,694)
Hardy School	143,648	127,995	107,394	88,063	(19,331)
Bishop School	136,982	114,976	97,628	83,548	(14,080)
Peirce School	347,022	294,844	274,144	253,394	(20,750)
Dallin School	396,109	324,076	316,039	308,219	(7,820)
Stratton/Thompson Plans	126,717				
Sub-total Debt Exclusions	1,436,024	1,119,204	1,025,545	945,870	(79,675)
Water and Sewer Debt	5,593,112	5,593,112	5,593,112	5,593,112	-
Total	78,813,376	80,946,006	83,471,036	85,826,180	2,355,144

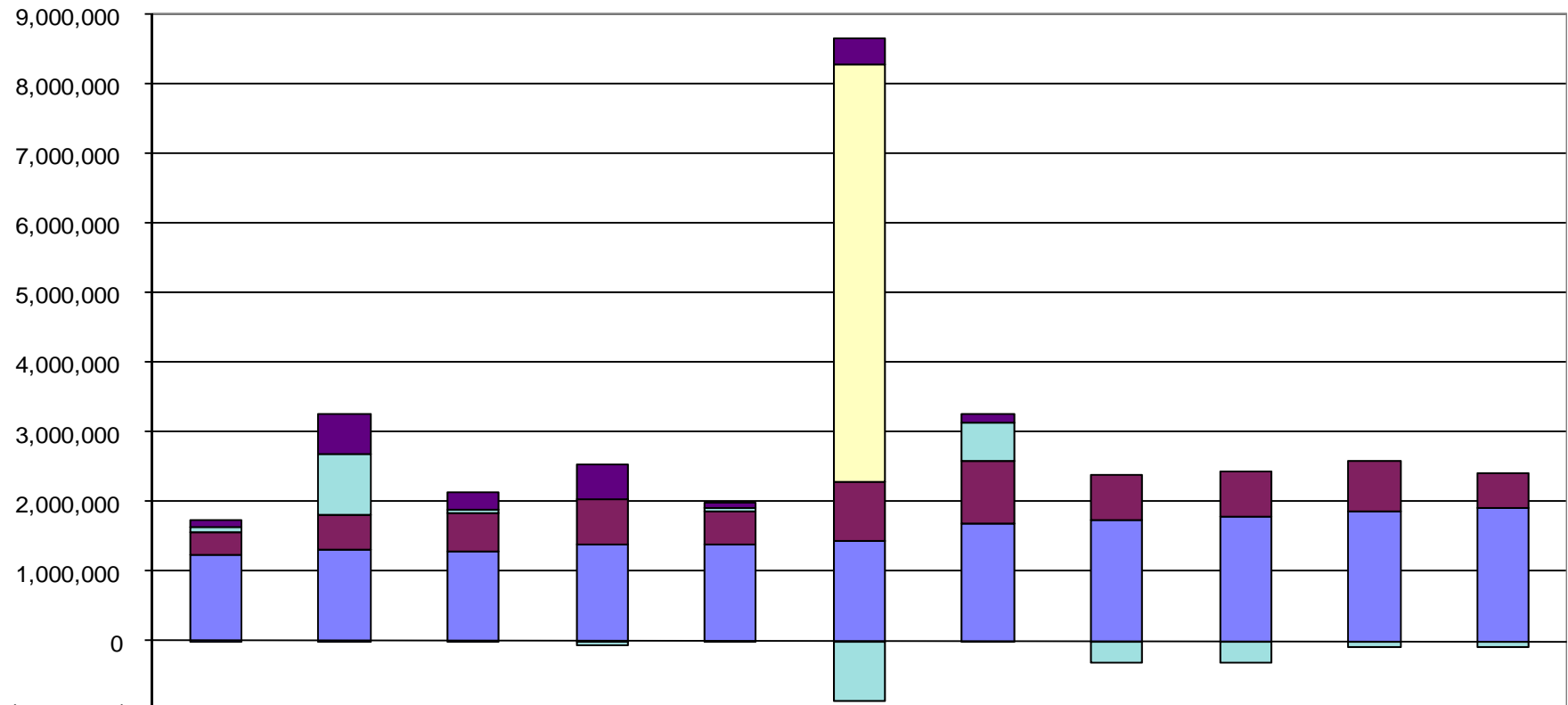


Fiscal Year	Real Estate & Personal Property Commitments	Abatements Granted	Tax deferral Abatements (Ch 41A)	Net Tax Levy	Net Collections	% of Collections	Amount transferred into tax title	Tax Title Balance as of June 30th	Tax Possession Balance as of June 30th	Tax Deferral Balance as of June 30th
2009	81,073,914	487,859	77,403	80,508,653	80,065,721	99.45%	480,507	707,146	396,784	393,703
2008	78,887,656	472,052	72,738	78,342,866	78,066,533	99.65%	276,333	471,583	396,784	377,006
2007	76,885,363	342,368	84,470	76,458,524	76,243,172	99.72%	216,092	339,191	396,784	390,472
2006	73,601,851	343,515	87,098	73,171,238	72,939,691	99.68%	231,490	324,281	396,784	380,257
2005	65,779,186	302,203	58,912	65,418,071	65,202,794	99.67%	234,667	339,307	396,784	285,068
2004	63,831,019	391,880	49,555	63,389,585	63,223,644	99.74%	165,941	258,630	396,784	274,115
2003	61,323,173	369,352	41,587	60,912,234	60,699,775	99.65%	212,459	317,178	397,922	247,856
2002	59,183,329	375,235	47,511	58,760,583	58,615,863	99.75%	144,721	216,588	397,922	347,817
2001	55,924,517	436,168	56,446	55,431,903	55,316,387	99.79%	115,516	181,873	397,716	354,376
2000	54,173,527	349,143	66,696	53,757,689	53,624,937	99.75%	132,752	196,204	397,716	338,813
1999	52,534,913	433,672	61,654	52,039,587	51,927,625	99.78%	173,617	187,455	383,234	338,142
1998	49,567,583	449,043	55,313	49,063,227	48,905,561	99.68%	157,667	284,218	407,244	286,763
1997	48,210,810	521,790	50,705	47,638,315	47,427,171	99.56%	211,144	432,743	393,123	239,349
1996	46,779,296	598,025	41,662	46,139,609	45,809,016	99.28%	331,883	714,391	616,013	242,191

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
■ MWRA Debt	109,156	578,001	260,958	517,348	69,732	371,757	117,626	-	-	0	0
■ Debt Exclusion	58,861	861,310	44,571	(51,943)	56,628	(859,302)	558,473	(319,928)	(316,820)	(93,659)	(79,675)
■ General Override	0	0	0	0	0	6,000,000	0	0	0	0	0
■ New Growth	337,860	520,517	544,075	649,223	458,531	844,013	887,247	640,013	642,912	726,955	500,000
■ 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



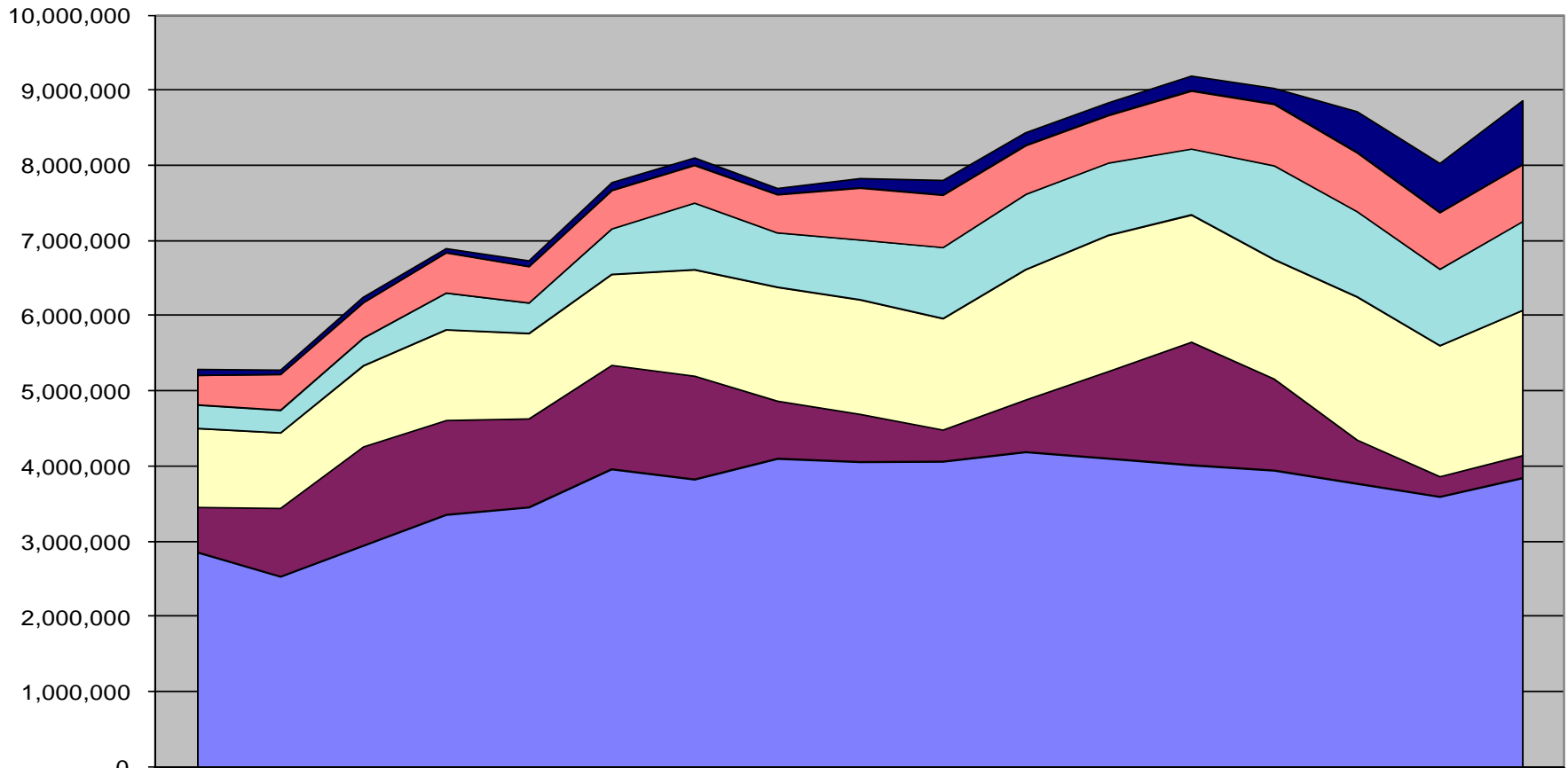
LOCAL RECEIPTS SUMMARY

Local receipts for FY2011 are projected to increase \$833,128 to a total of \$8,860,000. This is still only a slight increase over what was collected in FY2009, and a decrease of \$164,278 from what was collected in FY2008. The increase for FY2011 over FY2010 is due to a number of factors, including the adoption of the optional meals and hotel taxes, higher-than-projected receipts for motor vehicle excise taxes and building permits, and various departmental fee increases. The most dramatic change in local receipts is in investment income, which has dropped from a high of nearly \$1.5 million to a projected total of only \$130,000 in FY2011. This is due to the dramatic drop in interest rates and reduced available cash balances.

LOCAL RECEIPTS SUMMARY	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Motor Vehicle Excise	3,951,802	3,775,638	3,600,000	3,850,000	250,000
Interest Income	1,216,410	582,123	270,000	300,000	30,000
Departmental Fees	1,586,298	1,900,729	1,740,000	1,930,000	190,000
Licenses and Permits	1,247,073	1,134,294	1,015,000	1,180,000	165,000
Rentals	818,608	783,600	753,000	756,000	3,000
Other	204,087	538,924	648,872	844,000	195,128
Total	9,024,278	8,715,308	8,026,872	8,860,000	833,128



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	Budget FY2010	Budget FY2011
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	204,087	538,924	648,872	844,000
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	753,000	756,000
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	1,015,000	1,180,000
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	1,740,000	1,930,000
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	270,000	300,000
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	3,600,000	3,850,000



MOTOR VEHICLE EXCISE

Motor vehicle excise tax receipts are expected to increase by \$250,000 to a total of \$3.85 million. Revenue in FY2009 was down by approximately \$175,000 from FY2008, and was originally projected to drop further in FY2010. Collections to date, however, indicate that revenue should come in at approximately \$3.85 million for FY2010. The same amount is estimated for FY2011. Revenue from this excise tax fluctuates up and down with the economy. 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 2009 is as of June 30, 2009.

MOTOR EXCISE BY FISCAL YEAR

Levy Year	Commitments	Collections	Refunds	Net Collections	Abatements	Balance	Collection %
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	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Motor Vehicle Excise	3,951,802	3,775,638	3,600,000	3,850,000	(250,000)



INTEREST INCOME

Interest Income is projected to increase by \$30,000 to a total of \$300,000. 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 nearly \$1.5 million in FY2007 to a projected amount of only \$130,000 in FY2011. 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 \$170,000.

INTEREST INCOME	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Investment Income	1,030,216	410,117	100,000	130,000	30,000
Penalties & Interest	186,194	172,006	170,000	170,000	-
Total	1,216,410	582,123	270,000	300,000	30,000



DEPARTMENTAL FEES

Departmental fees are projected to increase by \$190,000 to a total of \$1.93 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.

Ambulance fees are projected to increase by \$100,000 as a result of rate increases. Tax Collector fees, which include demand fees and municipal lien certificates (MLC), were expected to drop off more significantly in FY2010 but appear to be close to level at \$100,000, due to fee increases and a strong mortgage refinancing market. Thus, MLC fees remain steady.

Parking fines and parking meter revenue are both expected to increase by \$15,000. This brings the total for both to \$465,000.

DEPARTMENTAL FEES	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Schools (Medicare Reimbursement)	186,745	209,034	185,000	190,000	5,000
Cemetery Revenue	280,400	308,350	300,000	300,000	-
Library Fees and Fines	53,057	63,432	60,000	60,000	-
Collector's Demand Fees	93,547	110,441	85,000	110,000	25,000
Town Clerk Fees	46,123	45,015	45,000	45,000	-
Parking Violations	307,609	424,428	375,000	390,000	15,000
Parking Meter Receipts	64,015	67,883	60,000	75,000	15,000
Fire Alarm Renewal Fee	15,275	16,575	15,000	15,000	-
Ambulance Fees	372,536	452,217	450,000	550,000	100,000
Other Departmental Revenue	166,991	203,354	165,000	195,000	30,000
Total	1,586,298	1,900,729	1,740,000	1,930,000	190,000



LICENSES AND PERMITS

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.

For FY2011, the total revenue is expected to increase by \$165,000 to a total of \$1.18 million. A majority of the increase, \$145,000, is due to strong building permit activity. Parking permits and fire alarm permits are both expected to increase by \$10,000.

LICENSES AND PERMITS	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Parking Permits	105,060	103,727	105,000	115,000	10,000
Liquor Licenses	71,185	73,055	70,000	70,000	-
Food Licenses	6,790	6,725	7,000	7,000	-
Food Permits	19,175	16,125	18,000	18,000	-
Tobacco Permits	14,610	14,190	14,000	14,000	-
Building Inspections	932,623	810,277	700,000	845,000	145,000
Fire Prevention Permits	33,128	38,383	35,000	45,000	10,000
Marriage Licenses	5,825	6,620	6,000	6,000	-
Other	58,677	65,192	60,000	60,000	-
Total	1,247,073	1,134,294	1,015,000	1,180,000	165,000



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 \$3,000 to a total of \$756,000.

The Ryder Street property is rented for a five-year period, generating an income of \$110,000 annually.

Parmenter School and Crosby School leases were renegotiated, resulting in rent increases. Previously, the rental income included reimbursement for prior year's operating expenses, such as electricity and heat. The new leases require the tenants to pay for their own utility costs directly. Projected rental income for the properties is \$173,000 and \$130,000 respectively. The leases for these two properties expire June 30, 2011. The sale of the properties is currently under consideration.

Similar to the Parmenter and Crosby Schools, the Gibbs tenants will now pay the utility cost directly rather than through their rents, which is why the rental income is expected to decrease in FY2011.

Dallin Library is currently leasing to the Arlington Community Media, Inc. (ACMI) with rental income projected at \$45,000. In FY2008 ACMI paid for the roof repairs and air conditioning units at the building in lieu of rent.

The Mt. Gilboa house is rented for \$18,000 per year.

RENTAL INCOME	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Ryder St.	84,036	76,348	85,000	110,000	25,000
Parmenter	165,475	122,441	125,000	173,000	48,000
Crosby	187,879	106,469	105,000	130,000	25,000
Gibbs	358,101	416,299	375,000	280,000	(95,000)
Mt. Gilboa	19,205	16,500	18,000	18,000	-
Dallin Library	3,912	45,543	45,000	45,000	-
Total	818,608	783,600	753,000	756,000	3,000



OTHER LOCAL RECEIPTS

Other local receipts are projected to increase by \$195,128 to a total of \$844,000.

The major reason for the increase is due to the recent adoption by Town Meeting of the optional meals and hotel taxes. Last year the Legislature gave the authority to Town Meeting to adopt optional increases to the meals and hotel taxes. Currently, only the state collects revenue from the meals tax of 5%. Cities and towns were allowed to add an additional 0.75%. Also, the Town currently collects a room occupancy tax on hotels (there is only one hotel in Arlington) of 4%. 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 last fall to go into effect January 1, 2010. For communities that adopted these taxes with this effective date, they will be allowed to estimate six months of collections in FY2010, eleven months in FY2011, and a full twelve months thereafter. For FY2011, the total estimated collections for both taxes are \$400,000, an increase of \$165,000 over FY2010.

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 at \$375,000 in FY2011, this could be subject to change and could drop by as much as \$50,000 due to cutbacks by the federal government.

Court fines, primarily for moving violations, are projected to increase by \$5,000 to a total of \$60,000.

OTHER LOCAL RECEIPTS	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Meals Tax	-	-	115,000	220,000	105,000
Hotel Tax	123,522	136,490	120,000	180,000	60,000
Court Fines	54,484	61,871	55,000	60,000	5,000
Medicare Part D Reimbursement	-	327,937	350,000	375,000	25,000
Special Assessments	2,112	1,659	1,872	2,000	128
Payments In Lieu of Taxes	23,969	10,967	7,000	7,000	-
Total	204,087	538,924	648,872	844,000	195,128



STATE AID SUMMARY

While in January the Governor proposed to level fund local aid, the Legislature, reacting to recent negative revenue trends, has proposed to cut the main local aid accounts by 4%. The House Ways and Means Committee is due to report its recommendation on April 15. For Arlington, overall local aid is projected to decrease by \$539,155 (3.8%) to a total of \$13,701,410, exclusive of school construction aid. This is less local aid than the Town received in FY1988, some 23 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 has received the fifth largest percentage decrease in local aid out of 351 cities and towns, losing over \$3.6 million through FY2010 (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 FY2010 to a cumulative increase of 8% 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, FY2010, aid is 16% below FY2002 while the average of all municipalities has seen an increase of 8%.

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.

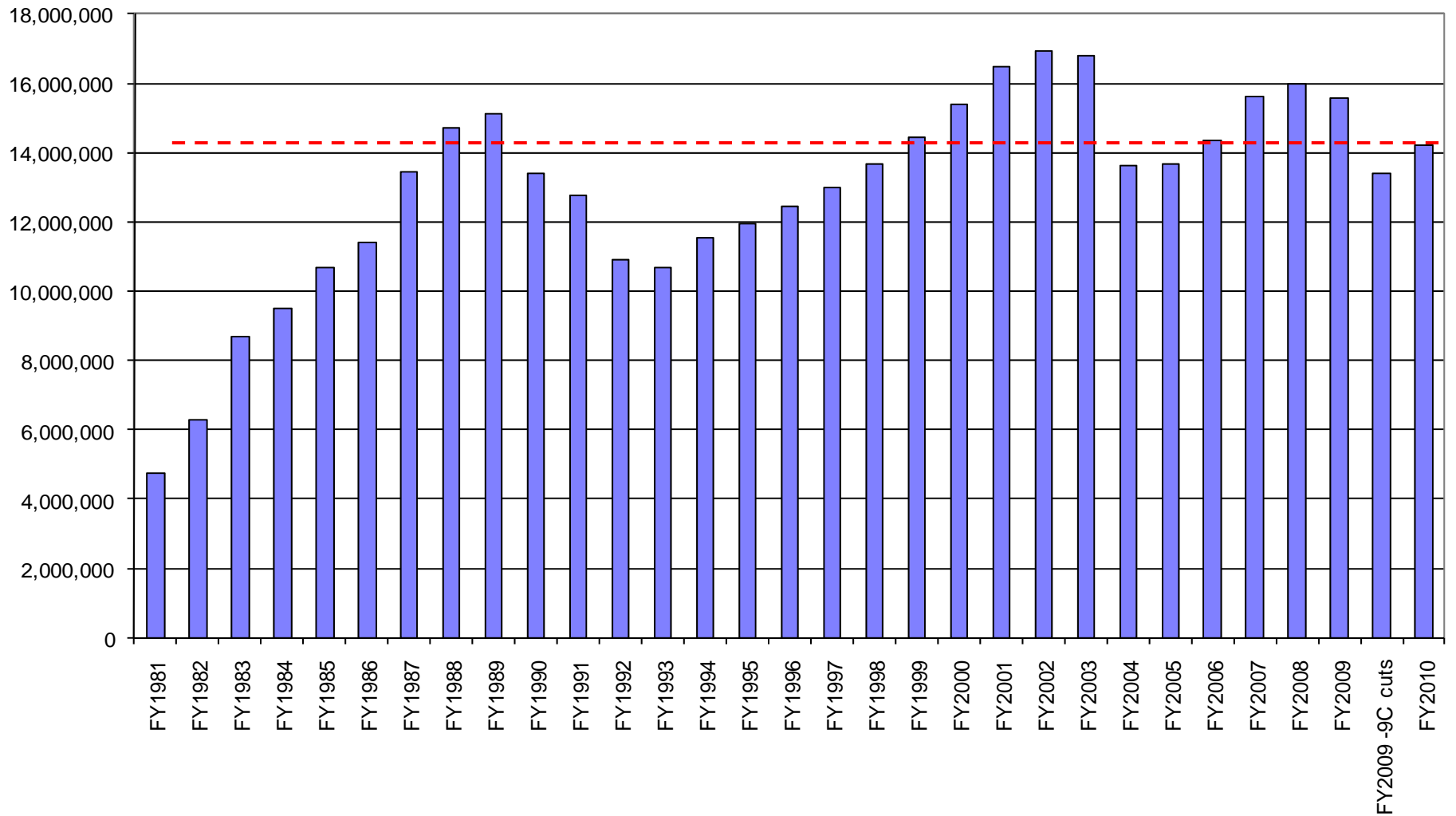
A majority of local aid increases over the last decade has been distributed through the Chapter 70 school aid formula. The formula works to the disadvantage of communities with relatively high incomes and property values. Arlington falls into this category, which means that we are a minimum aid community 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 FY2011, Arlington will receive the minimum, 17.5%.

STATE AID SUMMARY	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Gen Government Aid	9,869,526	9,019,382	6,920,966	6,663,827	(257,139)
School Aid	5,832,596	6,280,215	7,071,095	6,788,427	(282,668)
School Construction	2,546,280	2,540,434	2,531,085	2,531,085	-
Tax Exemptions	191,559	188,896	187,014	190,609	3,595
Cherry Sheet Offsets	79,064	79,977	61,490	58,547	(2,943)
Total	18,519,025	18,108,904	16,771,650	16,232,495	(539,155)



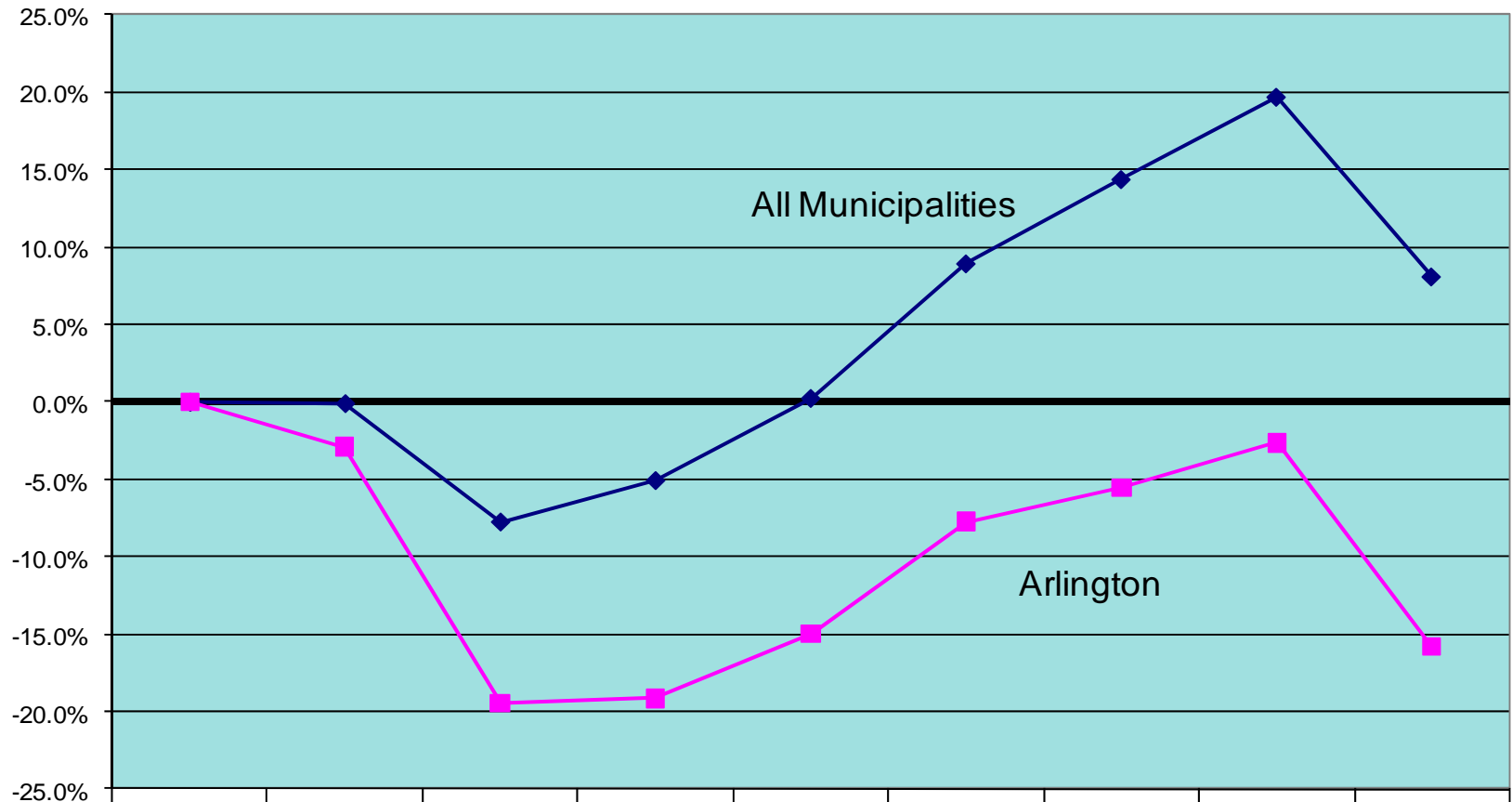
STATE AID RECEIPTS

(Numbers exclude School Construction and METCO reimbursements)





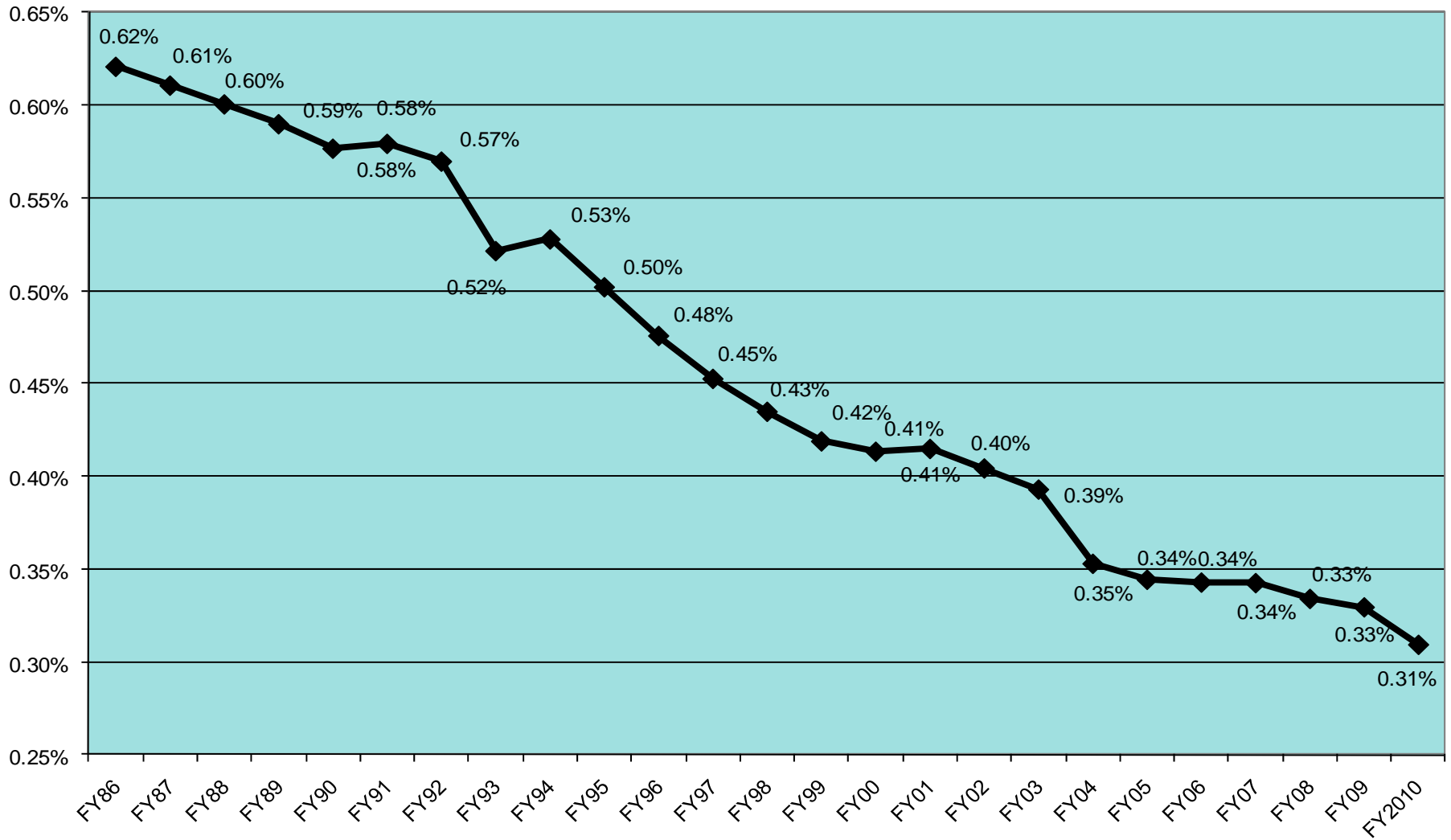
**State Aid Cumulative Percent Change
Since Fiscal Year 2002**
(Numbers exclude School Construction and METCO reimbursements)



◆ All Municipalities	0.0%	-0.1%	-7.7%	-5.1%	0.3%	8.9%	14.4%	19.7%	8.1%
■ Arlington	0.0%	-2.9%	-19.5%	-19.2%	-15.0%	-7.7%	-5.5%	-2.6%	-15.8%



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 FY2011, this is anticipated to drop to just over \$6.4 million, or a reduction of \$3 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 FY2011 a further cut of \$37.5 million is anticipated. Arlington’s reduction is expected to be \$267,371.

(Continued on page 20)

GENERAL GOVERNMENT	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Additional Assistance	4,491,775	4,054,069	-	-	-
Lottery Distribution	4,950,398	4,468,011	-	-	-
Unrestricted General Government Aid	-	-	6,684,280	6,416,909	(267,371)
Veterans' Benefits	117,598	177,113	187,680	221,266	33,586
Police Career Incentive	309,755	320,199	49,006	25,652	(23,354)
Total	9,869,526	9,019,392	6,920,966	6,663,827	(257,139)



(Continued from page 19)

UNRESTRICTED GENERAL GOVERNMENT AID

In FY2011, Unrestricted General Government Aid is expected to be cut by \$37.5 million (4%). Arlington's allocation is expected to be cut by \$267,371 to a total of \$6,416,909. 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

For FY2010, total lottery revenues are expected to total \$937.5 million, approximately \$50 million greater than originally projected. Of this amount, \$759 million was dedicated for local aid.

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 2011, the preliminary cherry sheet estimate is \$221,266—an increase of \$33,586. The increase reflects a rising 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 FY2011, funding is estimated to drop to \$25,652.

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 \$3.28 billion, a decrease of \$130 million, or 4%. Of this amount, Arlington will receive \$6,761,798, a decrease of \$281,742, or 4%. 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.

In FY2010 the State reduced its Chapter 70 funding and back filled it with \$159 million in federal stimulus funds to maintain foundation funding commitment. The Legislature has proposed a cut of 4%.

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 \$26,629, a decrease of \$926.

SCHOOL AID	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Chapter 70 School Aid	5,814,120	6,229,294	7,043,540	6,761,798	(281,742)
Charter School Tuition Reimbursement	18,476	50,921	27,555	26,629	(926)
Total	5,832,596	6,280,215	7,071,095	6,788,427	(282,668)



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	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
School Construction Aid	2,546,280	2,540,434	2,531,085	2,531,085	0



TAX EXEMPTION AID

There are several categories of property tax exemptions for which the State provides a partial reimbursement to municipalities. For FY2011, reimbursements are expected to increase by \$3,595 to a total of \$190,609. 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	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Tax Exemption Aid	191,559	188,896	187,014	190,609	3,595



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 decrease \$4,179 to a total of \$16,604. The library grant is expected to increase slightly to \$41,943.

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, the State cut back on its funding last year and, for the same reason, is being very liberal in allowing waivers to municipal spending requirements.

CHERRY SHEET OFFSETS	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Lunch Programs (Schools)	20,794	19,261	20,783	16,604	(4,179)
Libraries	58,270	60,716	40,707	41,943	1,236
Total	79,064	79,977	61,490	58,547	(2,943)

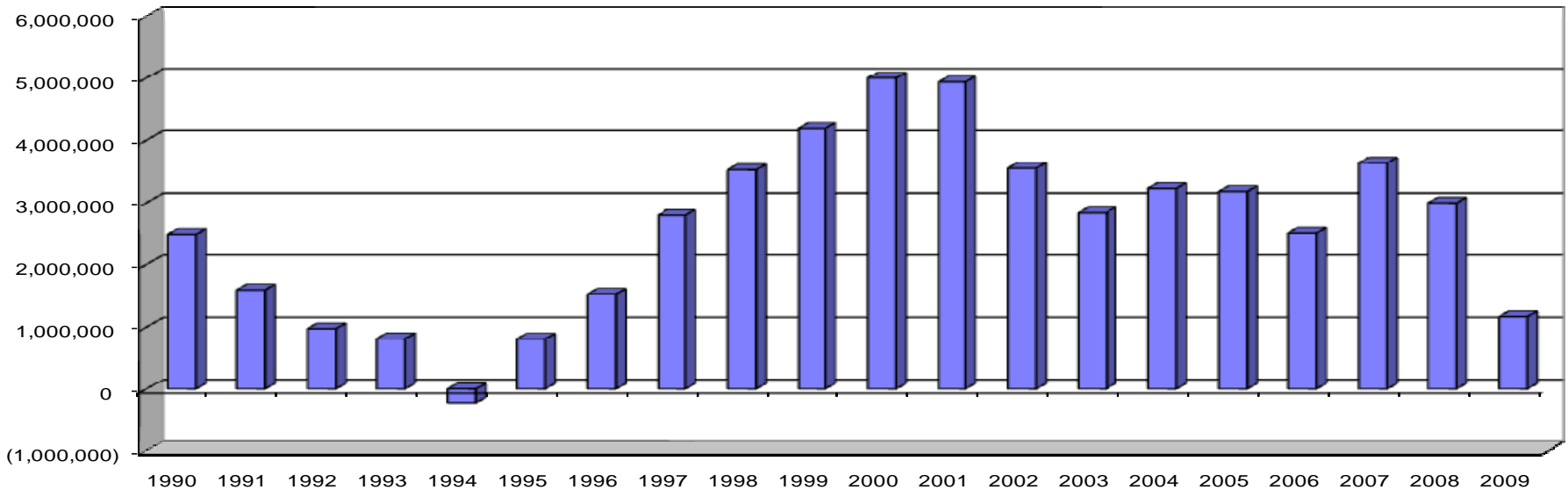


FREE CASH

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.

The general fund free cash balance is currently \$1,164,101. It is recommended that one half of this amount , or \$582,050, be appropriated towards the FY2011 budget leaving a balance of \$582,051.

**CERTIFIED FREE CASH HISTORY
(July 1)**



FREE CASH	FY2008 Actual	FY2009 Actual	FY2010 Actual	FY2011 Actual	Budget Change
Free Cash Appropriated	954,736	2,191,622	1,497,907	582,050	(915,857)



OTHER REVENUE

The Other Revenue category includes Tax Abatement Overlay Reserve Surplus Funds, Override Stabilization Funds, and Federal Stimulus (IDEA) Funds. The total of the three funds for FY2011 is \$2,799,928. This is \$1,191,775 less than FY2010.

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 \$300,000. Accessing the current year's overlay account is, for the first time, being proposed as a way to maintain the \$500,000 appropriation for FY2011.

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 is \$1,580,000, is proposed to be appropriated in FY2011, the sixth year.

Federal Stimulus IDEA funds are grants provided to school districts. These grants are part of a two year funding program providing two allocations of \$749,327 and \$719,928, which may be used over FY2010 and FY2011. Activities funded through the ARRA-IDEA grant must be designed to help ensure that students with disabilities have access to a free and appropriate education (FAPE) to meet each student's unique needs, and to prepare each student for further education, employment, and independent living. The overall purposes of the ARRA federal grant programs is to invest quickly to save and create jobs, and to fund activities that support ARRA's long-term economic goals by: investing wisely, funding activities designed to strengthen education, driving reforms, and improving results for students.

OTHER REVENUE	FY2008 Actual	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
Overlay Surplus	500,000	500,000	500,000	500,000	-
Override Stabilization Fund	-	-	2,742,376	1,580,000	(1,162,376)
Federal Stimulus Funds (IDEA)	-	-	749,327	719,928	(29,399)
Total	500,000	500,000	3,991,703	2,799,928	(1,191,775)



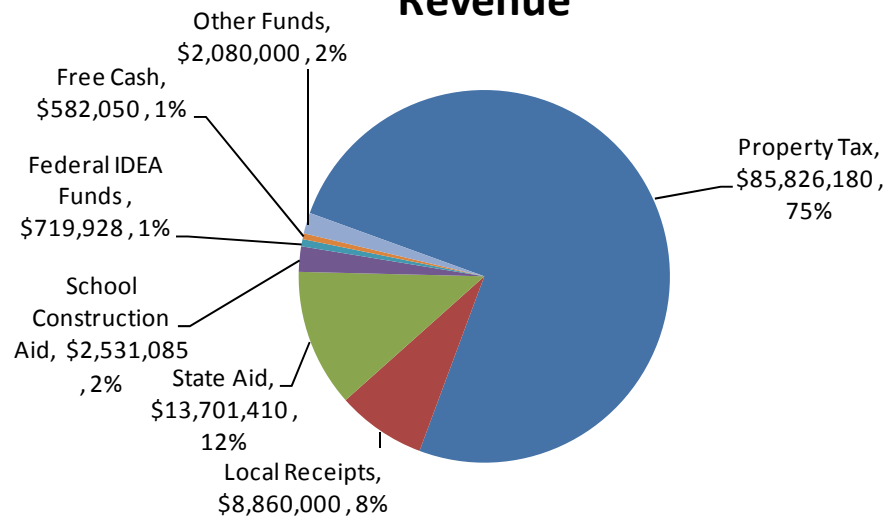
Overall Budget Summary

			Change	
	FY2010	FY2011	\$	%
Revenue				
Property Tax	\$ 83,471,036	\$ 85,826,180	\$ 2,355,144	2.8%
Local Receipts	\$ 8,026,872	\$ 8,860,000	\$ 833,128	10.4%
State Aid	\$ 14,240,565	\$ 13,701,410	\$ (539,155)	-3.8%
School Construction Aid	\$ 2,531,085	\$ 2,531,085	\$ -	0.0%
IDEA Funds	\$ 749,327	\$ 719,928	\$ (29,399)	-3.9%
Free Cash	\$ 1,497,907	\$ 582,050	\$ (915,857)	-61.1%
Other Funds	\$ 3,242,376	\$ 2,080,000	\$ (1,162,376)	-35.8%
TOTAL REVENUES	\$ 113,759,168	\$ 114,300,653	\$ 541,485	0.5%
Expenditures				
Municipal Departments	\$ 27,924,820	\$ 27,765,818	\$ (159,002)	-0.6%
School Department (includes IDEA funds above)	\$ 38,455,380	\$ 39,306,114	\$ 850,734	2.2%
Minuteman School	\$ 3,090,368	\$ 2,739,795	\$ (350,573)	-11.3%
Non-Departmental (Healthcare & Pensions)	\$ 24,615,007	\$ 26,320,673	\$ 1,705,666	6.9%
Capital	\$ 8,107,764	\$ 7,967,673	\$ (140,091)	-1.7%
MWRA Debt Shift	\$ 5,593,112	\$ 5,593,112	\$ -	0.0%
Warrant Articles	\$ 646,515	\$ 584,144	\$ (62,371)	-9.6%
TOTAL EXPENDITURES	\$ 108,432,966	\$ 110,277,329	\$ 1,844,363	1.7%
Non-Appropriated Expenses	\$ 5,326,202	\$ 4,023,324	\$ (1,302,878)	-24.5%
Surplus/(Deficit)	\$ -	\$ -	\$ -	0.0%

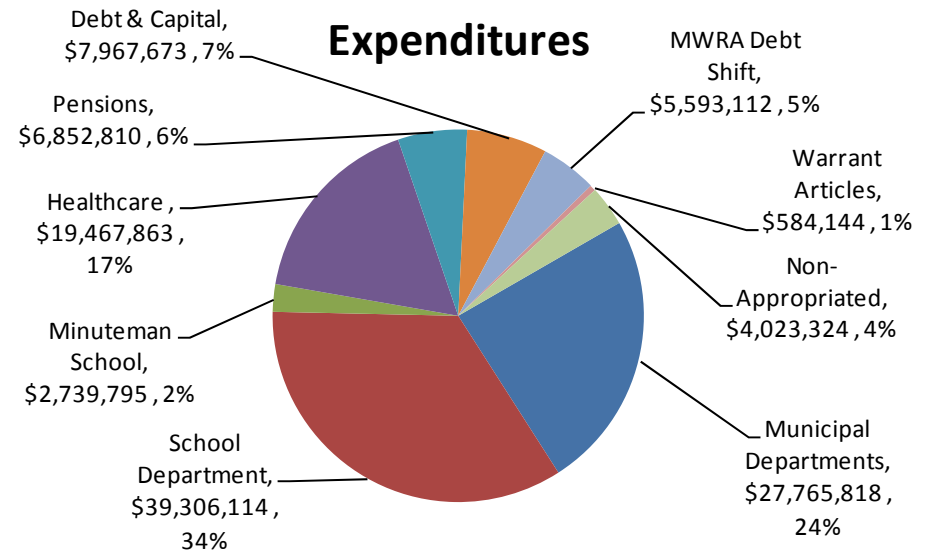


Fiscal Year 2011

Revenue



Expenditures



Fiscal Year 2011 Budget



Budget Summaries Comparison FY 2010- 2011

DEPARTMENT	Fiscal Year 2010				Fiscal Year 2011				Dollar Difference	Percent Difference
	PERSONAL SERVICES	EXPENSES	Enterprise Fund or other offsets	General Fund Total	PERSONAL SERVICES	EXPENSES	Enterprise Fund or other offsets	General Fund Total		
FIN COM	8,270	2,508		10,778	8,480	2,508		10,988	210	2%
SELECTMEN	192,083	108,740		300,823	225,264	134,369		359,633	58,810	16%
TOWN MANAGER	485,971	31,300	(97,732)	419,539	485,345	31,300	(98,729)	417,916	(1,623)	0%
PERSONNEL	191,514	36,450	(55,427)	172,537	195,874	36,450	(54,428)	177,896	5,359	3%
COMPTROLLER	329,916	109,624	(38,677)	400,863	331,163	107,574	(36,693)	402,044	1,181	0%
TREASURER	544,749	109,454	(70,282)	583,921	543,421	104,454	(70,411)	577,464	(6,457)	-1%
POSTAGE	28,193	150,871	(31,861)	147,203	28,708	160,871	(32,783)	156,796	9,593	6%
ASSESSORS	282,035	27,400		309,435	280,198	28,300		308,498	(937)	0%
INFORMATION TECHNOLOGY	433,666	168,219	(115,367)	486,518	466,508	168,220	(114,953)	519,775	33,257	6%
LEGAL	370,083	138,349	(94,024)	414,408	368,077	138,351	(97,112)	409,316	(5,092)	-1%
TOWN CLERK	205,710	26,339		232,049	207,210	27,000		234,210	2,161	1%
REGISTRARS	44,173	14,600		58,773	45,273	14,600		59,873	1,100	2%
PARKING	77,525	28,935		106,460	77,525	28,935		106,460	-	0%
PLANNING & C. D.	263,826	6,570	(33,987)	236,409	237,010	19,570	(25,228)	231,352	(5,057)	-2%
REDEVELOPMENT	54,337	323,650	(24,519)	353,468	55,308	240,150	(25,004)	270,454	(83,014)	-31%
ZBA	19,787	4,103		23,890	19,787	4,103		23,890	-	0%
PUBLIC WKS	3,398,728	5,033,310	(1,644,573)	6,787,465	3,352,703	5,057,666	(1,707,086)	6,703,283	(84,182)	-1%
COM.SAFTY ADM	378,265	-		378,265	386,246	-		386,246	7,981	2%
POLICE	5,396,171	481,980	(30,788)	5,847,363	5,316,754	501,230	(30,788)	5,787,196	(60,167)	-1%
FIRE	5,224,523	310,400	-	5,534,923	5,224,031	349,050	-	5,573,081	38,158	1%
SUPPORT	678,809	23,400		702,209	684,884	23,500		708,384	6,175	1%
INSPECTIONS	352,598	12,300		364,898	355,594	12,300		367,894	2,996	1%
STREET LIGHTS		418,893		418,893		418,893		418,893	-	0%
LIBRARIES	1,454,799	519,870		1,974,669	1,418,382	530,470		1,948,852	(25,817)	-1%
HUMAN SERVICES				-				-	-	0%
Council on Aging	143,342	4,675		148,017	158,410	4,675		163,085	15,068	9%
Veterans' Services	55,246	271,322		326,568	55,246	271,322		326,568	-	0%
Health & Human Serv.	268,737	22,145		290,882	266,626	22,145		288,771	(2,111)	-1%
Youth Services	303,085	75,509	(85,000)	293,594	180,175	35,825	(16,000)	227,000	(66,594)	-29%
RESERVE FUND		600,000		600,000		600,000		600,000	-	0%
MUNICIPAL DEPTS.	21,186,141	9,060,916	(2,322,237)	27,924,820	20,974,202	9,073,831	(2,309,215)	27,765,818	(159,002)	-0.6%
EDUCATION	38,455,380		(1,688,159)	36,767,221	39,306,114		(719,928)	38,586,186	1,818,965	5%
GRAND TOTAL	59,641,521	9,060,916	(4,010,396)	64,692,041	60,280,316	9,073,831	(3,029,143)	66,352,004	1,659,963	2.50%



SUMMARY OF 2011 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Finance Committee	\$ 210 1.9%	\$ 210 Personnel Fixed Costs
Selectmen	\$ 58,810 19.5%	\$ 5,611 Personnel Fixed Costs \$ 52,099 Increase in Elections \$ (1,000) Printing Town Report Reduction \$ (2,900) Expenses \$ 5,000 Annual Audit
Town Manager	\$ (1,623) -0.4%	\$ (1,623) Personnel Fixed Costs
Personnel	\$ 5,359 3.1%	\$ 5,359 Personnel Fixed Costs
Comptroller	\$ 1,181 0.3%	\$ 3,231 Personnel Fixed Costs \$ (2,000) Central Telephone Maintenance \$ (50) Stipends
Treasurer-Collector	\$ (6,457) -1.1%	\$ 8,543 Personnel Fixed Costs \$ (10,000) Overtime \$ (5,000) Expenses
Postage	\$ 9,593 6.5%	\$ 515 Personnel Fixed Costs \$ 9,078 Postage - Town
Board of Assessors	\$ (937) -0.3%	\$ 663 Personnel Fixed Costs \$ (900) Assessors Salary Reduction \$ (1,600) Overtime \$ 900 Expenses
Information Technology	\$ 33,257 6.8%	\$ 414 Personnel Fixed Costs \$ 32,843 GIS Manager (0.5)



SUMMARY OF 2011 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Legal	\$ (5,092) -1.2%	\$ (5,092) Personnel Fixed Costs
Town Clerk	\$ 2,161 0.9%	\$ 1,500 Personnel Fixed Costs \$ 661 Expenses
Registrars	\$ 1,100 1.9%	\$ 1,100 Personnel Fixed Costs
Parking	\$ 0 0.0%	
Planning & Comm. Development	\$ (5,057) -2.1%	\$ (2,512) Personnel Fixed Costs \$ (15,545) Assistant Director Hour Reduction (0.2) \$ 13,000 Contract Planning Assistance
Redevelopment Board	\$ (83,014) -23.5%	\$ 486 Personnel Fixed costs \$ 4,018 Travel Allowance \$ (80,000) Gibbs Energy \$ (7,518) Gibbs Expenses
Public Works	\$ (84,182) -1.2%	\$ (66,088) Personnel Fixed Costs \$ (42,450) Eliminated Parks Craftsman Position \$ 1,200 Travel Clothing Allowance \$ 20,450 Energy \$ (19,300) Professional contract services \$ 45,000 Vehicle Fuel \$ 30,800 Solid Fill Disposal \$ (13,000) Hazardous Waste \$ (70,086) Rubbish Disposal \$ 29,292 Curbside Collection Contract



SUMMARY OF 2011 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Street Lighting	\$0 0.0%	
Community Safety Administration	\$ 7,981 2.1%	\$ 7,981 Personnel Fixed Costs
Police	\$ (60,167) -1.0%	\$ (19,417) Personnel Fixed Costs \$ (60,000) Eliminate Patrolman Position \$ (750) Cleaning allowance \$ 20,000 Vehicle Fuel
Fire	\$ 38,158 0.7%	\$ 54,508 Personnel Fixed Costs \$ (55,000) Eliminate Firefighter Position \$ 14,000 Energy \$ 13,000 Vehicle Fuel \$ 4,000 Computer Maintenance \$ 1,000 Dues/Subscriptions \$ 1,150 Other purchased services \$ 5,500 EMT Supplies and Expenses
Support Services	\$ 6,175 0.9%	\$ 6,075 Personnel Fixed Costs \$ 100 Clothing Allowance
Inspectional Services	\$ 2,996 0.8%	\$ 2,996 Personnel Fixed Costs



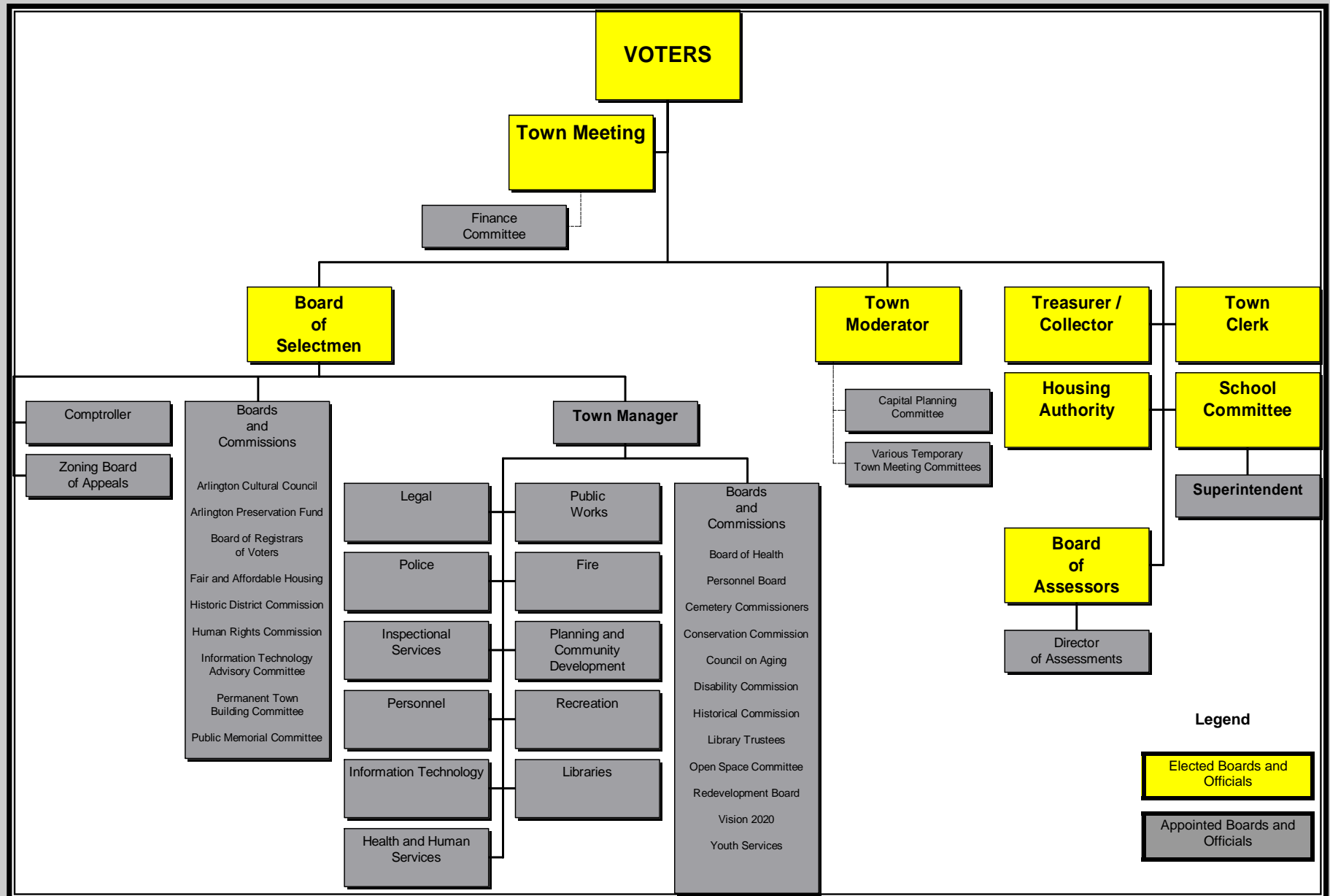
SUMMARY OF 2011 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Libraries	\$ (25,817) -1.3%	\$ (33,611) Eliminated Branch Librarian (21hrs); Asst Director assumes responsibility. 14 hrs \$ 8,751 Hired Children's Librarian (7hrs) to conduct programs, reference and collection at Fox Branch \$ (13,957) Reduction of 5 hrs at Fox Branch; funded by Friends of Fox \$ 13,000 Utilities
Health and Human Services	\$ (2,111) -0.7%	\$ (2,111) Personnel Fixed Costs
Veterans' Services	\$0 0.0%	
Council on Aging	\$ 15,068 10.2%	\$ 10,157 Transfer of Clerk to Fundraising Duties \$ 2,266 COA Transportation Enterprise Fund \$ 2,645 Personnel Fixed Costs
Youth Services	\$ (66,594) -22.7%	Reduced the subsidy from the Town by \$66,594 through a total revamp of the program. Several positions have been eliminated and a few others added. 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%	



SUMMARY OF 2011 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Subtotal: Municipal Departments	\$ (159,665) -0.6%	
Non-Contributory Retirement	\$0 0.00%	
Contributory Retirement	\$ 257,514 4.00%	
Group Health Ins./ Life Ins./Medicare	1,348,152 7.91%	
Liability Insurance	\$0 0%	
Unemployment Compensation	100,000 0%	
Workers' Compensation	\$0 0.00%	
Subtotal: Fixed Costs	\$ 1,705,666 6.8%	
Total: Education	\$ 850,734 2.2%	\$ 1,818,666 Town appropriation before reduction 4.9% in ARRA federal funding.
Grand Total	\$ 2,397,398	



Personnel Changes FY 2003 - FY 2011																						
Department	FY03		FY04		FY05		FY06		FY07		FY08		FY09		FY10		FY11		FY90 - 11		FY03-11	
	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%	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	-1	-13%	0	10%
Tow n 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	-1	-17%	0	0%
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	0.54	-1	-29%	1	18%
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	6		-1	-8%
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	-12	-68%	-3	-36%
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	-4	-30%	-1	-12%
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	-30%	0	23%
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	-2	-26%	-1	-11%
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	-1	-10%	0	-1%
Tow n 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	-1	-11%	0	-2%
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	-50%	0	0%
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	-2	-67%	0	0%
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	0	-8%	-1	-18%
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	1	100%	-1	-50%
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	-1	-50%	0	0%
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	64	0.62	-81	-56%	-21	-25%
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	-2	-22%	-2	-22%
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	-50%	-2	-36%
Natural Resources, Properties	22	0.00	19	0.00	20	0.00	20	0.00	20	0.00	20	0.00	19	0.00	18	0.00	17	0.00	-21	-55%	-5	-23%
High ways	35	0.00	33	0.00	30	0.00	30	0.00	30	0.00	30	0.00	30	0.00	31	0.00	31	0.00	-60	-66%	-4	-11%
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	6		-6	-53%
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	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	-12	-16%	-5	-7%
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	5		0	-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	-15	-17%	-10	-12%
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	-8	-40%	-3	-20%
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	0%
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	3	12%	-6	-15%
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	3.00	-5	-38%	-3	-24%
Pensions																			-2	-100%	0	0%
Enterprise Funds																						
Water & Sewer	17	1.00	16	0.00	15	0.00	15	0.00	15	0.00	15	0.00	15	0.00	15	0.00	15	0.50	15		-3	-14%
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	-1	-19%	-1	-19%
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	200%	1	50%
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		-1	-35%
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	-8	-84%	-4	-71%
Total	376	29.42	337	27.17	332	26.89	332	29.65	329	37.57	326	37.64	321	36.05	318	34.61	313	33.96	-120	-26%	-58	-14%



Legend

- Elected Boards and Officials
- Appointed Boards and Officials



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 2011, showing only a \$210 increase for personnel fixed costs.

FY2011 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				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Finance Committee				
Personal Services	7,618	8,270	8,480	
Expenses	1,671	2,508	2,508	
Total	9,290	10,778	10,988	-

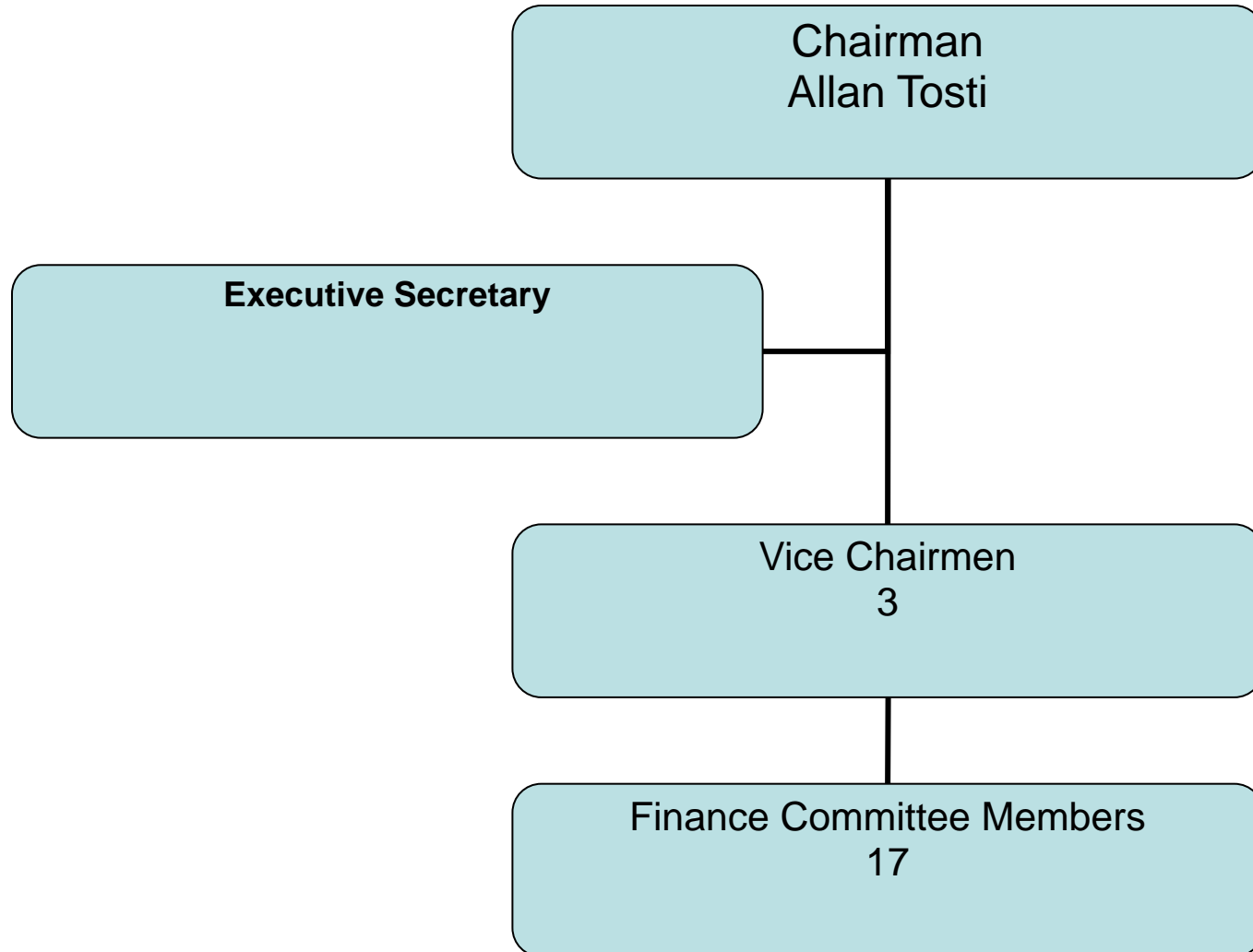
STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Finance Committee				
Managerial				
Clerical	1PT	1PT	1PT	1PT
Professional/Technical				
Total	1PT	1PT	1PT	1PT



Major Accomplishments for 2009

- 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	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services Expenses	-	600,000	600,000	500,000
Total	-	600,000	600,000	500,000





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

Overall the budget will increase \$58,810 due primarily to elections. There will be 2 additional elections in FY2011 costing an increase of \$52,099. Audit costs will increase \$5,000, printing of annual reports will decrease \$1,000 and personnel fixed costs and expenses will net to an increase of \$2,711.

FY2011 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 that the new flood zone maps are completed accurately.
- 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				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Board of Selectmen				
Personal Services	194,145	175,123	180,734	
Expenses	16,989	23,700	20,800	
Audit	48,351	50,000	55,000	
Annual Report	4,047	6,000	5,000	
Total	263,532	254,823	261,534	-

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Board of Selectmen				
Managerial	1	1	1	
Clerical	2.25	2.5	2.5	
Professional/Technical				
Total	3.25	3.5	3.5	



Major Accomplishments for 2009

- 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. This was possible through receiving materials and hearing schedules in advance on the Town’s website, arlingtonma.gov.
- 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 the application is now online.
- Development of updated policies and procedures book.
- Established Selectmen goals in coordination with Town Manager goals.
- Board of Selectmen voted to expand the Farmer’s Market to include crafts, jams, jellies, cheeses, and fish.
- Board of Selectmen voted to support the business of Zip Cars in Town by designating two parking locations in the Center municipal lot.
- Board of Selectmen voted an updated Alcohol Policy along with co-sponsoring with the Coalition educational seminars for businesses on serving/selling alcohol.

SUB PROGRAM COSTS				
	FY2009	FY2010	FY2011	FY2011
Elections	Actual	Budget	Request	Fin Com
Personal Services	36,755	16,960	44,530	
Expenses	55,554	29,040	53,569	
Total	92,308	46,000	98,099	-

Board of Selectmen	FY2008	FY2009	FY2010	FY2011
	Actual	Actual	Estimated	Estimated
Meetings:				
Town Meeting Preparations	9	9	9	9
Special Town Meeting Preparations	-	2	2	2
Selectmen Meeting Preparations	30	30	30	30
Audit Advisory Meeting Preparations	2	2	2	2
Budget & Revenue Task Force	3	4	4	4
Meeting Preparations				
Joint BOS/School Committee	1	1	1	1
Summit Meeting Preparations	2	-	-	-
Joint BOS/Redevelopment Board				
Joint Meeting Preparations	3	2	2	2
Japanese Sister City Meetings	-	8	4	4
Mass. Ave. Corridor Meeting Preparations	-	3	0	0



Board of Selectmen

Kevin Greeley, Chairman
Diane Mahon, Vice-Chairman
John W. Hurd
Annie LaCourt
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 \$1,623 due to personnel fixed cost reductions.

FY 2011 Objectives

- Work with the Board of Selectmen, other Town officials, and interested citizens to develop a long-range financial plan beyond the current five-year plan.
- Work with employee groups to address healthcare cost issues, including exploring the feasibility of joining the GIC, the State's healthcare program.

FY 2011 Objectives (continued)

- Continue work to improve communications between the Town and the public through an enhanced website, online service request tracking program (Request/Answer Center), periodic information columns in the Advocate, surveys, and other means.
- Continue working with area communities to explore opportunities to regionalize services, operations, and purchasing.
- Evaluate current methods of delivering various services to ensure that the most productive, cost-efficient method is used.
- Further develop the new performance measurement program under the auspices of the International City Management Association (ICMA).
- Continue to work with the Energy Working Group and other interested groups to implement energy conservation improvements and Sustainable Arlington's Action Plan.
- Explore the feasibility of obtaining the Green Communities designation.
- Work with interested groups to oversee the design of improvements to the Mass Ave corridor from the Cambridge line to Arlington Center.
- Work with the Board of Selectmen, Redevelopment Board and Planning and Community Development Department to finalize and implement a comprehensive commercial revitalization plan.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Town Manager				
Personal Services	447,528	388,239	386,616	
Expenses	27,516	31,300	31,300	
Total	475,045	419,539	417,916	-

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Town Manager				
Managerial	2	2	2	
Clerical	1	1	1	
Professional/Technical	2	2	2	
Total	5	5	5	



FY 2011 Objectives (continued)

- Work with the Information Technology Director and other departments to implement a new Geographic Information System (GIS).
- Evaluate the cost effectiveness of implementing a paramedic level ambulance service within the Fire Department.
- Work with the Redevelopment Board and Board of Selectmen to seek a developer for the Symmes site who will best meet the goals for the redevelopment of this property.
- Oversee several major capital projects including the rebuild of the fire stations and Thompson School, renovations to Stratton School and the Public Works Administration building, and the rebuild of the Mill Lane and Brattle Streets culverts in cooperation with the MWRA.
- Obtain federal ARRA grant assistance to rebuild upper Forest Street.
- Work with the administration at the Minuteman Regional Vocational School and other communities to restructure the Regional Funding Agreement, and to develop a long term plan to best meet the educational needs of the 116 high school students from Arlington in the most cost effective manner.

Major Accomplishments for 2009

- Settled collective bargaining agreements with all employee groups.
- Improved 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; write periodic information columns in The Advocate; and received award for the Annual Town Report from the Massachusetts Municipal Association.
- Participated with a group of approximately a dozen area communities to explore regionalizing services, operations, and purchasing.
- Obtained technical assistance grant to work with the Towns of Lexington and Belmont to evaluate the feasibility of implementing a regional health department for the three communities.

Major Accomplishments for 2009 (continued)

- Formed Energy Working Group to implement energy conservation measures including Sustainable Arlington's Action Plan. Joined EPA's New England Energy Challenge which includes communities committed to implementing EPA's energy conservation strategies for communities, and obtained a technical assistance grant in conjunction with the Towns of Lexington and Lincoln to evaluate the feasibility of obtaining the designation of Green Community thus making the town eligible for energy grants.
- Joined the International City Managers Association's Center for Performance Measurement to work with area communities and communities around the country to gather, analyze, and compare performance data.
- Renegotiated solid waste disposal and collection contracts, which resulted in a 15% reduction in disposal tipping fee, no increase in the collection costs, and the implementation of single stream recycling.
- At the request of Town Meeting, prepare and submit to Town Meeting an implementation plan for a pay-as-you-throw solid waste program.
- Implemented the contracting out of cemetery grounds maintenance for a savings of at least \$65,000.
- Participated with several Town financial departments including the Treasurer, Assessor, and Comptroller to obtain an upgrade in the Town's bond rating to AAA, the highest rating.
- Completed the Park Circle Fire Station on time and under budget by more than \$200,000.
- Worked with State and Federal highway authorities to gain their full support for the Mass Ave Corridor project for inclusion on the TIP with full funding. Engineers have been engaged to prepare the 25% plans for submission to Mass Highway.
- Hired new Director of Planning and Community Development.

Performance / Workload Indicators

	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
<i>Town Manager</i>				
Purchase Orders Processed	5,189	5,385	5,100	5,100
Bids Processed	38	41	35	35



Program Description Website

Carry out the goals of the online policy set by the Board of Selectmen in 2000. The policy aims to:

- Provide accurate, helpful, and timely information about the Town of Arlington for the general public.
- Use emerging Internet technology, as it matures, to improve Town services.
- Promote the interests of the Town in concert with Arlington's goals.
- Encourage participation in Town government.
- Provide ongoing education aimed at increasing understanding about how the Town operates.

Three main components of the site that help achieve these objectives include: the main site, the Request/Answer Center, and Town of Arlington Notices. The main site includes home pages and goals for departments, committees, boards as well as Town news, Town Meeting, and Community calendars. The Request/Answer Center is an online customer service center where residents can make Service Requests, Ask Questions, and search an extensive Answerbase. Town of Arlington Notices is an email distribution list that delivers information on Town activities including: public health and public works alerts, snow emergencies, election information, trash & recycling reminders, and special Town related events.

Budget Statement

With the current economic climate it is anticipated we will work within, or below our reset budget levels. We continue to employ marketing techniques to increase subscriptions to Town of Arlington Notices and usage of the Request/Answer Center, work with vendors to add features that improve efficiencies, and work with staff and volunteers toward better communication and consistency on the site. We have been very successful in increasing interest in these services, however, with the increase of interest we are not able to implement some requests and services related to the site. We continue to balance priorities and resources as best we can.

FY2011 Objectives Website

Build upon the success of the three main components of the website which represent an extremely valuable relationship with residents. Moving forward, continue to build upon this relationship by:

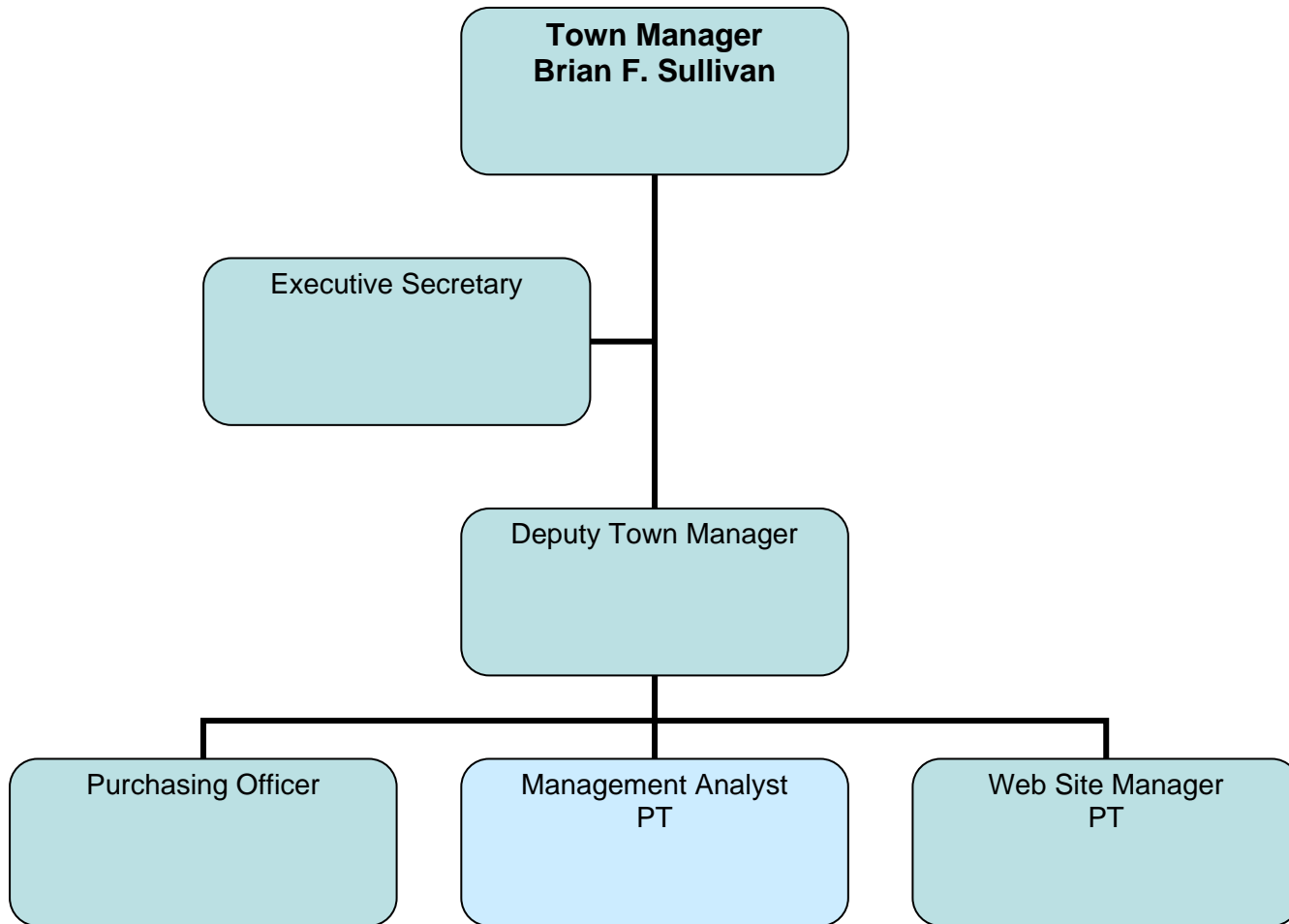
- Continuing to provide timely, accurate information in line with the Town's online policy.
- Increase subscription numbers to email Notices.
- Increase usage to Request/Answer Center.
- Review technology/infrastructure for efficiencies wherever possible. This includes working with vendors to improve their tools and reviewing available technologies to incorporate into the site, and/or for bringing operations in-house when appropriate. Looking at efficiencies like automating tasks, style sheets, and improved reporting top the list.
- Continue to support Town staff in integrating the Request/Answer Center as part of their customer service initiatives and toward enhancing the service to act as a work order system when appropriate.
- Expand the Answerbase as needed.
- Continue to advocate the site and its communication features with staff, boards, committees, and commissions as an important component to their outreach activities.



Major Accomplishments for FY2009—Website

- 66% increase of subscribers to Town of Arlington Notices. Adding 648 subscribers for a cumulative total of 1,888 at the end of FY09. If comparing this number to the estimated 19,000 households in Arlington, this represents 7% of households.
- Request/Answer Center boasted over 95K Answers Viewed. This illustrates that users are overwhelmingly getting the information they are seeking without calling Town Hall. Answers Viewed are phone calls the Town is not receiving. According to leading industry analysts, phone inquiries cost an estimated \$4.50 each. Using this model, the Request/Answer Center is saving/has an added value to the Town of \$428K in FY09. Over \$500K since the service launched Feb. 2008.
- Request/Answer Center closed over 2K Requests.
- Arlingtonma.gov was presented with 2009 Common Cause eGovernment Award with Distinction.

Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
<i>Website</i>	Actual	Actual	Estimated	Estimated
Subscribers to Town of Arlington Notices	1240	1888	2,549	3,059
% of Growth from previous year	70%	66%	35%	20%
% Compared with # of households (19,000)	7%	10%	13%	16%
Website Traffic (arlingtonma.gov & Request/Answer Center)				
Page Views	575,833	1,438,475	1,500,000	1,600,000
Visits	196,946	502,044	500,000	500,000
* Unique Visitors	110,373	249,024	250,000	250,000
<i>Google Analytics reporting initiated Jan '08</i>				
**Request/Answer Center: System Stats				
Answers Viewed on Portal	17,874	95,239	100,000	100,000
***Estimated Savings/Value Add to Town	\$80,433	\$428,576	\$450,000	\$450,000
^Registered Customers in System	248	2,293	2,500	2,750
Questions/Requests Created	683	2,054	2,200	2,500
Questions/Requests Closed	81%	2,296	2,400	2,500
Questions/Requests Remain Open System	15%	17%	14%	12%
**Request/Answer Center: Website				
Questions/Requests Created	327	726	750	750
Questions/Requests Closed	315	706	350	350
Questions/Requests Remain Open System	9%	6%	7%	7%
<i>*Assumes Request/Answer Center Unique Visitors are same as arlingtonma.gov due to how the two sites are closely integrated</i>				
<i>** Request/Answer Center launched February 2008</i>				
<i>***Industry analyst estimate phone calls cost \$4.50 each. Answer Viewed are phone calls the Town is not receiving.</i>				
<i>^Duplicate customers ID'd - same customer using multiple emails estimated adjustment is 5-10%</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 is committed to improving 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. It 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 federal employment laws. Personnel also addresses a wide range of employment matters including workplace investigations.

Budget Statement

The budget increased by \$5,359 due solely to personnel fixed costs increases. In Fiscal 2009, the Department received funding for an additional Benefits Administrator. Due to the grim fiscal climate, the Department reorganized and was forced to cut the additional position. As a result, monitoring health insurance rolls with sufficient rigor continues to be a struggle. As the private sector continues to slash or eliminate health insurance benefits, coupled with the poor economy and job loss, health insurance enrollment numbers should be expected to increase.

FY2011 Objectives

- 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.
- Work aggressively with Town Unions to explore the option of joining the state's Group Insurance Commission (GIC), or alternatively to modify existing Town plans to maximize savings.
- Implement and monitor changes to the Family and Medical Leave Act, and improve communication with employees about their leave rights.
- Continue to find ways to streamline information to assist in budgetary preparation and collective bargaining. Maintain good relations and continue to improve communications with labor unions.
- Continue to meet new reporting requirements mandated by the new Massachusetts Health Care Reform Law and Federal Medicare Part D Prescription Drug subsidy including annual employee census of state mandate for all individuals to have health insurance.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personnel				
Personal Services	148,638	136,087	141,446	
Expenses	15,855	36,450	36,450	
Total	164,494	172,537	177,896	-

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personnel				
Managerial	1	1	1	
Clerical	3	2	2	
Professional/Technical				
Total	4	3	3	-



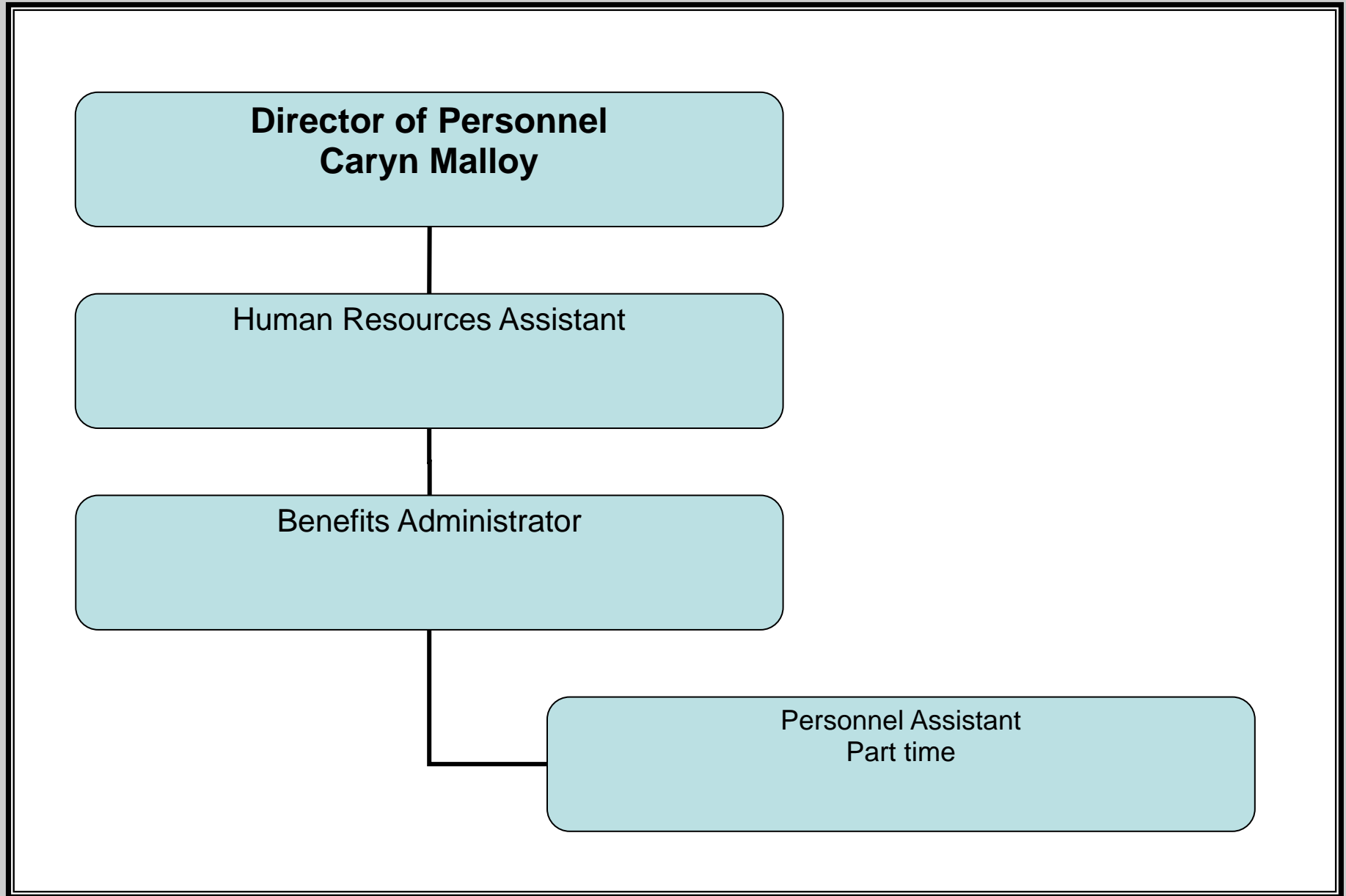
Major Accomplishments for 2009

- Worked as part of the management team in extensive negotiations with the retirees, town and school unions on the GIC.
- Worked closely with Department Heads to successfully facilitate a number of disciplinary issues and workplace investigations.
- Worked under the direction of the Town Manager in the successful recruitment of Director of Planning and Community Development.
- Conducted a number of employee and supervisor trainings including Workplace Harassment and Reasonable Suspicion for Drug and Alcohol Use.
- The Department produced its first Personnel Newsletter, which was very well received. The Newsletter contains helpful information about benefits and news from other departments as well as information about new hires and retirees. The Department plans to issue the newsletter quarterly.
- Successfully and completely audited all health and life insurance rolls (of approximately 2000 active and retired employees) to ensure proper funding of plans.
- Contacted area fitness clubs to attain discounts for employees, resulting in greater utilization of the Town's fitness benefit under the Blue Cross and Harvard Pilgrim plans. Town and School employees may also take advantage of Weight Watchers at work, and during the spring 175 employees participated in the Go Walking program, which provides free pedometers and encourages participants to track their miles walked.
- 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.
- The Department successfully implemented co-pay changes to the HMOs and contribution level changes as they were bargained with each employee group.

Major Accomplishments for 2009 (continued)

- Worked closely with the Equal Opportunity Advisory Committee in ensuring compliance with the Town's Bylaws with regard to female and minority participation goals for three construction projects, each exceeding \$200,000.

Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
<i>Personnel</i>	Actual	Actual	Actual	Estimated
Health Insurance Contracts Managed	1,915	1,938	1,923	1,920
Life Insurance Contracts Managed	1,020	1,104	1,079	1,079
Life Insurance Claims Processed	29	30	10	15
Vacancy Postings	56	26	26	25
New Hires	44	24	24	25
Promotions	10	20	20	10
Retirements	18	18	18	20
Resignations	24	12	12	15





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, and 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 Private Branch Exchanges (PBX) and voicemail systems.

Budget Statement

The overall budget will increase \$1,181 due to an increase of \$3,231 in personnel fixed costs and a \$2,000 reduction for central telephone maintenance.

FY2011 Objectives

- Research the feasibility of electronically distributing purchase orders and payroll direct deposit.
- Hire a telecommunication consultant to review the Town's phone system and make recommendations for future operations of the phone system.
- Review and enhance Town reports.
- Consolidate some of the Town/School financial operations.

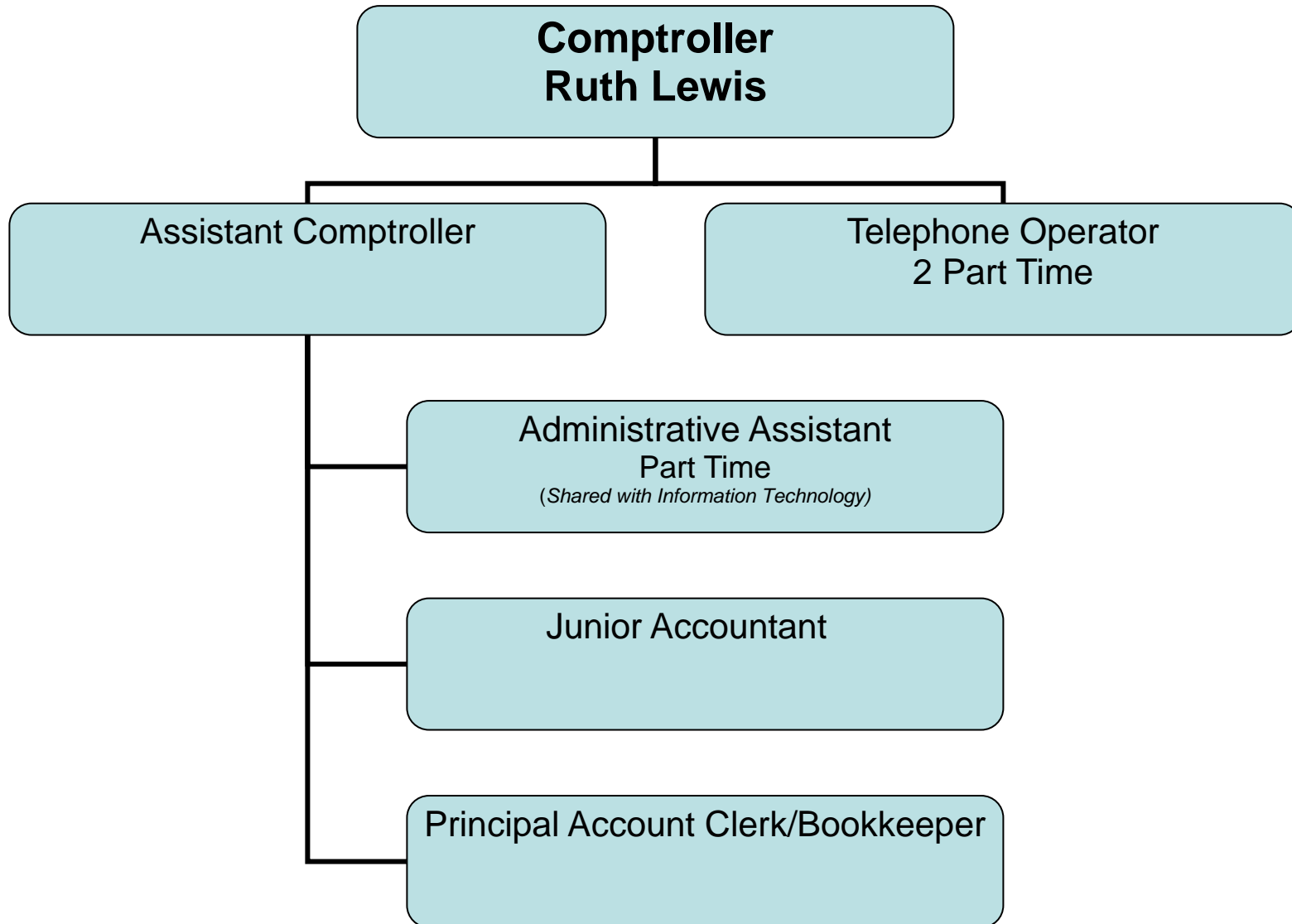
PROGRAM COSTS				
	FY2009	FY2010	FY2011	FY2011
Comptroller	Actual	Budget	Request	Fin Com
Personal Services	278,980	291,239	294,470	
Expenses	108,313	109,624	107,574	
Total	387,293	400,863	402,044	

STAFFING				
	FY2009	FY2010	FY2011	FY2011
Comptroller	Actual	Budget	Request	Fin Com
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 2009

- Closed books and had the Town audit and free cash certified on a timely basis.
- Added 6 VOIP phones to the system.
- Implemented laser purchase orders and distributed the printing of purchase orders.
- Consolidated journal entries with School department.

Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
Accounting	Actual	Actual	Estimated	Estimated
General ledger entries	99,138	101,989	102,000	102,500
Purchase Orders	5,381	5,150	5,200	5,250
Accounts Payable batches	1,007	1,000	1,005	1,010





Program Description

The Treasurer and 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 and 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 and 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 officers seminars, as well as being an active member of the Massachusetts Collectors and 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.

The Treasurer/Collector's 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 collection of all Real Estate & Personal Property, Motor Excise, Water & Sewer accounts and miscellaneous departmental receivables. Payments are received over the counter and through the mail.
- Receives deposits from all departments that charge fees or receive revenue. Assists these departments in the collection of delinquent accounts. Some departments deposit revenue directly to our depository bank then submit paperwork (i.e. Recreation Dept) for processing.

Program Description (continued)

- Responsible for investment of Town revenues, the general funds, trust funds, and custody of retirement 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 to maintain "AAA" Bond Rating with Standard & Poor.
- Successful – Triple-A Rating ("AAA") 4th consecutive borrowing.
- Manage the relationship with finance professionals providing custodial, investment and banking services to the Town.
- Administer all phases of the Arlington Dollars For Scholars tax check-off scholarship program.
- Managing the Arlington Citizen's Scholarship Foundation/Dollars For Scholars program.

Budget Statement

The overall budget has decreased \$6,457 due to a reduction of \$10,000 in overtime, a reduction of \$5,000 in expenses, and an increase of \$8,543 in personnel fixed costs.



Major Accomplishments for 2009

- Treasurer's Office continues to operate the lowest outstanding/delinquent real estate and personal property taxes of any community in the Commonwealth by initiating internal collection programs with a focus on end-of-fiscal-year results. Of 14,997 properties, 66 tax-title liens filed, and no notice of foreclosures filed.
- Attained a top rating of Triple-A ("AAA") from Standard & Poor's rating agency for the 4th 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.
- Selected Boston Advisors – our new investment management firm from 23 candidates, by developing a Request For Proposal and managing a successful selection process that included fully researching Government Finance Officers Association national guidelines, internally building the RFP, and selecting a top-rated investment firm to serve as our Investment Advisor and Investment Manager.
- Transitioned our Trust Funds from State Street Bank to Fidelity Advisors.
- Successful borrowing of \$5,262,000 at 2.3684% in tax-exempt Urban Renewal Bonds (Symmes site), and \$3,482,000 at 2.2069% in General Obligation Bonds, in Fiscal Year 2010 both with a "AAA" rating from Standard and Poor's.
- The Treasurer's Office administers the Arlington Citizens Scholarship Fund, which provides financial assistance to Arlington residents attending higher education. 92 scholarships, totaling \$128,500.00, were awarded in 2009.

FY2011 Objectives

- Implement the new Banking Services RFP/contract for Town accounts and transaction services.
- Improvements in Town-wide electronic billing/payments will be conducted.
- Continue 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.

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Treasurer				
Managerial	1	1	1	
Clerical	8.1	6.9	6.9	
Professional/Technical	1	2	2	
Total	10.1	9.9	9.9	

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Treasurer				
Personal Services	465,587	474,467	473,010	
Expenses	124,391	109,454	104,454	
Total	589,977	583,921	577,464	-

Performance / Workload Indicators				
Treasurer	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Real Estate Bills Processed	60,000	60,000	60,000	60,000
Motor Excise Bills Processed	40,000	40,000	40,000	40,000
Water Sewer Bills Processed	25,000	25,000	25,000	25,000
combined Demand Notices		12,300	11,000	9,000
Liens from Water Sewer delinquency (less than .02% of total commitment)	\$ 104,758	\$126,419	\$ 100,000	\$100,000
Lien Certificates processed	1,584	1,170	1,118	900
Lien Certificate revenue	\$ 39,600	\$ 29,250	\$ 39,600	\$ 45,000
Deputy Tax Collection revenue	\$ 115,573	\$ 133,146	\$ 110,000	\$ 110,000



Treasurer/ Collector
Stephen Gilligan

Treasurer Assistant

Parking
Data Input Operator

Deputy Treasurer/ Collector
Alfred Fantini

Management Analyst

Treasury Account Clerk

Head Cashier

Assistant Collector
3 full time

Principal Account Clerk/
Bookkeeper

Postage
Output Media Handler



Program Description

The Postal Office is a division of the Office of the Treasurer and 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 the division:

- All operations management of Town and School outgoing mail on a daily basis.
- Scheduling, distributing, and processing of all Motor Excise, Real Estate, Water, and Parking bills.
- Process special mailings for other departments.
- Scheduling and processing all 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. We evaluate each mailing to determine and use lowest possible mail-rate. Overall the budget is up \$9,593.

FY2011 Objectives

- The Town Hall basement area needs significant renovation to accommodate historical and financial records.
- Work with the Building Maintenance Dept. to continue to rectify work-space environmental/health issues.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Postage				
Personal Services	23,696	28,193	28,708	
Expenses	133,878	119,010	128,088	
Total	157,574	147,203	156,796	-

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Postage				
Managerial				
Clerical	0.7	0.7	0.7	
Professional/Technical				
Total	0.7	0.7	0.7	

Major Accomplishments for 2009

- Provided exceptional service to all departments.
- Sent mail out at the lowest possible postage.

Performance / Workload Indicators				
	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Postage				
Bills mailed: Real Estate, Water/Sewer, Motor Vehicle Excise and Parking	154,039	149,883	155,000	155,000
Other Town Mailings	145,978	140,117	143,000	145,000
Other School Mailings	68,818	69,116	71,000	71,000
Total:	368,834	359,116	369,000	371,000



Assistant Treasurer/ Collector
Alfred B. Fantini

Output Media Handler



Program Description

The Assessors' office is responsible for complying with Mass. General Laws and Department of Revenue guidelines in all assessing functions. The office determines the assessed values for all Real Estate & Personal Property accounts and, working with the Treasurer's office, administers all automobile excise accounts and abatements. The office is responsible for all statutory real estate exemptions, all real estate abatements, and water and sewer abatements. The office determines the tax levy and all real estate and personal property growth. The office provides timely commitments of real estate, personal property, and automobile excise taxes to the Treasurer for collection, and information to the Finance Committee and other Departments as needed. The office provides quality service to all customers in the performance of the above-described duties.

Budget Statement

Overall the budget is decreased \$937. An increase of \$663 in fixed personnel costs was offset by the Board of Assessors voluntarily taking a salary reduction of \$300 each (\$900) and overtime was decreased by \$1,600. Expenses increased by \$900.

FY 2011 Objectives

- To maintain fair, equitable and consistent assessing practices for all.
- To continue to update real estate software with digitized pictures of all real property.
- Continue reviewing all functions in the Assessors Office in order to serve the taxpayer more efficiently.
- To begin re-inspection of all properties in 2008 to be completed for the FY2010 triennial certification.
- To ensure the accuracy of all assessments for real and personal property accounts.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Assessors				
Personal Services	281,283	282,035	280,198	
Expenses	27,198	27,400	28,300	
Total	308,481	309,435	308,498	-

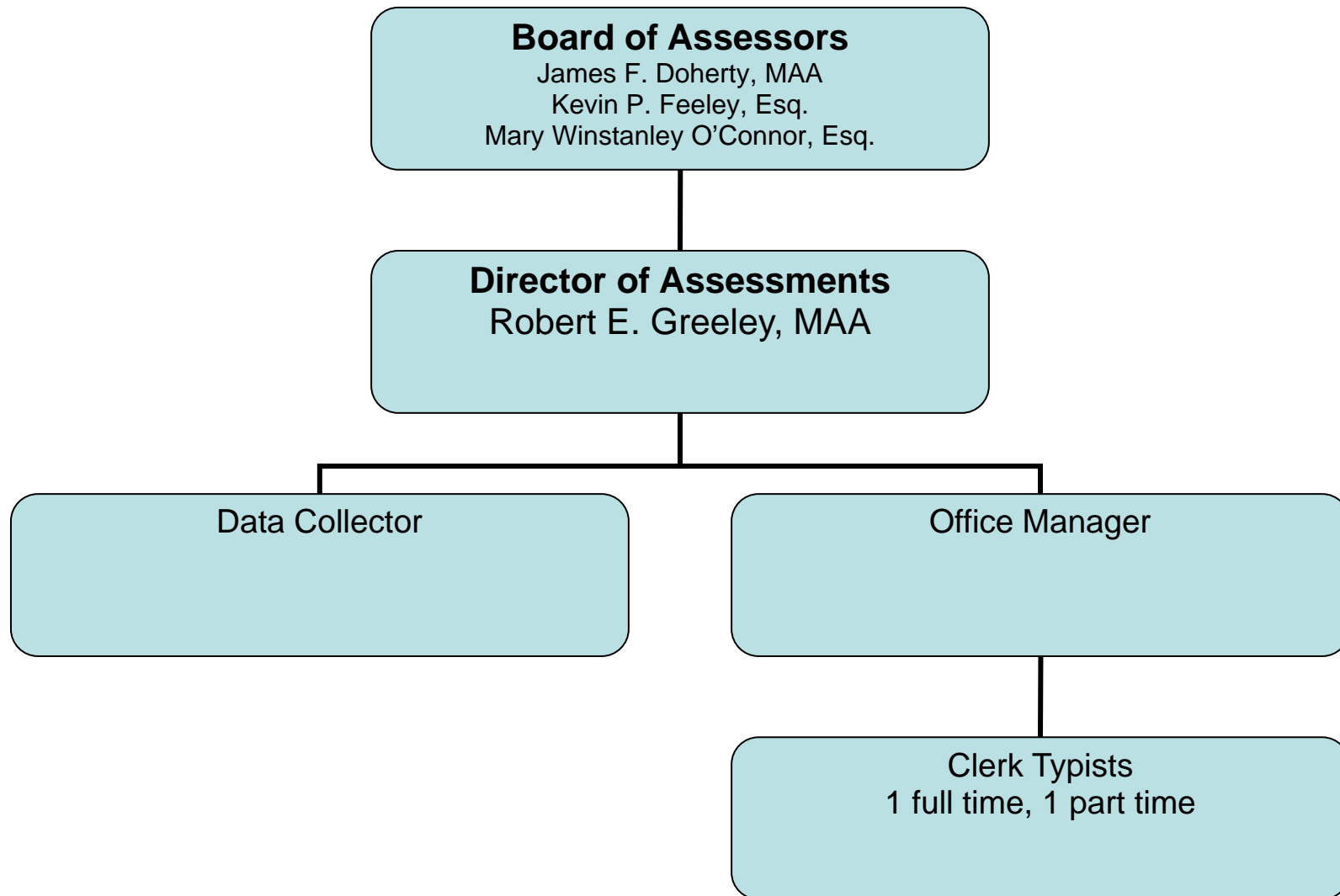
STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Assessors				
Managerial	1	1	1	
Clerical	3.5	3.5	3.5	
Professional/Technical				
Total	4.5	4.5	4.5	



Major Accomplishments for 2009

- In 2009 the Board of Assessors completed their re-inspection program by Patriot Properties Inc. to meet the requirements of the Department of Revenue, in compliance with Massachusetts General Law (MGL).
- Committed all bills for Real Estate, Personal Property, and Motor Excise taxes in a timely fashion.
- Enhanced web access for all assessing data.
- Worked interdepartmentally to insure that all taxpayers are informed as to the benefits available.

Performance / Workload Indicators				
Assessor	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Real Estate Bills processed		14,875	14,900	15,000
Motor Vehicle bills processed	42,074	42,311	43,000	43,000
Personal Property bills processed		491	500	500
Real Estate exemption applications	587	569	625	625
Real Estate and Personal Property Abatements	192	214	150	500
Motor Vehicle Excise abatements	5,700	6,000	6,000	5,500
Citizen Inquiries	7,700	8,000	8,000	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 fell into three broad categories:

1. Town and School hardware, networking, telecommunications and software infrastructure.
2. Town and School Administrative Applications, Implementation, Training, and support.
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 the 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, over four hundred printers, various servers, Town and School network infrastructure, electronic communications systems, the Munis financial software system, PowerSchool (student information system), electronic security systems, integrated collection system, and various other software packages.

Budget Statement

Overall the budget has been increased by \$33,257. The major increase is to pay a new 0.5 GIS Manager. The Town is far behind in utilizing this effective Geographic Information System. Nearly all Town records and data needs are geographic based. Communities large and small make very cost effective use in virtually every department including the school department.

FY2011 Objectives

- Develop and Implement multi-year disaster recovery program.
- Develop and institute an annual security audit program.
- Pursue strategies and systems for archiving paper records.
- Complete server upgrades and consolidation.
- Create Donations web site for Health and Human Services.
- Implementation of Wireless Automated Water Meter System.
- Standardize Town email archiving system with indexing and compression.
- Implement Credit Card processing capability on Town and Treasurer Website; standardize look and feel of both sites.
- Standardize email systems across Town and School.
- Assess and create plans for upgrading Town and School network routing and switching infrastructure.
- Create RFP for facility security assessment.
- Upgrade PowerSchool for remote web access outside the School's network.
- Implement facilities booking program to coordinate reservation and use of Town facilities.
- Implement online Point of Sale system at AHS for School Food Services Dept.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Information Technology				
Personal Services	370,939	318,298	351,555	
Expenses	161,373	168,220	168,220	
Total	532,311	486,518	519,775	

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Information Technology				
Managerial	1	1	1	
Clerical	0.5	0.5	0.5	
Professional/Technical	4	4	4.5	
Total	5.5	5.5	6.0	



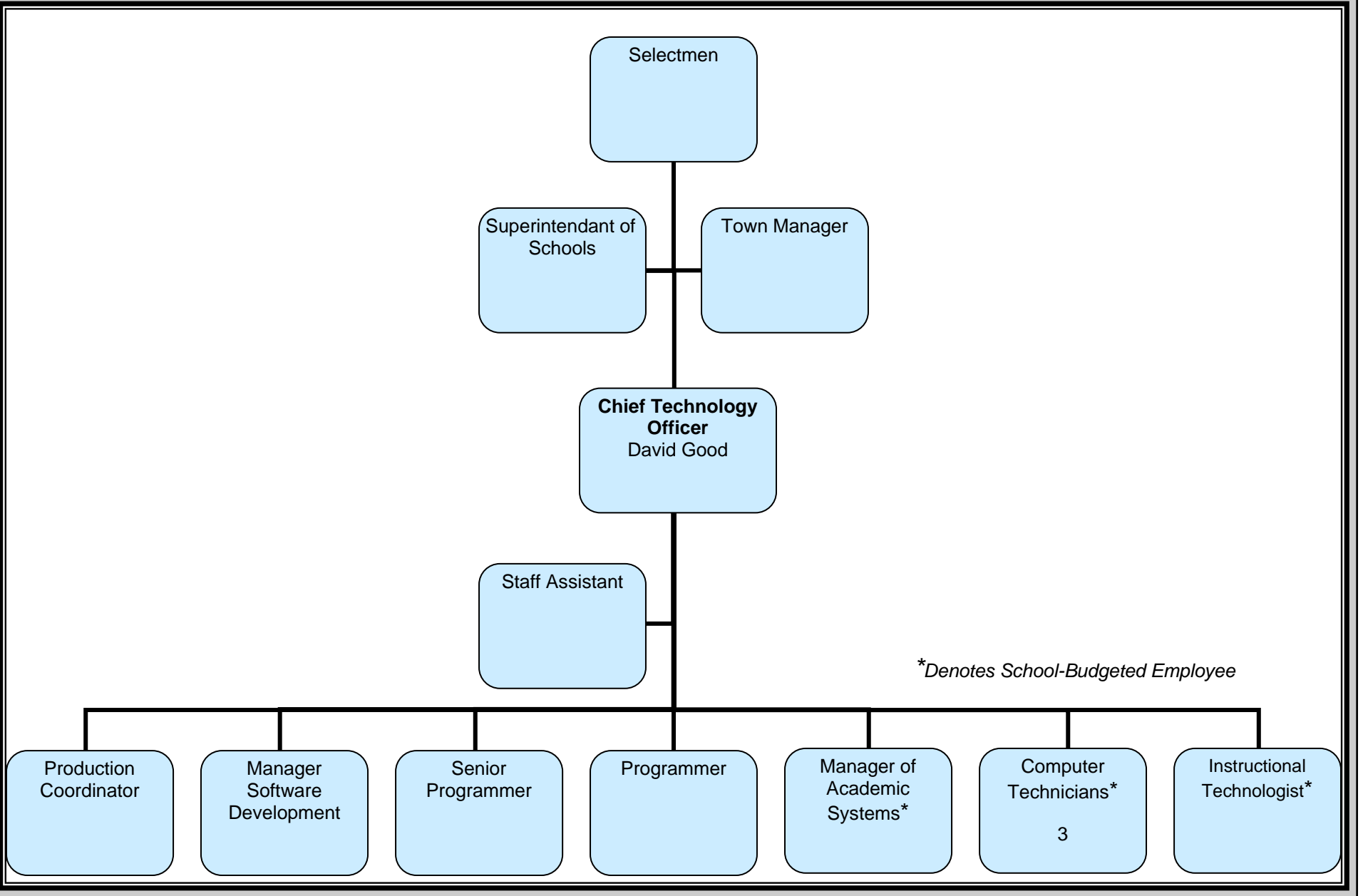
Major Accomplishments for 2009

- A more robust Domain Controller was installed this year to enhance the secure single login to system and network resources. The migration of department disk shares will continue through the first quarter of 2010.
- Implemented a server virtualization system to further consolidate and reduce time and hardware costs when deploying server resources. Also introduced power-saving technology, and reduced cooling costs. Additional consolidations will occur in 2010. Reduced the number of servers from seventeen to ten, simplifying network management.
- Continue to build on the uses and effectiveness of Help Desk tools. IT receives and closes approximately 500 help requests per month, across both the Town and the School Help Desks.
- The Department continues to follow its hardware refresh plan for desktop hardware in the Schools. Completed the desktop upgrades in the Bishop, Hardy, and Pierce Schools, finishing the project to convert desktop hardware to the PC platform across the District.
- Expanded the use of our imaging software to include the School's server environment. The use of imaging software reduces the amount of time and labor needed to rebuild a system, and imaging is also one of the key components to our Disaster Recovery Process.
- Installed video surveillance security system at AHS. The system is IP based, installed on a separate fiber network, and uses a web-based user interface.
- Work was successfully completed on Water Meter hand-held device software to enhance integration and shorten upload timeframes.
- Implemented a new voting tabulation and management system to better integrate with our AccuVote voting machines.
- Created an email list server environment to support Town Committees in their efforts to communicate more effectively with their members and the citizens of the Town of Arlington.
- Converted all School libraries in the district to the PC platform, continuing the effort to standardize on fewer operating systems and hardware platforms.

Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
<i>Information Technology</i>	Actual	Actual	Estimated	Estimated
Computer Upgrades	101	81	58	45
Printer Upgrades	15	15	30	15
Server Upgrades		4	4	3

Major Accomplishments for 2009 (continued)

- Purchased and installed email archiving and backup system with indexing and search capability to support the School email system.
- Converted all School libraries in the district to the PC platform, continuing the effort to standardize on fewer operating systems and hardware platforms.
- Purchased and installed email archiving and backup system with indexing and search capability to support the School email system.
- Ning (Outsourced Social Networking Environment) – Connecting teachers, to promote discourse and exchange of teaching and learning practices.
- Purchased and installed email archiving and backup system with indexing and search capability to support the School email system.
- Integrated applications with PowerSchool (Student Information System) for Transportation, Nursing, and Special Education Departments. Successfully completed the integration of the parking ticket handheld devices with the Treasurer's Integrated Collections System. Created integration conduits between Crimereports.com and Police Dept information management system.
- Completed major upgrades to PowerSchool and Munis that added features, functionality, and for PowerSchool, a Web interface.
- Created and printed approximately 170,000 water, real estate, and excise bills.
- Developed electronic transaction processing for Health and Human services to enable donors to contribute using credit cards
- Installed PowerSave software on all School machines to reduce power consumption on Desktops equipment across the District. Savings estimate of up to \$40k in electrical costs.





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.

FY2011 Objectives

- Work with 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.

Budget Statement

Overall the budget decreased \$5,092, due to Personnel Fixed Cost decreases.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Legal				
Personal Services	352,804	276,057	270,965	
Expenses	258,770	138,351	138,351	
Total	611,574	414,408	409,316	

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Legal				
Managerial	2	2	2	
Clerical	1.5	1.5	1.5	
Professional/Technical	1	1	1	
Total	4.5	4.5	4.5	



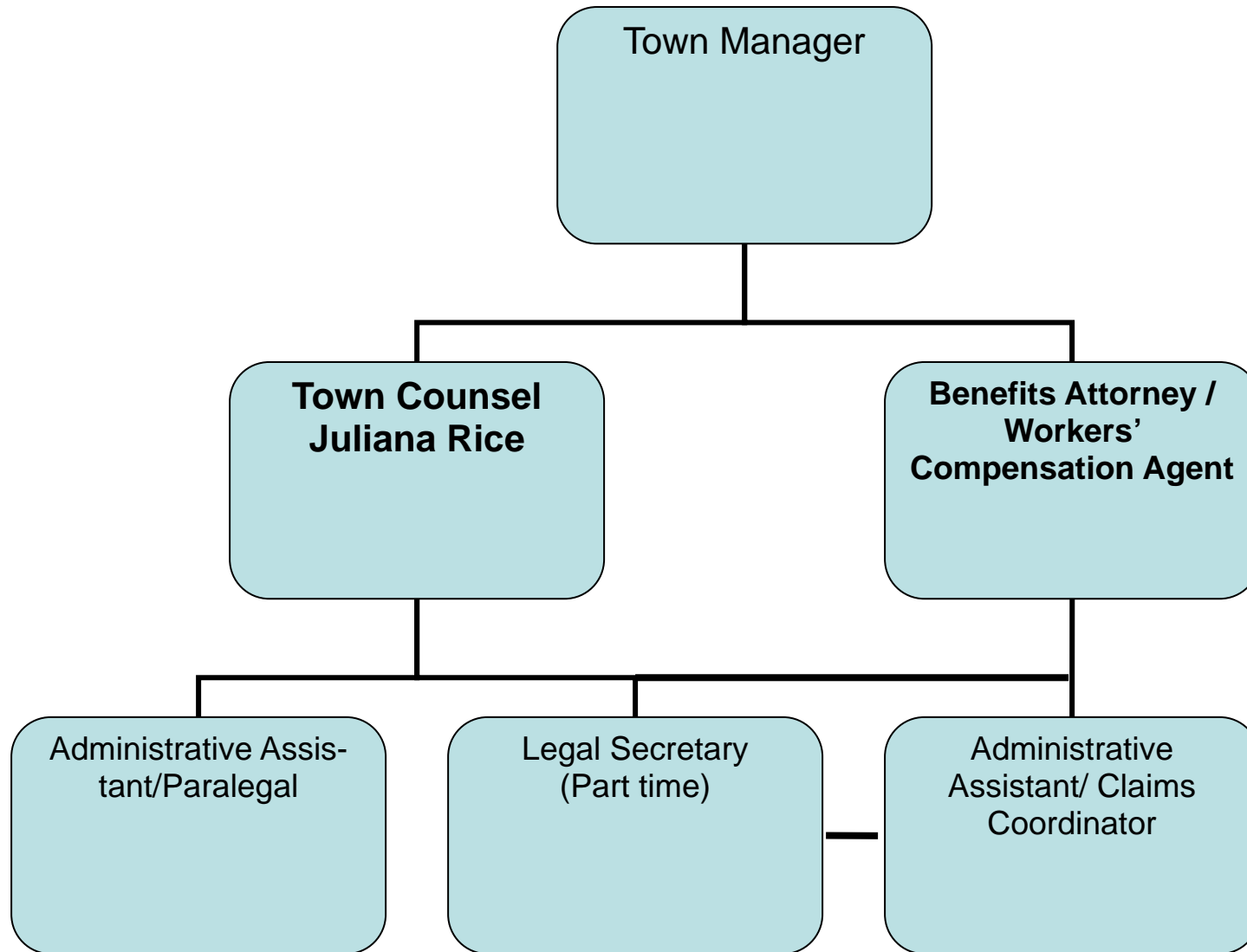
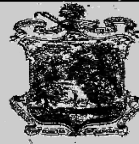
Major Accomplishments for 2009

- 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 twenty-two of the seventy-five 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 FY09.
- Successfully closed nineteen of the fifty-three M.G.L. Chapter 258 claims (Massachusetts Tort Claims Act) pending against the Town in FY09.
- 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.
- 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.

Major Accomplishments for 2009

- Negotiated and finalized amendment of RCN cable license agreement.
- Completed revision of Board of Selectmen's Rules and Regulations governing the sale of alcoholic beverages in restaurants.
- Prepared warrant articles, reports, bylaw amendments, home rule legislation, and other documents for Annual Town Meeting and two Special Town Meetings. 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				
Legal/Worker's Compensation	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
MGL Chapter 84 Claims				
<i>Personal injury/property damage as a result of a claimed defect in a public way</i>				
Total	54	50	45	60
Claims closed	14	22	25	20
New claims	15	25	20	20
<i>MGL Chapter 258 Claims - Massachusetts Tort Claims Act</i>				
Total	36	35	34	34
Claims Closed	15	19	10	15
New claims	18	18	10	15
Fire - Injured on Duty Claims	12	10	8	6
Police - Injured on Duty Claims	9	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				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Town Clerk				
Personal Services	214,076	205,710	207,210	
Expenses	18,357	26,339	27,000	
Total	232,433	232,049	234,210	-

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Town Clerk				
Managerial	1	1	1	
Clerical	2.45	2.45	2.45	
Professional/Technical	1	1	1	
Total	4.45	4.45	4.45	

Budget Statement

Overall the Town Clerks' budget will increase \$2,161 due to personnel fixed cost increases of \$1,500 and expense increases of \$661. The Board of Registrars will see an increase of \$1,100 due to personnel fixed costs.

FY2011 Objectives

- Since the General Laws of Massachusetts and the Secretary of State govern our office, we are limited in the implementation of new procedures.
- Continue to work with all Town and the Secretary of State's Office in order to provide the level of quality service for which this office is known.
- Further upgrade our technology when the budget allows.



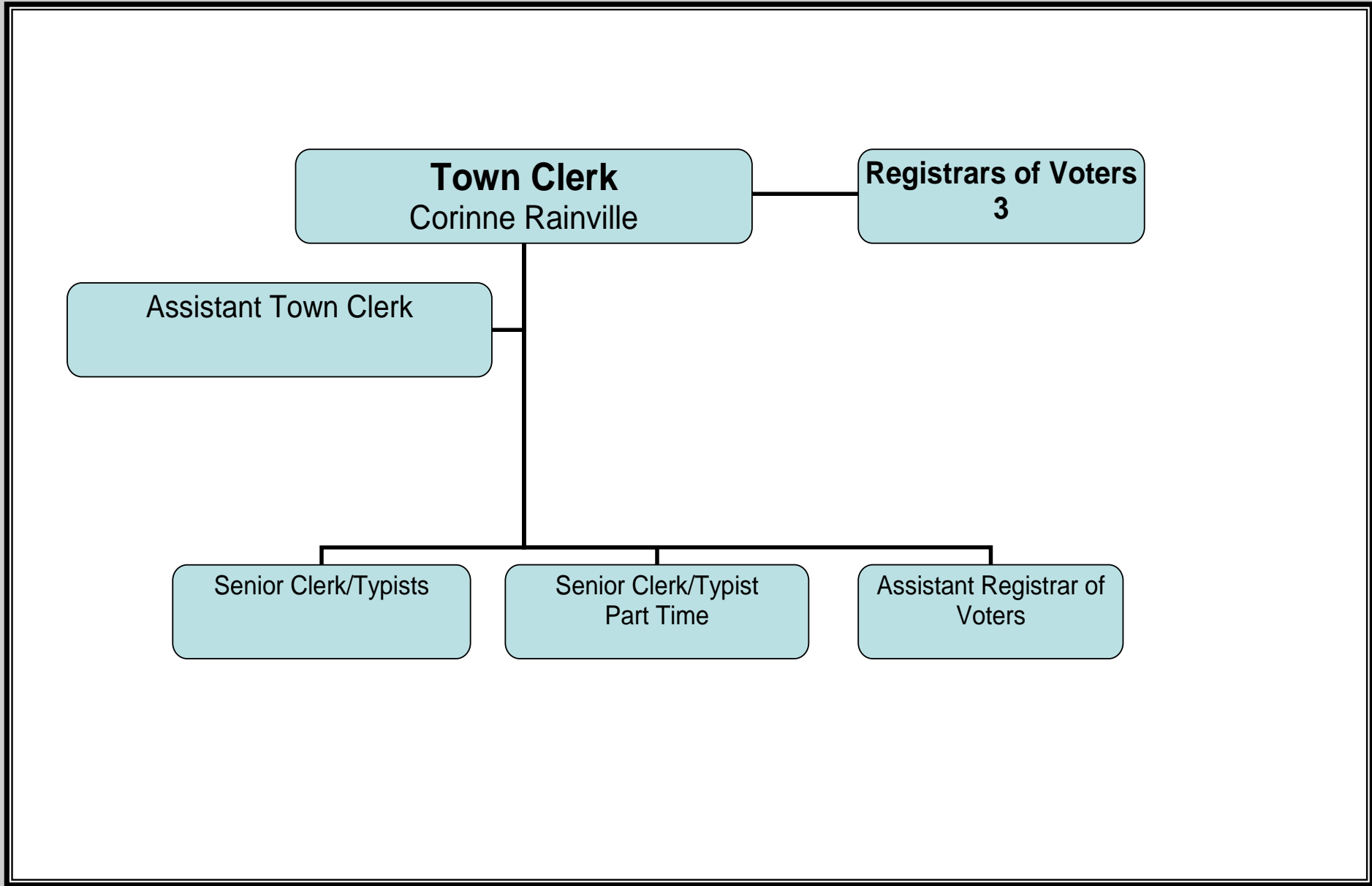
Major Accomplishments for 2009

- Effectively conducted two elections – implementing the new Windows based system (GEMS – Global Electronic Management System) for the purpose of consolidating and reporting Town-wide election results (which included more than 754 absentee ballots provided to voters).
- Submitted all bylaw amendments voted at Town Meeting to the Attorney General’s Office for approval and supplied any additional information/materials when requested.
- Compiled bond certification documents to be filed by the Treasurer’s Office.
- Submitted loan authorization materials with the Department of Revenue.
- Processed/recorded more than 19,000 items of census information, with a special emphasis on several follow-up mailings to get an accurate count of the residents of the Town.
- Issued/Registered: 174 Business Certificates, 33 Raffle Permits, and 389 Residency Certificates.
- Filed/Recorded: Numerous Zoning Board of Appeal Decisions, Paid/unpaid Bylaw Citations issued by the Police Department/Board of Health, claims against the Town, and 56 Cemetery Deeds.

Performance / Workload Indicators				
	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Marriage Licenses	222	231	230	250
Death Certificates	365	344	360	375
Birth Certificates	574	579	600	600
Dog Licenses	1,411	1,506	1,550	1,600
Sporting (Conservation) Licenses	364	382	400	425
Town Meeting Sessions	9	9	10	10
Special Town Meeting Sessions	0	2	2	2
Registered Voters	28,772	29,887	30,010	30,200
Fees Generated	\$70,498	\$70,819	\$ 72,000	72,000

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Board of Registrars				
Personal Services	44,964	44,173	45,273	
Expenses	14,742	14,600	14,600	
Total	59,707	58,773	59,873	-

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Board of Registrars				
Managerial				
Clerical	1.2	1	1	
Professional/Technical				
Total	1.2	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

A level services, level funding budget is proposed for FY2011.

FY2011 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.
- Creating an application management tool for all Parking Information and Issues.

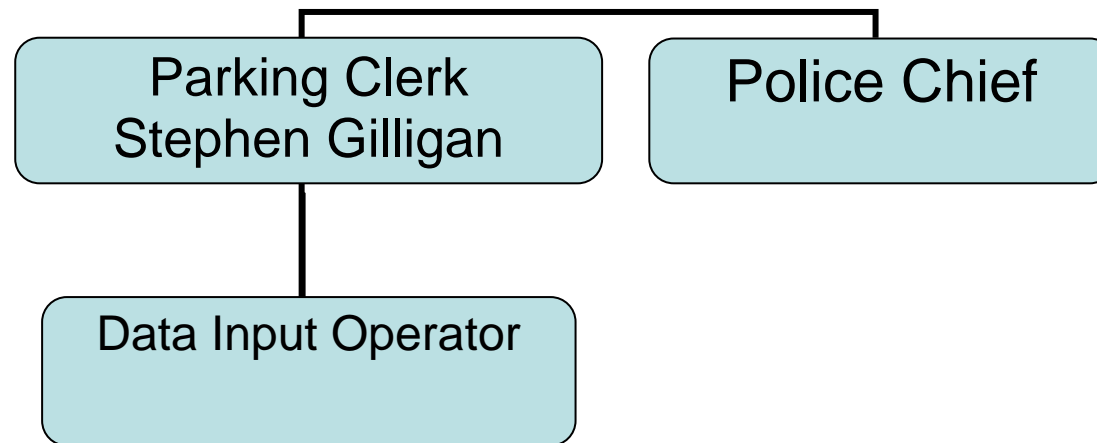
PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Parking				
Personal Services	77,523	77,525	77,525	
Expenses	22,079	28,935	28,935	
Total	99,602	106,460	106,460	-

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Parking				
Managerial				
Clerical	1	1	1	
Professional/Technical				
Total	1	1	1	

Major Accomplishments for 2009

- Established auditing and revenue tracking process for parking permit program.
- Added all parking and waiver policies to Treasurer web site.
- Developed a program with the Maintenance Department to maintain the four parking meters.

Performance / Workload Indicators				
	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Number of tickets issued	13,153	14,456	11,250	11,000
Revenue	\$ 305,909	\$421,207	\$ 325,000	\$ 315,000
Meters Collected	\$ 64,016	\$67,883	\$ 61,000	\$ 60,000
Parking Stickers	\$ 105,060	\$103,726	\$ 105,000	\$ 100,000





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 land development and redevelopment. The Department conducts planning studies, implements plans and policies, supports the Arlington Redevelopment Board (ARB), oversees the Conservation Administrator, manages properties and projects, encourages and provides affordable housing, and obtains grants. The single largest grant administered by the Department is the annual Community Development Block Grant (CDBG), which awards over \$1,300,000, funding over 41 activities. The Department also manages 22 tenants in the following buildings operated by the ARB: the Central School, the Crosby School, the Dallin Library, the Gibbs School, the Jefferson Cutter House, the 23 Maple Street house, and the Parmenter School.

The Town budget for the Department of Planning & Community Development administers five times as much value in federal revenue for Town services, not including the federal weatherization and home rehab programs. Planning Staff support over twenty-four Town committees, boards, and Town initiatives

Budget Statement

Overall the budget is reduced \$88,071. Of this amount, \$80,000 is due to a drop of \$80,000 in Gibbs energy as tenants will be required to pay their energy costs directly. Gibbs expenses are also reduced by \$7,518.

The funding for the hours of the Assistant Director are also being reduced by \$15,545. Personnel Fixed Costs are decreasing \$2,026, Contract Planning Assistance added \$13,000 and travel allowance is increased \$4,018. The ARB increased personnel fixed costs by \$486.

FY2011 Objectives

- Monitor construction of Symmes development.
- Monitor and influence development in Alewife area.
- Enhance tourism opportunities working with neighboring communities.
- Enhance commercial areas in cooperation with private businesses.
- Rent all ARB building space.
- Coordinate with Engineering Department to maintain Arlington Center business vitality during MWRA water main work.
- Implement \$263,000 of capital improvements at ARB buildings.
- Complete Cookes Hollow Park redevelopment plan.
- Spring clean up of Meadow Brook Park.
- Conduct annual meeting of Arlington Land Stewards.
- Implement CDBG-Recovery Projects.
- Site, purchase, install bike racks along commercial corridors.
- Develop public outreach on Mill Brook Linear Park concept.
- Expand methods of public outreach.
- Maximize grant opportunities as a designated "Massachusetts Green Community."
- Acquire land or easements on land abutting Town open space areas to augment open space and public access.
- Update and upgrade Geographic Information System (GIS).
- Guide Mass. Ave. Corridor project toward final Mass. Highway approval.
- Increase Town's affordable housing stock by approximately 10 units.
- Guide and monitor redevelopment of former Brigham's site.

Fiscal Year 2011 Budget



Planning and Community Development Redevelopment Board

PROGRAM COSTS				
Planning & Community Development	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services	254,048	229,839	211,782	
Expenses	4,353	6,570	19,570	
Total	258,401	236,409	231,352	-

STAFFING				
Planning & Community Development	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Managerial	1	1	1	
Clerical	0.5	0.5	0.5	
Professional/Technical	1.5	1.5	1.3	
Total	3	3	2.8	

Major Accomplishments for 2009

- Completed Commercial Development study, including meetings with East Arlington, Arlington Center, and Arlington Heights businesses.
- Draft Board of Survey regulations for 2010 adoption.
- Implemented capital improvements at 4 ARB buildings: gutter replacement at Central School, boiler replacement at Central School, roof/gutter replacement at 23 Maple Street, roof replacement at Gibbs School, drainage repair at Dallin Library.
- Responded to approx. 850 building work order requests.
- Spring clean up of Meadow Brook Park.
- Review of Cookes Hollow Park redevelopment plan.
- Work with Town volunteer groups to present topical learning experiences: Eco Fest, Winter Bike Social, Phragmites remediation program for Spy Pond, Sustainable Arlington Energy forum, Diversity/Handicapped job fair, Census Insert Survey – creation, distribution, collation, and report to Town leadership.

Major Accomplishments for 2009 (continued)

- Added 10 affordable units to Subsidized Housing Inventory.
- Purchase and installation of 40 bike racks.
- Support and outreach for 2010 Federal Census.
- Signed contract with Housing and Urban Development to receive Stimulus Funding to establish program for Homelessness Prevention.
- Marketed and resold three affordable condominiums.

Performance / Workload Indicators				
Planning & Community Development	FY2008 Actual	FY2009 Actual	FY2010 Actual	FY2011 Estimated
Room rental fees	\$ 14,971	\$ 15,319	\$ 14,000	\$ 15,000
Evening Meetings attended	250	322	250	275
Attendance at meetings outside of Arlington	75	65	70	60
submitted	4	4	4	4
Sign Permit Applications Reviewed	45	20	50	20
Contracts negotiated and administrated	9	11	10	8
Zoning Board Applications reviewed	12	12	20	20
Citizen inquiries	125	275	150	250
Requests	500	620	500	500
CDBG Funds Administered	\$ 1,332,000	\$ 1,285,289	\$ 1,302,441	\$ 1,302,441

Performance / Workload Indicators				
Conservation Commission	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Evening Meetings attended	22	24	24	24
Conservation Permits - Reviewed and Issued	18	19	18	18
Citizen inquiries	250	250	250	250

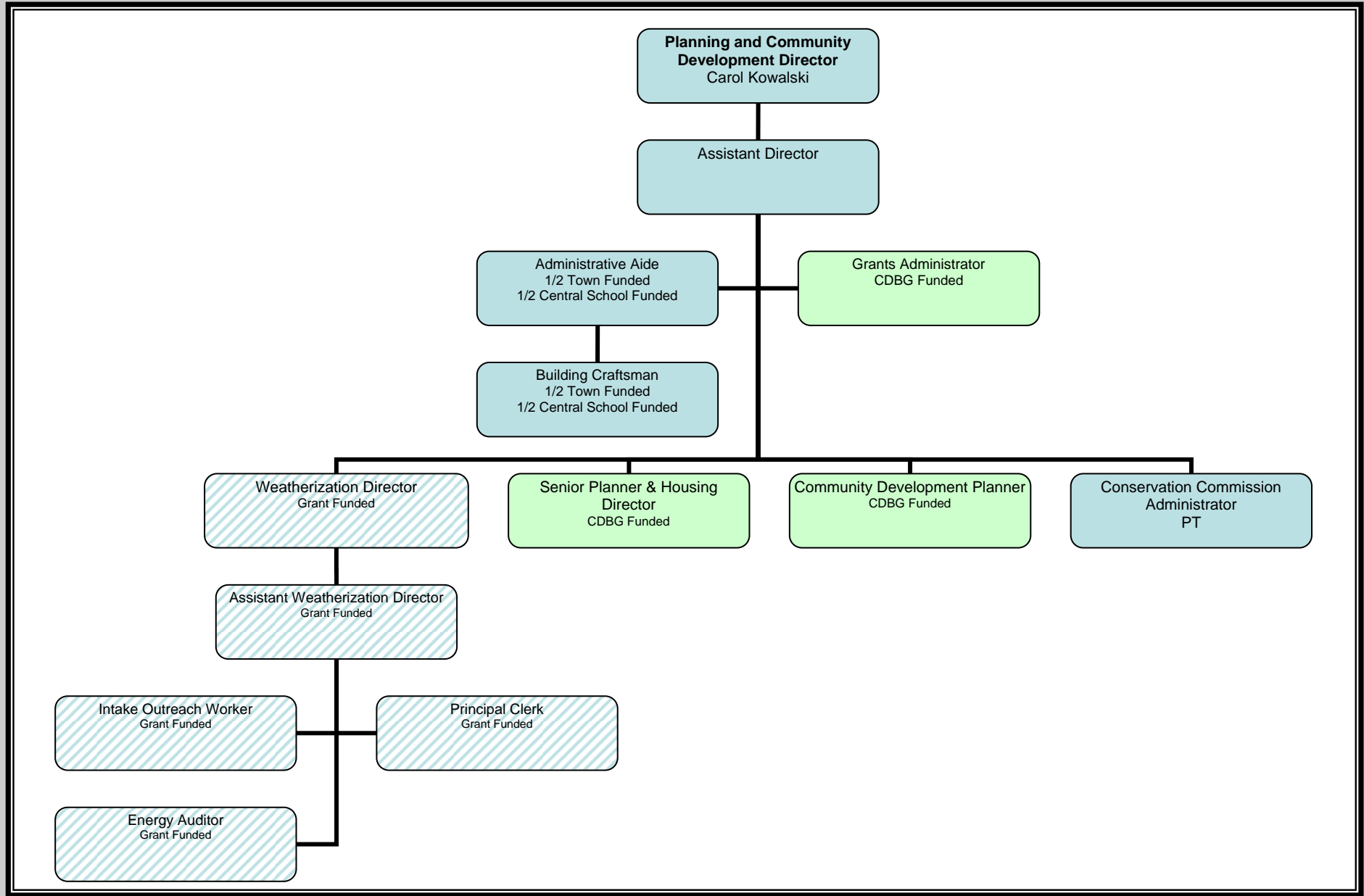
Fiscal Year 2011 Budget



**Planning and Community Development
Redevelopment Board**

PROGRAM COSTS				
	FY2009	FY2010	FY2011	FY2011
Redevelopment Board	Actual	Budget	Request	Fin Com
Personal Services	65,983	29,818	30,304	
Expenses	11,375	9,750	9,750	
Gibbs	301,725	278,900	195,400	
Parmenter	735	15,000	15,000	
Crosby	3,410	15,000	15,000	
Dallin Library	9,288	5,000	5,000	
Total	392,515	353,468	270,454	-

STAFFING				
	FY2009	FY2010	FY2011	FY2011
Redevelopment Board	Actual	Budget	Request	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 FY2011 is level-funded.

FY2011 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 2009

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>	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Applications	16	25	20	21
Revenue	\$ 6,400	\$ 10,000	\$ 8,000	\$ 8,400

PROGRAM COSTS

<i>Zoning Board of Appeals</i>	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services	19,775	19,787	19,787	
Expenses	4,971	4,103	4,103	
Total	24,747	23,890	23,890	

STAFFING

<i>Zoning Board of Appeals</i>	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Managerial				
Clerical	0.5	0.5	0.5	
Professional/Technical				
Total	0.5	0.5	0.5	



Zoning Board of Appeals
3 Member Board
2 Associate Members

Principal Clerk
Part Time



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. Solid Waste services and disposals are by contracted services overseen by the DPW Administration Division.

Budget Statement

Overall the budget will decrease by \$84,182. The loss of one additional craftsman in Natural Resources will be difficult, given all the cuts that have already been suffered. We are currently investigating alternative means of delivering some Natural Resources services.

Energy costs and vehicle costs are projected to increase by \$20,450 and \$45,000, respectively. The Rubbish Disposal contract will reduce costs by \$70,086, but curbside collection costs will increase by \$29,292. Solid fill costs will increase by \$30,800 and hazardous waste disposal will increase by \$13,000.

FY2011 Objectives

- Shorten customer service response times.
- Complete Yard Building-B rehab and move DPW Administration offices there.
- Evaluate options for creating a customer DPW call center, a Town-wide customer call center, or even a Dial-311 municipal call center.
- Implement performance statistics gathering and reporting for all divisions.
- Evaluate and improve bill payment efficiency.
- Establish a Safety Committee.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Public Works				
Personal Services	2,292,572	2,584,155	2,475,617	
Expenses	6,188,882	4,203,310	4,227,666	
Total	8,481,455	6,787,465	6,703,283	-

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Public Works				
Managerial	3	3	3	
Clerical	5	5	5	
Professional/Technical	4	4	4	
Public Works	52.63	53.63	52.63	
Total	64.63	65.63	64.63	



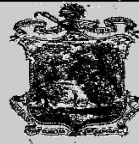
Major Accomplishments for 2009

- Instituted web-based Customer Request Center and Work Order System.
- Issued an RFP and hired a vendor for the three year conversion to a Automated Reading System for Water/Sewer billing.
- Successfully joined a consortium of nine other area towns in a regionalized paving and curb placement contracting.
- Renegotiated a two-year extension of Solid Waste services with Waste Management with no FY10 increase in trash collection costs.
- Renegotiated a five-year extension of Solid Waste disposal with Wheelabrator-North Andover in consortium with eight other Towns; realizing a 15% reduction in disposal rates.
- Successfully converted recycling to Single Stream, curbside collection.

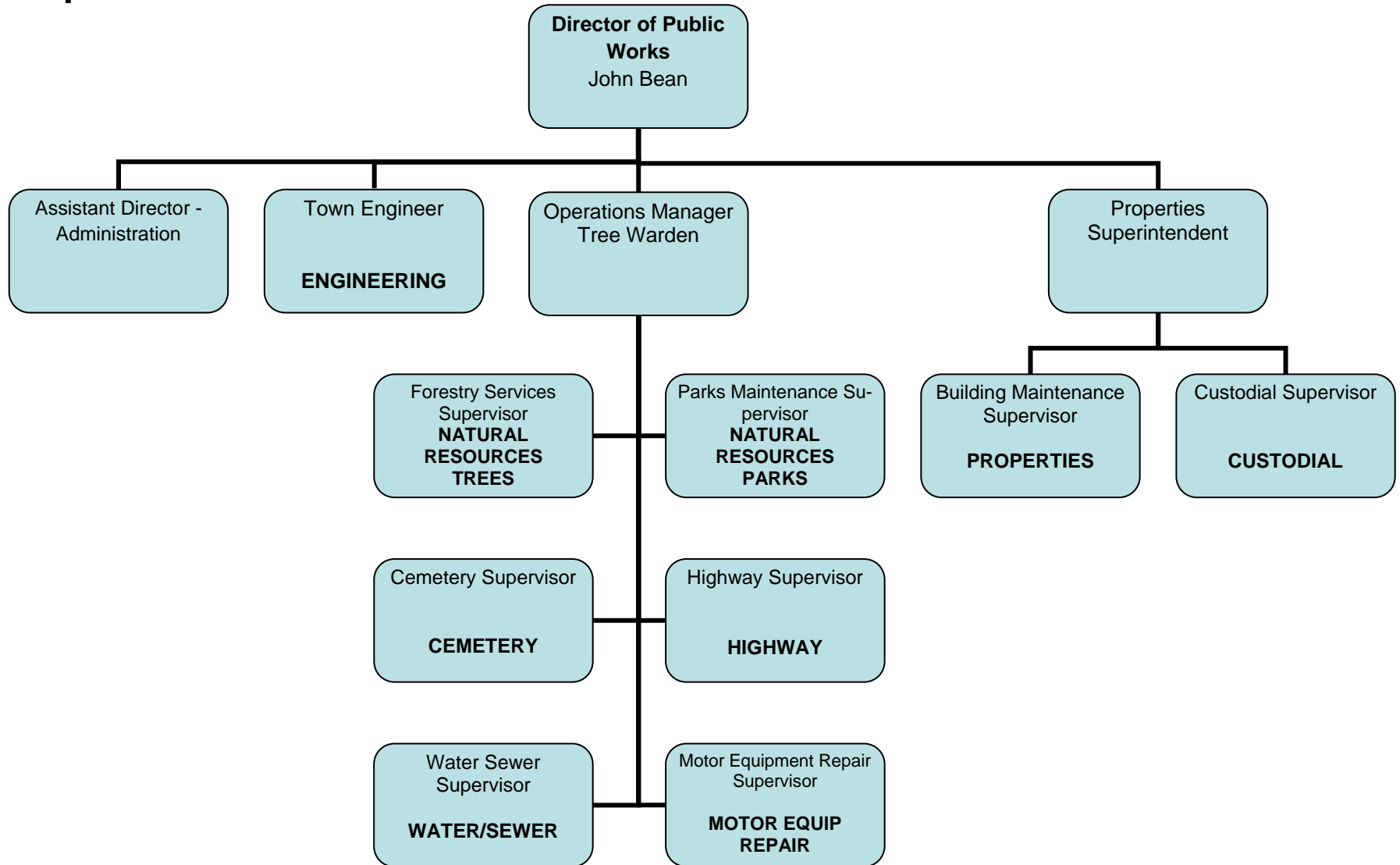
Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
Administration	Actual	Actual	Estimated	Estimated
Purchase Orders Processed	1,273	1,245	1,200	1,200
Water/Sewer bills generated	24,708	24,708	24,708	24,708
Citizen inquiries	33,000	33,000	33,000	33,000

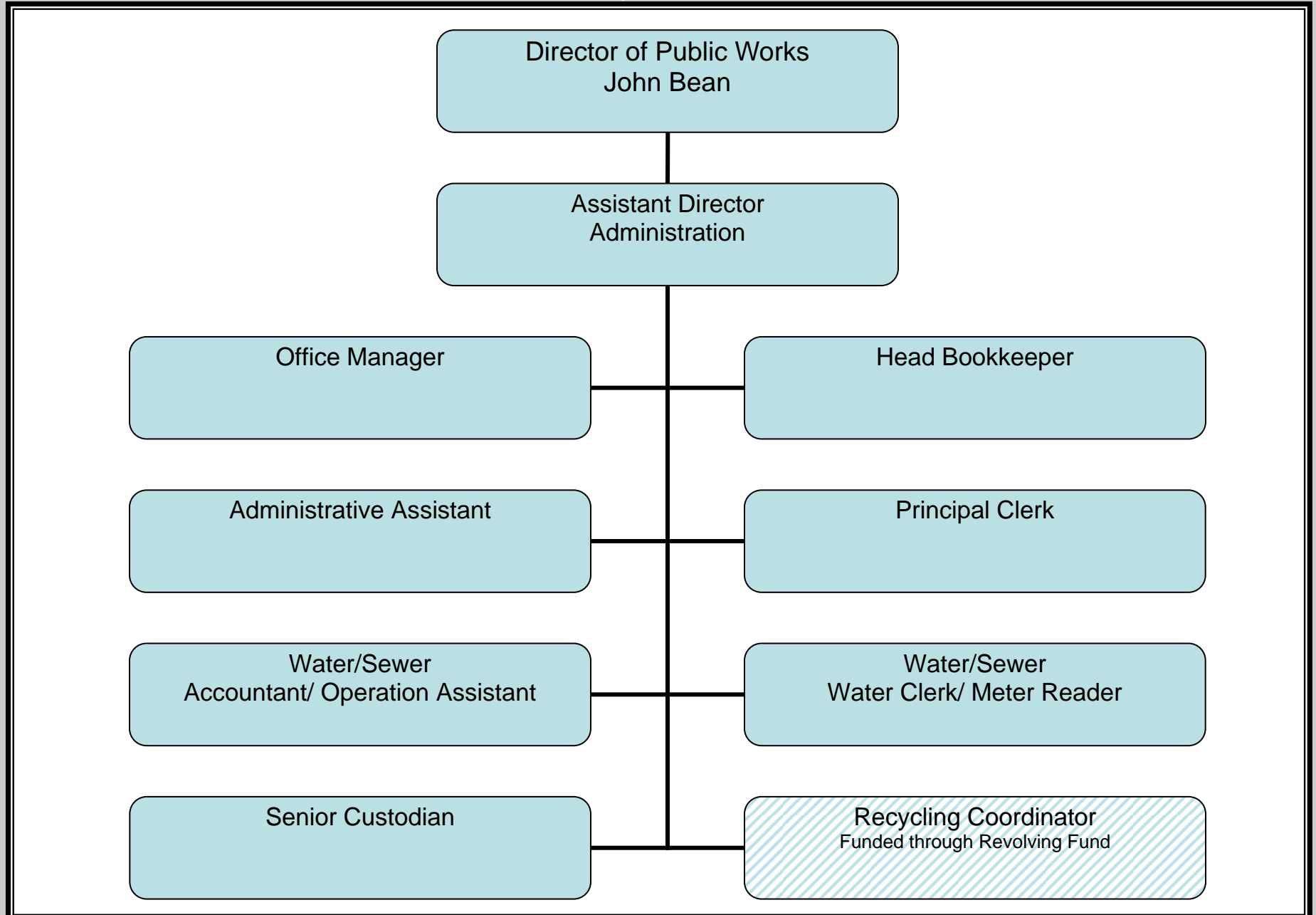
PROGRAM COSTS				
Public Works	FY2009	FY2010	FY2011	FY2011
Administration	Actual	Budget	Request	Fin Com
Personal Services	223,933	299,224	216,664	
Expenses	22,936	19,800	23,700	
Total	246,868	319,024	240,364	-

STAFFING				
Public Works	FY2009	FY2010	FY2011	FY2011
Administration	Actual	Budget	Request	Fin Com
Managerial	2	2	2	
Clerical	4	4	4	
Professional/Technical				
Custodial/Bldg. Maint.	1	1	1	
Total	7	7	7	



Department of Public Works







Program Description

The Engineering Division has the following responsibilities:

- Technical support to several projects of the Transportation Advisory Committee.
- Drafted and implemented mandated new trench safety regulation.
- Drafted proposed Private Way construction regulations (pending Attorney General approval).
- Assisted the Planning and Community Development Department in 25% Design of Phase One Mass. Ave. Corridor project.
- Completed a database inventory of locations needing handicapped sidewalk ramps.
- Conducted two public hearings and completed the plans for reconstructing Forest Street.
- Applied for and received a Recovery Act grant to pay for the reconstruction of Forest Street.

Budget Statement

The Engineering expenses budget has been reduced slightly for FY11. The Engineering staff consists of a Town Engineer, a Senior Engineer, and two Jr. Engineers. For a community of this size and annual construction expenditures of \$3.2 million, this is a lean staffing. This division designs construction, oversees and coordinates the efforts of consultants, monitors and ensures environmental compliance, monitors construction for quality assurance and evaluates homeowner requests for utility, roadway, sidewalk, drainage, and utility improvements. If staff cuts are necessary, this division is not recommended for reductions.

FY2011 Objectives

- Draft a 3-year major construction projects plan; make it GIS based and web accessible.
- Draft and implement improved procedures for managing other utility trench repairs.
- Establish a Town-wide inventory of sidewalks and implement a GIS-Based Sidewalk Management Database.
- Prepare Specification Sheets for mandating quality repairs in public ways (highway, sidewalk, water, sewer, and trench repairs).
- Prepare inventory of existing PRV valves, pressure zones and telemetry alarms/controls and prepare preliminary plan and cost estimate for modernization.
- Prepare and submit Regional Transportation Improvement Plan (TIP) project proposals for Mass. Ave-Phase 2, and Gray Street.
- Oversee replacement of two Mill Brook Culverts (Mill Lane and Brattle Streets).

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Engineering				
Personal Services	57,093	109,569	109,321	
Expenses	10,308	18,300	18,300	
Total	67,401	127,869	127,621	-

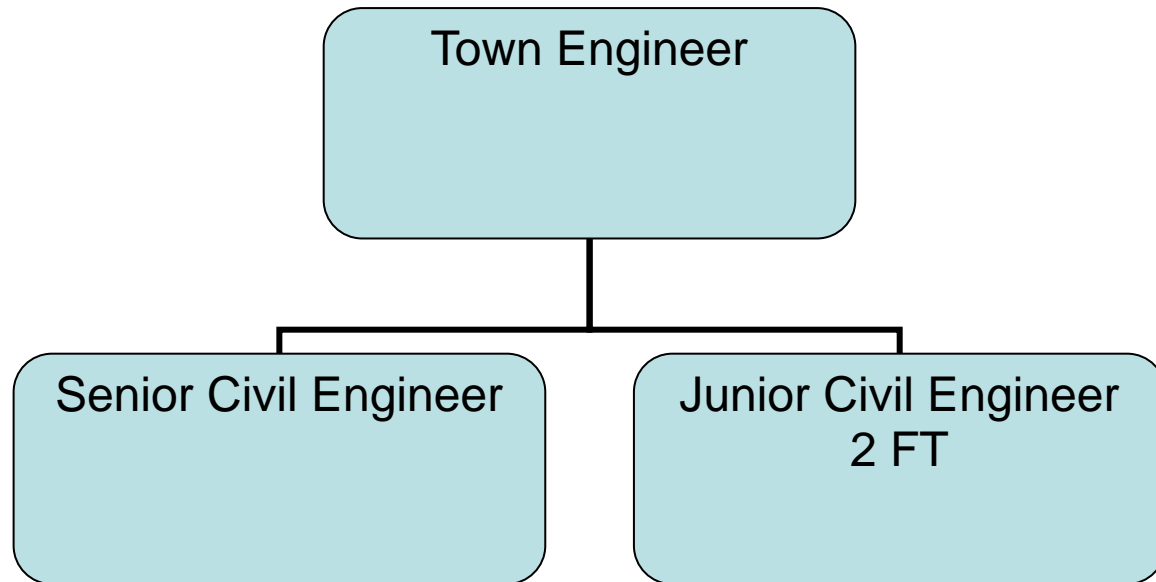
STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Engineering				
Managerial				
Clerical				
Professional/Technical	4	4	4	
Public Works				
Total	4	4	4	



Major Accomplishments for 2009

- Technical support to several projects of the Transportation Advisory Committee.
- Drafted and implemented mandated new trench safety regulation.
- Drafted proposed Private Way construction regulations (pending Attorney General approval).
- Assisted the Planning and Community Development Department in 25% Design of Phase One Mass. Ave. Corridor project.
- Completed a database inventory of locations needing handicapped sidewalk ramps.
- Conducted two public hearings and completed the plans for reconstructing Forest Street.
- Applied for and received a Recovery Act grant to pay for the reconstruction of Forest Street.

Performance / Workload Indicators				
Engineering - Contracted work-Linear Feet	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Roadways Rehabbed/Paved	23,560	28,710	27,000	27,000
Sidewalks replaced	2,140	2,231	2,400	2,400
Granite Curb- Placed or Replaced	1,210	1,280	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 use of the Cemetery is governed by three volunteer Cemetery Commissioners who make recommendations to the Town Manager on rules, regulations, and fees.

FY2011 Objectives

- Evaluate whether to continue providing labor assistance during funerals.
- Prepare CAD mapping of burial plots and a GIS Database of all records.
- Assist the Cemetery Commissioners in evaluating and redefining future uses for a renovated Cemetery Chapel.
- Complete 5-year program of headstone repairs.
- Complete 5-year program of fence replacements.
- Prepare preliminary plan for roadway repairs (with a cost estimate).

Budget Statement

The Cemeteries expenses budget has been increased slightly for FY11. The Mount Pleasant Cemetery charges fees for services, but revenues are significantly below full cost accounting. When all Departments are facing reductions in resources and services, we should also evaluate current cemetery policies with a keen eye for cost effective policy changes. For one, guaranteeing labor assistance during funeral services is a practice we may not be able to sustain.

On the Capital side, efforts to find suitable expansion land seem stalled. That effort should be renewed, and if there are no reasonable options then a cost effective plan for transition to an inactive cemetery should be devised.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Cemetery				
Personal Services	141,414	141,615	141,415	
Expenses	145,571	142,100	149,400	
Total	286,986	283,715	290,815	-

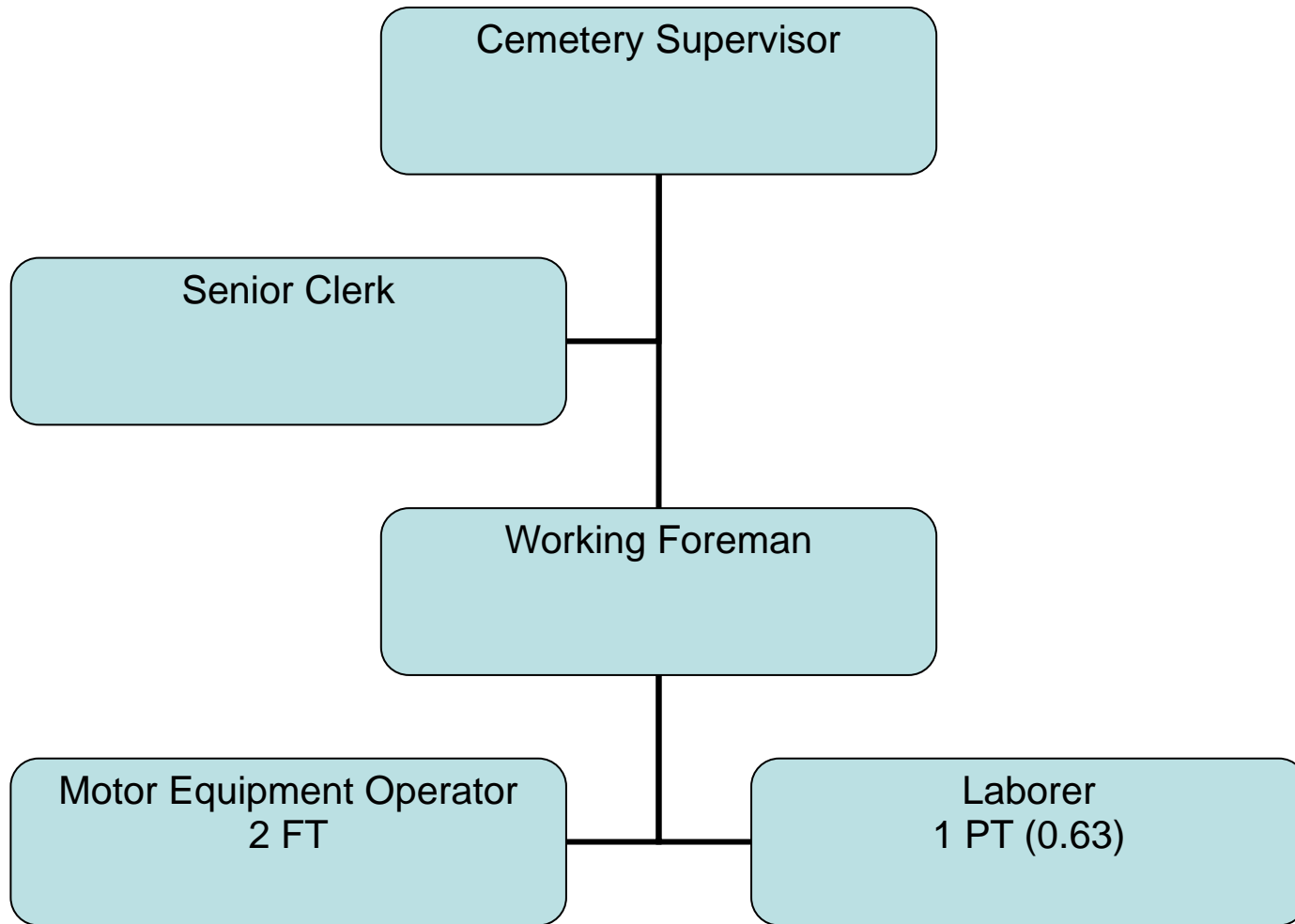
STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Cemetery				
Managerial				
Clerical	1	1	1	
Professional/Technical				
Public Works	4.6	4.6	4.63	
Total	5.63	5.63	5.63	



Major Accomplishments for 2009

- Privatized lawn mowing, trimming and leaf pick-up saving \$65,000 per year.
- Performed 261 total interments of which 63 were cremains.
- Performed one disinterment.
- Completed Year 2 of the three year fence replacement program.
- Completed Year 4 of the five year cleaning old stones and monuments in Mt. Pleasant Cemetery.

Performance / Workload Indicators				
<i>Cemetery</i>	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
New graves	57	56	56	56
Interments:				
Earth	202	198	200	200
Cremain	50	63	60	60





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, and twenty-six(26) playgrounds and parks. These included: 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 in numerous traffic islands.

FY2011 Objectives

- Develop a plan to lessen maintenance demands for walkway repairs in McLennan Park.
- 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.

Budget Statement

The major change is the elimination of an additional craftsman position. Also, \$19,300 has been cut for contract services related to parks and open spaces. Maintenance of our parks and open spaces is the major responsibility of this division. Also, tree trimming and tree removal requests are the most common work orders we receive, and when these are called in, they are usually a safety concern and need to be attended to. While bucket trucks and chainsaws boost productivity significantly, these work orders are unavoidably labor intensive. No tree inventory exists, but a reasonable estimate is that the Town is responsible for 18,000 trees (by accounting for the miles of street trees and parks acreage). On the Parks side, the most labor-intensive DPW service is pre-game preparation of sports fields. Pre-game field lining may have to be by volunteers or by league funding. We also need to re-double our efforts when parks are renovated to be sure to utilize low maintenance features.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Natural Resources				
Personal Services	877,705	864,344	829,929	
Expenses	154,942	133,800	106,800	
Total	1,032,647	998,144	936,729	-

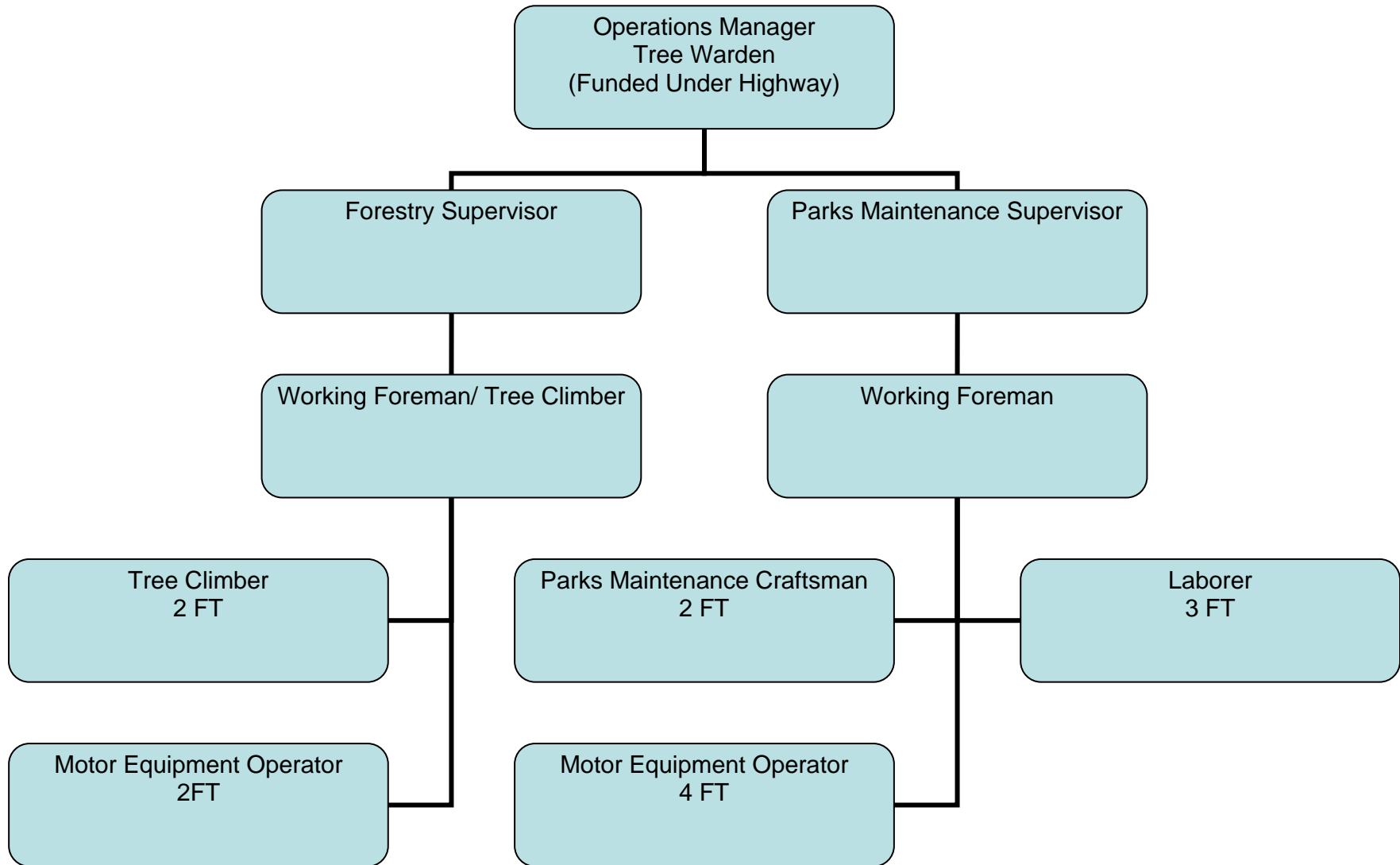
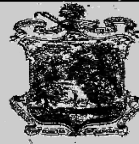
STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Natural Resources				
Managerial	0	0	0	
Clerical				
Professional/Technical				
Public Works	18	18	17	
Total	18	18	17	



Major Accomplishments for 2009

- Maintained approximately 18,000 shade trees Town-wide.
- Planted 157 trees.
- Installed approximately 6,000 holiday lights.
- Maintained "Tree City USA" designation from the National Arbor Day foundation.
- Expanded turf maintenance contracted services (additional efforts funded by new user fee system).
- Removed 229 dead or diseased trees.

Performance / Workload Indicators				
<i>Natural Resources</i>	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Trees Planted	76	157	160	160
Trees Removed	216	229	245	245
Stumps Removed	186	195	200	200





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. Giboa houses, the Reservoir Beach House, and the Spy Pond Field house. The staffs of 10 maintenance craftsmen and thirty one 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 provides supplies and contracted services for Town Hall, DPW Yard buildings, the Fox Library, Jarvis and Mt. Gilboa houses.

FY2011 Objectives

- Assist the Energy Committee in formulating a plan for Energy conservation and efficiency in Town and School Buildings.
- Develop and implement preventative measures program for extending the useful life of buildings.
- Complete rehab of records storage areas in the Town Hall basement.
- Prepare preliminary rehab plans and cost estimates for Spy Pond Field bleachers and stairs.
- Prepare plans and specs for roof replacements and masonry repairs on Yard Building-C.
- Replace main heating plant boiler in Arlington High School.
- Implement personnel cuts (if enacted); and communicate likely service impacts to the community.

Budget Statement

This budget is level-funded for FY2011. This budget pays for such things as service contracts on the various mechanical systems in the buildings, cleaning contracts, and utilities. With regard to utilities, a lot of work will be done in conjunction with the Town's efforts under the Green Communities Program.

Major Accomplishments for 2009

- Rehabbed both Salt Sheds at the DPW Yard on Grove Street.
- Replaced roof and gutters on Cemetery Chapel Garage, and completed masonry repairs.
- Installed a Truck Wash Station achieving compliance with a DEP Notice-Of-Non-Compliance.
- Replaced the Exhaust handling system in the Vehicle Maintenance Garage.
- Installed a computerized diesel and gasoline dispensing system at the Grove Street fuel depot.
- Completed the design of Building-B renovations at Grove Street in preparation for moving DPW Administration offices out of Town Hall.
- Applied for and received a \$159,700 Recovery-Act Grant for replacement of the heating plant boiler at Arlington High School.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Properties				
Personal Services				
Expenses	254,085	209,900	209,900	
Total	254,085	209,900	209,900	-



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.

FY2011 Objectives

- Implement use of the Pavement Management System for cost effective and timely decisions on road rehabilitation; initiate data updating for presentations and road improvement scheduling.
- Prepare Traffic Signal inventory and evaluation, and prepare preliminary upgrade plans with a cost estimate for modernization of the older, most unreliable equipment.
- Inspect all Mill Brook culvert crossings of Public and Private Ways.
- Prepare a components/age inventory of each of our traffic signal intersections.
- Implement personnel cuts (if enacted); and communicate likely service impacts to the community.

Budget Statement

Highway expenses are up in FY11 by 1.7%. Solid Wastes costs are down by \$31.4K or 1.1%. Solid Wastes collections and Yard Waste disposal are up by \$18K and \$30.3K respectively, while trash disposal and hazardous waste disposal are down by \$67.2 k and \$13K respectively. The greatest uncertainty is in the face of FY2011 cuts. Roads and sidewalks seem durable, but in reality these surfaces are subjected to heavy loading and subtle geologic shifting, as well as freeze-thaw cycles and rainwater erosion. Their repair is labor intensive. The re-establishment of worn traffic lines and sign maintenance are also very labor intensive safety necessities. Staffing cuts will primarily impact the number of sidewalk repairs (roadway defects carrying a higher safety concern).

One plan under review would take all drainage maintenance out of the Highway staffing, and integrate it into the Enterprise Fund. Storm sewers are part of the Enterprise fund, and there should be an evaluation as to whether General Fund costs could be reduced by reorganization in this manner. Snow and Ice control costs have escalated. In the last two years, bike path snow-plowing and sidewalk ramp snow excavations have been added to snow costs, but intensive pre-treatment, pre-wetting salt practices remain the primary driver of higher costs. The other side of this issue is that these (similar to MHD practices) result in dramatically safer and clearer roads. Additionally, the costs are partially offset by reduced spring sweeping costs and reduced catch basin cleaning (grit removal).

PROGRAM COSTS	FY2009	FY2010	FY2011	FY2011
Highway	Actual	Budget	Request	Fin Com
Personal Services	745,977	961,806	966,658	
Expenses	3,821,503	3,178,410	3,218,566	
Snow and Ice Removal	1,694,071	400,000	400,000	
Total	6,261,551	4,540,216	4,585,224	-

STAFFING	FY2009	FY2010	FY2011	FY2011
Highway	Actual	Budget	Request	Fin Com
Managerial	1	1	1	
Clerical				
Professional/Technical				
Public Works	23	24	24	
Total	24	25	25	

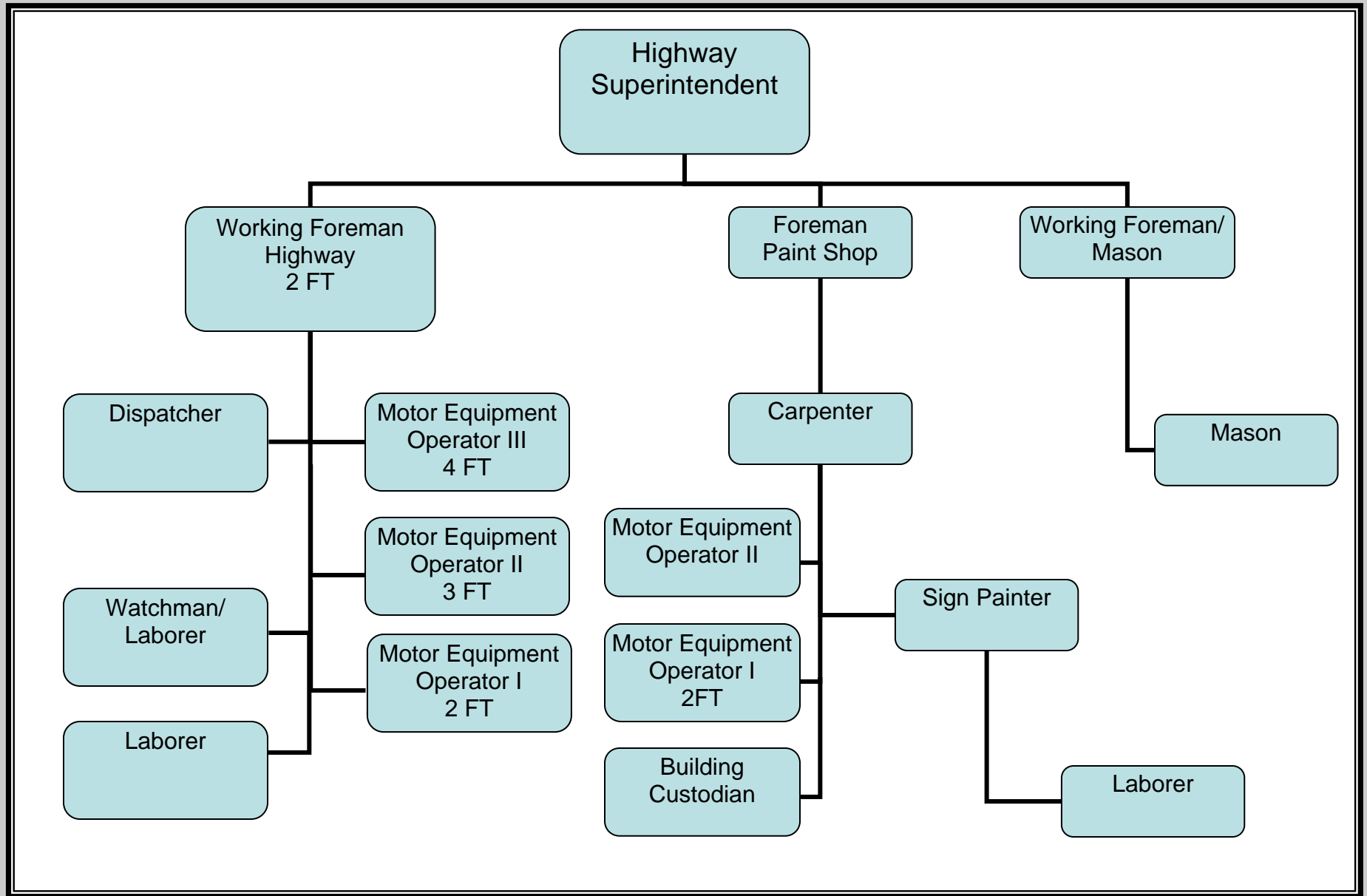


Major Accomplishments for 2009

- Cleaned over 950 catch basins in the Town streets.
- Swept the streets in all sections of the Town two times with Department personnel.
- Replaced 2,417 linear feet of concrete sidewalk.
- Repaired/replaced 113 catch basins.
- Installed 38 bicycle “loops” on Mass. Ave.
- Oversaw 15,359 tons of solid waste disposal.
- Oversaw 3,216 tons of yard waste disposal.
- Oversaw 4,165 tons of recyclables disposal.

Performance / Workload Indicators

<i>Highway</i>	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Solid Waste Disposal: (tons)				
Solid Waste	16,232	15,359	15,500	15,500
Yard Waste	2,881	3,216	3,200	3,200
Recyclables	4,639	4,165	4,200	4,200
Catch basins cleaned	945	950	950	950
Catch basins repaired	107	113	120	120
Sidewalks replaced (in-house) (linear feet)	2,000	1,694	1,650	1,600





Program Description

The Motor Equipment Repair Division maintains a fleet of over 150 Town vehicles. The Division also maintains the fuel depot for the DPW, Schools, Police, and Fire Departments.

Budget Statement

This budget is essentially level-funded, except for some Personnel Fixed Costs. The Motor Equipment Repair Division is a support service for all other service divisions. All of our divisions are heavily dependant on the productivity gains from the use of mechanized equipment. For example, a backhoe and operator can equal the productivity of more than 25 laborers with hand shovels at a fraction of the cost. All of our divisions are made productive by the maintenance of modern equipment. Vehicle replacement costs are lower in this recession by about 10% as a result of sluggish sales and a dip in steel costs. Fleet downsizing will be analyzed in tandem with staff reduction planning for FY2011. Underutilized fleet vehicles can contribute to cost inefficiencies and must be weighed against contracted, rented, or leased options. We should also consider cost accounting changes that could help us monitor vehicle maintenance costs more closely.

FY2011 Objectives

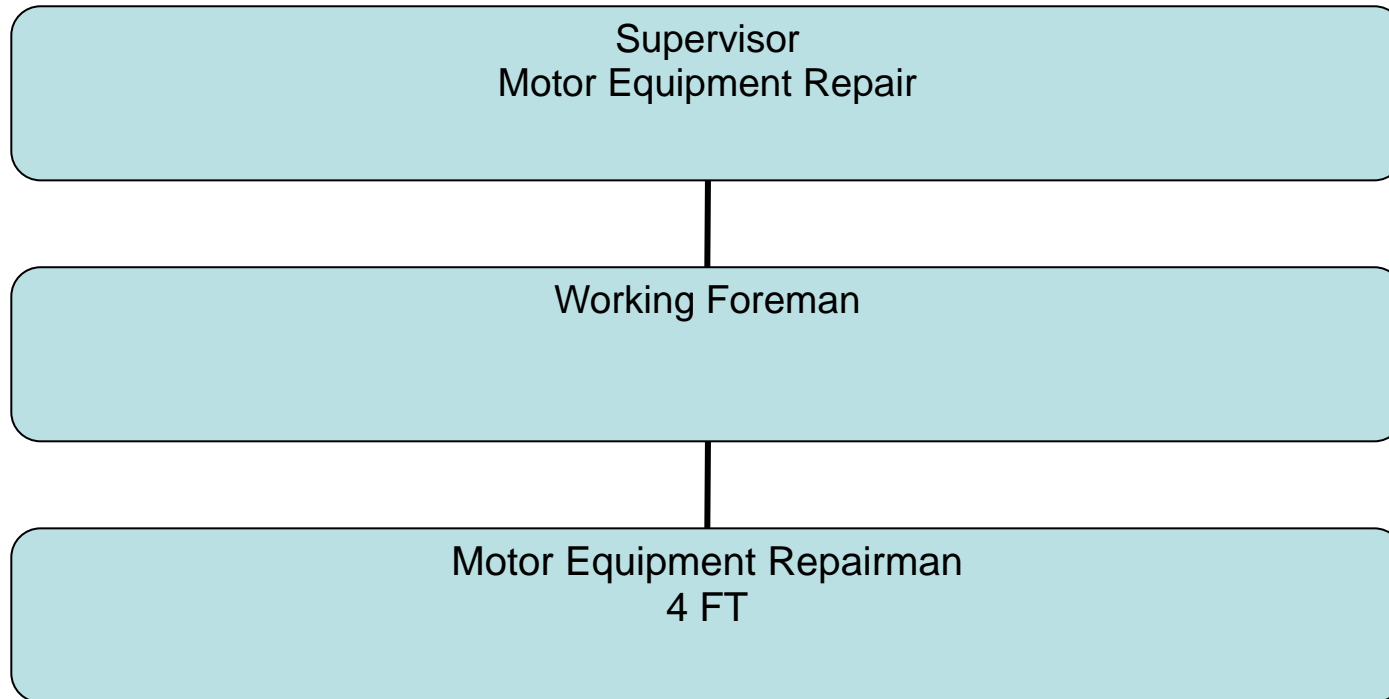
- Improve Vehicle Maintenance expense accounting to be more transparent of true vehicle maintenance costs.
- Evaluate and improve computer preventative maintenance scheduling and maintenance record-keeping.
- Conduct a study of vehicle usage to determine a) where cost effective fleet reductions could be made and b) if the department has the most beneficial functional options.

Major Accomplishments for 2009

- Maintained 147 vehicles, including other department vehicles.
- Replaced primary vehicle lift in Vehicle Maintenance garage.
- Provided staff to Community Safety repair shop as needed.
- Replaced vehicles and equipment:
 - Highway: 1-ton, 4WD Dump Truck, ¾ Ton Utility Truck
 - Natural Resources: 1-ton, 4WD Dump Truck, Stump Grinder
 - Water: ¾ Ton Utility Truck.
- Maintained snow and ice vehicles during events.

PROGRAM COSTS	FY2009	FY2010	FY2011	FY2011
Motor Equipment Repair	Actual	Budget	Request	Fin Com
Personal Services	246,450	207,597	211,630	
Expenses	85,466	101,000	101,000	
Total	331,916	308,597	312,630	-

STAFFING	FY2009	FY2010	FY2011	FY2011
Motor Equipment Repair	Actual	Budget	Request	Fin Com
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. The Engineering Division oversees the contracted maintenance of traffic signal systems.

Budget Statement

The FY2011 budget is essentially level-funded.

FY2011 Objectives

- Draft an implementation and financing plan for conversion of all streetlights to LED.
- Complete Year 4 of our 8-year plan for replacement of all pedestrian-level streetlights in the Center.
- Monitor six primary utilities and facilitate a more timely turn-around time for double utility poles.

Major Accomplishments for 2009

- 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 pole turn around times.

PROGRAM COSTS				
Street Lights/ Traffic Controls/ Fire Alarm System	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services Expenses	405,814	418,893	418,893	
Total	405,814	418,893	418,893	-



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.

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

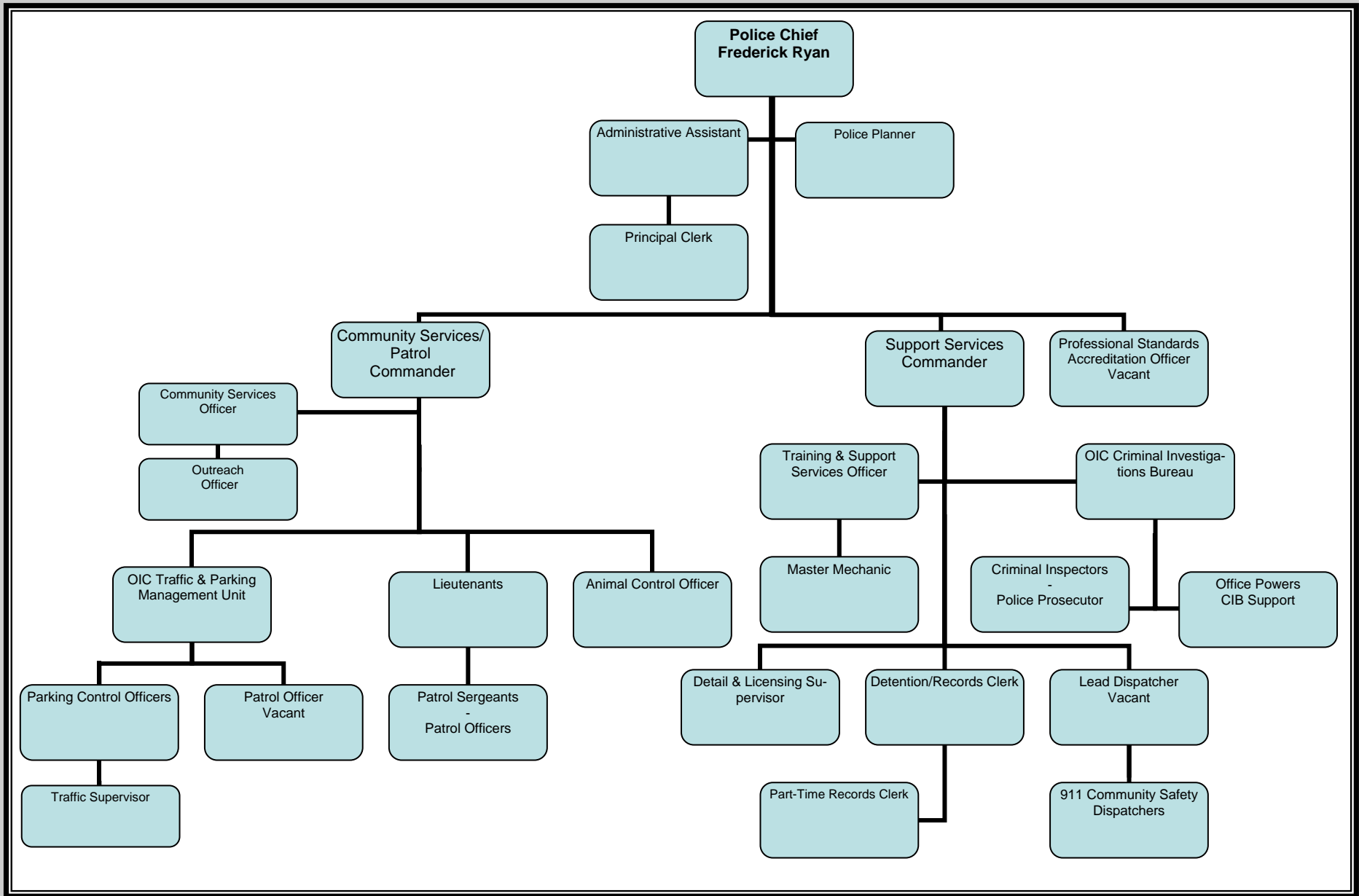
The FY2011 budget includes a further reduction in police staffing. One Police Officer position has been eliminated from the FY2011 police services budget. Arlington deploys approximately 1.4 police officers per thousand residents, while according to the FBI, similar sized communities in New England deploy about 2.2 police officers per thousand residents.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Police				
Personal Services	4,849,222	5,365,383	5,285,966	
Expenses	586,687	481,980	501,230	
Total	5,435,909	5,847,363	5,787,196	

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Police				
Captains	3	3	3	
Lieutenants	8	8	8	
Sergeants	9	9	9	
Police Officers	43	44	43	
Parking Control Officers	2.3	2.25	2.25	
Animal Control Officer	1	1	1	
Clerical	1.71	1.71	1.71	
Total	68.01	68.96	67.96	

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Community Safety Administration				
Personal Services	368,361	378,265	386,246	
Expenses				
Total	368,361	378,265	386,246	

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Community Safety Administration				
Managerial	2	2	2	
Clerical	3	3	3	
Professional/Technical				
Total	5	5	5	





FY2011 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.
- Provide proactive quality policing services to the community.
- 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, including 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.

Performance / Workload Indicators				
<i>Patrol Division</i>	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Robbery	20	10	15	13
Burglary	183	122	153	138
Rapes	3	4	4	4
Motor Vehicle Theft	40	19	30	25
Larceny				
<i>From Building</i>	36	14	25	20
<i>From Motor Vehicle</i>	109	157	133	145
<i>Of Motor Vehicle Parts</i>	-	5	3	4
<i>All others</i>	300	248	274	261
Pickpocket / Purse Snatch	3	2	3	3
Shoplifting	29	34	32	33
Assaults	159	156	158	157
Assault and Battery on a Police Officer	3	4	4	4
Arrests	294	367	280	274
Summons Served	268	231	250	241

Major Accomplishments for 2009

- Deployed uniformed personnel strategically so as to provide uniformed police patrol 24 hours per day, 365 days per year.
- Engaged with line and staff officers in the strategic planning process to set goals for the organization during the next five year period.
- Improved patrol presence and identified areas of concern through community involvement along the Minuteman Recreational Path.
- Improved and expanded the use of crime analysis and data-driven policing.
- Continued to enhance productive partnerships with other Town departments (Board of Selectmen, Health and Human Services, Public Works, Fire, Schools, Local Emergency Planning Committee, etc)
- Reduced incidents of graffiti by strict enforcement of the Town bylaw.
- Continued and expanded partnerships with Local, Federal, and State law enforcement agencies.



FY2011 Objectives

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

- Research and 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.
- Develop an internal affairs paperless filing systems.
- Update policies as required by the 5th Edition Standards as set forth by the Commission on Accreditation for Law Enforcement Agencies Inc.

Major Accomplishments for 2009

- Remained in compliance with the mandates set forth by the Massachusetts Police Accreditation Program. The Department retained certification as an accredited law enforcement agency.
- Began the process of developing an employee performance evaluation system.
- Trained personnel in new Departmental policies and accreditation standards.
- Conducted internal investigations as needed.



FY2011 Objectives

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

- 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.
- Educate Department personnel so they have the ability to be proactive in cyber crime investigations.
- 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.
- Continue the cooperative spirit developed between the Community Services Division and the Criminal Investigation Bureau. Community Services has incorporated missing persons and malicious destruction involving tagging/graffiti as part of their responsibilities.
- Increase cross training so that all detectives have the basic knowledge and ability to work in different capacities when needed.
- Ensure our citizens get the most value for their commitment to our Department.
- Continue our commitment to the Regional Drug Task Force and the School Threat Assessment and Response System (STARS).

Performance / Workload Indicators

	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Firearms Licensing:				
Licenses to Carry/FID	204	156	180	168
Gun Locks Distributed to Community Members	45	45	50	36
Missing Persons Investigations	315	301	308	305
Domestic Violence	207	234	221	228
Criminal Investigations	1,642	1,734	1,941	2,091
Level 2 & 3 registered Sex Offenders monitored	12	17	15	16

Major Accomplishments for 2009

- Improved the process of criminal case intake by redistributing missing persons reports and tagging incidents to the Community Services Division.
- Expanded proactive cyber crime investigations, which resulted in an arrest to close the case of an elderly woman being defrauded of nearly \$200,000 in a lottery scam.
- Continued the use of the detective case management system to analyze closure rates, effectiveness of individual investigators, and have been able to identify training needs that are being addressed.
- Maintained Department's resources and personnel, as well as commitment to the Regional Drug Task Force.
- Addressing the increase of alleged illegal activities in some local massage businesses.
- Enhanced evidence collection system and storage, streamlining process for the input of photographic evidence at the Patrol level.



FY2011 Objectives

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

- Incorporate awareness-building of traffic enforcement’s importance as 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.
- 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 and provide numerous traffic studies and 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.
- Participate in Executive Office of Public Safety and Security (EOPSS) Traffic Enforcement and Equipment grant mobilizations throughout the fiscal year.

Performance / Workload Indicators

	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Traffic				
Hackney Licenses Issued New	58	53	55	54
Parking Violators New	13,347	14,815	14,081	14,488
Moving Violations	3,226	4,539	3,883	4,211

Major Accomplishments for 2009

- Conducted an enforcement program that targeted violations at high volume / incident locations that affect the quality of life within these neighborhoods.
- Expanded the training of Advanced Traffic Investigator.
- Continued to partner with Traffic Supervisors to oversee and coordinate pedestrian safety initiatives at the elementary schools.
- Continued to actively participate as a member of the Traffic Advisory Committee, by providing current traffic and parking data to problem solve and make recommendations for improvements to the Board of Selectmen.
- Secured various traffic safety grants from EOPSS, allowing for the purchase of new traffic enforcement equipment and funds specifically aimed at traffic enforcement and safety, including a portable speed monitor and child passenger safety seats.
- Participated in other programs through EOPSS including “Click It or Ticket,” “Road Respect,” and “Drunk Driving, Over the Limit Under Arrest.”
- Continued to work with the offices of the Town Manager and Selectmen 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 construction sites.



FY2011 Objectives

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

- Expand upon the relationship with the business community and Chamber of Commerce and implement mutually agreed upon crime prevention and target hardening programs.
- Continue to offer a free RAD program.
- Continue and expand crime prevention community meetings.
- Continue to offer a Citizen Police Academy.
- Expand the child passenger safety seat installation and inspection program.
- Administer a community-wide survey to follow up the survey conducted in 2000.
- Seek out and administer Community Policing grants.

Major Accomplishments for 2009

- Created the position of Community Outreach Officer who has partnered with seniors, special interest groups and the youth of Arlington.
- Partnered with the Human Rights Commission to reach out to the minority population in Town.
- Strengthened our partnership with the Arlington Public Schools.
- Strengthened our partnership with Germaine Lawrence and other Arlington private schools.
- Offered a RAD program to women free of charge.
- Offered a Citizens Police Academy.
- Partnered with Health and Human Services and the Recreation Department to offer a free week-long summer camp to Arlington youth.
- Continue to offer a free child passenger safety seat installation/inspection program.
- Expanded and strengthened our neighborhood crime watch groups.
- Partnered and expanded our relationship with the business community in Town.
- Improved community-wide notifications of emergency conditions through the use of the improved "Reverse 911" system.

Major Accomplishments for 2009 (continued)

- The new Community Outreach Officer has partnered with seniors, special interest groups, and the youth of Arlington.
- Partnered with the Human Rights Commission to reach out to the minority population in Town.
- Strengthened our partnership with the Arlington Public Schools.
- Strengthened our partnership with Germaine Lawrence and other Arlington private schools.
- Offered a RAD program to women free of charge.
- Offered a Citizens Police Academy.
- Partnered with Health and Human Services and the Recreation Department to offer a free week-long summer camp to Arlington youth.
- Continue to offer a free child passenger safety seat installation/inspection program.
- Expanded and strengthened our neighborhood crime watch groups
- Partnered and expanded our relationship with the business community in Town.
- Improved community-wide notifications of emergency conditions through the use of the improved "Reverse 911" system.
- Sought, received, and administered state and federal community policing grants.
- Sought, received, and administered state and federal community policing grants.

Performance / Workload Indicators				
	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Community Programs				
Neighborhood Meetings	10	12	14	18
RAD Program Graduates	15	15	30	30
Citizen Police Academy Graduates	-	-	-	24
Summer Youth Camp (HRC)	N/A	96	100	100
Child Passenger Safety Seat Inspections	N/A	N/A	266	133



FY2011 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 related situations and other issues pertaining to wildlife to determine hotspots.
- Continue to increase visibility, which will result in the voluntary compliance and action of residents to License their canines per the Town Bylaws.
- Work with the Town Clerk's Office in regards to the new Canine By-laws regarding late fees for failure to license canines.
- Build a relationship with a local feline organization to assist with the issues of roadside death of felines and abandoned felines.
- Improve the kennel area at the DPW yard by painting the interior of the facility.

Performance / Workload Indicators

	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Animal Complaints	234	325	280	303
Humans Bitten/Scratched by Dogs	13	16	15	16

Major Accomplishments for 2009

- Maintained and enhanced working partnerships with other Animal Control Officers in surrounding cities and towns.
- Continued and enhanced our partnership with the Board of Health and other Town departments.
- Implemented plans 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.



Program Description

The 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 for which its assistance is required. Planning for local emergencies, whether natural (ex: hurricanes), or manmade (ex: terrorist events), has become an integral component of the Department's yearly mandate.

The Fire Department is dedicated to the health of the local community. FF/EMTs respond to incidents 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 Arlington citizens.

Budget Statement

The budget for FY2011 is essentially a level service budget. The Fire Department is currently staffed at seventy-three personnel, but is budgeted for seventy-six. There are seventy-one personnel assigned to suppression duty, two assigned to staff duty, and one Chief of Department. Four personnel have retired this calendar year and several are anticipated to retire in calendar year 2010. Three personnel have spent a significant portion of the calendar year on job-related injury leave. One member has spent the last several months on extended sick leave, due to an off-duty accident. These injuries have impacted the Department significantly in terms of staffing and budget.

The overall increase is \$38,159. The major change is the elimination of one additional firefighter position. This is offset by personnel fixed cost increases and increases in energy and vehicle fuel prices.

FY2011 Objectives

- Continue infrastructure improvements to Fire HQ and work with the architect and the Permanent Town Building Committee for the rebuilding of the station.
- Start rebuilding and redesign of the Highland Fire Station no later than July 2010.
- Construct Fire Department apparatus storage facility at DPW yard no later than Spring 2010
- 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 the Fire Department
- Implement mandatory, standardized yearly training program for all firefighters
- Write comprehensive needs assessment of emergency medical service, including the feasibility of running a second ambulance and implementing Fire Department Advanced Life Support units
- Design and implement a recruitment program that encourages paramedics to seek employment with the Town of Arlington
- Design and implement a recruitment program for the Fire Department that encourages women and minorities to seek employment in the fire service
- Continue to communicate and educate residents about emergency management plans, emergency medical services, and fire suppression and prevention objectives.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Fire				
Personal Services	5,669,109	5,224,523	5,224,031	
Expenses	357,166	310,400	349,050	
Total	6,026,275	5,534,923	5,573,081	-

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Fire				
Deputy Chiefs	4	5	5	
Captains	7	6	6	
Lieutenants	15	15	15	
Firefighters	50	50	49	
Total	76	76	75	

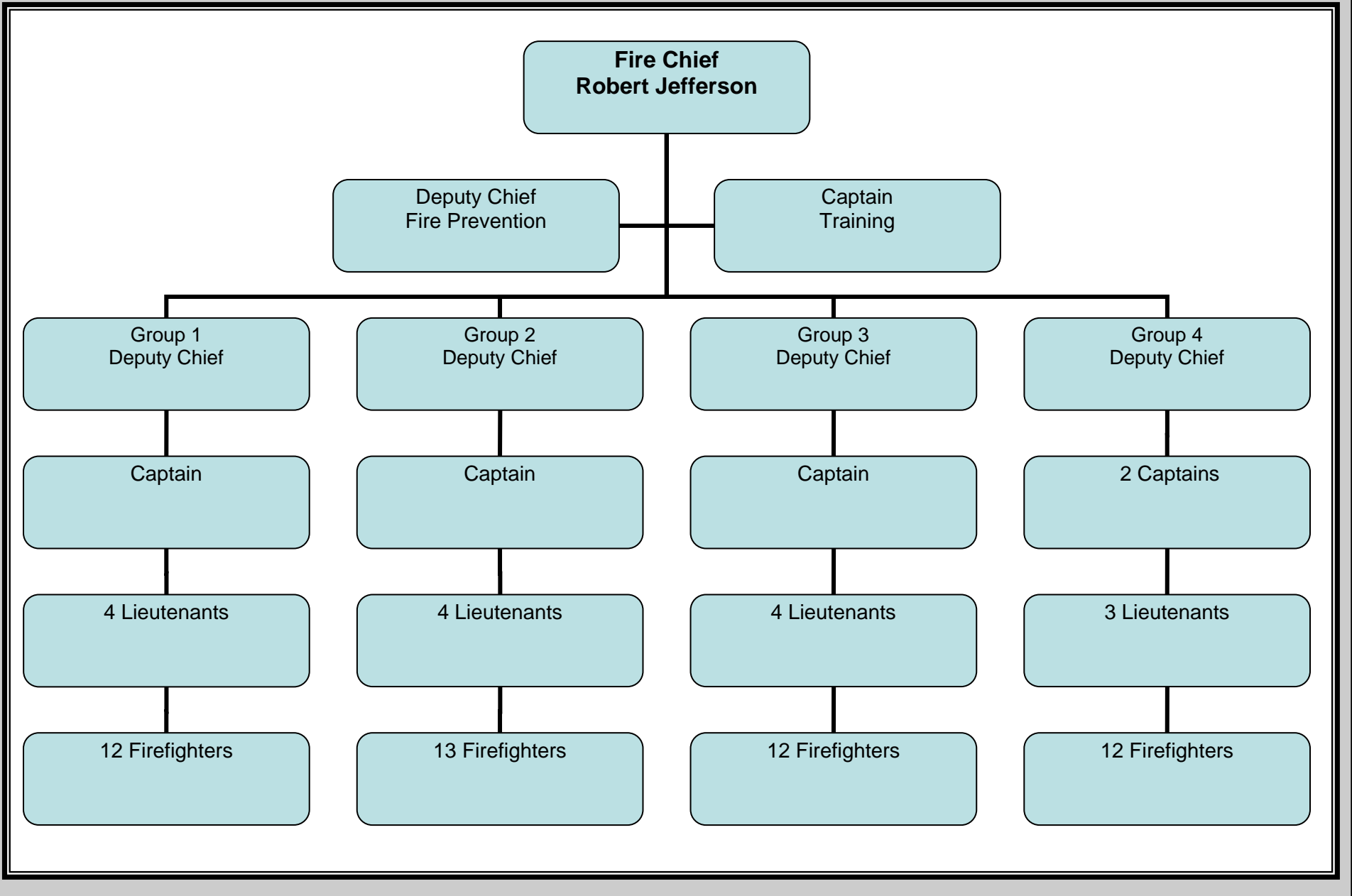


Major Accomplishments for 2009

- Received delivery of 2008 Ford 350 ambulance and placed into service as Rescue 1, stationed at Highland Station.
- Received delivery of 2009 Seagrave Quint and placed into service as Ladder 1, stationed at Fire Headquarters.
- Received delivery of new thermal imaging camera and new power saws from state grant money. This equipment enhances the department's capability of locating and extinguishing fires.
- All members received certification for completing the MIAA Emergency Vehicle Operators Course. This program was scenario based and provided each member with the driving skills necessary to operate in an emergency situation. The successful completion of this course allowed the Town to lower its insurance premiums.
- Fire Department permit and licensing fees were raised, augmenting Town revenues.
- Installed and placed in service the Vision 21 receiving units which enhanced the overall capabilities of the 911 dispatch center.
- Installed wireless fire alarm transmission boxes to four schools, 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 two rescues simultaneously. This increased revenues and contributed to the Town's general fund.

Performance / Workload Indicators

	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Emergency Calls	4,572	4,685	4,800	4,800
Rescue Response	2,204	2,225	2,250	2,300
Private Ambulance:	620			
Basic Life Service(BLS)		595	600	600
Advance Life Service(ALS)		785	800	800
Property - Dollar loss	1,152,500	1,100,000	1,200,000	1,250,000
Students taught: Student Awareness of Fire Education Program (SAFE)	2,600	2,700	2,800	2,800
Fire Calls	98	105	110	115
Average response time	3 Min 30 sec	3 min 30 sec	3 min 30 sec	3 min 30 sec





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.

FY2011 Objectives

- Implemented first phase of long-range plan for renovation of the Community Safety Building. Phase I bid process under way with an estimated start date of Spring 2011.
- Expanded on "distance learning" efforts and implemented new software to develop, provide, track, and evaluate departmental online training.
- Implemented new bar coded evidence software system to assist in the acceptance and tracking of evidence and property.
- Continued to expand roll-call training and web-based distance learning.
- Outlined new hackney licensing and inspections program.
- Continued to review hackney rules and make suggestions for improvements to hackney licensing and inspections.
- Conducted analysis of demographic data collected during motor vehicle stops and shared information with community stakeholders.
- Conducted town wide Reverse 911 training to include DPW and Town Hall employees.
- Updated uniform specifications to include clothing, which enhances Officer safety while on regular duty, and during the direction of traffic.
- Expanded dispatch center training and began periodic dispatch center staff meetings.

Budget Statement

The FY2011 Community Safety Support budget request seeks no major changes from the prior fiscal year. There is a \$6,075 increase in Personnel Fixed Costs.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Support Services				
Personal Services	632,981	678,809	684,884	
Expenses	21,972	23,400	23,500	
Total	654,953	702,209	708,384	-

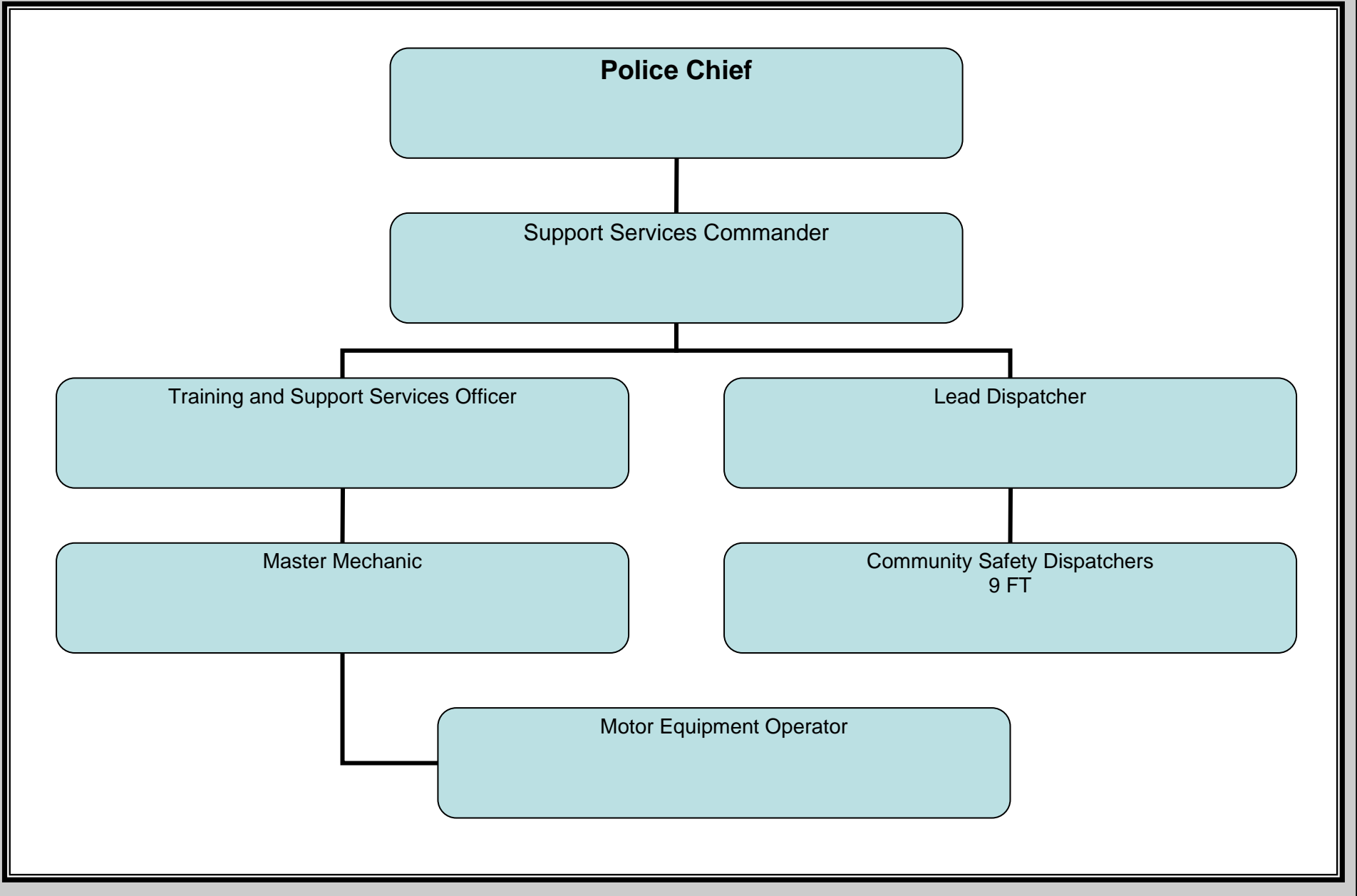
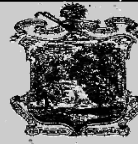
STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Support Services				
Managerial				
Clerical				
Professional/Technical				
Dispatchers	10	10	10	
Mechanics	2	2	2	
Total	12	12	12	



Major Accomplishments for 2009

- Implemented the first phase of the long-range plan for renovation of the Community Safety Building. Phase I bid process under way with an estimated start date of Spring 2011.
- Expanded on “distance learning” efforts and implemented new software to develop, provide, track, and evaluate departmental online training.
- Implemented new bar coded evidence software system to assist in the acceptance and tracking of evidence and property.
- Continued to expand roll-call training and web-based distance learning.
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- Conducted town wide Reverse 911 training to include DPW and Town Hall employees.
- Updated uniform specifications to include clothing, which enhances Officer safety while on regular duty, and during the direction of traffic.
- Expanded dispatch center training and began periodic dispatch center staff meetings.

Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
<i>Dispatch</i>	Actual	Actual	Estimated	Estimated
Calls For Service	26,191	26,555	26,373	26,464





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 personnel fixed costs increased \$2,996. With the adoption of a new building code, a new State energy code, the possibility of a new local option stretch energy code, and new mechanical code requirements, training of inspectors, contractors, and homeowners will be a priority in the coming year.

FY2011 Objectives

- Transitioning into new building, energy and mechanical codes for staff and community.
- Anticipated oversight of the renovated Highland Fire Station.
- Training for Renewable Energy programs.

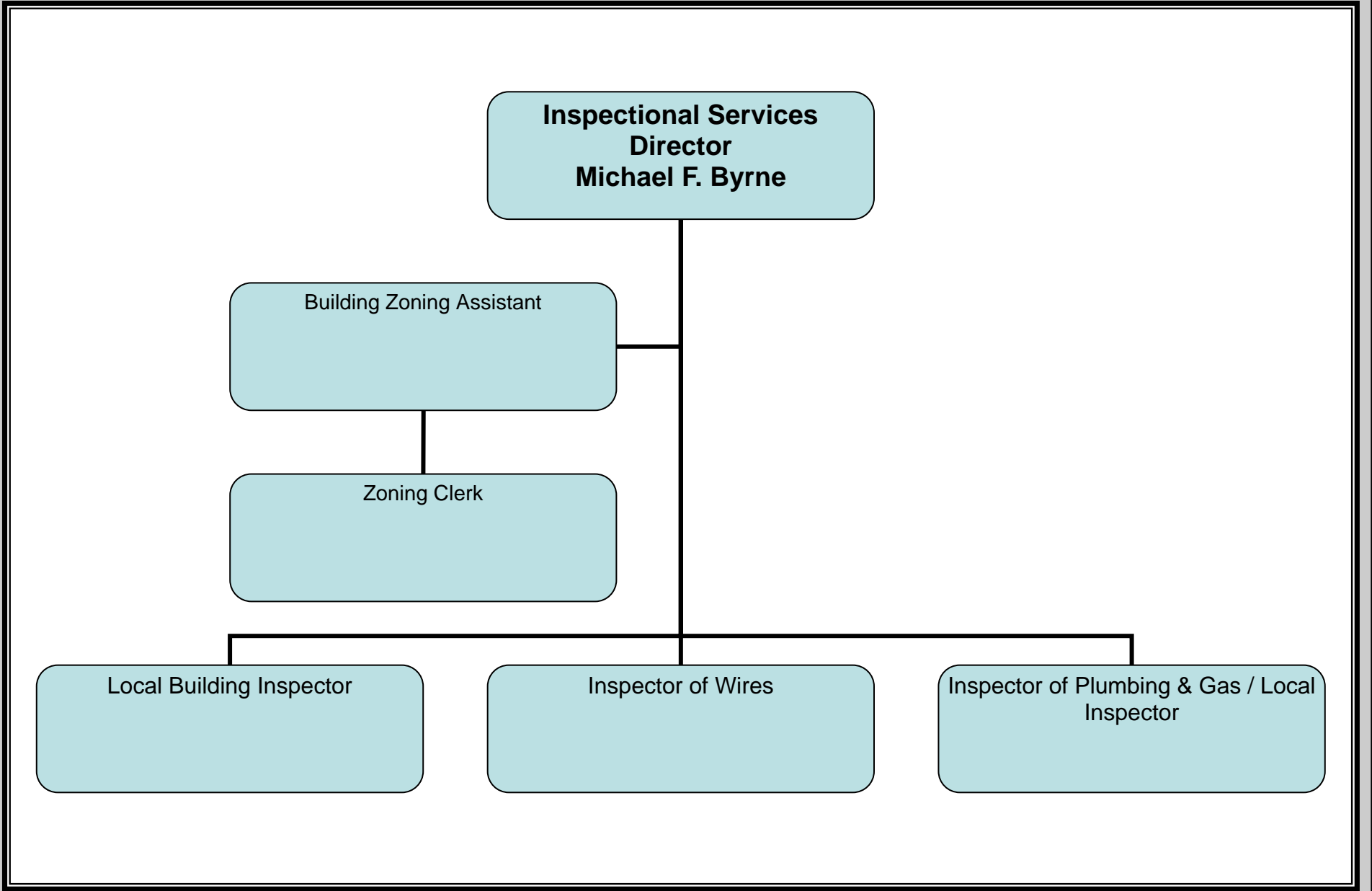
PROGRAM COSTS				
	FY2009	FY2010	FY2011	FY2011
Inspectional Services	Actual	Budget	Request	Fin Com
Personal Services	346,361	352,598	355,594	
Expenses	12,763	12,300	12,300	
Total	359,124	364,898	367,894	

STAFFING				
	FY2009	FY2010	FY2011	FY2011
Inspectional Services	Actual	Budget	Request	Fin Com
Managerial	1	1	1	
Clerical	1	1	1	
Professional/Technical	3	3	3	
Total	5	5	5	

Major Accomplishments for 2009

- Renewable resources such as solar heat and photovoltaic energy—as well as green building initiatives—have come to the forefront of code compliance and homeowner awareness in the Town of Arlington.
- With progressive rebating and tax credits, many Arlingtonians have taken advantage of reducing the community's carbon footprint.
- In preparation for the possibility of a new local option stretch energy code, the Department has held informational meetings with contractors and local representatives to assist in making a well informed transition, if adopted.

Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
	Actual	Actual	Estimated	Estimated
Revenue	\$ 941,779	\$ 797,700	\$ 813,840	\$ 815,000
Building Permits	1,375	1,190	1,200	1,200
Plumbing Permits	811	945	970	970
Gas Permits	720	825	855	855
Wiring Permits	1,134	1,175	1,225	1,225
Total Permits issued	4,040	4,135	4,250	4,250





Program Description

Library staff select, purchase and process 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 ensures 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. It is the library's goal to support formal learning and the desire for personal growth and development for people of all ages. To this end, it provides materials and services which facilitate that process.

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.

Budget Statement

The overall Library budget will be decreased \$25,817. It clearly will not be possible to restore Thursday morning hours at the Robbins Library that were cut back due to reductions in the municipal budget in FY 2004. Supplemental funding from the Friends of Fox will be necessary to avoid the loss of several service hours at the Fox Branch Library. The library will continue to rely heavily on trust funds and private donations to maintain its collections, and without additional funding the audiovisual collection will continue to rank near the bottom when compared to ten towns in the Minuteman Library Network that Arlington officials use for comparisons. In an effort to minimize layoffs and service reductions to the public, the Assistant Director position was reorganized to include the duties of the Branch Librarian, thus negatively impacting the overall administration of library operations. The projected FY2011 budget will not meet the state's municipal appropriation requirement and thus a waiver will be needed to remain certified.

FY2011 Objectives

- Develop a marketing and communications plan.
- Develop effective feedback mechanisms and consistent feedback opportunities to ensure that library services reflect community needs and interests.
- Enhance the volunteer program to attract volunteers with interests and expertise that match library needs.
- Create a comprehensive giving and fundraising plan.
- Expand opportunities for young adults to participate in library planning.
- Explore potential digitization projects.
- Expand library resources and technologies that empower users and enable self-reliant information services.
- Create a schedule of library programs that reflects community needs, interests and expectations, enriches lives and fosters lifelong learning.
- Create a more welcoming, useful and aesthetically pleasing library space with comfortable seating, lighting and other furnishings.
- Prepare and implement a plan that reflects emerging technologies that enable the delivery of information and information services, community technology needs and the technical infrastructure to enable library goals.
- Improve awareness of emerging technologies available for the public through innovative services with new programs available for checkout.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Libraries				
Personal Services	1,438,857	1,454,799	1,418,382	
Expenses	497,625	519,870	530,470	
Total	1,936,481	1,974,669	1,948,852	

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Libraries				
Managerial	1	1	1	
Clerical	19	19	19	
Professional/Technical	11.4	11.4	10.4	
Custodial/Bldg. Maint.	0.9	0.9	0.9	
Total	32.3	32.3	31.3	

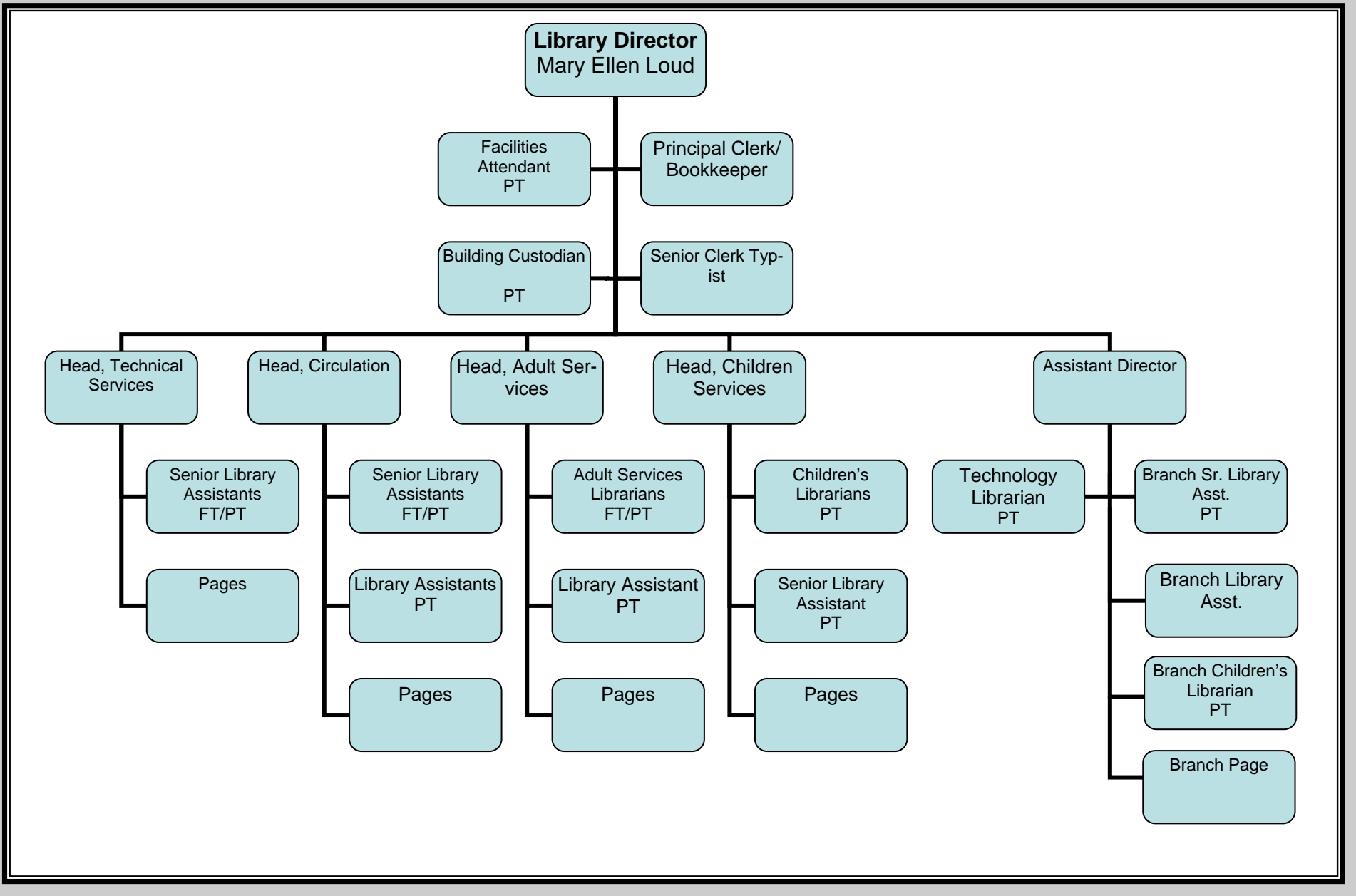


Major Accomplishments for 2009

- Highest circulation in the history of the library.
- Recorded increases in programs offered, program attendance, interlibrary loans and reference transactions.
- Completion of a strategic plan for library services for FY2011-2013.
- Feedback from the public on library services from six focus group sessions attended by parents, seniors, business community and general public.
- Increased services to English Language Learners through a federal grant.
- Installation of new signage to make collections more accessible to the public.
- Improvements to the Young Adult area to make it more visually appealing to teenagers.
- Continued outreach to the business community through co-sponsorship of events with the Chamber of Commerce, posting to a local business blog, creation of an online newsletter and providing resources and one-on-one reference service.
- Basic computer use and cell phone training sessions for adults and especially seniors given by high school volunteers.
- Successful fundraising campaign for the second year for Sunday hours
- Continued coordination with the Minuteman Library Network on service enhancements to the website and automated catalog.
- Receipt of a public relations award from the Massachusetts Library Association for the Sunday fundraising campaign, and for the online children's newsletter.

Performance / Workload Indicators

	FY2008	FY2009	FY2010	FY2011
<i>Libraries</i>	Actual	Actual	Estimated	Estimated
Circulation of materials	529,738	600,139	600,139	600,139
Interlibrary loans processed	87,506	106,186	106,186	106,186
Reference questions answered	74,265	76,690	76,690	76,690
Children's programs	349	398	390	390
Adult and YA programs	69	80	75	75
New items ordered and processed	18,549	20,554	20,500	20,500
Website visits	125,730	149,634	149,700	149,700
Online database searches	N/A	306,389	306,400	306,400
Use of Meeting Rooms	639	887	800	800





Program Description

The Department of Health and Human Services works to promote the health and well-being of Arlington citizens, and provides a safety net for those in need. It is the umbrella agency for: Health Department, Council on Aging, Veterans' Services, and Youth Services. The Department also works closely with the Disability Commission, Human Rights Commission, and other boards including the Board of Health, Council on Aging Board, and the Board of Youth Services. The Department oversees the operations of the Whittemore Robbins House, as well as the distribution of certain funding to citizens and programs, including the Arlington Assistance Fund, the Widow's Trust Fund, Community Development Block Grants, and the Low Interest Loan Program.

The Health Department/Board of Health—the lead division—protects the public health, controls disease, promotes sanitary living conditions, and protects the local environment through the enforcement of any and all applicable health codes and regulations.

The Health Department is divided into three branches: Environmental Health (responsible for permitting and inspecting), Communicable Disease Control (responsible for controlling and preventing the spread of contagious disease), and Emergency Preparedness (responsible for developing mandated plans for the Centers for Disease Control). Additionally, two years ago the Department was awarded a federal grant to address youth substance abuse prevention.

The Board of Health has also begun to take a look at community health and implement prevention strategies across various populations.

Budget Statement

The FY2011 budget is level-funded. The only change is a decrease of \$2,111 in Personnel Fixed Costs. Tuberculosis cases continue to rise in Arlington and the cases have become more complicated, causing the public health nurse to spend a lot of time following contacts of cases and treatment of cases, as mandated by state law.

FY2011 Objectives

- Continue outreach to Medicare recipients for flu vaccination.
- Partner with Town health insurance plans to provide Town employee vaccination clinics.
- Continue to seek out grant funding to cover departmental projects.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Health & Human Services				
Personal Services	247,697	268,737	266,626	
Expenses	19,662	22,145	22,145	
Total	267,360	290,882	288,771	

STAFFING				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Health & Human Services				
Managerial	1	1	1	
Clerical	1	1	1	
Professional/Technical	2.3	2.3	2.3	
Total	4.34	4.34	4.34	



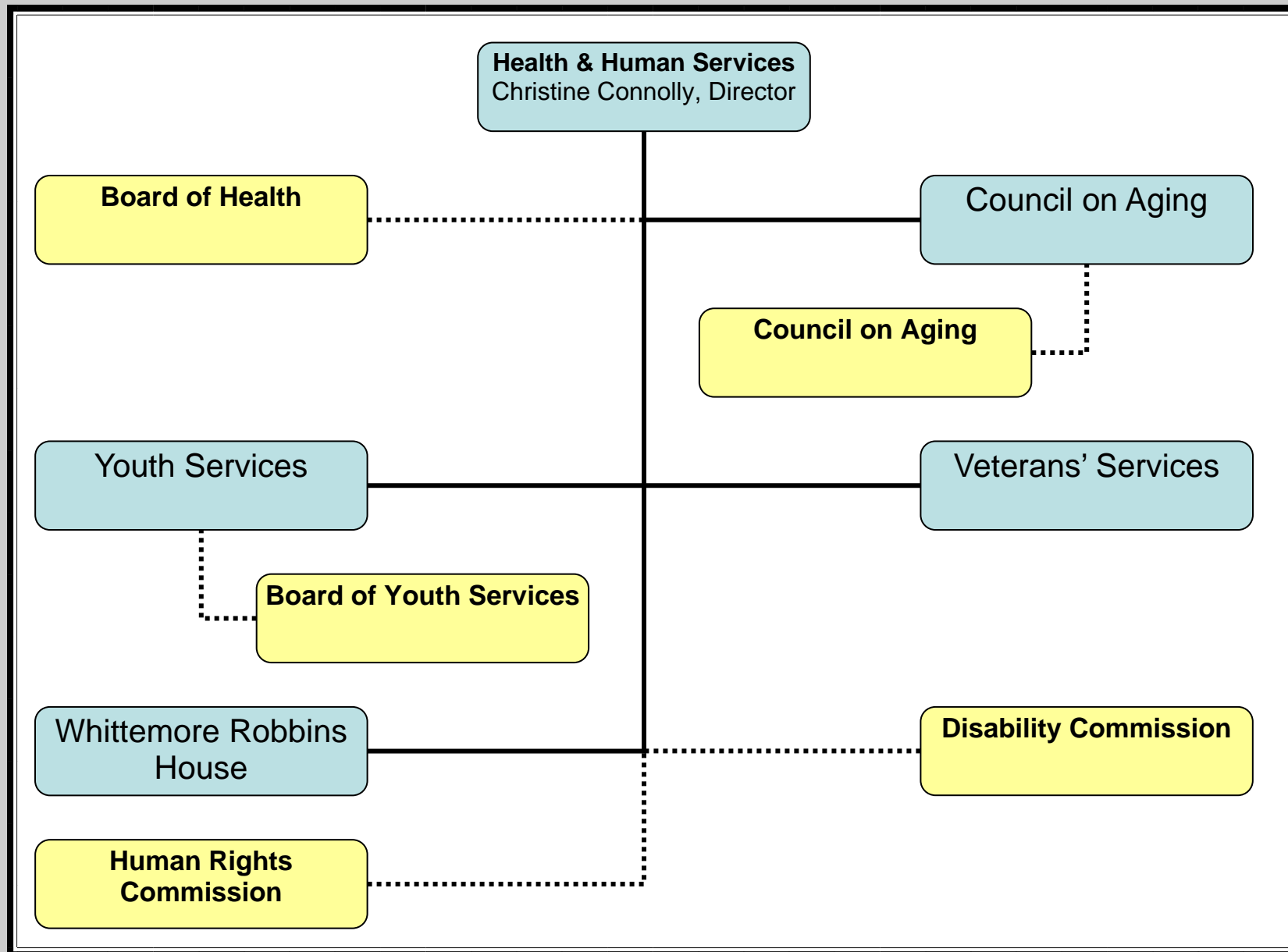
Major Accomplishments for 2009

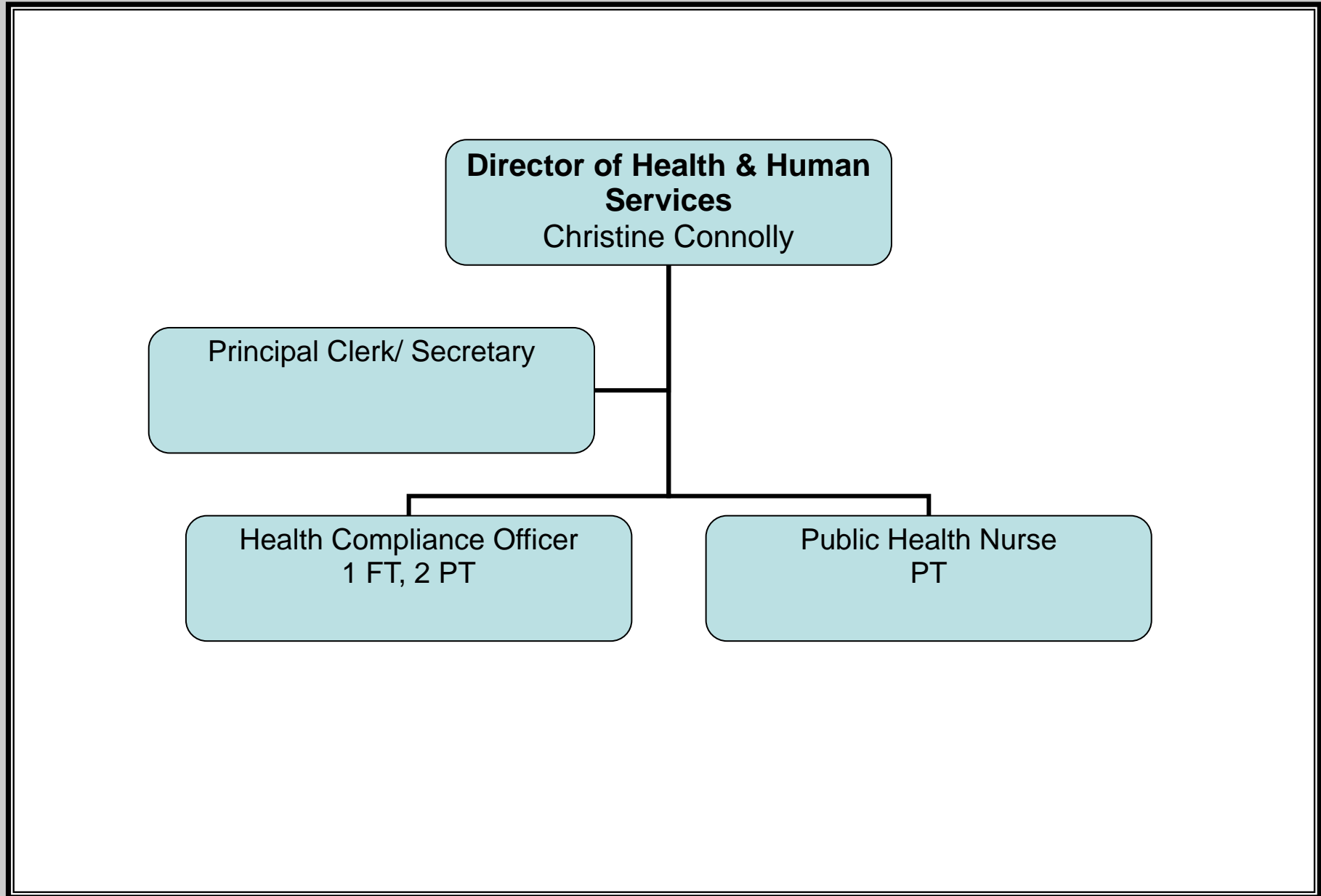
- Implemented plans to vaccinate entire community against H1N1 2009 influenza.
- Ran vaccination clinics at all schools, held public clinics for high risk residents and participated in regional public vaccination efforts. In total, roughly 6,000 residents were vaccinated.
- Vaccinated over 2000 residents against seasonal influenza with assistance from hundreds of community volunteers from the Medical Reserve Corps.
- Recruited and trained 300 new Medical Reserve Corps Volunteers.
- Worked with the Massachusetts Department of Public Health to upgrade the Vaccines for Children Program to allow shipment of vaccine from the manufacturer directly to healthcare providers in Town. Also collaborated with Mass DPH to integrate a new online disease reporting system into the Department.
- Hired a new part-time Health Compliance Officer to conduct environmental health inspections.

Performance / Workload Indicators				
	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Health Department				
Food Inspections	450	440	440	420
Tobacco Compliance Checks	60	90	62	60
Massage Establishment Inspections	41	0	0	0
Tanning Establishment Inspections	4	2	0	2
Demolition Inspections	10	25	5	25
Public Pool Inspections	9	15	9	15
Public Beach Inspections	15	15	15	18
Housing Inspections	50	50	50	35
Resident Complaints	340	239	275	275
Communicable Disease Investigation	125	96	100	100
Flu Vaccinations Administered	2,500	1,800	10,000	2,000

Performance / Workload Indicators				
	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Health & Human Services				
Food Panty Average Monthly Distribution	330	335	335	350
Assistance Program - Families served	56	75	85	90

Performance / Workload Indicators				
	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Rentals				
Whittemore Robbins House Events	30	30	25	23
Town Hall Auditorium Events	18	43	49	50







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.

FY2011 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.

Budget Statement

The budget, which is level funded for FY2011, has increased over the last several years due to an increase in the number of veterans needing aid and assistance. Most of this aid, 75%, is reimbursed by the State. Due to the current economic climate, an increased number of younger veterans are likely to be requesting temporary aid and assistance. With the increase in medical expenses and the current economic condition, the elderly and disabled of low income will require more aid and assistance.

PROGRAM COSTS				
Veterans' Services	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services	54,699	55,246	55,246	
Expenses	244,975	271,322	271,322	
Total	299,674	326,568	326,568	-

STAFFING				
Veterans' Services	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Managerial				
Clerical				
Professional/Technical	1	1	1	
Total	1	1	1	



Major Accomplishments for 2009

- "McGurl Square" was dedicated at the corner of Brattle Street and Summer Street on Veterans' Day, acknowledging the McGurl family, most notably Lt. Eugene McGurl (KIA), who served during WWII, Korea, and Vietnam.
- Identified six unmarked graves of veterans in Mt. Pleasant Cemetery. This is an ongoing project.

Performance / Workload Indicators

	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Department of Veteran Services Clients (DVS)	47	52	54	56
Department of Veterans' Assistance Clients (VA)	39	44	50	55



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 seniors live dignified and independent lives. The agency’s primary responsibilities are to identify the unmet needs of the community’s elderly population, to design, promote, or implement services to address such needs, and to coordinate with other services in the community.

The nation’s senior population (60+) 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. 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

Overall the budget is increasing by \$15,068, due primarily to the shifting of personnel to this budget. A portion of a staff person’s time dedicated to running the food pantry and fuel assistance programs was transferred from Youth Services, and a portion of the Information and Referral staffer’s hours was transferred from the COA Transportation Enterprise. Budgetary limitations will continue to impact the division’s ability to deliver needed services to Arlington’s frail elderly. The Department will continue to seek out grants, gifts, and funds from private sources.

FY2011 Objectives

- For the Council to become more involved in financial advocacy and resource development.
- Application of needs-assessment survey results to Council programs and services.
- 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.

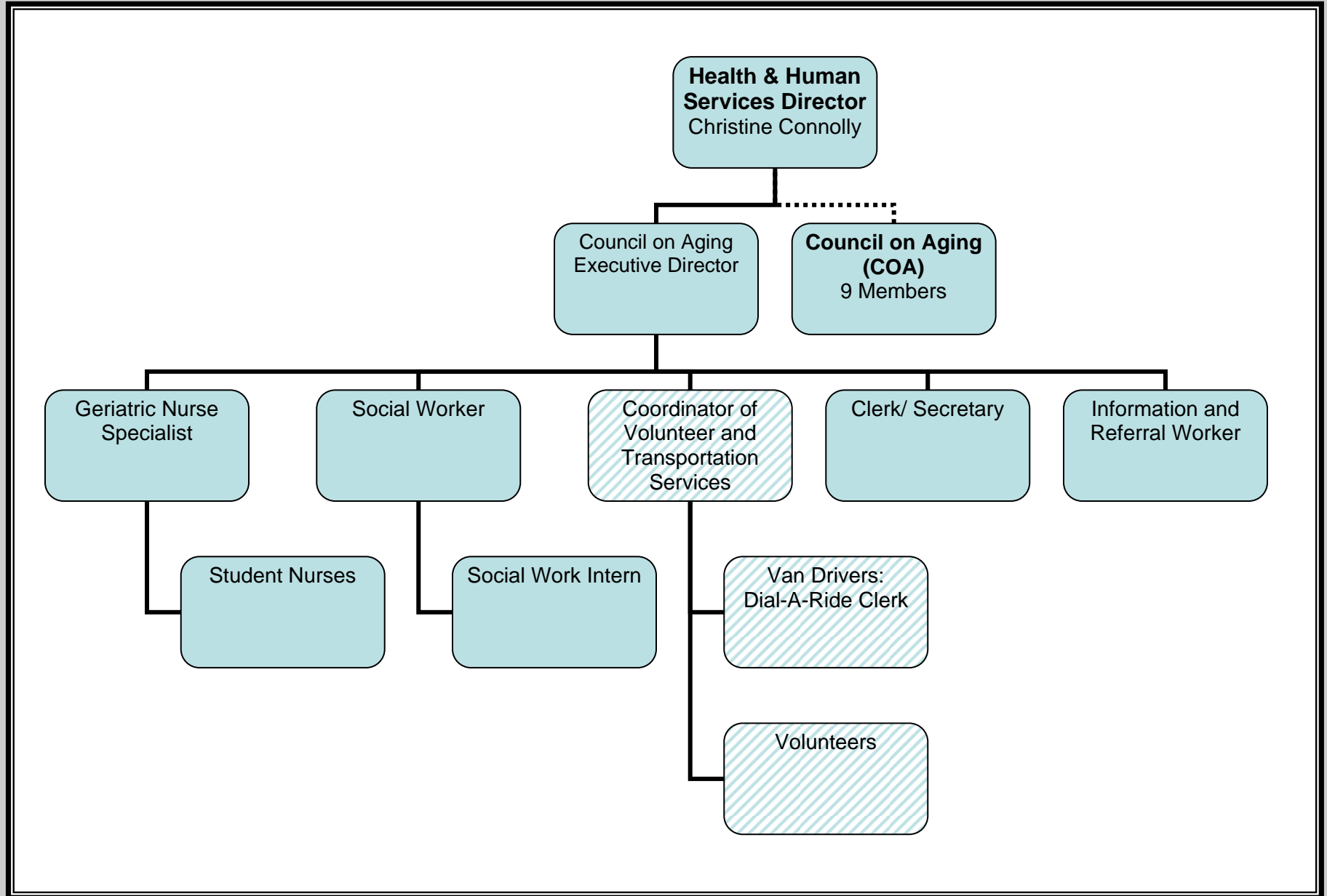
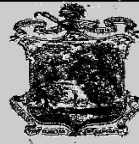
PROGRAM COSTS				
	FY2009	FY2010	FY2011	FY2011
Council on Aging	Actual	Budget	Request	Fin Com
Personal Services	144,640	143,342	158,410	
Expenses	3,900	4,675	4,675	
Total	148,540	148,017	163,085	-

STAFFING				
	FY2009	FY2010	FY2011	FY2011
Council on Aging	Actual	Budget	Request	Fin Com
Managerial	1	1	1	
Clerical	0.7	1.0	1.0	
Professional/Technical	0.8	0.8	0.8	
Total	2.5	2.75	2.75	

Major Accomplishments for 2009

- Began design and implementation of an assessment process to determine the present and future needs of Arlington elders.
- Secured continuing / increased grant funding in the areas of health & wellness; through this funding we were able to expand our health & wellness offerings.
- Increased and effective advocacy on issues affecting elders continued at the local, regional and state level, though membership and active participation in the Massachusetts Councils on Aging and Senior Center Directors (MCOA).

Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
Council on Aging	Actual	Actual	Estimated	Estimated
Units of Service Delivered				
Annually	114,294	118,866	122,432	127,329
Taxi rides	3,402	3,947	3,900	3,900
Volunteers	95	101	114	124





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.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Pensions				
Personal Services				
Non Contributory	136,755	156,687	156,687	
Contributory	6,509,447	6,438,609	6,696,123	
Total	6,646,202	6,595,296	6,852,810	-

Performance / Workload Indicators				
	2008 Actual	2009 Actual	2010 Estimated	2011 Estimated
Pensions				
Contributory Enrollees				
Active Employees	713	699	694	694
Retired Employees	623	625	630	630
Non-Contributory Enrollees	8	7	6	6

Budget Statement / Future Outlook

The contributory pension budget for FY2011 has been increased by \$257,514. The recommended appropriation is based upon the assumption that pending legislation will be enacted to allow communities to reach full funding of their pension systems by the year 2040. This allows the appropriation to increase only 4%, as oppose to 6%.

The non-contributory pension budget is projected to remain the same as in FY2010 and has 6 remaining retirees.



Retirement Board

John J. Bilafer, Chairman
Richard Keshian
Emelio Rosselli
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.

Budget Statement / Future Outlook

Insurance costs, other than health insurance, have remained fairly stable for the past several years.

Health insurance costs are predicted to increase 8% in FY 2011. The amounts shown here are net of any enterprise fund charge-offs.

Medicare costs are increasing by \$37,500 to pay the Town's share of Medicare taxes due to turnover in new personnel. Life insurance costs are increasing due to changes in enrollment in the Town's program.

FY 2011 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.
- Implement two health and wellness programs for employees.
- Participate in exploring with employee groups the feasibility of joining the GIC, the State's health care program.
- Continually monitor enrollment to ensure Town is keeping costs in check.
- Complete reconciliation of life insurance rolls.

PROGRAM COSTS				
	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Insurance				
Personal Services				
Group Life	55,136	72,100	74,500	
Group Health	14,517,217	16,213,361	17,521,613	
Unemployment Ins.	130,583	193,450	193,450	
Medicare	685,705	750,000	787,500	
Indemnity	250,815	250,000	250,000	
Liability	43,282	50,000	50,000	
Workers' Compensation	488,873	490,000	490,000	
Flexible Benefit Plan	360	800	800	
Total	16,171,970	18,019,711	19,367,863	-



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 2011 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.
- Utilize \$5,000 grant from Blue Cross/Blue Shield to implement two new health and wellness programs for employees.
- Participate in exploring with employee groups the feasibility of joining the GIC, the State's health care program.

Budget Statement / Future Outlook

The healthcare budget for FY2011 is projected to increase approximately 8%, which is in line with the medical cost inflation index and with the Town's actual claims experience.

This year we will work with employee groups to explore cost saving measures including joining the GIC, the State's healthcare program, which has the potential for significant savings for both the Town and the employees.



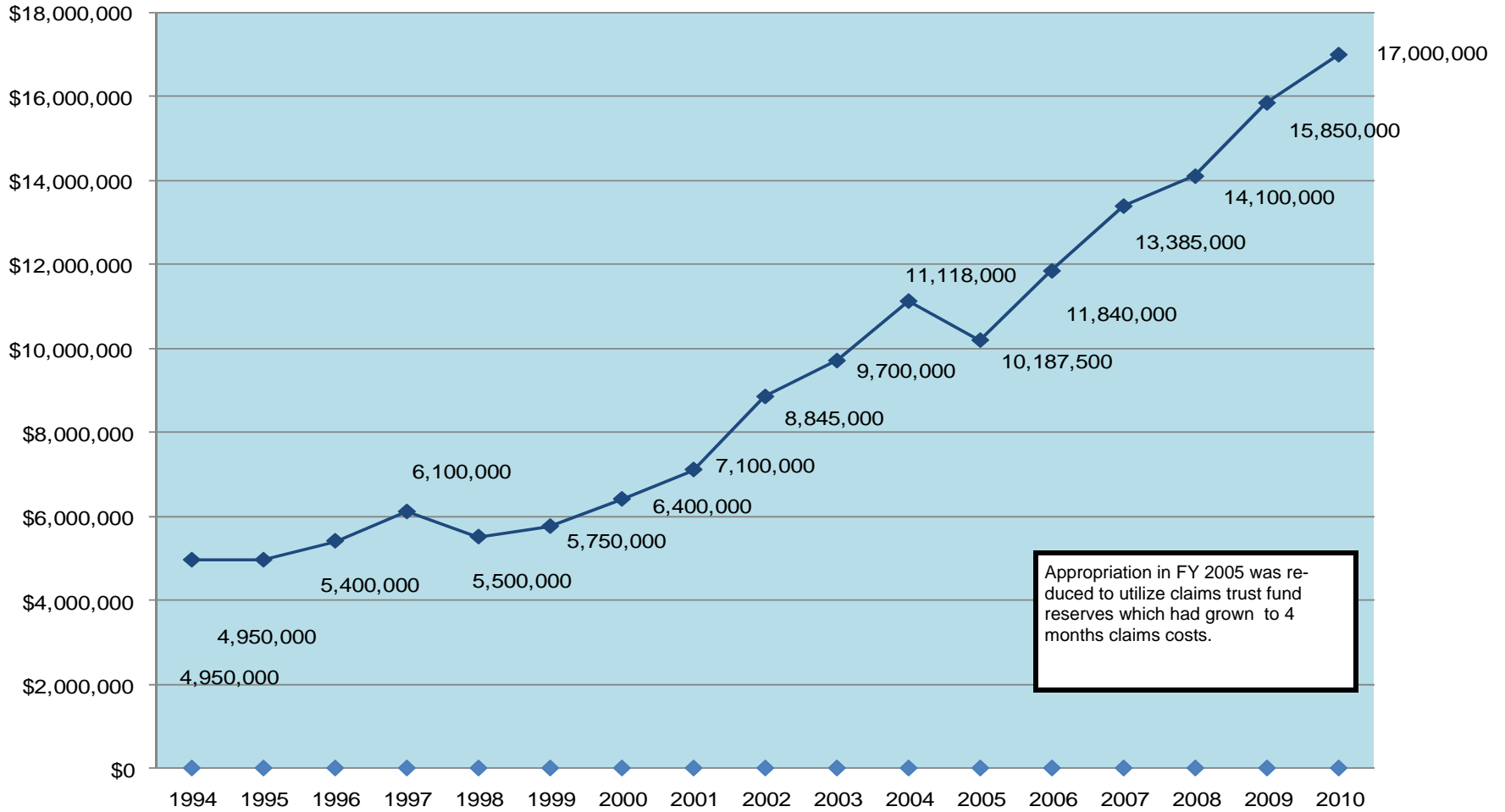
Major Accomplishments for 2009

- Controlled the costs of property insurance, liability insurance and auto-mobile insurance.
- Offered a health insurance opt-out program for all existing enrollees.

Performance / Workload Indicators				
	2008 Actual	2009 Actual	2010 Estimated	2011 Estimated
Health & Life Insurance				
Health Insurance Contracts Managed	1,915	1,938	1,923	1,920
Life Insurance Contracts Managed	1,020	1,104	1,079	1,079
Life Insurance Claims Processed	29	30	10	15



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



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 117 miles of sewer mains. Deteriorating and broken pipes are fixed, sewer mains are flushed, hydrants are maintained and flushed, and 12,354 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

Overall, there was a total budget increase of \$350,304 This was attributable in large part to a \$189,000 increase in health insurance costs, as well as a \$62,000 increase in retirement costs.

Additionally, Massachusetts Water Resource Authority Assessments saw a \$42,252 increase. There are two new expenses in FY11: Personnel costs saw a \$33,843 increase with the addition of a part-time GIS Coordinator and lawn irrigation contract services of \$25,000 have been moved from the General Fund budget to the Water / Sewer Enterprise fund.

FY2011 Objectives

- Draft a Water Emergency Response Plan, and get DEP approval.
- Eliminate Sewer overflow-discharge problem on Maynard Street.
- Develop a GIS-based database for tracking sewer system back-ups.
- Install and implement a new automated meter reading system (AMR), and conduct Year-1 of a three year program to upgrade existing meters.
- Oversee the Water Rehabilitation program (\$1.3 million per year in Water main replacements).
- Oversee Year 3 Sewer rehab construction, Year 4 rehab plan/specification preparation and Year 5 sewer rehab – heavy cleaning and defect investigations.
- Develop a GIS-based database inventory on Town hydrants.
- Implement a replacement program for out-dated hydrants.

PROGRAM COSTS				
Water/Sewer Enterprise Fund	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services	2,193,390	2,426,374	2,529,673	
Expenses	1,745,379	1,632,675	1,829,680	
MWRA Assessment	10,165,530	10,712,358	10,754,610	
Capital Expenses	1,178,276	1,611,848	1,619,596	
Total	15,282,575	16,383,255	16,733,559	-

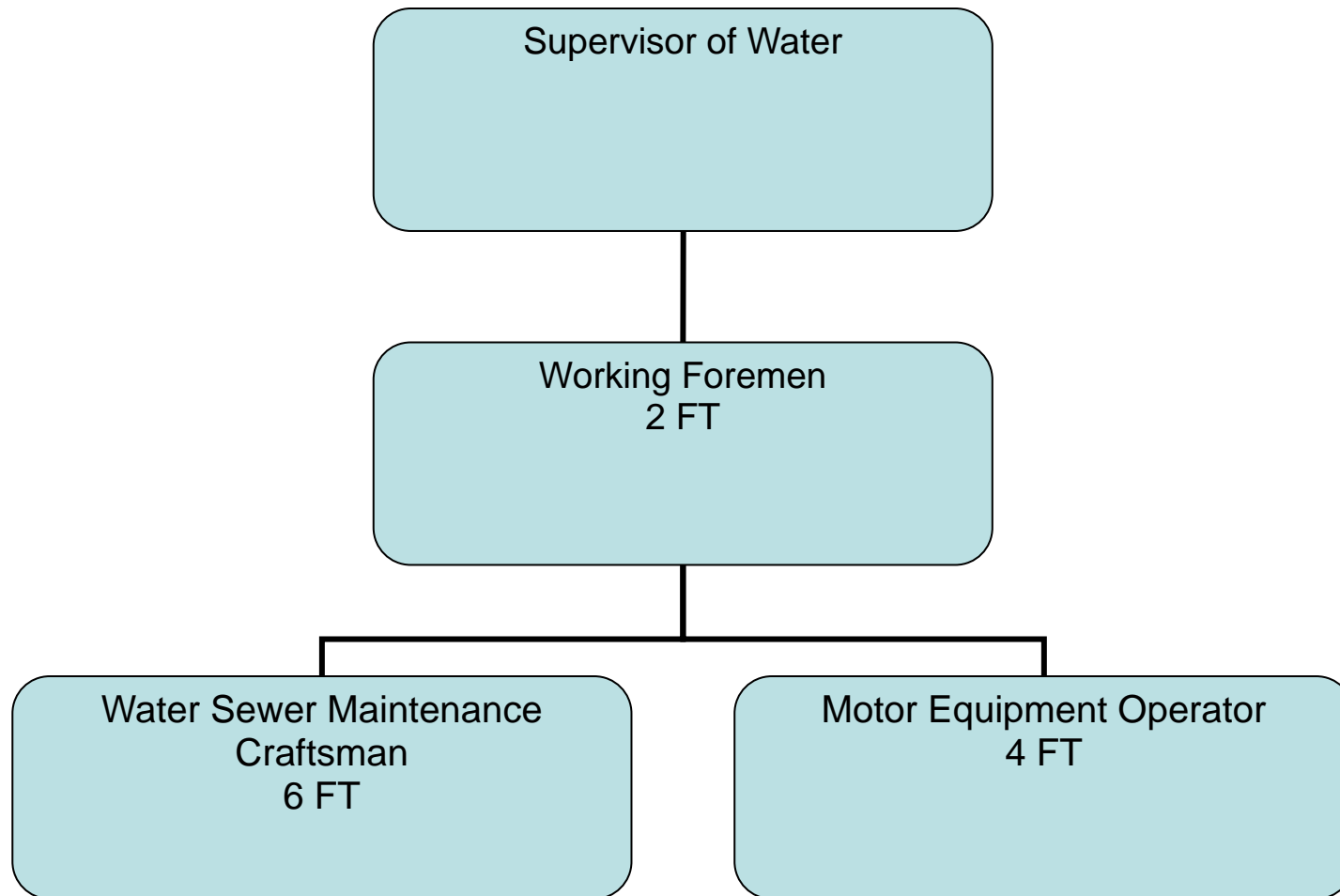
STAFFING				
Water/Sewer Enterprise Fund	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Managerial				
Clerical	2	2	2	
Professional/Technical			0.5	
Public Works	13	13	13	
Total	15	15	15.5	



Major Accomplishments for 2009

- Replaced 188 water meters.
- Repaired water main leaks at 27 locations.
- Replaced 23 hydrants.
- Sampled 14 locations weekly for water quality.
- Completed new usage and financial projection spreadsheet for rate setting and financial planning.

Performance / Workload Indicators				
Water/Sewer Enterprise	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Water meters read	24,708	24,708	24,708	24,708
Water main leaks repaired	23	27	25	25
New Water services installed	62	65	65	65
Water Quality testing sites	14	14	14	14
Water meter repairs/replacements	172	188	190	190
Water Mains - miles	131	131	131	131
Sewer Mains - miles	117	117	117	117
Sewer Pumping Stations	6	6	6	6
Fire Hydrants	1,396	1,396	1,396	1,396
Hydrants replaced	17	23	25	25
Catch basins cleaned	942	947	950	950





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 FY2011 expense budget will decrease by \$45,340. This is due to a programming shift from in-house run programs to contracted service programming. Personal Services will also decrease by \$10,091 due to a change in personnel from full-time to part-time.

The Department will be increasing revenue through increased fees for certain high volume programming and usage at the Gibbs Gymnasium. 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 continues 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 be the permitting authority for these facilities.

FY2011 Objectives

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

PROGRAM COSTS				
Recreation Enterprise Fund	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services	267,330	288,035	277,944	
Expenses	247,685	329,736	284,396	
Total	515,015	617,771	562,340	-

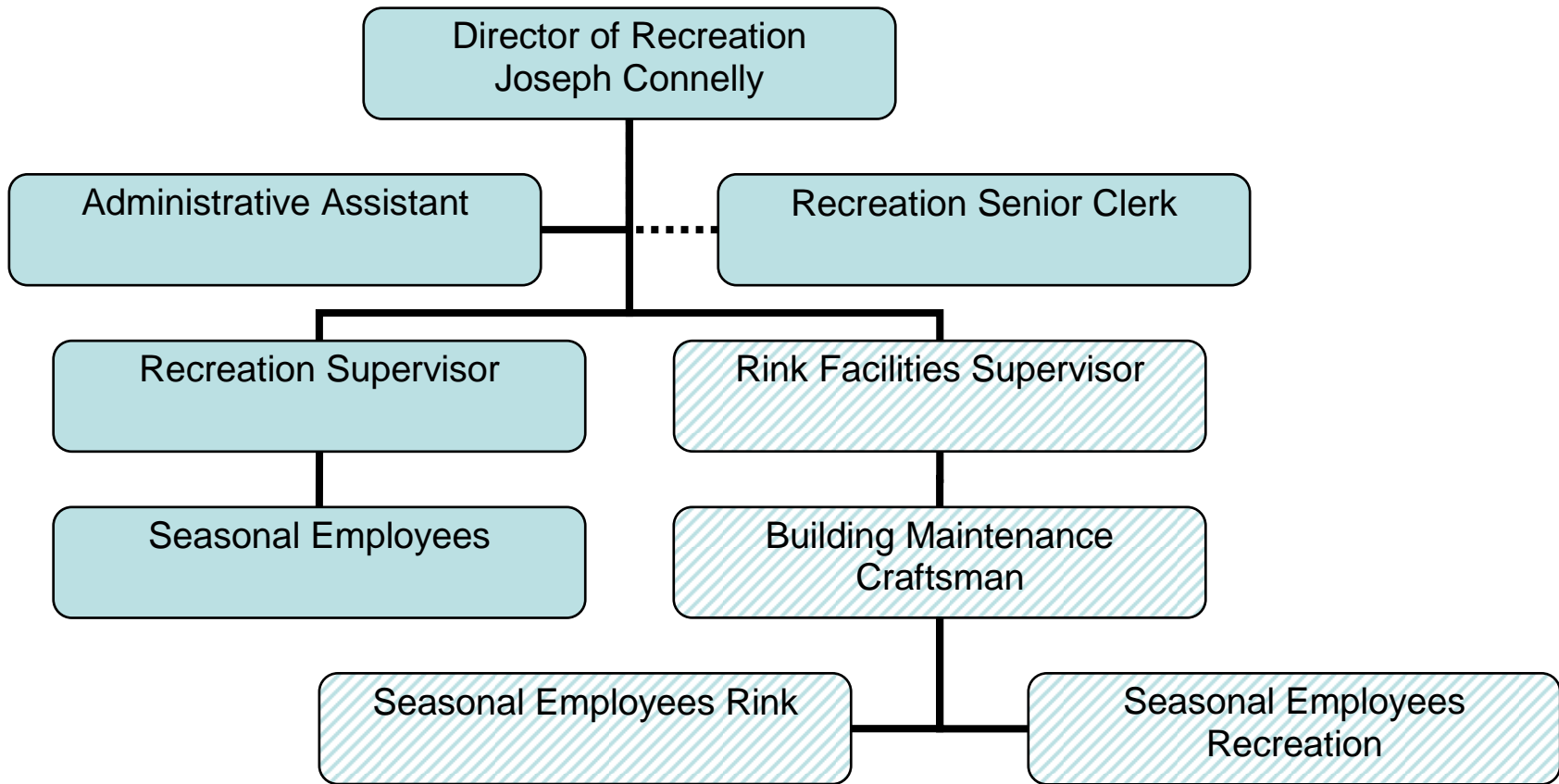
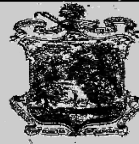
STAFFING				
Recreation Enterprise Fund	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Managerial	0.5	0.5	0.5	
Clerical	0.5	1.5	1.5	
Professional/Technical	2	1	1	
Custodial/Bldg. Maint.	0.25	0.25	0.25	
Total	3.25	3.25	3.25	



Major Accomplishments for 2009

- Offered a variety of new programs including: Rock & Roll Babies, Challenger Soccer, Super Soccer Stars, Mass Youth Soccer Clinics, AC Milan Soccer Clinic, Real School of Music Classes, Freshi Films Film Making, Video Game Design, and increased Tennis Offerings.
- Introduced and maintained our 24-hour phone registration line.
- Renovation and planned capital improvements to Pheasant Avenue Playground, Spy Pond Playground, Thorndike Field Parking Lot, Summer Street Playground, and the Arlington Sports Center.
- Held second annual Recreation Department Golf Tournament fundraiser.
- Continued community special events such as Town Day Race, Summer Carnival, Egg Hunt, Kayak Rentals, and the Daddy Daughter Dance.
- Started a new special event: Halloween Window Painting with Arlington Rotary Club.
- Completed work on Arlington Sport Center and Summer Street Complex Master Plan.

Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
<i>Recreation</i>	<i>Actual</i>	<i>Actual</i>	<i>Estimated</i>	<i>Estimated</i>
Participants:				
Fall	913	1,057	1,057	1,057
Winter	764	905	905	905
Spring	544	596	596	596
Summer	1,464	1,349	1,634	1,634
Reservoir Tags:				
Adult Resident	464	352	464	464
Child Resident	461	346	461	461
Senior Citizen	67	51	67	67
Non Resident	31	13	31	31
Resident Family	358	290	358	358
Non Resident Family	46	17	46	46
Resident Family Plus 1	90	59	90	90
Non Resident Family Plus 1	8	1	8	8
TOTAL:	1,525	1,129	1,525	1,525
Reservoir Passes:				
Res Weekday Pass	3,500	3,051	3,500	3,500
Res Weekend Pass	1,191	1,431	1,191	1,191
TOTAL:	4,691	4,482	4,691	4,691





Program Description

The Veterans' Memorial Skating Rink is a self-sustaining division of the 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/ Arlington Sports Center is an indoor ice facility located at 422 Summer Street in Arlington. The facility includes a regulation size rink of 85' x 185' with spectator seating for 1,085 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/Arlington Sports Center 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. During the spring and summer months the facility hosts a variety of recreation programs, special events, and provides batting cages for public use.

Budget Statement

The overall budget for FY2011 will decrease by \$23,996, primarily due to a decrease in capital expenditures. Personal Services will increase by \$5,239 due to step increases and other adjustments. Other increases include \$7,500 in utility costs, including natural gas. Revenues from users will offset all estimated expenses.

The Department looks to increase revenues through additional programming, fundraising, and specialized marketing opportunities. Off-season facility activities will also continue to be a focus. Community activities and social events will assist in generating additional revenues.

The interior of the rink will also be receiving major renovation work to the bed, boards, and glass. This renovation will begin in the spring of 2010 and will be completed by early fall 2010. This project was approved by the Capital Improvement Committee during the Spring 2009 Town Meeting.

FY2011 Objectives

- Continue to aggressively 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 an annual golf tournament.
- Other alternative opportunities of raising revenue will be investigated, including the addition of a pro shop and special reserved- seating passes.

PROGRAM COSTS				
Veterans' Memorial Rink Enterprise Fund	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services	218,970	221,827	227,066	
Expenses	267,830	341,533	312,298	
Total	486,800	563,360	539,364	-

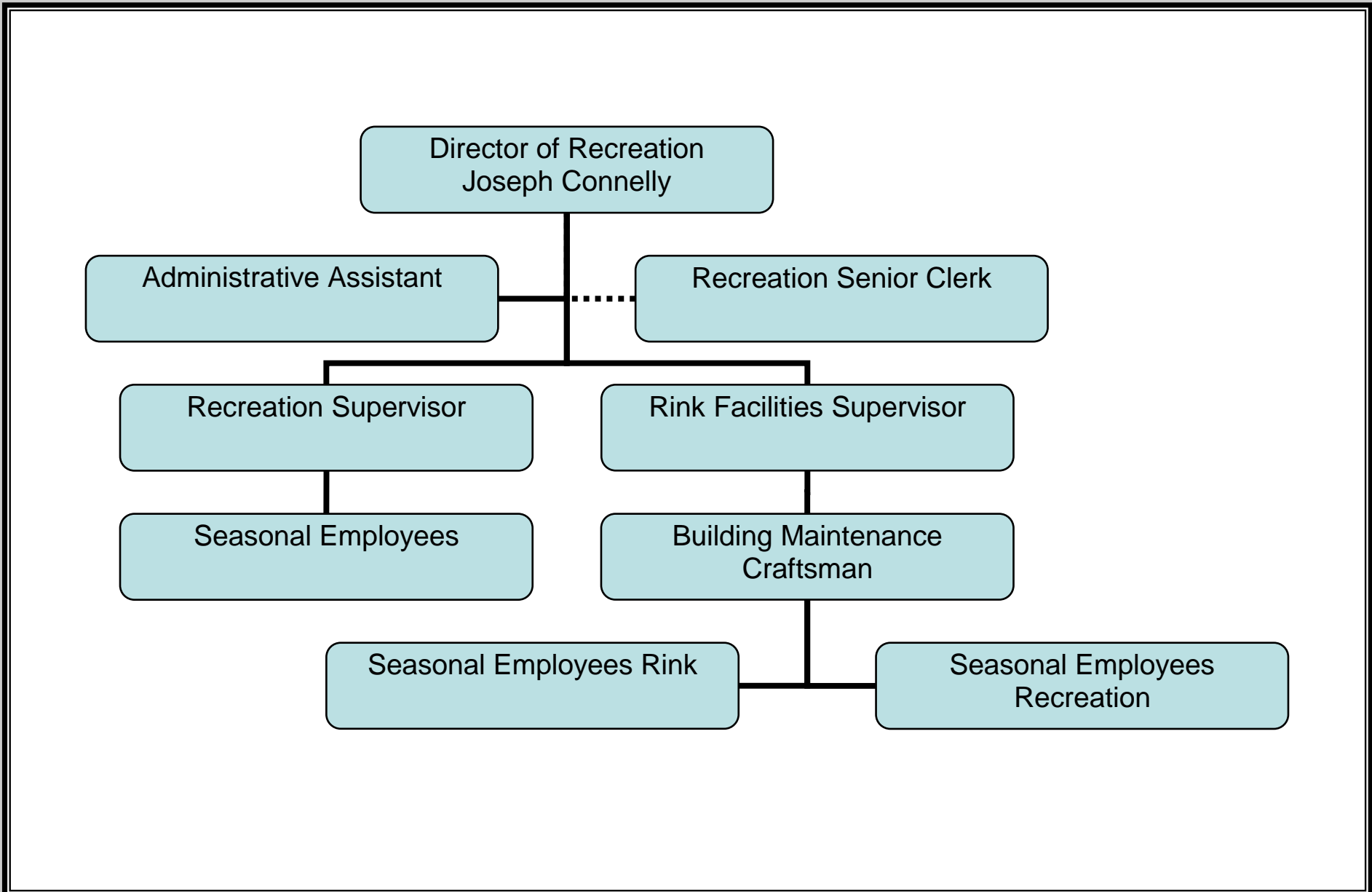
STAFFING				
Veterans' Memorial Rink Enterprise Fund	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Managerial	0.5	0.5	0.5	
Clerical	0.75	0.75	0.75	
Professional/Technical	1	1	1	
Custodial/Bldg. Maint.	0.75	0.75	0.75	
Total	3	3	3	



Major Accomplishments for 2009

- Re-painted the stands at the rink Town of Arlington colors.
- Repaired heaters in the stands.
- Installed new plexi-glass to rink entrance doors.
- Repaired existing roof leaks.
- Implemented new marketing and advertising opportunities including advertising on the Zamboni and additional board advertisement options.
- Re-painted the lobby, bathrooms, and locker rooms.
- Continued process for a multi-year facility capital improvement plan.
- Maintained a high quality ice surface throughout the skating season.

Performance / Workload Indicators				
	FY2008	FY2009	FY2010	FY2011
<i>Veterans' Memorial Rink</i>	Actual	Actual	Estimated	Estimated
Ice Rental Hours	1,913	2,086	1,800	1,800
Public Skate/Lesson Hours	496	552	496	550
Public Skating Participants:				
Adults	3,597	3,824	3,597	3,825
Children/ Seniors	8,356	8,597	9,783	8,600
Public Skating Passes:				
Adults	46	55	46	55
Children/ Seniors	85	92	112	100
Skate Rentals	2,713	2,597	2,754	2,600
Skate Sharpening	932	932	932	932





Program Description

The Council on Aging Transportation Program provides basic access to community services for Arlington’s elderly and 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.

Budget Statement

Overall, the budget is reduced by \$15,113. The on-call van driver position, which was little use, was eliminated saving \$12,847. Also a portion of the Information and Referral Clerk’s time spent on non-transportation issues was charged to the Council On Aging budget, thus reducing this budget by \$2,266.

Funded by program revenues and CDBG dollars, the COA Transportation Program is the agency’s most often-used service. Annual program expenses, however, are greater than its revenues. Thus, a critical assessment of the senior community’s transportation needs, as well as the division’s ability to address and prioritize those needs, is now being undertaken.

FY2011 Objectives

- In light of annually increasing expenses—and in the absence of municipal funding—to investigate all options to assure continuity of services, within the constraints of budget and personnel.
- Evaluate a critical assessment of the senior community’s transportation needs and the division’s ability to address those needs, and to determine what resources may be available or needed for the success of this effort.

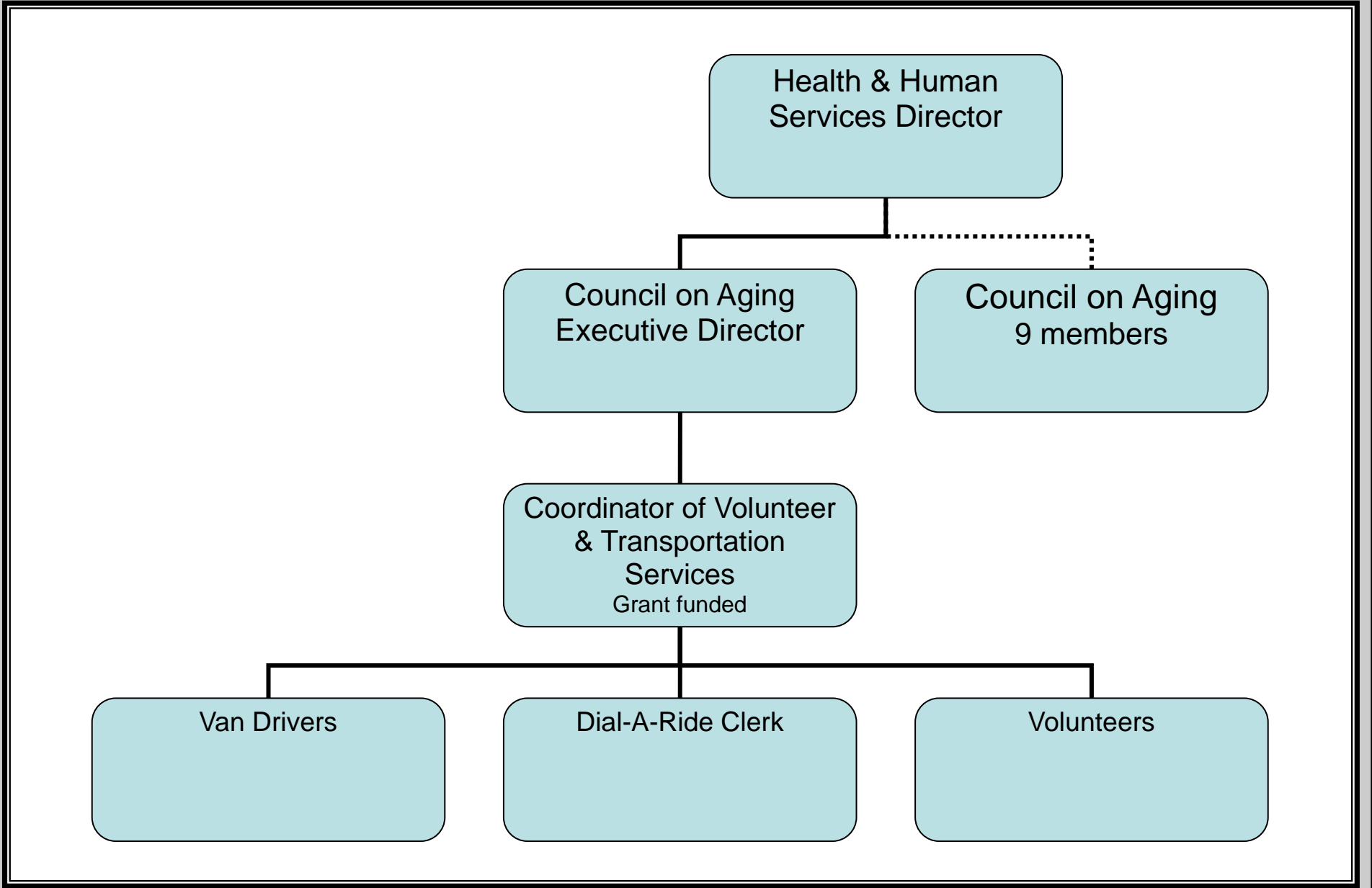
PROGRAM COSTS				
Council on Aging Transportation	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services	74,420	76,933	61,820	
Expenses	22,530	34,200	34,200	
Total	96,950	111,133	96,020	

STAFFING				
Council on Aging Transportation	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Managerial				
Clerical	0.55	0.55	0.10	
Transportation Drivers	1	1	1	
Total	1.55	1.55	1.10	

Major Accomplishments for 2009

- To replace the oldest unit in our aging van fleet, the Massachusetts Department of Transportation and Construction has approved a Mobility Assistance Program grant for eighty percent of the cost of a new lift-equipped van.
- Secured funding to subsidize the cost of medical transportation for low-income seniors.
- Continued to subsidize seniors’ cancer-related trips through funding from the Elizabeth and George L. Sanborn Foundation For The Treatment and Cure of Cancer, Inc.

Performance / Workload Indicators				
Council on Aging Transportation Fund	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Annual number - one way rides	9,210	9,132	11,360	11,587
Taxi rides	3,397	3,402	3,400	3,400





Program Description

Arlington Youth Consultation Center (AYCC) works toward the prevention, treatment, and resolution of problems relating to the children and youth of the Town, and advises and assists other agencies concerned with such matters. Its primary responsibilities include:

- Provide mental health counseling and therapeutic services to children, adolescents, and their families.
- Provide psychopharmacological services to children, adolescents, and their families.
- Provide consultations and assistance to other Arlington agencies interfacing with children, adolescents and their families.
- Provide prevention and education programs regarding substance abuse to children, adolescents, and their families.
- Provide training and supervision to graduate students assigned to AYCC for internships.
- Provide counseling services in the Arlington Public Schools for Special Education.

Budget Statement

Reduced the subsidy from the Town by \$66,594 through a total revamp of the program. Several positions have been eliminated and a few others added. 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 will assure the long-term viability of this program.

FY2011 Objectives

- Develop a new staffing structure at the agency.
- Work closely with a consultant to develop a business plan.
- Seek out grant funding to cover cost of agency.
- Work closely with the Board of Youth Services to seek out donations through the Health and Human Services Charitable Corporation.

PROGRAM COSTS				
Youth Services Enterprise Fund	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Personal Services	413,240	218,085	157,241	
Expenses	67,232	75,509	69,759	
Total	480,472	293,594	227,000	-

STAFFING				
Youth Services Enterprise Fund	FY2009 Actual	FY2010 Budget	FY2011 Request	FY2011 Fin Com
Managerial	0.8	0.77	0.8	
Clerical	1	0.8	0.57	
School Counseling Program (FTE)	2.5	0.0	0.0	
Professional/Technical	3.9	1.9	0.0	
Total	8.3	3.4	1.4	

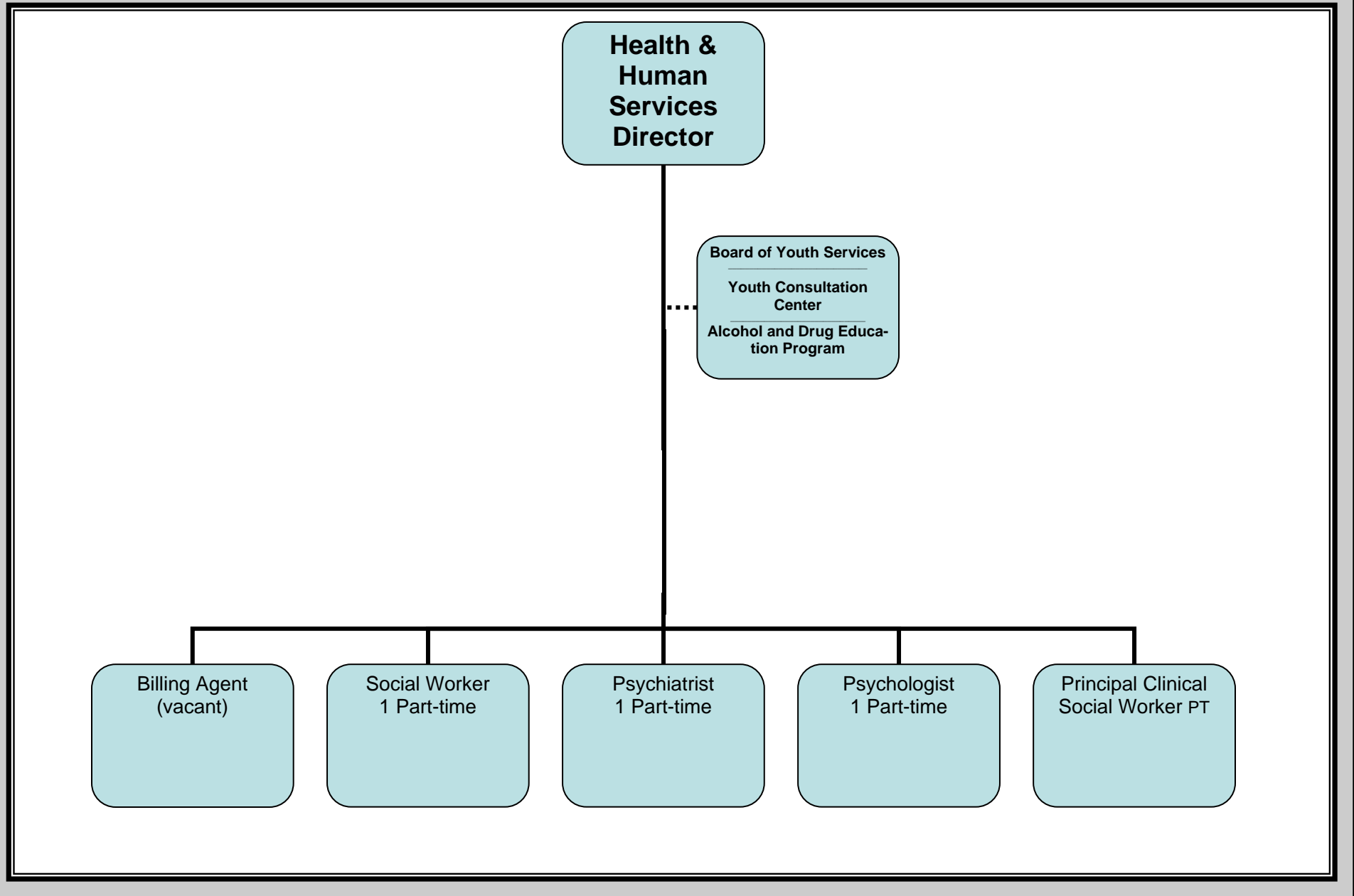
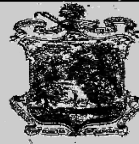


Major Accomplishments for 2009

- Annual sand therapy workshop for 40 professionals from the New England area.
- Graduated 12 interns from successful field placements.
- Recruiting, training and supervising 12 graduate interns to provide a full range of in school counseling services.
- Counseled 705 individuals at AYCC and in Arlington Public Schools.

Performance / Workload Indicators

	FY2008 Actual	FY2009 Actual	FY2010 Estimated	FY2011 Estimated
Youth Services				
Counseling hours	3,098	2,701	2,700	2,000
Clients	255	204	200	80
Counseling hours- Schools	3,659	3,000	3,000	144
Clients - Schools	668	508	500	4





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 2011 and the Capital Plan for FY 2011—2015 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 2011 and Capital Plan FY 2011—2015

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. FY2011 funding for the capital budget is as follows:

Bonding	\$6,765,728
Cash	\$934,947
Other	\$2,870,000

The existing non-exempt debt is \$4.8 million. The total capital budget for FY2011, including debt, is estimated at \$8 million. Major projects to be funded in FY2011 include: the renovation of the Highland Fire Station for \$3.7 million; first phase of the Central Fire Station renovation involving restoration and preservation of masonry work for \$1.25 million; first phase of Stratton School renovation involving roof and other infrastructure work, totaling \$869,000; streets and sidewalks work for approximately \$1 million; water and sewer work for \$2.25 million, and parks renovation work for \$535,000. The Stratton School renovation project involves three phases totaling \$2.4 million, most of which will be bonded. The debt service for this will be financed with the annual appropriation of \$150,000 already factored into the capital plan.

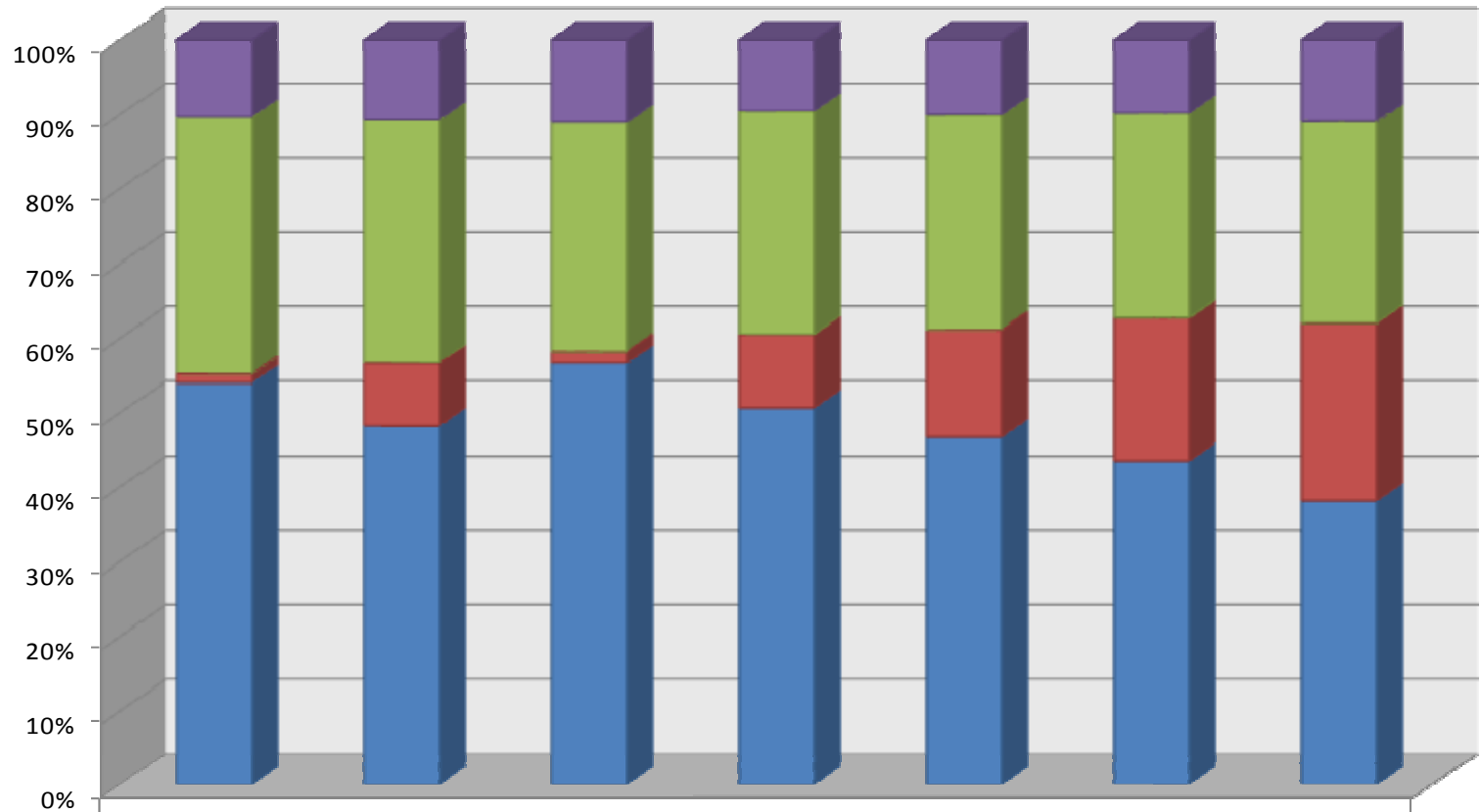
The renovation/rebuild of the Thompson School has received initial approval of the Massachusetts School Building Authority (MSBA), and is currently going through the MSBA project review and planning process. A project manager, PMA, has been engaged. An architect, HMFHG, has been selected, and has begun work on a feasibility study. It is yet to be determined whether this will be a major renovation project or a new school. The MSBA is anticipated to provide funding for approximately 40% of the project costs they approve.

Looking over the five year capital plan, the major expenditures include \$5.2 million for the renovation of the Central Fire Station, \$2 million for renovations to the Community Safety Building, \$450,000 for additional roof and repointing work at Robbins Library, an average of \$1 million per year for streets and sidewalks, an average of \$2.2 million per year for water and sewer improvements, and an average of \$450,000 per year for park improvements.

(Continued on page 4)



Capital Plan Appropriation



	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Cash	856,000	907,800	934,947	803,400	846,350	830,000	904,000
Exempt Debt	2,868,121	2,772,490	2,618,096	2,529,198	2,434,588	2,332,723	2,243,453
New Non-exempt Debt	96,662	716,176	123,424	833,640	1,215,693	1,622,240	1,978,833
Existing Non-Exempt Debt	4,488,200	4,093,488	4,812,228	4,276,955	3,941,115	3,694,491	3,154,231



Capital Budget Fiscal Year 2011

			FUNDING SOURCE			
DEPARTMENT	PROGRAM	EXPENDITURE	BOND	CASH	OTHER	Grand Total
BOARD OF ASSESSORS	PHOTOCOPIER PROGRAM	Photocopier lease		\$5,000		\$5,000
BOARD OF ASSESSORS TOTAL				\$5,000		\$5,000
BOARD OF SELECTMEN	PHOTOCOPIER PROGRAM	Photocopier lease		\$3,000		\$3,000
BOARD OF SELECTMEN TOTAL				\$3,000		\$3,000
COMMUNITY SAFETY - FIRE SERVICES	EQUIPMENT REPLACEMENT	Replace fire alarm system	\$75,000			\$75,000
	INFRASTRUCTURE IMPROVEMENT	Building Repairs	\$17,000			\$17,000
		Fire Station - Highland	\$3,700,000			\$3,700,000
		Fire Station - Central	\$1,250,000			\$1,250,000
	VEHICLE REPLACEMENT	Vehicle Replacement- Chief		\$10,000	\$25,000	\$35,000
COMMUNITY SAFETY - FIRE SERVICES TOTAL			\$5,042,000	\$10,000	\$25,000	\$5,077,000
COMMUNITY SAFETY - POLICE SERVICES	DEPARTMENTAL PROJECT	Laser Radar		\$3,500		\$3,500
		Digital Recording equipment- Interview Room		\$15,500		\$15,500
	PHOTOCOPIER PROGRAM	Photocopier		\$4,500		\$4,500
	PUBLIC BUILDING MAINTENANCE	Wall mounted AC/Heat Units	\$27,500			\$27,500
	VEHICLE REPLACEMENT	Vehicle Replacement Program		\$75,000		\$75,000
COMMUNITY SAFETY - POLICE SERVICES TOTAL			\$27,500	\$98,500		\$126,000
HEALTH & HUMAN SERVICES	INFRASTRUCTURE IMPROVEMENT	Whittemore Robbins Cottage Roof Repairs			\$5,000	\$5,000
	PHOTOCOPIER PROGRAM	Photocopier Lease - Council on Aging		\$2,200		\$2,200
		Photocopier Lease - Robbins House		\$1,700		\$1,700
		Photocopier Lease - Board of Health		\$3,500		\$3,500
HEALTH & HUMAN SERVICES TOTAL				\$7,400	\$5,000	\$12,400



Capital Budget Fiscal Year 2011 (continued)

			FUNDING SOURCE			
DEPARTMENT	PROGRAM	EXPENDITURE	BOND	CASH	OTHER	Grand Total
INFORMATION TECHNOLOGY	INFORMATION TECHNOLOGY	Educational IT Program	\$125,000			\$125,000
		Library MLN Equipment	\$20,300			\$20,300
		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 Project	\$4,200			\$4,200
		GIS Implementation	\$13,000			\$13,000
		School - Software Licensing	\$90,000			\$90,000
	PHOTOCOPIER PROGRAM	Photocopier		\$750		\$750
INFORMATION TECHNOLOGY TOTAL			\$382,500	\$750		\$383,250
INSPECTIONS	VEHICLE REPLACEMENT	Vehicle - Building/Plumbing/Wire Inspectors		\$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 PROGRAM	Photocopier		\$2,640		\$2,640
	PUBLIC BUILDING MAINTENANCE	Smoke/Fire detection replacement		\$20,530		\$20,530
		Exhaust fans		\$4,927		\$4,927
LIBRARY TOTAL				\$28,097		\$28,097
PERSONNEL	PHOTOCOPIER PROGRAM	Photocopier		\$3,200		\$3,200
PERSONNEL TOTAL				\$3,200		\$3,200
PLANNING	PHOTOCOPIER PROGRAM	Photocopier/Equipment		\$4,000		\$4,000
PLANNING TOTAL				\$4,000		\$4,000
PUBLIC WORKS ADMINISTRATION	DEPARTMENTAL PROJECT	Mall Lights		\$16,000		\$16,000
		Traffic Light Update Program		\$4,000		\$4,000
	PHOTOCOPIER PROGRAM	Photocopier		\$2,500		\$2,500
PUBLIC WORKS ADMINISTRATION TOTAL				\$22,500		\$22,500



Capital Budget Fiscal Year 2011 (continued)

			FUNDING SOURCE			
DEPARTMENT	PROGRAM	EXPENDITURE	BOND	CASH	OTHER	Grand Total
PUBLIC WORKS CEMETERY DIVISION	MAJOR REPAIRS	Stones/ Tombs -Clean,restore,repair			\$10,000	\$10,000
PUBLIC WORKS CEMETERY DIVISION TOTAL					\$10,000	\$10,000
PUBLIC WORKS HIGHWAY DIVISION	EQUIPMENT REPLACEMENT	Snow Plow - (1 per yr.)		\$10,000		\$10,000
	ROADS AND PATHS INFRASTRUCTURE	Chapter 90 Roadway			\$500,000	\$500,000
		Roadway Reconstruction			\$350,000	\$350,000
		Sidewalks and Curbstones			\$125,000	\$125,000
	VEHICLE REPLACEMENT	4WD Truck w/Sander	\$106,000			\$106,000
PUBLIC WORKS HIGHWAY DIVISION TOTAL			\$106,000	\$485,000	\$500,000	\$1,091,000
PUBLIC WORKS NATURAL RESOURCES DIVISION	EQUIPMENT REPLACEMENT	Small Equipment		\$6,000		\$6,000
	VEHICLE REPLACEMENT	Pickup		\$45,000		\$45,000
PUBLIC WORKS NATURAL RESOURCES DIVISION TOTAL				\$51,000		\$51,000



Capital Budget Fiscal Year 2011 (continued)

			FUNDING SOURCE			
DEPARTMENT	PROGRAM	EXPENDITURE	BOND	CASH	OTHER	Grand Total
PUBLIC WORKS PROPERTIES DIVISION	PUBLIC BUILDING MAINTENANCE	Buildings Rehab consultant Services		\$18,000		\$18,000
	VEHICLE REPLACEMENT	1 Ton Dump Truck	\$62,000			\$62,000
PUBLIC WORKS PROPERTIES DIVISION TOTAL			\$62,000	\$18,000		\$80,000
PUBLIC WORKS WATER/SEWER DIVISION	EQUIPMENT REPLACEMENT	Small Equipment			\$5,000	\$5,000
	INFRASTRUCTURE IMPROVEMENT	Sewer System Rehabilitation			\$850,000	\$850,000
		Water System Rehabilitation			\$1,300,000	\$1,300,000
		Hydrant replacement program			\$50,000	\$50,000
		Lift Station upgrade			\$50,000	\$50,000
PUBLIC WORKS WATER/SEWER DIVISION TOTAL					\$2,255,000	\$2,255,000
RECREATION	PARKS & PLAYGROUNDS	Feasibility Study		\$10,000		\$10,000
		Wellington Park playground and tennis court	\$525,728			\$525,728
RECREATION TOTAL			\$525,728	\$10,000		\$535,728



Capital Budget Fiscal Year 2011 (continued)

			FUNDING SOURCE				
DEPARTMENT	PROGRAM	EXPENDITURE	BOND	CASH	OTHER	Grand Total	
REDEVELOPMENT BOARD	EQUIPMENT REPLACEMENT	Central Boiler Replacement			\$40,000	\$40,000	
	INFRASTRUCTURE IMPROVEMENT	Parmenter Boiler replacement	\$48,000			\$48,000	
		23 Maple Kitchen renovation				\$30,000	\$30,000
		Crosby gym roof Replacement	\$45,000			\$45,000	
		Jefferson Cutter Shutters				\$5,000	\$5,000
		Parmenter Gutter/Roof/Downspout/Chimney repairs	\$25,000			\$25,000	
		Crosby Steam pipe/ Floor replacement	\$30,000			\$30,000	
		Gibbs Mechanical/ Electrical/ Elevator	\$15,000			\$15,000	
		Gibbs Gymnasium Floor	\$30,000			\$30,000	
REDEVELOPMENT BOARD TOTAL			\$193,000		\$75,000	\$268,000	
SCHOOLS	EQUIPMENT REPLACEMENT	Replace Fire Control Inst. Alarm Panels HS	\$25,000			\$25,000	
	MAJOR REPAIRS	Asbestos Abatement - Remove Tiles		\$5,000		\$5,000	
	PHOTOCOPIER PROGRAM	Photocopier Lease Program		\$110,000		\$110,000	
	PUBLIC BUILDING MAINTENANCE	Thompson School Improvements	\$120,000			\$120,000	
		Stratton School Improvements	\$150,000			\$150,000	
		Lowe Auditorium Rugs			\$9,000	\$9,000	
		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	\$6,000			\$6,000	
		All Schools - gym floors	\$15,000			\$15,000	
		VEHICLE REPLACEMENT	Custodial pickup w/plow		\$30,000		\$30,000
STUDENT TRANSPORTATION	Bus - 35 Passenger	\$85,000			\$85,000		
SCHOOLS TOTAL			\$427,000	\$154,000		\$581,000	
TOWN MANAGER	PHOTOCOPIER PROGRAM	Photocopier		\$3,000		\$3,000	
TOWN MANAGER TOTAL				\$3,000		\$3,000	
TREASURER	PHOTOCOPIER PROGRAM	Photocopier		\$3,500		\$3,500	
TREASURER TOTAL				\$3,500		\$3,500	
GRAND TOTAL			\$6,765,728	\$934,947	\$2,870,000	\$10,570,675	



CAPITAL PLAN FY2011—2015

			FISCAL YEAR						
DEPARTMENT	PROGRAM	EXPENDITURE	2011	2012	2013	2014	2015	Grand Total	
BOARD OF ASSESSORS	PHOTOCOPIER PROGRAM	Photocopier lease	\$5,000	\$1,500		\$5,500		\$12,000	
BOARD OF ASSESSORS TOTAL			\$5,000	\$1,500		\$5,500		\$12,000	
BOARD OF SELECTMEN	DEPARTMENTAL PROJECT	Records Retention Program							
	PHOTOCOPIER PROGRAM	Photocopier lease	\$3,000	\$5,500	\$5,500	\$5,500		\$19,500	
BOARD OF SELECTMEN TOTAL			\$3,000	\$5,500	\$5,500	\$5,500		\$19,500	
COMMUNITY SAFETY - FIRE SERVICES	DEPARTMENTAL PROJECT	Automatic Defibrillators		\$16,000				\$16,000	
		Protective Gear Replacement			\$32,000	\$40,000	\$40,000	\$112,000	
	EQUIPMENT REPLACEMENT	Thermal Imaging Cameras			\$24,000				\$24,000
		Replace fire alarm system	\$75,000	\$100,000					\$175,000
		Self Contained Breathing Apparatus				\$70,000	\$70,000		\$140,000
	INFRASTRUCTURE IMPROVEMENT	Building Repairs	\$17,000	\$17,500	\$20,000				\$54,500
		Fire Station Plan - Central Station				\$320,000			\$320,000
		Fire Station - Highland	\$3,700,000						\$3,700,000
		Fire Station - Central	\$1,250,000					\$5,200,000	\$6,450,000
	VEHICLE REPLACEMENT	Ambulance replacement				\$170,000			\$170,000
		Vehicle Replacement- Chief	\$35,000						\$35,000
		Fire prevention vehicle			\$30,000				\$30,000
		Replace C2				\$40,000			\$40,000
Replace 1 Engine							\$525,000	\$525,000	
COMMUNITY SAFETY - FIRE SERVICES TOTAL			\$5,077,000	\$157,500	\$82,000	\$640,000	\$5,835,000	\$11,791,500	



CAPITAL PLAN FY2011—2015 (CONTINUED)

			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2011	2012	2013	2014	2015	Grand Total
COMMUNITY SAFETY - POLICE SERVICES	DEPARTMENTAL PROJECT	Laser Radar	\$3,500	\$3,500	\$3,500	\$4,500	\$5,000	\$20,000
		Digital Recording equipment- Interview Room	\$15,500					\$15,500
	EQUIPMENT REPLACEMENT	Bullet Proof Vest Program		\$15,000	\$15,000	\$15,000	\$17,000	\$62,000
		Speed Trailer Replacement				\$15,000		\$15,000
	INFORMATION TECHNOLOGY	Traffic Measuring Devices/Software				\$5,000		\$5,000
	PHOTOCOPIER PROGRAM	Photocopier	\$4,500	\$4,500	\$4,500	\$6,000	\$6,500	\$26,000
	PUBLIC BUILDING MAINTENANCE	C.S. Building Renovations -5 Year plan			\$935,000		\$1,035,000	\$1,970,000
		Wall mounted AC/Heat Units	\$27,500					\$27,500
	VEHICLE REPLACEMENT	Animal Control Van		\$30,000				\$30,000
		Vehicle Replacement Program	\$75,000	\$131,000	\$131,000	\$75,000	\$131,000	\$543,000
		Vehicle Replacement Program - Hybrid - Town Manager				\$28,000		\$28,000
EQUIPMENT	Digital fingerprint imaging machine		\$25,000				\$25,000	
COMMUNITY SAFETY - POLICE SERVICES TOTAL			\$126,000	\$209,000	\$1,089,000	\$148,500	\$1,194,500	\$2,767,000
COMMUNITY SAFETY - SUPPORT SERVICES	EQUIPMENT REPLACEMENT	Tire Changing Machine				\$15,000		\$15,000
	VEHICLE REPLACEMENT	Pick-up Truck - Mechanics					\$40,000	\$40,000
COMMUNITY SAFETY - SUPPORT SERVICES TOTAL						\$15,000	\$40,000	\$55,000



CAPITAL PLAN FY 2011 –2015 (CONTINUED)

			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2011	2012	2013	2014	2015	Grand Total
COUNCIL ON AGING TRANSPORTATION ENTERPRISE FUND	VEHICLE REPLACEMENT	Van Replacement Program		\$10,000		\$10,000		\$20,000
COATransPORTATION ENTERPRISE FUND TOTAL				\$10,000		\$10,000		\$20,000
HEALTH & HUMAN SERVICES	INFRASTRUCTURE IMPROVEMENT	Whittemore Robbins Cottage Roof Repairs	\$5,000					\$5,000
		Whittemore Robbins House Window Replacement			\$8,000			\$8,000
	PHOTOCOPIER PROGRAM	Photocopier Lease - Council on Aging	\$2,200	\$2,200	\$900			\$5,300
		Photocopier Lease - Robbins House	\$1,700	\$1,700	\$900		\$1,700	\$6,000
		Photocopier Lease - Board of Health	\$3,500	\$3,500		\$3,500	\$3,500	\$14,000
VEHICLE REPLACEMENT	Replace Hybrid vehicle					\$15,000	\$15,000	
HEALTH & HUMAN SERVICES TOTAL			\$12,400	\$7,400	\$9,800	\$3,500	\$20,200	\$53,300
INFORMATION TECHNOLOGY	INFORMATION TECHNOLOGY	Educational IT Program	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$625,000
		GIS Implementation	\$13,000					\$13,000
		Library MLN Equipment	\$20,300	\$20,600	\$19,100	\$18,600	\$19,500	\$98,100
		School Dept-Admin Micro Program	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000
		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
		Replacement of Receivable Package					\$200,000	\$200,000
		Cemetery - Mapping software		\$75,000	\$75,000			\$150,000
		Library -PC Vend Printing/Photocopier Project	\$4,200	\$5,100	\$5,100	\$5,100	\$5,100	\$24,600
		Library RFID system					\$225,000	\$225,000
		DPW - Water/Sewer Plans & Records		\$45,000				\$45,000
	School - Software Licensing	\$90,000	\$50,000	\$50,000	\$50,000	\$50,000	\$290,000	
PHOTOCOPIER PROGRAM	Photocopier	\$750					\$750	
INFORMATION TECHNOLOGY TOTAL			\$383,250	\$450,700	\$404,200	\$328,700	\$754,600	\$2,321,450
INSPECTIONS	VEHICLE REPLACEMENT	Vehicle - Building/Plumbing/Wire Inspectors	\$25,000		\$25,000			\$50,000
INSPECTIONS TOTAL			\$25,000		\$25,000			\$50,000
LEGAL/WORKERS' COMPENSATION	PHOTOCOPIER PROGRAM	Photocopier	\$3,000	\$3,000		\$5,000	\$5,000	\$16,000
LEGAL/WORKERS' COMPENSATION TOTAL			\$3,000	\$3,000		\$5,000	\$5,000	\$16,000



CAPITAL PLAN FY 2011 –2015 (CONTINUED)

			FISCAL YEAR						
DEPARTMENT	PROGRAM	EXPENDITURE	2011	2012	2013	2014	2015	Grand Total	
LIBRARY	PHOTOCOPIER PROGRAM	Photocopier	\$2,640	\$900			\$2,800	\$6,340	
	PUBLIC BUILDING MAINTENANCE	Slate Replacement - Roof		\$300,000					\$300,000
		Repointing of 1892 Building				\$150,000			\$150,000
		Replacement of roof covering - membrane				\$38,200			\$38,200
		Smoke/Fire detection replacement	\$20,530						\$20,530
		Exhaust fans	\$4,927		\$5,350	\$5,600	\$5,800		\$21,677
		Storm Window replacement			\$35,330				\$35,330
		Roof Drainage				\$3,200			\$3,200
		Roof Repairs - 1990 Addition				\$6,500			\$6,500
		Repointing - 1990 Addition					\$22,500		\$22,500
		Windows- 1892 Building				\$45,200			\$45,200
		Hot Water Heater					\$6,000		\$6,000
	ROADS AND PATHS INFRASTRUCTURE	Parking Lot Paving		\$9,000					\$9,000
VEHICLE REPLACEMENT	Library Van				\$20,000			\$20,000	
LIBRARY TOTAL			\$28,097	\$345,230	\$248,450	\$54,100	\$8,600	\$684,477	
PERSONNEL	PHOTOCOPIER PROGRAM	Photocopier	\$3,200	\$2,400		\$3,200	\$3,200	\$12,000	
PERSONNEL TOTAL			\$3,200	\$2,400		\$3,200	\$3,200	\$12,000	
PLANNING	PHOTOCOPIER PROGRAM	Photocopier/Equipment	\$4,000	\$4,000	\$2,500		\$4,000	\$14,500	
PLANNING TOTAL			\$4,000	\$4,000	\$2,500		\$4,000	\$14,500	



CAPITAL PLAN FY 2011 –2015 (CONTINUED)

DEPARTMENT	PROGRAM	EXPENDITURE	FISCAL YEAR					Grand Total
			2011	2012	2013	2014	2015	
PUBLIC WORKS ADMINISTRATION	DEPARTMENTAL PROJECT	Mall Lights	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$80,000
		Traffic Light Update Program	\$4,000					\$4,000
	PHOTOCOPIER PROGRAM	Photocopier	\$2,500	\$1,500				\$4,000
PUBLIC WORKS ADMINISTRATION TOTAL			\$22,500	\$17,500	\$16,000	\$16,000	\$16,000	\$88,000
PUBLIC WORKS CEMETERY DIVISION	INFRASTRUCTURE IMPROVEMENT	Water System Rehab					\$675,000	\$675,000
	MAJOR REPAIRS	Stones/ Tombs - Clean, restore, repair	\$10,000					\$10,000
	ROADS AND PATHS INFRASTRUCTURE	Roadway Improvements			\$230,000			\$230,000
	VEHICLE REPLACEMENT	Backhoe					\$90,000	\$90,000
PUBLIC WORKS CEMETERY DIVISION TOTAL			\$10,000		\$230,000		\$765,000	\$1,005,000
PUBLIC WORKS ENGINEERING DIVISION	DEPARTMENTAL PROJECT	Roadway Management Plan		\$25,000				\$25,000
	VEHICLE REPLACEMENT	Utility vehicle, 4 X 4		\$30,000				\$30,000
PUBLIC WORKS ENGINEERING DIVISION TOTAL				\$55,000				\$55,000



CAPITAL PLAN FY 2011 –2015 (CONTINUED)

DEPARTMENT	PROGRAM	EXPENDITURE	FISCAL YEAR					Grand Total
			2011	2012	2013	2014	2015	
PUBLIC WORKS HIGHWAY DIVISION	EQUIPMENT REPLACEMENT	Sander Body		\$16,000	\$17,000	\$17,000	\$17,000	\$67,000
		Durapatch machine		\$51,000				\$51,000
		Snow Plow - (1 per yr.)	\$10,000		\$12,000		\$12,000	\$34,000
	ROADS AND PATHS INFRASTRUCTURE	Chapter 90 Roadway	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
		Roadway Reconstruction	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,750,000
		Sidewalks and Curbstones	\$125,000	\$100,000	\$100,000	\$100,000	\$100,000	\$525,000
	VEHICLE REPLACEMENT	33,000 gvw dump truck		\$85,000				\$85,000
		4WD Truck w/Sander	\$106,000			\$109,000		\$215,000
		Street Sweeper					\$170,000	\$170,000
		Truck w/welder unit, 350 amp			\$90,000			\$90,000
		Compressor Truck				\$20,000		\$20,000
		2 Pickups 4WD w/ plow				\$114,000		\$114,000
		Loader					\$160,000	\$160,000
Pickups 4WD w/ plow			\$58,000			\$58,000		
PUBLIC WORKS HIGHWAY DIVISION TOTAL			\$1,091,000	\$1,102,000	\$1,127,000	\$1,210,000	\$1,309,000	\$5,839,000
PUBLIC WORKS NATURAL RESOURCES DIVISION	EQUIPMENT REPLACEMENT	Small Equipment	\$6,000		\$6,000		\$6,000	\$18,000
	VEHICLE REPLACEMENT	1 ton Dump Truck		\$63,000	\$65,000			\$128,000
		Pickup	\$45,000			\$47,000		\$92,000
		1 Ton Utility Truck				\$68,000	\$68,000	\$136,000
PUBLIC WORKS NATURAL RESOURCES DIVISION TOTAL			\$51,000	\$63,000	\$71,000	\$115,000	\$74,000	\$374,000



CAPITAL PLAN FY 2011 –2015 (CONTINUED)

			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2011	2012	2013	2014	2015	Grand Total
PUBLIC WORKS PROPERTIES DIVISION	INFRASTRUCTURE IMPROVEMENT	High School Parking lot culvert			\$225,000	\$225,000		\$450,000
		Spy Pond Field Bleachers & Stairs		\$75,000				\$75,000
	PUBLIC BUILDING MAINTENANCE	Buildings Rehab consultant Services	\$18,000		\$18,000		\$18,000	\$54,000
		Fox Library Windows				\$5,000		\$5,000
	VEHICLE REPLACEMENT	1 ton Dump Truck	\$62,000					\$62,000
		Van					\$28,000	\$28,000
	PUBLIC WORKS PROPERTIES DIVISION TOTAL			\$80,000	\$75,000	\$243,000	\$230,000	\$46,000
PUBLIC WORKS WATER/ SEWER DIVISION	EQUIPMENT REPLACEMENT	Small Equipment	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
	INFRASTRUCTURE IMPROVEMENT	Sewer System Rehabilitation	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$4,250,000
		Water System Rehabilitation	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$6,500,000
		Hydrant replacement program	\$50,000	\$150,000	\$100,000	\$100,000	\$100,000	\$500,000
		Lift Station upgrade	\$50,000	\$50,000				\$100,000
	VEHICLE REPLACEMENT	Catch Basin Cleaner				\$295,000		\$295,000
		Utility Truck		\$75,000				\$75,000
		Pickup		\$51,000				\$51,000
PUBLIC WORKS WATER/ SEWER DIVISION TOTAL			\$2,255,000	\$2,481,000	\$2,255,000	\$2,550,000	\$2,255,000	\$11,796,000



CAPITAL PLAN FY 2011 –2015 (CONTINUED)

			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2011	2012	2013	2014	2015	Grand Total
RECREATION	PARKS & PLAYGROUNDS	Feasibility Study	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
		Hibbert		\$288,750				\$288,750
		Robbins Farm					\$483,000	\$483,000
		Spy Pond Tennis Courts				\$446,250		\$446,250
		Florence Field and Playground					\$210,000	\$210,000
		Wellington Park playground and tennis court	\$525,728					\$525,728
		Summer Street Parking Expansion						
		North Union			\$236,250			\$236,250
RECREATION TOTAL			\$535,728	\$298,750	\$246,250	\$456,250	\$703,000	\$2,239,978
REDEVELOPMENT BOARD	EQUIPMENT REPLACEMENT INFRASTRUCTURE IMPROVEMENT	Central Boiler Replacement	\$40,000					\$40,000
		Central Exterior Trim Brick Stone		\$20,000		\$20,000		\$40,000
		Central Mechanical Electrical Elevators			\$60,000			\$60,000
		Central Oil Tank De-commissioning		\$15,000				\$15,000
		Jefferson Cutter House Exterior Painting		\$11,000				\$11,000
		Jefferson Cutter/Gutter Downspout/chimney					\$5,000	\$5,000
		23 Maple Roof/Gutter Downspout/chimney			\$40,000			\$40,000
		23 Maple Exterior renovations			\$22,000			\$22,000
		Crosby Exterior Trim/Brick/Stone/Chimney Repairs			\$20,000		\$20,000	\$40,000
		Dallin Library Gutter/Roof/Downspout/Fascia repairs					\$20,000	\$20,000
		Gibbs Exterior Trim/Brick/Stone/Chimney Repairs				\$25,000		\$25,000
		Gibbs Mechanical/ Electrical/ Elevator	\$15,000	\$15,000		\$30,000		\$60,000
		Gibbs Oil Tank Removal			\$20,000			\$20,000
Parmenter Boiler replacement	\$48,000					\$48,000		



CAPITAL PLAN FY 2011 –2015 (CONTINUED)

			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2011	2012	2013	2014	2015	Grand Total
REDEVELOPMENT BOARD	INFRASTRUCTURE IMPROVEMENT	Parmenter Mechanical Electrical				\$15,000		\$15,000
		Parmenter Oil Tank Removal		\$15,000				\$15,000
		Central Exterior Site Improvements		\$10,000				\$10,000
		Jefferson Cutter Shutters	\$5,000			\$8,000		\$13,000
		Gibbs Retaining Wall/ Fence Repl/ Ext site improvements			\$30,000			\$30,000
		Gibbs Roof Replacement/ Repairs			\$35,000	\$30,000		\$65,000
		Parmenter Site Improvements				\$10,000		\$10,000
		Parmenter Interior Renovations/ Repairs				\$15,000		\$15,000
		Central Interior - Lobbies/ Baths/ Stairs/ Hall		\$15,000		\$15,000		\$30,000
		Jefferson Cutter Windows		\$11,000		\$10,000		\$21,000
		23 Maple Kitchen renovation	\$30,000					\$30,000
		Crosby Oil Tank Removal		\$15,000				\$15,000
		Crosby gym roof Replacement	\$45,000					\$45,000
		Jefferson Cutter Interior Renovations Repairs				\$5,000		\$5,000
		Gibbs Interior Renovations			\$20,000			\$20,000
		Dallin Library Exterior/Roof repairs			\$20,000			\$20,000
		Parmenter Gutter/Roof/Downspout/Chimney repairs	\$25,000					\$25,000
		Parmenter Exterior Trim/Brick/Stone Repairs				\$10,000		\$10,000
		Crosby Steam pipe/ Floor replacement	\$30,000					\$30,000
		Gibbs Gymnasium Floor	\$30,000					\$30,000
		Jefferson Cutter Mechanical / Electrical		\$10,000				\$10,000
REDEVELOPMENT BOARD TOTAL			\$268,000	\$219,000	\$210,000	\$213,000		\$910,000



CAPITAL PLAN FY2011 –2015 (CONTINUED)

			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2011	2012	2013	2014	2015	Grand Total
SCHOOLS	EQUIPMENT REPLACEMENT	Replace Fire Control Inst. Alarm Panels HS	\$25,000	\$20,000				\$45,000
	MAJOR REPAIRS	Asbestos Abatement - Remove Tiles	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
		AHS Lowe Auditorium Bldg B Steps					\$40,000	\$40,000
		High School - HVAC steam trap replacement		\$30,000			\$10,000	\$40,000
	PHOTOCOPIER PROGRAM	Photocopier Lease Program	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$550,000
	PUBLIC BUILDING MAINTENANCE	Thompson School Improvements	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$600,000
		Stratton School Improvements	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
		High School - exterior painting	\$20,000	\$20,000				\$40,000
		Brackett School - exterior paving					\$40,000	\$40,000
		Special Ed Space Improv. HS & Other			\$150,000			\$150,000
		High School -Replace ventilating rooftop units	\$6,000	\$6,000	\$6,000	\$6,000		\$24,000
		High School -Replace heating and ventilation units	\$6,000	\$6,000	\$6,000	\$6,000		\$24,000
		Brackett - exterior paving					\$40,000	\$40,000
		All Schools - gym floors	\$15,000	\$13,500	\$15,000	\$13,500	\$15,000	\$72,000
		Lowe Auditorium Rugs	\$9,000					\$9,000
	STUDENT TRANSPORTATION	Bus - 35 Passenger	\$85,000					\$85,000
		Bus - 8 Passenger		\$39,000	\$25,000			\$64,000
		Bus - 53 Passenger			\$85,000			\$85,000
		Bus - 8 Passenger					\$40,000	\$40,000
		Athletics Van - 8 passenger				\$35,000		\$35,000
	VEHICLE REPLACEMENT	Custodial pickup w/plow	\$30,000					\$30,000
SCHOOLS TOTAL			\$581,000	\$519,500	\$672,000	\$445,500	\$570,000	\$2,788,000



CAPITAL PLAN FY2011 –2015 (CONTINUED)

			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2011	2012	2013	2014	2015	Grand Total
TOWN MANAGER	PHOTOCOPIER PROGRAM	Photocopier	\$3,000		\$5,000	\$5,000	\$5,000	\$18,000
TOWN MANAGER TOTAL			\$3,000		\$5,000	\$5,000	\$5,000	\$18,000
TREASURER	PHOTOCOPIER PROGRAM	Photocopier	\$3,500	\$7,200	\$7,200	\$7,200	\$3,500	\$28,600
TREASURER TOTAL			\$3,500	\$7,200	\$7,200	\$7,200	\$3,500	\$28,600
VETERANS' MEMORIAL RINK ENTERPRISE FUND	INFRASTRUCTURE IMPROVEMENT	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	\$545,000
GRAND TOTAL			\$10,570,675	\$6,034,180	\$7,228,900	\$6,466,950	\$13,876,600	\$44,177,305
		SUM OF AMOUNT	FISCAL YEAR					
		FUNDING SOURCE	2011	2012	2013	2014	2015	GRAND TOTAL
		BOND	\$6,765,728	\$1,965,780	\$3,262,550	\$2,343,950	\$9,452,600	\$23,790,608
		CASH	\$934,947	\$803,400	\$846,350	\$830,000	\$904,000	\$4,318,697
		OTHER	\$2,870,000	\$3,265,000	\$3,120,000	\$3,293,000	\$3,520,000	\$16,068,000
		GRAND TOTAL	\$10,570,675	\$6,034,180	\$7,228,900	\$6,466,950	\$13,876,600	\$44,177,305



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 decrease \$1,302,878 (24%) for FY2011. The total projected State Assessments for FY2011 is \$2,664,777, an increase of \$24,265 from FY2010. The MBTA accounts for \$2,509,188 of this total. The remaining Non-Appropriated expenses include Cherry Sheet Offsets, Court Judgments and Deficits, and Tax Abatement Overlay. These items total \$1,358,547, which is a decrease of \$1,327,143 from FY2010. The Tax Abatement Overlay, which was increased to just under \$1.2 million in FY 2010 because it was a revaluation year, is decreased to \$600,000 in FY 2011.

Non-Appropriated Expenses	FY2009 Actual	FY2010 Budget	FY2011 Budget	Budget Change
State Assessments				
MBTA	2,484,323	2,527,845	2,509,188	(18,657)
RMV Non-Renewal Surcharge	54,500	43,800	62,900	19,100
Retired Employees Health Insurance	3,932	1,588	-	(1,588)
Air Pollution Districts	12,544	12,586	12,852	266
Metropolitan Area Planning Council (MAPC)	12,039	12,210	12,378	168
Special Education	2,036	1,908	-	(1,908)
Charter School tuition	95,368	40,575	67,459	26,884
State Assessments Sub-total	2,664,742	2,640,512	2,664,777	24,265
Cherry Sheet Offsets	79,977	61,490	58,547	(2,943)
Tax Abatement Overlay	566,909	1,153,427	600,000	(553,427)
Court Judgments & Deficits	973,996	1,470,773	700,000	(770,773)
Total	4,285,624	5,326,202	4,023,324	(1,302,878)

**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 FY2011, Arlington's assessment is anticipated to increase slightly to a total of \$2,509,188.

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 FY2011 surcharge assessment is estimated at \$62,900, an increase of \$19,100.

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 FY2011.

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 FY2011 are estimated at \$12,852, an increase of \$266.

METROPOLITAN AREA PLANNING COUNCIL

(Continued on page 3)



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 FY2011 is estimated at \$12,378, an increase of \$168 over FY2010.

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 FY2011.

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 FY2011 is estimated on the preliminary Cherry Sheet at \$67,459, an increase of \$26,884 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 \$16,604.

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 \$41,943.

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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. FY2010 was a revaluation year so the overlay account was set at \$1,153,427. In other years, the overlay is set closer to \$600,000. For FY2011, 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, totally approximately \$200,000. Prior to FY2007, the reserve balance from all prior fiscal years is \$100,095. Adding all these balances amounts to just over \$300,000. This will require utilizing \$200,000 from the current year overlay account to get to the \$500,000 proposed to be declared surplus. From these reserve balances, \$500,000 is proposed to be declared surplus and be used in FY2011.

	Tax Abatement Overlay Funds		
	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>
Overlay Amount	\$1,194,924	\$651,772	\$566,909
Abatements & Exemptions To-Date	(\$382,311)	(\$498,801)	(\$487,859)
Declared Surplus To General Fund	<u>(\$775,000)</u>	<u>(\$65,401)</u>	<u>\$0</u>
Available Balance	\$37,613	\$87,570	\$79,050

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 FY2010, the total of these items was \$1,470,773. For FY2011, an allowance of \$700,000 has been made for any such judgments or deficits.